

ALERUS CENTER

2021 ANNUAL REPORT



www.aleruscenter.com | 701.792.1200 | 1200 42nd St. South, Grand Forks, ND 58201

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MISSION STATEMENT

To provide premier entertainment and events that stimulate economic impact and improve the quality of life for Grand Forks area citizens.

LETTER FROM THE GENERAL MANAGER

2021 was an unforgettable year not only for Alerus Center, Spectra, and the entertainment industry but for the entire world, due to the ongoing COVID-19 pandemic. 2021 was a year of resilience and “come backs”. The year started out with Alerus Center still hosting drive-thru COVID-19 testing nearly every day as well as mass vaccination clinics through Public Health as the only point of dispensing in the county for several months and ended with record-setting concerts, University of North Dakota Football games, and an incredible rebound to our business returning to near pre-pandemic levels. We are fortunate to have been able to host 404 events this year which is a strong number for the facility even in the best of times.



We had planned on a 3-year recovery strategy budgeting 2021 to show a loss of \$253k, and we were able to end the year with an profit of over \$190k which was an incredible turnaround. Alerus Center was able to effectively serve the mission of driving significant economic impact and quality of life through events and entertainment and was able to fill hotels and restaurants once again. As always, our success would not be possible without such a talented Alerus Center staff, and I would like to personally thank them for all of their continued hard work and dedication. We often say that our business is the ultimate team sport. Another year of setting records amid a global pandemic is no small feat. Our full and part-time team members worked upwards of 40-hours straight to pull off record-setting conversions from a major concert, Luke Combs, into UND football and then did it again two weeks later with the Eric Church concert into UND v. NDSU football. Additionally, many of our former employees who have moved on in their careers and across the county came back to help us make this magic happen. It was nothing short of astounding to watch the loyalty, hard-work, and love for this building come together.

Lastly, a huge thank you to the Grand Forks Events Center Commission and the City of Grand Forks for their constant support, leadership, and guidance! Together, we have shown that we can overcome, we are resilient, and we will continue to rise again. Thank you Grand Forks for a memorable year at Alerus Center.

Sincerely,

Anna Rosburg
General Manager
Spectra Venue Management
Alerus Center

LETTER FROM THE CITY OF GRAND FORKS

City of Grand Forks
255 N 4th Street
Grand Forks, ND, 58201



Thank you to the Alerus Center Commission Members, Alerus Center General Manager Anna Rosburg, and the entire team at the Alerus Center for the incredible success in 2021, all despite the uncertainty amidst the COVID-19 pandemic.

The Alerus Center showed its immense value to the community during the darkest hours of the pandemic, serving as a safe and reliable venue for testing, vaccinations, physically distanced voting, and community events.

The Alerus Center's high approval from regional visitors and Grand Forks residents is evident and much of the credit goes to the staff doing great and dedicated work day after day, event after event.

Record breaking events like the Luke Combs concert and other major events like the Eric Church concert and UND football games have shown the Alerus Center's continued drive to push the envelope and successfully bring big attractions to the region.

As we progress further into the experiential economy, the Alerus Center will be critical to quality-of-life enhancements in the Grand Forks region. Its strong financial performance in 2021 has it in a strong position for continued success and prosperity.

Thank you to the entire Alerus Center team for your loyalty, customer service, and leadership in bringing high caliber concerts, conventions, community service, economic impact, quality of life, and simply joy to the Grand Forks region.

A handwritten signature in blue ink, appearing to read "Brandon Bochenski".

Brandon Bochenski
Mayor of Grand Forks

A handwritten signature in blue ink, appearing to read "Todd Feland".

Todd Feland
City Administrator

LETTER FROM THE COMMISSION CHAIR

Greetings from the Alerus Center Commission,

It has been an honor to Chair the Alerus Center Commission for the past two years, and it truly has been an honor to watch the Alerus Center team rise to the occasion during this interesting time in the entertainment and hospitality industry.

This building means so much to the region with its economic impact, and the turnaround that Spectra, and the Alerus Center Crew made in getting us back to “normal” is nothing short of remarkable! 2021 beat our expectations in a year that we were calling a recovery period. And 2022 is going to be the best year ever. Great things are in the works!

Special thanks also goes out to the City of Grand Forks for their constant support.

We're ready for 2022. Please join us!

Pat McLean
Chair
Alerus Center Commission



LETTER FROM GRAND FORKS HEALTH DEPARTMENT

The support we received from the Alerus Center during our COVID-19 community vaccination clinics was greatly appreciated. The flexibility demonstrated by their staff to provide for our needs in a constantly changing environment was especially helpful. We know residents of our region were grateful for the visible, accessible, safe, and spacious location to receive their COVID-19 vaccinations. Our hats off to everyone at the Alerus Center!

Debbie Swanson, MS, RN
Director
Grand Forks Public Health Department



LETTER FROM VISIT GREATER GRAND FORKS

While COVID-19 has hit events, hospitality, and tourism hard, the Alerus Center continues to amaze our community as well as visitors. The Alerus jumped into 2021 ready to rebound and welcome guests for concerts, conventions, weddings, athletics, and much, much more.

As every year, the Alerus Center continues to smash previous records and bring top talent to the Forks such as the Luke Combs and Eric Church concerts both during a busy University of North Dakota Football season. Tens of thousands of people passed through the doors over the course of a couple of weekends during this time and received first-class service, an immaculate venue, and Simply Grand entertainment.



Anna and her team of professionals work tirelessly to host events, which not only provide robust economic impact, but also make Greater Grand Forks a cool place to live and visit.

As we wrapped up 2021, Alerus Center and Visit Greater Grand Forks teamed up once again to present the Big Ticket Giveaway, and the lucky winner will get to enjoy world-class entertainment all year.

Many thanks to Alerus Center and Spectra for such an amazing partnership.

Sincerely,

Julie Rygg
Executive Director
Visit Greater Grand Forks

LETTER FROM THE CHAMBER

The day of the KISS Concert at Alerus Center was the best hotel night of 2020 with about twice the activity of the next highest night in the year. Concerts like Luke Combs, Eric Church, and the UND/NDSU football game had similar impacts in 2021. This data set evidences the significant impact Alerus Center has on the whole community. In 2022, we expect concerts and events like this to have a similar positive impact.

Barry Wilfahrt
President & CEO
The Chamber - Grand Forks/East Grand Forks

OUR STAFF

ADMINISTRATION:

ANNA ROSBURG | General Manager

JONATHAN GREENE | Assistant General Manager/Director of Operations

ANJANETTE HEATH | Office Coordinator/Staff Accountant

CHASE MCDERMOTT | Special Projects Coordinator

MARKETING:

TORYN JONES | Director of Marketing

PARTNERSHIPS:

DEREK HOFFERT | Director of Partnerships

SALES:

SHELBY LOOKER | Director of Conference Sale & Marketing

JULIA JOHNSON | Conference Sales & Marketing Manager

FINANCE:

BRANDON RUEGE | Director of Finance

ANDREA WEGENER | Accounting Manager

BOX OFFICE:

COLE JOHNSON | Box Office Manager

EVENT SERVICES:

POLINA SELINEVICH | Director of Events

MEGEN LENERTZ | Senior Event Manager

KARA GERKE | Event Manager

OPERATIONS

TREVOR HAHN | Assistant Director of Operations

SHANE AXTEN | Operations Manager

COREY STONE | Operations Supervisor

TANNER ENGLEBERT | Operations Supervisor

PAT ROBINSON | Maintenance Manager

FOOD & BEVERAGE

DAN TOOP | Director of Food & Beverage

ALLEN HESS | Assistant Director of Food & Beverage/Executive Chef

JOLAIN ANDERSON | Concessions Manager

JAMIE KANTA | Banquet & Catering Manager

LORETTA GUNSALLUS | Sous Chef

JULIE CLARK | Assistant Sous Chef

WYATT GUNSALLUS | Assistant Sous Chef

STAFF RECOGNITION

Anna Rosburg was recognized as a VenuesNow's 2021 Impact: Next Gen Honoree alongside industry leaders at the MLB, Live Nation, and more.

Polina Selinevich won a full-ride scholarship to the International Association of Venue Manager's Venue Management School where her outstanding test scores qualified her as a finalist for a full ride scholarship to the Venue Management Association Leadership Institute being held in Kingscliff, Australia in November.

Megan Lenertz and Derek Hoffert graduated from the Chamber Leadership program.

Megan Lenertz became a certified wedding planner.



BOARDS WE SERVE ON

Chamber of Commerce Executive Board
Young Professionals Advisory Board
Grand Forks Event Center Commission
Retail Market Capture Committees
Visit Greater Grand Forks Board
UND Student Engagement Committee
Fun in the Forks Committee

CERTIFICATIONS WE'VE EARNED

All full-time staff have received the following certifications:

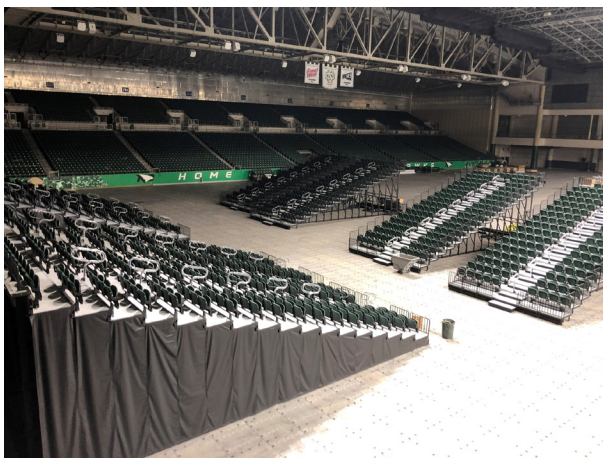
- IAVM Trained Crowd Manager
- Kulture City Sensory Inclusion
- American Red Cross Adult/Pediatric CPR, First Aid, AED

RECEIVED PROMOTIONS

Jonathan Greene - to Assistant GM
Derek Hoffert - to Regional Director
Shelby Looker - to Director
Polina Selinevich - to Director
Allen Hess - to Assistant Director
Megan Lenertz - to Senior Manager
Jamie Kanta - to Manager
Pat Robinson - to Manager
Chase McDermott - to Coordinator



FACILITY PROJECTS



C-RISERS

A team of engineers custom built the new c-riser seating system. The c-risers offer additional raised seating options for end-stage concerts and smaller floor events. They will be utilized for the first time at Morgan Wallen and PBR.



COURT

Alerus Center ordered a new basketball court with updated branding and a higher quality playing surface. The new court will help attract NCAA quality events.



POS SYSTEM

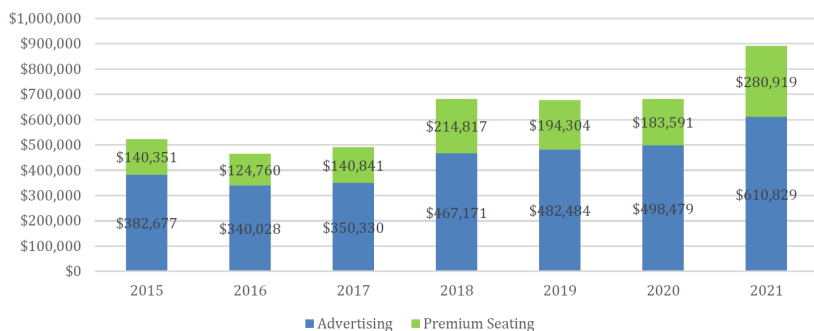
Alerus Center began using a new Bypass POS system. The new system allows for more convenient portable payment options and has greatly reduced the time needed to process credit card payments.



PARTNERSHIPS

Groundbreaking of Hugo's Raceway

Year Over Year Growth (2015-2021)



\$891,748

Total revenue for 2021

31%

 Increase over 2020

All suites and club seats sold on annual contracts



PETERSON PORCH

On September 15, Alerus Center and Peterson Farms Seed announced the opening of new premium spaces located on the bridges overlooking the Alerus Center arena floor. The Peterson Porch provides additional revenue for major concerts and is utilized by UND at Fighting Hawks football games.

TRANSYSTEMS BOX OFFICE

On December 17th, Alerus Center and Transystems LLC held a ribbon cutting ceremony for the grand opening of the Transystems Box Office. The rebranded box office is fully wrapped in artwork promoting the Transystems sponsorship. The new design is eye-catching and creates a memorable space for people to purchase tickets.





ARENA OVERVIEW

22,000+
Max Capacity

19
Ticketed Events

85,278
Total Attendance

UND SPRING FOOTBALL

As a result of the COVID-19 pandemic, the 2020 UND football season was delayed until the spring of 2021. UND started the season at 5-2 in the regular season, which ended with 3 no contest games including a canceled game against Missouri State at Alerus Center. The unprecedented spring season resulted in a playoff berth for the Fighting Hawks that allowed Alerus Center to host UND's first NCAA D1 playoff win.



THE RETURN TO NORMAL

On August 20th, Alerus Center hosted its first live concert since the onset of the pandemic. Bryce Vine's concert sold over 3,000 tickets making it the highest grossing UND sponsored concert in venue history. Bryce Vine marked the first of 4 rescheduled concerts including Vine, Luke Combs, Brantley Gilbert, and Home Free. Additionally in 2021, Alerus Center hosted PBR, Eric Church, and Foreigner.



Alerus Center arena events were an overwhelming success in 2021 showcasing the resiliency of both the venue and the Grand Forks community. There were few negatives in the 2021 calendar year with only 2 arena events canceled due to COVID and only one event netting a loss.



RECORD BREAKERS

LUKE COMBS

Attendance record
Tickets sold record
Food & beverage sales record
3rd in merch sales

ERIC CHURCH

Food & beverage sales/person record
3rd in venue food & beverage sales

NDSU AT UND

UND Football attendance record
UND Football tickets sold record





CONSUMER & TRADE SHOWS

13

Consumer shows

18,608

Attendance

Moved Spirit Of America Bike and Car Show & the RRV Motorcycle Show to the arena for the first time.



CAMPER SHOW & GUN SHOW

For the second year in a row, Alerus Center was able to reach an agreement with the Grand Forks Camper Show and the Dakota Territories Gun Show so that the two entities would split the arena floor. This creates greater attendance and reduces the price of rent for both clients, while allowing Alerus Center to maximize our space and revenue potential. This agreement between the two shows is scheduled to continue in 2022.



8

Trade shows

1,830

Attendance

The UND Fall Job Fair brought in over 150 vendor booths



13





CONFERENCE CENTER OVERVIEW

123 MEETINGS

17,862
Total attendance

37 BANQUETS

8,680
Total attendance



Alerus Center engaged in a summer sales blitz including s'mores boxes to potential clients.

Alerus Center fed 4 hockey teams participating in the 2021 Frozen Faceoff for a total of 1,308 meals served in just 6 days.



GRAND FORKS' BEST WEDDING VENUE

30

Receptions

8

Marriages

5,440

Attendance

Alerus Center continues to be a leader in the market as a wedding ceremony, reception, and rehearsal dinner venue. Our sales team guides each couple through our diverse offerings and our world-class kitchen caters pre-set and custom menus.

In 2021, Alerus Center gifted brides an Alerus Center branded blanket as well as matching "Mr." and "Mrs." wine tumblers.



COVID-19

In 2021, Alerus Center, in partnership with the Grand Forks Public Health Department and Altru Health System, hosted mass vaccination clinics and served as a drive-thru COVID-19 testing facility. For months, Alerus Center was the sole facility in the county offering vaccinations.

IN 33 DAYS

37,129

Vaccines administered

IN 66 DAYS

17,319

COVID-19 tests collected

53

Despite breaking several venue records and achieving a massively successful year in regard to finances, Alerus Center still faced hardship as a direct result of the COVID-19 pandemic. 53 Alerus Center events, estimated at \$701,023 in income, were canceled in 2021.



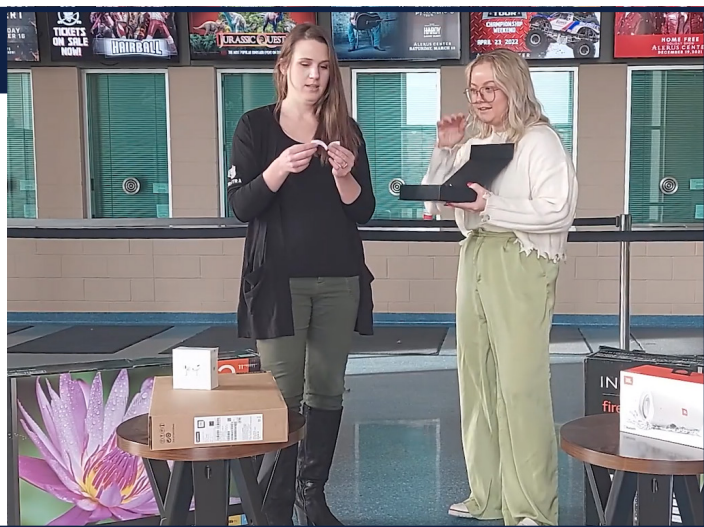


EMPLOYEE ENGAGEMENT COMMITTEE

REWARDING OUR WORKERS

At Alerus Center, we love our staff and do our best to make sure each member of our team knows they are appreciated. In 2021, this appreciation took the form of referral bonuses, prize giveaways, employee of the month recognition, starting wage increases, promotions, and free tickets to specific events.

Additionally, our full-time staff participated in team bonding activities and outings.



KEEPING EMPLOYEES ENERGIZED

The Employee Recharge Station is a staple for the Alerus Center team. Our full-time staff works upwards of 40-hour shifts for major event weekends. The Employee Recharge Station provides staff access to snacks, beverages, and occasional meals to keep them fed, caffeinated, and on their feet so that concerts, conventions, and sporting events can run smoothly for our clients.

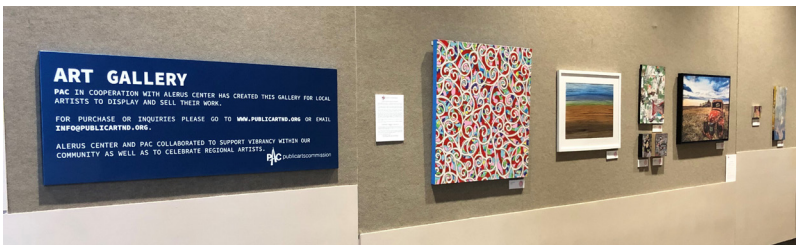


COMMUNITY INVOLVEMENT

Alerus Center serves as a corporate, culture, entertainment, and education hub for the Grand Forks community.

Alerus Center hosts:

- Public Arts Commission Gallery
- Grand Forks Police Training
- National Guard send-off ceremonies
- High school graduations
- Holiday parties and family events
- UND Fan Luncheons & much more!



BUSINESS AFTER HOURS

On October 19th, Alerus Center, in partnership with the Grand Forks Chamber of Commerce, opened the concourse to local businesses and corporate leaders for a Business After Hours event where members of the community could mingle and create partnerships that contribute to strengthening the Grand Forks economy.

COMMISSION + CITY COUNCIL

On June 30th, Alerus Center hosted a joint meeting between the Alerus Center Commission and Grand Forks City Council to discuss the state of the venue and our contributions to the community. Additionally, the Commission and City honored local businessman Hal Gershman for his commitment and service to the Alerus Center Commission and the City of Grand Forks.

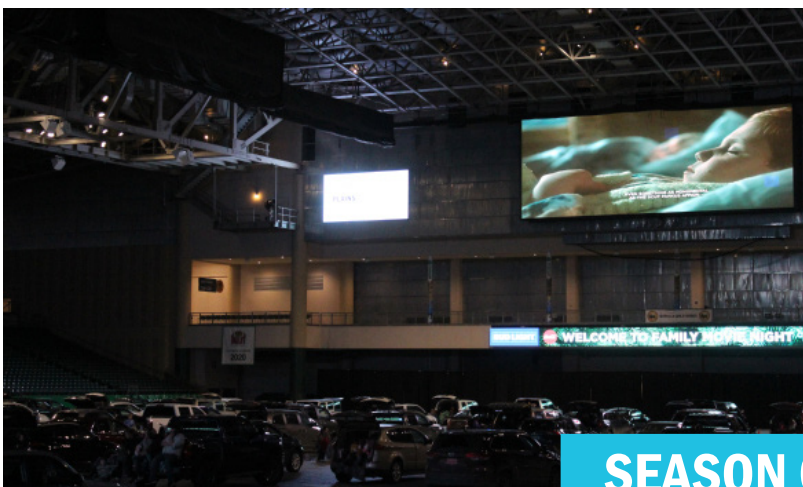




GIVING BACK

Each year, Alerus Center hosts and participates in several charitable events. In 2021, Alerus Center competed in the Grand Forks Chamber of Commerce Golf Tournament and the Grand Forks Optimist Club Tim Goetz Memorial Bowling Fundraiser.

Moreover, Alerus Center continued to host drive-thru holiday meals for the Grand Forks Senior Center. In 2021, Alerus Center staff prepared and packaged over 1,800 meals for Easter, Thanksgiving, and Christmas.



SEASON OF GIVING

In 2021, Alerus Center continued its holiday tradition with the 4th annual Season of Giving presented by Cities FM. The Season of Giving included 4 donation drives during which Alerus Center collected food, winter clothes, toys, and pet supplies for a selection of local nonprofits. In early December, Alerus Center hosted a free drive-in showing of A Christmas Story with free popcorn and Coca-Cola products provided by High Country Bottling Company. The Season of Giving capped off with the Big Ticket Giveaway presented by Visit Greater Grand Forks, where Assistant General Manager Jonathan Greene awarded one lucky winner 2 Steamtic Club Lounge tickets to every public ticketed event at Alerus Center in 2022.



ECONOMIC IMPACT

With the help of Visit Greater Grand Forks, Alerus Center tracked 25 events and how they impacted the Greater Grand Forks community in 2021:

DIRECT SPEND
\$6,119,162

DAY ATTENDEES
42,930

OVERNIGHT ATTENDEES
23,003

EVENT NAME	DIRECT SPEND	ROOM NIGHTS	DAY ATTENDEES	OVERNIGHT ATTENDEES
Grand Forks Men's Show	\$131,523	0	2,597	0
UND Football vs. SIU	\$88,928	219	1,983	350
UND Football vs. SDSU	\$111,070	273	2,478	437
UND Football vs. USD	\$104,747	258	2,338	412
Dakota Territory Gun Collector's Show	\$130,657	0	2,974	0
HOSA Convention	\$104,424	396	100	200
PBR	\$108,067	230	1,053	117
UND Football Playoff	\$105,461	260	2,359	416
Casting Crowns	\$3,755	5	64	7
Spirit of America - RRV Motorcycle Show	\$86,414	0	2,199	0
Bryce Vine	\$10,496	8	204	11
Foreigner	\$116,322	348	724	482
Grand Forks Comic Con	\$18,947	18	162	18
NDMCA Annual Leadership Conference	\$1,248,231	5,727	150	100
Luke Combs	\$1,577,908	6,898	9,555	9,555
UND Football vs. Drake	\$31,395	100	160	160
2021 CPA Convention	\$96,090	297	75	150
Eric Church	\$1,344,079	7,065	2,446	9,786
UND Football vs. NDSU	\$42,319	150	80	240
ND Library Association Conference	\$63,199	237	20	120
UAS Summit	\$162,888	495	250	250
Northern Valley Career Expo	\$89,932	0	1,500	0
Pride of Dakota	\$100,266	27	5,835	30
Brantley Gilbert	\$161,682	190	2,396	263
Home Free	\$80,362	100	1,255	139

TOTAL ECONOMIC IMPACT
Over \$9,000,000

FINANCIALS

	2021 ALERUS CENTER FINANCES		
	ACTUAL	BUDGETED	VARIANCE
NUMBER OF EVENTS	404	450	(46)
ATTENDANCE	203,451	363,276	(159,825)
DIRECT EVENT INCOME	\$339,432	\$213,861	\$125,571
FACILITY FEE	\$147,229	\$152,000	(\$4,771)
SUITE REVENUE	\$57,038	\$0	\$57,038
NET TICKETING REVENUE	\$332,244	\$54,130	\$278,114
NET ANCILLARY INCOME	\$1,848,435	\$2,028,101	(\$179,667)
TOTAL EVENT INCOME	\$2,724,376	\$2,448,092	\$276,284
OTHER INCOME	\$630,746	\$612,665	\$18,081
ATM	\$17,711	\$18,000	(\$289)
UND RENT	\$198,261	\$198,261	\$0
HOSPITALITY TAX	\$545,891	\$430,585	\$115,306
BMX	\$19,222	\$0	\$19,222
TOTAL INDIRECT EXPENSES	\$3,945,432	\$3,961,468	\$16,036
NET OPERATING INCOME (LOSS)	\$190,775	(\$253,864)	\$444,639

In early 2021, we started the year by being the only vaccination site in the county and still focusing on COVID-19 testing. By Q4 we were hosting record-setting concerts and breaking facility records. This was a year of true “come-back” and, instead of making budget at a projected loss of \$253,000, we were able to be profitable and drive significant economic impact to help our community recover from the previous year’s lost revenue due to COVID-19.



FUTURE OUTLOOK

As we look back over the incredibly successful year and look forward into the foreseeable future, OVG 360 (formerly Spectra) remains optimistic that Alerus Center will continue to serve its mission.

In 2022, we are excited to host a nearly sold-out Morgan Wallen “Dangerous Tour” concert which has already set the facility record for gross box office receipts, several additional concerts including Alice Cooper, Thomas Rhett, Chris Stapleton and more as well as 5 fall University of North Dakota Fighting Hawks football games in the arena. In the conference center, we will host more than 12 conventions, 30 weddings, 10 consumer shows, and over 130 meetings. Oak View Group looks forward to continuing to drive economic impact and enhance the quality of life through hosting exciting and diverse events for the Grand Forks community and region that we love so much.

Anna Rosburg
General Manager
Oak View Group
Alerus Center