



P.O. Box 1387 • 501 E Fonner Park Road, Suite 200 • Grand Island, NE 68802 • P 308.382.1620 • F 308.384.1555 • StateFair.org

October 26, 2016

The Honorable Pete Ricketts,
Governor of Nebraska
Office of the Governor
P.O. Box 94848
Lincoln, NE 68509-4848

Dear Governor Ricketts:

On behalf of the Nebraska State Fair Board, it is our pleasure to present to you the enclosed accounting of expenditures in accordance with Article III-24 of the Constitution of the State of Nebraska, specifying the expenditure of funds the Nebraska State Fair has made in the fiscal year ending June 30, 2016. An explanation of the expenditures contained in the report is also enclosed.

All expenditures were designed to improve the quality of the Nebraska State Fair and the experience the fair provides for all Nebraskans.

Should you have any questions or require further information regarding the aforementioned items, please feel free to contact me at 308-382-1620.

As you know, the 2016 Nebraska State Fair was successful by any measure with 361,107 fair guests. This is a record attendance number since the move of the fair to Grand Island. We will work to ensure the success continues.

Sincerely,

Joseph McDermott, CFE
Executive Director
Nebraska State Fair

Enclosure

cc: Senator Galen Hadley, Speaker of the Legislature
Patrick J. O'Donnell, Clerk of the Legislature
Byron L. Diamond, D.A.S. Director
Gerry Oligmueller, State Budget Administrator
Claire Oglesby, State Budget Analyst

**State Fair Funds Account
July 1, 2015 Through June 30, 2016**

Balance of State Fair Funds account on June 30, 2015 \$2,789,132.64

Contributions

State Lottery funds	\$4,228,292.00	
Interest earned	\$8,752.96	
City match	<u>\$422,830.00</u>	
Total contributions during the period		\$4,659,874.96

Expenditures

Note Building & Grounds

1	Open Air Equine Arena	\$487,653.53	
2	Midway Utility Project	\$164,103.79	
3	East Entertainment Upgrade	\$84,134.16	
4	East Entertainment Area-sound system	\$16,391.00	
5	Improved drainage in Cattle tie-outs	\$36,584.41	
6	Replaced lighting in the Fonner Concourse	\$14,545.00	
7	South Locust street - replace electronic signage	\$78,606.54	
8	Campground - additional rv pads	\$29,672.00	
9	East Entertainment Area- Fiber installation	\$6,076.36	
10	Livestock parking/Entrance access	\$24,960.00	
11	State Fair Board room - sound baffles	\$13,216.00	
12	Family Fun Zone - sound system	\$26,259.00	
13	Maintenance warehouse - heat and lights	\$9,575.00	
14	Grounds signage - various locations	\$20,245.00	
15	Pinnacle Bank Expo Building - additional power drops	<u>\$8,700.00</u>	
	Totals - Buildings & Grounds		\$1,020,721.79

Equipment

16	Additional seating - bleachers, benches, tables and chairs	\$55,119.00	
17	Nanonation - Electronic wayfinding signage	\$103,700.00	
18	Outdoor concert area - improvements	\$25,640.00	
19	Case Scout	\$8,000.00	
20	Water trailer	\$4,999.00	
21	Skid steer	\$12,500.00	
22	Ticket booths	<u>\$18,200.00</u>	
	Total - Equipment		\$228,158.00

Operations

23		<u>\$2,531,084.00</u>	
	Total - Operations		\$2,531,084.00

Funding - Future Projects

24		<u>\$453,236.00</u>	
	Total - Funding - Future Projects		\$453,236.00

Debt Repayment

25		<u>\$588,288.84</u>	
	Total - Debt Repayment		\$588,288.84

Total Expenditures \$4,821,488.63

Balance of State Fair Funds account on June 30, 2016 \$2,627,518.97

Note: Project/Equipment costs are as of June 30 and not necessarily reflective of final project costs



Expenditures from the Nebraska State Fair Funds Account July 1, 2015 through June 30, 2016

1. **Open Air Equine Arena** – With the existing arena in disrepair, the Nebraska State Fair built a new equine arena from the ground up. The new arena features much needed rodeo equipment, an announcer's booth with new sound system and a covered grandstand for the fans of equestrian events. As it continues to raise funds, the Nebraska State Fair 1868 Foundation will reimburse the Fair for the costs of the arena.
2. **Midway Utility Project** – Water and sewer lines were extended to the north side of the carnival midway to accommodate travel and bunk trailers used by carnival management and staff during the Fair. Prior to this project, management and staff trailers were separated allowing for less supervision of staff than was desired by midway management.
3. **East Entertainment Upgrade** – An area in the East Entertainment Area that was formally used as a horseman campground for Fonner Park was upgraded. Nebraska State Fair removed the pads and electrical units, reworked the ground and added new electrical and turf to create a much nicer area for exhibitors, vendors and fairgoers.
4. **East Entertainment Sound System** – To close the gap between the core of the fairgrounds and the East Entertainment Area, a new sound system was installed. The system is used to promote entertainment and activities as well as announcements for lost children, severe weather and other needs.
5. **Improved Drainage in Cattle Tie-Outs** – Sloping cement drainage slabs were placed to improve drainage away from the tie-outs and therefore the

cattle. Standing water hampered the livestock and also became a breeding ground for mosquitos.

6. **Replaced Lighting in Fonner Concourse** – The original lighting was making it difficult for some exhibitors in Open Class to showcase their creativity. The Nebraska State Fair installed new lighting so the area is bright and welcoming for visitors at the fair.
7. **Replace Electronic Signage** – The electronic sign on South Locust was originally used when the State Fair was in Lincoln. Age and weather had taken a toll, and replacement parts were becoming scarce. A new electronic board was installed for the promotion of State Fair activities and events.
8. **Additional RV Pads** – Pads for recreational vehicles were completed to allow more guests to use the facilities during the fair. New concrete was poured; creating hard surface pads for the RV's to rest on.
9. **Fiber Installation** – The Nebraska State Fair added additional fiber optics to the east entertainment area to guarantee that ticket booths and outdoor concerts had access to a strong internet signal by which to sell and scan tickets.
10. **Livestock Parking/Entrance Access** – Chain link fence was installed to provide exhibitors of the Nebraska State Fair better access in to and out of the Sheep Barn. The area is also used for parking for Livestock officials during the fair.
11. **Sound Baffles** – After construction of the Nebraska Building, the boardroom, because of it's unique design, echoed when a person spoke, making it hard to understand what was said. Sound baffles were installed to deaden the sound and eliminate the echoes so that everyone in the room can hear clearly.
12. **Sound System** – A permanent sound system was installed in the family fun zone for use in case of an emergency. The system is also used for locating lost children; weather alerts and other needs that warrant grounds wide attention.

13. **Warehouse Heat/Lights** – Heat and additional lighting was added to the maintenance shop and warehouse. Both improved working conditions in the winter months while also making a better storage facility for the fair's many items stowed away during the off season.
14. **Grounds Signage** – Additional signage was added to the fairgrounds that included educational signage for livestock, entertainment signage and tent gable signage to make the tents more recognizable to fairgoers from a distance.
15. **Expo Center Power** – In order to allow safe electrical access to vendors and exhibitors in the Expo Center, additional power drops were added to alleviate the shortage. This also kept the State Fair in compliance with fire and electrical officials.
16. **Additional Seating** – Each year a high number of our fairgoers ask that we provide for additional seating, and each year we do. Adding bleachers for entertainment events and benches throughout the fairgrounds that allow fairgoers a chance to get off their feet.
17. **Electronic Wayfinding Signs** – The Nebraska State Fair added nine (9) electronic information kiosks to help fairgoers get to where they want to go. Directions to entertainment, shopping and food were just a finger touch away. Indoor units included a photo option where fairgoers could get a photo taken and post it to social media.
18. **Outdoor concert area** – With the advent of outdoor concerts in 2015, the Nebraska State Fair transformed the Fonner Park racetrack infield into an outdoor concert venue. Signage, point of purchase flags, reliable Internet and wayfinding banners made up a significant portion of this investment.
19. **Case Scout** - CaseIH, Grand Island plant, is a sponsor of the Nebraska State Fair. From time to time, they make available to us, Case Scouts for a much-reduced cost from area dealers. The Scouts are used by all fair employees to make their job easier.
20. **Water Trailer** – The Nebraska State Fair added a water trailer to keep dust down during the fair and to better enable maintenance staff to work the arena surfaces (both indoor and outdoor) to optimal condition for the livestock being shown that day.

21. **Skid-Steer** – With the addition of several livestock shows throughout the year, a new skid-steer was purchased for these shows and the State Fair. This enhanced equipment allows staff to do their job safely and more efficiently.
22. **Ticket Booths** – The Nebraska State Fair added three (3) additional ticket booths. They served as ticket booths for the outdoor concerts as well as a “Will Call” booth at the fair’s main entrance. Each booth was insulated and air-conditioned to keep those inside, out of the heat.
23. **Fair Operations** – Fair operations are subsidized to improve all aspects of the Nebraska State Fair. This investment continues to pay off with the largest attendance since the State Fair moved to Grand Island. This year, 361,107 people attended the Fair with 93% rating the Fair as “good to excellent” in providing family focused fun.
24. **Funding for Future Projects** – The Nebraska State Fair Board has started a fund for future capital projects on the grounds. It is our hope to be able to contribute to the fund each year.
25. **Debt Repayment** – With the construction of the State Fair facilities in 2009 and 2010, and the new Nebraska Building in 2014, debt was accumulated that needs to be repaid. This includes monthly payments and additional payments paid directly toward the principal on the loan.