



October 30, 2017

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, 2017. 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 2017 Nebraska State Fair was successful by any measure with 379,108 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: Jim Scheer, 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



Expenditures from the Nebraska State Fair Funds Account July 1, 2016 through June 30, 2017

- 1. Open Air Equine Arena** – With the existing arena in disrepair, the Nebraska State Fair, with help from funds raised by the Nebraska State Fair 1868 Foundation, 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.
- 2. Historical timeline (Nebraska Building)**

The Historical timeline is an interactive exhibit of the history of the Nebraska State Fair. It consists of three smart screens that feature scrolling historical photos dating back to 1868 the fair's founding year. Each screen can entertain two users at a time. Users can touch photos of interest to expand them to reveal extended content. Some photos include fuller photo albums, and others expand into trivia questions about the fair's history.
- 3. Dirtwork – Nebraska Building Festival Area**

The drainage ditches west of the Nebraska Building were filled in with pipe, drains and dirt to create a flat surface to give us the ability to set bleachers for Fair guests to enjoy the entertainment in the festival area of the Nebraska Building parking lot.
- 4. Pierson Wireless - grounds wide wireless network**

The Nebraska State Fair greatly improved its ability to provide security and internet connectivity for visitors, exhibitors and vendors during the Fair. We have also installed 18 cameras, with the ability to record activity across the grounds. This will provide the Nebraska State Patrol additional tools to ensure a safe and secure Fair.

5. Concourse Lighting

The original lighting on the east side of the concourse was making it difficult for the Model Railroad and Planes display to show case their creativity. The Nebraska State Fair installed new lighting so the area is bright and welcoming for visitors at the Fair.

6. French drain for the 4H/FFA Building

Due to the precipitation running off the 4H/FFA building, the north end of the Family Fun Zone was continuously wet. Installing this drain allows the water to drain away faster and provide a better entertainment area.

7. Permanent fence – Sheep Barn to Gate 4

To make move in/out for more efficient and safe for the sheep, goat and poultry exhibitors, permanent fencing was installed directly behind the Sheep barn to Gate 4. This alleviates the need to send them through the Cattle tie-outs.

8. Bleachers and tables

Bleachers – Each year, the number 1 request from fairgoers is that we provide additional seating as a result we purchased additional bleachers for entertainment events throughout the fairgrounds, which allows fairgoers a chance to get off their feet.

Tables – Tables are always in high demand across the fairgrounds. Additional “lighter” tables were purchased for pre-fair; fair and post-fair.

9. Nanonation – electronic wayfinding signage

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.

10. 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 way finding banners made up a significant portion of this investment.

11. Case Scouts (3)

CasellH, 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.

12. Harrow for arena work

With the new outdoor arena just as busy as the Five Points Bank Arena, there were many times that both arenas needed groomed at the same time. This could not be done with only one harrow.

13. Skid Steer

It is imperative that we have reliable equipment to do our job more efficiently. Due to the age of our oldest skid steer it was necessary to purchase a new skid steer.

14. Snow Blade

A new snow blade was purchased to replace our 20+ year old snow blade.

15. Poultry cages and sawhorses

Additional Poultry cages were needed due to the growing shows and the wooden saw horses that were built 20+ years ago needed replaced.

16. Signage and signboards

Additional grounds 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.

17. Parade float

A second parade float was created to celebrate the State of Nebraska's Sesquicentennial. It also adds an attraction and music to the daily Nebraska State Fair Celebration Parade. The Nebraska-themed designed features an ox, a covered wagon, the state capitol, cornstalks, and Nebraska symbols including the state bird, the Meadowlark, and the state insect, the Honeybee.

18. Bird netting for the building walkway

Bird netting was installed under the walkways of the Cattle and Sheep barns in an attempt to keep birds from building nests and roosting along the walkway.

19. Plastic barricades

Plastic barricades were purchased to use as temporary barricades for crowd control at various events throughout the Fair.

20. Sign for the Stolley Park entrance

The sign at the Stolley Park entrance was updated to include the Nebraska State Fair.

21. Locust Street Video board

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.

22. Fair Operation

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, 379,108 people attended the Fair.

23. Debt Repayment

With the construction of the State Fair facilities in 2009 and the new Nebraska Building in 2014, debt was accumulated that needs to be paid. This includes monthly payments and additional payments paid directly toward the principal on the loan.

**State Fair Funds Account
July 1, 2016 Through June 30, 2017**

	Balance of State Fair Funds account on June 30, 2016	\$2,627,518.97
	<u>Contributions</u>	
	State Lottery funds	\$4,077,766.66
	Interest earned	\$7,696.50
	City match	<u>\$407,787.00</u>
	Total contributions during the period	\$4,493,250.16
	 <u>Expenditures</u>	
Note	<u>Building & Grounds</u>	
1	Open Air Equine Arena	\$289,271.78
2	Historical timeline (Nebraska Building)	\$22,392.46
3	Dirtwork - Nebraska Building Festival Area	\$42,250.53
4	Pierson Wireless - groundswide wireless network	\$145,542.36
5	Concourse lighting	\$4,525.00
6	French drain for the 4H/FFA Building	\$4,913.00
7	Permanent fence - Sheep Barn to Gate 4	<u>\$29,820.00</u>
	Totals - Buildings & Grounds	\$538,715.13
	 <u>Equipment</u>	
8	Bleachers and tables	\$51,509.10
9	Nanonation - electronic wayfinding signage	\$115,660.93
10	Outdoor concert area - security improvements	\$44,450.15
11	Case Scouts (3)	\$30,813.00
12	Harrow for arena work	\$10,515.00
13	Skid steer	\$14,900.00
14	Snow blade	\$2,014.45
15	Poultry cages and sawhorses	\$6,277.91
16	Signage and signboards	\$15,502.22
17	Parade float	\$20,000.00
18	Bird netting for the building walkway	\$19,709.40
19	Plastic barricades	\$6,567.50
20	Sign for the Stolley Park entrance	\$12,157.75
21	Locust Street Video board	<u>\$77,836.20</u>
	Total - Equipment	\$427,913.61
	 <u>Operations</u>	
22		<u>\$2,882,741.81</u>
	Total - Operations	\$2,882,741.81
	 <u>Debt Repayment</u>	
23		<u>\$588,288.84</u>
	Total - Debt Repayment	\$588,288.84
	 Total Expenditures	\$4,437,659.39
	 Balance of State Fair Funds account on June 30, 2017	\$2,683,109.74

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