

2019 HOUSE APPROPRIATIONS

HB 1009

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Education and Environment Division Roughrider Room, State Capitol

HB 1009
1/14/2019
30763

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

Attachments 1-5

Chairman Representative David Monson: Introduces former Vice Chairman Representative Streyle to the audience and explains his former service on the Appropriations committee.

(2:05) Chairman Representative David Monson: Calls the hearing for Education and Environment Appropriations to order for the State Fair Association and HB 1009. Announces that a quorum is present.

(3:00) Renae Korslien: Manager of the North Dakota State Fair. Introduces self to committee and gives a broad overview of the support given by the committee to the State Fair Association.

Ms. Korslien: The State Fair Association gets 100% paid out and there is an annual audit completed to document this.

(4:30) Ms. Korslien: Begins to present from attachment 1.

Ms. Korslien: Explains from **attachment 1** that there are 52 counties who present an exhibit at the State Fair and Sioux County is the only North Dakota State County that does not. Continues to outline the testimony from attachment 1.

(7:50) Ms. Korslien: Plays a quick video that outlines the 2018 State Fair exhibits, events, attendance and the history of State Fairs and their affiliates.

(11:30) Ms. Korslien: Tom Barry was unable to attend, so I will pass out his written testimony (**attachment 2**).

(14:20) Representative Mike Nathe: Could you point out a few of the audit findings?

Ms. Korslien: Our deadline is 9/30 and the State's deadline is 6/30, so they do not have ours done by then.

Representative Mike Nathe: And the other notation from the auditor?

(15:10) Roscoe Streyle: The land that the country club sits on in Minot is owned by the State Fair Foundation and all of the repairs was paid for by the Country Club. There was money donated to the foundation and the country club leases that land from the foundation.

Mr. Streyle: They found the donors to donate to the foundation, which didn't get converted into a lease. The paperwork is all done for what the lease terms will be. There has been a finance committee who has been working on this for the Country Club since August and an annual lease for the grounds will be wrapped up.

(17:10) Mr. Streyle: They'll make money because it is their land. The paperwork should be done already, but there was turnover on the board.

(17:45) Vice Chairman Representative Jim Schmidt: What is the difference between the State Fair Foundation versus the State Fair Association and how the audit of the foundation relates to the association.

Mr. Streyle: I could not tell you the relation. As far as the fair operations are concerned the foundation in this agreement and what they did with the country club land it is an investment. It is not a problem asset, just a problem of finishing the lease.

Vice Chairman Representative Jim Schmidt: Does it impact the budget?

Mr. Streyle: Not at all.

Ms. Korslien: The two budgets do not cross at all. Here is our accountant.

(20:15) Tracy Pelzer: Accountant at the North Dakota State Fair. The ND State Fair Foundation a component unit of the North Dakota State fair and must be listed in the audit.

Vice Chairman Representative Jim Schmidt: If there are any financial misgivings to the foundation it doesn't impact the Fair association request for general fund dollars from the legislature, correct?

Ms. Pelzer: Correct.

(21:20) Representative Tracy Boe: Is this the same audit we had the last biennium?

Ms. Korslien: Yes, it is.

(22:05) Connor Rugland: Thanks the committee for the support for the 4-H and FFA sections. Introduces self to committee and proposes support for the funding of the State Fair Association and HB 1009.

(24:40) Layne Korgel: Member of 4-H. Outlines that 4-H plays an important role in his life by teaching him how to handle animals and expresses support for HB 1009.

(25:55) Josie Dallman: Introduces self to the committee and explains that 4-H has taught her to be a leader and helped her learn how to work and show cattle. I now have 13 cows and the people at the State Fair give me tips and the premium money from the fairs help pay for the expenses of raising cattle. Gives support for HB 1009.

(28:10) Cora Schawnaman: Introduces self to committee and is a part of 4-H and FFA. Gives an overview of how the State Fair helps the kids in her group learn about training and caring for animals and helps them development a sense of responsibility. Expresses support for HB 1009 and the funding for the State Fair Association.

(31:05) Macey Monson: I am here today to offer support for HB 1009 as recommended by the Governor. I compete at the State Fair and get to meet new friends and people. I will get to use the premium money to purchase more supplies and hopefully help pay for college. This is a chance to teach people about agriculture and things they never get to see firsthand.

(34:15) Calli Schawnaman: I belong to the 4-H club and I will be able to bring my animals to the State Fair next year. Expresses support in favor of HB 1009.

Chairman Representative David Monson: How old are you?

Ms. Schawnaman: I am 8 and get to graduate the clover buds in 4-H next year.

(36:00) Briana Maddock: State FFA Officer. I am speaking on behalf of everyone who wears the blue FFA jacket. To the 5,800 FFA members, the State Fair is like the State Championship in a sporting event. The students involved get to present their work. I state fair gives students a chance to educate individuals about the skills they develop through agricultural education. As well as show off the many hours of work they have put into every detail of their exhibits.

Ms. Maddock: More than 23,000 exhibits for the FFA members were present at the State Fair this year. Each exhibit has its own story to tell about learning and hard work. It is likely that without this money the public would not be able to be taught about these topics. Expresses support for HB 1009.

(40:00) Chairman Representative David Monson: Are you in 4-H?

Ms. Maddock: I was in 4-H and an officer. Yes, the FFA members won the Grand Champion.

(42:40) Representative Mike Schatz: I was in FFA and loved FFA, what kind of money do you get for winning the Grand Champion?

Ms. Maddock: They get a bright purple ribbon and I am not sure on the actual monetary value.

(43:35) Aaron Anderson, State FFA Advisor: It varies based on points. So a smaller project like a house plant would get about \$20. Livestock is more, closer to \$100 for certain point values.

Representative Mike Schatz: Are the livestock sold or just shown?

Mr. Anderson: They are just shown.

Chairman Representative David Monson: Ms. Maddock, how old are you?

Ms. Maddock: I am a Freshman at North Dakota state University (NDSU).

(46:40) Caleb Boehm: I represent the members from the East side of North Dakota and also represent all 5,800 members across the state. I realized that every FFA project had a story made by each person with a story and how important these experiences can be for many people.

Mr. Boehm: Expresses support for HB 1009. Invites all committee members to the FFA exhibits.

Representative Mike Schatz: Does the FFA have any contests at the State Fair?

Mr. Boehm: Most are not there, but the tractor driving contest is there.

(50:00) Patricia Schonert: Introduces self to committee, hands out **attachment 3** and begins to present written testimony in favor of HB 1009.

(54:05) Vice Chairman Representative Jim Schmidt: Does the 4-H and FFA programs do anything to reach the kids who are completely dissociated from the agricultural lifestyle?

Ms. Schonert: Yes, there is a group that goes around the schools to help educate students in urban areas about the importance of farm economy and work. To teach them where milk comes from, where bread comes from. As far as the other states I am not able to comment, however we need the narration to know how important agriculture is to our nation.

Vice Chairman Representative Jim Schmidt: We have a bill that is coming up in agriculture that deals with the petri-produced beef. There's a YouTube video where the professor is saying "when we start getting into this part of it where we can grow this in a dish, we no longer need to butcher pigs, chickens, cattle". There are already chicken nuggets out there that are made of this tissue, made in a laboratory. I think we need to somehow address this and the bill demonstrates how these products must be labeled.

Ms. Schonert: These young kids will reach all across the nation and be able to help teach and share the knowledge of agriculture to those who do not know.

(58:30) Chairman Representative David Monson: Is 4-H shrinking in North Dakota like the rest of the country? We maybe should have had you guys here when we had the NDSU Extension, of course they are responsible for 4-H.

Ms. Schonert: Yes, the numbers are dropping. There was an issue over \$20 entry fees with the state and how this could affect some of the members and not being able to afford it. An attendant did a presentation and had over 200 people signup, but a lot of them could not get the \$20, so they could not join. They have to purchase a book for every project they want to do, we used to be able to go to the extension office and get those books and make copies. We are having a hard time getting leaders, parents that have time to be leaders. 4-H is dwindling.

(1:02:00) Ms. Schonert: I found out that the North Dakota Extension Service is now just the North Dakota Extension because they wanted to eliminate people calling for small advice, like cooking a turkey. Why and who, decided that they are no longer a service to all the people in our communities?

Chairman Representative David Monson: You are probably looking at the group who allowed it. It was not us who brought it up, but they brought in the idea.

(1:04:35) John McMartin: President of the Minot Area Chamber of Commerce. Introduces self to the committee and gives a brief past of how the Chamber of Commerce has helped put on exhibits for the State Fair. I have been able to watch generations of kids grown up and see the importance that this fair has on their speaking skills and abilities to care for living things.

Mr. McMartin: Expresses full support for HB 1009.

(1:07:20) Butch Haugland, Director of the State Fair: Introduces self to the committee and addresses concern about the state flood plan and how it comes onto fair land. Thanks committee and expresses support for HB 1009.

(1:10:50) Representative Trottier: I was not originally going to get up here, but the difference between the appropriation number and the Governor's budget was about 55 thousand dollars and then you hear from these young people and the number of exhibitors, if you divide that out its 1-2 per member and I think that kind of explains itself.

(1:12:20) Aaron Anderson: I am up here today to show my support for HB 1009.

Mr. Anderson: We are approaching a record high and our numbers are increasing even in urban areas. We will need the increase of around \$50K that the Governor has recommended. Things are very good and very positive from our standpoint. We are in the grouping of Career and Technical Education (CTE). We may finally start meeting demands for the Agriculture teacher shortage this year.

(1:15:25) Doug Schonert: I just want to thank these young members who showed up today to express their support for 4-H, FFA and HB 1009. Shares a story about his children and how the State Fair judging gave them reasoning skills and confidence.

Chairman Representative David Monson: Any opposed to HB 1009? None were opposed.

(1:18:00) Chairman Representative David Monson: The number of students in these organizations is shrinking across the state, but the amount of exhibits is increasing.

Ms. Korslien: The number of exhibits is very close from the year before, but the FFA is coming up with new and innovative ways to make this event exciting.

Chairman Representative David Monson: This is not the end of this budget, just the preliminary overview and we will be discussing it more in the future.

(1:20:00) Chairman Representative David Monson: Closes this part of the hearing on HB 1009.

Attachments 4-5 where passed out and not discussed.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
1/24/2019
31372

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

Attachment 1

Chairman Representative David Monson: Gavels in and opens the meeting on HB 1009 for the finding of the State Fair Association.

Chairman Representative David Monson: Our only problem was really how the Foundation and Association are actually intertwined. Mr. Streyle put together **attachment 1** for us.

(1:25) Representative Mike Nathe: Should we get Streyle on speaker phone?

Chairman Representative David Monson: Yes.

(4:00) Chairman Representative David Monson: We have former Representative Streyle and he will help us go over **attachment 1** with us.

(4:30) Roscoe Streyle: Begins to explain **attachment 1**.

(8:00) Chairman Representative David Monson: Who owns the building if the lease is not renewed.

Mr. Streyle: They would control it because if you do not own the dirt you will have a problem.

Chairman Representative David Monson: Who pays the maintenance on the parking lot and building?

Mr. Streyle: That would be the Country Club.

Chairman Representative David Monson: The state will not be obligated to do maintenance on anything else and it is written in the lease that way?

(9:20) Mr. Streyle: That is correct. It should have been wrapped up in the lease by now. The plan is to have this done in the next few months.

Representative Mike Nathe: The \$1.1M donated from the State Fair to the Country Club, that is a legal move and there is no paperwork done for that?

Mr. Streyle: The first chunk of money has everything completed. The second was for improvements to the ground so they could build on it.

Representative Mike Nathe: For the \$600,000 first chunk that is done. Why was there no lease paper for the second chunk?

(11:20) Mr. Streyle: There was probably poor communication and no urgency. This would be the Country Club's fault and not the State Fair's. There might be some back and forth, but it should be wrapped up soon.

Representative Mike Nathe: There was no lease because they just did not do it?

Mr. Streyle: Yes, they basically just dropped the ball.

(12:40) Representative Tracy Boe: I do not agree with the statement that the State Fair has no blame here.

Mr. Streyle: It is the Foundation and not the State Fair, so it is a separate entity.

Representative Tracy Boe: They are a component according to the auditor.

Mr. Streyle: They are considered like entities in the audit, but have different acting members.

(14:00) Chairman Representative David Monson: Are they thinking that the money they donate to the Foundation is going to the betterment of the State Fair and not a golf course?

Ms. Streyle: It was simply an investment towards the land. It could be looked at as a community project. The donors may not have if it was not for this program. They will get a return and this is money they would not have gotten.

Mr. Streyle: They have new donors and are now owning land that can generate revenue.

(15:30) Chairman Representative David Monson: Will they put money into the State Fair Grounds and what is the purpose of the Foundation.

Mr. Streyle: I guess I do not know what they will do with this. I am sure they do funnel profits back into the Fair.

Representative Tracy Boe: How far down the road do they expect to see revenue off of this investment?

Mr. Streyle: The lease is 49 years, but I am sure there is a renewal clause.

(17:00) Representative Tracy Boe: When will they see their first dollar of revenue from this?

Mr. Streyle: They have already seen revenue.

Representative Tracy Boe: This is the Foundation seeing the revenue and what will this do for the State Fair.

Mr. Streyle: I have no idea how the Foundation spends their money, but I could find that for you.

Chairman Representative David Monson: If they did, that would be special funds.

(18:20) Mr. Streyle: The interest is around \$65,000 a year and that is free money.

Representative Mark Sanford: So essentially what the country club donors were looking for is a vehicle and it had benefits to the State Fair Foundation for serving as its vehicle.

(19:30) Mr. Streyle: We could have picked out any Foundation, but this was the one that got it done and was an attractive investment for them. The club would not have been built without this.

Representative Mike Schatz: I have seen the golf course and it is really land that is unused before. I would not call it waste land, but did it generate any money before?

(21:05) Mr. Streyle: No, it was used for pastures is really all. A developer from Fargo bought the land, plotted the lots and sold it. They used tax credits for that I am sure. The club bought that back and bought out the 99 year lease to own the land itself.

Mr. Streyle: The 12 acres that the club sits on has nothing to do with the course.

Chairman Representative David Monson: Any other questions?

Representative Mark Sanford: That memo on IBARS (Internet Budget Analysis and Reporting System), could you clarify my question and email us back?

(23:15) Chairman Representative David Monson: I think we were not going to change anything, correct?

Danielle Foster: I do not have anything.

Chairman Representative David Monson: I think we were going to pass it. Representative Mark Sanford's motion is Do pass and is seconded by Representative Mike Schatz.

(24:30) Roll Call Vote was taken and a Do Pass was recommended. Voted as 6 Yes, 0 No and 1 absent. Motion carried.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
1/24/2019
31378

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

No Attachments

Chairman Representative David Monson: We need to make an amendment on HB 1009.

Representative Tracy Boe: Makes a move to reconsider actions on HB 1009 and seconded by Representative Mike Nathe.

Chairman Representative David Monson: We have to remove the middle column from the Governor's recommendation.

(1:00) Mr. Kinnischtzke: Correct. Currently in every budget bill, the middle column reflects the Governor's recommendation and must be removed from every budget bill to return it to the historically normal way.

Representative Mike Nathe: We will have to make that motion on every bill

(2:10) Chairman Representative David Monson: Voice vote is taken. Motion to reconsider carries.

(2:30) Representative Tracy Boe: I move to amend HB 1009 by removing the Governor's recommendation.

(2:40) Chairman Representative David Monson: Motion made by Representative Tracy Boe and seconded by Representative Mark Sanford. It will return to the base level.

(3:30) Clerk takes roll call vote. Motion to amend carries with 5 yes, 0 no and 2 absent.

(4:00) Chairman Representative David Monson: Representative Mark Sanford recommends a motion of Do Pass as amended. Seconded by Representative Mike Nathe.

(4:20) Clerk takes roll call vote. Motion of Do Pass as amended carries with 5 yes, 0 no and 2 absent.

Chairman Representative David Monson: Motion carries and Chairman Representative David Monson closes the hearing on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB1009
1/31/2019
31890

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk Risa Bergquist

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

Chairman Delzer: Calls the meeting to order for HB 1009 State Fair budget.

1:20 Representative Schmidt: We didn't not follow the governor's recommendation so we had to amend that out of the bill so we are offering a do pass as amended and that would take us back to the base level.

Chairman Delzer: What was the discussion on the audit findings? And there's a bill in the senate proposing 2 million dollars for the relocation of Pioneer Village.

Representative Schmidt: Rosco Streyle came and gave some testimony on how the golf course and the state fair. I would refer questions to Representative Boe, he has a lot more information on that.

Chairman Delzer: Is this something that will be ongoing or was it something that is resolved?

Representative Boe: This same thing was pointed out to us last session so it has been on going but it is getting resolved. The problem the auditors had was the lack of a rental agreement which makes it an unsecured loan.

Chairman Delzer: They just rent the club house for meetings?

Representative Boe: The foundation owns the property that the building sits on and the property around it. They lease that property and the area around it and that is to pay off 1.1-million-dollar revenue bond.

Chairman Delzer: What country club? Is that the new country club?

Representative Schmidt: Yes, it's the new private country club.

Chairman Delzer: Further questions?

Representative J. Nelson: Will the lease agreement be in hand before we adjourn from this session?

Representative Boe: I actually don't know when that lease agreement will be done.

Chairman Delzer: Why don't they have it already. I didn't know the foundation had that, how did they end up with that land?

Representative Boe: There's 12 acres.

Representative Monson: Representative Streyle is on the board for the golf course but he is not on the board for the fair foundation but he assured us that the lease would be taken care of.

Representative Nathe: Representative Streyle said it'll be done in 2-4 months max.

Chairman Delzer: Any further discussion? Committee what are your intentions?

Representative Schmidt: I make a motion to adopt the amendment HB 1009 19.0197.01001

Representative Boe: Second

Chairman Delzer: Any further discussion on the motion? Seeing none, we'll take a voice vote, motion carries.

Representative Schmidt: I'll make a motion for Do pass as Amended.

Representative Schatz: Second

Chairman Delzer: Any discussion on the motion? Seeing none we'll take a roll call vote.

A Roll Call vote was taken. Yea: 17 Nay: 2 Absent: 2

Motion Carries

Representative Schmidt is carry the bill

Chairman Delzer: Will close this hearing.

19.0197.01001
Title.02000

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division

January 24, 2019

DP 1/31/19

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1009

Page 1, replace lines 9 through 12 with:

"

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Premiums	<u>\$515,665</u>	<u>\$0</u>	<u>\$515,665</u>
Total general fund	<u>\$515,665</u>	<u>\$0</u>	<u>\$515,665"</u>

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT

This amendment replaces the governor's recommendation column with an adjustments or enhancements column.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1009**

House Appropriations - Education and Environment Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Mark Sanford Seconded By Representative Mike Schatz

Representatives	Yes	No	Representatives	Yes	No
Chair David Monson	X		Representative Tracy Boe	X	
Vice Chair Jim Schmidt					
Representative Bob Martinson	X				
Representative Mike Nathe	X				
Representative Mark Sanford	X				
Representative Mike Schatz	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Representative Tracy Boe will carry

If the vote is on an amendment, briefly indicate intent:

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1009**

House Appropriations - Education and Environment Division Committee

☐ Subcommittee

Amendment LC# or Description: Voice vote to reconsider - passed

Recommendation: ☐ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☒ Reconsider ☐ _____

Motion Made By Representative Tracy Boe Seconded By Representative Mike Nathe

Representatives	Yes	No	Representatives	Yes	No
Chair David Monson			Representative Tracy Boe		
Vice Chair Jim Schmidt					
Representative Bob Martinson					
Representative Mike Nathe					
Representative Mark Sanford					
Representative Mike Schatz					

Total (Yes) Voice vote - passed No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent: Voice vote to reconsider and remove a section from the recommended executive budget.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1009**

House Appropriations - Education and Environment Division Committee

☐ Subcommittee

Amendment LC# or Description: Amend to remove the Governor's recommendation
19.0197.01001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Tracy Boe Seconded By Representative Mark
Sanford

Representatives	Yes	No	Representatives	Yes	No
Chair David Monson	X		Representative Tracy Boe	X	
Vice Chair Jim Schmidt					
Representative Bob Martinson	X				
Representative Mike Nathe	X				
Representative Mark Sanford	X				
Representative Mike Schatz					

Total (Yes) 5 No 0

Absent 2

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1009**

House Appropriations - Education and Environment Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Mark Sanford Seconded By Representative Mike Nathe

Representatives	Yes	No	Representatives	Yes	No
Chair David Monson	X		Representative Tracy Boe	X	
Vice Chair Jim Schmidt					
Representative Bob Martinson	X				
Representative Mike Nathe	X				
Representative Mark Sanford	X				
Representative Mike Schatz					

Total (Yes) 5 No 0

Absent 2

Floor Assignment Representative Tracy Boe

If the vote is on an amendment, briefly indicate intent:

Date: 1/31/2019
Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1009**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 19.0197.01001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Schmidt Seconded By Representative Boe

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich					
Representative Anderson			Representative Schobinger		
Representative Beadle			Representative Vigesaa		
Representative Bellew					
Representative Brandenburg					
Representative Howe			Representative Boe		
Representative Kreidt			Representative Holman		
Representative Martinson			Representative Mock		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

Motion Carries

Date: 1/31/2019
Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1009**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Schmidt Seconded By Representative Schatz

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich	A				
Representative Anderson	X		Representative Schobinger	X	
Representative Beadle	X		Representative Vigesaa	X	
Representative Bellew	A				
Representative Brandenburg		X			
Representative Howe	X		Representative Boe	X	
Representative Kreidt	X		Representative Holman	X	
Representative Martinson	X		Representative Mock	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 17 No 2

Absent 2

Floor Assignment Representative Schmidt

Motion Carries

REPORT OF STANDING COMMITTEE

HB 1009: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING). HB 1009 was placed on the Sixth order on the calendar.

Page 1, replace lines 9 through 12 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Premiums	\$515,665	\$0	\$515,665
Total general fund	\$515,665	\$0	\$515,665"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT

This amendment replaces the governor's recommendation column with an adjustments or enhancements column.

2019 SENATE APPROPRIATIONS

HB 1009

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1009
2/27/2019
JOB # 32923

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expense of the state fair association.

Minutes:

1. Testimony of Renae Korslien
2. NDSF What are premium dollars?
3. Annual Report NDSF
4. Testimony of Tom Barry
5. Testimony of Brianna Maddock
6. Testimony of Connor Rudland
7. Testimony of Caleb Boehm
8. Testimony of Kaden Korgel

Chairman Holmberg: called the Committee to order on HB 1009. All committee members were present except Senator Bekkedahl. Larry Martin, OMB and Danielle Foster, Leg Council were also present.

Renae Korslein, Manager of North Dakota State Fair (NDSF): testified in favor of HB 1009 and presented Attachment # 1, her testimony, thanking the committee for past support, asking the committee to reinstate funding back to the governor's budget for premium dollars for our youth as they bring their exhibits to the fair and promoting the fair in general. Attachment #2. NDSF What are premium dollars? and Attachment # 3. Annual Report – NDSF, a booklet containing the financial reports and pertinent information regarding the state fair.

Premium dollars are awarded directly to the individuals who's products earn a prize at the NDSF. These dollars go to 4-H, FFA and Open Class participants. The governor put the funding in for the premium dollars, the House took them it out. I am here to say we appreciate all you can do for us. (A video showing the activities and exhibits at the NDSF was viewed by the committee).

(9:03) V. Chairman Krebsbach: Are there any questions from the committee? On your Annual Report, page 19, shows the entries by county.

Renae Korslein: Yes. And isn't that exciting. Richland County, 6,972, They bring their projects up by semi's. It is incredible. And they have a lot of horticulture that they bring in and so many projects. It is exciting.

V. Chairman Krebsbach: It gives you a cross section of the support across the state for the state fair. I find that so interesting. Even Dickey County comes in about 3rd in entries. On what page is the grandstand dollar amount in the report?

(10.30) Renae Korslein: Page 26 will break it out. That is the expenses. The income is on page 22 of the Annual Report. This year was \$2,328,954.00. If anyone would like to help me book a rock concert for this year, I'm having a problem.

Senator Robinson: Made comment about having the Lawrence Welk show instead. Laughter followed.

Representative Wayne Trottier, District 19: Testified in favor of HB 1009. They requested \$50,000 for premiums over what you see now. The House brought it down \$50,000. That figures out to about \$1.00 per exhibit that's been on the increase. In other words, there was somewhere around 50,000 of new exhibits so they were that number asking for a dollar for each exhibit or exhibiter. My suggestion would be put \$100,000 in there, so when it gets to the House and you have to go into conference committee, you can make them feel good and bring it down to \$50,000 and we'd all feel good.

(12.34) V. Chairman Krebsbach: I think that's an excellent suggestion from a House member.

Representative Trottier: I came to the right committee today. Thank-you, folks.

L. John MacMartin, President, Chamber of Commerce, Minot, ND: testified in favor of HB 1009, stating the fair is about agriculture. Anything you can do to help these kids would be appreciated.

(15.13) Butch Haugland, A Director for NDSF Board: testified in favor of HB 1009. When they bring up flood protection for Minot, please make sure the state fair is included in that plan. I encourage you to watch, let's get our state fair included in that funding.

Shane Goettle, Assistant City Attorney: testified in favor of HB 1009. The city considers it an honor to host the NDSF and presented Attachment # 4, a letter of support for the NDSF and expresses the appreciation for the youth who participate in the state fair from Tom Barry, City Manager, Minot, ND.

(19.40) Breanna Maddock, FFA, Kindred area: testified on behalf of the FFA members across the state in favor of HB 1009 and presented Attachment # 5 which is her testimony of how important the agriculture exhibits are to her and asking the committee to continue the showcase of agricultural education by providing support for the premium dollars and HB 1009.

Senator Robinson: Did the Bismarck chapter win the grand price? That was confirmed.

Connor Rudland, FFA & 4-H: testified in favor of HB 1009 and submitted Attachment # 6, sharing his story of his exhibit, (goats) and thanked this committee for the support of the state fair. He is asking for support of premium dollars at the state fair.

V. Chairman Krebsbach: Was it at the first fair one you offered a goat or sheep?

Connor: I showed goats.

Senator Grabinger: What did that pay in premium dollars. He was told \$20.00.

Senator Robinson: Will you show it again? Connor confirmed that.

(24.36) Caleb Boehm, Colfax, ND, FFA: Representing all FFA members across the state and testified in favor of HB 1009 and submitted Attachment # 7, which shares his experience at the state fair through the years, and asking the committee to continue support for the students and the premium dollars. He shared that they had built a fish house and it was a grand champion winner. He is very proud to be a FFA member.

V. Chairman Krebsbach: Is the enrollment in FFA holding its own? He was told it is increasing.

Senator Dever: Do you exhibit at other fairs around the state?

Caleb: I did at Fargo. I did earn premium dollars there also.

Kaden Korgel, South Prairie FFA and 4-H, Ward Co: submitted Attachment # 8, sharing his participation at the state fair and stated on behalf of members of 4-H & FFA that they would appreciate the continuation of support for premium dollars. I thank you for the support at the state fair for our projects.

V. Chairman Krebsbach: Is there further testimony in support of 1009? Any further questions from the committee?

V. Chairman Wanzek: just listening to youth talking about exhibits, my son and daughter gave names to their animals.

V. Chairman Krebsbach: I am sure many of them have names for their pet animals.

Senator Robinson: complemented the young people for their presentations.

V. Chairman Krebsbach: I am thankful for these young people, it is very impressive the amount of work these young folks put into their exhibits. We will close the hearing on HB 1009.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1009
4/3/2019
JOB # 34474

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association. (Do Pass as Amended)

Minutes:

1. Proposed Amendment # 19.0197.02001

Chairman Holmberg: Opened the hearing on HB 1009. All committee members were present. Adam Mathiak, Legislative Council and Larry Martin, OMB were also present.

V. Chairman Krebsbach: Submitted Attachment # 1, Proposed Amendment # 19.0197.02001 and explained the Amendment. She also stated that the State Fair is self-funded. The only thing this money is going for is premiums for the 17,000 exhibits that come in.

V. Chairman Krebsbach: Moved the Amendment. 2nd by Senator Dever.

Chairman Holmberg: All in favor of the Amendment say aye. It carried.

V. Chairman Krebsbach: Moved a Do Pass as Amended on HB 1009. 2nd by Senator Dever.

Chairman Holmberg: Call the roll on a Do Pass as Amended on HB 1009.

A Roll Call vote was taken. Yea: 14; Nay: 0; Absent:0. V. Chairman Krebsbach will carry the bill.

The hearing was closed on HB 1009.

5/10
4/3/19
DJ

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1009

Page 1, replace lines 11 and 12 with:

Premiums	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total general fund	\$515,665	\$54,335	\$570,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - State Fair Association - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Premiums	<u>\$515,665</u>	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total all funds	\$515,665	\$0	\$54,335	\$54,335
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$515,665	\$0	\$54,335	\$54,335
FTE	0.00	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Senate Changes

	Increases Funding for Premiums ¹	Total Senate Changes
Premiums	<u>\$54,335</u>	<u>\$54,335</u>
Total all funds	\$54,335	\$54,335
Less estimated income	<u>0</u>	<u>0</u>
General fund	\$54,335	\$54,335
FTE	0.00	0.00

¹ Funding is increased for premiums to provide a total of \$570,000. The House provided \$515,665 of funding for premiums.

Date: 4-3-19Roll Call Vote #: 1

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1009**

Senate Appropriations Committee☐ SubcommitteeAmendment LC# or Description: 19.0197.02001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Krebsbach Seconded By Dever

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger		
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Voice Vote
Carried

Date: 4-3-19Roll Call Vote #: 2

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES**
BILL/RESOLUTION NO. 1009

Senate Appropriations Committee☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
 Other Actions: ☐ Reconsider ☐ _____

Motion Made By Krebsbach Seconded By Dever

Senators	Yes	No	Senators	Yes	No
Senator Holmberg	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator Grabinger	✓	
Senator Wanzek	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Poolman	✓				
Senator Bekkedahl	✓				
Senator G. Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0Absent 0Floor Assignment Krebsbach

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1009, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1009 was placed on the Sixth order on the calendar.

Page 1, replace lines 11 and 12 with:

Premiums	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total general fund	\$515,665	\$54,335	\$570,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - State Fair Association - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Premiums	<u>\$515,665</u>	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total all funds	\$515,665	\$0	\$54,335	\$54,335
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$515,665	\$0	\$54,335	\$54,335
FTE	0.00	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Senate Changes

	Increases Funding for Premiums ¹	Total Senate Changes
Premiums	<u>\$54,335</u>	<u>\$54,335</u>
Total all funds	\$54,335	\$54,335
Less estimated income	<u>0</u>	<u>0</u>
General fund	\$54,335	\$54,335
FTE	0.00	0.00

¹ Funding is increased for premiums to provide a total of \$570,000. The House provided \$515,665 of funding for premiums.

2019 CONFERENCE COMMITTEE

HB 1009

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/15/2019
34740

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

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Chairman Representative Jim Schmidt: Opens meeting on HB 1009 and attendance is taken. We are not interested in the increase of \$54,000 and there will be no debate on it.

(00:45) Chairman Representative Jim Schmidt: Closes meeting on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/17/2019
34804

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

Chairman Representative Jim Schmidt: Opens meeting on HB 1009 and attendance is taken. Any new ideas?

Senator Karen Krebsbach: We had restored the funding back to where the Governor had recommended and back to last biennium and we feel it is a good bill.

Representative Mike Nathe: Can you explain the \$54,300 and what that does?

Senator Karen Krebsbach: This money goes for premium dollars for the exhibits placed in there during fair week. A large number of the exhibits come from FFA and 4-H and the premium dollars help to defray some of the costs of the exhibits. Entries in 2018 were at 46,000. The dollars are very closely audited.

Representative Mike Nathe: They couldn't use these premium dollars out of the level we kicked out of \$515,000?

Senator Karen Krebsbach: Those dollars will be going towards premium, but we are restoring them to the 2015-2017 level and the Governor recommended that.

Chairman Representative Jim Schmidt: I believe the Senate reduced \$30,000 from that in 2015-2017. That is why when I saw this addition, I was confused on the major increase.

(4:50) Senator John Grabinger: My memory of what happened was having a lengthy discussion to this fund. It got to the point where we were trying to get the money back. We are not in the same financial situation as before. Now that we have the ability, we think it can be restored. I do not think it is out of line and it is a minor amount to restore us.

Representative Mike Nathe: The \$54,000 is used for exhibits; how many would it equate to?

Senator Karen Krebsbach: It would have to be divided by 46,000 exhibits. Every dollar to those kids matters. They put so much time into these projects like raising animals and woodworking. We are not being greedy; we are just trying to restore it for the kids.

Senator John Grabinger: I do not think it is calculated by the number of displays, it would be a reduction in the amount of what they get for their awards. I do not think it would be 2,000 less displays.

Chairman Representative Jim Schmidt: It would be extra prize money. In this room we had the issue with regards to the Ward County historical society. I found that disturbing because the fair gave them an unfair deadline to meet. I thought the fair has asked them to come to the grounds and be there and we always go through the buildings there and I do not want to go to Burlington to see that. We came forward from the House to fund that. As I understand it, it is no longer in there. An incident brought forward had to deal with an outside vendor dealing with hot tubs and that was refused. It seems that the new management is different for these scenarios and I truly believe what they did to the county was unjust. I am not in favor of the addition for this, but I personally cannot increase it \$54,000 because of that. This room was full of people trying to resolve that.

(10:40) Senator John Grabinger: I would not disagree. My thoughts after having discussions with the pioneer people, but there was a feeling that we should do something. We did try and do something with the guidance of our chairman. We asked them to leave and we had a responsibility to help provide. What we are talking about today doesn't have anything to do with that. This is for the awards the children work for and brings the fair to what it is. The pioneer group argument is unfair to what we are talking about here.

Chairman Representative Jim Schmidt: Discussion well taken.

Senator Nicole Poolman: I am new to appropriations, but the conversations on the pioneer group was probably blame to share on both sides. I see this as a different topic because they both spent money on fighting rather than just moving the building.

Chairman Representative Jim Schmidt: I agree. They could have provided a better strategy. It comes out of the same pot of money. I will have a difficult time wavering from that stance. I am only a vote of 1.

Senator Karen Krebsbach: Your feelings are shared, but I do not think everyone totally understands that situation and they are truly separate areas. This is for premium dollars and is not for the other. I would like to explain the other side some time.

(14:40) Representative Bob Martinson: One of the reasons they are partially related is that the state fair is willing to take \$50,000 from operating to move buildings. They could increase premiums with that money.

Senator Karen Krebsbach: The fair and City of Minot have offered to move the buildings early on. After many trials, they would have had the money to move them, but they used it in court. In regards to the \$50,000, the state fair at the time of settlement, the judge came down with the fact that they had to vacate the premises at the time of moving and the state fair offered to pay to move them. The House took \$150,000 out of general fund and opened it to other historical society. The state fair is a self-funded organization and it is highly unfair for legislators to appropriate that money.

Representative Bob Martinson: Yes, we do appropriate the money. We appropriate their budget.

Senator Karen Krebsbach: The only think in HB 1009 is the premium money.

Larry Martin, OMB: The \$30,000 cut was put forward by the House. That passed both changes.

Senator Karen Krebsbach: The whole budget is available in the book.

Chairman Representative Jim Schmidt: Anything else?

(19:05) Senator John Grabinger: This is not about the fair itself, it is about the kids who put on the displays. There are good points on both sides and I agree that we should do something for the pioneer village, but we cannot set a precedent for all of the other villages. They were not put in position that this pioneer village was in, but I think we should have money for these kids.

Chairman Representative Jim Schmidt: The money comes from the bucket. It seems that we always have the participation trophies for our youth and we never had that. We do not have anything used for self-initiative and I think we over reward. Not everything we do is rewarded with money or ribbons and I think we need to get back to that philosophy. I apologize for philosophizing.

(21:35) Chairman Representative Jim Schmidt: Closes meeting on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/22/2019
34914

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

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Chairman Representative Jim Schmidt: Opens meeting and attendance is taken.

Representative Bob Martinson: Makes motion for Senate to recede to House and withdraw Senate amendment. Seconded by Representative Mike Nathe.

Roll call vote is taken and the motion fails with 3 yeas (all House), 2 nays (all Senate) and 1 absent (Senator Krebsbach).

(2:00) Chairman Representative Jim Schmidt: Closes meeting on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/23/2019
34943

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

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Chairman Representative Jim Schmidt: Opens meeting and attendance is taken. Anything new?

Senator Nicole Poolman: The Senate passed a bill that adds fees to pay \$100,000 for Pioneer Village.

Chairman Representative Jim Schmidt: We still stand with no appetite to increase to \$54,000.

Senator Karen Krebsbach: That Pioneer Village has nothing to do with this at all. It was increased by \$50,000 yesterday and the court case originally gave \$50,000. They on their own granted another \$50,000. This still has nothing to do with that and only involves premiums. Our something is still \$54,000.

Chairman Representative Jim Schmidt: We have nothing further to offer on the terms of \$54,000. There was a time where something may have been different. Closes meeting on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/25/2019
34995

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

Attachment 1

Chairman Representative Jim Schmidt: Opens meeting on HB 1009 and attendance is taken. We had the discussion in regards to the State Fair budget. We talked about restoring the reduction from last session and we talked about where that came from. We got some information on that on **attachment 1**. Begins to outline **attachment 1 on page 1**.

Senator Karen Krebsbach: This is all news to me and I wonder if that \$17,000 was an additional cut back. I will need to look back at the previous sessions to see what we did. I know they have not received any increases since 2011. I would need a bit of time to look at this.

Chairman Representative Jim Schmidt: We will meet again this afternoon. Closes meeting on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/25/2019
35000

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

Attachment 1

Chairman Representative Jim Schmidt: Opens meeting on HB 1009 and attendance is taken. We put some numbers out there earlier and kind of did some work with them to keep up with something to go with. We put out \$17,000, do you have something to return offer?

Senator Karen Krebsbach: Yes. Take a look at **attachment 1**.

Chairman Representative Jim Schmidt: The fair used some of their own dollars in the past and I like that, but they can't do that always. Around 95% is state money and 5% is the people's money.

Senator Karen Krebsbach: I still think we would like to go back to the full \$570,000 because it short changes the kids. I would like to see between \$558,000 and \$570,000 and settle at \$564,000.

(2:45) Chairman Representative Jim Schmidt: I took the \$570,000 and subtracted what they gave and that gave us about \$542,000 and subtracted down to \$26,890, which would be added to the \$515,000. I would be willing to go to the \$27,000, for half of the \$54,000. That would put them pretty close to what they wanted.

Representative Bob Martinson: Can you use the \$54,000 figure?

Chairman Representative Jim Schmidt: We are at half of the \$54,000.

Senator Karen Krebsbach: The state fair is giving out \$100,000 for the Pioneer Village, which is decreasing their operations budget.

Senator John Grabinger: That originally was brought up by you.

Chairman Representative Jim Schmidt: I do not see where we can go higher than 50%.

Representative Mike Nathe: They charge admission to everyone.

Senator Karen Krebsbach: They even charge the merchants and students.

Chairman Representative Jim Schmidt: There are kids and adults there too, but when they come in they bring the whole family and all of these people. I am kind of with them on protecting their admissions costs and that money.

(6:25) Representative Bob Martinson: Do they have continuing appropriation authority? Why do we not appropriate all of the revenue?

Senator Karen Krebsbach: They were determined to be self-funded. They were titles the State Fair in 1964.

Representative Bob Martinson: Maybe we should have a study of that. We really do not know the operating costs.

Senator Karen Krebsbach: All of that was presented.

Representative Bob Martinson: Do they make money and what do they do with the excess revenue?

Senator Karen Krebsbach: They do make money, but they maintain the buildings and pay their employees.

Representative Bob Martinson: What is their net revenue and their reserve dollars?

(8:20) Senator Karen Krebsbach: It is all presented.

Chairman Representative Jim Schmidt: All of the proposed figures with what we offered of \$27,000 from us and \$27,000 from them to bring them to \$569,000.

Senator Karen Krebsbach: I cannot guarantee that they will not put the money in.

Chairman Representative Jim Schmidt: I think that is a fair deal.

Senator Karen Krebsbach: I do not think they would have that available because they are paying out another \$100,000. I think we need to go back to a level between the 2014 and 2016 numbers. It would be at \$564,000. I would say that we would be willing to drop \$12,000 from the \$54,000 and put it at \$42,000 from the state. That would put us back at the level of 2013-2015.

(11:40) Senator John Grabinger: You are suggesting going to \$558,000?

Senator Karen Krebsbach: Correct.

Senator John Grabinger: That is \$12,000 off of our offer.

Senator Karen Krebsbach: That would be correct.

Chairman Representative Jim Schmidt: I do not want to go beyond the \$27,000.

Senator John Grabinger: We cannot count on them being able to match these and we are forcing them if they want to continue that one. We came down \$12,000 to return to the 2013-2015 biennium.

Representative Mike Nathe: I am trying to find a bit of information.

(13:35) Chairman Representative Jim Schmidt: You can certainly make that motion.

Representative Mike Nathe: Representative Bob Martinson asked what their cash flow was and their cash equivalence at the end of year is \$5.7M. The enterprise fund has assets of \$6.9M.

Senator Karen Krebsbach: They are doing some expanding and reserving of funds. We want to keep expanding these exhibits and work they are doing.

Chairman Representative Jim Schmidt: You took out \$17,000 last time and the allotment had \$37,000 out. I will hold onto the \$515,000 and \$27,000.

Representative Mike Nathe: They have operating expenses last time as \$279,000.

Senator Karen Krebsbach: You are not reading that right because they give out every penny.

Representative Mike Nathe: The premiums, trophies and awards are \$279,000. I will keep searching.

(16:20) Chairman Representative Jim Schmidt: The attendance dollars brought in far exceed the operating costs.

Representative Mike Nathe: Premiums and trophies are rounded to \$280,000.

Senator Karen Krebsbach: I need to make a call on that one.

Representative Bob Martinson: I move we support \$538,000. Seconded by Representative Mike Nathe.

Representative Mike Nathe: It is \$279,000 twice and makes it \$558,000.

Senator Nicole Poolman: We are at \$54,000 and you are at \$27,000.

Roll call vote, motion carries with 5 yeas, 1 nay and 0 absent.

Chairman Representative Jim Schmidt: Closes meeting on HB 1009.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Education and Environment Division Roughrider Room, State Capitol

HB 1009
4/26/2019
35008

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Parker Oswald

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state fair association.

Minutes:

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Chairman Representative Jim Schmidt: Opens meeting on HB 1009.

Representative Bob Martinson: Moves to reconsider, seconded by Representative Mike Nathe.

Voice vote, motion carries.

Representative Bob Martinson: I make a motion to further amend to make it the desired amount of \$27,000 for the total of \$542,000. Seconded by Representative Mike Nathe.

Senator Karen Krebsbach: It should be half of the total for \$27,000.

Roll call vote is taken, motion carries with 6 yeas, 0 nays and 0 absent.

Representative Bob Martinson: I move that the Senate recede from the Senate amendments and further amends. Seconded by Representative Mike Nathe.

Roll vote is taken, motion carries with 6 yeas, 0 nays and 0 absent.

Chairman Representative Jim Schmidt: Closes meeting on HB 1009.

SK
4/26
1981

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1009

That the Senate recede from its amendments as printed on page 1518 of the House Journal and pages 1280 and 1281 of the Senate Journal and that Engrossed House Bill No. 1009 be amended as follows:

Page 1, replace lines 11 and 12 with:

"Premiums	\$515,665	\$27,168	\$542,833
Total general fund	\$515,665	\$27,168	\$542,833"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - State Fair Association - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Premiums	\$515,665	\$515,665	\$27,168	\$542,833	\$570,000	(\$27,167)
Total all funds	\$515,665	\$515,665	\$27,168	\$542,833	\$570,000	(\$27,167)
Less estimated income	0	0	0	0	0	0
General fund	\$515,665	\$515,665	\$27,168	\$542,833	\$570,000	(\$27,167)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Conference Committee Changes

	Increases Funding for Premiums ¹	Total Conference Committee Changes
Premiums	\$27,168	\$27,168
Total all funds	\$27,168	\$27,168
Less estimated income	0	0
General fund	\$27,168	\$27,168
FTE	0.00	0.00

¹ Funding is increased for premiums to provide a total of \$542,833. The House provided \$515,665 of funding for premiums. The Senate provided \$570,000 for premiums.

**2019 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1009 as (re) engrossed

House Appropriations Education and Environment Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☒ **SENATE recede from Senate amendments**
☐ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Bob
Martinson

Seconded by: Representative Mike Nathe

Representatives	4/15	4/17	4/22	Yes	No		Senators	4/15	4/17	4/22	Yes	No
(C) Rep Schmidt	X	X	X	X			Sen Krebsbach	X	X			
Rep Martinson	X	X	X	X			Sen Poolman	X	X	X		X
Rep Nathe	X	X	X	X			Sen Grabinger	X	X	X		X
Total Rep. Vote							Total Senate Vote					

Vote Count Yes: 3 No: 2 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Motion failed

**2019 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1009 as (re) engrossed

House Appropriations Education and Environment Division Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☒ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Bob
Martinson

Seconded by: Representative Mike Nathe

Representatives	4/23	4/25	4/25	Yes	No		Senators	4/23	4/25	4/25	Yes	No
(C) Rep. Schmidt	X	X	X	X			Sen. Krebsbach	X	X	X		X
Rep. Martinson	X	X	X	X			Sen. Poolman	X	X	X	X	
Rep. Nathe	X	X	X	X			Sen. Grabinger	X	X	X	X	
Total Rep. Vote							Total Senate Vote					

Vote Count Yes: 5 No: 1 Absent: 0

House Carrier Representative Jim
Schmidt Senate Carrier Senator Karen Krebsbach

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Amend Senate's proposal to offer a total of \$538,000 for premiums and trophies per biennium.

Date: 4/26/2019

Roll Call Vote #: 3

2019 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1009 as (re) engrossed

House Appropriations Education and Environment Division Committee

Action Taken

- ☐ HOUSE accede to Senate Amendments
- ☐ HOUSE accede to Senate Amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows
- ☒ X Other – Reconsider
- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Bob Martinson

Seconded by: Representative Mike Nathe

Representatives	4/26			Yes	No		Senators	4/26			Yes	No
(C) Rep. Schmidt	X			X			Sen. Krebsbach	X			X	
Rep. Martinson	X			X			Sen. Poolman	X			X	
Rep. Nathe	X			X			Sen. Grabinger	X			X	
Total Rep. Vote							Total Senate Vote					

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment _____

LC Number _____ of engrossment _____

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4/26/2019

Roll Call Vote #: 4

**2019 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1009 as (re) engrossed

House Appropriations Education and Environment Division Committee

- Action Taken** ☐ HOUSE accede to Senate Amendments
- ☐ HOUSE accede to Senate Amendments and further amend
- ☐ SENATE recede from Senate amendments
- ☐ SENATE recede from Senate amendments and amend as follows
- X Other – Further amend
- ☐ Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Bob
Martinson

Seconded by: Representative Mike Nathe

Representatives	4/26			Yes	No		Senators	4/26			Yes	No
(C) Rep. Schmidt	X			X			Sen. Krebsbach	X			X	
Rep. Martinson	X			X			Sen. Poolman	X			X	
Rep. Nathe	X			X			Sen. Grabinger	X			X	
<i>Total Rep. Vote</i>							<i>Total Senate Vote</i>					

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Amend to \$27,168 in the state fair budget to make a total of \$542,000 for fair premiums and prizes

**2019 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB 1009 as (re) engrossed

House Appropriations Education and Environment Division Committee

- Action Taken** ☐ **HOUSE accede to Senate Amendments**
☐ **HOUSE accede to Senate Amendments and further amend**
☐ **SENATE recede from Senate amendments**
☒ **SENATE recede from Senate amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Representative Bob
Martinson

Seconded by: Representative Mike Nathe

Representatives	4/26			Yes	No		Senators	4/26			Yes	No
(C) Rep. Schmidt	X			X			Sen. Krebsbach	X			X	
Rep. Martinson	X			X			Sen. Poolman	X			X	
Rep. Nathe	X			X			Sen. Grabinger	X			X	
<i>Total Rep. Vote</i>							<i>Total Senate Vote</i>					

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Representative Jim
Schmidt Senate Carrier Senator Karen Krebsbach

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 19.0197.02004
House Carrier: Schmidt
Senate Carrier: Krebsbach

REPORT OF CONFERENCE COMMITTEE

HB 1009, as engrossed: Your conference committee (Sens. Krebsbach, Poolman, Grabinger and Reps. Schmidt, Martinson, Nathe) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1518, adopt amendments as follows, and place HB 1009 on the Seventh order.

That the Senate recede from its amendments as printed on page 1518 of the House Journal and pages 1280 and 1281 of the Senate Journal and that Engrossed House Bill No. 1009 be amended as follows:

Page 1, replace lines 11 and 12 with:

"Premiums	<u>\$515,665</u>	<u>\$27,168</u>	<u>\$542,833</u>
Total general fund	<u>\$515,665</u>	<u>\$27,168</u>	<u>\$542,833"</u>

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - State Fair Association - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Premiums	\$515,665	\$515,665	\$27,168	\$542,833	\$570,000	(\$27,167)
Total all funds	\$515,665	\$515,665	\$27,168	\$542,833	\$570,000	(\$27,167)
Less estimated income	0	0	0	0	0	0
General fund	\$515,665	\$515,665	\$27,168	\$542,833	\$570,000	(\$27,167)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Conference Committee Changes

	Increases Funding for Premiums ¹	Total Conference Committee Changes
Premiums	\$27,168	\$27,168
Total all funds	\$27,168	\$27,168
Less estimated income	0	0
General fund	\$27,168	\$27,168
FTE	0.00	0.00

¹ Funding is increased for premiums to provide a total of \$542,833. The House provided \$515,665 of funding for premiums. The Senate provided \$570,000 for premiums.

Engrossed HB 1009 was placed on the Seventh order of business on the calendar.

2019 TESTIMONY

HB 1009

Department 665 - State Fair Association
House Bill No. 1009

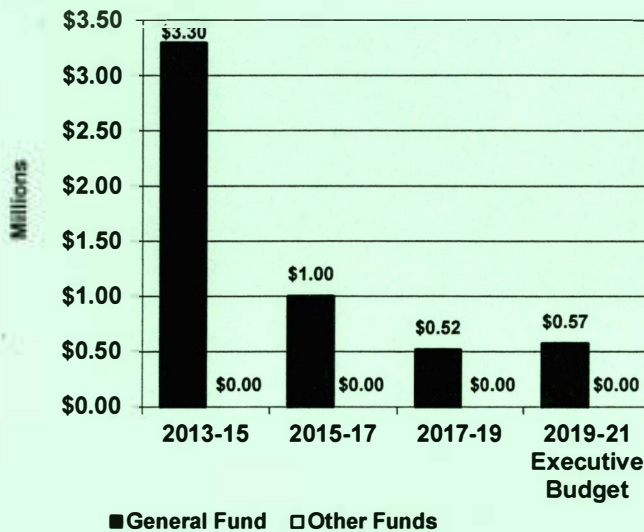
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	0.00	\$570,000	\$0	\$570,000
2017-19 Legislative Appropriations	0.00	515,665	0	515,665
Increase (Decrease)	0.00	\$54,335	\$0	\$54,335

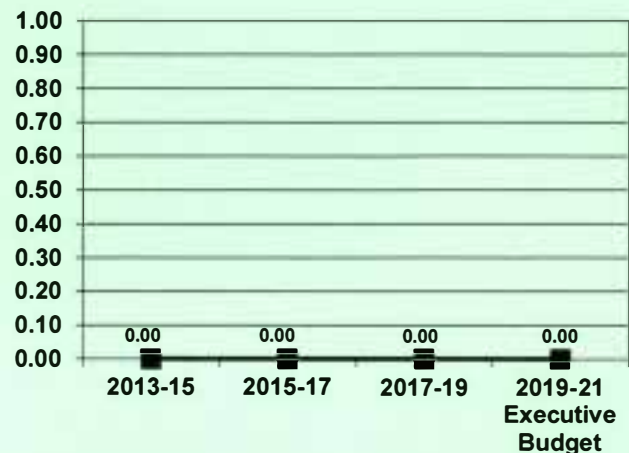
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$570,000	\$0	\$570,000
2017-19 Legislative Appropriations	515,665	0	515,665
Increase (Decrease)	\$54,335	\$0	\$54,335

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$570,000	\$0	\$570,000
2019-21 Base Level	515,665	0	515,665
Increase (Decrease)	\$54,335	\$0	\$54,335

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Increases funding for exhibitor premium payments from \$515,665 to \$570,000	\$54,335	\$0	\$54,335

**Other Sections Recommended to be Added in the Executive Budget
(As Detailed in the Attached Appendix)**

There are no other sections in the Executive Budget recommendation for this agency.

Continuing Appropriations

State Fair operating fund - North Dakota Century Code Section 4.1-45-14 - Provides all income, fees, rents, interest, and any other money received by the State Fair Association are to be deposited in a special fund, and those funds are appropriated as a standing appropriation for the purposes provided in the chapter.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

The operational audits for the State Fair Association conducted by Eide Bailly LLP, Certified Public Accountants during the 2017-18 interim, identified two significant audit findings as follows:

- Financial statement presentation - The North Dakota State Fair Association has not determined the net pension liability, and other postemployment benefits liability, as of a measurement date no earlier than the end of the employer's prior fiscal year. The North Dakota State Fair Association responded that to use the July 1, 2018 actuarial amounts, they would have to leave the September 30, 2018 financial statements open for months and it was determined to be in the best interest of all parties to base the GASB No. 68 and No. 75 implementation on the most recent actuarial estimates.
- Valuation of notes receivable - The North Dakota State Fair Foundation (Foundation), a discretely presented component unit of the North Dakota State Fair Association, does not have any internal controls over the valuation of their notes receivable. During the year-ended September 30, 2018, the Foundation had \$1,110,000 of notes receivable to Golf Minot, Inc. The Foundation had no allowance set up for these notes receivable and the notes were unsecured.

Major Related Legislation

Senate Bill No. 2146 - Provides a \$2 million appropriation from the general fund to the State Historical Society to relocate the Pioneer Village from the State Fairgrounds to another location in Ward County.

State Fair Association - Budget No. 665
House Bill No. 1009
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	0.00	\$515,665	\$0	\$515,665
2019-21 Ongoing Funding Changes				
Increases funding for premiums to provide a total of \$570,000		\$54,335		\$54,335
Total ongoing funding changes	0.00	\$54,335	\$0	\$54,335
One-time funding items				
No one-time funding items				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$54,335	\$0	\$54,335
2019-21 Total Funding	0.00	\$570,000	\$0	\$570,000

Other Sections for State Fair Association - Budget No. 665

Executive Budget Recommendation

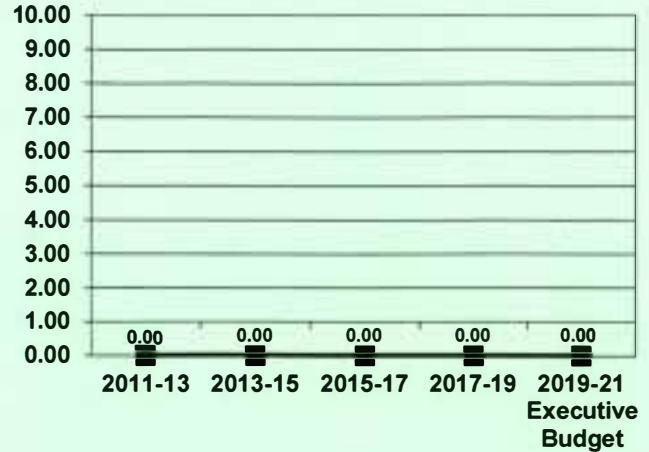
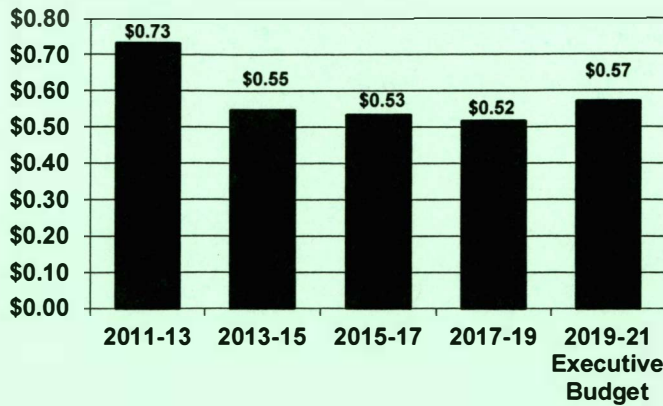
The executive budget did not include any other sections related to the State Fair Association.

Department 665 - State Fair Association

Historical Appropriations Information**Ongoing General Fund Appropriations Since 2011-13**

Agency Funding (in Millions)

FTE Positions



■ Ongoing General Fund Appropriations

State Fair Association has no FTE positions

Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$730,000	\$546,000	\$532,665	\$515,665	\$570,000
Increase (decrease) from previous biennium	\$32,850	(\$184,000)	(\$13,335)	(\$17,000)	\$54,335
Percentage increase (decrease) from previous biennium	N/A	(25.2%)	(2.4%)	(3.2%)	10.5%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	(25.2%)	(27.0%)	(29.4%)	(21.9%)

Major Increases (Decreases) in Ongoing General Fund Appropriations**2013-15 Biennium**

1. Increased funding for State Fair premiums from \$520,000 to \$546,000 \$26,000
2. Removed funding for State Fair bond payments for bonds repaid during the 2011-13 biennium (\$210,000)

2015-17 Biennium

1. Decreased funding for State Fair premiums from \$546,000 to \$532,665 (This amount was reduced from \$570,000 as a result of the August 2016 special legislative session) (\$13,335)

2017-19 Biennium

1. Decreases funding for State Fair premiums from \$532,665 to \$515,665 (\$17,000)

2019-21 Biennium (Executive Budget Recommendation)

1. Increases funding for State Fair premiums from \$515,665 to \$570,000 \$54,335

**GOVERNOR'S RECOMMENDATION FOR THE
STATE FAIR ASSOCIATION AS SUBMITTED
BY THE OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the state fair association for the purpose of defraying the expenses of the state fair association, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Premiums	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total general fund	\$515,665	\$54,335	\$570,000

HB 1009
A# 1 1/14/19
pg. 1

January 14, 2019
2019 ND Legislative Assembly
Appropriations: Education & Environment Division
Roughrider Room 1:30-3:00 pm

Good Afternoon ... Chairman Monson...members of the committee. My name is Renae Korslien and I am the Manager of the North Dakota State Fair.

We are here today to say Thank you! Thank you for your past support of premium dollars for the 4-H, FFA and Open Class exhibitors.

I am here today to encourage you to support HB 1009. This is the appropriation dollars for premiums paid out to 4-H, FFA and Open class exhibitors for winning a prize at the fair for the years of 2019 and 2020. Many of you know and understand that every dollar that you appropriate is directly paid out to these winners...the fair does not use any of these dollars..we have these funds audited each year by Eide Bailly and the State Auditor to prove that!

The 4-H and FFA exhibitors came onto the grounds proudly unloading the projects that they had worked on all year to bring to the State Fair to compete with the best across the state. Projects that they had worked on with their Mom and Dad, Grandpa and Grandma, 4-H leaders and FFA advisors. Time well spent ...especially in this day when we have the big challenge of our youth spending too much time with their heads bent and looking down at some electronic device!! **We** need to help these young folks to learn to take **responsibility of taking care of an animal**, to learn the art of **needlework**, the technique of good **photography**...the list goes on and on... Last year we had 46, 998 exhibits at the fairgrounds during the nine days of fair. That is a lot of projects!!!

Please take the time to read our hand out .. I will point out that once again we had exhibits from 52 counties in North Dakota....we are still missing Sioux County....although I understand that there is a student from Sioux County that belong to a 4-H Club in an adjoining county. ☺

We have also provided our annual report for each of you which includes the audit report done by Eide Bailly and approved by the state auditor. If you have any questions or concerns please ask or give me a call later after you have had time to look at it.

We had a great fair last year...but nine days of perfect weather helps a lot with that...318,248 people through our gates in nine days. I hope you were there to see what everyone enjoys while they are at the fair... We are going to show you a quick three minute video recapping our fair this year.

VIDEO

nOW we want to give plenty of time to this COUNTRIES FUTURE LEADERS that are here today to testify.

I am supporting HB 1009.

Renae Korslien, General Manager
North Dakota State Fair

HB 1009
AH 2 1/14/19
Pg. 1

House Appropriations – Education and Environment Division
Chairman David Monson
January 15, 2019

By: Tom Barry
City Manager, City of Minot
tom.barry@minotnd.org
701.857.4750

HB 1009

Chairman Monson and Members of the Education and Environment Division of House Appropriation, my name is Tom Barry. As City Manager in Minot, I am here in support of HB 1009.

The City of Minot considers it a tremendous honor to host the North Dakota State Fair. We are grateful for the investment this state has placed into the facilities and programs that support a successful fair.

The State Fair is an important statewide event. Families come from throughout North Dakota and from nearby states to participate in shows, events and entertainment associated with the fair. This also makes it an important economic activity for the City of Minot. It has become a part of our culture—an annual ritual that draws us out of our homes and into the community.

For our youth throughout the state, especially those in 4-H and FFA, the State Fair represents the highlight of their efforts. The opportunity to showcase their livestock, projects and talent is just the tip of the iceberg. For many youth, the State Fair represents hours of hard work and determination—the kinds of characteristics so desperately needed in our North Dakota workforce. They are developing life-long skills.

Your continued support of the State Fair, including the premium dollars used for awarding our 4-H and FFA youth, will not go unrecognized. Thank you for your time today.

HB 1009

Chairman Monson and Committee Members:

I am here to speak on the importance of State Fair premium dollars for FFA, 4-H and Open Class but as a former 4-H leader and 4-H parent specifically relating to 4-H.

Some of you may know that:

4-H began more than 100 years ago; it has become the nation's largest youth development organization. The 4-H idea is simple: help young people and their families gain the skills needed to be proactive forces in their communities and develop ideas for a more innovative economy.

As the nation's largest youth development organization, 4-H grows confident young people who are empowered for life today and prepared for their careers in the future. 4-H opened the door for young people to learn leadership skills and revolutionized how youth connected to practical, hands-on learning experiences outside the classroom.

4-H serves youth in rural, urban, and suburban communities in every state across the nation. 4-H'ers are tackling the nation's top issues, from global food security, climate change and sustainable energy to childhood obesity and food safety. 4-H out-of-school programming, in-school enrichment programs, clubs and camps also offer a wide variety of STEM opportunities – from agricultural and animal sciences to rocketry, robotics, environmental protection and computer science – to improve the nation's ability to compete in key scientific fields and take on the leading challenges of the 21st century.” Cited at 4-h.org/about/history/

4H3

HB 1009

1/14/19

HB 1009

4H is already a program that is dwindling in numbers. Participation by our State's youth consistently falls – our children have so many other options for hobbies, sports and activities that is hard to compete for money from the family's budget for these activities.

These State Fair premium dollars are another tool to help build confident young people who learn leadership skills through practical, hands-on learning experiences. Premiums excite children to explore new avenues and provide enthusiasm to explore what 4-H has to offer as well as provide our country with confident youth with leadership skills to take us onto the future.

Without the state's continued support in providing incentive with State Fair premium dollars, 4-H will drop by the way-side as other programs have. I urge you all to continue to support 4-H State Fair premiums as well as the 4-H program.

Thank you,

Patricia Schonert

Patricia Schonert
January 14, 2019
14600 201 Ave – NE
Baldwin, ND 58521
701-223-1610
4-H State Fair Premiums

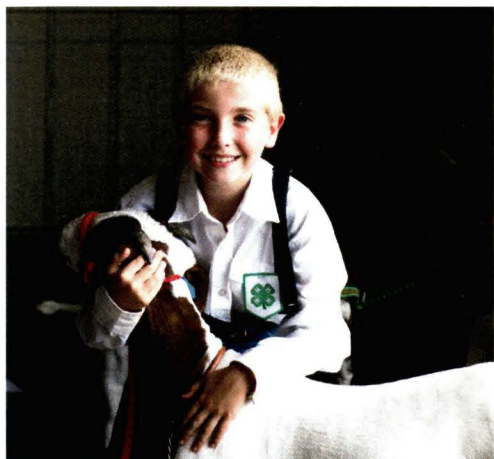


The premium dollars the North Dakota State Fair is requesting goes directly to the exhibitors who showcase agriculture, foods, arts, and craftsmanship that is essential to our North Dakota culture.

What are premium dollars?

Premiums are awarded to the individuals who's products earn a prize at the North Dakota State Fair. These dollars go to 4-H, FFA and Open Class participants.

In 2018 the North Dakota State Fair hosted
46,998
4-H, FFA, and Open Class exhibits.



The North Dakota State Fair is here to serve the people of North Dakota and the region by promoting agriculture, education, commerce and entertainment



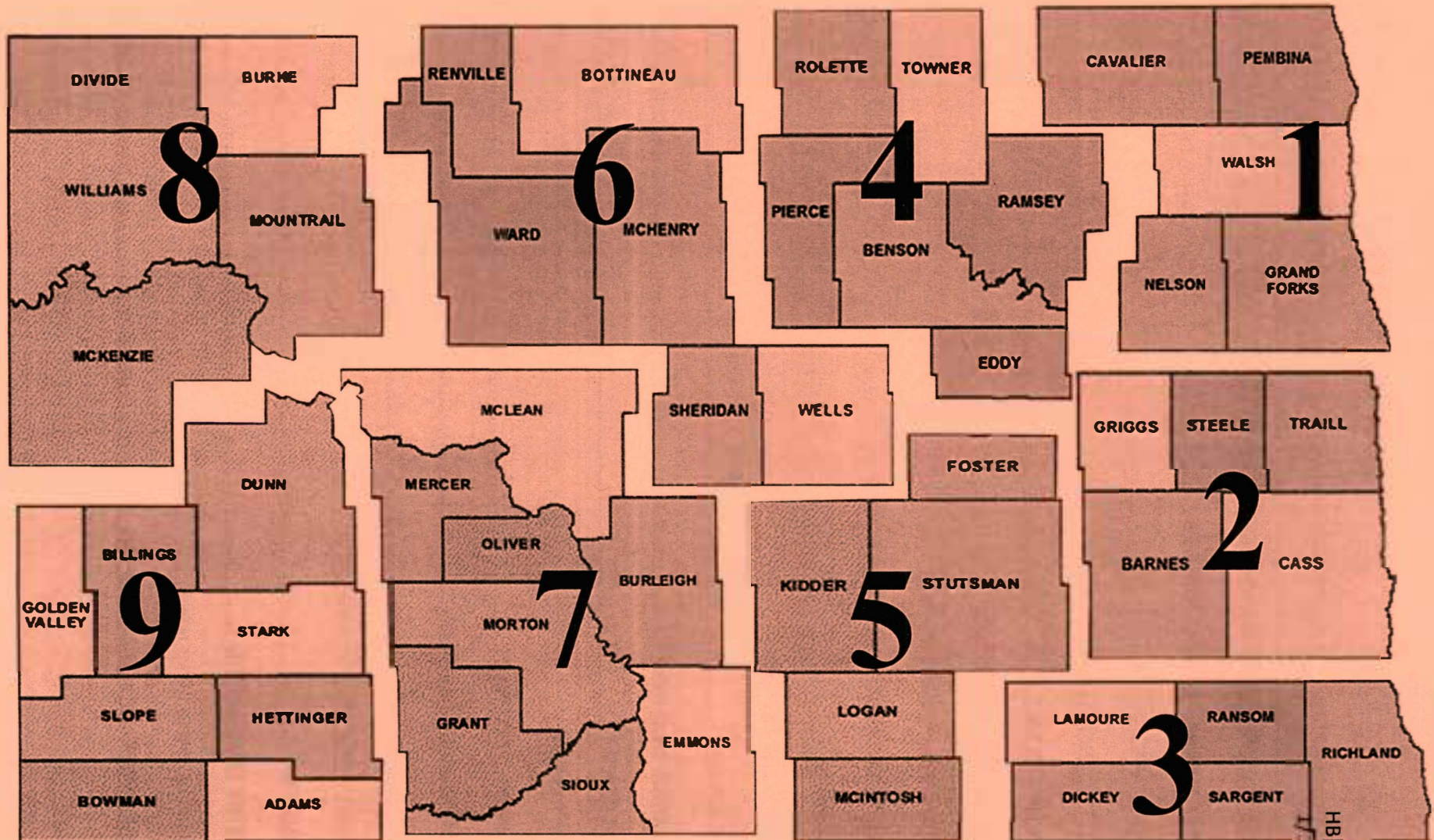
- The NDSF is the largest event in North Dakota.
- Exhibits from 52 counties in North Dakota on display during the nine days of the Fair.
- All premium dollars are audited for verification of payout to exhibitors.
- Winner of 178 First place awards from International Association of Fairs.
- 46,998 exhibits entered at 2018 State Fair.
- 318,248 people attended 2018 North Dakota State Fair.

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Districts of the North Dakota State Fair Association



ND State Fair Annual Meeting
November 15, 2017 – 1pm
State Fair Center, Minot, ND

Att 5
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The meeting was called to order by President Gary Knell who welcomed everyone and thanked them for being a part of the State Fair and also supporting the other events held on the Fairgrounds throughout the year. Comments and welcomes were also given from Shawn Sipma, VP of the Minot City Council; Jason Zimmerman with the Minot Chamber of Commerce; and John Fjeldahl, Ward County Commissioner and All Seasons Arena President.

President Knell introduced the board members: Kandi Mikkelsen, Minot; Connie Hanson, Devils Lake; Butch Haugland, Ambrose; LeeAnn Karsky, Dickinson; Craig Zimprich, Wahpeton; Arden Bell, Fordville; Kelly Hanson, Hannaford; and Chuck Meikle, Spiritwood.

Manager Renae Korslien reported that 74 delegates and 61 guests were in attendance.

Roger Skiftun, Wells County made a motion to dispense with the reading of the 2016 annual meeting minutes. Butch Haugland, Divide County, seconded this motion which passed unanimously.

Long time Fair Board member, Neil Fleming, received Honorary Membership. His family received the award in his memory.

Dean Aakre from the State 4-H Office thanked the staff for always being willing to help and said the 4-H department truly enjoys being a part of State Fair.

Aaron Anderson with State FFA thanked the manager, staff and fair board members for helping to make 23,633 exhibits possible at State Fair.

Manager Korslien praised the staff and fair board and thanked the delegates and guests for playing an important role in making the State Fair the success it is. She stated she is incredibly proud to be hosting over 299,000 Fairgoers and 47, 058 competitive exhibits. A video recapping the 2017 Fair was shown and the annual report was reviewed.

Joan Gunter of McHenry County made a motion to set the 2018 Fair dates as July 20-28. Alicia Gunwall of Hettinger County seconded this motion which passed unanimously.

Todd Berning, President of the Fair Foundation introduced his board members present and reported on a successful year. This year's projects included: VIP Parking, two scholarships awarded along with two supported by Pepsi & Northern Bottling, the wall tile project, Friends of the Fair event, and a small parcel of land was purchased.

Elections were held in Districts 2, 5, and 8. Kelly Hanson was re-elected to District 2, Butch Haugland to District 8, and Deb Hatelewick was elected to District 5 – replacing Chuck Meikle.

ND STATE FAIR DATES & ATTENDANCE

Att 5
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1/14/19

1966	July 16-22	152,769	1996	July 19-27	248,154
1967	July 15-21	144,596	1997	July 18-26	233,004
1968	Aug. 25-31	143,662	1998	July 24-Aug 1	236,140
1969	Aug. 21-27	127,369	1999	July 23-31	210,840
1970	July 23-29	150,223	2000	July 21-29	206,584
1971	July 19-25	157,884	2001	July 20-28	208,601
1972	July 17-23	188,355	2002	July 19-27	211,126
1973	July 16-22	197,857	2003	July 18-26	217,587
1974	July 15-21	206,327	2004	July 23-31	243,024
1975	July 21-27	227,259	2005	July 22-30	244,874
1976	July 19-25	231,937	2006	July 21-29	247,970
1977	July 18-24	249,536	2007	July 20-28	248,501
1978	July 17-23	258,674	2008	July 18-26	239,449
1979	July 16-22	254,864	2009	July 24-Aug 1	296,919
1980	July 18-26	251,345	2010	July 23-31	308,641
1981	July 17-25	261,376	2011	July 22-30	Flood – Cancelled
1982	July 16-24	285,067	2012	July 20-28	310,839
1983	July 15-23	300,790	2013	July 19-27	320,485
1984	July 20-28	296,597	2014	July 18-26	314,446
1985	July 19-27	279,782	2015	July 17-25	305,093
1986	July 18-26	237,314	2016	July 22-30	293,123
1987	July 17-25	247,569	2017	July 21-29	299,077
1988	July 22-30	248,267	2018	July 20-28	318,248
1989	July 21-29	230,566			
1990	July 20-28	226,949			
1991	July 19-27	240,291			
1992	July 24-Aug 1	244,236			
1993	July 23-31	244,248			
1994	July 22-30	250,150			
1995	July 21-29	260,041			

North Dakota State Fair Executive Committee

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FAIR BOARD PRESIDENT

09/65 - 10/70	Morris Harrington*
11/70 - 10/80	Jack Wilkinson*
11/80 - 01/84	Robert Velure*
02/84 - 11/88	Delbert Clark*
12/88 - 11/99	Ed Schmidt*
12/99 - 11/04	Jerry Effertz
12/04 - Present	Gary Knell

FAIR BOARD VICE PRESIDENT

09/65 - 10/70	Jack Wilkinson*
11/70 - 01/79	Bob Kemp*
02/79 - 10/80	Bill Plath*
11/80 - 01/84	D. D. Clark*
02/84 - 11/88	Dan Duerre*
12/88 - 11/01	Tim Faller
11/01 - 11/17	Charles Meikle
11/17 - Present	Kelly Hanson

FAIR BOARD SECRETARY

09/65 - 10/76	Morris Nelson
11/76 - 10/84	Merwyn Larsen*
11/84 - 11/88	Delores Stromme
12/88 - 11/05	Dick Jensen*
12/05 - Present	Kandi Mikkelsen

FAIR BOARD TREASURER

09/65 - 10/74	Ed Goerger
11/74 - 10/82	Steve Tuchscherer*
11/82 - 01/84	Dan Duerre*
02/84 - 11/88	Ed Schmidt*
12/88 - 05/92	Delores Stromme
11/92 - 11/01	Charles Meikle
11/01 - 11/04	Gary Knell
12/04 - 10/07	Tim Clark
11/07 - Present	LeeAnn Karsky

STATE FAIR DISTRICTS AND DIRECTORS

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District #1

09/65 - 08/78
09/78 - 11/94
12/94 - 02/17
4/17 - Present

Robert Kemp, Hamilton*
Wayne Trottier, Northwood
Neil Fleming, Cavalier*
Arden Bell, Fordville

District #2

09/65 - 10/74
11/74 - 05/80
06/80 - 10/93
11/93 - 11/08
12/08 - Present

Paul Cripe, Amenia*
Bill Plath, Davenport*
D. D. Clark, Cooperstown*
Tim Clark, Fargo
Kelly Hanson, Hannaford

District #3

09/65 - 10/74
11/74 - 10/83
11/83 - 02/89
03/89 - 12/13
01/14 - Present

Ed Goerger, Barney
Floyd Fode, Jud*
Fran Vculek, Crete*
Dennis Wendel, LaMoure
Craig Zimprich, Wahpeton

District #4

09/65 - 10/66
11/66 - 10/82
11/82 - 05/92
06/92 - Present

Harold Hofstrand, Leeds
Steve Tuchscherer, Rugby*
Delores Stromme, Devils Lake
Connie Hanson, Devils Lake

District #5

09/65 - 07/83
11/83 - 11/17
11/17 - Present

Jack Wilkinson, Montpelier*
Charles Meikle, Spiritwood
Mark Schaunaman, Ashley

District #6

09/65 - 10/80
11/80 - 06/89
07/89 - 11/04
12/04 - Present

W. M. Harrington, Minot*
Dan Duerre, Mohall*
Jerry Effertz, Velva
Kandi Mikkelsen, Minot

District #7

09/65 - 10/76
11/76 - 11/00
11/00 - Present

Morris Nelson, Washburn
Ed Schmidt, Max*
Gary Knell, Hazen

District #8

09/65 - 10/75
11/75 - 10/84
11/84 - 5/07
6/07 - Present

Newman Power, Crosby*
Merwyn Larsen, Flaxton*
Dick Jensen, Williston*
Butch Haugland, Ambrose

District #9

09/65 - 10/77
11/77 - 01/84
02/84 - 11/01
11/01 - 1/02
5/02 - Present

Chris Roen, Bowman*
Robert Velure, Hettinger*
Tim Faller, Hettinger
Darwin Wilkie, Bowman
Lee Ann Karsky, Dickinson

*Deceased

NORTH DAKOTA STATE FAIR STAFF

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FAIR MANAGER

11/65 - 07/69	Myles Johnson*
08/69 - 01/71	Merrel Dahle*
02/71 - 12/75	Vern Stevick
01/76 - 01/06	Gerald Iverson
01/06 - 12/09	Robert Wagoner
12/09 - Present	Renae Korslien

ALL SEASONS ARENA MANAGER

1975 - 1976	Robert Bliss
1976 - 01/06	Gerald Iverson
01/06 - 12/09	Robert Wagoner
12/09 - Present	Renae Korslien

ASSISTANT MANAGER

1966 - ?	Arvel Graving (part-time)
10/76 - 01/80	Lew Gates
11/81 - 11/90	Ron Staiger
05/08 - 12/09	Renae Korslien
12/09 - Present	Craig Rudland

OPERATIONS DIRECTOR

1966 - 1984	Gordon Johnson* (County Fair Prior 1966)
1984 - 1985	Maurice Goeser
1985 - 2009	Dennis Voeller

CONTRACTS AND EVENT COORDINATOR

2009 - 2010	Dennis Voeller
2010 - 2015	Josh Mosser
2015 - Present	Kyle Schmidt

MAINTENANCE STAFF

10/79 - 03/90	Lester Tandberg*
1984 - 1992	Gordon Johnson*
1987 - 1994	Ron Fix
1988 - 1994	Terry Withers
1981 - 2009	Craig Rudland
1990 - 1995	Jimmy Wimberly
1994 - 1995	Tim Healy
1994 - 1999	Dan Schmidt
1995 - 2000	Ken Sisk
1995 - Present	Steve Hoff
1998 - 2009	Trevor Rudland
1993 - 2004	Rick Rostad
2000 - 08/01	Ray Webb
2000 - Present	Dar Brown
2002 - Present	David Lommen
2003 - Present	David Wierenga
2004 - 2012	Todd Evanoff
2004 - Present	Aaron Ottmar
2005 - Present	Ricky Gilmore, George Walker

2006 – Present	Gene Schoenwald	
2007 – Present	Dan Christensen, Craig Marten	Att 5
2008 – 2012	Thomas Behm	HB 1009
2008 – 2011	Courtney Boettcher	1/14/19
2008 – 2013	Jacob Libke	
2009 – 2012	Tim Schweitzer	
2010 – 2012	Alex DesRoches	
2010 – 2015	Derek Hancock	
2011 – 2013	Richard Byers	
2011 – 2012	Benjamin Perdue	
2011 – Present	Bruce Clark	
2012 – 2015	Jacob Hancock	
2012 – 2013	Dean Stanley, Brett Getzlaff, Richard Hurdle	
2013 – 2014	Zach Mehus, Adam Zietlow	
2013 – 2017	Tony Swearingen, Gary Butz	
2014 – Present	Troy Bragg	
2014 – 2015	Rick Bentley, Billy Olson, Mark Brekke	
2014 – 2017	Andrew Brust	
2015 – 2016	Adam Iverson, Cody Hillyer, Terrence Peterson, Sam Savelkoul, Nathan Williams	
2016 – 2017	Adam Rosseau, Braden St Claire, Max Harrah	
2016 – 2018	John Young	
2016 – Present	Joel Rhoads	
2017 – 2018	Alex Boechler, Lance Peterson, Jacob Schmaltz	
2018 – Present	Mark Brekke, Michael Popham, Taryn Thorsell, Faith Wollla, Dan Young	

OFFICE PERSONNEL

1969 - 1971	Connie Larson
1972 - 1973	Becky Vogel
1974	Charlane Hargrave
1975 - 1976	Sally Brendle
1977	Sally Brendle, Jane Bartholomay
1978 - 1979	Jane Bartholomay
1980	Jane Bartholomay, Laurie Fischer
1981	Jane B., Laurie Fischer, Kandi Reinisch
1982 – 1988	Laurie Fischer, Kandi Reinisch, Renae Korslien
1989	Kandi Reinisch, Renae Korslien, Jane Bartholomay, Wendy Fix
1990	Kandi Reinisch, Renae Korslien, Jane Bartholomay
1991	Kandi Reinisch, Renae Korslien, Jane Bartholomay, Kristi Bertsch, Mechell Inman, Connie Johnson
1992	Kandi Reinisch, Renae Korslien, Kristi Bertsch, Jane Bartholomay, Connie Johnson
1993	Kandi Reinisch, Renae Korslien, Kristi Bertsch, Jane Bartholomay, Connie Johnson, Barb Quimby
1994	Kandi Reinisch, Renae Korslien, Jane Bartholomay, Connie Johnson, Sherri Koslofsky, Teresa Hynson
1995	Renae Korslien, Jane Bartholomay, Teresa Hynson, Deanna Ness
1996	Renae Korslien, Teresa Hynson, Deanna Ness, Vickie Cofer, Leslie Herslip
1997	Renae Korslien, Teresa Hynson, Deanna Ness, Shawna Jaeger, Leslie Herslip

1998	Renae Korslien, Teresa Hynson, Mandy Biberdorf, Shawna Jaeger, Leslie Herslip, Leah Moberg, Deanna Ness 5
1999	Renae Korslien, Teresa Hynson, Mandy Biberdorf, HB 1009 Shawna Jaeger, Leslie Herslip, Cheyanne Erickson 1/14/19
2000	Renae Korslien, Mandy Nelson, Jenny Adriance-Exner, Tanya Senechal, Alisha Kinzley
2001	Renae Korslien, Mandy Nelson, Stephanie Schoenrock, Stacie Stein, Shelly Parish, Dana Gilstad, Kelly McDermott
2002	Renae Korslien, Mandy Nelson, Stephanie Schoenrock, Stacie Stein, Shelly Parish, Jennifer Guidinger, Stacy Wolla, Kelly McDermott
2003-2004	Renae Korslien, Shelly Parish, Stephanie Schoenrock, Jennifer Guidinger, Kim Reiswig, Denise Johnson
2005	Renae Korslien, Shelly Parish, Jessica Bullinger, Amanda Hilliard, Kim Rieswig, Denise Johnson
2006	Renae Korslien, Shelly Parish, Jessica Bullinger, Janelle Wald, Stacey Folstad-Magandy
2007	Renae Korslien, Shelly Parish, Jessica Bullinger, Cheryl Jorgenson, Stacey Folstad-Magandy, Tracy Pelzer
2008-2009	Renae Korslien, Tracy Pelzer, Kristie Moldenhauer, Shannon Pearson, Stacey Folstad-Magandy
2010	Tracy Pelzer, Kristie Moldenhauer, Shannon Pearson, Ashley Marburger, Kelsey Reinisch, Stacey Folstad-Magandy
2011	Tracy Pelzer, Shannon Pearson, Nikki Medalen, Kelsey Reinisch, Jennifer Ashley, Dani Solsvig
2012	Tracy Pelzer, Jennifer Ashley, Nikki Medalen, Kelsey Reinisch, Erin Beck, Jurene Wallery
2013	Tracy Pelzer, Jennifer Hubrig, Shelly Parish, April Maercklein, Erin Beck, Jodi Rolle
2014	Tracy Pelzer, Jennifer Hubrig, Shelly Parish, Erin Beck, Jodi Rolle, Marissa Gillmore, Kari Olson
2015	Tracy Pelzer, Shelly Parish, Patty Steele, Ashley Skeels, Carrie Boe, Katelyn Nelson
2016	Tracy Pelzer, Shelly Parish, Beth Feldner, Ashley Skeels, Katelyn Nelson, Denise Harrah
2017	Tracy Pelzer, Shelly Parish, Beth Feldner, Katelyn Nelson, Denise Harrah, Brenda Parks
2018	Tracy Pelzer, Shelly Parish, Vince Azzarello, Denise Harrah, April Maercklein, Faith Wolla

STATE FAIR DEPARTMENTS

BEEF

1966 - 1971	Darrell Sundsbak
1972 - 1975	Lynn Frey
1976 - 1979	Bill Goheen
1980	Steve Musch, Bill Goheen
1981	Bill Goheen, Larry Widdel, Milt Korslien
1982 - 1983	Larry Widdel, Milt Korslien, Bryan Sundsbak
1984	Larry Widdel, Milt Korslien
1985 - 1993	Milt Korslien, Mike Sundsbak
1994 - 2005	Mike Sundsbak, Mary Peterson
2006 - Present	Mike Sundsbak, Josh Sundsbak

DAIRY

1966 - 1969
1970
1971
1972 - 1973
1974 - 1975
1976
1977
1978
1979 - 1982
1983 - 1994
1995 - 1997
1998 - 2000
2001 - 2002
2003 - 2005
2006
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2008 - 2012
2013 - 2015
2016
2017

Bruce Martin
Bill Frost
Carl Sand
Gaylen Sailer
Tom B. Frost
Dale Carpentier
Neil Westergaard
Jeff Hagel
Jeff Hagel, Debbie Hansen
Debbie Hansen & Jack Hansen
Kevin Misek, LaRee Misek
Roger Scheibe
Bill Davis
Heidi Jo Brandt
Chris Kubal, Rachel Karsky
Rachel Karsky
Don Ost
Cole Rupprecht
Don Ost, Pam Tonnessen
Pam Tonnessen

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SWINE & SHEEP

1966 - 1969
1970 - 1971
1972
1973 - 1975
1976
1977 - 1982
1983
1984 - 1986
1987
1988 - 1989
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1991 - 1992
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1995 - 1998
1999
2000 - 2002
2003 - 2004
2005 - 2017
2018 - Present

Phil Hanson
Gladys Trottier
Tom Hanson
Mark Schmidt*, Garvin Osteroos
Jim Mostad
Charles Weiser, Mark Schmidt*
Mark Schmidt*, Garvin Osteroos, Charles Weiser
Mark Schmidt*, Garvin Osteroos
Sonja Duerre, Taunia Martin
Sonja Duerre, Leann Erickson
Leann Erickson
Leann Erickson-Schafer
Ruth Scheresky
Leann Schafer, Ruth Scheresky
Brenda Novodvorsky
Brenda Novodvorsky, Brian Zimprich
Brian Zimprich, Jessie Larson
Brian Zimprich, Stephanie Johnson
Brian Zimprich, Kris Nitschke
Brian Zimprich, Kelcey Hoffman

GOATS

1982 - 1985
1986
1987
1988 - 1990
2004 - 2008
2009
2010 - 2015
2016 - Present

Mr. & Mrs. David Beuchler
Ramona Keller, Charlene Martwick
No Show
Ramona Keller, Charlene Martwick
Rodney Dannehl
Luke Black
Jason Mongeon
Jason Mongeon, Sherry Norman

LLAMAS

1991 - 1993	Darlene Hochsprung*	Att 5
1994 - 1996	Greg Jacobs	HB 1009
1997 - 1998	Penny Sigloh	1/14/19
1999 - 2000	Dave Sigloh	
2001 - 2003	Karla Erickson	
2004 - 2008	Sandy Dick	

POULTRY & RABBITS

1983 - 1984	Ken Eraas, Sonja Duerre
1985 - 1986	Sonja Duerre
1987	Don Vitko
1988 - 1989	Don Vitko, Gordon Jensen
1990 - 1997	Don Vitko, Charlotte Pollestad
1998	Don Vitko, Carroll Lindstrom
1999	Vicki Olson, Ken & Susan Loe, Charlotte Pollestad, Sandy Wilson
2000 - 2001	Vicky Olson and Ken & Susan Loe
2002	Vicky Olson, Deb Prock and Ken & Susan Loe
2003 - 2004	Deb Prock, Ken & Susan Loe
2005 - 2006	Deb Prock, Susan Tanser, Ken Loe
2006	Griffin Gessner, Susan Tanser, Ken Loe
2007	Griffin Gessner, Tracy Loe, Ken Loe
2008 - 2012	Don Ost, Nicole Maruskie, Christina Swartout
2013 - 2015	Don Ost, Christina Swartout
2016	Don Ost, Tom McMahon, Christina Swartout
2017 - Present	Tom McMahon, Christina Swartout

AG PRODUCTS

1966 - 1968	Clifford Bakken, Milt Korslien
1969 - 1970	Milt Korslien
1971	Alan Korslien, Milt Korslien
1972	Leonard Enander, Blaine Kotasek
1973	Blaine Kotasek
1974 - 1975	Brad Cogdill
1976 - 1979	George Senechal
1980	Laurie Smestad
1981 - 1999	Ernie Medalen
2000 - Present	Tracey Hartwig

EDUCATION

1967 - 1991	Zona Vick
1992 - 1999	Linda Christensen
2000 - 2001	Linda Christensen, Diane Anderson
2002 - 2003	Diane Anderson, Rob Anderson
2004 - 2006	Diane Anderson, Kim Mau
2007 - 2013	Kim Hegre
2014	Kim Hegre, Val Cunningham
2015 - Present	Val Cunningham

DOMESTIC ARTS

1966	Betty Kunz
1967 - 1969	

1970	Betty Kunz	Att 5
1971	Naomi Coyne, Janice Thom	HB 1009
1972	Marion Siverling, Janice Thom	1/14/19
1973 - 1976	Lorraine Vogel, Janice Thom	
1977 - 1990	Janice Thom	
1991 - 1993	Janice Thom-Anderson	
1994 - 1996	Janet Sabol, Marian Askim	
1997 - 1998	Janet Sabol	
1999 - 2000	Janet Sabol, Fern Laudenschlager, Carmen Redding	
2001	Fern Laudenschlager, Carmen Redding	
2002 - 2013	Fern Laudenschlager	
2014 - Present	Fern Laudenschlager, Sharon Schwarz	

PLANTS & FLOWERS

1994 - 1997	Carol Berg
1998 - 2000	Carol Berg, Scott Bethke
2001 - 2008	Carol Berg
2009 - Present	Wanda Bachmeier, Karla Thompson

HORSES

1966 - 1972	Fred Ehr*
1973	Larry Fredrich, Jean Fredrich
1974	Larry Fredrich, Ron Burns*
1975 - 1977	Don Anderson, Ron Burns*, Jean Fredrich
1978 - 1992	Ron Burns*, Jean Fredrich
1993 - 1999	Judy Erickson, Jean Fredrich, Ron Burns*
2000 - 2006	Jean Fredrich, Debbie Raszler, Ron Burns*
2007	Jean Fredrich, Debbie Raszler
2008	Jean Fredrich, Kylie Behm
2009	Jean Fredrich, Matt Amsden
2010	Jean Fredrich
2011 - 2013	Carla Evenson
2014	Scott Flach, Carla Evenson
2015 - Present	Scott Flach

4-H BUILDING

1966 - 1969	Ward County Extension Service
1970 - 1971	Arlene Klosterman
1972 - 1978	Mary Ruelle
1979	Mary Ruelle, Marie Felan
1980 - 1982	Marie Felan, Ladonna Elhardt
1983 - 1988	Marie Felan, Blanche Schaan
1989	Marie Felan, Marcy Hansen
1990 - 2005	Marcy Hansen
2006 - Present	Shelly Marum

4-H BARN

1966	Francis Hennessy
1967 - 1970	
1971 - 1972	Raymond Kopp
1973 - 1978	Darrell Sundsbak
1979	Quentin Stevick
1980 - 1981	Odd Osteroos

1982 - 1983	Del Rae Martin, Odd Osteroos	
1984	Taunia Martin, Odd Osteroos, Jodi Hennessy	Att 5
1985	Taunia Martin, Jodi Hennessy	HB 1009
1986 -1987	Jim Hennessy	1/14/19
1988 - 1990	Kevin Hansen	
1991 - 1992	Randy Gaebe	
1993 - 1994	Josh Dohrmann	
1995	Justin Larson	
1996 - 1999	Brian Zimprich	

PHOTOGRAPHY

1966 - 1974	Minot Camera Club
1975 - 1978	Ruth Hoffman
1979	Figure Skating Club
1980 - 1983	Eileen McEown*
1984 - 1994	Eileen McEown*, Doug Kary
1995 - 1997	Eileen McEown*, Kandi Mikkelson
1998	Kandi Mikkelson, Diane Halvorson
1999 – 2005	Minot Art Association
2006 – Present	Taube Museum of Art

ARTS & CRAFTS

1966 - 1975	City Art League
1976 - 1977	George Godfrey
1978 - 1982	Pearl Briggs
1983	Margaret Braaten & Francis Domer
1984	Ila Lovdahl, Roxanne Johnson
1985 - 1987	Ila Lovdahl, Bonny Duhamel
1988	Ila Lovdahl, Bonny Kemper
1989 - 1990	Ila Lovdahl, Dawn Brenno*
1991 - 1998	Dawn Brenno*, CeCe Reynolds
1999 – 2005	Minot Art Association
2006 – Present	Taube Museum of Art

PUBLICITY

1966 - 1970	
1971 - 1972	John Elliott
1973 - 1974	Shirley Frey
1975 - 1983	Cleo Cantlon*
1984 - 1988	Cleo Cantlon*, Debbie Richter
1989	Cleo Cantlon*, Nancy Omdahl
1990 - 1993	Cleo Cantlon*, Molla Romine
1994 - 1998	Cleo Cantlon*
1999	Cleo Cantlon*, Kandi Mikkelson
2000 – 2015	Cleo Cantlon*
2016	Patty Steele

TREASURER'S OFFICE

1966 - 1990	Morris Lawrence*
1968 - 1988	Doug Hultberg
1974 - 1988	Renae Korslien
1985 - 1997	Margie Newman

1998 - 1999
2000 - Present

Melanie Emmel, Susan Schmutzler
Melanie Emmel, Margie Newman

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GRANDSTAND TICKETS

1967 – 1970
1971
1972
1973 - 1975
1976 - 1983
1984
1985
1986 - 1990
1991 - 1995
1996 - 2000
2001
2002 – 2007
2008 – 2017
2018 – Present

Mrs Gordon (Esma) Finke
James Schultz
Leonard Enander
Luelle Nermyr
Sandy Vigestad
Magic City Figure Skating Club
Pam Hopkins
Pam Hopkins, Gloria Maragos
Robin Voeller
Ray Preston
Susie Schmutzler, Robin Voeller
Robin Voeller, Donna Beeter
Kathy Haskins, Joan Hodgson
Joan Hodgson, Marsha Yoder

SHERIFF'S DEPARTMENT

1966 - 1978
1979 - 1982
1983 - 1993
1994 - 2010
2011 – 2015
2016 - Present

Olaf Haaland, Ed Heilman
Leon Schwan, Art Anderson
Art Anderson
Vern Erck
Steve Kukowski
Bob Barnhard

BEER GARDENS

1971 - 1972
1973 - 1975
1976 - 1985
1986 - 1987
1988 - Present

Richard Larson
Bob Turneau
Guy Feland
Carroll Burtness
M & S Concession

FAIR'S REPRESENTATION ON ALL SEASONS ARENA BOARD

1975 - 1976
1975 - 1980
1976 - 1982
1982 - 1989
1975 - 1992
1980 - 2000
1989 - 1992
1993 - 1994
1993 - 1997
1994 – 2004
1997 - 1998
1999 - 2000
2001 – 2017
2001 – 2012
2004 – Present
2013 – 2018
2018 – Present

Morris Nelson
Morris Harrington*
Steve Tuchscherer*
Dan Duerre*
Jim Peterson*
Ed Schmidt*
Jerry Effertz
Dick Jensen*
Ken Kitzman
Jerry Effertz
Jim Stafslie*
Jim Lee
Charles Meikle
Gregg Schaefer
Gary Knell
Jim Lee
Todd Vangsness, Kelly Hanson

FAIR FOUNDATION DIRECTORS

1991 - 1992	Delores Stromme
1991 - 1993	Ed Schmidt*
1991 - 1993	Dick Jensen*
1991 - 1993	Jerry Effertz
1991 - 1993	Delbert Clark*
1991 - 1993	Chuck Meikle
1991 - 1993	Wayne Trottier
1991 - 1993	Tim Faller
1991 - 2001	Dennis Wendel
1992 - 2001	Connie Hanson
1993 - 1996	Hjalmer Carlson
1993 - 1997	Ken Kitzman
1993 - 2001	Craig Galbreath
1996 - 2000	Ralph Christensen*
1996 - 2001	Bob Horne
1996 - 1997	Wayne Trottier
2001 - 2001	Kandi Mikkelsen
2001 - 2001	Milt Korslien
2001 - 2001	Ed Schmidt
2001 - 2001	Gordon Johnson
2010 – Present	Todd Berning, President Jerry Iverson, Vice President Beth Jensen-Christmann, Treasurer Joanne Beckman, Secretary Connie Hanson, Craig Zimprich, Jim Grote
2018 – Present	Jennifer Hubrig

FAIR FOUNDATION ADMINISTRATOR

1996	Wanda Neuhalphen
1997 - 1998	Blake Krabseth
1999 - 2000	Astrid Braun
2001	Greg Malmedal
2016	Leslie Stevens

CARNIVAL

Nov 1965	Collins Show for 1966-1967
Nov 1967- Present	Murphy Brothers Exposition

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HONORARY MEMBERS OF STATE FAIR ASSOCIATION

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November 16, 1967

State Department of Cooperative Extension Service
State Department of Vocational Agriculture
N.D.S.U. Animal Science Department
ND Hereford Association
ND Angus Association
ND Shorthorn Association
ND Charolais Association
ND Swine Breeders Association
ND Sheep Breeders Association
ND County Agents Association
ND Vocational Ag Instructors Association
ND Association of Soil Conservation Districts
Greater North Dakota Association
ND Crop Improvement Association
ND Dairy Industries
ND Farm Bureau
ND Feed Manufacturers Association
ND Stockmens Association
ND Press Association
ND Broadcasters Association
ND Implement Dealers Association
ND Farmers Union Association
ND Quarter Horse Association
ND Arabian Association
ND Appaloosa Association
National Farmers Organization
Legislative Research Committee
ND Polled Hereford Association
ND Holstein Association
ND Milking Shorthorn Association
ND Championship Horse Show Association
ND Association of Extension Home Economists
ND Beekeepers Association
ND Durum Wheat Growers Association
ND Wheat Growers Association
ND Bankers Association
ND Thoroughbred Association
ND Palomino Association
State Historical Society
ND Association of Fairs

HONORARY MEMBERS OF STATE FAIR ASSOCIATION (cont)

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November 1977

Vern Stevick, Des Lacs
Merrel Dahle, Minot
Morris Nelson, Washburn
Paul Cripe, Amenia *
Ed Goerger, Barney*
Newman Power, Crosby*

November 1978

Chris Roen, Bowman *

November 1981

Ralph Christensen, Minot *
Morris Harrington, Minot *
Jim Peterson, Minot *

November 1982

Darrell Sundsbak, Minot
Don Erickson, Makoti *

November 1983

Hugh McCutcheon, Minot *
Steve Tuchscherer, Rugby *
Morris Lawrence, Minot*

November 1984

Jack Wilkinson, Montpelier*
Floyd Fode, Jud *
Robert Velure, Bismarck *

November 1985

Merwyn Larsen, Flaxton*
Tom Martindale, Fargo*

November 1986

Al Fragodt, Fargo *
George Christensen, Minot *

November 1987

Brynhild Haugland, Minot*

November 1988

Chester Reiten, Minot*

November 1989

Fran Vculek, Oakes*
Dan Duerre, Mohall*

November 1990

Milt Korslien, Minot
Forrest Schmidt, New Salem *

November 1991

Zona Vick, Minot
Ron Burns, Surrey*

November 1992

Gordon Johnson, Minot *
Delores Stromme, Colorado

November 1993

Richard Debertin, Berthold

November 1994

Kandi Mikkelsen, Minot
Delbert Clark, Cooperstown*

November 1995

Wayne Trottier, Northwood

November 1996

Joel Janke, Bismarck

November 1997

Cleo Cantlon, Minot *

November 1998

City of Minot

November 1999

Mike Sundsbak, Des Lacs
Jean Fredrich, Des Lacs

November 2000

Ward County

November 2001

Ed Schmidt, Max *

November 2002

Norsk Hostfest
Tim Faller, Hettinger
Duane Straight, Minnesota*

HONORARY MEMBERS OF STATE FAIR ASSOCIATION (cont)

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November 2003

Sharon Anderson, Fargo

November 2004

KMOT TV

KXMC TV

Minot Daily News

Clear Channel Communications

Fox/ABC Television

November 2005

Marcy Hansen, Ryder

Jerry Effertz, Velva

November 2006

Jerry Iverson, Binford

November 2007

Richard "Dick" Jensen, Williston*

November 2008

Fern Laudenschlager, Minot

November 2009

Tim Clark, Turtle Lake

Karen Kresbach, Minot

November 2010

Dennis Voeller, Minot

November 2011

Gaylen Schmidt, Minot

Trevor Rudland, Maxbass

November 2012

Linda Nelson, Minot

Steve Gehrtz, Fargo

November 2013

Ted Johnson, Kindred

November 2014

Dennis Wendel, LaMoure

November 2015

Steve Zimmerman, Bismarck*

November 2016

Senator Bill Bowman, Bowman

November 2017

Neil Fleming, Cavalier*

November 2018

Chuck Meikle, Spiritwood

*Deceased

2018 Sponsors

Att 5
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All America City Glass	Hampton Inn	Northern Plains Potato Growers Association
American Trust Center	Hubbard Feeds	Northern Pulse Growers Association
Bank of North Dakota	iHeart Media	Northstar Steel
Basin Safety	Keller Paving & Landscaping, Inc.	Praxair
Bayer Crop Science	Kenmare News	RDO Equipment
Best Western Kelly Inn	Lowe's Garden Center and Floral	RTL Entertainment
Boot Barn	Magic City Beverage	Scheels
Bremer Bank	MDU	Schock's Safe & Lock, Inc.
Central Power Electric	Midwest Dairy Association	Sign D'zyn
Coborn's, Inc.	Minnesota Wing King	Smooth Gator
Community Ambulance	Minot Electric	SRT
Dakota Chappy	MJ McGuire Company	The Grand Hotel
Dakota Drug	Murphy Brothers	Town & Country Credit Union
Dakota Kids Dentistry	ND Corn Utilization Council	Tractor Supply
Davidson Construction	ND Department of Ag	Tri-N Propane
Dean Foods	ND Farm Bureau	Trinity Health
Dish Network	ND One Call	United Community Bank
Eide Bailly	ND Pork Council	United Quality Cooperative
Enbridge Pipelines	ND Wheat Commission	USDA
Etix	Nissan	Verendrye Electric
Farm Credit Services	North American Coal	Waste Management
First Western Bank	North Country Mercantile	Western Agency Inc
Gooseneck Implement	Northern Bottling Company	Wilbur-Ellis
Green Thumb Greenhouse	Northern Brake Service	

2018 North Dakota State Fair

Entries by County

County	Total	County	Total
Adams	360	McLean	1,565
Barnes	373	Mercer	1151
Benson	304	Morton	1054
Bottineau	659	Mountrail	1051
Bowman	293	Nelson	133
Burke	381	Oliver	100
Burliegh	1,292	Pembina	362
Cass	1,808	Pierce	296
Cavalier	171	Ramsey	714
Dickey	3,510	Ransom	2,969
Divide	96	Renville	358
Dunn	180	Richland	6,972
Eddy	113	Rolette	289
Emmons	458	Sargent	48
Foster	636	Sheridan	349
Golden Valley	92	Slope	51
Grand Forks	292	Stark/Billings	491
Grant	142	Steele	227
Griggs	90	Stutsman	879
Hettinger	99	Towner	175
Kidder	883	Traill	17
LaMoure	1088	Walsh	433
Logan	214	Ward	9,560
McHenry	2,180	Wells	1,007
McIntosh	229	Williams	355
McKenzie	449		
		Total Entries	46,998



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4-H Department – North Dakota State Fair – July 20-28, 2018

Static Exhibits		8017
Project expo		76
Clothing revue		50
Communication Arts Contest		87
Rube Goldberg Challenge (4 teams)		4
Livestock	Number of animals	Number of Exhibits
Beef	120	192
Dairy	31	42
Goats	234	307
Sheep	162	236
Swine	162	216
Round Robin Livestock Showmanship		36
Horse	114	505
Poultry	173	205
Rabbits	128	165
Total Number of Exhibits		10138
Consumer choices judging contest		89
Total 4-H Participation		10227



On behalf of 4-H members, leaders, and families, **thank you** for the opportunity to showcase our work at the 2018 North Dakota State Fair.

In 4-H, we learn to explore interests, develop skills we will use throughout our lifetime, make new friends and have fun.

The North Dakota State Fair provides us with the opportunity to do all of these.

FFA Report

2018 NORTH DAKOTA STATE FAIR



29 YEAR HISTORY OF FFA PARTICIPATION

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2012	2013	2014	2016	2016	2017	2018
CHAPTERS	69	66	63	62	65	59	60	59	62	62	63	66	66	62	67	61	64	63	63	64	70	68	64	67	66	67	66	68	72
EXHIBITS	9,762	10,393	10,588	9,598	9,632	9,636	10,220	9,362	10,329	11,979	12,718	14,238	14,282	15,586	15,594	17,877	20,168	21,216	21,405	18,271	18,989	22,228	26,438	22,512	23,679	27,012	22,179	23,633	23,789
Beef	64	64	49	71	69	45	67	50	60	50	60	73	83	55	52	57	56	75	71	78	66	64	52	44	41	45	50	53	41
Dairy	22	15	23	16	34	47	43	32	29	61	59	69	48	26	33	36	16	17	18	17	23	21	26	24	14	16	13	18	20
Sheep	97	164	148	190	184	151	164	160	182	176	173	229	109	90	88	68	59	90	76	99	98	94	73	76	74	109	96	106	102
Swine	52	29	0	18	36	43	29	55	30	48	84	71	95	95	100	155	100	98	73	76	75	90	65	73	53	58	56	53	54
Poultry & Rabbits	23	52	84	89	175	223	198	315	189																				
Poultry										167	80	92	75	166	96	67	43	95	99	94	92	106	27	43	44		53	60	50
Rabbits										106	75	81	125	106	65	52	94	69	71	53	46	18	26	38	17	31	38	48	31
Horses																31	28	22	24	28	14	30	14	1	1	32	15		
Goats																0	0	0	0	0	40	35	22	38	60	56	48	37	49
Showmanship												116	108	108	115	97	101	93	86	105	114	110	98	95	89	106	111	122	123
Crops	2068	1625	1160	1201	967	981	813	748	1016	1201	1089	1265	1141	1345	1010	997	908	963	1068	697	621	599	397	229	174	196	192	167	145
Educational	401	450	252	210	273	435	546	530	559	857	783	926	1284	1107	1116	1550	1737	1893	1779	1925	1,771	1,912	2,878	1,884	2,091	2,339	2,646	2683	2925
Horticulture	2992	2818	2408	2342	2557	2583	3052	2711	3322	3850	4547	5109	5031	5694	6973	7948	10316	10901	11268	8842	10,058	13,024	16,422	14,768	16,183	19,048	13,402	14,978	14,480
Floriculture																											510	725	610
Mechanics	3959	4099	4212	3629	4047	3744	4058	3872	4067	4095	4295	4656	4828	5185	4706	5403	5083	5498	5227	5183	4,512	4,331	5,312	4,494	4,157	4,020	3,834	3,770	4,119
Produce	84	107	2210	1799	1243	1352	1211	851	834	1323	1421	1506	1317	1063	1194	1366	1546	1355	1502	1062	1,402	1,742	988	670	642	883	863	766	986
Tractor Driving	52	51	42	33	46	32	35	40	43	46	51	45	38	48	45	50	53	48	43	50	45	52	38	36	34	34	37	43	40

FAIR ANNUAL STATEMENT 2018

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	2018	2017
OPENING CASH	\$5,189,286.09	\$4,859,468.60
RECEIPTS		
STORAGE	\$146,870.00	\$144,315.00
GROUND, BUILDING, EQ RENTAL	\$826,590.00	\$826,026.80
NODAK	\$28,309.24	\$30,030.00
INDOOR	\$165,297.88	\$164,835.32
OUTDOOR	\$265,806.91	\$262,003.56
INDEPENDENT	\$163,983.50	\$160,801.88
CARNIVAL	\$323,662.48	\$312,546.61
GRANDSTAND	\$2,328,954.55	\$2,078,323.28
OUTSIDE GATES	\$1,259,044.76	\$1,205,623.24
CAMPING	\$169,690.00	\$163,600.00
ENTRIES & STALL FEES	\$44,173.00	\$41,712.00
SPONSORSHIPS	\$309,730.54	\$302,696.48
MISCELLANEOUS	\$15,247.51	\$15,972.09
BEER GARDENS	\$587,907.03	\$512,779.90
STATE PREMIUM APPROPRIATIONS	\$257,832.50	\$257,832.50
STATE ASPHALT APPROPRIATIONS	\$0.00	\$33,789.00
INTEREST ON INVESTMENTS	\$12,953.77	\$5,755.45
WARD COUNTY MILL LEVY	\$513,372.31	\$578,397.99
TOTAL FAIR REVENUE	<u>\$7,419,425.98</u>	<u>\$7,097,041.10</u>
REVENUE PLUS OPENING CASH	\$12,608,712.07	
TOTAL FAIR EXPENSE 2018	(\$6,678,860.40)	
REDEPOSIT	\$815.00	
NSF	(\$1,921.25)	
CASH BALANCE SEPTEMBER 30, 2018	<u>\$5,928,745.42</u>	
CERTIFICATE OF DEPOSIT	(\$1,000,000.00)	
RECEIVABLES	\$38,250.48	
PAYABLES	(\$2,550,000.00)	
BALANCE SEPTEMBER 30, 2018	<u><u>\$2,416,995.90</u></u>	

CONTINUED

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ACCOUNTS RECEIVABLE

Equipment & Building Rentals	\$4,463.67
Concessions	\$33,786.81
	<u>\$38,250.48</u>

ACCOUNTS PAYABLE

Committed Contracts as of September 30, 2018

Grandstand Contracts	\$2,550,000.00
	<u>\$2,550,000.00</u>

EXPLANATION OF RECEIPTS

MISCELLANEOUS

ATM Fees	\$3,711.75
Auction Items	\$410.20
Canadian Exchange	(\$933.24)
Copies & Faxes	\$88.80
Hay, Straw, Chips	\$8,460.00
Fair T-Shirts	\$1,877.00
Shuttle Service (on grounds)	\$1,633.00
	<u>\$15,247.51</u>

FAIR ANNUAL STATEMENT 2018

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	2018	2017
EXPENSES		
SALARIES	\$1,479,138.35	\$1,466,342.66
BOARD MEETINGS/TRAINING	\$48,024.28	\$42,896.27
STAFF TRAINING	\$27,954.53	\$28,810.92
UTILITIES	\$460,233.36	\$470,135.75
TELEPHONE	\$20,740.66	\$20,572.32
RENT OF EQUIPMENT	\$22,181.77	\$20,392.44
POSTAGE & FREIGHT	\$6,826.57	\$7,680.04
REPAIR EQUIPMENT	\$14,961.30	\$20,979.82
BUILDINGS & GROUNDS MAINTENANCE	\$194,687.47	\$146,699.36
PROFESSIONAL FEES	\$345,699.48	\$349,285.64
INSURANCE, DUES, MEMBERSHIPS, T & L	\$69,096.32	\$70,338.57
OFFICE SUPPLIES	\$9,065.71	\$7,302.52
ADVERTISING	\$406,161.51	\$382,305.62
PROMOTIONS	\$72,135.99	\$82,977.42
GAS & OIL	\$21,856.18	\$29,418.38
NEW EQUIPMENT	\$128,574.42	\$39,831.77
CAPITAL IMPROVEMENTS	\$240,624.88	\$551,784.72
GRANDSTAND	\$2,435,770.94	\$2,418,316.56
OTHER ENTERTAINMENT	\$179,453.23	\$142,645.02
CONCESSIONAIRES	\$12,169.72	\$12,651.27
4-H	\$113,311.76	\$103,974.99
FFA	\$129,762.47	\$124,826.10
BEEF	\$26,092.13	\$24,432.83
DAIRY	\$11,258.18	\$12,639.30
HORSES	\$62,609.60	\$60,240.44
SHEEP & WOOL	\$23,266.48	\$23,300.41
SWINE	\$16,790.10	\$16,525.64
GOATS/LLAMAS	\$12,457.34	\$11,003.16
RABBITS	\$7,004.18	\$7,025.70
POULTRY	\$3,916.43	\$3,591.29
ARTS & CRAFTS	\$3,569.28	\$4,723.72
DOMESTIC ARTS	\$12,406.74	\$10,412.97
EDUCATION	\$7,085.42	\$5,222.78
PHOTOGRAPHY	\$1,854.83	\$1,621.81
WRITING	\$787.08	\$961.34
AG PRODUCTS	\$1,253.43	\$1,012.77
GATES	\$50,078.28	\$43,408.29
TOTAL FAIR EXPENSES	\$6,678,860.40	\$6,766,290.61

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Fair Annual Statement Explanation of Expenses

PROFESSIONALS

Armored Car Service	\$1,888.06
Attorney Fees	\$40,564.79
Audit	\$12,740.00
Background Check	\$54.00
Classified Ads	\$37.24
Cleaning-Fair	\$55,400.00
Cleaning-Food Court	\$6,800.00
Cleaning-Hostfest/Rodeo	\$11,212.50
Cleaning-Races	\$16,150.00
Combination Lock Changes	\$106.76
Community Ambulance	\$725.00
Computer Back-up	\$455.00
Fair Paper Pickers	\$5,900.00
Fair Porta Pot Rental	\$12,600.00
Fair Veterinary Services	\$7,054.20
Fire Alarm/Inspection	\$2,095.70
Fly Spraying-Barns	\$3,900.00
Health Inspector	\$130.00
Help Wanted Ads	\$3,527.50
Litigation Expenses	\$1,180.14
Ride Inspection	\$500.00
Security	\$158,179.44
Showcases-Tear Down	\$800.00
Shuttle Drivers	\$1,000.00
Street Sweeper	\$440.00
Survey Land	\$2,039.15
Weed Spraying	\$220.00

TOTAL \$345,699.48

CAPITAL IMPROVEMENTS

Commercial II Concession Stand	\$3,879.81
Commercial II Power Upgrade	\$15,526.34
East Lot Fence-SE Corner	\$2,500.00
Grandstand Sprinkler System	\$137,786.00
Guard Posts Storage Unit Lot	\$3,995.00
LED Lighting Upgrade	\$6,217.43
Magic Place Bathroom Upgrade	\$13,169.40
Shade Sails	\$24,176.00
Sprinkler System	\$2,374.90
West Lot Fence	\$31,000.00

TOTAL \$240,624.88

NEW EQUIPMENT

2 Way Radios	\$1,800.00
Bobcat	\$3,500.00
Curtain Racks	\$1,528.00
Chairs	\$8,600.00
Computers	\$4,807.25
Fence Panels	\$3,550.00
Floor Scrubbers	\$12,000.00
Hog & Sheep Panels	\$6,943.00
Mowers/Trimmers	\$1,334.80
Phone System	\$9,908.29
Pins-Hog/Sheel Panels	\$200.50
Security Cameras	\$12,092.80
Security Wands	\$899.95
Semi Tractor	\$6,000.00
Street Sweeper	\$50,000.00
Tires	\$1,901.60
Tools	\$883.28
Trailer	\$2,100.00
Vacuum	\$524.95

TOTAL \$126,774.42

INSURANCE, DUES, TAX & LICENSE

Dues & Memberships	\$5,258.00
Insurance	\$62,498.92
Tax & License	\$1,339.40

TOTAL \$69,096.32

CONCESSIONAIRES

Awards	\$149.53
Gifts	\$1,148.08
Payroll	\$5,740.51
Picnics	\$3,678.75
Supplies	\$1,452.85

TOTAL \$12,169.72

GATES

Supplies	\$5,503.00
Payroll	\$42,934.10
Printing	\$1,641.18

TOTAL \$50,078.28

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ENTERTAINMENT STAGES

Ag Experience	\$256.00
Amateur Talent	\$1,266.40
Arm Wrestling	\$700.00
Crazy Aarons	\$48.00
Crop Plot	\$500.00
Fair Family For A Day	\$100.00
Flickertail Gardens Entertainment	\$2,000.00
Hoagies Sammy Contest	\$144.00
Horse Pull	\$3,542.49
Kids Clubhouse	\$2,050.00
Mutton Bustin	\$500.00
Pedal Pull	\$1,018.88
Pony Pull	\$2,320.25
Run the Route	\$267.13
Senior Festival	(\$1,072.21)
Showdeo	\$2,296.37
Stage 1- Kids Kingdom	\$20,552.78
Stage 2- Juke Box Junkie	\$27,260.36
Stage 3- Extreme Canines	\$13,010.00
Stage 4- Racing Pigs	\$3,755.00
Stage 5- 9-11 Memorial Exhibit	\$27,245.18
Stage 6- Fur Traders	\$16,700.00
Stage 7- Sports Extreme	\$25,405.00
Strolling	\$29,587.60
TOTAL	\$179,453.23

GRANDSTAND

Catering	\$17,495.72
Entertainers	\$2,196,932.50
Equipment	\$2,268.87
Rain Insurance	\$13,920.00
Payroll	\$69,502.30
Professionals	\$14,460.78
Sound, Video & Lights	\$84,292.68
Supplies	\$1,714.69
TOTAL	\$2,400,587.54

PROMOTIONS

Ag Awards	\$189.81
Annual Meeting	\$81.96
Annual Report	\$1,685.00
Bus Service	\$32,220.00
Christmas Party & Cards	\$2,900.30
Clippings	\$2,388.35
Convention Auctions	\$149.99
DMX	\$308.26
Festival Tent	\$3,666.67
Film Processing/Film	\$75.85
Flowers	\$315.00
Media Accommodations	\$3,304.85
Merchandise	\$2,269.10
Motor Magic	\$1,360.70
Parade	\$2,000.00
Photo ID'S	\$148.00
Photographers	\$2,269.00
Printing	\$175.90
Refreshments/Committees	\$2,777.15
Shirts	\$2,259.07
Signs	\$3,750.00
Special Campaigns	\$1,478.25
Special Display	\$152.58
Sponsor Support	\$2,860.20
Video	\$3,350.00
TOTAL	\$72,135.99

UTILITIES

Electricity	\$293,067.99
Garbage Hauling	\$111,318.12
Natural gas	\$45,154.30
Sewer & Water	\$10,692.95
TOTAL	\$460,233.36

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DEPARTMENT EXPENSES

4-H

Premiums	\$71,421.48
Equipment	\$473.14
Hay & Straw	\$1,148.63
Judges	\$10,639.04
Payroll	\$15,485.83
Picnics	\$529.87
Printing	\$2,932.00
Professionals	\$3,135.75
Ribbons & Trophies	\$7,002.77
Supplies	\$543.25
TOTAL	\$113,311.76

FFA

Premiums	\$109,556.31
Equipment	\$140.89
Hay & Straw	\$1,148.63
Judges	\$4,273.20
Payroll	\$745.83
Picnics	\$529.88
Printing	\$2,673.84
Professionals	\$1,141.88
Ribbons & Trophies	\$9,383.47
Supplies	\$168.54
TOTAL	\$129,762.47

BEEF

Premiums	\$15,201.00
Dues & Memberships	\$43.75
Equipment	\$348.80
Hay & Straw	\$94.50
Judges	\$3,228.79
Payroll	\$3,440.85
Printing	\$305.88
Professionals	\$3,118.88
Ribbons & Trophies	\$222.44
Supplies	\$87.24
TOTAL	\$26,092.13

HORSE

Premiums	\$9,195.00
Dues & Membership	\$1,218.00
Equipment	\$1,085.20
Hay & Straw	\$2,745.68
Judges	\$15,212.20
Payroll	\$15,963.04
Printing	\$1,562.33
Professionals	\$10,747.31
Ribbons & Trophies	\$4,579.35
Supplies	\$301.49
TOTAL	\$62,609.60

PHOTOGRAPHY

Premiums	\$450.00
Judges	\$200.00
Payroll	\$550.00
Printing	\$321.50
Ribbons & Trophies	\$222.15
Supplies	\$111.18
TOTAL	\$1,854.83

ARTS & CRAFTS

Premiums	\$2,392.50
Judges	\$250.00
Payroll	\$550.00
Printing	\$180.10
Ribbons & Trophies	\$124.45
Supplies	\$72.23
TOTAL	\$3,569.28

AG PRODUCTS

Premiums	\$480.50
Payroll	\$500.00
Printing	\$128.75
Ribbons & Trophies	\$88.96
Supplies	\$55.22
TOTAL	\$1,253.43

EDUCATION

Premiums	\$1,891.25
Payroll	\$2,619.44
Printing	\$409.87
Ribbons & Trophies	\$2,141.24
Supplies	\$23.62
TOTAL	\$7,085.42

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SWINE

Premiums	\$8,648.00
Dues & Memberships	\$43.75
Hay & Straw	\$1,567.35
Judges	\$2,592.88
Payroll	\$2,843.33
Printing	\$353.51
Professionals	\$375.00
Ribbons & Trophies	\$255.34
Supplies	\$110.94
TOTAL	\$16,790.10

RABBITS

Premiums	\$312.75
Dues & Memberships	\$290.00
Hay & Straw	\$27.70
Judges	\$2,777.08
Payroll	\$1,336.50
Printing	\$1,149.82
Ribbons & Trophies	\$983.50
Supplies	\$126.83
TOTAL	\$7,004.18

SHEEP

Premiums	\$15,179.00
Dues & Memberships	\$43.75
Hay & Straw	\$1,306.13
Judges	\$2,241.25
Payroll	\$2,908.33
Printing	\$644.50
Professionals	\$318.00
Ribbons & Trophies	\$456.41
Supplies	\$169.11
TOTAL	\$23,266.48

DOMESTIC ARTS

Premiums	\$3,107.50
Dues & Memberships	\$30.00
Judges	\$1,925.00
Payroll	\$4,643.20
Printing	\$1,291.96
Ribbons & Trophies	\$892.68
Supplies	\$516.40
TOTAL	\$12,406.74

DAIRY

Premiums	\$8,291.63
Equipment	\$257.42
Hay & Straw	\$261.20
Judges	\$684.10
Payroll	\$935.00
Printing	\$100.47
Professionals	\$625.00
Ribbons & Trophies	\$80.51
Supplies	\$22.85
TOTAL	\$11,258.18

GOATS

Premiums	\$5,279.00
Dues & Memberships	\$83.75
Hay & Straw	\$435.38
Judges	\$4,116.58
Payroll	\$1,800.83
Printing	\$349.78
Ribbons & Trophies	\$291.87
Supplies	\$100.15
TOTAL	\$12,457.34

POULTRY

Premiums	\$943.50
Dues & Memberships	\$50.00
Hay & Straw	\$125.00
Judges	\$371.50
Payroll	\$1,963.28
Printing	\$228.48
Ribbons & Trophies	\$157.87
Supplies	\$76.80
TOTAL	\$3,916.43

WRITING

Premiums	\$670.00
Printing	\$61.03
Ribbons & Trophies	\$42.17
Supplies	\$13.88
TOTAL	\$787.08

Premiums

	2009	2010	2011**	2012	2013	2014	2015	2016	2017	2018
Ag Products	\$812.62	\$745.13	\$101.52	\$394.50	\$454.55	\$464.76	\$552.08	\$546.91	\$325.42	\$569.46
Arts & Crafts	\$1,255.12	\$1,517.35	\$131.82	\$1,189.00	\$3,807.71	\$4,118.10	\$4,989.54	\$3,823.92	\$3,148.54	\$2,516.95
Beef	\$14,159.44	\$12,376.78	\$141.77	\$10,339.50	\$12,765.18	\$13,318.69	\$16,741.43	\$15,169.29	\$15,302.33	\$15,423.44
Culinary	\$1,800.39	\$2,801.36	\$180.81	\$1,804.00	\$1,925.32	\$2,081.31	\$1,202.73	\$1,222.24	\$1,056.66	\$1,371.76
Dairy	\$5,964.01	\$17,119.05	\$1,111.45	\$12,866.67	\$10,469.08	\$11,714.21	\$11,060.07	\$10,238.31	\$9,853.52	\$8,372.14
Education	\$2,968.76	\$3,091.75	\$424.51	\$1,716.25	\$2,730.92	\$3,033.11	\$3,245.00	\$3,944.66	\$2,259.22	\$4,032.49
Flowers	\$1,717.62	\$2,138.93	\$180.82	\$1,439.50	\$1,637.83	\$1,509.82	\$1,663.73	\$1,844.97	\$1,365.96	\$1,841.39
4-H	\$66,617.45	\$69,319.50	\$4,701.70	\$68,658.52	\$75,987.13	\$76,509.41	\$69,704.90	\$63,814.49	\$70,149.68	\$78,424.25
FFA	\$100,348.77	\$117,621.69	\$6,465.00	\$128,962.03	\$124,602.79	\$127,146.84	\$138,285.06	\$103,432.28	\$115,857.21	\$118,939.78
Goats/Llamas	\$1,641.46	\$1,771.08	\$125.50	\$1,709.00	\$2,075.94	\$4,819.45	\$3,699.62	\$5,059.36	\$4,550.71	\$5,570.87
Swine	\$7,161.19	\$7,556.28	\$156.93	\$7,231.25	\$8,066.06	\$8,220.51	\$8,802.31	\$8,442.78	\$7,886.46	\$8,903.34
Horses	\$15,803.51	\$19,242.45	\$2,638.71	\$14,423.40	\$12,736.16	\$14,310.21	\$15,409.57	\$14,666.68	\$11,795.19	\$13,774.35
Meat Products	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Needlework	\$1,002.09	\$1,363.07	\$180.82	\$3,026.50	\$1,119.77	\$1,104.31	\$1,274.74	\$1,174.95	\$994.88	\$787.03
Photography	\$471.24	\$706.80	\$162.15	\$1,232.00	\$582.65	\$615.08	\$618.23	\$712.48	\$478.69	\$672.15
Poultry	\$903.12	\$1,212.85	\$116.66	\$876.50	\$777.24	\$857.85	\$0.00	\$872.32	\$801.47	\$1,101.37
Rabbits	\$643.59	\$957.75	\$334.75	\$578.75	\$911.68	\$895.55	\$1,097.31	\$1,569.26	\$611.23	\$1,296.25
Sheep & Wool	\$10,992.00	\$12,355.18	\$200.10	\$8,513.75	\$13,546.67	\$12,825.11	\$16,183.43	\$16,041.90	\$15,849.48	\$15,635.41
Writing	\$962.56	\$968.23	\$15.16	\$905.00	\$927.28	\$811.75	\$1,199.12	\$970.48	\$879.20	\$712.17
Ribbons/Awards*	*	*	*	*	*	*	*	*	*	*
	\$235,224.94	\$272,865.23	\$17,370.18	\$265,866.12	\$275,123.96	\$284,356.07	\$295,728.87	\$253,547.28	\$263,165.85	\$279,944.60

*INCLUDED IN DEPARTMENTS

**2011 FAIR CANCELLED DUE TO FLOODING

***2015 POULTRY SHOW CANCELLED DUE TO AVIAN FLU

1/14/19
HB 1009
A++S

THIRTY-ONE YEARS COMPARISON BY MAJOR ENTERPRISES

	SPONSORSHIPS	INDEPENDENT	INDOOR	OUTDOOR	STORAGE	ENTRY & STALL FEES	CARNIVAL	NODAK	RENTALS	BEER GARDENS	GATE ADMISSION	GRANDSTAND	PARKING & CAMPING	MISC	PREMIUM ADS	INTEREST
1988	\$50,274.92	\$46,291.68	\$122,047.00	\$50,988.37	\$34,325.68	\$30,969.40	\$118,958.41	\$5,426.20	\$151,871.86	\$162,500.07	\$493,537.68	\$487,521.90	\$48,610.50	\$4,589.87	\$4,556.00	
1989	\$85,023.00	\$44,529.18	\$130,196.46	\$50,635.37	\$27,907.78	\$31,216.16	\$99,724.73	\$4,573.00	\$268,613.54	\$98,992.52	\$455,256.81	\$398,649.94	\$46,100.01	\$24,039.24	\$6,630.00	
1990	\$71,061.32	\$45,091.70	\$131,235.31	\$46,785.41	\$31,362.42	\$31,853.50	\$122,319.79	\$4,804.00	\$326,597.41	\$109,418.39	\$446,413.32	\$338,316.41	\$45,326.15	\$24,118.72	\$6,666.00	\$24,344.65
1991	\$85,988.96	\$44,373.85	\$117,739.77	\$46,945.79	\$23,339.72	\$36,280.50	\$102,880.84	\$6,482.72	\$287,158.70	\$132,308.49	\$448,565.04	\$435,046.60	\$53,511.39	\$4,475.22	\$6,108.00	\$27,659.86
1992	\$97,741.64	\$41,868.60	\$127,624.03	\$51,635.19	\$17,156.80	\$38,000.50	\$131,149.93	\$10,516.72	\$367,283.90	\$143,605.61	\$553,994.99	\$408,845.99	\$54,751.00	\$3,470.21	\$6,923.00	\$28,115.41
1993	\$101,054.36	\$43,883.06	\$129,228.76	\$58,499.80	\$16,380.00	\$39,030.47	\$135,425.75	\$7,549.41	\$400,772.97	\$152,802.25	\$665,606.54	\$441,703.11	\$14,626.85	\$4,187.85	\$7,371.00	\$10,677.29
1994	\$130,744.40	\$55,814.54	\$128,456.86	\$61,731.86	\$20,687.00	\$34,463.00	\$144,453.57	\$10,739.37	\$416,217.91	\$174,067.05	\$674,797.36	\$448,634.40	\$14,669.30	\$12,014.07	\$6,630.00	\$17,535.22
1995	\$136,986.01	\$68,725.14	\$132,869.30	\$82,919.28	\$21,672.80	\$40,092.56	\$140,970.52	\$6,900.95	\$450,751.80	\$173,513.14	\$725,872.84	\$520,336.06	\$13,345.90	\$92,862.69	\$6,305.00	\$28,521.74
1996	\$138,785.00	\$61,633.56	\$136,229.01	\$75,629.08	\$20,771.00	\$35,110.40	\$141,904.76	\$5,524.19	\$398,787.58	\$172,227.15	\$673,812.54	\$488,180.99	\$16,689.95	\$57,618.51	\$5,300.00	\$36,366.08
1997	\$142,002.66	\$72,511.06	\$145,753.96	\$81,870.55	\$21,713.00	\$35,212.40	\$150,585.00	\$8,729.27	\$384,100.02	\$162,113.74	\$626,894.26	\$433,419.44	\$19,204.88	\$102,564.71	\$6,145.00	\$24,610.93
1998	\$188,844.45	\$76,925.14	\$152,441.55	\$79,444.99	\$21,854.00	\$32,623.50	\$149,959.49	\$8,691.84	\$503,034.35	\$191,582.05	\$696,266.12	\$472,482.81	\$20,441.06	\$21,014.22	\$5,096.66	\$34,135.23
1999	\$106,152.35	\$67,661.75	\$139,659.77	\$84,236.45	\$21,169.00	\$36,305.04	\$154,054.57	\$6,260.00	\$473,424.51	\$204,240.45	\$657,932.30	\$596,424.00	\$22,011.75	\$49,903.09	\$5,490.00	\$32,354.05
2000	\$270,156.46	\$74,915.88	\$139,210.07	\$95,344.59	\$21,348.00	\$42,778.60	\$156,132.79	\$6,875.00	\$523,100.17	\$136,492.60	\$639,841.13	\$525,900.91	\$19,526.66	\$33,365.72	\$4,370.00	\$45,946.73
2001	\$223,832.22	\$73,141.03	\$140,116.71	\$92,236.46	\$24,655.00	\$40,877.26	\$159,380.23	\$5,261.00	\$520,963.96	\$166,742.10	\$636,275.15	\$527,586.53	\$22,847.98	\$22,604.53	\$4,925.00	\$35,230.93
2002	\$206,884.60	\$77,207.87	\$138,760.30	\$93,226.26	\$21,966.00	\$43,493.00	\$150,469.25	\$4,690.00	\$508,582.44	\$202,503.43	\$653,787.84	\$657,464.23	\$28,855.00	\$132,859.96	\$5,225.00	\$14,589.17
2003	\$215,794.73	\$79,451.64	\$139,816.18	\$108,456.60	\$20,977.00	\$45,455.00	\$161,831.69	\$17,300.00	\$475,762.00	\$231,815.22	\$686,861.92	\$793,258.80	\$33,716.00	\$11,896.74	\$4,240.00	\$7,444.58
2004	\$206,581.76	\$87,703.07	\$155,927.58	\$114,298.23	\$22,624.00	\$45,939.25	\$177,497.37	\$10,221.00	\$511,261.19	\$232,070.34	\$819,910.88	\$720,336.19	\$41,909.50	\$13,089.81	\$0.00	\$5,708.53
2005	\$221,203.89	\$88,737.71	\$154,731.18	\$146,266.43	\$33,380.00	\$41,371.00	\$187,093.82	\$12,341.32	\$679,986.33	\$288,217.70	\$832,471.53	\$1,067,409.59	\$51,438.00	\$16,094.79	\$0.00	\$13,878.03
2006	\$220,618.25	\$89,222.68	\$162,628.36	\$136,690.08	\$37,067.00	\$41,973.00	\$178,038.05	\$7,389.55	\$505,409.21	\$236,483.27	\$776,308.20	\$1,029,390.20	\$57,020.00	\$15,364.95	\$0.00	\$35,781.03
2007	\$230,981.60	\$102,558.06	\$150,196.61	\$129,393.87	\$33,191.00	\$42,663.00	\$182,536.14	\$11,443.51	\$545,453.78	\$272,700.75	\$764,280.13	\$1,199,863.58	\$75,384.00	\$7,503.97	\$0.00	\$39,089.78
2008	\$198,968.28	\$120,553.91	\$145,047.02	\$151,825.10	\$34,779.80	\$34,653.00	\$241,630.87	\$9,500.00	\$627,499.09	\$291,494.58	\$801,574.49	\$1,208,718.81	\$77,265.00	\$12,690.28	\$0.00	\$34,886.82
2009	\$187,483.30	\$117,419.34	\$150,493.91	\$184,215.47	\$54,630.00	\$35,218.50	\$274,597.93	\$7,800.00	\$546,293.02	\$397,587.20	\$947,738.89	\$1,895,259.36	\$85,313.00	\$19,181.55	\$0.00	\$17,086.44
2010	\$222,150.00	\$153,330.08	\$151,678.10	\$217,507.01	\$58,690.30	\$31,415.50	\$273,606.04	\$7,575.43	\$577,172.26	\$517,129.91	\$989,141.07	\$2,430,888.00	\$92,439.00	\$18,249.39	\$0.00	\$9,639.13
2011*	\$195,047.21	(\$225.00)	\$0.00	(\$425.00)	\$52,512.50	\$0.00	\$644.00	\$15,806.06	\$703,097.33	\$0.00	\$2,153.00	(\$34,950.73)	\$650.00	\$8,902.21	\$0.00	\$8,438.37
2012	\$355,502.79	\$172,556.30	\$151,178.63	\$241,274.37	\$106,807.50	\$33,194.00	\$297,836.68	\$27,457.30	\$938,731.60	\$660,185.28	\$1,200,028.20	\$2,375,027.30	\$166,297.00	\$16,008.11	\$0.00	\$3,469.60
2013	\$267,605.83	\$173,747.84	\$166,671.64	\$255,505.22	\$92,339.00	\$39,453.00	\$312,294.76	\$22,462.50	\$801,519.70	\$569,101.53	\$1,190,617.14	\$2,797,754.57	\$165,943.00	\$16,168.39	\$0.00	\$2,774.53
2014	\$226,752.31	\$176,374.68	\$168,486.91	\$258,701.37	\$111,745.00	\$43,431.00	\$317,764.34	\$23,583.00	\$791,313.91	\$633,645.35	\$1,189,762.76	\$2,147,862.91	\$167,665.00	\$65,240.90	\$0.00	\$2,974.47
2015	\$365,815.20	\$173,622.91	\$170,405.22	\$259,716.80	\$130,080.00	\$42,879.50	\$355,268.40	\$28,065.58	\$811,436.54	\$628,500.66	\$1,183,830.48	\$2,923,148.15	\$168,375.00	\$94,993.98	\$0.00	\$2,778.24
2016	\$302,688.26	\$167,854.31	\$165,295.99	\$250,295.36	\$135,469.25	\$45,208.10	\$331,188.22	\$33,022.28	\$845,296.18	\$503,754.01	\$1,264,418.23	\$2,407,230.74	\$160,800.00	\$17,084.41	\$0.00	\$4,643.33
2017	\$302,696.48	\$160,801.88	\$164,835.32	\$262,003.56	\$144,315.00	\$41,712.00	\$312,546.61	\$30,030.00	\$826,026.80	\$512,779.90	\$1,205,623.24	\$2,078,323.28	\$163,600.00	\$15,972.09	\$0.00	\$5,755.45
2018	\$309,730.54	\$163,983.50	\$165,297.88	\$265,806.91	\$146,870.00	\$44,173.00	\$323,662.48	\$28,309.24	\$826,590.00	\$587,907.03	\$1,259,044.76	\$2,328,954.55	\$169,690.00	\$15,247.51	\$0.00	\$12,953.77

*2011 Fair cancelled due to flooding

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STATE FAIR GROWTH

Year	Attendance	**Livestock Entries (Open Class Only)	All FFA Entries	All 4-H Entries	*Other Divisions	Total Entries	Premiums Paid	Income	Expenses
1982	285,067	3,746	6,529	6,257	5,493	22,025	\$109,257	\$1,387,058	\$1,448,009
1983	300,790	4,446	6,308	7,017	5,617	23,388	\$117,254	\$1,560,999	\$1,426,699
1984	296,597	4,258	6,479	7,600	5,911	24,248	\$120,083	\$2,140,921	\$2,123,436
1985	279,782	4,146	6,352	7,352	5,872	23,722	\$140,517	\$2,179,456	\$2,155,629
1986	237,314	4,022	6,629	8,430	6,321	25,402	\$127,751	\$1,664,021	\$1,814,850
1987	247,569	4,194	8,731	9,327	6,284	28,536	\$151,215	\$1,803,674	\$1,747,844
1988	248,267	4,622	9,737	9,793	7,592	31,744	\$160,336	\$1,936,119	\$1,957,875
1989	230,566	4,705	9,762	10,991	7,483	32,941	\$164,176	\$1,951,023	\$1,896,224
1990	226,949	4,972	10,019	11,635	7,409	34,035	\$167,170	\$1,944,498	\$2,074,316
1991	240,291	6,408	10,588	10,866	8,179	36,041	\$169,217	\$2,039,732	\$1,697,486
1992	244,236	6,441	9,598	11,382	7,780	35,201	\$179,218	\$2,071,577	\$2,333,713
1993	244,248	5,497	9,632	11,896	7,221	34,246	\$147,497	\$2,585,799	\$2,357,436
1994	250,150	6,391	9,636	11,282	6,134	33,443	\$147,381	\$2,565,972	\$2,497,946
1995	260,041	6,482	10,220	11,925	6,782	35,409	\$146,288	\$3,070,535	\$2,794,103
1996	248,154	6,558	9,382	11,489	6,467	33,896	\$143,837	\$2,678,819	\$2,999,225
1997	233,004	7,104	10,329	11,099	7,036	35,568	\$165,747	\$2,611,151	\$2,673,766
1998	236,140	6,941	11,927	10,863	7,120	36,851	\$173,327	\$2,900,516	\$2,714,889
1999	210,840	7,215	12,718	11,135	7,128	38,196	\$180,425	\$3,128,884	\$3,098,148
2000	206,584	8,371	14,238	11,604	6,592	40,805	\$189,324	\$3,000,633	\$3,047,789
2001	208,601	7,302	14,282	11,575	7,808	40,967	\$196,170	\$3,269,316	\$3,190,199
2002	211,126	7,517	15,604	11,909	7,609	42,639	\$186,876	\$3,307,393	\$2,982,581
2003	217,587	7,251	15,534	12,704	8,002	43,491	\$194,252	\$3,625,568	\$3,694,827
2004	243,024	8,094	17,877	12,475	7,652	46,098	\$206,049	\$3,554,346	\$3,576,068
2005	244,874	7,341	20,168	11,783	7,601	46,893	\$213,514	\$4,459,492	\$3,951,718
2006	247,970	6,580	21,216	11,021	6,771	45,588	\$210,690	\$3,964,308	\$4,205,077
2007	248,501	6,365	21,405	10,669	6,537	44,976	\$217,347	\$4,455,104	\$4,119,248
2008	239,449	5,476	18,271	10,374	6,140	40,261	\$226,636	\$4,613,393	\$4,331,299
2009	296,919	6,087	18,961	10,295	6,420	41,763	\$230,125	\$5,448,090	\$5,016,629
2010	308,641	6,193	22,228	10,039	6,337	44,797	\$272,865	\$6,539,982	\$6,013,375
2011***	0	0	0	0	0	0	\$17,370	\$1,339,444	\$2,623,267
2012	310,839	4,675	26,393	9,409	4,911	45,388	\$265,866	\$7,593,577	\$5,622,864
2013	320,485	5,670	22,512	9,254	5,855	43,321	\$275,124	\$7,581,754	\$6,257,134
2014	314,446	5,910	23,679	9,446	6,122	45,157	\$284,356	\$7,061,248	\$7,078,674
2015	305,093	6,732	27,012	9,240	6,465	49,449	\$295,729	\$8,135,448	\$9,272,248
2016	293,123	7,188	22,179	10,024	6,909	46,300	\$253,547	\$7,837,892	\$6,988,322
2017	299,077	6,518	23,633	10,078	6,829	47,058	\$263,166	\$7,097,041	\$6,766,291
2018	318,248	5,807	23,789	10,227	7,175	46,998	\$279,945	\$7,419,426	\$6,678,860

Income and Expenses Include State Premium Appropriations and Bonding Assistance, but no State funded Capital Improvements.

*Other Divisions Include Ag Products, Domestic Arts, Needlework, Flowers, Arts & Crafts, Photography, Writing & Education.

**Livestock Entries include Horse, Beef, Goats, Sheep, Swine, Rabbits, Dairy & Poultry.

***2011 Fair cancelled due to flooding

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ENTRIES

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Number of Beef	374	433	374	418	407	371	411	369	339	408	345	336	367	298	233	359	448	355	327	230	258	246	333	230	215	Flood	256	224	211	237	198	245	238	
Entries	465	717	597	457	660	579	736	533	656	584	479	482	536	472	380	496	558	493	461	495	530	491	494	412	333	Flood	330	370	476	539	425	411	421	
Number of Dairy	209	151	164	179	169	180	200	135	139	126	84	71	126	191	162	71	91	130	135	75	110	116	125	98	120	Flood	102	115	90	93	80	79	61	
Entries	421	313	335	435	379	391	424	228	254	184	126	124	212	222	259	122	98	199	307	102	129	154	133	125	153	Flood	114	140	130	105	152	135	92	
Number of Swine	70	69	78	69	47 disease		50	92	95	63	80	56	49	175	147	420	407	305	311	300	308	469	409	300	273	Flood	242	253	228	225	214	230	273	
Entries	118	89	99	123	56 disease		89	137	146	107	111	93	90	279	155	434	422	527	617	566	599	512	461	427	464	Flood	429	739	398	491	520	475	547	
Number of Sheep	473	562	426	544	563	573	625	639	574	629	683	636	512	679	597	447	340	340	403	504	396	518	484	356	376	Flood	263	347	497	632	435	476	495	
Entries	658	849	670	770	677	844	924	947	1039	772	1115	845	679	893	847	640	485	588	560	648	597	647	624	623	530	Flood	341	650	543	843	825	866	805	
Number of Goats/Llamas	55	8	43	25	13	32	36	38	41	59	56	50	46	55	33	25	18	16	40	51	71	47	65	70	75	Flood	136	173	163	191	267	286	319	
Entries	82	8	79	28	21	82	68	108	114	152	108	112	99	91	62	60	58	56	75	84	130	102	110	100	109	Flood	157	221	341	312	537	470	556	
Number of Poultry	436	351	813	621	687	766	881	457	663	578	429	269	378	213	259	279	409	295	269	176	261	208	230	225	260	Flood	284	192	230	237	298	311		
Entries	472	364	813	673	767	878	981	557	713	578	429	269	378	213	259	262	367	317	261	168	249	198	217	249	315	Flood	310	196	244	Cancelled	266	307	318	
Number of Rabbits	60	43	113	82	114	124	159	162	168	243	318	1149	1388	870	596	252	300	350	508	360	268	274	305	340	316	Flood	390	320	330	486	434	363	278	
Entries	65	41	113	82	127	124	159	182	186	243	318	1149	1388	1204	796	547	549	871	1089	899	592	1220	1006	1045	1264	Flood	1498	1259	1391	1732	1813	1545	787	
Number of Horses	601	667	598	593	588	722	647	631	650	637	734	726	755	692	897	872	1079	909	812	775	915	673	611	589	560	Flood	667	865	645	850	919	578	599	
Entries	1741	1821	1916	2137	2285	3510	3060	2805	3283	3862	3874	4030	3559	3841	5017	4741	4980	4833	4724	4379	3754	3041	2380	3106	3025	Flood	1496	2095	2387	2710	2650	2309	2281	
Ag Products	386	488	391	339	390	389	396	292	389	420	533	519	356	246	260	498	217	362	326	300	334	306	188	170	172	Flood	215	193	173	266	227	173	242	
Domestic Arts & Meats	735	1049	1153	1123	1077	1860	1064	870	857	981	779	718	785	821	727	826	583	736	671	710	723	589	448	502	501	Flood	527	710	441	498	455	440	624	
Sunflowers & Snacks	12	8	12	7	4	0	8	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	Flood	8	8	0	0	8	8	8
Needlework	865	706	1039	1139	851	917	928	833	689	714	584	679	679	613	605	603	493	579	589	453	451	348	304	342	321	Flood	393	325	251	300	295	283	341	
Flowers	564	493	490	449	476	471	637	523	542	736	436	396	537	543	548	607	406	907	948	971	920	920	948	1002	739	Flood	561	962	849	1043	1036	1013	1230	
Fine Arts	290	304	416	482	475	514	563	556	548	552	511	495	456	555	377	329	348	344	355	371	235	222	269	266	326	Flood	219	253	219	377	209	242	289	
Photography	492	468	725	611	575	555	517	354	357	322	426	497	472	483	433	365	438	448	533	455	451	506	410	464	615	Flood	543	448	515	458	451	432	439	
Number of FFA	6629	8731	9737	9762	10019	10588	9598	9632	9636	10220	9362	10329	11927	12718	14238	14282	15604	15534	17877	20168	21216	21405	18271	18960	22228	Flood	26393	22512	23679	27012	22179	23633	23789	
Number of 4-H	8430	9327	9793	10991	11635	10866	11382	11896	11282	11925	11489	11099	10863	11135	11604	11575	11909	12704	12475	11783	11021	10669	10374	10295	10039	Flood	9409	9254	9446	9240	10024	10078	10227	
School Entries	1745	2021	2566	2586	2979	2948	3129	3337	2285	2753	2779	3350	3535	3553	3805	4191	4671	4249	4061	4159	3542	3175	3573	3474	3477	Flood	2555	2929	3387	3413	4137	4164	3945	
Writing Entries	1200	750	780	700	566	475	490	440	451	293	427	365	255	270	400	304	430	350	150	150	100	452	100	125	140	Flood	316	46	287	110	99	82	65	
Dairy Bake-off &	8	0	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	0	8	Flood	8	8	8	8	8	8	8
Crisco Contest	32	8	20	27	16																					Flood	8	8	0	0	8	0	8	
Special Food Shows				20	8	50	56	16	16	11	12	17	45	44	33	85	23	27	19	32	15	19		75	46	Flood	8	18						
	25,402	28,536	31,744	32,941	34,035	36,041	35,201	34,246	33,443	35,409	33,898	35,568	36,851	38,196	40,805	40,967	42,639	44,124	46,098	46,893	45,588	44,976	40,310	41,762	44,797	Flood	45,863	43,321	45,157	49,449	46,300	47,058	46,998	

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MAJOR CAPITAL IMPROVEMENTS

Source of Revenue

(also includes State and Local support of facilities)

The ND State Fair was authorized by the 1965 State Legislature
with the 1st Fair held July 17-23 of 1966.

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1969	4-H & FFA BARN 1/4 Mile Race Track	\$25,000	\$20,000	
1971	Horse Barn		\$16,000	\$39,000
1975	Caretakers House All Seasons Arena	\$500,000	\$1,700,000	\$27,000
1976	FFA Building Horse Barn & Stalls Paving & Lighting Interest	\$250,000 \$200,000	\$94,000	\$200,000 \$28,713
1977	New Shop Kiddies Barn Interest		\$8,000	\$11,000 \$29,423
1978	Warehouse Expo Barn & Stalls & Wash Trailer Park Sewer/Water/Electric System 3/8 Mile Race Track Security Fencing Toilets Interest	\$500,000 \$40,000 \$60,000	\$1,700 \$30,000	\$3,000 \$25,000 \$75,000 \$27,000 \$23,779
1979	Grandstand Seats Jaycees Building New Sidewalks Interest		\$60,000	\$35,000 \$8,000 \$16,658
1980	Avenue of Flags Crops & Gardens Bldg Parking Lot - Land Interest		\$2,500	\$2,500 \$70,000 \$95,000 \$13,976
1981	Fencing Paving Around Barns Front Sign Sewer & Water Drains on Ind. Midway Parking Barriers & Signs Expanding Outdoor Horse Arena Interest			\$5,913 \$60,170 \$5,980 \$4,125 \$3,160 \$1,000 \$12,524

CONTINUED MAJOR CAPITAL IMPROVEMENTS

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1982	Expanding Outdoor Horse Arena			\$1,000
	Landscape Machinery Area South of Com. Bldg.			\$3,000
	New Aluminum Seats for Grandstand Bleachers			\$40,000
	New Stalls for Goats & Sheep			\$7,500
	New Parking Lot Sign			\$6,250
	Fencing East Lot			\$4,000
	New Stage			\$49,000
	1st Phase of Electrical			\$6,440
	Renovation	\$110,600		
	Steel Post & Chain Fences Around Grounds			\$10,038
	Concrete Benches		\$650	
	Beer Garden Addition		\$6,500	\$8,868
	Electrical Service for Oil Show			\$1,400
	Construction Parking Lot N of Grounds			\$7,300
	Stage			\$48,658
	Pave Shuttle Bus Route			\$2,004
	Interest			\$11,847
1983	Stage Cover		\$7,800	\$15,800
	Electrical	\$39,400		\$38,614
	Comfort Station			\$73,022
	Signage			\$5,652
	Sheriff's Office			\$1,029
	Landscaping			\$1,094
	Livestock Pens			\$3,815
	Interest			\$10,007
1984	Parking Lot Landscaping			\$23,852
	Trees & Shrubs			\$1,999
	Signage			\$6,565
	Grandstand Gates & Entries			\$2,710
	Ticket Office Addition			\$4,194
	Pave Front of Grandstand			\$8,800
	Curbs			\$2,970
	In-field Transformer			\$2,700
	Spotlight Stand			\$750
	Commercial Building II			\$473,324
	Comfort Station Architect			\$960
	Landscaping at Stage II, Remove Road			\$6,877
	Interest			\$18,601
1985	All Seasons Arena Companion Structure & Office under contract with interest payments pledged as of 1/8/85		\$1,486,418	\$433,658
	Landscape around Pond			\$590
	Paving Front Grandstand			\$5,325
	Remodel Picnic Area			\$4,459

CONTINUED MAJOR CAPITAL IMPROVEMENTS

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1986	Signage			\$764
	Trees			\$1,080
	Waterline			\$8,678
	Beer Gardens			\$263,633
	Interest		\$25,950	\$44,338
	Paving West Arena		\$45,000	\$22,961
	Sewer Improvement		\$166,181	\$1,908
	Paving			\$13,775
	Beer Gardens Heating			\$24,611
	Beer Gardens Fencing			\$1,142
	Concessions Area Arena II		\$21,210	
	Land			\$70,000
	Arches			\$6,733
	East Parking Lot Paving			\$420
	Trees			\$320
	Interest		\$88,234	\$70,423
1987	Arches		\$35,000	\$23,673
	Paving by Arch		\$9,845	\$8,600
	Dairy Barn Lighting			\$1,041
	Morton Shop			\$9,357
	Stage III			\$4,800
	Interest		\$78,152	\$120,339
1988	Cultural Concessions Area		\$8,057	
	Cultural Building			
	Theater/Conference Room/			
	Kitchen/Equipment/Restrooms		\$1,594,660	\$1,377,706
	Parking Lot			
	Gym Dandy's Center	\$70,000		\$330,000
	Dressing Room			\$7,920
	Backstage Bathroom			\$1,884
	Free Stage			\$1,000
	Defaulted Pledges		(\$357,000)	\$357,000
	Pedestrian Control			\$3,937
	Restaurant I		\$60,119	
	Honeywell Air Cleaners			\$1,825
	Interest		\$65,595	\$86,831
1989	Carnival Bathroom			\$14,605
	Commercial III/Sidewalk			\$8,424
	Gate Change/Shuttle Route			\$10,055
	Dressing Rooms			\$2,701
	Pepsi Gate		\$15,000	\$1,569
	Restaurant II		\$106,045	
	Visibility Barrier Fence			\$3,135
	State Appropriation	\$201,027		(\$201,027)
	Interest		\$73,975	\$71,547

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1990	Camping			\$5,176
	Comm II/Heating & Air			\$139,559
	Comm II Restaurant		\$86,706	
	Horse Barn			\$3,000
	Beer Gardens/Concrete			\$443
	Shuttle Route			\$1,849
	Coffee Room			\$495
	State Appropriation	\$210,000		(\$210,000)
	Interest		\$72,821	\$247,093
1991	Camping/Elec/Sewer		\$7,200	\$10,000
	Comm II/Heat, Air, Lights			\$5,727
	Horse Barn II/Liner			\$1,312
	Cultural Bldg/Arbitration			\$13,834
	Ticket Booths			\$3,179
	Ticket Office/Electric			\$545
	Handicap Access/Grandstand			\$3,597
	Land			\$5,000
	Surface Drainage/Culverts			\$1,400
	Arena I Retrofit		\$370,000	
	Interest			\$329,883
1992	Expo Barn Concrete		\$27,339	
	Fence			\$6,293
	Ticket Booths			\$3,810
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$261,620
1993	Horse Barn Concrete		\$74,116	
	City/Arena Maintenance Repairs		\$30,000	
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$239,414
1994	West Lot		\$225,645	\$27,626
	Barn Moving		\$119,350	
	Grandstand Restrooms			\$40,407
	County/Building & Grounds Repair		\$57,524	
	City/Arena Maintenance Repairs		\$80,000	
	Interest			\$303,850
1995	West Lot			\$19,550
	Moving Reader Board Sign			\$7,350
	East Lot	\$30,000	\$20,000	\$91,261
	City/Arena Maintenance Repairs		\$80,000	
	County/Building & Grounds Repair		\$67,818	
	State Appropriations	\$210,000		(\$210,000)
	Interest/Debt Service			\$186,333

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1996	Midway Transformer			\$1,000
	Midway Parking			\$24,709
	Stage Roof			\$119,233
	Street Lights			\$5,500
	City/Arena Maintenance Repairs		\$80,000	
	County/Building & Grounds Repair		\$69,849	
	Interest			\$179,319
	Flickertail Concrete			\$4,358
	Game and Fish		\$103,000	
	Pond Fountain			\$2,324
	Sprinkler System			\$3,828
	City/Arena Maintenance Repairs		\$80,000	
	County/Building & Grounds Repair		\$68,870	
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$171,886
1998	Flat Track - Drag Strip		\$290,344	
	County/Building & Grounds Repair		\$85,678	
	City/Arena Maintenance Repair		\$80,000	
	Arena I Restrooms			\$70,000
	Pond Fountain			\$674
	Grounds Keeper's Garage			\$11,008
	Grounds Keeper's House			\$5,230
	Interest			\$165,602
	Expansion		\$241,881	\$4,664
1999	New Asphalt			\$112,049
	Fence Relocation North of Fair			\$7,782
	North Road Relocation		\$50,000	\$12,500
	Pavilion Project			\$829
	Electrical for Machinery Row			\$15,487
	West Lot Camping Improvements			\$11,781
	East Lot Fence Remove/Replace			\$410
	Industrial Lot Gravel		\$51,000	
	Gate Repair/Install Barrier			\$835
	City/Arena Maintenance		\$80,000	
	County		\$91,605	
	City/Magic Place		\$6,916,560	
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$156,184
2000	City/Magic Place/Renovation		\$1,445,519	
	City		\$57,566	
	Kiddie barn relocation/parking			\$16,683
	Porter land			\$6,000
	Porter land fencing			\$2,324
	State Fair Park			\$33,090
	West lot camping			\$9,119
	County		\$95,328	
	Interest			\$148,137

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2001	Carnival lot relocation			\$93,892
	Super Cross Track		\$30,000	
	Super Cross Fence		\$15,000	
	Super Cross Water Point		\$6,000	
	State Appropriations	\$210,000		(\$210,000)
	City		\$95,320	
	County		\$180,140	
	Interest			\$138,066
2002	Asphalt			\$32,210
	Camping Electrical East Lot		\$15,030	
	Camping Electrical West Lot		\$10,104	
	Office Cupboards			\$1,942
	City		\$99,681	
	County		\$190,367	
	Interest			\$135,639
2003	Air Conditioned Jaycees			\$7,322
	Air Conditioned Commercial I			\$29,268
	City		\$100,965	
	County		\$195,615	
	East Lot Electrical Upgrade			\$9,271
	Gate Arches			\$32,498
	Midway Restrooms			\$154,621
	Office Cupboards and Desks			\$3,519
	State Appropriations	\$210,000		(\$210,000)
	Street Light (sand box)			\$1,284
	Interest			\$83,597
2004	Arena Hallway Flooring			\$59,249
	City		\$116,240	
	County		\$203,393	
	Independent Midway Renovation			\$31,412
	Interest			
	Office Cupboards and Desks			\$2,176
	Street Light			\$2,408
	West Lot Electrical Upgrade			\$6,200
	Interest			\$79,541
2005	Electrical Upgrades			\$11,538
	City		\$133,300	
	County		\$212,371	
	Gate Arches Lighting			\$1,917
	Office Cupboards			\$1,230
	State Appropriations	\$210,000		(\$210,000)
	West Lot Electrical Upgrade		\$50,311	\$23,852
	Interest			\$73,073

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YEAR	PROJECT	STATE FUNDS	LOCAL FUNDS	FAIR FUNDS
2006	All Seasons Arena Seating Upgrade		\$500,395	\$200,000
	City		\$115,000	
	County		\$220,000	
	East Lot RV			\$113,261
	West Lot Electrical & Grass Lots			\$2,500
	Interest			\$65,410
2007	All Seasons Arena Seating Upgrade		\$7,511	\$26,940
	Asphalt	\$28,488		
	City		\$169,495	
	County		\$236,789	
	Expo Barn Fan			\$14,258
	East Lot RV			\$4,312
	Interest			\$52,365
	State Appropriations	\$210,000		(\$210,000)
2008	Asphalt	\$2,157		
	City		\$235,828	
	County		\$281,032	
	Electrical RV Upgrade			\$15,500
	Commercial III Air Conditioner			\$36,069
	Grandstand Project	\$120,200		
	Interest			\$43,586
2009	Arena I Break Room			\$10,385
	Asphalt	\$234,356		
	Electrical Upgrade East Lot RV			\$39,617
	Electrical Upgrade Carnival RV			\$9,737
	Electrical Upgrade South HB II			\$15,000
	FFA Air Conditioner			\$18,505
	Grandstand Approp 2007-2009	\$129,800		\$4,046
	Grandstand Approp 2009-2011	\$969,986		
	Interest Paid			\$34,861
	North Road			\$12,500
	Umbrella's Food Court			\$19,351
	City		\$260,885	
	County		\$284,198	
	State Appropriations	\$210,000		(\$210,000)
2010	Industrial Lot Regrade			\$18,925
	Umbrella's Food Court			\$23,159
	West Lot Comfort Station		\$30,500	\$156,153
	Carpet-Norsk Room & TJs			\$7,370
	Night Deposit Vault			\$4,769
	East Lot RV Embankment			\$25,000
	Electrical Upgrade Carnival RV			\$7,360
	Expo Barn Re-Roof Wings			\$34,210
	Food Court Utilities			\$33,855

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2010	Regrade West Lot			\$10,066
(cont)	Ticket Booth			\$7,237
	Asphalt			\$102,751
	City		\$297,787	
	County		\$335,795	
	Interest			\$31,999
	Grandstand	\$13,003,452		\$58,019
2011	Asphalt			\$59,157
	Grandstand	\$1,026,562		\$95,699
	Grounds Keeper House			\$45,355
	Industrial Lot Power			\$84,155
	Interest			\$21,111
	State Fair Center Lobby Piers			\$12,623
	Ticket Booth			\$6,679
	Umbrella's Food Court			\$19,498
	West Lot Comfort Station			\$9,987
	West Lot Electric Upgrade			\$3,984
	City		\$408,188	
	County		\$370,424	
2012	Asphalt			\$241,083
	Grandstand Concrete			\$25,524
	Grandstand Snow Retention System			\$63,028
	Grandstand Stage Roof Anchors			\$4,224
	Hockey Boards			\$162,051
	Ice Floor			\$895,402
	Industrial Lot Lights			\$36,680
	Industrial Lot Asphalt			\$80,200
	Interest			\$38,409
	Pond Fence			\$16,230
	Re-Seed Grass			\$2,600
	Regrade Dirt South of Horse Barn II			\$4,000
	RV Booth			\$3,961
	Security Cameras			\$9,730
	Sprinkler System			\$14,499
	State Fair Center HVAC Unit			\$18,000
	Theater Overhead Door			\$7,086
	West Lot Gravel			\$29,666
	City		\$792,775	
	County		\$378,022	
	State Appropriations	\$210,000		(\$210,000)

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2013	Bubbas			\$24,024
	Carpet-Fair Office			\$18,018
	Commercial I Roof			\$46,837
	FEMA Trailers			\$11,000
	Fence-Midway			\$3,338
	Fence Panels			\$7,500
	Grandstand Bird Control			\$142,597
	Hot Water Heater-4-H Hall			\$16,782
	HVAC-4-H Hall			\$195,210
	Lights-Expo Barn Show Ring			\$2,110
	Overhead Door-Bunny Barn			\$1,988
	Portable Light Towers			\$12,000
	RV Dump			\$22,920
	Security Cameras			\$44,233
	Sprinkler System			\$8,800
	Street Lights			\$1,447
	West Lot Electrical Upgrade			\$2,831
	Flood Loan Payoff	\$647,361		\$211,359
	City		\$507,556	
	County		\$434,795	
2014	Asphalt	\$2,287,185		\$762,970
	Curling Club Floor		\$28,020	\$69
	East Lot Sign			\$7,396
	Upgrade Power North of Commercial I			\$12,390
	Fiber Optics			\$73,000
	HVAC Upgrades			\$16,606
	Historical Society Sub Meter			\$7,433
	SFC Sub Meter			\$24,950
	Broadway Reader Board			\$86,780
	4-H Barn Roof Replacement			\$38,000
	Industrial Lot RV Dump			\$10,481
	FFA Hall Remodel			\$262,141
	Stage 7 Relocate			\$18,698
	Street Lights			\$6,202
	Theater Walk In Door			\$3,680
	Viggy's Fire Protection			\$1,765
	Commercial III Office Roof Replacement			\$13,131
	Security Cameras			\$17,082
	Mega Ride Trailer			\$11,615
	City		\$524,976	
	County		\$462,944	

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2015	Asphalt	\$462,815		\$143,936
	Arena Mechanical/Lighting/Sound System			\$1,713,382
	Backstage Power Upgrade			\$9,307
	Curling Club Floor		\$246,980	\$19,388
	Drainage Ditch-East Lot			\$11,992
	Grandstand Concrete			\$24,504
	Grandstand Mudjacking			\$7,800
	Grandstand Stage Roof			\$1,178,980
	FFA Hall Remodel			\$1,119,630
	Food Court Power Upgrade			\$1,988
	Magic Place HVAC Repair			\$23,386
	SFC Roof Repair			\$9,236
	Street Lights			\$5,000
	West Lot Power Upgrade			\$24,427
	City		\$483,765	
	County		\$511,531	
2016	Asphalt	\$433,461		\$10,460
	Arena Mechanical/Lighting/Sound System			\$81,504
	CoCo's Restaurant Remodel			\$485,155
	Commercial II HVAC System			\$32,480
	Digital Message Board by Gate D			\$101,180
	Electric Upgrade Commercial III			\$4,340
	Electric Upgrade East of Dairy Barn			\$8,938
	Grandstand Fence			\$4,630
	Grandstand Stage Roof Gutters			\$3,217
	Mudjack Magic Place			\$10,000
	Relocate NoDak Building			\$26,372
	Sprinkler System-Kids Kingdom			\$4,100
	City		\$316,979	
	County		\$522,517	
2017	Asphalt	\$33,789		\$8,555
	Commercial II HVAC System			\$19,465
	Sprinkler System Kids Kingdom			\$3,114
	Land & Storage Units Across Burdick Expressway			\$486,862
	Grandstand Stage Roof Sign			\$26,480
	Parking Lot Repair			\$5,798
	Flickertail Lighting			\$2,438
	City		\$270,972	
	County		\$578,398	
2018	Magic Place Bathroom Upgrade			\$13,169
	Commercial II Concession Stand			\$3,880
	Commercial II Power Upgrade			\$15,526
	West Lot Fence			\$31,000
	East Lot Fence-SE Corner			\$2,500
	Grandstand Sprinkler System			\$137,786
	Guard Posts-Storage Unit Lot			\$3,995
	LED Lighting Upgrades			\$6,217
	Shade Sails			\$24,176
	Sprinkler System-West of JayCee Building			\$2,375

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2018	Security Cameras			\$12,093
(cont)	State Fair Center Roof Repairs			\$24,369
	City		\$199,750	
	County		\$513,372	
	Misc. Items Listed			\$835,291
	TOTAL =	\$23,925,639	\$28,143,205	\$18,860,679

1966 MAJOR IMPROVEMENTS: Non-specified improvements include the purchase of props, tables, chairs, display curtains, stock panels, tractors, vehicles and other equipment. The remodeling of the plumbing of 3 bathrooms in the Arts & Crafts Building; the remodeling of the grandstand ticket office; the addition of a mens toilet in the Arts & Crafts Building; \$8,000 worth of hand dryers; new staging; sodding of boulevards; replanting of grass; remodeling of the beer gardens & 4-H building; ticket booths; installation of new gates, fences & dividers; the demolition of two horse barns, the old hog & sheep barn, two race barns, an old log barn, two houses & the old office. The construction of a show mobile stage; a new underground drainage system; dredging of the pond; construction of a horse arena; cattle tie outs; new parking lot roadway & lights; aluminum benches; more portable bleachers; aluminum picnic tables; re-roofing of the dairy barn; painting of the domestic arts building, beef barn & dairy barn; new soffits on the horse barn; miscellaneous fencing; remodeling the pub bar & diaper stations; painting the grandstand. Over \$835,291 worth of additional significant changes & improvements.

***Major improvements do not include general routine maintenance repairs, the purchase of consumable supplies, or replacement of equipment.

Footnote: A small portion of the interest credited to the support of Fair funding from 1976-1984 could possibly be credited to local funds.

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North Dakota State Fair Association
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September 30, 2018

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Independent Auditor's Report

The Board of Directors
North Dakota State Fair Association
Minot, North Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of the North Dakota State Fair Association, a component unit of the State of North Dakota, and of its discretely presented component unit, North Dakota State Fair Foundation, as of and for the year then ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Basis for Qualified Opinions

As discussed in Notes 9 and 10 to the financial statements, the North Dakota State Fair Association has not determined the net pension liability and the other postemployment benefits liability, as of a measurement date no earlier than the end of the employer's prior fiscal year. Accounting principles generally accepted in the United States of America require that each liability be determined as of a measurement date no earlier than the end of the employer's prior fiscal year. The effect of this departure on the deferred outflows of resources, deferred inflows of resources, liabilities, net pension liability, and expenses has not been determined.

Qualified Opinions

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinions" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of North Dakota State Fair Association, and of its discretely presented component unit as of September 30, 2018, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of North Dakota State Fair Association, an enterprise fund of the State of North Dakota, are intended to present the financial position, the changes in financial position and cash flows of only that portion of the business-type activities of the State of North Dakota that is attributable to the transactions of North Dakota State Fair Association. They do not purport to, and do not, present fairly the financial position of the State of North Dakota as of September 30, 2018, the changes in its financial position, or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Notes 1 and 13 to the financial statements, the Association has adopted the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which has resulted in a restatement of the net position as of October 1, 2017. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Employer's Share of Net OPEB Liability, Schedule of Employer's Share of Net Pension Liability and Schedules of Employer Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2018 on our consideration of the North Dakota State Fair Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Dakota State Fair Association's internal control over financial reporting and compliance.

Eide Bailly LLP

Bismarck, North Dakota
November 1, 2018

North Dakota State Fair Association
Management's Discussion and Analysis
September 30, 2018 and 2017

This section of the Association's annual financial report presents our analysis of the financial performance during the fiscal year that ended September 30, 2018. Please read it in conjunction with the financial statements, which follow this section.

Financial Highlights

- The Association's net position was adjusted due to the implementation of GASB 75. After the adjustment, the Association's net position decreased by \$665,909 or -2.46% in fiscal year 2018.
- During fiscal year, the Association's operating revenues increased by \$406,881 or 6.23%, while operating expenses increased by \$237,994 or 2.84%.
- Fair revenues increased to \$6,624,183 or 6.79%.
- Property and equipment additions totaled \$319,871.
- Depreciation expense totaled \$1,654,700.

Overview of the Financial Statements

This annual report consists of three parts: Management's Discussion and Analysis, Financial Statements, and Required Supplementary Information. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The Financial Statements of the Association report information about the Association using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Balance Sheet includes all of the Association's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Association creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Association and assessing the liquidity and financial flexibility of the Association. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Change in Net Position. This statement measures the success of the Association's operations over the past year and can be used to determine whether the Association has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Association's cash receipts and cash payments during the reporting period.

The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

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North Dakota State Fair Association
Management's Discussion and Analysis
September 30, 2018 and 2017

Financial Analysis of the Association

One of the most important questions asked about the Association's finances is "Is the Association as a whole better off or worse off as a result of the year's activities?" The Balance Sheet, and the Statement of Revenues, Expenses and Changes in Net Position report information about the Association's activities in a way that will help answer this question. These two statements report the net position of the Association and changes in them. You can think of the Association's net position-the difference between assets, deferred outflows and inflows and liabilities-as one way to measure financial health or financial position. Over time, increases or decreases in the Association's net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, population declines, and competitive forms of entertainment.

Net Position

To begin our analysis, a summary of the Association's Balance Sheets is presented in the following:

Condensed Balance Sheets (In Thousands of Dollars)

	2018	2017	Dollar Change	Total Percent Change
Assets				
Current and other assets	\$ 6,946	\$ 6,217	\$ 729	11.73%
Capital assets	25,364	26,716	(1,352)	-5.06%
Total assets	<u>32,310</u>	<u>32,933</u>	<u>(623)</u>	-1.89%
Deferred Outflows of Resources	<u>867</u>	<u>409</u>	<u>458</u>	
Total assets and deferred outflows of resources	<u>\$ 33,177</u>	<u>\$ 33,342</u>	<u>\$ (165)</u>	-0.49%
Liabilities				
Current liabilities	\$ 235	\$ 238	\$ (3)	-1.26%
Long-term debt outstanding	1,577	1,709	(132)	0.00%
Other liabilities	1,782	1,071	711	66.39%
Total liabilities	<u>3,594</u>	<u>3,018</u>	<u>576</u>	19.09%
Deferred Inflow of Resources	<u>93</u>	<u>90</u>	<u>3</u>	
Net Position				
Net invested in capital assets	23,667	24,887	(1,220)	-4.90%
Unrestricted	5,823	5,347	476	8.90%
Total net position	<u>29,490</u>	<u>30,234</u>	<u>(744)</u>	-2.46%
Total liabilities, deferred inflows and net position	<u>\$ 33,177</u>	<u>\$ 33,342</u>	<u>\$ (165)</u>	

Due to the implementation of GASB 75 in the current year, figures may not be comparable to the prior years for some areas of the financial statements. The condensed balance sheet shows the categories of items that are owned and owed by the Association. Total assets decreased by \$623 thousand from 2017 to 2018 mainly due to the depreciation of capital assets. Total deferred outflows of resources increased by \$458 thousand from 2017 to 2018 due to changes in assumptions such as inflation, discount, and investment rates of return. Total liabilities increased \$576 thousand from 2017 to 2018 mainly due to the increase in the net pension liability.

North Dakota State Fair Association
Management's Discussion and Analysis
September 30, 2018 and 2017

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Condensed Statements of Revenues, Expenses and Changes in Net Position
(In Thousands of Dollars)

	2018	2017	Dollar Change	Total Percent Change
Operating Revenues				
Fair proceeds and other revenue	\$ 6,625	\$ 6,204	\$ 421	6.79%
Arena revenue	305	318	(13)	-4.09%
Other revenue	15	16	(1)	-6.25%
	<u>6,945</u>	<u>6,538</u>	<u>407</u>	6.23%
Nonoperating Revenues				
Local grants	801	849	(48)	-5.65%
Interest and investment income	13	6	7	116.67%
	<u>814</u>	<u>855</u>	<u>(41)</u>	-4.80%
Total Revenues	<u>7,759</u>	<u>7,393</u>	<u>366</u>	4.95%
Operating Expenses				
General expenses	4,739	4,640	99	2.13%
Depreciation expense	1,655	1,652	3	0.18%
Salaries, wages and vacation pay	1,947	1,828	119	6.51%
Premiums, trophies and awards	280	263	17	6.46%
	<u>8,621</u>	<u>8,383</u>	<u>238</u>	2.84%
Non Operating Expenses				
Interest expense	57	61	(4)	-6.56%
Bond fees	17	17	-	0.00%
Amortization	(12)	(12)	-	0.00%
	<u>62</u>	<u>66</u>	<u>(4)</u>	-6.06%
Total Expenses	<u>8,683</u>	<u>8,449</u>	<u>234</u>	2.77%
Transfers -				
State Appropriations	258	292	(34)	-11.64%
Change in Net Position	(666)	(764)	98	
Net Position, Beginning of Year, as restated	<u>30,156</u>	<u>30,998</u>	<u>(842)</u>	
Net Position, End of Year	<u>\$ 29,490</u>	<u>\$ 30,234</u>	<u>\$ (744)</u>	-2.46%

The condensed statements of revenues, expenses and changes in net position shows both the revenue streams and expenditures associated with operating the Association. As can be seen from the table above, the beginning net position was adjusted to \$30,156 thousand due to the implementation of GASB 75. Total revenues were up \$366 thousand from 2017 to 2018 while total expenses were up only \$234 thousand from 2017 to 2018 due to the 2018 fair attendance being more favorable. The total net position decreased \$666 thousand from 2017 to 2018.

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Capital Assets

The Association had invested more than \$52 million in infrastructure including land, buildings, improvements and equipment. Approximately 96 percent of that total is related to land and structures. Maintenance and upkeep of those structures and improvements is a continual ongoing process for the Association. Annual yearly costs for building and grounds upkeep exceeded \$872 thousand, excluding payroll costs for Association employees engaged in repair and upkeep procedures.

Current year additions to the capital asset category totaled approximately \$320 thousand. See footnote 6 for additional details.

Long-Term Bond Debt

The Association had \$1,565,000 in long term debt down from \$1,685,000 in fiscal year 2017. See footnote 7 for additional details.

Net Pension Liability

As of October 1, 2014, the Association adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. As a result of implementing this standard, the Association reported a net pension liability of \$1,670,191 at year end in 2018 and \$1,044,379 in 2017. See additional information in Note 9.

Net Other Post-Employment Benefits Liability

As of October 1, 2017, the Association adopted GASB Statement No. 74 and 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of these standards requires governments to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. As a result of implementing this standard, the Association reported a net OPEB liability of \$77,560 at year end in 2018. See additional information in Note 10.

Economic Factors and Next Year's Operations

The North Dakota State Fair Association is in the entertainment business, and as such is dependent upon many factors affecting the entertainment spending decisions of its customers. Factors such as condition of the agriculture economy, oil industry, Minot Air Force Base, Canadian exchange rates, weather, and competing entertainment providers such as casinos can all have significant impact on turnout for the annual State Fair.

Contacting the Association's Financial Manager

This financial report is designed to provide our state citizens, customers, and creditors with a general overview of the Association's finances and to demonstrate the Association's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the North Dakota State Fair Association office at P.O. Box 1796, Minot, ND 58702-1796.

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North Dakota State Fair Association

Statement of Net Position

September 30, 2018

	Primary Government Business-Type	Component Unit State Fair
Current Assets		
Cash and cash equivalents	\$ 5,754,186	\$ 204,300
Investments	1,000,000	
Accounts receivable, net of allowance for uncollectible accounts of \$3,000	139,725	-
Prepaid items	52,480	-
Total current assets	<u>6,946,391</u>	<u>204,300</u>
Noncurrent Assets		
Capital assets not being depreciated		
Land	620,678	1,115,389
Capital assets being depreciated		
Infrastructure	7,673,094	-
Buildings	41,725,437	-
Equipment	2,067,997	-
Less accumulated depreciation	(26,723,123)	-
Total noncurrent assets	<u>25,364,083</u>	<u>1,115,389</u>
Other Assets		
Restricted cash	-	11,016
Note receivable	-	1,110,000
Total other assets	<u>-</u>	<u>1,121,016</u>
Deferred Outflows of Resources	<u>867,026</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 33,177,500</u>	<u>\$ 2,440,705</u>
Current Liabilities		
Trade accounts payable	\$ 45,022	\$ 13,000
Current portion of accrued employee leave	70,000	-
Current portion of bonds payable	120,000	-
Current portion of note payable	-	4,407
Total current liabilities	<u>235,022</u>	<u>17,407</u>
Noncurrent Liabilities		
Accrued employee leave, net of current portion	34,532	-
Bonds payable, net of unamortized premium of \$131,794	1,576,794	-
Note payable	-	74,340
Net pension liability	1,670,191	-
Net other post-employment benefits liability	77,560	-
Total noncurrent liabilities	<u>3,359,077</u>	<u>74,340</u>
Deferred Inflow of Resources	<u>93,445</u>	<u>-</u>
Net Position		
Net investment in capital assets	23,667,289	-
Permanently Restricted Endowment	-	2,155,492
Unrestricted	5,822,667	193,466
Total net position	<u>29,489,956</u>	<u>2,348,958</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 33,177,500</u>	<u>\$ 2,440,705</u>

See Notes to Financial Statements

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North Dakota State Fair Association
Statement of Activities
Year Ended September 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position	
	Expenses	Charges For	Operating	Capital Grants	Primary Business-Type	Component State Fair
Primary Government						
Business-Type Activities						
State Fair Association	\$ 8,695,095	\$ 6,944,615	\$ 801,525	\$	\$ (948,955)	\$
Component Unit						
State Fair Foundation	45,367	44,538	32,482	6,000	-	37,653
Total Government	<u>\$ 8,740,462</u>	<u>\$ 6,989,153</u>	<u>\$ 834,007</u>	<u>\$ 6,000</u>	<u>(948,955)</u>	<u>37,653</u>
State appropriations					257,832	-
Investment earnings					12,954	27,964
Amortization of bond premium					12,260	-
Total general revenues					<u>283,046</u>	<u>27,964</u>
Change in net position					(665,909)	65,617
Net position, October 1, as restated (See Note 13)					<u>30,155,865</u>	<u>2,283,341</u>
Net position, September 30					<u>\$ 29,489,956</u>	<u>\$ 2,348,958</u>

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North Dakota State Fair Association
Statement of Net Position – Enterprise Fund
September 30, 2018

Assets and Deferred Outflows of Resources

Current Assets

Cash and cash equivalents	\$ 5,754,186
Investments	1,000,000
Accounts receivable, net of allowance for uncollectible accounts of \$3,000	139,725
Prepaid items	52,480

Total current assets 6,946,391

Noncurrent Assets

Capital assets not being depreciated	
Land	620,678
Capital assets being depreciated	
Infrastructure	7,673,094
Buildings	41,725,437
Equipment	2,067,997
Less accumulated depreciation	(26,723,123)

Total noncurrent assets 25,364,083

Total assets 32,310,474

Deferred Outflows of Resources

867,026

\$ 33,177,500

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North Dakota State Fair Association
Statement of Net Position – Enterprise Fund
September 30, 2018

Liabilities, Deferred Inflow of Resources and Net Position

Current Liabilities

Trade accounts payable	\$ 45,022
Current portion of accrued employee leave	70,000
Current portion of bonds payable	120,000
Total current liabilities	<u>235,022</u>

Noncurrent Liabilities

Accrued employee leave, net of current portion	34,532
Bonds payable, net of unamortized premium of \$131,794	1,576,794
Net pension liability	1,670,191
Net other post-employment benefits liability	77,560
Total noncurrent liabilities	<u>3,359,077</u>

Total liabilities	<u>3,594,099</u>
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Deferred Inflow of Resources	<u>93,445</u>
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Net Position

Net investment in capital assets	23,667,289
Unrestricted	5,822,667
Total net position	<u>29,489,956</u>

\$ 33,177,500	<u></u>
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North Dakota State Fair Association
Statement of Revenues, Expenses and Change in Net Position
Year Ended September 30, 2018

Operating Revenues	
Fair proceeds and other revenue	\$ 6,624,183
Arena revenue	305,184
Other revenue	15,248
	<u>6,944,615</u>
Total operating revenues	
Operating Expenses	
General expenses	4,739,600
Depreciation expense	1,654,700
Salaries, wages and vacation pay	1,947,148
Premiums, trophies and awards	279,947
	<u>8,621,395</u>
Total operating expenses	
Operating Loss	<u>(1,676,780)</u>
Nonoperating Revenues (Expenses)	
Local grants	801,525
Interest and investment income	12,954
Amortization of bond premium	12,260
Interest expense	(57,200)
Bond fees	(16,500)
	<u>753,039</u>
Total nonoperating revenues	
Loss Before Transfers	(923,741)
Transfers - State Appropriations	<u>257,832</u>
Change in Net Position	(665,909)
Net Position, Beginning of Year, as restated (See Note 13)	<u>30,155,865</u>
Net Position, End of Year	<u>\$ 29,489,956</u>

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North Dakota State Fair Association
Statement of Cash Flows
Year Ended September 30, 2018

Operating Activities	
Cash received from customers	\$ 6,866,357
Cash payments for goods and services	(5,020,463)
Cash payments to employees	<u>(1,768,229)</u>
Net Cash from Operating Activities	<u>77,665</u>
Non-Capital Financing Activities	
Local grants received	801,525
State appropriations received	<u>257,832</u>
Net Cash from Non-Capital Financing Activities	<u>1,059,357</u>
Capital and Related Financing Activities	
Payments for capital acquisitions	(303,065)
Bond fees	(16,500)
Principal payments on bonds	(120,000)
Interest paid	<u>(57,200)</u>
Net Cash used for Capital and Related Financing Activities	<u>(496,765)</u>
Investing Activities	
Receipts of interest and dividends	<u>12,954</u>
Net Cash from Investing Activities	<u>12,954</u>
Net Change in Cash and Cash Equivalents	653,211
Cash and Cash Equivalents, Beginning of Year	<u>5,100,975</u>
Cash and Cash Equivalents, End of Year	<u>\$ 5,754,186</u>

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North Dakota State Fair Association
Statement of Cash Flows
Year Ended September 30, 2018

Reconciliation of Operating Income	
to Net Cash from Operating Activities	
Operating loss	\$ (1,676,780)
Adjustments to reconcile operating loss	
to net cash from operating activities	
Depreciation	1,654,700
Adjustment to pension expense	171,162
Changes in operating assets and liabilities	
Customer receivables	(78,258)
Prepaid expenses	1,782
Trade accounts payable	(2,698)
Accrued leave	7,757
Net Cash from Operating Activities	<u>\$ 77,665</u>
Supplemental Disclosure of	
Noncash Capital Financing Activities	
Value received for trade of capital assets	<u>\$ 16,806</u>

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North Dakota State Fair Association
Statement of Appropriations
Year Ended September 30, 2018

	<u>2017-2019 Appropriation</u>	<u>7/1/2017- 9/30/2017 Expenditures</u>	<u>10/1/2017- 9/30/2018 Expenditures</u>	<u>Unexpended Appropriations at 9/30/2018</u>
Asphalt	\$ -	\$ -	-	\$ -
Premiums	<u>515,665</u>	<u>257,833</u>	<u>257,832</u>	<u>-</u>
	<u>\$ 515,665</u>	<u>\$ 257,833</u>	<u>\$ 257,832</u>	<u>\$ -</u>

The following schedule shows the appropriated and non-appropriated portion of premiums, operating expenses, interest expense and bond costs for the year-ended September 30, 2018. Non-appropriated expenditures are made in accordance with NDCC 4-02.1-15.

	<u>FY 2018 Appropriated</u>	<u>FY 2018 Non-appropriated</u>	<u>Fiscal Years 2017-2018 Total</u>
Premiums	\$ 257,832	\$ 22,115	\$ 279,947
Operating expenses	-	8,341,448	8,341,448
Bond issuance costs	-	16,500	16,500
Interest expenses	-	57,200	57,200
Asphalt	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 257,832</u>	<u>\$ 8,437,263</u>	<u>\$ 8,695,095</u>

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Note 1 - Nature of Operations and Summary of Significant Accounting Policies

The North Dakota State Fair Association (Association) is an Enterprise Fund of the State of North Dakota. The purpose of the State Fair Association is to conduct an annual exhibition of the state's resources and products in order to promote the state.

The accompanying financial statements of the North Dakota State Fair Association follow the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing generally accepted accounting principles for governmental entities.

The accounting policies of the North Dakota State Fair Association conform to generally accepted accounting principles as applicable to local governmental units. The following is a summary of the more significant policies:

Reporting Entity

For financial reporting purposes, the North Dakota State Fair Association has included all funds, and has considered all potential component units for which the North Dakota State Fair Association is financially accountable, and other organizations for which the nature and significance of their relationship with the North Dakota State Fair Association are such that exclusion would cause the North Dakota State Fair Association's financial statements to be misleading or incomplete.

The Governmental Accounting Standards Board has set forth criteria to be considered in evaluating the nature and significance of the relationship such that exclusion would cause the financial statements to be misleading or incomplete. This criteria includes (1) being a legally separate, tax-exempt organization, (2) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, (3) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization, and (4) the economic resources received or held by an individual organization that the primary government is entitled to, or has the ability to otherwise access, are significant to the primary government.

Based upon the criteria of the Governmental Accounting Standards Board, the North Dakota State Fair Foundation is a component unit of the Association that should be presented discretely. It is considered part of the Association's reporting entity because of the significance of its relationship with the Association. The North Dakota State Fair Foundation's mission is to develop lifelong relationships with donors to secure philanthropic gifts that will enhance and support the work of the North Dakota State Fair.

Component Unit

In conformity with GAAP, the financial statements of the component unit have been included in the financial reporting entity as a discretely presented component unit.

Discretely Presented Component Unit-The component unit column in the government-wide financial statements includes the financial data of the Association's one component unit, North Dakota State Fair Foundation. This unit is reported in a separate column to emphasize that it is legally separate from the Association.

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North Dakota State Fair Foundation (Foundation), a nonprofit organization, was established to develop lifelong relationships with donors to secure philanthropic gifts that will enhance and support the work of the North Dakota State Fair Association. The Foundation's major sources of revenue include endowments and cash contributions. The Foundation prepares its financial statements in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition

Revenue is recognized on the accrual basis for financial reporting.

Infrastructure, Buildings, and Equipment

Infrastructure, buildings and equipment are stated at cost except for donated assets which are reported at fair value on the date received. Expenditures exceeding \$5,000 for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance, repairs and improvements less than \$5,000 are currently charged to expense.

Depreciation is provided for over the estimated useful lives of the individual assets using the straight-line method. The estimated useful lives used in the computation of depreciation are as follows:

Infrastructure	5-25 years
Buildings	20-40 years
Equipment	3-15 years

Cash and Cash Equivalents

For purposes of reporting cash flows, the Association considers all Treasury bills, commercial paper, certificates of deposit and money market funds which have an original maturity of three months or less to be cash equivalents.

Investments

Investments consist entirely of certificates of deposit and are reported at amortized cost.

Accounts Receivable

Accounts receivable are carried at original invoice amount less a reserve estimate made for doubtful accounts. Management's estimate of the allowance for doubtful accounts is based on historical loss levels and an analysis of the collectability of individual accounts. Accounts receivable are due within 30 days.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the fund financial statements.

Operating Revenues

For purposes of differentiating operating revenues from non-operating revenues, the Association considers support received from the City of Minot (hotel tax) and Ward County to be non-operating revenues. The stated purpose of the support from the mentioned entities is to help offset the operating expenses related to the fair and arena activities. Expenses related to the maintenance and operations of these facilities are classified as operating expenses.

Restricted Resources

It is the Association's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted resources are available.

Unrestricted Net Assets – Foundation

This includes unrestricted resources, which represents the portion of expendable funds that are available for the support of the Foundation's operations.

Permanently Restricted Net Assets – Foundation

Permanently restricted net assets represent net assets resulting from contributions, whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organizations.

Notes Receivable – Foundation

See Note 4 to the financial statements for details pertaining to notes receivable. The Foundation provides an allowance for doubtful collections, which is based upon a review of outstanding receivables. As of September 30, 2018, there was no portion of notes receivable determined to be uncollectible, and therefore, no allowance was necessary.

Restricted Cash – Foundation

This consists of cash collected as part of permanently restricted endowments that has not been invested in land or notes receivable.

Income Taxes - Foundation

North Dakota State Fair Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In Addition, the Foundation has been determined by the Internal Revenue Service not to be a private foundation within the Section 509(a) of the code.

The Foundation's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support with the Internal Revenue Code and Regulations, Revenue Rulings, court decisions and other evidence.

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Compensated Absences

Employees accrue annual leave at a rate of eight hours per month for the first three years of continuous service. The accrual rate is increased to ten hours per month after three years, twelve hours per month after seven years, fourteen hours per month after thirteen years, and sixteen hours per month after eighteen years of service. The maximum amount of leave that may be carried forward each calendar year is 240 hours. All unpaid leave is payable upon termination.

Permanent employees also earn sick leave at a rate of eight hours per month. Sick leave is being carried over from year to year. If an employee leaves after ten continuous years of service, the employee will be paid for ten percent of any unused accumulated sick leave.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Subsequent Events

The North Dakota State Fair Association has evaluated subsequent events through November 1, 2018 the date which the financial statements were available to be issued.

Deferred Outflows and Inflows of Resources

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. See Note 9 and Note 10 for additional information.

Pensions and Other Post-Employment Benefits

For purposes of measuring the net pension liability, net OPEB liability, deferred outflows/inflows of resources, pension expense, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employee Retirement System (NDPERS) and additions to/deductions from NDPERS's fiduciary net position have been determined on the same basis as they are reported by the NDPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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Note 2 - Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense for the year ended September 30, 2018 is \$405,621.

Note 3 - Cash and Investments**Custodial and Concentration of Credit Risk**

State law generally requires that all state funds be deposited in the Bank of North Dakota. NDCC 21-04-02 provides that public funds belonging to or in the custody of the state shall be deposited in the Bank of North Dakota. Also, NDCC 6-09-07 states, "all state funds... must be deposited in the Bank of North Dakota" or must be deposited in accordance with constitutional and statutory provisions.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the State Fair Association will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The State Fair Association does not have a formal policy that limits custodial credit risk for deposits. Deposits held with Bremer Bank are covered by depository insurance. The State Fair Association's remaining deposits are uncollateralized and held on deposit at the Bank of North Dakota and are guaranteed by the State of North Dakota (NDCC Section 6-09-10).

Investments

The Association has an investment in a certificate of deposit totaling \$1,000,000 as of September 30, 2018 bearing interest at 1.0% maturing December 16, 2021.

Foundation

At September 30, 2018, the North Dakota State Fair Foundation, a discretely presented component unit of the State Fair Association, had carrying amount of deposits of \$215,316 all of which was covered by Federal Depository Insurance.

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Details pertaining to unrestricted cash for the year ended September 30, 2018 are as follows:

Bank	Type	
Dacotah Bank	Checking-Operations	\$ 203,544
Dacotah Bank	Checking-Gaming	756
		<u>\$ 204,300</u>

Details pertaining to restricted cash for the year ended September 30, 2018 are as follows:

Bank	Type	
Dacotah Bank	Checking-Endowment	<u>\$ 11,016</u>

Note 4 - Notes Receivable – Foundation

The North Dakota State Fair Foundation's endowed notes require interest only payments with full principal due on maturity. The Foundation's endowed notes receivable consists of the following:

Payee	Note Balance	Rate	Due	Collateral
Golf Minot, Inc.	\$ 500,000	2.50%	July 1, 2025	Unsecured
Golf Minot, Inc.	125,000	2.50%	August 10, 2025	Unsecured
Golf Minot, Inc.	50,000	2.50%	November 1, 2025	Unsecured
Golf Minot, Inc.	100,000	2.50%	December 31, 2025	Unsecured
Golf Minot, Inc.	100,000	2.50%	June 16, 2026	Unsecured
Golf Minot, Inc.	50,000	2.50%	October 1, 2026	Unsecured
Golf Minot, Inc.	160,000	2.50%	October 16, 2026	Unsecured
Golf Minot, Inc.	25,000	2.50%	January 31, 2027	Unsecured
	<u>\$ 1,110,000</u>			

Note 5 - Endowments - Foundation

The Foundation's endowment consists of a fund established as a permanent endowment for such purposes as the Foundation determines prudent. Its endowment includes donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

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The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to be appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundations investment policies.

The Board of Directors has authorized the spending of all prior accumulated interest and dividend earnings from donor-restricted endowment funds as allowed. All earnings from donor-restricted funds are classified as temporarily restricted until they are spent.

Permanently restricted endowment net asset composition by type of fund as of September 30, 2018 is as follows:

Beginning Endowment Net Assets	\$ 2,149,492
Endowment Contributions	<u>6,000</u>
Ending Endowment Net Assets	<u><u>\$ 2,155,492</u></u>

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Note 6 - Capital Assets

The components and changes in components of capital assets of the Association at September 30, 2018 are as follows:

	Balance 09/30/17	Additions/ Depreciation Expense	Deletions	Balance 09/30/18
Capital Assets Not Being Depreciated				
Land	\$ 620,678	\$ -	\$ -	\$ 620,678
Capital Assets Being Depreciated				
Infrastructure	7,642,094	31,000	-	7,673,094
Buildings	41,558,956	166,481	-	41,725,437
Equipment	1,965,214	122,390	(19,607)	2,067,997
	<u>51,786,942</u>	<u>319,871</u>	<u>(19,607)</u>	<u>52,087,206</u>
Less accumulated depreciation				
Infrastructure	(3,371,862)	(309,893)	-	(3,681,755)
Buildings	(19,997,387)	(1,260,121)	-	(21,257,508)
Equipment	(1,701,975)	(84,686)	2,801	(1,783,860)
	<u>(25,071,224)</u>	<u>(1,654,700)</u>	<u>2,801</u>	<u>(26,723,123)</u>
Net	<u>\$ 26,715,718</u>	<u>\$ (1,334,829)</u>	<u>\$ (16,806)</u>	<u>\$ 25,364,083</u>

Foundation

The components and changes in components of capital assets of the Foundation at September 30, 2018 is as follows:

	Balance 09/30/17	Additions/ Depreciation Expense	Deletions	Balance 09/30/18
Capital Assets Not Being Depreciated				
Land	\$ 1,115,389	\$ -	\$ -	\$ 1,115,389

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Note 7 - Long - Term Debt

Changes in Bonds Payable and Accrued Employee Leave

The following is a summary of changes in bonds payable and accrued employee leave for the year ended September 30, 2018:

	Balance 09/30/17	Additions	Retirements	Balance 09/30/18	Current Portion
Bonds Payable	\$ 1,685,000	\$ -	\$ (120,000)	\$ 1,565,000	\$ 120,000
Accrued Employee Leave	96,775	75,545	(67,788)	104,532	70,000
	<u>\$ 1,781,775</u>	<u>\$ 75,545</u>	<u>\$ (187,788)</u>	<u>\$ 1,669,532</u>	<u>\$ 190,000</u>

Capital Financing Program Bonds Series 2015A

Interest on the 2015A Series Bonds is payable semi-annually on June 1 and December 1 of each year. The bonds maturing on June 1, 2029 are not subject to optional redemption prior to maturity except under extraordinary circumstances. The bonds are presented on the balance sheet net of unamortized premium of \$131,794 for the year ended September 30, 2018. The bonds are secured by the Association's net revenues and by the lodging tax proceeds received from the City of Minot.

Minimum principal and interest payments required on 2015A Series Bonds are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 120,000	\$ 54,800	\$ 174,800
2020	125,000	51,200	176,200
2021	130,000	47,450	177,450
2022	130,000	43,550	173,550
2023	135,000	39,650	174,650
2024-2028	755,000	125,600	880,600
2029-2030	170,000	6,800	176,800
	<u>\$ 1,565,000</u>	<u>\$ 369,050</u>	<u>\$ 1,934,050</u>

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Foundation

The Foundation has a note payable due in monthly installments of \$641, bearing interest at 4.22%, maturing March 15, 2022, secured by land.

	Balance 09/30/17	Additions	Retirements	Balance 09/30/18	Current Portion
Note payable for land	\$ 82,970	\$ -	\$ (4,223)	\$ 78,747	\$ 4,407

Minimum principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,407	\$ 3,283	\$ 7,690
2020	4,591	3,099	7,690
2021	4,800	2,891	7,691
2022	64,949	1,356	66,305
	<u>\$ 78,747</u>	<u>\$ 10,629</u>	<u>\$ 89,376</u>

Note 8 - Appropriations

The North Dakota State Fair Association receives premium appropriations from the State of North Dakota. These premium appropriations are restricted for the purpose of providing premiums to fair exhibition winners. Premium appropriations expended for the year ended September 30, 2018 was \$257,832.

Note 9 - Pensions

The North Dakota State Fair Association participates in the North Dakota Public Employees Retirement System (NDPERS) administered by the State of North Dakota. NDPERS is an agency of the State of North Dakota financial reporting entity and is included in the State of North Dakota's Comprehensive Annual Financial Report. The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDCC Chapter 54-52 for more complete information.

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Defined Benefit Pension Plan

NDPERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all employees of the State of North Dakota, its agencies and various participating political subdivisions. NDPERS provides for pension, disability and death benefits. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor, one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

Benefits are set by statute. NDPERS has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Members of the Main System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (65). For members hired on or after January 1, 2016, the Rule of 85 will be replaced with the Rule of 90 with a minimum age of 60. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. The plan permits early retirement at ages 55-64 with three or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the member's accumulated contributions plus interest.

Death and Disability Benefits

Death and disability benefits are set by statute. If an active member dies with less than three years of service for the Main System, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member's beneficiary. If the member has earned more than three years of credited service for the Main System, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the member's accrued normal retirement benefit, or monthly payments in an amount equal to the member's accrued 100% Joint and Survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the member's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's beneficiary.

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Eligible members who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition of disabled is set by the NDPERS in the North Dakota Administrative Code.

Refunds of Member Account Balance

Upon termination, if a member of the Main System is not vested (is not 65 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated member contribution and is subsequently reemployed, they have the option of repurchasing their previous service.

Member and Employer Contributions

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 3% and employer contribution rates are 11.12% of covered compensation.

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 24 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018 the Association reported a liability of \$1,670,191 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. North Dakota State Fair Association's proportion of the net pension liability was based on the North Dakota State Fair Association's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. At June 30, 2017, the Association's proportion was 0.103911% which was a decrease of 0.003249% from its proportion measured as of June 30, 2016.

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For the year ended September 30, 2018, the Association recognized pension expense of \$245,478. At September 30, 2018, the Association reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	
Difference between expected and actual experience	\$ 9,928
Changes in assumption	684,891
Net difference between projected and actual earnings on pension plan investments	22,463
Changes in proportion and difference between Association contributions and proportionate share of contributions	16,612
Association contributions subsequent to the measurement date	113,636
	<u>\$ 847,530</u>
Deferred Inflows of Resources	
Difference between expected and actual experience	\$ 8,137
Changes in assumption	37,670
Net difference between projected and actual earnings on pension plan investments	-
Changes in proportion and difference between Association contributions and proportionate share of contributions	42,759
	<u>\$ 88,566</u>

\$113,636 reported as deferred outflows of resources related to pensions resulting from Association contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:

2018	\$ 138,267
2019	169,089
2020	145,874
2021	125,401
2022	66,697
Thereafter	-
Totals	<u>\$ 645,328</u>

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Actuarial assumptions

The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%
Salary increases	Service at Beginning of Year: Increase Rate:
	0 15.00%
	1 10.00%
	2 8.00%
	Age*
	Under 36 8.00%
	36 - 40 7.50%
	41 - 49 6.00%
	50+ 5.00%
	*Age-based salary increase rates apply for employees with three or more years of service
Investment rate of return	7.75%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.0%	6.05%
International Equity	21.0%	6.70%
Private Equity	5.0%	10.20%
Domestic Fixed Income	17.0%	1.43%
International Fixed Income	5.0%	-0.45%
Global Real Assets	20.0%	5.16%
Cash Equivalents	1.0%	0.00%
Total	100%	

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Discount Rate

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, which is the case for the PERS plan, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

The pension plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments through the year 2061. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments through the year 2061, and the municipal bond rate was applied to all benefit payments after that date. For the purpose of this valuation, the expected rate of return on pension plan investments is 7.75%; the municipal bond rate is 3.56%; and the resulting Single Discount Rate is 6.64%.

Sensitivity of the Association's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the North Dakota State Fair Association's proportionate share of the net pension liability calculated using the discount rate of 6.44 percent, as well as what the Association's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.44 percent) or 1-percentage-point higher (7.44 percent) than the current rate:

	1% Decrease (5.44%)	Current Discount Rate (6.44%)	1% Increase (7.44%)
Association's proportionate share of the net pension liability	\$ 2,267,335	\$ 1,670,191	\$ 1,173,392

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NDPERS financial report.

Note 10 - Other Post-Employment Benefits

Summary of Significant Accounting Policies

Other Post-Employment Benefits (OPEB). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan

North Dakota Public Employees Retirement System

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDAC Chapter 71-06 for more complete information.

NDPERS OPEB plan is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits from the PERS, the HPRS, and Judges retired under Chapter 27-17 of the North Dakota Century Code a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. The Retiree Health Insurance Credit Fund is advance-funded on an actuarially determined basis.

Responsibility for administration of the NDPERS defined benefit OPEB plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

OPEB Benefits

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. The employer contribution for employees of the state board of career and technical education is 2.99% of covered compensation for a period of eight years ending October 1, 2015. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "*prefunded credit applied*" on the Statement of Changes in Plan Net Position for the OPEB trust funds.

Retiree health insurance credit benefits and death and disability benefits are set by statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the PERS, the HPRS, the Defined Contribution Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving a surviving spouse benefit or if the member selected a joint and survivor option are eligible to receive a credit toward their monthly health insurance premium under the state health plan.

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Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. The benefits are equal to \$5.00 for each of the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health insurance credit is also available for early retirement with reduced benefits.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2018, the Association reported a liability of \$77,560 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Association's proportion of the net OPEB liability was based on the Association's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2017, the Association's proportion was 0.098052%.

For the year ended September 30, 2018, the Association recognized OPEB expense of \$9,340. At September 30, 2018, the Association reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources	
Difference between expected and actual experience	\$ -
Changes in assumption	7,512
Net difference between projected and actual earnings on OPEB plan investments	-
Changes in proportion and difference between Association contributions and proportionate share of contributions	-
Association contributions subsequent to the measurement date	11,984
	<u>\$ 19,496</u>
Deferred Inflows of Resources	
Difference between expected and actual experience	\$ 1,892
Changes in assumption	-
Net difference between projected and actual earnings on OPEB plan investments	2,933
Changes in proportion and difference between Association contributions and proportionate share of contributions	54
	<u>\$ 4,879</u>

\$11,984 reported as deferred outflows of resources related to OPEB resulting from Association contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2018.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:

2018	\$	138
2019		138
2020		138
2021		138
2022		871
Thereafter		1,210
Totals	\$	2,633

Actuarial Assumptions

The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	Not applicable
Investment rate of return	7.50%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2017 are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Domestic Equities	37.0%	5.80%
Small Cap Domestic Equities	9.0%	7.05%
International Equities	14.0%	6.20%
Core-Plus Fixed Income	40.0%	1.56%
Total	100%	

Discount Rate

The discount rate used to measure the total OPEB liability was 7.5%. The projection of cash flows used to determine the discount rate assumed plan member and statutory/Board approved employer contributions will be made at rates equal to those based on the July 1, 2017, and July 1, 2016, HPRS actuarial valuation reports. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Association's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plans as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Association's proportionate share of the net OPEB liability	\$ 97,096	\$ 77,560	\$ 60,815

Note 11 - Lease Agreements

The North Dakota State Fair Association, as lessor, has entered into lease agreements with local organizations for the use of Association buildings. The lessees have use of the facilities for established months of each year and the Association has use of the facilities for the period which coincides with fair time.

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Lease terms are as follows:

	<u>Term and Expiration Date</u>	<u>Annual Rental</u>
Minot Soccer Association	5 years through September 2022	\$ 25,200
All Seasons Arena Ice Contract	1 year through January 2019	67,815
Norsk Hostfest Contract	3 years through October 2019	179,000
Minot Curling Club Contract	5 years through April 2022	7,200
North Dakota Firefighter's Association	5 years through March 2020	25,600
Minot Y's Men's PRCA	3 years through October 2020	18,867
Circus Contract	5 years through April 2021	8,350
Northwest Dakota Cellular of North Dakota	5 years through August 2019	20,000

The leases are accounted for as operating leases. All contracts are cancelable in the event the facilities specified within the contracts are destroyed.

The minimum aggregate lease revenue over the next four years is as follows:

<u>Years Ended September 30,</u>	<u>Amount</u>
2019	\$ 352,032
2020	264,405
2021	59,995
2022	32,400
	<u>\$ 708,832</u>

Foundation

The North Dakota State Fair Foundation leases land to Golf Minot, Inc. for an annual lease payment of \$25,000. The term of the lease is 49 years, expiring October 31, 2063.

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North Dakota State Fair Association

Notes to Financial Statements

September 30, 2018

Note 12 - Risk Management

The North Dakota State Fair Association is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The following are funds/pools established by the State for risk management issues:

The 1995 Legislative Session established the Risk Management Fund (RMF), an internal service fund, to provide a self-insurance vehicle for funding the liability exposures of State agencies resulting from the elimination of the State's sovereign immunity. The RMF manages the tort liability of the State, its agencies' employees and the University System. All State agencies participate in the RMF and their fund contribution was determined using a projected cost allocation approach. The statutory liability of the State is limited to a total of \$250,000 per person and \$1,000,000 per occurrence.

In 1986 State agencies and political subdivisions of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for over 2,000 State agencies and political subdivisions. The North Dakota State Fair Association pays an annual premium to NDIRF for its general liability, auto, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of one million dollars per occurrence.

The Association also participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The agency pays an annual premium to the Fire and Tornado Fund to cover property damage to building and personal property. Replacement cost coverage is provided by estimating replacement cost in consultation with the Fire and Tornado Fund. The Fire and Tornado Fund is reinsured by a third-party insurance carrier for losses in excess of one million dollars per occurrence during a 12-month period. The State Bonding Fund currently provides the agency with blanket fidelity bond coverage in the amount of \$2,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

The agency participates in the North Dakota Workforce Safety and Insurance Fund (WSI), an Enterprise Fund of the State of North Dakota. The WSI is a state insurance fund and a "no fault" insurance system covering the State's employers and employees financed by premiums assessed to employers. The premiums are available for the payment of claims to employees injured in the course of employment.

There have been no significant reductions in insurance coverage from the prior year and settled claims resulting from these risks have not exceeded insurance coverage in any of the past two fiscal years.

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North Dakota State Fair Association
Notes to Financial Statements
September 30, 2018

Note 13 - Restatement of Net Position

As of October 1, 2017, the Association adopted GASB Statement No. 74 and 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of these standards requires governments to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. As a result of implementing this standard, the Association reported a net OPEB liability of \$77,560 at year end in 2018. See additional information in Note 10.

Net Position - September 30, 2017, as previously reported	\$ 30,233,719
Restatement due to implementation of GASB 75, effect on net position	<u>(77,854)</u>
Net position - September 30, 2017, as restated	<u>\$ 30,155,865</u>

In accordance with GASB Statement No. 75, the 2017 financial statements were not restated as the appropriate actuarial valuations for the prior periods were not available.

Note 14 - Commitments

The North Dakota State Fair Association entered into a lease and concessions arrangement with M & S Concessions. The lessee is responsible to provide for its own concession equipment. In the event that the lease is not renewed or terminated, the Association is committed to purchase the equipment and improvements installed by the lessee at a price equal to "depreciated value." Depreciated value means the original cost of the equipment or improvements, less 10% per year from the date of installation to the date of termination. Estimated depreciated value at September 30, 2018 was \$137,945.

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North Dakota State Fair Association
Required Supplementary Information
Schedules of Employer's Share of Net Pension Liability and Employer Contributions
September 30, 2018

Schedules of Required Supplementary Information

**Schedule of Employer's Share of Net Pension Liability
ND Public Employees Retirement System
Last 10 Fiscal Years***

	2018	2017	2016	2015
Employer's proportion of the net pension liability	0.103911%	0.107160%	0.103567%	0.110140%
Employer's proportionate share of the net pension liability	\$1,670,191	\$1,044,379	\$704,238	\$699,082
Employer's covered payroll	\$1,060,771	\$1,079,917	\$922,657	\$927,789
Employer's proportionate share of the net pension liability as a	157.45%	96.71%	76.33%	75.35%
Plan fiduciary net position as a percentage of the total pension	61.98%	70.46%	77.15%	77.70%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2015.

* Amounts presented have a measurement date of the previous fiscal year end.

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North Dakota State Fair Association
Required Supplementary Information
Schedules of Employer's Share of Net Pension Liability and Employer Contributions
September 30, 2018

**Schedule of Employer Contributions
ND Public Employees Retirement System
Last 10 Fiscal Years***

	2018	2017	2016	2015
Statutorily required contribution	\$76,919	\$78,184	\$70,083	\$66,059
Contributions in relation to the statutorily required contribution	(\$76,622)	(\$76,995)	(\$75,526)	(\$129,425)
Contribution deficiency (excess)	\$297	\$1,189	(\$5,443)	(\$63,366)
Employer's covered payroll	\$1,060,771	\$1,079,917	\$922,657	\$1,101,162
Contributions as a percentage of covered payroll	7.22%	7.13%	7.60%	11.75%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2015.

Changes of Benefit Terms

(NDPERS will provide if applicable.)

Changes in Assumptions

Amounts reported in 2018 reflect actuarial assumption changes effective July 1, 2017 based on the results of an actuarial experience study completed in 2015. This includes changes to the mortality tables, disability incidence rates, retirement rates, administrative expenses, salary scale, and percent married assumption.

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North Dakota State Fair Association
Required Supplementary Information
Schedules of Employer's Share of OPEB Liability and Employer Contributions
September 30, 2018

Schedules of Required Supplementary Information

**Schedule of Employer's Share of OPEB Liability
ND Public Employees Retirement System
Last 10 Fiscal Years***

	2018
Employer's proportion of the OPEB liability	0.098052%
Employer's proportionate share of the net OPEB liability	\$77,560
Employer's covered-employee payroll	\$1,060,771
Employer's proportionate share of the net OPEB liability as a	7.31%
Plan fiduciary net position as a percentage of the total OPEB liability	59.78%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2017.

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North Dakota State Fair Association
Required Supplementary Information
Schedules of Employer's Share of OPEB Liability and Employer Contributions
September 30, 2018

**Schedule of Employer Contributions
ND Public Employees Retirement System
Last 10 Fiscal Years***

	2018
Statutorily required contribution	\$12,331
Contributions in relation to the statutorily required contribution	(\$12,268)
Contribution deficiency (excess)	\$63
Employer's covered-employee payroll	\$1,060,771
Contributions as a percentage of covered-employee payroll	1.16%

*GASB Statement no. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2017.

Changes of Benefit Terms

(NDPERS will provide if applicable.)

Changes of Assumptions

Amounts reported in 2018 reflect actuarial assumption changes effective July 1, 2017 based on the results of an actuarial experience study completed in 2015. This includes changes to the mortality tables, disability incidence rates, retirement rates, administrative expenses, salary scale, and percent married assumption.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Board of Directors
North Dakota State Fair Association
Minot, North Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the North Dakota State Fair Association and its discretely presented component unit as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise North Dakota State Fair Association's basic financial statements, and have issued our report thereon dated November 1, 2018. The report on the North Dakota State Fair Association was qualified due to departures from generally accepted accounting principles in recording the net pension liability.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Dakota State Fair Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Dakota State Fair Association's internal control. Accordingly, we do not express an opinion on the effectiveness of North Dakota State Fair Association's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the following deficiencies described in the accompanying schedule of findings and responses to be material weaknesses: 2018-A and 2018-B.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Dakota State Fair Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Response to the Finding

North Dakota State Fair Association's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. North Dakota State Fair Association's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Bismarck, North Dakota
November 1, 2018

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North Dakota State Fair Association
Schedule of Findings and Responses
September 30, 2018

Financial Statement Findings

2018-A Financial Statement Presentation
Material Weakness

Condition: The North Dakota State Fair Association has not determined the net pension liability, and OPEB liability, as of a measurement date no earlier than the end of the employer's prior fiscal year.

Criteria: GASB No. 68 paragraph 48 (Accounting and Financial Reporting for Pensions) and GASB No. 75 paragraph 59 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions), requires that the net pension liability and OPEB liability, respectively, be determined as of a measurement date no earlier than the end of the employer's prior fiscal year.

Cause: NDPERS has hired an actuary to complete its actuarial valuation of the NDPERS cost sharing plan using a July 1 measurement date. An actuarial valuation as of July 1, 2018 has not been completed yet and therefore, the Association is unable to record the net pension liability and OPEB liability using the appropriate measurement date.

Effect: This item results in a departure from accounting principles generally accepted in the United States of America.

Recommendation: We understand that the measurement date used is not a result of misunderstanding or incompetence on the part of the North Dakota State Fair Association's management, but we recommend management evaluate the changes in the net pension and OPEB liabilities in future years to determine if the net pension and OPEB liabilities based on the previous years' measurement date are materially correct. In future periods, the North Dakota State Fair Association will have more information related to the changes in net pension liability and OPEB liability estimation, which will allow for a more accurate valuation of the net pension liability and OPEB liability as of October 1 for the prior fiscal year.

Management's Response: We utilized the most current NDPERS actuary numbers that were available to us during the audit timeframe. In order to utilize the July 1, 2018 numbers, we would have to leave our September 30, 2018 financial statements open for many months until those values are determined. Since the annual meeting for the North Dakota State Fair Association is held in November, we need to finalize our financial statements in October in order to report them in November. Thus, it was determined it's in the best interest of all parties to base our GASB No. 68 and No. 75 implementation on the only figures we had available at the time.

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2018-B Valuation of Notes Receivable
Material Weakness

Condition: The North Dakota State Fair Foundation (Foundation), a discretely presented component unit of the North Dakota State Fair Association does not have any internal controls over the valuation of their notes receivable. During the year-ended September 30, 2018 the Foundation had \$1,110,000 of notes receivable to Golf Minot, Inc. The Foundation had no allowance set up for these notes receivable and the notes were unsecured.

Criteria: A good system of internal control contemplates an adequate system for the reviewing of valuations of significant estimate, including the valuation of notes receivable.

Cause: The Foundation receives a valuation, but its internal control structure is not designed to provide a review of the valuation of notes receivable.

Effect: The lack of the valuation over notes receivable increases the risk of a material misstatement in the financial statements, which would not be detected and corrected on a timely basis.

Recommendation: We recommend that the procedures and policies over the valuation of significant estimates be reviewed to include processes over the valuation of the notes receivable.

Management's Response: Management agrees with the finding and will continue to monitor the Foundation's policy over significant estimates.

To the Members of the Board of Directors
North Dakota State Fair Association
Minot, North Dakota

We have audited the financial statements of *North Dakota State Fair Association (Association)* as of and for the year ended September 30, 2018 and have issued our report thereon dated November 1, 2018. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated September 10, 2018, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Association solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding a significant control deficiency during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated November 1, 2018.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

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Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Association is included in Note 1 to the financial statements. As of October 1, 2017, the Association adopted GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pension*. The implementation of this standard replaces the requirements of GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and requires governments calculate and report the costs and obligations associated with postemployment benefits other than pensions (OPEB) in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided through the plan which include the total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense. The effect of the implementation of this standard on beginning net position is disclosed in Note 13 and the additional disclosures required by this standard is included in Note 10. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the net pension liability and other postemployment benefits is based on an actuary's calculation in accordance with the employment contracts. We evaluated the key factors and assumptions used to develop the net pension liability and other postemployment benefits and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Foundation's estimate of the allowance for doubtful accounts is based on an appraisal report of the property. We evaluated the key factors and assumptions used to develop the allowance and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. There were no such particular disclosures.

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Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no corrected or uncorrected misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Association's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which included in the management representation letter dated November 1, 2018.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Association, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Association's auditors.

We applied certain limited procedures to the Management's Discussion and Analysis, the Schedule of Employer's share of Net Pension Liability and Schedule of Employer Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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Modification of the Auditor's Report

We have made the following modification to our auditor's report.

We issued a qualified opinion in our auditor's report.

This report is intended solely for the information and use of the Board of Directors, and management of North Dakota State Fair Association and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Bismarck, North Dakota
November 1, 2018

2018 NORTH DAKOTA STATE FAIR ANNUAL MEETING

AttS
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1/14/19

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Call to Order & Comments

Gary Knell, President

Welcome

City of Minot
Minot Area Chamber of Commerce

Introduction of Board Members

Gary Knell

Confirmation of County Delegates

Renae Korslien, Manager

Minutes of 2017 Annual Meeting

Kandi Mikkelsen, Secretary

Honorary Membership

Gary Knell

4-H Report

State 4-H Office

FFA Report

State FFA Office

Fair Manager's Report

Renae Korslien

Fair Dates

July 19-27, 2019

Renae Korslien

Foundation

Todd Berning

Election of Directors

Gary Knell

District 1: Arden Bell

District 4: Connie Hanson

District 7: Gary Knell

Open Questions & Discussion

Gary Knell

2018 ND STATE FAIR BOARD OF DIRECTORS

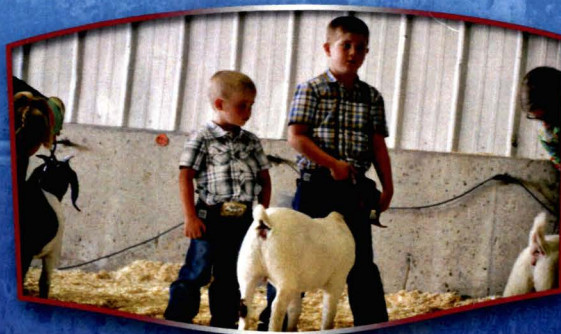
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2018 ND STATE FAIR STAFF



AHS
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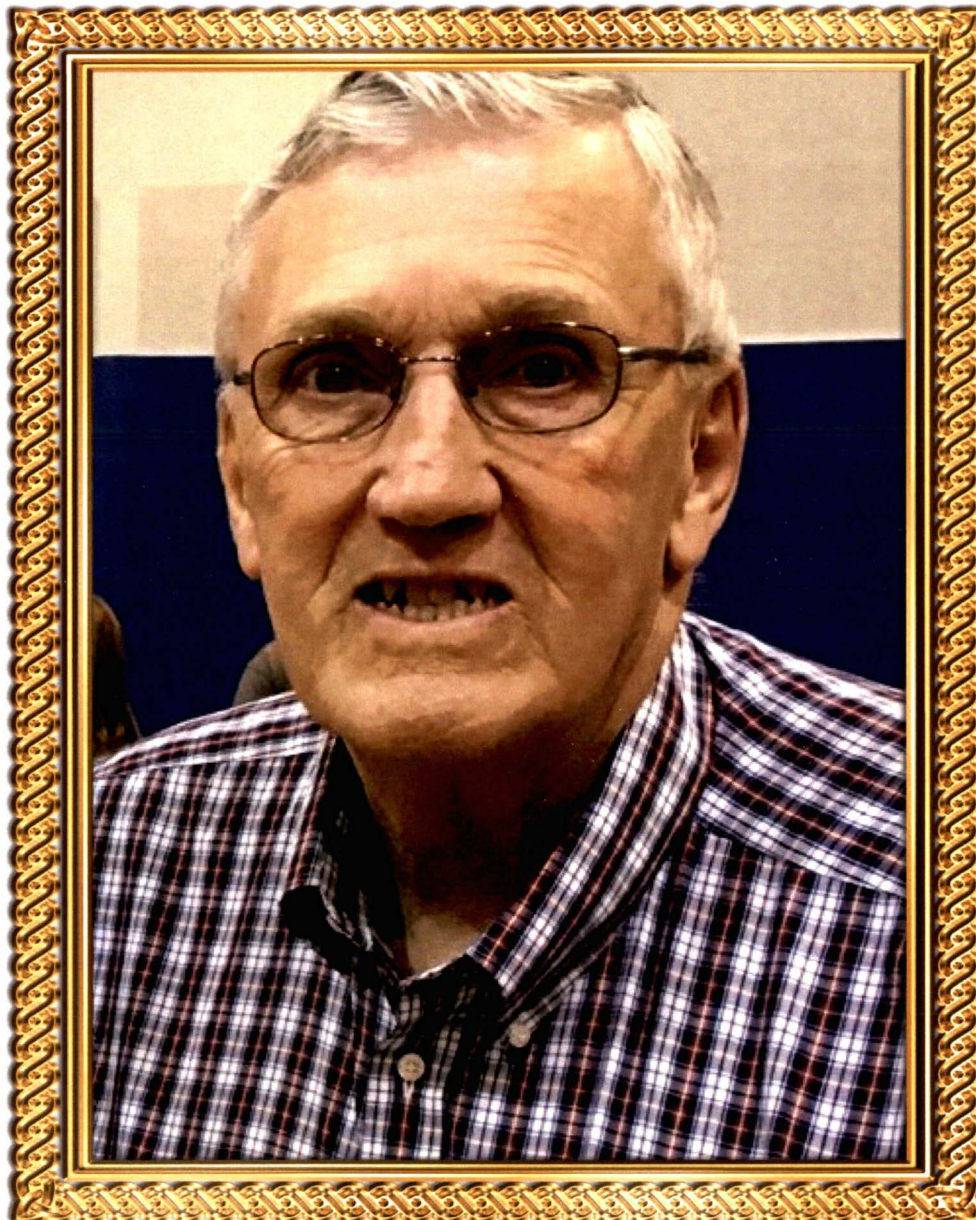


ANNUAL REPORT

NDSTATEFAIR.COM
MINOT, ND 701.852.FAIR

**2018 ND State Fair
Honorary Member**

AT4S
HB 1009
1/14/19
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Charles Meikle
Board Member 1983-2017

Att 1
HB 1009
1/24/2019

State Fair Foundation

- 1) \$600,000 Donated to State Fair Foundation
 - Private Donors (First)
- 2) \$1,110,000 Donated to State Fair Foundation
 - Private Donors (Second) - Reason for Audit
 - Donations Overtime, left as note, Not yet on Lease

Money going in to make investment.

Money goes back to foundation annually.

Golf Minot, Inc.—A NOT for Profit Entity

- 1) \$600,000 used to Purchase Land (12A) that Club sits on.
 - Leased to Minot Country Club for \$25,000/year, 49 year lease.
- 2) \$1,110,000 used for infrastructure & site preparations, not for buildings or structures.
 - Currently Interest Only. Lease will be for 49 years like other lease.
 - Has not been converted to lease yet, but will be in the coming months. This is what the Auditor flagged and called an unsecured loan, because the lease hasn't yet been completed. Paperwork is done.

Summary/Benefits

Foundation bought property at discount.
Appreciated in value through Country Club investment of \$5 million.
Club House Building located on property.
Provides annual cash flow to foundation.
Lots of new donors to foundation, long-term asset.
Win—Win, World-Class property and golf course, housing developed in the area, which created tax revenue to locals & state.

Department 665 - State Fair Association
House Bill No. 1009

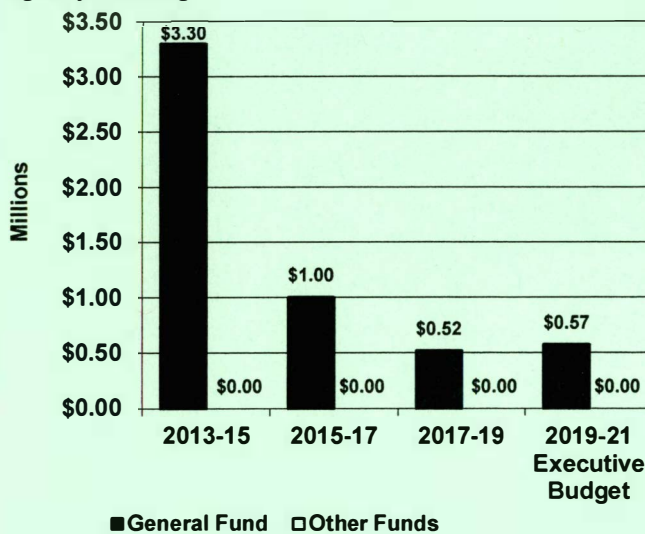
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	0.00	\$570,000	\$0	\$570,000
2017-19 Legislative Appropriations	0.00	515,665	0	515,665
Increase (Decrease)	0.00	\$54,335	\$0	\$54,335

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$570,000	\$0	\$570,000
2017-19 Legislative Appropriations	515,665	0	515,665
Increase (Decrease)	\$54,335	\$0	\$54,335

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$570,000	\$0	\$570,000
2019-21 Base Level	515,665	0	515,665
Increase (Decrease)	\$54,335	\$0	\$54,335

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Increases funding for exhibitor premium payments from \$515,665 to \$570,000. The House did not include an increase in funding for exhibitor premium payments.	\$54,335	\$0	\$54,335

Other Sections in House Bill No. 1009

There are no other sections for this agency.

Continuing Appropriations

State Fair operating fund - North Dakota Century Code Section 4.1-45-14 - Provides all income, fees, rents, interest, and any other money received by the State Fair Association are to be deposited in a special fund, and those funds are appropriated as a standing appropriation for the purposes provided in the chapter.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

The operational audits for the State Fair Association conducted by Eide Bailly LLP, Certified Public Accountants during the 2017-18 interim, identified two significant audit findings as follows:

- Financial statement presentation - The North Dakota State Fair Association has not determined the net pension liability, and other postemployment benefits liability, as of a measurement date no earlier than the end of the employer's prior fiscal year. The North Dakota State Fair Association responded that to use the July 1, 2018 actuarial amounts, they would have to leave the September 30, 2018 financial statements open for months and it was determined to be in the best interest of all parties to base the GASB No. 68 and No. 75 implementation on the most recent actuarial estimates.
- Valuation of notes receivable - The North Dakota State Fair Foundation (Foundation), a discretely presented component unit of the North Dakota State Fair Association, does not have any internal controls over the valuation of their notes receivable. During the year-ended September 30, 2018, the Foundation had \$1,110,000 of notes receivable to Golf Minot, Inc. The Foundation had no allowance set up for these notes receivable and the notes were unsecured.

Major Related Legislation

Senate Bill No. 2146 - Provides a \$450,000 appropriation from the general fund to the State Historical Society to relocate the Pioneer Village from the State Fairgrounds to another location in Ward County.

State Fair Association - Budget No. 665
House Bill No. 1009
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	0.00	\$515,665	\$0	\$515,665	0.00	\$515,665	\$0	\$515,665
2019-21 Ongoing Funding Changes								
Increases funding for premiums to provide a total of \$570,000		\$54,335		\$54,335				\$0
Total ongoing funding changes	0.00	\$54,335	\$0	\$54,335	0.00	\$0	\$0	\$0
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$54,335	\$0	\$54,335	0.00	\$0	\$0	\$0
2019-21 Total Funding	0.00	\$570,000	\$0	\$570,000	0.00	\$515,665	\$0	\$515,665

Other Sections for State Fair Association - Budget No. 665

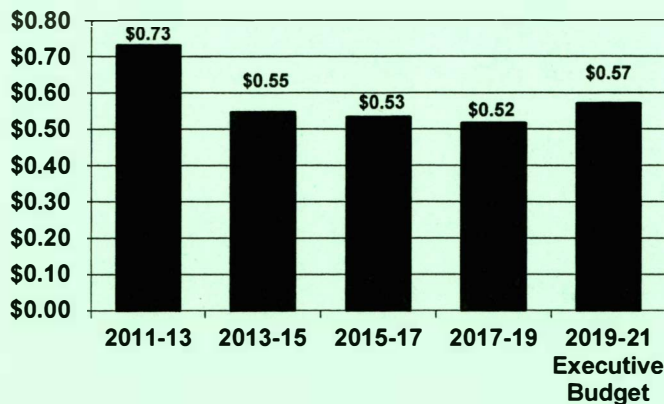
Executive Budget Recommendation	House Version
The executive budget did not include any other sections related to the State Fair Association.	The House did not include any other sections related to the State Fair Association.

Department 665 - State Fair Association

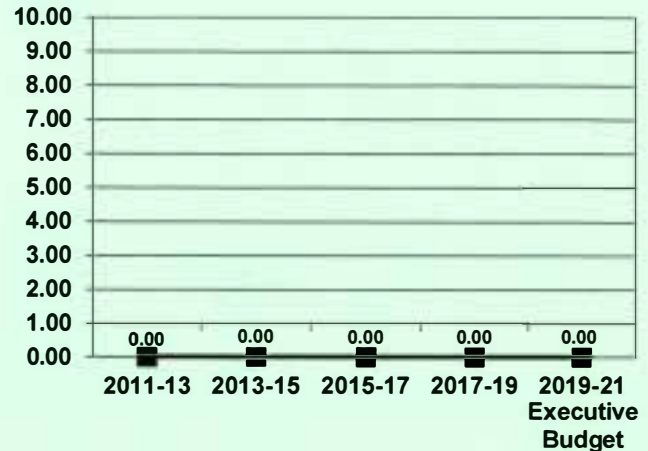
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Agency Funding (in Millions)



FTE Positions



■ Ongoing General Fund Appropriations

State Fair Association has no FTE positions

Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$730,000	\$546,000	\$532,665	\$515,665	\$570,000
Increase (decrease) from previous biennium	\$32,850	(\$184,000)	(\$13,335)	(\$17,000)	\$54,335
Percentage increase (decrease) from previous biennium	N/A	(25.2%)	(2.4%)	(3.2%)	10.5%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	(25.2%)	(27.0%)	(29.4%)	(21.9%)

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

1. Increased funding for State Fair premiums from \$520,000 to \$546,000 \$26,000
2. Removed funding for State Fair bond payments for bonds repaid during the 2011-13 biennium (\$210,000)

2015-17 Biennium

1. Decreased funding for State Fair premiums from \$546,000 to \$532,665 (This amount was reduced from \$570,000 as a result of the August 2016 special legislative session) (\$13,335)

2017-19 Biennium

1. Decreases funding for State Fair premiums from \$532,665 to \$515,665 (\$17,000)

2019-21 Biennium (Executive Budget Recommendation)

1. Increases funding for State Fair premiums from \$515,665 to \$570,000. The House did not include an increase in funding for exhibitor premium payments. \$54,335

**GOVERNOR'S RECOMMENDATION FOR THE
STATE FAIR ASSOCIATION AS SUBMITTED
BY THE OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the state fair association for the purpose of defraying the expenses of the state fair association, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Premiums	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total general fund	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>

February 27, 2019 10:30am
Senate Appropriations Hearing
Harvest Room

HB 1009
2-27-19
#1
p1

Good Morning ... Chairman Holmberg...members of the committee. My name is Renae Korslien and I am the Manager of the North Dakota State Fair.

We are here today to say Thank you! Thank you for your past support of premium dollars for the 4-H, FFA and Open Class exhibitors.

I am here to encourage you to support HB 1009. This is the appropriation dollars for premiums paid out to 4-H, FFA and Open class exhibitors for winning a prize at the fair for the years of 2019 and 2020. Many of you know and understand that every dollar that you appropriate is directly paid out to these winners...the fair does not use any of these dollars for operating, salaries or anything other than premiums and we have these funds audited each year by Eide Bailly and the State Auditor to prove that!

The 4-H and FFA exhibitors came onto the grounds proudly unloading the projects that they had worked on all year to bring to the State Fair to compete with the best across the state. Projects that they had worked on with their Mom and Dad, Grandpa and Grandma, 4-H leaders and FFA advisors. Time well spent ...especially in this day when we have the big challenge of our youth spending too much time with their heads bent and looking down at some electronic device!! **We** need to help these young folks to learn to take **responsibility of taking care of an animal**, to learn the art of **needlework**, the technique of good **photography**...the list goes on and on... Last year we had 46,998 exhibits at the fairgrounds during the nine days of fair. That is a lot of projects!!! Remember that is for one year ... so for the biennium that is over 90,000 exhibits! In our requested budget we did ask for \$570,000..which brings us back to the level that was appropriated for premiums in 2015. The Governor did put that into his budget, but the house cut it back to \$515,665.00

Please take the time to read our hand out .. I will point out that once again we had exhibits from 52 counties in North Dakota....we are still missing Sioux County....although I understand that there is a student from Sioux County that belong to a 4-H Club in an adjoining county. ☺

We have also provided our annual report for each of you which includes the audit report done by Eide Bailly and approved by the state auditor. If you have any questions or concerns please ask or give me a call later after you have had time to look at it.

We had a great fair last year...but nine days of perfect weather helps a lot with that...318,248 people through our gates in nine days. I hope you were there to see what everyone enjoys while they are at the fair... We are going to show you a quick three minute video recapping our fair this year.

VIDEO

NOW we want to give plenty of time to this listen to this COUNTRIES FUTURE LEADERS that are here today to testify.

I am supporting HB 1009.

Renae Korslien, General Manager
North Dakota State Fair

p1



The premium dollars the North Dakota State Fair is requesting goes directly to the exhibitors who showcase agriculture, foods, arts, and craftsmanship that is essential to our North Dakota culture.

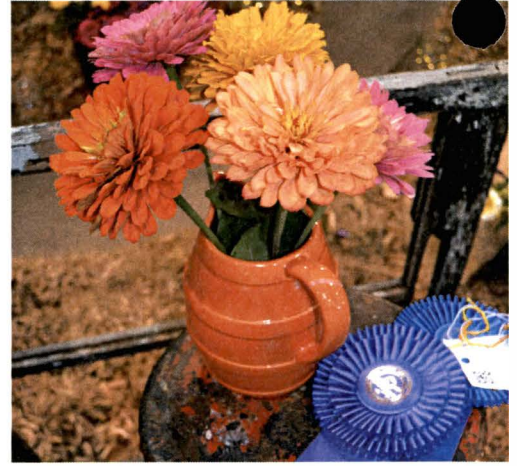
What are premium dollars?

Premiums are awarded to the individuals who's products earn a prize at the North Dakota State Fair. These dollars go to 4-H, FFA and Open Class participants.

In 2018 the North Dakota State Fair hosted
46,998
4-H, FFA, and Open Class exhibits.



The North Dakota State Fair is here to serve the people of North Dakota and the region by promoting agriculture, education, commerce and entertainment



- The NDSF is the largest event in North Dakota.
- Exhibits from 52 counties in North Dakota on display during the nine days of the Fair.
- All premium dollars are audited for verification of payout to exhibitors.
- Winner of 178 First place awards from International Association of Fairs.
- 46,998 exhibits entered at 2018 State Fair.
- 318,248 people attended 2018 North Dakota State Fair.

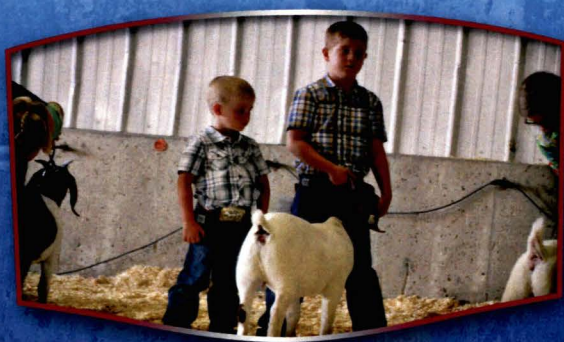
NORTH DAKOTA STATE

FAIR

JULY 20-28, 2018 #3

L-27-19HB 1009

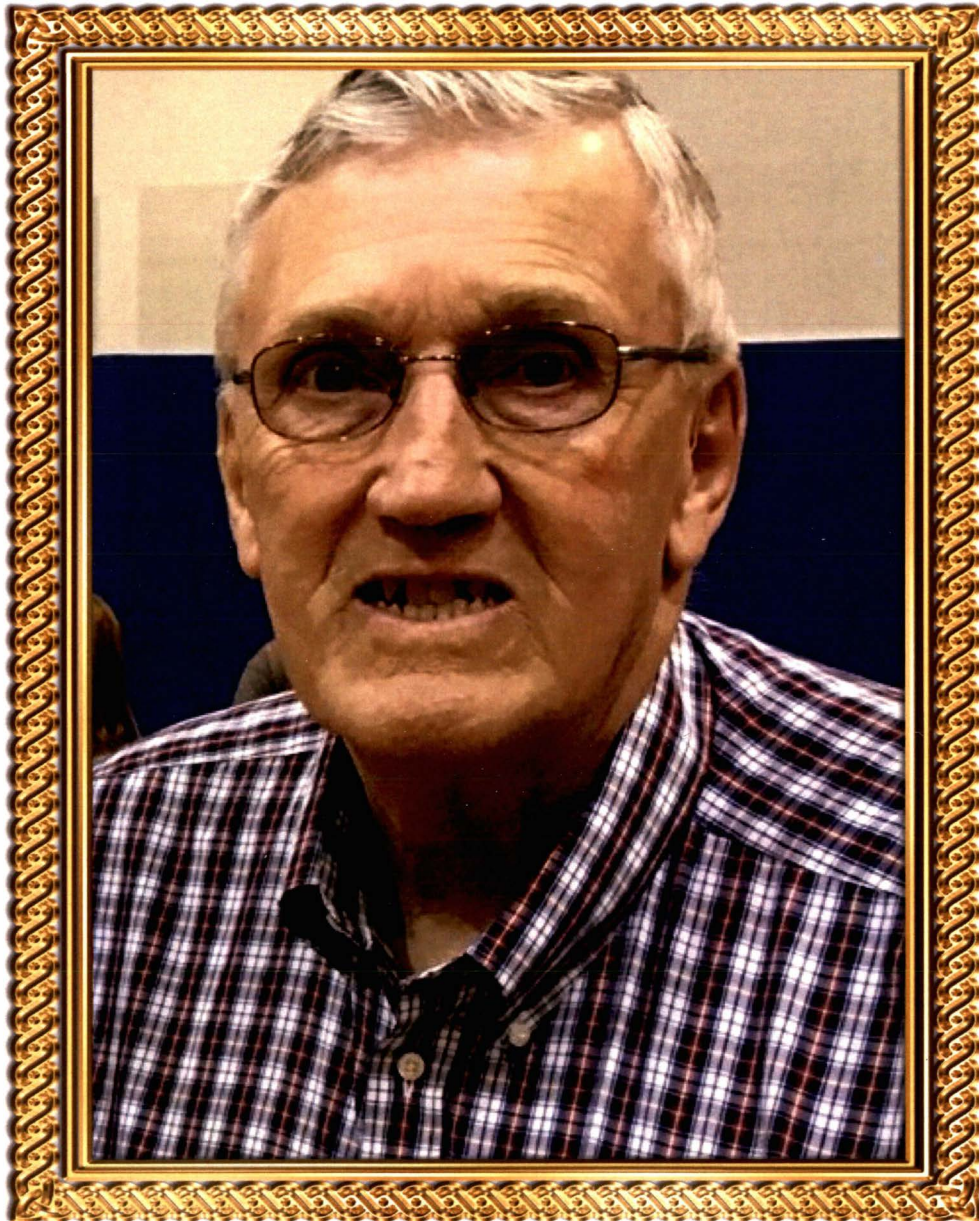
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2018 ND State Fair Honorary Member

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#3
pg. 2



Charles Meikle
Board Member 1983-2017

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2018 NORTH DAKOTA STATE FAIR ANNUAL MEETING

Call to Order & Comments	Gary Knell, President
Welcome	City of Minot Minot Area Chamber of Commerce
Introduction of Board Members	Gary Knell
Confirmation of County Delegates	Renae Korslien, Manager
Minutes of 2017 Annual Meeting	Kandi Mikkelsen, Secretary
Honorary Membership	Gary Knell
4-H Report	State 4-H Office
FFA Report	State FFA Office
Fair Manager's Report	Renae Korslien
Fair Dates July 19-27, 2019	Renae Korslien
Foundation	Todd Berning
Election of Directors	Gary Knell
District 1:	Arden Bell
District 4:	Connie Hanson
District 7:	Gary Knell
Open Questions & Discussion	Gary Knell



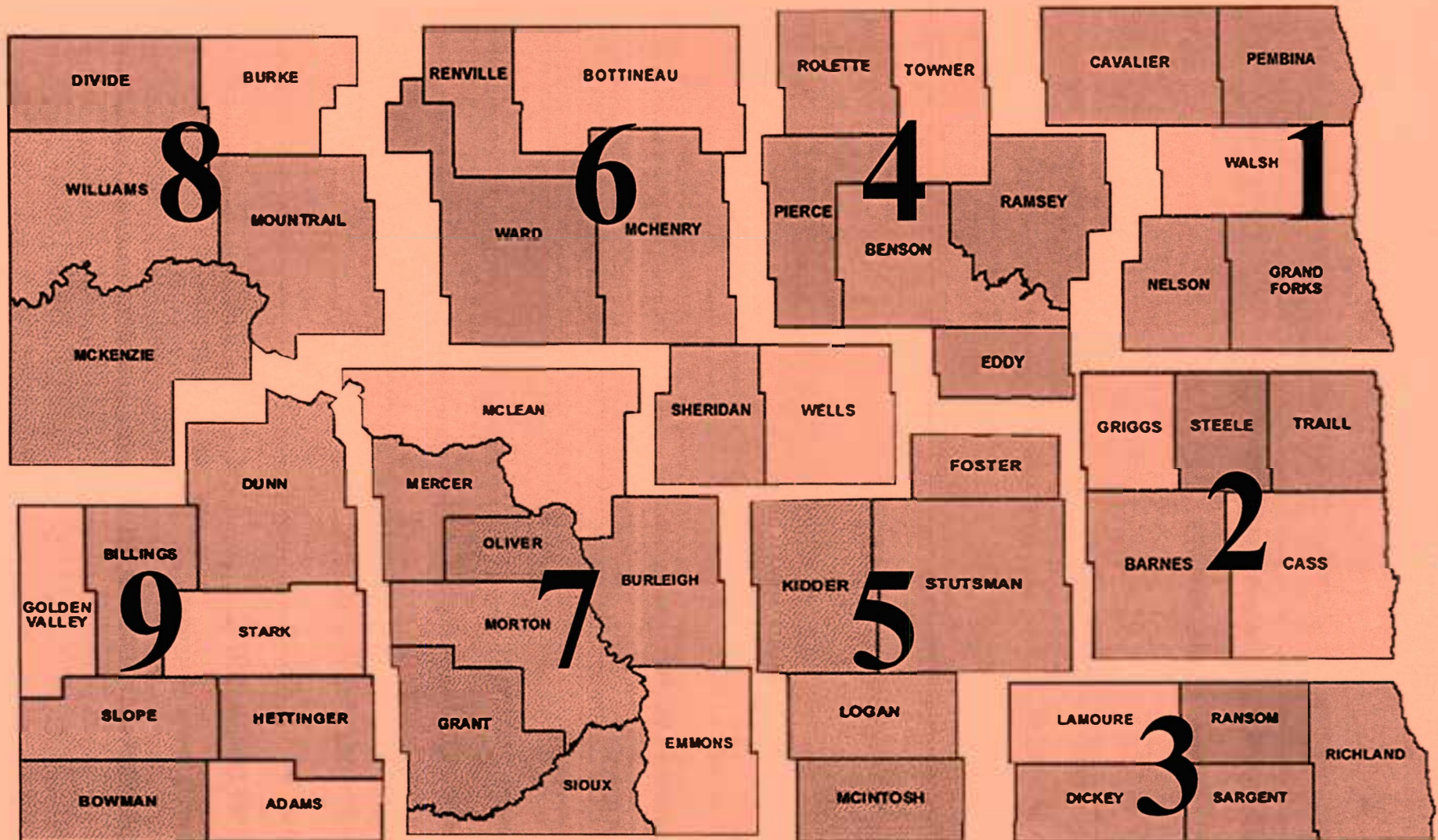
**2018 ND STATE FAIR
STAFF**



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Districts of the North Dakota State Fair Association



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ND State Fair Annual Meeting
November 15, 2017 – 1pm
State Fair Center, Minot, ND

The meeting was called to order by President Gary Knell who welcomed everyone and thanked them for being a part of the State Fair and also supporting the other events held on the Fairgrounds throughout the year. Comments and welcomes were also given from Shawn Sipma, VP of the Minot City Council; Jason Zimmerman with the Minot Chamber of Commerce; and John Fjeldahl, Ward County Commissioner and All Seasons Arena President.

President Knell introduced the board members: Kandi Mikkelsen, Minot; Connie Hanson, Devils Lake; Butch Haugland, Ambrose; LeeAnn Karsky, Dickinson; Craig Zimprich, Wahpeton; Arden Bell, Fordville; Kelly Hanson, Hannaford; and Chuck Meikle, Spiritwood.

Manager Renae Korslien reported that 74 delegates and 61 guests were in attendance.

Roger Skiftun, Wells County made a motion to dispense with the reading of the 2016 annual meeting minutes. Butch Haugland, Divide County, seconded this motion which passed unanimously.

Long time Fair Board member, Neil Fleming, received Honorary Membership. His family received the award in his memory.

Dean Aakre from the State 4-H Office thanked the staff for always being willing to help and said the 4-H department truly enjoys being a part of State Fair.

Aaron Anderson with State FFA thanked the manager, staff and fair board members for helping to make 23,633 exhibits possible at State Fair.

Manager Korslien praised the staff and fair board and thanked the delegates and guests for playing an important role in making the State Fair the success it is. She stated she is incredibly proud to be hosting over 299,000 Fairgoers and 47,058 competitive exhibits. A video recapping the 2017 Fair was shown and the annual report was reviewed.

Joan Gunter of McHenry County made a motion to set the 2018 Fair dates as July 20-28. Alicia Gunwall of Hettinger County seconded this motion which passed unanimously.

Todd Berning, President of the Fair Foundation introduced his board members present and reported on a successful year. This year's projects included: VIP Parking, two scholarships awarded along with two supported by Pepsi & Northern Bottling, the wall tile project, Friends of the Fair event, and a small parcel of land was purchased.

Elections were held in Districts 2, 5, and 8. Kelly Hanson was re-elected to District 2, Butch Haugland to District 8, and Deb Hatelewick was elected to District 5 – replacing Chuck Meikle.

ND STATE FAIR DATES & ATTENDANCE

1966	July 16-22	152,769	1996	July 19-27	248,154
1967	July 15-21	144,596	1997	July 18-26	233,004
1968	Aug. 25-31	143,662	1998	July 24-Aug 1	236,140
1969	Aug. 21-27	127,369	1999	July 23-31	210,840
1970	July 23-29	150,223	2000	July 21-29	206,584
1971	July 19-25	157,884	2001	July 20-28	208,601
1972	July 17-23	188,355	2002	July 19-27	211,126
1973	July 16-22	197,857	2003	July 18-26	217,587
1974	July 15-21	206,327	2004	July 23-31	243,024
1975	July 21-27	227,259	2005	July 22-30	244,874
1976	July 19-25	231,937	2006	July 21-29	247,970
1977	July 18-24	249,536	2007	July 20-28	248,501
1978	July 17-23	258,674	2008	July 18-26	239,449
1979	July 16-22	254,864	2009	July 24-Aug 1	296,919
1980	July 18-26	251,345	2010	July 23-31	308,641
1981	July 17-25	261,376	2011	July 22-30	Flood – Cancelled
1982	July 16-24	285,067	2012	July 20-28	310,839
1983	July 15-23	300,790	2013	July 19-27	320,485
1984	July 20-28	296,597	2014	July 18-26	314,446
1985	July 19-27	279,782	2015	July 17-25	305,093
1986	July 18-26	237,314	2016	July 22-30	293,123
1987	July 17-25	247,569	2017	July 21-29	299,077
1988	July 22-30	248,267	2018	July 20-28	318,248
1989	July 21-29	230,566			
1990	July 20-28	226,949			
1991	July 19-27	240,291			
1992	July 24-Aug 1	244,236			
1993	July 23-31	244,248			
1994	July 22-30	250,150			
1995	July 21-29	260,041			

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North Dakota State Fair Executive Committee

FAIR BOARD PRESIDENT

09/65 - 10/70	Morris Harrington*
11/70 - 10/80	Jack Wilkinson*
11/80 - 01/84	Robert Velure*
02/84 - 11/88	Delbert Clark*
12/88 - 11/99	Ed Schmidt*
12/99 - 11/04	Jerry Effertz
12/04 - Present	Gary Knell

FAIR BOARD VICE PRESIDENT

09/65 - 10/70	Jack Wilkinson*
11/70 - 01/79	Bob Kemp*
02/79 - 10/80	Bill Plath*
11/80 - 01/84	D. D. Clark*
02/84 - 11/88	Dan Duerre*
12/88 - 11/01	Tim Faller
11/01 - 11/17	Charles Meikle
11/17 - Present	Kelly Hanson

FAIR BOARD SECRETARY

09/65 - 10/76	Morris Nelson
11/76 - 10/84	Merwyn Larsen*
11/84 - 11/88	Delores Stromme
12/88 - 11/05	Dick Jensen*
12/05 - Present	Kandi Mikkelsen

FAIR BOARD TREASURER

09/65 - 10/74	Ed Goerger
11/74 - 10/82	Steve Tuchscherer*
11/82 - 01/84	Dan Duerre*
02/84 - 11/88	Ed Schmidt*
12/88 - 05/92	Delores Stromme
11/92 - 11/01	Charles Meikle
11/01 - 11/04	Gary Knell
12/04 - 10/07	Tim Clark
11/07 - Present	LeeAnn Karsky

STATE FAIR DISTRICTS AND DIRECTORSDistrict #1

09/65 - 08/78
 09/78 - 11/94
 12/94 - 02/17
 4/17 - Present

Robert Kemp, Hamilton*
 Wayne Trottier, Northwood
 Neil Fleming, Cavalier*
 Arden Bell, Fordville

District #2

09/65 - 10/74
 11/74 - 05/80
 06/80 - 10/93
 11/93 - 11/08
 12/08 - Present

Paul Cripe, Amenia*
 Bill Plath, Davenport*
 D. D. Clark, Cooperstown*
 Tim Clark, Fargo
 Kelly Hanson, Hannaford

District #3

09/65 - 10/74
 11/74 - 10/83
 11/83 - 02/89
 03/89 - 12/13
 01/14 - Present

Ed Goerger, Barney
 Floyd Fode, Jud*
 Fran Vculek, Crete*
 Dennis Wendel, LaMoure
 Craig Zimprich, Wahpeton

District #4

09/65 - 10/66
 11/66 - 10/82
 11/82 - 05/92
 06/92 - Present

Harold Hofstrand, Leeds
 Steve Tuchscherer, Rugby*
 Delores Stromme, Devils Lake
 Connie Hanson, Devils Lake

District #5

09/65 - 07/83
 11/83 - 11/17
 11/17 - Present

Jack Wilkinson, Montpelier*
 Charles Meikle, Spiritwood
 Mark Schaunaman, Ashley

District #6

09/65 - 10/80
 11/80 - 06/89
 07/89 - 11/04
 12/04 - Present

W. M. Harrington, Minot*
 Dan Duerre, Mohall*
 Jerry Effertz, Velva
 Kandi Mikkelsen, Minot

District #7

09/65 - 10/76
 11/76 - 11/00
 11/00 - Present

Morris Nelson, Washburn
 Ed Schmidt, Max*
 Gary Knell, Hazen

District #8

09/65 - 10/75
 11/75 - 10/84
 11/84 - 5/07
 6/07 - Present

Newman Power, Crosby*
 Merwyn Larsen, Flaxton*
 Dick Jensen, Williston*
 Butch Haugland, Ambrose

District #9

09/65 - 10/77
 11/77 - 01/84
 02/84 - 11/01
 11/01 - 1/02
 5/02 - Present

Chris Roen, Bowman*
 Robert Velure, Hettinger*
 Tim Faller, Hettinger
 Darwin Wilkie, Bowman
 Lee Ann Karsky, Dickinson

*Deceased

NORTH DAKOTA STATE FAIR STAFFFAIR MANAGER

11/65 - 07/69
 08/69 - 01/71
 02/71 - 12/75
 01/76 - 01/06
 01/06 - 12/09
 12/09 - Present

Myles Johnson*
 Merrel Dahle*
 Vern Stevick
 Gerald Iverson
 Robert Wagoner
 Renae Korslien

ALL SEASONS ARENA MANAGER

1975 - 1976
 1976 - 01/06
 01/06 - 12/09
 12/09 - Present

Robert Bliss
 Gerald Iverson
 Robert Wagoner
 Renae Korslien

ASSISTANT MANAGER

1966 - ?
 10/76 - 01/80
 11/81 - 11/90
 05/08 - 12/09
 12/09 - Present

Arvel Graving (part-time)
 Lew Gates
 Ron Staiger
 Renae Korslien
 Craig Rudland

OPERATIONS DIRECTOR

1966 - 1984
 1984 - 1985
 1985 - 2009

Gordon Johnson* (County Fair Prior 1966)
 Maurice Goeser
 Dennis Voeller

CONTRACTS AND EVENT COORDINATOR

2009 - 2010
 2010 - 2015
 2015 - Present

Dennis Voeller
 Josh Mosser
 Kyle Schmidt

MAINTENANCE STAFF

10/79 - 03/90
 1984 - 1992
 1987 - 1994
 1988 - 1994
 1981 - 2009
 1990 - 1995
 1994 - 1995
 1994 - 1999
 1995 - 2000
 1995 - Present
 1998 - 2009
 1993 - 2004
 2000 - 08/01
 2000 - Present
 2002 - Present
 2003 - Present
 2004 - 2012
 2004 - Present
 2005 - Present

Lester Tandberg*
 Gordon Johnson*
 Ron Fix
 Terry Withers
 Craig Rudland
 Jimmy Wimberly
 Tim Healy
 Dan Schmidt
 Ken Sisk
 Steve Hoff
 Trevor Rudland
 Rick Rostad
 Ray Webb
 Dar Brown
 David Lommen
 David Wierenga
 Todd Evanoff
 Aaron Ottmar
 Ricky Gilmore, George Walker

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2006 – Present
 2007 – Present
 2008 – 2012
 2008 – 2011
 2008 – 2013
 2009 – 2012
 2010 – 2012
 2010 – 2015
 2011 – 2013
 2011 – 2012
 2011 – Present
 2012 – 2015
 2012 – 2013
 2013 – 2014
 2013 – 2017
 2014 – Present
 2014 – 2015
 2014 – 2017
 2015 – 2016

 2016 – 2017
 2016 – 2018
 2016 – Present
 2017 – 2018
 2018 – Present

Gene Schoenwald
 Dan Christensen, Craig Marten
 Thomas Behm
 Courtney Boettcher
 Jacob Libke
 Tim Schweitzer
 Alex DesRoches
 Derek Hancock
 Richard Byers
 Benjamin Perdue
 Bruce Clark
 Jacob Hancock
 Dean Stanley, Brett Getzlaff, Richard Hurdle
 Zach Mehus, Adam Zietlow
 Tony Swearingen, Gary Butz
 Troy Bragg
 Rick Bentley, Billy Olson, Mark Brekke
 Andrew Brust
 Adam Iverson, Cody Hillyer, Terrence Peterson, Sam
 Savelkoul, Nathan Williams
 Adam Rosseau, Braden St Claire, Max Harrah
 John Young
 Joel Rhoads
 Alex Boechler, Lance Peterson, Jacob Schmaltz
 Mark Brekke, Michael Popham, Taryn Thorsell, Faith Wolla,
 Dan Young

OFFICE PERSONNEL

1969 - 1971
 1972 - 1973
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 1975 - 1976
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 1982 – 1988
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Connie Larson
 Becky Vogel
 Charlane Hargrave
 Sally Brendle
 Sally Brendle, Jane Bartholomay
 Jane Bartholomay
 Jane Bartholomay, Laurie Fischer
 Jane B., Laurie Fischer, Kandi Reinisch
 Laurie Fischer, Kandi Reinisch, Renae Korslien
 Kandi Reinisch, Renae Korslien, Jane Bartholomay,
 Wendy Fix
 Kandi Reinisch, Renae Korslien, Jane Bartholomay
 Kandi Reinisch, Renae Korslien, Jane Bartholomay,
 Kristi Bertsch, Mechell Inman, Connie Johnson
 Kandi Reinisch, Renae Korslien, Kristi Bertsch,
 Jane Bartholomay, Connie Johnson
 Kandi Reinisch, Renae Korslien, Kristi Bertsch,
 Jane Bartholomay, Connie Johnson, Barb Quimby
 Kandi Reinisch, Renae Korslien, Jane Bartholomay,
 Connie Johnson, Sherri Koslofsky, Teresa Hynson
 Renae Korslien, Jane Bartholomay, Teresa Hynson,
 Deanna Ness
 Renae Korslien, Teresa Hynson, Deanna Ness,
 Vickie Cofer, Leslie Herslip
 Renae Korslien, Teresa Hynson, Deanna Ness,
 Shawna Jaeger, Leslie Herslip

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1998	Renae Korslien, Teresa Hynson, Mandy Biberdorf, Shawna Jaeger, Leslie Herslip, Leah Moberg, Deanna Ness
1999	Renae Korslien, Teresa Hynson, Mandy Biberdorf, Shawna Jaeger, Leslie Herslip, Cheyanne Erickson
2000	Renae Korslien, Mandy Nelson, Jenny Adriance-Exner, Tanya Senechal, Alisha Kinzley
2001	Renae Korslien, Mandy Nelson, Stephanie Schoenrock, Stacie Stein, Shelly Parish, Dana Gilstad, Kelly McDermott
2002	Renae Korslien, Mandy Nelson, Stephanie Schoenrock, Stacie Stein, Shelly Parish, Jennifer Guidinger, Stacy Wolla, Kelly McDermott
2003-2004	Renae Korslien, Shelly Parish, Stephanie Schoenrock, Jennifer Guidinger, Kim Reiswig, Denise Johnson
2005	Renae Korslien, Shelly Parish, Jessica Bullinger, Amanda Hilliard, Kim Rieswig, Denise Johnson
2006	Renae Korslien, Shelly Parish, Jessica Bullinger, Janelle Wald, Stacey Folstad-Magandy
2007	Renae Korslien, Shelly Parish, Jessica Bullinger, Cheryl Jorgenson, Stacey Folstad-Magandy, Tracy Pelzer
2008-2009	Renae Korslien, Tracy Pelzer, Kristie Moldenhauer, Shannon Pearson, Stacey Folstad-Magandy
2010	Tracy Pelzer, Kristie Moldenhauer, Shannon Pearson, Ashley Marburger, Kelsey Reinisch, Stacey Folstad-Magandy
2011	Tracy Pelzer, Shannon Pearson, Nikki Medalen, Kelsey Reinisch, Jennifer Ashley, Dani Solsvig
2012	Tracy Pelzer, Jennifer Ashley, Nikki Medalen, Kelsey Reinisch, Erin Beck, Jurene Wallery
2013	Tracy Pelzer, Jennifer Hubrig, Shelly Parish, April Maercklein, Erin Beck, Jodi Rolle
2014	Tracy Pelzer, Jennifer Hubrig, Shelly Parish, Erin Beck, Jodi Rolle, Marissa Gillmore, Kari Olson
2015	Tracy Pelzer, Shelly Parish, Patty Steele, Ashley Skeels, Carrie Boe, Katelyn Nelson
2016	Tracy Pelzer, Shelly Parish, Beth Feldner, Ashley Skeels, Katelyn Nelson, Denise Harrah
2017	Tracy Pelzer, Shelly Parish, Beth Feldner, Katelyn Nelson, Denise Harrah, Brenda Parks
2018	Tracy Pelzer, Shelly Parish, Vince Azzarello, Denise Harrah, April Maercklein, Faith Wolla

STATE FAIR DEPARTMENTS

BEEF

1966 - 1971	Darrell Sundsbak
1972 - 1975	Lynn Frey
1976 - 1979	Bill Goheen
1980	Steve Musch, Bill Goheen
1981	Bill Goheen, Larry Widdel, Milt Korslien
1982 - 1983	Larry Widdel, Milt Korslien, Bryan Sundsbak
1984	Larry Widdel, Milt Korslien
1985 - 1993	Milt Korslien, Mike Sundsbak
1994 - 2005	Mike Sundsbak, Mary Peterson
2006 - Present	Mike Sundsbak, Josh Sundsbak

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DAIRY

1966 - 1969
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2017

Bruce Martin
Bill Frost
Carl Sand
Gaylen Sailer
Tom B. Frost
Dale Carpentier
Neil Westergaard
Jeff Hagel
Jeff Hagel, Debbie Hansen
Debbie Hansen & Jack Hansen
Kevin Misek, LaRee Misek
Roger Scheibe
Bill Davis
Heidi Jo Brandt
Chris Kubal, Rachel Karsky
Rachel Karsky
Don Ost
Cole Rupprecht
Don Ost, Pam Tonnessen
Pam Tonnessen

SWINE & SHEEP

1966 - 1969
1970 - 1971
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1973 - 1975
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1984 - 1986
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1988 - 1989
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2000 - 2002
2003 - 2004
2005 - 2017
2018 - Present

Phil Hanson
Gladys Trottier
Tom Hanson
Mark Schmidt*, Garvin Osteroos
Jim Mostad
Charles Weiser, Mark Schmidt*
Mark Schmidt*, Garvin Osteroos, Charles Weiser
Mark Schmidt*, Garvin Osteroos
Sonja Duerre, Taunia Martin
Sonja Duerre, Leann Erickson
Leann Erickson
Leann Erickson-Schafer
Ruth Scheresky
Leann Schafer, Ruth Scheresky
Brenda Novodvorsky
Brenda Novodvorsky, Brian Zimprich
Brian Zimprich, Jessie Larson
Brian Zimprich, Stephanie Johnson
Brian Zimprich, Kris Nitschke
Brian Zimprich, Kelcey Hoffman

GOATS

1982 - 1985
1986
1987
1988 - 1990
2004 - 2008
2009
2010 - 2015
2016 - Present

Mr. & Mrs. David Beuchler
Ramona Keller, Charlene Martwick
No Show
Ramona Keller, Charlene Martwick
Rodney Dannehl
Luke Black
Jason Mongeon
Jason Mongeon, Sherry Norman

LLAMAS

1991 - 1993
1994 - 1996
1997 - 1998
1999 - 2000
2001 - 2003
2004 - 2008

Darlene Hochsprung*
Greg Jacobs
Penny Sigloh
Dave Sigloh
Karla Erickson
Sandy Dick

POULTRY & RABBITS

1983 - 1984
1985 - 1986
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1988 - 1989
1990 - 1997
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2013 - 2015
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2017 - Present

Ken Eraas, Sonja Duerre
Sonja Duerre
Don Vitko
Don Vitko, Gordon Jensen
Don Vitko, Charlotte Pollestad
Don Vitko, Carroll Lindstrom
Vicki Olson, Ken & Susan Loe, Charlotte Pollestad, Sandy Wilson
Vicky Olson and Ken & Susan Loe
Vicky Olson, Deb Prock and Ken & Susan Loe
Deb Prock, Ken & Susan Loe
Deb Prock, Susan Tanser, Ken Loe
Griffin Gessner, Susan Tanser, Ken Loe
Griffin Gessner, Tracy Loe, Ken Loe
Don Ost, Nicolle Maruskie, Christina Swartout
Don Ost, Christina Swartout
Don Ost, Tom McMahon, Christina Swartout
Tom McMahon, Christina Swartout

AG PRODUCTS

1966 - 1968
1969 - 1970
1971
1972
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1974 - 1975
1976 - 1979
1980
1981 - 1999
2000 - Present

Clifford Bakken, Milt Korslien
Milt Korslien
Alan Korslien, Milt Korslien
Leonard Enander, Blaine Kotasek
Blaine Kotasek
Brad Cogdill
George Senechal
Laurie Smestad
Ernie Medalen
Tracey Hartwig

EDUCATION

1967 - 1991
1992 - 1999
2000 - 2001
2002 - 2003
2004 - 2006
2007 - 2013
2014
2015 - Present

Zona Vick
Linda Christensen
Linda Christensen, Diane Anderson
Diane Anderson, Rob Anderson
Diane Anderson, Kim Mau
Kim Hegre
Kim Hegre, Val Cunningham
Val Cunningham

DOMESTIC ARTS

1966
1967 - 1969

Betty Kunz

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1970
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1973 - 1976
1977 - 1990
1991 - 1993
1994 - 1996
1997 - 1998
1999 - 2000
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2002 - 2013
2014 - Present

Betty Kunz
Naomi Coyne, Janice Thom
Marion Siverling, Janice Thom
Lorraine Vogel, Janice Thom
Janice Thom
Janice Thom-Anderson
Janet Sabol, Marian Askim
Janet Sabol
Janet Sabol, Fern Laudenschlager, Carmen Redding
Fern Laudenschlager, Carmen Redding
Fern Laudenschlager
Fern Laudenschlager, Sharon Schwarz

PLANTS & FLOWERS

1994 - 1997
1998 - 2000
2001 - 2008
2009 - Present

Carol Berg
Carol Berg, Scott Bethke
Carol Berg
Wanda Bachmeier, Karla Thompson

HORSES

1966 - 1972
1973
1974
1975 - 1977
1978 - 1992
1993 - 1999
2000 - 2006
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2008
2009
2010
2011 - 2013
2014
2015 - Present

Fred Ehr*
Larry Fredrich, Jean Fredrich
Larry Fredrich, Ron Burns*
Don Anderson, Ron Burns*, Jean Fredrich
Ron Burns*, Jean Fredrich
Judy Erickson, Jean Fredrich, Ron Burns*
Jean Fredrich, Debbie Raszler, Ron Burns*
Jean Fredrich, Debbie Raszler
Jean Fredrich, Kylie Behm
Jean Fredrich, Matt Amsden
Jean Fredrich
Carla Evenson
Scott Flach, Carla Evenson
Scott Flach

4-H BUILDING

1966 - 1969
1970 - 1971
1972 - 1978
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1980 - 1982
1983 - 1988
1989
1990 - 2005
2006 - Present

Ward County Extension Service
Arlene Klosterman
Mary Ruelle
Mary Ruelle, Marie Felan
Marie Felan, Ladonna Elhardt
Marie Felan, Blanche Schaan
Marie Felan, Marcy Hansen
Marcy Hansen
Shelly Marum

4-H BARN

1966
1967 - 1970
1971 - 1972
1973 - 1978
1979
1980 - 1981

Francis Hennessy

Raymond Kopp
Darrell Sundsbak
Quentin Stevick
Odd Osteroos

1982 - 1983
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1986 - 1987
1988 - 1990
1991 - 1992
1993 - 1994
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1996 - 1999

Del Rae Martin, Odd Osteroos
Taunia Martin, Odd Osteroos, Jodi Hennessy
Taunia Martin, Jodi Hennessy
Jim Hennessy
Kevin Hansen
Randy Gaebe
Josh Dohrmann
Justin Larson
Brian Zimprich

PHOTOGRAPHY

1966 - 1974
1975 - 1978
1979
1980 - 1983
1984 - 1994
1995 - 1997
1998
1999 - 2005
2006 - Present

Minot Camera Club
Ruth Hoffman
Figure Skating Club
Eileen McEown*
Eileen McEown*, Doug Kary
Eileen McEown*, Kandi Mikkelsen
Kandi Mikkelsen, Diane Halvorson
Minot Art Association
Taube Museum of Art

ARTS & CRAFTS

1966 - 1975
1976 - 1977
1978 - 1982
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1985 - 1987
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1989 - 1990
1991 - 1998
1999 - 2005
2006 - Present

City Art League
George Godfrey
Pearl Briggs
Margaret Braaten & Francis Domer
Ila Lovdahl, Roxanne Johnson
Ila Lovdahl, Bonny Duhamel
Ila Lovdahl, Bonny Kemper
Ila Lovdahl, Dawn Brenno*
Dawn Brenno*, CeCe Reynolds
Minot Art Association
Taube Museum of Art

PUBLICITY

1966 - 1970
1971 - 1972
1973 - 1974
1975 - 1983
1984 - 1988
1989
1990 - 1993
1994 - 1998
1999
2000 - 2015
2016

John Elliott
Shirley Frey
Cleo Cantlon*
Cleo Cantlon*, Debbie Richter
Cleo Cantlon*, Nancy Omdahl
Cleo Cantlon*, Molla Romine
Cleo Cantlon*
Cleo Cantlon*, Kandi Mikkelsen
Cleo Cantlon*
Patty Steele

TREASURER'S OFFICE

1966 - 1990
1968 - 1988
1974 - 1988
1985 - 1997

Morris Lawrence*
Doug Hultberg
Renae Korslien
Margie Newman

1998 - 1999
2000 - Present

Melanie Emmel, Susan Schmutzler
Melanie Emmel, Margie Newman

GRANDSTAND TICKETS

1967 - 1970
1971
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1973 - 1975
1976 - 1983
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1986 - 1990
1991 - 1995
1996 - 2000
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2002 - 2007
2008 - 2017
2018 - Present

Mrs Gordon (Esma) Finke
James Schultz
Leonard Enander
Luelle Nermyr
Sandy Vigestad
Magic City Figure Skating Club
Pam Hopkins
Pam Hopkins, Gloria Maragos
Robin Voeller
Ray Preston
Susie Schmutzler, Robin Voeller
Robin Voeller, Donna Beeter
Kathy Haskins, Joan Hodgson
Joan Hodgson, Marsha Yoder

SHERIFF'S DEPARTMENT

1966 - 1978
1979 - 1982
1983 - 1993
1994 - 2010
2011 - 2015
2016 - Present

Olaf Haaland, Ed Heilman
Leon Schwan, Art Anderson
Art Anderson
Vern Erck
Steve Kukowski
Bob Barnhard

BEER GARDENS

1971 - 1972
1973 - 1975
1976 - 1985
1986 - 1987
1988 - Present

Richard Larson
Bob Turneau
Guy Feland
Carroll Burtness
M & S Concession

FAIR'S REPRESENTATION ON ALL SEASONS ARENA BOARD

1975 - 1976
1975 - 1980
1976 - 1982
1982 - 1989
1975 - 1992
1980 - 2000
1989 - 1992
1993 - 1994
1993 - 1997
1994 - 2004
1997 - 1998
1999 - 2000
2001 - 2017
2001 - 2012
2004 - Present
2013 - 2018
2018 - Present

Morris Nelson
Morris Harrington*
Steve Tuchscherer*
Dan Duerre*
Jim Peterson*
Ed Schmidt*
Jerry Effertz
Dick Jensen*
Ken Kitman
Jerry Effertz
Jim Stafslie*
Jim Lee
Charles Meikle
Gregg Schaefer
Gary Knell
Jim Lee
Todd Vangsness, Kelly Hanson

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FAIR FOUNDATION DIRECTORS

1991 - 1992	Delores Stromme
1991 - 1993	Ed Schmidt*
1991 - 1993	Dick Jensen*
1991 - 1993	Jerry Effertz
1991 - 1993	Delbert Clark*
1991 - 1993	Chuck Meikle
1991 - 1993	Wayne Trottier
1991 - 1993	Tim Faller
1991 - 2001	Dennis Wendel
1992 - 2001	Connie Hanson
1993 - 1996	Hjalmer Carlson
1993 - 1997	Ken Kitzman
1993 - 2001	Craig Galbreath
1996 - 2000	Ralph Christensen*
1996 - 2001	Bob Horne
1996 - 1997	Wayne Trottier
2001 - 2001	Kandi Mikkelsen
2001 - 2001	Milt Korslien
2001 - 2001	Ed Schmidt
2001 - 2001	Gordon Johnson
2010 - Present	Todd Berning, President
	Jerry Iverson, Vice President
	Beth Jensen-Christmann, Treasurer
	Joanne Beckman, Secretary
	Connie Hanson, Craig Zimprich, Jim Grote
2018 - Present	Jennifer Hubrig

FAIR FOUNDATION ADMINISTRATOR

1996	Wanda Neuhalphen
1997 - 1998	Blake Krabseth
1999 - 2000	Astrid Braun
2001	Greg Malmedal
2016	Leslie Stevens

CARNIVAL

Nov 1965	Collins Show for 1966-1967
Nov 1967- Present	Murphy Brothers Exposition

HONORARY MEMBERS OF STATE FAIR ASSOCIATION

November 16, 1967

State Department of Cooperative Extension Service

State Department of Vocational Agriculture

N.D.S.U. Animal Science Department

ND Hereford Association

ND Angus Association

ND Shorthorn Association

ND Charolais Association

ND Swine Breeders Association

ND Sheep Breeders Association

ND County Agents Association

ND Vocational Ag Instructors Association

ND Association of Soil Conservation Districts

Greater North Dakota Association

ND Crop Improvement Association

ND Dairy Industries

ND Farm Bureau

ND Feed Manufacturers Association

ND Stockmens Association

ND Press Association

ND Broadcasters Association

ND Implement Dealers Association

ND Farmers Union Association

ND Quarter Horse Association

ND Arabian Association

ND Appaloosa Association

National Farmers Organization

Legislative Research Committee

ND Polled Hereford Association

ND Holstein Association

ND Milking Shorthorn Association

ND Championship Horse Show Association

ND Association of Extension Home Economists

ND Beekeepers Association

ND Durum Wheat Growers Association

ND Wheat Growers Association

ND Bankers Association

ND Thoroughbred Association

ND Palomino Association

State Historical Society

ND Association of Fairs

HONORARY MEMBERS OF STATE FAIR ASSOCIATION (cont)

November 1977

Vern Stevick, Des Lacs
Merrel Dahle, Minot
Morris Nelson, Washburn
Paul Cripe, Amenia *
Ed Goerger, Barney*
Newman Power, Crosby*

November 1978

Chris Roen, Bowman *

November 1981

Ralph Christensen, Minot *
Morris Harrington, Minot *
Jim Peterson, Minot *

November 1982

Darrell Sundsbak, Minot
Don Erickson, Makoti *

November 1983

Hugh McCutcheon, Minot *
Steve Tuchscherer, Rugby *
Morris Lawrence, Minot*

November 1984

Jack Wilkinson, Montpelier*
Floyd Fode, Jud *
Robert Velure, Bismarck *

November 1985

Merwyn Larsen, Flaxton*
Tom Martindale, Fargo*

November 1986

Al Fragodt, Fargo *
George Christensen, Minot *

November 1987

Brynhild Haugland, Minot*

November 1988

Chester Reiten, Minot*

November 1989

Fran Vculek, Oakes*
Dan Duerre, Mohall*

November 1990

Milt Korslien, Minot
Forrest Schmidt, New Salem *

November 1991

Zona Vick, Minot
Ron Burns, Surrey*

November 1992

Gordon Johnson, Minot *
Delores Stromme, Colorado

November 1993

Richard Debertin, Berthold

November 1994

Kandi Mikkelsen, Minot
Delbert Clark, Cooperstown*

November 1995

Wayne Trottier, Northwood

November 1996

Joel Janke, Bismarck

November 1997

Cleo Cantlon, Minot *

November 1998

City of Minot

November 1999

Mike Sundsbak, Des Lacs
Jean Fredrich, Des Lacs

November 2000

Ward County

November 2001

Ed Schmidt, Max *

November 2002

Norsk Hostfest
Tim Faller, Hettinger
Duane Straight, Minnesota*

HONORARY MEMBERS OF STATE FAIR ASSOCIATION (cont)

November 2003

Sharon Anderson, Fargo

November 2004

KMOT TV

KXMC TV

Minot Daily News

Clear Channel Communications

Fox/ABC Television

November 2005

Marcy Hansen, Ryder

Jerry Effertz, Velva

November 2006

Jerry Iverson, Binford

November 2007

Richard "Dick" Jensen, Williston*

November 2008

Fern Laudenschlager, Minot

November 2009

Tim Clark, Turtle Lake

Karen Kresbach, Minot

November 2010

Dennis Voeller, Minot

November 2011

Gaylen Schmidt, Minot

Trevor Rudland, Maxbass

November 2012

Linda Nelson, Minot

Steve Gehrtz, Fargo

November 2013

Ted Johnson, Kindred

November 2014

Dennis Wendel, LaMoure

November 2015

Steve Zimmerman, Bismarck*

November 2016

Senator Bill Bowman, Bowman

November 2017

Neil Fleming, Cavalier*

November 2018

Chuck Meikle, Spiritwood

*Deceased

2018 Sponsors ^{2/27} HB 1009 #3 pg. 23

All America City Glass	Hampton Inn	Northern Plains Potato Growers Association
American Trust Center	Hubbard Feeds	Northern Pulse Growers Association
Bank of North Dakota	iHeart Media	Northstar Steel
Basin Safety	Keller Paving & Landscaping, Inc.	Praxair
Bayer Crop Science	Kenmare News	RDO Equipment
Best Western Kelly Inn	Lowe's Garden Center and Floral	RTL Entertainment
Boot Barn	Magic City Beverage	Scheels
Bremer Bank	MDU	Schock's Safe & Lock, Inc.
Central Power Electric	Midwest Dairy Association	Sign D'zyn
Coborn's, Inc.	Minnesota Wing King	Smooth Gator
Community Ambulance	Minot Electric	SRT
Dakota Chappy	MJ McGuire Company	The Grand Hotel
Dakota Drug	Murphy Brothers	Town & Country Credit Union
Dakota Kids Dentistry	ND Corn Utilization Council	Tractor Supply
Davidson Construction	ND Department of Ag	Tri-N Propane
Dean Foods	ND Farm Bureau	Trinity Health
Dish Network	ND One Call	United Community Bank
Eide Bailly	ND Pork Council	United Quality Cooperative
Enbridge Pipelines	ND Wheat Commission	USDA
Etix	Nissan	Verendrye Electric
Farm Credit Services	North American Coal	Waste Management
First Western Bank	North Country Mercantile	Western Agency Inc
Gooseneck Implement	Northern Bottling Company	Wilbur-Ellis
Green Thumb Greenhouse	Northern Brake Service	

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2018 North Dakota State Fair

Entries by County

County	Total	County	Total
Adams	360	McLean	1,565
Barnes	373	Mercer	1151
Benson	304	Morton	1054
Bottineau	659	Mountrail	1051
Bowman	293	Nelson	133
Burke	381	Oliver	100
Burliegh	1,292	Pembina	362
Cass	1,808	Pierce	296
Cavalier	171	Ramsey	714
Dickey	3,510	Ransom	2,969
Divide	96	Renville	358
Dunn	180	Richland	6,972
Eddy	113	Rolette	289
Emmons	458	Sargent	48
Foster	636	Sheridan	349
Golden Valley	92	Slope	51
Grand Forks	292	Stark/Billings	491
Grant	142	Steele	227
Griggs	90	Stutsman	879
Hettinger	99	Towner	175
Kidder	883	Traill	17
LaMoure	1088	Walsh	433
Logan	214	Ward	9,560
McHenry	2,180	Wells	1,007
McIntosh	229	Williams	355
McKenzie	449		
		Total Entries	46,998



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4-H Department – North Dakota State Fair – July 20-28, 2018

Static Exhibits 8017

Project expo 76

Clothing revue 50

Communication Arts Contest 87

Rube Goldberg Challenge (4 teams) 4

Livestock	Number of animals	Number of Exhibits
Beef	120	192
Dairy	31	42
Goats	234	307
Sheep	162	236
Swine	162	216
Round Robin Livestock Showmanship		36
Horse	114	505
Poultry	173	205
Rabbits	128	165

Total Number of Exhibits 10138

Consumer choices judging contest 89

Total 4-H Participation 10227



On behalf of 4-H members, leaders, and families, **thank you** for the opportunity to showcase our work at the 2018 North Dakota State Fair.

In 4-H, we learn to explore interests, develop skills we will use throughout our lifetime, make new friends and have fun.

The North Dakota State Fair provides us with the opportunity to do all of these.

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FFA Report

2018 NORTH DAKOTA STATE FAIR



29 YEAR HISTORY OF FFA PARTICIPATION

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2012	2013	2014	2015	2016	2017	2018
CHAPTERS	69	66	63	62	65	59	60	59	62	62	63	66	66	62	67	61	64	63	63	64	70	68	64	67	66	67	66	68	72
EXHIBITS	9,762	10,393	10,588	9,598	9,632	9,636	10,220	9,362	10,329	11,979	12,718	14,238	14,282	15,586	15,594	17,877	20,168	21,216	21,405	18,271	18,989	22,228	26,438	22,512	23,679	27,012	22,179	23,633	23,789
Beef	64	64	49	71	69	45	67	50	60	50	60	73	83	55	52	57	56	75	71	78	66	64	52	44	41	45	50	53	41
Dairy	22	15	23	16	34	47	43	32	29	61	59	69	48	26	33	36	16	17	18	17	23	21	26	24	14	16	13	18	20
Sheep	97	164	148	190	184	151	164	160	182	176	173	229	109	90	88	68	59	90	76	99	98	94	73	76	74	109	96	106	102
Swine	52	29	0	18	36	43	29	55	30	48	84	71	95	95	100	155	100	98	73	76	75	90	65	73	53	58	56	53	54
Poultry & Rabbits	23	52	84	89	175	223	198	315	189																				
Poultry										167	80	92	75	166	96	67	43	95	99	94	92	106	27	43	44		53	60	50
Rabbits										106	75	81	125	106	65	52	94	69	71	53	46	18	26	38	17	31	38	48	31
Horses																31	28	22	24	28	14	30	14	1	1	32	15		
Goats																0	0	0	0	0	40	35	22	38	60	56	48	37	49
Showmanship												116	108	108	115	97	101	93	86	105	114	110	98	95	89	106	111	122	123
Crops	2068	1625	1160	1201	967	981	813	748	1016	1201	1089	1265	1141	1345	1010	997	908	963	1068	697	621	599	397	229	174	196	192	167	145
Educational	401	450	252	210	273	435	546	530	559	857	783	926	1284	1107	1116	1550	1737	1893	1779	1925	1,771	1,912	2,878	1,884	2,091	2,339	2,646	2683	2925
Horticulture	2992	2818	2408	2342	2557	2583	3052	2711	3322	3850	4547	5109	5031	5694	6973	7948	10316	10901	11268	8842	10,058	13,024	16,422	14,768	16,183	19,048	13,402	14978	14480
Floriculture																											510	725	610
Mechanics	3959	4099	4212	3629	4047	3744	4058	3872	4067	4095	4295	4656	4828	5185	4706	5403	5083	5498	5227	5183	4,512	4,331	5,312	4,494	4,157	4,020	3,834	3770	4119
Produce	84	107	2210	1799	1243	1352	1211	851	834	1323	1421	1506	1317	1063	1194	1366	1546	1355	1502	1062	1,402	1,742	988	670	642	883	1,063	766	986
Tractor Driving	52	51	42	33	46	32	35	40	43	46	51	45	38	48	45	50	53	48	43	50	45	52	38	36	34	34	37	43	40

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FAIR ANNUAL STATEMENT 2018

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	2018	2017
OPENING CASH	\$5,189,286.09	\$4,859,468.60
RECEIPTS		
STORAGE	\$146,870.00	\$144,315.00
GROUND, BUILDING, EQ RENTAL	\$826,590.00	\$826,026.80
NODAK	\$28,309.24	\$30,030.00
INDOOR	\$165,297.88	\$164,835.32
OUTDOOR	\$265,806.91	\$262,003.56
INDEPENDENT	\$163,983.50	\$160,801.88
CARNIVAL	\$323,662.48	\$312,546.61
GRANDSTAND	\$2,328,954.55	\$2,078,323.28
OUTSIDE GATES	\$1,259,044.76	\$1,205,623.24
CAMPING	\$169,690.00	\$163,600.00
ENTRIES & STALL FEES	\$44,173.00	\$41,712.00
SPONSORSHIPS	\$309,730.54	\$302,696.48
MISCELLANEOUS	\$15,247.51	\$15,972.09
BEER GARDENS	\$587,907.03	\$512,779.90
STATE PREMIUM APPROPRIATIONS	\$257,832.50	\$257,832.50
STATE ASPHALT APPROPRIATIONS	\$0.00	\$33,789.00
INTEREST ON INVESTMENTS	\$12,953.77	\$5,755.45
WARD COUNTY MILL LEVY	\$513,372.31	\$578,397.99
TOTAL FAIR REVENUE	<u>\$7,419,425.98</u>	<u>\$7,097,041.10</u>
REVENUE PLUS OPENING CASH	\$12,608,712.07	
TOTAL FAIR EXPENSE 2018	(\$6,678,860.40)	
REDEPOSIT	\$815.00	
NSF	(\$1,921.25)	
CASH BALANCE SEPTEMBER 30, 2018	<u>\$5,928,745.42</u>	
CERTIFICATE OF DEPOSIT	(\$1,000,000.00)	
RECEIVABLES	\$38,250.48	
PAYABLES	(\$2,550,000.00)	
BALANCE SEPTEMBER 30, 2018	<u><u>\$2,416,995.90</u></u>	

CONTINUED

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ACCOUNTS RECEIVABLE

Equipment & Building Rentals	\$4,463.67
Concessions	\$33,786.81
	<u>\$38,250.48</u>

ACCOUNTS PAYABLE

Committed Contracts as of September 30, 2018

Grandstand Contracts	\$2,550,000.00
	<u>\$2,550,000.00</u>

**EXPLANATION OF RECEIPTS
MISCELLANEOUS**

ATM Fees	\$3,711.75
Auction Items	\$410.20
Canadian Exchange	(\$933.24)
Copies & Faxes	\$88.80
Hay, Straw, Chips	\$8,460.00
Fair T-Shirts	\$1,877.00
Shuttle Service (on grounds)	\$1,633.00
	<u>\$15,247.51</u>

FAIR ANNUAL STATEMENT 2018

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	2018	2017
EXPENSES		
SALARIES	\$1,479,138.35	\$1,466,342.66
BOARD MEETINGS/TRAINING	\$48,024.28	\$42,896.27
STAFF TRAINING	\$27,954.53	\$28,810.92
UTILITIES	\$460,233.36	\$470,135.75
TELEPHONE	\$20,740.66	\$20,572.32
RENT OF EQUIPMENT	\$22,181.77	\$20,392.44
POSTAGE & FREIGHT	\$6,826.57	\$7,680.04
REPAIR EQUIPMENT	\$14,961.30	\$20,979.82
BUILDINGS & GROUNDS MAINTENANCE	\$194,687.47	\$146,699.36
PROFESSIONAL FEES	\$345,699.48	\$349,285.64
INSURANCE, DUES, MEMBERSHIPS, T & L	\$69,096.32	\$70,338.57
OFFICE SUPPLIES	\$9,065.71	\$7,302.52
ADVERTISING	\$406,161.51	\$382,305.62
PROMOTIONS	\$72,135.99	\$82,977.42
GAS & OIL	\$21,856.18	\$29,418.38
NEW EQUIPMENT	\$128,574.42	\$39,831.77
CAPITAL IMPROVEMENTS	\$240,624.88	\$551,784.72
GRANDSTAND	\$2,435,770.94	\$2,418,316.56
OTHER ENTERTAINMENT	\$179,453.23	\$142,645.02
CONCESSIONAIRES	\$12,169.72	\$12,651.27
4-H	\$113,311.76	\$103,974.99
FFA	\$129,762.47	\$124,826.10
BEEF	\$26,092.13	\$24,432.83
DAIRY	\$11,258.18	\$12,639.30
HORSES	\$62,609.60	\$60,240.44
SHEEP & WOOL	\$23,266.48	\$23,300.41
SWINE	\$16,790.10	\$16,525.64
GOATS/LLAMAS	\$12,457.34	\$11,003.16
RABBITS	\$7,004.18	\$7,025.70
POULTRY	\$3,916.43	\$3,591.29
ARTS & CRAFTS	\$3,569.28	\$4,723.72
DOMESTIC ARTS	\$12,406.74	\$10,412.97
EDUCATION	\$7,085.42	\$5,222.78
PHOTOGRAPHY	\$1,854.83	\$1,621.81
WRITING	\$787.08	\$961.34
AG PRODUCTS	\$1,253.43	\$1,012.77
GATES	\$50,078.28	\$43,408.29
TOTAL FAIR EXPENSES	\$6,678,860.40	\$6,766,290.61

Fair Annual Statement

Explanation of Expenses

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PROFESSIONALS

Armored Car Service	\$1,888.06
Attorney Fees	\$40,564.79
Audit	\$12,740.00
Background Check	\$54.00
Classified Ads	\$37.24
Cleaning-Fair	\$55,400.00
Cleaning-Food Court	\$6,800.00
Cleaning-Hostfest/Rodeo	\$11,212.50
Cleaning-Races	\$16,150.00
Combination Lock Changes	\$106.76
Community Ambulance	\$725.00
Computer Back-up	\$455.00
Fair Paper Pickers	\$5,900.00
Fair Porta Pot Rental	\$12,600.00
Fair Veterinary Services	\$7,054.20
Fire Alarm/Inspection	\$2,095.70
Fly Spraying-Barns	\$3,900.00
Health Inspector	\$130.00
Help Wanted Ads	\$3,527.50
Litigation Expenses	\$1,180.14
Ride Inspection	\$500.00
Security	\$158,179.44
Showcases-Tear Down	\$800.00
Shuttle Drivers	\$1,000.00
Street Sweeper	\$440.00
Survey Land	\$2,039.15
Weed Spraying	\$220.00
TOTAL	\$345,699.48

CAPITAL IMPROVEMENTS

Commercial II Concession Stand	\$3,879.81
Commercial II Power Upgrade	\$15,526.34
East Lot Fence-SE Corner	\$2,500.00
Grandstand Sprinkler System	\$137,786.00
Guard Posts Storage Unit Lot	\$3,995.00
LED Lighting Upgrade	\$6,217.43
Magic Place Bathroom Upgrade	\$13,169.40
Shade Sails	\$24,176.00
Sprinkler System	\$2,374.90
West Lot Fence	\$31,000.00
TOTAL	\$240,624.88

NEW EQUIPMENT

2 Way Radios	\$1,800.00
Bobcat	\$3,500.00
Curtain Racks	\$1,528.00
Chairs	\$8,600.00
Computers	\$4,807.25
Fence Panels	\$3,550.00
Floor Scrubbers	\$12,000.00
Hog & Sheep Panels	\$6,943.00
Mowers/Trimmers	\$1,334.80
Phone System	\$9,908.29
Pins-Hog/Sheel Panels	\$200.50
Security Cameras	\$12,092.80
Security Wands	\$899.95
Semi Tractor	\$6,000.00
Street Sweeper	\$50,000.00
Tires	\$1,901.60
Tools	\$883.28
Trailer	\$2,100.00
Vacuum	\$524.95
TOTAL	\$126,774.42

INSURANCE, DUES, TAX & LICENSE

Dues & Memberships	\$5,258.00
Insurance	\$62,498.92
Tax & License	\$1,339.40
TOTAL	\$69,096.32

CONCESSIONAIRES

Awards	\$149.53
Gifts	\$1,148.08
Payroll	\$5,740.51
Picnics	\$3,678.75
Supplies	\$1,452.85
TOTAL	\$12,169.72

GATES

Supplies	\$5,503.00
Payroll	\$42,934.10
Printing	\$1,641.18
TOTAL	\$50,078.28

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ENTERTAINMENT STAGES

Ag Experience	\$256.00
Amateur Talent	\$1,266.40
Arm Wrestling	\$700.00
Crazy Aarons	\$48.00
Crop Plot	\$500.00
Fair Family For A Day	\$100.00
Flickertail Gardens Entertainment	\$2,000.00
Hoagies Sammy Contest	\$144.00
Horse Pull	\$3,542.49
Kids Clubhouse	\$2,050.00
Mutton Bustin	\$500.00
Pedal Pull	\$1,018.88
Pony Pull	\$2,320.25
Run the Route	\$267.13
Senior Festival	(\$1,072.21)
Showdeo	\$2,296.37
Stage 1- Kids Kingdom	\$20,552.78
Stage 2- Juke Box Junkie	\$27,260.36
Stage 3- Extreme Canines	\$13,010.00
Stage 4- Racing Pigs	\$3,755.00
Stage 5- 9-11 Memorial Exhibit	\$27,245.18
Stage 6- Fur Traders	\$16,700.00
Stage 7- Sports Extreme	\$25,405.00
Strolling	\$29,587.60
TOTAL	\$179,453.23

GRANDSTAND

Catering	\$17,495.72
Entertainers	\$2,196,932.50
Equipment	\$2,268.87
Rain Insurance	\$13,920.00
Payroll	\$69,502.30
Professionals	\$14,460.78
Sound, Video & Lights	\$84,292.68
Supplies	\$1,714.69
TOTAL	\$2,400,587.54

PROMOTIONS

Ag Awards	\$189.81
Annual Meeting	\$81.96
Annual Report	\$1,685.00
Bus Service	\$32,220.00
Christmas Party & Cards	\$2,900.30
Clippings	\$2,388.35
Convention Auctions	\$149.99
DMX	\$308.26
Festival Tent	\$3,666.67
Film Processing/Film	\$75.85
Flowers	\$315.00
Media Accommodations	\$3,304.85
Merchandise	\$2,269.10
Motor Magic	\$1,360.70
Parade	\$2,000.00
Photo ID'S	\$148.00
Photographers	\$2,269.00
Printing	\$175.90
Refreshments/Committees	\$2,777.15
Shirts	\$2,259.07
Signs	\$3,750.00
Special Campaigns	\$1,478.25
Special Display	\$152.58
Sponsor Support	\$2,860.20
Video	\$3,350.00
TOTAL	\$72,135.99

UTILITIES

Electricity	\$293,067.99
Garbage Hauling	\$111,318.12
Natural gas	\$45,154.30
Sewer & Water	\$10,692.95
TOTAL	\$460,233.36

DEPARTMENT EXPENSES

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4-H

Premiums	\$71,421.48
Equipment	\$473.14
Hay & Straw	\$1,148.63
Judges	\$10,639.04
Payroll	\$15,485.83
Picnics	\$529.87
Printing	\$2,932.00
Professionals	\$3,135.75
Ribbons & Trophies	\$7,002.77
Supplies	\$543.25
TOTAL	\$113,311.76

FFA

Premiums	\$109,556.31
Equipment	\$140.89
Hay & Straw	\$1,148.63
Judges	\$4,273.20
Payroll	\$745.83
Picnics	\$529.88
Printing	\$2,673.84
Professionals	\$1,141.88
Ribbons & Trophies	\$9,383.47
Supplies	\$168.54
TOTAL	\$129,762.47

BEEF

Premiums	\$15,201.00
Dues & Memberships	\$43.75
Equipment	\$348.80
Hay & Straw	\$94.50
Judges	\$3,228.79
Payroll	\$3,440.85
Printing	\$305.88
Professionals	\$3,118.88
Ribbons & Trophies	\$222.44
Supplies	\$87.24
TOTAL	\$26,092.13

HORSE

Premiums	\$9,195.00
Dues & Membership	\$1,218.00
Equipment	\$1,085.20
Hay & Straw	\$2,745.68
Judges	\$15,212.20
Payroll	\$15,963.04
Printing	\$1,562.33
Professionals	\$10,747.31
Ribbons & Trophies	\$4,579.35
Supplies	\$301.49
TOTAL	\$62,609.60

PHOTOGRAPHY

Premiums	\$450.00
Judges	\$200.00
Payroll	\$550.00
Printing	\$321.50
Ribbons & Trophies	\$222.15
Supplies	\$111.18
TOTAL	\$1,854.83

ARTS & CRAFTS

Premiums	\$2,392.50
Judges	\$250.00
Payroll	\$550.00
Printing	\$180.10
Ribbons & Trophies	\$124.45
Supplies	\$72.23
TOTAL	\$3,569.28

AG PRODUCTS

Premiums	\$480.50
Payroll	\$500.00
Printing	\$128.75
Ribbons & Trophies	\$88.96
Supplies	\$55.22
TOTAL	\$1,253.43

EDUCATION

Premiums	\$1,891.25
Payroll	\$2,619.44
Printing	\$409.87
Ribbons & Trophies	\$2,141.24
Supplies	\$23.62
TOTAL	\$7,085.42

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SWINE

Premiums	\$8,648.00
Dues & Memberships	\$43.75
Hay & Straw	\$1,567.35
Judges	\$2,592.88
Payroll	\$2,843.33
Printing	\$353.51
Professionals	\$375.00
Ribbons & Trophies	\$255.34
Supplies	\$110.94
TOTAL	\$16,790.10

DAIRY

Premiums	\$8,291.63
Equipment	\$257.42
Hay & Straw	\$261.20
Judges	\$684.10
Payroll	\$935.00
Printing	\$100.47
Professionals	\$625.00
Ribbons & Trophies	\$80.51
Supplies	\$22.85
TOTAL	\$11,258.18

RABBITS

Premiums	\$312.75
Dues & Memberships	\$290.00
Hay & Straw	\$27.70
Judges	\$2,777.08
Payroll	\$1,336.50
Printing	\$1,149.82
Ribbons & Trophies	\$983.50
Supplies	\$126.83
TOTAL	\$7,004.18

GOATS

Premiums	\$5,279.00
Dues & Memberships	\$83.75
Hay & Straw	\$435.38
Judges	\$4,116.58
Payroll	\$1,800.83
Printing	\$349.78
Ribbons & Trophies	\$291.87
Supplies	\$100.15
TOTAL	\$12,457.34

SHEEP

Premiums	\$15,179.00
Dues & Memberships	\$43.75
Hay & Straw	\$1,306.13
Judges	\$2,241.25
Payroll	\$2,908.33
Printing	\$644.50
Professionals	\$318.00
Ribbons & Trophies	\$456.41
Supplies	\$169.11
TOTAL	\$23,266.48

POULTRY

Premiums	\$943.50
Dues & Memberships	\$50.00
Hay & Straw	\$125.00
Judges	\$371.50
Payroll	\$1,963.28
Printing	\$228.48
Ribbons & Trophies	\$157.87
Supplies	\$76.80
TOTAL	\$3,916.43

DOMESTIC ARTS

Premiums	\$3,107.50
Dues & Memberships	\$30.00
Judges	\$1,925.00
Payroll	\$4,643.20
Printing	\$1,291.96
Ribbons & Trophies	\$892.68
Supplies	\$516.40
TOTAL	\$12,406.74

WRITING

Premiums	\$670.00
Printing	\$61.03
Ribbons & Trophies	\$42.17
Supplies	\$13.88
TOTAL	\$787.08

Premiums

	2009	2010	2011**	2012	2013	2014	2015	2016	2017	2018
Ag Products	\$812.62	\$745.13	\$101.52	\$394.50	\$454.55	\$464.76	\$552.08	\$546.91	\$325.42	\$569.46
Arts & Crafts	\$1,255.12	\$1,517.35	\$131.82	\$1,189.00	\$3,807.71	\$4,118.10	\$4,989.54	\$3,823.92	\$3,148.54	\$2,516.95
Beef	\$14,159.44	\$12,376.78	\$141.77	\$10,339.50	\$12,765.18	\$13,318.69	\$16,741.43	\$15,169.29	\$15,302.33	\$15,423.44
Culinary	\$1,800.39	\$2,801.36	\$180.81	\$1,804.00	\$1,925.32	\$2,081.31	\$1,202.73	\$1,222.24	\$1,056.66	\$1,371.76
Dairy	\$5,964.01	\$17,119.05	\$1,111.45	\$12,866.67	\$10,469.08	\$11,714.21	\$11,060.07	\$10,238.31	\$9,853.52	\$8,372.14
Education	\$2,968.76	\$3,091.75	\$424.51	\$1,716.25	\$2,730.92	\$3,033.11	\$3,245.00	\$3,944.66	\$2,259.22	\$4,032.49
Flowers	\$1,717.62	\$2,138.93	\$180.82	\$1,439.50	\$1,637.83	\$1,509.82	\$1,663.73	\$1,844.97	\$1,365.96	\$1,841.39
4-H	\$66,617.45	\$69,319.50	\$4,701.70	\$68,658.52	\$75,987.13	\$76,509.41	\$69,704.90	\$63,814.49	\$70,149.68	\$78,424.25
FFA	\$100,348.77	\$117,621.69	\$6,465.00	\$128,962.03	\$124,602.79	\$127,146.84	\$138,285.06	\$103,432.28	\$115,857.21	\$118,939.78
Goats/Llamas	\$1,641.46	\$1,771.08	\$125.50	\$1,709.00	\$2,075.94	\$4,819.45	\$3,699.62	\$5,059.36	\$4,550.71	\$5,570.87
Swine	\$7,161.19	\$7,556.28	\$156.93	\$7,231.25	\$8,066.06	\$8,220.51	\$8,802.31	\$8,442.78	\$7,886.46	\$8,903.34
Horses	\$15,803.51	\$19,242.45	\$2,638.71	\$14,423.40	\$12,736.16	\$14,310.21	\$15,409.57	\$14,666.68	\$11,795.19	\$13,774.35
Meat Products	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Needlework	\$1,002.09	\$1,363.07	\$180.82	\$3,026.50	\$1,119.77	\$1,104.31	\$1,274.74	\$1,174.95	\$994.88	\$787.03
Photography	\$471.24	\$706.80	\$162.15	\$1,232.00	\$582.65	\$615.08	\$618.23	\$712.48	\$478.69	\$672.15
Poultry	\$903.12	\$1,212.85	\$116.66	\$876.50	\$777.24	\$857.85	\$0.00	\$872.32	\$801.47	\$1,101.37
Rabbits	\$643.59	\$957.75	\$334.75	\$578.75	\$911.68	\$895.55	\$1,097.31	\$1,569.26	\$611.23	\$1,296.25
Sheep & Wool	\$10,992.00	\$12,355.18	\$200.10	\$8,513.75	\$13,546.67	\$12,825.11	\$16,183.43	\$16,041.90	\$15,849.48	\$15,635.41
Writing	\$962.56	\$968.23	\$15.16	\$905.00	\$927.28	\$811.75	\$1,199.12	\$970.48	\$879.20	\$712.17
Ribbons/Awards*	*	*	*	*	*	*	*	*	*	*
	\$235,224.94	\$272,865.23	\$17,370.18	\$265,866.12	\$275,123.96	\$284,356.07	\$295,728.87	\$253,547.28	\$263,165.85	\$279,944.60

*INCLUDED IN DEPARTMENTS

**2011 FAIR CANCELLED DUE TO FLOODING

***2015 POULTRY SHOW CANCELLED DUE TO AVIAN FLU

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THIRTY-ONE YEARS COMPARISON BY MAJOR ENTERPRISES

	SPONSORSHIPS	INDEPENDENT	INDOOR	OUTDOOR	STORAGE	ENTRY & STALL FEES	CARNIVAL	NODAK	RENTALS	BEER GARDENS	GATE ADMISSION	GRANDSTAND	PARKING & CAMPING	MISC	PREMIUM ADS	INTEREST
1988	\$50,274.92	\$46,291.68	\$122,047.00	\$50,988.37	\$34,325.68	\$30,969.40	\$118,958.41	\$5,426.20	\$151,871.86	\$162,500.07	\$493,537.68	\$487,521.90	\$48,610.50	\$4,589.87	\$4,556.00	
1989	\$85,023.00	\$44,529.18	\$130,196.46	\$50,635.37	\$27,907.78	\$31,216.16	\$99,724.73	\$4,573.00	\$268,613.54	\$98,992.52	\$455,256.81	\$398,649.94	\$46,100.01	\$24,039.24	\$6,630.00	
1990	\$71,061.32	\$45,091.70	\$131,235.31	\$46,785.41	\$31,362.42	\$31,853.50	\$122,319.79	\$4,804.00	\$326,597.41	\$109,418.39	\$446,413.32	\$338,316.41	\$45,326.15	\$24,118.72	\$6,666.00	\$24,344.65
1991	\$85,988.96	\$44,373.85	\$117,739.77	\$46,945.79	\$23,339.72	\$36,280.50	\$102,880.84	\$6,482.72	\$287,158.70	\$132,308.49	\$448,565.04	\$435,046.60	\$53,511.39	\$4,475.22	\$6,108.00	\$27,659.86
1992	\$97,741.64	\$41,868.60	\$127,624.03	\$51,635.19	\$17,156.80	\$38,000.50	\$131,149.93	\$10,516.72	\$367,283.90	\$143,605.61	\$553,994.99	\$408,845.99	\$54,751.00	\$3,470.21	\$6,923.00	\$28,115.41
1993	\$101,054.36	\$43,883.06	\$129,228.76	\$58,499.80	\$16,380.00	\$39,030.47	\$135,425.75	\$7,549.41	\$400,772.97	\$152,802.25	\$665,606.54	\$441,703.11	\$14,626.85	\$4,187.85	\$7,371.00	\$10,677.29
1994	\$130,744.40	\$55,814.54	\$128,456.86	\$61,731.86	\$20,687.00	\$34,463.00	\$144,453.57	\$10,739.37	\$416,217.91	\$174,067.05	\$674,797.36	\$448,634.40	\$14,669.30	\$12,014.07	\$6,630.00	\$17,535.22
1995	\$136,986.01	\$68,725.14	\$132,869.30	\$82,919.28	\$21,672.80	\$40,092.56	\$140,970.52	\$6,900.95	\$450,751.80	\$173,513.14	\$725,872.84	\$520,336.06	\$13,345.90	\$92,862.69	\$6,305.00	\$28,521.74
1996	\$138,785.00	\$61,633.56	\$136,229.01	\$75,629.08	\$20,771.00	\$35,110.40	\$141,904.76	\$5,524.19	\$398,787.58	\$172,227.15	\$673,812.54	\$488,180.99	\$16,689.95	\$57,618.51	\$5,300.00	\$36,366.08
1997	\$142,002.66	\$72,511.06	\$145,753.96	\$81,870.55	\$21,713.00	\$35,212.40	\$150,585.00	\$8,729.27	\$384,100.02	\$162,113.74	\$626,894.26	\$433,419.44	\$19,204.88	\$102,564.71	\$6,145.00	\$24,610.93
1998	\$188,844.45	\$76,925.14	\$152,441.55	\$79,444.99	\$21,854.00	\$32,623.50	\$149,959.49	\$8,691.84	\$503,034.35	\$191,582.05	\$696,266.12	\$472,482.81	\$20,441.06	\$21,014.22	\$5,096.66	\$34,135.23
1999	\$106,152.35	\$67,661.75	\$139,659.77	\$84,236.45	\$21,169.00	\$36,305.04	\$154,054.57	\$6,260.00	\$473,424.51	\$204,240.45	\$657,932.30	\$596,424.00	\$22,011.75	\$49,903.09	\$5,490.00	\$32,354.05
2000	\$270,156.46	\$74,915.88	\$139,210.07	\$95,344.59	\$21,348.00	\$42,778.60	\$156,132.79	\$6,875.00	\$523,100.17	\$136,492.60	\$639,841.13	\$525,900.91	\$19,526.66	\$33,365.72	\$4,370.00	\$45,946.73
2001	\$223,832.22	\$73,141.03	\$140,116.71	\$92,236.46	\$24,655.00	\$40,877.26	\$159,380.23	\$5,261.00	\$520,963.96	\$166,742.10	\$636,275.15	\$527,586.53	\$22,847.98	\$22,604.53	\$4,925.00	\$35,230.93
2002	\$206,884.60	\$77,207.87	\$138,760.30	\$93,226.26	\$21,966.00	\$43,493.00	\$150,469.25	\$4,690.00	\$508,582.44	\$202,503.43	\$653,787.84	\$657,464.23	\$28,855.00	\$132,859.96	\$5,225.00	\$14,589.17
2003	\$215,794.73	\$79,451.64	\$139,816.18	\$108,456.60	\$20,977.00	\$45,455.00	\$161,831.69	\$17,300.00	\$475,762.00	\$231,815.22	\$686,861.92	\$793,258.80	\$33,716.00	\$11,896.74	\$4,240.00	\$7,444.58
2004	\$206,581.76	\$87,703.07	\$155,927.58	\$114,298.23	\$22,624.00	\$45,939.25	\$177,497.37	\$10,221.00	\$511,261.19	\$232,070.34	\$819,910.88	\$720,336.19	\$41,909.50	\$13,089.81	\$0.00	\$5,708.53
2005	\$221,203.89	\$88,737.71	\$154,731.18	\$146,266.43	\$33,380.00	\$41,371.00	\$187,093.82	\$12,341.32	\$679,986.33	\$288,217.70	\$832,471.53	\$1,067,409.59	\$51,438.00	\$16,094.79	\$0.00	\$13,878.03
2006	\$220,618.25	\$89,222.68	\$162,628.36	\$136,690.08	\$37,067.00	\$41,973.00	\$178,038.05	\$7,389.55	\$505,409.21	\$236,483.27	\$776,308.20	\$1,029,390.20	\$57,020.00	\$15,364.95	\$0.00	\$35,781.03
2007	\$230,981.60	\$102,558.06	\$150,196.61	\$129,393.87	\$33,191.00	\$42,663.00	\$182,536.14	\$11,443.51	\$545,453.78	\$272,700.75	\$764,280.13	\$1,199,863.58	\$75,384.00	\$7,503.97	\$0.00	\$39,089.78
2008	\$198,968.28	\$120,553.91	\$145,047.02	\$151,825.10	\$34,779.80	\$34,653.00	\$241,630.87	\$9,500.00	\$627,499.09	\$291,494.58	\$801,574.49	\$1,208,718.81	\$77,265.00	\$12,690.28	\$0.00	\$34,886.82
2009	\$187,483.30	\$117,419.34	\$150,493.91	\$184,215.47	\$54,630.00	\$35,218.50	\$274,597.93	\$7,800.00	\$546,293.02	\$397,587.20	\$947,738.89	\$1,895,259.36	\$85,313.00	\$19,181.55	\$0.00	\$17,086.44
2010	\$222,150.00	\$153,330.08	\$151,678.10	\$217,507.01	\$58,690.30	\$31,415.50	\$273,606.04	\$7,575.43	\$577,172.26	\$517,129.91	\$989,141.07	\$2,430,888.00	\$92,439.00	\$18,249.39	\$0.00	\$9,639.13
2011*	\$195,047.21	(\$225.00)	\$0.00	(\$425.00)	\$52,512.50	\$0.00	\$644.00	\$15,806.06	\$703,097.33	\$0.00	\$2,153.00	(\$34,950.73)	\$650.00	\$8,902.21	\$0.00	\$8,438.37
2012	\$355,502.79	\$172,556.30	\$151,178.63	\$241,274.37	\$106,807.50	\$33,194.00	\$297,836.68	\$27,457.30	\$938,731.60	\$660,185.28	\$1,200,028.20	\$2,375,027.30	\$166,297.00	\$16,008.11	\$0.00	\$3,469.60
2013	\$267,605.83	\$173,747.84	\$166,671.64	\$255,505.22	\$92,339.00	\$39,453.00	\$312,294.76	\$22,462.50	\$801,519.70	\$569,101.53	\$1,190,617.14	\$2,797,754.57	\$165,943.00	\$16,168.39	\$0.00	\$2,774.53
2014	\$226,752.31	\$176,374.68	\$168,486.91	\$258,701.37	\$111,745.00	\$43,431.00	\$317,764.34	\$23,583.00	\$791,313.91	\$633,645.35	\$1,189,762.76	\$2,147,862.91	\$167,665.00	\$65,240.90	\$0.00	\$2,974.47
2015	\$365,815.20	\$173,622.91	\$170,405.22	\$259,716.80	\$130,080.00	\$42,879.50	\$355,268.40	\$28,065.58	\$811,436.54	\$628,500.66	\$1,183,830.48	\$2,923,148.15	\$168,375.00	\$94,993.98	\$0.00	\$2,778.24
2016	\$302,688.26	\$167,854.31	\$165,295.99	\$250,295.36	\$135,469.25	\$45,208.10	\$331,188.22	\$33,022.28	\$845,296.18	\$503,754.01	\$1,264,418.23	\$2,407,230.74	\$160,800.00	\$17,084.41	\$0.00	\$4,643.33
2017	\$302,696.48	\$160,801.88	\$164,835.32	\$262,003.56	\$144,315.00	\$41,712.00	\$312,546.61	\$30,030.00	\$826,026.80	\$512,779.90	\$1,205,623.24	\$2,078,323.28	\$163,600.00	\$15,972.09	\$0.00	\$5,755.45
2018	\$309,730.54	\$163,983.50	\$165,297.88	\$265,806.91	\$146,870.00	\$44,173.00	\$323,662.48	\$28,309.24	\$826,590.00	\$587,907.03	\$1,259,044.76	\$2,328,954.55	\$169,690.00	\$15,247.51	\$0.00	\$12,953.77

*2011 Fair cancelled due to flooding

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STATE FAIR GROWTH

Year	Attendance	**Livestock Entries (Open Class Only)	All FFA Entries	All 4-H Entries	*Other Divisions	Total Entries	Premiums Paid	Income	Expenses
1982	285,067	3,746	6,529	6,257	5,493	22,025	\$109,257	\$1,387,058	\$1,448,009
1983	300,790	4,446	6,308	7,017	5,617	23,388	\$117,254	\$1,560,999	\$1,426,699
1984	296,597	4,258	6,479	7,600	5,911	24,248	\$120,083	\$2,140,921	\$2,123,436
1985	279,782	4,146	6,352	7,352	5,872	23,722	\$140,517	\$2,179,456	\$2,155,629
1986	237,314	4,022	6,629	8,430	6,321	25,402	\$127,751	\$1,664,021	\$1,814,850
1987	247,569	4,194	8,731	9,327	6,284	28,536	\$151,215	\$1,803,674	\$1,747,844
1988	248,267	4,622	9,737	9,793	7,592	31,744	\$160,336	\$1,936,119	\$1,957,875
1989	230,566	4,705	9,762	10,991	7,483	32,941	\$164,176	\$1,951,023	\$1,896,224
1990	226,949	4,972	10,019	11,635	7,409	34,035	\$167,170	\$1,944,498	\$2,074,316
1991	240,291	6,408	10,588	10,866	8,179	36,041	\$169,217	\$2,039,732	\$1,697,486
1992	244,236	6,441	9,598	11,382	7,780	35,201	\$179,218	\$2,071,577	\$2,333,713
1993	244,248	5,497	9,632	11,896	7,221	34,246	\$147,497	\$2,585,799	\$2,357,436
1994	250,150	6,391	9,636	11,282	6,134	33,443	\$147,381	\$2,565,972	\$2,497,946
1995	260,041	6,482	10,220	11,925	6,782	35,409	\$146,288	\$3,070,535	\$2,794,103
1996	248,154	6,558	9,382	11,489	6,467	33,896	\$143,837	\$2,678,819	\$2,999,225
1997	233,004	7,104	10,329	11,099	7,036	35,568	\$165,747	\$2,611,151	\$2,673,766
1998	236,140	6,941	11,927	10,863	7,120	36,851	\$173,327	\$2,900,516	\$2,714,889
1999	210,840	7,215	12,718	11,135	7,128	38,196	\$180,425	\$3,128,884	\$3,098,148
2000	206,584	8,371	14,238	11,604	6,592	40,805	\$189,324	\$3,000,633	\$3,047,789
2001	208,601	7,302	14,282	11,575	7,808	40,967	\$196,170	\$3,269,316	\$3,190,199
2002	211,126	7,517	15,604	11,909	7,609	42,639	\$186,876	\$3,307,393	\$2,982,581
2003	217,587	7,251	15,534	12,704	8,002	43,491	\$194,252	\$3,625,568	\$3,694,827
2004	243,024	8,094	17,877	12,475	7,652	46,098	\$206,049	\$3,554,346	\$3,576,068
2005	244,874	7,341	20,168	11,783	7,601	46,893	\$213,514	\$4,459,492	\$3,951,718
2006	247,970	6,580	21,216	11,021	6,771	45,588	\$210,690	\$3,964,308	\$4,205,077
2007	248,501	6,365	21,405	10,669	6,537	44,976	\$217,347	\$4,455,104	\$4,119,248
2008	239,449	5,476	18,271	10,374	6,140	40,261	\$226,636	\$4,613,393	\$4,331,299
2009	296,919	6,087	18,961	10,295	6,420	41,763	\$230,125	\$5,448,090	\$5,016,629
2010	308,641	6,193	22,228	10,039	6,337	44,797	\$272,865	\$6,539,982	\$6,013,375
2011***	0	0	0	0	0	0	\$17,370	\$1,339,444	\$2,623,267
2012	310,839	4,675	26,393	9,409	4,911	45,388	\$265,866	\$7,593,577	\$5,622,864
2013	320,485	5,670	22,512	9,254	5,855	43,321	\$275,124	\$7,581,754	\$6,257,134
2014	314,446	5,910	23,679	9,446	6,122	45,157	\$284,356	\$7,061,248	\$7,078,674
2015	305,093	6,732	27,012	9,240	6,465	49,449	\$295,729	\$8,135,448	\$9,272,248
2016	293,123	7,188	22,179	10,024	6,909	46,300	\$253,547	\$7,837,892	\$6,988,322
2017	299,077	6,518	23,633	10,078	6,829	47,058	\$263,166	\$7,097,041	\$6,766,291
2018	318,248	5,807	23,789	10,227	7,175	46,998	\$279,945	\$7,419,426	\$6,678,860

Income and Expenses include State Premium Appropriations and Bonding Assistance, but no State funded Capital Improvements.

*Other Divisions include Ag Products, Domestic Arts, Needlework, Flowers, Arts & Crafts, Photography, Writing & Education.

**Livestock Entries include Horse, Beef, Goats, Sheep, Swine, Rabbits, Dairy & Poultry.

***2011 Fair cancelled due to flooding

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	ENTRIES																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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MAJOR CAPITAL IMPROVEMENTS
Source of Revenue
(also includes State and Local support of facilities)

The ND State Fair was authorized by the 1965 State Legislature
with the 1st Fair held July 17-23 of 1966.

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1969	4-H & FFA BARN 1/4 Mile Race Track	\$25,000	\$20,000	
1971	Horse Barn		\$16,000	\$39,000
1975	Caretakers House All Seasons Arena	\$500,000	\$1,700,000	\$27,000
1976	FFA Building Horse Barn & Stalls Paving & Lighting Interest	\$250,000 \$200,000	\$94,000	\$200,000 \$28,713
1977	New Shop Kiddies Barn Interest		\$8,000	\$11,000 \$29,423
1978	Warehouse Expo Barn & Stalls & Wash Trailer Park Sewer/Water/Electric System 3/8 Mile Race Track Security Fencing Toilets Interest	\$500,000 \$40,000 \$60,000	\$1,700 \$30,000	\$3,000 \$25,000 \$75,000 \$27,000 \$23,779
1979	Grandstand Seats Jaycees Building New Sidewalks Interest		\$60,000	\$35,000 \$8,000 \$16,658
1980	Avenue of Flags Crops & Gardens Bldg Parking Lot - Land Interest		\$2,500	\$2,500 \$70,000 \$95,000 \$13,976
1981	Fencing Paving Around Barns Front Sign Sewer & Water Drains on Ind. Midway Parking Barriers & Signs Expanding Outdoor Horse Arena Interest			\$5,913 \$60,170 \$5,980 \$4,125 \$3,160 \$1,000 \$12,524

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1982	Expanding Outdoor Horse Arena			\$1,000
	Landscape Machinery Area South of Com. Bldg.			\$3,000
	New Aluminum Seats for Grandstand Bleachers			\$40,000
	New Stalls for Goats & Sheep			\$7,500
	New Parking Lot Sign			\$6,250
	Fencing East Lot			\$4,000
	New Stage			\$49,000
	1st Phase of Electrical			\$6,440
	Renovation	\$110,600		
	Steel Post & Chain Fences Around Grounds			\$10,038
	Concrete Benches		\$650	
	Beer Garden Addition		\$6,500	\$8,868
	Electrical Service for Oil Show			\$1,400
	Construction Parking Lot N of Grounds			\$7,300
	Stage			\$48,658
	Pave Shuttle Bus Route			\$2,004
	Interest			\$11,847
1983	Stage Cover		\$7,800	\$15,800
	Electrical	\$39,400		\$38,614
	Comfort Station			\$73,022
	Signage			\$5,652
	Sheriff's Office			\$1,029
	Landscaping			\$1,094
	Livestock Pens			\$3,815
	Interest			\$10,007
1984	Parking Lot Landscaping			\$23,852
	Trees & Shrubs			\$1,999
	Signage			\$6,565
	Grandstand Gates & Entries			\$2,710
	Ticket Office Addition			\$4,194
	Pave Front of Grandstand			\$8,800
	Curbs			\$2,970
	In-field Transformer			\$2,700
	Spotlight Stand			\$750
	Commercial Building II			\$473,324
	Comfort Station Architect			\$960
	Landscaping at Stage II, Remove Road			\$6,877
	Interest			\$18,601
1985	All Seasons Arena Companion Structure & Office under contract with interest payments pledged as of 1/8/85		\$1,486,418	\$433,658
	Landscape around Pond			\$590
	Paving Front Grandstand			\$5,325
	Remodel Picnic Area			\$4,459

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1986	Signage			\$764
	Trees			\$1,080
	Waterline			\$8,678
	Beer Gardens			\$263,633
	Interest		\$25,950	\$44,338
	Paving West Arena		\$45,000	\$22,961
	Sewer Improvement		\$166,181	\$1,908
	Paving			\$13,775
	Beer Gardens Heating			\$24,611
	Beer Gardens Fencing			\$1,142
	Concessions Area Arena II		\$21,210	
	Land			\$70,000
	Arches			\$6,733
	East Parking Lot Paving			\$420
	Trees			\$320
	Interest		\$88,234	\$70,423
1987	Arches		\$35,000	\$23,673
	Paving by Arch		\$9,845	\$8,600
	Dairy Barn Lighting			\$1,041
	Morton Shop			\$9,357
	Stage III			\$4,800
	Interest		\$78,152	\$120,339
1988	Cultural Concessions Area		\$8,057	
	Cultural Building			
	Theater/Conference Room/			
	Kitchen/Equipment/Restrooms		\$1,594,660	\$1,377,706
	Parking Lot			
	Gym Dandy's Center	\$70,000		\$330,000
	Dressing Room			\$7,920
	Backstage Bathroom			\$1,884
	Free Stage			\$1,000
	Defaulted Pledges		(\$357,000)	\$357,000
	Pedestrian Control			\$3,937
	Restaurant I		\$60,119	
	Honeywell Air Cleaners			\$1,825
	Interest		\$65,595	\$86,831
1989	Carnival Bathroom			\$14,605
	Commercial III/Sidewalk			\$8,424
	Gate Change/Shuttle Route			\$10,055
	Dressing Rooms			\$2,701
	Pepsi Gate		\$15,000	\$1,569
	Restaurant II		\$106,045	
	Visibility Barrier Fence			\$3,135
	State Appropriation	\$201,027		(\$201,027)
	Interest		\$73,975	\$71,547

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1990	Camping			\$5,176
	Comm II/Heating & Air			\$139,559
	Comm II Restaurant		\$86,706	
	Horse Barn			\$3,000
	Beer Gardens/Concrete			\$443
	Shuttle Route			\$1,849
	Coffee Room			\$495
	State Appropriation	\$210,000		(\$210,000)
	Interest		\$72,821	\$247,093
1991	Camping/Elec/Sewer		\$7,200	\$10,000
	Comm II/Heat, Air, Lights			\$5,727
	Horse Barn II/Liner			\$1,312
	Cultural Bldg/Arbitration			\$13,834
	Ticket Booths			\$3,179
	Ticket Office/Electric			\$545
	Handicap Access/Grandstand			\$3,597
	Land			\$5,000
	Surface Drainage/Culverts			\$1,400
	Arena I Retrofit		\$370,000	
	Interest			\$329,883
1992	Expo Barn Concrete		\$27,339	
	Fence			\$6,293
	Ticket Booths			\$3,810
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$261,620
1993	Horse Barn Concrete		\$74,116	
	City/Arena Maintenance Repairs		\$30,000	
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$239,414
1994	West Lot		\$225,645	\$27,626
	Barn Moving		\$119,350	
	Grandstand Restrooms			\$40,407
	County/Building & Grounds Repair		\$57,524	
	City/Arena Maintenance Repairs		\$80,000	
	Interest			\$303,850
1995	West Lot			\$19,550
	Moving Reader Board Sign			\$7,350
	East Lot	\$30,000	\$20,000	\$91,261
	City/Arena Maintenance Repairs		\$80,000	
	County/Building & Grounds Repair		\$67,818	
	State Appropriations	\$210,000		(\$210,000)
	Interest/Debt Service			\$186,333

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CONTINUED MAJOR CAPITAL IMPROVEMENTS #3 pg. 42

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1996	Midway Transformer			\$1,000
	Midway Parking			\$24,709
	Stage Roof			\$119,233
	Street Lights			\$5,500
	City/Arena Maintenance Repairs		\$80,000	
	County/Building & Grounds Repair		\$69,849	
	Interest			\$179,319
	Flickertail Concrete			\$4,358
	Game and Fish		\$103,000	
	Pond Fountain			\$2,324
	Sprinkler System			\$3,828
	City/Arena Maintenance Repairs		\$80,000	
	County/Building & Grounds Repair		\$68,870	
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$171,886
1998	Flat Track - Drag Strip		\$290,344	
	County/Building & Grounds Repair		\$85,678	
	City/Arena Maintenance Repair		\$80,000	
	Arena I Restrooms			\$70,000
	Pond Fountain			\$674
	Grounds Keeper's Garage			\$11,008
	Grounds Keeper's House			\$5,230
	Interest			\$165,602
	Expansion		\$241,881	\$4,664
1999	New Asphalt			\$112,049
	Fence Relocation North of Fair			\$7,782
	North Road Relocation		\$50,000	\$12,500
	Pavilion Project			\$829
	Electrical for Machinery Row			\$15,487
	West Lot Camping Improvements			\$11,781
	East Lot Fence Remove/Replace			\$410
	Industrial Lot Gravel		\$51,000	
	Gate Repair/Install Barrier			\$835
	City/Arena Maintenance		\$80,000	
	County		\$91,605	
	City/Magic Place		\$6,916,560	
	State Appropriations	\$210,000		(\$210,000)
	Interest			\$156,184
2000	City/Magic Place/Renovation		\$1,445,519	
	City		\$57,566	
	Kiddie barn relocation/parking			\$16,683
	Porter land			\$6,000
	Porter land fencing			\$2,324
	State Fair Park			\$33,090
	West lot camping			\$9,119
	County		\$95,328	
	Interest			\$148,137

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2001	Carnival lot relocation			\$93,892
	Super Cross Track		\$30,000	
	Super Cross Fence		\$15,000	
	Super Cross Water Point		\$6,000	
	State Appropriations	\$210,000		(\$210,000)
	City		\$95,320	
	County		\$180,140	
	Interest			\$138,066
2002	Asphalt			\$32,210
	Camping Electrical East Lot		\$15,030	
	Camping Electrical West Lot		\$10,104	
	Office Cupboards			\$1,942
	City		\$99,681	
	County		\$190,367	
	Interest			\$135,639
2003	Air Conditioned Jaycees			\$7,322
	Air Conditioned Commercial I			\$29,268
	City		\$100,965	
	County		\$195,615	
	East Lot Electrical Upgrade			\$9,271
	Gate Arches			\$32,498
	Midway Restrooms			\$154,621
	Office Cupboards and Desks			\$3,519
	State Appropriations	\$210,000		(\$210,000)
	Street Light (sand box)			\$1,284
	Interest			\$83,597
2004	Arena Hallway Flooring			\$59,249
	City		\$116,240	
	County		\$203,393	
	Independent Midway Renovation			\$31,412
	Interest			
	Office Cupboards and Desks			\$2,176
	Street Light			\$2,408
	West Lot Electrical Upgrade			\$6,200
	Interest			\$79,541
2005	Electrical Upgrades			\$11,538
	City		\$133,300	
	County		\$212,371	
	Gate Arches Lighting			\$1,917
	Office Cupboards			\$1,230
	State Appropriations	\$210,000		(\$210,000)
	West Lot Electrical Upgrade		\$50,311	\$23,852
	Interest			\$73,073

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

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YEAR	PROJECT	STATE FUNDS	LOCAL FUNDS	FAIR FUNDS
2006	All Seasons Arena Seating Upgrade		\$500,395	\$200,000
	City		\$115,000	
	County		\$220,000	
	East Lot RV			\$113,261
	West Lot Electrical & Grass Lots			\$2,500
	Interest			\$65,410
2007	All Seasons Arena Seating Upgrade		\$7,511	\$26,940
	Asphalt	\$28,488		
	City		\$169,495	
	County		\$236,789	
	Expo Barn Fan			\$14,258
	East Lot RV			\$4,312
	Interest			\$52,365
	State Appropriations	\$210,000		(\$210,000)
2008	Asphalt	\$2,157		
	City		\$235,828	
	County		\$281,032	
	Electrical RV Upgrade			\$15,500
	Commercial III Air Conditioner			\$36,069
	Grandstand Project	\$120,200		
	Interest			\$43,586
2009	Arena I Break Room			\$10,385
	Asphalt	\$234,356		
	Electrical Upgrade East Lot RV			\$39,617
	Electrical Upgrade Carnival RV			\$9,737
	Electrical Upgrade South HB II			\$15,000
	FFA Air Conditioner			\$18,505
	Grandstand Approp 2007-2009	\$129,800		\$4,046
	Grandstand Approp 2009-2011	\$969,986		
	Interest Paid			\$34,861
	North Road			\$12,500
	Umbrella's Food Court			\$19,351
	City		\$260,885	
	County		\$284,198	
	State Appropriations	\$210,000		(\$210,000)
2010	Industrial Lot Regrade			\$18,925
	Umbrella's Food Court			\$23,159
	West Lot Comfort Station		\$30,500	\$156,153
	Carpet-Norsk Room & TJs			\$7,370
	Night Deposit Vault			\$4,769
	East Lot RV Embankment			\$25,000
	Electrical Upgrade Carnival RV			\$7,360
	Expo Barn Re-Roof Wings			\$34,210
	Food Court Utilities			\$33,855

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

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YEAR	PROJECT	STATE FUNDS	LOCAL FUNDS	FAIR FUNDS
2010	Regrade West Lot			\$10,066
(cont)	Ticket Booth			\$7,237
	Asphalt			\$102,751
	City		\$297,787	
	County		\$335,795	
	Interest			\$31,999
	Grandstand	\$13,003,452		\$58,019
2011	Asphalt			\$59,157
	Grandstand	\$1,026,562		\$95,699
	Grounds Keeper House			\$45,355
	Industrial Lot Power			\$84,155
	Interest			\$21,111
	State Fair Center Lobby Piers			\$12,623
	Ticket Booth			\$6,679
	Umbrella's Food Court			\$19,498
	West Lot Comfort Station			\$9,987
	West Lot Electric Upgrade			\$3,984
	City		\$408,188	
	County		\$370,424	
2012	Asphalt			\$241,083
	Grandstand Concrete			\$25,524
	Grandstand Snow Retention System			\$63,028
	Grandstand Stage Roof Anchors			\$4,224
	Hockey Boards			\$162,051
	Ice Floor			\$895,402
	Industrial Lot Lights			\$36,680
	Industrial Lot Asphalt			\$80,200
	Interest			\$38,409
	Pond Fence			\$16,230
	Re-Seed Grass			\$2,600
	Regrade Dirt South of Horse Barn II			\$4,000
	RV Booth			\$3,961
	Security Cameras			\$9,730
	Sprinkler System			\$14,499
	State Fair Center HVAC Unit			\$18,000
	Theater Overhead Door			\$7,086
	West Lot Gravel			\$29,666
	City		\$792,775	
	County		\$378,022	
	State Appropriations	\$210,000		(\$210,000)

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2013	Bubbas			\$24,024
	Carpet-Fair Office			\$18,018
	Commercial I Roof			\$46,837
	FEMA Trailers			\$11,000
	Fence-Midway			\$3,338
	Fence Panels			\$7,500
	Grandstand Bird Control			\$142,597
	Hot Water Heater-4-H Hall			\$16,782
	HVAC-4-H Hall			\$195,210
	Lights-Expo Barn Show Ring			\$2,110
	Overhead Door-Bunny Barn			\$1,988
	Portable Light Towers			\$12,000
	RV Dump			\$22,920
	Security Cameras			\$44,233
	Sprinkler System			\$8,800
	Street Lights			\$1,447
	West Lot Electrical Upgrade			\$2,831
	Flood Loan Payoff	\$647,361		\$211,359
	City		\$507,556	
	County		\$434,795	
2014	Asphalt	\$2,287,185		\$762,970
	Curling Club Floor		\$28,020	\$69
	East Lot Sign			\$7,396
	Upgrade Power North of Commercial I			\$12,390
	Fiber Optics			\$73,000
	HVAC Upgrades			\$16,606
	Historical Society Sub Meter			\$7,433
	SFC Sub Meter			\$24,950
	Broadway Reader Board			\$86,780
	4-H Barn Roof Replacement			\$38,000
	Industrial Lot RV Dump			\$10,481
	FFA Hall Remodel			\$262,141
	Stage 7 Relocate			\$18,698
	Street Lights			\$6,202
	Theater Walk In Door			\$3,680
	Viggy's Fire Protection			\$1,765
	Commercial III Office Roof Replacement			\$13,131
	Security Cameras			\$17,082
	Mega Ride Trailer			\$11,615
	City		\$524,976	
	County		\$462,944	

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2015	Asphalt	\$462,815		\$143,936
	Arena Mechanical/Lighting/Sound System			\$1,713,382
	Backstage Power Upgrade			\$9,307
	Curling Club Floor		\$246,980	\$19,388
	Drainage Ditch-East Lot			\$11,992
	Grandstand Concrete			\$24,504
	Grandstand Mudjacking			\$7,800
	Grandstand Stage Roof			\$1,178,980
	FFA Hall Remodel			\$1,119,630
	Food Court Power Upgrade			\$1,988
	Magic Place HVAC Repair			\$23,386
	SFC Roof Repair			\$9,236
	Street Lights			\$5,000
	West Lot Power Upgrade			\$24,427
	City		\$483,765	
	County		\$511,531	
2016	Asphalt	\$433,461		\$10,460
	Arena Mechanical/Lighting/Sound System			\$81,504
	CoCo's Restaurant Remodel			\$485,155
	Commercial II HVAC System			\$32,480
	Digital Message Board by Gate D			\$101,180
	Electric Upgrade Commercial III			\$4,340
	Electric Upgrade East of Dairy Barn			\$8,938
	Grandstand Fence			\$4,630
	Grandstand Stage Roof Gutters			\$3,217
	Mudjack Magic Place			\$10,000
	Relocate NoDak Building			\$26,372
	Sprinkler System-Kids Kingdom			\$4,100
	City		\$316,979	
	County		\$522,517	
2017	Asphalt	\$33,789		\$8,555
	Commercial II HVAC System			\$19,465
	Sprinkler System Kids Kingdom			\$3,114
	Land & Storage Units Across Burdick Expressway			\$486,862
	Grandstand Stage Roof Sign			\$26,480
	Parking Lot Repair			\$5,798
	Flickertail Lighting			\$2,438
	City		\$270,972	
	County		\$578,398	
2018	Magic Place Bathroom Upgrade			\$13,169
	Commercial II Concession Stand			\$3,880
	Commercial II Power Upgrade			\$15,526
	West Lot Fence			\$31,000
	East Lot Fence-SE Corner			\$2,500
	Grandstand Sprinkler System			\$137,786
	Guard Posts-Storage Unit Lot			\$3,995
	LED Lighting Upgrades			\$6,217
	Shade Sails			\$24,176
	Sprinkler System-West of JayCee Building			\$2,375

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CONTINUED MAJOR CAPITAL IMPROVEMENTS

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2018	Security Cameras			\$12,093
(cont)	State Fair Center Roof Repairs			\$24,369
	City		\$199,750	
	County		\$513,372	
	Misc. Items Listed			\$835,291
TOTAL =		\$23,925,639	\$28,143,205	\$18,860,679

1966 MAJOR IMPROVEMENTS: Non-specified improvements include the purchase of props, tables, chairs, display curtains, stock panels, tractors, vehicles and other equipment. The remodeling of the plumbing of 3 bathrooms in the Arts & Crafts Building; the remodeling of the grandstand ticket office; the addition of a mens toilet in the Arts & Crafts Building; \$8,000 worth of hand dryers; new staging; sodding of boulevards; replanting of grass; remodeling of the beer gardens & 4-H building; ticket booths; installation of new gates, fences & dividers; the demolition of two horse barns, the old hog & sheep barn, two race barns, an old log barn, two houses & the old office. The construction of a show mobile stage; a new underground drainage system; dredging of the pond; construction of a horse arena; cattle tie outs; new parking lot roadway & lights; aluminum benches; more portable bleachers; aluminum picnic tables; re-roofing of the dairy barn; painting of the domestic arts building, beef barn & dairy barn; new soffits on the horse barn; miscellaneous fencing; remodeling the pub bar & diaper stations; painting the grandstand. Over \$835,291 worth of additional significant changes & improvements.

***Major improvements do not include general routine maintenance repairs, the purchase of consumable supplies, or replacement of equipment.

Footnote: A small portion of the interest credited to the support of Fair funding from 1976-1984 could possibly be credited to local funds.

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Financial Statements
September 30, 2018

North Dakota State Fair Association

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Independent Auditor's Report

The Board of Directors
North Dakota State Fair Association
Minot, North Dakota

Report on the Financial Statements

We have audited the accompanying financial statements of the North Dakota State Fair Association, a component unit of the State of North Dakota, and of its discretely presented component unit, North Dakota State Fair Foundation, as of and for the year then ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Basis for Qualified Opinions

As discussed in Notes 9 and 10 to the financial statements, the North Dakota State Fair Association has not determined the net pension liability and the other postemployment benefits liability, as of a measurement date no earlier than the end of the employer's prior fiscal year. Accounting principles generally accepted in the United States of America require that each liability be determined as of a measurement date no earlier than the end of the employer's prior fiscal year. The effect of this departure on the deferred outflows of resources, deferred inflows of resources, liabilities, net pension liability, and expenses has not been determined.

Qualified Opinions

In our opinion, except for the effects of the matters described in the "Basis for Qualified Opinions" paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of North Dakota State Fair Association, and of its discretely presented component unit as of September 30, 2018, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of North Dakota State Fair Association, an enterprise fund of the State of North Dakota, are intended to present the financial position, the changes in financial position and cash flows of only that portion of the business-type activities of the State of North Dakota that is attributable to the transactions of North Dakota State Fair Association. They do not purport to, and do not, present fairly the financial position of the State of North Dakota as of September 30, 2018, the changes in its financial position, or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Notes 1 and 13 to the financial statements, the Association has adopted the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which has resulted in a restatement of the net position as of October 1, 2017. Our opinion is not modified with respect to this matter.

Other Matters**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Employer's Share of Net OPEB Liability, Schedule of Employer's Share of Net Pension Liability and Schedules of Employer Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2018 on our consideration of the North Dakota State Fair Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Dakota State Fair Association's internal control over financial reporting and compliance.

Eide Bailly LLP

Bismarck, North Dakota
November 1, 2018

This section of the Association's annual financial report presents our analysis of the financial performance during the fiscal year that ended September 30, 2018. Please read it in conjunction with the financial statements, which follow this section.

Financial Highlights

- The Association's net position was adjusted due to the implementation of GASB 75. After the adjustment, the Association's net position decreased by \$665,909 or -2.46% in fiscal year 2018.
- During fiscal year, the Association's operating revenues increased by \$406,881 or 6.23%, while operating expenses increased by \$237,994 or 2.84%.
- Fair revenues increased to \$6,624,183 or 6.79%.
- Property and equipment additions totaled \$319,871.
- Depreciation expense totaled \$1,654,700.

Overview of the Financial Statements

This annual report consists of three parts: Management's Discussion and Analysis, Financial Statements, and Required Supplementary Information. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The Financial Statements of the Association report information about the Association using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Balance Sheet includes all of the Association's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Association creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Association and assessing the liquidity and financial flexibility of the Association. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Change in Net Position. This statement measures the success of the Association's operations over the past year and can be used to determine whether the Association has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Association's cash receipts and cash payments during the reporting period.

The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the Association

One of the most important questions asked about the Association's finances is "Is the Association as a whole better off or worse off as a result of the year's activities?" The Balance Sheet, and the Statement of Revenues, Expenses and Changes in Net Position report information about the Association's activities in a way that will help answer this question. These two statements report the net position of the Association and changes in them. You can think of the Association's net position-the difference between assets, deferred outflows and inflows and liabilities-as one way to measure financial health or financial position. Over time, increases or decreases in the Association's net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, population declines, and competitive forms of entertainment.

Net Position

To begin our analysis, a summary of the Association's Balance Sheets is presented in the following:

**Condensed Balance Sheets
(In Thousands of Dollars)**

	2018	2017	Dollar Change	Total Percent Change
Assets				
Current and other assets	\$ 6,946	\$ 6,217	\$ 729	11.73%
Capital assets	25,364	26,716	(1,352)	-5.06%
Total assets	<u>32,310</u>	<u>32,933</u>	<u>(623)</u>	-1.89%
Deferred Outflows of Resources	<u>867</u>	<u>409</u>	<u>458</u>	
Total assets and deferred outflows of resources	<u>\$ 33,177</u>	<u>\$ 33,342</u>	<u>\$ (165)</u>	-0.49%
Liabilities				
Current liabilities	\$ 235	\$ 238	\$ (3)	-1.26%
Long-term debt outstanding	1,577	1,709	(132)	0.00%
Other liabilities	1,782	1,071	711	66.39%
Total liabilities	<u>3,594</u>	<u>3,018</u>	<u>576</u>	19.09%
Deferred Inflow of Resources	<u>93</u>	<u>90</u>	<u>3</u>	
Net Position				
Net invested in capital assets	23,667	24,887	(1,220)	-4.90%
Unrestricted	5,823	5,347	476	8.90%
Total net position	<u>29,490</u>	<u>30,234</u>	<u>(744)</u>	-2.46%
Total liabilities, deferred inflows and net position	<u>\$ 33,177</u>	<u>\$ 33,342</u>	<u>\$ (165)</u>	

Due to the implementation of GASB 75 in the current year, figures may not be comparable to the prior years for some areas of the financial statements. The condensed balance sheet shows the categories of items that are owned and owed by the Association. Total assets decreased by \$623 thousand from 2017 to 2018 mainly due to the depreciation of capital assets. Total deferred outflows of resources increased by \$458 thousand from 2017 to 2018 due to changes in assumptions such as inflation, discount, and investment rates of return. Total liabilities increased \$576 thousand from 2017 to 2018 mainly due to the increase in the net pension liability.

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North Dakota State Fair Association
Management's Discussion and Analysis
September 30, 2018 and 2017

Condensed Statements of Revenues, Expenses and Changes in Net Position
(In Thousands of Dollars)

	2018	2017	Dollar Change	Total Percent Change
Operating Revenues				
Fair proceeds and other revenue	\$ 6,625	\$ 6,204	\$ 421	6.79%
Arena revenue	305	318	(13)	-4.09%
Other revenue	15	16	(1)	-6.25%
	<u>6,945</u>	<u>6,538</u>	<u>407</u>	6.23%
Nonoperating Revenues				
Local grants	801	849	(48)	-5.65%
Interest and investment income	13	6	7	116.67%
	<u>814</u>	<u>855</u>	<u>(41)</u>	-4.80%
Total Revenues	<u>7,759</u>	<u>7,393</u>	<u>366</u>	4.95%
Operating Expenses				
General expenses	4,739	4,640	99	2.13%
Depreciation expense	1,655	1,652	3	0.18%
Salaries, wages and vacation pay	1,947	1,828	119	6.51%
Premiums, trophies and awards	280	263	17	6.46%
	<u>8,621</u>	<u>8,383</u>	<u>238</u>	2.84%
Non Operating Expenses				
Interest expense	57	61	(4)	-6.56%
Bond fees	17	17	-	0.00%
Amortization	(12)	(12)	-	0.00%
	<u>62</u>	<u>66</u>	<u>(4)</u>	-6.06%
Total Expenses	<u>8,683</u>	<u>8,449</u>	<u>234</u>	2.77%
Transfers -				
State Appropriations	<u>258</u>	<u>292</u>	<u>(34)</u>	-11.64%
Change in Net Position	(666)	(764)	98	
Net Position, Beginning of Year, as restated	<u>30,156</u>	<u>30,998</u>	<u>(842)</u>	
Net Position, End of Year	<u>\$ 29,490</u>	<u>\$ 30,234</u>	<u>\$ (744)</u>	-2.46%

The condensed statements of revenues, expenses and changes in net position shows both the revenue streams and expenditures associated with operating the Association. As can be seen from the table above, the beginning net position was adjusted to \$30,156 thousand due to the implementation of GASB 75. Total revenues were up \$366 thousand from 2017 to 2018 while total expenses were up only \$234 thousand from 2017 to 2018 due to the 2018 fair attendance being more favorable. The total net position decreased \$666 thousand from 2017 to 2018.

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Capital Assets

The Association had invested more than \$52 million in infrastructure including land, buildings, improvements and equipment. Approximately 96 percent of that total is related to land and structures. Maintenance and upkeep of those structures and improvements is a continual ongoing process for the Association. Annual yearly costs for building and grounds upkeep exceeded \$872 thousand, excluding payroll costs for Association employees engaged in repair and upkeep procedures.

Current year additions to the capital asset category totaled approximately \$320 thousand. See footnote 6 for additional details.

Long-Term Bond Debt

The Association had \$1,565,000 in long term debt down from \$1,685,000 in fiscal year 2017. See footnote 7 for additional details.

Net Pension Liability

As of October 1, 2014, the Association adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. As a result of implementing this standard, the Association reported a net pension liability of \$1,670,191 at year end in 2018 and \$1,044,379 in 2017. See additional information in Note 9.

Net Other Post-Employment Benefits Liability

As of October 1, 2017, the Association adopted GASB Statement No. 74 and 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of these standards requires governments to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. As a result of implementing this standard, the Association reported a net OPEB liability of \$77,560 at year end in 2018. See additional information in Note 10.

Economic Factors and Next Year's Operations

The North Dakota State Fair Association is in the entertainment business, and as such is dependent upon many factors affecting the entertainment spending decisions of its customers. Factors such as condition of the agriculture economy, oil industry, Minot Air Force Base, Canadian exchange rates, weather, and competing entertainment providers such as casinos can all have significant impact on turnout for the annual State Fair.

Contacting the Association's Financial Manager

This financial report is designed to provide our state citizens, customers, and creditors with a general overview of the Association's finances and to demonstrate the Association's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the North Dakota State Fair Association office at P.O. Box 1796, Minot, ND 58702-1796.

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North Dakota State Fair Association
Statement of Net Position
September 30, 2018

	Primary Government Business-Type	Component Unit State Fair
Current Assets		
Cash and cash equivalents	\$ 5,754,186	\$ 204,300
Investments	1,000,000	-
Accounts receivable, net of allowance for uncollectible accounts of \$3,000	139,725	-
Prepaid items	52,480	-
Total current assets	6,946,391	204,300
Noncurrent Assets		
Capital assets not being depreciated		
Land	620,678	1,115,389
Capital assets being depreciated		
Infrastructure	7,673,094	-
Buildings	41,725,437	-
Equipment	2,067,997	-
Less accumulated depreciation	(26,723,123)	-
Total noncurrent assets	25,364,083	1,115,389
Other Assets		
Restricted cash	-	11,016
Note receivable	-	1,110,000
Total other assets	-	1,121,016
Deferred Outflows of Resources	867,026	-
Total assets and deferred outflows of resources	\$ 33,177,500	\$ 2,440,705
Current Liabilities		
Trade accounts payable	\$ 45,022	\$ 13,000
Current portion of accrued employee leave	70,000	-
Current portion of bonds payable	120,000	-
Current portion of note payable	-	4,407
Total current liabilities	235,022	17,407
Noncurrent Liabilities		
Accrued employee leave, net of current portion	34,532	-
Bonds payable, net of unamortized premium of \$131,794	1,576,794	-
Note payable	-	74,340
Net pension liability	1,670,191	-
Net other post-employment benefits liability	77,560	-
Total noncurrent liabilities	3,359,077	74,340
Deferred Inflow of Resources	93,445	-
Net Position		
Net investment in capital assets	23,667,289	-
Permanently Restricted Endowment	-	2,155,492
Unrestricted	5,822,667	193,466
Total net position	29,489,956	2,348,958
Total liabilities, deferred inflows of resources and net position	\$ 33,177,500	\$ 2,440,705

See Notes to Financial Statements

North Dakota State Fair Association
Statement of Activities
Year Ended September 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position	
	Expenses	Charges For	Operating	Capital Grants	Primary Business-Type	Component State Fair
Primary Government						
Business-Type Activities						
State Fair Association	\$ 8,695,095	\$ 6,944,615	\$ 801,525	\$ -	\$ (948,955)	\$ -
Component Unit						
State Fair Foundation	45,367	44,538	32,482	6,000	-	37,653
Total Government	<u>\$ 8,740,462</u>	<u>\$ 6,989,153</u>	<u>\$ 834,007</u>	<u>\$ 6,000</u>	<u>(948,955)</u>	<u>37,653</u>
State appropriations					257,832	-
Investment earnings					12,954	27,964
Amortization of bond premium					12,260	-
Total general revenues					<u>283,046</u>	<u>27,964</u>
Change in net position					(665,909)	65,617
Net position, October 1, as restated (See Note 13)					<u>30,155,865</u>	<u>2,283,341</u>
Net position, September 30					<u>\$ 29,489,956</u>	<u>\$ 2,348,958</u>

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North Dakota State Fair Association
Statement of Net Position – Enterprise Fund
September 30, 2018

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Assets and Deferred Outflows of Resources

Current Assets

Cash and cash equivalents	\$ 5,754,186
Investments	1,000,000
Accounts receivable, net of allowance for uncollectible accounts of \$3,000	139,725
Prepaid items	<u>52,480</u>

Total current assets 6,946,391

Noncurrent Assets

Capital assets not being depreciated	
Land	620,678
Capital assets being depreciated	
Infrastructure	7,673,094
Buildings	41,725,437
Equipment	2,067,997
Less accumulated depreciation	<u>(26,723,123)</u>

Total noncurrent assets 25,364,083

Total assets 32,310,474

Deferred Outflows of Resources

867,026

\$ 33,177,500

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North Dakota State Fair Association
Statement of Net Position – Enterprise Fund
September 30, 2018

Liabilities, Deferred Inflow of Resources and Net Position

Current Liabilities

Trade accounts payable	\$ 45,022
Current portion of accrued employee leave	70,000
Current portion of bonds payable	120,000
Total current liabilities	<u>235,022</u>

Noncurrent Liabilities

Accrued employee leave, net of current portion	34,532
Bonds payable, net of unamortized premium of \$131,794	1,576,794
Net pension liability	1,670,191
Net other post-employment benefits liability	77,560
Total noncurrent liabilities	<u>3,359,077</u>

Total liabilities	<u>3,594,099</u>
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Deferred Inflow of Resources	<u>93,445</u>
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Net Position

Net investment in capital assets	23,667,289
Unrestricted	5,822,667
Total net position	<u>29,489,956</u>
	<u>\$ 33,177,500</u>

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North Dakota State Fair Association
Statement of Revenues, Expenses and Change in Net Position
Year Ended September 30, 2018

Operating Revenues	
Fair proceeds and other revenue	\$ 6,624,183
Arena revenue	305,184
Other revenue	15,248
	<u>6,944,615</u>
Total operating revenues	<u>6,944,615</u>
Operating Expenses	
General expenses	4,739,600
Depreciation expense	1,654,700
Salaries, wages and vacation pay	1,947,148
Premiums, trophies and awards	279,947
	<u>8,621,395</u>
Total operating expenses	<u>8,621,395</u>
Operating Loss	<u>(1,676,780)</u>
Nonoperating Revenues (Expenses)	
Local grants	801,525
Interest and investment income	12,954
Amortization of bond premium	12,260
Interest expense	(57,200)
Bond fees	(16,500)
	<u>753,039</u>
Total nonoperating revenues	<u>753,039</u>
Loss Before Transfers	(923,741)
Transfers - State Appropriations	<u>257,832</u>
Change in Net Position	(665,909)
Net Position, Beginning of Year, as restated (See Note 13)	<u>30,155,865</u>
Net Position, End of Year	<u>\$ 29,489,956</u>

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North Dakota State Fair Association

Statement of Cash Flows
Year Ended September 30, 2018

Operating Activities	
Cash received from customers	\$ 6,866,357
Cash payments for goods and services	(5,020,463)
Cash payments to employees	(1,768,229)
Net Cash from Operating Activities	77,665
Non-Capital Financing Activities	
Local grants received	801,525
State appropriations received	257,832
Net Cash from Non-Capital Financing Activities	1,059,357
Capital and Related Financing Activities	
Payments for capital acquisitions	(303,065)
Bond fees	(16,500)
Principal payments on bonds	(120,000)
Interest paid	(57,200)
Net Cash used for Capital and Related Financing Activities	(496,765)
Investing Activities	
Receipts of interest and dividends	12,954
Net Cash from Investing Activities	12,954
Net Change in Cash and Cash Equivalents	653,211
Cash and Cash Equivalents, Beginning of Year	5,100,975
Cash and Cash Equivalents, End of Year	\$ 5,754,186

See Notes to Financial Statements

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North Dakota State Fair Association

Statement of Cash Flows
Year Ended September 30, 2018

Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating loss	\$ (1,676,780)
Adjustments to reconcile operating loss to net cash from operating activities	
Depreciation	1,654,700
Adjustment to pension expense	171,162
Changes in operating assets and liabilities	
Customer receivables	(78,258)
Prepaid expenses	1,782
Trade accounts payable	(2,698)
Accrued leave	7,757
Net Cash from Operating Activities	<u>\$ 77,665</u>
Supplemental Disclosure of Noncash Capital Financing Activities	
Value received for trade of capital assets	<u>\$ 16,806</u>

See Notes to Financial Statements

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North Dakota State Fair Association
Statement of Appropriations
Year Ended September 30, 2018

	<u>2017-2019 Appropriation</u>	<u>7/1/2017- 9/30/2017 Expenditures</u>	<u>10/1/2017- 9/30/2018 Expenditures</u>	<u>Unexpended Appropriations at 9/30/2018</u>
Asphalt	\$ -	\$ -	-	\$ -
Premiums	<u>515,665</u>	<u>257,833</u>	<u>257,832</u>	<u>-</u>
	<u>\$ 515,665</u>	<u>\$ 257,833</u>	<u>\$ 257,832</u>	<u>\$ -</u>

The following schedule shows the appropriated and non-appropriated portion of premiums, operating expenses, interest expense and bond costs for the year-ended September 30, 2018. Non-appropriated expenditures are made in accordance with NDCC 4-02.1-15.

	<u>FY 2018 Appropriated</u>	<u>FY 2018 Non-appropriated</u>	<u>Fiscal Years 2017-2018 Total</u>
Premiums	\$ 257,832	\$ 22,115	\$ 279,947
Operating expenses	-	8,341,448	8,341,448
Bond issuance costs	-	16,500	16,500
Interest expenses	-	57,200	57,200
Asphalt	-	-	-
	<u>\$ 257,832</u>	<u>\$ 8,437,263</u>	<u>\$ 8,695,095</u>

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

The North Dakota State Fair Association (Association) is an Enterprise Fund of the State of North Dakota. The purpose of the State Fair Association is to conduct an annual exhibition of the state's resources and products in order to promote the state.

The accompanying financial statements of the North Dakota State Fair Association follow the pronouncements of the Governmental Accounting Standards Board (GASB), which is the nationally accepted standard-setting body for establishing generally accepted accounting principles for governmental entities.

The accounting policies of the North Dakota State Fair Association conform to generally accepted accounting principles as applicable to local governmental units. The following is a summary of the more significant policies:

Reporting Entity

For financial reporting purposes, the North Dakota State Fair Association has included all funds, and has considered all potential component units for which the North Dakota State Fair Association is financially accountable, and other organizations for which the nature and significance of their relationship with the North Dakota State Fair Association are such that exclusion would cause the North Dakota State Fair Association's financial statements to be misleading or incomplete.

The Governmental Accounting Standards Board has set forth criteria to be considered in evaluating the nature and significance of the relationship such that exclusion would cause the financial statements to be misleading or incomplete. This criteria includes (1) being a legally separate, tax-exempt organization, (2) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, (3) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization, and (4) the economic resources received or held by an individual organization that the primary government is entitled to, or has the ability to otherwise access, are significant to the primary government.

Based upon the criteria of the Governmental Accounting Standards Board, the North Dakota State Fair Foundation is a component unit of the Association that should be presented discretely. It is considered part of the Association's reporting entity because of the significance of its relationship with the Association. The North Dakota State Fair Foundation's mission is to develop lifelong relationships with donors to secure philanthropic gifts that will enhance and support the work of the North Dakota State Fair.

Component Unit

In conformity with GAAP, the financial statements of the component unit have been included in the financial reporting entity as a discretely presented component unit.

Discretely Presented Component Unit-The component unit column in the government-wide financial statements includes the financial data of the Association's one component unit, North Dakota State Fair Foundation. This unit is reported in a separate column to emphasize that it is legally separate from the Association.

North Dakota State Fair Foundation (Foundation), a nonprofit organization, was established to develop lifelong relationships with donors to secure philanthropic gifts that will enhance and support the work of the North Dakota State Fair Association. The Foundation's major sources of revenue include endowments and cash contributions. The Foundation prepares its financial statements in accordance with accounting principles generally accepted in the United States of America.

Revenue Recognition

Revenue is recognized on the accrual basis for financial reporting.

Infrastructure, Buildings, and Equipment

Infrastructure, buildings and equipment are stated at cost except for donated assets which are reported at fair value on the date received. Expenditures exceeding \$5,000 for renewals and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for maintenance, repairs and improvements less than \$5,000 are currently charged to expense.

Depreciation is provided for over the estimated useful lives of the individual assets using the straight-line method. The estimated useful lives used in the computation of depreciation are as follows:

Infrastructure	5-25 years
Buildings	20-40 years
Equipment	3-15 years

Cash and Cash Equivalents

For purposes of reporting cash flows, the Association considers all Treasury bills, commercial paper, certificates of deposit and money market funds which have an original maturity of three months or less to be cash equivalents.

Investments

Investments consist entirely of certificates of deposit and are reported at amortized cost.

Accounts Receivable

Accounts receivable are carried at original invoice amount less a reserve estimate made for doubtful accounts. Management's estimate of the allowance for doubtful accounts is based on historical loss levels and an analysis of the collectability of individual accounts. Accounts receivable are due within 30 days.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the fund financial statements.

Operating Revenues

For purposes of differentiating operating revenues from non-operating revenues, the Association considers support received from the City of Minot (hotel tax) and Ward County to be non-operating revenues. The stated purpose of the support from the mentioned entities is to help offset the operating expenses related to the fair and arena activities. Expenses related to the maintenance and operations of these facilities are classified as operating expenses.

Restricted Resources

It is the Association's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted resources are available.

Unrestricted Net Assets – Foundation

This includes unrestricted resources, which represents the portion of expendable funds that are available for the support of the Foundation's operations.

Permanently Restricted Net Assets – Foundation

Permanently restricted net assets represent net assets resulting from contributions, whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organizations.

Notes Receivable – Foundation

See Note 4 to the financial statements for details pertaining to notes receivable. The Foundation provides an allowance for doubtful collections, which is based upon a review of outstanding receivables. As of September 30, 2018, there was no portion of notes receivable determined to be uncollectible, and therefore, no allowance was necessary.

Restricted Cash – Foundation

This consists of cash collected as part of permanently restricted endowments that has not been invested in land or notes receivable.

Income Taxes - Foundation

North Dakota State Fair Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In Addition, the Foundation has been determined by the Internal Revenue Service not to be a private foundation within the Section 509(a) of the code.

The Foundation's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support with the Internal Revenue Code and Regulations, Revenue Rulings, court decisions and other evidence.

Compensated Absences

Employees accrue annual leave at a rate of eight hours per month for the first three years of continuous service. The accrual rate is increased to ten hours per month after three years, twelve hours per month after seven years, fourteen hours per month after thirteen years, and sixteen hours per month after eighteen years of service. The maximum amount of leave that may be carried forward each calendar year is 240 hours. All unpaid leave is payable upon termination.

Permanent employees also earn sick leave at a rate of eight hours per month. Sick leave is being carried over from year to year. If an employee leaves after ten continuous years of service, the employee will be paid for ten percent of any unused accumulated sick leave.

Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Subsequent Events

The North Dakota State Fair Association has evaluated subsequent events through November 1, 2018 the date which the financial statements were available to be issued.

Deferred Outflows and Inflows of Resources

In addition to assets, the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. See Note 9 and Note 10 for additional information.

Pensions and Other Post-Employment Benefits

For purposes of measuring the net pension liability, net OPEB liability, deferred outflows/inflows of resources, pension expense, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employee Retirement System (NDPERS) and additions to/deductions from NDPERS's fiduciary net position have been determined on the same basis as they are reported by the NDPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 - Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense for the year ended September 30, 2018 is \$405,621.

Note 3 - Cash and Investments**Custodial and Concentration of Credit Risk**

State law generally requires that all state funds be deposited in the Bank of North Dakota. NDCC 21-04-02 provides that public funds belonging to or in the custody of the state shall be deposited in the Bank of North Dakota. Also, NDCC 6-09-07 states, "all state funds... must be deposited in the Bank of North Dakota" or must be deposited in accordance with constitutional and statutory provisions.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the State Fair Association will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The State Fair Association does not have a formal policy that limits custodial credit risk for deposits. Deposits held with Bremer Bank are covered by depository insurance. The State Fair Association's remaining deposits are uncollateralized and held on deposit at the Bank of North Dakota and are guaranteed by the State of North Dakota (NDCC Section 6-09-10).

Investments

The Association has an investment in a certificate of deposit totaling \$1,000,000 as of September 30, 2018 bearing interest at 1.0% maturing December 16, 2021.

Foundation

At September 30, 2018, the North Dakota State Fair Foundation, a discretely presented component unit of the State Fair Association, had carrying amount of deposits of \$215,316 all of which was covered by Federal Depository Insurance.

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Notes to Financial Statements
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Details pertaining to unrestricted cash for the year ended September 30, 2018 are as follows:

Bank	Type	
Dacotah Bank	Checking-Operations	\$ 203,544
Dacotah Bank	Checking-Gaming	756
		<u>\$ 204,300</u>

Details pertaining to restricted cash for the year ended September 30, 2018 are as follows:

Bank	Type	
Dacotah Bank	Checking-Endowment	<u>\$ 11,016</u>

Note 4 - Notes Receivable – Foundation

The North Dakota State Fair Foundation's endowed notes require interest only payments with full principal due on maturity. The Foundation's endowed notes receivable consists of the following:

Payee	Note Balance	Rate	Due	Collateral
Golf Minot, Inc.	\$ 500,000	2.50%	July 1, 2025	Unsecured
Golf Minot, Inc.	125,000	2.50%	August 10, 2025	Unsecured
Golf Minot, Inc.	50,000	2.50%	November 1, 2025	Unsecured
Golf Minot, Inc.	100,000	2.50%	December 31, 2025	Unsecured
Golf Minot, Inc.	100,000	2.50%	June 16, 2026	Unsecured
Golf Minot, Inc.	50,000	2.50%	October 1, 2026	Unsecured
Golf Minot, Inc.	160,000	2.50%	October 16, 2026	Unsecured
Golf Minot, Inc.	25,000	2.50%	January 31, 2027	Unsecured
	<u>\$ 1,110,000</u>			

Note 5 - Endowments - Foundation

The Foundation's endowment consists of a fund established as a permanent endowment for such purposes as the Foundation determines prudent. Its endowment includes donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

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Notes to Financial Statements

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The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to be appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundations investment policies.

The Board of Directors has authorized the spending of all prior accumulated interest and dividend earnings from donor-restricted endowment funds as allowed. All earnings from donor-restricted funds are classified as temporarily restricted until they are spent.

Permanently restricted endowment net asset composition by type of fund as of September 30, 2018 is as follows:

Beginning Endowment Net Assets	\$ 2,149,492
Endowment Contributions	<u>6,000</u>
Ending Endowment Net Assets	<u>\$ 2,155,492</u>

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Note 6 - Capital Assets

The components and changes in components of capital assets of the Association at September 30, 2018 are as follows:

	Balance 09/30/17	Additions/ Depreciation Expense	Deletions	Balance 09/30/18
Capital Assets Not Being Depreciated				
Land	\$ 620,678	\$ -	\$ -	\$ 620,678
Capital Assets Being Depreciated				
Infrastructure	7,642,094	31,000	-	7,673,094
Buildings	41,558,956	166,481	-	41,725,437
Equipment	1,965,214	122,390	(19,607)	2,067,997
	<u>51,786,942</u>	<u>319,871</u>	<u>(19,607)</u>	<u>52,087,206</u>
Less accumulated depreciation				
Infrastructure	(3,371,862)	(309,893)	-	(3,681,755)
Buildings	(19,997,387)	(1,260,121)	-	(21,257,508)
Equipment	(1,701,975)	(84,686)	2,801	(1,783,860)
	<u>(25,071,224)</u>	<u>(1,654,700)</u>	<u>2,801</u>	<u>(26,723,123)</u>
Net	<u>\$ 26,715,718</u>	<u>\$ (1,334,829)</u>	<u>\$ (16,806)</u>	<u>\$ 25,364,083</u>

Foundation

The components and changes in components of capital assets of the Foundation at September 30, 2018 is as follows:

	Balance 09/30/17	Additions/ Depreciation Expense	Deletions	Balance 09/30/18
Capital Assets Not Being Depreciated				
Land	<u>\$ 1,115,389</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,115,389</u>

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Note 7 - Long - Term Debt

Changes in Bonds Payable and Accrued Employee Leave

The following is a summary of changes in bonds payable and accrued employee leave for the year ended September 30, 2018:

	Balance 09/30/17	Additions	Retirements	Balance 09/30/18	Current Portion
Bonds Payable	\$ 1,685,000	\$ -	\$ (120,000)	\$ 1,565,000	\$ 120,000
Accrued Employee Leave	96,775	75,545	(67,788)	104,532	70,000
	<u>\$ 1,781,775</u>	<u>\$ 75,545</u>	<u>\$ (187,788)</u>	<u>\$ 1,669,532</u>	<u>\$ 190,000</u>

Capital Financing Program Bonds Series 2015A

Interest on the 2015A Series Bonds is payable semi-annually on June 1 and December 1 of each year. The bonds maturing on June 1, 2029 are not subject to optional redemption prior to maturity except under extraordinary circumstances. The bonds are presented on the balance sheet net of unamortized premium of \$131,794 for the year ended September 30, 2018. The bonds are secured by the Association's net revenues and by the lodging tax proceeds received from the City of Minot.

Minimum principal and interest payments required on 2015A Series Bonds are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 120,000	\$ 54,800	\$ 174,800
2020	125,000	51,200	176,200
2021	130,000	47,450	177,450
2022	130,000	43,550	173,550
2023	135,000	39,650	174,650
2024-2028	755,000	125,600	880,600
2029-2030	170,000	6,800	176,800
	<u>\$ 1,565,000</u>	<u>\$ 369,050</u>	<u>\$ 1,934,050</u>

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Foundation

The Foundation has a note payable due in monthly installments of \$641, bearing interest at 4.22%, maturing March 15, 2022, secured by land.

	Balance 09/30/17	Additions	Retirements	Balance 09/30/18	Current Portion
Note payable for land	\$ 82,970	\$ -	\$ (4,223)	\$ 78,747	\$ 4,407

Minimum principal and interest payments required are as follows:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,407	\$ 3,283	\$ 7,690
2020	4,591	3,099	7,690
2021	4,800	2,891	7,691
2022	64,949	1,356	66,305
	<u>\$ 78,747</u>	<u>\$ 10,629</u>	<u>\$ 89,376</u>

Note 8 - Appropriations

The North Dakota State Fair Association receives premium appropriations from the State of North Dakota. These premium appropriations are restricted for the purpose of providing premiums to fair exhibition winners. Premium appropriations expended for the year ended September 30, 2018 was \$257,832.

Note 9 - Pensions

The North Dakota State Fair Association participates in the North Dakota Public Employees Retirement System (NDPERS) administered by the State of North Dakota. NDPERS is an agency of the State of North Dakota financial reporting entity and is included in the State of North Dakota's Comprehensive Annual Financial Report. The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDCC Chapter 54-52 for more complete information.

Defined Benefit Pension Plan

NDPERS is a cost-sharing multiple-employer defined benefit pension plan that covers substantially all employees of the State of North Dakota, its agencies and various participating political subdivisions. NDPERS provides for pension, disability and death benefits. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

Responsibility for administration of the NDPERS defined benefit pension plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor, one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

Benefits are set by statute. NDPERS has no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Members of the Main System are entitled to unreduced monthly pension benefits beginning when the sum of age and years of credited service equal or exceed 85 (Rule of 85), or at normal retirement age (65). For members hired on or after January 1, 2016, the Rule of 85 will be replaced with the Rule of 90 with a minimum age of 60. The monthly pension benefit is equal to 2.00% of their average monthly salary, using the highest 36 months out of the last 180 months of service, for each year of service. The plan permits early retirement at ages 55-64 with three or more years of service.

Members may elect to receive the pension benefits in the form of a single life, joint and survivor, term-certain annuity, or partial lump sum with ongoing annuity. Members may elect to receive the value of their accumulated contributions, plus interest, as a lump sum distribution upon retirement or termination, or they may elect to receive their benefits in the form of an annuity. For each member electing an annuity, total payment will not be less than the member's accumulated contributions plus interest.

Death and Disability Benefits

Death and disability benefits are set by statute. If an active member dies with less than three years of service for the Main System, a death benefit equal to the value of the member's accumulated contributions, plus interest, is paid to the member's beneficiary. If the member has earned more than three years of credited service for the Main System, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the member's accrued normal retirement benefit, or monthly payments in an amount equal to the member's accrued 100% Joint and Survivor retirement benefit if the member had reached normal retirement age prior to date of death. If the surviving spouse dies before the member's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's beneficiary.

Eligible members who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the member has to become disabled during the period of eligible employment and apply for benefits within one year of termination. The definition of disabled is set by the NDPERS in the North Dakota Administrative Code.

Refunds of Member Account Balance

Upon termination, if a member of the Main System is not vested (is not 65 or does not have three years of service), they will receive the accumulated member contributions and vested employer contributions, plus interest, or may elect to receive this amount at a later date. If the member has vested, they have the option of applying for a refund or can remain as a terminated vested participant. If a member terminated and withdrew their accumulated member contribution and is subsequently reemployed, they have the option of repurchasing their previous service.

Member and Employer Contributions

Member and employer contributions paid to NDPERS are set by statute and are established as a percent of salaries and wages. Member contribution rates are 3% and employer contribution rates are 11.12% of covered compensation.

The member's account balance includes the vested employer contributions equal to the member's contributions to an eligible deferred compensation plan. The minimum member contribution is \$25 and the maximum may not exceed the following:

- 1 to 12 months of service – Greater of one percent of monthly salary or \$25
- 13 to 24 months of service – Greater of two percent of monthly salary or \$25
- 25 to 36 months of service – Greater of three percent of monthly salary or \$25
- Longer than 36 months of service – Greater of four percent of monthly salary or \$25

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018 the Association reported a liability of \$1,670,191 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. North Dakota State Fair Association's proportion of the net pension liability was based on the North Dakota State Fair Association's share of covered payroll in the Main System pension plan relative to the covered payroll of all participating Main System employers. At June 30, 2017, the Association's proportion was 0.103911% which was a decrease of 0.003249% from its proportion measured as of June 30, 2016.

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For the year ended September 30, 2018, the Association recognized pension expense of \$245,478. At September 30, 2018, the Association reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources	
Difference between expected and actual experience	\$ 9,928
Changes in assumption	684,891
Net difference between projected and actual earnings on pension plan investments	22,463
Changes in proportion and difference between Association contributions and proportionate share of contributions	16,612
Association contributions subsequent to the measurement date	113,636
	<u>\$ 847,530</u>
Deferred Inflows of Resources	
Difference between expected and actual experience	\$ 8,137
Changes in assumption	37,670
Net difference between projected and actual earnings on pension plan investments	-
Changes in proportion and difference between Association contributions and proportionate share of contributions	42,759
	<u>\$ 88,566</u>

\$113,636 reported as deferred outflows of resources related to pensions resulting from Association contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30:</u>	
2018	\$ 138,267
2019	169,089
2020	145,874
2021	125,401
2022	66,697
Thereafter	-
Totals	<u>\$ 645,328</u>

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Actuarial assumptions

The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%																		
Salary increases	<table> <tr> <th>Service at Beginning of Year:</th><th>Increase Rate:</th></tr> <tr> <td>0</td><td>15.00%</td></tr> <tr> <td>1</td><td>10.00%</td></tr> <tr> <td>2</td><td>8.00%</td></tr> <tr> <th>Age*</th><td></td></tr> <tr> <td>Under 36</td><td>8.00%</td></tr> <tr> <td>36 - 40</td><td>7.50%</td></tr> <tr> <td>41 - 49</td><td>6.00%</td></tr> <tr> <td>50+</td><td>5.00%</td></tr> </table> <p>*Age-based salary increase rates apply for employees with three or more years of service</p>	Service at Beginning of Year:	Increase Rate:	0	15.00%	1	10.00%	2	8.00%	Age*		Under 36	8.00%	36 - 40	7.50%	41 - 49	6.00%	50+	5.00%
Service at Beginning of Year:	Increase Rate:																		
0	15.00%																		
1	10.00%																		
2	8.00%																		
Age*																			
Under 36	8.00%																		
36 - 40	7.50%																		
41 - 49	6.00%																		
50+	5.00%																		
Investment rate of return	7.75%, net of investment expenses																		
Cost-of-living adjustments	None																		

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.0%	6.05%
International Equity	21.0%	6.70%
Private Equity	5.0%	10.20%
Domestic Fixed Income	17.0%	1.43%
International Fixed Income	5.0%	-0.45%
Global Real Assets	20.0%	5.16%
Cash Equivalents	1.0%	0.00%
Total	100%	

Discount Rate

For PERS, GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the System to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The current employer and employee fixed rate contributions are assumed to be made in each future year. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. In years where assets are not projected to be sufficient to meet benefit payments, which is the case for the PERS plan, the use of a municipal bond rate is required.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

The pension plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments through the year 2061. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments through the year 2061, and the municipal bond rate was applied to all benefit payments after that date. For the purpose of this valuation, the expected rate of return on pension plan investments is 7.75%; the municipal bond rate is 3.56%; and the resulting Single Discount Rate is 6.64%.

Sensitivity of the Association's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the North Dakota State Fair Association's proportionate share of the net pension liability calculated using the discount rate of 6.44 percent, as well as what the Association's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.44 percent) or 1-percentage-point higher (7.44 percent) than the current rate:

	1% Decrease (5.44%)	Current Discount Rate (6.44%)	1% Increase (7.44%)
Association's proportionate share of the net pension liability	\$ 2,267,335	\$ 1,670,191	\$ 1,173,392

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued NDPERS financial report.

Note 10 - Other Post-Employment Benefits**Summary of Significant Accounting Policies**

Other Post-Employment Benefits (OPEB). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the North Dakota Public Employees Retirement System (NDPERS) and additions to/deductions from NDPERS' fiduciary net position have been determined on the same basis as they are reported by NDPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the OPEB Plan***North Dakota Public Employees Retirement System***

The following brief description of NDPERS is provided for general information purposes only. Participants should refer to NDAC Chapter 71-06 for more complete information.

NDPERS OPEB plan is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits from the PERS, the HPRS, and Judges retired under Chapter 27-17 of the North Dakota Century Code a credit toward their monthly health insurance premium under the state health plan based upon the member's years of credited service. Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. The Retiree Health Insurance Credit Fund is advance-funded on an actuarially determined basis.

Responsibility for administration of the NDPERS defined benefit OPEB plan is assigned to a Board comprised of nine members. The Board consists of a Chairman, who is appointed by the Governor; one member appointed by the Attorney General; one member appointed by the State Health Officer; three members elected by the active membership of the NDPERS system, one member elected by the retired public employees and two members of the legislative assembly appointed by the chairman of the legislative management.

OPEB Benefits

The employer contribution for the PERS, the HPRS and the Defined Contribution Plan is set by statute at 1.14% of covered compensation. The employer contribution for employees of the state board of career and technical education is 2.99% of covered compensation for a period of eight years ending October 1, 2015. Employees participating in the retirement plan as part-time/temporary members are required to contribute 1.14% of their covered compensation to the Retiree Health Insurance Credit Fund. Employees purchasing previous service credit are also required to make an employee contribution to the Fund. The benefit amount applied each year is shown as "*prefunded credit applied*" on the Statement of Changes in Plan Net Position for the OPEB trust funds.

Retiree health insurance credit benefits and death and disability benefits are set by statute. There are no provisions or policies with respect to automatic and ad hoc post-retirement benefit increases. Employees who are receiving monthly retirement benefits from the PERS, the HPRS, the Defined Contribution Plan, the Chapter 27-17 judges or an employee receiving disability benefits, or the spouse of a deceased annuitant receiving a surviving spouse benefit or if the member selected a joint and survivor option are eligible to receive a credit toward their monthly health insurance premium under the state health plan.

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Effective July 1, 2015, the credit is also available to apply towards monthly premiums under the state dental, vision and long-term care plan and any other health insurance plan. The benefits are equal to \$5.00 for each of the employee's, or deceased employee's years of credited service not to exceed the premium in effect for selected coverage. The retiree health insurance credit is also available for early retirement with reduced benefits.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2018, the Association reported a liability of \$77,560 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The Association's proportion of the net OPEB liability was based on the Association's share of covered payroll in the OPEB plan relative to the covered payroll of all participating OPEB employers. At June 30, 2017, the Association's proportion was 0.098052%.

For the year ended September 30, 2018, the Association recognized OPEB expense of \$9,340. At September 30, 2018, the Association reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred Outflows of Resources	
Difference between expected and actual experience	\$ -
Changes in assumption	7,512
Net difference between projected and actual earnings on OPEB plan investments	-
Changes in proportion and difference between Association contributions and proportionate share of contributions	-
Association contributions subsequent to the measurement date	11,984
	<u>\$ 19,496</u>
Deferred Inflows of Resources	
Difference between expected and actual experience	\$ 1,892
Changes in assumption	-
Net difference between projected and actual earnings on OPEB plan investments	2,933
Changes in proportion and difference between Association contributions and proportionate share of contributions	54
	<u>\$ 4,879</u>

\$11,984 reported as deferred outflows of resources related to OPEB resulting from Association contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2018.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:

2018	\$	138
2019		138
2020		138
2021		138
2022		871
Thereafter		1,210
Totals	\$	2,633

Actuarial Assumptions

The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	Not applicable
Investment rate of return	7.50%, net of investment expenses
Cost-of-living adjustments	None

For active members, inactive members and healthy retirees, mortality rates were based on the RP-2000 Combined Healthy Mortality Table set back two years for males and three years for females, projected generationally using the SSA 2014 Intermediate Cost scale from 2014. For disabled retirees, mortality rates were based on the RP-2000 Disabled Mortality Table set back one year for males (no setback for females) multiplied by 125%.

The long-term expected investment rate of return assumption for the RHIC fund was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of RHIC investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Estimates of arithmetic real rates of return, for each major asset class included in the RHIC's target asset allocation as of July 1, 2017 are summarized in the following table:

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North Dakota State Fair Association

Notes to Financial Statements

September 30, 2018

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Domestic Equities	37.0%	5.80%
Small Cap Domestic Equities	9.0%	7.05%
International Equities	14.0%	6.20%
Core-Plus Fixed Income	40.0%	1.56%
Total	100%	

Discount Rate

The discount rate used to measure the total OPEB liability was 7.5%. The projection of cash flows used to determine the discount rate assumed plan member and statutory/Board approved employer contributions will be made at rates equal to those based on the July 1, 2017, and July 1, 2016, HPRS actuarial valuation reports. For this purpose, only employer contributions that are intended to fund benefits of current RHIC members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the RHIC fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on RHIC investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Association's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plans as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the RHIC net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Association's proportionate share of the net OPEB liability	\$ 97,096	\$ 77,560	\$ 60,815

Note 11 - Lease Agreements

The North Dakota State Fair Association, as lessor, has entered into lease agreements with local organizations for the use of Association buildings. The lessees have use of the facilities for established months of each year and the Association has use of the facilities for the period which coincides with fair time.

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North Dakota State Fair Association
Notes to Financial Statements
September 30, 2018

Lease terms are as follows:

	<u>Term and Expiration Date</u>	<u>Annual Rental</u>
Minot Soccer Association	5 years through September 2022	\$ 25,200
All Seasons Arena Ice Contract	1 year through January 2019	67,815
Norsk Hostfest Contract	3 years through October 2019	179,000
Minot Curling Club Contract	5 years through April 2022	7,200
North Dakota Firefighter's Association	5 years through March 2020	25,600
Minot Y's Men's PRCA	3 years through October 2020	18,867
Circus Contract	5 years through April 2021	8,350
Northwest Dakota Cellular of North Dakota	5 years through August 2019	20,000

The leases are accounted for as operating leases. All contracts are cancelable in the event the facilities specified within the contracts are destroyed.

The minimum aggregate lease revenue over the next four years is as follows:

<u>Years Ended September 30,</u>	<u>Amount</u>
2019	\$ 352,032
2020	264,405
2021	59,995
2022	32,400
	<u>\$ 708,832</u>

Foundation

The North Dakota State Fair Foundation leases land to Golf Minot, Inc. for an annual lease payment of \$25,000. The term of the lease is 49 years, expiring October 31, 2063.

Note 12 - Risk Management

The North Dakota State Fair Association is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The following are funds/pools established by the State for risk management issues:

The 1995 Legislative Session established the Risk Management Fund (RMF), an internal service fund, to provide a self-insurance vehicle for funding the liability exposures of State agencies resulting from the elimination of the State's sovereign immunity. The RMF manages the tort liability of the State, its agencies' employees and the University System. All State agencies participate in the RMF and their fund contribution was determined using a projected cost allocation approach. The statutory liability of the State is limited to a total of \$250,000 per person and \$1,000,000 per occurrence.

In 1986 State agencies and political subdivisions of the State of North Dakota joined together to form the North Dakota Insurance Reserve Fund (NDIRF), a public entity risk pool currently operating as a common risk management and insurance program for over 2,000 State agencies and political subdivisions. The North Dakota State Fair Association pays an annual premium to NDIRF for its general liability, auto, and inland marine insurance coverage. The coverage by NDIRF is limited to losses of one million dollars per occurrence.

The Association also participates in the North Dakota Fire and Tornado Fund and the State Bonding Fund. The agency pays an annual premium to the Fire and Tornado Fund to cover property damage to building and personal property. Replacement cost coverage is provided by estimating replacement cost in consultation with the Fire and Tornado Fund. The Fire and Tornado Fund is reinsured by a third-party insurance carrier for losses in excess of one million dollars per occurrence during a 12-month period. The State Bonding Fund currently provides the agency with blanket fidelity bond coverage in the amount of \$2,000,000 for its employees. The State Bonding Fund does not currently charge any premium for this coverage.

The agency participates in the North Dakota Workforce Safety and Insurance Fund (WSI), an Enterprise Fund of the State of North Dakota. The WSI is a state insurance fund and a "no fault" insurance system covering the State's employers and employees financed by premiums assessed to employers. The premiums are available for the payment of claims to employees injured in the course of employment.

There have been no significant reductions in insurance coverage from the prior year and settled claims resulting from these risks have not exceeded insurance coverage in any of the past two fiscal years.

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Note 13 - Restatement of Net Position

As of October 1, 2017, the Association adopted GASB Statement No. 74 and 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of these standards requires governments to recognize the net OPEB liability and the OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. As a result of implementing this standard, the Association reported a net OPEB liability of \$77,560 at year end in 2018. See additional information in Note 10.

Net Position - September 30, 2017, as previously reported	\$ 30,233,719
Restatement due to implementation of GASB 75, effect on net position	<u>(77,854)</u>
Net position - September 30, 2017, as restated	<u>\$ 30,155,865</u>

In accordance with GASB Statement No. 75, the 2017 financial statements were not restated as the appropriate actuarial valuations for the prior periods were not available.

Note 14 - Commitments

The North Dakota State Fair Association entered into a lease and concessions arrangement with M & S Concessions. The lessee is responsible to provide for its own concession equipment. In the event that the lease is not renewed or terminated, the Association is committed to purchase the equipment and improvements installed by the lessee at a price equal to "depreciated value." Depreciated value means the original cost of the equipment or improvements, less 10% per year from the date of installation to the date of termination. Estimated depreciated value at September 30, 2018 was \$137,945.

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Required Supplementary Information
September 30, 2018

North Dakota State Fair Association

Schedules of Required Supplementary Information

**Schedule of Employer's Share of Net Pension Liability
ND Public Employees Retirement System
Last 10 Fiscal Years***

	2018	2017	2016	2015
Employer's proportion of the net pension liability	0.103911%	0.107160%	0.103567%	0.110140%
Employer's proportionate share of the net pension liability	\$1,670,191	\$1,044,379	\$704,238	\$699,082
Employer's covered payroll	\$1,060,771	\$1,079,917	\$922,657	\$927,789
Employer's proportionate share of the net pension liability as a	157.45%	96.71%	76.33%	75.35%
Plan fiduciary net position as a percentage of the total pension	61.98%	70.46%	77.15%	77.70%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2015.

* Amounts presented have a measurement date of the previous fiscal year end.

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**Schedule of Employer Contributions
 ND Public Employees Retirement System
 Last 10 Fiscal Years***

	2018	2017	2016	2015
Statutorily required contribution	\$76,919	\$78,184	\$70,083	\$66,059
Contributions in relation to the statutorily required contribution	(\$76,622)	(\$76,995)	(\$75,526)	(\$129,425)
Contribution deficiency (excess)	\$297	\$1,189	(\$5,443)	(\$63,366)
Employer's covered payroll	\$1,060,771	\$1,079,917	\$922,657	\$1,101,162
Contributions as a percentage of covered payroll	7.22%	7.13%	7.60%	11.75%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2015.

Changes of Benefit Terms

(NDPERS will provide if applicable.)

Changes in Assumptions

Amounts reported in 2018 reflect actuarial assumption changes effective July 1, 2017 based on the results of an actuarial experience study completed in 2015. This includes changes to the mortality tables, disability incidence rates, retirement rates, administrative expenses, salary scale, and percent married assumption.

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Schedules of Required Supplementary Information

**Schedule of Employer's Share of OPEB Liability
ND Public Employees Retirement System
Last 10 Fiscal Years***

	2018
Employer's proportion of the OPEB liability	0.098052%
Employer's proportionate share of the net OPEB liability	\$77,560
Employer's covered-employee payroll	\$1,060,771
Employer's proportionate share of the net OPEB liability as a	7.31%
Plan fiduciary net position as a percentage of the total OPEB liability	59.78%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2017.

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North Dakota State Fair Association
Required Supplementary Information
Schedules of Employer's Share of OPEB Liability and Employer Contributions
September 30, 2018

Schedule of Employer Contributions
ND Public Employees Retirement System
Last 10 Fiscal Years*

	2018
Statutorily required contribution	\$12,331
Contributions in relation to the statutorily required contribution	(\$12,268)
Contribution deficiency (excess)	\$63
Employer's covered-employee payroll	\$1,060,771
Contributions as a percentage of covered-employee payroll	1.16%

*GASB Statement no. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Association will present information for those years for which information is available. Complete data for this schedule is not available prior to 2017.

Changes of Benefit Terms

(NDPERS will provide if applicable.)

Changes of Assumptions

Amounts reported in 2018 reflect actuarial assumption changes effective July 1, 2017 based on the results of an actuarial experience study completed in 2015. This includes changes to the mortality tables, disability incidence rates, retirement rates, administrative expenses, salary scale, and percent married assumption.

**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

The Board of Directors
North Dakota State Fair Association
Minot, North Dakota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the North Dakota State Fair Association and its discretely presented component unit as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise North Dakota State Fair Association's basic financial statements, and have issued our report thereon dated November 1, 2018. The report on the North Dakota State Fair Association was qualified due to departures from generally accepted accounting principles in recording the net pension liability.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Dakota State Fair Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Dakota State Fair Association's internal control. Accordingly, we do not express an opinion on the effectiveness of North Dakota State Fair Association's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the following deficiencies described in the accompanying schedule of findings and responses to be material weaknesses: 2018-A and 2018-B.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

What inspires you, inspires us. eidebailly.com

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Dakota State Fair Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Response to the Finding

North Dakota State Fair Association's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. North Dakota State Fair Association's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Bismarck, North Dakota
November 1, 2018

Financial Statement Findings

**2018-A Financial Statement Presentation
Material Weakness**

Condition: The North Dakota State Fair Association has not determined the net pension liability, and OPEB liability, as of a measurement date no earlier than the end of the employer's prior fiscal year.

Criteria: GASB No. 68 paragraph 48 (Accounting and Financial Reporting for Pensions) and GASB No. 75 paragraph 59 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions), requires that the net pension liability and OPEB liability, respectively, be determined as of a measurement date no earlier than the end of the employer's prior fiscal year.

Cause: NDPERS has hired an actuary to complete its actuarial valuation of the NDPERS cost sharing plan using a July 1 measurement date. An actuarial valuation as of July 1, 2018 has not been completed yet and therefore, the Association is unable to record the net pension liability and OPEB liability using the appropriate measurement date.

Effect: This item results in a departure from accounting principles generally accepted in the United States of America.

Recommendation: We understand that the measurement date used is not a result of misunderstanding or incompetence on the part of the North Dakota State Fair Association's management, but we recommend management evaluate the changes in the net pension and OPEB liabilities in future years to determine if the net pension and OPEB liabilities based on the previous years' measurement date are materially correct. In future periods, the North Dakota State Fair Association will have more information related to the changes in net pension liability and OPEB liability estimation, which will allow for a more accurate valuation of the net pension liability and OPEB liability as of October 1 for the prior fiscal year.

Management's Response: We utilized the most current NDPERS actuary numbers that were available to us during the audit timeframe. In order to utilize the July 1, 2018 numbers, we would have to leave our September 30, 2018 financial statements open for many months until those values are determined. Since the annual meeting for the North Dakota State Fair Association is held in November, we need to finalize our financial statements in October in order to report them in November. Thus, it was determined it's in the best interest of all parties to base our GASB No. 68 and No. 75 implementation on the only figures we had available at the time.

**2018-B Valuation of Notes Receivable
Material Weakness**

Condition: The North Dakota State Fair Foundation (Foundation), a discretely presented component unit of the North Dakota State Fair Association does not have any internal controls over the valuation of their notes receivable. During the year-ended September 30, 2018 the Foundation had \$1,110,000 of notes receivable to Golf Minot, Inc. The Foundation had no allowance set up for these notes receivable and the notes were unsecured.

Criteria: A good system of internal control contemplates an adequate system for the reviewing of valuations of significant estimate, including the valuation of notes receivable.

Cause: The Foundation receives a valuation, but its internal control structure is not designed to provide a review of the valuation of notes receivable.

Effect: The lack of the valuation over notes receivable increases the risk of a material misstatement in the financial statements, which would not be detected and corrected on a timely basis.

Recommendation: We recommend that the procedures and policies over the valuation of significant estimates be reviewed to include processes over the valuation of the notes receivable.

Management's Response: Management agrees with the finding and will continue to monitor the Foundation's policy over significant estimates.

To the Members of the Board of Directors
North Dakota State Fair Association
Minot, North Dakota

We have audited the financial statements of *North Dakota State Fair Association (Association)* as of and for the year ended September 30, 2018 and have issued our report thereon dated November 1, 2018. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated September 10, 2018, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Association solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding a significant control deficiency during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated November 1, 2018.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices*Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Association is included in Note 1 to the financial statements. As of October 1, 2017, the Association adopted GASB Statement No. 75, *Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pension*. The implementation of this standard replaces the requirements of GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and requires governments calculate and report the costs and obligations associated with postemployment benefits other than pensions (OPEB) in their basic financial statements. Employers are required to recognize OPEB amounts for all benefits provided through the plan which include the total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense. The effect of the implementation of this standard on beginning net position is disclosed in Note 13 and the additional disclosures required by this standard is included in Note 10. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the net pension liability and other postemployment benefits is based on an actuary's calculation in accordance with the employment contracts. We evaluated the key factors and assumptions used to develop the net pension liability and other postemployment benefits and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Foundation's estimate of the allowance for doubtful accounts is based on an appraisal report of the property. We evaluated the key factors and assumptions used to develop the allowance and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. There were no such particular disclosures.

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Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no corrected or uncorrected misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Associations's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management which included in the management representation letter dated November 1, 2018.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Association, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Association's auditors.

We applied certain limited procedures to the Management's Discussion and Analysis, the Schedule of Employer's share of Net Pension Liability and Schedule of Employer Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Modification of the Auditor's Report

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We have made the following modification to our auditor's report.

We issued a qualified opinion in our auditor's report.

This report is intended solely for the information and use of the Board of Directors, and management of North Dakota State Fair Association and is not intended to be and should not be used by anyone other than these specified parties.

Eide Bailly LLP

Bismarck, North Dakota
November 1, 2018

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Senate Appropriations
Chairman Ray Holmberg
February 27, 2019

By: Tom Barry
City Manager, City of Minot
tom.barry@minotnd.org
701.857.4750

HB 1009

Chairman Holmberg and Members of the Senate Appropriations Committee, my name is Tom Barry. As City Manager in Minot, I am here in support of HB 1009.

The City of Minot considers it a tremendous honor to host the North Dakota State Fair. We are grateful for the investment this state has placed into the facilities and programs that support a successful fair.

The State Fair is an important statewide event. Families come from throughout North Dakota and from nearby states to participate in shows, events and entertainment associated with the fair. This also makes it an important economic activity for the City of Minot. It has become a part of our culture—an annual ritual that draws us out of our homes and into the community.

For our youth throughout the state, especially those in 4-H and FFA, the State Fair represents the highlight of their efforts. The opportunity to showcase their livestock, projects and talent is just the tip of the iceberg. For many youth, the State Fair represents hours of hard work and determination—the kinds of characteristics so desperately needed in our North Dakota workforce. They are developing life-long skills.

Your continued support of the State Fair, including the premium dollars used for awarding our 4-H and FFA youth, will not go unrecognized. Thank you for your time today.

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Hello, Mr. Chairman. My name is Brianna Maddock, and I am originally from the Kindred area. Today, I am speaking on behalf of the members in ND who wear this blue jacket in regards to the State Fair.

As you may know, agricultural education is based on a three-component model: FFA, experiential learning, and classroom education. When the 5,800 FFA members throughout the state don these blue jackets and are present at state and national events, we get to display the FFA component of this circle. However, the classroom and experiential learning aspects are sometimes forgotten. This is where the state fair plays a huge role. Just as the state basketball tournament is the highlight of the basketball season, the state fair is a highlight of the agricultural education one. Every year, students are able to present mechanic and shop projects, horticulture exhibits, educational displays, show livestock, and more. The state fair gives students the chance to educate individuals about the skills they develop through agricultural education as well as show off the many hours of work they have put into every detail of their exhibits. The support the legislature gives through this bill makes this all possible.

This past year serving as a state officer, I had the strenuous yet rewarding task of helping to set up the exhibits. Out of the 23,789 exhibits present this year, one in particular drew my attention. The Bismarck FFA chapter brought a Ficus tree to the fair. Its top branches were bent due to the height of the ceiling, and it took some crafty maneuvering to get it through the door. The members who brought it in shared stories about the precise schedule they followed to care for the tree, and the lessons their botany class received about this impressive plant. Their faces lit up while educating me about the importance of well-kept watering times and temperature ranges. This tree had given them learning experiences and a goal to work towards: they wanted to win the grand champion ribbon and the premium money that came along with it.

This experience I share is just one of the 23,789 FFA exhibits. Each has its own story to tell of learning, hard work and achievement.

Put simply, this money is an incentive for our members to show off everything they have learned in their agricultural education programs. It is likely that without this money, I would not have been educated about an exotic tree. Furthermore, the public would not have the opportunity to be educated by our next generation of agriculturists.

So, it is with pride in these FFA members and a belief in all of the good the state fair brings, that I ask the committee to continue this showcase of agricultural education by providing your support for ~~SB~~ HB 1009.

Thank you, Mr. Chairman, for giving me the time today to highlight the importance of the state fair to agricultural education.

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p 1

Mr. Chairmen and members of the committee,

My name is Connor Rudland,

I would like to thank you for all the support you have given to the ND State fair for the 4-H and FFA programs.

I have shown 1 Goats and have displayed items at the ND State fair for 4 years. (At the 2018 North Dakota state fair my goat and I got 4th place)

See picture.....

It's a long story but I'm rereading my goat the rules. Apparently she wasn't paying attention the first time....

4-H has given me the knowledge and skills to grow as a person and the ND State fair has given me the place to display and show off the things I have learned.

I am a member of ^{Gasman Helping Hands} 4-H club. And I am very proud to have been elected by my 4-H club as an officer.

I am here today to ask for your continued support of premium dollars for prize money at the ND State fair.

Thank you,

Are there any questions.

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p1

Hello, Mr. Chairman. My name is Caleb Boehm, and I am from Colfax, North Dakota, just south of Fargo. I am privileged to be representing not only the FFA members from the east side of the state, but all 5,800 members across the state who have the opportunity to show at the State Fair.

The fair and I are no strangers. Since I was a seventh grader I have helped load and unload projects in July. Every year, six of our neighboring schools rent a semi and bring hundreds of exhibits to the fair. At first, I felt like I was simply being forced into physical labor. However, as I approached my senior year I realized something. I realized that every project I was unloading had a story. Somewhere across the state, a student put blood, sweat, and tears into this project. They knew that this project would be showcased at the state level and did their best to create something worthy of being seen.

Premiums add a huge incentive to bring projects to the state fair. Take, for instance, my home chapter; Richland 44. Our chapter built a fish house from scratch last year. Using carpentry, welding and electrical wiring skills we learned in class allowed us to build and exhibit something we could be proud of. This project cost over \$4000 to complete. The fair premium that was awarded for our Grand champion fish house didn't even pay for a tire, but what it DID do was give financial incentive to continue to learn, as well as start new projects. This incentive benefitted my chapter greatly and helped encourage them to learn and grow in a practical way. It's experiences like this that will lead students to find success in the workforce.

The state fair is a great way to showcase the works of students from every corner of the state and recognize the achievements of these unique individuals. I ask that you continue to recognize these individuals by supporting SB_____. Mr. Chairman, I invite you and all in this room to visit this showcase of FFA/4-H and open show at the 2019 ND State Fair. Thank you, Mr. Chairman.

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A 2

P 1

Good Morning _____ my name is Kaden Korgel. I am in the South Prairie FFA chapter and the Afton Country Kids 4-H club in Ward County. Being a part of 4-H and now FFA, have been a huge part of my life for as long as I can remember. From going to livestock shows to my static projects. And participating in many judging events along the way. 4-H and FFA have been my way of proving people I can do things even if they think I cannot. I can tell you right now my mom is rolling her eyes behind me. Because she has told me I couldn't do some things and I love proving her wrong. Which might be the reason we now have 4 species of animals on the farm 😊. Or me going over and beyond to work my butt off to prove whomever doubts me. This is what 4-H and FFA has instilled in my character. Like the quote says "hard work, works". This has been not only my mind set but many others in 4-H and FFA. Not only do these programs promote leadership, respect, positive attitudes, and most of all instills confidence in young men and women to achieve individual and team achievements. Which translates over when you are older and into the work force.

With a down grade or upgrade in these premium funds, will directly impact the amount of participation in these programs, because if you aren't making any money to keep these kids projects going they won't be able to do them at all. Which then means less of these kinds of hard working young men and women coming into your work force.

I would like to thank you for your time and future support and invite you to come find me in the barns at the 2019 North Dakota state fair if you have any questions.

P 1

19.0197.02001
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Senator Krebsbach
April 2, 2019

HB1009 4-3-19

#1
P1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1009

Page 1, replace lines 11 and 12 with:

Premiums	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total general fund	\$515,665	\$54,335	\$570,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1009 - State Fair Association - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Premiums	<u>\$515,665</u>	<u>\$515,665</u>	<u>\$54,335</u>	<u>\$570,000</u>
Total all funds	\$515,665	\$0	\$54,335	\$54,335
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$515,665	\$0	\$54,335	\$54,335
FTE	0.00	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Senate Changes

	Increases Funding for Premiums ¹	Total Senate Changes
Premiums	<u>\$54,335</u>	<u>\$54,335</u>
Total all funds	\$54,335	\$54,335
Less estimated income	<u>0</u>	<u>0</u>
General fund	\$54,335	\$54,335
FTE	0.00	0.00

¹ Funding is increased for premiums to provide a total of \$570,000. The House provided \$515,665 of funding for premiums.

Att 1 HB 1009 4/23/2019

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2009 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
State Fair Association Premiums	\$532,665	\$515,665	(\$17,000)
Total all funds	\$532,665	\$515,665	(\$17,000)
Less estimated income	0	0	0
General fund	\$532,665	\$515,665	(\$17,000)
FTE	0.00	0.00	0.00
Bill Total			
Total all funds	\$532,665	\$515,665	(\$17,000)
Less estimated income	0	0	0
General fund	\$532,665	\$515,665	(\$17,000)
FTE	0.00	0.00	0.00

Senate Bill No. 2009 - State Fair Association - Senate Action

	Base Budget	Senate Changes	Senate Version
Premiums	\$532,665	(\$17,000)	\$515,665
Total all funds	\$532,665	(\$17,000)	\$515,665
Less estimated income	0	0	0
General fund	\$532,665	(\$17,000)	\$515,665
FTE	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Senate Changes

	Decreases Funding for Premiums ¹	Total Senate Changes
Premiums	(\$17,000)	(\$17,000)
Total all funds	(\$17,000)	(\$17,000)
Less estimated income	0	0
General fund	(\$17,000)	(\$17,000)
FTE	0.00	0.00

¹ Funding for premiums is decreased by \$17,000 to provide total funding of \$515,665.

Senate Bill No. 2009 - State Fair Association - House Action

This amendment:

- Adds a section to provide legislative intent that the State Fair Association use \$17,000 of its operating fund to supplement funding for premiums for the 2017-19 biennium. The House did not change the Senate level of funding for premiums from the general fund of \$515,665.
- Creates a new section to North Dakota Century Code Chapter 4-02.1 relating to facility operations or maintenance costs on the state fairgrounds.

ATT 1 HB 1009 4/28/2019

Senate Bill No. 2009 - State Fair Association - Conference Committee Action

This amendment creates a new section to Chapter 4-02.1 relating to facility operations and maintenance costs of the State Fair Association. The House had added a similar section relating to facility operations and maintenance costs and a section of legislative intent relating to State Fair premiums which is not included in the conference committee amendment.

Att 1 HB 1009 4/25/2019

Krebsbach, Karen K.

From: Renae Korslien <renae@ndstatefair.com>
Sent: Thursday, April 25, 2019 9:50 AM
To: Krebsbach, Karen K.
Subject: Premium dollars appropriated by State

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

2011-2012	\$546,000	Appropriated and received
2013-2014	\$558,000	Appropriated and Received
2015-2016	\$570,000	Appropriated
	\$532,665	Received first year and then had to pay back lowering the \$570,000 committed down
to \$532,665		
2017-2018	\$515,665	Appropriated and received

"Life is Fair!"

NORTH DAKOTA STATE FAIR 1965-2019

The North Dakota State Fair
is here to serve the people of North Dakota
and the region by promoting agriculture,
education, commerce and entertainment!

Remember everytime you sit down at the table you are a part of agriculture.

*Renae Korslien, CFE
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