January 6, 2021 Senate Appropriations Hearing Roughrider Room

Renae Korslien, Manager North Dakota State Fair

Good Afternoon – Chairman Holmberg and members of the Senate Appropriations Committee. My name is Renae Korslien and I am the Manager of the North Dakota State Fair.

We are here today to ask for your support of the premium dollars for the 4-H, FFA and Open Class Exhibitors during the State Fair. SB2009 states that the Executive Recommendation is for \$515,691.

Many of you know that every dollar of this appropriation is paid out to these exhibitors and that no portion is paid out for producing each of these competitions. As you look through your annual report you can see that in a normal year each division has expenses for putting the show on in addition to the premium dollars. The fair does not use any of these dollars for operating, salaries or anything other than premiums and are audited each year by Eide Bailly.

The 2020 State Fair was cancelled due to Covid 19. Many people in every segment of the fair were disappointed, but probably no one as much as the 4-H, FFA and Open class exhibitors that had worked all year long on preparing their projects for competition. These projects were worked on with their Mom and Dad, Grandma and Grandpa, 4-H Leaders and FFA Advisors. This was time well spent..especially in this day when we have the big challenges of our youth spending too much time with their heads bent and looking down at some electronic device!! We need to help our young folks to learn to take responsibility of caring for an animal, learn the art of needlework, the technique of good photography... the list goes on and on. In 2019, we had 45,713 exhibits on the fairgrounds during the nine days of fair. They missed the fair in 2020 and so many of those exhibits plus the exhibits for 2021 will be on display in one year! A normal biennium is over 90,000 exhibits at the fair. The State Fair only drew half of the appropriation for the last biennium, leaving \$271,416.50 not drawn from the general fund. Please consider putting some of those dollars back into SB2009. During the biennium of 2015-2016 our appropriation was \$570,000, please allow these premium dollars to be back to that level. The difference of the Executive Recommendation and the \$570,000 is \$54,309.00. That is only 20% of what was not drawn last year. Please consider this for SB2009. We are missing having these great exhibitors here today to tell their incredible stories of success at the fair... possibly winning an award, but the knowledge they gained by working hard and not giving up. Development of today's youth as our **COUNTRIES FUTURE LEADERS.**

Now a review of our year.....

Our fiscal year runs from October 1, 2019 to September 30, 2020.

August of 2019, the FMCA 100th Convention was held at our facilities, (their rental payment was made in October 2019). 2,000 coaches made their way across the United States to be at this convention and stay with us in North Dakota for five or more days. They were not only in Minot, but several spent additional days at the Peace Gardens, Heritage Center, Lake Sakakawea, Medora and other locations throughout the state. This was a good event for us, but it was also an economic boost to the State of North Dakota. This convention took over the grounds 10 days after our fair...it was a very intense turn around for the staff at State Fair, but we were excited about the challenge. To get the grounds ready and have it cleaned so well that no one could tell that one of the "barns" they were using had housed pigs and sheep for 10 days before FMCA sold it to a Motor Coach company that displayed one and two million dollars coaches. ©

Please take a look at page 20 in the white pages of our annual report. The building rentals look like we are ok..but that is because FMCA made their rental payment of \$150,000 and Hostfest make their rental payment in October of 2019. So with Hostfest cancelled in 2020 and no FMCA the building rental line is down \$250,000, plus our facilities were in lock down from Mid March 2020 and hopefully we will be up without restrictions this mid March 2021.

State Fair lost it's harvest income when the fair was cancelled. We lost over three million dollars in revenue and that is not figuring in any cost of the grandstand loss. So now what? How do we go on from here? We laid off 50% of our employees in May, when we announced the cancellation of the fair. Those of us left had to pick up the pieces. We watched every cent that was spent..utilities, insurance and salaries had to be paid, some of the advertising, capital improvements budget had already been spent, printing of books and other items had been purchased before the cancellation. If we get to open up the facilities for rental in March and get to have a fair in 2021... we won't be back to where we were, but we are confident that we can make it. But we do need your help with additional premium dollars.

Note that the auditor's report is from 2019...the explanation of that is because the auditors cannot finish the audit report until the numbers for the pension liability can be received from NDPERS. That is the only item left to be audited and the State Fair will receive a clean audit for 2020. If they complete the report before receiving this number (hopefully sometime in January) there will be a "finding" and the report will be modified for a departure from generally accepted accounting standards. The NDPERS report and any entry to the financial statements that might be required, is critical to receiving a clean audit.

The North Dakota State Fair has a concern for flood protection for the fairgrounds. Please remember theses state buildings need protection!! Only making that statement for you to remember during your conversations regarding flood protection throughout this session.

Please ask me questions... I like to talk about "Fair".

Renae

From:

Julie Fornshell <pjfornshell4@yahoo.com>

Sent:

Monday, January 4, 2021 6:03 PM

To:

renae@ndstatefair.com

Subject:

Support for 4-H

I ask that you share this with legislator's at the upcoming budget hearing:

As a citizen of ND and former 4-H member (years ago), parent of former 4-H members and former club leader, I am asking the legislature to support 4-H and 4-H premium dollars. 4-H helps to develop the future leaders of our communities, state and country. It teachers so many valuable life lessons including leadership, public speaking, the process of seeing projects through to completion, career exploration, community service, and many other lifelong lessons. It also provides mentors for our youth through club leaders, other parents, and extension staff. It definitely provides an outlet and a way for kids to be successful if they have interests and talents outside of sports or music. The arts, gardening, caring for animals (from bunnies and chickens to goats and horses), baking, woodworking, welding, scrap booking, photography, child care, cake decorating, agronomy, and STEM related projects are just a few of the many areas that my children and club members have explored.

Please support 4-H and the valuable contribution it plays in our state.

Julie Fornshell 701-222-2961