

2009 SENATE APPROPRIATIONS

SB 2009

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No.2009

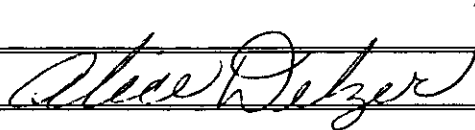
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 01-23-2009

Recorder Job Number: 7641

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee hearing to order at 10:30 am. In reference to SB 2009 in regards to the State Fair. There is a couple of Legislatures that have to go back to their committees that would like to say a few words.

Representative Lisa Wolf, District#3, Minot, ND testified in favor of SB 2009 and stated North Dakota State Fair is the heart of my district and I am here today to offer my support because we need a grandstand. It needs to be built and I thank you for your consideration.

Senator Robert M. Horne, District #3, Minot, ND testified in favor of SB 2009 and asked the committee to give it a Do Pass.

Gary Knell, President of North Dakota State Fair testified in favor of SB 2009 and stated they have 9 directors. Each region elects their own director to the fair board. He introduced them: Chuck Meikle, Vice President, Spiritwood; Lee Ann Karsky, Treasurer, Dickinson; Dennis Wendel, LaMoure; Connie Hanson, Devils lake, Butch Haugland, Ambrose; Tim Clark, Fargo; Neil Fleming, Cavalier; and Kandi Mikkelson, Secretary, Minot.

Chairman Holmberg : Two issues, the general fund and the budget minus any capital kinds of projects. Is anyone going to testify against this? There was no one. Anyone here to testify against the capital construction in this bill? No one wanted to testify against any part of the bill.

Bob Wagoner, General Manager of the State Fair. Testified in favor of SB 2009 and provided written testimony # 1 in favor of the bill. He went through the folder, which consists of booklets concerning the fair and shows many different elements of the state fair. He drew attention to the 2 sheets concerning the grandstand which includes facts and figures related to the grandstand project. He shared the importance of 4H and FFA programs that the Fair provides and a brochure in packet shares this vital information. Almost every single county is represented at the State Fair. He gave the Annual Report (also in the packet) for the 2008 State Fair and pointed out the highlights of this brochure. North Dakota produces one of the premier agricultural State Fairs in North America He compared FFA statistics for 30 years because there were several FFA students in the audience, the same with 4H. The importance of those programs to stay healthy we work hand and hand with these organizations to continue that. A lot of judging makes for a great fair.(23.29) Page 40 shows the total over the year a tremendous amount of local and fair money being spent over the years for capital projects. We hope that continues. Now if we can build the grandstand and ask the state to fund that the fair would take over the maintenance and upkeep of that grandstand. A lot of thought has gone into this. We are asking the state to help us for the full funding of the grandstand. Page 42 lists areas revenues go back into the state. He referred to Pie chart Testimony #2 shows funding and expenses. In closing the Fair benefits the entire state and that will continue. We need your help. The grandstand is what brings people into the Fair. They learn about the history of the state and spend money while they are there. Our grandstand is our biggest piece.

Senator Robinson: On the grandstand, you indicate demolition in September of 2009 and completing the grandstand in 2011. What do you plan to use for a grandstand in 2010?.

Bob Wagoner: When this had to go to press I chose to take the absolute worst case scenario for this particular piece but that is not our intention. Our intention is If we can move quicker, be able to be open in 2010.

Chairman Holmberg stated that the subcommittee would like to know because there was a request for a building last time at a much different price so they need the plans and information as to the amount. We don't need it today but they will want to look at that.

Senator Krauter Had questions regarding the 2008 dollar amounts on the balance sheet stating the numbers don't reconcile. He was told by Bob Wagoner that he will go over that issue with him. (34.20)

V. Chair Bowman: There is commitment, everyone supports the State Fair, the issue of this bill is getting down to the funding for the grandstand. What is the total economic impact to Minot, there has got to be a huge impact.

Bob Wagoner: The economic numbers which are in the brochure, that is statewide, we get so much money spent across the state. I don't know that number.

V. Chair Bowman: Someone has got to have an idea. Two years ago I fought to give to this community to see if they could generate from the local community. What did you do with the money? Did that dissipate?

Bob Wagoner: Some spent on architectural work, on a study, some on materials, but again in reviewing what the local people have put the general condenses is that the local community has put in a substantial amount to help fund the Fair. A video was shown at this time. (38.07)

Jerry Iverson, Friend of the State Fair: testified in favor of SB 2009. (No written testimony) Stated he used to be employed at the State Fair. He has continued to work with FFA and now serves on state 4H Foundation Board. He comes, not as employee, but someone who has been involved with the State Fair since 1970. He's seen good kids given special opportunity. I

have never walked across the street to avoid a gang of FFA members. State fair is a service agency; a great steward of natural resources. These events are home grown. The Norwegian Hostfest is home grown, KX News puts on a wonderful sports show. Everything is home grown, when you look at what is happening at the Fair and that is why the people of Minot have given to the State Fair. It is a magic thing. The International association of Fairs gave 48 international awards in the last 5 years to the Minot State Fair. Most of those awards were won from agricultural programs. If it is not upgraded those wonderful family affairs will be diminished..(47.25). The revenue from the grandstand is necessary to continue the fair. Society has changed. We know a new facility would meet those needs of handicapped. In 1981 I included a grandstand update knowing someday it would have to be replaced. I hope that day has come. I want to thank you and ask you to continue to support the State Fair and pass this bill.

Daren Spellog, FFA President, Landgon ND testified in favor of SB 2009. (No written testimony) This past summer was the first year I went to the Fair and I was sold. Food was a very large influence also but the concerts, midway, rows and rows of exhibits brought by high school students around the state all of these and more is what makes the Fair so great There is about 18,000 exhibits, that process starts day before the fair in a semi, when they get there as a state officer they need help unloading, and the process begins. You see all these AG teachers, (50.47) trying to get all things set up and by the time they are judged it is a very nice presentation at the end of day. The kids need these premiums, so if they don't get this, there is something missing. Our youth need this so please support this bill.

Chairman Holmberg asked everyone to sign the Registration Form and submit their testimonies to the clerk. (53.02)

Nicole Behm, Beulah FFA Chapter testified in favor of SB 2009 and provided written testimony # 3 Testimony in support of SB 2009.

Courtney Bischof, Senior at Lisbon Public School and member of FFA and 4-H testified in favor of SB 2009 and provided written testimony # 4 in support of SB 2009 (64.57)

Charlene Carlson, McLeod, ND and a Sophomore at Lisbon High School testified in favor of SB 2009 and provided written testimony # 5 in support of the bill. She stated the State Fair is their family vacation. (59.12)

Senator Mathern Being your family is from McLeod do you show your animals in Fargo or do you go all over the whole state? She told him they go all over the state.

Robert Vallie, Southeast Region Vice President on behalf of the ND FFA Association testified in favor of SB 2009 and provided written testimony #6 in support of bill but specifically to the part of premiums for exhibitors. (60.15 through 64.06)

Chairman Holmberg There will be a couple of members from this committee that have to leave because they have floor responsibilities prior to the opening of the session.

Duane Brekke, testified in favor of SB 2009. (No written testimony) (64.22 through 70.06)

Wendy Howe, Executive Director Destination Marketing Association of North Dakota testified in favor of SB 2009 and provided Testimony # 7 in support of the bill..

Chairman Holmberg stated there will be a subcommittee meeting on this. He then closed the hearing on SB 2009.

DuWayne Henderickson submitted written testimony #8 in opposition to SB 2009 and was submitted to the clerk to be entered into the records in reference to SB 2009 on 01-27-2009 (after the hearing). Chairman Holmberg delivered the copy of testimony to the clerk on 01/27/2009.

Chester Reiten, President, Norsk Hostfest submitted written testimony #9 in support of SB 2009 and was delivered to the Harvest Room on 01/27/09 (after the hearing) to be filed in the records for SB 2009.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2009

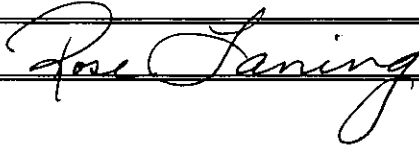
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 10, 2009

Recorder Job Number: 9136 (starting at 5:50)

Committee Clerk Signature



Minutes:

Chairman Holmberg opened discussion on SB 2009 which regards the state fair.

Senator Krebsbach: I'm passing out responses to most of the concerns that were questioned here during committee hearing. The first sheet is the answer to Senator Krauter's question on the breakdown of the grandstand revenue. I think everything is there and if not we can address them. The next sheet is the one Senator Bowman was concerned about and that was the appropriated funds from the 07-09 sessions. There is still a balance of \$81,073 on the \$250, handed out information, cost estimates and dollar breakdown on the new grandstand which addressed the concerns of the committee. August 18, 2006 figures presented in last session.

Senator Krauter: I requested material and questioned the figures on ticket sales. And also Classic Car show and Novelty percentage paid to Fair by Events. He took income from this schedule and it's about 200,000 net to the good. 17M for something that nets 200,000 a year.

V. Chair Bowman: 2 years ago when project wasn't going to pass out of this committee, I made suggestion to give \$250,000 to Minot so they could find funds so it wasn't all on the state to finance. But with no commitment on a facility that they are beneficiary of, it's still a major impact to one community. When you look at what they did with the money, it looks like they didn't try and get any matching funds and that was big disappointment to me.

Senator Krebsbach: If you look at the amount of money invested in the community of Minot, the county of Ward; and the State Fair Board has invested a lot and they would like help from the state. Travelers spend a lot of money in state. The County has mil levy that supports state fair annually. In leu of the fact that the State Board didn't want people to cough up again, we did market analysis and feasibility study, and it was determined it wasn't good to go back to same well.

Chairman Holmberg any additional questions.

V. Chair Bowman: Estimated cost – when we got bid for veterans' home it was \$4 M lower than before. Is this actual bid cost or is this estimated bid cost before you have people looking for work to come and bid on it, which might lower it by x # of \$, but things have changed considerably since two years ago.

Senator Krebsbach: This is strictly a cost bid estimate; we haven't gone into a bidding process yet because we haven't been granted the money. As you see the total cost here is almost \$18M, so I think they are already considering that there are cost savings someplace in this.

Senator Seymour: On Feb 5 a bid letting was taken @ MSU for Swede Hall, the bid was \$3M more \$\$\$ than projected by the city of Minot.

Senator Fischer: What was the time difference? (2005 till today)

Joe Morrisette: Fiscal Analyst and OMB Conference committee amendment provided 250,000 for startup funding for a new grand stand. Amendment states difference between House and Senate.

Senator Krebsbach indicated that it could be used for promotional and we checked to make sure expenditures fell within guidelines.

Senator Robinson: On last three pages, question #7, can the proposed grandstand be expanded? Was there a change in package since two years ago – size, scope and amenities?

Senator Krebsbach: Offhand I think they were referring to the cost structure. I don't think size structure was changed, nor anything added.

V. Chair Grindberg: Page 4, 2006 estimates had 10,000 seats. In new proposal, the new grandstand will provide 7000 seats.

Senator Krebsbach: Drawing from memory, but think its 7000 seats under the roof.

Senator Krauter: I think we're all supportive of the state fair. I have hard time with 17 M increase. It draws me to scenario to college at Dickinson, came to legislature with proposal with 6000 dollars. Thru efforts of fund raising got it to 16 M. I was impressed-they raised 100% of the money. But when it comes to \$17M – I don't see any documentation that they tried to raise anything. I want to support it, but I don't see any local effort.

Senator Krebsbach: I think the contributions that have been made locally, they speak for themselves. It was initially 25 M then they went with bare bones for 10 M. We are competing with events across the country. Facilities demand different things. I don't think this is out of line. I think it's the states obligation to fund it.

Senator Robinson: I am struggling because we have supporters and where I am struggling is with amount. The concern is costing more than the Bank of ND. All is positive, but the amount of project is too much. I wish there would be options rather than up or down.

V. Chair Bowman: Is there any reason why we couldn't put in \$12.5M as starting point. I'm willing to negotiate. I don't know if it will work or not. Hope somebody would step to plate.

Economic impact is \$25 M /year. Is it appropriate to make amendment?

Chairman Holmberg: You can make a motion to amend the bill.

V. Chair Bowman: moved to give \$12.5M amend to HB 2009.

Senator Wardner: seconded

Senator Robinson: As a technical question can they spend 25 M

Chairman Holmberg: And they can have additional authority to go to 25M.

Senator Krauter: Is it general fund and special funds so it matches.

Senator Mathern: Direct to Senator Krebsbach, Final project would be difficult to community to know how to respond. If went to community and they rose 30 M, another way of making amendment. As cost estimate, we'd cover 13.7 and project costs 13.9. I'm just raising another way of approaching project.

Chairman Holmberg: All in favor of amendment. Favor 7, opposed 6, and absent 1 with spending authority to whatever is right.

Senator Christmann: Finish sentenced. 12.5 general fund money and they raise the rest.
\$18

Chairman Holmberg need to make adjustments based on what happens.

V. Chair Bowman: Motion for a Do Pass as Amended

Senator Wardner: Seconded

A Roll Call vote was taken. Yea: 10 Nay: 3 Absent: 1

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009

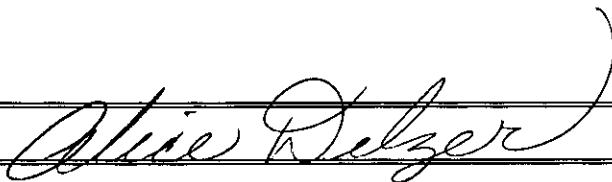
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02-12-09

Recorder Job Number: 9429

Committee Clerk Signature



Minutes:

Chairman Holmberg called the committee back to order in reference to SB 2009 regarding the state fair.

Senator Warner I move that we reconsider our actions by which we passed 2309 (he corrected himself it is to be 2009) (43.59)

Chairman Holmberg This is the state fair bill. All in favor say aye. Opposed, none, it is before us. Why are we taking this up?

Senator Krebsbach I have additional information and I have requested an amendment. I don't if it is ready. The amendment simply reads to change the amount in the bill. The committee did pass out a certain dollar amount(45.24) A Lot of the problems were the committee felt that the people from this area should be doing more and as these sheets come out to you I just wanted to show what the community and the area of Minot has been doing. Of course you have heard over and over again about the money in capital money that has been given by the community. There is constantly things that are going on that the community supports there. in addition to that annually the city of Minot contributes 1% of the hotel-motel tax to the operation of the state fair and Ward County contributes 2 mills annually to the state fair. These two combined equal (46.17) money in this past year. And in addition to that there is money and a good part of that comes from the business community. I think what I am trying to get across to you is that when

we try to go after more money for a fixture on the state fair grounds that really becomes state property that the state has an obligation to fund a good part of that when the community has been giving to the ends that they are. Now this other money I am talking about, the 1% tax on hotel-motels and mills from the county that is ongoing year after year. So they have already contributed greatly in that area as well. I will move that we change or amend the bill to read a certain dollar amount (47.25) for the grandstand project. **I move that as a motion.**

Seconded by Senator Warner.

Senator Christmann had more questions regarding if the fair people would be happy with the dollar amount and some funds be raised locally.

Senator Krebsbach Your concern is a valid one. I have visited with the people from the state fair and they said it is a workable number for them. If they do need additional dollars, which I am sure they will, they will try to do that through other means. I would still like to have the continuing appropriation at the other number that was on the other bill. I can't guarantee what the other side of the aisle will do, but I will not proceed further.

Senator Mathern had further questions regarding the amount the committee is supporting for the grandstand.

Senator Krebsbach My interpretation would be the state would be contributing to the grandstand project whatever price it comes in at.

Chairman Holmberg The bill as it was amended the other day stated that the state's contribution would be at a certain amount, and we set an upper limit, because they have to go and raise whatever the difference is and the reason we set that is so that if they go out and raise a certain amount they can spend it. They have the spending authority to do it.

V. Chair Bowman I am going to support this. When I made the motion I wanted this discussion done so we could hopefully get through this. One correction; as far as I'm

concerned the city of Minot contributing the one cent hotel tax is all from out of town. All they're doing is turning it back over to the fair. That is a nonissue to me but it's kind of misrepresenting the troops because if I go up and stay in a motel I am paying the tax and that tax referring back to the fair.

Senator Krebsbach Yes you are correct. The majority of that tax comes from out of town visitors. However, the city could use that tax in other means for things within the community if they didn't give it to the fair.

Senator Krauter The statement that the state fair provided to us only identifies the mill levy. There is no record relating to the city sales tax or hotel-motel tax.

Senator Krebsbach I will provide that to you.

Chairman Holmberg All in favor of the amendments say aye. Now we can have a motion on the bill.

VICE-CHAIRMAN BOWMAN MOVED A DO PASS AS AMENDED. SECONDED BY SENATOR KREBSBACH. ROLLCALL VOTE WAS TAKEN RESULTING IN 14 YEAS, 0 NAYS, 0 ABSENT. SENATOR BOWMAN WILL CARRY THE BILL. (54.36)

Chairman Holmberg closed the hearing on SB 2009.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2009

Page 1, line 11, replace "16,485,000" with "17,485,000" and replace "17,210,000" with "18,210,000"

Page 1, after line 12, insert:

"Total all funds	\$1,167,150	\$17,530,000	\$18,697,150
Less estimated income	<u>0</u>	<u>5,500,000</u>	<u>5,500,000</u>

Page 1, line 13, replace "16,530,000" with "12,030,000" and replace "17,697,150" with "13,197,150"

Page 1, line 18, replace "17,000,000" with "18,000,000"

Page 1, after line 18, insert:

"Total all funds	\$0	\$18,000,000
Total special funds	<u>0</u>	<u>5,500,000</u>

Page 1, line 19, replace "17,000,000" with "12,500,000"

Page 2, line 1, replace "\$17,000,000" with "\$18,000,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0101 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2009 - State Fair Association - Senate Action

	Executive Budget	Senate Changes	Senate Version
Capital assets	\$17,210,000	\$1,000,000	\$18,210,000
Premiums	487,150		487,150
Total all funds	\$17,697,150	\$1,000,000	\$18,697,150
Less estimated income	0	5,500,000	5,500,000
General fund	\$17,697,150	(\$4,500,000)	\$13,197,150
FTE	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of Senate Changes

	Adjusts Funding for Grandstand Project¹	Total Senate Changes
Capital assets	\$1,000,000	\$1,000,000
Premiums		
Total all funds	\$1,000,000	\$1,000,000
Less estimated income	5,500,000	5,500,000
General fund	(\$4,500,000)	(\$4,500,000)
FTE	0.00	0.00

¹ This amendment increases the authorization for the grandstand construction project to \$18 million, reduces the general fund appropriation for the project to \$12.5 million, and adds \$5.5 million of other funds.

Date: 2-10-09Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Senate _____ **Senate Appropriations** _____ Committee☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended amendmentMotion Made By Sen Bowman Seconded By Sen. Wardner

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Chairman			Sen. Aaron Krauter		
Sen. Bill Bowman, VCh			Sen. Elroy N. Lindaas		
Sen. Tony S. Grindberg, VCh			Sen. Tim Mathern		
Sen. Randel Christmann			Sen. Larry J. Robinson		
Sen. Tom Fischer			Sen. Tom Seymour		
Sen. Ralph Kilzer			Sen. John Warner		
Sen. Karen K. Krebsbach					
Sen. Rich Wardner					

Total Yes _____ No _____

Absent _____

Floor Assignment _____

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

*voice vote
approved*

Date: 2-10-09
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Senate _____ Committee _____

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as amended

Motion Made By Sen. Bowman Seconded By Sen. Wardner

Representatives	Yes	No	Representatives	Yes	No
Senator Krebsbach		✓	Senator Seymour		✓
Senator Fischer	✓		Senator Lindaas		
Senator Wardner	✓		Senator Robinson	✓	
Senator Kilzer	✓		Senator Warner	✓	
V. Chair Bowman	✓		Senator Warner		
Senator Christmann	✓		Senator Krauter	✓	
V. Chair Grindberg	✓		Senator Mathern		✓
Chairman Holmberg	✓				

Total Yes 10 No 3

Absent 1

Floor Assignment Sen. Bowman

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

Date: 2/12/09

Roll Call Vote # 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Senate Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number # *need Amendment as changed*

Action Taken ☒ *the amend* Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Krubback Seconded By Warner

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Chairman			Sen. Aaron Krauter		
Sen. Bill Bowman, VCh			Sen. Elroy N. Lindaas		
Sen. Tony S. Grindberg, VCh			Sen. Tim Mathern		
Sen. Randel Christmann			Sen. Larry J. Robinson		
Sen. Tom Fischer			Sen. Tom Seymour		
Sen. Ralph Kilzer			Sen. John Warner		
Sen. Karen K. Krebsbach					
Sen. Rich Wardner					

Total Yes Vote yes No

Absent

Floor Assignment

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

PROPOSED AMENDMENTS TO SENATE BILL NO. 2009

Page 1, line 11, replace "16,485,000" with "17,485,000" and replace "17,210,000" with "18,210,000"

Page 1, after line 12, insert:

"Total all funds	\$1,167,150	\$17,530,000	\$18,697,150
Less estimated income	<u>0</u>	<u>3,000,000</u>	<u>3,000,000</u>

Page 1, line 13, replace "16,530,000" with "14,530,000" and replace "17,697,150" with "15,697,150"

Page 1, line 18, replace "17,000,000" with "18,000,000"

Page 1, after line 18, insert:

"Total all funds	\$0	\$18,000,000
Total special funds	<u>0</u>	<u>3,000,000</u>

Page 1, line 19, replace "17,000,000" with "15,000,000"

Page 2, line 1, replace "\$17,000,000" with "\$18,000,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0102 FN 2

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - State Fair Association - Senate Action**

	Executive Budget	Senate Changes	Senate Version
Capital assets	\$17,210,000	\$1,000,000	\$18,210,000
Premiums	487,150		487,150
Total all funds	\$17,697,150	\$1,000,000	\$18,697,150
Less estimated income	0	3,000,000	3,000,000
General fund	\$17,697,150	(\$2,000,000)	\$15,697,150
FTE	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of Senate Changes

	Adjusts Funding for Grandstand Project¹	Total Senate Changes
Capital assets	\$1,000,000	\$1,000,000
Premiums		
Total all funds	\$1,000,000	\$1,000,000
Less estimated income	3,000,000	3,000,000
General fund	(\$2,000,000)	(\$2,000,000)
FTE	0.00	0.00

¹ This amendment increases the authorization for the grandstand construction project to \$18 million, reduces the general fund appropriation for the project to \$15 million, and adds \$3 million of other funds.

Date:

2/12/09

Roll Call Vote #

202

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Senate

Senate Appropriations

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

~~98033-0204~~ amendment here yet.

Action Taken

☒ Do Pass☐ Do Not Pass☒ Amended

Motion Made By

Bowman

Seconded By

Krebsbach

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Chairman	<input checked="" type="checkbox"/>		Sen. Aaron Krauter	<input checked="" type="checkbox"/>	
Sen. Bill Bowman, VCh	<input checked="" type="checkbox"/>		Sen. Elroy N. Lindaas	<input checked="" type="checkbox"/>	
Sen. Tony S. Grindberg, VCh	<input checked="" type="checkbox"/>		Sen. Tim Mathern	<input checked="" type="checkbox"/>	
Sen. Randel Christmann	<input checked="" type="checkbox"/>		Sen. Larry J. Robinson	<input checked="" type="checkbox"/>	
Sen. Tom Fischer	<input checked="" type="checkbox"/>		Sen. Tom Seymour	<input checked="" type="checkbox"/>	
Sen. Ralph Kilzer	<input checked="" type="checkbox"/>		Sen. John Warner	<input checked="" type="checkbox"/>	
Sen. Karen K. Krebsbach	<input checked="" type="checkbox"/>				
Sen. Rich Wardner	<input checked="" type="checkbox"/>				

Total Yes

14

No

0

Absent

0

Floor Assignment

Bowman

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

REPORT OF STANDING COMMITTEE

SB 2009: 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). SB 2009 was placed on the Sixth order on the calendar.

Page 1, line 11, replace "16,485,000" with "17,485,000" and replace "17,210,000" with "18,210,000"

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Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0102 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 HOUSE APPROPRIATIONS

SB 2009

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: February 27, 2009

Recorder Job Number: 9846

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Brought the Committee to order by calling the roll. Absent members are Reps. Wald and Hawken at this time. He introduced SB 2009 by bringing **Senator Horne, District 3**, to the lectern.

Senator Horne: Introduced the bill and the appropriation and asked for approval.

Senator Tom Seymour, District 3: The State Fair is a major youth movement and the grandstand would help the youth of North Dakota

Rep. Thorpe, District 5: Represents Minot and gives support. It is a showcase in the fair industry. The \$15M plus \$2M will good.

Rep. Frantsvog, District 40: Offered support for

Rep. Kari Conrad, District 3: Supports the grandstand.

Rep Lisa Wolfe, District 3: Asks for favorable consideration of the grandstand project.

Senator Krebsbach, District 40: Stepped up to sign the Roster.

Gary Knell, President of the State Fair Board: Introduced the rest of the members of the board. A few did not make it because of the weather.

Robert Wagoner, North Dakota State Fair General Manager: Provides testimony, see attachment # 1.

Chairman Skarphol: Pie chart, what's bonded and to what extent?

Wagoner: Explains bonds have a few more years left for previous construction and part of it is contributions that the state makes to the Fair and the Fair makes up the balance of that.

Chairman Skarphol: Will they be paid off or will you defuse them?

Wagoner: Showed a DVD describing the need for the Grand Stand. Outstanding debt of \$200,000. To be paid off by 2012. He introduced **former State Fair Manager, Jerry Iverson.**

Iverson: Provided testimony in support of the funding for the grandstand. The revenues at the fair are fueled by the grandstand activities and events. It provides a service to all of North Dakota.

Robert Vallie, President of the North Dakota FFA: Spoke in favor of the appropriation for the State Fair as a vehicle for developing leadership skills. The premiums earned attribute to

Rep. Klein: What projects have you shown at the state fair recently?

Vallie: Welding skills, woodworking.

Rep. Williams: In your school do you have a career and tech center?

Vallie: Yes, in Richland School District

Rep. Williams: Did your career and Tech teacher receive some national recognition?

Vallie: Yes, for trying to bring out the best in students.

Katie Geske, 4-H Ambassador from Pingree and a student at NDSU: Provided testimony to the time she spent during the 2 weeks she spends each summer at the State Fair. The rest of the state should support the state fair because money goes out to all areas of the state. There is an economic impact because it is in central North Dakota.

Kristin Ripplinger, Vice President of the McClusky FFA Chapter and Senior at McClusky High School and owner of Daisy a Day Flower Shop: Offered testimony, see attachment #3.

Rep. Onstad: Is there anywhere else that you can display your exhibits?

Ripplinger: The Fair is the best place

Andrew Young, State FFA Officer: Provided testimony to encourage the legislature to support this bill.

Darrel Lies: Provides testimony in support of premiums and funding for the grandstand. As an entertainer, racing pigs, he stated that the Fair is a showcase of the state. He showed pigs as a youth.

DuWayne Hendrickson, Minot and former Candidate for Governor: Opposes bill 2009 because the change in the appropriation continues to increase. He asked the Committee to support HB 1414 and had questions regarding the Fair funding. Where is the feasibility study? How many dollars have all ready been raised for funding?

The facilities are rented out to a small venue. As NoDak Racing Club, the rent his organization is charged is \$8,150 while others pays about \$450.00. The state does not own the property the Fair Grounds stands on.

Rep. Klein: Where do you come about that this is a private entity? He produced a document that is the Warranty Deed, See attachment # 5.

Hendrickson: Jerry said "We having nothing to do with the state except for funding."

Neil Fleming, Fair Board Member: Offered testimony in favor of SB 2009. He has been active all of his life as an officer on the State Fair Board. He has served 27 years on the board

and 20 years as the Executive Secretary. The grandstand is the engine that drives the fair and is essential to its vitality. County fairs are represented at the fair.

Rep. Klein: The South Dakota state fair is in deep financial trouble and how do we stand?

Fleming: Our fair board is elected, not appointed and have had the experience of the local fair. When a state fair is politicized, it tends to decrease the quality of the fair.

Rep. Klein: Financially, how do we stack up? Are we in trouble, too?

Fleming: No, thanks to Jerry Iverson's administration.

Chairman Skarphol: Is the popularity of the fair declining nationally?

Fleming: It ebbs and flows, it goes in cycles. North Dakota is coming again to the top of the cycle. Declining populations will attribute to the decline. It is a state agency.

Wendy Howe, President Designate, Marketing Association of North Dakota: Provided testimony in support of SB 2009, see attachment # 4.

Rep. Onstad: As marketing and planning, is there a dollar amount that everyone ...just goes to the fair?

Howe: Economic impact numbers are calculated, about \$250 per day to everyone that comes to the fair and is far reaching well beyond Minot.

John Dahl, Racing Association: Offered testimony, we pay a set fee, not \$450 as stated earlier. We built the race track and turned it over to the State Fair to run and they are doing a terrific job. Support the Grand Stand.

Rep. Onstad: How would additional seating impact the fair?

Dahl: We don't need additional seating. It doesn't fit in with the rest

Michael Axt, Ag education instructor at McClusky high school: Brought some students who have shown exhibits. Receive help from fair staff. Encourages support for the grand

stand because it is out of date. Requests support for premiums, there has been no change in 36 years.

John McMartin, President of the Minot Chamber of Commerce: Supports the bill and especially funding for the premiums. The students are the shining spot. There is also debt; some of the funding will go to payment of the bond. Students get to take in the exhibits and to see how bright and smart they really are. .Economic impact across the state is evident when people from out of state come in to events on the fair grounds.

Former Representative Andy Maragos #469: Spoke in support of the bill; he has been titled as the campaign coordinator.

Chairman Skarphol: In projects like this, not everything gets included. Is this an all inclusive number or will you be back next session asking for furniture, etc?

Wagoner: Yes it is, the research has been done. The \$17M is really what is needed. It is all inclusive. It is a onetime investment, the fair will provide the ongoing costs.

Chairman Skarphol: Can you explain the change in request, almost in excess of ½?

Wagoner: We have been paring it down and we have a greater understanding of what is needed.

Chairman Skarphol: The scope and size did not change, only a more accurate reflection of the cost. The sale of the name, i.e. the Cenex grandstand. If there will be this type of investment, we don't want the name of the grandstand to be sold.

Wagoner: We do not see that as a problem.

Rep. Onstad: Current entertainment, seating, etc. Do they make requests and are there limits?

Wagoner: We are limited, they make demands. The grand stand is designed more for the patron than the entertainer. We want to accommodate with ancillary facilities.

Rep. Onstad: What are the comments from the patrons?

Wagoner: The condition of the number of restrooms is deplorable. The concessions and other amenities are not up to par. We want to give them a little more of the accommodation that will encourage them to come back.

Chairman Skarphol: Requested Mr. Wagoner to provide a copy of the Warranty Deed so that the Committee is sure that it is State Fair property. Meeting adjourned

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: March 25, 2009

Recorder Job Number: 11535

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Brought the Committee to order to discuss SB 2009.

Rep. Martinson: We discussed this before and did everything but make a motion on it because you didn't want to at that time so I'll make a motion for a Do Pass.

Rep. Klein: Second

Chairman Skarphol: Send it out with the \$15M Grandstand and \$487,150 in premiums.

There are no amendments. Any further discussion. If not, take the roll.

Vote Taken: Yes 6, No 1, Absent 1, Motion Carried. Carrier: Rep. Hawken.

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2009

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: April 9, 2009

Recorder Job Number: 11809

Committee Clerk Signature

Nancy L. Gerhardt

Minutes:

Chm. Svedjan called the meeting of the House Appropriations Committee back to order.

Chm. Svedjan:

Rep. Wald: I would like to congratulate Rep. Glassheim for the prayer this morning.

Chm. Svedjan: We are scheduled for a team photo at 5 pm. The Majority Party has a caucus at 5:30. I hope we can move along.

Rep. Meyer: why are you disappointed

Chm. Svedjan: This was assigned.

Chm. Svedjan turned the committee's work to SB 2009 – State Fair Association.

Rep. Hawken explained SB 2009 by reviewing the green sheet. The bill is exactly as you see it. It removes the one time funding from last time. It increases premiums from \$442,150 to \$487,150 from the general fund, which is an increase of \$45,000. It provides funding for the bond payments at \$210,000. It provides one time funding for construction of a new grandstand and that is for a total of 17 million. That is the bill.

Rep. Wald moved to amend the bill.

Chm. Svedjan: I'd like to ask for discussion first.

Rep. Wald: I think my motion would generate discussion.

Chm. Svedjan: OK, Rep. Wald.

Rep. Wald: I move we amend the bill and change the general fund money to 10 million and authorize another 2 million 500 thousand for a total of 12.5 million potential project cost. I would move that amendment.

Chm. Svedjan: Just for clarification, 10 million from the general fund and what is the source for the other 2 1/2?

Rep. Wald: Whatever source, the fund raising, whatever funds they can get it from.

Chm. Svedjan: OK, is there

Rep. Wald: It's an authorization they can go to 12 ½ million to build the project, but 10 million is all we are going to give them out of the general fund.

Chm. Svedjan: OK, you've heard the motion, is there a 2nd? There is no second, so the motion dies for lack of a 2nd. Is there any other discussion?

Rep. Skarphol: (5:15) We need to decide what the state wants to spend on the grandstand. While I don't think it's necessary to put an upper limit on the thing, I think we do need to decide what the state of ND wants to spend with regard to the grand stand. After having some discussions with some of my colleges I'm going to move the appropriation for the grand stand be set at 5 million dollars, and there be no limitation as to what the locals could invest. That is general fund dollars.

Chm. Svedjan: Is there a 2nd to that motion?

Rep. Kempenich: 2nd.

Chm. Svedjan: 2nd by Rep. Kempenich. Is there any discussion?

Rep. Klein: I would resist this motion. This was in the Governor's recommendation. I can't visualize that we could build a facility for that amount of money.

Chm. Svedjan: On the motion is to amend down to \$5 million coming from general funds with no upper limit – do you want me to take a roll call vote? OK, we'll take a roll call vote.

Vote: 15 Yes 10 No 0 Absent Motion carries.

Rep. Delzer: (8:10) When is the bonding over?

Rep. Hawken: I have no idea.

Rep. Skarphol: I think the OMB could provide us with that information.

Tammy Dolan: I believe the last payment is in 2011 or 2012.

Rep. Delzer: It appears to be 2012 according to council.

Rep. Skarphol: It's an annual payment of 105?

Rep. Delzer: It appears the total payment varies from year to year, 230 in 2009, 221 in 2010, 208 in 2011, and 429 in 2012. Did they match any of the premium money?

Rep. Hawken: The premium money is extremely well spent. It's not all that much money and it goes a long way. There's not any leftover in the end.

Rep. Delzer: Don't get me wrong, but at one time we put in that they were supposed to match it and I was wondering if they still were doing that.

Rep. Skarphol: The premiums in 2008 were \$226,000: 2007 -- \$217,000: 2006 -- \$ 210,000: they grow gradually and they are putting some money into the premiums, they're not matching it dollar for dollar, but they are investing some in the premiums.

Rep. Klein: (10:54) You know those premiums are for 4-H and those who show their livestock. It's less than \$3 per entry.

Rep. Skarphol: Move a Do Pass As Amended.

Rep. Kempenich: 2nd.

Chm. Svedjan: Any further discussion? Seeing none we will take a roll call vote on a Do Pass As Amended to SB 2009.

Vote: 18 Yes 7 No 0 Absent Carrier: Rep. Hawken Motion Carries

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2009

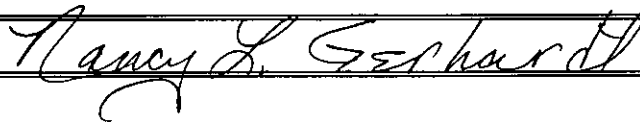
House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: April 15, 2009

Recorder Job Number: 11857

Committee Clerk Signature



Minutes:

Chm. Svedjan called the meeting of the House Appropriations Committee to order. SB 2009

Clerk, Holly Sand, called the roll and a quorum was declared.

Rep. Klein moved to amend SB 2009 to 9 million with any other grants or support they can arrive at to move that number up.

Chm. Svedjan: Really no upper cap, but the general fund would be 9 million. Is there a 2nd?

Rep. Glassheim: 2nd.

Chm. Svedjan: 2nd by Rep. Glassheim. Is there any discussion?

Rep. Hawken: Why \$9 million?

Rep. Klein: That number is halfway between what the Senate had and where we'd like to be to get into the conference.

Rep. Skarphol: Yesterday the amendment was amended on the floor. Not everyone on the floor thought the amendment was too low. There were others that thought the amount was too high and didn't think anything should be given to the grand stand.

Rep. Berg: There's a bigger issue here. I'll support this motion. The issue is tourism infrastructure for the state. What the Section had added for infrastructure was taken out in the Full Committee. Whoever has the most political clout, comes in with the bill, and it works its way through the political process in a very difficult way. If we look at all the different things we

are funding, if we can put that in the appropriate infrastructure. My disappointment is we have some that have come to us on a matching basis, some have come to us without a matching, I think long term for the legislative process, if we had a protocol to vet prior to the session, like is this one of the top priorities for tourism, is this something that has a private sector match, and then we would view it in a way that we've set down some standards. When we are in Conference Committee, I think we should set up a process whereby all these things could be evaluated on a uniform standard.

Rep. Nelson: (5:33) That's a good point. When it came to Full Committee, the term grand stand was considered to be being overbuilt and things were being added that made it more than that. I think there needs to be a local match that would ensure the eyes that are watching it are also helping to pay for it. That takes some of that away from the decision making we make as legislators, because we don't have the particular detail we need to make decisions based on; Is it serviceable as a grandstand or does it have more frills in it? Whether it's a 20% local match is it an appropriate way to ensure the local buy in is paying for a facility that is usable and yet affordable.

Rep. Ekstrom: Fargo has grown on the basis of its growth. Growth feeds growth. We've had entertainment venues, restaurants, etc. that have spurred the growth of Fargo. The point is that each of these cities represents a hub that draws people to it. And it draws people to it because there are things to do. Minot deserves this. The grandstand is in great disrepair. Minot needs this attraction.

Rep. Wald: The motion was for \$9 million with no ceiling for what money they can raise. I think it should be understood that they can't go to the Bank of North Dakota and borrow money for in excess of 9 million.

Chm. Svedjan: That is not in the motion. This would be an appropriation for \$9 million. The local community can match it with no limit. They can go as high as they are able.

Rep. Skarphol: I would agree with most of what Rep. Ekstrom said. This is not used year round. Maybe they would choose to build something different. Rep. Berg raises an interesting issue. What other projects might have this amount of appropriation associated with them and the major projects of the tourism industry.

Rep. Berg: One thing that has surfaced is a Presidential Library for Teddy Roosevelt. All our tourism is tied into that flavor. Medora. It would seem that would be an appropriate thing to look at some time in the future. That would be something I could see as an option. Medora is #1, State Fair, Host Fest, vetting what we are spending on tourism infrastructure in a way that leverages our marketing and leverages the current flow we have of tourists would make sense.

Rep. Ekstrom: I realize this is not year-round. I moved here and stayed here on purpose. What I find most remarkable is that it has tradition. The state fair is something that is going away. It is a number one attraction and something that is going away in many other places. ND has a right to be proud of it. They really have an obligation to hang on to it.

Rep. Williams: I'd like to call for the question.

Chm. Svedjan: I think we should allow for more discussion on this.

Rep. Berg: You don't have to accept that as a decision.

Rep. Thoreson: My only comments would go back to what Rep. Ekstrom talked about. We do have great venues in Fargo, Bismarck and Grand Forks. Those were built by the localities and gifts. I believe the State Fair is a great thing. I do not feel the obligation is to build a facility for the city of Minot to create tourism. There was a lot of confusion in how the motion was described and votes that the amount was in opposition to the amount of 5 million dollars.

Chm. Svedjan: Any more discussion? Seeing none on the motion to amend SB 2009 to 9 million dollars general fund with no upper limit from other donations. All in favor of that motion say Yea – opposed Nay. I'm uncertain. We will take a roll call vote.

Vote: 16 Yes 7 No 2 Absent Motion was adopted.

What are your wishes?

Rep. Klein: I move a Do Pass As Amended.

Rep. Ekstrom: 2nd.

Chm. Svedjan: Any further discussion? Seeing none we will take a roll call vote for a Do Pass As Amended to SB 2009.

Vote: 16 Yes 7 No 2 Absent Carrier: Rep.Hawken Motion carries.

Date: March 25, 2009

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Matson Seconded By Rep. Klein

[illegible]

Total Yes 6 No 1

Absent 1

Bill Carrier Rep. Hawken

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

Date: 4/9/09
Roll Call Vote #: 7

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TDD

Action Taken \$10 m from G.F. and \$2.5 m from another source.

Motion Made By Wald Seconded By

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Date: 4/9/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TBD

Carries Action Taken set appropriation at \$5 million.

Motion Made By Skarphol Seconded By Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Rep. Skarphol	✓		Rep. Kroeber		✓
Rep. Wald	✓		Rep. Onstad		✓
Rep. Hawken		✓	Rep. Williams		✓
Rep. Klein		✓			
Rep. Martinson		✓			
Rep. Delzer	✓		Rep. Glassheim	✓	
Rep. Thoreson	✓		Rep. Kaldor		✓
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom		✓
Rep. Bellew		✓	Rep. Kerzman		✓
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 15 No 10

Absent 0

Floor Assignment _____

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

VR
4/10/09
172

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

Page 1, line 14, replace the first "3,000,000" with "13,000,000" and replace the second "3,000,000" with "13,000,000"

Page 1, line 15, replace "14,530,000" with "4,530,000" and replace "15,697,150" with "5,697,150"

Page 1, line 22, replace "3,000,000" with "13,000,000"

Page 1, line 23, replace "15,000,000" with "5,000,000"

Page 2, after line 4, insert:

"SECTION 3. ADDITIONAL INCOME - APPROPRIATION. Any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the state fair association for the grandstand construction project in addition to the amount included in the estimated income line item in section 1 of this Act, except as otherwise provided by law, is appropriated for the grandstand construction project, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0201 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - State Fair Association - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Capital assets	\$17,210,000	\$18,210,000		\$18,210,000
Premiums	487,150	487,150		487,150
Total all funds	\$17,697,150	\$18,697,150	\$0	\$18,697,150
Less estimated income	0	3,000,000	10,000,000	13,000,000
General fund	\$17,697,150	\$15,697,150	(\$10,000,000)	\$5,697,150
FTE	0.00	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of House Changes

	Adjusts Funding Source for Grandstand¹	Total House Changes
Capital assets		
Premiums		
Total all funds	\$0	\$0
Less estimated income	10,000,000	10,000,000
General fund	(\$10,000,000)	(\$10,000,000)
FTE	0.00	0.00

¹ Funding from the general fund for the grandstand construction project is reduced by \$10 million to provide a total of \$5 million from the general fund.

A section is added appropriating any additional funds raised for the grandstand construction project in excess of \$13 million to the State Fair Association for the grandstand construction project.

Date: 4/9/09
Roll Call Vote #: 3

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TDD

Action Taken No Pass as Amended

Motion Made By Sharphol Seconded By Kempnich

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempnich	✓				
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad		✓
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein		✓			
Rep. Martinson	✓				
Rep. Delzer	✓		Rep. Glassheim	✓	
Rep. Thoreson		✓	Rep. Kaldor		✓
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom		✓
Rep. Bellew		✓	Rep. Kerzman		✓
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 18 No 7

Absent 0

Floor Assignment Rep. Hawken

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

REPORT OF STANDING COMMITTEE

SB 2009, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 7 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2009 was placed on the Sixth order on the calendar.

Page 1, line 14, replace the first "3,000,000" with "13,000,000" and replace the second "3,000,000" with "13,000,000"

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Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0201 FN 1

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Date: 4/15/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2009

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number TBD

Action Taken D.F. to \$9 million w/ no upper limit

Motion Made By Kleck Seconded By Glassheim

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan		✓			
Vice Chairman Kempenich	✓				
Rep. Skarphol		✓	Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson		✓	Rep. Kaldor	✓	
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert		✓	Rep. Ekstrom	✓	
Rep. Bellew	✓		Rep. Kerzman	✓	
Rep. Kreidt		✓	Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland		✓			

Total (Yes) 16 No 17

Absent 2

Floor Assignment Voice Vote - uncertain

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

98028.0202
Title.0400
Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations
April 15, 2009

VR
4/15/09
108-

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

Page 1, line 14, replace the first "3,000,000" with "9,000,000" and replace the second "3,000,000" with "9,000,000"

Page 1, line 15, replace "14,530,000" with "8,530,000" and replace "15,697,150" with "9,697,150"

Page 1, line 22, replace "3,000,000" with "9,000,000"

Page 1, line 23, replace "15,000,000" with "9,000,000"

Page 2, after line 4, insert:

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Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0202 FN 2

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - State Fair Association - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Capital assets	\$17,210,000	\$18,210,000		\$18,210,000
Premiums	487,150	487,150		487,150
Total all funds	\$17,697,150	\$18,697,150	\$0	\$18,697,150
Less estimated income	0	3,000,000	6,000,000	9,000,000
General fund	\$17,697,150	\$15,697,150	(\$6,000,000)	\$9,697,150
FTE	0.00	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of House Changes

	Adjusts Funding Source for Grandstand¹	Total House Changes
Capital assets		
Premiums		
Total all funds	\$0	\$0
Less estimated income	6,000,000	6,000,000
General fund	(\$6,000,000)	(\$6,000,000)
FTE	0.00	0.00

¹ Funding from the general fund for the grandstand construction project is reduced by \$6 million to provide a total of \$9 million from the general fund.

A section is added appropriating any additional funds raised for the grandstand construction project in excess of \$9 million to the State Fair Association for the grandstand construction project.

Date: 4/15/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2019

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken

Do Pass as Amended

Motion Made By

Klein

Seconded By

Hastings

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan		✓			
Vice Chairman Kempenich	✓				
Rep. Skarphol		✓	Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson		✓	Rep. Kaldor	✓	
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert		✓	Rep. Ekstrom	✓	
Rep. Bellew	✓		Rep. Kerzman	✓	
Rep. Kreidt		✓	Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland		✓			

Total (Yes) 16 No 7

Absent

2

Floor Assignment

Hawken

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

REPORT OF STANDING COMMITTEE

SB 2009, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 7 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2009 was placed on the Sixth order on the calendar.

Page 1, line 14, replace the first "3,000,000" with "9,000,000" and replace the second "3,000,000" with "9,000,000"

Page 1, line 15, replace "14,530,000" with "8,530,000" and replace "15,697,150" with "9,697,150"

Page 1, line 22, replace "3,000,000" with "9,000,000"

Page 1, line 23, replace "15,000,000" with "9,000,000"

Page 2, after line 4, insert:

"SECTION 3. ADDITIONAL INCOME - APPROPRIATION. Any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the state fair association for the grandstand construction project in addition to the amount included in the estimated income line item in section 1 of this Act, except as otherwise provided by law, is appropriated for the grandstand construction project, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0202 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

*2009 was sent to the floor;
amendment failed.
Appropriations amended the bill
and sent it back to the floor.
(Reason for 2 SCRs)*

2009 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2009

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-23-09

Recorder Job Number: 12159

Committee Clerk Signature

Alise Dwyer (done up at time)

Minutes:

Chairman Krebsbach: opened the conference committee at 10:00 am in reference to SB 2009. Let the record show all conferees are present. They are as follows: Senators Bowman, Lindaas; Representative Svedjan, Skarphol, Onstad. Tammy Dolan, OMB and Sheila Sandness, Legislative Council.

Chairman Krebsbach: I would ask that someone from the House side give us the change that was made to Senate Bill 2009 and the reasons.

Rep. Svedjan: We went through a number of considerations on this bill. When we first considered the bill there was an attempted amendment to bring it down to 10 million with a 2.5 million local match we didn't get a second on that in House Appropriations. Then there was an amendment to amend it to 15 million where it was when received the bill down to 5 million with no upper limit to what could be raised or spent in total. That amendment was adopted, that all took place the ninth of April. Then we reconsidered the bill because the bill was running into trouble in the House as a whole. We took the bill back and reconsidered it and that time we put the 9 million dollar figure on it with no upper limit in terms of what could be raised and spent. That is basically where the bill is now and that came out of the House Appropriations committee with a 16 to 7 vote, with a do pass as amended. There was still some concern about the cost of the facility. Some of the discussion in our committee had to do with how can

a grandstand cost more than our bank building the BND. There are others who have a real concern about putting that amount of money into an asset that is used so few days out of the year. It is utilized a total of 33 days out of the year. And very frankly we had to move the appropriation up from 5 million to 9 million to get it out of the house. I don't have that final vote some think it is still too high.

Chairman Krebsbach: Okay, any other discussion?

Rep. Onstad: We had a full discussion in our sub-committee. There is a concern about the cost of it, but the point it's a 50 year structure and needs to have major improvements or full replacement.

Rep. Carlson: What is the local participation on this project?

Chairman Krebsbach: The city of Minot and the County of Ward and the surrounding area feels that they have contributed greatly to this entity over the years and continue to do so. I don't know if you know but there is a portion of the sales tax goes to the fair from the city there is a mill levy from the county that goes to the fair. And in the past year those two have contributed 517,000 dollars to the North Dakota State Fair. The other entity that brings in money to the state fair is the fact that they sell sponsorships and a great deal of that money comes from the local area that amounted to approximately 198,000 dollars this last year. So annually, that area has contributed seven hundred thousand per year to the fair and that does not include the 27 million that has contributed by the city and the county on building projects over the year of the existence of the state fair in Minot. Basically they feel they have done their share, it is important that the state to do their share.

Rep. Carlson: Of the building cost it would be all the state?

Chairman Krebsbach: That's correct.

Rep. Carlson: What was the legislative input on the design and final thought of this grandstand?

Chairman Krebsbach: At this time I can't tell you we had any input, we had visited with them about the project and they came up with various designs. Rep. Carlson you were in attendance at a meeting in Minot about three years ago. At that time they were talking about 24 million dollars for the project and we said they needed to bring it down. And two years ago they asked for 11 million and when they finally got down to the cost estimates on it, in this book are the cost of this project. We feel we should be at a 17.9 or close 18 million for this and you cannot compare this to another structure. It would be like comparing apple to oranges. Because you're structure is so different, the steel girding and other types of foundation basis for this, is totally different.

Rep. Carlson: In other words there was no legislative input on the design and final cost?

Chairman Krebsbach: Has there been legislative input on every project in our State?

Rep. Carson: I can just go from what we've done on the prison, we were involved, and the BND came to us, came to us with plans and prices and we finally approved what that number was going to be and my point being on this one we have skipped a step, and I know we funded last time like 250,000 for design so we did authorize some design money. My point is we didn't have any input on whether it needed to be a grandstand with office buildings or if it needed to be grandstand that would seat 3,000 or 8,000 we did not have any input. The last one is trying to understand with the original numbers, why the Senate lowered it to 15,000 million when it came out of the Senate it was not the numbers in the Governor's budget.

Senator Bowman: I can answer that, I made the motion. All I could do is look at what they presented to us, and we believed that it was factual. I looked at the fact it is a huge economic input into the community to have the fair there. I felt that they should have some obligation if

they want a 17.5 million dollar grandstand, if we came up with the 15 then they need to come up with the rest. I know there is always a little wiggle room, an architect will design the best that they can and it is our state's reputation, it is our state fair, whether in Fargo, or any place else, if you are going to do it we want to do it right. We don't want a pile of junk up at the fair; this is something that reflects to these kids to prepare them so they can do that for their kids. If we continue to grow our state and do nice things, we are going to retain a lot more of our kids. I don't think this is a bad investment of 15 million but I do think they can help with the remainder.

Senator Lindaas: We talked about the days of usage, 30 days per year, it is a unique thing the grandstand, we don't sit out there in the wintertime but the point is it is needed for the time it is used.

Rep. Svedjan: I was looking through my information here, can you tell me what kind of revenue the state fair produces annually and do they make a bottom line number one and number two have they made any attempt to fund depreciation or if you take a portion of the profit to set aside for future construction?

Chairman Krebsbach: I am sure all the answers are in this book here and I will pass that out. I do not believe that they have a depreciation expense but I think much of that goes back into the facilities that are now deemed in operation for up keep on those. They do make a profit and all the profit goes back into operations for the next year. Yes, it maybe is not used, every day of the year but keep in mind this grandstand brings in ¼ of the revenue; it is the draw that brings people in to the state fair. That is not including what they can gain from the gate receipts.

Rep. Svedjan: It is my understanding there has been a restriction on the use of the grandstand by parties other than the state fair so it limits revenue generation that they might otherwise generate.

Chairman Krebsbach: I am sure you are referring to Emails received from one individual, multiple times. And I think there are facts to show this person has an unsatisfied commitment from the people he has used and they don't want to deal with him. I can provide a letter to you.

Rep. Onstad: Another thing brought out in committee because of current condition, they feel by improvement, additional events will be held there, a lot of the expense in the design is that cover that goes over the top that seems to be especially an item that adds on to the cost?

Chairman Krebsbach: I can't answer but I do trust the people that have been working with this. By the way we are still paying off some bonds on that, final payment in 2012. There is a great pride in what has been done in that complex. We can all be proud of that; we don't want to put up a rinky-dink thing just to seat people. We want something the state can be proud of.

Senator Bowman: We put on the state high school rodeo finals, we have a couple of grandstand and people really appreciate it, you don't know what the weather will be like, when they come and see that covered grandstand and that is why we are able to have that every year because we are able to facilitate them. But it is a big part of people's decision to come, and have a nice grandstand.

Chairman Krebsbach: During the time of state of the state fair, there is a lot of heat and sunshine.

Rep. Svedjan: I have no objecting to the grandstand having a cover on it. Where I have a problem is the costs compared to other buildings we have built. Yet we are looking at a price of the grandstand greater than the bank. The parking ramp, in UND, it is a larger structure, that

is my concern is the comparative cost with other things we have done in state government and it is an exurbanite cost.

Senator Bowman: The only experience that I had was with costs dealing with seating, in the gym, the cost to take out the old one was 18,000 it costs a lot of money when you are dealing with steel and concrete to get it in and get it out. And the scale that it is, is a big facility, they are dealing with some pretty heavy steel. It is hard to comprehend; it is more than just a bleacher.

Chairman Krebsbach: When we talk about comparison as to time utilization, how long do we use the House and Senate chambers, it is all in the need for the time that we have to look at. I had indented to get some comparative costs the only thing I have at this time is the Minnesota state fair, they did a renovation, and they have put 28 million dollars in it.

Rep. Carlson: It also seats ten million people and they redid them.

Chairman Krebsbach: Are you willing to recede from your amendment?

Senator Bowman: What information as far as the actual cost from their architect that designed this would you like to see, that justifies, the 17 million dollar request that they put in. I think it's important that they understand this didn't come from us.

Rep. Carlson: I think we have enough of those things, we've seen the plans and the basic cost estimates they put together. I won't question their method.

Chairman Krebsbach: We are drawing close to time the time allowed for this conference committee and I think we will recess until a further date.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2009 conference committee

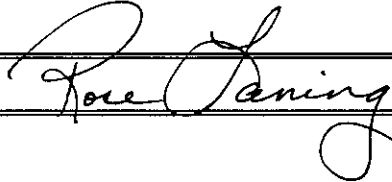
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: April 24, 2009

Recorder Job Number: 12237

Committee Clerk Signature



Minutes:

Senator Krebsbach reconvened the conference committee hearing to order on SB 2009

which concerns the State Fair. The minutes are to reflect that all members are present:

Senators Krebsbach, Bowman, Lindaas; Representatives Svedjan, Carlson and Onstad.

Tammy Dolan, OMB and **Sheila Sandness**, Legislative Council.

Senator Krebsbach: Any new questions, news or information requested?

V. Chair Bowman: I was thinking about this after we had our discussion the other day, and when this was introduced and it was within the Governor's budget at \$17M, I took it upon myself to get this out of the committee to lower that to \$15M. That is a substantial amount of money lost. I thought that was really within the ballpark of being fair. It's lower than the Governor's budget by \$2M dollars, but it still gives them enough money to build a facility that I think we will all be proud of. None of us in here understand what the cost of that will be. I know bleachers are expensive. But if we can invest \$15M and have something that is going to last us 30-40 years, is it worth the investment? It is an investment in our kids, the 4-H kids, the FFA kids and the parents that come up there. It's not an outlandish amount of money, and I am not one that just likes to throw money away. I think it is a pretty fair amount. I'm sticking with my decision. I feel we have to stay close to this to get it out of here.

Representative Onstad: I move that House recede from House amendments on SB 2009.

Senator Lindaas: Seconded.

A Roll Call Vote was taken: 4 yea, 2 nay, 0 absent. (Yeas were 3 Senators and 1 Representative)

Motion fails as we need two prevailing votes from each side.

Senator Lindaas: What is seating capacity with the new proposal and presently?

Senator Krebsbach: The new grandstand calls for 7500 seats, and the old one is about 5500. They have had up to 17,000 attendees for a concert. There are a lot of people that stand out in center area. They ended up limiting it back to 15,000. There was question about facilities themselves. You have to build to accommodate the 15,000 for bathrooms and concessions.

Representative Carlson: I'll try an idea. I would make a motion that sum of \$9M from the general fund for the purpose of building a new grandstand to the amendment and the state fair association can spend this funding only if the actual general fund revenues for the fiscal year ending June 30th 2010 are equal to or exceed the estimated general fund revenues for that period and determined by the office of management and budget based on the legislative estimates made at the close of the 2009 legislative session. If the actual revenues for the fiscal year ending 2010 are less than estimated the agency cannot spend the funding. Basically, if the revenue holds up, I'd be willing to put some money in the deal. If they don't have the revenues, I won't back it. We're in ending up with a minimum of \$100,000 dollars. If we don't have money, we can't spend it. If the economy is strong and the revenues are there that is fine.

Representative Svedjan: Seconded.

Senator Krebsbach: Discussion?

V. Chair Bowman: When you make the statement that we are going to be \$100M over in spending, this is reduced by \$2M plus in a budget that was approved by the Governor. I think we have done our part. If everyone who does a budget did that in their budget, we wouldn't be talking about \$100M over. We would be talking about considerably less than that. We're all in this together. This is not a matter of who's right and who's wrong or what we think compared to what someone else thinks. It is a matter of an investment in the state of North Dakota – no different in a college town with a new building or an investment in roads in Bowman County. All these things are needed if we want to continue to move our state forward. I have nothing in this for me. It's a long ways from my community, but we do have a lot of kids that go up there. Isn't this worth it for our kids? If we were behind in the resources that we have, I'd be first to say that we've got the money and can afford it. It will generate income back to the state. It is not just an expense to the state. When people go up there and spend money, it generates money back to the state. It is a long term investment that brings tax revenues back to the state. I hope we consider that when we get all done.

Representative Svedjan: All of you heard what I expressed at our first meeting regarding the price of this facility; I have deep concerns about that. But I support this motion largely because of where we are today with our spending. As of today, we're in a negative \$178,000,000 in ongoing spending relative to our projected revenues. That puts us in a position to take any remaining one time revenue that we have left to cover large increases in ongoing spending which is just the opposite of what we should be doing. If we should be overspent in anything right now, it should be on one time revenues but we aren't. We are going to have to use that to cover the overages in all the programming increases that this legislature has authorized. To take all of what we have available in one time revenue right now, we are still left with \$115M in the hole. This motion would authorize us to proceed at a rate of \$9M, but make it contingent

upon the revenues being there at the end of the first year of the biennium. It is a safeguard. It also gets at my concern as to the cost of this facility. I think it's an exorbitant amount of money to put in a grandstand.

V. Chair Bowman: There is another building about three blocks away from here that is \$50M. That was passed out of the Senate; I don't know what the House is going to do. That is a lot of money too. I can see the value of both projects, but what if we'd build ½ of the heritage center one year and the other ½ two years later. We can jockey figures around and do all kinds of things.

Representative Carlson: That is exactly what the Senate did with the Heritage Center. They funded half now and left \$20M for the next biennium; someone has to finish it. The point is that we're missing the cost of the facility in relation to other things that we have built. There isn't a Human Services program that is unfunded. Someone has to balance the budget and someone has to figure out where that's going to come from.

Senator Krebsbach: I asked if you needed any more questions answered and you said no.

Representative Carlson: I don't. I have seen all the costs which we had no input in. There are two choices and both of them are structurally sound, but one is a lot nicer than the other one.

Senator Krebsbach: You can do it probably for that but you can't put all of the ancillary services that are required in it for that amount of money. It is just utterly impossible. Do we tie other things to the fact of whether or not we have the money at the end of the biennium or do we do it with the faith that we are going to have the revenues. I think many budgets have been passed with that thought in mind. I can't see that we would go back every time and say that they can have this if we have this. Where would we be as a state? Where would the agencies be?

Representative Svedjan: There must be an awful lot of faith that exists out there that we are going to have the money, because we're \$178 million dollars off (inaudible) ongoing revenue.

Senator Krebsbach: I have seen in past sessions where we have been at that type of figure before we wind up at the end of the session. I think we are at an impasse here. We will take a vote on the motion for now.

A Roll Call Vote was taken: Yea 2, Nay 4, Absent 0.

Motion failed.

Senator Krebsbach: Adjourned.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009 Conference Committee

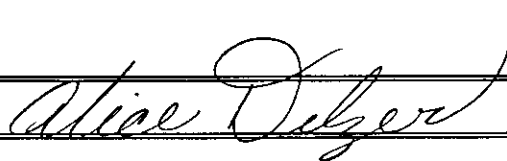
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-28-09

Recorder Job Number: 12348

Committee Clerk Signature



Minutes:

Chairman Krebsbach: called the conference committee to order on SB 2009 at 3:30 pm in reference to the State Fairgrounds. Let the record show that all conferees are present:

Senators: Krebsbach, Bowman, Lindaas; **Representatives:** Svedjan, Carlson, Onstad

Tammy Dolan, OMB and Brady Larson Legislative Council were also present.

Chairman Krebsbach We will reconvene. We haven't met for some days we are open again to discussion. If there's any new ideas that want to be presented on this or is the House ready to accede to the Senate amendments?

Representative Svedjan: We are not ready to accede to the Senate, let's see get this straight here, (discussion who accedes and who recedes). I would move that the House recede from it's amendments and further amend. I would move that we move the 9M dollar figure up to 12M dollars but make the 12M subject to meeting or exceeding revenue projections, the legislative revenue projections, at the end of the first year of the biennium. Seconded by Representative Carlson.

Senator Krebsbach: We have a motion and a second. Of the first year of the new biennium?

Representative Svedjan: It would be the full 12M dollars be allowed to be spent only if we meet or exceed revenue projections based on the revised revenue projections adopted by both the House and the Senate at the end of the first year of the biennium.

Chairman Krebsbach: So in other words you want the project delayed for two or 3 more years, is that what I am hearing from you?

Representative Svedjan: No, that's not the case at all.

Chairman Krebsbach: Of the first year of the biennium.

Representative Svedjan: That we would need to meet or exceed the revenue projections half way through the biennium so if revenues are met or exceeded the project could begin in the second year of the biennium that is at a level of 12M dollars.

Senator Krebsbach: Any other discussion on that motion.

Senator Bowman: Has this kind of language ever been in a facility we have built before. I have never heard that we have done this. Seems to me this is new language that the governor has already approved in his budget.

Representative Carlson: I could assume a trip to the moon too but it doesn't mean I am getting there. His budget is a recommendation. It's our job to fund it. On the other topic, many times we have had building projects where we've had subject to something whether it be a match of 3 to one. This is no different. It is requiring someone to hit a benchmark. And this happens to be if you have the money spend it, if not don't spend it.

Senator Krebsbach: Any further discussion. I guess I can say I am glad to see that you are moving in the right direction. I personally do not agree with the dollar amount and this subjective part to the dollars. The dollars are there now, so why are we trying to hamper this project that has been voted on so strongly in the House, it was in the governor's budget; I find it difficult to understand your reasoning.

Representative Svedjan: You say that dollars are there. the dollars are there to the extent that they are in the governor's recommendation. If you take a look at the budget status report as of today we are away from balancing this budget, and that is a combination of both one-time

and on-going spending so if we were to approve this at a level higher than what's in the budget right now; if we were to approve it at what it came out of the Senate at we would have to add another 6 M dollars to that negative total. So the money is not there.

Chairman Krebsbach: I guess we can disagree on that till the cows come home. I shouldn't say figures lie but I would say that budget projection that is there is not a 100% accurate and I think we all understand that process. Is there any other further discussion. Hearing none, will the clerk please call the roll on the motion from Representative Svedjan and Carlson.

A ROLL CALL VOTE WAS TAKEN RESULTING IN BOWMAN – NO; LINDAAS –NO; KREBSBACH –NO; SVEDJAN- YES; CARLSON- YES; ONSTAD- NO. THE MOTION FAILED.

Chairman Krebsbach: Are there any other further recommendations at this time?

Representative Svedjan I would be prepared to make one more motion. In this motion would be for the House to recede from its amendments and to further amend; and the further amendment would be that we appropriate from the general fund 9 M dollars with an additional 3 M dollars appropriated but expendable only if we meet or exceed revenue projections at the end of the first year of the biennium. **Seconded by Representative Carlson.** I might add, again the same rationale applies to the 3 M that applied to the full 12 M in the first motion. it is included here only as a safeguard, that should revenues falter, you know what has been projected, at least it is a safeguard on the 3 M but it would provide 9 M dollars to begin the project. That 9 M would be appropriated effective July 1, of 09. The 9 M would be available right away at the start of the new biennium. The additional 3 would be available only if we meet or exceed revenue projections. So it would allow for the expenditure minimum expenditure over the next biennium of 9 M with the

possibility you could go to 12. The other point that I wanted to make is that depending upon the outcome of this motion this is as far as I will go.

Chairman Krebsbach: We have a motion. Is there any discussion on that motion?

Senator Bowman: You have 9 M to start the project so we get a bid on the project and it comes in at 15 M. That is 2. Some million less than the bill said it would cost. OK. And the revenues fall short so we get 2/3 of a facility and then we wait, and then how long do we wait until we get enough money to finish the project. I am trying to figure this out. How that is going to work because you are sitting there with beams and all this metal and there is no protection and you end up waiting another two years, and we end up with one big windstorm and then you can start all over. I am trying to figure out how this is going to work if there is a shortfall. And with the cost of construction and then reconstruction if something like that would happen how do you tell the contractor that you can only do 2/3 of it right now and you will have to wait for two years to finish it.

Representative Svedjan: I think maybe some of the same rationale or logic applies here that maybe applies to the prison project or other construction even highway projects. We know of three bids that came in with the highway department, the total of those three bids came in at 12 or 13 M dollars lower than what been projected. The price of steel is way down. We know that. So to the extent that 9 M wouldn't be quite enough, the 9 M is going to be closer than would be the 15 M. If we appropriated 15 M dollars there is a good chance the bids are going to come in at 15. I don't think you will be left with half a facility built there. I don't think you are going to have exposed beams and wind blowing it down.

Chairman Krebsbach: Any other discussion. I find it hard to believe that we would be willing to fund something to this level and then tell people to wait for another year because maybe

we'll have the money to give you and then I am going to say WE HAVE THE MONEY NOW, so that is where I'll leave it.

Representative Carlson: I couldn't disagree with you more. Obviously we must be reading different reports than you are reading in the Senate. We have raised spending a billion dollars and we do not have the money. Someone has to balance these books in the next few days and it takes a joint effort to do that. But to say we have the money it is not true. We are way upside down and we are trying to make the combinations here to do something. If we have the money. Go to those 3,500 people that were working in North Dakota January 1st that are not working today, they are not paying taxes, they are laid off, they are closing plants and tell them we have the money. We do not have the money.

Chairman Krebsbach: We will have a discussion on that afterwards. Would the clerk please call the roll on the second motion by Representative Svedjan.

A ROLL CALL VOTE WAS TAKING RESULTING IN BOWMAN – NO; LINDAAS- NO; KREBSBACH- NO; SVEDJAN- AYE; CARLSON- YES; ONSTAD- NO. THE MOTION FAILED.

Chairman Krebsbach: Well, committee, I think it's time to recess and we will reconvene at a later date. Thank-you. (Hearing ends at 13.00) (the tape was left on in error but no further discussion on the bill by the committee.)

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009 Conference Committee

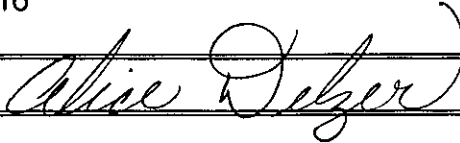
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 04-30-09

Recorder Job Number: 12416

Committee Clerk Signature



Minutes:

Chairman Krebsbach called the conference committee to order on SB 2009 at 4:00 pm in regards to State Fairgrounds. Let the record show that all conferees are present: **Senators:**

Krebsbach, Bowman, Lindaas; Representatives: Svedjan, Carlson, Onstad. Brady

Larson, Legislative Council and Tammy Dolan, OMB were present.

Chairman Krebsbach: Are there any offers to be made today on SB 2009.

Representative Svedjan: I have nothing new to offer.

Senator Bowman: I have a question for you from the House. Some of the budgets we get in are just like you do. Certain things are over the budget, some under, we do the best we can as we go through the session. When we get all done we know we will be over this year, because of the huge demands for money for roads, floods, etc., but the one thing we tried to do when we took that into consideration and we reduced it by 2 ½ M we tried to recognize the fact that there is going to be other requests that is going to take extra money. That was a substantial reduction when you are into conference when you've already moved that much, thinking that we tried to be fair right off the bat, and say if they could live with this it wouldn't be bad for North Dakota, not bad for Minot and I think we will all be happy because it was over 2 M under budget. Is there something about the fair you don't like? What is the reason we can't get together and get this done?

Representative Svedjan: For me, it's never been a question of the extent which we have reduced the executive recommendation to the budget. Secondly it's not that we don't support the grandstand because we have 9 M in the grandstand. It's as I stated before, I feel the amount requested to build the grandstand is exorbitant. Consequently, we in the House brought it down even further, from 15 to 9.

Senator Bowman: Did you have any information from any engineers or designers that would say you are absolutely right that it should cost 12 ½ M instead of 17, whatever it was. I just trust people when they get up and say this is what we need for this project. I assume they are telling the truth. What would be the difference between them and let's say the Veteran's Home when they came up here and said what they had to have. We did everything we could do to get that bill passed and out of here so they could get the federal funds. But we didn't sit there and try to reduce it and reduce it. That was an important issue, I am proud we funded it. It is a facility for the people of North Dakota just as this is.

Representative Svedjan: I am not trying to pick an argument. To your question, did we have architect input when we moved it from 15 down to 9. I might ask the same thing when you moved it down from 17 to 15? Did the people you trust take something out of the plan to get you down to 15? That's point #1 and point #2 is if you were to go back and look at building projects where it is known what you have been appropriated to do a construction job most often the bids come in at that number. We had 3 situations in the Highway dept, where there wasn't necessarily a dollar figure tied to that project where the bids came in significantly under. My anticipation here is that you are going to be able to build more than what you think you will be able to with 9 M because the bids will come in cheaper. Take the price of steel, it is way down from where it was when this budget was developed same is true of concrete.

Chairman Krebsbach: It is a difficult thing to get your hands around. If we take every project at the face value we've done for buildings on our campuses. We are doing it right now on buildings in Grand Forks and on other campuses. We are taking the word of the people presenting it. What we had to go on was the cost estimate in this brochure. Unfortunately I don't imagine any of you had the opportunity to have this information.

Representative Carlson indicated he did and that is why he knows about this project.

Chairman Krebsbach: It is difficult to get like facilities built in other parts of the country. But I did get some information that I would be willing to share with you and it is a little different project, it is an amphitheatre complex, it seats 12,000 people, but their costs is \$46 M. It is difficult to get figures to satisfy what you are looking for, Representative Svedjan, but we take the other entities at their word and I just so strongly feel that when we get done with this project 15 M may do it but might run short. That's where I stand at this time and If the House doesn't see it that way, not all the House but the conference committee, we will have to hold off for a day or two..

Representative Svedjan: I did offer to move up to 12 if revenues are met or exceeded by the end of the first biennium.

Chairman Krebsbach: That is not satisfactory. It delays the project another whole 2 years.

Representative Carlson: We will meet later in the day.

Chairman Krebsbach: We will recess until another time.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009 Conference Committee

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 05-01-09 – 10:00 am

Recorder Job Number: 12431 and 12441 and 12450

Committee Clerk Signature



Minutes:

Chairman Krebsbach called the conference committee to order on SB 2009 at 10:00 am in regards to the State Fairgrounds. Let the record show that all conferees are present:

Senators: Krebsbach, Bowman, Lindaas; Representatives: Svedjan, Carlson, Onstad;

Sheila Sandness, Legislative Council and Tammy Dolan, OMB were present.

Chairman Krebsbach: We are on the final days of the session.

Senator Lindaas: I want to make a few comments. Not dealing with numbers at this time but more with respect to what we are doing here. I have no lack of respect for any of you or your opinions. I think we have entered into this all looking for the same result as to what we are doing. Last night I started thinking to take an analysis of what we are building here. It is a showplace, something we can take pride in. I thought back to the pictures we've seen of the old capitol building. It was kind of a monstrosity, it was built on and patched on and I heard that the grandstand that's out there now, I've been up there I know there's been welding done here and there, it is probably safe, it doesn't leave you with a very good impression, particularly to those who come to use it. The kids that come there we want them to have pride in their state. and looking at the old capitol building, the new capitol was built in the early 30s in the throws of the depression and it cost around 2 M dollars. I was told that the same building today, the limestone, the marble, it will be well over 200 M providing you can find the material to duplicate

it. Thinking about that and the folks that built it at that time most have a lot of faith in North Dakota to put up the structure like we have here, a magnificent structure, particularly in the throws of the depression. We build buildings today, we build parking ramps that cost multiple million dollars, the cost are up there compared to what they were years ago and I think of a lady in my home town who is over 100 years old now and she always tells me to invest for the youth, both in education and other things, the grandstand that we are going to be putting up, we will get use out of that because of our age and the kids that are coming up now and we will be handing it to them and let's hand them something that is a thing of pride and joy. With that in mind I certainly would not to see the numbers kept down and we build a lesser facility than those that follow us would consider.

Chairman Krebsbach: Thank-you. Comments well taken. We are down to the negotiating hours.

Representative Svedjan: So the take away from your comments would be if we waited another 75 years it would cost us 1.5 billion dollars. I am kidding.

Chairman Krebsbach: I understand you have something, Representative Carlson, something we would be very pleased with.

Representative Carlson: I do have something being drafted it is not done. I've been waiting for confirmation on numbers and Mr. Knudson hasn't finished them for me yet. I would be happy to have a proposal that I think is fair. I will not make a decision unless I see them. If you reschedule this afternoon I will have a drafted formal amendment for you to present at that point and time.

Chairman Krebsbach: That will be fine and we perhaps will have one as well and we will compare them. We will recess until later today.

Job # 12441 starting at 3:30 pm.

Chairman Krebsbach reopened the hearing on SB 2009. Let the record show that all conferees are present: Allen Knudson, Legislative Council (replaced Sheila Sandness for the afternoon hearing) and Tammy Dolan, OMB were also present. We have a little more time. I see a pack of red envelope.

Rep Carlson: I will make the motion the House recede from it's amendments and then further amend. **Seconded by Rep Svedjan.**

Allen Knudson: What this amendment does is provide 3 M from the general fund, 9 M from permanent oil tax trust fund, for a total of 12 M of state funds; and then the remainder up to 18 M for funds raised by the state fair for the project in section three in the House if there is any additional income, that can be received and spent. Sections 5 and 6 that are added, section 5 says the funding provided is for only construction costs of the grandstand project. Section 6 is legislative intent that indicates that the state funding that is appropriated in this bill is the full and final state funding commitment for the state fair grandstand project. (2.37)

Senator Krebsbach Would you repeat again the distribution of the dollars and the total amount of distribution by the state.

Allen The total remains at the 18M, 3 M from gen fund, 9 M from permanent oil trust fund, so that would be a total of 12 M of state funds and the remaining 6 M to be raised by the state fair.

Chairman Krebsbach: We are 3 M apart from what the Senate sent to you. She was told that is correct. Committee, we have a proposal before us. Is there any further discussion? I personally cannot go along with this because it is not enough of an investment from the state to complete the project. I feel very strongly that the 15 M that was in the budget that came to you is more than fair in funding from the state for this project and It doesn't matter to me, if it

comes from general fund or permanent oil trust fund. There was general funded dollar available and there is still is general fund dollar available for this project.

Rep Carlson: I have not met with my caucus in taking a position, we convinced them to go to 9, and without their approval I raised it to 12, so I couldn't guarantee at this level that I could get this bill cast on the floor. However, with the commitment I would do my very best to get the vote to pass that, the risk still exists that they could say no, that is too much. You wanted a proposal this is what we brought forward.

Chairman Krebsbach: The initial 5 M was rejected by your body, and they were ready to move for a vote on the 15 M and that was halted. Whether or not your body was agreeable to that I guess no one knows until it is brought up there before them. Would you call the roll on Representative Carlson's amendment #0204. **SENATOR KREBSBACH - NO; BOWMAN-**

NO; LINDAAS -NO; SVEDJAM -YES; CARLSON -YES; ONSTAD - YES. IT FAILED. (roll call vote #1)

Chairman Krebsbach: I have some amendment # 0203. What this would do is offer 13 M in cash at this time, and 2 M upon the contingent on the general funds at the end of this biennium. If the general ending fund balance exceeds the estimate made by the 2009 legislative assembly then the 2 M will be appropriated.

Rep Onstad: The 2 M if needed?

Chairman Krebsbach: No that would be paid out at the time of the determination of the funds at the end of the biennium.

SenatorBowman moved the amendment .0203. Seconded by Senator Lindaas.

Chairman Krebsbach: We have a motion and a second. Any discussion? Call the roll on the amendment .0203. (vote #2) **A ROLL CALL VOTE WAS TAKEN: KREBSBACH - YES;**

BOWMAN – YES; LINDAAS – YES; SVEDJAN – NO; CARLSON – NO; ONSTAD – NO.

THE VOTE FAILED.

Rep Onstad I would add an amendment to your deal on .0203 to add the 2 M dollars if necessary.

Chairman Krebsbach: How would you see that working? Perhaps being held, bills brought forward to show the justification for it.

Rep Onstad: Correct. It still brings the possibility of 15M dollars. If bids are let out and if additional dollars are needed, it allows for a total of 15 M if necessary as far as your construction goes.

Chairman Krebsbach: Allen, is there wording you can add or change regarding that issue?

Allen Knudson: You can add some language regarding that.

Rep Onstad: I'll move that language to .0203.

Rep Carlson: I'll Second that for purposes of discussion.

Chairman Krebsbach: I have a motion for new amendment to move that language by **Rep Onstad. Seconded by Rep Carlson.**

Chairman Krebsbach: I think what you are offering is fair. We are working on the accomplishment of getting the project going on the 13M dollar and if there is need for the additional it could be accessed. If not needed it would not be accessed. Any other discussion.

Call the roll on that motion by Rep Onstad. (Vote # 3)

A ROLL CALL VOTE WAS TAKEN KREBSBACH – YES; BOWMAN – YES; LINDAAS – YES; SVEDJAN – NO; CARLSON – NO; ONSTAD – YES. THE MOTION FAILED.

Rep Carlson, I appreciate the fact that you have been working on one of our motions. If the money was available you could expand.

Chairman Krebsbach: Senator Bowman has an amendment. #.0205.

Senator Bowman: Some are concerned about the bids coming in lower, you pay it as the construction goes on. In this amendment the state fair would have the authority up to 10 M dollars. If the bid came in at 9,999, there would be enough money to pay it off. But if the bid came in at 13 M they would have to come before the budget section and the emergency commission to get that approval. Why did I do that? Because that way they can justify the actual cost of the project. There is no blue sky in this project, unless the bid would come in under 10 M dollars but they would have the authority to spend that up to 10 M. Over and above that, everything has to go before the emergency commission and budget section, then you would bring the actual cost figures so you could justify that extra money. We have done this in our community and it actually works pretty good, no one can take advantage of any of the entities. **Senator Bowman moved the amendment. Second by Rep Onstad.**

Chairman Krebsbach: Is there any discussion? This guarantees up to 15M to be spent if needed.

Senator Bowman: the 10 M dollars allows the state fair to purchase the building if it works the same way our projects work they require so much money and then as they build it they require additional money. So after the 10 M dollars if it gets more than that they would have to come to the budget section with the bill of the project. Come with the actual cost.

Rep Onstad: Would you object the 1st 10 M come from the permanent oil trust fund?

Senator Bowman: No. we will make sure the funding is there. I think it has merit. I think it takes in Representative Svedjan's concern about if this bid comes in way lower than the 15 M we will only be paying for what that bid is.

Chairman Krebsbach: Your motion would be from the permanent oil trust fund 10 M and 5 M in the general fund to be held in reserve if needed.

Rep Carlson: If you could supply me with the list of initial cost estimates for the building, which would include a breakdown of major catagories and how they arrived at their costs I would take those with me and we'll come back here after floor session and try and resolve this. because there is enough combinations to make this room because there is enough combinations here to make this work.

Chairman Krebsbach: We are in recess until after floor session around 7:30 this evening.

JOB # 12450 STARTED AT 7:30 PM ON 5-01-09

Chairman Krebsbach reconvened the conference committee on SB 2009 at 7:30 pm on May 1, 2009. Let the record show that all conferees are present: Sheila Sandness, Legislative Council and Tammy Dolan, OMB were present. This is the third meeting today. Are you ready to move on Senator Bowman's amendments?

Rep Svedjan: I have looked at this amendment and I have tried to look at it from a number of different perspectives. The first reason why I would not be able to support it is because I already declared that I won't exceed 12. And I made that clear day before yesterday. The idea itself has some merit but if I consider the way it is written if, for example the gandstand construction project was found to need to exceed 10 M dollars it puts the members of the emergency commission in quite a fix. That is to say there are 4 legislators, the secretary of state, and the governor who comprise the emergency commission. So it would put 4 members of the majority party in quite a position to say to have to possibly say no. it would put 4 members in a difficult spot. If they held together they could stop something. If they did not it would go on to the budget section to proceed. It is that part that I am concerned about. I am not going to be able to support that amendment. I have nothing better to offer.

Senator Bowman: I appreciate your comments and I respect that. But as far as taking this bill to the budget section, Allen told me we had to have a number in there, for budgeting purposes that 5 M would be set aside for that. When they present the receipts, they can't exceed that 5 M dollars. That is the top. We give 10 to start with, so that puts the obligation on whoever does the contracting. If they want to stay in budget they know what they have to do. There is no question to the fair board nor to anyone that wants to challenge this that we said in statute that you can get 10 M dollars, you can go to the budget section for up to 5 M but you can't go to 6, 7, 8, or 9 M more. If you do it has to come out of your own pocket. I know some of you are concerned about Minot not being obligated for anything. Well, this obligates them to keep the cost of that under 15 M dollars. And it satisfies me to know that they will have enough money in their pool to be able to meet all of their contractual information when they decide to build this. You need money up front, when it is delivered you usually need to make a down payment, and as they construct it in different phases they'll get certain things done and they will need to come before the fair board and ask for more, and they will have enough money in that all the way up to 10 M dollars. It would be nice if the whole thing would cost 10 M when they were done but they asked for 17 M so if the original bid came in at 17 they would have to come up with 2 M dollars.

Rep Svedjan: That part I understand. I am not worried about any overage over 15. I am concerned about the overage over 10.(6.25)

More discussion followed regarding the emergency commission's role, the fact that the committee could not agree on the dollar amount and it was suggested that they meet again tomorrow by Rep Carlson. He also stated they would bring one more amendment.

Chairman Krebsbach: We will recess until tomorrow morning.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2009 Conference Committee

Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: 05-02-09

Recorder Job Number: 12459 (12:00 noon)

Committee Clerk Signature



Minutes:

Chairman Krebsbach called the conference committee to order on SB 2009 at 12:00 noon in regards to State Fairgrounds. Let the record show that all conferees are present: **Senators:**

Krebsbach, Bowman, Lindaas; Representatives: Svedjan, Carlson, Onstad. Sheila

Sandness, Legislative Council and Tammy Dolan, OMB were present.

Chairman Krebsbach Here we are once again, gentlemen.

Rep Carlson: I have some amendments #.0206 and we have a little error but I can explain it.

After watching the action on the floor I have no doubt we know how to spend money. #.0206.

Roxanne, we have it just a little bit wrong here but I will explain my intentions. The number was meant to be 15 M not 13 M, Here is how it would work. 3 M in general fund money, 6 M dollars from the permanent oil trust fund, it would have been up to 18 M of authority to build there would have been a 6 M dollar loan from the BND to be paid out of the proceeds by the state fair. That totals 15 M dollars. It doesn't read right. Would it be a total of 15 I don't see that. Explain it to me how I missed that. the total project is suppose to be 15.

Roxanne It is. If you look at the footnote under 1 in the statement of purpose, the change you see is just messing you up a little bit. The change we have to show we are amending that Senate version.

Rep Carlson: So it's the 12 M, 3 from general fund, 6 from permanent oil, and 6 from (inaudible) Sorry, I read it wrong. But it doesn't read right. Maybe I didn't fill it in to the old bill right. My intention ws 3, 6 and 6. **I move amendment #.0206. Seconded by Rep Svedjan.**

Chairman Krebsbach: We have a motion and a second. I am going to comment on the fact that there has been no movement on the House side with this bill with your offer on .0206 because we are still at 9 M from the state and 6 M for us to borrow and that in my eyes is unacceptable. Others can comment.

Rep Onstad: I think if we look at some of the proceeds, it isn't that the fair, it handles a lot of dollars, but to put that encompassing on 6 M. A 6 M would that be bonded for 40 years or a 7 year note. I am not against the concept it does put more responsibility on the fair board but I don't think the fair could afford that kind of payment but I am not sure what the structure would be.

Senator Lindaas I have seen over the years on this budget, there is not a lot of margin, it is a very fragile system, money wise, it would be setting it up for a failure.

Chairman Krebsbach: Call the roll on Representative Carlson's amendment .0206.

A ROLL CALL VOTE WAS TAKEN. KREBSBACH – NO; BOWMAN – NO; LINDAAS – NO; SVEDJAN – YES; CARLSON – YES; ONSTAD- NO. THE MOTION FAILED.

Chairman Krebsbach: We are in recess.

Rep Svedjan: I was wanting to make a motion.

Chairman Krebsbach: I am ready for recess.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2009 conference committee

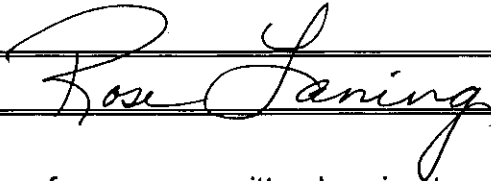
Senate Appropriations Committee

☒ Check here for Conference Committee

Hearing Date: May 2, 2009

Recorder Job Number: 12465

Committee Clerk Signature



Senator Christmann called the conference committee hearing to order on SB 2009 in regards to the State Fair and a new conference committee was appointed: **Senators Christmann, Wardner, O'Connell and Rep. Martinson, Hawken and Onstad.**

Senator Christmann: I just wanted to have a record to make some semblance of sense if someone listens to the tape someday.

Rep. Martinson: I move that we recede from the House amendments.

Senator Christmann: Is there a second?

Rep. Onstad seconded.

Senator Christmann: Any discussion? Just for clarification, this issue would put the State Fair building project back at \$15 M of general funds.

Rep. Martinson: Just so everyone has it right - this would put it to the form that it came from the Senate. That's \$15 M for the State Fair.

Senator Christmann: Any other discussion.

A Roll Call vote was taken. Yea: 6 Nay: 0 Absent: 0

Senator Christmann will carry the bill for the Senate and **Rep. Hawken** for the House.

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

*Onstad
motion
failed*

Bill Number SB 2009 (, as ~~(re)~~ engrossed)

Date: April 24, 2009

Your Conference Committee Senate Appropriations

5:30 PM

For the Senate:

For the House:

	YES / NO			YES / NO	
- <u>Kiebsbach</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	- <u>Svedjan</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
- <u>Bowman</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	- <u>Carlson</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
- <u>Lindaas</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	- <u>Onstad</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ -- _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO. _____	of amendment
LC NO. _____	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Carlson
motion -
failed

Bill Number SB 2009 (, as ~~(#)~~ engrossed)

Date: April 24, 2009

Your Conference Committee Senate Appropriations

5:30 PM

For the Senate:

For the House:

YES / NO			YES / NO		
Krebsbach		✓	Svedjan	✓	
Bowman		✓	Carlson	✓	
Lindas		✓	Anstad		✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ -- _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the
Seventh order:

_____, having been unable to agree, recommends that the committee be discharged
and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

ma
motion
by Svedjan.

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Bill Number 2009 (, as (re)engrossed):

Date: 4/28/09

Your Conference Committee Senate Appropriations

For the Senate:

For the House:

	YES / NO			YES / NO	
<u>Krabbloch</u>		<input checked="" type="checkbox"/>	<u>Svedjan</u>	<input checked="" type="checkbox"/>	
<u>Bowman</u>		<input checked="" type="checkbox"/>	<u>Carlson</u>	<input checked="" type="checkbox"/>	
<u>Lindas</u>		<input checked="" type="checkbox"/>	<u>Orstad</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the
Seventh order:

_____, having been unable to agree, recommends that the committee be discharged
and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Svedjan

SECONDED BY: Carlson

VOTE COUNT YES NO ABSENT

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2009 (, as (re)engrossed):

Date: 4/28/09

Your Conference Committee Senate Appropriations

For the Senate:

4/28

YES / NO 4/28

For the House:

YES / NO

<input checked="" type="checkbox"/> Kneiback	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Svedjan</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Bowman	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Skarph Carlson</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Lundaas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Onstad</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Svedjan

SECONDED BY: Carlson

VOTE COUNT ____ YES ____ NO ____ ABSENT

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

Page 1, line 14, replace the first "3,000,000" with "15,000,000" and replace the second "3,000,000" with "15,000,000"

Page 1, line 15, replace "14,530,000" with "2,530,000" and replace "15,697,150" with "3,697,150"

Page 1, line 22, replace "3,000,000" with "15,000,000"

Page 1, line 23, replace "15,000,000" with "3,000,000"

Page 2, after line 4, insert:

"SECTION 3. ADDITIONAL INCOME - APPROPRIATION. Any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the state fair association for the grandstand construction project in addition to the amount included in the estimated income line item in section 1 of this Act, except as otherwise provided by law, is appropriated for the grandstand construction project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. ESTIMATED INCOME - PERMANENT OIL TAX TRUST FUND. The estimated income line item in section 1 of this Act includes \$9,000,000 from the permanent oil tax trust fund for the grandstand project.

SECTION 5. GRANDSTAND PROJECT - LIMITATION. The capital assets line item in section 1 of this Act includes \$18,000,000 for the state fair grandstand project. The state fair may spend this funding only for construction costs of the grandstand project.

SECTION 6. LEGISLATIVE INTENT - GRANDSTAND PROJECT FUNDING. It is the intent of the sixty-first legislative assembly that the state funding appropriated for the grandstand project in this Act is the full and final state funding commitment for the state fair grandstand."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0204 FN 3

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - State Fair Association - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets	\$17,210,000	\$18,210,000		\$18,210,000	\$18,210,000	
Premiums	487,150	487,150		487,150	487,150	
Total all funds	\$17,697,150	\$18,697,150	\$0	\$18,697,150	\$18,697,150	\$0
Less estimated income	0	3,000,000	12,000,000	15,000,000	9,000,000	6,000,000
General fund	\$17,697,150	\$15,697,150	(\$12,000,000)	\$3,697,150	\$9,697,150	(\$6,000,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of Conference Committee Changes

	Adjusts Funding Source for Grandstand ¹	Total Conference Committee Changes
Capital assets		
Premiums		
Total all funds	\$0	\$0
Less estimated income	12,000,000	12,000,000
General fund	(\$12,000,000)	(\$12,000,000)
FTE	0.00	0.00

¹ Funding from the general fund for the grandstand construction project is reduced by \$12 million to provide a total of \$3 million from the general fund. An appropriation of \$9 million is added for the project from the permanent oil tax trust fund.

Sections are added to the bill:

- Appropriating any additional funds raised for the grandstand construction project to the State Fair Association for the grandstand construction project, the same as the House version.
- Providing the estimated income line item in Section 1 of the bill includes \$9 million from the permanent oil tax trust fund for the grandstand project, this funding was not included in the Senate or House versions.
- Providing the State Fair Association may only spend the grandstand project funding only for the construction costs of the grandstand project.
- Providing that the state funding appropriated for the grandstand project is the full and final state funding commitment for the State Fair grandstand.

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Vote 1

amend.
0207

failed
Carlson

Bill Number 2009 (, as (re)engrossed):

Date: 5/1/09

Your Conference Committee Senate Appropriations

3:30 PM

For the Senate:

For the House:

	5/1 YES / NO				5/1 YES / NO		
Krutzback	✓		✓	Svedgar	✓	✓	
Bowman	✓		✓	Carlson		✓	
Lindas	✓		✓	Onstad	✓	✓	

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

____, and place _____ on the Seventh order.

____, adopt (further) amendments as follows, and place _____ on the Seventh order:

____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

Vote 2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

That the House recede from its amendments as printed on page 1370 of the Senate Journal and pages 1464 and 1465 of the House Journal and that Engrossed Senate Bill No. 2009 be amended as follows:

Page 1, line 14, replace the first "3,000,000" with "5,000,000" and replace the second "3,000,000" with "5,000,000"

Page 1, line 15, replace "14,530,000" with "12,530,000" and replace "15,697,150" with "13,697,150"

Page 1, line 22, replace "3,000,000" with "5,000,000"

Page 1, line 23, replace "15,000,000" with "13,000,000"

Page 2, after line 4, insert:

"SECTION 3. CONTINGENT APPROPRIATION - SUPPLEMENTAL GRANDSTAND FUNDING. If the general fund ending balance on June 30, 2009, after cancellation of unexpended appropriations under section 54-44.1-11 exceeds the general fund ending balance estimated by the 2009 legislative assembly, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, to the state fair association for the purpose of providing additional state funding for the state fair grandstand construction project."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0203 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - State Fair Association - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets	\$17,210,000	\$18,210,000		\$18,210,000	\$18,210,000	
Premiums	487,150	487,150		487,150	487,150	
Total all funds	\$17,697,150	\$18,697,150	\$0	\$18,697,150	\$18,697,150	\$0
Less estimated income	0	3,000,000	2,000,000	5,000,000	9,000,000	(4,000,000)
General fund	\$17,697,150	\$15,697,150	(\$2,000,000)	\$13,697,150	\$9,697,150	\$4,000,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of Conference Committee Changes

	Adjusts Funding Source for Grandstand¹	Total Conference Committee Changes
Capital assets		
Premiums		
Total all funds	\$0	\$0
Less estimated income	2,000,000	2,000,000
General fund	(\$2,000,000)	(\$2,000,000)
FTE	0.00	0.00

¹ Funding from the general fund for the grandstand construction project is increased by \$4 million from the House version to provide a total of \$13 million from the general fund. A section is added to provide an additional contingent general fund appropriation of \$2 million. The House reduced the funding provided by the Senate by \$6 million to provide a total of \$9 million from the general fund.

A section is added to provide a contingent appropriation of \$2 million from the general fund if the 2007-09 biennium general fund ending balance exceeds the estimate made by the 2009 Legislative Assembly. The House and Senate versions did not contain contingent appropriations.

A section appropriating any additional funds raised for the grandstand construction project in excess of \$13 million to the State Fair Association for the grandstand project was removed from the House version.

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

vote 2.
Failed
0203
Sen Kriebelbach's

Bill Number 2009 (, as (re)engrossed):

Date: 5-10-9
3:30pm

Your Conference Committee _____

For the Senate:

For the House:

YES / NO			YES / NO		
Kriebelbach	✓		Swedman		✓
Brownman	✓		Carlson		✓
Swindler	✓		Onstad		✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ -- _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

Vote 3

Enstad
Motion
failed -
5-10-9
3:30 PM

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)

Bill Number 2009 (, as (re)engrossed):

Date: 5-10-9
3:30 PM

Your Conference Committee Senate Approp

For the Senate:

For the House:

YES / NO			YES / NO		
Kruback	✓		Svedjan		✓
Bowman	✓		Carlson		✓
Sindero	✓		Enstad	✓	

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

____, and place _____ on the Seventh order.

____, adopt (further) amendments as follows, and place _____ on the Seventh order:

____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

That the House recede from its amendments as printed on page 1370 of the Senate Journal and pages 1464 and 1465 of the House Journal and that Engrossed Senate Bill No. 2009 be amended as follows:

Page 2, after line 4, insert:

"SECTION 3. CONTINGENT FUNDING. Of the \$15,000,000 general fund appropriation included in section 1 of this Act, \$5,000,000 is contingent on the cost of the grandstand construction project exceeding \$10,000,000 and may be spent only upon emergency commission and budget section approval."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2009 - State Fair Association - Conference Committee Action

A section is added to provide that of the \$15 million general fund appropriation for the grandstand project, \$10 million may be spent by the State Fair Association for the project but any additional funding of up to \$5 million from the general fund requires Emergency Commission and Budget Section approval. The House and Senate versions did not contain this provision.

A section appropriating any additional funds raised for the grandstand construction project in excess of \$13 million to the State Fair Association for the grandstand project is removed from the House version.

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

*Bowman
-0205
no vote in
this evening
meeting.*

Bill Number 2009 (, as (re)engrossed):

Date: 5-1-09

Your Conference Committee Senate Appropriations

7:30 PM - 3:30 PM

For the Senate:

For the House:

S/ YES / NO				S/ YES / NO			
<u>Kruback</u>	✓			<u>Bridgman</u>	✓		
<u>Bowman</u>	✓			<u>Carlson</u>	✓		
<u>Bindas</u>	✓			<u>Onstad</u>	✓		

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

That the House recede from its amendments as printed on page 1370 of the Senate Journal and pages 1464 and 1465 of the House Journal and that Engrossed Senate Bill No. 2009 be amended as follows:

Page 1, line 2, after the second semicolon insert "to provide borrowing authority;"

Page 1, line 14, replace the first "3,000,000" with "13,000,000" and replace the second "3,000,000" with "13,000,000"

Page 1, line 15, replace "14,530,000" with "4,530,000" and replace "15,697,150" with "5,697,150"

Page 1, line 22, replace "3,000,000" with "13,000,000"

Page 1, line 23, replace "15,000,000" with "5,000,000"

Page 2, after line 4, insert:

"SECTION 3. ADDITIONAL INCOME - APPROPRIATION. Any other income, including funds from federal acts, private grants, gifts, and donations, or from other sources received by the state fair association for the grandstand construction project in addition to the amount included in the estimated income line item in section 1 of this Act, except as otherwise provided by law, is appropriated for the grandstand construction project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 4. ESTIMATED INCOME - PERMANENT OIL TAX TRUST FUND. The estimated income line item in section 1 of this Act includes \$6,000,000 from the permanent oil tax trust fund for the grandstand project.

SECTION 5. GRANDSTAND PROJECT - LIMITATION. The capital assets line item in section 1 of this Act includes \$18,000,000 for the state fair grandstand project. The state fair may spend this funding only for construction costs of the grandstand project.

SECTION 6. LEGISLATIVE INTENT - GRANDSTAND PROJECT FUNDING. It is the intent of the sixty-first legislative assembly that the state funding appropriated for the grandstand project in this Act is the full and final state funding commitment for the state fair grandstand.

SECTION 7. BANK OF NORTH DAKOTA LOAN AUTHORIZATION. The state fair association may borrow the sum of \$6,000,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated in section 1 of this Act for the grandstand construction project, for the period beginning with the effective date of this Act and ending June 30, 2011. The state fair association shall repay the loan and accrued interest from its state fair and other events revenue over the term of the loan."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98028.0206 FN 4

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - State Fair Association - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Capital assets	\$17,210,000	\$18,210,000		\$18,210,000	\$18,210,000	
Premiums	487,150	487,150		487,150	487,150	
Total all funds	\$17,697,150	\$18,697,150	\$0	\$18,697,150	\$18,697,150	\$0
Less estimated income	0	3,000,000	12,000,000	15,000,000	9,000,000	6,000,000
General fund	\$17,697,150	\$15,697,150	(\$12,000,000)	\$3,697,150	\$9,697,150	(\$6,000,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 665 - State Fair Association - Detail of Conference Committee Changes

	Adjusts Funding Source for Grandstand ¹	Total Conference Committee Changes
Capital assets		
Premiums		
Total all funds	\$0	\$0
Less estimated income	12,000,000	12,000,000
General fund	(\$12,000,000)	(\$12,000,000)
FTE	0.00	0.00

¹ Funding from the general fund for the grandstand construction project is reduced by \$12 million to provide a total of \$3 million from the general fund. An appropriation of \$6 million is added for the project from the permanent oil tax trust fund, and the State Fair Association is authorized in a separate section of the bill to borrow \$6 million from the Bank of North Dakota for the project.

Sections are added:

- Appropriating any additional funds raised for the grandstand construction project to the State Fair Association for the project, the same as the House version.
- Providing the estimated income line item in Section 1 of the bill includes \$6 million from the permanent oil tax trust fund for the grandstand project, this funding was not included in the Senate or House versions.
- Authorizing the State Fair Association to borrow up to \$6 million from the Bank of North Dakota.
- Providing the State Fair Association may spend the grandstand project funding only for the construction costs of the grandstand project.
- Providing that the state funding appropriated for the grandstand project is the full and final state funding commitment for the State Fair grandstand.

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

0206
failed

Bill Number 2009 (, as (re)engrossed):

Date: 5 20 9

Your Conference Committee Senate Appropriations

For the Senate:

$\frac{1}{2}$ YES / NO

For the House:

$\frac{1}{2}$ YES / NO

Krebsbach	✓		✓	Svedjano	✓		✓
Bowman	✓		✓	Carlson	✓		✓
Sindras	✓		✓	Onstad	✓		✓

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) _____

_____ and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: _____

SECONDED BY: _____

VOTE COUNT YES NO ABSENT

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Bill Number 2009 (, as (re)engrossed):

Date: May 2, 2009

Your Conference Committee Senate Appropriations

For the Senate:

For the House:

YES / NO		YES / NO	
<input checked="" type="checkbox"/> Christmann	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Martinson	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Gardner	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Hauken	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Connell	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Orestad	<input checked="" type="checkbox"/>

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1370 - _____

_____, and place _____ on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: _____

CARRIER: _____

LC NO. _____	of amendment
LC NO. _____	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Martinson

SECONDED BY: _____

VOTE COUNT 6 YES 0 NO 0 ABSENT

REPORT OF CONFERENCE COMMITTEE

SB 2009, as engrossed: Your conference committee (Sens. Christmann, Wardner, O'Connell and Reps. Martinson, Hawken, Onstad) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 1370 and place SB 2009 on the Seventh order.

Engrossed SB 2009 was placed on the Seventh order of business on the calendar.

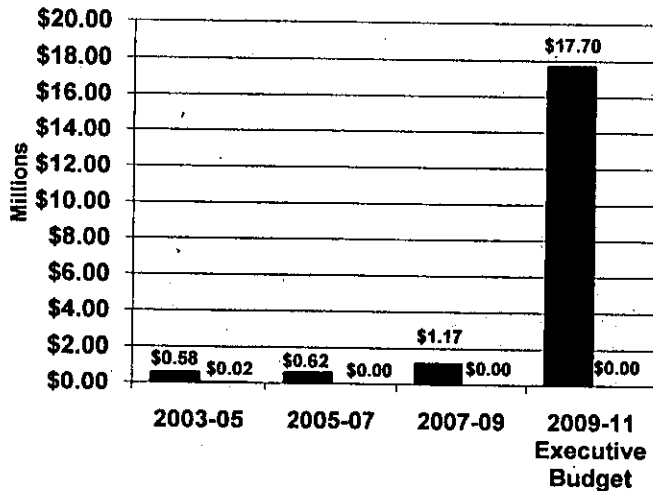
2009 TESTIMONY

SB 2009

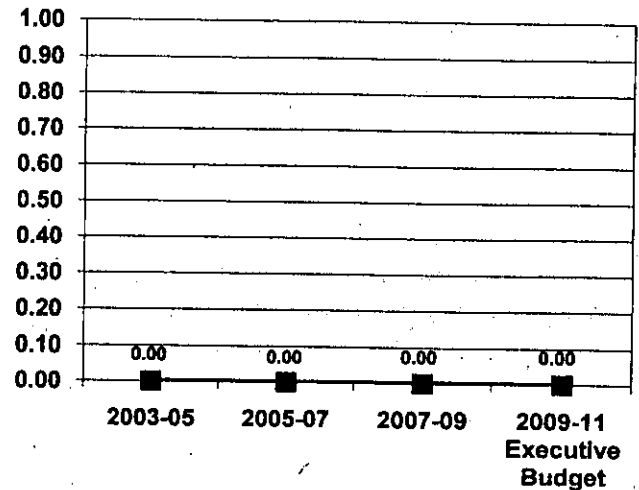
**Department 665 - State Fair Association
Senate Bill No. 2009**

	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	0.00	\$17,697,150	\$0	\$17,697,150
2007-09 Legislative Appropriations	0.00	1,167,150	0	1,167,150
Increase (Decrease)	0.00	\$16,530,000	\$0	\$16,530,000

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	\$697,150	\$17,000,000	\$17,697,150
2007-09 Legislative Appropriations	1,167,150	0	1,167,150
Increase (Decrease)	(\$470,000)	\$17,000,000	\$16,530,000

First House Action

Attached is a summary of first house changes.

**Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Removes 2007-09 biennium capital asset funding, including an asphalt overlay project (\$265,000), startup costs related to the new grandstand (\$250,000), and bond payments (\$210,000)	(\$725,000)		(\$725,000)
2. Increases funding for premiums from \$442,150 to \$487,150 from the general fund	\$45,000		\$45,000
3. Provides funding for bond payments	\$210,000		\$210,000
4. Provides one-time funding for construction of a new grandstand. The Senate increased project authorization \$1 million to provide a total of \$18 million, reduced the general fund appropriation to \$15 million, and added \$3 million of other funds.	\$17,000,000		\$17,000,000

Other Sections in Bill

Grandstand project - Section 3 declares the \$18 million appropriation for the grandstand project an emergency.

Continuing Appropriations

State Fair operating fund - North Dakota Century Code Section 4-02.1-15 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.

Major Related Legislation

No major legislation is currently under consideration affecting this agency.

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2009 - Funding Summary**

	Executive Budget	Senate Changes	Senate Version
State Fair Association			
Capital assets	\$17,210,000	\$1,000,000	\$18,210,000
Premiums	487,150		487,150
Total all funds	\$17,697,150	\$1,000,000	\$18,697,150
Less estimated income	0	3,000,000	3,000,000
General fund	\$17,697,150	(\$2,000,000)	\$15,697,150
FTE	0.00	0.00	0.00
Bill Total			
Total all funds	\$17,697,150	\$1,000,000	\$18,697,150
Less estimated income	0	3,000,000	3,000,000
General fund	\$17,697,150	(\$2,000,000)	\$15,697,150
FTE	0.00	0.00	0.00

Senate Bill No. 2009 - State Fair Association - Senate Action

	Executive Budget	Senate Changes	Senate Version
Capital assets	\$17,210,000	\$1,000,000	\$18,210,000
Premiums	487,150		487,150
Total all funds	\$17,697,150	\$1,000,000	\$18,697,150
Less estimated income	0	3,000,000	3,000,000
General fund	\$17,697,150	(\$2,000,000)	\$15,697,150
FTE	0.00	0.00	0.00

Department 665 - State Fair Association - Detail of Senate Changes

	Adjusts Funding for Grandstand Project¹	Total Senate Changes
Capital assets	1,000,000	1,000,000
Premiums		
Total all funds	\$1,000,000	\$1,000,000
Less estimated income	3,000,000	3,000,000
General fund	(\$2,000,000)	(\$2,000,000)
FTE	0.00	0.00

¹ This amendment increases the authorization for the grandstand construction project to \$18 million, reduces the general fund appropriation for the project to \$15 million, and adds \$3 million of other funds.

SB 2009
February 27, 2009
attachment # 5

**CHAPTER 4-02.1
STATE FAIR ASSOCIATION**

4-02.1-01. State fair association. A state fair association, to be known as the North Dakota state fair association, is hereby created for the purpose of conducting an annual North Dakota state fair and for the purpose of exhibiting at such fair the agricultural, stockbreeding, horticultural, mining, mechanical, industrial, and other products and resources of this state. The North Dakota state fair shall be held at Minot, North Dakota, at a site to be selected by the state fair association. No other fair may be designated as, nor may any other fair call itself, the state fair.

4-02.1-02. Organization of state fair association - Initial members. For the purpose of organizing the state fair association three residents from each county in the state shall compose the initial membership in the state fair association. One member must be selected by the county fair board, one member by the board of county commissioners, and one member by the county agent of each county. In cases where a county does not have a county agent or county fair board, the board of county commissioners shall select the resident that either the county agent, or county fair board, would normally have been entitled to select as a member of the state fair association. Within thirty days after July 1, 1965, the names of the persons selected to serve as the initial members of the state fair association must be forwarded to the agriculture commissioner by the agencies making such selection. The agriculture commissioner shall compile a list of all such members and forward a copy to each member. Within three months of their selection the initial members of the state fair association shall meet at a time and place agreed upon by them for the purpose of adopting bylaws, electing a temporary board of directors for one-year terms or until successors are chosen and qualified, and generally organizing the state fair association pursuant to the provisions of this chapter. The initial members of the state fair association shall serve one-year terms of office, or until successors are chosen and qualified, but this provision does not prohibit such initial members from succeeding themselves as regular members of the fair association pursuant to the provisions of this chapter. The initial members and the board of directors selected therefrom shall have all the powers, and be subject to all the laws, as is provided in this chapter, except that the board of directors shall serve only one-year terms of office. The first annual meeting of the state fair association must be held at the call of the initial board of directors. A permanent board of directors, elected pursuant to the provisions of this chapter, must be selected at the first annual meeting and new or additional members of the association must be received into the state fair association according to the provisions of this chapter. The state fair association shall initiate plans at the first annual meeting for the purpose of conducting a state fair in the year 1966.

4-02.1-03. Permanent members of state fair association. The state fair association, after the expiration of the term of the initial members, must have a membership selected in the following manner:

1. Three members to be chosen annually from each of the counties of the state, such members to be residents of such county, with one member to be selected by the county fair board, one member by the board of county commissioners, and one member by the county agent.
2. Such individuals who, by reason of eminent services in agriculture, horticulture, or in the arts and sciences connected therewith, or of long and faithful service in the association, or of benefits conferred upon it, may, by two-thirds vote of the directors at any annual meeting, be elected as honorary members.
3. Members elected by societies, corporations, limited liability companies, or associations as determined in the association bylaws, except that a majority of the members must always be selected in accordance with subsection 1.

The terms of all members, except honorary members, must be for a one-year term or until the succeeding annual meeting after such members have qualified as members, except that each

170746

WARRANTY DEED

THIS INDENTURE, Made this 7th day of April in the year of our Lord one thousand nine hundred and sixty-six between the Northwest Agricultural, Livestock, and Fair Association, a political subdivision of the State of North Dakota, party of the first part, whose post office address is Minot, North Dakota, and the State of North Dakota d/b/a North Dakota State Fair Association, party of the second part, whose post office address is Minot, North Dakota.

WITNESSETH, that the said party of the first part, in consideration of the sum of one dollar and other good and valuable consideration to it in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, does hereby Grant, Bargain, Sell, and Convey unto the said party of the second part, its heirs and assigns so long as the same shall be used for the purpose of conducting an Annual North Dakota State Fair, all tracts or parcels of land lying and being in the county of Ward and State of North Dakota, described as follows, to-wit:

lot 58 and lot 59, Elmwood Addition to the City of Minot.

lot 170, Shown Park Manor Addition to the City of Minot.

All of the flat of Fairville, Ward County, North Dakota, and all that tract or parcel of land in the NE 1/4 of Section 19, Twp 135 N., Rge 132 West, bounded and described as follows, to-wit: Beginning at the SE corner of said NE 1/4 of Section 19, thence north along the north and south quarter section line in said Section 19, a distance of approximately 350 feet to the southerly line of the right-of-way of the Great Northern Railway as laid out, over and across the said NE 1/4 of said Section 19, thence north easterly along the said railway right-of-way to the center line of the Mouse River, thence southerly along the said center line of the Mouse River down stream to the south boundary line of the said NE 1/4 of Section 19, thence east along the south line of the NE 1/4 of said Section 19, a distance of 403 feet, to the place of beginning of sectioned land, containing 2.35 acres, more or less.

Best copy available

TO HAVE AND TO HOLD THE SAME, together with all the hereditaments and appurtenances thereunto belonging or in anywise appertaining, to the said party of the second part, its heirs and assigns so long as the same shall be used for purposes of conducting an Annual North Dakota State Fair, and the said Northwest Agricultural, Livestock, and Fair Association, a political subdivision of the State of North Dakota, party of the first part, for itself and its successors, does covenant with the said party of the second part, its heirs and assigns, that it is well seized in fee of the lands and premises aforesaid, and has good right to sell and convey the same in manner and form aforesaid; that the same are free from all restrictions, covenants or encumbrances except those appearing on record at the Register of Deeds Office, Ward County, North Dakota and the above bargained and granted lands and premises, in the quiet and peaceable possession of the said party of the second part, its heirs and assigns against all persons lawfully claiming or to claim the whole or any party thereof, the said party of the first part will WARRANT and DEFEND.

This deed is executed for the purposes set forth in Chapter 73 of the 1965 Session Laws of the State of North Dakota.

IN TESTIMONY WHEREOF, the said party of the first part has caused these presents to be executed in its corporate name by Harold Haner, its President, and Paul Walker, its Secretary, and its corporate seal to be hereunto affixed this day and year first above written.

NORTHWEST AGRICULTURAL, LIVESTOCK, AND FAIR ASSOCIATION

Signed and sealed and delivered in the presence of:

By: Harold Haner
Harold Haner, President
Paul Walker
Paul Walker, Secretary

Frederick Peterson
Operson Peterson

STATE OF NORTH DAKOTA)

COUNTY OF WARD)

On this 7th day of April, 1966, before me a Notary Public, personally appeared Harold Haner and Paul Walker, known to me to be the President and Secretary, respectively, described in and that they executed the foregoing instrument and that they acknowledged to me that such Association executed the same, and I hereby certify that I have examined the by-laws of the Association and the minutes of the meeting of the directors of said Association and I find that the same Harold Haner and Paul Walker are the President and Secretary, respectively, of the Northwest Agricultural, Livestock, and Fair Association and they have full power and authority to execute the above and foregoing deed.

Richard B. Thomas

Richard B. Thomas, Notary Public
Ward County, North Dakota
My Commission Expires 8-1-68

173746

STATE OF NORTH DAKOTA)

COUNTY OF WARD)
REGISTER OF DEEDS

I hereby certify that the within instrument was filed in this office for record on the 12th day of April A.D. 1966 at 11:00 o'clock A.M. and was duly recorded in Book 372 of Deeds on page 57.

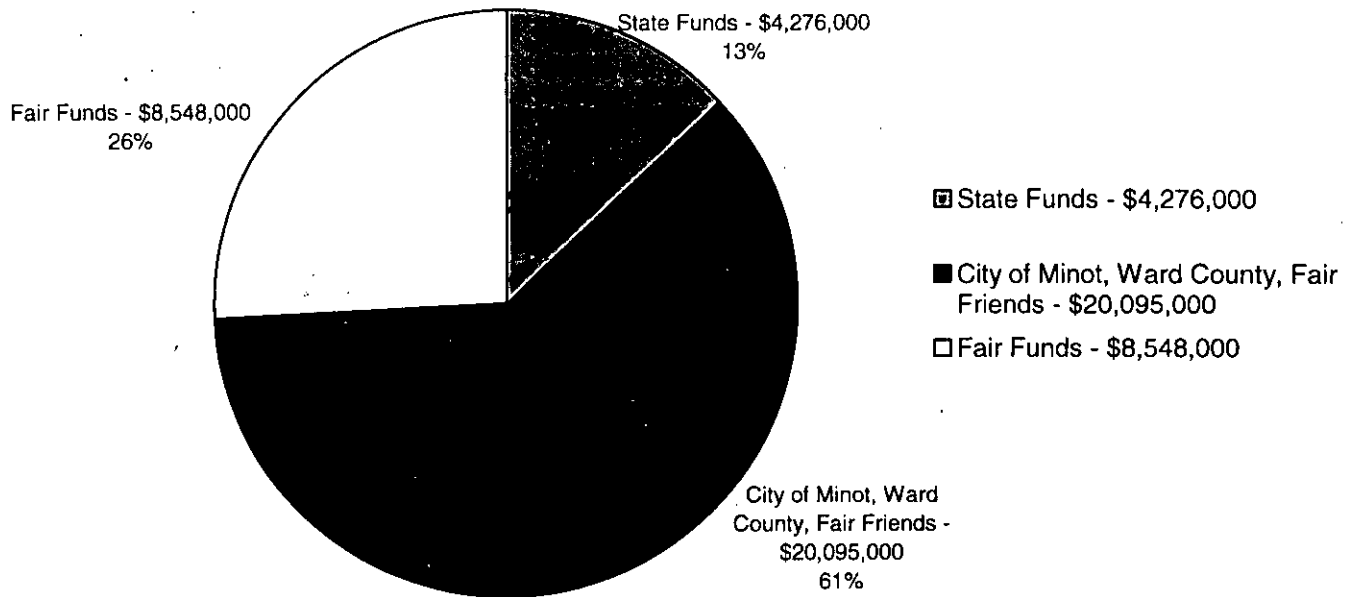
By *Richard B. Thomas*
Register of Deeds
Deputy

Copied
Grantee
Grantee
Grantee
Grantee

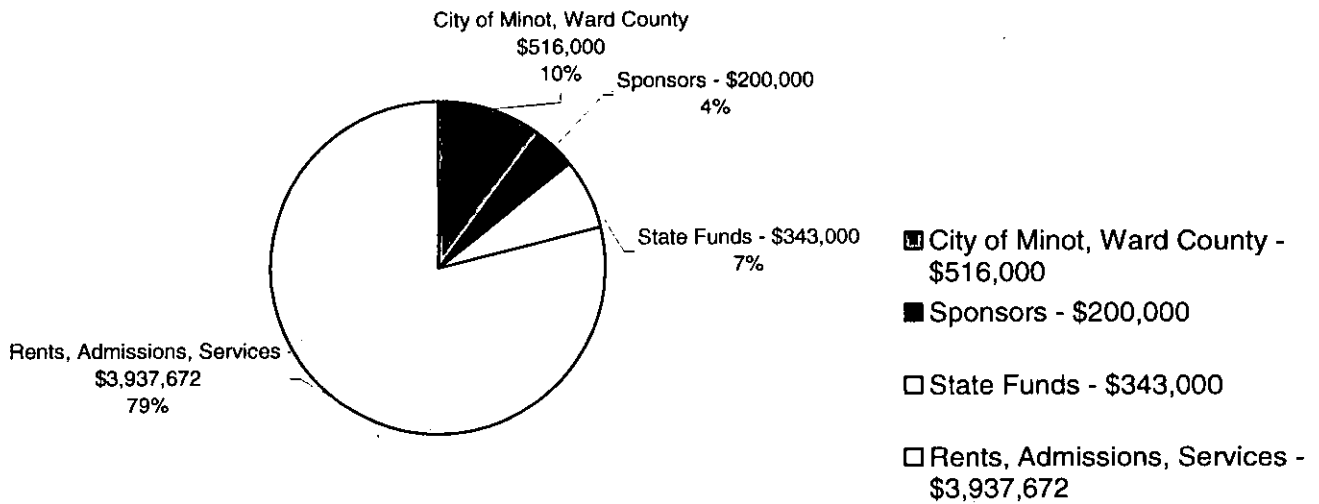
North Dakota State Fair

2

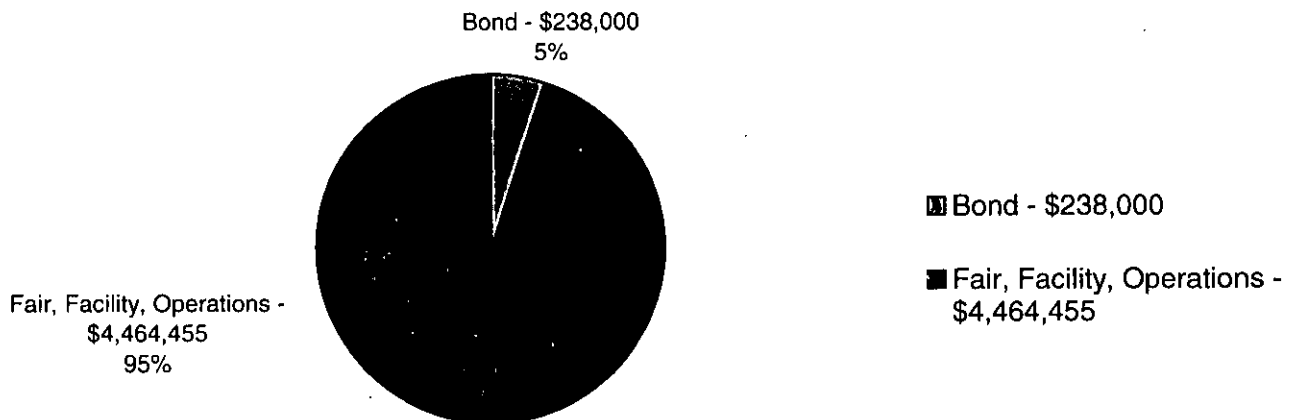
1965-2008 Major Capital Improvement Funding



Income 2008 - Budget \$4.8m



Expenses 2008 - Budget \$4.8m

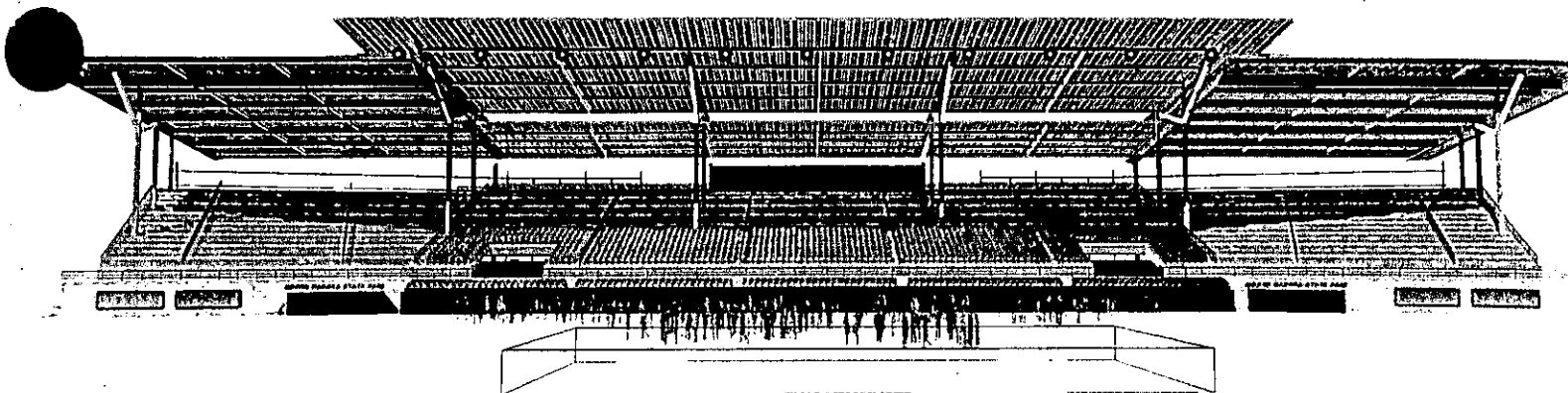


NORTH DAKOTA STATE FAIR * 2008 * GRANDSTAND REVENUE

The Grandstand revenue consists of all major events taking place during the Fair for which separate tickets are sold. The Fair's percentage of novelty sales for these events is considered grandstand revenue. And, the bank service fees on these events is the only allowable deduct from the gross when calculating entertainer's percentage monies. Please remember this is "gross" revenue not "net".

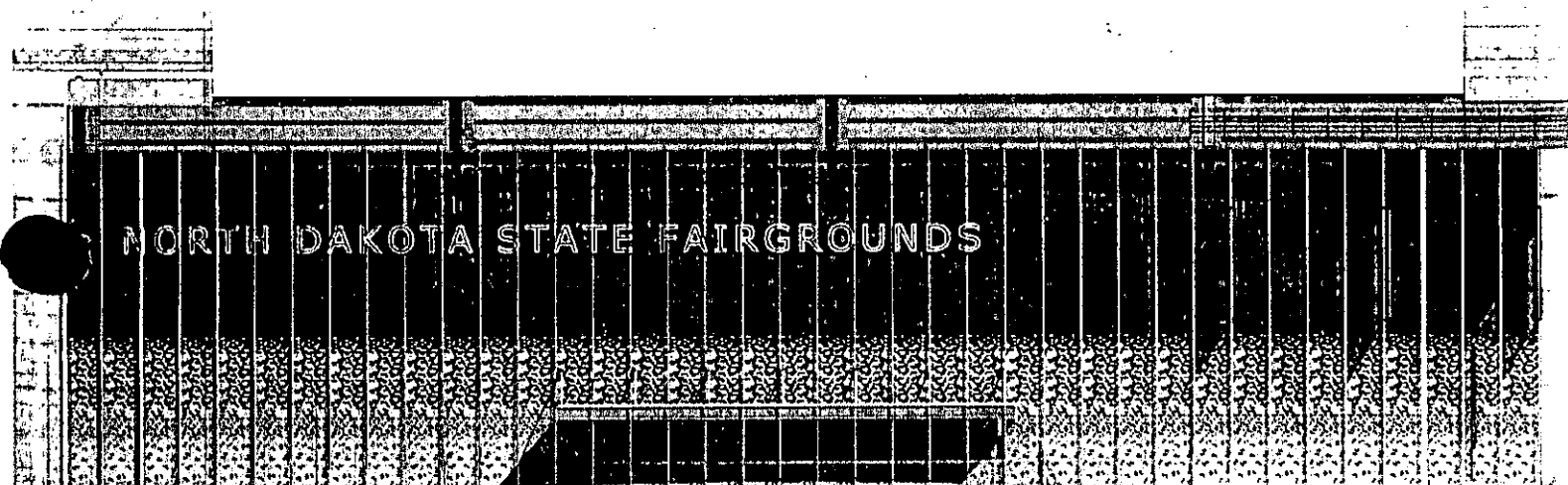
Reserved Showpass Ticket Sales	\$233,850.00
General Admission Showpass Ticket Sales	\$373,295.00
MatchBox Twenty Ticket Sales	\$303,525.00
Classic Car Show Individual Ticket Sales	\$5,768.00
Casting Crowns Group Tickets Sales	\$24,475.00
Casting Crowns Coke Coupon Ticket Sales	\$27,850.00
Casting Crowns Individual Ticket Sales	\$34,620.00
Enduro Race Individual Ticket Sales	\$14,425.00
Demo Derby Individual Ticket Sales	\$11,140.00
Sugarland Individual Ticket Sales	\$67,540.00
Joe Nichols Individual Ticket Sales	\$4,320.00
Trace Adkins Individual Ticket Sales	\$19,910.00
Jason Aldean / Miranda Lambert Individual	\$37,345.00
Ranch Rodeo Individual Ticket Sales	\$8,438.00
Bull Riding Ticket Sales (all tickets)	\$26,472.00
Novelty Percentage paid to Fair by Events	\$23,813.00
	<hr/>
	\$1,216,786.00
Less: Bank Service Fees Paid on Sales	(\$8,067.19)
TOTAL GRANDSTAND REVENUE	<hr/>
	\$1,208,718.81

2/10/2009



cost estimate

Demolition & Salvage	\$ 464,380
Sitework	\$ 447,260
Concrete & Reinforcing	\$ 1,617,038
Structural Steel	\$ 2,962,830
Metal Fabrications	\$ 881,145
Aluminum Entrance	\$ 288,900
Miscellaneous Openings & Doors	\$ 374,500
Masonry	\$ 365,138
Electrical	\$ 1,498,000
Mechanical/Plumbing	\$ 1,284,000
Elevator	\$ 167,963
Metal Roof	\$ 621,798
Food/Beverage Service Build-out	\$ 1,605,000
Signage	\$ 128,400
Interior Furnishings	\$ 107,000
Grandstand & Seating	\$ 909,500
Subtotal	\$ 13,722,852
Bond	\$ 115,426
Subtotal	\$ 13,838,278
General Conditions	\$ 2,057,224
Subtotal	\$ 15,895,502
Contingency	\$ 794,775
Total Construction Cost	\$ 16,690,277
Architectural & Engineering Fees	\$ 1,172,547
Survey & Geotechnical Testing	\$ 60,000
Furniture, Fixtures & Equipment	\$ 60,403
Total Project Cost	\$ 17,983,227



6.08 Required Enclosures

North Dakota State Fair

Proposed Grandstand/Mixed Use Facility - Concept 'B'

Magnitude of Cost Study

August 18, 2006

Demolition of existing grandstand	allowance	\$	250,000
Grandstand structure	55,000 sf @ \$ 35 /sf	\$	1,925,000
Fixed seats	10,000 @ \$ 120 ea	\$	1,200,000
Roof structure	55,000 sf @ \$ 50 /sf	\$	2,750,000
Restrooms (below grandstands)	3,200 sf @ \$ 175 /sf	\$	560,000
Exhibit Space (below grandstands)	40,000 sf @ \$ - /sf	\$	- -
Pub (below grandstands)	6,000 sf @ \$ 75 /sf	\$	450,000
Sitework/infrastructure	allowance	\$	500,000
Subtotal		\$	7,635,000
Contingency	15%	\$	1,145,250
Building costs		\$	8,780,250
Soft costs (A/E fees, testing, surveys etc.)	10%	\$	878,025
Equipment	allowance	\$	250,000
Project Total Cost		\$	9,908,275

General Note: The above is based purely on conceptual layouts, thus the square footages and prices are based on limited information. The final sizes and prices can vary greatly from what is indicated, although the square foot pricing is based on historical data from similar facilities.



NESTER DAVISON LARSON ARCHITECTS
2705 4TH AVENUE NW
MINOT, ND 58703
TELE: (701) 852-4178
FAX: (701) 852-4179
EMAIL: TNDARCH@SRT.COM



BULLOCK, SMITH & PARTNERS
306 WEST DEPOT AVENUE, SUITE 201
KNOXVILLE, TN 37917
TELE: (865) 546-5772 EXT 402
FAX: (865) 546-0495
WWW.BULLOCKSMITH.COM

NDSF GRANDSTAND "CRIB SHEET"

1. WHY 70% MORE THAN TWO YEARS AGO.?

The original estimate discussed in 2006 with architects was \$25 million. It was cut down to \$15 million, with a more drastic bare bones version of \$10 million pursued by the NDSF board in 2007.

The passage of time and increasing cost of construction labor and a fluctuating & volatile market for materials, along with far greater details related to this specific project has proven the actual cost to be \$17 million .

2. NUMBER OF RESTROOMS

106 women's toilets & 10 showers for campers

82 men's toilets & 10 showers for campers

3. CONCESSION SPACE

7 concession stands with 48 points of sale, plus spacious areas for additional portables during major events. This will increase the revenue that the fair receives on an annual basis

4. EXHIBIT SPACE AVAILABLE

With a wider concourse the fair will be able to increase the number of vendors that it can accommodate during the NDSF, which will increase the number of companies visiting the state of ND during the fair. Wider concourse, day lighting, ventilation and radiant heat will support multi season usage.

5. NEW REVENUES & EXPENSES

The expanded flexible concession areas with wider more pleasing concourse will result in additional sales. The Pub area will accommodate year-round events creating additional rental revenue. Operating expenses will be absorbed by the Fair operating budget. The new revenues will pay for the new additional expenses and add additional net income to the NDSF on an annual basis.

6. IF YOU DON'T SELL OUT NOW, WHY BUILD BIGGER.???

The current reserved sections are limited to 3200 seats and are the prime seats that sell quickly. The general admission seats sell depending on strength of line-up. Basically, all

the current seats under the roof sell quickly. The NEW grandstand will provide 7,000 seats under a roof, which will make them preferred seats. Patrons who prefer to stand will still have that opportunity. A bigger grandstand with better amenities including seating give the NDSF the opportunity to bid larger events, where in the past it was economically impossible to get enough people at a higher rate to attend a big event. It will allow the NDSF to attract bigger events, while having an economical ticket price, thus bringing the attendance volume up to what is needed to support all the ancillary elements at the NDSF.

7. CAN IT BE EXPANDED FROM ONE OF THE ENDS.???

Yes, it could be expanded. But, that is not currently being planned.

8. WHAT IS THE FOOTPRINT.? DOES IT CHANGE THE LAYOUT OF THE FAIR.?

The footprint is similar in that the grandstand is proposed for the same location. It will be centered on the race track and a bit closer to the track. (See the architect booklet for an exact footprint) The basic layout of the Fair will not change.

9. WHY IS THE FAIR NOT PUTTING \$\$ INTO THIS ? WHY IS MINOT NOT CONTRIBUTING ?

The Fair, City of Minot, and Ward County, along with local organizations have all contributed to capital projects in the past AND contribute annually to the operating budget of Fair. The consensus is that because the grandstand project benefits the entire state and the local entities already contribute annually, this one time construction expense should be paid by the state with the ongoing expense of operating the new grandstand being shouldered by the fair. Minot has a tradition of using the NDSF grounds to host major events that benefit the entire state - Norsk Hostfest, the largest Ag Show, the largest Motor Sports Show, and events such as Family Motor Coach conventions. The continued combining of assets at the State Fair, in conjunction with City, County, and local organization support, benefit the entire state of ND. This type of infrastructure does not exist anywhere else in the state. From a state perspective, it makes perfect economic sense to upgrade this existing asset by building a new grandstand.

10. HOW BAD IS THE OLD GRANDSTAND.? IS IT DANGEROUS.??

The old grandstand does not have adequate seating, electrical, plumbing, handicapped, or concession facilities. Although it does not conform to current standards, it is not considered dangerous. The amenities being planned for the new grandstand will

comply with current standards , as well as, provide a much improved experience for the fair patrons.

11. SEATING BEING PLANNED. SEAT MAINTENANCE AND WEATHER PROOFING ISSUES.

1200 Club Seats will be individual seats with arm rests

5800 Bleacher Seats will have seat backs.

55 ADA accessible seats with an additional 55 companion seats.

ALL seats under cover of roof. ALL seats will be designed for outdoor use, easy cleaning, and minimal maintenance. New seating products are successfully being used in open air stadiums and will work well in the grandstand.

17

DESTINATION MARKETING ASSOCIATION of *North Dakota*

Testimony of Wendy Howe – President
Destination Marketing Association of North Dakota
January 23, 2009

*Same
given to
House*

Chairman and members of the Senate Appropriations Committee:

I am here today to speak to you on behalf of the Destination Marketing Association of North Dakota to request your continued support for the North Dakota State Fair and specifically to support Governor Hoeven's proposed budget for the \$17 million to go to the new Grand Stand.

The Destination Marketing Association of North Dakota is made up of Convention and Visitors Bureaus as well as Destination Marketing Associations from across the state. Our organization recognizes the importance of the North Dakota State Fair as North Dakota's largest event and knows how important this event is to our entire state, and therefore came together as one voice to support this project.

Visitors from across the state, surrounding states and Canada visit our North Dakota State Fair each year. Many of them to take in the events held in the Grand Stand. I think we all agree that the current facility is not the impression we would like our visitors to leave with. In addition the handicap accessibility and safety are concerns that weigh even more heavily than the esthetics.

The North Dakota State Fair draws over 230,000 people over the 9 day event. These visitors have a tremendous economic impact on our state as they shop, dine, purchase gas, and take in many of our attractions as they travel to and from the Fair. At a time when our State is looking at a surplus, what better time to invest in infrastructure that will be a one time investment but have impact on our state for years to come.

Again I ask for your support for the \$17 million dollars for the North Dakota State Fair Grandstand and ask you to remember that this event belongs to our entire State.

Thank you for your time and consideration.

SB 2009

January 27, 2009

Senate Appropriations Committee
North Dakota State Capitol
Bismarck, ND 58501

Dear Committee Members,

I write to ask your support for the governor's budget request concerning the North Dakota State Fair and, specifically, his request for \$17 million for construction of a new grandstand at the State Fairgrounds.

I am not writing to say that this project should be funded due to the state's current surplus, but rather to say that this project, on its own, is worthy of state support.

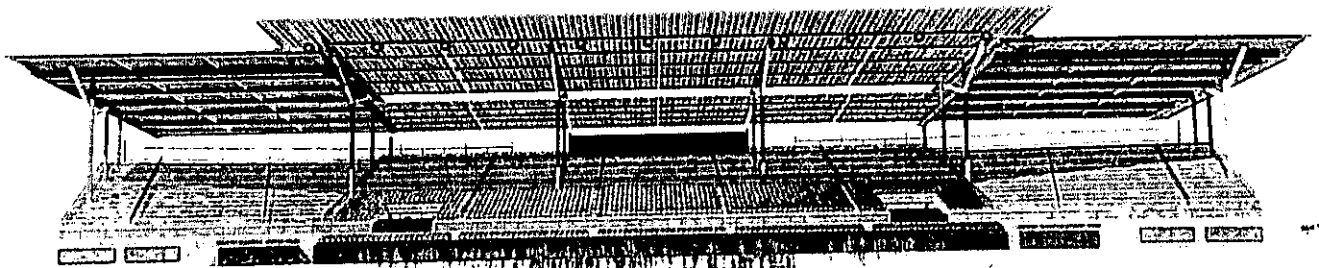
The North Dakota State Fair has received considerable local support over the years, more than \$20 million according to figures compiled by State Fair officials. In addition, proceeds from the operation of the Fair have been plowed back into improvements to the fairgrounds to the tune of more than \$8 million.

I humbly suggest that this is an appropriate time for the state to make a significant investment in the future of this uniquely family-oriented statewide event. Much like the Norsk Høstfest, of which I am the president, the State Fair gives families a chance to spend quality time together while staying in our great state.

Thank you for your work on behalf of all North Dakotans and, when it comes time to vote on the budget for the North Dakota State Fair, I trust you will say "yes" to the governor's budget request, including the \$17 million for a new grandstand.

Sincerely,

Chester Reiten, President
Norsk Høstfest
Minot, ND 58701



HOK

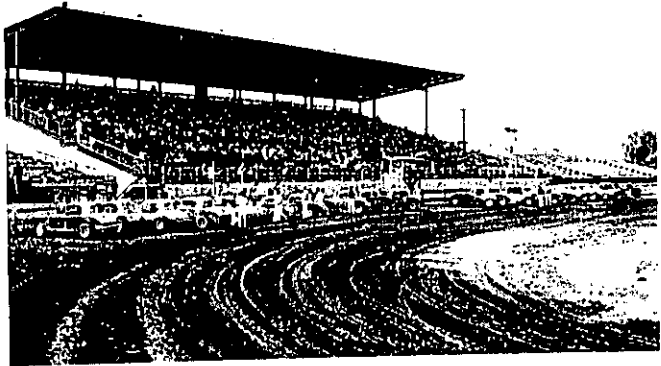
NEW State Fair Grandstand Will: Provide for increased capacity, which will help attract major entertainment to future fairs, and will offer visitors:

- **Better seating:**
 - The new facility will have 7,000 seats under one roof
 - The current grandstand has bleacher seating for 3,200 under one roof, and 2,000 bleacher seats outside the roof structure
- **Better, modern facilities:**
 - Additional restrooms with better accessibility for the disabled
 - Additional concession stand locations
 - Improved handicapped access to seating areas
- **Better safety features:**
 - Updated safety features and lighting
 - Updated electrical system that complies with current electrical codes

Proposed North Dakota State Fair Grandstand

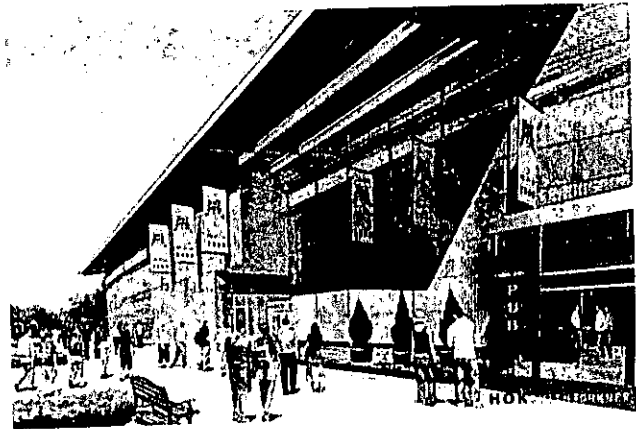
Background

- The current grandstand was originally constructed in 1955
- An aluminum seat renovation occurred in 1979, and aluminum bench seating was added to the bleachers in 1982
- There has been on-going discussion since 1982 about the need for renovation and replacement of the original structure due to it's deteriorating condition and lack of facilities
- A minor upgrade to the facility's gates and box office took place in 1984
- Continual maintenance and expensive upkeep has been performed on a regular basis



The Major Economic Impact of the State Fair:

- The North Dakota State Fair (NDSF) is the largest annual event in the state
- The 2008 NDSF hosted over 239,000 fairgoers
- The Minot Convention and Visitors Bureau (CVB) calculates the impact of the Fair to be **\$35 million annually**
- Other activities held throughout the year on the grounds are estimated to have an additional impact of over **\$27 million annually**
- The NEW grandstand will preserve this economic generator for the state and insure future economic growth, as a new facility will draw major entertainment and larger crowds.
- This project will generate greater revenues for the Fair and create a higher economic impact and more sales tax revenue throughout the State



Why Now?

- Current facility is not equipped to handle demand
- Current facility does not provide for the accessibility and comfort now expected by today's visitors
- Rising construction costs make construction of a new facility an immediate priority

more than a new grandstand





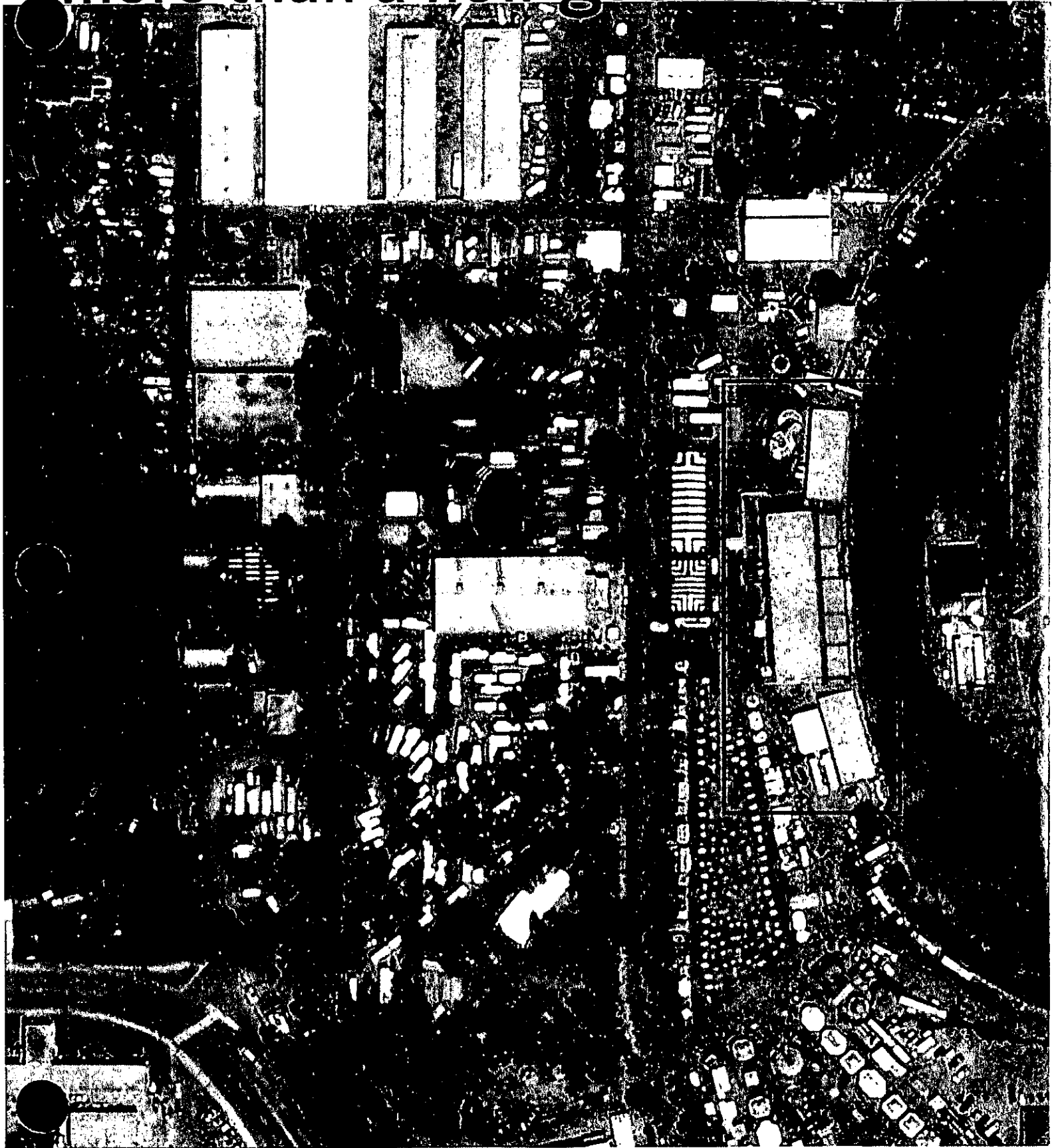
- The North Dakota State Fair is the largest annual event held in the state.
- The 2008 North Dakota State Fair was enjoyed by 239,449 fairgoers.
- The Minot Convention & Visitors Bureau calculates the economic impact of the Fair to be \$35,000,000 annually.
- Other activities throughout the year are estimated to have an additional economic impact of over \$27,000,000 annually.
- The new grandstand project is one way to help ensure and preserve this tremendous economic generator for the state.



The State Fair is the largest annual event in the state, with nearly one quarter of a million people visiting the Fair each year. The State Fair provides character-building skills for its young exhibitors. In commitment to them, one of the Fair's missions is to attract as many possible viewers to the Fair to see the exhibits.

Surveys show that grandstand entertainment is one of the top attractions that draw visitors to the NDSF each year.

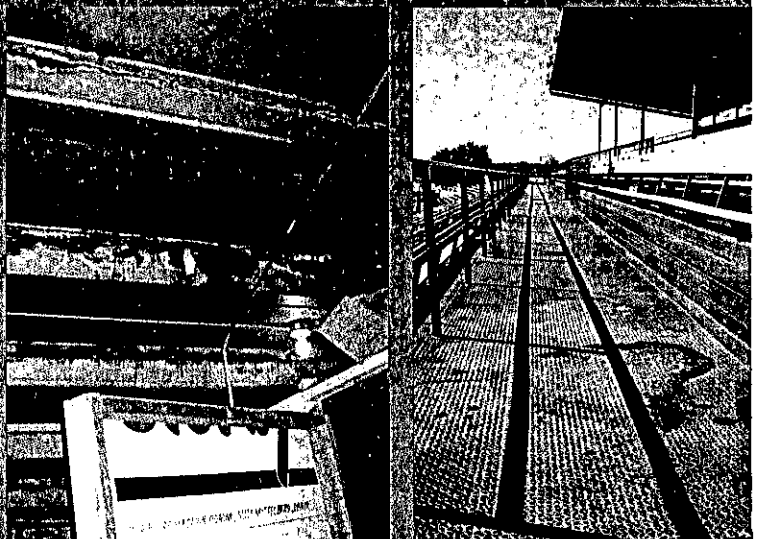
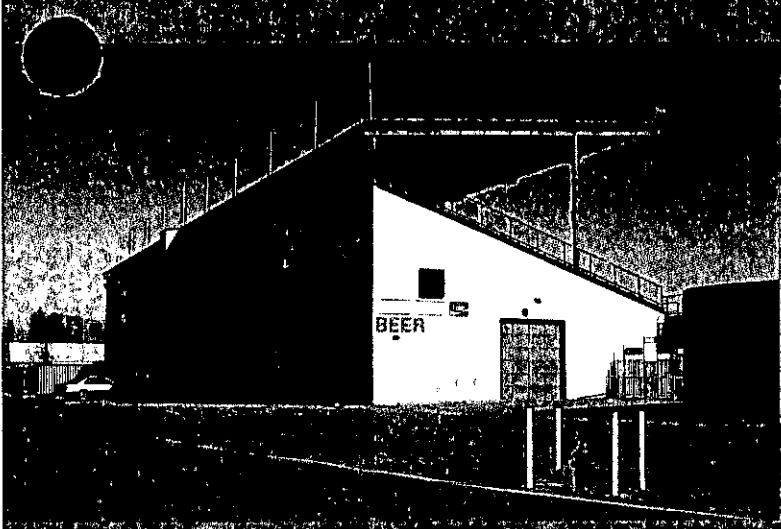
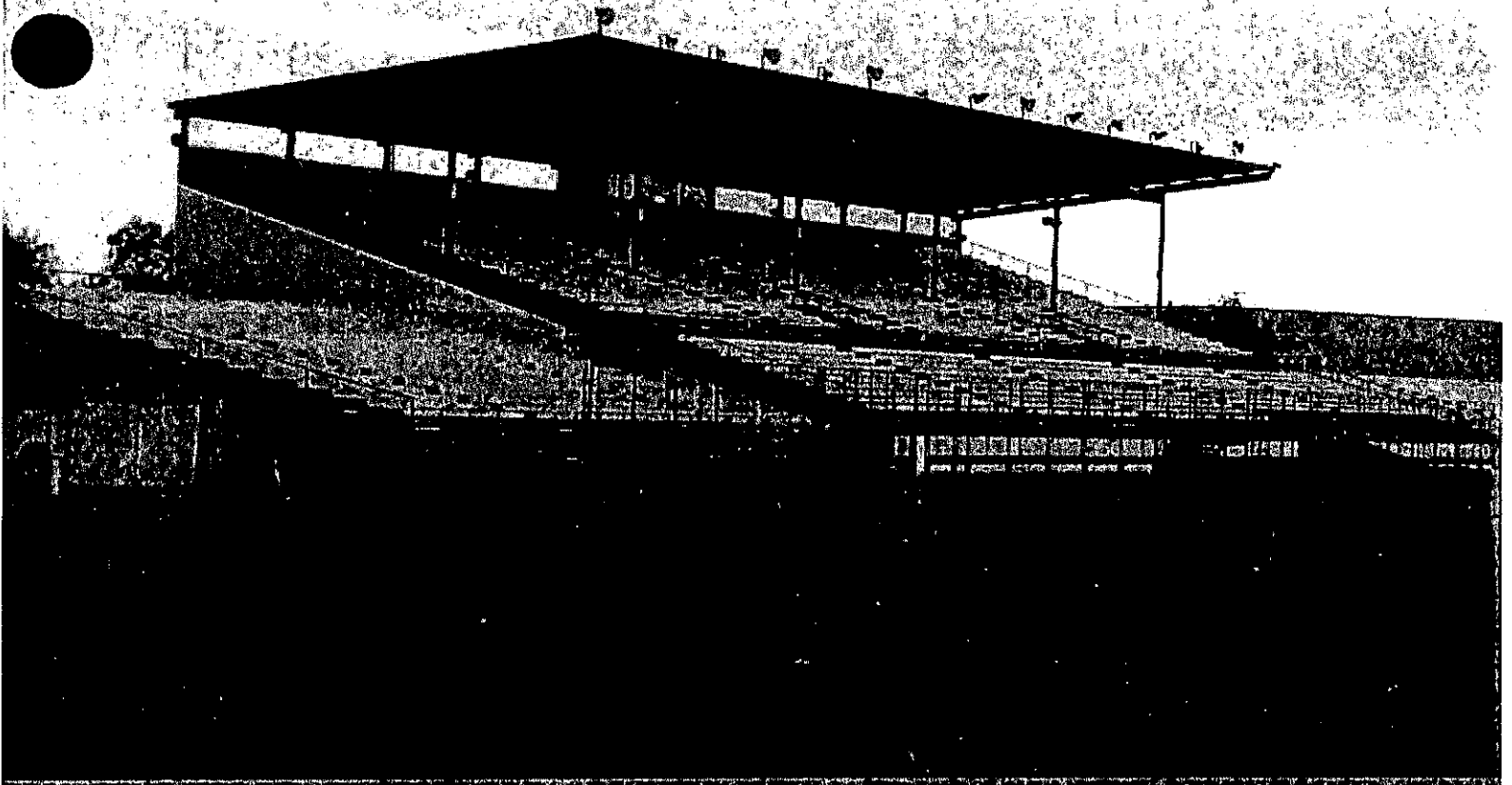
more than a new grandstand





history/specs of current grandstand

- The current State Fair grandstand was constructed in 1955.
- The structure has 3,200 seats under roof and 2,000 bleacher seats outside the roof.
- Aluminum seats were renovated in 1979 and the aluminum bench seating was added in 1982.
- A minor upgrade to the gates and box office took place in 1984.
- Discussions about the need for replacement of the structure date back to 1982.



problems with current grandstand

STRUCTURE

The decking of the grandstand is deteriorating and rusting through. The Fair has addressed this issue throughout the years by welding angle iron braces in the weakening areas, but the need has outgrown the capacity for repairs.

SAFETY FEATURES

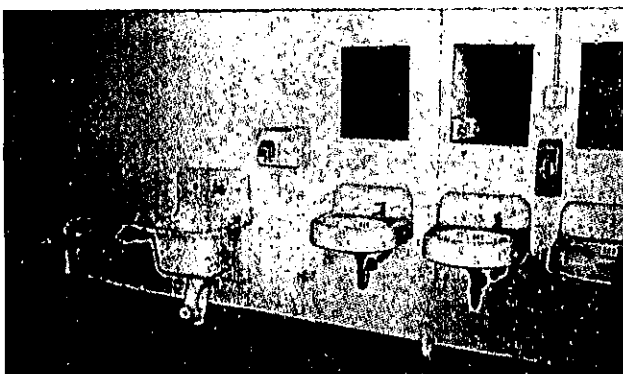
The bleacher seating outside of the grandstand roof was designed with large gaps along its edge and walkways, and is a safety concern for young children. The Fair has tried covering or partially filling this outdated design, but safety is still a concern.

ELECTRICAL SYSTEM

The electrical system in the facility is the original system installed in 1955. Because of additional electrical needs over the years, the system has been added to several times. The result is an electrical load pulling nearly twice what it was designed for. Replacement parts for the aged system are no longer available, some being obsolete for more than 25 years.

SEATING

The current facility only provides enough seating for reserved seating ticket holders. Those who purchase general admission tickets must stand. The seating itself is outdated and compact in its design, making it difficult to maneuver.



ACCESSIBILITY

Accessibility in the grandstand is limited. The Fair has renovated a small portion of seating to allow for disabled access, but there are not enough spaces available for the need, nor does it sit under the roof of the grandstand.

RESTROOMS

The current facility does not provide enough restrooms for its capacity. Restroom facilities in the grandstand are outdated and despite the Fair's best efforts, unsanitary for guests.

CONCESSION STAND

Concession facilities are not adequate for the current grandstand capacity and have outdated electrical service as well.

LIGHTING SYSTEM

Lighting system indoors and outdoors is outdated. The lighting underneath the grandstand is old, dark and outdated.



more than a new grandstand

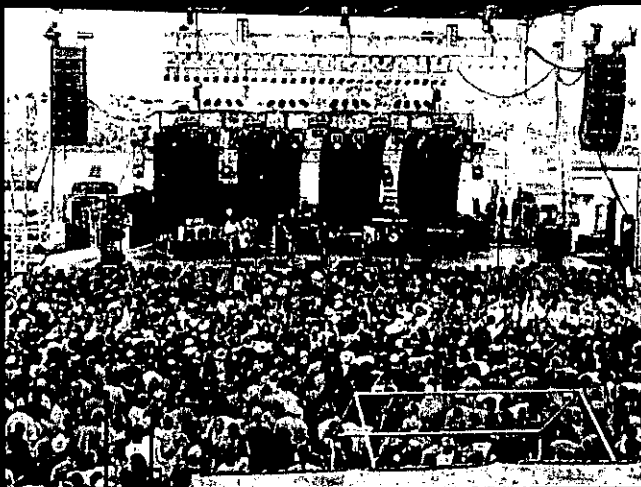
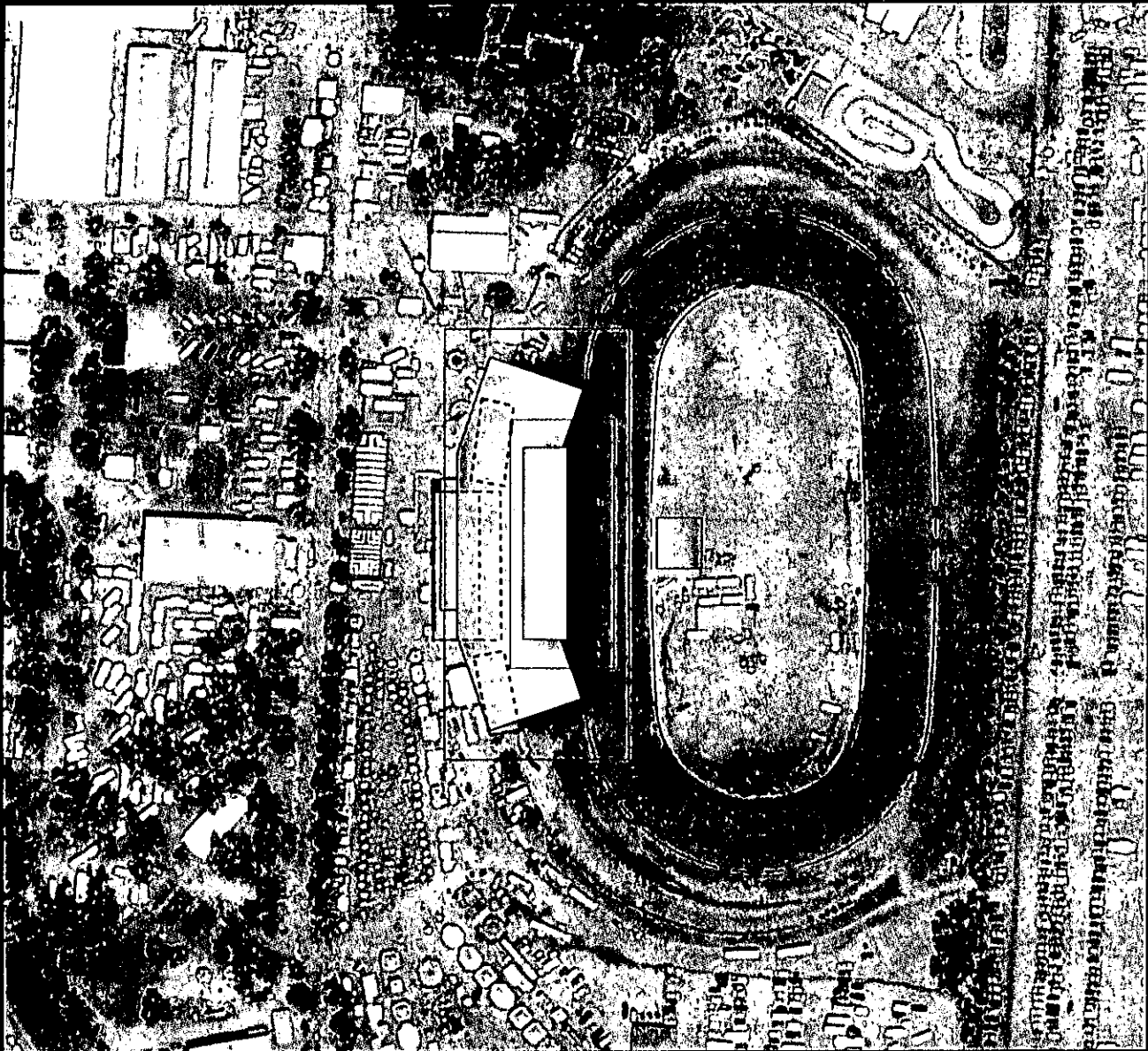
Architects have advised State Fair officials that renovation of the old grandstand would cost nearly as much as building a new facility. A new grandstand for the State Fair would provide:

- Seating for 7,000 people under one roof
- A more up-to-date seating design to allow better traffic flow
- Facility will meet ADA accessibility guidelines
- Additional and modern restrooms
- Additional and updated concession areas
- Updated electrical system that complies with current codes
- New outdoor and indoor lighting system
- New box office, ticket windows, and turnstiles



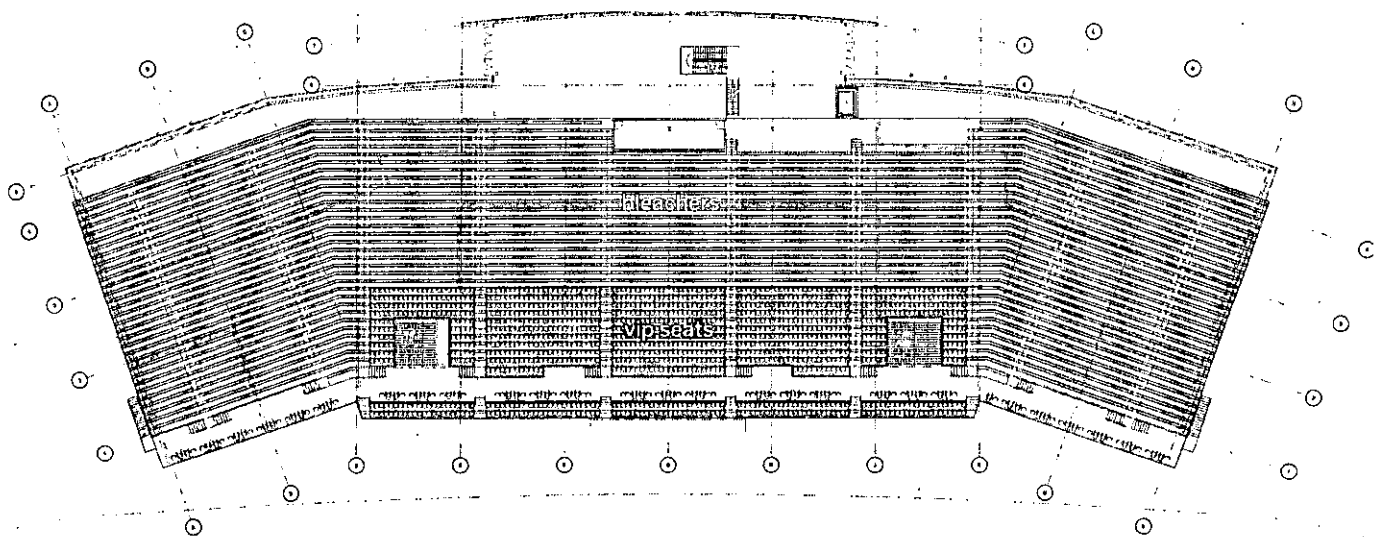


concert stage



Concert stage is located within the infield as opposed to on the track.

Racetrack operations is no longer impacted by the stage therefore reducing set-up costs..



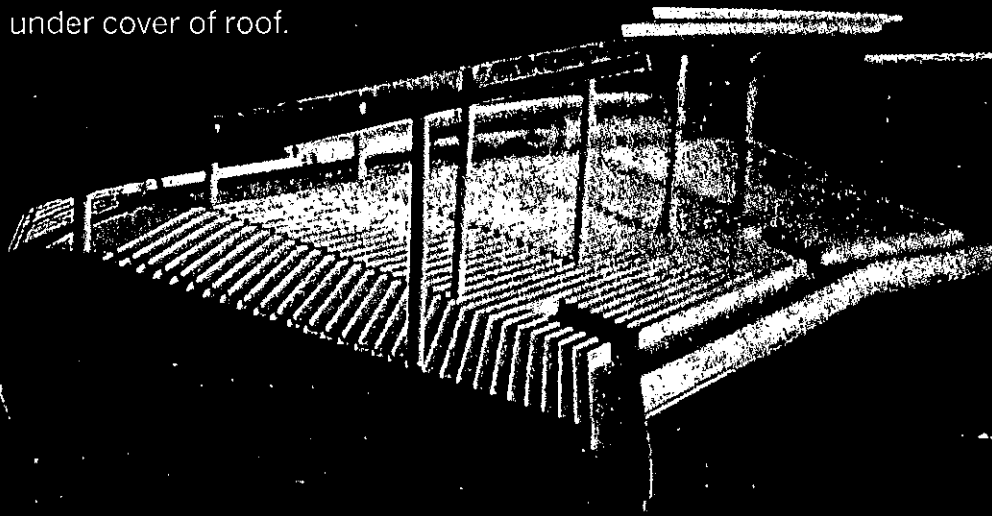
seating plan | club seats

Features 5800 bleacher seats with improved sight lines.

200 VIP club seats offer added source of revenue generation.

55 ADA accessible seats with an additional 55 companion seats.

All seats are under cover of roof.



concourse

Wider concourse with upgraded amenities.

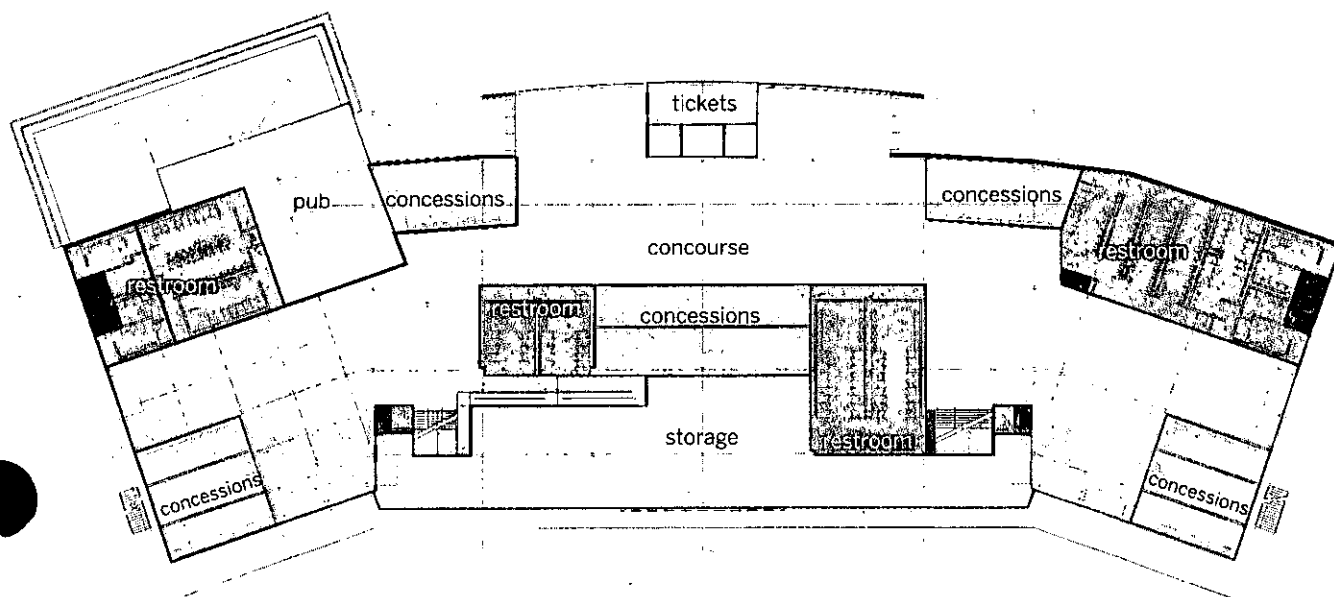
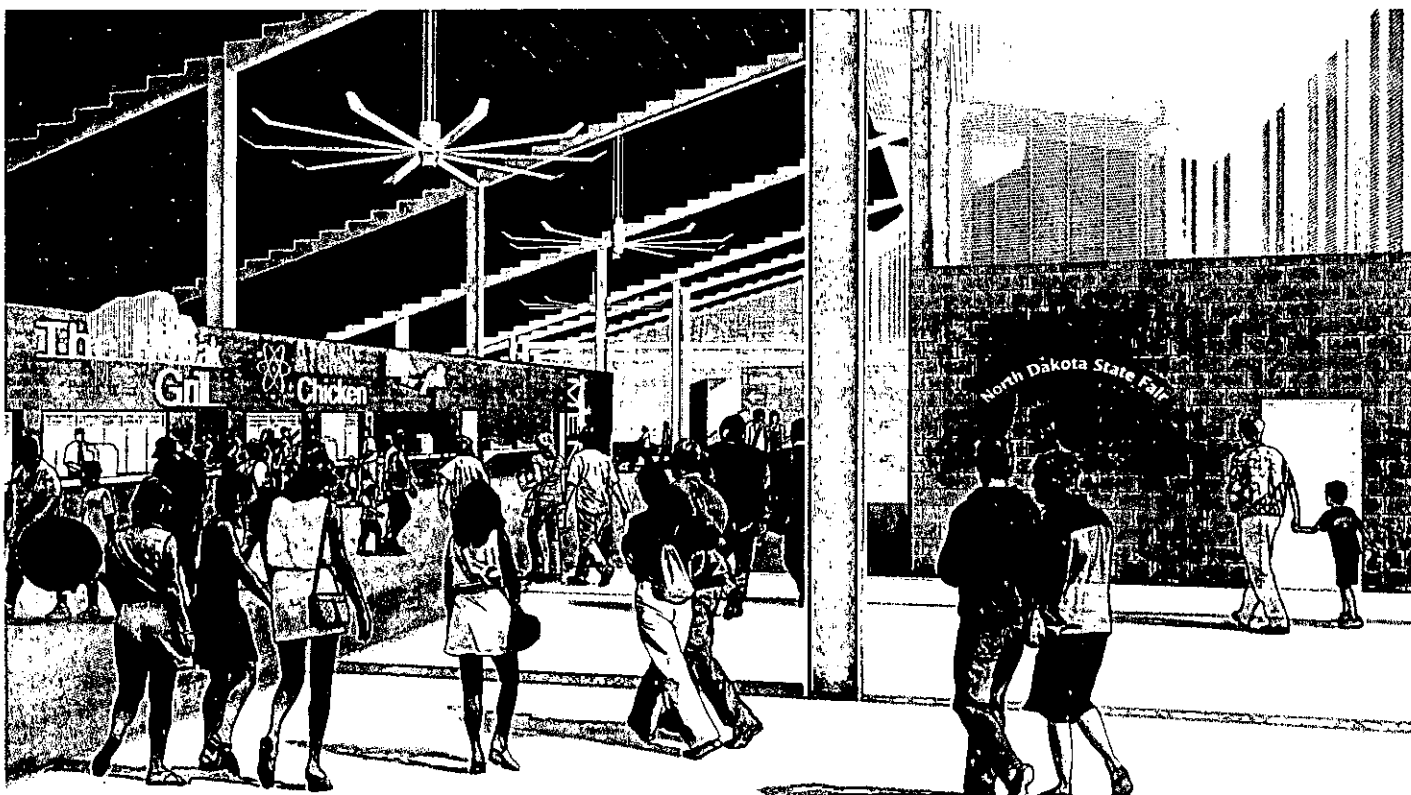
106 women's toilets, 10 showers for campers.

Daylighting, ventilation and radiant heat
make this useable for 3 seasons.

82 men's toilets, 10 showers for campers.

7 concession stands with 48 points of sale.

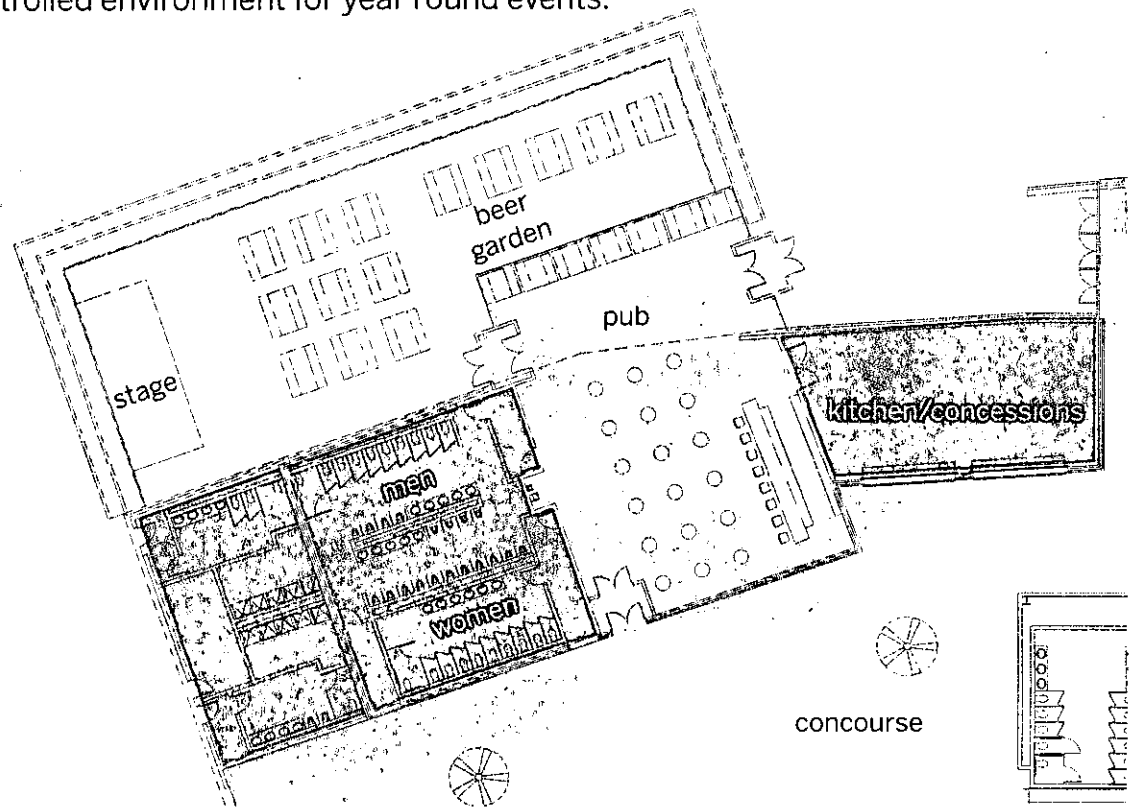
Storage below grandstand.



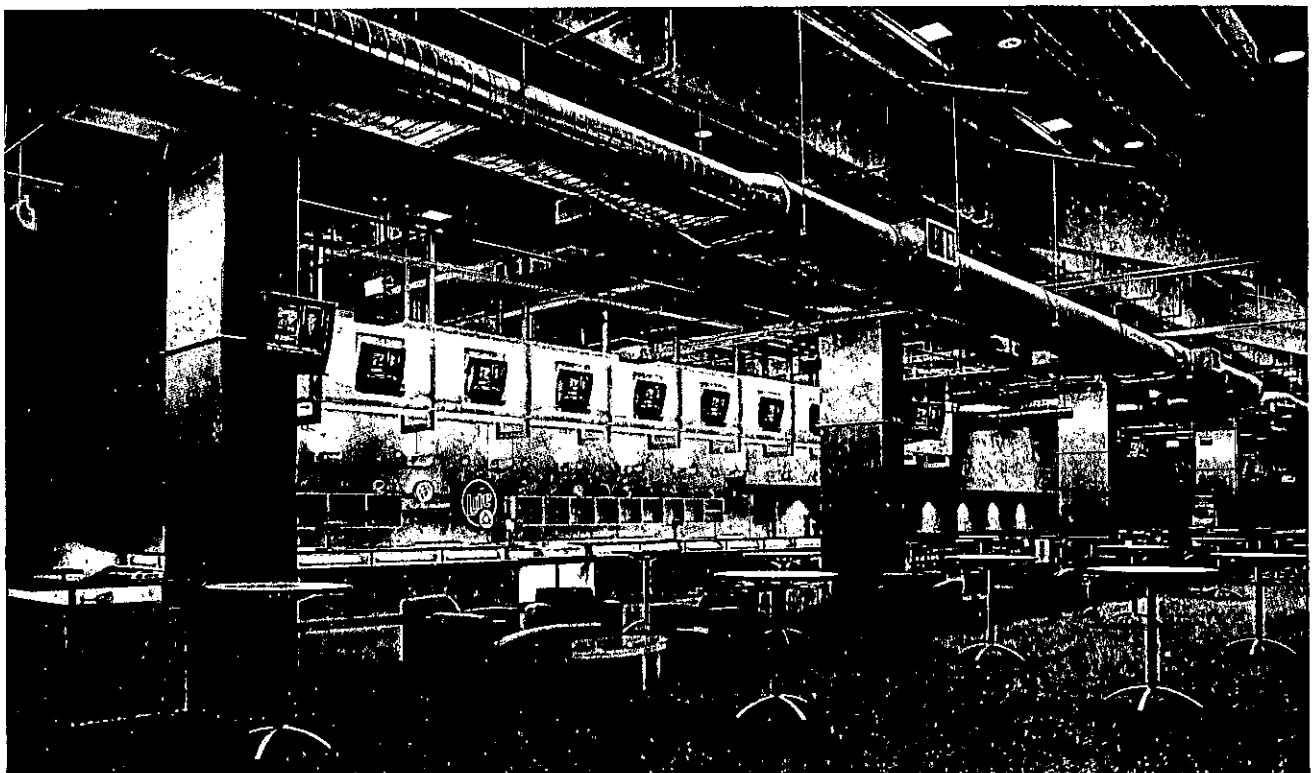
Pub with indoor seating for 100.

Beer Garden with outdoor seating for 80.

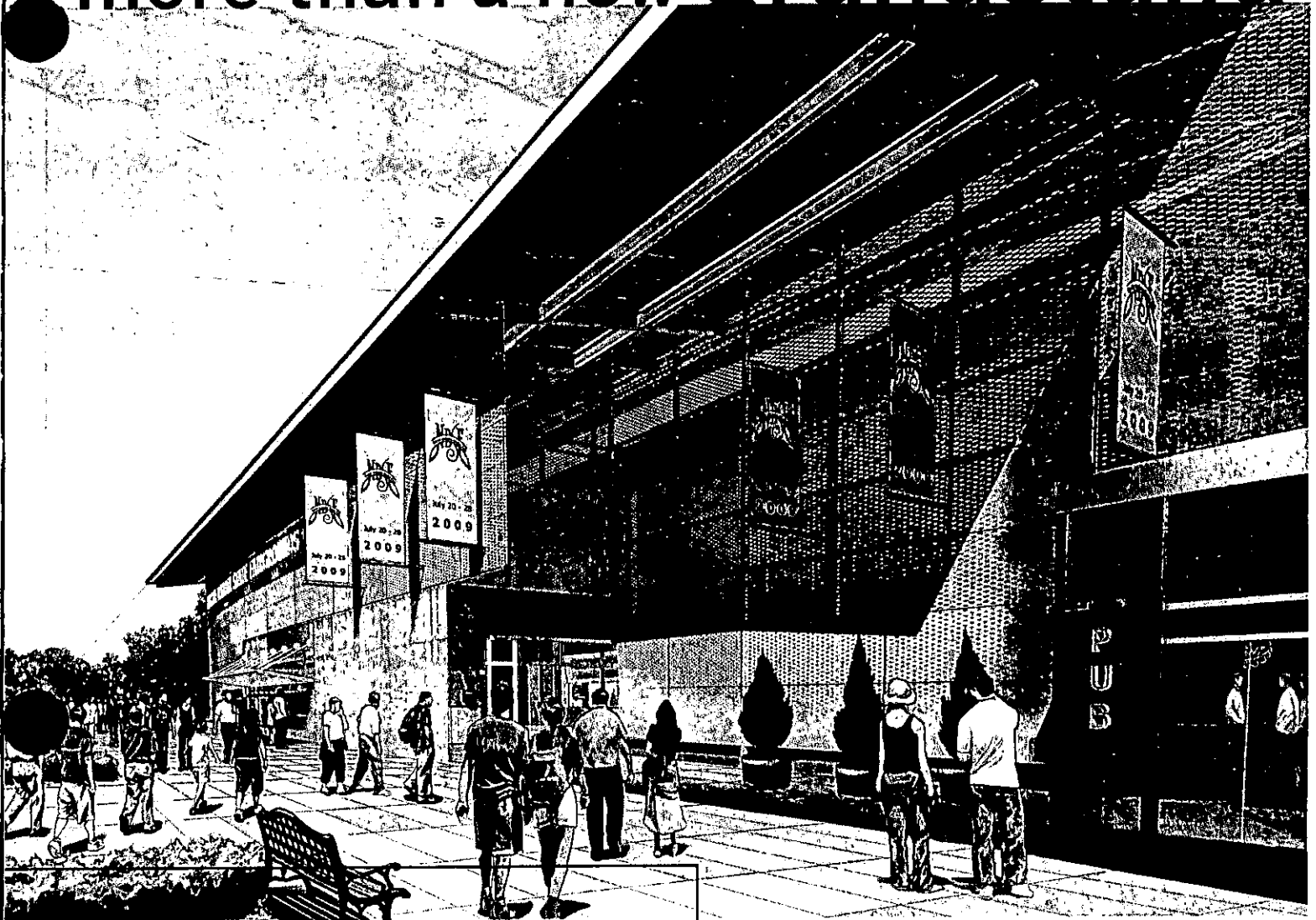
Climate controlled environment for year round events.



pub



more than a new grandstand



schedule



concourse view

Legislative approval
Design phase
Bid phase
Demolition
Construction Phase
Open for state fair

Milestone Date
April 2009
April-July 2009
August 2009
September 2009
October 2009-May 2011
July 2011

2011



January 27, 2009

DuWayne Hendrickson
1001 54th Street SE
Minot, ND 58701

Dear DuWayne:

The Nodak Race Club has been a regular lessee since the 1950's, offering over twenty days of racing each year. The Nodak Race Club is a non-profit organization that over the years has contributed tens of thousands of dollars in equipment and improvements to the State Fair. Additionally, they pay the utilities on the grandstand, pay to maintain track lighting and sound system, as well as provide the cleaning of the grandstand. So, the \$500 per race day rent is a small part of their over-all cost of doing business. A group of Nodak Race Club members attended the Senate Appropriations Committee hearing, however, time constraints prevented them from offering testimony.

The World of Outlaws are returning to Minot on June 21, 2009 for the fourth consecutive year. The economic impact to the State of North Dakota can be seriously considered, as The World of Outlaws now produce races in Fargo, Grand Forks, Mandan, and Minot on an annual basis. The World of Outlaws paid \$6,000 to rent the grandstand for each race day and race as a Nodak event.

Lease agreement # 4358, dated February 9, 2006 was written for you to produce a race on July 5, 2006. The specifics as explained in the agreement and cover letter are listed below. Considering your history of writing NSF checks to the State Fair in 1992, the sound business practice of cash up front was observed. The race never happened.

Rent of Grandstand	***	\$ 5,000.00
Cleaning	***	\$ 800.00
Sound system	***	\$ 250.00
Utilities	***	<u>\$ 100.00</u>
EVENT COST		\$ 6,150.00
Damage Deposit	***	<u>\$ 2,000.00</u>
TOTAL DUE		\$ 8,150.00

On June 8, 2007, the State Fair Board reviewed, updated and reconfirmed the standing policy of enforcing a two week non-compete clause for the same or very similar events, so I am not able to offer the on-going rental you request.

Coincidentally, a couple race car drivers claim you still own them money from the partial race season you promoted in the grandstand in 1988. They say you know who they are, so I am sure you will want to follow-up with them.

Sincerely,

Robert C. Wagoner,
General Manager
North Dakota State Fair

2005 Burdick Expressway East
PO Box 1796 Minot, ND 58701
Phone 701-857-7620/Fax 701-857-7622

8
Holmberg, Ray E.

From: DuWayne Hendrickson [duwayneh@srt.com]
Sent: Tuesday, January 27, 2009 11:29 AM
To: Holmberg, Ray E.; Bowman, Bill L.; Grindberg, Tony S.; Christmann, Randel D.; Fischer, Tom L.; Kilzer, Ralph L.; Krauter, Aaron J.; Krebsbach, Karen K.; Lindaas, Elroy N.; Mathern, Tim; Robinson, Larry J.; Seymour, Tom J.; Wardner, Rich P.; Warner, John M.; Wagoner, Robert; Jim Olson
Subject: Opposition to SB 2009

Senator Holmberg and appropriations committee,

First off, I have to thank Sen Holmberg for allowing me the opportunity to have written testimony added to this bill. I am sorry that I missed this meeting as personal testimony would have been better. I hope that the questions that I ask will be responded to and that you will also look at the rental situation of the NDSF grandstand. I also hope you will correspond with me to qualify some questions you may have. Since I have rented this facility in the past, and do have paperwork to back up my statements, I can honestly say that I do know what I am talking about. When I rented this facility the last time, Jerry Iverson was the manager. Through the integrity of Jerry Iverson, I was able to rent this facility. This is what I was told at the time I rented this and at a board meeting with the NDSF board. I was told that no matter what objections Nodak Race Club had, that they had to rent this to me. IT was their job to do so. Nodak Race Club did everything in there power to make it not happen. It seems like they think they own the grandstand/racetrack and they have the final say so. The present NDSF board and management would not EVER let me speak at a board meeting, in the last 2 weeks have not responded to phone calls or emails about my renting this facility for every Saturday nite in 2009. THis also goes to show that the NDSF mgmt is in the pocket of NRC, otherwise they would be doing there job of showing that we have other people that wish to rent this and is being rented by more entities than just 1. I say if they want a facility that can only be used by them, go to First Western Bank and get a loan. Since it is a bank owned by the Hoeven family, maybe Gov Hoeven will put a loan approval on it for them. I say that any entity that is asking for taxpayer \$\$ should have to show a few things, like what has occupancy been for NRC events and NDSF events. NDSF events are hard to qualify as only a small portion of the Grandstands are used during the fair. The attendance in the grandstands for concerts is low, as most people are near the stage, only during the enduro and demo derby are the grandstands used totally, and still not filled to capacity. NRC attendance also is not the greatest, and by the end of racing season is very low. Get the books from the NDSF and from NRC. When the NDSF puts parameters on this facility, then Minot and ND loses economic impact, tourism and the way to show that we do need a new grandstand. IT may seem that I am picking on Nodak Race Club, but the bottom line is that they are the only renter, and with the NDSF making it impossible for any other interested renter that this will not be a feasible project. In 4 years, through the brilliant minds of the NDSF mgmt, they have cost Minot and ND millions of \$\$ by not renting this out as is outlined in the job description. Right now the economic impact of the NDSF is 62 million\$. Only about 8% of that is from the grandstand. ANd Bob Wagoner said that the grandstand is the mainstay of the NDSF. If that was so then they would be renting it more often. Than you also have to ask, and get paperwork to show where the 250000 bucks went to for the grandstand study.. Sounded like a wish-wash answer to me. I dont think they even know. ANYway find out that answer and relay to me. With know investigation, giving them 17 million bucks, that we get to look at unused for 332 days of the year is not a good investment.

Although it may be to late here is my positive idea for ND. MOve the NDSFgrounds to Bismarck for the following reasons. Since the NDSFgrounds in Minot is built to a point where is it not feasible to build anymore we have to relocate, and for many reasons. First off, although this would cost around \$120 million bucks, it offers the State of ND a 500 million \$ economic impact, which in turn creates more sales tax revenue, which in turn will pay for this facility in 5 years or so. With a new facility we can offer ND and tourists may different venues. I have proposed a new 1/4 mile dragstrip, 7/8th mile paved oval, new dirt track, buildings that would accomadate conventions, arena football, motocross racing, monster trucks. rodeos along with a variety of other events. WHy Bismarck? First off, going from a population base of 35000 people to one of a 100,000 people. Being on a Interstate, which most of the professionals in any sport like to travel on. Being in central ND is also another plus. I know we can do better, and that we do have a good possibility to bring in NHRA, NASCAR and other events. For ND to grow and become a better state we have to look at all options.

Questions that you have to ask the NDSF mgmt:

#1 Show us what the \$250k was spent on for grandstand feasibility.

#2 Show us what you have done to rent out to more prospects

#3 Tell us why one entity gets to rent for \$425 bucks, vs another having to pay \$8150 non refundable deposit, with a clause they could shut you down after your event is full up, and you have no legal ramifications. I have all those written into my last contract when I attempted to rent this.

#4 Ask why business that I submitted was told to Nodak Race Club, which should not have been done by NDSF mgmt until after I had denied my contract, not before so they could suck up to the NDSF. MAYbe its pay to play....

I hope that you have a sub committee so that I have an opportunity to show you all of the paperwork backing up everything that I have said. This should not proceed to the house without another opportunity to speak on this.

I ask you to read the following attachment in full, it has more comments on the NDSF issue. IF you get anymore questions that you think should be asked, please contact me. I also ask that you call the NDSF and ask how much rent is. Like I said before I have emails and phone calls in to rent this for 2009 with no answers. Just goes to show that they do not want to do more for Minot and ND. IF you do get an answer from Bob Wagoner on rent ,please notify me as to what it is. As this stands at the present moment, I say we have to vote do not pass...MAYbe with a sub committee hearing with opposition you can get more of the story. Like I have stated, just look at the books of the NDSF grandstand, and since Nodak Race Club rents from the NDSF you should have to audit their books also so that we know we have a #s matching audit.

<http://kxmc.com/getForumPost.asp?ArticleId=316545> Please read this article and all posts.... As a state we can do better for our future, for our residents and for those residents we hope to acquire in the future.... DuWayne Hendrickson 701-720-5989 I hope to hear from you soon, with more questions or answers.

Krebsbach, Karen K.

Bill # 2009

From: Wagoners [bobw@srt.com]
Sent: Tuesday, February 10, 2009 10:01 PM
To: Krebsbach, Karen K.
Cc: iverson@mlgc.com
Subject: LOCAL SUPPORT FOR NDSF

Karen:

In addition to over \$20 million in capital monies provided by the City of Minot and Ward County over the past 43 years, BOTH local entities continue to provide the Fair with substantial money toward its annual operating budget.

The City of Minot contributes one percent (1%) of the hotel / motel tax to the operating of the State's Fair.

Ward County contributes 2 mills annually to the State's Fair.

THE COMBINED TOTAL OF THESE TWO LOCAL ANNUAL CONTRIBUTIONS EQUALS OVER \$516,000. FOR THE FISCAL YEAR ENDING SEPT 30, 2008.

That is a tremendous amount of local support that is often overlooked. It is NOT the norm.

100-100-100

4/

Good Morning!

My name is Courtney Bischof. I am a senior at Lisbon Public School. I'm not only an active member in my 4-H and FFA clubs, but also have participated in other various activities such as Kirstens Studio of Dance, varsity volleyball, wrestling stat, band, and ND Junior Points Show Association.

The North Dakota State Fair is an event that gets families involved in numerous activities. The ND State fair offers opportunities for today's youth to show their creative skills in static exhibits or their hard worked time and effort in livestock exhibits. Either way you look at it, these youth are getting out, using their time wisely, and pursuing their dreams.

I have been a participant in the ND State Fair since 1998, and will never forget those memories I have made through the sweat, tears, and nerves that all lead to joy and the power of satisfaction. The state fair has encouraged my continuation in my hog production investment. The funds I receive from the State Fair help cover part of the feed costs and costs for transportation to shows. I raise an average of 7 show hogs per year, and now due to the funds I have received I am slowly able to start my own hog production.

I have not only been a participant in the livestock and static exhibits, I have also been privileged enough to attend the wonderful concerts, demo derbys, bull-o-ramas, ranch rodeos, and various other entertainments they greatfully provide for the public every year. The State Fair brings youth from all around ND and allows them to meet new people that may become life/long friends.

To me the State Fair is not only a get away from the rush of the everyday world back at home, its a way for ND to invest in the future of ND's youth and economic growth

I would greatly appreciate your support in increase funding for premiums in the 4-H & FFA programs at the State Fair.

Thank You for your time!

My name is Nicole Behm and I am speaking in favor of bill SB 2009 to increase the on behalf of the Beulah FFA chapter.

The North Dakota State Fair is a big deal to the Beulah FFA and its members. Last year as a chapter we brought home over \$3,200 which was earned by and awarded to 134 Beulah FFA members. Our members exhibited projects in horticulture, Ag mechanics and livestock.

The fair draws many of our members to Minot for a week in July, transporting and helping set up the FFA projects. It's a great week for the members.

The motivation of the State Fair premiums and awards goes beyond the State Fair week itself. The premiums serve as a motivation for members to work hard and do well as they prepare their exhibits throughout the year.

In the fall and winter months, students are propagating plants and preparing their livestock exhibits that they hope to show at the State Fair. Others are building carpentry or metal projects in hopes of bringing home a blue ribbon and the money that goes with it.

So as you can see, the money that the state legislature spends on the State Fair not only provides positive experiences for youth but also motivates them to participate in positive career development activities **throughout the year**. State Fair Premium dollars are motivating students to apply what has been learned in the classroom to create, raise, grow or build. Our FFA motto is "Learning To Do, Doing to Learn, Earning to Live, Living to Serve." The ND State Fair gives us the opportunity to really live out all four parts of our motto. We believe the increase in premium dollars and the modernization of the Grand Stand are needed to continue keeping the North Dakota State Fair experience as relevant for our future as it has been in our past. We hope you will support us by voting in favor of SB 2009.

Thank you for your time,

Nicole Behm, Beulah FFA

State Fair Senate Hearing

Hello, my name is Charlene Carlson from McLeod, ND, ^{and a sophomore @ Lisbon High School} and I have shown cattle at the state fair for 4 years. In the 4 years I have learned many things and met a lot of new people ...who I enjoy seeing year after year. I like to be in the barns and inform people of the cattle industry and the breed that I raise. There have been numerous people and children who have asked to go pet my cows because they had never been up close to one before. I have also exhibited static exhibits in 4-H and FFA as well as hogs.

The state fair is our family vacation. Usually, we arrive at the state fair on Sunday and stay until Friday or Saturday so we are usually there all week, or we have stayed extra days to catch some of the grandstand events. My parents call this a "family vacation" but sometimes they're hard to believe when your up and washing cows at 4 in the morning. But you have to believe them as your up late watching all the entertainment, such as the bull-a-rama, ranch rodeo, karaoke, and the famous grandstand events. If my family did not use the state fair as our family vacation, we would probably be going out of state, and not contributing the dollars to the North Dakota economy.

As for the premiums at the state fair, I use them dollars to purchase....show supplies which costs hundreds of dollars and also going towards purchasing a heifer to better my herd ^{that has now grown to 10 head} of new bull genetics. Instead of spending the dollars on things that will not better me for the future.

The whole fair is tied together by the many activities the fair has to offer such as....the food, the midway, livestock exhibits and shows, static exhibits, commercial buildings, stage shows, my brother's favorite the fishing pond, and most of all grandstand events.

My final thoughts of the state fair are, the wonderful and clean facilities that they have to offer which takes a lot of dollars and hard work to keep it in the wonderful shape it's in...and I commend all of the people who support it through funding and volunteer work, such as local residents who donate their time so generously to make this fair possible and also to the fairboard who have put so much time and effort into making it possible and especially the ND government for all the financial support the fair receives. And I hope this fair can continue for future generations, so someday my children can enjoy the same experiences I have the luxury of having.

I hope you all visit the state fair with your family's and take in all the activities the fair has to offer.

Thank You

I would hope you approve to governor's propose budget for the ~~premium~~ increase in funding.

6
Robert Vallie

PREMIUMS

10:30 Harvest Room

SB 2008

student applying what they learned
in classroom shop in favor of higher
premiums

1. The active learning taking
place in Ag Ed in the end out of
the classroom

Premium Leadership	economics
Personal growth	Ag issues
Career Success	Parliamentary Procedure
	Ag Mechanics
	metal work
	Carpentry
	Horticulture
	Welding
	Flower Culture
	electrical work

2. Success + benefits of members
applying what they learn

over 18,000 exhibits

~~Cole V. Culick~~ chenwick

Cole V. Culick

Oakes / SC FFA

National Winner - Vegetable Production proficiency

Diversified Crop Production Entrepreneurship

Kyle R. Martinez Carrington

Diversified Horticulture proficiency Tiffany Stoppler
Minot

SB 2009
February 27, 2009
attachment #3

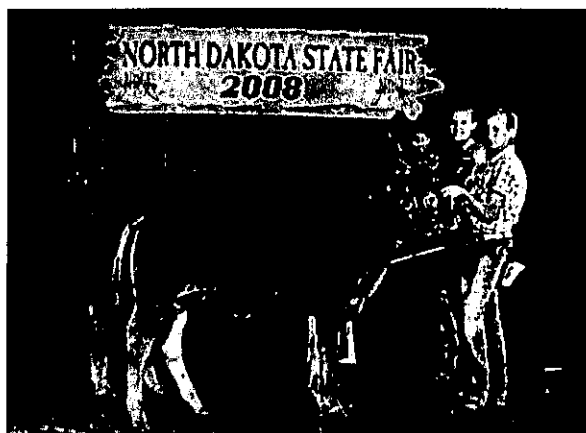
Good morning, I am Kristin Ripplinger, the Vice President of the McClusky FFA Chapter, and a senior at the McClusky High School. I have taken several exhibits to the North Dakota State Fair over the passed five years. I have earned a total of 36 Grand Champions, 14 Reserve Champions, 2 Overall Reserve Champions, and 1 Overall Grand Champion awards. I then turned around and used my experience and premiums from the North Dakota State Fair to start my own floral business, "A Daisy A Day". Being an experienced exhibitor, I know that the premiums do not equal the amount of time and effort that the members put into their exhibits. I am a supporter of this bill for two reasons: 1.) increasing the premiums would benefit every North Dakota FFA exhibiting member, and 2.) it would improve the quality of the North Dakota State Fair by giving the members incentive to create their own master pieces. As you can see I am a great supporter of this bill and I encourage all of you to back the North Dakota FFA and support this bill. Thank you. Do you have and questions?



North Dakota State Fair 4-H and FFA Fact Sheet

2008 Exhibitor Entries

- FFA Entries – 18,271
- 4-H Entries – 10,192
- Open Class – 10,535



North Dakota State Fair Support of 4-H and FFA in 2008

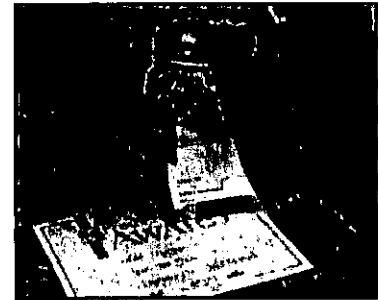
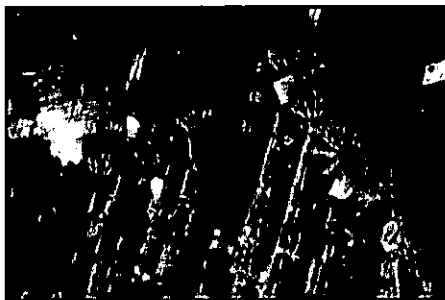


- The Fair played host to a free picnic for all 4-H and FFA exhibitors and leaders.
- Local 4-H groups utilized the State Fair Center at no cost to host year-round activities.
- The North Dakota State Fair provided a \$1,000 scholarship for the FFA Basic Grade Ag Mechanics CDE at the State FFA Convention.
- \$1,000 in scholarships were awarded by the North Dakota State Fair to the highest performing 4-H and FFA groups.
- The North Dakota State Fair provided discounts on event tickets and gate admission for all current 4-H and FFA members during the 2008 State Fair.
- Entry fees were waived for all 4-H and FFA exhibitors.
- The State Fair hosted a Showdeo during the Fair that 4-H and FFA kids participated in at no cost with all participants winning prizes.



2008 4-H Entries by County

Adams	58	McLean	329
Barnes	327	Mercer	330
Benson	124	Morton	128
Fort Berthold	5	Mountrail	359
Bottineau	94	Nelson	183
Bowman	74	Oliver	42
Burke	64	Pembina	236
Burleigh	262	Pierce	69
Cass	696	Ramsey	385
Cavalier	133	Ransom	69
Dickey	176	Renville	342
Divide	87	Richland	99
Dunn	52	Rolette	74
Eddy	98	Sargent	0
Emmons	174	Sheridan	109
Foster	219	Sioux	0
Golden Valley	0	Slope	9
Grand Forks	293	Stark-Billings	338
Grant	60	Steele	14
Griggs	70	Stutsman	472
Hettinger	121	Towner	137
Kidder	135	Trail	94
LaMoure	139	Walsh	186
Logan	92	Ward	1372
McHenry	562	Wells	161
McIntosh	45	Williams	295
McKenzie	200	Total	10,192



JULY 18 - 26

2008

MINOT, ND

NORTH DAKOTA STATE FAIR

WHAT A RIDE



Annual Report
ndstatefair.com



2008 NORTH DAKOTA STATE FAIR ANNUAL MEETING

Call to Order & Comments

Gary Knell, President

Welcome

Minot Area Chamber of Commerce

Introduction of Board Members

Gary Knell

Confirmation of County Delegates

Bob Wagoner, Manager

Minutes of 2007 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

Bob Wagoner

Fair Dates

Bob Wagoner

State Fair Documentary

Pratt Public Television

Election of Directors

Gary Knell

District 2: Tim Clark

District 5: Charles "Chuck" Meikle

District 8: Gerald "Butch" Haugland

Open Questions & Discussion

Gary Knell

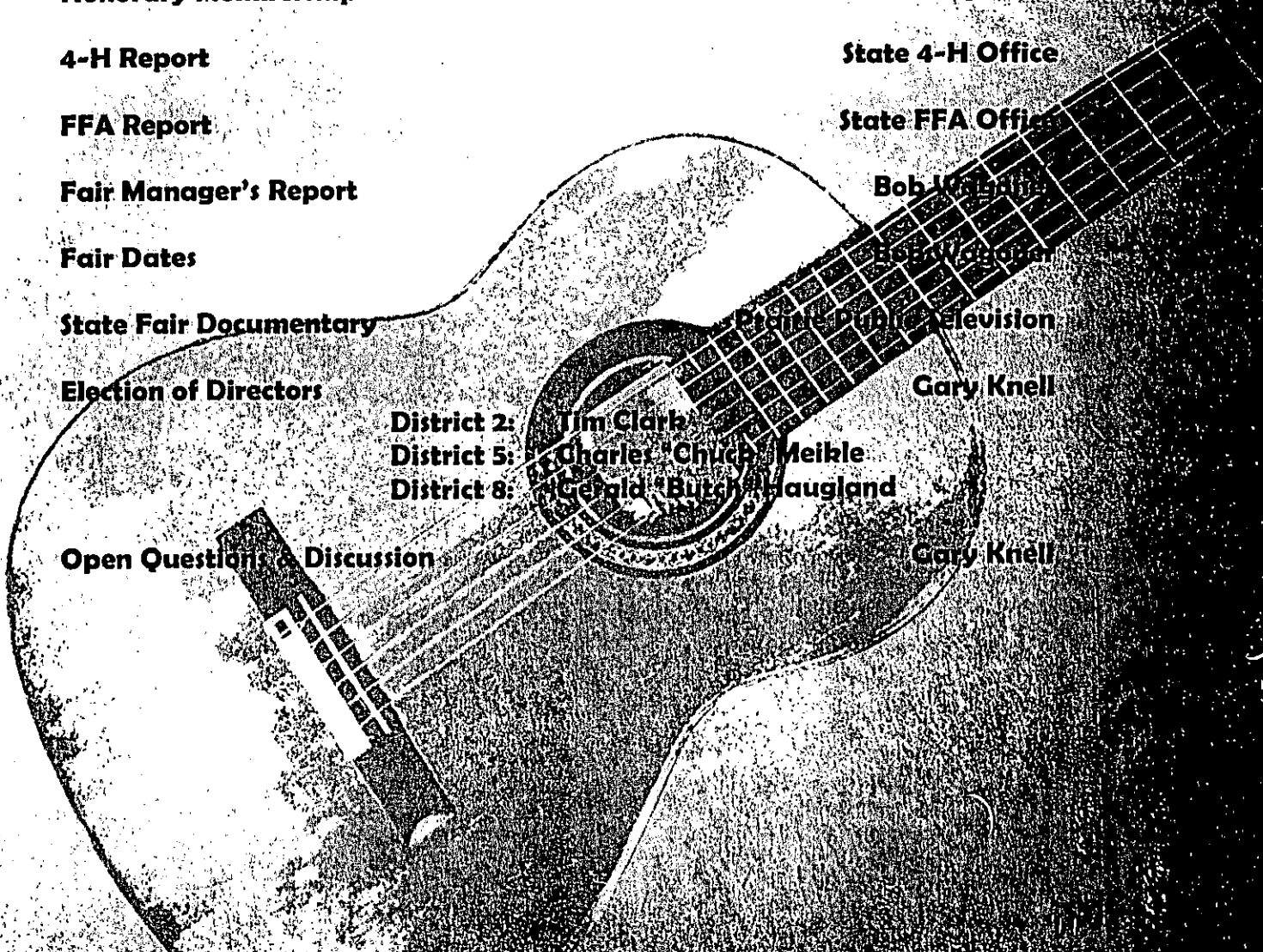
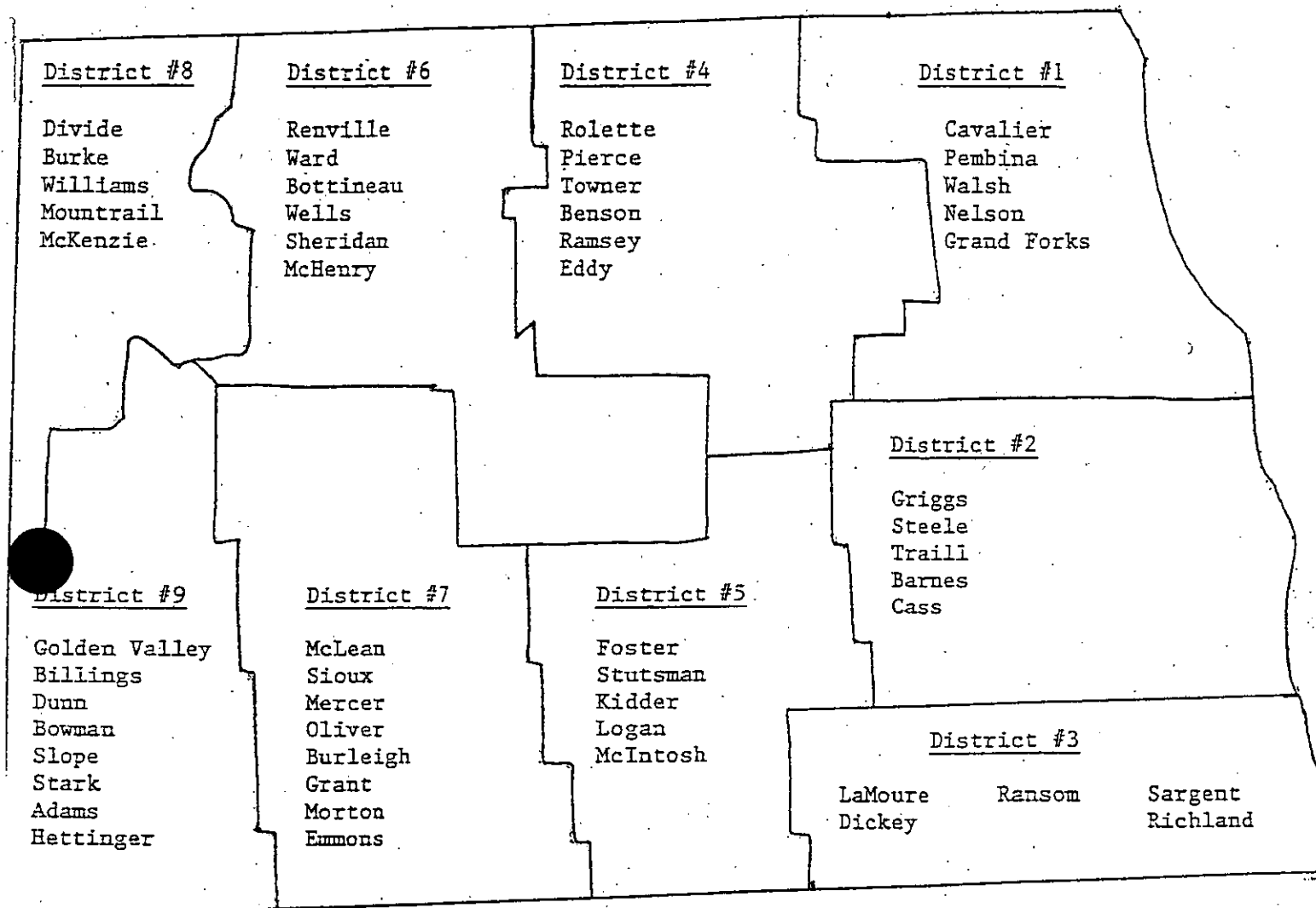


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DISTRICTS
OF THE
NORTH DAKOTA STATE FAIR ASSOCIATION



ND STATE FAIR DATES & ATTENDANCE

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

FAIR BOARD PRESIDENT

09/65 - 10/70
11/70 - 10/80
11/80 - 01/84
02/84 - 11/88
12/88 - 11/99
12/99 - 11/04
12/04 - Present

Morris Harrington
Jack Wilkinson
Robert Velure
Delbert Clark
Ed Schmidt
Jerry Effertz
Gary Knell

FAIR BOARD VICE PRESIDENT

09/65 - 10/70
11/70 - 01/79
02/79 - 10/80
11/80 - 01/84
02/84 - 11/88
12/88 - 11/01
11/01 - Present

Jack Wilkinson
Bob Kemp
Bill Plath
D. D. Clark
Dan Duerre
Tim Faller
Charles Meikle

FAIR BOARD SECRETARY

09/65 - 10/76
11/76 - 10/84
11/84 - 11/88
12/88 - 11/05
12/05 - Present

Morris Nelson
Merwyn Larsen
Delores Stromme
Dick Jensen
Kandi Mikkelsen

FAIR BOARD TREASURER

09/65 - 10/74
11/74 - 10/82
11/82 - 01/84
02/84 - 11/88
12/88 - 05/92
11/92 - 11/01
11/01 - 11/04
12/04 - 11/07
11/07 - Present

Ed Goerger
Steve Tuchscherer
Dan Duerre
Ed Schmidt
Delores Stromme
Charles Meikle
Gary Knell
Tim Clark
Lee Ann Karsky

STATE FAIR DISTRICTS AND DIRECTORS

District #1

09/65 - 08/78
09/78 - 11/94
12/94 - Present

Robert Kemp, Hamilton*
Wayne Trottier, Northwood
Neil Fleming, Cavalier

District #2

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

Paul Cripe, Amenias*
Bill Plath, Davenport*
D. D. Clark, Cooperstown*
Tim Clark, Fargo

District #3

09/65 - 10/74
11/74 - 10/83
11/83 - 02/89
03/89 - Present

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

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 - Present

Jack Wilkinson, Montpelier*
Charles Meikle, Spiritwood

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

FAIR MANAGER

11/65 - 07/69
08/69 - 01/71
02/71 - 12/75
01/76 - 01/06
01/06 - Present

Myles Johnson*
Merle Dahle
Vern Stevick
Gerald Iverson
Robert Wagoner

ALL SEASONS ARENA MANAGER

1975 - 1976
1976 - 01/06
01/06 - Present

Robert Bliss
Gerald Iverson
Robert Wagoner

ASSISTANT MANAGER

1966 - ?
10/76 - 01/80
11/81 - 11/90
05/08 - Present

Arvel Graving (part-time)
Lew Gates
Ron Staiger
Rena Korslien

OPERATIONS DIRECTOR

1966 - 1984
1984 - 1985
1985 - Present

Gordon Johnson (County Fair Prior 1966)
Maurice Goeser
Dennis Voeller

MAINTENANCE STAFF

10/79 - 03/90
1984 - 1992
1987 - 1994
1988 - 1994
1981 - Present
1990 - 1995
1994 - 1995
1994 - 1999
1995 - 2000
1995 - Present
1998 - Present
1993 - 2004
2000 - 08/01
2004 - 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
Todd Evanoff

OFFICE PERSONNEL

1969 - 1971
1972 - 1973
1974
1975 - 1976
1977
1978 - 1979

Connie Larson
Becky Vogel
Charlane Hargrave
Sally Brendle
Sally Brendle & Jane Bartholomay
Jane Bartholomay

OFFICE PERSONNEL (cont)

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
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	Renae Korslien, Shelly Parish, Stephanie Schoenrock, Jennifer Guidinger, Kim Reiswig, Denise Johnson
2004	Renae Korslien, Shelly Parish, Stephanie Schoenrock Jennifer Guidinger, Kim Rieswig, 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	Renae Korslien, Stacey Folstad-Magandy, Tracy Pelzer, Kristie Moldenhauer, Shannon Pearson

STATE FAIR DEPARTMENTS

BEEF

1966 - 1971
1972 - 1975
1976 - 1979
1980
1981
1982 - 1983
1984
1985 - 1993
1994 - 2005
2006 - Present

Darrell Sundsbak
Lynn Frey
Bill Goheen
Steve Musch & Bill Goheen
Bill Goheen, Larry Widdel & Milt Korslien
Larry Widdel, Milt Korslien & Bryan Sundsbak
Larry Widdel & Milt Korslien
Milt Korslien & Mike Sundsbak
Mike Sundsbak & Mary Peterson
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
2007
2008

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

SWINE & SHEEP

1966 - 1969
1970 - 1971
1972
1973 - 1975
1976
1977 - 1982
1983
1984 - 1986
1987
1988 - 1989
1990
1991 - 1992
1993
1994
1995 - 1998

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

SWINE & SHEEP (cont)

1999
2000 - 2002
2003 - 2004
2005 - Present

Brenda Novodvorsky & Brian Zimprich
Brian Zimprich & Jessie Larson
Brian Zimprich & Stephanie Johnson
Brian & Stephanie Zimprich

GOATS

1982 - 1985
1986
1987
1988 - 1990
2004 - Present

Mr. & Mrs. David Beuchler
Ramona Keller & Charlene Martwick
No Show
Ramona Keller & Charlene Martwick
Rodney Dannehl

LLAMAS

1991 - 1993
1994 - 1996
1997 - 1998
1999 - 2000
2001 - 2003
2004 - Present

Darlene Hochsprung
Greg Jacobs
Penny Sigloh
Dave Sigloh
Karla Erickson
Sandy Dick

POULTRY & RABBITS

1983 - 1984
1985 - 1986
1987
1988 - 1989
1990 - 1997
1998
1999

2000 - 2001
2002
2003 - 2004
2005 - 2006
2006
2007
2008

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

AG PRODUCTS

1966 - 1968
1969 - 1970
1971
1972
1973
1974 - 1975
1976 - 1979
1980
1981 - 1999

Clifford Bakken & Milt Korslien
Milt Korslien
Alan Korslien & Milt Korslien
Leonard Enander & Blaine Kotasek
Blaine Kotasek
Brad Cogdill
George Senechal
Laurie Smestad
Ernie Medalen

AG PRODUCTS (con't)

2000 - 2002
2002
2004 - Present

Tracey Hartwig
Tracey Hartwig & Kristin Hoffarth
Tracey Hartwig

EDUCATION

1967 - 1991
1992 - 1999
2000 - 2001
2002 - 2003
2004 - 2006
2007 - Present

Zona Vick
Linda Christensen
Linda Christensen, Diane Anderson
Diane Anderson, Rob Anderson
Diane Anderson, Kim Mau
Kim Hegre

DOMESTIC ARTS

1966
1967 - 1969
1970
1971
1972
1973 - 1976
1977 - 1990
1991 - 1993
1994 - 1996
1997 - 1998
1999 - 2000

2001
2002 - Present

Betty Kunz

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

PLANTS & FLOWERS

1994 - 1997
1998 - 2000
2001 - Present

Carol Berg
Carol Berg & Scott Bethke
Carol Berg

HORSES

1966 - 1972
1973
1974
1975 - 1977
1978-1992
1993 - 1999
2000
2001 - Present
2007
2008

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
Kylie Behm
Matt Amsden

4-H BUILDING

1966 - 1969
1970 - 1971
1972 - 1978
1979
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
1982 - 1983
1984
1985
1986 - 1987
1988 - 1990
1991 - 1992
1993 - 1994
1995
1996 - 1999

Francis Hennessy

Raymond Kopp
Darrell Sundsbak
Quentin Stevick
Odd Osteros
Del Rae Martin & Odd Osteros
Taunia Martin, Odd O. & 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
1983
1984
1985 - 1987

City Art League
George Godfrey
Pearl Briggs
Margaret Braaten & Francis Domer
Ila Lovdahl & Roxanne Johnson
Ila Lovdahl & Bonny Duhamel

ARTS & CRAFTS (con't)

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	Molla Romine
1994 - 1998	Cleo Cantlon
1999	Cleo Cantlon & Kandi Mikkelsen
2000 - Present	Cleo Cantlon

TREASURER'S OFFICE

1966 - 1990	Morris Lawrence
1968 - 1988	Doug Hultberg
1974 - 1988	Renae Korslien
1985 - 1997	Margie Newman
1998 - 1999	Melanie Emmel/Susan Schmutzler
2000 - Present	Melanie Emmel/Margie Newman

SHERIFF'S DEPARTMENT

1966 - 1978	Olaf Haaland & Ed Heilman
1979 - 1982	Leon Schwan & Art Anderson
1983	Art Anderson & Earl Maker
1984	Art Anderson & Les Moe
1985 - 1990	Art Anderson & Art Olson
1991	Vern Erck & Art Olson
1992 - 1999	Vern Erck & Bob Bankes
2000 - 2001	Vern Erck & John Glibota
2002 - Present	Vern Erck & Todd Keller

BEER GARDENS

1971 - 1972	Richard Larson
1973 - 1975	Bob Turneau
1976 - 1985	Guy Feland
1986 - 1987	Carroll Burtness
1988 - Present	M & S Concession

GRANDSTAND TICKETS

1967 - 1970	Mrs Gordon (Esma) Finke
1971	James Schultz
1972	Leonard Enander

GRANDSTAND TICKETS (con't)

1973 - 1975	Luelle Nermyr
1976 - 1983	Sandy Vigestad
1984	Magic City Figure Skating Club
1985	Pam Hopkins
1986 - 1990	Pam Hopkins & Gloria Maragos
1991 - 1995	Robin Voeller
1996 - 2000	Ray Preston
2001	Susie Schmutzler & Robin Voeller
2002 - Present	Robin Voeller & Donna Beeter

FAIR'S REPRESENTATION ON ALL SEASONS ARENA BOARD

1975 - 1976	Morris Nelson
1975 - 1980	Morris Harrington
1976 - 1982	Steve Tuchscherer
1982 - 1989	Dan Duerre
1975 - 1992	Jim Peterson
1980 - 2000	Ed Schmidt
1989 - 1992	Jerry Effertz
1993 - 1994	Dick Jensen
1993 - 1997	Ken Kitzman
1994 - 2004	Jerry Effertz
1997 - 1998	Jim Stafslie
1999 - 2000	Jim Lee
2001 - Present	Charles Meikle
2004 - Present	Gary Knell

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

FAIR FOUNDATION ADMINISTRATOR

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

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

November 16, 1967 (cont)

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

November 1977

Vern Stevick, Des Lacs
Merle Dahle, Minot *
Morris Nelson, Washburn

November 1977 (cont)

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

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 Jensen "Dick" Jensen*

*Deceased

2008

North Dakota State Fair

Sponsors

ABC West
Acme Electric / Tool Crib
Advanced Business Methods
All American City Glass
Anytime Fitness
Bank of ND College Save Program
Bass Equipment Company
Bayer Crop Science
Berthold Farmers Elevator, LLC
Best Western – Kelly Inn
Blue Cross Blue Shield
Bobcat Company
Border States Electric Inc.
Bremer Bank
C&C Plumbing & Heating
Cenex
Central Power Electric Co-op., Inc.
Clear Channel Communications
Cloverdale Foods
Cloverdale Growers Alliance
Coca-Cola
Comfort Inn
Community Ambulance
Coors Light
Craft Builders, Inc.
Crystal Sugar
Dacotah Bank
Dakota Fence
Dakota Inn
Dakota Pipe & Steel
Davidson Construction Inc.
Dodge
Eide Bailly, LLP
Elanco Animal Health
Farm & Ranch Guide
Farm Credit Services of ND
FastCheck
First International Bank & Trust
Fisher Motors
Ford Motor Company
Fox 24 TV
Gerdau Ameristeel
Gooseneck Implement

Greenberg Roofing
Green Thumb Greenhouse
Holiday Inn
Hubbard Feeds - Showrite
Investors Real Estate Trust
J&R Vacuum & Sewing
Joel Dennis
Keller Paving
Kenmare News
Kevin's Plumbing and Heating
KMOT
KXMC
LaMoure Feed & Seed, Inc.
Land 'O Lakes
Lowe's Garden Center
M & S Concessions
Maintenance Plus, Inc.
Midwest Dairy Association
Minot Chamber of Commerce
Minot City Cab
Minot Country Club
Minot CVB
Minot Daily News
Minot Electric Inc.
Minot Forestry
Minot Street Department
Montana Dakota Utilities Co.
Morelli's Distributing
Mosbrucker Rodeo
Murphy Brothers Expositions
ND 4-H
ND Corn Utilization
ND FFA
ND Game & Fish
ND Pork Council
ND Soybean Council
ND State Parade
NDSU Saddle & Sirloin Club
ND Tourism
Nodak Race Club
North Central Feed & Seed
North Country Merchantile
North Dakota Living

Northern Brake Service
Northern Livestock Auction
Northern Tier Federal Credit Union
NorthStar Steel Inc.
NW Association Horticulture
Pita Pit
PRAXAIR
Premier Pulses International Inc.
Rainbow Photo Labs
RCC Western Wear
Roughrider Harley Davidson
Sandhills Feed
Schatz Crossroads Truckstop
Schocks Safe & Lock Service
Security Fence
SelectInn of Minot
Sign D'Zyn
Sleep Inn & Suites Splash Down
SRT
State Farm Automobile Insurance
Stockmen's Supply Company
Straight's Concessions
SunPrairie Grain
Taco John's
Ted Johnson
The Flower House Garden Center
The Vegas Motel
Town & Country Credit Union
Toyota Motor Sales
Tri-N Propane
Tractor Supply Company
Trinity Health
United Rental
Verendrye Electric
Valleyview Golf & Go-Carts
Ward County
Waste Management
Wilbur Ellis
Wildwood Country Club
Wired Cellular, Inc.
Xcel Energy
Xpress Mart
Yellowbook USA

FAIR ANNUAL STATEMENT 2008

	<u>2008</u>	<u>2007</u>
BEGINNING BALANCE	\$1,575,500.74	\$1,613,495.57
RECEIPTS:		
STORAGE	\$34,779.80	\$33,191.00
GROUND, BUILDING, EQ RENTAL	\$627,499.09	\$545,453.78
NODAK	\$9,500.00	\$11,443.51
INDOOR	\$145,047.02	\$150,196.61
OUTDOOR	\$151,825.10	\$129,393.87
INDEPENDENT	\$120,553.91	\$102,558.06
CARNIVAL	\$241,630.87	\$182,536.14
GRANDSTAND	\$1,208,718.81	\$1,199,863.58
OUTSIDE GATES	\$801,574.49	\$764,280.13
CAMPING	\$77,265.00	\$75,384.00
ENTRIES & STALL FEES	\$34,653.00	\$42,663.00
SPONSORSHIPS	\$198,968.28	\$230,981.60
MISCELLANEOUS	\$12,690.28	\$7,503.97
BEER GARDENS	\$291,494.58	\$272,700.75
STATE APPROP(CAP IMPROVEMENT)	\$122,356.70	\$238,487.50
STATE APPROP(PREMIUMS)	\$221,075.00	\$221,075.00
INTEREST ON INVESTMENTS	\$34,886.82	\$39,089.78
WARD COUNTY MILL LEVY	<u>\$281,031.54</u>	<u>\$236,789.33</u>
 TOTAL REVENUE	 \$4,615,550.29	 \$4,483,591.61
 NSF's	 (\$1,513.00)	
 BALANCE	 \$6,189,538.03	
TOTAL EXPENSES:	(\$4,333,455.82)	
 BALANCE SEPTEMBER 30, 2008	 <u><u>\$1,856,082.21</u></u>	

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CONTINUED

ACCOUNTS RECEIVABLE:	\$318,039.26
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2009/2011 continued assistance \$210,000	
Building and equipment rental	\$318,039.26

ACCOUNTS PAYABLE	\$995,518.13
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Bond	\$985,000.00
Debt Service Reserve	(\$215,000.00)

O.M.B. Payables	\$225,518.13
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***Accounts Receivable and Accounts Payable
both reflect appropriated funds for asphalt of \$217,944.
Work was done before September 30, 2008,
but not paid until October 2008.

FAIR ANNUAL STATEMENT

EXPENSES:	2008	2007
SALARIES & WAGES	\$954,982.98	\$887,773.33
BOARD MEETINGS & TRAINING	\$85,682.76	\$69,874.13
UTILITIES	\$318,028.96	\$280,461.50
TELEPHONE	\$20,496.49	\$10,550.50
RENT OF EQUIPMENT	\$14,121.35	\$10,332.97
POSTAGE & FREIGHT	\$11,334.84	\$20,134.52
REPAIR EQUIPMENT	\$16,274.69	\$14,844.55
BUILDINGS & GROUNDS MAINTENANCE	\$156,319.56	\$159,858.86
PROFESSIONAL FEES	\$318,256.99	\$251,559.47
INSURANCE, DUES, MEMBERSHIP, T & L	\$44,242.73	\$37,997.97
OFFICE SUPPLIES	\$12,026.99	\$9,262.03
ADVERTISING	\$244,980.95	\$231,956.19
PROMOTIONS	\$66,313.43	\$58,129.96
MISCELLANEOUS EXPENSES	\$4,717.17	\$7,690.39
GAS & OIL	\$30,803.71	\$21,829.37
NEW EQUIPMENT	\$57,327.82	\$17,137.01
CAPITAL IMPROVEMENTS	\$53,725.44	\$66,062.32
BOND PAYMENT	\$238,585.65	\$244,102.99
GRANDSTAND	\$1,096,112.40	\$1,203,800.32
OTHER ENTERTAINMENT	\$159,721.39	\$151,789.24
CONCESSIONAIRES	\$9,092.40	\$11,492.15
4-H	\$97,313.19	\$90,238.68
FFA	\$111,656.29	\$101,959.10
BEEF	\$28,543.97	\$23,479.23
DAIRY	\$10,080.54	\$6,076.30
HORSES	\$60,060.70	\$52,439.66
SHEEP & WOOL	\$16,192.76	\$14,995.29
SWINE	\$15,056.92	\$11,722.44
GOATS/LLAMAS	\$5,239.86	\$3,561.77
RABBITS	\$5,965.40	\$7,629.97
POULTRY	\$2,162.25	\$2,667.39
ARTS & CRAFTS	\$2,284.71	\$2,708.50
DOMESTIC ARTS	\$11,118.47	\$12,147.58
EDUCATION	\$7,217.31	\$5,856.25
PHOTOGRAPHY	\$1,573.08	\$1,746.64
WRITING	\$1,614.03	\$1,604.62
AG PRODUCTS	\$1,326.99	\$1,997.99
GATES	\$42,900.65	\$40,264.26
EXPENSES	<u>\$4,333,455.82</u>	<u>\$4,147,735.44</u>

FAIR ANNUAL STATEMENT

EXPLANATION OF EXPENSES

PROFESSIONALS

Aerial Photography	\$270.00
Amusement License	\$50.00
Armored Car	\$830.00
Audit	\$9,320.00
Backround Check/Fingerprints	\$33.63
Barn Changeover	\$640.00
Camping Superintendents	\$6,071.97
Carnival Inspection	\$5,527.16
Chair Set Up for Hostfest	\$900.00
Classified Ads	\$3,409.30
Cleaners - fair	\$51,498.07
Combination Lock Changes	\$135.00
East Lot/Horse Parking Lot	\$5,500.00
Fire Alarm	\$287.44
Form Design	\$62.70
Grandstand Appropriated Funds	\$120,199.80
Grandstand Project	\$281.59
Midway Table Cleaners	\$6,000.00
Paper Pickers	\$4,853.44
Porta Potty	\$2,700.00
Publicity	\$620.00
Rodeo Ushers/Ticket Takers	\$1,200.00
Romeo Entertainment %	\$15,000.00
Security	\$69,723.09
Shuttles	\$4,000.00
Sweeping	\$4,950.00
Ticket Shredding	\$19.80
Veterinary	\$4,174.00
TOTAL	\$318,256.99

GATES

Office Supplies	\$4,097.20
Payroll	\$23,874.23
Printing	\$14,811.60
Professionals	\$117.62
TOTAL	\$42,900.65

NEW EQUIPMENT

Bobcat	\$13,489.39
Canopies	\$568.12
Computers	\$2,113.52
Copy Machine	\$3,536.28
Electric Distribution Panels	\$790.46
Flags	\$520.00
Food Court Umbrellas	\$1,771.70
Garbage Cans	\$3,130.42
Lawn Mower	\$540.00
Metal Detector	\$275.00
Pallets for Rubber Mats	\$908.06
Radios	\$860.00
Scrubber	\$9,959.54
Semi-Trailer	\$1,500.00
Shuttle Bus	\$2,365.66
Spanset	\$583.53
Speed Bumps	\$1,963.10
Tables	\$4,053.41
Ticket Booth	\$3,007.14
Timer	\$828.50
Tire Chains	\$275.24
Tires	\$879.16
Toaster	\$23.84
Tools	\$1,749.18
Welder	\$1,636.57
TOTAL	\$57,327.82

GRANDSTAND

Catering	\$8,576.70
Entertainers	\$959,684.51
Equipment	\$1,476.92
Parade	\$2,000.00
Payroll	\$33,980.61
Printing	\$7,196.91
Professionals	\$36,498.01
Rain Insurance	\$22,750.00
Sound	\$21,634.98
Supplies	\$2,313.76
TOTAL	\$1,096,112.40

CAPITAL IMPROVEMENTS

Asphalt	\$2,156.90
Electrical Upgrade	\$15,500.00
Commercial III Air Conditioner	<u>\$36,068.54</u>
TOTAL	\$53,725.44

UTILITIES

Sewer & Water	\$26,051.97
Garbage Hauling	\$27,345.36
Natural Gas	\$58,861.89
Electricity	<u>\$205,769.74</u>
TOTAL	\$318,028.96

ENTERTAINMENT STAGES

3 on 3 Basketball	\$355.50
Amateur Talent	\$1,495.00
Arm Wrestling	\$500.00
Cattle Dog Show	\$794.45
Clowns	\$2,914.40
Country Showdown	\$500.00
County Fair Winners	\$245.00
Dakota Talent	\$260.00
Dance Schools	\$240.00
Dodge Ball	\$538.43
Fireworks	\$5,000.00
Flickertail Gardens	\$14,920.00
Freddie Flickertail	\$520.00
Game & Fish	\$270.00
Greased Pig	\$271.82
Horse Pull	\$3,111.66
Kids Clubhouse	\$8,162.86
Pedal Pull	\$661.74
Pioneer Village	\$4,720.00
Pony Pull	\$1,288.36
Run The Route	\$94.00
Senior Festival	(\$207.35)
Showdeo	\$1,292.27
Sound	\$3,580.00
Special Competitions	\$200.00
Special Displays	\$5,687.31
Stage 1 Pet Zoo/Kids Kingdom	\$14,150.00
Stage 2 Jukebox Junkie	\$15,029.22
Stage 3 Extreme Canines	\$12,140.00
Stage 4 Racing Pigs	\$2,882.00
Stage 5 Wild Kingdom	\$18,243.86
Stage 6 Fur Traders	\$20,657.00
Stage 7 Sports Extreme	<u>\$19,203.86</u>
TOTAL	\$159,721.39

CONCESSIONAIRES

Gifts	\$1,376.20
Payroll	\$4,644.55
Picnic	\$2,992.05
Supplies	<u>\$79.60</u>
TOTAL	\$9,092.40

INSURANCE AND DUES

Dues and Memberships	\$5,501.00
Insurance	\$38,711.73
Tax and License	<u>\$30.00</u>
TOTAL	\$44,242.73

BOND PAYMENT

	<u>\$238,585.65</u>
TOTAL	\$238,585.65

PROMOTIONS

Ag Awards Contest	\$242.37
Annual Meeting	\$526.25
Annual Report	\$1,280.65
Christmas Party/Cards	\$1,292.74
Clipping	\$1,135.11
Co-op Day	\$687.57
Collectibles	\$500.00
DMX	\$325.71
Fair Food Bucks	\$12,210.00
Family Day	\$295.00
Festival Tent	\$275.00
Film Processing	\$68.32
Flowers	\$366.82
Governors Picnic	\$854.95
Media Lodging	\$1,542.42
Megaride	\$409.50
Motor Magic	\$13,209.47
Photo ID's	\$504.40
Photographer	\$879.97
Plaques	\$528.70
Pride Day	\$295.00
Printing	\$5,047.84
Refreshments/Committees	\$1,426.13
Rodeo Queen	\$1,019.75
Shirts	\$3,086.28
Signs	\$6,614.50
Special Campaigns	\$2,373.95
Special Display	\$69.55
Special Friends	\$410.91
Sponsor Support	\$8,700.57
Video	<u>\$134.00</u>
TOTAL	\$66,313.43

DEPARTMENT EXPENSES

4-H

Premiums	\$64,798.21
Hay & Straw	\$1,389.21
Judges	\$7,237.54
Office Supplies	\$1,098.08
Payroll	\$15,024.53
Picnics	\$205.88
Printing	\$2,203.84
Professionals	\$3,587.85
Ribbons	\$1,768.05
TOTAL	\$97,313.19

HORSE

Premiums	\$8,126.60
Dues & Memberships	\$435.00
Hay & Straw	\$3,653.10
Judges	\$7,232.84
Office Supplies	\$441.85
Payroll	\$12,503.56
Printing	\$3,176.91
Professionals	\$21,701.88
Ribbons	\$55.85
Trophies	\$2,733.11
TOTAL	\$60,060.70

BEEF

Premiums	\$17,101.00
Hay & Straw	\$3,479.10
Judges	\$1,445.75
Office Supplies	\$34.64
Payroll	\$2,395.00
Printing	\$204.24
Professionals	\$3,821.89
Ribbons	\$55.85
Trophies	\$6.50
TOTAL	\$28,543.97

SWINE

Premiums	\$9,142.75
Hay & Straw	\$135.30
Judges	\$2,519.04
Office Supplies	\$98.81
Payroll	\$1,695.33
Printing	\$375.18
Professionals	\$1,025.71
Ribbons	\$55.85
Trophies	\$8.95
TOTAL	\$15,056.92

FFA

Premiums	\$98,432.31
Hay & Straw	\$759.39
Judges	\$2,730.77
Office Supplies	\$1,829.89
Payroll	\$695.00
Picnics	\$205.87
Printing	\$1,828.84
Professionals	\$3,114.22
Ribbons	\$2,060.00
TOTAL	\$111,656.29

DAIRY

Premiums	\$6,620.50
Hay & Straw	\$50.00
Judges	\$999.95
Office Supplies	\$132.25
Payroll	\$820.00
Printing	\$96.62
Professionals	\$564.01
Ribbons	\$55.85
Trophies	\$8.95
Milk Percentage	\$732.41
TOTAL	\$10,080.54

RABBITS

Premiums	\$467.25
Dues & Memberships	\$290.00
Hay & Straw	\$60.95
Judges	\$3,349.31
Office Supplies	\$88.47
Payroll	\$1,097.00
Printing	\$298.80
Professionals	\$168.52
Ribbons	\$55.85
Trophies	\$89.25
TOTAL	\$5,965.40

SHEEP

Premiums	\$10,819.50
Judges	\$1,860.71
Office Supplies	\$79.75
Payroll	\$1,685.32
Printing	\$402.04
Professionals	\$1,280.64
Ribbons	\$55.85
Trophies	\$8.95
TOTAL	\$16,192.76

DEPARTMENT EXPENSES

LLAMA and GOAT	
Premiums	\$1,263.00
Dues and Memberships	\$65.00
Hay and Straw	\$81.42
Judges	\$1,718.42
Office Supplies	\$0.35
Payroll	\$646.90
Printing	\$62.29
Professionals	\$1,281.83
Ribbons	\$111.70
Trophies	\$8.95
TOTAL	\$5,239.86

POULTRY	
Premiums	\$711.00
Dues & Memberships	\$50.00
Hay & Straw	\$154.71
Judges	\$73.17
Office Supplies	\$52.26
Payroll	\$670.60
Printing	\$162.61
Professionals	\$232.05
Ribbons	\$55.85
TOTAL	\$2,162.25

ARTS AND CRAFTS	
Premiums	\$1,131.00
Judges	\$250.00
Office Supplies	\$70.77
Payroll	\$600.00
Printing	\$177.09
Ribbons	\$55.85
TOTAL	\$2,284.71

DOMESTIC ARTS	
Premiums	\$4,016.75
Judges	\$1,020.20
Office Supplies	\$462.43
Payroll	\$4,088.68
Printing	\$1,474.56
Ribbons	\$55.85
TOTAL	\$11,118.47

EDUCATION	
Premiums	\$2,436.00
Office Supplies	\$24.49
Payroll	\$2,465.02
Printing	\$2,235.95
Ribbons	\$55.85
TOTAL	\$7,217.31

AG PRODUCTS	
Premiums	\$499.50
Office Supplies	\$73.88
Payroll	\$450.00
Printing	\$247.75
Ribbons	\$55.86
TOTAL	\$1,326.99

WRITING	
Premiums	\$650.00
Office Supplies	\$1.55
Payroll	\$550.00
Printing	\$356.62
Ribbons	\$55.86
TOTAL	\$1,614.03

PHOTOGRAPHY	
Premium	\$421.00
Judges	\$200.00
Office Supplies	\$90.50
Payroll	\$400.00
Printing	\$405.72
Ribbons	55.86
TOTAL	\$1,573.08

(2008 Grandstand Summary continued)

Thursday July 26	Evening	Casting Crowns Novelties Sound & Lights Contract Price	\$86,945.00 \$3,300.00 (\$3,605.00) (\$75,000.00) <hr/> \$11,640.00	\$399,472.00
Thursday July 26	Evening	Ranch Rodeo Contract Price	\$8,438.00 (\$4,255.00) <hr/> \$4,183.00	\$403,655.00
Friday July 27	Evening	Jason Aldean/Miranda Lambert Day of Show Sales Novelties Sound & Lights Contract Price	Grandstand Pass \$37,345.00 \$4,552.00 (\$3,605.00) (\$120,000.00) <hr/> (\$81,708.00)	\$321,947.00
Saturday July 28	Evening	Sugarland Day of Show Novelties Sound & Lights Contract Price	Grandstand Pass \$67,540.00 \$5,744.00 (\$3,605.00) (\$160,000.00) <hr/> (\$90,321.00)	\$231,626.00
				\$231,626.00

MISCELLANEOUS GRANDSTAND EXPENSES

Ticket takers, stage hands, sellers, props & advertising, spot lights & operators, are found as part of the financial statement included in wages, advertising, professional and miscellaneous fees.

Premiums

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Ag Products	\$1,144.80	\$1,143.01	\$1,098.89	\$1,096.04	\$1,071.09	\$941.47	\$968.19	\$1,027.06	\$817.06	\$940.28	\$699.87	\$705.35	\$643.48	\$721.57	\$499.50
Arts and Crafts	\$1,448.82	\$1,439.79	\$1,398.48	\$1,782.75	\$1,873.68	\$1,914.46	\$1,134.69	\$1,559.04	\$1,557.06	\$1,802.20	\$1,779.22	\$1,600.95	\$1,131.84	\$1,322.88	\$1,131.00
Beef	\$15,883.72	\$14,209.38	\$10,135.56	\$11,114.75	\$10,407.94	\$11,100.68	\$12,825.64	\$14,016.87	\$15,032.56	\$11,767.30	\$11,385.02	\$12,392.35	\$13,538.30	\$13,948.44	\$17,101.00
Culinary	\$1,616.07	\$1,649.70	\$1,347.46	\$1,760.60	\$1,826.47	\$2,080.81	\$1,450.90	\$1,293.01	\$1,282.00	\$1,349.09	\$1,524.96	\$1,385.23	\$1,312.32	\$1,172.85	\$1,107.50
Dairy	\$8,423.03	\$6,557.73	\$4,474.04	\$5,083.64	\$8,071.48	\$9,526.30	\$8,943.17	\$6,101.45	\$6,545.99	\$6,123.76	\$5,524.18	\$4,808.15	\$4,777.65	\$5,421.14	\$6,620.50
Education	\$1,530.62	\$2,127.10	\$2,236.48	\$3,072.69	\$2,691.50	\$2,923.83	\$2,960.62	\$3,179.24	\$3,034.92	\$3,151.22	\$3,149.20	\$3,357.20	\$2,760.91	\$3,012.83	\$2,436.00
Flowers	\$1,186.46	\$1,104.82	\$1,215.46	\$1,166.04	\$1,287.48	\$1,293.30	\$1,192.20	\$1,428.00	\$1,203.50	\$1,326.49	\$1,488.89	\$1,616.72	\$1,349.83	\$1,444.21	\$1,372.00
4-H	\$46,216.51	\$47,247.36	\$51,020.17	\$56,601.10	\$55,564.26	\$55,681.01	\$55,093.73	\$59,934.37	\$58,842.31	\$63,782.56	\$63,144.27	\$62,514.51	\$61,702.31	\$59,778.96	\$64,798.21
FFA	\$39,727.59	\$40,331.62	\$41,769.53	\$52,541.79	\$61,451.08	\$64,336.50	\$69,937.29	\$68,243.85	\$68,134.95	\$70,935.31	\$83,354.53	\$92,136.53	\$89,127.66	\$95,291.01	\$98,432.31
Goats/Llamas	\$1,200.31	\$1,057.32	\$1,241.16	\$1,272.12	\$1,280.12	\$1,457.20	\$1,132.96	\$1,339.85	\$1,165.83	\$1,208.71	\$1,614.82	\$1,379.70	\$1,738.15	\$1,429.62	\$1,263.00
Swine	\$1,989.27	\$1,486.59	\$1,698.50	\$1,624.95	\$1,911.54	\$3,188.30	\$2,346.71	\$8,375.07	\$3,811.24	\$4,929.16	\$6,326.70	\$5,142.95	\$7,139.70	\$6,152.82	\$9,142.75
Horses	\$9,620.25	\$11,414.35	\$9,521.38	\$13,006.42	\$10,258.85	\$10,733.49	\$15,176.39	\$14,497.82	\$12,823.88	\$13,650.84	\$12,206.67	\$12,442.08	\$12,685.07	\$13,733.78	\$8,126.60
Meat Products	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Needlework	\$1,690.45	\$1,710.59	\$1,622.97	\$2,117.10	\$2,080.66	\$1,920.32	\$1,573.90	\$1,744.01	\$1,597.58	\$1,483.82	\$1,566.50	\$1,429.28	\$1,395.07	\$1,082.71	\$1,537.25
Photography	\$608.37	\$589.56	\$666.88	\$652.72	\$558.62	\$472.30	\$514.46	\$629.80	\$423.83	\$679.78	\$892.25	\$571.00	\$457.55	\$494.77	\$421.00
Poultry	\$1,715.13	\$1,424.57	\$1,150.49	\$677.02	\$1,309.88	\$727.30	\$843.96	\$1,277.53	\$1,465.88	\$1,510.16	\$1,244.96	\$992.15	\$696.05	\$630.38	\$711.00
Rabbits	\$354.37	\$578.00	\$642.20	\$487.64	\$529.06	\$309.54	\$439.56	\$434.47	\$385.90	\$372.99	\$422.47	\$542.86	\$372.90	\$454.46	\$467.25
Sheep & Wool	\$11,386.79	\$10,622.86	\$11,072.22	\$10,202.19	\$9,719.60	\$10,373.68	\$11,339.13	\$9,869.73	\$7,684.58	\$8,165.96	\$8,590.64	\$9,663.55	\$8,832.41	\$10,374.44	\$10,819.50
Writing	\$1,638.73	\$1,594.08	\$1,524.69	\$1,488.09	\$1,433.61	\$1,444.16	\$1,450.73	\$1,219.21	\$1,066.81	\$1,071.93	\$1,133.41	\$833.10	\$1,028.85	\$915.19	\$650.00
Other															
Ribbons/Awards*															
*INCLUDED IN DEPARTMENTS	\$147,381.29	\$146,288.43	\$143,836.56	\$165,747.65	\$173,326.92	\$180,424.65	\$189,324.23	\$196,170.38	\$186,875.88	\$194,251.56	\$206,048.56	\$213,513.66	\$210,690.05	\$217,382.06	\$226,636.37

THIRTY-ONE YEARS COM 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
1978		\$22,896.43	\$39,363.11	\$14,737.50	\$7,524.50	\$15,944.00	\$69,554.87	\$20,968.96	\$22,318.22	\$29,490.24	\$152,956.54	\$142,211.54	\$13,089.00	\$7,496.58	\$5,555.00	
1979		\$25,722.12	\$39,684.54	\$15,237.50	\$8,503.00	\$16,899.00	\$79,761.14	\$16,808.77	\$32,400.38	\$43,100.70	\$153,947.91	\$198,932.57	\$12,914.10	\$13,565.66	\$4,350.00	
1980		\$31,381.48	\$42,584.86	\$19,139.50	\$10,549.00	\$18,998.00	\$74,391.08	\$18,474.81	\$31,724.37	\$53,443.95	\$216,498.96	\$241,332.05	\$14,523.27	\$22,172.48	\$5,974.00	
1981		\$41,696.28	\$45,737.26	\$19,885.00	\$12,710.00	\$26,152.25	\$102,297.41	\$14,827.70	\$29,745.13	\$59,356.48	\$257,881.62	\$316,358.30	\$13,812.00	\$6,607.79	\$4,903.00	
1982*		\$49,739.51	\$56,438.21	\$27,352.25	\$22,838.70	\$30,856.50	\$99,381.80	\$0.00	\$46,572.40	\$115,854.26	\$366,872.48	\$439,430.59	\$25,108.50	\$3,628.67	\$5,402.00	
1983*		\$48,126.87	\$60,250.94	\$44,063.10	\$26,951.00	\$34,805.50	\$110,626.99	\$1,914.18	\$48,140.85	\$109,745.68	\$404,695.94	\$508,874.93	\$29,495.45	\$14,564.19	\$4,075.00	
1984*		\$44,458.76	\$94,346.97	\$49,723.31	\$28,260.20	\$32,952.55	\$121,993.47	\$4,505.12	\$65,959.55	\$108,243.73	\$431,711.88	\$655,260.94	\$31,211.25	\$3,405.70	\$4,106.00	
1985*		\$45,014.41	\$99,473.38	\$57,047.57	\$31,737.00	\$34,416.00	\$131,336.10	\$3,889.17	\$83,373.04	\$137,369.75	\$490,700.64	\$631,659.53	\$33,542.50	\$14,818.29	\$4,284.00	
1986*	\$20,814.32	\$43,442.32	\$103,824.11	\$61,210.97	\$31,538.00	\$30,815.00	\$130,085.99	\$4,227.47	\$108,900.36	\$134,103.35	\$416,721.54	\$425,597.49	\$28,027.55	\$4,250.22	\$5,463.00	
1987*	\$45,986.00	\$40,661.89	\$110,387.10	\$57,798.29	\$30,134.45	\$35,081.75	\$117,387.29	\$5,541.70	\$120,772.77	\$163,340.20	\$426,208.68	\$442,379.88	\$15,496.06	\$2,142.58	\$5,355.00	
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	\$122,315.79	\$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	\$75,584.00	\$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

Based upon a 12 month income instead of 10.
The Beer Gardens changed from gross to net in 1989.

STATE FAIR'S GROWTH

Percentage Increase 21 Year Comparison on a Dollar Basis 1989-2008	Year	Attendance	**Livestock Entries (O.C. ONLY)	All FFA Entries	All 4-H Entries	Other Divisions	Total Entries Shown	Premiums Paid	Income	Expenses
	1975	227,259	2,318	913	5,038	2,159	10,428	\$56,006	\$398,891	\$406,963
	1976	231,937	3,118	1,292	6,200	2,360	11,970	\$64,252	\$472,132	\$396,793
	1977	249,536	2,862	1,210	6,354	3,768	13,194	\$66,066	\$524,728	\$430,083
	1978	258,874	2,703	1,728	6,492	4,449	14,372	\$67,242	\$644,577	\$400,496
	1979	254,864	2,977	1,846	6,999	6,000	16,822	\$85,607	\$748,816	\$735,661
	1980	251,345	2,772	6,253	6,310	5,314	19,649	\$97,564	\$893,292	\$863,121
	1981	261,376	3,342	7,171	6,434	5,143	22,090	\$112,351	\$1,045,068	\$960,886
	1982	285,067	3,746	6,529	6,257	6,493	22,026	\$109,257	\$1,387,058	\$1,448,009
	1983	300,790	4,446	6,308	7,017	6,617	23,388	\$117,254	\$1,580,999	\$1,426,899
	1984	296,597	4,258	6,479	7,600	6,911	24,248	\$120,083	\$2,140,921	\$2,123,436
	1985	279,782	4,146	6,352	7,352	6,872	23,722	\$140,517	\$2,179,456	\$2,155,629
	1986	237,314	4,022	6,529	8,430	6,321	25,402	\$127,761	\$1,664,021	\$1,814,850
	1987	247,569	4,194	8,731	9,327	6,284	28,636	\$151,216	\$1,803,874	\$1,747,844
	1988	248,267	4,822	9,737	9,793	7,892	31,744	\$160,336	\$1,936,119	\$1,967,876
	1989	230,566	4,705	9,762	10,991	7,483	32,941	\$164,176	\$1,961,023	\$1,896,224
	1990	226,949	4,972	10,019	11,636	7,409	34,035	\$167,170	\$1,944,498	\$2,074,316
	1991	240,291	6,408	10,588	10,866	8,179	35,041	\$169,217	\$2,039,732	\$1,897,486
	1992	244,236	6,441	9,598	11,382	7,780	36,201	\$179,218	\$2,071,577	\$2,333,713
	1993	244,248	6,497	9,632	11,866	7,221	34,246	\$147,497	\$2,565,799	\$2,357,436
	1994	250,150	6,391	9,536	11,282	6,134	33,443	\$147,381	\$2,565,972	\$2,497,946
	1995	260,041	6,482	10,220	11,926	6,782	36,409	\$146,288	\$3,070,636	\$2,794,103
	1996	248,154	6,558	9,382	11,489	6,467	33,896	\$143,837	\$2,678,819	\$2,989,225
	1997	233,004	7,104	10,329	11,099	7,036	35,568	\$165,747	\$2,511,151	\$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	7,216	12,718	11,136	7,128	38,196	\$180,426	\$3,128,884	\$3,098,148
	2000	208,584	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	11,576	7,808	40,967	\$196,170	\$3,269,316	\$3,190,199
	2002	211,126	7,517	15,504	11,909	7,809	42,639	\$186,876	\$3,307,393	\$2,982,581
	2003	217,587	7,251	16,534	12,704	8,002	43,491	\$194,252	\$3,825,668	\$3,694,827
	2004	243,024	8,094	17,877	12,476	7,652	46,098	\$206,049	\$3,554,348	\$3,576,068
	2005	244,874	7,341	20,168	11,793	7,601	46,893	\$213,514	\$4,459,492	\$3,951,718
	2006	247,970	6,680	21,216	11,021	6,771	45,588	\$210,690	\$3,964,308	\$4,206,077
	2007	248,501	6,365	21,406	10,869	6,537	44,976	\$217,347	\$4,455,104	\$4,119,248
	2008	239,449	6,476	18,271	10,374	6,140	40,281	\$226,636	\$4,813,393	\$4,331,289

The income and expenses include the transfer of State Fair's premium appropriation and bonding assistance for State Fair, but no state funded capital improvements.

**Livestock: Horses, Beef, Poultry, Swine, Rabbits, Dairy, Poultry, Needlework, Flowers, Arts & Crafts, Photography, Writing and Education

ENTRIES

	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of Beef	409	291	387	434	589	374	433	374	418	407	371	411	369	339	408	345	336	367	298	233	359	448	355	327	230	258	246	333
Entries	430	312	408	511	597	485	717	597	457	860	579	736	533	866	584	479	482	536	472	380	486	558	493	461	495	530	491	494
Number of Dairy	116	170	178	122	249	209	151	164	179	169	180	200	135	139	128	84	71	126	191	162	71	91	130	135	75	110	116	125
Entries	158	228	262	243	383	421	313	335	435	379	391	424	228	254	184	126	124	212	222	259	122	98	199	307	102	129	154	133
Number of Swine	118	99	107	106	86	70	69	78	69	47	disease	50	92	95	63	80	56	49	175	147	420	407	305	311	300	308	469	409
Entries	122	126	111	108	106	118	89	99	123	56	disease	89	137	146	107	111	93	90	279	155	434	422	527	617	566	599	512	481
Number of Sheep	463	511	600	492	605	473	562	426	544	563	573	625	639	574	629	683	636	512	679	597	447	340	340	403	504	396	518	484
Entries	760	786	863	728	827	658	849	670	770	677	844	924	847	1039	772	1115	845	679	893	847	640	485	588	560	648	597	647	624
Number of Goats/Llamas	122	107	95	95	83	55	0	43	25	13	32	36	38	41	59	56	50	46	55	33	25	18	16	40	51	71	47	65
Entries	139	122	102	102	120	82	0	79	28	21	82	68	108	114	152	108	112	99	91	62	60	58	56	75	84	130	102	110
Number of Poultry	33	89	159	436	351	813	821	687	766	881	457	663	578	429	269	279	259	378	213	259	279	409	295	269	176	261	208	230
Entries	33	88	158	472	364	813	873	767	878	981	557	713	578	429	269	279	259	378	213	259	262	367	317	261	168	249	198	217
Number of Rabbits	44	37	42	60	43	113	82	114	124	159	162	168	243	318	1149	1388	870	1388	1204	796	547	549	871	1089	899	592	1220	1006
Entries	779	636	778	672	593	601	667	598	593	588	722	647	631	650	637	734	726	755	692	897	872	1079	909	812	775	915	673	611
Number of Horses	1872	2155	2603	2437	1910	1741	1821	1918	2137	2285	3510	3060	2805	3283	3862	3874	4030	3559	3841	5017	4741	4980	4833	4724	4379	3754	3041	2380
Entries	468	442	382	315	426	396	488	391	339	390	389	396	292	389	420	533	519	356	246	260	488	217	362	326	300	334	306	188
Ag Products	823	863	764	842	678	735	1049	1153	1123	1077	1660	1064	870	857	981	779	718	785	821	727	826	583	736	671	710	723	589	448
Domestic Arts & Meats					8	12	5	12	7	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Surfboards & Snacks																												
Needlework	852	849	855	839	750	885	706	1039	1139	851	917	928	833	889	714	584	679	679	613	605	603	493	579	589	453	451	348	304
Flowers	266	418	312	263	399	564	493	490	449	476	471	637	523	542	738	436	396	537	543	548	607	406	907	948	971	920	920	948
Fine Arts	329	325	344	335	266	290	304	416	482	475	514	563	556	548	552	511	495	456	555	377	329	348	344	355	371	235	222	269
Photography	297	339	359	444	425	492	468	725	611	575	555	517	354	357	322	426	497	472	483	433	365	438	448	533	455	451	506	410
Number of FFA	7171	6529	6308	6479	6352	6629	8731	9737	8762	10019	10588	9598	9632	9636	10220	9362	10329	11927	12718	14238	14282	15604	15534	17877	20168	21216	21405	18271
Number of 4-H	6434	6257	7017	7600	7352	8430	9327	9783	10991	11635	10866	11382	11896	11282	11925	11489	11099	10863	11135	11604	11575	11909	12704	12475	11783	11021	10669	10374
School Entries	925	1062	1365	1648	1700	1745	2021	2566	2586	2979	2948	3129	3337	2285	2753	2779	3350	3535	3553	3805	4191	4671	4249	4061	4159	3542	3175	3573
Writing Entries	1100	1100	1132	1125	1160	1200	750	780	700	586	475	490	440	451	293	427	365	255	270	400	304	430	350	150	150	100	452	100
Dairy Bake-off &	83	95	104	100	60	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Craze Contest					32	0	0	20	27	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Special Food Shows									20	0	50	56	16	16	11	12	17	45	44	33	85	23	27	19	32	15	19	6

22,090 22,025 23,368 24,248 23,722 25,402 26,536 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

SALES TAX RECAP & NEWSPAPER CLIPPING SUMMARY

*(TAXES COLLECTED FROM NON FILERS/NOT REGISTERED WITH NORTH DAKOTA)

	*Sales Tax Collected	*Taxable Dollars	Newspaper Clippings
1975	\$7,952	\$198,809	519
1976	\$10,179	\$254,475	544
1977	\$8,828	\$294,278	892
1978	\$10,811	\$360,382	830
1979	\$12,280	\$409,346	984
1980	\$12,145	\$404,818	1191
1981	\$17,254	\$575,135	1001
1982	\$20,610	\$686,998	1116
1983	\$26,419	\$660,474	1299
1984	\$30,200	\$755,000	1328
1985	\$28,717	\$717,918	1395
1986	\$33,000	\$825,000	1353
1987	\$46,876	\$852,291	1215
1988	\$49,030	\$891,436	1609
1989	\$37,896	\$631,605	1789
1990	\$38,526	\$770,521	1915
1991	\$42,014	\$840,286	1755
1992	\$45,941	\$918,825	1783
1993	\$43,388	\$867,764	1521
1994	\$48,524	\$970,473	1790
1995	\$53,041	\$1,060,825	1892
1996	\$52,327	\$1,046,542	1511
1997	\$54,073	\$1,081,460	1504
1998	\$55,235	\$1,104,704	1247
1999	\$45,953	\$919,055	1417
2000	\$50,134	\$1,002,680	1191
2001	\$45,121	\$902,431	1102
2002	\$41,064	\$821,272	1244
2003	\$49,702	\$969,571	1039
2004	\$60,800	\$1,207,381	920
2005	\$67,628	\$1,352,569	1611
2006	\$46,315	\$926,290	1019
2007 ***	\$29,825	\$596,491	1035
2008	\$49,570	\$991,414	910

Figures down due to vendors purchasing sales tax permits

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.

<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

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1981	Fencing			
	Paving Around Barns			\$5,913
	Front Sign			\$60,170
	Sewer & Water Drains on Ind. Midway			\$5,980
	Parking Barriers & Signs			\$4,125
	Expanding Outdoor Horse Arena			\$3,160
	Interest			\$1,000
				\$12,524
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

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<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
1984 (cont)	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
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

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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
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

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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

MAJOR CAPITAL IMPROVEMENTS
Source of Revenue
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The ND State Fair was authorized by the 1965 State Legislature
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<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
1997	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

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.

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
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
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

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.

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
2004	Arena Hallway Flooring			\$59,249
	City		\$116,240	
	County		\$203,393	
	Independent Midway Renovation			\$31,412
	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			\$74,516
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 (State Appropriations)	\$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			\$48,270
1966	Misc. Items Listed			\$835,291
	TOTAL =	\$4,276,872	\$20,095,197	\$8,548,797

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.

<u>YEAR</u>	<u>PROJECT</u>	<u>STATE FUNDS</u>	<u>LOCAL FUNDS</u>	<u>FAIR FUNDS</u>
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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 and 4-H building, ticket booths, installation of new gates, fences, dividers, the demolition of two horse barns, the old hog and sheep barn, two race barns, an old log barn, two houses and 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 and lights, aluminum benches, aluminum picnic tables, more portable bleachers, reroofing of dairy barn, painting of domestic arts building, beef barn & dairy barn, new soffits on horse barn, miscellaneous fencing, remodeling pub's bar, diaper stations, painting grandstand, in all over \$835,291 worth of additional significant changes and 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.

Also the interest is included each year, because the total of the project was entered when it was built.

**MONEY PAID TO STATE GOVERNMENT
BY AND BECAUSE OF STATE FAIR**

**2008 ESTIMATE REVENUE TO STATE
GOVERNMENT FOR 12 MONTHS
\$1,300,000**

Sales taxes collected by state tax department
Taxes paid by North Dakota businesses on sales made during State Fair
 Estimated to be more than three times that of out of staters
State income taxes paid on income earned at the Fair
 Wages, salaries, professionals and businesses
Wholesale cigarette license and taxes
Gaming license as required by state law
Carnival gaming fees paid by Murphy Brothers
State Worker's Compensation paid by Fair
State Worker's Compensation paid by others because of Fair business
Taxes on beer paid to state by wholesalers
Use tax
State Beer License
County Beer License
Fees to Brand Inspector
Electrical, plumbing and health inspections
Food stands Licenses
Gaming taxes
Unemployment Insurance
Trucking permits
Sales taxes because of tourism to and through North Dakota
 Gas taxes, etc. (Minot est. \$26M impact from Fair and other events hosted
 by the State Fair)
State income taxes paid by those providing services to Fair businesses

Summary of State Fair
Board of Directors Actions
2007-2008

1. Minutes of previous meeting approved
2. Financial statements approved
3. Annual report, year-end report and audit approved
4. Fair and Arena budgets approved
5. Entire Livestock schedule be on the website
6. Livestock Show schedule be on the entry form
7. 4-H and FFA books should list where all available showers are located
8. No checks will be accepted at the gates, grandstand or treasurer's office
9. Ad Agency should present a report to the board at the meeting following the fair
10. Water Resources should be contacted for a "Water Day" under the tent
11. Breed establishment and/or discontinuance at fair
12. Approved a five year contract with Gymnastics
13. NoDak Race Club to install a tree light
14. Three year sponsorship agreement with Bank of North Dakota
15. Five year contract with Del Groninger/Go Karts approved
16. Five year sponsorship with American Bank
17. Renae Korslien named Assistant Manager
18. No Dogs or pets other than service animals should be allowed on the fairgrounds, except in confinement of the campgrounds or designated areas.
19. Grandstand campaign administrator position filled
20. M & S expenditure of \$5,000 for TJ's venting system
21. M & S Concessions renewed for two years
22. Allow Murphy Bros. Expo to provide carnival rides for five county fairs
23. Two year contract with Kranzler Kingsley Ad agency
24. Annual meeting date set for November 20, 2008 at the Ramkota in Bismarck

**NORTH DAKOTA STATE
FAIR ASSOCIATION**
(Enterprise Fund of the
State of North Dakota)

***FINANCIAL STATEMENTS
SEPTEMBER 30, 2008 AND 2007***

NORTH DAKOTA STATE FAIR ASSOCIATION

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CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the business-type activities of the North Dakota State Fair Association, enterprise fund of the State of North Dakota, as of and for the years ended September 30, 2008 and 2007, which comprise the Association's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the North Dakota State Fair Association's management. Our responsibility is to express an opinion 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements of the North Dakota State Fair Association are intended to present the financial position, changes in financial position, and cash flows of the State of North Dakota that are attributable to the transactions of the 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, 2008 and 2007 and the changes in financial position and cash flows for the years ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the North Dakota State Fair Association as of September 30, 2008 and 2007, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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1050 E. Interstate Ave. ■ P.O. Box 1914 ■ Bismarck, ND 58502-1914 ■ Phone 701.255.1091 ■ Fax 701.224.1582 ■ EOE

In accordance with *Government Auditing Standards*, we have also issued a report dated November 3, 2008, on our consideration of North Dakota State Fair Association's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 - 6, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Erde Bailly LLP

Bismarck, North Dakota
November 3, 2008

NORTH DAKOTA STATE FAIR ASSOCIATION

(Enterprise Fund of the State of North Dakota)

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2008

This section of the Association's annual financial report presents our analysis of the financial performance during the fiscal year that ended September 30, 2008. Please read it in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Association's net assets increased by \$71,103 or .6 %.
- During the year, the Association's operating revenues increased \$200,114 or 5.0%, while operating expenses increased \$74,683 or 1.5%.
- Fair revenues increased to \$3,935,908 or 5.2% over last year.
- During the fiscal year, the property and equipment additions totaled \$415,318.
- Depreciation expense for the current fiscal year totaled \$911,404.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: Management's Discussion and Analysis, Financial Statements, and 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 Net Assets. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 Assets report information about the Association's activities in a way that will help answer this question. These two statements report the net assets of the Association and changes in them. You can think of the Association's net assets-the difference between assets and liabilities-as one way to measure financial health or financial position. Over time, increases or decreases in the Association's net assets 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 ASSETS

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

CONDENSED BALANCE SHEETS (In Thousands of Dollars)

	FYE 09/30/08	FYE 09/30/07	Dollar Change	Total Percent Change
Current and other assets	\$ 3,155	\$ 2,578	\$ 577	22.38%
Capital assets	10,495	10,991	(496)	-4.51%
Total assets	<u>\$ 13,650</u>	<u>\$ 13,569</u>	<u>\$ 81</u>	0.60%
Long-term debt outstanding	\$ 957	\$ 1,144	\$ (187)	-16.35%
Other liabilities	289	92	197	214.13%
Total liabilities	<u>\$ 1,246</u>	<u>\$ 1,236</u>	<u>\$ 10</u>	0.81%
Invested in capital assets, net of related debt	\$ 9,537	\$ 9,847	\$ (310)	-3.15%
Restricted	476	478	(2)	-0.42%
Unrestricted	<u>2,391</u>	<u>2,008</u>	<u>383</u>	19.07%
Total net assets	<u>\$ 12,404</u>	<u>\$ 12,333</u>	<u>\$ 71</u>	0.58%

As can be seen from the table above, net assets decreased \$71 thousand to \$12.4 million. Unrestricted net assets increased \$383 thousand in the current fiscal year to \$2.39 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (In Thousands of Dollars)

	FYE 09/30/08	FYE 09/30/07	Dollar Change	Total Percent Change
OPERATING REVENUES				
Fair proceeds and other revenue	\$ 3,936	\$ 3,742	\$ 194	5.18%
Arena revenue	244	236	8	3.39%
Other revenue	8	10	(2)	-20.00%
	<u>4,188</u>	<u>3,988</u>	<u>200</u>	5.02%
NONOPERATING REVENUES				
Local grants	517	406	111	27.34%
Interest and investment income	33	35	(2)	-5.71%
Gain on sale of fixed assets	5	-	5	0.00%
Net increase in the fair value of investments	-	1	(1)	0.00%
	<u>555</u>	<u>442</u>	<u>113</u>	25.57%
TOTAL REVENUE	<u>4,743</u>	<u>4,430</u>	<u>313</u>	7.07%
OPERATING EXPENSES				
General expenses	2,860	2,883	(23)	-0.80%
Depreciation expense	911	911	-	0.00%
Salaries, wages and vacation pay	1,174	1,093	81	7.41%
Premiums, trophies and awards	235	218	17	7.80%
	<u>5,180</u>	<u>5,105</u>	<u>75</u>	1.47%
NON OPERATING EXPENSES				
Interest expense	41	38	3	7.89%
Bond issuance costs	3	3	-	0.00%
Amortization	9	9	-	0.00%
	<u>53</u>	<u>50</u>	<u>3</u>	6.00%
TOTAL EXPENSES	<u>5,233</u>	<u>5,155</u>	<u>78</u>	1.51%
TRANSFERS -				
STATE APPROPRIATIONS	<u>561</u>	<u>459</u>	<u>102</u>	22.22%
CHANGE IN NET ASSETS	<u>71</u>	<u>(266)</u>	<u>337</u>	
NET ASSETS, BEGINNING OF YEAR	<u>12,333</u>	<u>12,599</u>	<u>(266)</u>	
NET ASSETS, END OF YEAR	<u>\$ 12,404</u>	<u>\$ 12,333</u>	<u>\$ 71</u>	0.58%

MANAGEMENT'S DISCUSSION AND ANALYSIS

While the Balance Sheet shows the change in financial position of net assets, the Statement of Revenues, Expenses, and Changes in Net Assets, provides answers as to the nature and source of these changes. As can be seen above, the majority of the revenue increase in the current year is attributed to the operating class of revenue.

Depreciation expense for the current fiscal year has remained the same over the prior fiscal year.

CAPITAL ASSETS

As of September 30, 2008, the Association had invested more than \$24 million in infrastructure including land, buildings, improvements and equipment. Approximately 93 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 exceed \$200 thousand, excluding payroll costs for Association employees engaged in repair and upkeep procedures.

Current year additions to the capital asset category totaled approximately \$415 thousand. See footnote 4 for additional details.

LONG-TERM DEBT

At year end, the Association had \$957 thousand in long and short-term debt down from \$1.14 million in the prior year for a decrease of 16 percent. The decrease is due to the annual payment of the current portion of the debt. The Association does not plan on issuing additional debt in the upcoming fiscal year to finance major capital improvements. See footnote 5 for additional details.

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, Canadian exchange rates, weather, and competing entertainment providers such as casinos can all have significant impact on turnout for the annual State Fair. Fair attendance figures have been relatively consistent in the last few years, but considering the economy and competition, the State Fair is maintaining against increasing odds.

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.

NORTH DAKOTA STATE FAIR ASSOCIATION
(Enterprise Fund of the State of North Dakota)
BALANCE SHEETS
SEPTEMBER 30, 2008

	<u>2008</u>	<u>2007</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,367,132	\$ 1,983,852
Accounts receivable, net of allowance for uncollectible accounts (2008 and 2007 - \$50,000)	50,270	76,018
Due from state general fund	217,944	-
Prepaid items	33,530	26,559
Total current assets	<u>2,668,876</u>	<u>2,086,429</u>
NONCURRENT ASSETS		
Restricted cash and cash equivalents	260,070	262,152
Restricted investment, at fair value	215,688	215,234
Unamortized bond issuance costs	10,561	13,896
Capital assets		
Land	390,816	390,816
Infrastructure	3,170,130	2,934,529
Buildings	19,403,252	19,367,184
Equipment	1,739,435	1,727,486
Construction work in process	120,200	-
Less accumulated depreciation	(14,329,201)	(13,429,297)
Total noncurrent assets	<u>10,980,951</u>	<u>11,482,000</u>
 Total assets	 <u>\$ 13,649,827</u>	 <u>\$ 13,568,429</u>

	2008	2007
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Trade accounts payable	\$ 225,935	\$ 32,881
Accrued interest payable	14,725	17,455
Current portion of accrued employee leave	20,000	20,000
Bonds payable	190,000	200,000
Total current liabilities	<u>450,660</u>	<u>270,336</u>
NONCURRENT LIABILITIES		
Accrued employee leave, net of current portion	28,053	21,836
Bonds payable, net of unamortized discount (2008 - \$27,722; 2007 - \$36,477)	767,277	943,523
Total noncurrent liabilities	<u>795,330</u>	<u>965,359</u>
Total liabilities	<u>1,245,990</u>	<u>1,235,695</u>
NET ASSETS		
Invested in capital assets, net of related debt	9,537,355	9,847,195
Restricted for debt service	475,758	477,386
Unrestricted	2,390,724	2,008,153
Total net assets	<u>12,403,837</u>	<u>12,332,734</u>
Total liabilities and net assets	<u>\$ 13,649,827</u>	<u>\$ 13,568,429</u>

NORTH DAKOTA STATE FAIR ASSOCIATION

(Enterprise Fund of the State of North Dakota)

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEARS ENDED SEPTEMBER 30, 2008

	<u>2008</u>	<u>2007</u>
OPERATING REVENUES		
Fair proceeds and other revenue	\$ 3,935,908	\$ 3,741,716
Arena revenue	244,076	235,834
Other revenue	8,190	10,510
Total operating revenues	<u>4,188,174</u>	<u>3,988,060</u>
OPERATING EXPENSES		
General expenses	2,860,194	2,883,485
Depreciation expense	911,404	910,851
Salaries, wages and vacation pay	1,173,858	1,092,852
Premiums, trophies and awards	234,583	218,168
Total operating expenses	<u>5,180,039</u>	<u>5,105,356</u>
OPERATING LOSS	<u>(991,865)</u>	<u>(1,117,296)</u>
NONOPERATING REVENUES (EXPENSES)		
Local grants	516,860	406,284
Interest and investment income	32,803	35,126
Net increase in fair value of investments	454	604
Gain on sale of fixed assets	4,500	-
Interest expense	(40,856)	(38,003)
Bond issuance costs	(3,335)	(3,335)
Amortization of bond discount	(8,754)	(8,754)
Total nonoperating revenues	<u>501,672</u>	<u>391,922</u>
LOSS BEFORE TRANSFERS	<u>(490,193)</u>	<u>(725,374)</u>
TRANSFERS - STATE APPROPRIATIONS	<u>561,296</u>	<u>459,562</u>
CHANGE IN NET ASSETS	<u>71,103</u>	<u>(265,812)</u>
NET ASSETS, BEGINNING OF YEAR	<u>12,332,734</u>	<u>12,598,546</u>
NET ASSETS, END OF YEAR	<u>\$ 12,403,837</u>	<u>\$ 12,332,734</u>

NORTH DAKOTA STATE FAIR ASSOCIATION
(Enterprise Fund of the State of North Dakota)
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2008

	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES		
Cash received from customers	\$ 4,213,922	\$ 3,987,989
Cash payments for goods and services	(2,908,694)	(3,091,660)
Cash payments to employees	(1,167,641)	(1,088,951)
NET CASH USED FOR OPERATING ACTIVITIES	<u>137,587</u>	<u>(192,622)</u>
NON-CAPITAL FINANCING ACTIVITIES		
Local grants received	516,860	406,284
State appropriations received	343,352	459,562
NET CASH FROM NON-CAPITAL FINANCING ACTIVITIES	<u>860,212</u>	<u>865,846</u>
CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for capital acquisitions	(410,818)	(83,997)
Principal payments on bonds	(195,000)	(200,000)
Interest paid	(43,586)	(42,103)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(649,404)</u>	<u>(326,100)</u>
INVESTING ACTIVITIES		
Receipts of interest and dividends	32,349	34,522
Purchase of US Treasury Notes	(217,452)	(252,280)
Proceeds from the sale of US Treasury Notes	217,906	252,884
NET CASH FROM INVESTING ACTIVITIES	<u>32,803</u>	<u>35,126</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>381,198</u>	<u>382,250</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,246,004</u>	<u>1,863,754</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,627,202</u></u>	<u><u>\$ 2,246,004</u></u>

(continued on next page)

STATEMENTS OF CASH FLOWS- page 2

	2008	2007
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES		
Operating loss	\$ (991,865)	\$ (1,117,296)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation	911,404	910,851
Changes in operating assets and liabilities		
Customer receivables	25,748	(71)
Prepaid expenses	(6,971)	14,075
Trade accounts payable	193,054	(4,082)
Accrued leave	6,217	3,901
NET CASH USED FOR OPERATING ACTIVITIES	<u>\$ 137,587</u>	<u>\$ (192,622)</u>
SUMMARY OF CASH AND CASH EQUIVALENTS		
Unrestricted cash in banks	\$ 2,367,132	\$ 1,983,852
Restricted cash in banks	<u>260,070</u>	<u>262,152</u>
	<u>\$ 2,627,202</u>	<u>\$ 2,246,004</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL FINANCING ACTIVITIES		
Amortization of bond discount	<u>\$ 8,754</u>	<u>\$ 8,754</u>
Amortization of bond issuance costs	<u>\$ 3,335</u>	<u>\$ 3,335</u>

NORTH DAKOTA STATE FAIR ASSOCIATION
(Enterprise Fund of the State of North Dakota)
STATEMENT OF APPROPRIATIONS
YEAR ENDED SEPTEMBER 30, 2008

	2007-2009 Appropriation	Fiscal Year Ended September 30, 2008 Expenditures	Fiscal Year Ended September 30, 2007 Expenditures	2007-2009 Biennium Unexpended Appropriation
Debt Service	\$ 210,000	\$ 210,000	\$ -	\$ -
Capital Assets	515,000	340,301	-	174,699
Premiums	<u>442,150</u>	<u>223,982</u>	<u>218,168</u>	<u>-</u>
	<u>\$ 1,167,150</u>	<u>\$ 774,283</u>	<u>\$ 218,168</u>	<u>\$ 174,699</u>

The following schedule shows the appropriated and non-appropriated portion of premiums, operating expenses, interest expense and bond principal payments for the two-year period ended September 30, 2008.

	Appropriated	Non-appropriated	Fiscal Years 2007-2008 Total
Premiums	\$ 442,150	\$ 10,601	\$ 452,751
Operating expenses	-	9,832,644	9,832,644
Interest expenses	-	78,859	78,859
Capital assets	515,000	-	515,000
Principal payments on bonds	<u>210,000</u>	<u>185,000</u>	<u>395,000</u>
	<u>\$ 1,167,150</u>	<u>\$ 10,107,104</u>	<u>\$ 11,274,254</u>

NORTH DAKOTA STATE FAIR ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2008

NOTE 1 - NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The North Dakota State Fair 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. In addition, the Association follows all nonconflicting pronouncements of the Financial Accounting Standards Board (FASB) issued and effective subsequent to November 30, 1989.

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 determining financial accountability. This criteria includes appointing a voting majority of an organization's governing body and (1) the ability of the North Dakota State Fair Association to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the North Dakota State Fair Association.

Revenue recognition

Revenue is recognized on the accrual basis for financial reporting. Appropriations received but not spent are recorded as deferred revenue on the accompanying balance sheet.

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

NOTES TO FINANCIAL STATEMENTS

Pension costs

Pension costs are funded as they accrue.

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.

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 collectibility of individual accounts. Accounts receivable are due within 30 days after which they are charged interest at 18% annually.

Prepaid Items

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

Bond Issuance Costs and Bond Discounts

Bond issuance costs and bond discounts are amortized over the life of the bonds using the straight-line method.

Operating revenues

For purposes of differentiating operating revenues from nonoperating revenues, the Association considers support received from the City of Minot 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 ice arena activities. Expenses related to the maintenance and operations of these facilities are likewise 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.

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.

NOTES TO FINANCIAL STATEMENTS

Advertising costs

Advertising costs are expensed as incurred. Total advertising expense for the years ended September 30, 2008 and 2007, is \$239,091 and \$228,511, respectively.

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.

NOTE 2 - CASH AND CASH EQUIVALENTS

Custodial 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.

NOTE 3 - INVESTMENTS

As of September 30, 2008 and 2007, the Association has the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>2008 Fair Value</u>	<u>2007 Fair Value</u>
U.S. Treasury note	01/31/08	\$ 215,688	\$ 215,234

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. The North Dakota State Fair Association only invests in investments offered by the State Treasurer.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates. The Association does not have a formal investment policy that limits investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates.

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - CAPITAL ASSETS

The components and changes in components of capital assets at September 30, 2008 and 2007 are as follows:

	Balance 09/30/07	Additions/ Depreciation Expense	Deletions	Balance 09/30/08
<i>Capital assets not being depreciated:</i>				
Land	\$ 390,816	\$ -	\$ -	\$ 390,816
<i>Capital assets being depreciated:</i>				
Infrastructure	2,934,529	235,601	-	3,170,130
Buildings	19,367,184	36,068	-	19,403,252
Equipment	1,727,486	23,449	(11,500)	1,739,435
Construction in process	-	120,200	-	120,200
	<u>24,420,015</u>	<u>415,318</u>	<u>(11,500)</u>	<u>24,823,833</u>
Less accumulated depreciation				
Infrastructure	(2,078,353)	(104,252)	-	(2,182,605)
Buildings	(9,879,268)	(758,682)	-	(10,637,950)
Equipment	(1,471,676)	(48,470)	11,500	(1,508,646)
	<u>(13,429,297)</u>	<u>(911,404)</u>	<u>11,500</u>	<u>(14,329,201)</u>
Net	<u>\$ 10,990,718</u>	<u>\$ (496,086)</u>	<u>\$ -</u>	<u>\$ 10,494,632</u>

	Balance 09/30/06	Additions/ Depreciation Expense	Deletions	Balance 09/30/07
<i>Capital assets not being depreciated:</i>				
Land	\$ 390,816	\$ -	\$ -	\$ 390,816
<i>Capital assets being depreciated:</i>				
Infrastructure	2,901,730	32,799	-	2,934,529
Buildings	19,315,986	51,198	-	19,367,184
Equipment	1,727,486	-	-	1,727,486
	<u>24,336,018</u>	<u>83,997</u>	<u>-</u>	<u>24,420,015</u>
Less accumulated depreciation				
Infrastructure	(1,975,527)	(102,826)	-	(2,078,353)
Buildings	(9,120,984)	(758,284)	-	(9,879,268)
Equipment	(1,421,935)	(49,741)	-	(1,471,676)
	<u>(12,518,446)</u>	<u>(910,851)</u>	<u>-</u>	<u>(13,429,297)</u>
Net	<u>\$ 11,817,572</u>	<u>\$ (826,854)</u>	<u>\$ -</u>	<u>\$ 10,990,718</u>

(continued on next page)

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - 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, 2008:

	Balance 9/30/2006	Additions	Retirements	Balance 9/30/2007	Current Portion
Bonds Payable	\$ 1,180,000	\$ -	\$ (195,000)	\$ 985,000	\$ 190,000
Accrued Employee Leave	41,836	6,217	-	48,053	20,000

Maturities of Bonds Payable

Maturities of principal and interest on bonds are as follows:

Year Ended September 30,	Principal	Interest	Total
2009	\$ 190,000	\$ 40,090	\$ 230,090
2010	190,000	31,825	221,825
2011	185,000	23,483	208,483
2012	420,000	9,660	429,660
	<u>\$ 985,000</u>	<u>\$ 105,058</u>	<u>\$ 1,090,058</u>

The following summarizes the Association's bond outstanding at September 30, 2008.

Description and Due Date	Interest Rate	Amount
Refunding Revenue Bonds Series 2001 12/01/02 - 12/01/11	3.5 - 4.6	\$ 2,205,000

Refunding Revenue Bonds Series 2001

Interest on the 2001 Series Bonds is payable semi-annually on June 1 and December 1 of each year. The bonds maturing on December 1, 2011 are not subject to optional redemption prior to maturity except under extraordinary circumstances. The bonds are presented on the balance sheet net of unamortized discount of \$27,722 and \$36,477 for the years ended September 30, 2008 and 2007, respectively. The bonds are secured by the Association's net revenues, designated appropriations from the North Dakota Legislature, a Reserve Account in the amount of \$239,650, and by an Emergency Reserve Account in the amount of \$250,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - 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 years ended September 30, 2008 and 2007, were \$223,982 and \$218,168, respectively.

The North Dakota State Fair Association receives debt service appropriations from the State of North Dakota. These amounts are restricted for the purpose of bond payments. Debt service appropriations expended for September 30, 2008 totaled \$210,000. There were no debt service appropriations expended for September 30, 2007.

NOTE 7 - PENSIONS

The North Dakota State Fair Association participates in the North Dakota Public Employees' Retirement System (NDPERS) administered by the State of North Dakota. The following is a brief description of the plan.

Description of Plan:

NDPERS is a cost-sharing multiple-employer defined benefit pension plan covering substantially all classified employees of the North Dakota State Fair Association. The plan provides retirement, disability and death benefits. If an active employee dies with less than five years of credited service, a death benefit equal to the value of the employee's accumulated contributions, plus interest, is paid to the employee's beneficiary. If the employee has earned more than five years of credited service, the surviving spouse will be entitled to a single payment refund, life-time monthly payments in an amount equal to 50% of the employee's accrued normal retirement benefit, or 60 monthly payments equal to the employee's accrued normal retirement benefit calculated as if the employee were age 65 the day before death occurred (or, effective August 1, 1995, monthly payments in an amount equal to the employees' 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 employee's accumulated pension benefits are paid, the balance will be payable to the surviving spouse's designated beneficiary.

Eligible employees, who become totally disabled after a minimum of 180 days of service, receive monthly disability benefits that are equal to 25% of their final average salary with a minimum benefit of \$100. To qualify under this section, the employee must meet the criteria established by the Retirement Board for being considered totally disabled.

Employees are entitled to unreduced monthly pension benefits equal to 2.0% of their final average salary for each year of service beginning when the sum of age and years of credited service equal or exceed 85, or at normal retirement age (65). The plan permits early retirement at ages 55-64, with five or more years of service. NDPERS issues a publicly available financial report that includes financial statements and the required supplementary information for NDPERS. That report may be obtained by writing to NDPERS; 400 E. Broadway, Suite 505; P.O. Box 1214; Bismarck, ND 58502-1214.

NOTES TO FINANCIAL STATEMENTS

Funding Policy

NDPERS is funded by employee contributions (set by statute) of 4% of regular compensation. During the 1983-1985 biennium the State implemented the employer pickup provision of the IRS code whereby a portion or all of the required employee contributions are made by the employer. The State is paying the full employee contribution. Employer contributions of 4.12 percent of covered compensation are set by statute. The required contributions are determined using an entry age normal actuarial funding method. The North Dakota Retirement Board was created by the State legislature and is the governing authority of NDPERS. Benefit and contribution provisions are administered in accordance with Chapter 54-52 of the North Dakota Century Code. The North Dakota State Fair Association's required and actual contributions to NDPERS for the fiscal years ending September 30, 2008, 2007, and 2006, were \$29,494 \$27,658, and \$22,398, respectively.

NOTE 8 - 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. Lease terms are as follows:

	<u>Term and Expiration Date</u>	<u>Annual Rental</u>
Gymagic Gymnastics Agreement	5 years through September 2012,	\$ 24,000
All Seasons Arena Ice Contract	Annual with renewal option	105,900
Norsk Hostfest Contract	5 years through October 2011	147,500
Industrial Building	5 years through April 2012	6,000
Minot Curling Club Contract	5 years through October 20, 2012	12,000

The leases are accounted for as operating leases. The Gym Dandy lease and Industrial Building leases are noncancelable. The All Seasons Arena Ice Contract and Norsk Hostfest contracts cancelable in the event the facilities specified within the contracts are destroyed. The annual rent for the Norsk Hostfest lease will start increasing in fiscal year 2010 as stated within the agreement.

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

<u>Years Ended September 30,</u>	<u>Amount</u>
2009	\$ 295,400
2010	189,500
2011	193,900
2012	39,500
2013	2,000
	<u>\$ 720,300</u>

NOTES TO FINANCIAL STATEMENTS

The North Dakota State Fair Association entered into an operating lease commitment for lease of mailing equipment on June 1, 2007. The noncancelable lease requires quarterly payments of \$198 through May 31, 2012.

Annual lease commitments under this obligation are as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2009	\$ 792
2010	792
2011	792
2012	594
	<u>\$ 2,970</u>

NOTE 9 - 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 (NDRF), 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 NDRF for its general liability, auto, and inland marine insurance coverage. The coverage by NDRF 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 \$1,000,000 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.

NOTES TO FINANCIAL STATEMENTS

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.

NOTE 10 - 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, 2008 is approximately \$167,959.



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the North Dakota State Fair Association, as of and for the years ended September 30, 2008 and 2007, and have issued our report thereon dated November 3, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered North Dakota State Fair Association's internal control over financial reporting as a basis for designing our auditing procedures 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 control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of North Dakota State Fair Association's internal control over financial reporting.

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

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying summary of audit findings as 08-1 and 08-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We believe the deficiency described in the summary of audit findings as finding 08-2 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the North Dakota State Fair Association's financial statements are free of 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 audits 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*.

The North Dakota State Fair Association's responses to the findings identified in our audit are described in the accompanying schedule of audit findings. We did not audit the North Dakota State Fair Association's responses and accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Legislative Audit and Fiscal Review Committee, management, federal awarding agencies, and other state officials 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 3, 2008

**NORTH DAKOTA STATE FAIR ASSOCIATION
SCHEDULE OF FINDINGS, RECOMMENDATIONS, AND AGENCY RESPONSES
SEPTEMBER 30, 2008**

CURRENT AUDIT FINDINGS AND RECOMMENDATIONS

08-1 Segregation of Duties – Significant Deficiency

Condition: The Association has a lack of segregation of duties in certain areas due to a limited staff.

Criteria: A good system of internal accounting control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion.

Cause: The control deficiency could result in the improper recording of a transaction.

Effect: Inadequate segregation of duties could adversely affect the Association's ability to detect misstatements in amounts that would be material in relation to the financial statements in a timely period by employees in the normal course of performing their assigned function.

Recommendation: While we recognize that your office staff may not be large enough to permit complete segregation of duties in all respects for an effective system of internal control, all accounting functions should be reviewed to determine if additional segregation is feasible and to improve efficiency and effectiveness of financial management of the Association.

Management's Response: At the present time the North Dakota State Fair has segregated the duties of all key accounting personnel in the most efficient manner possible, given its limited staff. Due to cost constraints, there will be no further administrative employees added.

08-2 Preparation of Financial Statements – Material Weakness

Criteria: Proper controls over financial reporting include the ability to prepare financial statements and accompanying notes to the financial statements that are materially correct.

Condition: The Association does not have an internal control system designed to provide for the preparation of the financial statements being audited. As auditors, we were requested to draft the financial statements and accompanying notes to the financial statements. This circumstance is not unusual in an organization of your size. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Cause: The control deficiency could result in a misstatement to the presentation of the financial statements.

Effect: Inadequate controls over financial reporting of the Association result in the more than remote likelihood that the Association would not be able to draft the financial statements and accompanying notes to the financial statements that are materially correct without the assistance of the auditors.

Recommendation: While we recognize that this condition is not unusual for an organization your size, it is important that you be aware of this condition for financial reporting purposes. Management and the Board should continually be aware of the financial reporting of the Association and changes in reporting requirements.

Management's Response: Since it is not cost-effective for an organization our size to have staff to prepare audit-ready financial statements, we have chosen to hire Eide Bailly, a public accounting firm, to prepare the audit financial statements as part of their annual audit of the North Dakota State Fair.

**INDEPENDENT AUDITOR'S SPECIFIC COMMENTS REQUESTED BY THE
NORTH DAKOTA LEGISLATIVE AUDIT AND FISCAL REVIEW COMMITTEE**

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

The Legislative Audit and Fiscal Review Committee requires that certain items be addressed by independent certified public accountants performing audits of state agencies. The items and our responses regarding the September 30, 2008 and 2007, audits of the North Dakota State Fair Association are as follows:

Audit Report Communications

1. What type of opinion was issued on the financial statements?

Unqualified.

2. Was there compliance with statutes, laws, rules, and regulations under which the agency was created and is functioning?

Yes.

3. Was internal control adequate and functioning effectively?

See schedule of findings for deficiencies in internal control, we consider the deficiency described in finding 08-2 to be a material weakness in internal control over financial reporting.

4. Were there any indications of lack of efficiency in financial operations and management of the agency?

No.

5. Has action been taken on findings and recommendations included in prior audit reports?

In the current year Eide Bailly did not have to make any adjusting journal entries so this is no longer a finding. In regards to the segregation of duties finding in the prior year the Association feels they have segregated the duties of all key accounting personnel in the most efficient manner possible, given its limited staff. Due to cost constraints, they will be not adding administrative employees, so this is again a finding in the current year. This is the same for preparation of financial statements, it is not cost-effective for them to hire another employee who would be capable of preparing audit-ready financial statements so this will be a finding again in the current year.

6. Was a management letter issued? If so, provide a summary below, including any recommendations and the management responses.

Yes. See SAS 114 letter for any findings and recommendations

Audit Committee Communications

1. Identify any significant changes in accounting policies, any management conflicts of interest, any contingent liabilities, or any significant unusual transactions?

We noted no significant changes in accounting policies, no conflicts of interest, no contingent liabilities, and no significant unusual transactions.

2. Identify any significant accounting estimates, the process used by management to formulate the accounting estimates, and the basis for the auditor's conclusions regarding the reasonableness of those estimates?

The North Dakota State Fair Association estimates the depreciation of the fixed assets. Management determines the useful life of the assets based on planned use, subtracts the estimated salvage value, and depreciates the remaining cost of the asset over the useful life. The auditor's conclusion of the reasonableness of the useful lives is based on the past history of similar assets used by the organization.

The North Dakota State Fair Association also estimates the allowance for uncollectible accounts. Based on the history of balance write-offs and the aging of accounts receivable in the current year, the auditor's conclusion is that the allowance for uncollectible accounts is reasonable.

3. Identify any significant audit adjustments?

No significant audit adjustments made in the current year.

4. Identify any disagreements with management, whether or not resolved to the auditor's satisfaction, relating to the financial accounting, reporting, or auditing matter that could be significant to the financial statements?

None

5. Identify any serious difficulties encountered in performing the audit.

None

6. Identify any major issues discussed with management prior to retention.

None

7. Identify any management consultations with other accountants about auditing and accounting matters.

None

8. Identify any high-risk information technology systems critical to operations based on the auditor's overall assessment of the importance of the system to the agency and its mission or whether any exceptions identified in the six audit report questions to be assessed by auditors are directly related to the operations of an information technology system.

None

This report is intended solely for the information and use of the Legislative Audit and Fiscal Review Committee, management, and federal awarding agencies, 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 3, 2008