

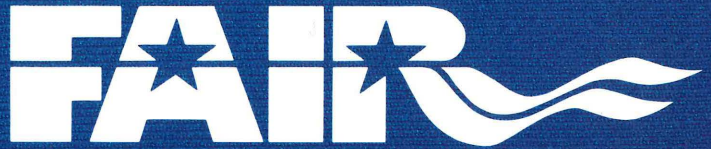


LEGISLATIVE REFERENCE LIBRARY

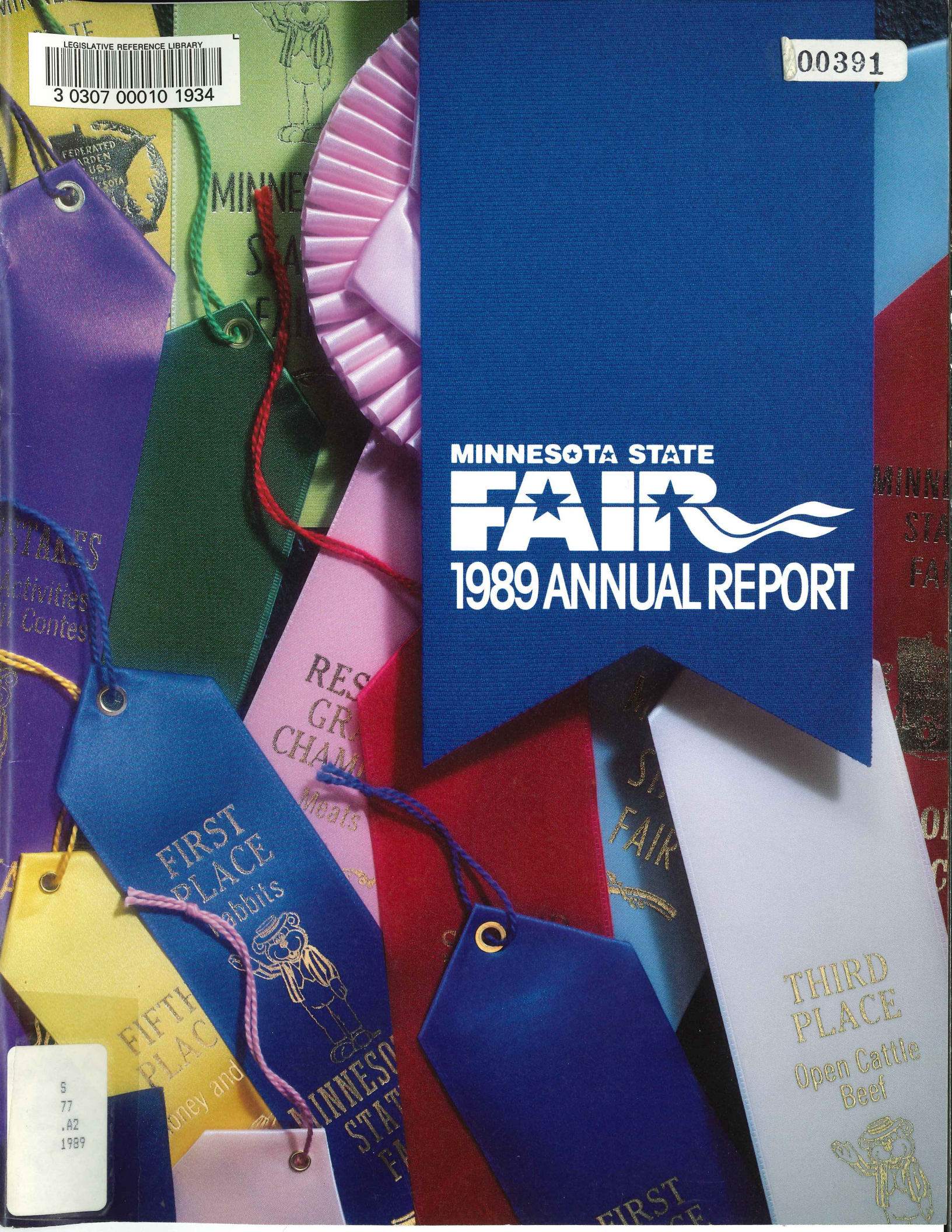
3 0307 00010 1934

00391

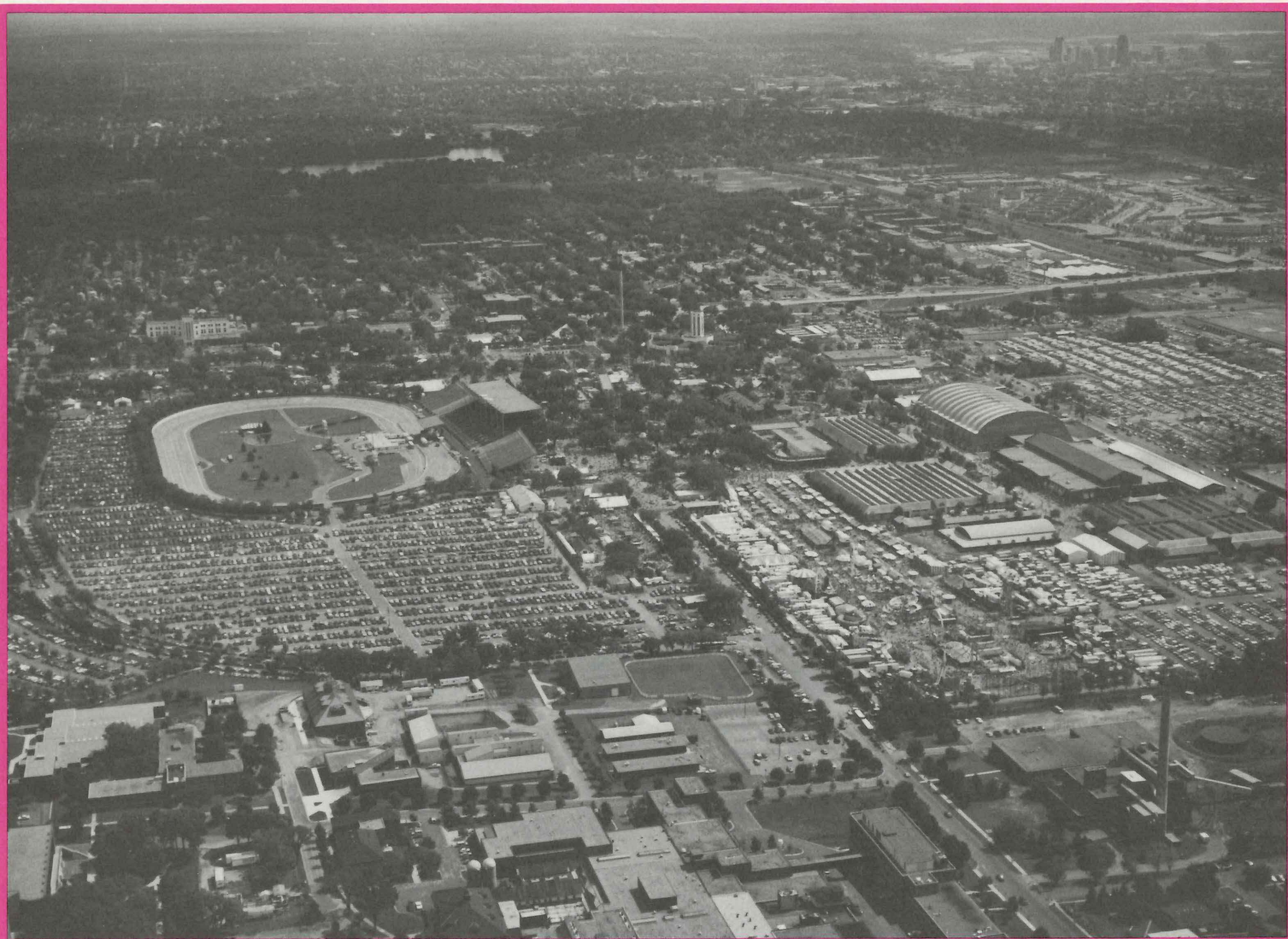
MINNESOTA STATE



1989 ANNUAL REPORT



S
77
.A2
1989



The Minnesota State Agricultural Society is charged with the conduct of the annual State Fair as well as control and management of the State Fairgrounds. As required by statute, a preliminary report on fiscal 1989 was submitted to the governor December 28. Following the society's annual business meeting and the examination of its books and accounts by the legislative auditor, the following complete annual report has been printed and distributed.



A Look Inside:

General Manager's Letter	3
1989 Summary	4
Board of Managers	9
Staff	10
Audit Opinion Letter	11
Balance Sheet	12
Income and Expense Statement	13
Retained Earnings Statement	13
Statement of Cash Flows	14
Footnotes	15
Supporting Schedules	17
Auditor's Management Letter	22
Meeting Minutes	25

MINNESOTA STATE FAIR

Honorable Rudy Perpich
Governor
State of Minnesota
130 Capitol
St. Paul, MN 55155

December 28, 1989

Dear Governor Perpich:

This report usually confines itself to a review of the year just past and to the accumulated resources of the Society. It seems appropriate, however, that as the fair moves into another decade—its 15th to be precise—a quick glance backward should be given to the 1980s and to the progress made by the institution during that span of time.

Let's first evaluate the year immediately behind us.

It's never very easy to watch rain dampen and discourage visitors. The task was especially difficult in 1989 after a series of five years of almost perfect weather. Our audience, however, is made of stronger stuff . . . they kept right on coming through the rain and hail and wind and cold. They came to the tune of 1,551,361 folks, which is the fourth-highest total in exposition history.

It might be interesting to note at this point the composition of our attendance. It is no longer possible to precisely identify children versus seniors since the same discount ticket is used for both age categories. However, we can say that this audience total is comprised of 1,201,000 adults and 350,000 kids and/or seniors. More importantly, the same total is 90 percent paid (1,401,000). This last point should not be taken lightly. In the view of this administration, it demonstrates the very essence of good business practice. It also speaks highly of fairness and even-handed treatment of the public . . . two rather important elements in the correct operation of a not-for-profit, public corporation.

How good was our business practice this past year? Mixed is perhaps the best answer. Our cash position was reduced somewhat from \$2.04 million to \$1.66 million. This fact should not be considered with alarm since the fair's present cash position is healthy and more than adequate for continued operational effectiveness. Moreover, the fair's 1989 business cycle was highly successful. Record profit, along with reserves, were invested in a \$1.8 million physical improvement budget.

It should also be noted that not all this capitalization was anticipated or welcome. In order to facilitate the settlement of a legal dispute among the owner of a permanent fairgrounds ride and several construction contractors, the Society purchased the ride and adjacent parking ramp for \$533,000. Although the purchase was highly discounted and the acquisition added to real asset value, it is the position of management that the ride should be sold to a private party as soon as possible.

As we close the door on 1989, it seems appropriate to mention two other positive accomplishments of the Society. Premium money paid out to those involved in competitive programs at the fair reached \$463,000—a record expenditure in this category.

On the other side of the ledger, off-season show productivity rose to its highest level ever, netting out at \$713,000. Is there any correlation between these two, seemingly dissimilar areas? The simple fact is that off-season productivity allows the fair to do so much more than would be otherwise possible . . . including substantial improvement in prize offerings.

When we look back at the 10-year period encompassing the 1980s, we see growth and improvement as major components in the life cycle of the exposition.

Our total resources at the close of the 1979 fiscal year were \$9.56 million. The fair closed this year with resources of \$12.67 million, a 33 percent improvement in the asset value of the institution.

Furthermore, our attendance base has shown moderate, but steady growth. The fair's daily attendance average during the 1970s was 115,000; during the 80s it rose to 123,000. Last year, that figure was up to 130,000.

Somewhat less obvious to the casual observer are those changing elements of the exposition which might be responsible for improved public awareness and public acceptance. We currently spend a much higher proportion of our budget on free entertainment and special interest programs; as mentioned previously, our premium allocation is now a good deal larger than it was 10 years ago.

We communicate better these days for the simple fact that we spend more on advertising and on information services. But perhaps the least discussed but most important element of change at the fair over this period is that we concentrate more energy and resources on learning about our audience—both those who attend and those who do not—so that we might create higher interest levels and better serve the wishes and needs of our clientele.

A definitive evaluation of the decade just past is measurably difficult. So many variables impact the equation. Social priorities have changed, competition for leisure time and discretionary dollars has grown, public interest has shifted and community needs have been refocused. These changes evoke frequent, ongoing assessment by the exposition board and staff so that the mirror we hold before the community remains clear and accurate.

As we turn to face the future, we recognize new challenges, not only for the Minnesota State Fair, but for society at large. How do we cope with such profound issues as water quality, solid waste, traffic, noise, orderly growth, health standards, safety, liability, changing demographics . . . and so on.

All these concerns must be incorporated into our master plan for the new decade and translated for those who will serve the Society in the decades to come. Our pledge is to continue and improve the process.

Respectfully submitted,

Mike Heffron
General Manager

Assisted by nearly 1.6 million happy visitors and participants, the 1989 edition of the Minnesota State Fair brought down the curtain on a decade of great change for the Great Minnesota Get-Together. The '80s were marked by increases on nearly every front for the 135-year-old institution. Income, expenses, prize money paid to competitors, off-season use of fair facilities and the State Fair's expansive entertainment program all grew markedly during the past 10 years. In addition, the 310-acre State Fairgrounds underwent a continuing program of renovation and new construction. Several vintage exhibit buildings were refurbished, new parks were added, extensive landscaping work was done throughout the grounds, acreage was added to accommodate more parking and an on-going multi-million-dollar maintenance and repair program was conducted.

This commitment to growth and improvement was rewarded by a steady increase in attendance at the annual State Fair. The exposition enjoyed six record years during the '80s, including an incredible five straight banner years from '84 through '88. Less-than-ideal weather at the '89 State Fair contributed to a slight decline in attendance after the record runs of the previous five years; nevertheless, the '89 total of 1,551,361 was strong enough to rank as the fourth-highest attendance mark in State Fair history.

One daily attendance record was set during the '89 exposition when 153,070 people visited the fair on Friday, Sept. 1. This new daily attendance record is by far the largest weekday attendance total ever recorded at the State Fair, and underscores the general increase in weekday attendance at the exposition.



Special promotions featured during the '89 State Fair included Youth Day, Aug. 28, when persons 17 and under were admitted free. Everyone attending on that day was treated to discounts on many midway rides and attractions. Senior Day was Thursday, Aug. 31, when those 65 and over were admitted free. During special Senior Day recognition ceremonies at the Bandshell, Lillie Ziegler of Elmore and Thorwald Vaala of Dawson were named Minnesota's Outstanding Senior Citizens. Every weekday of the fair, visitors could take advantage of a special discount coupon booklet featuring savings at 88 food and merchandise concessions. "Happenings- Weekdays At The Fair" discount booklets were available for \$4.

Weather throughout the fair was generally threatening, with rainfall and storm warnings occurring regularly during the fair's first week. The bad weather culminated with a violent rain and hail storm on Senior Day, Aug. 31. Despite Mother Nature's powerful intrusion, the only casualty that day was the 6 p.m. mall parade. All other entertainment and special events went on as scheduled.

Outside gate admission prices in '89 were \$4 for adults 16 through 69, \$2 for youths and seniors and free for kids under 5. Advance sale discount tickets for adult admission were available for \$3.25 prior to the fair at Holiday Station Stores statewide and at the State Fair ticket

office on the fairgrounds. Vehicle parking was free in all State

Fair lots on the fairgrounds and at all lots in the fair's expansive shuttle parking network.

The shuttle parking program, initiated in the early '70s, allows fair visitors to park free at a variety of locations near the fairgrounds, then

ride a bus to the State Fair. In '89, the shuttle network was expanded to include 14 lots—six more than the previous year. Four of the lots offered parking and shuttle service all 12 days of the fair. The remainder of the lots were used on weekends. Shuttle parking was available at Rosedale and Bandana Square shopping centers and at various industrial parking lots in Minneapolis, Roseville and St. Paul.

1989 MINNESOTA STATE FAIR

Date	Designation	Attendance
Thurs. Aug. 24	50-Year Award Day	70,933
Fri. Aug. 25	Health & Disability Awareness Day	101,498
Sat. Aug. 26	FFA Day	153,106
Sun. Aug. 27	Volunteer Day	172,225
Mon. Aug. 28	Youth & Education Day	115,017
Tues. Aug. 29	Fine Arts Day	105,033
Wed. Aug. 30	Rodeo Day	96,666
Thurs. Aug. 31	Senior Day	111,360
Fri. Sept. 1	Agriculture Awareness Day	153,070
Sat. Sept. 2	Milk Run Day	207,259
Sun. Sept. 3	4-H Day	170,584
Mon. Sept. 4	Miller High Life 300 Stock Car Race Day	94,610
		1,551,361

Free entertainment was a staple ingredient of the '89 exposition. Over 60 free performances were offered every day of the fair at a variety of locations throughout the grounds. Included were shows by nationally- and regionally-famous musicians, comedians and specialty entertainers. The Amazing Kreskin was the featured attraction at the '89 fair's opening ceremony.

An overflow crowd packed the 5,000-seat Bandshell to see the mentalist and, after wowing the audience with a variety of mental gymnastics, Kreskin used his mental powers to find his performance fee, hidden in a popcorn box and wedged between two spectators seated in the crowd.

Aerialist Jay Cochrane returned to the fair after a one-year absence to walk a highwire suspended between the 4-H Building and the 340-foot Space Tower. Cochrane was scheduled to walk every day of the fair, but wind and rain grounded Cochrane on seven of the fair's 12 days.

At the Schmidt Bandshell, Williams & Ree, Danny Davis and The Nashville Brass, Shenandoah and Southern Pacific performed Aug. 24 through 29. Appearing Aug. 30 through Sept. 4 were Gary Puckett, Skip Ewing, the McCarters and Four Guys Standing Around Singing. Every day except Labor Day, Ray Komischke's State Fair Orchestra performed early evening concerts at the Bandshell. Semi-finals of the '89 State Fair Amateur Talent Contest followed the orchestra's performance.

Baldwin Park's Budweiser Stage featured the Rockin' Hollywoods, Back Behind The Barn Boys and Stryker Aug. 24 through 29. On stage Aug. 30 through Sept. 4 were the Fantastic Convertibles, Deb Nienow & Wheels and Boys Next Door. At 6:30 p.m. every evening except Labor Day, the Minnesota State Bar Association presented Trial By Jury—dramatic reenactments of real court cases heavily dependent on audience participation.

Appearing at the Miller Genuine Draft Stage in the Bazaar Aug. 24 through 29 were the Memories and Glenn Jaspering. Skip DeVol and the Sauerkrauts performed Aug. 30 through Sept. 4. The Comedy Hour, showcasing the region's top stand-up comedians, was featured

nightly except Labor Day.

At the Heritage Square Stage, Riders In The Sky, the Barbary Coast Banjo Brass and Pop Wagner performed Aug. 24 through 29. On stage Aug. 30 through Sept. 4 were Hank Williams' Original Drifting Cowboys, the Wolverines Big Band and the Chmielewski Fun Time Show. Also featured at Heritage Square was Iron Horse Echoes—a musical carillon built from 24 authentic steam locomotive railroad bells and played through a keyboard.

The Campbell's Children's Theater lineup included daily performances by juggler David Cohan, magician Willy Wonka and comedy-dance team Ellen and Doug. The Sunshine Band was on stage Aug. 24 through 29, and the Teddy Bear Band was featured Aug. 30 through Sept. 4.

The State Fair went on parade every evening except Aug. 31 (rain) and Sept. 4 (no parade scheduled) with floats, clowns, animals and music. Additional free entertainment was presented at the Ramberg Senior Center, Natural Resources Park and the Education, Creative Activities and 4-H Buildings.



The star-studded Grandstand concert lineup attracted 125,846 fans of pop, rock and country music. A State Fair record 46 acts were featured in the concert schedule that included 11 evening presentations and five matinees. The best-attended concert was a sold-out show Sept. 1 featuring New Kids On the Block, Tiffany and Tommy Page. The capacity crowd of teens, 20,942 strong, was perhaps the most enthusiastic audience ever to witness a show at the Grandstand. Tiffany and Tommy Page were given a warm response from the audience, followed by a sustained explosion of screams and cheers for New Kids.

A total of 17 vintage rock'n'roll acts appeared as part of two special anniversary shows—the 30th Anniversary of Rock'N'Roll and the Artists of Woodstock 20th Anniversary Tour. Ten acts performed as part of the rock anniversary concert, including Otis Day & The Knights, Herman's Hermits, Cannibal & The Headhunters, the Surfaris, the Coasters, Mike Pinera, Chuck Negron, Al Wilson, Donnie Brooks and Tiny Tim. The Woodstock show featured Richie Havens, Canned Heat, Sha Na Na, John Sebastian, Melanie, Country Joe McDonald and a tribute to Jimi Hendrix.

Country music was also well-represented in the lineup. Established country superstars such as Alabama, Tammy Wynette, the Statler

1989 GRANDSTAND

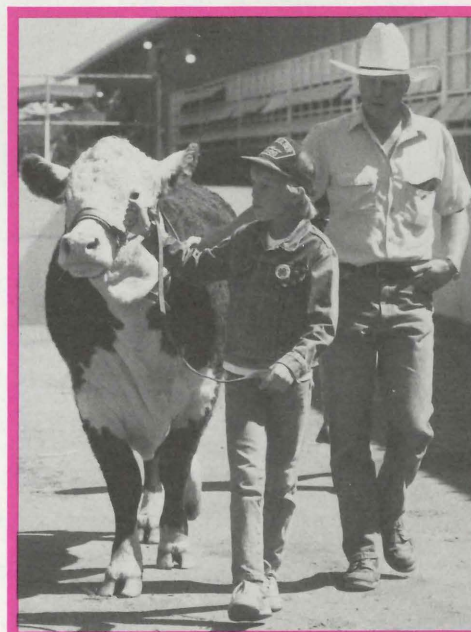
Date	Attraction	Tickets	Attendance
Aug. 24	Kenny Loggins and Michael McDonald	\$11.50 & \$6.50	5,449
Aug. 25	Charley Pride and Ronnie Milsap	\$9.50 & \$5.50	5,328
Aug. 26	30th Anniversary of Rock'N'Roll (matinee)	\$9.50 & \$5.50	1,880
Aug. 26	Alabama with Jo-El Sonnier	\$11.50 & \$6.50	17,782
Aug. 27	Randy Travis and Tammy Wynette (matinee)	\$11.50 & \$6.50	8,723
Aug. 27	Randy Travis and Tammy Wynette	\$11.50 & \$6.50	12,025
Aug. 28	Jim Varney with Teenage Mutant Ninja Turtles (matinee)	\$9.50 & \$5.50	2,404
Aug. 28	The Jets and the Commodores	\$9.50 & \$5.50	3,370
Aug. 29	Sheena Easton and Michael Damian	\$11.50 & \$6.50	6,011
Aug. 30	George Strait, Highway 101 and Billy Joe Royal	\$10.50 & \$6.50	8,117
Aug. 31	Anne Murray and Eddie Rabbitt	\$10.50 & \$6.50	8,530
Sept. 1	New Kids On the Block, Tiffany and Tommy Page	\$10.50 & \$6.50	20,942
Sept. 2	Sandi Patti (matinee)	\$10.50 & \$6.50	5,566
Sept. 2	The Statler Brothers with Don Williams	\$10.50 & \$6.50	13,545
Sept. 3	20th Anniversary-Artists of Woodstock (matinee)	\$10.50 & \$6.50	2,555
Sept. 3	Ricky Van Shelton, Roger Miller and Holly Dunn	\$9.50 & \$5.50	3,619
Sept. 4	Miller High Life 300	\$9.50 & \$6.50	10,707

Brothers and Charley Pride performed, along with top newcomers including Randy Travis, George Strait, Ricky Van Shelton and Holly Dunn.

American Speed Association rookie Scott Hansen won the Miller High Life 300—the exposition's Labor Day classic stock car race at the Grandstand Speedway. Hansen bested an impressive group of drivers including NASCAR stars Ken Schrader, Mark Martin, Dick Trickle and eventual 1989 NASCAR champion Rusty Wallace.

Record prize money totaling \$463,000, along with hundreds of ribbons and thousands of trophies, was paid to winning exhibitors in the State Fair's variety of agricultural and creative contests. Over 35,000 entries in a diverse group of categories were displayed at the fair, including livestock, fine arts, fruit, baked goods, crops, school projects, vegetables, crafts, bee and honey products, flowers, butter and cheese.

Competitive exhibits were found in a variety of locations around the fairgrounds including the Arts Center, 4-H, Education, Creative Activities and Agriculture-Horticulture buildings, Ramberg Senior Center and Empire Commons. Cattle, sheep, swine, dairy goats, llamas, horses, turkeys, rabbits, pigeons and waterfowl were housed in the fair's vast livestock complex—nine buildings with six show rings and stabling for 8,000 animals.



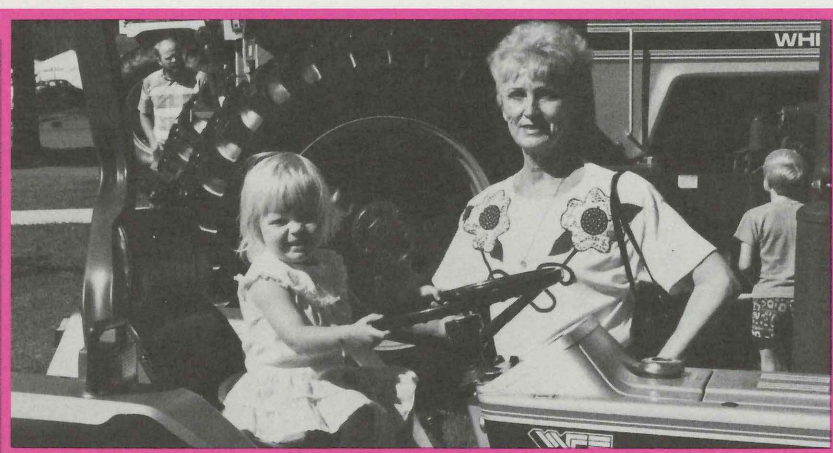
Other contests included the 17th annual State Fair Amateur Talent Contest and the fifth annual Milk Run. Winner of the talent showcase's senior division was dancer Stephanie Henrichs of Lakeville. Jennifer Armour, a 12-year-old vocalist from Pipestone, won the contest's junior division. Winners of the five-mile Milk Run were John H. Zimmermann of Zumbrota (men's division) and Katherine Empson of Bloomington (women's division).

Over 1,300 commercial exhibitors offered an overwhelming array of food, goods, services and amusements, utilizing 4.3 million square feet of indoor and outdoor exhibit space. Manufacturers, retailers, educational institutions, artisans, politicians, news media and a wide variety of government agencies provided fair visitors with the largest and most diverse marketplace in the region. Included in this eclectic group were 350 culinary concessionaires, offering everything from exotic ethnic foods to traditional favorites, along with 21 different foods-on-a-stick.

Special commercial display areas included the international Bazaar, with food and merchandise from around the world. Heritage Square featured early-American arts and crafts and 80-acre Machinery Hill showcased the world's largest display of farm and yard equipment. Royal American Shows provided fair visitors with a sparkling lineup of rides, shows, games and Kiddieland attractions. Other amusements included the Sky Ride, Space Tower, Ye Old Mill, Giant Slide, Haunted Mansion, Antique & Classic Car Show, White Water Raft Ride, Giant Carousel, arcades and Tyrone Malone's Million Dollar Truck Show, presented in the new Farmtech Plaza exhibit building on Ma-

chinery Hill.

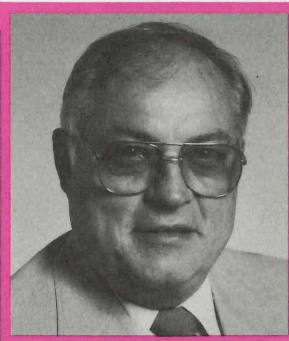
Commercial exhibit space rental income accounted for almost one-fourth of the fair's operating revenue for the year. Space rental fees paid by commercial exhibitors totaled \$2.5 million in '89, including \$824,258 in percentage fees from carnival rides, shows and games.



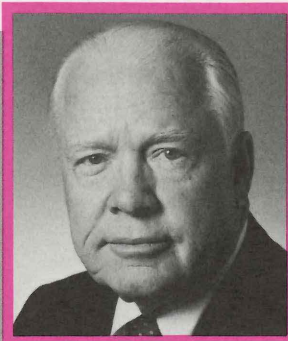
Off-season special events have been held at the State Fairgrounds for nearly 100 years. Since the early 1900s, horse and livestock shows, civic gatherings and sports events have regularly been included in the exposition's schedule of off-season activities. Beginning in the mid-'70s, though, the size and frequency of these events began to increase dramatically. In 1989, 70 special events plus a full slate of hockey games and skating events at the Coliseum ice rink attracted 800,000 people to the State Fairgrounds—three times the off-season attendance of just 15 years ago.

The largest off-season show held at the fairgrounds in '89 was the National Street Rod Association's Street Rod Nationals. The show featured nearly 11,000 custom autos from throughout North America and attracted over 100,000 participants and spectators. Other '89 events included 10 horse shows, five car shows, camping and ski equipment sales, the National Holstein dairy cattle convention, a ceramic expo, furniture sales, a video game auction and a Christmas tree sale.

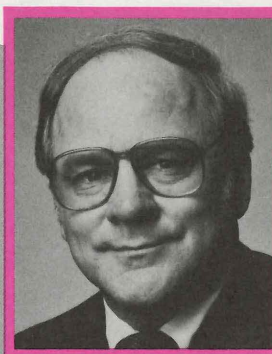
Revenue produced through off-season rentals totaled \$1,284,633, accounting for 11 percent of the State Fair's operating income for the year.



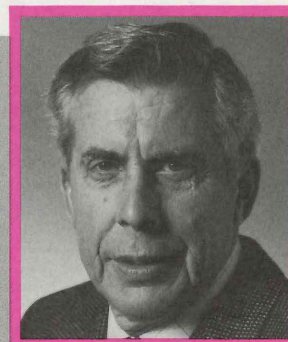
Bill Korff, Faribault
President



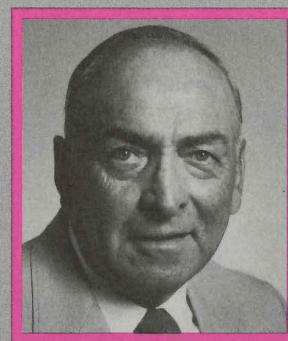
Bert Lund, St. Paul
Vice president, fourth district



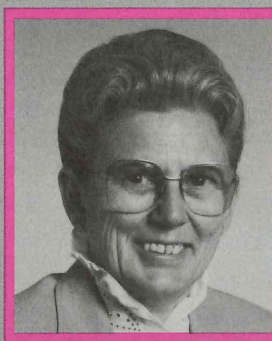
Richard Keenan, Minneapolis
Vice president, fifth district



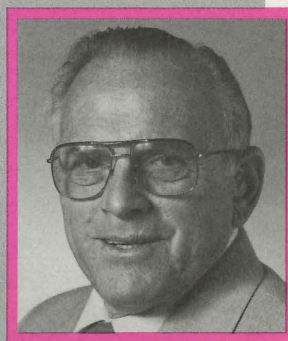
Howard Recknor, Hartland
First district manager



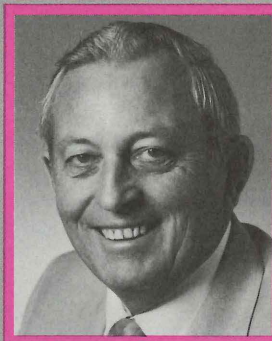
Martin Annexstad Jr., St. Peter
Second district manager



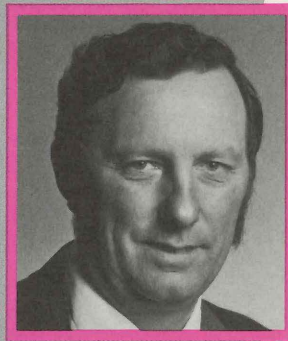
Eileen Roehlke, Rogers
Third district manager



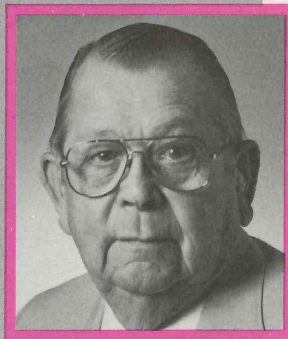
Howard Morris, Cokato
Sixth district manager



Vern Prokosch, Bird Island
Seventh district manager

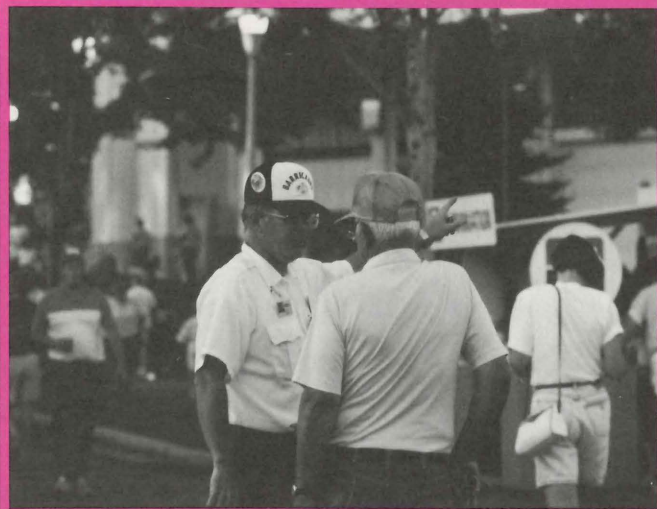


Don Simons, Grand Rapids
Eighth district manager



Willis Lillquist, Kennedy
Ninth district manager

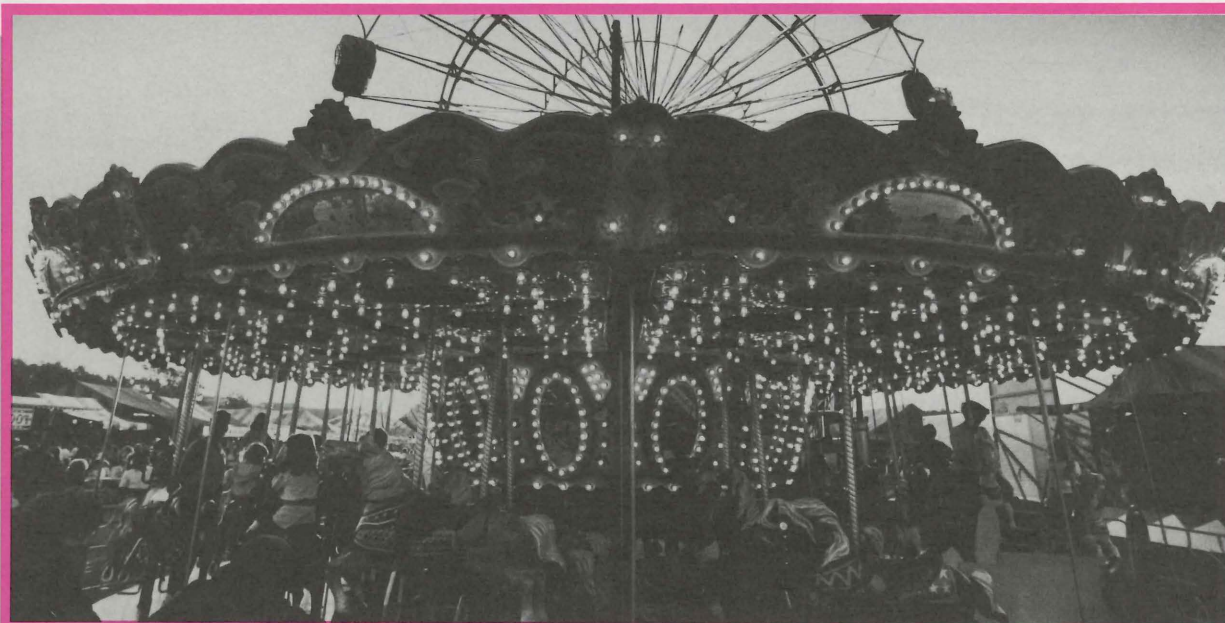
The State Fair is governed by the Minnesota State Agricultural Society— an agency of the state charged exclusively with the operation of the exposition and maintenance of the fairgrounds. The society is made up of delegates from the state's county fairs and various agri-business groups. Every January, these delegates meet to conduct formal society business, including the election of officers to fill alternating terms on the 10-member State Fair board of managers. Board members set policy for the administration of the fair, serve on committees dealing with specifics of the fair's operation and provide a liaison between the board and various State Fair departments. The State Fair board is made up of one representative from each of the society's nine regional districts plus a president, who serves at-large.



State Fair General Manager Mike Heffron implements policy set by the board of managers through a full-time staff of 40 people. This core of year-around staff handles duties such as building, grounds and vehicle maintenance along with security services and off-season events. Administrative functions include accounting, competitive events, entertainment, exhibit space rental and promotions. The success of the annual State Fair hinges largely on the efforts of a seasonal staff that grows to over 2,300 by fair-time. State Fair superintendents provide direction for a variety of functions performed by part-time staff including parking, admissions, sanitation and public safety services, along with the activities of each of the exposition's competitive departments.

Fair-time Superintendents

Admissions	Lyle Anderson
Bee Culture	Dan Hollerbach
Care and Assistance	Wallace Wolff
Cattle	Ray Arthaud
Christmas Trees	Greg Ustruck
Creative Activities	Evelyn Hagen
Dairy Products	Cliff Markuson
Education	Bob Anderson
Farm Crops	Duane Smith
Fine Arts	Pat Kennedy Crump
Fire Marshal	Frank Junghans
Flowers	Martha Carnes
Forage	Dan Elmer
4-H	Juanita Reed-Boniface
Fruits	Louis Quast, Jr.
FFA	Paul Day
Goats	Kevin LeVoi
Grandstand Production	Neil Larson
Horse	Harold Arneman
Llama	Verne Greenlee
Meats	Ed Butler
Midway Ticket Takers	Marty Rossini
Natural Resources	Carleton Nelson
Parking	Ron Vannelli
Poultry	Harold Thomforde
Public Safety	Art Blakey
Sanitation	Scot Ribar
Senior Citizens	Marge Krueger
Sheep	Robert Jordan
Swine	Jerry Hawton
Ticket Audit	Dick Reinhardt
Vegetables	Curt Klint
Youth Camp	Darrell Vanyo





STATE OF MINNESOTA
OFFICE OF THE LEGISLATIVE AUDITOR
 VETERANS SERVICE BUILDING, ST. PAUL, MN 55155 • 612/296-4708
 JAMES R. NOBLES, LEGISLATIVE AUDITOR

Independent Auditor's Report

Mr. William Korff, President
 Board of Managers
 State Agricultural Society

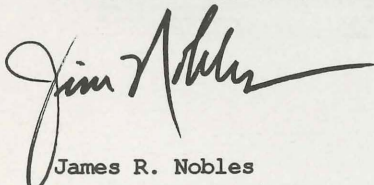
Mr. Michael D. Heffron
 Secretary-General Manager
 State Agricultural Society

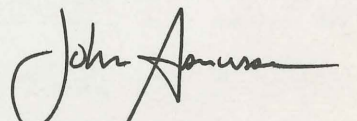
We have audited the accompanying balance sheets of the State Agricultural Society as of October 31, 1989 and 1988, and the related statements of income, retained earnings, and cash flows for the years then ended as presented on pages 12 to 16. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Agricultural Society as of October 31, 1989 and 1988, and the result of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Our examination was made for the purposes of forming an opinion in the basic financial statements as a whole. The supplemental financial information included on pages 17 to 21, which is the responsibility of the Society's management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


 James R. Nobles
 Legislative Auditor


 John Asmussen, CPA
 Deputy Legislative Auditor

January 12, 1990

BALANCE SHEET

For the years ended October 31	1989	1988
ASSETS		
Current Assets:		
Cash and cash equivalents.....	\$ 1,661,699	\$ 1,550,890
Investments.....	-0-	492,063
Accounts receivable (note 2).....	251,647	116,179
Accrued interest receivable.....	-0-	19,101
Prepaid insurance.....	62,782	58,706
Prepaid expenses.....	3,909	4,546
	<u>1,980,037</u>	<u>2,241,485</u>
Total current assets.....		
Property, structures and equipment (note 3).....	12,246,817	11,140,911
	<u>12,246,817</u>	<u>11,140,911</u>
Total assets.....	<u>\$14,226,854</u>	<u>\$13,382,396</u>
LIABILITIES & EQUITY		
Current liabilities:		
Accounts payable.....	\$ 259,487	\$ 258,593
Accrued salaries.....	43,682	37,400
Accrued interest payable.....	4,932	6,682
Compensated absences (note 4).....	205,409	187,785
Deferred income (note 6).....	159,548	148,683
Current portion of long-term liabilities (note 7)	132,305	826,972
	<u>132,305</u>	<u>826,972</u>
Total current liabilities.....	\$ 805,363	\$ 1,466,115
Long-term liabilities:		
Note, contract and lease payable		
(less current portion) (note 7).....	748,238	146,796
	<u>748,238</u>	<u>146,796</u>
Equity:		
Designated for building fund (note 11).....	189,083	199,527
Unreserved retained earnings.....	12,484,170	11,569,958
	<u>12,484,170</u>	<u>11,569,958</u>
Total liabilities & equity.....	<u>\$14,226,854</u>	<u>\$13,382,396</u>

The accompanying notes are an integral part of the financial statements.

INCOME AND EXPENSES

For the years ended October 31	1989	1988
Income:		
Ticket sales.....	\$ 6,361,765	\$ 6,130,020
Departmental.....	2,864,346	2,848,816
Other.....	1,944,719	1,243,262
Total income.....	\$ 11,170,830	\$ 10,222,098
Expenses:		
Administrative.....	1,123,129	1,041,747
Departmental.....	5,161,968	5,258,112
Premiums.....	463,192	437,551
Other.....	1,102,466	846,320
Maintenance.....	1,718,387	1,533,980
Depreciation.....	697,919	641,168
Total expenses.....	10,267,061	9,758,878
Net income.....	\$ 903,769	\$ 463,220

RETAINED EARNINGS

For the years ended October 31	1989	1988
Retained earnings at beginning of year.....	\$ 11,769,485	\$ 11,306,265
Add:		
Net income.....	903,769	463,220
Retained earnings at end of year.....	\$ 12,673,254	\$ 11,769,485
Retained for working capital and improvements.....	\$ 1,117,897	\$ 1,402,814
Designated for building fund (note 11).....	189,083	199,527
Book value of fixed assets net of debt obligations.....	11,366,274	10,167,144
	\$ 12,673,254	\$ 11,769,485

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

For the year ended October 31	1989	1988
Cash flow from operating activities:		
Net income for the year.....	\$ 903,769	\$ 463,220
Add: Depreciation expense.....	697,919	641,168
Changes in working capital:		
Current assets-(increase) decrease:		
Accounts receivable.....	(135,469)	51,949
Interest receivable.....	19,101	(15,853)
Prepays.....	(3,440)	(38,271)
Current liabilities-increase (decrease):		
Accounts payable.....	893	55,710
Salaries payable.....	6,282	9,995
Compensated absences.....	17,624	32,438
Interest payable.....	(1,750)	(1,555)
Deferred income.....	10,865	10,490
Net cash provided by operations.....	<u>1,515,794</u>	<u>1,209,291</u>
Cash flow from investing activities:		
Proceeds from sales of investments.....	492,063	-0-
Payment for purchases of investments.....	-0-	(292,857)
Additions to fixed assets:		
Electrical system.....	(76,033)	(23,834)
Fence and guard rail.....	(13,306)	(28,070)
Land improvements.....	(111,894)	(9,497)
Personal property.....	(42,988)	(118,808)
Sewer system.....	(5,975)	(1,000)
Structures.....	(1,552,895)	(855,664)
Water distribution system.....	(732)	(24,751)
Net cash used in investing activities.....	<u>(1,311,760)</u>	<u>(1,354,481)</u>
Cash flow from financing activities:		
Increase (decrease)		
Note payable.....	(36,689)	(73,378)
Contract for deed.....	(31,835)	(28,267)
Lease payable.....	(24,701)	59,558
Net cash used for financing.....	<u>(93,225)</u>	<u>(42,087)</u>
Increase (decrease) in cash.....	110,809	(187,277)
Cash and cash equivalents beginning of year.....	<u>1,550,890</u>	<u>1,738,167</u>
Cash and cash equivalents end of year.....	<u>\$ 1,661,699</u>	<u>\$ 1,550,890</u>

The accompanying notes are an integral part of the financial statements.

FOOTNOTES

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The Minnesota State Agricultural Society is charged with the conduct of the annual State Fair and management of the State Fairgrounds, as outlined by Chapter 37 of Minnesota Statutes. Financial information is formulated and presented according to non-profit accounting principles. Assets and liabilities and income and expenses are recognized on the accrual basis of accounting. Fixed assets are stated at cost less accumulated depreciation. Donated materials and services are valued at their estimated fair value at the date they are donated. Expenditures for maintenance and repairs are charged to renewals and replacements which add to the original value or materially extend the useful lives of the related assets, are capitalized and written off as depreciation charges over their estimated useful lives. Costs of assets and the related accumulated depreciation are eliminated from the accounts in the straight-line method over the estimated useful lives of the assets. The provision for depreciation is calculated based on the following lives:

Personal property	Five to 10 years
Structures and improvements	20 to 50 years
Electrical system	30 years
Fence and guard rails	20 years
Gas distribution system	30 years
Sewer system	20 years
Sidewalks	20 years
Land improvements	20 years
Water distribution system	20 to 30 years

Note 2: ACCOUNTS RECEIVABLE

	1989	1988
Gross accounts receivable	\$ 293,645	\$ 158,852
Less allowance for doubtful accounts	<u>41,998</u>	<u>42,673</u>
Net Accounts Receivable	<u>\$ 251,647</u>	<u>\$ 116,179</u>

In accordance with Minnesota Statutes, accounts receivable which are considered uncollectible have been reported to the Attorney General for consideration including submission as necessary to the Executive Council of the State of Minnesota. The Attorney General's office approved cancellation of \$1,275 in uncollectible debts reported in 1989.

NOTE 3: FIXED ASSETS—LAND, STRUCTURES, UTILITIES & EQUIPMENT

	1989	1988
Land (note 9)	\$ 2,013,778	\$ 2,013,778
Land improvements	1,087,337	975,442
Structures and improvements	18,896,641	17,343,746
Electrical plant	1,820,449	1,744,416
Fence and guard rails	269,580	256,274
Gas distribution system	88,845	88,845
Sewer system	437,768	431,793
Water distribution system	474,235	473,503
Personal property	<u>572,536</u>	<u>625,694</u>
	<u>\$25,661,169</u>	<u>\$23,953,491</u>
Less accumulated depreciation	<u>13,414,352</u>	<u>12,812,580</u>
Net book value	<u>\$12,246,817</u>	<u>\$11,140,911</u>

NOTE 4: COMPENSATED ABSENCES

	1989	1988
Accrued vacation	\$ 101,953	\$ 88,294
Vested sick leave	<u>103,456</u>	<u>99,490</u>
Total Compensated Absences	<u>\$ 205,409</u>	<u>\$ 187,784</u>

NOTE 5: MINNESOTA STATE RETIREMENT SYSTEM

All Society full-time employees must participate in the State Employees Retirement Fund which is administered by the Minnesota State Retirement System (MSRS). Contributions are made to the fund by employees and the Society based on a percentage of gross salary. The Society matches employee contributions and also pays an additional amount to retire prior years unfunded liabilities. Full funding is required by the year 2009. Current rates are 4.34 percent for employees and 4.51 percent for the Society for a total of 8.85 percent. Total Society contributions were \$51,688 for 1988 and \$56,185 in 1989.

NOTE 6: DEFERRED INCOME

	1989	1988
Unearned winter storage income	\$ 139,226	\$ 130,533
Off-season show deposits	3,725	2,500
Advance Coliseum ice rental	<u>16,597</u>	<u>15,650</u>
Total Deferred Income	<u>\$ 159,548</u>	<u>\$ 148,683</u>

NOTE 7: CURRENT AND LONG-TERM LIABILITY ALLOCATIONS

	1989		1988	
	Current	Long-term	Current	Long-term
Contract for deed (note 8)	\$ 33,389	\$ 56,284	\$ 31,835	\$ 89,674
Note payable (note 9)	73,378	660,399	770,465	-0-
Lease payable (note 10)	<u>25,538</u>	<u>31,555</u>	<u>24,672</u>	<u>57,122</u>
	<u>\$ 132,305</u>	<u>\$ 748,238</u>	<u>\$ 826,972</u>	<u>\$ 146,796</u>
Net increase (decrease)	<u>\$(694,667)</u>	<u>\$601,442</u>		

NOTE 8: CONTRACT FOR DEED PAYABLE

The contract is dated Nov. 30, 1979, and the rate of interest is six percent. The contract is to be paid in not more than 18 annual installments, each of which shall be equal to or exceed the greater of the following amounts: the interest due on the unpaid balance, or 33-1/3 percent of the gross annual receipts generated by University of Minnesota parking on fairgrounds lots per existing agreement.

NOTE 9: NOTE PAYABLE

The note is dated Sept. 1, 1989 and is payable to the North Star State Bank, Roseville, Minnesota. The note represents financing for the purchase of 7.14 acres of improved land adjacent to the fairgrounds. The rate of interest is 73 percent of the prime lending rate and is payable monthly. Two principal payments totaling \$73,378 are required annually based on a 10-year amortization. Payment must be made in a priority manner to any annual expenditures.

NOTE 10: LEASE PAYABLE

Leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards #13, "Accounting For Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The leases payable represent four leases for financing two copiers, a computer system and a phone system. The equipment was capitalized and the lease payable obligations were computed using the present values of the total lease payments.

The following is an analysis of the property under capital leases.

	Asset Balances at October 31	
	1989	1988
Class of property:		
Office Equipment	\$ 112,958	\$ 112,958
Less: Accumulated amortization	<u>(49,044)</u>	<u>(30,233)</u>
	<u>\$ 63,954</u>	<u>\$ 82,725</u>

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of October 31, 1989:

Year ending October 31:

1990	\$ 30,953
1991	19,628
1992	10,927
1993	<u>5,205</u>
Total minimum lease payments	66,713
Less: Amount representing interest (1)	<u>9,620</u>
Present value of net minimum lease payments	<u>\$ 57,093</u>

(1) Amount necessary to reduce net minimum lease payment to present value calculated at the Company's incremental borrowing rate at the inception of the leases.

NOTE 11: DESIGNATED FUNDS

This represents designated funds approved by board action to establish a matching fund to meet the forgone sales tax liability from fair-time ticket sales and sponsored events, as set forth by Minnesota Statutes, Section 297A.25, in effect beginning 1989.

SUPPORTING SCHEDULE - INCOME AND EXPENSES

For the years ended October 31	1989	1988
INCOME		
Ticket sales:		
Coliseum.....	\$ 85,231	\$ 91,188
Grandstand.....	1,186,710	1,466,238
Outside gate.....	5,061,517	4,544,662
Trackless train.....	<u>28,307</u>	<u>27,932</u>
	6,361,765	6,130,020
Departmental:		
Agriculture-Horticulture.....	1,016	1,799
Amusement.....	37,610	13,162
Box Office.....	102,974	-0-
Cattle.....	11,019	10,387
Forage.....	37,267	38,934
FFA.....	3,193	2,980
Goat.....	1,038	941
Horse.....	74,302	73,101
Llama.....	730	680
Poultry.....	2,040	2,113
Public Safety.....	10,464	7,244
Sheep.....	3,411	3,064
Space Rental.....	2,578,422	2,630,502
Swine.....	<u>860</u>	<u>687</u>
	2,864,346	2,785,594
Other:		
Campgrounds.....	50,749	44,203
Interest.....	77,805	74,795
Miscellaneous.....	242,710	32,856
Off-season activity.....	1,284,633	885,080
Sale of bulk milk.....	14,604	12,495
Sale of market animals.....	102,410	84,123
Sale of materials.....	4,087	5,255
Sponsorship.....	<u>167,721</u>	<u>167,677</u>
	1,944,719	1,306,484
Total income.....	<u><u>\$ 11,170,830</u></u>	<u><u>\$ 10,222,098</u></u>

EXPENSES

For the years ended October 31	1989	1988
Administrative:		
Annual meeting.....	\$ 2,612	\$ 4,324
Bad debt.....	946	928
Board honorarium.....	10,500	10,400
Bonds and insurance.....	151,480	129,926
Computer.....	9,218	32,347
Dues and subscriptions.....	8,907	8,255
Legal services.....	8,953	4,570
Legislative audit.....	19,486	19,648
Mailing service.....	13,975	28,750
Medical insurance.....	116,029	78,496
Postage.....	73,944	80,480
Printing and supplies.....	48,522	44,030
Records and archives.....	10,000	-0-
Retirement fund.....	56,185	43,732
Salaries.....	336,511	319,989
Social security.....	119,207	110,134
Staff training.....	5,119	8,687
Telephone.....	43,174	47,198
Travel expense.....	37,637	42,425
Unemployment compensation.....	3,335	4,309
Workers compensation.....	47,389	17,119
	<u>1,123,129</u>	<u>1,041,747</u>
Departmental:		
Admissions.....	114,712	113,581
Advertising.....	559,646	607,408
Bee culture.....	6,219	6,359
Box office.....	135,640	128,929
Campgrounds.....	18,482	19,770
Care and assistance.....	1,975	1,620
Cattle.....	35,916	33,227
Christmas tree.....	2,564	2,525
Communications.....	212,078	204,091
Competitive exhibits.....	80,258	76,225
Creative activities.....	40,448	37,161
Dairy products.....	982	1,142
Education.....	21,705	19,758
Farm crops.....	9,258	9,356
Finance.....	129,662	116,265
Fine arts.....	18,762	19,199
Flower and agriculture shows.....	28,110	24,711
Flowers.....	5,885	6,461
Forage.....	35,487	35,750
4-H club.....	108,897	107,329
Free entertainment.....	602,149	550,836
Fruit.....	6,205	5,914
FFA.....	28,200	27,676

EXPENSES (CONTINUED)

For the years ended October 31	1989	1988
Gate tickets.....	101,841	99,023
Goat.....	3,399	3,385
Grandstand.....	1,433,402	1,524,522
Greenhouse.....	108,452	109,560
Horse and rodeo.....	112,890	116,811
Llama.....	2,529	4,093
Meats.....	4,007	4,262
Park and ride.....	34,636	22,072
Parking.....	113,085	90,185
Poultry.....	10,418	10,156
Public safety.....	268,499	265,661
Sanitation.....	377,625	350,683
Senior citizen.....	15,949	16,363
Sheep.....	6,894	6,348
Space rental.....	329,912	332,414
Swine.....	7,789	7,924
Ticket audit.....	4,594	4,539
Vegetable.....	4,270	4,186
Youth Camp.....	18,537	17,114
	<u>5,161,968</u>	<u>5,144,594</u>
Premiums:		
Bee culture.....	2,571	2,836
Cattle.....	73,321	71,268
Christmas trees.....	1,666	1,320
Creative activities.....	9,064	8,794
Dairy products.....	600	600
Education.....	9,798	9,856
Farm crops.....	9,509	11,493
Fine arts.....	6,000	5,000
Flowers.....	2,144	2,173
4-H Club.....	64,531	62,780
Fruit.....	1,345	1,087
FFA.....	33,565	33,565
Goat.....	7,556	7,037
Horse.....	62,202	62,111
Llama.....	2,710	2,735
Poultry.....	10,438	10,754
Sale of bulk milk.....	14,419	12,410
Sale of market animals.....	102,605	84,117
Sheep.....	22,216	20,120
Swine.....	18,204	18,905
Talent contest.....	5,850	5,850
Vegetables.....	2,879	2,740
	<u>463,193</u>	<u>437,551</u>

EXPENSES (CONTINUED)

For the years ended October 31	1989	1988
Other:		
Architectural and engineering.....	\$ 9,879	\$ 13,360
Fire and police service.....	88,909	89,718
Fuel, oil and gasoline.....	25,128	16,410
Institutional tickets.....	51,745	47,195
Interest.....	74,305	68,116
Miscellaneous.....	30,898	33,644
Off-season activity.....	571,939	447,482
Property and casualty loss.....	4,934	1,139
Property tax.....	5,350	6,150
Signs.....	10,930	16,003
Utilities.....	136,779	113,518
Veterinarian service.....	27,425	26,598
Water and sewer.....	64,245	80,505
	<u>1,102,466</u>	<u>959,838</u>
Maintenance:		
Electric plant.....	110,814	51,950
Fence and fixtures.....	14,883	9,551
Gas system.....	1,473	641
General.....	427,644	384,251
Grading, sod, trees.....	35,756	16,335
Personal property.....	129,161	128,740
Set-up and take-down.....	439,573	425,066
Sewer system.....	17,330	25,030
Storm damage.....	27	1,327
Streets and sidewalks.....	43,111	50,241
Structures.....	296,288	254,898
Supplies.....	36,871	33,275
Vehicles.....	88,747	78,331
Watchmen.....	56,907	55,739
Water system.....	19,802	18,605
	<u>1,718,387</u>	<u>1,533,980</u>
Depreciation:		
Electric plant.....	49,859	47,650
Fence and fixtures.....	9,726	9,145
Gas system.....	686	686
Land improvement.....	30,897	25,701
Personal property.....	82,228	89,753
Sewer system.....	8,273	8,107
Structures.....	506,593	450,506
Water system.....	9,656	9,620
	<u>697,918</u>	<u>641,168</u>
Total Expense.....	<u>\$ 10,267,061</u>	<u>\$ 9,758,878</u>
NET INCOME	\$ 903,769	\$ 463,220

SUPPORTING SCHEDULE — CASH & CASH EQUIVALENTS

Herewith find the report of cash and cash equivalents of the Minnesota State Agricultural Society for the year ending October 31, 1989:

Beginning balance November 1, 1988

Imprest fund-cash on hand.....	\$ 200
Checking accounts.....	57,915
Cash equivalents.....	1,492,363
Trust fund.....	<u>412</u>

Total.....		\$ 1,550,890
------------	--	--------------

Increase (Decrease) in Cash for 1989.....		<u>110,809</u>
---	--	----------------

Ending Cash Balance October 31, 1989.....		<u><u>\$ 1,661,699</u></u>
---	--	----------------------------

Detail of Year-End Cash Balance:

Imprest fund-cash on hand.....	\$ 500
Checking accounts.....	654,335
Cash equivalents.....	1,005,472
Trust fund.....	<u>1,392</u>

Total.....		<u><u>\$ 1,661,699</u></u>
------------	--	----------------------------

Respectfully submitted,
Mike Heffron, General Manager

St. Paul, Minnesota

October 31, 1989



STATE OF MINNESOTA
OFFICE OF THE LEGISLATIVE AUDITOR
VETERANS SERVICE BUILDING, ST. PAUL, MN 55155 • 612/296-4708
JAMES R. NOBLES, LEGISLATIVE AUDITOR

Senator John E. Brandl, Chairman
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. William Korff, President
Board of Managers
State Agricultural Society

Mr. Michael D. Heffron, Secretary - General Manager
State Agricultural Society

Members of the State Agricultural Society

Audit Scope

We have audited the financial statements of the State Agricultural Society (the Society) as of and for the year ended October 31, 1989, and issued our report thereon dated January 12, 1990. We have also made a study and evaluation of the internal control structure of the Society in effect at December 1, 1989.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial activities attributable to the transaction of the Society are free of material misstatements.

As part of our examination of the financial statements and our study and evaluation of the internal control structure, we performed tests of the Society's compliance with certain provisions of laws, regulations, and contracts. However, our objective was not to provide an opinion on overall compliance with such provisions.

Management Responsibilities

The management of the Society is responsible for establishing and maintaining an internal control structure. This responsibility includes compliance with applicable laws, regulations, contracts, and grants. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that:

Senator John E. Brandl, Chairman,
Members of the Legislative Audit Commission
Mr. William Korff, President
Mr. Michael D. Heffron, Secretary - General Manager
Members of the State Agricultural Society
Page 2

- * assets are safeguarded against loss from unauthorized use or disposition; and
- * transactions are executed in accordance with applicable legal and regulatory provisions, management's authorization, and recorded properly.

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Internal Control Structure

For purposes of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- * ticket sales receipts,
- * space rental receipts,
- * off season events receipts,
- * cash and investments,
- * fixed asset inventory,
- * cash disbursements,
- * premium fund receipts and disbursements, and
- * payroll disbursements

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Conclusions

In our opinion, the internal control structure of the State Agricultural Society in effect at December 1, 1989, taken as a whole, was sufficient to meet the objectives stated above insofar as those objectives pertain to the prevention or detection of errors or irregularities in amounts that would be material in relation to the financial transactions of the Society.

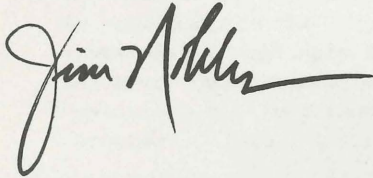
However, we noted certain matters involving the internal control structure and its operation that we reported to the management of the Society at the exit conference held on January 31, 1990.

Senator John E. Brandl, Chairman,
Members of the Legislative Audit Commission
Mr. William Korff, President
Mr. Michael D. Heffron, Secretary - General Manager
Members of the State Agricultural Society
Page 3

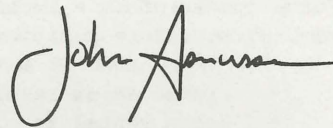
The results of our tests indicate that, with respect to the items tested, the Society complied, in all material aspects, with the provisions referred to in the audit scope paragraphs. With respect to items not tested, nothing came to our attention that caused us to believe that the society had not complied, in all material respects, with those provisions.

This report is intended for the information of the Legislative Audit Commission and management of the State Agricultural Society. This restriction is not intended to limit the distribution of this report, which was released as a public document on February 16, 1990.

We would like to thank the Society's staff for their cooperation during this audit.



James R. Nobles
Legislative Auditor
Auditor



John Asmussen, CPA
Deputy Legislative

END OF FIELDWORK: January 16, 1990

REPORT SIGNED ON: February 12, 1990

MEETING MINUTES

SPACE RENTAL COMMITTEE MEETING

Radisson Saint Paul Hotel
Saturday, January 14, 1989 - 1:00 P.M.

Members present: Korff, chairman; Annexstad; Keenan; Lund; Prokosch; Roehlke; Ojakangas, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Also present: Simons; Frenette; Enzler; Donnelly.

Review of an earlier staff decision denying a request by Mr. James B. Kingen to transfer his food and beverage concession structure was tabled at the request of Mr. Steven H. Berndt, counsel for Mr. Kingen, due to the recent passing of Mr. Kingen's wife. Motion to table by Mr. Prokosch, seconded by Mr. Annexstad and carried (Aye-5; Nay-0).

The committee was provided with a staff proposal for 3.2 beer price and corkage increases effective in 1989. The proposal was designed to effect a more equitable pricing of 12 and 20 ounce portions offered State Fair patrons and generate new revenues for the building fund. On a motion by Mr. Lund, seconded by Mr. Keenan and carried, the following beer price and corkage fees were approved (Aye-5; Nay-0):

Prices...case/bottle beer...\$1.50 per bottle, including state sales tax; tap/draft beer...\$1.50 per 12 oz. cup; \$2.50 per 20 oz. cup, including state sales tax.

Corkage Fees...case sales...24 - 12 oz. bottles - \$7.20 per case; keg sales...1 - 16 gallon half-barrel - \$50.00.

Building Fund Surcharge...case sales...\$.75 per case; keg sales...\$.50 per half-barrel.

The following list of 1989 malt beverage (beer) concession agreements was approved on a motion by Mr. Keenan, seconded by Mrs. Roehlke and carried (Aye-5; Nay-0):

Brede Enterprises, Inc. - Blk. 35, Bldg. 351, Food Bldg., Beer Garden Section;
Cleworth's Food & Beverage - Blk. 42, Bldg. 421, Arcade Bldg., Spaces 1 - 15;
Coliseum Concessions - Blk. 50, Bldg. 501, Coliseum, Spaces 113 & 159, 200 & 250,
212 & 213 and 268; James W. Crocker - Blk. 31, Lots 16, 17 & 18, Spaghetti Village;
H.M.H. of St. Paul, Inc. - Blk. 47, Bldg. 471, Bazaar, Space A; Kirschner's Beer
Stube - Blk. 45, Bldg. 451, Ag.-Hort. Bldg., Space H; Midway Men's Club - Blk.
30, Lot S; Richard C. Werner - Blk. 42, Bldg. 421, Arcade Bldg., Spaces 16 - 21.

Secretary submitted a recommendation relative to authorized hours of beer sales on the fairgrounds. Following a discussion regarding maintenance of an appropriate family oriented environment at the fair, the fair's obligation to its patrons, liabilities, and assumption of a posture reflective of responsible alcohol management, a motion was made by Mr. Keenan, seconded by Mr. Annexstad and carried that the sale of 3.2 beer by authorized concessionaires be terminated at 10:30 p.m. each evening during the fair and that said concessionaires be encouraged to remain open and to continue the sale of food and other contracted (non-malt) beverage as contractually required beyond 10:30 p.m. (Aye-5; Nay-0).

Mr. Sinclair summarized the process by which staff had undertaken solicitation of proposals from concessionaires interested in providing food and beverage services at Grandstand events during the fair. Thirteen parties indicated interest or were solicited by staff to submit proposals in mid November, 1988. After consideration of the several submissions received, staff narrowed the field and presented to the committee the name of Hildebrand Concessions as their recommendation. On a motion by Mr. Keenan, seconded by Mr. Prokosch and carried the staff recommendation that Hildebrand Concessions be granted Grandstand food, beverage and 3.2 beer sale privileges for the 1989 fair was approved (Aye-5; Nay-0).

Discussion was undertaken regarding board policy on multiple ownership of concessions, commercial and institutional exhibits, as well as staff efforts over a period of years to bring about appropriate, but reasonable reductions in multiple operations of substantial size. A divestiture plan developed by staff for further reductions in the number of concession locations currently held by the largest remaining multiple concessionaires was presented to the committee. The plan called for reductions of 40 to 48 percent in these concessions over three to six years, beginning in 1989. This reduction was designed to provide greater opportunity for involvement in the fair by as many different persons as possible and as a response to growing interest by heretofore uninvolved concession and exhibit applicants. The divestiture plan was approved on a motion by Mr. Annexstad, seconded by Mr. Prokosch and carried (Aye-5; Nay-0).

The following list of multiple exhibit/concession contract holders was reviewed prior to a motion by Mr. Keenan, seconded by Mr. Lund and carried that the contracts covered thereunder be approved and executed for the 1989 Fair (Aye-5; Nay-0):

1989 MINNESOTA STATE FAIR MISCELLANEOUS CONCESSIONS/EXHIBITS

CONCESSION/EXHIBIT NAME	DESCRIPTION	# LOCATIONS
American Amusements Arcades	Coin Operated Arcade Games	2
Mark Andrew	French Fries/S'Mores	2
Arrow Enterprises, Inc.	Skyride/Food & Beverages	2
Barberio Sales	Jewelry	2
Ben Benson	Bratwurst	2
Bodines, Inc.	Pianos and Organs	2
Cenaiko Enterprises, Inc.	Corn on the Cob/Chamois	2
Crysler Corp.	Dodge Cars & Trucks	2
Gary Crutchfield Concessions	Cheese on a Stick	2 *
Wm. F. Danielson	Onion Rings/Pizza	2
Darlinda, Inc.	Dining Hall/Pie	2
Duis Enterprises	Novelties	2
Ekluh Products	Eye/Glass Cleaner	2
Fisherman's Wharf Seafood	Fish	2
George Funk	Leather Crafts/Coffee	2
G.S.T. Company	German Imports	2
Garibaldi's French 1/4 Del.	Parlins/Jewelry	2
Gasthaus Edelweiss	Bratwurst/Food & Beverages	2
Giant Ride, Inc.	Giant Slide/Cheese on a Stick	2 *
Glassworks	Blown & Spun Glass	2
Connie Hanian	Lemonade/Tacos	2 *

Holly's Hobby	Hand Crafts	2
Shirley Hudspeth	Personalized/Rock & Roll Merchandise	2 *
Tina Isaac	Snacks/Food & Beverage	2
Jamar Products	Rhinestone Setters/Embroidery Needles	2 *
Gregory B. Kusick	Cotton Candy	2
Gary Larson	Popcorn, Carmel Corn and Carmel Apples	2
Kurt Larson	Strawberry Pie, Shortcake & Drink/Tiny Tim Donuts	2
Major League Sports Shops	Professional Sports Team Merchandise	2
Midwest Wire & Steel	Western Apparel & Tack/Fence Supplies	2
Matt Milner Sales	Novelties	2
Mini-Kabob Foods	Kabobs	2
MN. Honey Producers	Honey, Honey Ice Cream and Honey Candy	2
MN. Turkey Growers	Exhibit/Turkey Food Products	2
Lee Moss Amusements	Digger Skill Games	2 *
Muskar, Inc.	Fried Cheese Curds	2
Bruce Nathanson	Peanuts & Nut Products	2
National Icee Corp.	Icee Frozen Beverages	2
National Service Company	Jewelry Cleaner	2 *
Nomar, Inc.	Hockey Sweepers, Dusters & Brooms	2
Northland Emblem	Patches & Emblems for Hats	2 *
Louise H. O'Neil	Hot Dogs on a Stick	2
Orange Treat	Orange Treat Drink/Pineapple on a Stick	2
Patterson Products	Resin Products/Hors d'oeuvre Makers	2 *
Jack Robinson	Smorgasbord/Food & Beverages	2
Schmitt Music Centers	Pianos and Organs	2
See Clear	Eye/Glass Cleaner	2 *
Mary H. Shutes	Food & Beverages	2
W.F. Spiess & Sons	Carved Wood Signs	2
David K. Sunderland	Popcorn, Carmel Corn, Carmel Apples and Root Beer	2
Tom Thumb Donut Corp.	Tom Thumb Donuts	2
Art Tysk Concessions	Popcorn, Carmel Corn, Carmel Apples, Candy, Gum & Beverages	2
Jordeen L. Warden	Popcorn, Carmel Corn, Carmel Apples and Rosettes	2
Watkins, Inc.	Watkins Products	2
Jerry Woldorsky	Buffalo Burgers/Baked Potatoes	2
Wozniak Concessions	French Fries	2
American Dairy Assn.	Ice Cream, Milk, Dairy Foods and A.D.A. Merchandise	3
Robert W. Crocker	Root Beer	3
Delrick Enterprises	Popcorn, Carmel Corn, Carmel Apples and Beverages	3
Encyclopaedia Britannica	Encyclopaedias	3 *
Fresh Fruit	Fruit	3
Kapak Corporation	Kapak Food Sealing Pouches	3
James Kaplan	Peanut & Nut Products	3
Sandra Kaplan	Peanut & Nut Products	3
M & D Enterprises	Fudge	3 *
Chester H. Nairne Company	Osterizer Blenders/Supra Silverstone Cookware	3 *
Edward & Sally Nuebel	Fish & Chips/Nut Products	3
Offerman and Company	Investment Information	3
Fred C. O'Neil, Jr.	Hot Dogs on a Stick	3
Leah H. O'Neil	Hot Dogs on a Stick	3
Theodore G. O'Neil	Hot Dogs on a Stick	3
James & Ethel Peters	Hot Dogs/Polish Sausage	3 *
William E. Salper	Peanuts & Nut Products	3
Schultz's Concessions	Miniburgers & Hot Dogs	3
Byron & Gloria Shutes	Food & Beverages	3
John Tysseling	Fried Mushrooms/Turkey Drumsticks/Popcorn	3
Universal International, Inc.	Jewelry, Puppets, Toys and Gift Merchandise	3
Kathy Yahr	Cotton Candy	3
Coliseum Concessions	Food, Beverages and 3.2 Beer	4
Hixon Glass Blowers	Blown & Spun Glass	4 *
Hohenwald Enterprises, Inc.	Food and Beverages	4
Minnetonka Moccasin Company	Moccasin Footwear	4
Schroder Concessions	Popcorn, Carmel Corn, Carmel Apples, Cheese Curds, Lemonade and Bratwurst	4
Televac Computer Company	Personality Computers	4 *
Jane G. Volin	Cigarettes and Cigars	4
James A. Davis	Ice Cream, Sno Cones, Carmel Apples and Beverages	5
Lynn Davis	Ice Cream, Sno Cones, Carmel Apples and Beverages	5
Maxine W. Davis	Ice Cream, Sno Cones, Carmel Apples and Beverages	5
James Hartley	Cotton Candy	5 *
State Fair Penny Arcade	Coin Operated Arcade Games/ Games of Skill	5
Gregory J. Tetrault	Ice Cream, Sno Cones, Carmel Apples and Beverages	5

Paul S. Ward	Corn on the Cob, Hamburgers, Ft. Longs and Chicken	5	*
World Book-Childcraft Intl. Computate	Encyclopaedias	5	
Hannasch, Inc.	Heart Rate Monitor Machines	6	
Eugene R. LaVaque	Sno Cones	7	****
Syndicate Sales Corp.	Sno Cones	7	****
	Vegetable Cutters, Dusters, Rosette Irons, Bowmakers, Woks and Rug Braiders	7	****
Townsend & Johnson, Inc.	Ft. Long Hot Dogs	9	****
Burton F. Johnson	Gum Ball & Charm Machines	12	
USA Today	Newspaper Racks	12	
Minneapolis Star Tribune	Newspaper Racks	16	
St. Paul Pioneer Press Dispatch	Newspaper Racks	16	
Desplenter Novelties	Novelties	25	****/*
U.S. Bench Corporation	Advertising Park Benches	40	
* Denotes Non-Minnesota Concessionaires/Exhibitors			
**** Denotes Concessionaires slated for divestiture beginning in 1989			

**MINNESOTA STATE FAIR
EXHIBIT/CONCESSION CONTRACT COMPARISON
1985-1986-1987-1988**

Number of Individual Locations	Held by the Following Number of Persons			
	1985	1986	1987	1988
1	865	867	874	952
2	55	59	53	57
3	24	25	25	24
4	10	7	7	7
5	4	9	8	8
6	0	2	0	0
7	3	3	3	3
9	1	1	1	1
12	0	1	0	0
25	0	0	0	1
26	1	0	0	0
27	0	0	1	0
33	1	1	0	0
Total Number of Locations Available	1,196	1,220	1,180	1,261
Number of Persons Holding Locations	964	975	972	1,053
Percentage of Persons Holding 4 or Fewer Locations	99%	98%	99%	99%
Percentage of Locations Held in Units Smaller Than 5	91%	89%	92%	92%
Number of Locations Held by Minnesota Residents	876	888	907	965
Percentage of Locations Held by Minnesota Residents	73%	73%	77%	77%

**MINNESOTA STATE FAIR
FOOD CONCESSION/CONTRACT COMPARISON
1975-1980-1985-1988**

Number of Individual Locations	Held by the Following Number of Persons			
	1975	1980	1985	1988
1	95	131	147	158
2	20	19	29	27
3	4	9	15	16
4	5	7	6	3
5	3	1	2	6
7	0	2	2	2
8	0	2	0	0
9	1	1	1	1
12	1	1	0	0
13	2	0	0	0
14	2	0	0	0
15	0	1	0	0
17	1	0	0	0
26	0	0	1	0
27	0	1	0	0
32	1	0	0	0
Total Number of Locations Available	306	322	333	325
Number of Persons Holding Locations	135	175	203	213
Percentage of Persons Holding 4 or Fewer Locations	92%	95%	97%	96%
Percentage of Locations Held in Units Smaller Than 5	55%	68%	82%	84%
Number of Locations Held by Minnesota Residents	158	288	292	284
Percentage of Locations Held by Minnesota Residents	52%	89%	88%	87%

On a motion by Mr. Lund, seconded by Mr. Annexstad and carried the following participation/percentage attraction agreements and corresponding ticket prices were approved for 1989 (Aye-5; Nay-0):

1989 MINNESOTA STATE FAIR PARTICIPATION/PERCENTAGE ATTRACTIONS			
CONCESSIONAIRE	ATTRACTION	TICKET PRICE(S)	PERCENTAGE(S)
Antique Auto Club of America-MN Region	Antique Auto Museum	\$1.00	30%
Arrow Enterprises, Inc.	Skyride	\$1.25=Child-one way \$1.75=Child-round trip* \$1.75=Adult-one way \$2.50=Adult-round trip*	25%
Desplenter Novelties	Novelty Concessions	Non-ticketed activity	Gtee. of \$16,500.00 and 30% of gross sales over \$65,000.00
Fairway Golf Range	Miniature Golf	Non-ticketed activity	33 1/3%
Grandstand Entertainer	Entertainer	Non-ticketed activity	15%
Merchandise Sales	Merchandise		

Grandstand Food/Bev. Concessionaire	Food & Beverages (Grandstand Seating Area)	Non-ticketed activity	30% of the first \$20,000.00 in gross sales and 32% of gross sales over \$20,000.00, plus appropriate 3.2 beer corkage fees for such sales
K & M Recreation, Inc.	Haunted House	\$2.00	27% of gross sales through \$100,000.00 and 30% of gross sales over \$100,000.00
Misc. and Bandshell Entertainer	Entertainer Merchandise Sales	Non-ticketed activity	15%
Misc. Merchandise Sales	Misc. Merchandise Sales	Non-ticketed activity	10%
Royal American Shows Inc.	Carnival (Rides & Shows)	Single Coupon=\$.40 Coupon Sheets: Advance=20 coupons for \$6.00 Fair-time=30 coupons for \$10.00	33% of ticket sales up to and including \$250,000.00; 35% of ticket sales from \$250,000.00-\$500,000.00; 38% of ticket sales from \$500,000.00-\$750,000.00; 40% of ticket sales from \$750,000.00-\$1,000,000.00; 43% of ticket sales from \$1,000,000.00-\$1,250,000.00; 45% of ticket sales from \$1,250,000.00-\$1,500,000.00; 48% of ticket sales from \$1,500,000.00-\$1,750,000.00** and 50% of ticket sales over \$1,750,000.00**
Ventnor Place, Inc.	Space Tower	Children=\$.75 Adults=\$1.50	25%
Ye Old Mill Amusements, Inc.	Old Mill Canal Boat Ride	Children=\$.75 Adults=\$1.00	33 1/3%
* Denotes ticket pricing increase from 1988 (25¢)			
** Denotes additional percentage increments added since 1988			

The preceding represent percentage fees payable the Minnesota State Fair on Receipts form operation of the above attractions. Percentages are applied as follows: state sales tax is deducted from the gross receipts and reconciliation between the State Fair and concessionaire is made on the balance.

Reports prepared by staff reflecting comparisons of multiple concession and exhibit contracts (1975 through 1988) were reviewed . . . no action necessary.

Mr. Sinclair provided the committee with an update on the status of the Brede Carousel relative to its recent sale at auction to Our Fair Carousel, Inc. The committee was advised that staff had only days ago received documentation on sale of the ride, escrow of funds for its future removal from the premises, an application for space and a statement of the new owner's wish to operate the carousel at the 1989 fair. It was moved by Mr. Prokosch, seconded by Mr. Lund and carried that sale and transfer of the personal property constituting the carousel from Brede Carousel, Inc. to Our Fair Carousel, Inc. be acknowledged and approved (Aye-5; Nay-0).

Meeting adjourned.

PLANNING COMMITTEE MEETING

St. Paul Radisson Hotel
Sunday, Jan. 15, 1989 - 2:00 p.m.

Members present: Lund, chair; Korff; Lilliquist; Roehlke; Morris; Annexstad; Ojakangas, ex officio; Heffron, ex officio; Wenzel, ex officio. Also present: Prokosch; Keenan; Fischler; Frenette; Sinclair; Frost.

A proposed 1989 improvement and maintenance budget totaling \$2.2 million was presented by Mr. Wenzel and reviewed by the committee. Also discussed was a deferred project list of approximately \$1 million.

Following a detailed discussion by the committee and staff, it was moved by Mr. Lilliquist, seconded by Mr. Korff and carried that the budget be accepted as presented and that a committee recommendation be made for full board approval. Included in the motion was staff authority to adjust specific line items as appropriate to changes which might occur during the course of the budget year (Aye-5; Nay-0).

It was moved by Mr. Morris, seconded by Mr. Annexstad and carried that secretary be authorized to release the sum of \$200,000 from the building fund for direct application to structure improvement no. A-01 (new exhibit building, block 12) (Aye-5; Nay-0).

Meeting adjourned.

LIFE MEMBER ADVISORY COMMITTEE MEETING

St. Paul Radisson Hotel
Monday, Jan. 16, 1989 - 11:15 a.m.

Members present: Sulo Ojakangas, chairman; Norris Carnes; Harveydale Maruska; J.G. Tiffany; Jerry Hammer, ex officio (secretary).

Committee discussed Coliseum air conditioning and recommended that necessary arrangements be made to insure that the system is in working order.

Mr. Tiffany moved and Mr. Carnes seconded a motion to recommend Leonard Ramberg for induction into the State Fair Hall of Fame at the 1990 annual meeting. Motion carried.

The committee expressed concern regarding department coordinator appointments for

the '89 fair and asked that the board be advised of such concern immediately.

A motion to adjourn was presented by Mr. Tiffany, seconded by Mr. Maruska and carried. Meeting adjourned.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

St. Paul Radisson Hotel
Monday, Jan. 16, 1989 - 11:15 a.m.

Members present: Bill Korff, president; Bert Lund and Richard Keenan, vice president(s); Martin Annexstad; Willis Lilliquist; Howard Morris; Vern Prokosch; Howard Recknor; Eileen Roehlke; Don Simons; Mike Heffron, secretary.

Also present: Jim Sinclair; Jim Frost; Ken Wenzel; Jerry Hammer; Steve Pooch; Rick Frenette; Sherry Enzler; John Galus.

Oaths of office were administered to the newly elected officers and board members.

It was moved by Mr. Keenan, seconded by Mr. Lund and carried that Mike Heffron be reappointed secretary-general manager of the society for a period of one year with his annual salary fixed at \$72,000. In addition thereto, it was specified that Mr. Heffron be required to live on the State Fairgrounds for the convenience and to the benefit of the society with gratis rent, utilities and telephone. The motion also carried a recommendation that secretary hold 1989 staff salary increases to a 5 percent average (Aye-9; Nay-0). Oath of office administered to Heffron.

Minutes of the Nov. 3 board meeting, previously mailed to the members, were approved on a motion by Mr. Prokosch, seconded by Mr. Annexstad and carried (Aye-9; Nay-0).

A motion to approve minutes in vacation for the period Nov. 2, 1988 through Jan. 10, 1989, and the administrative action noted therein, was offered by Mr. Simons, seconded by Mr. Lund and carried (Aye-9; Nay-0).

Secretary presented the financial statement of Dec. 31, 1988 as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Nov 30, 1988		\$ 91,807
Add:		
Dec Cash Deposits	\$ 380,473	
Less:		
Payroll Ending Dec 6	(58,718)	
Payroll Ending Dec 20	(55,745)	
Dec Cash Disbursements	(248,007)	18,003
Cash Balance-Dec 31, 1988		\$ 109,810

MARKETABLE SECURITIES ACTIVITY:

Balance-Nov 30, 1988		\$1,610,093
Add:		
Interest Earned	\$ 0	
Securities Purchased		
Less:		
Service Charges	(574)	
Securities Cashed	(300,000)	(300,574)
Balance-Dec 31, 1988		\$1,309,519

BUILDING FUND ACTIVITY:

Balance-Nov 30, 1988		\$ 200,850
Add:		
Interest Earned	\$ 1,323	
Less:		
Service Charges	(46)	
Disbursements	0	1,277
Balance-Dec 31, 1988		\$ 202,127

CASH BALANCES FOR MONTH ENDING DECEMBER 31:

	1988	1987
General Fund	\$ 109,810	\$ 278,499
Petty Cash	200	500
Marketable Securities	1,309,519	1,035,508
Building Fund	202,127	0
Total Cash Balances	\$1,621,656	\$1,314,507

Upon a motion by Mr. Lund, seconded by Ms. Roehlke and carried, the financial statement as presented was approved (Aye-9; Nay-0).

A financial resume, covering 1976 through 1988, was circulated for information only.

It was moved by Mr. Simons, seconded by Mr. Lilliquist and carried that the First National Bank of St. Paul be designated as depository for the society's general fund, premium fund, regular payroll fund and fair-period payroll fund accounts (Aye-9; Nay-0).

It was moved by Mr. Morris, seconded by Mr. Annexstad and carried that the following signatures be authorized for society accounts (Aye-9; Nay-0):

1. **General Fund** - James G. Frost, Kenneth R. Wenzel or Michael D. Heffron (any combination of two signatures). When used for ticket and entry refund checks in amounts of less than \$100.00, "Frost/Heffron" signature plate is authorized. When used for checks given in exchange for cash from second parties (bank drafts), "Frost/Heffron" signature plate is authorized.

2. **Regular and Fair Period Payroll** - Michael D. Heffron, Kenneth R. Wenzel or James G. Frost (one signature).

3. **Premium** - Michael D. Heffron, Kenneth R. Wenzel or James G. Frost; "Heffron" signature plate also authorized (one signature).

When signature plates are used, signature must be applied by a person in the finance group not involved in check preparation.

Upon a motion by Mr. Lund, seconded by Mr. Simons and carried, the following standing committee assignments were made for 1989 (Aye-9; Nay-0):

FINANCE COMMITTEE—Morris, chair; Lilliquist; Roehlke; Lund; Annexstad; Keenan; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Frenette, ex officio.

GOVERNMENTAL AFFAIRS COMMITTEE—Annexstad, chair; Lilliquist, Roehlke; Morris; Keenan; Simons; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Frost, ex officio.

LIFE MEMBER ADVISORY COMMITTEE—Ojakangas, chair; Tiffany, vice chair; Sprengeler; Muckle; Keskinen; Grussendorf; Sincok; Lammers; Wilkins; Johnston; Maruska; Carnes; Franke; Korff, ex officio; Heffron, ex officio; Frost, ex officio; Hammer, secretary.

OPERATIONS COMMITTEE—Roehlke, chair; Lilliquist; Lund; Annexstad; Simons; Recknor; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio.

PLANNING/UTILIZATION COMMITTEE—Lund, chair; Lilliquist; Roehlke; Prokosch; Keenan; Simons; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Frost, ex officio.

PUBLIC AFFAIRS COMMITTEE—Lilliquist, chair; Roehlke; Morris; Annexstad; Prokosch; Recknor; Korff, ex officio; Heffron, ex officio; Frost, ex officio; Hammer, ex officio.

RULES/PREMIUM LIST COMMITTEE—Prokosch, chair; Lilliquist; Morris; Lund; Annexstad; Recknor; Korff, ex officio; Heffron, ex officio; Frost, ex officio; Pooch, ex officio.

SPACE RENTAL COMMITTEE—Keenan, chair; Roehlke; Morris; Lund; Prokosch; Simons; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

It was moved by Mr. Lund, seconded by Mr. Simons and carried that the following be appointed department coordinators and superintendents for 1989 (Aye-9; Nay-0):

Admissions (Roehlke)—Lyle Anderson

Agriculture Day (Lilliquist)—M.C. Hardy

Agriculture-Horticulture (Recknor)—

Crops—Duane Smith

Bee—Dan Hollerbach

Christmas Tree—Greg Ustruck

Flowers—Martha Carnes

Fruits—Louis Quast

Vegetable—Curt Klint

Cattle (Lilliquist)—Ray Arthaud

Communications (Lilliquist)—Jerry Hammer

Creative Activities (Prokosch)—Evelyn Hagen

Dairy Products (Recknor)—Cliff Markuson

Education (Simons)—Bob Anderson

Fine Arts (Roehlke)—Pat Kennedy Crump

Forage (Recknor)—Dan Elmer

4-H Club (Keenan)—Juanita Reed

Free Entertainment (Simons)—Karen Leach

FEA (Lund)—Paul Day

Goats (Annexstad)—Kevin LeVoi

Grandstand (Simons)—Box Office—Ken Giannini

Production—Neil Larson

Horse (Morris)—Harold Arneman

Legislative-Editorial (Annexstad)—Jerry Hammer

Llamas (Prokosch)—Verne Greenlee

Meats (Lilliquist)—Ed Butler

Parking (Keenan)—Ron Vannelli

Plant Management (Roehlke)—Joe Fischler

Greenhouse—Bill Hermes

Plant Services—Phil Fisher

Poultry (Morris)—Harold Thomforde

Public Safety (Lund)—Art Blakey

Rental Services (Keenan)—Jim Sinclair

Sanitation (Morris)—Scot Ribar

Senior Citizens (Recknor)—Marge Krueger

Sheep (Prokosch)—Bob Jordan

Swine (Annexstad)—Jerry Hawton

Ticket Audit (Lund)—Dick Reinhardt

Tickets (Keenan)—Rick Frenette

Youth Camp (Lund)—Darrell Vanyo

OPERATIONS COMMITTEE MEETING

Members present: Roehlke, chair; Lilliquist; Lund; Annexstad; Simons; Recknor; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio.

It was moved by Mr. Lund, seconded by Mr. Lilliquist and carried that the following outside gate "all pay policy" be reaffirmed and extended through 1989: "Entry into the Minnesota State Fair shall be solely contingent upon the presentation and surrender of a valid ticket of admission." (Aye-5; Nay-0).

It was moved by Mr. Lund, seconded by Mr. Lilliquist and carried to approve the following outside gate fee schedule for 1989: Child admission (5 through 12)—\$2.00; adult admission (13 through 69)—\$4.00; senior admission (70 and over)—\$2.00; vehicle admission—no charge; adult discount admission (available in advance only)—\$3.25 (Aye-5; Nay-0).

Upon a motion by Mr. Lilliquist, seconded by Mr. Lund and carried, secretary was authorized to implement a flexible Grandstand and Coliseum pricing schedule and seating configuration based on the cost of talent contracted for each show (Aye-5; Nay-0).

Authority to undertake a free gate promotion tied to the afternoon Beach Boys concert on Thursday, August 24 was granted on a motion by Mr. Simons, seconded by Mr. Lund and carried (Aye-5; Nay-0).

Committee meeting adjourned.

PUBLIC AFFAIRS COMMITTEE MEETING

Members present: Lilliquist, chair; Roehlke; Morris; Annexstad; Prokosch; Recknor; Korff, ex officio; Heffron, ex officio; Frost, ex officio; Hammer, ex officio.

Mr. Frost introduced a recommendation on the advertising agency contract for 1989. After discussion, it was moved by Mr. Morris, seconded by Mr. Prokosch and carried that the recommendation be accepted and that M.R. Bolin, Inc. be retained to provide advertising services for 1989 (Aye-5; Nay-0).

The following proposed advertising and communications budgets for 1989 were introduced:

ADVERTISING BUDGET

Media			
Outdoor	\$ 20,000		
Print	175,000		
Radio	65,000		
Television	150,000	\$ 410,000	
Production			
Miscellaneous	\$ 20,000		
Outdoor	5,000		
Print	35,000		
Radio	10,000		
Television	30,000	100,000	
Other			
Agency Contingencies	\$ 5,000		
Fair-Placed Ads	5,000		
1988 Billings	10,000	20,000	
TOTAL BUDGET		\$ 530,000	

COMMUNICATIONS BUDGET

Payroll: Full-time	62,000		
Part-time	12,500		
Information services	9,000		
Gophers	2,500	86,000	
Printing: Newsletters	29,000		
Daily schedules	7,500		
Plate pages	1,400		
Ed/Leg materials	500		
Posters	1,000		
Maps	2,000		
Miscellaneous	1,000	43,000	
Photography:		8,000	
MNA & miscellaneous subscriptions:		1,500	
Office supplies & rentals:		2,500	
Editors-legislators supper		5,000	
Other: Groundswide tapes	900		
Signs	400		
Media reimbursement	1,500		
Awards	2,000		
Novelty item(s)	3,000		
Souvenir pin	2,000		
Grandstand tent	1,200		
Expertel machines	6,000		
Neighborhood relations	2,000		
Grandstand tape	5,000		
Sundries	5,000	29,000	
TOTAL		\$ 175,000	

Following discussion, budgeted advertising expenditures of \$530,000 were approved for 1989 on a motion by Mr. Morris, seconded by Mr. Annexstad and carried (Aye-5; Nay-0). A communications budget of \$175,000 was authorized on a motion by Mr. Annexstad, seconded by Ms. Roehlke and carried (Aye-5; Nay-0).

Committee meeting adjourned.

RULES/PREMIUM LIST COMMITTEE MEETING

Members present: Prokosch, chair; Lilliquist; Morris; Lund; Annexstad; Recknor; Korff, ex officio; Heffron, ex officio; Frost, ex officio; Pooch, ex officio.

Secretary presented the following list of staff recommended rule changes for consideration. After review, it was moved by Mr. Lund, seconded by Mr. Annexstad and carried to approve the amendments as presented (Aye-5; Nay-0):

S.F. 1.7-Vehicle restrictions Maximum vehicle speed limits on the State Fairgrounds, as well as appropriate allowances and restrictions dealing with vehicle parking, delivery hours, restricted areas, tow-away zones and impound arrangements, shall be established by the secretary and general manager. The secretary and general manager shall provide for the placement of such traffic control signals, signs, and other traffic control devices on the State Fairgrounds as deemed necessary for the safety, protection and control of the fairgrounds and the public thereon. When any police officer or security person finds a vehicle illegally parked on the fairgrounds, he is authorized to provide for the removal and impoundment of such vehicle. Cost of removal and storage shall be borne by the vehicle's owner. (1-16-89)

S.F. 3.1-Exhibition times Times for the setup of entries, the dismantling and removal of entries and the hours of public viewing will be set annually by the secretary and general manager and will be stated in individual department premium books. (1-16-89)

S.F. 3.2-Responsibility for exhibits The State Fair will use diligence to protect livestock and articles entered for exhibition, after their arrival and placement, but under no circumstances will it be responsible for any loss, injury or damage done to or caused by

any animal or article on exhibition. It is the responsibility of the competitive exhibitor to obtain appropriate insurance for any damages due to or caused by the exhibit and to indemnify and hold the State Fair harmless against any claim arising out of incidents involving the exhibit. Removal or pickup of exhibits at established times as stated in individual department premium books, entry blanks and/or entry receipts, shall be the responsibility of the competitive exhibitor. The State Fair shall not be responsible for any exhibit not removed or picked up at established time and will dispose of all exhibits not removed or picked up within one year of such established time. (1-16-89)

S.F. 3.6-Judges No person who is a competitive exhibitor may act as judge in a class in which he or she is competing. Judges shall be responsible for reading and understanding the general rules and all special rules applicable to the department or class in which they are to serve. (1-16-89)

S.F. 3.11-Interpretation of rules A faithful observance of all rules governing the exhibit will be required, and when in doubt as to the application or meaning of a rule, the department superintendent in charge shall interpret such a rule. This opinion when required by either a competitive exhibitor or judge must be reduced to writing and returned to the secretary and general manager with the award books. (1-16-89)

S.F. 3.12-Protests and appeals A protest from the decision of a judge will only be accepted from an exhibitor named in the official entry blank judge's sheet for competition in the lot or class under protest, and must be filed with the secretary and general manager within five (5) hours after the award has been made. An award is deemed to have been made when the notation of the decision of the judge is entered into the department award book. All protests must be made in writing and must be accompanied by a deposit of twenty (\$20.00) dollars. The protest must state plainly and specifically the facts upon which the complaint or appeal is based. The right to appeal will lie only when it is charged that the award has been made in violation of the rules governing the exhibit, or when it is charged that the decision of the judge has been influenced or interfered with by another person. No protest or appeal based upon the statement that the judge or judges are incompetent or have overlooked an animal or article will be considered. The twenty (\$20.00) dollar deposit will be returned only if the protest or appeal is upheld. (1-16-89)

S.F. 3.13-Late showing of exhibit No animal or exhibit will be judged or awarded a prize if it is not ready for judging and promptly brought into the show-ring when the lot is called. (1-16-89)

Upon a motion by Mr. Lilliquist, seconded by Mr. Lund and carried, authority was granted to the competitive exhibits supervisor, in coordination with department superintendents, to make adjustments in rules, release dates or premium allocations for respective departments in accordance with guidelines established by the Society's 1989 operating budget (Aye-5; Nay-0).

Committee meeting adjourned.

FINANCE COMMITTEE MEETING

Members present: Morris, chair; Lilliquist; Roehlke; Lund; Annexstad; Keenan; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Frenette, ex officio.

Secretary presented proposed operating, maintenance and improvement budget(s) for 1989, stating that the maintenance/improvement portion of the expense side had been approved by the planning committee on January 15, 1989.

After review and discussion, it was moved by Mr. Lund, seconded by Mr. Keenan and carried that the 1989 operating, maintenance and improvement budget(s) be approved as presented (Aye-5; Nay-0).

It was moved by Mr. Lilliquist, seconded by Mr. Annexstad and carried that secretary be authorized to release and transfer the sum of \$200,000 from the building fund for direct application to structure improvement no. A01-new exhibit building, block 12 (Aye-5; Nay-0).

RECONVENED MEETING OF THE BOARD

Reports and action taken by the space rental, planning, operations, public affairs, rules/premium list and finance committee(s) were accepted and approved upon a motion by Mr. Lund, seconded by Mr. Morris and carried (Aye-9; Nay-0).

It was moved by Mr. Prokosch, seconded by Mr. Simons and carried that secretary be authorized to adjust staff salaries effective the pay period which begins Jan. 28, 1989 (Aye-9; Nay-0).

The following resolution was offered by Mr. Simons, seconded by Mr. Annexstad and carried (Aye-9; Nay-0):

It is hereby specified that Society employees, Joe Fischler, Jim Frost and Bill Hermes be required to live on the State Fairgrounds for the convenience and to the benefit of the Society with gratis rent, utilities and telephone. This resolution will be effective until Jan., 1990 and, at that time, will be presented for reconsideration.

Mr. Frost reviewed the status of contract negotiations with acts and attractions for Grandstand, Bandshell, Coliseum and other entertainment areas (no action required).

Proposed contract renewals, covering the services of MTS/Northwest Sound; Toltz, King, Duvall, Anderson (architect/engineer); Triemert (painting); McQuillan Brothers (plumbing); Kehne (electric); Jos. E. Johnson & Sons (carpentry), were approved upon a motion by Mr. Annexstad, seconded by Mr. Keenan and carried (Aye-9; Nay-0).

Mr. Hammer offered a report on behalf of the life member advisory committee which met earlier in the day. A committee recommendation, which proposed the Hall of Fame induction of Leonard Ramberg, was accepted upon a motion by Mr. Lund, seconded by Mr. Lilliquist and carried (Aye-9; Nay-0).

It was moved by Mr. Morris, seconded by Mr. Prokosch and carried that the St. Paul Radisson be approved as site for the 1990 annual meeting of the Society on Jan. 13-14-15 and that staff be authorized to negotiate with various hotel properties for the period 1991 through 1993. (Aye-9; Nay-0).

Upon request, Special Assistant Attorney General John Galus provided an update on the status of Aqua Management raft ride litigation, and indicated that a trial date had been set for Monday, April 24. (Report for discussion only... no action required.)

Secretary informed the board that arrangements were in progress for the holding of Special Olympics equestrian events on the fairgrounds, July 21-25, 1991. A request from the organizers for reduced rentals was discussed, after which it was moved by Mr. Lund, seconded by Mr. Keenan and carried that staff be authorized to reduce the usual building rental fees by a factor of 50 percent (Aye-9; Nay-0).

A request from the Minnesota Livestock Breeders Association that a board subsidy of 250 admission tickets (\$812.50) be provided for the 4-H livestock auction was tabled pending a showing of need for such subsidy upon a motion by Mr. Lund, seconded by Mr. Annexstad and carried (Aye-9; Nay-0).

Meeting adjourned.

MINUTES IN VACATION

January

12—Frost and Heffron met with Mike Bolin and Larry Shear to discuss 1989 advertising arrangements.

18—Frost met with Senator Florian Chmielewski and also Representative Ann Wynia to discuss pending legislative change in entertainer income tax withholding requirements.

19—Wenzel, Blakey and Heffron met with Falcon Heights City Administrator Jan Weissner and representatives of the Ramsey County Sheriff's Office to discuss traffic management on Larpenteur Avenue during the fair. Wenzel and Mary Goiffon met with Susan Lee of the Kayler Hotel, Rochester, to discuss annual meeting convention site.

20—Frost, Hammer, Heffron, Leach, Sinclair and Wenzel met with Larry Ritner to discuss his proposal for an Australian exhibit complex at either the 1989 or 1990 State Fair(s). Sinclair and Klinger met with Messrs. Gilbert Bugg and Vernon Walker to discuss the 1989 N.S.R.A. Street Rod Nationals to be held on the fairgrounds July 20-23.

23—Klinger and Sinclair met with representatives of the Minnesota Twins to discuss plan the M.S.F./Twins co-promotion of Agriculture Awareness Days, August 31, September 1 and 2, 1989.

24-27—Giannini attended a Box Office Managers International Conference in Tampa, Florida.

25—Frost and Heffron attended a North Suburban Chamber of Commerce legislative breakfast.

26—Wenzel met with Kay Owens and Jim Shinnors of American Red Cross to discuss 1989 Fair Medical Aid program.

27—Frost met with Jim Carufel, Twin Cities Public Television, to discuss pending sale of KTCA-TV facilities.

31—Pooch and Horse Superintendent Arneman met with Kirk Swenson of Kingston Kollection regarding \$5,000 sponsorship of two Morgan horse classes at the 1989 fair.

February

2—Frost, Heffron and Pooch met with Dick Byrne, 4-H Youth Development Director and Department Superintendent Juanita Reed.

3—Frost and Sinclair met with Ms. Bootsie Anderson of the North Suburban Cable Commission to discuss cable television at the fairgrounds. Pooch met with Harley Otto of Minnesota Crop Improvement Association regarding their involvement with the present crop show and possible sponsorship of new programs.

9—A Legislative Audit exit conference was attended by Wenzel, Frost, Frenette, Jacobson, Kirch, Pittelko and Heffron.

10—The Executive Committee approved the January 31, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Dec 31, 1988		\$ 109,810
Add:		
Jan Cash Deposits	\$ 149,139	
Less:		
Payroll Ending Jan 4	(48,267)	
Payroll Ending Jan 18	(48,664)	
Jan Cash Disbursements	(107,091)	(54,883)
Cash Balance-Jan 31, 1989		\$ 54,927

MARKETABLE SECURITIES ACTIVITY:

Balance-Dec 31, 1988		\$1,309,519
Add:		
Interest Earned	\$ 11,065	
Securities Purchased		
Less:		
Service Charges	(223)	
Securities Cashied	(103,500)	(92,658)
Balance-Jan 31, 1989		\$1,216,861

BUILDING FUND ACTIVITY:

Balance-Dec 31, 1988		\$ 202,127
Add:		
Interest Earned	\$ 1,449	
Less:		
Service Charges	(43)	
Disbursements	0	1,406
Balance-Jan 31, 1989		\$ 203,533

CASH BALANCES FOR MONTH ENDING JANUARY 31:

	1989	1988
General Fund	\$ 54,927	\$ 55,023
Petty Cash	200	200
Marketable Securities	1,216,861	994,185
Building Fund	203,533	0
Total Cash Balances	\$1,475,521	\$1,049,408

14—Fischler, Frost, Wenzel and Heffron met with Jim Lasher of BRW Engineering to discuss concept plans for the new Commonwealth Park. Pooch and Horse Superintendent Arneman met with Sharon Kvistad and Bob Powers of Minnesota Hunter & Jumper Association regarding possible changes in their schedule for the 1989 fair.

15—State Fair staff hosted a breakfast networking session for the Suburban Area Chamber of Commerce.

15-17—Hammer attended the IAFE sponsorship training seminar in Tampa, Florida.

16—Pooch and Sinclair met with representatives of several commodity groups regarding stage demonstrations in the Dairy-Animal Products Building and future plans for same.

20—Sinclair, M.C. Hardy and Klinger met with representatives of the five major ag. machinery exhibitors at the fair to discuss plans for Ag. Awareness Days during the 1989 fair.

21—Staff met with BRW Engineering on Commonwealth Park designs. Joan Frawley met with Messrs. Ron Johnson and Bruce Foster of Eagle Drug Stores to discuss advance sale of carnival ride and show coupons.

28—Frost and Karen Leach met with representatives of the Minnesota Bar Association to discuss a mock trial presentation to take place at Baldwin Park during the 1989 fair. Frost, Heffron and Wenzel met with staff of the St. Paul Pioneer Press Dispatch.

March

2—Space Rental Committee chairman Rich Keenan met with Wenzel, Sinclair and Heffron to discuss a committee review meeting scheduled for March 8.

3—Sinclair, Wenzel and Heffron met with Warren Wunderlick of TKDA Architects to discuss warehouse conversion to exhibit space.

3-5—A Minnesota Deer Classic show was staged in the Coliseum.

3-7—Sinclair attended and participated in the Canadian Association of Expositions Convention in Thunder Bay, Ontario.

6—Wenzel and Heffron met with Tom Stoltz of the Job Corp to discuss how students from the center might help with neighborhood clean-up projects.

7—Several members of the staff participated in a video taping session for presentation at upcoming fair management short courses. Wenzel and Goiffon attend a post-convention meeting at the St. Paul Radisson.

8—A Space Rental review meeting was held in the Administration Building (see minutes which follow).

9—Goiffon met with the Minnesota Department of Jobs and Training to discuss opening of Employment Office.

10—Wenzel and Goiffon met with representatives of the Minnesota Federation of County Fairs, Janice Albrecht and Chuck Schwartau, to discuss annual meeting site selection.

10—Executive Committee approved the February 28, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Jan 31, 1989		\$ 54,927
Add:		
Feb Cash Deposits	\$ 317,320	
Less:		
Payroll Ending Feb 1	(49,539)	
Payroll Ending Feb 15	(50,672)	
Feb Cash Disbursements	(104,661)	112,448
Cash Balance-Feb 28, 1989		\$ 167,375

MARKETABLE SECURITIES ACTIVITY:

Balance-Jan 31, 1989		\$1,216,861
Add:		
Interest Earned	\$ 6,475	
Less:		
Service Charges	(184)	
Securities Cashied	(200,000)	(193,709)
Balance-Feb 28, 1989		\$1,023,152

BUILDING FUND ACTIVITY:

Balance-Jan 31, 1989		\$ 203,533
Add:		
Interest Earned	\$ 184	
Less:		
Service Charges	(43)	141
Balance-Feb 28, 1989		\$ 203,674

CASH BALANCES FOR MONTH ENDING FEBRUARY 28:

	1989	1988
General Fund	\$ 167,375	\$ 77,345
Petty Cash	200	200
Marketable Securities	1,023,152	802,292
Building Fund	203,674	0
Total Cash Balances	\$1,394,401	\$ 879,837

13—Heffron met with Roy Smalley to discuss the 1990 Special Olympics which will utilize State Fair facilities for equestrian events.

14—Staff met with BRW Engineering on Commonwealth Park. Hammer met with representatives of Campbell's to discuss sponsorship at the 1989 fair. Sinclair and Klinger met with representatives of the Minnesota Twins to finalize plans for co-promotion of Ag. Awareness Days, August 31, September 1 and 2, 1989.

15—Hammer, Pooch, Leach and Larry Shear (M.R. Bolin) met with Maureen Flahaven and committee from Celebrate Minnesota regarding 1990 fair.

16—Hammer addressed the Minnesota Press Club.

17-21—Frost and Heffron attended the annual meeting of the Mid-West Fairs Association in Costa Mesa, California.

18-19—A weapon collectors show was held in the Coliseum.

21—Pooch attended Minnesota Livestock Breeders annual banquet in Waseca.

24—Wenzel and Heffron met with John Galus to discuss whitewater raft ride litigation. Frost, Heffron and Wenzel met with Clint Hewitt and other members of the University of Minnesota's planning and parking staffs to discuss the university's intercampus transitway and other matters.

27—Wenzel was deposed by plaintiff attorneys in the whitewater raft ride matter. Frost, Heffron and Wenzel attended a District 10 Community Council meeting and discussed matters of mutual concern with neighborhood residents.

28—Wenzel, Sinclair and Heffron met with Wayne Olson and Warren Wunderlick on the warehouse exhibit building. The Minnesota Bureau of Criminal Apprehension used the Coliseum for a night photography session.

29—Wenzel and Heffron met with John Galus, Rich Keenan and Kent Harbison to discuss whitewater raft ride litigation.

29-31—Wenzel, Goiffon, Armstrong, Hammer and Frenette attended the Zone 4 meeting in Milwaukee, Wisconsin.

31—Frost and Ken Giannini met with personnel of Ticketmaster regarding sale of Grandstand concert tickets.

31-3—Kline Oldsmobile held a car sale in the carnival area.

April

1-2—A ceramics show was presented in the Coliseum.

3—Wenzel, Galus, Steve Buffington and Heffron participated in an all-day mediation session aimed at settling the whitewater raft ride case.

4—Hammer and Giannini met with representatives of Holiday Stores to discuss advance sale discount ticket sales and "Happenings At The Fair" coupon booklet sales.

6—A second all-day mediation session on the whitewater raft ride matter was attended by Wenzel, Galus, Buffington, Heffron and Kent Harbison.

8—A concrete and masonry seminar was held in the Coliseum.

10—Frost, Heffron and Wenzel again met with staff of the Pioneer Press Dispatch. Executive Committee approved the March 31, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Feb 28, 1989		\$ 167,375
Add:		
Mar Cash Deposits	\$ 263,317	
Less:		
Payroll Ending Mar 1	(54,072)	
Payroll Ending Mar 15	(51,736)	
Payroll Ending Mar 31	(51,590)	
Mar Cash Disbursements	(234,650)	(128,731)
Cash Balance-Mar 31, 1989		\$ 38,644

MARKETABLE SECURITIES ACTIVITY:

Balance-Feb 28, 1989		\$1,023,152
Add:		
Interest Earned	\$ 5,018	
Less:		
Service Charges	(140)	
Securities Cashed	(200,000)	(195,122)
Balance-Mar 31, 1989		\$ 828,030

BUILDING FUND ACTIVITY:

Balance-Feb 28, 1989		\$ 203,674
Add:		
Interest Earned	\$ 1,403	
Less:		
Service Charges	(39)	1,364
Balance-Mar 31, 1989		\$ 205,038

CASH BALANCES FOR MONTH ENDING MARCH 31:

	1989	1988
General Fund	\$ 38,644	\$ 33,398
Petty Cash	200	200
Marketable Securities	828,030	579,386
Building Fund	205,038	
Total Cash Balances	\$1,071,912	\$ 612,984

11—KTCA-TV used the carnival lot for a filming session.

12—Frost attended and addressed a meeting of the St. Anthony Park (District 12) Community Council.

13-14—Heffron attended an IAFE Executive Committee meeting in Las Vegas, Nevada. Purpose of the meeting was to review hotel proposals for the IAFE convention(s) of 1991 through 1993.

14—Frost attended a meeting of the ICMA executive committee in Nashville, Tennessee. A public hearing was held in the St. Paul City Council chamber to take testimony on yard parking in the Como neighborhood during the fair.

14-16—Now Sports held a bicycle sale in the Education Building.

15—A DCS motorcycle auction was held in the Coliseum.

17—Pooch and Sinclair met with representatives of various commodity groups to discuss alternative plans for an "Agrimaze" in the Dairy-Animal Products Building as opposed to the traditional demonstrations.

18—Heffron met with Cindy Spillman and Edward Dramberger of the Fairmont Hotel Organization to discuss the IAFE convention (1994-1996).

19—A Twin City Nurses Association rally was held in the Merchandise Mart. Wenzel and Heffron met with John Galus to discuss a 1989 whitewater operating agreement for 1989 and an ownership transfer statement.

20—Wenzel, Sinclair, Fischler and Heffron met with Jim Lasher of BRW Engineering on the Commonwealth Park plan. Wenzel and Heffron met with Randy Rosvold of the Regional Transit Board to discuss various public transportation promotions the fair might utilize. Frenette met with Larry Halbrick of Midamerica Bank to discuss borrowing and banking services.

20-23—Burger Brothers staged a sporting goods sale in the Education Building.

21—Frost, Frenette and Heffron met with Dick Parnell of Metrobank to discuss borrowing and banking services for the fair. Frenette met with Jim Faust of North Star State Bank to discuss borrowing and banking services. Frawley and Hammer met with representatives of Happenings to discuss the discount coupon booklet for the 1989 fair.

21-23—The Gopher State Car Show was presented in the Coliseum.

22-23—Danny's Flea Market was held in the Lower Grandstand and Infield area.

26—The DNR Building was used as site for a tree distribution program.

27-30—A sewing machine sale was staged in the Home Improvement Building.

27-3—Wenzel and Heffron attended the IAFE Spring Management Conference in Washington, D.C., and while there, gathered information and visited Smithsonian exhibits.

28—Frenette met with Jim Faust and Mike Bilski of North Star State Bank to further discuss banking services for the fair.

28-30—Star of the North antique show was held in the Grandstand. Midwest Canoe Expo was staged in the Education Building. Carson, Pirie, Scott held a warehouse sale in the Dairy Building.

29-30—Horse Expo was staged in the Coliseum.

May

3—Ramsey County Sheriff's office held a training exercise on Machinery Hill.

4—St. Paul Police held a training exercise on Machinery Hill. Frost discussed with Jeanine Leifeld of the Legislative Auditor's staff the finalized version of the auditor's portion of the annual report.

4-6—An Evangelical Garage Sale was presented in the Crossroads Chapel.

5—Hammer met with Joe Morley of the Roseville Circulator bus lines to discuss expanded service for the 1989 fair.

5-7—Pet Expo was held in the Grandstand. The annual Sahara Sands Horse Show was contested in the Coliseum.

6-7—Spring Sportacular, a sports memorabilia show, was held in the Modern Living Building.

7—The Northland Antique Toy Show was held in the Dairy Building.

8—Heffron, Frenette and Frost met with Dick Parnell of Metrobank to discuss banking services. Lakewood Community College held a motorcycle training class on Machinery Hill.

10—Executive Committee approved the April 30, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Mar 31, 1989		\$ 38,644
Add:		
Apr Cash Deposits	\$ 841,763	
Less:		
Payroll Ending Apr 12	(50,121)	
Payroll Ending Apr 26	(53,209)	
Apr Cash Disbursements	(776,955)	(38,522)
Cash Balance-Apr 30, 1989		\$ 122

MARKETABLE SECURITIES ACTIVITY:

Balance-Mar 31, 1989		\$ 828,030
Add:		
Interest Earned	\$ 4,551	
Less:		
Service Charges	(120)	
Securities Cashed	(650,218)	(645,787)
Balance-Apr 30, 1989		\$ 182,243

BUILDING FUND ACTIVITY:

Balance-Mar 31, 1989		\$ 205,038
Add:		
Interest Earned	\$ 1,658	
Less:		
Service Charges	(44)	
Disbursements	(100,000)	(98,386)
Balance-Apr 30, 1989		\$ 106,652

CASH BALANCES FOR MONTH ENDING APRIL 31:

	1989	1988
General Fund	\$ 122	\$ 55,148
Petty Cash	200	200
Marketable Securities	182,243	457,883
Building Fund	106,652	
Total Cash Balances	\$ 289,217	\$ 513,231

11—Bicycle races were held on Machinery Hill.

13—A model railroad show and sale were presented in the Education Building.

16—Frawley and Hammer met with representatives of Miller Brewing Company to discuss auto race sponsorship. Parking Department supervisors met with Wenzel at Administration Building.

18—Heffron met with State Representative Jim Rice to discuss last minute legislation having a direct bearing on the affairs of the Society. Hammer met with representatives of the American Dairy Association and WCCO Radio to discuss sponsorship of the 1989 Milk Run and 1989 Fourth of July fireworks presentation.

18-24—A quality car clinic was held in the Merchandise Mart.

19-21—A country folk art show was staged in the Grandstand. B & J Sewing Machine Center held a sale in the Dog Building.

22—Staff met with representatives of BRW Engineering on the Commonwealth Park design. Wenzel, Hammer and Heffron met with Marsha Diers of Minnesota Ride Share to discuss employee parking and transportation promotions. Heffron attended a meeting with Governor Perpich to discuss last-minute legislation containing inappropriate reference to the State Fair.

23—Alex Kete, director, Multiple Sclerosis Society and Julee Quarve-Peterson, who completed a study of State Fair handicapped facilities in 1988, met with Wenzel, Frawley and Heffron to discuss how the MS Society might coordinate access information and special handicapped parking/bus service at the 1989 fair. Hammer met with representatives of

Mona, Meyer, McGrath p.r. agency regarding sponsorship opportunities for their clients.

24—Staff met with TKDA on the warehouse conversion.

25—Bicycle races were staged on Machinery Hill.

26—Frawley and Hammer met with representatives of G. Heileman Brewing Company regarding Schmidt Beer sponsorship of the Bandshell.

31-3—The National Reining Horse Assn./St. Paul Derby was contested in the Coliseum.

June

1—Sinclair met with representatives of Ferrellgas to discuss arrangements for propane gas service at the 1989 fair.

1-4—Flower City held a patio furniture sale in the Merchandise Mart. Bicycle races were held on Machinery Hill.

1-6—Frost and Leach took part in the annual meeting of the ICMA in Nashville, Tennessee.

3—A car club filming session was held on Machinery Hill.

4—A General Motors antique car show was staged in the Infield.

5—Staff met with BRW Engineering on Commonwealth Park plans.

6-8—A State Patrol school bus inspection program was conducted on the midway lot.

SPACE RENTAL COMMITTEE MEETING MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds

1:00 p.m., Wednesday, March 8, 1989

Members present: Keenan, chairman; Prokosch; Simons; Roehlke; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Also present: Sherry Enzler and Jim Donnelly.

The meeting was called to order by Chairman Keenan at 1:00 p.m.

Messrs. Heffron and Keenan explained the process by which policies and procedures for multiple concession/exhibit divestiture evolved and the manner in which they had heretofore been implemented by board and staff.

Ms. Enzler advised the committee as to the Fair's legal footing, the soundness of its multiple ownership policy and potential issues related to the divestiture plan approved by the Board at their January 16, 1989 meeting.

Mr. Sinclair backgrounded the committee on the methodology by which the Fair's divestiture plan had been developed and its basic premise... reduction in the number of concession/exhibit locations held by individuals or companies in quantities larger than 5 over a period of 3 to 6 years with an eye toward maintenance of geographic product availability and balance about the fairgrounds to provide opportunity for presentation of unrepresented new, unique and different products at the Fair by the many exhibitors and concessionaires till now uninvolved in the exposition.

Mr. Keenan summarized meeting procedure, following which the first appellant, Mr. James F. Hannasch, appeared before the committee to request review of the divestiture plan for his concession operations approved by the Board at their January 16, 1989 meeting.

Mr. Sinclair reviewed correspondence between Mr. Hannasch and the State Fair first initiated in November of 1988 calling for reduction in the number of concessions operated by Mr. Hannasch at the State Fair from 7 to 4 over a 3 year period. Mr. Hannasch pointed out the lengthy history of his involvement in concession operations at the Fair, his contentions regarding public acceptance of his product (sno cones), concerns related to financial impact such reduction would have and his understanding of the intent of such action, but problem with the manner of implementation. Mr. Sinclair responded to Mr. Hannasch by explaining the Fair's need to provide new opportunity to place the concessions/exhibits of those presently uninvolved in the Fair and the Fair's inability under such circumstances to warrant such sizable concession location holdings by one individual. It was moved by Mrs. Roehlke, seconded by Mr. Prokosch and carried that the committee support earlier Board action calling for concession divestiture by Mr. Hannasch (Aye-3; Nay-0).

Mr. Sinclair reviewed the basis for denial of a space rental application submitted by Mr. Ron Melquist, Sr. for sale of malt beverage coolers, macadamia nuts, flower leis and flowers for the fair. ... present availability of such products at the Fair, the number of applications received to present new, unique and unrepresented products, the adequate number of outlets about the fairgrounds for 3.2 non-intoxicating malt beverages and concerns regarding sale of such beverages, particularly without a food accompaniment. Mr. Melquist spoke of the processes by which he came to develop his application and choose products for presentation based on a small random survey. Mr. Heffron reiterated the Fair's concerns regarding alcohol consumption and management, referenced action taken by the committee at its August 6, 1987 meeting related specifically to presentation of such malt coolers and noted how such action made acceptance of Mr. Melquist's application difficult. Previous action of staff relative to Mr. Melquist's application for space was upheld for reasons cited on a motion by Mr. Prokosch, seconded by Mr. Simons and carried (Aye-3; Nay-0).

Staff denial of the space rental application submitted by Mr. Gerry Goblirsch, d.b.a. The Best Fry Co., to sell Pomme Frites (fried potatoes with toppings) was supported by the committee on a motion by Mr. Simons, seconded by Mrs. Roehlke and carried based on similarity of the product Mr. Goblirsch wished to present to other such french fry/potato products available at the Fair (Aye-3; Nay-0).

Messrs. Jeff and Jess Kingen, along with counsel, Mr. Steven H. Berndt, appeared before the committee on behalf of their father Mr. James B. Kingen, to request review to the staff decision denying their father's request to transfer his food and beverage concession located on lot R in block 39. Mr. Sinclair explained the basis for staff action... State Fair policy which disallows transfer by bequest or inheritance and discourages transfer by living persons so as to effect a bequest before the fact, the age and condition of the structure and the fact that the structure might well be considered fully depreciated. Jeff Kingen reflected on the longevity of his father's concession operation at the Fair, his perception of the unique nature of the product offered from the subject concession (chili dogs), media attention the operation had experienced based on the preceding and the involvement of Mr. Kingen's sons in the concession operation. Mr. Heffron explained that future plans for the area, potential changes such plans may require in concession operations and concern that allowance of transfer, extensive remodeling or new construction in the area would be unjust in view of such plans, were a further consideration in the staff decision.

On a motion by Mr. Prokosch, seconded by Mr. Simons and carried, denial of Mr. Kingen's request for transfer was upheld by the committee with the understanding that, given health and safety compliance, James B. Kingen would be allowed to continue operation of the concession with the knowledge that if and when he is no longer interested, unable to continue or discontinues his active involvement in daily operation of the concession, the Fair shall have the right to appraise the continued viability of the concession and, if deemed appropriate, order removal of the structure and restoration of the property (Aye-3; Nay-0).

Ms. Nancy Nordmeyer appeared before the committee, supported by family members Ms. Mary Tieter and Messrs. Charles, William and Bill Newcomb, to make an emotional plea for review of the divestiture plan approved by the Board at their January 16, 1989 meeting for their concession operations operated under the name Syndicate Sales Corporation. Ms. Nordmeyer explained the longevity of family involvement in concession operations at the State Fair, the reputation for quality they developed and the financial impact divestiture of their concession locations (from 7 to 4 over 3 years) could possibly have on the corporation principals. She then went on to explain the inability of the corporation to find alternative venues in which to operate to recoup potential losses, their prior cooperative efforts with the Fair and previous reductions Syndicate Sales Corp. had made in the number of concession locations it held at the State Fair.

Mr. Sinclair explained the Fair's need to provide new opportunity for concessionaires/exhibitors presently uninvolved in the Fair, it's inability to warrant such sizable concession location holdings by a single firm and the history of divestiture efforts which had been undertaken to date. A motion by Mr. Prokosch to proceed with divestiture as planned for 1989 and allow Syndicate Sales Corporation to develop and present a plan for divestiture in 1990 and 1991 for Board consideration was seconded by Mr. Simons and carried (Aye-3; Nay-0).

A request for review of the divestiture plan approved by the Board at its January 16, 1989 meeting was brought before the committee by Mr. Eugene R. LaVaque. Mr. Sinclair reviewed correspondence with Mr. LaVaque initiated in November, 1988 and explained the basis for the Board's divestiture plan calling for reduction in the number of Mr. LaVaque's concession location holdings from 7 to 4 over a 3 year period. Mr. LaVaque indicated that his concessions had operated without public or Health Department complaint for some time, questioned whether all concession operations of comparable size were being handled in a similar manner and indicated an interest in dividing his sno cone concessions among his children. Mr. Sinclair responded by informing Mr. LaVaque of State Fair Transfer Policy regarding temporary or portable concessions, divestiture efforts which had gone before, and such plans for the present and future. On a motion by Mr. Simons, seconded by Mrs. Roehlke and carried the Board approved divestiture plan for Mr. LaVaque's concession operations was supported (Aye-3; Nay-0).

There being no further business, the meeting was adjourned at 4:00 p.m.

SPACE RENTAL COMMITTEE MEETING

Administration Building, State Fairgrounds

Wednesday, June 7, 1989 - 9:00 A.M.

Members present: Keenan, chairman; Lund; Morris; Prokosch; Roehlke; Simons; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Also present: Annexstad, Lilliquist and Recknor.

Meeting was called to order by Chairman Keenan at 9:00 a.m.

Sinclair backgrounded the committee on the circumstances surrounding earlier staff denial of the space rental application submitted by Mr. Gregory D. Brown of Sue's Fashions and circulated photos of Mr. Brown's proposed jewelry concession for committee review, along with product literature and correspondence from Mr. Brown. It was moved by Mr. Simons, seconded by Mr. Lund and carried that earlier staff denial be supported based on present availability of such products, and the Fair's desire to place exhibits and concessions with products and services which are unrepresented in any manner before allocating space for further presentation of products similar to those already represented at the Fair (Aye-5; Nay-0).

Mr. John Stinchfield appeared before the committee to request review of staff action denying his application to sell watermelon at the 1989 Fair. Sinclair indicated that earlier staff denial had been based on the existence of concessions selling watermelon, though in different form, and desire to avoid duplication of like products. Discussion related to sanitation and liability concerns was undertaken following which it was moved by Mrs. Roehlke, seconded by Mr. Prokosch and carried that the subject application be placed in an "okay, if space becomes available" status to be given further consideration should space appropriate for placement and presentation of such a product become available (Aye-5; Nay-0).

Denial of the space application submitted by E-Z Stop for the sale of hamburgers, pizza, "Gringo Corn" and torpedo sandwiches was reviewed by the committee with representatives of E-Z Stop who outlined the nature of their products and physical requirements of their concession operation. A wish to avoid duplication of products/services similar to those already represented served as the basis for a motion by Mr. Prokosch, seconded by Mr. Simons and carried which supported earlier staff denial of the subject space request (Aye-5; Nay-0).

The committee undertook review of the application submitted by Mr. John Papaioannou for presentation of gyros and souvlaki sandwiches. Sinclair advised the committee that staff denial of the subject application had been based on the presence of two other concessions offering gyros sandwiches. Mr. Papaioannou reviewed the nature of his proposed products and stated a preference to offer gyros as his "stronger" product, from an indoor concession location. On a motion by Mr. Lund, seconded by Mr. Prokosch and carried the subject application was placed in an "okay, if space becomes available" status to be given further consideration should appropriate space become available (Aye-5; Nay-0).

A request to transfer ownership of two food and beverage concessions located on lots EE and D in blocks 36 and 44, respectively, from Mary H. Shutes to Robert L. Shutes was taken under consideration by the Committee. On a motion by Mr. Simons, seconded by Mr. Morris and carried, said transfers were approved based on the special circumstances of the request as it related to a divorce court decree, with the stipulation that this action not be construed as a presumption of authority to transfer said concession structures again in the future and that Mr. Shutes should be advised to work on the premise that any future request for transfer will be disallowed (Aye-5; Nay-0).

The percentage agreement covering 1989 operation of the giant carousel located on lots O, P and Q in block 31 by Our Fair Carousel, Inc. was approved by the Committee with tickets to be priced at \$1.00 and the Minnesota State Fair to receive the following

consideration for said privilege: 30% of gross receipts from admissions/rides on the carousel through \$50,000 and 20% of gross receipts from carousel admissions/rides from \$50,000 through \$100,000. Said cap on payments due the Fair at \$100,000 to be granted on the basis that the subject agreement is for one year only. Moved by Mr. Prokosch, seconded by Mr. Lund and carried (Aye-5; Nay-0).

Requests by William E. Salper, Bruce I. Nathanson, Sandra Kaplan and James Kaplan to sell, for continued operation, their respective temporary portable concession stands, purchased in 1982 and operated at the State Fair through 1987, were placed before the committee for consideration. On a motion by Mr. Simons, seconded by Mr. Prokosch and carried it was determined that such transfers should not be allowed and that, though the parties have every right to sell the tangible assets of their respective concessions, the State Fair will not be bound to any continuing business relationship with the purchasers of such personal property (Aye-5; Nay-0).

Meeting was adjourned on a motion by Mr. Lund, seconded by Ms. Roehlke and carried (Aye-5; Nay-0).

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds
Wednesday, June 7, 1989 - 10:00 A.M.

Members present: Bill Korff, president; Howard Recknor; Howard Morris; Eileen Roehlke; Rich Keenan; Willis Lilliquist; Bert Lund; Don Simons; Vern Prokosch; Martin Annestad; Mike Heffron, secretary.

Also present: John Galus; Sherry Enzler; Ken Wenzel; Jim Sinclair; Jim Frost; Jim Donnelly; Rick Frenette.

Meeting called to order by President Korff at 10:29 a.m.

Upon a motion by Mr. Lund, seconded by Mr. Prokosch and carried, minutes of the Jan. 16 board meeting, previously mailed to the members, were approved (Aye-9; Nay-0).

Society minutes in vacation, covering the period Jan. 12 through June 8, 1989 and the administrative action noted therein, were approved upon a motion by Mr. Lund, seconded by Mr. Prokosch and carried. This action includes approval of space rental committee meeting held on March 8 (Aye-9; Nay-0).

Secretary presented the May 31 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-April 30, 1989		\$	122
Add:			
May Cash Deposits	\$ 876,749		
Less:			
Payroll Ending May 10	(75,950)		
Payroll Ending May 24	(53,525)		
May Cash Disbursements	(381,460)	\$	365,814
Cash Balance-May 31, 1989		\$	365,936

MARKETABLE SECURITIES ACTIVITY:

Balance-Apr 30, 1989		\$	182,243
Add:			
Interest Earned	\$ 2,099		
Less:			
Service Charges	(55)		
Securities Cashred	(180,000)	\$	(177,956)
Balance-May 31, 1989		\$	4,287

BUILDING FUND ACTIVITY:

Balance-Apr 30, 1989		\$	106,652
Add:			
Interest Earned	\$ 1,449		
Less:			
Service Charges	(37)		1,412
Balance-May 31, 1989		\$	108,064

CASH BALANCES FOR MONTH ENDING MAY 31:

	1989	1988
General Fund	\$ 365,936	\$ 221,812
Petty Cash	200	200
Marketable Securities	4,287	564,048
Building Fund	108,064	
Total Cash Balances	\$ 478,487	\$ 786,060

After review of the statement and of society cash and investment balance(s), it was moved by Mr. Keenan, seconded by Mr. Simons and carried that the financial statement of May 31, 1989 be approved (Aye-9; Nay-0).

Approval of action taken by the space rental committee earlier in the day (June 7) was moved by Mr. Keenan, seconded by Mr. Lilliquist and carried (Aye-9; Nay-0).

Upon a motion by Mr. Lilliquist, seconded by Mr. Prokosch and carried, fair-period luncheon invitations to the board of the Minnesota Federation of County Fairs, Saturday, Aug. 26; State Fair hall of fame and life members, Sunday, Aug. 27; Minnesota Livestock Breeders Association board, breakfast, Thursday, Aug. 31; executive committee(s) of the Retail Farm Equipment Association and the Northwest Farm Equipment Association, Friday, Sept. 1; along with the picnic supper for media-political-business representatives, Thursday, Aug. 31 were approved (Aye-9; Nay-0).

It was moved by Mr. Simons, seconded by Mr. Morris and carried to authorize a society expenditure of up to \$1,000 to host a reception for horse show exhibitors (Aye-9; Nay-0).

An updated copy of the employee information handbook was reviewed, after which it was approved on a motion by Mr. Prokosch, seconded by Mr. Annestad and carried (Aye-9; Nay-0).

Upon a motion by Mr. Simons, seconded by Mr. Prokosch and carried, a carpentry contract with Jos. E. Johnson was cancelled and authority to issue a replacement contract to S & P Construction was granted (Aye-9; Nay-0).

Departmental payroll schedules for 1989, as prepared by superintendents under budgetary guidelines and confirmed by appropriate supervisors, were presented and approved at a projected total of \$1,009,986 on a motion by Mr. Annestad, seconded by Mr. Lilliquist and carried (Aye-9; Nay-0).

A tabled request for an \$800 ticket donation from the Minnesota Livestock Breeders Association was brought back before the body (see minutes, Jan. 16) in the form of a letter from the Association dated April 25, 1989. After discussion, it was moved by Mr. Annestad, seconded by Mr. Lund and carried to (1) deny the ticket request on the grounds that such action would be violative of board policy and (2) as an alternative, provide an \$800 premium fund allocation for 4H transportation awards (awards now paid by the Livestock Breeders) (Aye-9; Nay-0).

Mr. Frost updated the board on the fair's 1989 sponsorship program indicating that approximately \$121,000 would be realized in direct income from various commercial firms along with advertising and promotion trade-outs for radio, TV and newspaper placement, per the list below (no action required on the sponsorship report):

ATTRACTION	SPONSOR	SEE
Auto Race	Miller High Life	\$25,000*
Baldwin Park	Budweiser	15,000*
Balloon Race	KS95 Radio	2,500*
Bandshell	Schmidt	27,500*
Bazaar	Miller Genuine Draft	15,000
Children's Theater	Campbell's	5,000**
Chinese Acrobats	Pepsi	18,000
Daily Schedule	Gedney	5,000
Fourth of July	American Dairy Association	5,000
Milk Run	American Dairy Association	3,000
TOTAL		\$121,000

*plus promotion

**Campbell's will also provide 60,000 coloring books and crayon sets, to be used as give-aways, along with one dozen major prizes.

In addition to the above, Kodak will produce and market the official '89 State Fair poster at Holiday and Holiday Plus outlets throughout the state.

Discussions are currently taking place with potential sponsors including American Express, Red Lobster Restaurants, Fuddrucker's, First Bank System and marketing agencies Mona Meyer McGrath, Martin Williams Advertising and the Grant Jacoby Group.

Corporate and staff memberships in the following organizations were approved upon a motion by Mr. Lund, seconded by Mr. Lilliquist and carried (Aye-9; Nay-0).

American Dairy Goat Association	106.00
American Horse Shows Association	50.00
American Horse Shows Association (1990 dues)	600.00
American Horse Shows Saddle Seat Class	35.00
American Miniature Horse Association	25.00
American Paint Horse Association	10.00
American Quarter Horse Association	30.00
Appaloosa Horse Club	20.00
Better Business Bureau	175.00
Box Office Management	135.00
Canadian Association of Expositions	100.00
Citizens League	30.00
Country Music Association	50.00
Executive Women International	195.00
Greater Minneapolis Chamber of Commerce	262.50
International Arabian Horse Association	75.00
International Association of Fairs & Expositions	650.00
International Country Music Buyers Association	100.00
Mid-West Fairs Association	150.00
Midway Civic and Commerce Association	210.00
Minnesota Chapter Nat'l Inst. of Government Purchasing	50.00
Minnesota Chiefs of Police	30.00
Minnesota Employees Recreation & Services Council	125.00
Minnesota Hunter and Jumper Association	50.00
Minnesota Ice Arena Managers Association	75.00
Minnesota Music Awards	30.00
Minnesota Quarter Horse Association	15.00
Minnesota Safety Council	75.00
National Association of Business & Educational Radio	77.75
Outdoor Amusement Business Association	20.00
Professional Grounds Management Society	95.00
Roseville Rotary Club	222.00
St. Paul Area Chamber of Commerce	420.00
St. Paul Convention Bureau	225.00
St. Paul Winter Carnival	135.00
State of Minnesota - Cooperative Purchasing Venture	300.00
Suburban Area Chamber of Commerce	445.00
Tri-State Horsemen's Association	50.00
Twin City Purchasing Management Association	145.00
Western Fairs Association	750.00

It was moved by Mr. Morris, seconded by Ms. Roehlke and carried that Secretary be authorized to spend the sum of \$1,000 for production of a special lapel pin for life and hall of fame members (Aye-9; Nay-0).

Grandstand, Coliseum, free stage and other fair-period contracts were reviewed and approved upon a motion by Mr. Recknor, seconded by Mr. Annestad and carried (Aye-9; Nay-0). Following is a specific breakdown of contract costs:

CONTRACTOR	DATE(S)	TERMS	VENUE
Naked Zoo Enterprises, Inc.	8/24-9/4	\$21,000	Grandstand
(Sound)			
Naked Zoo Enterprises, Inc.	8/24-9/4	\$17,325	Grandstand
(Lights)			
Charley Pride	8/25	\$25,000 plus 45% over \$70,000	Grandstand
Ronnie Milsap	8/25	\$20,000 plus 45% over \$70,000	Grandstand

30th Anniversary of Rock 'N Roll	8/26	\$25,000 plus 70% over \$55,000 plus \$7,500 production cost	Grandstand	African Violet Society of Minnesota	8/24-8/25	\$1,200	Ag.-Hort.
Wildcountry, Inc. f/s/o Alabama	8/26	\$50,000 plus 80% over \$86,000 plus \$18,500 production cost	Grandstand	Minnesota Gladiolus Society	8/26-8/27	\$1,550	Ag.-Hort.
Commodores	8/28	\$25,000	Grandstand	Federated Garden Clubs of Minnesota	8/30-8/31	\$1,550	Ag.-Hort.
The Jets	8/28	\$30,000 plus 80% over \$80,000	Grandstand	Orchid Society of Minnesota	9/1-9/2	\$1,200	Ag.-Hort.
Billy Joe Royal	8/30	\$6,000	Grandstand	Minnesota State Bonsai Society	9/1-9/2	\$1,200	Ag.-Hort.
Highway 101	8/30	\$10,500	Grandstand	Minnesota Dahlia Society	9/3-9/4	\$1,550	Ag.-Hort.
George Strait	8/30	\$40,000 plus 75% over \$83,200 plus \$2,200 production cost	Grandstand	Billie Hart	8/24-9/4	\$4,000	Com. Exhibits
Eddie Rabbitt	8/31	\$15,000	Grandstand	Gerald or Janice Albrecht	8/24-9/4	\$2,250	Cattle Milking Parlor
Anne Murray	8/31	\$55,000 plus 80% over \$90,000	Grandstand	Minnesota Association of Meat Processors	8/24-9/4	\$475	Meat
Sandi Patti	9/2	\$50,000 plus 80% over \$80,000	Grandstand	Minnesota Apple Growers Assn.	8/24-8/29 & 8/30-9/4	\$900	Fruit
Roger Miller	9/3	\$17,500	Grandstand	St. Paul Growers Assn.	8/24-9/4	\$400	Veg.-Pot.
Holly Dunn	9/3	\$11,500	Grandstand	Minneapolis Farmers Market	8/24-9/4	\$400	Veg.-Pot.
Ricky Van Shelton	9/3	\$17,500 plus 75% over \$70,000	Grandstand	Home Economists in Homemaking	8/24-9/4	\$400	Creat. Act.
American Speed Association	9/4	\$3,500 sanctioning \$2,500 point fund	Grandstand	W.J. Mackey, DVM	8/22-9/4	\$8,500	Vet Service
Dick Trickle	9/4	\$3,500	Grandstand	Copies of the report of the Office of Legislative Auditor, covering the society's 1988 fiscal year, were circulated to the board on February 8. It was moved by Mr. Prokosch, seconded by Mr. Morris and carried that said report be accepted (Aye-9; Nay-0).			
Mark Martin	9/4	\$5,000	Grandstand	Secretary reported on several legislative matters: (1) A bill granting to the State Zoo Board authority to build an outdoor amphitheater on its property was amended in the House so as to prohibit competing events at the amphitheater during the State Fair. (2) A last minute agency housekeeping bill which would have extended to the Department of Employee Relations the authority to approve State Fair payroll and compensation plans was sidetracked in the House when references to the State Fair were removed. (3) A bill was passed which greatly simplifies the "out-of-state" entertainer tax and the handling of withholdings on entertainers by the State Fair and other promoters. No action required on these matters.			
Ken Schrader	9/4	\$5,000	Grandstand	John Galus outlined the process leading to settlement of the Whitewater Raft Ride litigation in early April. After questions to Galus, it was moved by Mr. Lund, seconded by Mr. Lilliquist and carried to approve the expenditure of \$533,000 in settlement of the Whitewater case with the understanding that the assets in dispute (both the ride and the parking ramp) be delivered to the society free and clear of all legal impediments (Aye-9; Nay-0).			
Rusty Wallace	9/4	\$6,000	Grandstand	Upon a motion by Mr. Lund, seconded by Mr. Annexstad and carried an agreement between Aqua Management (including its shareholders) and the Fair which provides (1) that Aqua will operate the ride in 1989 (only) and (2) that Aqua will transfer the ride to the society on September 5, 1989, was approved (A draft of this agreement was circulated to the board before the meeting.) (Aye-9; Nay-0).			
Southern Thunder Sound, Inc.	8/23-9/4	\$15,000	Bandshell	In order to anticipate the financial and budget requirements of the Whitewater Raft Ride settlement and so as to acknowledge that the expenditure made on behalf of said settlement was in fact a capital expenditure, it was moved by Mr. Simons, seconded by Mr. Recknor and carried that the sum of \$533,000 be released (before the fact) from the State Fair Building Fund for the purpose of acquiring the raft ride and the parking ramp (Aye-9; Nay-0).			
The Amazing Kreskin	8/24	\$5,000	Bandshell	Secretary provided an outline of the process used by staff in seeking proposals for (1) a short-term line of credit (up to \$500,000, repayment on Sept. 15, 1989) and (2) a replacement, long-term note on the Sussell property purchase at \$733,776 for 10 years (present note comes due Sept. 1, 1989). Five banks were given an opportunity to submit on the project: all five did so. Staff recommended that North Star State Bank, Roseville, be selected and be asked to advance such funds to the society as outlined in the request for proposal and that Secretary be authorized to execute documentation in the form of term and revolving promissory notes. After discussion, it was moved by Mr. Lund, seconded by Mr. Simons and carried to confirm the staff recommendation; further to offer North Star State Bank, Roseville, assurances of the board's intention to transfer its accounts and funds to said banking institution immediately after January 1, 1990, and finally, to include in this resolution confirmation of the following (Aye-9; Nay-0):			
Williams & Ree	8/24-8/29	\$22,500	Bandshell	(1) The Board hereby authorizes the execution and delivery of a properly drawn agreement covering these commitments and the notes and other documents provided for in said agreement;			
Shenandoah	8/24-8/29	\$13,617	Bandshell	(2) Designation of North Star State Bank, Roseville as the official depository of the society beginning January, 1990, and further requiring the Secretary-General Manager to deposit funds of the society with North Star State Bank, Roseville;			
Danny Davis & The Nashville Brass	8/24-8/29	\$27,695	Bandshell	(3) Designation of the title(s) of the depository account(s) and designation of the officers authorized to execute agreements, notes and other documents provided for in said agreement.			
Southern Pacific	8/24-8/29	\$27,000	Bandshell	Mr. Frost presented a preliminary outline on the upcoming Fourth of July celebration. No action required.			
Gary Puckett	8/30-9/4	\$21,000	Bandshell	Upon a motion by Mr. Annexstad, seconded by Ms. Roehlke and carried, approval was granted to issue the administrative employee coffee fund \$200 to cover coffee and tea used during the summer and during the fair by business visitors (Aye-9; nay-0).			
Four Guys Standing	8/30-9/4	\$8,578	Bandshell	An agenda call for the next meeting of the board at 10 a.m., Friday, August 25 was moved by Mr. Lilliquist, seconded by Mr. Prokosch and carried (Aye-9; Nay-0).			
Around Singing	8/30-9/4	\$18,195	Bandshell	Meeting adjourned.			
Skip Ewing	8/30-9/4	\$20,000	Bandshell				
The McCarters	8/30-9/4	\$5,500	Baldwin				
Southern Thunder Sound, Inc.	8/23-9/4	\$2,900	Heritage				
The Rockin' Hollywoods	8/24-8/29	\$8,500	Baldwin				
Back Behind The Barn Boys	8/24-8/29	\$4,500	Baldwin				
Stryker	8/24-8/29	\$2,700	Baldwin				
The Fantastic Convertibles	8/30-9/4	\$4,000	Baldwin				
Deb Nienow & Wheels	8/30-9/4	\$2,500	Baldwin				
Southern Thunder Sound, Inc.	8/23-9/4	\$2,900	Heritage				
John & Mary Block	8/24-9/4	\$3,500	Heritage				
Log Cabin Family	8/24-8/29	\$2,000	Heritage				
Pop Wagner	8/24-8/29	\$7,880	Heritage				
Barbary Coast Banjo Brass	8/24-8/29	\$15,058.50	Heritage				
Riders In The Sky	8/30-9/4	\$10,117	Heritage				
Drifting Cowboys Band	8/30-9/4	\$9,000	Heritage				
Wolverines Big Band	8/23-9/4	\$2,900	Bazaar				
Southern Thunder Sound, Inc.	8/24-8/29	\$5,139	Bazaar				
Glenn Jaspering	8/24-8/29	\$5,500	Bazaar				
The Memories	8/24-9/4	\$6,000	Children's Theater				
David Cohan	8/24-9/4	\$7,500	Children's Theater				
Willy Wonka	8/24-8/29	\$4,000	Children's Theater				
The Sunshine Band	8/28-9/4	\$3,280	Sen. Bldg.				
Vic Hyde	8/24-9/4	\$0-\$25,000 (MSF)	Free Entert.				
Mark Wilson Productions, Ltd. f/s/o Incredible Acrobats of China		\$25,000-\$400,000 (MWP)					
		\$400,000-\$500,000 (50% to MSF & 50% to MWP)					
		\$500,000-above (30% to MSF & 70% to MWP)					
Jay Cochrane	8/24-9/4	\$24,893	Free Entert.				
Minnesota Purebred Dog Breeders Association	8/24-9/4	\$5,307	Dog Exhibit				
Shirley Trimble	8/25-8/29 & 9/1-9/3	\$140	Hrs. & Rodeo				
Max Reynolds	8/25-8/29 & 9/1-9/3	\$5,400	Hrs. & Rodeo				
Randy Roberts	8/25-9/4	\$1,900 plus admissions	Hrs. & Rodeo				
Barnes PRCA Rodeo	8/30-8/31	\$20,000 plus \$6,000 prize money plus admissions	Hrs. & Rodeo				
Minnesota State Horticultural Society	8/24-9/4	\$2,400	Ag.-Hort.				
Minnesota Nurserymen's Association	8/24-9/4	\$4,000	Ag.-Hort.				
North Central Florists	8/24-9/4	\$9,250	Ag.-Hort.				
Minnesota State Horticultural Society	8/24-8/25	\$1,200	Ag.-Hort.				

MINUTES IN VACATION

June

9—Sinclair met with Messers. Norm Seegar and Dan Carr of Badger Exposition Service, Inc. to discuss building decorating plans for the 1989 Fair.

10—Executive committee approved the May 31, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-April 30, 1989		\$	122
Add:			
May Cash Deposits	\$ 876,749		
Less:			
Payroll Ending May 10	(75,950)		
Payroll Ending May 24	(53,525)		
May Cash Disbursements	(381,460)		
Cash Balance-May 31, 1989		\$	365,936

MARKETABLE SECURITIES ACTIVITY:

Balance-April 30, 1989		\$	182,243
Add:			
Interest Earned	\$ 2,099		
Less:			
Service Charges	(55)		
Securities Cashied	(180,000)		
Balance-May 31, 1989		\$	4,287

BUILDING FUND ACTIVITY:

Balance-April 30, 1989		\$	106,652
Add:			
Interest Earned	\$ 1,449		
Less:			
Service Charges	(37)		
Balance-May 31, 1989		\$	108,064

CASH BALANCES FOR MONTH ENDING MAY 31:

	1989	1988
General Fund	\$ 365,936	\$221,812
Petty Cash	200	200
Marketable Securities	4,287	564,048
Building Fund	108,064	
Total Cash Balances	\$ 478,487	\$786,060

12—Pooch and Heffron, together with Fine Arts superintendent Pat Kennedy Crump met with Phil Nuesbaum and Dee Knaak of the Minnesota Arts Board to discuss a special folk art project for the '89 fair. Wenzel met with local NCAA officials regarding State Fair being the host site for the 1990 and 1992 NCAA Division III Final Four. Frost attended a meeting of the St. Anthony Park Community Council planning committee.

13—Heffron attended and spoke at a dinner meeting of the State Fair Exhibitor/Concessionaire organization in Minneapolis.

15—Bicycle races were staged on Machinery Hill.

15-18—The Minnesota Arabian Horse Show was held in the Coliseum.

16—ADA/Minnesota used the Empire Commons for a radio broadcast promotion. Deutz-Allis Corp. held an employee picnic on Machinery Hill.

17—A golf equipment sale was held in the Sentinel Bldg.

17-18—A flea market was staged in the Grandstand and Infield area.

18—An art and craft show was held in Baldwin Park.

19—Sinclair met with representatives of the Minnesota Departments of Health and Agriculture to discuss concession operations at off-season events and the Fair.

23-25—The Minnesota Street Rod Show was held on Machinery Hill, and in the Progress Center.

23-26—The Minnesota Holstein show was contested in the Coliseum and Cattle Barn.

26—Leach met with representatives of Stagehands Union to discuss problems and scheduling for '89 fair.

27—Frenette and Heffron met with Norb Conzemius, Tonya Smith and Gary Woeltge of First Banks/St. Paul to discuss the fair's banking service and loans.

28—A bicycle race was contested on Machinery Hill. Heffron met with Representative Jim Rice to discuss legislative matters. Wenzel and Heffron met with Sherry Enzler to discuss several legal issues. Leach and Goiffon met with sales director for Metrodome Hilton to discuss accommodations for fair entertainers and VIP's. Frost and Neil Larson met with stagehands union representatives.

28-2—The Tanbark Horse Show was held in the Coliseum.

30-2—A gem and mineral show was staged in the Education Building.

July

4—A special July 4th show and fireworks display sponsored by the fair and by ADA/Minnesota, was staged at the Bandshell, Baldwin Park and in the Grandstand. Paid attendance at the event was 19,070.

6—Heffron testified at a St. Paul City Council meeting regarding yard parking in the Como neighborhood. Wenzel, Fischler and Heffron met with Toltz, King, Duvall staff on the second phase of Progress Center work. Executive committee approved the June 30, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-May 31, 1989		\$	365,936
Add:			
June Cash Deposits	\$ 478,029		
Less:			
Payroll Ending June 6	(62,051)		
Payroll Ending June 21	(56,551)		
June Cash Disbursements	(706,546)		
Cash Balance-June 30, 1989		\$	18,817

MARKETABLE SECURITIES ACTIVITY:

Balance-May 31, 1989		\$	4,287
Add:			
Interest Earned	\$ 137		
Less:			
Service Charges	(4)		
Balance-June 30, 1989		\$	4,420

BUILDING FUND ACTIVITY:

Balance-May 31, 1989		\$	108,064
Add:			
Interest Earned	\$ 879		
Securities Purchased	100,000		
Less:			
Service Charges	(23)		
Balance-June 30, 1989		\$	208,920

CASH BALANCES FOR MONTH ENDING JUNE 30:

	1988	1989
General Fund	\$ 462,546	\$ 18,817
Petty Cash	1,800	2,300
Marketable Securities	564,437	4,420
Building Fund		208,920
Total Cash Balances	\$1,028,783	\$ 234,457

7—Wenzel and Parking Superintendent Ron Vannelli met with Rick Gjerdahl of the St. Paul Port Authority and Vic Wittgenstein of the St. Paul Parks and Rec. Dept. relative use of their respective departments open land for Park and Ride privileges during the 1989 Fair.

9—A Classic Corvette car show was held in the Education Bldg.

11—Sinclair and Ohlhauser met with representatives of the U.S. Olympic Festival - '90 regarding events to be held at the fairgrounds.

12-16—A Morgan horse show was staged in the Coliseum.

13—St. Paul and Minneapolis police bands practiced on Machinery Hill.

15—A concession products sale was held in Block 47.

17—The State Employment Service opened a branch office in the 4H Bldg.

20-23—The National Street Rod Association held its annual convention and show using the entire fairgrounds as well as a number of buildings. Over 11,000 cars were entered in the event and during the four days of the show, a total of 100,000 participants and spectators were in attendance.

24—Heffron met with Messrs. Mark Terin and Greg Foster to discuss a proposal for special child care facilities at the fair.

26—A series of auditions for the amateur talent contest were initiated beginning this date in the Bandshell. Wenzel, Mark Goodrich, Judi Ohlhauser met with representatives of the Morgan Horse Show to discuss their recently concluded show and future shows at the Fairgrounds.

27—Ohlhauser and Sinclair met with Ms. Betty Piper, Minnesota Twins, to review final plans for the Fair/Twins Agriculture Awareness Days promotion.

28—Heffron met with Tonya Smith and Gary Woeltge of First Banks/St. Paul to discuss a proposal for banking services.

31—Sinclair and Kensler hosted a meeting of rental services department building/area superintendents in the Administration Building to review plans for the Fair.

August

1—Wenzel and Heffron met with Tom Foster and Diane Moser to discuss plans for a St. Paul Pioneer Press/Dispatch promotion during the '89 state fair.

2—The State Bureau of Criminal Apprehension used the Coliseum for a photo training session. A space rental review meeting was held in the Administration Bldg. (see minutes which follow).

3—Frenette met with Jim Faust of North Star State Bank to discuss new information concerning term loan.

7—Wenzel, Sinclair met with Fair's beer vendors to go over 1989 Fair plans.

8—Wenzel and Heffron met with St. Paul Police Chief William McCutcheon to discuss the contract and arrangements under which the city provides policing and traffic services for the fair. Sinclair met with Peter Boehm, Our Fair Carousel, Inc., to discuss carousel operation at the 1989 Fair. The executive committee approved the July 31, 1989 financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-June 30, 1989		\$	18,817
Add:			
July Cash Deposits	\$1,046,993		
Less:			
Payroll Ending July 5	(96,941)		
Payroll Ending July 19	(97,521)		
July Cash Disbursements	(604,823)		
Cash Balance-July 31, 1989		\$	266,525

MARKETABLE SECURITIES ACTIVITY:

Balance-June 30, 1989		\$	4,420
Add:			
Interest Earned	\$ 34		
Less:			
Service Charges			
Balance-July 31, 1989		\$	4,454

BUILDING FUND ACTIVITY:

Balance-June 30, 1989		\$	208,920
Add:			
Interest Earned	\$ 1,229		

Less:		
Service Charges	(33)	1,196
Balance-July 31, 1989		\$ 210,116

CASH BALANCES FOR MONTH ENDING JULY 31:

	1988	1989
General Fund	\$ 312,581	\$ 266,525
Petty Cash	1,800	2,300
Marketable Securities	564,838	4,454
Building Fund		210,116
Total Cash Balances	\$ 879,219	\$ 483,395

9—The infield stage roof was installed this date.

14—Wenzel, Blakey, Sinclair and Heffron met with Lt. Larry Klukow of the Minnesota Patrol to discuss the inspection of trucks leaving the fairgrounds immediately after the fair.

15—Heffron spoke to the St. Paul Chamber of Commerce Board on the state fair as a business and as a benefit to the economy of the community.

15-16—Parking Department held their annual employment meetings at Heritage Square.

16—A 4-H Foundation donor recognition dinner, held at the 4-H Building, was attended by Korff, Heffron and Fischler.

16-17—Frost attended the world's largest State Fair at Columbus, Ohio, and an emergency meeting of the ICMBFA executive committee in Nashville, Tennessee.

18—A special thank you luncheon was held for all the workers who participated in the 4H building improvement project.

21—Como bridges were erected today. Wenzel, Sinclair, Blakey and Heffron met with representatives of the Minnesota Patrol to discuss truck inspections.

22—A special fine arts preview was held at the Art Center.

23—The Princess Kay coronation, sponsored by American Dairy Association/Minnesota, was held at the Bandshell. Preliminary English horse show events were staged in the Coliseum. A special ceremony was held at the Blue Flame Gas House to dedicate state fair trackless trains being converted to natural gas.

24—The 1989 Minnesota State Fair opened to the public at 6 a.m. Special opening day ceremonies, hosted by Governor Rudy Perpich and President Bill Korff, were held in the Bandshell at 10 a.m. WCCO-Radio designated Society immediate past president Sulo Ojakangas as its "Good Neighbor".

SPACE RENTAL COMMITTEE MEETING

Administration Building, State Fairgrounds
Wednesday, August 2, 1989 - 10:00 A.M.

Members present: Keenan, chairman; Lund; Prokosch; Roehlke; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Meeting was called to order by Chairman Keenan at 10 a.m.

The committee undertook review of the application for concession space submitted for the 1989 State Fair by Mr. Hamid Erfani dba Wellington International. Sinclair advised the committee that staff denial of the Erfani application had been based on its late date and on the fact that other concessions had already been placed which offered lamb skin products similar to those proposed by the applicant. Samples and photos of Mr. Erfani's products were circulated to the membership. On a motion by Mr. Lund, seconded by Mrs. Roehlke and carried, earlier staff denial of Mr. Erfani's application was upheld for the reasons indicated (Aye-3; Nay-0).

Sinclair backgrounded the committee on the circumstances surrounding staff denial of the application of Ms. Mary Quinby to represent Mary Kay cosmetic products at the 1989 State Fair. . . presence of other exhibitors already offering Mary Kay cosmetics at the Fair. A wish to avoid further duplication of like products based on the large number of applications received for unrepresented products/services and the limited amount of physical space available served as the basis for a motion by Mr. Prokosch, seconded by Mr. Lund and carried which supported staff denial of the subject space request (Aye-3; Nay-0).

Mr. Daniel Sanders of Northern Industrial Tool Company appeared before the committee to request review of staff action denying his application for space to present Arm-A-Rest flip out arm rest pillows. Sinclair indicated that staff action had been based on simple lack of space for the 1989 State Fair. Mr. Sanders indicated that he would accept either exhibit or concession space and could be prepared on relatively short notice to present a display. It was moved by Mr. Lund, seconded by Mr. Prokosch and carried that the subject application be placed in an "okay, if space becomes available" status to be given further consideration should appropriate space become available between this date and the 1989 Fair (Aye-3; Nay-0).

Denial of the space application submitted by Mr. Gary Benson for the sale of "pickle dogs" was reviewed by the committee with Mr. Benson. Mr. Benson outlined his brief experience with presentation of his product in a delicatessen and Mr. Sinclair indicated that earlier staff action had been based on lack of sufficient food/beverage concession space for the 1989 Fair to accommodate Mr. Benson's request for same. On a motion by Mr. Prokosch, seconded by Mr. Lund and carried, staff action was supported (Aye-3; Nay-0).

Sinclair reviewed the basis for staff denial of a food concession application submitted by Jim and Cheri Ekbohm. . . lack of sufficient physical space to accommodate further placement of food/beverage concessions for the 1989 Fair. Staff action was supported by the committee on a motion by Mr. Prokosch, seconded by Mrs. Roehlke and carried (Aye-3; Nay-0).

Mr. Tony Caterina appeared before the committee to request review of the space rental application he had submitted for the 1989 Fair which had previously been denied by staff. While the committee reviewed correspondence between Mr. Caterina, the Fair and other government agencies, Mr. Sinclair advised that earlier staff action had been based on the existence of other exhibitors/concessionaires at the Fair offering similar automotive polish/sealant, vinyl and wheel cleaner and fabric protectant products. Desire by the committee to avoid placement of further outlets for like products in view of the large number of applications for unrepresented products/services brought about a motion by Mr. Lund, seconded by Mrs. Roehlke which carried calling for refusal of Mr. Caterina's space request for the Ultra Tech, Inc. (Aye-3; Nay-0).

Representatives of Kinetco Water Conditioning appeared before the committee on behalf of appellant, Larry Haferman/Haferman Water Conditioning, to request review of Mr. Haferman's request for exhibit space at the 1989 Fair. Mr. Sinclair summarized the basis for staff denial of the subject application. . . lack of sufficient physical space to accommodate further placement of water conditioning products similar in nature to those already represented at the Fair in view of the large number of applications received for products/services unrepresented in any manner. Mr. Heffron reiterated for those present that allocation of space to the applicant, Mr. Haferman, would not provide exhibit opportunity for others firms. The committee commended the perseverance of the applicant in his quest for exhibit space and recognized the unique characteristics of the subject product, but supported earlier denial of his application on the basis cited by staff. Moved by Mr. Prokosch, seconded by Mrs. Roehlke and carried (Aye-3; Nay-0).

The committee undertook review of the application submitted by the 1990 International Trans-Antarctica Expedition. Sinclair advised that the application had originally been placed in an "okay, if space available" status, but lack of sufficient physical space and the applicant's desire to present products of similar generic fashion to those presently available in adequate supply at the Fair (t-shirts, sweatshirts and hats) had lead to staff action. Ms. Cynthia Mueller summarized the expedition's purpose in requesting space, displayed several products and pieces of printed material to support those which accompanied the original space application and explained the relationship of the expedition to National Screen Print, supplier of their merchandise and operator of their concession/exhibit. On a motion by Mr. Prokosch, seconded by Mrs. Roehlke and carried it was determined that the subject application should be given further consideration should space appropriate for placement and presentation of the expedition's exhibit/concession become available between this date and the 1989 Fair which satisfactorily addresses the Fair's concerns regarding the level of availability of generically similar products and balance of same about the grounds (Aye-3; Nay-0).

Harland and Holly Pool appeared before the committee to request review of their application for concession space to offer handcrafted home decorating items which had previously been denied by staff based on the presence of similar products available at other Fair concessions and lack of sufficient physical space to present further products of this nature in view of the large number of applications received for unrepresented products/services in the limited space available. The Pool's displayed samples of their proposed product line reflecting the unique nature of the colors used and quality of workmanship, following which prior staff action was supported with the further understanding that if space appropriate for presentation of the subject products becomes available between this date and the 1989 Fair, further consideration should be given to the Pool's application. Moved by Mr. Prokosch, seconded by Mrs. Roehlke and carried (Aye-3; Nay-0).

Discussion was undertaken by the committee regarding requests to offer helicopter rides at the State Fair. Concerns related to residential areas surrounding the fairgrounds, noise abatement, the liabilities involved and the physical requirements of such operations were considered by the committee. No action called for or taken.

Meeting was adjourned at 1:00 p.m.

**MEETING OF THE GOVERNING BOARD
MINNESOTA STATE AGRICULTURAL SOCIETY**

Administration Building
Friday, August 25, 1989 - 10 A.M.

Members present: Bill Korff, president; Rich Keenan; Don Simons; Eileen Roehlke; Howard Morris; Howard Recknor; Martin Annexstad; Vern Prokosch; Bert Lund; Willis Lilliquist; Mike Heffron, secretary.

Also present: Rick Frenette; Sherry Enzler.

President Korff opened the meeting by welcoming all members to the 1989 Minnesota State Fair.

Upon a motion by Mr. Lund, seconded by Mr. Annexstad and carried, minutes of the June 7 board and space rental committee meeting(s), previously mailed to the members, were approved (Aye-9; Nay-0).

Minutes of the space rental review meeting, held August 2, 1989, were approved on a motion by Ms. Roehlke, seconded by Mr. Recknor and carried (Aye-9; Nay-0).

Copies of the Minutes in Vacation, covering the period June 9 through August 24, 1989, were approved on a motion by Mr. Lilliquist, seconded by Mr. Simons and carried (Aye-9; Nay-0).

Secretary presented the July 31, 1989 society financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-June 30, 1989 \$ 18,817

Add:

July Cash Deposits \$1,046,993

Less:

Payroll Ending July 5 (96,941)

Payroll Ending July 19 (97,521)

July Cash Disbursements (604,823) 247,708

Cash Balance-July 31, 1989 \$ 266,525

MARKETABLE SECURITIES ACTIVITY:

Balance-June 30, 1989 \$ 4,420

Add:

Interest Earned \$ 34

Less:

Service Charges 34

Balance-July 31, 1989 \$ 4,454

BUILDING FUND ACTIVITY:

Balance-June 30, 1989 \$ 208,920

Add:

Interest Earned \$ 1,229

Less:

Service Charges (33) 1,196

Balance-July 31, 1989 \$ 210,116

CASH BALANCES FOR MONTH ENDING JULY 31:

	1988	1989
General Fund	\$ 312,581	\$ 266,525
Petty Cash	1,800	2,300
Marketable Securities	564,838	4,454
Building Fund		210,116
Total Cash Balances	\$ 879,219	\$ 483,395

Upon a motion by Mr. Morris, seconded by Mr. Prokosch and carried, the financial statement of July 31, 1989 was approved (Aye-9; Nay-0).

Secretary was authorized to make miscellaneous ticket refunds and/or payment of minor claims as he deems appropriate upon a motion by Mr. Simons, seconded by Mr. Keenan and carried (Aye-9; Nay-0).

After discussion, it was moved by Mr. Annexstad, seconded by Mr. Prokosch and carried that staff be instructed to discontinue stand storage beginning immediately after the 1990 fair (Aye-9; Nay-0).

Secretary announced that the annual trade association convention of the International Associations of Fairs and Expositions would be held at the Bally Grand Hotel, Las Vegas, November 26-30, 1989. It was moved by Mr. Simons, seconded by Ms. Roehlke and carried that members of the board and certain administrative personnel as designated by the secretary be authorized to attend the IAFE convention with society to pay appropriate expenses (Aye-9; Nay-0).

Upon a motion by Mr. Lilliquist, seconded by Mr. Annexstad and carried, authority was granted for members of the board to travel outside the state at society expense in order to visit other state and regional fairs held during September, October and November, 1989 (Aye-9; Nay-0).

A list of entertainment contracts, not yet available for approval at the 6-7-89 board meeting were submitted by secretary. Upon a motion by Mr. Simons, seconded by Ms. Roehlke and carried, the following contracts were approved (Aye-9; Nay-0).

CONTRACTOR	DATE(S)	TERMS	VENUE
Mobile Vision, Inc.	8/24-9/4	\$35,000	Grandstand
Mercil Communications	8/24-9/4	\$11,830	Grandstand
Americana Fireworks	8/24-9/4	\$32,000	Grandstand
Display Co.			
Julie Snouffer	8/24-9/3	\$4,752	Grandstand
Vox I, Inc. f/s/o	8/24	\$55,000 plus 60% over \$120,000	Grandstand
Kenny Loggins			
Genevieve Productions, Inc. f/s/o Michael McDonald	8/24	\$35,000 plus 30% over \$120,000	Grandstand
Randy Travis	8/27	\$100,000 plus 90% over \$140,000	Grandstand
Jim Varney	8/28	\$25,000 plus 70% over \$50,000	Grandstand
Larry M. Sadoff-Event/Marketing Management, Inc. f/s/o Teenage Mutant Ninja Turtle Show	8/28	\$5,000	Grandstand
Sticky Black Productions, Inc., f/s/o Sheena Easton	8/29	\$50,000 plus 70% over \$100,000	Grandstand
Michael Damian Enterprises, Inc., f/s/o Michael Damian	8/29	\$20,000	Grandstand
Biff & Company f/s/o Tiffany	9/1	\$27,500 plus 85% over \$85,000 plus \$5,000 production cost	Grandstand
Dick Scott Entertainment, Inc., f/s/o New Kids on The Block	9/1	\$27,500 plus 85% over \$85,000	Grandstand
The Statler Brothers	9/2	\$43,000 plus 80% over \$83,000	Grandstand
Don Williams	9/2	\$17,500	Grandstand
What Do We Do Next, Inc. f/s/o The '69/'89 20th Anniversary Celebration	9/3	\$37,500 plus 70% over \$80,000	Grandstand
Sha Na Na, A Partnership	9/3	\$12,500	Grandstand
Jack Albinston	9/4	\$150	Grandstand
Raymond Komischke	8/24-9/3	\$56,716.15	Bandshell
The Cassidy Brothers	8/24-9/4	\$1,395	Bandshell
Bobby Dale	8/24-9/4	\$2,400	Bandshell
John Mons	8/24-9/4	\$939	Bandshell
Tom Chepokas	8/24-9/4	\$5,256	Bandshell
Ray Komischke	8/24-9/4	\$325	Bandshell
Ellen Keane	8/24-9/4	\$225	Bandshell
Sue Nelson	8/24-9/4	\$225	Bandshell
Jim Sullivan	8/24	Admissions	Bandshell
National Guard			
Thomas Baumgartner	8/24-9/3	\$7,500	Bazaar
Skip DeVol	8/30-9/4	\$10,897.50	Bazaar
The Sauerkrauts	8/30-9/4	\$10,897.50	Bazaar
Minnesota State Bar Association	8/24-9/3	\$357.50	Baldwin
Mark Buller/Boys	8/30-9/4	\$3,500	Baldwin
Chmielewski Show	8/30-9/4	\$8,552.50	Heritage
John Wolak	8/24-9/4	\$6,000	Heritage
Paul Hubler	8/24-9/4	\$1,650	Heritage
Doug Anderson/ Ellen Keane	8/24-9/4	\$4,000	Child. Theater
Teddy Bear Band	8/30-9/4	\$4,058.50	Child. Theater
Cliff Brunzell	8/24-9/4	\$6,985.50	C. Activities
K595 Balloon Race	8/24	\$1,450	Free Ent.
John Magnuson	9/2	\$625	Milk Run
Kurt Grebner	9/2	\$50	Milk Run
Vicki Knutson	9/2	\$100	Milk Run

Steve Hoag	9/2	\$100	Milk Run
Corkey Nelson	8/24-9/3	\$1,145	Parade
Lee Schutts	8/24-9/3	\$800	Parade
O.C. Mangold	8/24-9/3	\$925	Parade
Lou Anne Hanson	8/24-9/3	\$900	Parade
John & Mary Block	8/24-9/3	\$1,375	Parade
All American Judging Assn.	8/24-9/3	\$1,063	Parade
Parade Productions	8/24-9/3	\$1,000	Parade
Jack Pixley	8/24, 26, 27, 9/1, 2, 3	\$300	Parade
Irondale High School	8/24	\$200	Parade
Columbus High School	8/24	\$500	Parade
Bloomington Kennedy H.S.	8/24	\$200	Parade
St. Francis H.S.	8/24	\$200	Parade
Winona Cotter H.S.	8/25	\$300	Parade
Eden Valley/Watkins H.S.	8/25	\$200	Parade
Chatfield High School	8/25	\$300	Parade
Winona Senior High	8/25	\$300	Parade
Delano High School	8/26	\$200	Parade
New Richmond H.S.	8/26	\$200	Parade
Simley High School	8/26	\$200	Parade
U of M Alumni Band	8/26	\$250	Parade
Goodhue High School	8/27	\$200	Parade
Birchwood High School	8/27	\$400	Parade
Owatonna High School	8/27	\$200	Parade
Waseca High School	8/27	\$300	Parade
Peterson High School	8/28	\$300	Parade
Lake City High School	8/28	\$200	Parade
Ashby Public H.S.	8/28	\$400	Parade
Brady High School	8/28	\$200	Parade
Twin City Unicycle Club	8/28	\$100	Parade
Caledonia High School	8/29	\$300	Parade
Taylor Falls H.S.	8/29	\$200	Parade
Eden Prairie H.S.	8/29	\$200	Parade
Albert Lea H.S.	8/29	\$300	Parade
St. Peter High School	8/30	\$200	Parade
Burnsville High School	8/30	\$200	Parade
Jordan High School	8/30	\$200	Parade
St. James High School	8/30	\$300	Parade
Baldwin-Woodville H.S.	8/31	\$200	Parade
Gale-Trempealeau H.S.	8/31	\$400	Parade
Richfield High School	8/31	\$200	Parade
Elk River H.S.	8/31	\$200	Parade
Spring Lake Park H.S.	9/1	\$200	Parade
Tartan H.S. Jazz Band	9/1	\$200	Parade
Anoka High School	9/1	\$200	Parade
Bruce High School	9/2	\$400	Parade
Red Wing High School	9/2	\$200	Parade
Colfax High School	9/2	\$400	Parade
Elk Mound High School	9/2	\$400	Parade
Boyceville High School	9/3	\$200	Parade
Glencoe High School	9/3	\$200	Parade
Ellsworth H.S.	9/3	\$200	Parade
Minnesota Freedom Band	9/3	\$50	Parade
McGruff Character	8/24-9/3	Admissions	Parade
Saxon Antique Firetruck	8/24-9/3	Admissions	Parade
Friends of the Forest	8/24-9/3	Admissions	Parade
Characters			
The New Image	8/25 & 8/30	Admissions	Parade
Antique Brass Pumper	8/26, 27, 28, 31, 9/1, 2, 3	Admissions	Parade
Roosevelt Marching Line	8/26 & 8/30	Admissions	Parade
Big Brothers/Big Sisters	8/27	Admissions	Parade
4-H Pom Pom Squad	8/29	Admissions	Parade
Weinermobile	9/1-9/3	Admissions	Parade
The Legion Belles	9/2	Admissions	Parade
Silver Fox Jug Band	9/3	Admissions	Parade
Perham Escort Patrol	9/3	Admissions	Parade
Waseca Sr. Center	8/24	Admissions	Sen. Bldg.
Scandinavians Orkester	8/24, 25	\$730	Sen. Bldg.
The Rhythm Retreads	8/26	\$309.75	Sen. Bldg.
The Four Hymns	8/24 & 27	Admissions	Sen. Bldg.
Hilda & Pine Creek	8/27	Admissions	Sen. Bldg.
Pussy Willows			
The Gray Aires	8/28	Admissions	Sen. Bldg.
Dee Tanner	8/26 & 8/31	\$60	Sen. Bldg.
Leroy Karg Band	8/26-8/29	\$760	Sen. Bldg.
Kitchen Kut Ups	8/29	Admissions	Sen. Bldg.
of New Brighton			
The Kelley Family	8/30	Admissions	Sen. Bldg.
Nordkap Male Chorus	8/25, 30, 9/1	\$600	Sen. Bldg.
The James Gang	9/2	\$109.75	Sen. Bldg.
Smokey & Marv	9/3	\$50	Sen. Bldg.
Willie Hagen Combo	9/4	\$220	Sen. Bldg.
Paul & Archie	8/31-9/4	\$800	Sen. Bldg.
Minnesota Nurserymen's Association	8/24-9/4	\$3,000	Ag-Hort
Lillian Colton	8/24-9/4	\$1,000	Farm Crops
William Sweeney, DVM	8/24-9/4	\$18,250	Vet Services

Secretary presented a storage claim in the amount of \$125.00 as submitted by Mr. John F. Sauro. After review of the claim, approval was moved by Mr. Prokosch, seconded by Mr. Simons and carried (Aye-9; Nay-0).

Secretary and finance supervisor Frenette reviewed recent developments with respect to the fair's \$733,000 term note with North Star Bank. First Bank submitted an offer to reduce their rate on the existing note from prime to 73 percent of prime; North Star countered with a reduction to the same rate. Since contracts were already in place with North Star, staff determined to accept the North Star amended offer.

Approval was granted to offer discount rates on 1989 auto race/discount gate tickets when purchased in the following quantities (each package contains one auto race ticket/\$9.50 and one discount gate ticket/\$3.25; total value - \$12.75): 200-299 packages - \$12.00 each; 300-399 packages - \$11.50 each; 400-or more packages - \$11.00 each. Action to approve moved by Lund, seconded by Prokosch and carried (Aye-9; Nay-0).

Meeting adjourned.

LIFE MEMBER ADVISORY COMMITTEE MEETING

Administration Building
Sunday, August 27, 1989 - 1:30 P.M.

Members present: Sulo Ojakangas, chair; Norris Carnes; Jerry Franke; Deke Grussendorf; Leo Keskinen; Birney Wilkins; Jerry Hammer, ex officio (secretary). Also present: Bill Korff; Len Harkness.

Mr. Carnes moved and Mr. Grussendorf seconded a motion to reaffirm the committee's earlier recommendation of Leonard Ramberg for induction into the State Fair Hall of Fame at the 1990 annual meeting.

Mr. Franke moved and Mr. Ojakangas seconded a motion recommending Gale Frost for election to life membership in the society at the 1990 annual meeting.

Meeting adjourned.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building
Sunday, September 3, 1989

Members present: Bill Korff, president; Martin Annexstad; Rich Keenan; Vern Prokosch; Willis Lilliquist; Howard Morris; Bert Lund; Eileen Roehlke; Don Simons; Howard Recknor; Mike Heffron, secretary.

Also present: Jim Donnelly; Sherry Enzler.

Upon a motion by Mr. Lilliquist, seconded by Mr. Recknor and carried, minutes of the August 25 board meeting were approved (Aye-9; Nay-0).

Secretary presented the August 31, 1989 society cash statement as follows (because the dates of the State Fair change each year, account balances on this statement should not be compared to previous years):

GENERAL FUND ACTIVITY:

Cash Balance-July 31, 1989		\$ 266,525
Add:		
Aug. Cash Deposits	\$4,916,656	
Less:		
Payroll Ending Aug. 2	(102,444)	
Payroll Ending Aug. 16	(95,494)	
Payroll Ending Aug. 30	(142,815)	
Aug Cash Disbursements	(2,084,621)	2,491,282
Cash Balance-Aug. 31, 1989		\$2,757,807

MARKETABLE SECURITIES ACTIVITY:

Balance-July 31, 1989		\$ 4,454
Add:		
Interest Earned	\$ 34	
Less:		
Service Charges		34
Balance-Aug. 31, 1989		\$ 4,488

BUILDING FUND ACTIVITY:

Balance-July 31, 1989		\$ 210,116
Add:		
Interest Earned	\$ 1,620	
Less:		
Service Charges	(45)	1,575
Balance-Aug. 31, 1989		\$ 211,691

CASH BALANCES FOR MONTH ENDING AUGUST 31:

	1988	1989
General Fund	\$2,839,238	\$2,757,807
Petty Cash	2,000	2,600
Marketable Securities	572,950	4,488
Building Fund		211,691
Total Cash Balances	\$3,414,188	\$2,976,586

On a motion by Mr. Annexstad, seconded by Mr. Simons and carried, the cash statement of August 31, 1989 was approved (Aye-9; Nay-0).

It was moved by Mr. Lund, seconded by Mr. Keenan and carried to adopt the report of the life member advisory committee filed with the secretary on August 27, which report recommends the induction of Leonard Ramberg into the Hall of Fame and the election (by the Society) of Gale Frost to honorary life membership (Aye-9; Nay-0).

It was moved by Mr. Morris, seconded by Mr. Keenan and carried that the dates of the 1990 Minnesota State Fair be Thursday, August 23 through Labor Day, Monday, September 3 (Aye-9; Nay-0).

After discussion, Mr. Korff set an agenda date for the next meeting of the board for 10 a.m. on Thursday, November 9 (Aye-9; Nay-0).

Secretary outlined the following list of staff recommended fall construction projects (not previously approved by the board): Install interceptor manhole in Block 40 - \$5,000; purchase 440 feet of Jersey barriers - \$8,000; paint Coliseum doors - \$2,000. After discussion, it was moved by Mr. Lund, seconded by Mr. Annexstad and carried to accept the recommendation (Aye-9; Nay-0).

Secretary outlined a previous board directive that Youth Camp operations be analyzed by staff and reviewed by the board on a periodic basis and stated that such an analysis/review had not been undertaken in several years. Secretary also recited some of

the reasons that a review was appropriate at the current time. After some discussion, it was moved by Mr. Keenan, seconded by Mr. Lund and carried that the subject be placed on the agenda for November 9 (Aye-8; Nay-1).

Meeting adjourned.

MINUTES IN VACATION

August

24-September 4—Visitors from other expositions and special guests at the 1989 Minnesota State Fair included: Steve Chambers, Western Fairs Association, Sacramento, Calif.; Louise Zepp, Amusement Business Magazine, Chicago, Ill.; Bob Ouimet, George Jones, Eastern States Exposition, W. Springfield, Mass.; Emma Taylor, Sandy Payant, Fred Brown, Ann Trowbridge, Fran Heath, Tom Umiker, Doyle Carlton, Susan Smith, Ann Singletary, Florida State Fair, Tampa, Fla.; Bob Gottschalk, Kansas State Fair, Hutchinson, Kans.; Len Coffey, Owen Witt, Erie County Fair, Hamburg, N.Y.; Ken Giegling, Ken Monroe, Sioux Empire Fair, Sioux Falls, S.D.; Billy Greiner, Wisconsin State Fair, Milwaukee, Wis.; Ed Charpentier, Delaware State Fair, Harrington, Del.

25—Horse exhibitors were hosted at a reception in the Coliseum.

26—The board of the Minnesota Federation of County Fairs held a meeting in the Administration Building conference room and were hosted at a noon luncheon in the Officers Headquarters.

27—A special reunion luncheon, welcoming Life and Hall of Fame members of the society, was held in the Officers Headquarters. A meeting of the life member advisory committee was conducted during the afternoon at the Administration Building.

31—The Minnesota Livestock Breeders Association board attended a breakfast meeting with society board and staff to discuss livestock competition at the State Fair. Outstanding senior citizen awards for 1989 were presented by the Governor at a special ceremony in the Bandshell. An informal picnic was held in the Grandstand infield to honor editors, mayors, legislators, county fair and chamber of commerce executives from throughout the state. After dinner, the group was hosted at the evening Grandstand show featuring Anne Murray and Eddie Rabbitt. A total of 71 family groups participated in a Minnesota State Fair/Minnesota Twins "Agriculture Awareness Day" promotion.

September

1—Representatives of various agricultural organizations, including farm equipment association members and dealers, as well as the executive staff of the Minnesota Twins Baseball Club, were hosted by the board at an "Agriculture Awareness" luncheon.

2—Board members attended "Ag Awareness" breakfasts at the Normandy and Radisson hotels.

3—A special 4-H, 50-year anniversary celebration was highlighted with re-dedication ceremonies in front of the 4-H Building. A tree was planted to note the occasion.

11—Sinclair, Wenzel and Heffron met with concessionaire James Kingen to discuss the status of his prior request for building transfer. Executive committee approved the August 31, 1989 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-July 31, 1989		\$ 266,525
Add:		
Aug Cash Deposits	\$4,916,656	
Less:		
Payroll Ending Aug 2	(102,444)	
Payroll Ending Aug 16	(95,494)	
Payroll Ending Aug 30	(142,815)	
Aug Cash Disbursements	(2,084,621)	2,491,282
Cash Balance-Aug 31, 1989		\$2,757,807

MARKETABLE SECURITIES ACTIVITY:

Balance-July 31, 1989		\$ 4,454
Add:		
Interest Earned	\$ 34	
Balance-Aug 31, 1989		\$ 4,488

BUILDING FUND ACTIVITY:

Balance-July 31, 1989		\$ 210,116
Add:		
Interest Earned	\$ 1,620	
Less:		
Service Charges	(45)	1,575
Balance-Aug 31, 1989		\$ 211,691

CASH BALANCES FOR MONTH ENDING AUGUST 31:

	1988	1989
General Fund	\$2,839,238	\$2,757,807
Petty Cash	2,000	2,600
Marketable Securities	572,950	4,488
Building Fund		211,691
Total Cash Balances	\$3,414,188	\$2,976,586

*Note: Because State Fair dates change yearly, account balances as presented reflect an inaccurate comparison.

12—An asphalt "crack sawing" demonstration was conducted on the race track, while a midwest propane gas show was staged in the Blue Flame Building.

12-13—Staff members participated in an educational seminar at McGuires Inn, on subject of "how to deal with upset customers."

13—Wenzel attended Falcon Heights council meeting in which proposals were presented for city police services.

14-17—White Wolf Ski Sale was held in the Merchandise Mart.

14-Nov. 14—The In Town Apple Store opened its annual apple sale.

15-16—Heffron attended the Clay County Fair in Spencer, Ia.

- 15-18—The 4-H horse show was staged in the Coliseum.
 16—The St. Croix Corvette Show was held in Empire Commons.
 20-24—Heffron attended the Eastern States Exposition in West Springfield, Mass. and participated in an IAFE industry insurance conference.
 21-24—North Country Ski Sale was held in the Education Building.
 22-24—A country folk art show was held in the Grandstand Building. The annual fall sportacular (baseball card show/swap) was held in Modern Living. The Western Saddle Club horse show was contested in the Coliseum.
 27—Leach, Pooch, Hammer and Heffron met with Minnesota Economic Development Commissioner Dave Speer, Maureen Flahaven, director of Celebrate Minnesota/90, plus members of Ms. Flahaven's staff and associates to discuss how the exposition proposed to participate in this special, statewide civic celebration. Wenzel and Goiffon met with the Federation of County Fairs Planning Committee to discuss programming for the 1990 annual meeting.
 28-October 1—A Warner warehouse sale was held in the Home Improvement Building. The annual Arabian horse show was staged in the Coliseum.
 30—A model railroad equipment sale was held in the Education Building.
 30-October 1—A Model A antique car show was held in the Infield.

October

- 1-29—A Halloween pumpkin sale was held in the Seed & Grain Building.
 3—Wenzel, Fischler and Heffron met with Don Ringrose and Craig Amundson of BRW Architects to discuss the progress of Commonwealth Park plans. Heffron met with Chief Deputy Attorney General Jack Tunheim to discuss State fair legal representation.
 3-8—The Minnesota Fall Horse Show was staged in the Coliseum.
 4—St. Paul Police held a training exercise on Machinery Hill. Sinclair and Ohlhauser met with representatives of the Minnesota Twins to review joint promotion of Agriculture Awareness Days during the 1989 Fair and discuss plans for same during the 1990 Fair.
 5-7—An Evangelical Garage Sale was promoted at the Crossroads Chapel. Sinclair attended and chaired an I.A.F.E. professional improvement committee meeting and visited the Arkansas State Fair while in Little Rock.
 6-8—A motorcycle and snowmobile equipment sale was held at Farmtech Plaza.
 7—The Junior League of Minneapolis held a Garage Sale in the Education Building.
 7-8—A military collectors show and sale was held in the Empire Commons Building.
 10—Executive committee approved the September 30, 1989 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Aug 31, 1989		\$2,757,807
Add:		
Sep Cash Deposits	\$3,296,216	
Less:		
Payroll Ending Sep 13	(195,257)	
Payroll Ending Sep 27	(90,602)	
Fair Period Payroll	(1,018,239)	
Sep Cash Disbursements	(4,421,235)	(2,429,117)
Cash Balance-Sep 30, 1989		\$ 328,690

MARKETABLE SECURITIES ACTIVITY:

Balance-Aug 31, 1989		\$ 4,488
Add:		
Interest Earned	\$ 34	
Securities Purchased	2,000,000	2,000,034
Balance-Sep 30, 1989		\$2,004,522

BUILDING FUND ACTIVITY:

Balance-Aug 31, 1989		\$ 211,691
Add:		
Interest Earned	\$ 1,578	
Less:		
Service Charges	(45)	1,533
Balance-Sep 30, 1989		\$ 213,224

CASH BALANCES FOR MONTH ENDING SEPTEMBER 30:

	1988	1989
General Fund	\$1,779,257	\$ 328,690
Petty Cash	200	650
Marketable Securities	1,573,432	2,004,522
Building Fund		213,224
Total Cash Balances	\$3,352,889	\$2,547,086

- 11—Public Safety supervisors meeting was held in the Administration Building.
 12—Admissions Department supervisors meeting was held in the Administration Building.
 13-14—MacQueen Company held a street maintenance equipment demonstration at Farmtech Plaza.
 14—A used car "sell it yourself" promotion was staged on the Carnival Lot.
 18—Ty Sincok, a former board member, president and current life member of the society, died in Fort Meyers, Florida after an extended illness. Wenzel, Frenette, Sinclair and Heffron attended a meeting with Mike Bilski of the North Star State Bank to discuss placing a banking facility on the Fairgrounds.
 18-29—A Berman leather sale was held in Empire Commons.
 25—Several board and staff members attended memorial services for Ty Sincok in Owatonna. Heffron attended a meeting of the St. Anthony Park Community Council.
 26—Hammer and Heffron, along with Jim Frost, attended a 1990 advertising campaign presentation at the offices of MR Bolin.

- 27-29—Hammer participated in I.A.F.E. communications awards judging at the Association's offices in Springfield, Mo.

- 30-November 6—St. Paul Fire Department held driver training sessions on the grounds. November

- 1—Wenzel and Heffron attended an organizational meeting of the Ramsey County Light Rail Midway Alignment Task Force. The State Fair is allowed voting representation with this group.

- 7—Leach, Hammer, Wenzel and Heffron met with John Magnuson to discuss Milk Run plans for 1990.

SPACE RENTAL COMMITTEE MEETING MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds
 9:30 a.m., Thursday, November 9, 1989

Members present: Keenan, chairman; Morris; Prokosch; Roehlke; Simons; Korff, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Also present: Annexstad; Lilliquist; Recknor; Rick Frenette; Judi Ohlhauser and Special Assistant Attorney General Sherry Enzler.

Mr. Keenan called the meeting to order at 9:30 a.m.

Sinclair distributed a written report of the space rental department for 1989 and reviewed specific summary comparisons with the prior year. No action required. It was moved by Mr. Simons, seconded by Ms. Roehlke and carried that staff be authorized to enter into contract negotiations with Mr. Charles L. Johnson, d.b.a. Coliseum Concessions, for provision of food and beverage in the Coliseum during the 1990 non-fair event period (Aye-4; Nay-0).

A proposal submitted by Syndicate Sales Corporation in response to a board enacted divestiture plan of January 16, 1989 was presented to the committee. Following review of the proposal, it was moved by Mr. Prokosch, seconded by Mr. Simons and carried that the divestiture plan put in place for Syndicate Sales Corporation on January 16, 1989 be effected as originally specified (Aye-4; Nay-0).

Consideration was given to a second phase of the multiple concession divestiture plan of January, 1989, setting out further reductions in the number of multiple concessions held by single lessees. The second phase presented by staff called for reductions of 20 to 40 percent over one or two years, beginning in 1990. In taking this action, the committee reiterated its obligations to provide greater opportunity for involvement in the fair by as many different persons as possible and as a response to continued growth of interest by heretofore uninvolved concession and exhibit applicants. The second phase of divestiture was approved on a motion by Mr. Simons, seconded by Mr. Prokosch and carried (Aye-4; Nay-0).

With no further business before the committee, the meeting was adjourned at 10:05 a.m.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building
 November 9, 1989 - 10:00 A.M.

Members present: Bill Korff, president; Eileen Roehlke; Howard Recknor; Martin Annexstad; Don Simons; Howard Morris; Richard Keenan; Vern Prokosch; Willis Lilliquist; Mike Heffron, secretary. Absent: Bert Lund.

Also present: Ken Wenzel; Sherry Enzler; Rick Frenette; Karen Leach; Jim Sinclair; Jerry Hammer.

Mr. Korff called the meeting to order at 10:10 a.m.

Motion by Mr. Morris, seconded by Mr. Prokosch and carried that the board and committee minutes, recorded during the 1989 fair-period, be approved as submitted to the members by mail (Aye-8; Nay-0).

Minutes in vacation covering the period Aug. 24 through Nov. 7, 1989, and the administrative action noted therein, were approved on a motion by Mr. Prokosch, seconded by Mr. Annexstad and carried (Aye-8; Nay-0).

Mr. Frenette presented the Oct. 31, 1989 financial statement as follows:

MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY MONTH ENDING OCTOBER 31, 1989

GENERAL FUND ACTIVITY:

Cash Balance-Sep 30, 1989		\$ 328,690
Add:		
Oct Cash Deposits	\$1,721,512	
Less:		
Payroll Ending Oct 11	(74,978)	
Payroll Ending Oct 25	(61,636)	
Oct Cash Disbursements	(1,257,862)	327,036
Cash Balance-Oct 31, 1989		\$ 655,726

MARKETABLE SECURITIES ACTIVITY:

Balance-Sep 30, 1989		\$2,004,522
Add:		
Interest Earned	\$ 17,659	
Less:		
Service Charges	(165)	
Securities Cashied	(1,205,627)	(1,188,133)
Balance-Oct 31, 1989		\$ 816,389

BUILDING FUND ACTIVITY:

Balance-Sep 30, 1989		\$ 213,224
Add:		
Interest Earned	\$ 3,276	
Securities Purchased	705,627	
Less:		
Service Charges	(44)	
Disbursements	(733,000)	(24,141)
Balance-Oct 31, 1989		\$ 189,083

CASH BALANCES FOR MONTH ENDING OCTOBER 31:

	1988	1989
General Fund	\$ 58,327	\$ 655,726
Petty Cash	200	500
Marketable Securities	1,775,609	816,389
Building Fund	199,352	189,083
Total Cash Balances	\$2,033,488	\$1,661,698

After review of the statement and of society cash and investment balances, it was moved by Mr. Lilliquist, seconded by Mr. Recknor and carried that the financial statement of Oct. 31, 1989 be approved (Aye-8; Nay-0).

Approval of action taken by the space rental committee earlier in the day (Nov. 9) was moved by Mr. Prokosch, seconded by Mr. Morris and carried (Aye-8; Nay-0).

It was moved by Mr. Simons, seconded by Mr. Lilliquist and carried that the following signatures be authorized for society accounts (Aye- 8; Nay-0):

1. General Fund - Richard Frenette, Kenneth R. Wenzel or Michael D. Heffron (any combination of two signatures). When used for ticket and entry refund checks in amounts of less than \$100, "Frenette/Heffron" signature plate is authorized. When used for checks given in exchange for cash from second parties (bank drafts), "Frenette/ Heffron" signature plate is authorized.

2. Regular and Fair Period Payroll - Michael D. Heffron, Kenneth R. Wenzel or Richard Frenette (one signature).

3. Premium - Michael D. Heffron, Kenneth R. Wenzel or Richard Frenette; "Heffron" signature plate also authorized (one signature).

Note: When signature plates are used, signature must be applied by a person in the finance group not involved in check preparation.

Secretary presented two schedules (as follows) describing 1989 activity in the society's building fund. The "building fund report" shows an opening balance of \$199,352, authorized expenditures, sales tax and matching activity and a closing balance of \$189,083. The second report, "revenue sources," reflects the budget and actual amounts necessary to match sales tax retention.

**MINNESOTA STATE FAIR
BUILDING FUND REPORT**

DATE	DESCRIPTION	UNRESTRICTED + / (-)	RESTRICTED + / (-)	TOTAL FUND BALANCE
10/31/88	Deposit to building fund from space rental fees		\$199,352	\$199,352*
01/14/89	Release to unrestricted board minutes, page 25-89	\$200,000	(200,000)	199,352
**06/07/89	Release to unrestricted board minutes, page 49-89	533,000	(533,000)	199,352
10/30/89	Deposit 1989 forgone sales tax liability		352,813	522,165
10/30/89	Deposit 1989 MSF matching funds		352,813	904,978
10/31/89	Transfer unrestricted to General Fund	(733,000)		171,978
10/31/89	1989 interest income		17,546	189,524
10/31/89	1989 investment fees		(441)	189,083
	BALANCES	-0-	\$189,083	\$189,083

*Funds for construction of Farm Tech Plaza

**Funds to purchase raft ride and parking ramp

**STATE FAIR BUILDING FUND
REVENUE SOURCES
1989**

	Proposed	Actual
Space Rental (16%)	\$ 200,000	\$ 199,000
Off-Season Show Rentals & Storage (16%)	48,000	55,000
Grandstand and Coliseum (6%)	90,000	85,000
Carnival (new percentage bracket)	6,000	3,000
Campgrounds (10%)	5,000	5,000
Beer Corkage Surcharge (10%)	24,000	24,000
Total	\$ 373,000	\$ 371,500

A contract between the society and James Frost, dba Follow 94, Inc., for the acquisition of 1990 Grandstand talent was approved on a motion by Mr. Annexstad, seconded by Mr. Morris and carried (Aye-7; Nay-0). Mr. Keenan abstained from discussion or voting on the matter because of conflicting legal representations.

It was moved by Mr. Simons, seconded by Mr. Lilliquist and carried that secretary be authorized to enter into contracts with acts and attractions for the 1990 fair (Aye-8; Nay-0).

Secretary was authorized to prepare operating budgets for 1990 on the basis of a \$.50 increase in the outside gate admission fee for child/senior tickets, plus establishment of a new child/senior (advance) discount category at \$2.00 upon a motion by Mr. Lilliquist, seconded by Mr. Annexstad and carried (Aye-8; Nay-0).

Following a presentation by Mr. Hammer, it was moved by Ms. Roehlke, seconded by Mr. Annexstad and carried that the following general advertising policy be implemented for 1990: "the State Fair's basic advertising outlets shall be all daily and weekly newspapers in Minnesota as well as broadcast outlets selected from the state's radio and television

stations, plus selected newspapers and radio and television stations in surrounding states." (Aye-8; Nay-0).

An advertising contract with the M. R. Bolin Agency for 1990 was discussed and approved upon a motion by Mr. Simons, seconded by Mr. Prokosch and carried (Aye-8; Nay-0).

A review of fair-period payrolls was undertaken, after which it was moved by Mr. Morris, seconded by Mr. Prokosch and carried that the submitted payroll summary, totaling \$1,081,656, be approved (Aye-8; Nay-0).

It was moved by Mr. Lilliquist, seconded by Mr. Simons and carried that the following Grandstand and Coliseum tickets be transferred to non-pay status (Aye-8; Nay-0):

GRANDSTAND

8-24	Kenny Loggins, Michael McDonald	8 p.m.	80 @ \$11.00 Contract Provision
8-25	Charley Pride, Ronnie Milsap	8 p.m.	10 @ \$ 9.00 Contract Provision
8-26	Rock 'n' Roll	2 p.m.	50 @ \$ 9.00 Contract Provision
8-26	Alabama	8 p.m.	64 @ \$11.00 Contract Provision
8-27	Randy Travis, Tammy Wynette	3 p.m.	28 @ \$11.00 Contract Provision
8-27	Randy Travis, Tammy Wynette	8 p.m.	228 @ \$11.00 Contract Provision
8-28	Jets, Commodores	8 p.m.	110 @ \$ 9.00 Contract Provision
8-29	Sheena Easton, Michael Damian	8 p.m.	95 @ \$11.00 Contract Provision
8-30	George Strait, Highway 101, Billy Joe Royal	7:30 p.m.	41 @ \$10.00 Contract Provision
8-31	Anne Murray, Eddie Rabbit	8 p.m.	26 @ \$10.00 Contract Provision
8-31	Anne Murray, Eddie Rabbit	8 p.m.	998 @ \$10.00 Editors, Legislators, Seniors, et al
9-1	Tiffany, New Kids On the Block	7:30 p.m.	100 @ \$10.00 Contract Provision
9-2	Sandi Patti	2 p.m.	24 @ \$10.00 Contract Provision
9-2	Statler Brothers	8 p.m.	14 @ \$10.00 Contract Provision
9-2	Statler Brothers	8 p.m.	1476 @ \$10.00 Folgers Promotion
9-3	Woodstock Reunion	1 p.m.	30 @ \$10.00 Contract Provision
9-3	Ricky Van Shelton, Roger Miller	8 p.m.	17 @ \$ 9.00 Contract Provision

COLISEUM

8-25	English Horse Show	1 p.m.	5 @ \$4.50 Hunter and Jumper Judge
8-25	English Horse Show	6 p.m.	5 @ \$4.50 Hunter and Jumper Judge
8-26	English Horse Show	6:30 p.m.	5 @ \$4.50 Hunter and Jumper Judge
8-30	Rodeo	7 p.m.	5 @ \$4.50 Announcer's Box
8-31	Rodeo	1 p.m.	5 @ \$4.50 Announcer's Box
8-31	Rodeo	7 p.m.	5 @ \$4.50 Announcer's Box
8-31	Rodeo	7 p.m.	5 @ \$4.50 Editors, Legislators, Seniors, et al

A breakdown of outside gate tickets used by various departments and for institutional purposes during the 1989 fair was submitted for reclassification as "non-pay". It was moved by Mr. Lilliquist, seconded by Mr. Simons and carried that said tickets, total value \$122,592, be reclassified as "non-pay" (Aye-8; Nay-0). Breakdown follows:

ADMINISTRATIVE:

State Agricultural Dept	165.75
State Board of Electricity	52.00
State Employment Services	87.75
State Health Dept	188.50
State Revenue Dept	185.25
Miscellaneous	123.50

DEPARTMENTAL:

Bee and Honey	22.75
Box Office	516.75
Cattle	130.00
Communications	741.00
Competitive Exhibits	117.00
Creative Activities	435.50
Education	1872.00
Free Entertainment	22753.25
FFA	763.75
4-H	29737.50
Fruits	302.25
Grandstand	5551.00
Horse	747.50
Llamas	16.25
Meats	357.50
Public Safety	4871.75
Senior Citizens	968.50
Space Rental	9.75
Youth Camp	130.00

INSTITUTIONAL-ORGANIZATIONS:

ABLE (Association for Blind Living and Education)	\$325.00
AccessAbility, Inc.	325.00
Alexandra House, Inc.	97.50
Amicus	325.00
Andrew, Inc.	325.00
Anoka Metro Regional Treatment Center	325.00
Association of Retarded Citizens-St. Paul	325.00
Ascension Place	81.25
Big Brothers/Big Sisters of Minneapolis	325.00
Big Brothers/Big Sisters of St. Paul	325.00
Blue Earth County-Second Step Clubhouse	48.75
Bridgeview	48.75
Bristol Place	325.00
Bryn Mawr Health Center	81.25
Cambridge Regional Human Services	325.00
Camilia Rose Nursing Home	39.00
Camilia Rose Group Home	162.50

Care Co. Homes, Inc.	48.75
Carlson Drake House	81.25
Catholic Charities - St. Ann's Residence	302.25
Center for Creative Living	162.50
Civic Community Services, Inc.	260.00
Community Options	45.50
Cooperating Community Programs-South Center Manor	97.50
Carver County Community Support Programs	65.00
Courage Center	325.00
Dakota Adult Transition Center	130.00
Demar Children's Home	97.50
Dungarvin Alternative Services, Inc.	149.50
Eden Programs	325.00
Elliot Board and Care	32.50
Emerson Place North, Inc.	19.50
Family Style Homes	162.50
Faribault Regional Treatment Center	325.00
Franklin Place East	58.50
Fraser Community Services	58.50
Green Lake Manor	65.00
Guild Residences	211.25
Hammer Residences	325.00
Hennepin County Medical Center	162.50
Hennepin County Mental Health-Day Treatment Center	97.50
Hennepin County Mental Health-Social Rehabilitation	130.00
Hiawatha Valley Mental Health Center	162.50
Hoikka House	243.25
Homeward Bound, Inc.	325.00
Hubert Humphrey Job Corps Center	195.00
Juel Fairbanks Chemical Dependency Services	97.50
Bill Kelly House	81.25
Kelly Institute	81.25
Kelly-Norton Programs, Inc.	81.25
Little Sisters of the Poor	113.75
Lutheran Social Service of MN-Friendship House	104.00
Lyngblomsten Care Center	195.00
MRC-Apartment Training Program	74.75
MRC-Northwest Hennepin County Support Programs	162.50
MRC-South Hennepin County Community Support Programs	325.00
March House	81.25
Mental Health Resources, Inc.	325.00
Midway Training Services	172.25
Minnesota Aids Project	227.50
Minnesota Correctional Facility-Lino Lakes	325.00
Minneapolis Society for the Blind	325.00
Minnesota Veterans Home	325.00
Mission Lodge	81.25
Muscular Dystrophy Association	325.00
NEB Care Center East	159.25
Nekton, Inc.	325.00
New Foundations	65.00
New Hope Center	130.00
Norhaven	325.00
One Hundred Eighty Degrees, Inc.	117.00
Opal Cooperation	325.00
Opportunity Workshop-Minnetonka	325.00
Opportunity Workshop-Golden Valley	243.75
Orion House	19.50
Passageway	97.50
People, Inc.-Apartment Network	195.00
People, Inc.-Apollo	81.25
People, Inc.-Child Care	97.50
People, Inc.-Journey House	35.75
People, Inc.-Link	97.50
People, Inc.-Petra/Howard House	45.50
Pillsbury United Neighborhood Services, Inc.	227.50
Phoenix Residence	325.00
Portland Residence	325.00
Prodigal House	130.00
Pyramid Mental Health Center	32.50
REM-Pillsbury	162.50
Ramsey Clinic	65.00
Ramsey County-Fort Road Day Treatment Center	65.00
Ramsey County-Foster Care Unit	325.00
Ramsey County-Joanne Reding Adult Foster Home	32.50
Ramsey County-Lake Owasso Residence	325.00
Ramsey County-Social Services Division	325.00
Riverside Medical Center-Adolescent Day Treatment Program	65.00
Rose of Sharon Manor	48.75
Roseville Area Schools-Transition Center	78.00
St. Joseph's Home for Children	162.50
St. Joseph's Hospital	162.50
St. Paul Society for the Blind	325.00
St. Peter Regional Treatment Center	325.00
Salvation Army-Adult Rehabilitation	325.00
Salvation Army-Harbor Light	65.00
Senior Resources	156.00
Sholom Home	325.00
South Center Manor	71.50
Southside Services, Inc.	97.50
Thomas Group, Inc.	65.00
Trevilla of Robbinsdale	325.00
United Blind of Minnesota	162.50
United Hospital-Adolescent Treatment Program	81.25
University of Minnesota-China Center	162.50
University of Minnesota Hospital & Clinic-Volunteer Services	325.00
Vail Place	227.50

Way 12 Halfway House	146.25
Walker Methodist Health Center	22.75
Wayside House, Inc.	325.00
Welcome Home, Inc.	32.50
Wellspring Therapeutic Communities	48.75

INSTITUTIONAL-PROMOTIONS:

Multiple Sclerosis Society Readathon (Youth)	30,000.00
Minnegasco - Trackless Train	500.00
TOTAL	\$122,592.00

A proposal under which the regional districts of the Minnesota Federation of County Fairs would be realigned was put before the board for consideration. The matter was tabled.

Secretary reported that a special luncheon would be held during the Annual Meeting on Monday, Jan. 15 for purposes of honoring the society's new life member and new inductees into the Hall of Fame.

A letter from Our Fair Carousel, Inc., requesting that the board make a \$25,000 donation to the fund established for saving the giant carousel was discussed and considered. Upon a motion by Mr. Keenan, seconded by Mr. Simons and carried, the board acknowledged that the society's statutory authority did not extend to the making of donations to any group or organization outside of the society itself, and on that basis, the board must deny the request (Aye-8; Nay-0).

Meeting adjourned.

MINUTES IN VACATION**November**

9—Sinclair spoke to the Falcon Hts./Lauderdale Lions Club regarding the State Fair

10—The executive committee approved the Oct. 31, 1989 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Sep 30, 1989		\$ 328,690
Add:		
Oct Cash Deposits	\$1,721,512	
Less:		
Payroll Ending Oct 11	(74,978)	
Payroll Ending Oct 25	(61,636)	
Oct Cash Disbursements	(1,257,862)	327,036
Cash Balance-Oct 31, 1989		\$ 655,726

MARKETABLE SECURITIES ACTIVITY:

Balance-Sep 30, 1989		\$2,004,522
Add:		
Interest Earned	\$ 17,659	
Less:		
Service Charges	(165)	
Securities Cashed	(1,205,627)	(1,188,133)
Balance-Oct 31, 1989		\$ 816,389

BUILDING FUND ACTIVITY:

Balance-Sep 30, 1989		\$ 213,224
Add:		
Interest Earned	\$ 3,276	
Securities Purchased	705,627	
Less:		
Service Charges	(44)	
Disbursements	(733,000)	(24,141)
Balance-Oct 31, 1989		\$ 189,083

CASH BALANCES FOR MONTH ENDING OCTOBER 31:

	1988	1989
General Fund	\$ 58,327	\$ 655,726
Petty Cash	200	500
Marketable Securities	1,775,609	816,389
Building Fund	199,352	189,083
Total Cash Balances	\$2,033,488	\$1,661,698

11—A video game auction was held in the Block 44 arcade.

13-14—Heffron attended an IAFE executive committee meeting at Georgia State University in Atlanta.

14-15—A Dynamic Company service meeting was held in their Block 31 exhibit building.

15-16—Frenette visited Cambridge Software Products, Inc. in Cambridge, Ontario to research computerized ticketing systems.

16-17—Wenzel attended IAAPA Trade Show in Atlanta.

20—Staff met with (superintendent) Marge Krueger to discuss senior citizen strategies for 1990.

24-Dec 24—A Christmas tree and wreath sale was held on Block 9.

27-30—Wenzel, Fischler, Frenette, Hammer, Sinclair, Leach and Heffron, along with board members Morris, Annexstad, Korff, Lilliquist, Prokosch, Roehlke, Simons and Recknor attended the annual convention of the International Association of Fairs & Expositions in Las Vegas, Nevada.

27-Dec. 8—St. Paul Police held dog training sessions in Empire Commons and the 4-H Bldg.

December

2—St. Paul Police held a vehicle training session on the carnival lot.

5—The Bureau of Criminal Apprehension held a photo training session at the race track.

6—Heffron met with Sherry Enzler and Jim Donnelly from the Attorney Generals office

to discuss the planned U of M transitway. Wenzel and Heffron attended a meeting of the Midway Corridor Light Rail Task Force.

8—Wenzel, Fischler and Heffron met with Tom Kirk of TKDA Architects to discuss storm water drainage problems.

10—The executive committee approved the Nov. 30, 1989 cash transactions summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Oct 31, 1989		\$ 655,726
Add:		
Nov Cash Deposits	\$ 213,474	
Less:		
Payroll Ending Nov 11	(68,534)	
Payroll Ending Nov 25	(53,033)	
Nov Cash Disbursements	(747,030)	(655,123)
Cash Balance-Nov 30, 1989		\$ 603

MARKETABLE SECURITIES ACTIVITY:

Balance-Oct 31, 1989		\$ 816,389
Add:		
Interest Earned	\$ 8,615	
Securities Purchased	500,000	
Less:		
Service Charges	(342)	508,273
Balance-Nov 30, 1989		\$1,324,662

BUILDING FUND ACTIVITY:

Balance-Oct 31, 1989		\$ 189,083
Add:		
Interest Earned	\$ 1,323	
Less:		
Service Charges	(50)	1,273
Balance-Nov 30, 1989		\$ 190,356

CASH BALANCES FOR MONTH ENDING NOVEMBER 30:

	1988	1989
General Fund	\$ 91,807	\$ 603
Petty Cash	200	500
Marketable Securities	1,610,093	1,324,662
Building Fund	200,850	190,356
Total Cash Balances	\$1,902,950	\$1,516,121

12—Pooch, Sinclair, Ohlhauser and Goodrich met with representatives of the Minnesota Horse Council to discuss problems and plans for 1990 off-season horse shows.

13—Leach, Goiffon and (superintendent) Marge Krueger met with Jerry Bloedow, Minnesota Board on Aging to discuss senior awards program.

13—Wenzel, Armstrong met with representatives of Waste Management to discuss plans and contract for 1990 fair.

19—Heffron met with Jeanine Leifield and Pat Ryan of the Legislative Audit Staff.

January

Heffron attended a meeting of the Midway Corridor Light Rail Task Force.

9—Sinclair met with Coliseum concessionaire, Charles Johnson, to discuss contract terms and conditions for 1990.

9—Pooch and Assistant Horse Superintendent Fickett met with representatives of the MN Horse Breeders to discuss possible changes for the 1990 and 1991 shows.

10—Pooch and Horse Superintendent Bob Peterson met with representatives of the English horse show to discuss possible changes in the 1990 and 1991 shows.

10—Tri-State Horseman's Assn. held their monthly meeting in the Administration Building.

10—The executive committee approved the Dec. 31, 1989 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Nov 30, 1989		\$ 603
Add:		
Dec Cash Deposits	\$ 359,740	
Less:		
Payroll Ending Dec 6	(61,310)	
Payroll Ending Dec 20	(56,899)	
Dec Cash Disbursements	(193,953)	47,578
Cash Balance-Nov 30, 1989		\$ 48,181

MARKETABLE SECURITIES ACTIVITY:

Balance-Nov 30, 1989		\$1,324,662
Less:		
Service Charges	\$ (253)	
Securities Cashed	(250,000)	(250,253)
Balance-Dec 31, 1989		\$1,074,409

BUILDING FUND ACTIVITY:

Balance-Nov 30, 1989		\$ 190,356
Add:		
Interest Earned		
Less:		
Service Charges	(39)	(39)
Balance-Dec 31, 1989		\$ 190,317

CASH BALANCES FOR MONTH ENDING DECEMBER 31:

	1988	1989
General Fund	\$ 109,810	\$ 48,181
Petty Cash	200	500

Marketable Securities	1,309,519	1,074,409
Building Fund	202,127	190,317
Total Cash Balances	\$1,621,656	\$1,313,407

ANNUAL MEETING MINNESOTA STATE AGRICULTURAL SOCIETY

St. Paul Radisson Hotel
Jan. 13-14-15, 1990

The 131st annual meeting of the Minnesota State Agricultural Society opened with a day-long registration session on Saturday, Jan. 13. Registration continued Sunday, Jan. 14 and Monday (morning) Jan. 15. A total of 467 delegates, 118 associate members and 360 guests registered for participation at the meeting.

A welcome reception, sponsored by the Society, the Minnesota Federation of County Fairs and the Midwest Showmen's Association, was held at 8 p.m., Saturday evening.

The credentials committee met to conduct business at 9:30 a.m., Sunday. Delegates named to this committee were Bob Kuhn, Mabel; Arlon Fritsche, New Ulm (chairperson); Andy Rozeboom, Maple Grove; Gordy Sinclair, White Bear Lake; Rich Keenan, Minneapolis; John Gaylord, Wadena; Roy Bartz, Wheaton; Ron Oleheiser, Grand Rapids; Hubert Nelson, Lancaster.

Appointees to the resolutions committee, which also met at 9:30 a.m., Sunday, included Joe Hain, Rochester; Doug Schulte, Gaylord; Bill Binger, Cambridge (chairperson); Joe Fox, Maplewood; Rich Keenan, Minneapolis; Robert Reiser, Pine City; William Thies, Pipestone; Gary Greniger, Cohasset; Jack Stone, Roseau.

At 3:30 p.m., Sunday, delegates from the first, third and sixth regional districts met in caucus to certify nominees for election to the society's board of managers on Monday, Jan. 15. Selected were: first district - Howard Recknor, Hartland; third district - Eileen Roehlke, Rogers; sixth district - Howard Morris, Kokato.

Members of the society met in general session at 9:30 a.m., Monday. Secretary Heffron offered the following report:

Good morning ladies and gentlemen...

Many, if not most of you in this room, are in the business of operating a fair. Some of you have management responsibility with two fairs...because of your relationship to a Minnesota county fair and a second relationship to the Minnesota State Fair.

You'll note that I said "the...business...of operating a fair." That word business, I'm afraid, should be in capital letters. Each year, the business considerations of running a fair become more and more dominant in the scheme of things...not because any exposition was ever intended to be a business enterprise, but rather, for the sake of survival.

When you have had a chance to look over the details of the financial report we've circulated through the room, you'll note and recognize from your own experience that each year more and more dollars are spent to buy liability insurance, legal services, workers compensation insurance, security, trash removal, taxes and sewer fees...which means, we either raise gate fees and exhibit fees or we spend proportionately less on what the fair is all about...entertainment, educational exhibits, competitive incentives and the promotion of our county and state.

There is an obvious conflict between mission and the so-called fixed costs of doing business. This conflict will not likely go away, but rather, will increase and become more compelling as time goes by...and as a result, you and I will be required to sharpen our pencils and our skills and become better business people.

In spite of its somewhat threatening nature, this introduction is not intended to be negative. It was hoped we could set a positive tone in the sense that once we acknowledge that change is inevitable, and that problems are really challenges, we will simply get down to that necessary process of planning for the future of our fairs.

For a start, let's determine where we are right now.

Going on one-hundred-and-thirty-five years, our fair has featured Minnesota agriculture as the state's most important and influential enterprise. For those of you who share with us a philosophy and orientation heavily laced with agriculture and livestock production, along with programs of rural youth development...stop for just a moment to consider whether or not this emphasis is appropriate today. More importantly, will it be appropriate tomorrow?

If you're led to believe that I'm suggesting we disengage from the world of agricultural promotions and head off in some other direction, please stop right there.

The Minnesota State Fair is located in the center of an urban setting; fully 60 percent of its visitors come from the city and suburbs. Nevertheless, we continue to position our event with a heavy bias towards rural life, rural values and rural business...and the business of rural Minnesota is still agriculture. In terms of institutional philosophy, we believe strongly that youth development, as reflected in the programs of 4-H and FFA, represents our single most important priority, and we are prepared to stake our future success on that priority.

Am I sending mixed signals? Not really. Let's go back for a moment and bring up a word used earlier...emphasis. Where do we...and where should we place our emphasis? A better question might be...how do we focus our programs so as to serve the greatest good, and so as to properly serve the many varied, constituencies to whom we are responsible.

It is easy, perhaps too easy, to become satisfied that our focus is sharp and that we are doing exactly the right things, at the right times for the right audience.

Now there is a dangerous attitude.

Thirty-odd years in this business tells me that if I stand still for even a moment, my audience will pass me by and become someone else's audience.

The gentleman who gave me a start in exposition work, Mr. Doug Baldwin, provided me with a simple definition of what this job is about. He said, "A fair should provide a mirrored reflection of what is best in the community it serves, and that we, as servants of the community, should regularly clean and polish that mirror so the image remains clear and accurate."

So my point is simply this, ladies and gentlemen, we must take time to plan for the future. We must seek current information on demographics. We must survey our clientele often...both those who attend our event, as well as those who do not. All this so we

might come to know our community and our potential audience a little better. . . and, having learned something, to adjust our programs accordingly. . . making room for new ideas, for innovative exhibits and for advanced consumer opportunities.

We must adjust our focus, not away from agriculture, but towards new and exciting possibilities within the field, such as land and water management, protection of the environment, best use and preservation of natural resources.

We must ask ourselves whether our competitive exhibits in livestock, dairy and agriculture recognize and truly reward those who produce for today's marketplace, where meat must be lean, dairy products must be low in fat and where agricultural products are not judged by their size, but by their taste, freshness and fiber content.

The future survival of our enterprise may well depend upon how carefully we anticipate the needs and desires of an ever-changing client. Where we go from here will not likely be a case of wait and see, but rather. . . anticipate and adjust. I'm afraid that if we fail to anticipate the future, we will live to regret the past.

How do we acquire skills for this challenge? What we are doing here at this meeting while exchanging information, ideas and methods is extremely important. What we might do as participants in the training opportunities of the International Association of Fairs and Expositions is equally important. In many respects, it is critical that we not waste any opportunity to sharpen our management skills as they relate to the exposition business.

I always appreciate the chance to speak to you, but more, I welcome the opportunity to learn from you and gain insights from your experience.

In closing, ladies and gentlemen, may I offer for your approval a report of society cash activities for the fiscal period ending Oct. 31, 1989.

Our opening balance, Nov. 1, 1988 was \$2,042,953. During the year, an excess of cash disbursements over cash receipts of \$381,254 resulted in a closing balance on October 31, 1989 of \$1,661,699.

This then, Mr. Chairman, is the report of your secretary for 1989.

The following credentials report was presented by Chairman Arlon Fritsche of New Ulm and adopted by the membership:

Credential blanks submitted to the State Agricultural Society seeking the accreditation of County Agricultural Societies and State-wide Associations have been inspected by the full committee.

All credentials have been found to be in order with the following exception:

The Minnesota State Fair County Exhibitors Association did not file with Secretary of State by the deadline of December 20, 1989. Therefore the credential form is invalid.

Resolutions committee report was offered for the record by Chairman Bill Binger of Cambridge. The following resolutions were adopted by the membership:

Resolution 1—We, the members the Minnesota State Agricultural Society, express our gratitude to all those involved in presenting the 1989 Minnesota State Fair; the board, full-time and fair-time staff, competitive and commercial exhibitors, entertainers and their agents, sponsors, members of the news media, purveyors and all others whose dedicated work was essential to the success of the fair.

Resolution 2—We also express our sincere thanks to those who truly made the fair a success through their attendance and participation - the 1,551,361 people who visited the 1989 exposition.

Resolution 3—We resolve to maintain the State Fair as the premiere agricultural, educational and entertainment event in the Upper Midwest while remaining financially independent through sound and fiscally responsible management.

Resolution 4—Our alliance with the Minnesota Federation of County Fairs and membership in the International Association of Fairs and Expositions are of great benefit to the society, and we resolve to continue our mutually beneficial association with these groups to further the fair industry.

Resolution 5—We express our deep regret and acknowledge the great loss suffered by the society through the passing of Ty Sincok (life member and former president), Tommy Shogren and Charlie Walsworth (former concessionaires). We extend our sympathies to the families of these fine and worthy gentlemen.

Resolution 6—We extend our thanks to the responsible members of the State Fair staff and to the staff of the St. Paul Radisson Hotel for their hard work in bringing us together at the 131st annual meeting of the State Agricultural Society.

Resolution 7—We resolve that the regional districts of the Minnesota State Agricultural Society should remain unchanged.

Special guest speaker, Roger Strom, WCCO-Radio farm director, presented remarks to the assembly.

The society proceeded to conduct elections with results as follows:

Bill Korff, Faribault, president, one-year term; Richard Keenan, Minneapolis, vice president/fifth regional district, two-year term; Howard Recknor, Hartland, first regional district manager, three-year term; Eileen Roehlke, Rogers, third regional district manager, three-year term; Howard Morris, Cokato, sixth regional district manager, three-year term; Gale Frost, St. Paul, honorary life member; Leonard Ramberg, deceased, Hall of Fame.

There being no further business before the body, the 131st annual meeting of the Minnesota State Agricultural Society was adjourned.