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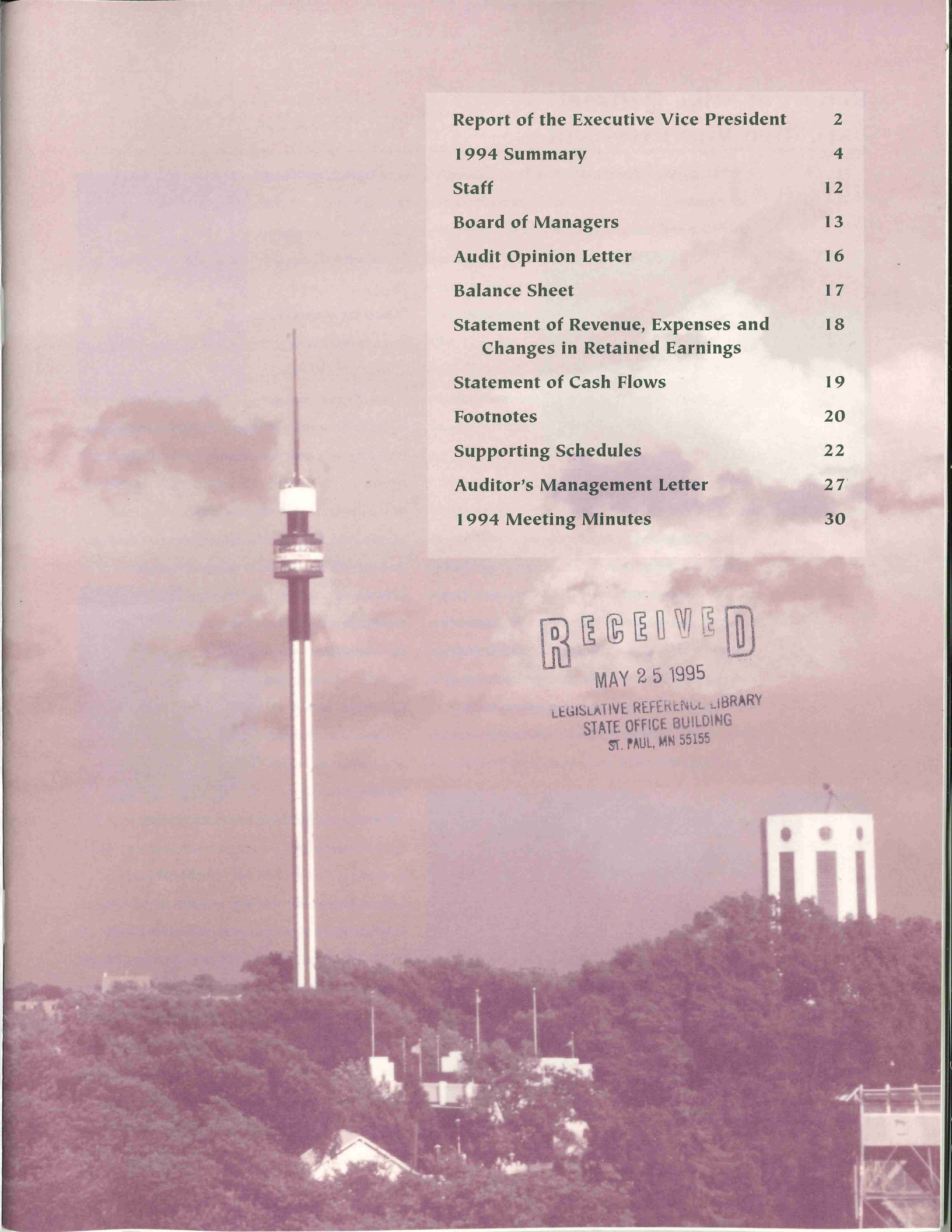
Minnesota  
State  
Fair

Annual  
Report  
1994

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Pursuant to Minn. Stat. 37.02





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## Report of Mike Heffron Executive Vice President

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These annual reports are invariably prepared during the dead of winter, absent the moderate climate and pleasant landscape of late summer. Shade trees, lawns and flower beds have been overshadowed by a harsh winterscape of ice, snow and chilly winds. The fairgrounds does not look its usual pleasant self.

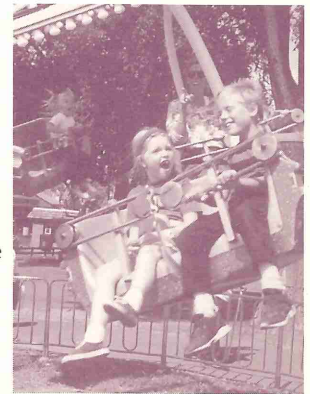
Most obvious by their absence are the large numbers of citizens who populate our small village for 12 days each year as summer turns to fall. Even on the rainiest day of the fair, 75,000 to 100,000 loyalists can be seen trooping about the grounds intent on using their time and energy judiciously so as not to miss a single experience.

And these folks are so patient. They accept bad weather and our mistakes with nonchalance. They appear to trust that both heaven and management will do the right thing. They are not indifferent, however, and seem to know that heaven is experienced in these matters, while management continues to need advice and counsel. Our complaint and suggestion file is filled with wisdom and valuable

ammunition for change and improvement. We accept the criticism, we use it and we acknowledge that those who offer it are friends of the fair who wish it to succeed.

And therein lies the secret to success: To recognize that this enterprise is fueled by people; it is to them we must pledge our fidelity and best effort. We believe that over the years this institution has been unique in putting people first. The proof of that fact can be found in the same file that contains visitor complaints. Letters and cards evidence gratitude and encourage the staff and board to continue good work. A person who takes the time to write a letter of thanks to a public institution is not someone blowing kisses to a monolith, but rather, a thoughtful individual who recognizes that there is a personality and a spirit of responsiveness behind those imposing gates on Snelling Avenue.

It is true that we often become engrossed in capital projects, new roofs and sewer repair to the momentary exclusion of our friends and guests. Balance sheets and cash flow projections are sometimes studied more carefully than a hand-written note from a young 4-H winner. But it takes only one glance down Carnes Avenue at 2 p.m. on the last Sunday of any August to set our thinking right. Those tens of thousands of people you see are here to be served, to be educated, to be entertained, to be thrilled and, yes, to be inspired by what they see, and hear, and touch. And what do they see, hear

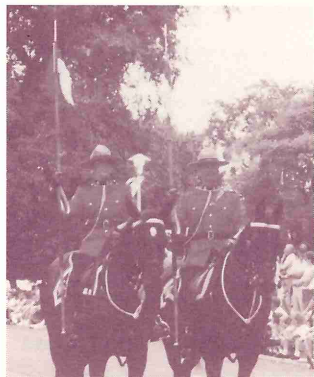




and touch? They see themselves reflected in the prosperity of Minnesota industry, they hear the music of our culture and they touch the soil and produce of our agricultural heritage. They inspire one another.

And God forbid that we should ever forget who sent us here, who sustains and gives meaning to our work and who, in the final analysis, will judge the worthiness of our effort. During the past year, we completed a number of initiatives, and set in motion several others, all designed to provide a better level of service to our guests:

A burgeoning industry in Minnesota, one long neglected at the exposition, involves the vast array of home-based technology businesses that have



gained national stature over the past several decades. Joining with the Minnesota High Technology Council, the fair provided space, encouragement

and financial investment for the first presentation of what is planned to be a growing segment of the fair's exhibit format.

A special scholarship program designated for rural youth development was funded at \$20,000 and distributed to 20 deserving young high school graduates for post-secondary work. Named after long-time Youth Camp alumni president Ben Hallberg, the scholarship program advances the exposition's dedication to educational opportunity.

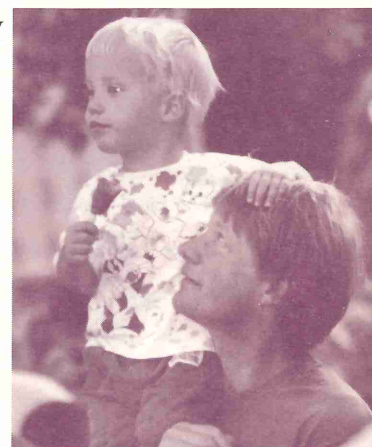
The coming spring will witness the completion of Carousel Park, a major upgrade of people space on

the south side of the Grandstand building. This new open area will welcome visitors to a comfortable, landscaped environment where cool fountains and shady, bench-lined walkways will offer a respite from the hectic, commercial areas of the fairgrounds.

This past year, in spite of its

weather problems, was a successful one for the State Fair by most standards of the industry. Attendance was down slightly from the year before, but still ranked fifth overall. Net revenue was down considerably from 1993, but the comparison becomes less relevant when one considers that in 1993 the fair realized its highest net revenue in history. More importantly, the fair's 1994 cash revenue closed at \$3.4 million—a position \$1.2 million stronger than anticipated in the annual budget.

As the curtain rings down on 1994, I must acknowledge the final chapter in the 16-year term of service provided to the State Fair by outgoing society President Eileen Roehlke. It is important that I note for the record my appreciation for her astute leadership, good counsel and friendship. The staff and her board colleagues will miss Ms. Roehlke's dedication to the best interests of the fair and the society.





# Great Value Offered at the 1994 State Fair

In 1994, the Minnesota State Fair brought together more than 1.5 million visitors from every corner of the state and beyond. The State Fair reached its largest single audience when opening day was featured on a CBS *This Morning* national television

Kids and Last Chance Days, as well as on all weekday mornings from 9 a.m. to noon.

Food and beverage bargains were offered every day through the Fair Deal promotion.



Over 200 food vendors participated in the program by offering combination meal deals, two-for-one deals and other ways to save.

Each weekday of the fair, visitors could take advantage of more savings through "Happenings—Weekdays at the Fair" discount coupon booklets. The booklet featured coupons good for discounts on food, merchandise and attractions and sold for \$4.50 (\$4 in advance).

Outside gate admission prices in '94 were \$5 for adults, \$4 for seniors 65 and over and kids ages 5 through 12. Kids under 5 were admitted free. Advance sale tickets were \$3 for all ages, and were available at the State Fair and Holiday Station Stores throughout Minnesota and western Wisconsin.

To encourage carpooling, parking in fairgrounds lots was free for vehicles with four or more passengers. Parking was \$3 for vehicles with fewer than four occupants.

## '94 State Fair Attendance, Weather

Family Day  
Aug. 25 - 63,646 (hot, stormy)

Fine Arts & Handicrafts Day  
Aug. 26 - 107,596 (sunny, pleasant)

FFA Day  
Aug. 27 - 146,450 (hot, threatening)

Milk Run Day  
Aug. 28 - 209,969\* (sunny, pleasant)

Seniors, Kids & Grandparents Day  
Aug. 29 - 143,998\* (sunny, pleasant)

Kids & Excellence in Education Day  
Aug. 30 - 87,705 (cool, rainy)

Great Minnesota Green Up Day  
Aug. 31 - 103,050 (cloudy, cool)

Seniors & Volunteer Recognition Day  
Sept. 1 - 116,611 (cloudy, cool)

Veterans Day  
Sept. 2 - 108,075 (cold, rainy)

Agriculture & Rural Youth Day  
Sept. 3 - 193,650 (rain early, cool)

4-H Day  
Sept. 4 - 137,556 (cold, rainy)

Last Chance Day  
Sept. 5 - 143,624\* (partly cloudy, cool)

**Total Attendance - 1,561,930**

\*daily attendance record

broadcast. Traditional fair favorites were highlighted, including draft horses and livestock competition, along with baking and canning winners.

The fair opened with Family Day, when youths 12 and under were admitted free and adults were admitted on a kid's ticket.

Seniors, Kids and Grandparents Day made its debut on Aug. 29, when people 65 and over and kids 12 and under were admitted free.

Kids also were admitted free on Kids Day, Aug. 30, and seniors were admitted free on Seniors Day, Sept. 1.

Last Chance Day returned after a successful debut in '93. Hundreds of commercial

exhibitors offered sale prices on a huge selection of food and merchandise.

Discounts on Midway rides, games, attractions and concessions were offered all day on Family,





# Recycling Program

**State Fair Beverage Cup Recycling**

	1991	1992	1993	1994
Cups in system (millions)	4.3	3.5	3.7	3.5
Cups recycled (millions)	2.2	2.2	2.7	2.7
Percentage	51%	63%	73%	78%

The State Fair's beverage cup recycling program has enjoyed increasing success since its inception four years ago. The cup recovery rate for '94 was the highest ever, with 78% percent of the laminated polystyrene cups used during the fair recovered and recycled. Typically, public events and institutions that have recycling programs recover about 25 percent of recyclable materials.

The State Fair has recycled 9.8 million cups during the past four years. This total represents the majority of beverage cups used at the fair since 1991, and accounts for 69 tons of recycled plastic. Plastic from State Fair cups has been used to manufacture building insulation board, video cassette cases, egg cartons and office equipment.

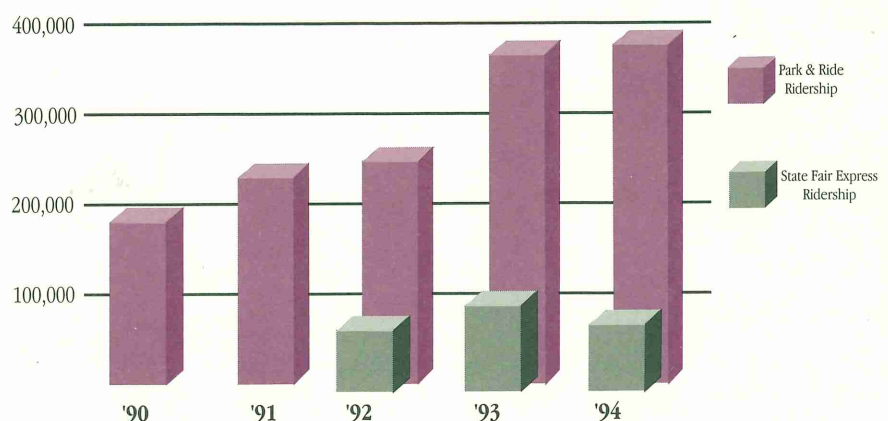


# Transportation Options

The State Fair's Park & Ride system featured free parking and free bus service to the fairgrounds from 16 nearby parking lots. A total of 374,740 people used the Park & Ride System in '94.

Riders of MCTO regular route and shopping mall express buses received a \$2 discount on State Fair gate admission. MCTO State Fair Express buses carried an additional ridership of 66,315 fair visitors in '94.

**Park & Ride, State Fair Express Bus Riders 1990 - 1994**





## New Attractions

The '94 fair featured an abundance of new attractions, ranging from rides and educational exhibits to exotic animals and special contests.

The wildest new ride in the world made its Minnesota debut at the '94 State Fair. The Ejection Seat launched thousands of visitors 140 feet straight up into the air. The reverse bungee catapult ride was located in the new Adventure Park, just east of the Midway. Also in the park were the Reactor simulator theater, three-ring gyroscope ride, 960-square-foot maze and a vintage motorcycle display.

Those seeking a more relaxed ride could climb aboard the brand-new 72-passenger trams and tour

a one-mile circuit of the fairgrounds. For only \$1, visitors got an extensive tour that reached every corner of the grounds. The new tram route included a pass through the livestock area.

Visitors could also sit back and watch a ride—the Royal Canadian Mounted Police's Musical Ride. The world-famous Mounties performed at all English and Western

horse shows, and were also featured in the nightly mall parade.

Kids of all ages enjoyed the new Hardee's Exotic Animal Display and Petting Zoo. The zoo's open design let visitors get close enough to touch and feed zebras, water buffalo, emus, tortoises and other friendly creatures; guests could even take a camel



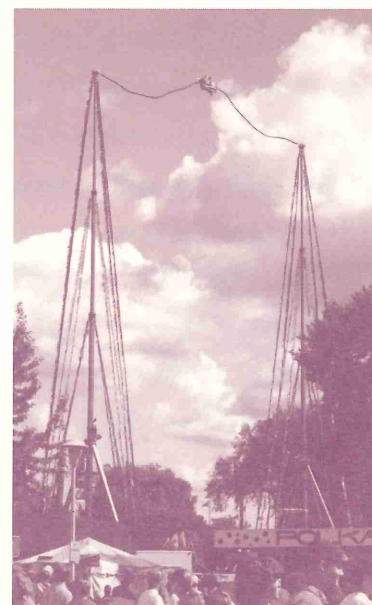
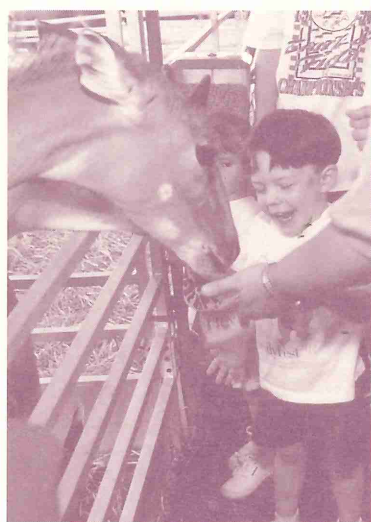
ride. Adjacent to the zoo was a brand-new Kiddieland, located on the southern side of Machinery Hill.

At the Amphitheater, fair visitors could run away to "join" the circus during the Rock & Roll Be A Star Circus. Four times daily, circus professionals chose willing audience members to walk the low-wire, juggle, perform on a trapezium and even bungee jump.

If the circus wasn't their calling, fair guests could sign up for one of the many free special contests.

Contests included no-hands blueberry pie eating, bubble gum blowing, sugar cube building and watermelon seed spitting.

The Minnesota Sports—Yesterday &





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Today exhibit featured photos, films and memorabilia from Minnesota's pro baseball, football, hockey, basketball, golf and auto race history.

The fair went high tech with the Wonders of Technology exhibit, presented by the Minnesota High Technology Council. NASA demonstrated



space shuttle and space station technology developments. Visitors explored CD-ROM technology at the Newton's Apple display. U S West presented the Game of Life, a computer game showing how future technology will change everyday life. The University of Minnesota displayed Aurora II, their solar car.

At the Oriental Pavilion, located in the newly renovated Progress Center, fair guests were treated to displays of Asian culture. The Pavilion featured artworks, handicrafts, cultural exhibits and performing arts of a variety of countries, including China, Japan, Korea, Thailand, Laos, the Philippines, India and Vietnam.

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## Returning Attractions

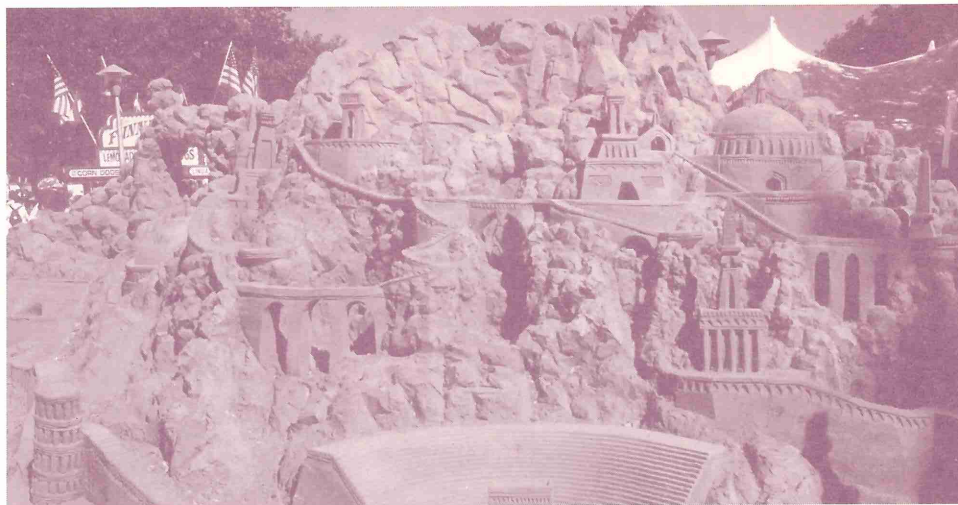
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**A**dded to the abundance of new attractions were several popular returning features. The Iwerks Reactor Simulator gave fair visitors a chance to race with Mario Andretti or fly with the Blue Angels. The 18-passenger simulator combined sight, sound and motion to create a thrilling ride.

The Proex sand sculpture was back with a twist. Seven teams of sand artists from around the world sculpted sand creations. Six of those teams competed for \$32,000 in prize money in the International Sand Sculpting Invitational. Each team used 110 tons of sand to create a sculpture garden filled with castles, fairy tale characters, scenes from a rodeo and the movie, *The*

*Lion King*.

Barn Tours returned after a successful debut in '93. Visitors explored the fair's livestock facilities during the 40-minute walking tour, and learned barnyard facts from livestock professionals from throughout the United States.



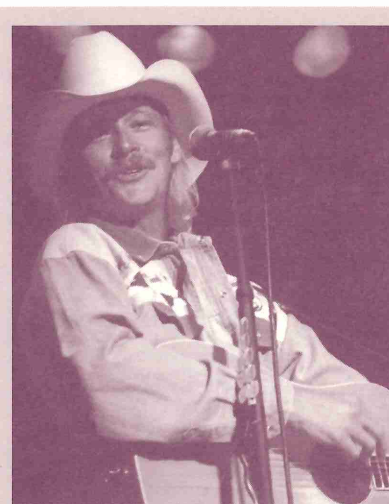


# Grandstand

The State Fair's Grandstand program featured rock, pop, country, blues and swing music, and attracted more than 130,000 fans. Country shows were by far the most popular, with three of the five finalists for the '94 Country Music Association's entertainer of the year performing at the fair.

One of those nominees was country superstar Reba McEntire, who, along with opening act John Michael Montgomery, drew a sold-out State Fair record crowd of 22,094. Alan Jackson, another CMA finalist, and opening act Hal Ketchum, played for 20,179 fans. The third CMA finalist and hottest

stellar performance by Kenny G, who played his opening song from the middle of the audience. Fans of big band jazz were treat-



Alan Jackson treated fans to a night of country music, Aug. 26. Hal Ketchum opened the show.

country duo, Brooks & Dunn, blended honky-tonk and rock 'n' roll to the delight of 17,269 fans. Trisha Yearwood opened for the pair. Yearwood's fiddle player, Heather Kolbrek, is a Minnesota native who won the State Fair talent contest in 1980.

Bonnie Raitt and Bruce Hornsby treated 19,657 fans to a rollick-

ing evening of rock and blues. Blues was also the focus of the Blues Music Festival '94, starring B.B. King, Little Feat, Dr. John and a tribute to Muddy Waters. Classic rock fans jammed to the music of the Who's Roger Daltrey. Daltrey was backed by a 60-piece orchestra for his two-hour show.

Patient jazz enthusiasts waited out an evening thunder storm and a two-hour delay, but were rewarded with a

ed to a performance by the Count Basie Orchestra, followed by a spectacular 30-minute fireworks presentation.

Entertainment in the Grandstand wasn't limited to music. Labor Day auto race fans saw Mike Eddy defeat the leading stars of the ASA and NASCAR in the Miller Genuine Draft 300.



Reba McEntire thrilled a sell-out audience on Aug. 28.

## 1994 Grandstand Events

Date	Attraction	Ticket Price	Attendance
Aug. 25	Kenny G	\$18 & \$9	7,857
Aug. 26	Alan Jackson with Hal Ketchum	\$18 & \$9	20,179
Aug. 27	Bonnie Raitt with Bruce Hornsby	\$17 & \$8.50	19,657
Aug. 28	Reba McEntire and John Michael Montgomery with Bill Engvall	\$18 & \$9	22,094
Aug. 29	Brooks & Dunn with Trisha Yearwood	\$16 & \$8	17,269
Aug. 30	Nickelodeon's Family Double Dare Live (afternoon)	\$11	1,797
Aug. 30	Nickelodeon's Family Double Dare Live (evening)	\$11	1,692
Aug. 31	The Beach Boys with America	\$14 & \$7	11,246
Sept. 1	Count Basie Orchestra & Americana Fireworks Spectacular	\$10 & \$5	3,604
Sept. 2	Wynonna with Tim McGraw	\$16 & \$8	15,754
Sept. 3	Roger Daltrey Sings Townshend	\$18 & \$9	4,863
Sept. 4	Blues Music Festival '94: B.B. King, Little Feat, Dr. John, Tribute to Muddy Waters	\$16 & \$8	7,333
Sept. 5	Miller Genuine Draft 300 stock car race	\$14 & \$10	16,851



# Free Entertainment

## Miller Genuine Draft Bandshell

Aug. 25-28	Billy Joe Royal The Mavericks Twister Alley
Aug. 29-Sept. 1	Lynn Anderson Shawn Camp Doug Kershaw
Sept. 2-5	Andy Childs Boy Howdy The Grass Roots
Sept. 3	Signature
Aug. 25-Sept. 5	Ray Komischke's State Fair Orchestra

## Leinenkugel's Leinie's Lodge in the Bazaar

Aug. 25-28	The Irish Brigade The Steel Bandits
Aug. 29-Sept. 1	Mark Yuzuik Prudence Johnson
Sept. 2-5	The Memories Tonic Sol-fa
Aug. 25-Sept. 5	The Comedy Hour

## Cal Spas Stage in Baldwin Park

Aug. 25-28	Mick Sterling & The Stud Brothers Fantastic Convertibles Nielsen White
Aug. 29-Sept. 1	Billy McLaughlin Jumbo Ya Ya Cliff Brunzell & The Golden Strings
Sept. 2-5	MCC Gospel Choir Excalibur The Nerds

## Heritage Square Stage

Aug. 25-28	The Bulla Family Sons of the San Joaquin
Aug. 29-Sept. 1	Riders In The Sky The Chmielewski Band
Sept. 2-5	The Barbary Coast Dixieland Band Janie Miller

## Children's Theater

Aug. 25-28	James Wedgwood Pop Wagner The Splatter Sisters
Aug. 29-Sept. 1	Ian Varella Jerry Frasier Chad & Terri Sigafus
Sept. 2-5	The Teddy Bear Band David Hamilton Willy Wonka
Aug. 25-Sept. 5	Sean Emery

Fair visitors could take in plenty of entertainment, all for the price of gate admission. Over 700 shows were presented on the State Fair's five free stages during the run of the fair, with shows starting as early as 10 a.m. every day. Top national acts performed at the Miller Genuine Draft Bandshell, including the Mavericks, Boy Howdy and Lynn Anderson.



The Cal Spas Stage in Baldwin Park featured gospel, country, Cajun, pop, rock and string music. Leinenkugel's Leinie's Lodge in the Bazaar featured lively steel drum music, authentic Irish tunes, folk and pop music, a nightly comedy hour and a hypnotist who had audience members perform a variety of wild stunts.

Family entertainment was the focus at the Children's Theater, presented by State Fair Brand Corn Dogs. Performers included a madcap juggling host, magicians, a balloon artist, a ventriloquist and musicians. Great music and plenty of laughs were delivered at Heritage Square, where a blend of authentic western music, polka, country and Dixieland jazz were presented.

Other free entertainment was presented at the 4-H Building, Natural Resources Park, Ramberg Senior Center and during the nightly parades. The parade included a dromedary camel hitch, the Oscar Mayer Wienermobile and the State Fair High School Marching Band competition, won by Irondale (Class AA) and Elk Mound (Class A).



## Commercial Exhibits

The State Fair is a shopper's paradise, offering everything from furniture and hand-crafted imports to salsa makers and mops. Retailers, manufacturers, educational institutions, artists, politicians, news media and a wide variety of government agencies utilize 4.3 million square feet of indoor and outdoor exhibit space.

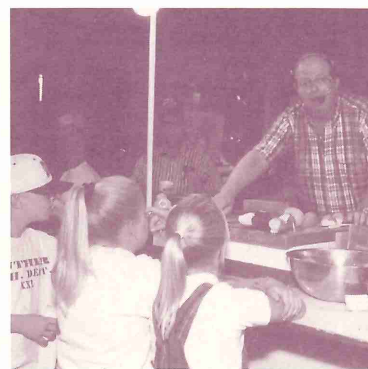
In addition to shopping, the fair offers more than 350 food concessions. Along with traditional fair favorites such as corn dogs, french fries and malts, visitors can sample gyros, fajitas, fried green tomatoes, egg rolls, flavored milk and pocket pies.



New foods in '94 included crepes, authentic African dishes, chicken on a stick and steak and sausage sandwiches.

Special commercial display areas included

the international Bazaar, with food and merchandise from around the world. Heritage Square, an early-American



themed area, featured the Museum of State Fair History, the Minnesota Letterpress Museum and the Bass Bin. Machinery Hill showcased farm and yard equipment. The Pet Center featured special displays and demonstrations by pet groups and suppliers, including actual surgery by the Minnesota Veterinary Medical Association.

Royal American Shows provided fair visitors with a varied lineup of rides, shows, games and Kiddieland attractions. Other amusements included the Sky Ride, Space Tower, Ye Old Mill, Giant Slide, Haunted Mansion, River Ride and arcades.

## Competitive Events

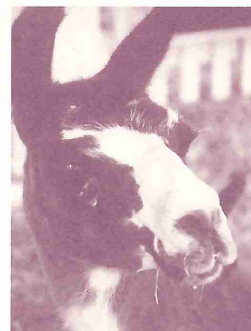
Competition for State Fair blue ribbons was keen in '94, with entries up in almost every category. More than 15,000 people entered livestock, fruits and vegetables, school projects, cheese and butter, handicrafts, fine arts, bee and honey products and baked goods.

The largest boar was entered by Patrick Malvin of Blomkest, Minn. At 1,340 pounds, Curt the boar outweighed some of the massive draft horses in the fair's horse show. Another hefty winner was a 654-pound pumpkin, entered by Glen Brown of Bethel, Minn.

The largest FFA livestock show in the world featured more than 2,000 animals. The 4-H market livestock auction, presented by the Minnesota Livestock Breeders Association,

earned \$50,000. A large portion of the proceeds was donated to the St. Paul Food Bank and the Ronald McDonald House.

Two new competitions added in '94 were maple syrup and sheep shearing.





## Recognition Programs

In '94, the State Fair conducted special recognition programs for youth, family farm owners, long-time fair participants and seniors. The Ben C. Hallberg Rural Youth Scholarship, established to acknowledge the contributions of the former State Fair Youth Camp program, was awarded to 20 young adults from greater Minnesota who participated in the '94 exposition.

Family farming was recognized through the Century Farm Program, honoring families whose farms have been in continuous family ownership for at least 100 years. A total of 242 farms received Century Farm distinction in '94.

The State Fair 50 Year Award was presented to three long-time participants in the fair: livestock exhibitor Wes Roehlke of Rogers, Minn., and Hamline Dining Hall volunteers Helen and Wally

Bakken of St. Paul.

The Outstanding Senior Citizens program, conducted with the state's county fairs and state board on aging, recognized a statewide group of seniors for contributions to their communities. From this group, Edith Brady of Onamia and Allen Pedersen of Crookston were named Minnesota's Outstanding Seniors. Medica, a sponsor of Seniors Days activities, also presented awards for seniors who distinguished themselves in various activities.



## Other Contests

At the Bandshell, the State Fair Amateur Talent Contest featured memorable performances including the Elvis impersonating Dancin' Dads of St. Paul, and the contest's grand prize winners, the Bachelors—a vocal group from Minneapolis. Sarah Sue Gibbs, a vocal soloist from Coon Rapids, won the teen division, and Special T, a dance duet from

Windom, won the pre-teen division. At Baldwin Park, winners of county fair talent contests throughout the state competed.

Winners of the 10th annual Milk Run, held Aug. 28, were Jill Anderson of Duluth (women's division) and Wade Berger of Bay City, Wis. (men's division).



# Staff

The State Fair's executive vice president, Mike Heffron, implements policy set by the board of managers through a full-time staff of 50 people. This core of year-round 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, commercial space sales and marketing.

The success of the annual State Fair hinges largely on the efforts of a seasonal staff that grows to over 2,400 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.



## 1994 Fair-Time Superintendents

Lyle Anderson, Roseville	Gale Frost, St. Paul
Admissions	Heritage Exhibits
Winnie Johnson, Elk River	Robert Peterson, St. Paul
Bee Culture	Horses
Chuck Schwartau, Wabasha	Anne Heideman, Long Lake
Beef Cattle	Llamas
Greg Ustruck, Vadnais Heights	Ed Butler, Rochester
Christmas Trees	Meats
Evelyn Hagen, Minneapolis	Marty Rossini, Stillwater
Creative Activities	Midway Ticket Takers
Jim Linn, White Bear Lake	Doris Mold, Lauderdale
Dairy Cattle	Milking Parlor
Jim Brown, Prior Lake	Dan Elmer, Edina
Education	Park & Ride
Duane Smith, Minneapolis	Ron Vannelli, St. Paul
Farm Crops	Parking
Paul Day, Northfield	Harold Thomforde, Crookston
FFA	Poultry
Brad Nuorala, Plymouth	Art Blakey, St. Paul
Fine Arts	Public Safety
Martha Carnes, West St. Paul	Scot Ribar, Minneapolis
Flowers	Sanitation
Andrew Novicki, Emily	Marge Krueger, St. Paul
Forage	Senior Citizens
Brad Rugg, St. Paul	Bill Schulke, Bemidji
4-H	Sheep
Louis Quast, Jr., St. Louis Park	Jerry Hawton, St. Paul
Fruits	Swine
Kevin LeVoor, Maple Lake	Dick Reinhardt, Owatonna
Goats	Ticket Audit
John Mons, Brownton	Curt Klint, Coon Rapids
Grandstand Production	Vegetables



## Board of Managers



The State Fair's 1995 board of managers, front row, left to right: Clarice Schmidt, Sabin, ninth district manager; Bert Lund, St. Paul, fourth district vice president; Howard Morris, Cokato, president; Richard Keenan, Minneapolis, fifth district vice president. Back row, left to right: Bob Lake, Aitkin, sixth district manager; Lyle Steltz, Rush City, third district manager; Martin Annexstad, St. Peter, second district manager; Don Simons, Grand Rapids, eighth district manager; Vern Prokosch, Bird Island, seventh district manager; and Howard Recknor, Hartland, first district manager.

**T**he State Fair is governed by the Minnesota 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.

Howard Morris was elected president of the board of managers during the society's general business meeting in January of '95. Morris, a retired insurance executive from Cokato, has served as sixth district representative on the board of managers since 1981.

# Off-Season Events



**T**he 314-acre Minnesota State Fairgrounds are heavily utilized throughout the year.

Convenient access to the fairgrounds, the flexibility of its exhibit buildings and its ample parking have established the State Fair as one of the premier all-purpose special events facilities in the region.

In 1994, nearly 700,000 people attended a wide variety of off-season events at the State Fairgrounds. Events included commercial sales, livestock shows, antique collector exhibits, auto shows and craft fairs. In addition, many State Fair facilities were used for winter storage of boats, autos and recreational vehicles.

Several area high school and university hockey teams used the Coliseum ice rink for games and

practice, including Hamline University, the University of St. Thomas and Roseville and Mounds View High Schools. More than 40,000 fans attended hockey games at the Coliseum. In addition, the Coliseum hosted public skating and jogging weekdays from 11:30 a.m. to 1 p.m.

Off-season events are an important source of revenue for the State Fair. In '94, \$1.1 million in gross operating income was realized through off-season activities.

## Top Off-Season Events of 1994

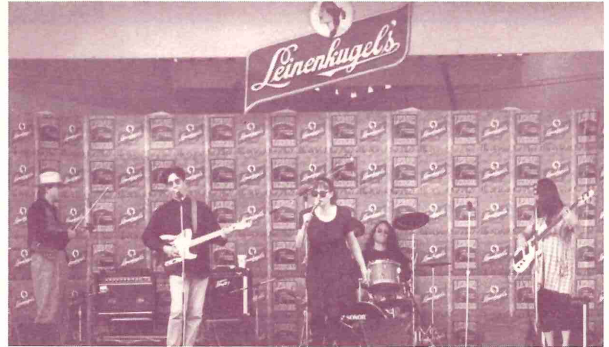
Event	Date	Attendance
Wilson's Leather Sale	Oct. 18-30	80,000
MN Street Rods Back to the '50s	June 17-19	45,000
12th Annual MN Deer Classic	March 11-13	21,000
Antique Spectacular & Flea Market	April 16-17	20,000
Country Folk Art Sale	May 13-15	20,000
Antique Spectacular & Flea Market	June 11-12	20,000
Antique Spectacular & Flea Market	Oct. 8-9	20,000
Country Folk Art Sale	Sept. 23-25	20,000
Horse Expo	April 23-24	15,600
Now Sports Bike & Fitness Sale	April 14-18	15,000



## Promotional Programs

The Minnesota State Fair works with a variety of sponsors and promotional partners. Many of the State Fair's sponsors are long-time supporters, including the Miller Brewing Company, Proex Photo and Portrait, Cal Spas, the American Dairy Association of Minnesota, the M.A. Gedney Co. and Coca-Cola USA. Other sponsors in '94 included Hardee's Food Systems, Frito-Lay, Kraft General Foods, Minnesota Propane Gas Association and State Fair Foods.

Sponsorship opportunities include free entertainment stages, the Amphitheater, fireworks presentations, State Fair trams, Adventure Park, the exotic animal display and petting zoo and a variety of special contests.



## Demographics

People come from all over the globe to visit the State Fair; in '94 groups came from Germany, Japan and Italy to see North America's largest 12-day fair. But the majority of visitors live within a 100-mile radius that centers on the Twin Cities and encompasses central and southern Minnesota and western Wisconsin.

A recent demographic study found all age and income groups are well represented in the State Fair's attendance, with higher than normal attendance among 25- to 34-year-olds and 45- to 54-year-olds.

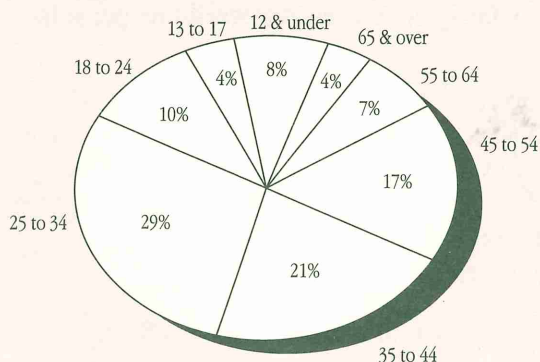
The State Fair also attracts many families. Among

those interviewed for the survey, a top reason for attending was the fair's offering of great family activities. Of those attending the fair, 39% brought children with them, and the majority of those kids were between six and 17 years old.

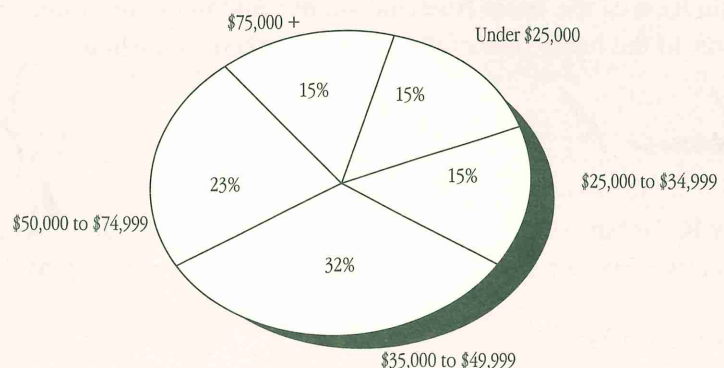


Other popular reasons for attending the fair include the variety of food, exhibits, displays and handicrafts, the social aspects, entertainment and shows, family tradition and animals and livestock.

**Age Distribution of Attendees**



**Household Income of Attendees**





STATE OF MINNESOTA

**OFFICE OF THE LEGISLATIVE AUDITOR**

CENTENNIAL BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

---

**Independent Auditor's Report**

Mr. Howard Morris, President  
Board of Managers  
State Agricultural Society

Mr. Michael D. Heffron, Executive Vice President  
State Agricultural Society

We have audited the accompanying balance sheets of the State Agricultural Society as of October 31, 1994 and 1993, and the related statements of income, retained earnings, and cash flows for the years then ended as presented on pages 17 to 21. 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, 1994 and 1993, 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 purpose of forming an opinion in the basic financial statements as a whole. The supplemental financial information included on pages 22 to 26, which is the responsibility of the Society's management, is presented for the purpose 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 13, 1995



## BALANCE SHEET

For the years ended October 31	1994	1993
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents (note 2)	\$ 3,350,719	\$ 3,536,357
Accounts receivable	244,046	293,254
Accrued interest receivable	18,124	13,106
Prepaid expenses	61,047	59,987
Total current assets	3,673,936	3,902,704
Non-current assets:		
Note receivable	176,088	184,679
Property, structures and equipment (note 3)	15,354,130	13,754,832
Total assets	\$ 19,204,154	\$ 17,842,215
<b>LIABILITIES &amp; RETAINED EARNINGS</b>		
Current liabilities:		
Accounts payable	\$ 1,091,838	\$ 536,364
Accrued salaries	9,519	83,775
Compensated absences	294,657	296,921
Deferred income	144,358	139,390
Current portion of long-term liabilities (note 4)	320,983	217,055
Total current liabilities	1,861,355	1,273,505
Long-term debt (less current portion)	1,394,183	1,110,777
Total liabilities	3,255,538	2,384,282
Retained earnings:		
Designated for building fund (note 8)	1,946,877	1,444,655
Unrestricted	14,001,739	14,013,278
Total retained earnings	15,948,616	15,457,933
Total liabilities and retained earnings	\$ 19,204,154	\$ 17,842,215

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

## STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the years ended October 31	1994	1993
Operating revenues:		
Ticket sales	\$ 8,370,266	\$ 8,243,226
Departmental	4,258,608	4,283,965
Other	1,693,165	1,639,848
Total operating revenues	14,322,039	14,167,039
Operating expenses:		
Administrative	1,615,156	1,374,258
Activities and support	7,286,637	6,838,998
Premiums	511,963	459,426
Other	693,428	734,409
Plant operations	1,915,236	1,829,614
Plant maintenance	868,633	759,835
Depreciation	968,863	854,172
Total operating expenses	13,859,916	12,850,712
Operating income	\$ 462,123	\$ 1,316,327
Nonoperating revenues (expenses):		
Interest income	110,564	73,249
Interest expense	(82,004)	(80,529)
Net income	490,683	1,309,047
Retained earnings, beginning of year	15,457,933	14,148,886
Retained earnings, end of year	\$ 15,948,616	\$ 15,457,933

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



## STATEMENT OF CASH FLOWS

For the years ended October 31

1994

1993

### Cash flow from operating activities:

Operating income (loss)	\$ 462,122	\$ 1,316,327
Adjustments to reconcile net increases to net cash provided by operating activities:		
Depreciation	968,863	854,172
Changes in current assets and liabilities:		
Current assets—(increase) decrease:		
Accounts receivable	49,208	(145,221)
Prepays	(1,060)	(13,893)
Current liabilities—increase (decrease):		
Accounts payable	555,474	111,170
Salaries payable	(74,256)	1,931
Compensated absences	(2,264)	4,275
Deferred revenues	4,968	(2,576)
Net cash provided by operating activities	1,963,055	2,126,185

### Cash flows from capital and related financing activities:

Purchase of fixed assets	(2,552,601)	(1,044,842)
Principal paid on notes and leases	(228,226)	(217,474)
Interest paid on notes and leases	(82,004)	(80,529)
Proceeds from note payable	600,000	-0-
Proceeds from note receivable	8,592	7,955
Net cash used for capital investing activities	(2,254,239)	(1,334,890)

### Cash flows from investing activities

Interest earnings	105,546	72,333
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<b>Increase (decrease) in cash</b>	<b>\$ (185,638)</b>	<b>\$ 863,628</b>
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Cash and cash equivalents beginning of year	3,536,357	2,672,729
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Cash and cash equivalents end of year	\$ 3,350,719	\$ 3,536,357
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### Noncash investing, capital and financing activities:

During the year, the Society entered into a lease agreement in the amount of \$15,560, for the purchase of a vehicle.

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. The financial activities of the society are accounted for as an enterprise fund which operates in a manner similar to a private business enterprise. Accordingly, the accompanying financial statements are presented on the accrual basis. The Society's accounting practices conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

### NOTE 2: CASH AND CASH EQUIVALENTS

The society cash balance includes only deposits in the bank.

Minn. Stat. Section 118.01 requires that deposits by municipalities, including public corporations, be secured by depository insurance or a combination of depository insurance and collateral security. The statute further requires that total collateral computed at its fair market value be at least 10 percent more than the amount on deposit in excess of any insured portion at the close of the business day.

### NOTE 3: PROPERTY, STRUCTURES, UTILITIES AND EQUIPMENT

Property, structures, utilities and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the related assets. Costs of improvements and renovations that add to the original value or materially extend the useful life of the related asset, are capitalized and written off as depreciable charges over their estimated useful life.

	1994	1993
Land	\$ 2,228,778	\$ 2,228,778
Land improvements	1,695,055	1,212,481
Structures and improvements	23,622,353	21,835,369
Electrical plant	2,420,366	2,310,794
Fence and guard rails	461,187	440,879
Gas distribution	91,182	91,182
Sewer system	465,651	461,048
Water distribution	520,437	517,628
Personal property	900,403	787,946
Total	32,405,412	29,886,106
Less accumulated depreciation	17,051,282	16,131,274
Net book value	\$ 15,354,130	\$ 13,754,832

### NOTE 4: CURRENT AND LONG-TERM LIABILITY ALLOCATIONS

	1994		1993	
	current	long-term	current	long-term
Notes payable (note 6)	\$304,458	\$1,380,471	\$206,375	\$1,094,972
Lease payable (note 7)	16,525	13,712	10,680	15,805
	\$320,983	\$1,394,183	\$217,055	\$1,110,777
Net increase (decrease)	\$103,928	\$283,406		

### NOTE 5: RETIREMENT PLAN

#### Plan description

All society full-time employees must participate and are covered by defined benefit pension plans administered by the Minnesota State Retirement System (MSRS). MSRS administers the State Employees Retirement Fund (SERF) which is a cost-sharing, multiple-employer retirement plan. The Payroll for employees covered by MSRS plans for the year ended October 31, was \$1,816,770 for 1993 and \$1,890,680 for 1994. Total society payroll was \$3,589,105 for 1993 and \$3,673,389 for 1994.

MSRS provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute and vest after three years of credited service. The defined retirement benefits are based on a member's average salary from the five highest successive years of covered salary, age, and length of service at termination of service. Two methods are used to compute benefits, the Step formula and the Level formula. Under the Step formula the annual accrual is 1 percent of average salary for the first 10 years of service and 1.5 percent for each remaining year. Under the Level formula, the annual accrual amount is 1.5 percent for each year of service. For MSRS members whose annuity is calculated with the Step formula, a full annuity is available when age plus years of service equals 90.

There are two types of annuities available to members upon retirement. The Single-life annuity is a lifetime annuity that ceases on the death of a member. The Optional annuity provides joint and survivor annuity options that reduce monthly annuity payments because the annuity is payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available to members who leave public service, but before retirement benefits begin.

#### Contributions Required and Contributions Made

Minnesota Statutes, Chapter 352 sets the rate for employee and employer contributions. 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. The actuarially determined required contribution rates were 8.93 percent for 1993 and 8.93 percent for 1994. The current rates are 4.07 percent for employees and 4.20 percent for the Society for a total of 8.27 percent. The total employer contributions for the Society were \$76,848 for 1993 and \$79,059 for 1994.

### Funding Status and Progress

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess MSRS's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among Minnesota Retirement Systems and among employers.

The pension benefit obligations of the MSRS as of July 1, 1994 and 1993 are shown below:

(in thousands)	SERF 1994	SERF 1993
Total pension benefit obligations	\$3,376,267	\$3,057,914
Net assets available for benefits (cost basis)	3,147,066	2,846,117
Unfunded (assets in excess of) pension benefit obligations	(229,201)	(211,797)

The pension benefit obligation is a standardized measure of the actuarial present value of credited projected benefits. These valuations are as of July 1, 1994 and 1993.

### Ten-Year Historical Trend Information

Ten-year historical trend information is presented in MSRS's Component Unit Financial Report for the year ended June 30, 1994. This information is useful in assessing the pension plans accumulation of sufficient assets to pay pension benefits as they become due.

### Related Party Investments

As of October 31, 1994, and for the fiscal year then ended, MSRS held no securities issued by the society or other related parties.

### Deferred Compensation

All society full-time employees are eligible to participate in the Minnesota State Deferred Compensation Plan for public employees. Deferred compensation is a plan that allows employees to place a portion of their earnings into a tax deferred investment program for long-term savings to supplement retirement and other benefits.

### NOTE 6: NOTE PAYABLE

Notes payable consists entirely of promissory notes. The obligations bear interest rates related to the current prime rate in effect from time to time, ranging from .737 of the prime rate to 1 percent over the prime rate, and are due through 2006.

### NOTE 7: 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 two leases for financing of one copier and a vehicle. 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:	1994	1993
Class of Property:		
Office Equipment	\$ 51,300	\$ 89,787
Vehicle	15,560	-0-
Less: Accumulated amortization	44,152	69,267
	\$ 22,708	\$ 20,520

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, 1994:

Year ending October 31:	
1995	18,240
1996	10,958
1997	3,358
Total minimum lease payments	\$ 32,556
Less: amount representing interest (1)	2,320
Present value of net minimum lease payments	\$ 30,236

(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 8: DESIGNATED FUNDS

This represents designated funds as set forth by Minnesota Statutes, Section 297A.25.

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## SUPPORTING SCHEDULE - REVENUES AND EXPENSES

For the years ended October 31

1994

1993

### OPERATING INCOME

Ticket sales:

Coliseum	\$ 167,092	\$ 84,419
Grandstand	1,814,340	1,897,022
Outside gate	5,907,110	5,751,868
Parking	453,746	470,115
Trackless train	27,978	39,802

Total ticket sales	8,370,266	8,243,226
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Departmental:

Box office	145,014	161,804
Campgrounds	76,121	67,718
Carnival	866,587	929,825
Competitive exhibits	127,293	114,701
Entertainment	16,405	13,456
Forage	13,659	17,993
Gift shop	111,475	119,987
Public safety	22,399	14,261
Rental services	2,879,655	2,844,220

Total departmental	4,258,608	4,283,965
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Other:

Miscellaneous	91,554	65,411
Off-season activity	1,163,148	1,194,695
Sale of bulk milk	13,420	12,570
Sale of market animals	76,887	62,314
Sponsorship	225,771	200,304
Telephone	122,385	104,554

Total other	1,693,165	1,639,848
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Total operating income	\$ 14,322,039	\$ 14,167,039
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## OPERATING EXPENSES

For the years ended October 31	1994	1993
Administrative:		
Annual meeting	\$ 6,987	\$ 8,065
Bad debt	488	1,172
Board honorarium	10,400	10,400
Computers	29,379	26,136
Dues and subscriptions	13,088	13,761
Insurance	98,215	78,763
Legal services	28,371	15,995
Legislative audit	31,565	24,937
Mailing service	16,939	15,009
Medical insurance	179,335	148,877
Paid leave	171,348	-0-
Planning	109	78,075
Postage	129,508	134,150
Printing and supplies	83,239	72,368
Records and archives	629	2,236
Retirement fund	79,059	76,848
Salaries	260,087	198,572
Social security	269,682	267,274
Staff training	5,667	2,547
Telephone	81,178	67,386
Travel expense	43,012	51,366
Unemployment compensation	10,613	4,112
Workers compensation	66,258	76,209
Total administrative	1,615,156	1,374,258
Activities and Support:		
Admissions	130,452	124,487
Advertising	590,050	548,198
Bee culture	7,010	6,271
Box office	190,248	175,674
Campground	22,944	28,918
Carnival	25,103	20,201
Cattle	46,854	50,648
Christmas trees	3,335	3,170
Competitive exhibits	137,137	130,753
Creative activities	45,008	41,380
Dairy products	1,705	1,110
Education	20,615	20,248
Farm crops	10,487	10,012
Finance	173,773	204,795
Fine arts	23,297	22,700
Flower and agriculture shows	31,750	29,950
Flowers	6,553	6,175
Forage	9,719	10,271
4-H Club	147,209	128,041
Free entertainment	684,787	645,236
Fruit	6,833	6,363
FFA	36,510	34,734
Gate tickets	127,944	114,787

## OPERATING EXPENSES (CONTINUED)

For the years ended October 31	1994	1993
Gift shop	93,093	80,852
Goats	4,358	4,041
Grandstand—concerts	1,837,526	1,740,972
Grandstand—race	137,166	129,017
Guest and staff services	179,087	178,885
Heritage exhibits	13,733	11,999
Horses and rodeo	247,816	121,286
Llamas	2,207	2,152
Meats	4,368	4,233
Media and public relations	415,259	389,237
Park & Ride	260,738	252,371
Parking	132,760	119,764
Poultry	10,432	10,321
Public safety	343,767	367,235
Sales	461,839	414,921
Sanitation	568,978	569,028
Senior citizens	31,255	31,013
Sheep	7,181	6,616
Swine	9,400	10,238
Ticket audit	4,956	5,178
Tram	36,425	-0-
Vegetables	4,970	5,008
Youth camp	-0-	20,509
 Total departmental	 7,286,637	 6,838,998
 Premiums:		
Bee culture	2,623	2,471
Cattle	85,627	82,974
Christmas trees	1,745	1,660
Creative activities	10,475	9,664
Dairy products	745	605
Education	10,093	9,968
Farm crops	14,200	14,102
Fine arts	8,000	7,550
Flowers	2,443	2,431
4-H Club	61,341	61,441
Fruit	1,446	1,424
FFA	42,859	40,215
Goats	8,221	7,042
Horses	84,070	75,198
Llamas	3,375	3,390
Poultry	10,242	11,192
Rural youth scholarships	20,000	-0-
Sale of bulk milk	12,997	12,382
Sale of market animals	76,957	62,342
Sheep	21,112	23,959
Swine	21,147	20,747
Talent contest	9,100	5,935
Vegetables	3,145	2,734
 Total premiums	 511,963	 459,426



## OPERATING EXPENSES (CONTINUED)

For the years ended October 31	1994	1993
Other:		
Institutional tickets	77,127	56,720
Miscellaneous	26,049	80,122
Non-fair events	556,812	564,909
Veterinarian service	33,440	32,658
Total other	693,428	734,409
Plant operations:		
Architectural and engineering	81,128	119,357
Building inspection	11,227	12,824
Fire and police service	122,580	58,714
Fuel, oil and gasoline	36,079	30,168
Greenhouse	103,581	117,538
Property tax	5,931	9,466
Salaries and contract services	452,339	514,941
Set-up and take-down	672,555	558,348
Signs	15,689	15,916
Supplies	54,192	38,816
Utilities	159,790	153,949
Watchmen	70,276	68,895
Water and sewer	129,869	130,682
Total plant operations	1,915,236	1,829,614
Plant maintenance:		
Electric plant	102,817	97,760
Fence and fixtures	34,463	7,366
Gas system	365	89
Grading, sod, trees	20,307	23,156
Personal property	147,504	135,411
Sewer system	9,144	5,316
Streets and sidewalks	57,438	69,133
Structures	326,986	258,905
Vehicles	140,641	130,316
Water system	28,968	32,383
Total plant maintenance	868,633	759,835
Depreciation:		
Electric plant	67,197	64,758
Fence and fixtures	19,427	18,464
Gas system	764	764
Land improvement	34,301	32,775
Personal property	156,081	131,802
Sewer system	9,026	8,796
Structures	670,120	585,009
Water system	11,947	11,804
Total depreciation	968,863	854,172
Total operating expense	\$ 13,859,916	\$ 12,850,712
Net operating income	\$ 462,123	\$ 1,316,327
NONOPERATING INCOME (EXPENSES)		
Interest income	110,564	73,249
Interest expense	(82,004)	(80,529)
NET INCOME	\$ 490,683	\$ 1,309,047

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## 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, 1994:

Beginning balance November 1, 1993

Imprest fund—cash on hand	\$ 2,500
Checking accounts	76,615
Cash equivalents	3,453,980
Trust fund	3,262

Total	\$ 3,536,357
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Increase (Decrease) in Cash for 1994	(185,638)
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Ending Cash Balance October 31, 1994	\$ 3,350,719
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Detail of Year-End Cash Balance:

Imprest fund—cash on hand	\$ 3,000
Checking accounts	114,260
Cash equivalents	3,230,197
Trust fund	3,262

Total	\$ 3,350,719
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Respectfully submitted,  
Mike Heffron  
Executive Vice President

St. Paul, Minnesota

October 31, 1994





STATE OF MINNESOTA

**OFFICE OF THE LEGISLATIVE AUDITOR**

CENTENNIAL BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Senator Phil Riveness, Chair  
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. Howard Morris, President  
Board of Managers  
State Agricultural Society

Mr. Michael D. Heffron, Executive Vice President  
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, 1994, and issued our report thereon dated January 13, 1995. We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we consider the internal control structure in order to plan our audit, and that we perform tests of the agency's compliance with certain material provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on the internal control structure or on overall compliance with finance-related legal provisions.

**Internal Control Structure**

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

- ticket sales,
- space rental revenues,
- cash and cash equivalents,
- fixed assets and depreciation,
- administrative expenses and payables, and
- employee payroll.

Senator Phil Riveness, Chair  
Members of the Legislative Audit Commission  
Mr. Howard Morris, President  
Mr. Michael D. Heffron, Executive Vice President  
Members of the State Agricultural Society  
Page 2

For 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.

### **Management Responsibilities**

The management of the Society is responsible for establishing and maintaining the 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:

- assets are safeguarded against loss from unauthorized use or disposition; and
- transactions are executed in accordance with applicable legal and regulatory provisions, as well as 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 internal control 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.

### **Conclusions**

The internal control structure categories that we examined included: ticket sales, space rental revenues, cash and cash equivalents, fixed assets and depreciation, administrative expenses and payables, and employee payroll. We found no weaknesses involving the internal control structure and its operation for these areas.


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



Senator Phil Riveness, Chair  
Members of the Legislative Audit Commission  
Mr. Howard Morris, President  
Mr. Michael D. Heffron, Executive Vice President  
Members of the State Agricultural Society  
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This report is intended for the information of the Legislative Audit Commission and management of the Society. This restriction is not intended to limit the distribution of this report, which was released as a public document on February 17, 1995.

We thank the State Agricultural Society staff for their cooperation during this audit.



James R. Nobles  
Legislative Auditor



John Asmussen, CPA  
Deputy Legislative Auditor

End of Fieldwork: January 13, 1995

Report Signed On: February 14, 1995

# MEETING MINUTES

## COMMERCIAL SPACE COMMITTEE MEETING

St. Paul Radisson Hotel, Kellogg II Room  
Saturday, January 15, 1994 - 9:00 a.m.

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

Also present: Recknor; Schmidt; Steltz; Rustad; Birk; Jacobson; Fischler; Hammer.

The committee was provided with documentation of percentage attraction agreements, corresponding ticket prices and contract fee terms recommended for the 1994 fair, which documentation was approved on a motion by Mr. Simons, seconded by Mr. Lund and carried (Aye-5; Nay-0):

### 1994 MINNESOTA STATE FAIR PERCENTAGE ATTRACTION, FEES AND PRICES

CONCESSIONAIRE	ATTRACTION	TICKET PRICE(S)	PERCENTAGE(S)
Antique Auto. Club of America Minnesota 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	Guarantee of \$8,800.00 and 30% of gross sales over \$35,200.00
Giant Ride, Inc.	Giant Slide	\$1.25	30%
Grandstand and Free Stage Entertainer Merchandise Sales	Entertainer Merchandise	Non-ticketed activity	15%
Grandstand Food/Beverage Concessionaire	Food and 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 fees for 3.2 beer sales
Iwerks Entertainment, Inc.	Simulation Theatre	\$4.00	10% of the first \$48,000.00 and 20% of gross sales over \$48,000.00
K & M Recreation, Inc.	Haunted House	\$2.50	27% of gross sales through \$100,000.00 and 30% of gross sales over \$100,000.00
Miscellaneous Merchandise Sales	Misc. Merchandise Sales	Non-ticketed activity	10%
River Raft Ride, Inc.	Raft Ride	\$2.00	0% of ticket sales to \$80,000.00; 10% of ticket sales from \$80,000.00 to \$150,000.00 and 25% of ticket sales over \$150,000.00
Royal American Shows, Inc.	Carnival (Rides & Shows)	Single Coupon = \$ .40  Coupon Sheets: Fair-Time = 25 coupons for \$10.00  Advance = 25 coupons for \$8.00	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 = \$1.00 Adults = \$1.75	25%
Ye Old Mill Amusements, Inc.	Old Mill Canal Boat Ride	Children = \$1.25 Adults = \$1.50	25%

\* Denotes concession in the process of divestiture

The preceding represent percentage fees payable the Minnesota State Fair on receipts from 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.

The following list of ten (10) malt beverage concession agreements to be issued for the 1994 fair was presented for committee review. Issuance of the subject agreements was approved on a motion by Annexstad, seconded by Morris and carried (Aye-5; Nay-0):

### 1994 MINNESOTA STATE FAIR 3.2 BEER CONCESSIONS

Brede Enterprise, Inc.	Blk. 35	Bldg. 351 Crossroads	Beer Garden
Cleworth's Food & Beverage	Blk. 42	Bldg. 421 Arcade Bldg.	Spaces 1 - 15
James W. Crocker	Blk. 31	Spaghetti Village	Lots 16, 17 & 18
John A. Giere	Blk. 42	Bldg. 421 Arcade Bldg.	Spaces 24 - 32
H.M.H. of St. Paul, Inc.	Blk. 47	Bldg. 471 Bazaar	Space A
Hildebrand Concessions, Inc.	Blk. 28	Bldg. 281 Grandstand	Seating Area and Infield
Kirschner's Beer Stube	Blk. 45	Bldg. 451 Ag-Hort Bldg.	Space H
Midway Men's Club	Blk. 30		Lot S
Ward Food Services	Blk. 50	Bldg. 501 Coliseum	Spaces 113 & 159 200 & 250 212 & 213 and 268
Richard C. Werner	Blk. 42	Bldg. 421 Arcade Bldg.	Spaces 26 - 21

On a motion by Mr. Lund, seconded by Mr. Morris and carried the following list of multiple-location concession and exhibit licenses for the 1994 fair was approved (Aye-5; Nay-0):

### 1994 MINNESOTA STATE FAIR MULTIPLE LOCATION CONCESSIONS/EXHIBITS

CONCESSION/EXHIBIT NAME	DESCRIPTION	NUMBER OF LOCATIONS
Larry Abdo/Gopher State Ice Co.	Pocket Pies/Ice	2
American Amusements Arcades	Coin Operated Arcade Games	2
American Dairy Association	Ice Cream, Milk and Dairy Foods	2
Mark Andrew	French Fries/S'Mores	2
Arrow Enterprises, Inc.	Skyride/Food and Beverages	2
Ben Benson	Bratwurst	2
Cenaiko Enterprises, Inc.	Chamois	2
Gary Crutchfield Concessions	Cheese on a Stick	2
William F. Danielson	Onion Rings/Pizza	2
Fisherman's Wharf Seafood	Fish and Beverages	2
George Funk	Leather Crafts/Coffee	2
Garibaldi's/French Quarter Del.	Jewelry/New Orleans Snowballs & Pralines	2
Giant Ride, Inc.	Giant Slide/Cheese on a Stick	2
John A. Giere	Food, Beverages and 3.2 Beer/Games (contiguous)	2
Hixon Glass Blowers	Blown and Spun Glass	2
Holly's Hobby	Hand Crafts	2
Shirley Hudspeth	Victorian Merchandise and Foil Art/Massage Equipment	2
Tina Isaac	Food & Beverages/Tempura Vegies	2
Gregory B. Kusick	Cotton Candy	2
Kirch Enterprises Gasthaus	Bratwurst/Food and Beverage	2
Gary Larson	Popcorn, Caramel Corn and Caramel Apples	2
M & D Enterprises	Fudge	2
Major League Sports Shops	Professional Sports Team Merchandise	2
Matt Milner Sales	Novelties	2



Mini-Kabob Foods	Kabobs	2
Minn. Honey Producers	Honey, Honey Ice Cream & Candy	2
Lee Moss Amusements	Digger Skill Games	2
Muskar, Inc.	Fried Cheese Curds	2
National Icee Corp.	Icee Frozen Beverages	2
National Service Company	Jewelry Cleaner	2
Nomar, Inc.	Hokey Sweepers, Dusters and Brooms	2
Northland Emblem	Patches and Emblems for Hats	2
Louise H. O'Neil	Hot Dogs on a Stick	2
Orange Treet	Orange Treet Drink/Pineapple on a Stick	2
Patterson Products	Resin Products/Stone Molds	2
St. Paul Pioneer Press	Newspapers	2
Schmitt Music Centers	Pianos and Organs	2
Robert L. Shutes	Food and Beverages	2
David K. Sunderland	Popcorn, Caramel Corn, Caramel Apples, Lemonade and Root Beer	2
Tom Thumb Donut Corp.	Tom Thumb Donuts	2
Paul S. Ward	Corn on the Cob, Hamburgers & Foot Long Hot Dogs	2
Jodeen L. Warden	Popcorn, Caramel Corn, Caramel Apples and Rosettes	2
Watkins, Inc.	Watkins Products	2
Jerry Woldorsky	Buffalo Burgers/Baked Potatoes	2
Wozniak Concessions	French Fries	2
Robert W. Crocker	Root Beer	3
Darlinda, Inc.	Pie/Dining Hall (contiguous)	3
Lynn Davis	Ice Cream, Sno Cones, Caramel Apples and Beverages	3
Maxine W. Davis	Ice Cream, Sno Cones, Caramel Apples, Beverages and Baked Potatoes	3
Delrick Enterprises	Popcorn, Caramel Corn, Caramel Apples and Beverages	3
Encyclopaedia Britannica	Encyclopaedias	3
Fresh Fruit	Fruit	3
James Johnson	Foot Long Hot Dogs	3
Chester H. Nairne Company	Oster Blenders/Supra Silverstone Cookware	3
Edward and 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 and Ethel Peters	Hot Dogs/Polish Sausage	3
Schultz's Concessions	Hamburgers and Hot Dogs	3
Gloria Shutes	Food and Beverages	3
Televac Computer Company	Personality Computers	3
Gregory J. Tetrault	Ice Cream, Sno Cones, Caramel Apples and Beverages	3
Melvyn Townsend	Foot Long Hot Dogs	3
John Tysseling	Fried Mushrooms/Turkey Drumsticks/Apple Fritters	3
Kathy Yahr	Cotton Candy	3
Hannasch, Inc.	Sno Cones	4
James Hartley	Cotton Candy	4
Hohenwald Enterprises, Inc.	Food and Beverages	4

Eugene R. LaVaque	Sno Cones	4
Minnetonka Moccasin Company	Moccasin Footwear	4
Philip M. Sampson	Games of Skill	4
Schroder Concessions	Popcorn, Caramel Corn, Caramel Apples, Cheese Curds, Lemonade and Bratwurst	4
State Fair Penny Arcade	Coin Operated Arcade Games/ Games of Skill	4
Syndicate Sales Corp.	Vegetable Cutters, Dusters, Bowmakers, Woks and Rotary Food Processors	4
Ward Food Services	Food, Beverages & 3.2 Beer (Coliseum)	4
Desplenter Novelties	Novelties	13*

\* Denotes concessionaire in the process of divestiture

Following discussion and a report by staff on the status of the multiple concession and exhibit divestiture program initiated by the fair in 1989, comparative reports covering multiple-location concessions and exhibits were presented to the committee for information only; no action necessary:

#### MINNESOTA STATE FAIR EXHIBIT/CONCESSION LICENSE COMPARISON

1985 - 1989 - 1990 - 1993

NUMBER OF INDIVIDUAL LOCATIONS	HELD BY THE FOLLOWING NUMBER OF PERSONS			
	1985	1989	1990	1993
1	865	959	995	1,008
2	55	55	51	47
3	24	17	20	22
4	10	7	15	11
5	4	10	4	0
6	4	3	1	0
7	3	0	0	0
9	1	0	0	0
15	0	0	0	1
17	0	0	0	
21	0	0	1	
23	0	1		
26	1			
33	1			
Total Number of Locations Available	1,220	1,239	1,264	1,227
Number of Persons Holding Locations	968	1,052	1,087	1,089
Percentage of Persons Holding Four (4) or Fewer Locations	99%	99%	99%	99%
Percentage of Locations Held In Units Smaller Than Five (5)	91%	97%	98%	99%
Number of Locations Held By Minnesota Residents	890	949	994	932
Percentage of Locations Held By Minnesota Residents	73%	77%	79%	76%

#### MINNESOTA STATE FAIR FOOD/BEVERAGE CONCESSION LICENSE COMPARISON

1975 - 1985 - 1990 - 1993

NUMBER OF INDIVIDUAL LOCATIONS	HELD BY THE FOLLOWING NUMBER OF PERSONS			
	1975	1985	1990	1993
1	95	147	188	178
2	20	29	27	24
3	4	14	14	18
4	5	6	9	7
5	3	2	2	
7	0	2		
9	1	1		
12	1	0		
13	2	0		
14	2	0		
17	1	0		
26	0	1		
32	1			

Total Number of Locations Available	306	333	330	308
Number of Persons Holding Locations	135	203	240	227
Percentage of Persons Holding Four (4) or Fewer Locations	55%	82%	97%	100%
Percentage of Locations Held In Units Smaller Than Five (5)	55%	82%	97%	100%
Number of Locations Held By Minnesota Residents	158	292	287	262
Percentage of Locations Held By Minnesota Residents	52%	88%	87%	85%

Heffron introduced the following action plan for carnival attractions:

**ISSUE:** The fair's current carnival contract expires on Labor Day, September 5, 1994. Before that date, we must resolve certain questions about how we intend carnival attractions at the Minnesota State Fair to be framed and presented in the future; we must identify, evaluate and select a single contractor or multiple contractors to accomplish that task and finally; we must design and implement a smooth transition between 1994 and 1995.

Our goals in this process should include: an improved midway environment, a stronger public image, acquisition of quality rides, shows, games and concessions, reasonable pricing and high productivity.

**BACKGROUND:** The Minnesota State Fair has enjoyed a 60-year business relationship with its present contractor based on trust and mutual benefit. The two organizations have grown and prospered together under contractual terms designed to share risk and reward.

Over the years, the fair's midway contractor has experienced a series of ups and downs, particularly during the '70s and '80s. Its route has shrunk with major exposition dates lost to other contractors. After being long regarded as one of the strongest traveling carnivals in North America, our business associate dropped into a secondary position behind the competition. A series of management changes further weakened it during the '80s, until in 1991, the company sustained a severe loss in the sudden death of its chief management officer. Since that occurrence, it has become increasingly difficult to judge the future of this contractor. Present leadership takes an affirmative posture, but results have been less than encouraging. Since September 1993, the company has lost two more key dates from an already truncated schedule.

**ASSESSMENT:** A key element missing from our present carnival arrangement is the control needed to change the environment, revitalize the enterprise and insure that, in the future, carnival business on the Minnesota State Fairgrounds will be conducted in keeping with our high standards.

Our carnival contractor is managing a \$4 million enterprise at the Minnesota State Fair. Further, the enterprise impacts a major share of our audience. These facts beg certain questions: Does the present contractual arrangement impact our audience as we wish it to? Is our reputation and public service philosophy properly accommodated in this environment? As a profit center, could the carnival presentation be strengthened? Could the space be better utilized?

Clear cut answers to these questions are not readily available, but one fact is clear . . . answers will only be forthcoming when we are in control of the enterprise.

**ACTION:** Management staff is prepared to strike out in a new direction . . . one which departs from the methods and relationships common to a traditional carnival contract. We are confident of our ability to take control of this unique enterprise; confident of our ability to assemble the components of a strong and highly productive business, and finally, confident of our ability to build and manage an ongoing entertainment feature which will earn the wholehearted support of our audience.

It should not be concluded that we propose a simplistic shift from single contractor to independent status as that is not the case. We intend to explore every possibility including an arrangement with a single contractor (if that arrangement puts us in control). We'll look at a multiple-contract procedure; we'll consider the "key contractor" concept in which a large and diverse carnival is assembled around a small service component. We will consider dividing rides from games and both from concessions; we will consider having all three under a single umbrella. We will explore possibilities with old business associates and with new friends. We will open every door; we will seek fresh ideas, but we will exercise one qualifier in the process. We will not consider or recommend any company or individual having a reputation for unsafe or unethical business conduct.

We propose to return to the board of managers this summer with a full and complete business plan and with a recommendation for action.

Heffron indicated that there were many options available in the area of carnival and midway attractions and many opportunities for the fair to take control of its own operation. These options and opportunities should be explored before entering into agreements for 1995. Further communications and a recommendation to the committee in this regard will be forthcoming later in 1994, but in the interim it was suggested that the best business approach would be to direct all inquiry in this regard to Heffron. No action required.

An explanation of the commercial space division's new registration process for those interested in participating as an exhibitor or concessionaire at the fair was presented by Heffron, after which he and Sinclair answered questions posed by the committee. No action required. At 9:40 a.m. the meeting was adjourned on a motion by Mr. Keenan, seconded by Mr. Lund and carried (Aye-5; Nay-0).

## PLANNING COMMITTEE MEETING

St. Paul Radisson Hotel, Kellogg II Room  
Saturday, January 15, 1994 - 1:00 p.m.

Members present: Morris, chair; Lund; Steltz; Annexstad; Schmidt; Recknor; Roehlke, ex officio; Heffron, ex officio; Sinclair, ex officio; Frost, ex officio; Wenzel, ex officio.

Also present: Hammer; Jacobson; Birk; Fischler; Rustad; Simons; Keenan; Prokosch.

A proposed 1994 improvement and maintenance budget totaling \$4.5 million was presented by Mr. Wenzel and reviewed by the committee. Also discussed was a preliminary 1995 project list of \$895,000.

Following discussion, it was moved by Mr. Keenan, seconded by Mr. Lund 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). Report was as follows:

### 1994 Maintenance & Improvement Budget Summary

	1994	1995
A. Structure Improvements:	2,073,603	524,000
B. Land Improvements:		
BI. Fencing & Fixtures	48,519	0
BII. Grading, Sod & Trees	1,133,020	0
BIII. Sewer System	9,400	0
BIV. Streets & Sidewalks	39,539	0
BV. Water Distribution System	2,920	0
BVI. Gas Distribution System	0	0
BVII. Land Purchases	0	0
TOTAL Land Improvements	1,233,398	0
C. Personal Property:	135,947	6,997
D. Electric Plant:	105,331	0
TOTAL Improvements	3,548,279	530,997
E. Structure Maintenance:	379,399	221,960
F. Land Maintenance:		
FI. Fencing & Fixtures	37,137	24,475
FII. Grading, Sod & Trees	27,753	0
FIII. Sewer System	11,900	0
FIV. Streets & Sidewalks	53,480	117,863
FV. Water Distribution System	22,835	0
FVI. Gas Distribution System	1,000	0
TOTAL Land Maintenance	154,105	142,338
G. Personal Property Maintenance:	175,436	0
H. Vehicle Maintenance:	137,355	0
I. Electric Plant Maintenance:	95,060	0
TOTAL Maintenance	941,355	364,298
<b>TOTAL Maintenance &amp; Improvements</b>	<b>4,489,634</b>	<b>895,295</b>

\*1994 Building Fund Assignment (\$1,570,000)

It was moved by Mr. Lund, seconded by Mr. Keenan, and carried that the secretary be authorized to release the sum of \$1,570,000 from the building fund for direct application to structure and facility work (Aye-5; Nay-0).

Secretary introduced the following assessment and action plan on financing required to complete the Progress Center restoration and undertake the Commonwealth Park project:

**ISSUE:** Two capital projects, each with strong public appeal and high visibility, are currently held captive by financial restraints and by the demands of other necessary maintenance work. The two are: Progress Center and Commonwealth Park.

**BACKGROUND:** The exterior restoration of Progress Center, the initial phase of a two-part program to upgrade a historically significant exhibit facility at Randall and Cosgrove, was completed in 1988. The second or interior phase of the project, which was scheduled to be undertaken the following year, has been delayed for five years. Bids, taken last summer, put Progress Center completion at just under \$500,000.

Commonwealth Park was conceptualized nearly a decade ago. During the intervening years, preliminary designs were drafted and revised, cost estimates were projected and sharpened and finally last year, construction plans were drawn. A high priority whenever discussed, the project has been put off over a number of years because of the cost (\$1 million), timing (most of the work cannot be accomplished during a single construction season) and because of conflict with other, more immediate, less costly projects.

**ASSESSMENT:** At the present time, the Society is carrying a small, well-structured debt load of \$1.3 million. Amortization is on a staggered schedule over the next 12 years. Additional funds are readily available to the society at competitive rates . . . rates lower than those historically experienced. North Star Bank has offered the society an unsecured note for \$1.7 million on a five-year term at a fixed rate of seven percent. The bank has also offered to consolidate all outstanding debt at the same seven percent rate.



If undertaken this loan would allow the society to complete Progress Center work during the summer and further, it would allow Commonwealth Park to go forward either this spring or next fall. A decision on the starting date for Commonwealth Park will depend upon how quickly the work can be completed and how much conflict it will cause with off-season shows scheduled for the Grandstand.

**ACTION:** Staff recommends that these two capital projects be undertaken during 1994 and that a loan up to \$1.7 million be authorized to cover applicable costs.

It was moved by Ms. Schmidt, seconded by Mr. Keenan and carried that Secretary be authorized to borrow a sum of up to \$1.7 million for the purpose of completing the two capital projects outlined (Aye-5; Nay-0).

## LIFE MEMBER ADVISORY COMMITTEE MEETING

Radisson St. Paul Hotel, St. Paul, Minnesota  
Sunday, January 16, 1994 - 11:30 a.m.

Members present: Willis Lilliquist, chairman; Gale Frost; Bill Korff; Dick Reinhardt; Jerry Hammer, ex officio; Karen Leach, ex officio.

A brief review of Hall of Fame criteria was presented. Several names were discussed as possible candidates. Committee decided to revisit the subject in August.

A review of maintenance and improvement projects proposed for 1994 was presented for the information of members. It was the recommendation of committee that efforts to enhance the east entrance of Heritage Square be continued. Members also recommended that costs and methods of improving the exhaust system in the Food Building be further investigated by staff.

Plans for Grandstand talent were presented to committee followed by a brief discussion.

There being no further business before the committee, the meeting was adjourned.

## MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

St. Paul Radisson Hotel  
Sunday, January 16, 1994 - 11:30 a.m.

Members present: Eileen Roehlke, president; Bert Lund, vice president; Rich Keenan, vice president; Martin Annexstad; Howard Morris; Vern Prokosch; Howard Recknor; Clarice Schmidt; Don Simons; Lyle Steltz; Mike Heffron, secretary.

Also present: Jim Sinclair; Mark Birk; Karen Leach; Jerry Hammer; Jim Frost; Steve Pooch; Ken Wenzel; Marshall Jacobson; Rochelle Rustad.

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 of the society for a period of one year with his annual salary fixed at \$91,520. In addition thereto, it was specified that Mr. Heffron's working title be that of executive vice president and that he be required to live on the State Fairgrounds for the convenience and to the benefit of the society with gratis rent, utilities and telephone (Aye-9; Nay-0). Oath of office administered to Mr. Heffron.

Minutes of the November 9 board and commercial space committee meetings, previously mailed to the members, were approved on a motion by Mr. Annexstad, seconded by Mr. Simons and carried (Aye-9; Nay-0).

Society minutes in vacation, covering the period November 9, 1993 through January 16, 1994, and the administrative action noted therein, were approved on a motion by Mr. Recknor, seconded by Mr. Prokosch and carried (Aye-9; Nay-0).

Secretary presented the financial statement of December 31, 1993, as follows:

### GENERAL FUND ACTIVITY:

Cash Balance-Nov. 30, 1993		\$ 136,822
Add: Dec. Cash Deposits	\$ 299,363	
Less: Payroll Ending Dec. 1	(83,693)	
Payroll Ending Dec. 15	(75,307)	
Payroll Ending Dec. 29	(77,327)	
Dec. Cash Disbursements	(196,889)	(133,853)

Cash Balance-Dec. 31, 1993	\$ 2,969
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### MARKETABLE SECURITIES ACTIVITY:

Balance-Nov. 30, 1993	\$ 1,577,144
Add: Interest Earned	\$ 4,855
Less: Service Charges	(395)
Securities Cashed	(225,000)
	(220,540)

Balance-Dec. 31, 1993	\$ 1,356,574
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### BUILDING FUND ACTIVITY:

Balance-Nov. 30, 1993	\$ 1,446,995
Add: Interest Earned	\$ 3,655
Less: Service Charges	(297)
	3,358

Balance-Dec. 31, 1993	\$ 1,450,353
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### CASH BALANCES FOR MONTH ENDING DECEMBER 31:

	1992	1993
General Fund	\$ (33,724)	\$ 2,969
Petty Cash	4,500	2,500
Marketable Securities	390,944	1,356,574
Building Fund	1,565,694	1,450,353
Total Cash Balances	\$ 1,927,414	\$ 2,812,396

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

A resume of financial information, covering 1979 through 1993 was circulated:

### MINNESOTA STATE FAIR FINANCIAL RESUME

YEAR	REVENUE	EXPENSE	OPERATING GAIN (LOSS)	RETAINED EARNINGS	DEBT
1979	5,482,000	5,242,000	240,000	532,000	301,000
1980	6,044,000	6,051,000	(8,000)	392,000	281,000
1981	6,201,000	6,111,000	90,000	682,000	261,000
1982	6,677,000	6,475,000	202,000	991,000	261,000
1983	6,969,000	6,959,000	10,000	993,000	1,218,000
1984	7,841,000	7,469,000	372,000	1,227,000	1,163,842
1985	8,088,000	7,443,000	645,000	1,747,000	1,179,000
1986	8,977,000	8,336,000	641,000	1,869,000	1,125,000
1987	9,320,000	9,026,000	294,000	1,602,000	1,016,000
1988	10,222,000	9,759,000	463,000	1,602,000	974,000
1989	11,171,000	10,267,000	904,000	1,307,000	881,000
1990	11,159,000	10,835,000	324,000	1,051,000	748,000
1991	12,827,000	11,754,000	1,073,000	2,112,000	1,770,000
1992	12,295,000	12,216,000	79,000	2,130,000	1,545,000
1993	14,265,000	12,931,000	1,334,000	3,056,000	1,328,000

YEAR	NEW PLANT INVESTMENT	PLANT MAINTENANCE	PRIZE MONEY PAID OUT	SALES TAX TO BUILDING FUND*
1979	1,019,000	339,000	369,000	138,000
1980	747,000	351,000	391,000	150,000
1981	241,000	312,000	396,000	191,000
1982	275,000	416,000	361,000	215,000
1983	1,493,000	447,000	397,000	263,000
1984	530,000	436,000	317,000	300,000
1985	663,000	476,000	379,000	298,000
1986	1,017,000	563,000	400,000	319,000
1987	1,024,000	637,000	429,000	356,000
1988	1,062,000	634,000	438,000	379,000
1989	1,804,000	757,000	463,000	353,000*
1990	1,222,000	837,000	443,000	375,000*
1991	1,857,000	931,000	426,000	445,000*
1992	966,000	1,063,000	440,000	415,000*
1993	1,045,000	1,144,000	459,000	500,000*

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

**1. General Fund** - James Frost, Karen Leach, Kenneth Wenzel or Michael Heffron (any combination of two signatures). When used for ticket or entry refund checks in amounts of less than \$100, "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 Heffron, Kenneth Wenzel or James Frost (one signature). "Heffron" signature plate authorized for fair-period payroll.

**3. Premium** - Michael Heffron, Kenneth Wenzel or James Frost (one signature). "Heffron" signature plate authorized for premium fund.

**4. Security transfer resolution** - James Frost or Marshall Jacobson.

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

Upon a motion by Mr. Recknor, seconded by Mr. Steltz and carried, the following standing committee assignments were made for 1994 (Aye-9; Nay-0):

**COMMERCIAL SPACE COMMITTEE** — Prokosch, chair; Annexstad; Morris; Lund; Keenan; Simons; Recknor; Schmidt; Steltz; Roehlke, ex officio; Heffron, ex officio; Sinclair, ex officio; Wenzel, ex officio; Frost, ex officio.

**FINANCE COMMITTEE** — Simons, chair; Morris; Lund; Recknor; Prokosch; Schmidt; Roehlke, ex officio; Heffron, ex officio; Jacobson, ex officio; Frost, ex officio; Pooch, ex officio.

**GOVERNMENTAL AFFAIRS COMMITTEE** — Keenan, chair; Schmidt; Morris; Lund; Annexstad; Prokosch; Roehlke, ex officio; Heffron, ex officio; Frost, ex officio; Hammer, ex officio.

**LIFE MEMBER ADVISORY COMMITTEE** — Lilliquist, chair; Korff, vice chair; Muckle; Keskinen; Ojakangas; Johnston; Maruska; Carnes; Franke; Gale Frost; Reinhardt; Roehlke, ex officio; Heffron, ex officio; Leach, ex officio; Hammer, ex officio.

**OPERATIONS COMMITTEE** — Annexstad, chair; Morris; Keenan; Prokosch; Steltz; Schmidt; Roehlke, ex officio; Heffron, ex officio; Pooch, ex officio; Wenzel, ex officio; Jacobson, ex officio.

**PLANNING COMMITTEE** — Morris, chair; Lund; Steltz; Annexstad; Schmidt; Recknor; Roehlke, ex officio; Heffron, ex officio; Sinclair, ex officio; Frost, ex officio; Wenzel, ex officio.

**PUBLIC AFFAIRS COMMITTEE** — Lund, chair; Morris; Simons; Annexstad; Recknor; Keenan; Roehlke, ex officio; Heffron, ex officio; Leach, ex officio; Hammer, ex officio.

**RULES AND PREMIUM LIST COMMITTEE** — Recknor, chair; Prokosch; Keenan; Simons; Steltz; Schmidt; Roehlke, ex officio; Heffron, ex officio; Leach, ex officio; Pooch, ex officio.

It was moved by Mr. Keenan, seconded by Mr. Simons and carried that the following be appointed department coordinators and superintendents for 1994 (Aye-9; Nay-0):

**COMMERCIAL SPACE DIVISION** (Prokosch) — Jim Sinclair (director)

Assistant - Rochelle Rustad  
Assistant - Julie Scott  
Midway Ticket Takers - Marty Rossini

**COMPETITIVE EXHIBITS DIVISION** (Recknor) — Steve Pooch (director)

Assistant - Valori Trantarella

Bee Culture Department (Schmidt) - Winnie Johnson  
Beef Cattle Department (Steltz) - Chuck Schwartau  
Christmas Trees Department (Schmidt) - Greg Ustruck  
Creative Activities Department (Keenan) - Evelyn Hagen  
Dairy Cattle (Steltz) - Jim Linn  
Dairy Products Department (Schmidt) - Cliff Markuson  
Education Department (Lund) - Jim Brown  
Farm Crops Department (Schmidt) - Duane Smith  
Fine Arts Department (Morris) - Brad Nuorala  
Flowers Department (Schmidt) - Martha Carnes  
4-H Department (Steltz) - Brad Rugg  
Fruits Department (Schmidt) - Louis Quast  
FFA Department (Annexstad) - Paul Day  
Goats Department (Prokosch) - Kevin LeVoir  
Horses Department (Recknor) - Bob Peterson  
Llama Department (Keenan) - Anne Heideman  
Meats Department (Simons) - Ed Butler  
Milking Parlor (Steltz) - Doris Mold  
Poultry Department (Lund) - Harold Thomforde  
Sheep Department (Keenan) - Bill Schulke  
Swine Department (Prokosch) - Jerry Hawton  
Vegetables Department (Schmidt) - Curt Kliet

**ENTERTAINMENT DIVISION** (Keenan) — Karen Leach (director)

Free Entertainment - Renee Alexander  
Grandstand Production - John Mons

**FINANCE DIVISION** (Simons) — Marshall Jacobson (director)

Box Office - Susan Lynskey  
Payroll & Payables - Shelly Kinnunen  
Receipts - Mary Pittelko  
Ticket Audit Department (Morris) - Dick Reinhardt

**Business Management Group** — Bob Armstrong (supervisor)

**MEDIA & PUBLIC RELATIONS DIVISION** (Lund) — Jerry Hammer (director)

Assistant - Susan Ritt  
Heritage Exhibits Department (Recknor) - Gale Frost  
Special Promotions - Ken Giannini

**OPERATIONS DIVISION** (Annexstad) — Ken Wenzel (director)

**Administrative Services Group** — Mary Goiffon (supervisor)  
Assistant - Cheryl Huber  
Guest Services - Joan Casey  
Senior Citizen Department (Schmidt) - Marge Krueger

**Plant Management Group** — Joe Fischler (supervisor)  
Greenhouse Department - Bill Hermes  
Plant Services Department - Dave Juettner

**Special Services Group** —

Admissions Department (Morris) - Lyle Anderson  
Forage Department (Schmidt) - Andrew Novicki  
Parking Department (Simons) - Ron Vannelli  
Public Safety Department (Annexstad) - Art Blakey  
Sanitation Department (Lund) - Scot Ribar

**SALES DIVISION** (Morris) — Mark Birk (acting director)

**Coliseum and Livestock Facilities** - Mark Goodrich

## OPERATIONS COMMITTEE MEETING

Members present: Annexstad, chair; Morris; Keenan; Prokosch; Steltz; Schmidt; Roehlke, ex officio; Heffron, ex officio; Pooch, ex officio; Wenzel, ex officio.

It was moved by Ms. Schmidt, seconded by Mr. Steltz and carried that the following outside gate "all pay policy" be reaffirmed and extended through 1994: "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. Prokosch, seconded by Mr. Steltz and carried to approve the following outside gate fee schedule for 1994: child admission (5 through 12)-\$4; adult admission (13 through 64)-\$5; senior admission (65 and over)-\$4; vehicle parking (three or fewer passengers)-\$3; vehicle parking (four or more passengers)-free; adult advance sale-\$3; child or senior advance sale-\$3; campgrounds-\$13 (Aye-9; Nay-0).

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

Committee meeting adjourned.

## PUBLIC AFFAIRS COMMITTEE MEETING

Members present: Lund, chair; Morris; Simons; Annexstad; Recknor; Keenan; Roehlke, ex officio; Heffron, ex officio; Leach, ex officio; Hammer, ex officio.

Proposed media & public relations and advertising budgets for 1994 were introduced by Mr. Lund:

### MEDIA & PUBLIC RELATIONS

A.	Payroll:	Full-time	120,000	
		Summer staff	17,000	
		Gophers	3,000	
		Special exhibits labor	3,000	
		Misc. fair labor	6,000	149,000
B.	Printing:	Two newsletters	44,000	
		Grandstand flyer	20,000	
		Daily schedules	16,000	
		Fair Deal schedules	9,000	
		Plate page	1,000	
		Ed-Leg material	1,000	
		Posters	3,000	
		Maps	4,000	
		Invitations	1,500	
		Miscellaneous	4,500	104,000
C.	Photography:	Stills (fees, processing, prints, etc.)	8,000	
		Video production	1,500	
		Fair-time video shoot	1,500	11,000
D.	Ed-Leg:	Caterer	7,000	
		Tent & furniture rental	2,500	9,500
E.	Promotional tickets:			20,000
F.	Office Supplies & Rentals:			3,500
G.	Awards (50 Year, Century Farms, etc.):			2,500
H.	Minnesota Newspaper Association clipping fees:			2,000
I.	Survey:			6,500
J.	Buttons:			3,500
K.	Happenings transfers:			10,000
L.	Vehicle Rental:			1,500
M.	Sundries:			9,000
N.	Brochure Distribution:			4,000
O.	Special contests:			3,000
P.	Blue Ribbon Grill tent & furniture:			1,000
Q.	Special Exhibits:			15,000
				355,000

## ADVERTISING

I. Agency:	Media-		
	Print	185,000	
	Radio	89,000	
	Television	130,000	
	Outdoor	13,000	
	Transit (bus sides)	18,000	
		435,000	
	Production-		
	Print	35,000	
	Radio	8,000	
	Television	38,000	
	Outdoor	4,000	
	Transit	11,000	
	Misc. projects	10,000	
		106,000	
			541,000
II. County Fairs Promotion:		12,000	
III. Transit Cooperative Ad Program:		3,500	
IV. Institutional Grandstand Ads:		5,500	
V. Miscellaneous Special Publications:		6,500	
VI. Telephone Directories:		1,500	
			\$570,000

Following discussion, advertising expenditures of \$570,000 and media & public relations expenditures of \$355,000 were approved for 1994 on a motion by Mr. Simons, seconded by Mr. Recknor and carried (Aye-5; Nay-0).

Committee meeting adjourned.

## RULES & PREMIUM LIST COMMITTEE MEETING

Members present: Recknor, chair; Prokosch; Keenan; Simons; Steltz; Schmidt; Roehlke, ex officio; Heffron, ex officio; Leach, ex officio; Pooch, ex officio.

Upon a motion by Mr. Recknor, seconded by Mr. Steltz and carried, authority was granted to the competitive exhibits director, in coordination with department superintendents, to make adjustments in rules, release dates or premium allocation for respective departments in accordance with guidelines established by the society's 1994 budget (Aye-5; Nay-0).

## FINANCE COMMITTEE MEETING

Members present: Simons, chair; Morris; Lund; Recknor; Prokosch; Schmidt; Roehlke, ex officio; Heffron, ex officio; Leach, ex officio; Frost, ex officio; Pooch, ex officio.

It was moved by Mr. Morris, seconded by Ms. Schmidt and carried that secretary be authorized to initiate a capital improvement loan of up to \$1.7 million for the purpose of completing the Progress Center restoration and undertaking construction of Commonwealth Park (Aye-5; Nay-0).

Secretary presented proposed operating, maintenance and improvement budgets for 1994, stating that the maintenance and improvement figures on the expense side of the general budget had been approved by the planning committee on January 15, 1994.

After review and discussion, it was moved by Mr. Recknor, seconded by Mr. Lund and carried that the 1994 operating, maintenance and improvement budgets be approved as presented (Aye-5; Nay-0):

### MINNESOTA STATE FAIR BUDGET SUMMARY

#### INCOME

	1993 BUDGET	1993 ACTUAL	1994 BUDGET
TICKET & COUPON SALES:			
COLISEUM	75,000	84,419	110,000
GRANDSTAND	1,500,000	1,897,022	1,600,000
OUTSIDE GATE	5,200,000	5,751,868	5,850,000
PARKING	440,000	470,115	450,000
TRAM	50,000	39,802	40,000
	7,265,000	8,243,226	8,050,000
ACTIVITIES:			
BOX OFFICE	135,000	161,804	140,000
CAMP GROUNDS	60,000	67,718	70,000
CARNIVAL	890,000	929,825	900,000
COMMERCIAL SPACE	2,525,000	2,844,220	2,675,000
COMPETITIVE EVENTS	108,000	114,701	112,000
ENTERTAINMENT	13,000	13,456	12,000
FORAGE	15,000	17,993	13,000
GIFT SHOP	100,000	119,987	100,000
PUBLIC SAFETY	10,000	14,261	12,000
	3,856,000	4,283,965	4,034,000

#### OTHER:

INTEREST	90,000	73,249	80,000
MISCELLANEOUS	66,000	63,717	69,000
NON-FAIR EVENTS	1,100,000	1,194,695	1,100,000
SALE OF BULK MILK	13,000	12,570	13,000
SALE OF MARKET ANIMALS	60,000	62,314	60,000
SALE OF MATERIALS	3,000	1,694	
SPONSORSHIP & GRANTS	110,000	200,304	125,000
TELEPHONE	85,000	104,554	95,000

	1,527,000	1,713,097	1,542,000
TOTAL INCOME	12,648,000	14,240,288	13,626,000

#### EXPENSE

	1993 BUDGET	1993 ACTUAL	1994 BUDGET
ADMINISTRATIVE:			
ANNUAL MEETING	7,500	8,065	8,500
BAD DEBT	500	1,172	1,000
BOARD HONORARIUM	10,400	10,400	10,400
COMPUTER	20,000	26,136	30,000
DUES & SUBSCRIPTIONS	12,000	13,761	14,000
INSURANCE	90,000	78,763	100,000
LEGAL SERVICES	25,000	15,995	20,000
LEGISLATIVE AUDIT	25,000	24,937	30,000
MAILING SERVICE	17,000	15,009	17,000
MEDICAL INSURANCE	140,000	148,877	150,000
PAID LEAVE	258,000	258,000	260,000
PLANNING	65,000	63,136	20,000
POSTAGE	140,000	134,150	150,000
PRINTING & SUPPLIES	78,000	72,368	75,000
RECORDS & ARCHIVES	3,000	2,236	3,000
RETIREMENT FUND	80,000	76,848	80,000
SALARIES	175,000	163,494	250,000
SOCIAL SECURITY	275,000	267,274	275,000
STAFF TRAINING	5,000	2,547	15,000
TELEPHONE	55,000	67,386	70,000
TRAVEL EXPENSE	58,000	51,366	60,000
UNEMPLOYMENT COMPENSATION	8,000	4,112	7,000
WORKERS COMPENSATION	80,000	76,209	75,000
	1,627,400	1,582,241	1,720,900
ACTIVITIES & SUPPORT:			
ADMISSIONS	125,000	124,487	125,000
ADVERTISING	556,000	548,198	570,000
BEE CULTURE	7,000	6,271	7,000
BOX OFFICE	167,000	172,295	180,000
CAMP GROUNDS	30,000	28,918	30,000
CARNIVAL	21,500	20,201	21,500
CATTLE	48,000	50,648	52,000
CHRISTMAS TREE	3,500	3,170	3,500
COMPETITIVE EXHIBITS	103,000	118,554	130,000
COMMERCIAL SPACE	410,000	399,575	458,000
CREATIVE ACTIVITIES	47,000	41,380	46,000
DAIRY PRODUCTS	1,750	1,110	1,750
EDUCATION	22,000	20,248	22,000
FARM CROPS	11,000	10,012	11,000
FINANCE	177,000	181,648	190,000
FINE ARTS	25,000	22,700	25,000
FLOWER & AG SHOWS	32,000	29,950	32,000
FLOWERS	7,000	6,175	7,000
FORAGE	15,000	10,271	13,000
4-H CLUB	140,000	128,041	140,000
FREE ENTERTAINMENT	661,000	642,150	705,000
FRUIT	7,000	6,363	7,000
FFA	34,000	34,734	36,000
GATE TICKETS	120,000	114,787	120,000
GIFT SHOP	50,000	80,852	75,000
GOAT	4,500	4,040	4,500
GRANDSTAND - CONCERTS	1,381,000	1,752,058	1,470,000
GRANDSTAND - RACE	130,000	129,017	130,000
GUEST SERVICES	189,000	164,285	188,000
HERITAGE EXHIBITS	13,000	11,999	14,000
HORSE & RODEO	125,000	122,161	210,000
LLAMA	3,000	2,152	3,000
MEATS	5,000	4,233	5,000
MEDIA & PUBLIC RELATIONS	329,000	371,364	355,000
PARK & RIDE	230,000	252,371	260,000
PARKING	115,000	119,764	120,000
POULTRY	12,000	10,322	12,000
PUBLIC SAFETY	320,000	367,235	320,000
SANITATION	555,000	569,028	570,000
SENIOR CITIZEN	32,000	31,013	32,000
SHEEP	8,000	6,616	8,000
SWINE	10,000	10,238	11,000
TICKET AUDIT	5,000	5,178	5,300
TRAMS			40,000
VEGETABLE	5,000	5,008	5,500
	6,292,250	6,740,820	6,771,050



PREMIUMS:				1993	1993	1994	
				BUDGET	ACTUAL	BUDGET	
BEE CULTURE	3,000	2,471	3,000				
CATTLE	95,000	82,974	95,000				
CHRISTMAS TREE	1,800	1,660	1,800	CASH-BEGINNING OF YEAR	2,672,729	2,672,729	3,536,357
CREATIVE ACTIVITIES	10,000	9,664	10,000				
DAIRY PRODUCTS	650	605	650	ADD: NET INCOME	55,600	1,309,047	200,200
EDUCATION	10,000	9,968	11,000	WORKING CAPITAL CHANGE		(28,928)	
FARM CROPS	14,000	14,102	14,000	DEPRECIATION	856,000	854,171	904,000
FINE ARTS	7,500	7,550	8,000	BORROWED FUNDS			1,500,000
FLOWERS	2,500	2,431	2,500				
4-H CLUB	63,000	61,441	63,000	CASH AVAILABLE	3,584,329	4,807,019	6,140,557
FRUIT	2,000	1,424	2,000				
FFA	43,000	40,215	43,000	DEDUCT: CAPITAL EXPENDITURES			
GOAT	8,500	7,042	8,000	ELECTRIC PLANT	67,000	56,983	105,000
HORSE	68,000	75,198	80,000	FENCE & FIXTURES	62,300	47,510	49,000
LLAMA	3,500	3,390	3,500	GAS SYSTEM	1,000		1,000
POULTRY	11,000	11,192	11,000	LANDSCAPING	1,000		1,133,000
SALE OF BULK MILK	13,000	12,382	13,000	PERSONAL PROPERTY	146,000	120,198	136,000
SALE OF MARKET ANIMALS	60,000	62,342	60,000	SEWER SYSTEM	4,900	6,027	9,000
SHEEP	23,000	23,959	24,000	STREETS & SIDEWALKS	55,800	38,739	40,000
SWINE	22,000	20,747	22,000	STRUCTURES	652,300	770,377	2,100,000
TALENT CONTEST	6,000	5,935	9,400	WATER SYSTEM	11,800	13,354	3,000
VEGETABLES	3,000	2,734	3,000				
					1,002,100	1,053,188	3,576,000
	470,450	459,426	487,850				
OTHER:				CHANGES: DEBT STRUCTURE			
INSTITUTIONAL TICKETS	75,000	56,720	60,000	EQUIPMENT LEASES	(15,000)	(15,732)	(14,000)
INTEREST	80,000	80,529	110,000	BANK NOTES-NORTH STAR BANK:			(287,000)
MISCELLANEOUS	30,000	78,807	50,000	LAND	(89,000)	(89,378)	
NON-FAIR EVENTS	566,000	562,356	605,000	VISITOR CENTER	(40,000)	(42,856)	
VETERINARIAN SERVICE	33,000	32,658	35,000	TELEPHONE CABLING	(70,000)	(69,508)	
				COMMONWEALTH PARK			
	784,000	811,070	860,000	PROGRESS CENTER			
					(214,000)	(217,474)	(301,000)
PLANT OPERATIONS:				CASH-END OF YEAR	2,368,229	3,536,357	2,263,557
ARCHITECTURAL & ENGINEERING	110,000	119,357	50,000				
BUILDING INSPECTIONS	40,000	12,824	30,000	BUILDING FUND BALANCE	1,851,809	1,558,809	1,500,000
FIRE & POLICE SERVICE	95,000	58,174	115,000	CASH AVAILABLE-OPERATIONS	516,420	1,977,568	763,557
FUEL OIL GASOLINE	30,000	30,167	30,000				
GREENHOUSE	130,000	117,538	105,000	CASH-END OF YEAR	2,368,229	3,536,357	2,263,557
PROPERTY TAX	10,000	9,466	10,000				
SALARIES & CONTRACT LABOR	394,000	409,546	430,000	It was moved by Mr. Recknor, seconded by Mr. Prokosch and carried that the secretary be authorized to release and transfer the sum of \$1,570,000 from the building fund for direct application to structure improvement projects (Aye-5; Nay-0).			
SET-UP & TAKEDOWN	530,000	558,348	550,000	Committee meeting adjourned.			
SIGNS	20,000	15,916	20,000	Meeting of the full board was reconvened by President Roehlke.			
SUPPLIES	38,000	38,816	40,000	Reports offered and action taken by the commercial space, planning, operations, public affairs, rules and premium list and finance committees were accepted and approved upon a motion by Mr. Morris, seconded by Mr. Lund and carried (Aye-9; Nay-0).			
UTILITIES	140,000	153,949	155,000	Secretary submitted an adjusted weekly staff salary range schedule as follows:			
WATCHMEN	65,000	68,895	70,000				
WATER & SEWER	110,000	130,682	135,000				
	1,712,000	1,723,678	1,740,000				
EXPENSE BEFORE				OPERATING CLASSIFICATION			
MAINTENANCE & DEPRECIATION	10,886,100	11,317,235	11,579,800	\$300 - \$669			
				Plant Services Assistant			
				Greenhouse Assistant			
				Commercial Space Assistant			
				Media & Public Relations Assistant			
				Business Management Assistant			
				Entertainment Assistant			
				Competitive Exhibits Assistant			
				Guest Services Assistant			
				Livestock Facilities Assistant			
				Administrative Services Assistant			
				Finance Assistant			
				INTERMEDIATE & PROFESSIONAL CLASSIFICATION			
				\$450 - \$776			
				Plant Services Assistant (Mechanic)			
				Supervisor - Special Promotions			
				Supervisor - Receipts Management			
				Supervisor - Livestock Facilities			
				Supervisor - Guest Services			
				Supervisor - Box Office			
				MIDDLE MANAGEMENT CLASSIFICATION			
				\$600 - \$1,145			
				Supervisor - Greenhouse			
				Supervisor - Plant Services			
				* Coordinator - Plant Management			
				* Coordinator - Business Management			
				* Coordinator - Administrative Services			
TOTAL EXPENSE							
	12,592,400	12,931,241	13,425,800				
NET INCOME (LOSS)							
	55,600	1,309,047	200,200				

## EXECUTIVE CLASSIFICATION

\$750 - \$1,624

- \* Director - Operations
- \* Director - Competitive Exhibits
- \* Director - Commercial Space
- \* Director - Media & Public Relations
- \* Director - Entertainment
- \* Director - Finance
- \* Director - Sales

\* Exempt from overtime

Note: Salary of Plant Management Coordinator presently exceeds the classification limit.

After discussion, it was moved by Mr. Prokosch, seconded by Mr. Keenan and carried to approve the proposed schedule and authorize secretary to make staff salary adjustments accordingly (Aye-9; Nay-0).

Secretary introduced the following staff assessment and recommendation on the State Fair Youth Camp:

**ISSUE:** Grandstand concert presentation at the State Fair in the '90s is a hugely complex undertaking. Among the components critical to its successful accomplishment is the safe and effective management of crowds that may exceed 20,000 in number. Trained, professional, adult ticket sellers, admission personnel, security officers and ushers are all required.

The State Fair Youth Camp with its quaint program and dependence on youthful exuberance no longer functions effectively as the source for the kind of public event ushers required in today's world.

**BACKGROUND:** The Youth Camp was born in 1912 as an experimental plan then called Farm Boys Camp. Mainstays of the program over the years have been food, fellowship, recreational activities and of course, ushering duties in the Grandstand and Coliseum. Since 1941, the camp, which now includes girls, has been housed at its familiar Machinery Hill location. Although called a modern building at the time of its construction, the structure has required substantial modification over the years in order that it function as a coeducational dormitory and health code-legal dining hall.

Current needs include: fire marshal's orders calling for one-hour fire resistant dormitory separation (\$41,000), automatic emergency lighting (\$9,900) and fire resistant recreation room wall treatment (\$2,950); anticipated ADA requirements for a unisex bathroom (\$15,000) and an elevator (\$50,000); health code needs of a new dishwasher (\$15,000), replacement food preparation counters (\$10,300), shower floors and painting (\$7,600) and miscellaneous equipment and repairs (\$2,500); painting the building's exterior (\$10,000), and roof replacement (\$30,000).

Meanwhile, the State Fair Grandstand has evolved from a home for vaudeville-era stage shows to its current status as Minnesota's preeminent outdoor concert venue. Bears, acrobats and dance lines have given way to the Beach Boys, Def Leppard and Barry Manilow. At the same time, societal changes have contributed to the difficulties in concert management. Smoking bans, accommodation of disabled persons, alcohol control practices and the high level of attention paid to due process and individual rights are among the factors that combine to dictate a careful and mature approach to crowd control if problems are to be minimized.

Finally, the fact that the Youth Camp was not up to the task was recognized more than 10 years ago. After an emotional appeal orchestrated by the camp's paid staff members, the board of managers in 1982 reversed itself and allowed continuation of the program with a proviso that its physical needs, content and ushering effectiveness undergo continuous reappraisal.

**ASSESSMENT:** No one who has spent time at the State Fair Grandstand needs to be told that it is a highly-charged environment with potential for extremes of both pleasure and pain. It is also apparent that young and impressionable boys and girls are not the best choice to be subjected to the distractions of big-name entertainment and unruly patrons while still being expected to provide basic ushering services.

Documentation of shortcomings in the present system exists in both customers' complaints and independent staff analysis. Terms such as "I couldn't find an usher," "the boy tried to tell him to quit (smoking)" and "they just laughed at the young woman" are not uncommon. Professional alternatives are available and unless there is a more compelling reason for maintaining the status quo than nostalgia, they should be utilized.

**ACTION:** It is recommended that the State Fair Youth Camp program be immediately discontinued and the building that houses it be closed pending a decision on its future use or removal. Also, that a new system for Grandstand and Coliseum ushering be put in place for the 1994 fair.

Youth Camp operating costs were \$20,500 in 1993; necessary headquarters building improvements total \$194,250. Depending on which service is contracted, size of crowd and type of concert, professional ushering at the Grandstand will cost between \$28,000 and \$40,000 annually. While savings might be realized in admissions and public safety departments over the years, expense ought not be among the primary reasons for acceptance or rejection of the recommended change. Safe and effective crowd control must be given foremost consideration. If it is, a hard decision can be made without great difficulty.

It was moved by Mr. Lund and seconded by Mr. Keenan to close the Youth Camp dormitory building, discontinue the Youth Camp ushering program in the Grandstand and substitute for that program a paid, professional ushering service using adult ushers.

After lengthy discussion, Mr. Lund accepted an amendment offered by Mr. Keenan which specified utilization of paid, professional, adult ushers in the Grandstand to the specific exclusion of underage Youth Camp personnel. The amended motion carried (Aye-7; Nay-2).

Meeting recessed for lunch at 12:45 p.m. . . .

President Roehlke called the meeting back to order at 1:30 p.m.; discussion continued on the Youth Camp matter. It was moved by Mr. Lund and seconded by Mr. Keenan that the Youth Camp dormitory be closed, the encampment discontinued and that the secretary seek to find and develop an alternative youth program. Motion failed (Aye-4; Nay-5). The question was brought back before the body for reconsideration. On a second roll call vote, the motion carried (Aye-6; Nay-3).

The following resolution was offered by Mr. Morris, seconded by Mr. Prokosch and carried (Aye-9; Nay-0): It is hereby specified that society employee Joe Fischler 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 January, 1995, and at that time, will be subject to reconsideration.

Ms. Leach reviewed the status of contract negotiations with acts and attractions for Grandstand, Bandshell, Coliseum and other entertainment areas. No action required.

Proposed one-year contract renewals, covering the services of MTS Northwest Sound; Toltz, King, Duvall, Anderson (architects and engineers); McQuillan (plumbing); Kehne (electric) S & P Construction (carpentry); and Triemert (painting) were approved upon a motion by Mr. Prokosch, seconded by Mr. Simons and carried (Aye-9; Nay-0).

A report of the life member advisory committee, which met earlier in the day, was accepted on a motion by Mr. Simons, seconded by Mr. Prokosch and carried (Aye-9; Nay-0).

A ten percent increase of off-season rental rates in the non-profit category was approved on a motion by Mr. Prokosch, seconded by Mr. Recknor and carried (Aye-9; Nay-0).

It was agreed without formal action that the society meet on January 13-15, 1995 at the Radisson St. Paul Hotel in conjunction with the convention of the Minnesota Federation of County Fairs. The Federation has also confirmed dates at the Radisson for January 12-14, 1996.

Next meeting of the board was set for Thursday, June 9 at 10:00 a.m.

Meeting adjourned.

## MINUTES IN VACATION

## January

10 - The executive committee approved the Dec. 31, 1993 cash transaction summary as follows:

## GENERAL FUND ACTIVITY:

Cash Balance-Nov. 30, 1993		\$	136,822
Add: Dec. Cash Deposits	\$	299,363	
Less: Payroll Ending Dec. 1		(83,693)	
Payroll Ending Dec. 15		(75,307)	
Payroll Ending Dec. 29		(77,327)	
Dec. Cash Disbursements		(196,889)	(133,853)

Cash Balance-Dec. 31, 1993 \$ 2,969

## MARKETABLE SECURITIES ACTIVITY:

Balance-Nov. 30, 1993		\$	1,577,144
Add: Interest Earned	\$	4,855	
Less: Service Charges		(395)	
Securities Cashed		(225,000)	(220,540)

Balance-Dec. 31, 1993 \$ 1,356,574

## BUILDING FUND ACTIVITY:

Balance-Nov. 30, 1993		\$	1,446,995
Add: Interest Earned	\$	3,655	
Less: Service Charges		(297)	3,358

Balance-Dec. 31, 1993 \$ 1,450,353

## CASH BALANCES FOR MONTH ENDING DECEMBER 31:

	1992	1993
General Fund	\$ (33,724)	\$ 2,969
Petty Cash	4,500	2,500
Marketable Securities	390,944	1,356,574
Building Fund	1,565,694	1,450,353
Total Cash Balances	\$ 1,927,414	\$ 2,812,396

14-16 - Elections were conducted and year-end reports submitted to society delegates assembled at the St. Paul Radisson Hotel. This annual meeting, traditionally held in conjunction with meetings of the Minnesota Federation of County Fairs and Midwest Showmen's Association, was attended by participants from throughout the state.

17 - Sinclair, Frost and Neil Larson met with Kenn Kakowski, Pontiac Division of General Motors, to discuss exhibit space for Pontiac and an auto race pace car for the 1994 fair.

21 - Hammer, Sinclair, Giannini and Ritt met with Mr. Tim O'Phelan to discuss a sports history exhibit for the 1994 fair. Hammer met with Proex officials to discuss a sand sculpture contest.

24 - Hammer, Sinclair and Heffron met with staff of the Minnesota High Technology Council to discuss plans for a technology exhibit at the '94 fair.

25 - Hammer met with Happenings officials to plan the '94 fair discount coupon booklet.

26 - Wenzel and Heffron met with Faye Corson to plan an orderly shut down of the Youth Camp department. Frost, Wenzel, Fischler and Heffron met with Toltz, King, Duvall staff to discuss the Progress Center remodeling project. Heffron met with Harveydale Maruska to discuss carnival related matters.

27 - Joe Fox and Janice Albrecht of the Minnesota Federation of County Fairs, along with president Mike Hildebrand and other representatives of the Midwest Showmen's Association, attended a convention review session with Goiffon, Wenzel, Frost and Heffron. Hammer met with representatives of Publication Partners, Inc., to discuss publication of a State Fair recipe book.

31-3 - Hammer attended and gave a presentation at the Western Fairs Association annual convention in Anaheim, California.

## February

1 - Sinclair and Frost met with Mr. Gene Case to discuss acquisition of the Prime Steak House following the 1994 fair.

3 - Pooch met with Kathy Juhl and Glenn Eaton of the Minnesota Horse Council regarding their possible involvement at the 1994 fair.

7 - Tom Kirk, representing Toltz, King, Duvall met with Wenzel, Fischler, Frost and Heffron to discuss sewer separation on the fairgrounds.

8 - Birk and Heffron met with Special Assistant Attorney General Steve Buffington to formulate a legal position in response to a weapons show promoter's claim against the society.

8-13 - Sinclair attended and participated in an IAFE commercial exhibits and concessions seminar in Tampa, Florida. While there, he finalized an agreement for tram service at the 1994 fair, visited the IISF trade show and the Florida State Fair.

9 - Hammer addressed a meeting of the Minneapolis Business Forum.

10 - St. Paul Police held a training exercise on Machinery Hill. The executive committee approved the Jan. 31, 1994 cash transaction summary as follows:

### GENERAL FUND ACTIVITY:

Cash Balance-Dec. 31, 1993			\$	2,969
Add: Jan. Cash Deposits	\$	344,495		
Less: Payroll Ending Jan. 12		(88,355)		
Payroll Ending Jan. 26		(75,265)		
Jan. Cash Disbursements		(138,572)		42,303

Cash Balance-Jan. 31, 1994			\$	45,272
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### MARKETABLE SECURITIES ACTIVITY:

Balance-Dec. 31, 1993			\$	1,356,574
Add: Interest Earned	\$	3,972		
Less: Service Charges		(320)		
Securities Cashed		(250,000)		(246,348)
Balance-Jan. 31, 1994			\$	1,110,226

### BUILDING FUND ACTIVITY:

Balance-Dec. 31, 1993			\$	1,450,353
Add: Interest Earned	\$	3,826		
Less: Service Charges		(308)		3,518

Balance-Jan. 31, 1994			\$	1,453,871
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### CASH BALANCES FOR MONTH ENDING JANUARY 31:

	1993	1994
General Fund	\$ 2,784	\$ 45,272
Petty Cash	4,500	2,500
Marketable Securities	92,301	1,110,226
Building Fund	1,569,736	1,453,871
Total Cash Balances	\$ 1,669,321	\$ 2,611,869

11 - Giannini and Hammer met with representatives of the Minnesota Academic Excellence Foundation to discuss a cooperative program.

12-15 - Heffron attended a meeting of the Midwest Fairs Association in Tampa, Florida and while there visited the Florida State Fair and the IISF Trade Show in Gibsonton.

15-16 - St. Paul Police conducting training sessions on Machinery Hill.

17 - Tim O'Phalen met with Wenzel, Hammer, Giannini, Sinclair and Heffron to present plans for a Minnesota sports exhibit at the '94 fair. Wenzel, Jacobson and Hammer met with MTC officials to discuss bus service for the '94 fair. Pooch spoke at the Purebred Dairy Cattle Association annual meeting in Hutchinson.

22 - Wenzel, Birk and Heffron met with Bob Piram and Vic Witgenstein of the St. Paul City Recreation Department to explore shared parking and a vehicle tunnel to connect South Como parking lots with the city stadium on Pierce Butler Route. Fischler, Wenzel, Sinclair, Birk and Heffron met with BRW staff to plan a Commonwealth Park construction schedule.

23 - Sinclair met with Mr. Knowland Loo, to discuss his proposal for presentation of an Oriental Pavilion in the Progress Center at the 1994 fair.

24 - Heffron met with Kent Harbison to discuss legal issues.

28 - Wenzel, Fischler and Heffron attended a meeting with Deputy State Fire Marshal Al Rupp to review plans for '94 fire code improvements on the fairgrounds.

## March

1 - St. Paul Police held a training exercise on Machinery Hill.

2 - Staff held a special going away luncheon for Jim Frost, recently named manager of the Clay County Fair in Spencer, Iowa. Hammer and Sinclair met with Mr. Pat Hagerty of the St. Paul Pioneer Press regarding the publications exhibit at the fair.

3-5 - Heffron attended an IAFE long-range planning meeting in Atlanta, Ga.

4 - Sinclair met with Mr. Don Anderson, MN DOT office of Aeronautics to discuss presentation of an aviation exhibit at the '94 fair.

7 - Heffron met with Midwest Showmen's Association President Mike Hildebrand to discuss matters related to the annual convention.

9 - An exit conference was held to discuss provisions of the annual audit conducted by the Legislative Auditor. In attendance from the auditors office were Jeanine Leifeld, Sonja Hill and Karen Kline; attending for the fair were Jacobson and Heffron. Birk addressed a Fair Management Short Course in Crookston, MN on programs involving the State Fair and county fairs. The executive committee approved the Feb. 28, 1994 cash transaction summary as follows:

### GENERAL FUND ACTIVITY:

Cash Balance-Jan. 31, 1994			\$	45,272
Add: Feb. Cash Deposits	\$	296,566		
Payroll Ending Feb. 9		(78,364)		
Payroll Ending Feb. 23		(89,321)		
Feb. Cash Disbursements		(134,875)		(5,994)

Cash Balance-Feb. 28, 1994			\$	39,278
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### MARKETABLE SECURITIES ACTIVITY:

Balance-Jan. 31, 1994			\$	1,110,226
Add: Interest Earned	\$	3,273		
Less: Service Charges		(264)		
Securities Cashed		(240,000)		(236,991)

Balance-Feb. 28, 1994			\$	873,235
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### BUILDING FUND ACTIVITY:

Balance-Jan. 31, 1994			\$	1,453,871
Add: Interest Earned	\$	3,816		
Less: Service Charges		(309)		3,507

Balance-Feb. 28, 1994			\$	1,457,378
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### CASH BALANCES FOR MONTH ENDING FEBRUARY 28:

	1993	1994
General Fund	\$ 15,705	\$ 39,278
Petty Cash	4,500	2,500
Marketable Securities	395	873,235
Building Fund	1,316,167	1,457,378
Total Cash Balances	\$ 1,336,767	\$ 2,372,391

11 - Heffron met with Rep. James Rice to discuss legislative matters. Pooch addressed the Fair Management Short Course in Redwood Falls.

11-13 - The annual Deer Classic show was staged in the Coliseum.

15 - Sinclair addressed a Fair Management Short Course in Hinckley on programs involving the State Fair and county fairs. An announcement of State Fair plans with respect to midway operations for 1995 and beyond was made, with specifications and registration materials available to those requesting same.

17 - Heffron attended a funeral service for Harold "Red" Lempelius, a long-time IMCA sprint car owner who competed at the fair between 1955 and 1970.

18 - This was the last day of work for Bill Hermes who retired after 22 years in the State Fair greenhouse.

19-20 - A weapon collectors show was held in the Coliseum.

23-24 - St. Paul Police conducted training sessions on Machinery Hill.

23-25 - Rochelle Rustad, along with board members Simons, Schmidt, Roehlke, Prokosch,



Annexstad and Steltz attended the IAFE Zone 4 spring meeting in Aberdeen, SD.

24 - Fischler, Wenzel and Heffron met with Pete Gillen (MPCA) and Tom Kirk (TKDA) to discuss sewer separation on the fairgrounds.

25 - Goiffon and Huber met with the Department of Economic Security to discuss the opening of the Employment office.

26-27 - Minnesota Ceramics Show was staged in the Coliseum.

#### April

5 - Wenzel and Mark Goodrich met with David Stahea (St. Paul Port Authority) and Gene Mack (Ramsey County) regarding use of Coliseum for shooting sessions.

6-7 - A MPCA emissions workshop was conducted in Block 55.

9 - The executive committee approved the March 31, 1994 cash transaction summary as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-Feb. 28, 1994		\$	39,278
Add: Mar. Cash Deposits	\$	480,848	
Less: Payroll Ending Mar. 9		(108,683)	
Payroll Ending Mar. 12		(94,239)	
Mar. Cash Disbursements		(311,342)	(33,416)
Cash Balance-Mar. 31, 1994		\$	5,862

#### MARKETABLE SECURITIES ACTIVITY:

Balance-Feb. 28, 1994		\$	873,235
Add: Interest Earned	\$	2,427	
Less: Service Charges		(191)	
Securities Cashed		(385,000)	(382,764)
Balance-Mar. 31, 1994		\$	490,471

#### BUILDING FUND ACTIVITY:

Balance-Feb. 28, 1994		\$	1,457,378
Add: Interest Earned	\$	3,552	
Less: Service Charges		(280)	3,272
Balance-Mar. 31, 1994		\$	1,460,650

#### CASH BALANCES FOR MONTH ENDING MARCH 31:

	1993	1994
General Fund	\$ 19,394	\$ 5,862
Petty Cash	4,500	2,500
Marketable Securities	426	490,471
Building Fund	1,094,314	1,460,650
Total Cash Balances	\$ 1,118,634	\$ 1,959,483

14 - Heffron met with Special Assistant Attorney General Carl Conney to discuss unresolved real estate and tax matters. Alexander and Giannini met with officials of the Minnesota Newspaper Association to discuss member services.

14-18 - Now Sports held a bicycle sale in the Education Building.

16-17 - An antique show and flea market was presented in the Grandstand, East Room and Infield. The Gopher State Timing Association Rod & Custom Car Show was staged in the Coliseum.

20 - Alexander and Hammer met with University of Minnesota athletic department officials to discuss possible fair-time promotions.

22-24 - Budget Computer Sale was held in the Education Building.

23-24 - The annual Minnesota Horse Expo was produced using the Coliseum, Horse Barn, Judging Arena and Poultry Barn.

25 - FFA livestock judging was held in the Coliseum. Wenzel, and Birk met with Don Rubbelke to discuss plans for a Colonial Hockey League team to play at the Coliseum.

26 - Pooch addressed the ag teachers at the annual FFA convention at the University of Minnesota.

27 - Wenzel, Sinclair and Fischler met with State Fire Marshal staff to review fire code improvements scheduled for 1994.

27-28 - The Minnesota Department of Natural Resources held a tree distribution session at the DNR Building.

28-2 - United Camping Sale was held in the Education Building.

29-1 - A baseball card show and swap was staged in the Merchandise Mart.

30 - An arcade game auction was held in the Arcade Building.

#### May

1 - Northland antique toy show was staged in Empire Commons; a Buick car show was held in the Infield.

2 - Sinclair and Heffron met with Minnesota Senator Joe Bertram and former exhibitor Tom Skahren regarding the removal of an exhibit building from the fairgrounds.

4 - Bicycle races were contested on Machinery Hill.

5 - Goiffon attended the annual meeting of the Suburban Area Chamber of Commerce.

6 - St. Paul Police held training exercises on Machinery Hill.

6-8 - Sahara Sands Horse Show was staged in the Coliseum; Earthcare parking was allowed in Block 55.

6-9 - Audio Tech electronics sale was conducted in Empire Commons. Heffron, Sinclair, Hammer and Wenzel attended the IAFE Spring Management Conference at the Los Angeles County Fair in Pomona, California.

7 - A model railroad show was held in the Education Building; a sailboat sale was conducted in the Merchandise Mart. Jim Donnelly, an attorney who represented the fair over a period of years, died after a protracted illness.

10 - Goiffon attended a legislative wrap-up session sponsored by the Suburban Area Chamber of Commerce. Pooch met with Sgt. Robblee of RCMP to review arrangements made for their visit during the fair. The executive committee approved the April 30, 1994 cash transaction summary as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-Mar. 31, 1994		\$	5,862
Add: Apr. Cash Deposits	\$	465,033	
Less: Payroll Ending Apr. 1		(87,533)	
Payroll Ending Apr. 15		(74,973)	
Apr. Cash Disbursements		(298,148)	4,379

Cash Balance-Apr. 30, 1994		\$	10,241
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#### MARKETABLE SECURITIES ACTIVITY:

Balance-Mar. 31, 1994		\$	490,471
Add: Interest Earned	\$	1,965	
Less: Service Charges		(149)	
Securities Cashed		(345,000)	(343,184)

Balance-Apr. 30, 1994		\$	147,287
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#### BUILDING FUND ACTIVITY:

Balance-Mar. 31, 1994		\$	1,460,650
Add: Interest Earned	\$	4,085	
Less: Service Charges		(309)	3,776

Balance-Apr. 30, 1994		\$	1,464,426
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#### CASH BALANCES FOR MONTH ENDING APRIL 30:

	1993	1994
General Fund	\$ 35,346	\$ 10,241
Petty Cash	2,500	2,500
Marketable Securities	427	147,287
Building Fund	757,109	1,464,426
Total Cash Balances	\$ 795,382	\$ 1,624,454

12 - Representatives of the Minnesota Newspaper Foundation, including Ron Clark, D.J. Leary and Renee McGivin, met with Heffron to discuss the future of the Heritage Square antique newspaper exhibit.

12-14 - An Evangelical Garage Sale was held at the Crossroads Chapel.

13 - Carl Conney and Tom Overton from the Attorney General's Office joined with Goiffon and Heffron to meet with Ramsey County Tax and Assessors staff and discuss the status of certain parcels of society property, as well as taxes and assessments placed against those parcels.

13-15 - A Country Folk Art and Craft Show was held in the Grandstand.

16 - A bid opening was held for Grandstand truss painting.

17 - Sinclair, Hammer, Fischler, Wenzel and Heffron met with Joe Shuster, Rick Krueger, Rebecca Schatz and Carol Schleicher of the Minnesota High Technology Council to discuss technology exhibits at the '94 fair. Fischler, Pooch and Wenzel met with Tom Kirk (TKDA) and Mark Stewart (MPCA) to go over plans for 1994 fair.

18 - Bicycle races were held on Machinery Hill. Sinclair met with Messrs. Joe Schmitz and Randy Gutzman to discuss modifications and plans for the American Dairy Associations exhibit at the '94 fair. Goiffon and Ritt met with Karl Dunivent of Knox Lumber Company regarding their sponsorship of the Care and Assistance Center.

19 - Radio station WBOB conducted promotional filming in Block 53; St. Paul Police held training exercises on Machinery Hill. Goiffon and Ritt met with Medica regarding their sponsorship of Seniors Days.

21 - A bird show and sale was staged in Empire Commons.

24 - Birk, Goodrich and Wenzel met with Glen Eaton of the Minnesota Horse Expo to discuss expansion plans for their 1995 show. Hammer attended a meeting of the Midway Parkway small area task force.

24-26 - A sequence of mailings was undertaken during the week timed to provide same-day receipt of Grandstand ticket order blanks to the fair's 150,000 mail order customers.

25 - Goiffon met with Dave Phillips and Carl Conney of the Attorney General's Office to discuss real estate matters.

27 - News releases and ads ran in metro daily newspapers announcing the fair's Grandstand lineup; tickets went on sale. Bids were opened for Commonwealth Park.

27-29 - Heart of the Earth Indian Pow-Wow was staged in the Coliseum.

## June

1 - Bicycle races were held on Machinery Hill. Sinclair met and toured the Crossroads Building with State Deputy Fire Marshal David Keepers.

3 - Heffron met with State Representative Jim Rice to discuss legislative matters.

5 - A GMC car show was staged in the Infield.

6 - Wenzel, Goiffon and Heffron met with Joe Fox, Bob Lake and Janice Albrecht of the Minnesota Federation of County Fairs to begin preliminary planning for the upcoming annual convention in January. Goiffon and Ritt met with representatives of the Earle Brown Center regarding the upcoming staff and superintendent training session.

8 - Bicycle races were contested on Machinery Hill.

8-12 - Thomas Carnival held a schools out carnival promotion in Block 55.

## SALES COMMITTEE MEETING

### MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building  
Thursday, June 9, 1994 - 9:00 a.m.

Members present: Prokosch, chairman; Annexstad; Keenan; Lund; Morris; Recknor; Schmidt; Simons; Steltz; Roehlke, ex officio; Heffron, ex officio; Sinclair, ex officio; Wenzel, ex officio.

Also present: Rustad and Jacobson.

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

Three new percentage attraction agreements, corresponding ticket prices and license terms for the 1994 fair were presented to the committee by Sinclair and approved on a motion by Mr. Keenan, seconded by Mr. Lund and carried (Aye-8; Nay-0):

CONCESSIONAIRE	ATTRACTION	TICKET PRICE(S)	PERCENTAGE(S)
Entertainment Developers	Ejection Seat	\$50.00 = Single \$30.00 = Double (each)	20%
Vonna Hahn/Mary Gilles	Maze	\$1.00	20%
5-H Ranch	Camel Rides	\$2.00 = Children \$3.00 = Adults	20%

The preceding represent percentage fees payable to the Minnesota State Fair based on receipts from 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.

Sinclair presented a report on the process currently underway for acceptance of 1995 midway proposals and provided the committee with copies of the specification and registration materials for that process. No action necessary.

At the request of Mr. Keenan, Sinclair provided a report on the current state of commercial space licensing for the 1994 fair and followed with a brief description of the Oriental Pavilion, a new exhibit, entertainment and concession attraction complex to be presented in the Progress Center. No action necessary.

It was moved by Mr. Lund, seconded by Mr. Annexstad and carried, that the meeting be adjourned at 9:45 a.m. (Aye-8; Nay-0).

## MEETING OF THE GOVERNING BOARD

### MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds  
Thursday, June 9, 1994 - 10:00 a.m.

Members present: Eileen Roehlke, president; Howard Recknor; Martin Annexstad; Clarice Schmidt; Howard Morris; Don Simons; Lyle Steltz; Bert Lund; Vern Prokosch; Rich Keenan; Mike Heffron, secretary.

Also present: Jim Sinclair; Ken Wenzel; Marshall Jacobson; Karen Leach; Steve Pooch; Mary Goiffon.

Meeting called to order by president Roehlke at 10 a.m.

Upon a motion by Mr. Prokosch, seconded by Mr. Steltz and carried, minutes of the January 16, 1994 board and committee meeting(s), previously mailed to the members, were approved (Aye-9; Nay-0).

Society minutes in vacation, covering the period January 10 through June 8, 1994 and the administrative action noted therein, were approved on a motion by Mr. Annexstad, seconded by Mr. Recknor and carried (Aye-9; Nay-0).

Jacobson presented the May 31, 1994 financial statement as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-Apr. 30, 1994		\$	10,241
Add: May Cash Deposits	\$	912,920	
Less: Payroll Ending May 4		(100,626)	
Payroll Ending May 18		(84,986)	
May Cash Disbursements		(462,052)	265,256
Cash Balance-May 31, 1994		\$	275,497

#### MARKETABLE SECURITIES ACTIVITY:

Balance-Apr. 30, 1994		\$	147,287
Add: Interest Earned	\$	1,027	
Securities Purchased			
Less: Service Charges		(74)	
Securities Cashed		(148,140)	(147,187)
Balance-May 31, 1994		\$	100

#### BUILDING FUND ACTIVITY:

Balance-Apr. 30, 1994		\$	1,464,426
Add: Interest Earned	\$	4,211	
Securities Purchased			
Less: Service Charges		(301)	
Securities Cashed		(40,000)	(36,090)
Balance-May 31, 1994		\$	1,428,336

#### CASH BALANCES FOR MONTH ENDING MAY 31:

	1993	1994
General Fund	\$ 259,190	\$ 275,497
Petty Cash	2,500	2,500
Marketable Securities	100,428	100
Building Fund	934,153	1,428,336
Total Cash Balances	\$ 1,296,271	\$ 1,706,433

After review of the statement, it was moved by Ms. Schmidt, seconded by Mr. Prokosch and carried that the financial statement of May 31, 1994 be approved (Aye-9; Nay-0).

Approval of action taken earlier in the day (June 9) by the sales committee was moved by Mr. Annexstad, seconded by Mr. Simons and carried (Aye-9; Nay-0).

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

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

2. **Regular and fair-period payroll** - Michael Heffron, Kenneth Wenzel or Mary Goiffon (one signature). "Heffron" signature plate authorized for fair-period payroll.

3. **Premium** - Michael Heffron, Kenneth Wenzel or Mary Goiffon (one signature). "Heffron" signature plate authorized for premium fund.

4. **Security transfer resolution** - Michael Heffron or Marshall Jacobson.

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

Upon a motion by Mr. Steltz, seconded by Mr. Morris and carried, fair-period luncheon invitations were approved for the following groups: The board of the Minnesota Federation of County Fairs, Saturday, August 27; State Fair Hall of Fame and life members, Sunday, August 28; Minnesota Livestock Breeders Association board (breakfast), Thursday, September 1 and media, government and business representatives (picnic supper), Thursday, September 1. This action includes a provision that Minnesota legislators and constitutional officers be deleted from the picnic invitational list in specific response to a law passed during the 1994 legislative session which prohibits the giving of meals to public officials (Aye-9; Nay-0).

A rural youth scholarship program, which authorizes up to \$20,000 in funds to be distrib-

uted to young adults from greater Minnesota for post secondary academic work, was approved upon a motion by Mr. Annexstad, seconded by Mr. Lund and carried (Aye-Recknor, Annexstad, Schmidt, Morris, Steltz, Lund, Keenan; Nay-Prokosch, Simons.)

Secretary reviewed a series of staff changes undertaken in April and indicated that the reorganization was fully implemented and working quite well. Information only; no action required.

The following employee manual changes were approved upon a motion by Mr. Keenan, seconded by Mr. Lund and carried (Aye-9; Nay-0): (1) Language added to the conflict of interest bulletin - "No manager, officer or employee of the society shall be allowed to purchase any material for their personal use through the name, credit or account of the society." (2) Language added to the sick leave section of the holiday, leave and severance bulletin which (better) defines allowable circumstances for sick leave usage. (3) Travel regulations were amended to provide a business mileage allowance of 29¢ and language was added - "Miles accumulated during business flights shall be credited to the Minnesota State Fair corporate frequent flyer account."

Department payroll schedules for 1994, as prepared by superintendents under budgetary guidelines and confirmed by appropriate directors, were presented and approved on a motion by Mr. Simons, seconded by Mr. Keenan and carried (Aye-9; Nay-0):

#### 1994 STATE FAIR PERIOD PAYROLL

Department	1993 Projected	1993 Actual	1994 Projected
ADMISSIONS	108,253.50	110,659.79	121,126.20
AG-HORT CUSTODIAL	7,792.80	7,752.85	7,877.15
AUTO RACE	1,487.50	1,563.00	4,763.00
BAZAAR	4,396.15	4,186.16	4,186.16
BEE AND HONEY	4,649.00	4,450.63	4,530.00
BEEF CATTLE	1,975.00	2,171.00	2,320.00
CARE AND ASSISTANCE	1,100.00	1,141.25	1,046.50
CHRISTMAS TREES	2,370.00	2,367.13	2,503.00
COLISEUM	1,326.00	1,175.13	6,211.40
COMMERCIAL SPACE CHECK IN	.00	.00	2,730.00
COMPETITION	478.50	478.50	495.00
CONCESSIONS CHECKERS	2,790.00	2,822.51	3,640.00
CREATIVE ACTIVITIES	31,387.50	29,891.04	31,907.50
CREATIVE ACTIVITIES ANNEX	2,771.36	2,898.00	2,992.40
CROSSROADS BUILDING	5,210.00	4,655.18	5,187.40
CUP DISTRIBUTION CENTER	2,595.00	2,427.63	2,320.00
D.N.R.	900.00	825.60	998.40
DAIRY CATTLE	2,766.00	2,483.00	2,900.00
DAIRY PRODUCTS	550.00	550.00	600.00
EDUCATION	11,923.00	11,214.75	12,049.75
ELECTRIC	4,282.40	4,363.10	4,443.80
EMPIRE COMMONS	3,966.00	3,931.60	4,016.80
F.F.A.	8,640.00	8,611.53	9,339.00
FARM CROPS	4,950.00	5,420.50	5,975.00
FINANCE	8,626.25	8,021.50	5,570.00
FINE ARTS	15,690.00	16,608.53	17,573.75
FLOWERS	4,312.00	4,205.20	4,477.00
FORAGE	7,836.00	7,409.70	4,625.70
FREE ENTERTAINMENT	31,139.00	29,570.80	31,944.70
FRUIT AND WINE	4,441.50	4,023.60	4,056.00
GATE TICKET SALES	105,495.00	100,297.11	104,756.00
GIFT SHOP	7,268.62	4,995.08	5,675.00
GOAT	1,266.25	1,162.13	1,330.00
GRANDSTAND ARTIST SALES	2,913.61	3,037.61	3,264.00
GRANDSTAND PRODUCTION	25,702.50	18,276.50	28,980.00
GRANDSTAND STAGE CREW	44,930.14	68,199.62	70,250.00
HERITAGE EXHIBITS	1,020.00	2,355.00	2,304.00
HERITAGE SQUARE	3,698.40	3,687.90	3,918.75
HOME IMPROVEMENT	1,585.15	1,596.03	1,623.20
HORSE	20,702.50	20,609.13	23,937.50
INFORMATION SERVICES	9,781.00	9,762.17	13,150.80
LLAMA	710.00	747.50	775.00
MACHINERY HILL	1,739.60	1,739.60	1,806.80
MASCOT	1,677.50	1,625.50	1,638.00
MEATS	2,541.25	2,539.00	2,715.00
MERCHANDISE MART	2,061.80	2,326.05	2,135.50
MIDWAY INFORMATION BOOTH	900.00	832.25	984.00
MILKING PARLOR	18,050.00	18,295.92	18,050.00
MODERN LIVING	1,520.80	1,520.80	1,520.80
OFFICERS COTTAGE	2,480.00	2,440.00	2,508.00
OPERATORS	2,675.00	2,385.85	3,509.75
PARK AND RIDE	39,756.25	44,235.42	45,522.50
PARKING	103,020.00	91,653.38	92,358.00
POULTRY	4,649.50	4,348.50	4,778.85
PUBLIC & MEDIA RELATIONS	900.00	2,195.88	1,006.25
PUBLIC SAFETY	247,377.00	246,468.28	246,081.28
RECEPTIONIST	5,865.50	4,764.51	6,233.70
SANITATION	111,434.00	111,698.91	115,405.21
SENIOR CITIZENS	3,876.50	3,855.00	3,982.50
SHEEP	2,700.00	2,700.00	2,750.00
SPACE RENTAL CHECKERS	2,250.00	2,061.50	2,300.00
SPECIAL PROMOTIONS	4,325.00	3,175.88	2,107.50
SWINE	3,600.00	3,600.00	3,900.00
TICKET AUDIT	4,096.00	3,992.00	4,096.00
TICKET OFFICE COLISEUM	2,906.25	2,506.07	2,704.00
TICKET OFFICE GRANDSTAND	10,102.65	10,677.17	11,391.50
TICKET TAKERS	28,900.18	29,807.54	29,957.54
TRANSPORTATION	4,006.00	3,936.83	4,676.80
VARIED INDUSTRIES	9,569.55	9,565.00	9,755.00
VEGETABLE	3,525.00	3,512.50	3,750.00

4-H REGULAR	35,996.70	30,970.17	.00
4-H UNIVERSITY	67,598.81	71,195.35	.00
TOTAL	1,243,778.47	1,241,229.85	1,199,994.34

A construction control procedure under which building permits would be required for all work on the fairgrounds and a companion permit fee schedule were authorized on a motion by Mr. Keenan, seconded by Mr. Lund and carried (Aye-9; Nay-0).

Secretary provided an update on the fair's 1994 sponsorship program indicating that \$145,500 had been tentatively identified from 12 cash sponsors. Negotiations continue with several other interested firms. A second group of companies and organizations are also making commitments to the fair as promotional sponsors. No action required. Report as follows:

#### 1994 MINNESOTA STATE FAIR SPONSORSHIP PROGRAM (AS OF JUNE 9)

ATTRACTION	SPONSOR	FEE
Adventure Park	Frito Lay	\$7,500
Baldwin Park	Cal Spas	15,000
Bandshell	Miller Genuine Draft	35,000
Bazaar	Leinenkugel's	15,000
Century Farms	Minn. Farm Bureau Federation	3,000
Daily Schedule	Gedney	6,000
Editors-Mayors Picnic	Various Producers Associations	2,500
Exotic Animal Display	Hardee's	8,000
Milk Run	American Dairy Association	3,000
Senior Welcome Center	Medica	7,500
Stock Car Race	Miller Genuine Draft	28,000
Trams	Metz Baking & Minn. Propane Assoc.	15,000
		\$145,500

#### Non-cash sponsorships

**Care & Assistance Center** - Knox Lumber will provide staff, give-away items, movies and general assistance in operating the Care & Assistance Center.

**Cup Recycling** - Coca Cola has provided additional barrels, if needed, for cup collection. (During the past two years, Coke has given the fair more than 2,500 barrels.)

Amoco will once again assist with processing and on-grounds recycling information.

**Grocery Bags** - Cub Foods will include State Fair information on 500,000 bags, distributed in the Twin Cities.

**Milk Cartons** - Schroeder Dairy will include State Fair information on 1.2 million milk cartons, distributed in the southern half of Minnesota.

**Milk Run** - WCCO Radio will provide promotion.

**Sand Castle** - Proex Photo Systems will sponsor the International Sand Sculpture Invitational tournament, featuring the top 18 sculptor teams in the world. Sculptures will be created west of the Progress Center, and will be completed prior to the fair. Materials, prize money (in excess of \$50,000), judges and all other production is being provided by Proex.

**Special Contests** - A variety of special contests are being developed, including events such as pizza dough toss, marshmallow building, poster drawing, pie eating, spouse calling, etc. Events will be open to the fair visitors and sponsored by a variety of businesses.

**Sports Exhibit** - Minnesota Video Productions will present a free exhibit of amateur and professional sports in Minnesota, including memorabilia, highlight films and interactive displays. Included will be baseball, football, basketball, hockey, auto racing, etc. The exhibit will be staged in the Crossroads east exhibit hall (formerly the recycling exhibit).

In addition to the above, discussions continue with a variety of potential sponsors, sponsor agencies and promotional partners.

Business and staff memberships in the following organizations were approved on a motion by Mr. Lund, seconded by Mr. Recknor and carried (Aye-9; Nay-0):

ORGANIZATION	AMOUNT
American Dairy Association	\$ 156.00
American Horse Shows Association	70.00
American Horse Shows Association (Dues)	600.00
American Horse Show Saddle Seat Class	50.00
American Miniature Horse Association	25.00
American Paint Horse Association	25.00
American Quarter Horse Association	50.00
Appaloosa Horse Club	20.00
Better Business Bureau	205.00
Box Office Management International	160.00
Canadian Association of Expositions	200.00
Citizens League	50.00
Country Music Association	100.00
Executive Women International	219.50
Greater Minneapolis Chamber of Commerce	182.50
International Arabian Horse Association	75.00
Intl Assn of Amusement Parks & Attractions	175.00
International Association of Fairs & Expositions	750.00
International Entertainment Buyers Association	100.00



Mid-West Fairs Associations	150.00
Midway Civic & Commerce Association	350.00
Minnesota Agri-Growth Council	400.00
Minnesota Broadcasters Association	200.00
Minnesota Chiefs of Police Association	50.00
Minnesota Employees Recreation & Services Council	225.00
Minnesota Federation of County Fairs	50.00
Minnesota Festivals & Events Association	100.00
Minnesota Hunter & Jumper Association	50.00
Minnesota Ice Arena Managers Association	75.00
Minnesota Music Academy	11.00
Minnesota Office of Volunteer Service	50.00
Minnesota Paint Horse Association	25.00
Minnesota Quarter Horse Association	30.00
Minnesota Safety Council	98.00
Minnesota Society of Association Executives	140.00
Minnesota Chapter, Natl Institute of Govt Purchasing	50.00
Outdoor Amusement Business Association	50.00
Recycling Association of Minnesota	65.00
Rocky Mountain Association of Fairs	250.00
Roseville Rotary Club	260.00
St. Paul Area Chamber of Commerce	497.00
St. Paul Convention Bureau	325.00
St. Paul Winter Carnival	150.00
Suburban Area Chamber of Commerce	450.00
Suburban Career Investment Foundation	100.00
Tri-State Horseman's Association	50.00
Twin City Purchasing Management Association	175.00
Western Fairs Association	750.00
Total	\$ 8,389.00

Grandstand, Coliseum, free-stage and other fair-period entertainment contracts were reviewed by Ms. Leach and approved on a motion by Mr. Annexstad, seconded by Mr. Prokosch and carried (Aye-9; Nay-0). Following is a breakdown of contracts and terms:

CONTRACTOR	DATES	TERMS	VENUE
Southern Thunder Services (sound)	8/25-9/6	\$19,750	Grandstand
Southern Thunder Services (lights)	8/25-9/6	\$19,750	Grandstand
John Warling/Catering	8/25-9/5	\$5,400	Grandstand
Americana Fireworks Display Co.	8/25-8/31 and 9/2-9/5	\$30,800	Grandstand
Alan Jackson	8/26	\$100,000 plus \$10,000 production vs. 80% gross ticket sales	Grandstand
Reba's Business, Inc. f/s/o Reba McEntire & John Michael Montgomery	8/28	\$170,000 plus 80% over \$210,000	Grandstand
Brooks & Dunn	8/29	\$60,000 plus 85% over \$145,000 plus \$15,000 production	Grandstand
Trisha Yearwood	8/29	\$30,000	Grandstand
Events, Inc. f/s/o Double Dare	8/30 (two shows)	\$46,000 plus 70% over \$90,000 plus \$4,000 production	Grandstand
Brother Tours, Inc. f/s/o The Beach Boys	8/31	\$90,000 plus 80% over \$140,000	Grandstand
Count Basie Enterprises, Inc.	9/1	\$25,000	Grandstand
Americana Fireworks Display Co.	9/1	\$30,000	Grandstand
Wynonna Judd	9/2	\$70,000 plus 80% over \$145,000 plus \$15,000 production	Grandstand
Fishy Business, Inc. f/s/o Roger Daltrey	9/3	\$175,000 plus 90% over \$210,000	Grandstand
Southern Thunder Services (race sound)	9/5	\$1,000	Grandstand
Southern Thunder Services	8/25-9/5	\$18,500	Bandshell
Tom Chepokas	8/25-9/5	\$5,355	Bandshell
Billy Joe Royal	8/25-8/28	\$20,000	Bandshell

The Mavericks	8/25-8/28	\$17,500	Bandshell
Anders Productions, Inc. f/s/o Lynn Anderson	8/29-9/1	\$20,000	Bandshell
Shawn Camp Tours, Inc. f/s/o Shawn Camp	8/29-9/1	\$20,000	Bandshell
Acadia West, Inc. f/s/o Doug Kershaw	8/29-9/1	\$20,000	Bandshell
Andy Childs	9/2-9/5	\$17,500	Bandshell
Boy Howdy	9/2-9/5	\$17,500	Bandshell
Rob Grill f/s/o Grass Roots	9/2-9/5	\$17,500	Bandshell
Southern Thunder Services	8/25-9/5	\$3,750	Bazaar
Thomas Baumgartner f/s/o The Comedy Hour	8/25-9/5	\$9,980	Bazaar
Steel Bandits	8/25-8/28	\$9,500	Bazaar
Prudence Johnson	8/29-9/1	\$5,000	Bazaar
The Memories, Inc.	9/2-9/5	\$4,200	Bazaar
Mark McGowan/Tonic Solfa	9/2-9/5	\$3,200	Bazaar
Southern Thunder Services	8/25-9/5	\$6,950	Baldwin
Wayne Pederson (emcee)	8/25-9/4	\$1,400	Baldwin
Proton Productions, Inc. f/s/o Mick Sterling & The Stud Brothers	8/25-8/28	\$8,400	Baldwin
Mike Maxson/The Fantastic Convertibles	8/25-8/28	\$3,600	Baldwin
Jack White/Nielson White Band	8/25-8/28	\$3,500	Baldwin
Proton Productions, Inc. f/s/o The Billy McLaughlin Group	8/29-9/1	\$6,000	Baldwin
Cliff Brunzell and The Golden Strings	8/29-9/1	\$10,760	Baldwin
Jumbo Ya Ya	8/29-9/1	\$3,400	Baldwin
MCC Gospel Choir	9/2-9/5	\$6,000	Baldwin
Mike Blue DBA The Nerds	9/2-9/5	\$6,000	Baldwin
Southern Thunder Services	8/25-9/5	\$3,750	Heritage
Liz Gregory/The Bullas	8/25-8/28	\$10,000	Heritage
Lon Hannah/Sons of the San Joaquin	8/25-8/28	\$8,000	Heritage
Riders In The Sky	8/29-9/1	\$20,000	Heritage
Barbary Coast Productions	9/2-9/5	\$4,200	Heritage
Proton Productions, Inc. f/s/o Janie Miller	9/2-9/5	\$6,000	Heritage
Sean Emery	8/25-9/5	\$6,300	Children's Theater
James Wedgwood	8/25-8/28	\$2,000	Children's Theater
Pop Wagner	8/25-8/28	\$2,200	Children's Theater
Mary Beth Hess/The Splatter Sisters	8/25-8/28	\$2,400	Children's Theater
Ian Varella	8/28-9/1	\$2,400	Children's Theater
Jerry Frasier	8/28-9/1	\$2,900	Children's Theater
Terri Sigafus/Chad and Terri	8/28-9/1	\$2,000	Children's Theater
Richard Erickson/The Teddy Bear Band	9/2-9/5	\$3,275	Children's Theater

David Hamilton	9/2-9/5	\$2,000	Children's Theater
Southern Thunder Services	8/25-9/5	\$800	Amphitheater
Aerial Effects Inc. f/s/o Be A Star Circus	8/25-9/5	\$42,000	Amphitheater
Southern Thunder Services Dennis Johnson	8/25-9/5 8/25-9/5	\$750 \$1,496.25	Parade Parade
Dave Hale (camels)	8/25-9/5	\$6,000	Parade
Tom Jenson/Gopher State Garden Tractor Pullers, Inc.	8/31	\$500	Free Entertainment
Minnesota Ayrshire Breeders Ass'n., John Irrthum	8/25-9/5	\$3,500	Cattle
Randy Roberts	8/26-9/5	\$2,470	Horse
Barnes PRCA Rodeo	8/31-9/2	\$34,000 plus admission tickets	Horse
Equine Medical Center William H. Sweeney, DVM	8/25-9/5	\$22,500	Vet
W.J. Mackey, DVM	8/25-9/5	\$10,250	Vet
Barn Tours "The Original"	8/25-9/5	\$15,840 plus travel expenses	Competitive Exhibits
University of Minnesota Ag/Hort Tours	8/25-9/5	\$11,725	Competitive Exhibits
Royal Canadian Mounted Police	8/25-9/5	expenses	Horse

Copies of the legislature audit report covering the society's 1993 fiscal year were circulated to the board on March 25. It was moved by Mr. Prokosch, seconded by Mr. Morris and carried that the report and the secretary's response to the recommendation contained therein be accepted (Aye-9; Nay-0).

An adjustment in ice rental rates for practice time (\$105), practice with clock (\$115) and non-prime time (\$75) was approved on a motion by Mr. Annestad, seconded by Mr. Lund and carried (Aye-9; Nay-0).

Mr. Jacobson offered an update on advance ticket sales. No action required.

An agenda call for the next meeting of the board was ordered for Friday, August 26, 10 a.m. on a motion by Mr. Morris, seconded by Mr. Prokosch and carried (Aye-9; Nay-0).

Meeting adjourned at 11:29 a.m.

## MINUTES IN VACATION

### June

9-10 - Pooch participated in the Ag Advisory Council meeting at the University of Minnesota.

10-12 - The Great American Gem Show was held in the Education Building; the Minnesota Arabian Horse Show was staged in the Coliseum.

11-12 - Prime Antique Show was held in the Grandstand, East Room and Infield; Gopher Sports Clothing Sale was presented in the Merchandise Mart.

13 - Wenzel and Birk met with members of the St. Paul Convention and Visitors Bureau regarding special events. Sinclair met with Mr. Knowland Loo to execute an agreement for presentation of an Oriental Pavilion in Progress Center at the 1994 Fair.

13-15 - The annual 4-H Junior Leader Conference was conducted in the 4-H Building.

17-19 - The Minnesota Street Rod Show was held on the grounds with special exhibits in the Education Building and Grandstand.

20 - State Fair box office opened today for phone and over-the-counter ticket sales.

22 - Sinclair met with representatives of Anderson Window Corporation to discuss their presentation of an exhibit at the 1994 Fair.

22-25 - The annual Tanbark Horse Show was staged in the Coliseum.

23 - Heffron and Race Manager Neil Larson met with Rex, Becky and Brian Robbins to discuss the ASA stock car program scheduled for Labor Day.

24 - Goiffon and Ritt met with Mary Jo George from the MS Society regarding the Accessibility booth for the 1994 Fair.

25-26 - HMH Flea Market was held in the Bazaar.

27 - Pooch met with Bob Lee and Jerry Foley of the Canadian Consulate office regarding the appearance of the RCMP Musical Ride at the 1994 State Fair. Sinclair and Rustad met with representatives of the American Dairy Association of Minnesota to discuss improvements to their concession in Empire Commons.

28 - Hammer, Sinclair and Heffron met with Rick Krueger of the Minnesota High Technology Council to discuss technology exhibits planned for the '94 fair.

28 - Armstrong and Pittelko met with state worker compensation representatives to discuss 1994 incidents and claims.

29 - A Como Community Council meeting was held in the Administration Building conference room. Sinclair met with Mr. John Stonehouse regarding the Minnesota Wood Promotion Council's, "Minnesota's Wood Works Home" to be exhibited at the 1994 Fair.

29-30 - St. Paul Police held a training exercise on Machinery Hill, in Heritage Square and the Sentinel Building.

30 - Sinclair met with Mr. Marc Smathers (G.M.R. Marketing) and Cindy Levine (Kraft General Foods) to review their plans for a Kraft demonstration and sampling kitchen in Empire Commons at the 1994 Fair.

30-3 - The North Star Morgan Horse Show was presented in the Coliseum.

### July

2-3 - St. Paul Recreation Department used Block 55 for special event parking.

6 - Hammer and Heffron met with Colleen Hayes and Steven Jamieson of the Mall of America to discuss possible co-promotions.

8-9 - A Bookhunters book sale was held in Empire Commons.

8-10 - Heffron attended a meeting of the IAFE Long-Range Planning Committee in Chicago.

11 - Wenzel, Sinclair and Heffron met with Deputy State Fire Marshal Al Rupp to discuss fire safety projects currently underway on the fairgrounds. The Minnesota Department of Economic Security opened a branch office in the 4-H Building. The Executive Committee approved the June 30, 1994 cash transaction summary as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-May 31, 1994		\$ 275,497
Add: Jun. Cash Deposits	\$ 1,478,786	
Less: Payroll Ending Jun. 1	(97,130)	
Payroll Ending Jun. 15	(97,699)	
Payroll Ending Jun. 29	(141,699)	
Jun. Cash Disbursements	(1,041,789)	101,008

Cash Balance-Jun. 30, 1994 \$ 376,505

#### MARKETABLE SECURITIES ACTIVITY:

Balance-May 31, 1994		\$ 100
Add: Interest Earned	\$ 110	
Less: Service Charges	(8)	
Securities Purchased	450,000	450,102

Balance-Jun. 30, 1994 \$ 450,202

#### BUILDING FUND ACTIVITY:

Balance-May 31, 1994		\$ 1,428,336
Add: Interest Earned	\$ 4,604	
Less: Service Charges	(307)	4,297

Balance-Jun. 30, 1994 \$ 1,432,633

#### CASH BALANCES FOR MONTH ENDING JUNE 30:

	1993	1994
General Fund	\$ 174,878	\$ 376,505
Petty Cash	2,750	2,750
Marketable Securities	550,429	450,202
Building Fund	935,848	1,432,633
Total Cash Balances	\$ 1,663,905	\$ 2,262,090

12 - St. Paul Police held a training exercise on Machinery Hill and in Heritage Square. Goiffon met with Carl Conney of the Attorney General's Office to discuss State Fair real estate issues.

13 - Sinclair and Birk visited the Northern Wisconsin State Fair, Chippewa Falls, to examine a water flume ride to be presented on the midway at the 1994 Fair.

14-16 - Cuneo used car sale was held on the Carnival Lot.

14-17 - Software, Inc. software and video game sale was presented in the Education Building.

15 - Max Willis and Lee Woods from the IAFE office in Springfield, Missouri visited the grounds while on their way to the Northern Wisconsin State Fair in Chippewa Falls.

20 - A special pre-fair training session for staff and department superintendents was held in the Ramberg Senior Center. Hammer addressed a meeting of the White Bear Lake Rotary club.

24 - A large group of staff and fair-period employees enjoyed a picnic on Machinery Hill with food, entertainment and games provided by the State Fair.

25 - Heffron met with Peter Boehm, president, Our Fair Carousel to discuss finding a new home for the carousel. Sinclair and Rustad met with Mr. Jim Weyandt of Environmental Recycling Corporation to discuss E.R.C.'s grease, oil and fat recycling services at the 1994 fair.

26 - Sinclair met with Mr. Peter Walker (Infinite Adventures, Inc.) to discuss presentation of their Ejection Seat attraction at the 1994 fair.

28-6 - Talent contest auditions were held in the Bandshell.

## August

1 - Sinclair met with Messrs. Michael Sedlmayr and Byron "Bucky" Buxton of Royal American Shows, Inc. to discuss plans for the 1994 fair, and in particular the fair's new kid-dieland.

2 - Pre-construction meeting was held at administration to go over Commonwealth Park Plans.

3 - Heffron attended the Freeborn County Fair in Albert Lea.

4 - Wenzel attended the Washington County Fair in Lake Elmo. Amy Wagner and Marge Krueger attended the Outstanding Senior Citizens Awards judging.

5 - A sales review meeting was held in the Administration Building conference room (see minutes which follow).

9 - The Executive Committee approved the July 31, 1994 cash transaction summary as follows:

## GENERAL FUND ACTIVITY:

Cash Balance-Jun. 30, 1994		\$	376,505
Add: Jul. Cash Deposits	\$ 660,435		
Less: Payroll Ending Jul. 13	(124,805)		
Payroll Ending Jul. 27	(116,200)		
Jul. Cash Disbursements	(690,770)		(271,340)

Cash Balance-Jul. 31, 1994	\$	105,165
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## MARKETABLE SECURITIES ACTIVITY:

Balance-Jun. 30, 1994		\$	450,202
Add: Interest Earned	\$ 573		
Securities Purchased	300,000		
Less: Service Charges	(35)		
Securities Cashed	(110,000)		190,538

Balance-Jul. 31, 1994	\$	640,740
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## BUILDING FUND ACTIVITY:

Balance-Jun. 30, 1994		\$	1,432,633
Add: Interest Earned	\$ 4,691		
Less: Service Charges	(294)		4,397

Balance-Jul. 31, 1994	\$	1,437,030
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## CASH BALANCES FOR MONTH ENDING JULY 31:

	1993	1994
General Fund	\$ 213,706	\$ 105,165
Petty Cash	4,870	2,750
Marketable Securities	350,996	640,740
Building Fund	938,001	1,437,030
Total Cash Balances	\$ 1,507,573	\$ 2,185,685

10 - Heffron met with Peter Boehm, president, Our Fair Carousel to discuss finding a new home for the carousel.

12 - Goiffon and Ritt met with Ruth Halvorson from the Board on Aging to finalize details for the Outstanding Senior Citizen ceremony.

15 - Sinclair met with Mr. Chuck Sedgwick (Interstate Distributors) and Greg Christianson (Auction Masters) to discuss auctioning some of the fair's food service equipment from the Prime Steak House and Youth Camp. Sinclair and Rustad held a meeting with 3.2 beer concessionaires to discuss programs and policies for responsible alcohol management at the 1994 fair. An orientation was held for the volunteers from Knox Lumber Company, sponsor of the Care and Assistance Center.

16 - An orientation was held for Medica volunteers, sponsor of Seniors Days.

17 - Outside gates were secured beginning today; campgrounds opened.

22 - Wonders of Technology exhibit preview in the Crossroads North Hall.

23 - A special artists preview was held in the Fine Arts Center.

24 - The Princess Kay coronation, sponsored by the American Dairy Association of

Minnesota, was staged in the Bandshell. Preliminary horse show events were contested in the Coliseum.

25 - The 1994 Minnesota State Fair opened to the public at 6:00 a.m. Official opening ceremonies, hosted by Society president Eileen Roehlke, were presented at 10:00 a.m. in the Bandshell.

## SALES COMMITTEE REVIEW MEETING MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds  
Friday, August 5, 1994 - 10:00 a.m.

Members present: Prokosch, chair; Annexstad; Lund; Morris; Schmidt; Simons; Steltz; Roehlke, ex officio; Heffron, ex officio; Sinclair, ex officio; Wenzel, ex officio.

Also present: Scott Strand, Kent Harbison and Rochelle Rustad.

The meeting was called to order at 10:02 a.m. by Mr. Prokosch.

Ms. Kelly Kratzke appeared before the committee to request review of commercial space action with respect to the registration submitted by her company, Q.M. Enterprises. She circulated a list of three (3) events at which her firm had provided concessions, along with copies of reference letters from three (3) other events, after which Ms. Kratzke proceeded to discuss and describe the primary product she wished to present at the fair . . . spiral potatoes.

Mr. Randall Tighe, counsel for Q.M. Enterprises, reviewed some of the criteria used by the fair in ranking submissions for space, spoke to the unique character of the product proposed by Q.M. Enterprise and went on to list from the fair's 1993 concessions and exhibits catalogue, those offering the same products as were the new food concessions licensed for the 1994 exposition. Mr. Tighe concluded his remarks with an assertion that the criteria for selection had not been applied, otherwise, menu items offered by the accepted new concessions would not duplicate those already available.

Sinclair addressed some of the several factors involved in the process of considering submissions for licensing, including market demand, and indicated that while on its surface the description provided in licenses and the list derived therefrom, may appear to show that identical products are being offered from multiple outlets the actual products served are very often uniquely different from one another in some substantive manner.

Mr. Heffron spoke to the experience and judgment which is involved in the process of registration review and licensing, indicating that the experience of staff is integral to this process.

On a motion by Mr. Lund, seconded by Mr. Annexstad, and carried, the committee determined that there had been no showing of improper treatment of Q.M. Enterprises in the process and, therefore, initial action of staff should be supported (Aye-6; Nay-0).

Mr. Paul Fahning, counsel for Mr. Art Tysk, d/b/a/ Art Tysk Concessions, presented the committee with a statement in support of a petition by Mr. Tysk to be licensed for concession operation privileges at the same two (2) sites he had occupied during the 1993 fair, recounted how Mr. Tysk had misplaced the license extension materials initially mailed to him by commercial space department staff in November, 1993, and reminded the committee of its authority to provide satisfaction of Mr. Tysk's petition.

Mr. Art Tysk spoke to the committee, reviewed his recollection of the steps he took to obtain a concession license extension for the 1994 fair, and closed by contending that the alternative site offered him by staff for the 1994 fair did not have the same revenue generating potential as the one nearest to it which he occupied the prior year.

Mr. Fahning, in reviewing a report provided by fair staff of gross revenues for concession operations surrounding the alternative site offered, argued that revenue at adjacent concessions was not relevant to Mr. Tysk's concession presentation and the alternative site offered Mr. Tysk would not adequately support his operation. Moreover, he opined that Mr. Tysk had done what he could to obtain a license extension and that, based on his longevity at the fair, the committee should reinstate his licenses and ability to operate at the two (2) sites he occupied during the 1993 fair.

Mr. Heffron asserted that length of participation gives a veteran concessionaire no greater rights than those extended to any other continuing or new license registrant, that the fair had no record of receiving a reply from Mr. Tysk until May, 1994, and that staff had acted correctly with respect to the matter based on Mr. Tysk's failure to respond in a timely manner. Heffron also went on to indicate that, upon receiving no expression of interest in being licensed for the 1994 exposition, alternative use was planned for one of the two sites upon which Mr. Tysk was licensed to operate in 1993, which in this case was vacancy, such that a proper corridor of access to a new fair attraction area, Adventure Park, might be established.

Mr. Fahning suggested that the fair is made up of tradition, part of which is the Tysk concession operation, that the committee should permit Mr. Tysk to continue his tradition of being licensed to operate concessions, and that Mr. Tysk would accept the alternative site offered by fair staff for operation near the Sheep/Poultry Barn if the committee would authorize licensing Tysk's concession activities at the second site near Adventure Park which he occupied in 1993.

It was moved by Mr. Simons, seconded by Ms. Schmidt, and carried that, based on Mr. Tysk's failure to respond in a timely manner to the fair's re-licensing offer, staff had acted appropriately and, therefore, their action would be supported (Aye-6; Nay-0).

The committee approved an increase in 1994 admission for the River Raft Ride from \$2.00 to \$2.50. Moved by Mr. Simons, seconded by Mr. Steltz, and carried (Aye-6; Nay-0).

In a related matter, the committee approved installation of a "Pirate Tag" game in the holding pond area of the River Raft Ride with a player admission price of \$2.00. Income



derived from this game would be included under the same percentage formula and license terms as those applied to the River Raft Ride. Moved by Mr. Simons, seconded by Mr. Annexstad, and carried (Aye-6; Nay-0).

The meeting was adjourned on a motion by Mr. Annexstad, seconded by Mr. Lund, and carried at 11:12 a.m. (Aye-6; Nay-0).

## MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds  
Friday, August 26, 1994 - 10:00 a.m.

Members present: Eileen Roehlke, president; Don Simons; Howard Morris; Bert Lund; Howard Recknor; Martin Annexstad; Clarice Schmidt; Vern Prokosch; Lyle Steltz; Rich Keenan; Mike Heffron, secretary.

Also present: Jim Sinclair; Kent Harbison.

President Roehlke called the meeting to order at 10:00 a.m. and welcomed all members to the 1994 Minnesota State Fair.

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

Minutes of the sales review committee meeting, held August 5, 1994, were approved on a motion by Mr. Simons, seconded by Mr. Morris and carried (Aye-9; Nay-0).

Copies of the minutes in vacation, covering the period June 9 through August 25, 1994, as well as the administrative action noted therein, were approved on a motion by Mr. Steltz, seconded by Mr. Recknor and carried (Aye-9; Nay-0).

Secretary presented the July 31, 1994 society financial statement as follows:

### GENERAL FUND ACTIVITY:

Cash Balance-Jun. 30, 1994			\$	376,505
Add: Jul. Cash Deposits	\$	660,435		
Less: Payroll Ending Jul. 13		(124,805)		
Payroll Ending Jul. 27		(116,200)		
Jul. Cash Disbursements		(690,770)		(271,340)

Cash Balance-Jul. 31, 1994 \$ 105,165

### MARKETABLE SECURITIES ACTIVITY:

Balance-Jun. 30, 1994			\$	450,202
Add: Interest Earned	\$	573		
Securities Purchased		300,000		
Less: Service Charges		(35)		
Securities Cashed		(110,000)		190,538

Balance-Jul. 31, 1994 \$ 640,740

### BUILDING FUND ACTIVITY:

Balance-Jun. 30, 1994			\$	1,432,633
Add: Interest Earned	\$	4,691		
Less: Service Charges		(294)		4,397

Balance-Jul. 31, 1994 \$ 1,437,030

### CASH BALANCES FOR MONTH ENDING JULY 31:

	1993	1994
General Fund	\$ 213,706	\$ 105,165
Petty Cash	4,870	2,750
Marketable Securities	350,996	640,740
Building Fund	938,001	1,437,030
Total Cash Balances	\$ 1,507,573	\$ 2,185,685

Upon a motion by Mr. Keenan, seconded by Mr. Lund and carried, the financial statement of July 31, 1994 was approved (Aye-9; Nay-0).

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

A list of entertainment contracts, not available for approval on 6-9-94, were submitted by secretary. Upon a motion by Ms. Schmidt, seconded by Mr. Annexstad and carried, the following contracts were approved (Aye-9; Nay-0):

CONTRACTOR	DATES	TERMS	VENUE
Video West	8/25-9/4	\$43,130	Grandstand
Julie Snouffer	8/24-9/4	\$3,900	Grandstand
Bonnie Raitt	8/27	\$122,500 plus 80% over \$190,000 plus \$12,500 production	Grandstand
Bruce Hornsby	8/27	\$15,000	Grandstand

America	8/31	\$10,000	Grandstand
Tim McGraw	9/2	\$20,000	Grandstand
ASA	9/5	\$110,550	Grandstand
Dick Trickle	9/5	\$9,000	Grandstand
Jack Albinston	9/5	\$200	Grandstand
The Classics	9/5	\$600	Grandstand
Ray Komischke	8/25-9/4	\$44,000	Bandshell
Western Flyer	8/25-8/28	\$5,000	Bandshell
Twister Alley	8/25-8/28	\$20,000	Bandshell
Irish Brigade	8/25-8/28	\$9,000	Bazaar
Mark Yuzuik	8/29-9/1	\$6,000	Bazaar
Excaliber	9/2-9/5	\$2,500	Baldwin
Chmielewskis	8/29-9/1	\$6,000	Heritage
John & Mary Block	8/25-9/5	\$4,000	Heritage
Tom Latane, Blacksmith	8/25-9/5	\$1,845	Heritage
The Bass Bin	8/25-9/5	\$13,000	Heritage
Willy Wonka	9/2-9/5	\$3,000	Children's Theater
Mary Block, Donkey Hitch	8/25-9/5	\$3,120	Parade
All American Judging Assn.	8/25-9/5	\$1,150	Parade
Minn. Veterinary Assn. Surgery Suite	8/25-9/5	\$5,500	Pet Center
Minn. Purebred Dog Breeders Assn.	8/25-9/5	\$5,500	Pet Center

The following storage damage claims were submitted for consideration: Paul Anderson, damage to car antenna-\$85; Wallace Anderson, auto body damage-\$409.40. Upon a motion by Mr. Prokosch, seconded by Mr. Annexstad and carried, claims as listed were approved (Aye-9; Nay-0).

Authorization to establish a short term account at the National City Bank, Edina, for purposes of expediting a ticket sales operation at Southdale Shopping Mall was granted on a motion by Mr. Morris, seconded by Mr. Recknor and carried (Aye-9; Nay-0).

Mr. Sinclair reviewed the procedures in place for acceptance and consideration of carnival attractions, and circulated for board information a synopsis of the proposals received through the deadline of Aug. 1. An informal discussion was undertaken relative to carnival components and individual contractors. Secretary indicated a staff recommendation regarding 1995 carnival contract(s) would be forthcoming before the end of the fair. Report only; no action required.

Secretary indicated having had several conversations with Peter Boehm, president, Our Fair Carousel regarding the possibility of returning the ride back to the State Fairgrounds from its present location in downtown St. Paul. It was moved by Mr. Simons, seconded by Mr. Prokosch and carried that secretary be authorized to negotiate with Mr. Boehm and, on behalf of the board, offer reasonable terms for return of the carousel to a permanent location on the fairgrounds (Aye-9; Nay-0).

A comparative report of agricultural and livestock entries at the '94 fair was reviewed; increases in most categories over '93 were acknowledged. Report only; no action required.

### MINNESOTA STATE FAIR COMPETITIVE ENTRY COMPARISON

DEPARTMENT OR CATEGORY	1994	1993
Creative Activities	1950 exhibitors	(1820)
	5850 entries	(5050)
Beef Cattle	780 animals	(666)
Llamas	118 animals	(102)
Dairy Cattle	1194 animals	(1177)
Goats	555 animals	(604)
Sheep	812 animals	(980)
Swine	695 animals	(711)
Bee & Honey	139 exhibitors	(121)
Wine	60 exhibitors	(50)
Flowers	76 exhibitors	(72)
Vegetables	116 exhibitors	(71)
FFA Cattle	709 animals	(669)
FFA Sheep	578 animals	(556)
FFA Swine	715 animals	(627)

Secretary submitted a report on the Hallberg scholarship program and indicated that 95 applications had been received. Judging would be undertaken by Paul Day, FFA superintendent; Juanita Reed-Boniface, former 4-H superintendent and educator Bonnie Hollenbeck, a staff employee in the competitive exhibits division. Awards will be scheduled for the Labor Day weekend. Report only, no action required.

#### **BEN C. HALLBERG RURAL YOUTH SCHOLARSHIP PROGRAM**

A unique set of academic scholarships, designed to recognize the significant contributions of the State Fair Farm Boys Camp, later Youth Camp, over a span of 82 years, are being vested in 1994 to initiate a permanent award program which will henceforth be titled

The  
Ben C. Hallberg  
Rural Youth Scholarship Program.

Mr. Hallberg served at every camp from 1939 until his death in 1964. As president of the Camp Alumni Association, his name adds distinction to the program and, in return, signals the fair's genuine regard and affection for the thousands of participants, staff members and adult supervisors who gave so generously of their time, energy and love over so many years.

Up to 20 scholarships of \$1,000 each will be made available to young adults from Greater Minnesota participating at the 1994 Minnesota State Fair. A qualified committee will review applications and select the recipients. Announcement of the recipients will be made Saturday, September 3; Agriculture and Rural Youth Development Day.

#### **Requirements**

- 1) Applicant must be a high school graduate as of the current year's fair.
- 2) Applicant must be attending or planning to attend a post secondary school; no restrictions as to course of study or choice of school.
- 3) Payment will be made when proof of paid tuition is made to the Minnesota State Fair.
- 4) Completed applications must be received by noon, August 25, 1994.

#### **Judging Guidelines**

State Fair representative will initially review the applications to ensure applicants meet minimum requirements. Copies of the applications will be then sent to each committee member.

- 1) Rural residency will be a requirement.
- 2) Applications will be ranked by each committee member in priority order. Individual rankings of each member will be combined to arrive at a consensus as to the top candidates and resultant number of recipients.
- 3) Each of the five application criteria will be given 20% consideration for a total possible score of 100.
- 4) State Fair representative will vote only in case of ties.

Meeting adjourned.

#### **LIFE MEMBER ADVISORY COMMITTEE MEETING**

Administration Building, State Fairgrounds  
Sunday, August 28, 1994 - 1:30 p.m.

Members present: Willis Lilliquist, chairman; Harveydale Maruska; Gale Frost; Jerry Franke; Evelyn Hagen; Dick Reinhardt; Bill Korff; Leo Keskinen; Sulo Ojakangas; Mike Heffron, ex officio; Hammer, ex officio. Also present: Len Harkness.

Heffron explained the process being used to examine carnival proposals for 1995 and also explained that Commonwealth Park construction would begin in September immediately after the fair.

It was moved by Mr. Maruska, seconded by Mr. Ojakangas and carried that the board and staff be commended for this progressive approach to program development and physical improvement of the facility (Aye-8; Nay-0).

There being no further business before the committee, the meeting was adjourned.

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

Administration Building, State Fairgrounds  
Sunday, September 4, 1994 - 9:30 a.m.

Members present: Eileen Roehlke, president; Martin Annexstad; Lyle Steltz; Clarice Schmidt; Bert Lund; Howard Recknor; Howard Morris; Rich Keenan; Don Simons; Vern Prokosch; Mike Heffron, secretary.

Also present: Ken Wenzel; Jim Sinclair; Kent Harbison.

President Roehlke called the meeting to order at 9:33 a.m.

Upon a motion by Mr. Lund, seconded by Mr. Prokosch and carried, minutes of the August 26, 1994 board meeting were approved (Aye-9; Nay-0).

Secretary announced that the annual trade association convention of the International Association of Fairs & Expositions would be held at the Hilton Hotel, Las Vegas, December 4-9, 1994. It was moved by Mr. Simons, seconded by Mr. Steltz and carried that members of the board and certain staff personnel as designated by the secretary be authorized to attend the IAFE convention with society to reimburse appropriate expenses (Aye-9; Nay-0).

It was moved by Mr. Annexstad, seconded by Ms. Schmidt and carried to adopt the report of the life member advisory committee filed with the secretary on August 28, 1994 (Aye-9; Nay-0).

The following recommendation on carnival attractions was presented by secretary, discussed and accepted on a motion by Ms. Schmidt, seconded by Mr. Lund and carried (Aye-9; Nay-0):

"After carefully appraising the current status of its carnival presentation, State Fair management has concluded that it is time to depart from traditional methods and from a single-partner contractual relationship. This conclusion is reinforced by a solicitation response that confirms an impressive array of equipment and support services are available to mount an independent production of the highest quality. We recommend that staff be empowered to negotiate and contract for carnival equipment and services in 1995."

Secretary provided a list and breakdown of 1994 Hallberg scholarship recipients. A total of 20 young people were awarded \$1,000 each for continuing education. No action required.

It was moved by Mr. Annexstad, seconded by Mr. Recknor and carried that dates of the 1995 Minnesota State Fair be Thursday, August 24 through Labor Day, Monday, September 4 (Aye-9; Nay-0).

Ms. Roehlke set an agenda date for the next meeting of the board for 10:00 a.m., Wednesday, November 9.

Upon a motion by Mr. Simons, seconded by Mr. Keenan and carried, authority was granted for members of the board to travel outside the state at society expense in order to visit the Iowa State Fair, Des Moines, August 11-21, 1994 and the Clay County Fair, Spencer, Iowa, September 10-17, 1994 (Aye-9; Nay-0).

Meeting adjourned at 10:18 a.m.

#### **MINUTES IN VACATION**

##### **August**

August 25-September 5 - Visitors from other expositions and special guests at the 1994 Minnesota State Fair included: Pat Reithoffer, Jr., Reithoffer Shows, Gibsonton, Fla.; Suzanne Kennedy, Brenda Brooks, South Carolina State Fair, Columbia, S.C.; Barry Owens, Texas State Fair, Dallas, Texas; Chris Gardner, Encyclopedia Britannica, Chicago, Ill.; Jack Swain, Regina Buffalo Days Exposition, Regina, Sask.; Bill Stinson, Indiana State Fair, Indianapolis, Ind.; Mike Froehlich, Ralph Collins, Ben Marsh, John Mitchell, Foster Rhodes, James Sutherland, Georgia National Fair, Perry, Ga.; Bob Gottschalk, Kansas State Fair, Hutchinson, Kan.; Bill Chiesa, Montana Fair, Billings, Mont.; Jeanne Rathmussen, John Price, Utah State Fair, Salt Lake City, Utah; Thomas Laird, Coca-Cola Company, Atlanta, Ga.; Don Muret, Amusement Business Magazine, Chicago, Ill.; Jerry Iverson, North Dakota State Fair, Minot, N.D.; Tony Rosario, Placer County Fair, Roseville, Calif.; Dick Coulter, Coulter Consulting Group, Delaware, Ohio; Tom Atkins, Thomas Carnival, Austin, Texas; Jerry Pendleton, O.D. Hopkins & Assoc., Contookook, N.H.; Jeff Blomsness, Steve Theabault, Blomsness-Theabault Enterprises, South Barrington, Ill.; Red Wood, Elliott Amusement Co., Mason, Mich.

25 - The CBS "This Morning" show televised a live segment from the Minnesota State Fair featuring award winners in several categories.

27 - The board of the Minnesota Federation of County Fairs held a meeting in the Administration Building conference room and was hosted by the society board at a noon luncheon in the officers headquarters.

28 - A 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 convened during the afternoon in the Administration Building.

29 - A recognition and award ceremony was held for 50-year fair participants at Heritage Square. Medica senior awards were presented, also in Heritage Square.

30 - Over 1,000 academic achievers from throughout the State were recognized by the Minnesota Academic Excellence Foundation and the State Fair in special ceremonies at the Grandstand.

##### **September**

1 - The Minnesota Livestock Breeders Association board attended a breakfast meeting with the society board and staff to discuss livestock competition at the State Fair. Outstanding senior citizen awards for 1994 were presented at a special ceremony in the Bandshell. An informal picnic was held in the Grandstand infield to honor editors, mayors, county fair and chamber executives from throughout the state. After dinner, the group was hosted at an evening Grandstand fireworks show featuring the Count Basic Orchestra.

3 - Hallberg scholarship award winners were presented in the Bandshell.

5 - A fireworks presentation at 9:00 p.m. signaled the official conclusion of the 1994 fair. Attendance recorded for the 12 days was 1,561,930.

12 - Hammer, Wenzel and Sinclair met with Messrs. Pat Hagerty, Scott Fransen and Barry O'Rourke, St. Paul Pioneer Press, to discuss plans for the Care and Assistance Center.

13 - Executive committee approved the August 31, 1994 cash transaction summary as follows:

**GENERAL FUND ACTIVITY:**

Cash Balance-Jul. 31, 1994		\$ 105,165
Add: Aug. Cash Deposits	\$ 6,284,475	
Less: Payroll Ending Aug. 10	(144,335)	
Payroll Ending Aug. 24	(161,075)	
Aug. Cash Disbursements	(2,149,011)	3,830,054

Cash Balance-Aug. 31, 1994 \$ 3,935,219

**MARKETABLE SECURITIES ACTIVITY:**

Balance-Jul. 31, 1994		\$ 640,740
Add: Interest Earned	\$ 2,171	
Less: Service Charges	(129)	
Securities Cashed	(350,000)	(347,958)

Balance-Aug. 31, 1994 \$ 292,782

**BUILDING FUND ACTIVITY:**

Balance-Jul. 31, 1994		\$ 1,437,030
Add: Interest Earned	\$ 5,113	
Less: Service Charges	(305)	4,808

Balance-Aug. 31, 1994 \$ 1,441,838

**CASH BALANCES FOR MONTH ENDING AUGUST 31:**

	1993	1994
General Fund	\$ 2,594,700	\$ 3,935,219
Petty Cash	5,370	8,750
Marketable Securities	252,145	292,782
Building Fund	940,241	1,441,838
Total Cash Balances	\$ 3,792,456	\$ 5,678,589

15 - Ritt and Goiffon met with Karl Dunivent of Knox Lumber Co. to discuss continuing their sponsorship involvement in the Care and Assistance Center. Sinclair visited the Clay County Fair, Spencer, Iowa, to meet with Tom Atkins, Thomas Carnival regarding support services and equipment for the fair's 1995 midway presentation.

15-18 - White Wolf ski sale was held in Progress Center.

16 - Daytons held a photo session in the Amphitheater. Wenzel met with Mike Chandler, Sims Services to review 1994 ushering operations at Grandstand and Coliseum.

16-19 - The annual 4-H horse show was staged in the Coliseum.

17 - Como and St. Anthony Park Community Council(s) sponsored neighborhood cleanup campaigns; collection points were established in Blocks 8, 9 and 55.

19 - Goiffon attended a seminar "Gifts to Public Officials" sponsored by the Minnesota Attorney General's Office.

20 - An auction of Prime Steak House equipment was held in the facility. Goiffon attended an insurance training seminar sponsored by the Department of Employee Relations.

21 - Wenzel, Sinclair, Fischler and Heffron met with BRW staff to discuss park construction and the new fountain design. Wenzel, Armstrong and Blakey met with Red Cross and other Medical Aid personnel to review 1994 fair.

23-25 - A country folk art show was staged in the Progress Center and the 4-H Building; a North County ski sale was promoted in the Education Building; Fall Spectacular baseball card show was featured in the Merchandise Mart; the annual Western Saddle Club horse show was contested in the Coliseum.

24 - Cemstone truck rodeo was staged in Block 55.

26 - Hammer gave a presentation at the International Festivals Association convention in St. Paul. Jerry Robbe and Judy Pryor of the Colorado State Fair, Bryan Tisdall of the Canadian National Exhibition in Toronto, and Laurette Sapah-Gulian of the Dade County Fair in Miami toured the Fairgrounds.

27 - Sinclair and Heffron attended a luncheon meeting with Ron Ferguson, new CEO of the Outdoor Amusement Business Association. Sinclair met with Mr. Knowland Loo to review Oriental Pavilion operations and exhibits at the 1994 fair, and plans for 1995.

28 - Goiffon met with Dan Notley of Prudential Preferred to discuss a financial planning seminar for employees.

30 - State Fair Golf Tournament was held at Como Country Club.

30-2 - The Minnesota Arabian Festival horse show was held in the Coliseum.

**October**

1 - Junior League held a garage sale in Empire Commons; a model railroad show and sale were presented in the Education Building.

1-2 - An antique car show was staged in the Grandstand infield; Minnesota Crafts metal art show was held in the Fine Arts Gallery.

4-9 - Midstates horse show was presented in the Coliseum.

6-8 - An Evangelical garage sale was held in the Crossroads Chapel.

8-9 - Military Relics Show was held in Empire Commons; the Prime antique show was presented in the Education Building and Annex, 4-H Building, Home Improvement, Progress Center and Blocks 11 & 21.

9-16 - Kinney promoted a shoe sale in the Merchandise Mart.

10-11 - Senior executive staff held a two-day planning workshop in the Administration Building, lower conference room.

13 - Ron Ferguson, newly appointed CEO of the Outdoor Amusement Business Association, died suddenly while visiting the Mississippi State Fair in Jackson. Sinclair met with Lewis Miller, Executive Vice President, IAFE and Pat Lloyd, Tulsa State Fair, Little Rock, Arkansas regarding the 1995 IAFE Spring Managers' Conference and, while there, visited the Arkansas State Fair. Executive Committee approved the September 30, 1994 cash transaction summary as follows:

**GENERAL FUND ACTIVITY:**

Cash Balance-Aug. 31, 1994		\$ 3,935,219
Add: Sep. Cash Deposits	\$ 5,965,979	
Less: Payroll Ending Sep. 7	(176,010)	
Payroll Ending Sep. 21	(105,908)	
Fair Period Payroll	(1,267,524)	
Sep. Cash Disbursements	(8,269,964)	(3,853,427)

Cash Balance-Sep. 30, 1994 \$ 81,792

**MARKETABLE SECURITIES ACTIVITY:**

Balance-Aug. 31, 1994		\$ 292,782
Add: Interest Earned	\$ 1,387	
Securities Cashed	3,300,000	
Less: Service Charges	(81)	2,551,306
Securities Sold	(750,000)	

Balance-Sep. 30, 1994 \$ 2,844,088

**BUILDING FUND ACTIVITY:**

Balance-Aug. 31, 1994		\$ 1,441,838
Add: Interest Earned	\$ 5,290	
Less: Service Charges	(306)	4,984

Balance-Sep. 30, 1994 \$ 1,446,822

**CASH BALANCES FOR MONTH ENDING SEPTEMBER 30:**

	1993	1994
General Fund	\$ 414,485	\$ 81,792
Petty Cash	2,264	7,100
Marketable Securities	3,452,823	2,844,088
Building Fund	942,480	1,446,822
Total Cash Balances	\$ 4,812,052	\$ 4,379,802

14 - Pooch and Heffron attended a luncheon meeting in Minneapolis with Dean Richard Jones of the U of M Agricultural College, a number of his colleagues and a number of executives from food processing companies to discuss a proposed initiative in the presentation of agricultural exhibits.

16 - An antique automobile swap meet was held in Blocks 8 and 9.

18 - Heffron attended funeral for OABA executive Ron Ferguson in Edina.

18-30 - Wilson Leather Company held a coat sale in Empire Commons.

19-23 - Hammer and Sinclair visited the State Fair of Texas, Dallas, and Arizona State Fair, Phoenix.

20 - St. Paul Police held a training session on Machinery Hill.

24 - Hammer met with officials of the Minnesota Historical Society to discuss exhibit possibilities.

24-25 - St. Paul Police held a training session on Machinery Hill.

25 - Heffron met with Peter Boehm of Our Fair Carousel Corporation to discuss the carousel and its possible return to the State Fairgrounds. Jacobson and Goiffon attended a seminar, "Transforming Government Through Business Process Redesign."

31-1 - Sinclair and Birk met with Mr. Richard Wells, Dallas, Texas, to discuss midway skill game presentations at the 1995 fair.

**November**

1 - Wenzel and Heffron met with Joe Fox, president, Minnesota Federation of County Fairs to discuss the upcoming annual meeting. Goiffon and Casey attended Labor and Employment Law Seminar sponsored by Fredrikson & Byron.

2 - Goiffon met with the St. Paul Radisson to discuss the 1995 annual meeting.

4 - Goiffon and Heffron met with Roxanne Flink of the City of St. Paul to discuss tax assessments placed on Fairgrounds property by the city.

## SALES COMMITTEE REVIEW MEETING MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds  
Wednesday, November 9, 1994 - 9:30 a.m.

Members present: Prokosch, chair; Keenan; Recknor; Schmidt; Simons; Steltz; Morris; Roehlke, ex officio; Heffron, ex officio; Sinclair, ex officio; Wenzel, ex officio.

Also present: Hammer; Rustad; Jacobson and Kent Harbison.

The meeting was called to order at 9:30 a.m. by Chairman Prokosch.

Mr. Gary J. Laner appeared before the committee on behalf of his company, Way Out West, to review the concerns expressed in a letter he filed with the sales division staff, Sept. 5, 1994. Mr. Laner's complaint pertained to an adjacent concessionaire, the disruption caused by his demonstration activities and Mr. Laner's interest in expanding his operation into the site occupied by this same neighbor. Mr. Sinclair indicated that the fair's wish to accommodate exhibitor interest in changes or expansion when measured against the fair's desire to place new exhibitors each year, did not always make it possible to allow changes even though they might appear easily accomplished. Moreover, he reiterated the staff's appreciation and understanding of Mr. Laner's concerns, as well as their commitment to work toward a satisfactory resolution in preparation for the 1995 fair. It was moved by Mr. Keenan, seconded by Mr. Simons and carried that the committee take no action on this matter on the basis that such matters do not fall within the purview of the committee and that any action by the committee would be premature, particularly without having first afforded staff reasonable time and opportunity to work toward a satisfactory resolution (Aye-6; Nay-0).

Sinclair presented the 1994 sales division report of revenue and answered questions posed by the committee regarding the report. Acceptance of the report was moved by Mr. Simons, seconded by Mr. Keenan and carried (Aye-6; Nay-0):

### 1994 MINNESOTA STATE FAIR COMMERCIAL SPACE DIVISION CONCESSION/EXHIBIT REVENUE SUMMARY

	1993	1994	COMPARISON
<b>CONCESSIONS</b>			
Indoor and Outdoor Space	\$ 509,593.76	\$ 612,288.97	+ \$102,695.21

#### PERCENTAGE/PARTICIPATION ATTRACTIONS

Antique Auto Show	\$2,988.26	\$1,958.96	- 1,029.30
Giant Slide	63,034.86	46,494.02	- 16,540.84
Haunted House	85,740.94	75,645.51	- 10,095.43
Old Mill	22,428.69	18,523.35	- 3,905.34
Skyride	57,137.35	51,377.84	- 5,759.51
Space Tower	27,650.76	20,185.70	- 7,465.06
			- 44,795.48

#### CARNIVAL

Rides and Shows	768,852.55	702,966.71	- 65,885.84
Concessions	157,500.00	150,290.00	- 7,210.00
			- 73,095.84

#### GRANDSTAND CONCESSIONS

Food	41,919.43	39,920.83	- 1,998.60
3.2 Beer	35,901.00	33,055.31	- 2,845.69
Attraction Merchandise Sales	44,462.00	51,364.00	+ 6,902.71
			+ 2,057.71

NON-FOOD AND BEVERAGE	221,727.47	221,727.47	210,718.25	210,718.25	- 11,009.22
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CONCESSION PERCENTAGE					
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FOOD AND BEVERAGE	1,022,137.64	1,022,137.64	1,010,659.61	1,010,659.61	- 11,478.03
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CONCESSION PERCENTAGE					
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#### 3.2 BEER AND FOOD

Brede Enterprises, Inc.	69,363.57	69,623.48	+ 259.91
Cleworth's Food and Beverage	43,119.50	39,113.79	- 4,005.71
Coliseum Concessions	8,094.21	-0-	- 8,094.21
Crocker's Spaghetti Village	7,902.50	7,646.01	- 256.49
John A. Giere	37,555.84	36,753.26	- 802.58
H.M.H. of St. Paul, Inc. (Bazaar)	25,056.19	26,126.65	+ 1,070.46
Kirschner's Beer Stube	10,249.32	10,598.57	+ 349.25
Midway Men's Club	8,239.66	7,900.97	- 338.69
Ward Food Services	-0-	7,848.98	+ 7,848.98
Werner's Frontier	26,024.77	235,605.56	+ 209,580.79
			+ 2,869.37

#### SUNDRY

Cancelled but Active Contracts	2,680.00	639.50	- 2,040.50
Concession/Exhibit Lists	620.00	480.00	- 140.00
Entertainer Merchandise Sales	4,954.60	6,389.75	+ 1,435.15
Merchandise/Commissary Permits	31,350.00	32,450.00	+ 1,100.00
Miscellaneous	5,516.73	5,328.60	- 188.13
Novelties (Desplenter)	45,194.00	42,852.00	- 2,342.00
Programs (official) - Auto Race	750.00	91,065.33	+ 90,315.33
			+ 1,997.48
	\$3,387,745.60	\$3,347,253.10	- 40,492.50

#### EXHIBITS

Indoor and Outdoor Space	231,126.00	237,286.00	+ 6,160.00
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#### INSTITUTIONAL

Indoor and Outdoor Space	32,219.00	32,321.00	+ 102.00
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<b>GRAND TOTALS</b>	<b>3,651,090.60</b>	<b>\$3,616,860.10</b>	<b>- \$34,230.50</b>
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#### FOOD/BEVERAGE PERCENTAGE REPORT

SALES	FOOD \$	BEVERAGE \$	TAX	NET OF GROSS PERCENTAGE	NET OF GROSS PERCENTAGE
DATE					
8-24	19,692.28	3,074.25	1,389.51	21,377.02	2,137.72
8-25	337,407.42	126,597.33	28,319.53	435,685.22	43,568.66
8-26	658,213.05	210,690.22	53,031.64	815,871.63	81,587.32
8-27	733,861.33	251,312.39	60,127.97	925,045.75	92,504.73
8-28	1,057,930.14	289,280.40	82,224.25	1,264,986.29	126,498.78
8-29	721,156.41	195,821.35	55,965.78	861,011.98	86,101.32
8-30	467,751.76	103,110.89	34,841.38	536,021.27	53,602.24
8-31	589,464.98	145,216.42	44,839.71	689,449.69	68,984.34
9-01	614,261.61	143,189.14	46,228.17	711,202.58	71,120.49
9-02	623,097.33	126,414.58	45,744.87	730,767.04	70,376.82
9-03	986,912.37	237,733.07	74,743.63	1,149,901.81	114,990.38
9-04	591,792.99	123,713.38	43,669.37	671,837.00	67,183.85
9-05	761,162.81	195,353.58	58,378.96	898,137.43	89,813.91
9-06	392.50	64.00	27.86	428.64	42.86
	8,163,076.98	2,151,571.00	629,532.63	9,685,115.35	968,513.42
3.2 Beer		1,432,633.28	87,437.71	1,345,195.57	124,895.00
Grand					1,371,707.93
Totals	8,163,076.98	3,584,204.28	716,970.34	11,030,310.92	1,186,505.34

#### NON FOOD/BEV. PERCENTAGE REPORT

SALES	GROSS	SALE	TAX	NET OF GROSS PERCENTAGE	NET OF GROSS PERCENTAGE
DATE					
8-25	71,550.65	2,251.18	2,251.18	69,299.47	10,533.10
8-26	109,834.80	3,884.37	3,884.37	105,950.43	16,347.14
8-27	120,084.96	4,399.69	4,399.69	115,685.27	17,961.44
8-28	157,379.44	5,238.57	5,238.57	152,140.87	23,184.07
8-29	110,122.13	3,762.22	3,762.22	106,359.91	16,409.40
8-30	93,788.95	3,214.05	3,214.05	90,574.90	14,105.00
8-31	102,009.92	3,539.71	3,539.71	98,470.21	15,458.13
9-01	96,095.18	3,232.10	3,232.10	92,863.08	14,379.29
9-02	124,404.12	3,460.43	3,460.43	120,943.69	18,010.65
9-03	164,926.48	5,465.65	5,465.65	159,460.83	24,915.61
9-04	113,805.19	3,691.69	3,691.69	110,113.50	17,194.29
9-05	119,188.51	4,154.71	4,154.71	115,033.80	18,047.61
9-08					2.87
Totals	1,383,190.33	46,294.37	46,294.37	1,336,895.96	206,545.73

#### MINNESOTA STATE FAIR CARNIVAL REVENUE/RIDES AND SHOWS 1979 - 1994

Year	Rank	Total Gross	Advance	Fair's Percentage	Attendance	Per Cap
1979	13	\$1,131,992		\$397,461	1,405,669	\$ .81
1980	15	984,288		327,144	1,325,360	.74
1981	16	980,862		315,011	1,414,809	.69
1982	14	1,035,336		334,588	1,321,785	.78
1983	12	1,143,510		370,031	1,347,884	.85
1984	11	1,380,367		450,034	1,446,450	.95
1985	10	1,462,861		481,796	1,496,014	.98
1986	9	1,680,873	\$11,058	609,434	1,565,349	1.07
1987	7	1,772,088	18,036	666,824	1,612,178	1.10
1988	6	1,808,701	23,730	677,844	1,621,279	1.12
1989	8	1,700,811	37,344	635,178	1,551,361	1.10
1990	5	1,886,981	51,896	718,026	1,528,688	1.23
1991	2	1,938,969	78,578	738,238	1,488,810	1.30
1992	4	1,902,736	84,672	708,296	1,550,603	1.23
1993	1	2,031,646	105,408	764,530	1,601,325	1.27
1994	3	1,904,490	145,936	698,645	1,561,903	1.22

At the request of Mr. Keenan, Sinclair provided a brief report on the status of staff planning and work in progress for presentation of midway attractions at the 1995 fair. No action required.

The meeting was declared adjourned at 10:05 a.m.

## MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Administration Building, State Fairgrounds  
Wednesday, November 9, 1994 - 10:00 a.m.

Members present: Eileen Roehlke, president; Clarice Schmidt; Vern Prokosch; Howard Recknor; Don Simons; Richard Keenan; Lyle Steltz; Howard Morris; Mike Heffron, secretary. Absent: Martin Annexstad; Bert Lund.

Also present: Jim Sinclair; Ken Wenzel; Jerry Hammer; Rochelle Rustad; Marshall Jacobson; Kent Harbison.

Ms. Roehlke called the meeting to order at 10:12 a.m.



A motion was made by Mr. Prokosch, seconded by Ms. Schmidt and carried that the board and committee minutes recorded during the 1994 fair be approved as submitted to the members by mail (Aye-7; Nay-0).

Minutes in vacation, covering the period August 25 through November 1, 1994, and the administrative action noted therein, were approved on a motion by Mr. Keenan, seconded by Mr. Steltz and carried (Aye-7; Nay-0).

Secretary presented the October 31, 1994 financial statement as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-Sep. 30, 1994		\$	81,792
Add: Oct. Cash Deposits	\$ 1,756,129		
Less: Payroll Ending Oct. 5	(108,409)		
Payroll Ending Oct. 19	(96,008)		
Oct. Cash Disbursements	(1,518,982)		32,730

Cash Balance-Oct. 31, 1994 \$ 117,522

#### MARKETABLE SECURITIES ACTIVITY:

Balance-Sep. 30, 1994		\$	2,844,088
Add: Interest Earned	\$ 9,774		
Securities Purchased	495,000		
Less: Service Charges	(542)		
Securities Cashed	(2,065,000)		(1,560,768)

Balance-Oct. 31, 1994 \$ 1,283,320

#### BUILDING FUND ACTIVITY:

Balance-Sep. 30, 1994		\$	1,446,822
Add: Interest Earned	\$ 5,352		
Securities Purchased	990,000		
Less: Service Charges	(297)		
Disbursements	(495,000)		500,055

Balance-Oct. 31, 1994 \$ 1,946,877

#### CASH BALANCES FOR MONTH ENDING OCTOBER 31:

	1993	1994
General Fund	\$ 79,878	\$ 117,522
Petty Cash	2,500	3,000
Marketable Securities	2,009,325	1,283,320
Building Fund	1,444,655	1,946,877
Total Cash Balances	\$ 3,536,358	\$ 3,350,719

After review of the statement, it was moved by Mr. Morris, seconded by Mr. Prokosch and carried that the financial resume be approved (Aye-7; Nay-0).

Secretary reviewed a preliminary, year-ending income and expense statement; he also outlined the present status of construction loans authorized for Progress Center and Plaza Park work. Information only; no action required.

Approval of action taken by the sales committee earlier in the morning (November 9) was moved by Mr. Keenan, seconded by Mr. Steltz and carried (Aye-7; Nay-0).

It was moved by Mr. Steltz, seconded by Mr. Simons and carried that the three staff persons currently occupying state fair custodial residences (Fischler, Wimmer and Heffron) be allowed the gratis storage of personal vehicles and other household materials on the fairgrounds (Aye-7; Nay-0).

Secretary presented a report of activity in the society's building fund for 1994. The report, which summarizes authorized expenditures, sales tax and matching deposits, was accepted on a motion by Ms. Schmidt, seconded by Mr. Simons and carried (Aye-7; Nay-0). Resume below:

#### 1994 MINNESOTA STATE FAIR BUILDING FUND REPORT

DATE	DEPOSITS OF SALES TAX, MATCHING FUNDS, EARNED INTEREST	BOARD APPROVED FUND RELEASES	FUND BALANCE
1988	\$ 199,526	\$ -0-	\$ 199,526
1989	722,731	(733,000)	189,257
1990	765,787	(438,000)	517,044
1991	919,008	(350,000)	1,086,052
1992	872,931	(450,000)	1,508,983
1993	1,033,346	(650,000)	1,892,327
1994	1,043,209	(1,570,000)	1,365,538
	\$5,556,538	\$(4,191,000)	

Actual Building Fund Balance 10-31-94 \$1,946,877

It was moved by Mr. Simons, seconded by Mr. Keenan and carried that secretary be authorized to enter into contracts with acts and attractions for the 1995 fair (Aye-7; Nay-0).

Secretary discussed with the board a staff recommendation to institute a \$1 gate fee on those special days previously designated as free for seniors and children. It was anticipated

that the change would produce approximately \$100,000 of additional gate revenue. Upon a motion by Ms. Schmidt, seconded by Mr. Recknor and carried, secretary was authorized to prepare the society's 1995 operating budget on the basis of the approved increase (Aye-7; Nay-0).

It was moved by Mr. Keenan, seconded by Mr. Simons and carried that the following advertising policy be implemented in 1995: "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 in surrounding states." Included in the motion was approval of the 1995 advertising agency contract with the M.R. Bolin firm (Aye-7; Nay-0).

Secretary opened discussion on the State Fair Carousel by referencing the following memorandum, circulated to the board on November 3, 1994:

November 3, 1994

#### Memorandum

To: Board

From: Mike Heffron

Re: Criteria Analysis for return of State Fair Carousel to its original site.

Our success in bringing the historic State Fair Carousel back to its original home will likely depend upon the terms of our offer and upon our flexibility in negotiating a final agreement.

Peter Boehm, president of Our Fair Carousel Corporation, has been very candid with us: "The carousel will follow the money" . . . to the extent that (1) the non-profit has no money, (2) it depends upon a steady income flow to remain viable and provide on-going care for the ride and (3) moving from Town Square to any new site will entail certain expenses.

Here is a short list of (what would appear to be) necessary criteria for an alternative site:

- The facility itself . . .
  - Appropriateness of surroundings to use of a carousel;
  - Security from fire, theft, vandalism and protection from the elements;
  - Ticket booth and gift shop;
  - Availability of office, storage and restoration spaces;
  - Cost of construction or renovation of facility;
  - Cost and responsibility for facility maintenance.
- Cost to relocate carousel to a new facility.
- Cost to restore Town Square (current estimate - \$290,000).
- Traffic . . .
  - Location must provide traffic sufficient to meet certain revenue requirements, but not so great as to cause rapid deterioration of the carousel itself;
  - Traffic and noise generated by carousel must be acceptable and consistent with other uses of facility.
- Financial viability . . . projected revenue at the site must be sufficient to meet operations and maintenance cost and to create a reserve fund.
- Public access . . .
  - Must be reasonable public access in terms of dates available for use by riders and for educational purposes;
  - Adequate parking;
  - Handicapped accessibility;
  - Area must be safe for the public to approach.
- Site must be presumed to have long-term stability.
- Obligations to major donor will be honored.
- Non-profit OFC will continue to have operational control of the carousel.
- Non-profit OFC will continue to control the disposition of the carousel.
- Locations within St. Paul or close to the carousel's original State Fair site will be given preference.

Offers will not be solicited nor will negotiations take place before February, 1995.

It is my belief that our first proposal will need the following if it is to be considered:

- A guarantee of long-term stability at the site.
- Agreement to build and maintain a suitable structure.
- Low rent.
- Agreement to allow carousel to operate on certain, predetermined (but limited) dates during the spring and summer.
- Assistance with moving and restoration costs.

It was moved by Mr. Prokosch, seconded by Mr. Steltz and carried that secretary be authorized to negotiate with Our Fair Carousel Corp. for return of the ride to the fairgrounds on the basis of the terms contained in the referenced memorandum (Aye-7; Nay-0).

On a motion by Ms. Schmidt, seconded by Mr. Recknor and carried, the new park, immediately south of the Grandstand was designated "Carousel Park" and, further, the street which

abuts the park on the east and west, running between Snelling and the U of M campus (now known as Commonwealth Avenue) was renamed "Dan Patch Avenue." (Aye-7; Nay-0).

A review of fair-week payrolls was undertaken, after which it was moved by Mr. Morris, seconded by Mr. Prokosch and carried that the submitted payroll summary, totaling \$1,268,663, be approved (Aye-7; Nay-0).

It was moved by Mr. Prokosch, seconded by Mr. Simons and carried that the following Grandstand and Coliseum tickets be transferred to non-pay status (Aye-7; Nay-0):

#### GRANDSTAND

8-25	Kenny G	7:30 p.m.	75 @ \$ 17.00	Contract Provision
8-26	Alan Jackson, Hal Ketchum	7:30 p.m.	95 @ \$ 17.00	Contract Provision
8-27	Bonnie Raitt, Bruce Hornsby	7:30 p.m.	171 @ \$ 16.00	Contract Provision
8-28	Reba McEntire, John M. Montgomery	7:30 p.m.	153 @ \$ 17.00	Contract Provision
8-29	Brooks & Dunn, Trisha Yearwood	7:30 p.m.	193 @ \$ 15.00	Contract Provision
8-30	Double Dare	2:00 p.m.	28 @ \$ 10.00	Contract Provision
8-30	Double Dare	7:30 p.m.	258 @ \$ 10.00	Contract Provision
8-31	The Beach Boys, America	7:30 p.m.	389 @ \$ 13.00	Contract Provision
9-01	Count Basie Orchestra	7:30 p.m.	10 @ \$ 9.00	Contract Provision
9-02	Wynonna, Tim McGraw	7:30 p.m.	372 @ \$ 15.00	Contract Provision
9-04	Blues Music Festival	5:30 p.m.	100 @ \$ 15.00	Contract Provision
9-05	Miller 300 Auto Race	2:00 p.m.	700 @ \$ 13.00	Contract Provision

#### COLISEUM

8-26	English Horse Show	1:00 p.m.	5 @ \$ 6.50	Judges
8-26	English Horse Show	6:30 p.m.	5 @ \$ 6.50	Judges
8-27	English Horse Show	6:30 p.m.	5 @ \$ 6.50	Judges
8-31	Rodeo	7:00 p.m.	4 @ \$ 6.50	Announcer
9-01	Rodeo	1:00 p.m.	4 @ \$ 6.50	Announcer
9-01	Rodeo	7:00 p.m.	4 @ \$ 6.50	Announcer
9-02	Rodeo	7:00 p.m.	4 @ \$ 6.50	Announcer

Under a motion by Mr. Steltz, seconded by Mr. Keenan and carried, outside gate tickets and carnival coupons having a total face value of \$172,664, used by various departments for promotion, entertainment, contract requirements and for institutional purposes during the 1994 fair, were reclassified as non-pay (Aye-7; Nay-0). Following is a breakdown:

#### DEPARTMENTAL

Cattle	86	3.00	258.00
Commercial Space	200	3.00	600.00
Competitive Exhibits	106	3.00	318.00
Creative Activities	187	3.00	561.00
Education	294	3.00	882.00
Fine Arts	25	3.00	75.00
4-H	11,599	3.00	34,797.00
Free Entertainment	8,738	3.00	26,214.00
Fruits	176	3.00	528.00
FFA	269	3.00	807.00
Grandstand-Concert	2,196	3.00	6,588.00
Grandstand-Race	551	3.00	1,653.00
Guest/Staff Services	158	3.00	474.00
Horse	748	3.00	2,244.00
Meats	32	3.00	96.00
Media & Public Relations	3,365	3.00	10,095.00
	274	8.00	2,192.00
Park & Ride	50	3.00	150.00
Public Safety	1,795	3.00	5,385.00
Senior Citizen	528	3.00	1,584.00
Sheep	12	3.00	36.00

#### INSTITUTIONAL-ORGANIZATIONS:

Adults	10,709	3.00	32,127.00
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#### INSTITUTIONAL-PROMOTION:

Multiple Sclerosis	15,000	3.00	45,000.00
Total	57,098		\$ 172,664.00

Discussion was undertaken regarding various aspects of the upcoming annual meeting and joint society and Minnesota Federation of County Fairs convention, scheduled for January 13-15, 1995. No action required.

Meeting adjourned at 12:05 p.m.

## MINUTES IN VACATION

### November

9 - The executive committee approved the October 31, 1994 cash transaction summary as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-Sep. 30, 1994		\$	81,792
Add: Oct. Cash Deposits	\$ 1,756,129		
Less: Payroll Ending Oct. 5	(108,409)		
Payroll Ending Oct. 19	(96,008)		
Oct. Cash Disbursements	(1,518,982)		32,730

Cash Balance-Oct. 31, 1994	\$	117,522
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#### MARKETABLE SECURITIES ACTIVITY:

Balance-Sep. 30, 1994		\$	2,844,088
Add: Interest Earned	\$ 9,774		
Securities Purchased	495,000		
Less: Service Charges	(542)		
Securities Cashed	(2,065,000)		(1,560,768)

Balance-Oct. 31, 1994	\$	1,283,320
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#### BUILDING FUND ACTIVITY:

Balance-Sep. 30, 1994		\$	1,446,822
Add: Interest Earned	\$ 5,352		
Securities Purchased	990,000		
Less: Service Charges	(297)		
Disbursements	(495,000)		500,055

Balance-Oct. 31, 1994	\$	1,946,877
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#### CASH BALANCES FOR MONTH ENDING OCTOBER 31:

	1993	1994
General Fund	\$ 79,878	\$ 117,522
Petty Cash	2,500	3,000
Marketable Securities	2,009,325	1,283,320
Building Fund	1,444,655	1,946,877

Total Cash Balances	\$ 3,536,358	\$ 3,350,719
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10 - St. Paul Police conducted a training session on Machinery Hill.

14 - Sinclair, Birk, Wenzel and Armstrong met with Mr. Fred Johnson, Minnesota State Director of Risk Management, to discuss coverage and liabilities related to the 1995 carnival operation.

15 - Sinclair and Heffron met with DNR representatives Erin Carlin and Tom Bauman to discuss budgets and operations for 1995. Sinclair and Birk met with Messrs. Rocky Hofstetler and Dick Christopherson of Ziegler Power Systems to discuss 1995 midway electrical power generation and distribution needs.

17 - Goiffon, Heffron and Carl Conney of the Attorney General's staff, attended a meeting with Ray Faricy and Tom Cren from the Mayor's office and representatives of the St. Paul Tax Department to discuss assessments against Fairgrounds property.

19 - American Amusement held a video and game auction in the Block 44 arcade.

21 - Goiffon met with Mark Butala, Minnesota Economic Security, to discuss State Fair management of the employment office beginning in 1995.

22 - Leach, Tahti and Heffron met with Vince Egan, Jim Waters and Tom Kruesel of VEE Corporation to view a new attraction being put on the road for 1995, "Mission-Planet Earth." Mr. Egan indicated a proposal would be forthcoming on the exhibit.

23 - Sinclair and Birk met with Mr. Jim Johnson, Cummings Diesel Sales, to discuss 1995 midway power generation and distribution.

29 - Legislative Audit staff (Jeanine Leifeld, Sonya Hill, Steve Johnson and Jenny Lee) attended an entrance conference with Jacobson and Heffron; field work began November 30. Pooch attended an Ag Advisory Council meeting at the U of M.

### December

1 - Goiffon and Heffron attended a Suburban Chamber legislative preview at the Shoreview Plaza Motel. Pooch met with Mr. Dave Preiser of the Minnesota Pork Producers to discuss a possible educational exhibit at the 1995 fair.

5-8 - Wenzel, Hammer, Jacobson, Sinclair, Leach, Pooch, Fischler and Heffron, along with board members Morris, Annexstad, Schmidt, Steltz, Keenan, Prokosch, Roehlke, Simons and Recknor attended the annual convention and trade show of the International Association of Fairs & Expositions in Las Vegas, Nevada.

6 - Goiffon, Huber and Holzemer met with Ms. Linda Heuer, Eide Helmeke & Company, the new administrators of the State Fair pre-tax benefit plan.

7 - Goiffon met with staff of Minnesota Economic Security, Job Service Employer Committee.

8 - St. Paul Police held a training exercise on Machinery Hill.

10 - The executive committee approved the November 30, 1994 cash transaction summary as follows:

#### GENERAL FUND ACTIVITY:

Cash Balance-Oct. 31, 1994		\$	117,522
Add: Nov. Cash Deposits	\$	575,591	
Less: Payroll Ending Nov. 16		(79,752)	
Payroll Ending Nov. 30		(79,611)	
Nov. Cash Disbursements		(612,149)	(195,921)

Cash Balance-Nov. 30, 1994		\$	(78,399)
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#### MARKETABLE SECURITIES ACTIVITY:

Balance-Oct. 31, 1994		\$	1,283,320
Add: Interest Earned	\$	9,837	
Less: Service Charges		(519)	
Securities Cashed		(360,000)	(350,682)

Balance-Nov. 30, 1994		\$	932,638
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#### BUILDING FUND ACTIVITY:

Balance-Oct. 31, 1994		\$	1,946,877
Add: Interest Earned	\$	6,319	
Less: Service Charges		(332)	5,987

Balance-Nov. 30, 1994		\$	1,952,964
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#### CASH BALANCES FOR MONTH ENDING NOVEMBER 30:

	1993	1994
General Fund	\$ 136,822	\$ (78,399)
Petty Cash	2,500	2,500
Marketable Securities	1,577,114	932,638
Building Fund	1,446,995	1,952,864
Total Cash Balances	\$ 3,163,431	\$ 2,809,603

12 - Rustad and Sinclair met with Messrs. Mike Gionotti, Minnesota Department of Health and Charles Klammer, Minnesota Department of Agriculture, to review food and beverage concession operations at the 1994 fair and set department goals for 1995.

13 - Pooch and Heffron met with Dick Jones, Mike Martin and Danni O'Reilly, U of M-Agriculture to further discuss a shared venture of the two institutions which would target new and innovative agricultural exhibits. Goiffon and Huber attended a training session on the Minnesota Legislative Information System.

14 - Wenzel, Leach, Hammer, Fischler, Tahti, Monroe and Heffron met with Dean Johnson of Toltz, King, Duvall to review plans for converting the Prime Steak House to an office and conference facility. Pooch met with Ms. Kathy Juhl and Mr. Glen Eaton of the Minnesota Horse Expo to discuss their involvement with 1995 barn tours.

15 - Neil Larson, Hammer, Leach, Tahti and Heffron met to discuss the 1995 auto racing program. Pooch, Birk and Goodrich met with representatives of the horse community to discuss concerns and recommend changes for 1995.

16 - KARE-TV conducted a video taping session in Block 53. Don Anderson and Paul Jensen of MnDOT met with Sinclair and Heffron to discuss disposition of the old central shop structure in Block 18. Pooch and members of the Minnesota Livestock Breeders met with Pat Borich, retiring head of the Minnesota Extension Service to discuss the role of Extension in 4-H and fairs in the future.

19 - Goiffon, Roehlke, Wenzel and Heffron met with representatives of the County Fair Federation (Joe Fox, Bob Lake, Dennis Baker and Janice Albrecht), Midwest Showmen's Association (Mike Hildebrand, Ron Hamm and Brad Ribar) and Radisson St. Paul Hotel (Mark Vetvick) to discuss arrangements for the upcoming convention and annual meeting.

22 - Fairgrounds facilities (Block 40) were used to accommodate Ryder truck storage through January 15. Fischler, Wenzel, and Heffron met with State Fair building official Duane Grace and TKDA architect Dean Johnson to review 1995 life safety and ADA improvements.

28 - Heffron met with Sonya Hill, Legislative Audit field supervisor.

#### January

3 - Rustad and Sinclair met with legal counsel Scott Strand and Joe Lally from the Attorney General's Office to discuss various legal issues.

6 - Sinclair and Heffron met with Mr. Kevin McGrath to discuss concession opportunities.

10 - Goiffon attended a pre-convention planning meeting at the St. Paul Radisson Hotel.

12 - Hammer and Heffron appeared before the board of Our Fair Carousel, Inc. to propose the return of the carousel to the State Fairgrounds.

13-15 - The society's annual meeting was held at the St. Paul Radisson Hotel in conjunction with the convention of the Minnesota Federation of County Fairs and the Midwest Showmen's Association.

## ANNUAL MEETING

### MINNESOTA STATE AGRICULTURAL SOCIETY

St. Paul Radisson Hotel  
January 13-14-15, 1995

The 136th annual meeting of the Minnesota State Agricultural Society opened on Friday, January 13 at the St. Paul Radisson Hotel. The resolutions committee met to conduct business at 4:30 p.m. Delegates named to the committee were Merrill Dahle, Waseca; Vern Peterson, Blue Earth; Bill DesLauries, Hennepin; Ron Erickson, Ramsey; Rich Keenan, Hennepin; Janis Heins, Wadena; Merlin Athmann, Renville; Ron Hammitt, Carlton; Conrad Dahl, Kittson.

Appointees to the credentials committee, which met at 3:15 p.m. Saturday, were Carl Bang, Goodhue; Arlene Washa, LeSueur; Jim Sweet, Anoka; Harry Schmidt, Ramsey; Rich Keenan, Hennepin; John Johnson, Wadena; Steve Storck, Stevens; Chauncey Wargin, South St. Louis; Marilyn Shutter, Beltrami.

At 4:45 p.m. Saturday, delegates from the second, sixth and eighth regional districts met in caucus to certify nominees for election to the society's board of managers on Sunday; sixth district selection was provisional pending election of a new president. Selected were: second district - Martin Annestad, St. Peter; sixth district - Bob Lake, Aitkin; eighth district - Don Simons, Grand Rapids.

Members of the society met for breakfast at 10:00 a.m. Sunday, and at 10:30 a.m. convened in general session. President Roehlke introduced the head table and called upon Secretary Heffron for his annual report:

Good morning ladies and gentlemen . . .

Last year was a year of national reflection as we marked with a mixture of pride and sadness, the important events leading to the end of World War II.

The process will continue and end this year with 50th anniversary recognition of V-E Day (Victory in Europe), May 8 and V-J Day (Victory over Japan), August 14.

The Minnesota State Fair also went to war 50 years ago and made sacrifices as did so many others during that period. Livestock shows were absent from the fair's program in 1943 and 1944 so the Hippodrome and adjacent barns could be used to manufacture propellers for fighter aircraft.

Gasoline rationing and other travel restrictions reduced attendance at the fair 45 percent in just three years - from 762,000 in 1941 to 416,000 in 1944.

The final blow came in 1945 when the federal government ordered the cancellation of all state and regional fairs to expedite troop movements from Europe to the Pacific campaign. Governor Ed Thye, a great supporter of the State Fair, went to Washington to plead our case, asking that the fair be exempted from the ban. His efforts were to no avail.

On August 16, two days after the Japanese laid down their arms and nine days before the fair had been scheduled to open, the ban was lifted. But it was too late; no Minnesota State Fair was held in 1945.

The financial impact of this war economy was profound and nearly bankrupt the fair. A profit margin of \$11,000 in 1943 was followed by deficits of \$23,000 in 1944, \$8,000 in 1945 and \$100,000 in 1946.

To add insult to injury, the fair's historic agriculture-horticulture building, the first structure erected on the "new" fairgrounds in 1885 and the largest wooden-dome building in the world, was destroyed by fire on November 10, 1944. Needless to say, there were no resources available to replace the structure.

Up until the war began, the fair received a small appropriation from the state each year for building maintenance. In 1944 that subsidy ended and, except for a one-time payment of \$400,000 in 1950 to help replace the damaged Hippodrome, no appropriations have been forthcoming since. The fair has learned over the intervening 50 years to get along and even prosper without state subsidy.

In 1945 the fair reached down, grabbed its bootstraps and began to lift. The road was difficult, the process full of setbacks, but the result was worth the effort: Self-sufficiency, freedom from political patronage, the ability to strategize and execute a measured development plan for the future. These were the outcomes that society leaders like Ray Lee, Doug Baldwin, Norris Carnes and Harry Frost salvaged from near disaster in those years immediately after the war.

The Minnesota State Fair of today is far different from the Minnesota State Fair that emerged from World War II, 50 years ago this coming summer. Since then we've learned a good deal; we've focused on our strengths, honed our tactics, seized opportunities, and we've transformed ourselves into a formidable competitor at the heart of a dynamic exposition industry.

This past year was one to be remembered, but not repeated. The fair succeeded in spite of some of the worst weather experienced in many years.

Gross revenue was up a tick, but net revenue after expense was off by \$800,000. In the meantime, the fair's reserve position improved; neither programs nor capital projects will need be curtailed in 1995.

It is time we turned to the future. Enormous opportunities for our enterprise beckon; we are preparing for a new world that calls on us to embrace constant innovation to fuel both growth and public acceptance. There is major change underway in the exposition world - as bold as the move from horses to the automobile. The Minnesota State Fair intends to be ready for that new world.

Many of the initiatives you will note coming on line in 1995 are intended to move the fair forward just as it moved forward after World War II.

Perhaps the most significant change is that of taking on an independent midway operation. Not without risk, this initiative will allow the exposition to create and shape a carnival presentation that anticipates the 21st century; one that offers new, innovative rides, games and shows never seen or experienced at the State Fair before.

We are accelerating our work in removing barriers from the fairgrounds so that disabled visitors might enjoy fully the wide range of activities offered by the fair. Although this work began nearly three decades ago and has continued ever since, there is still progress to be made both physically and in terms of how we handle and provide services to all our guests.

For some fairs - those who can't or won't change - new public expectations and demands could spell disaster. For others - those who master change, redefine themselves and respond to society's needs - there will be enormous opportunity for growth and success.

Every resource, every fiber of our organization, every State Fair employee is dedicated and striving towards the goal of providing better exhibits, better service and better value for our audience. In this regard, we are fortunate to have people of the highest caliber who are skilled and committed to their work. Our success has been built on their collective efforts. They are the basis for our confidence in the future.

Today we once again see a "changing-of-the-guard" in society leadership. Eileen Roehlke, who has served the fair diligently, will step aside after 14 years on the board and two years as its president. Eileen could always be counted on for thoughtful and careful consideration of matters before the body. Nevertheless, her sense of good humor was equally appreciated for keeping things in perspective. It is my view that the society can ill afford to lose people like Eileen Roehlke, people who bring to the organization such high standards of service and leadership. I'd like to remind you, Eileen, that graduation from this board does not mean an end to service, but merely a change in the way it is delivered.

Thank you ladies and gentlemen.

The following credentials report was presented by Chairperson Chauncey Wargin, South St. Louis County and adopted by the membership:

All credentials have been found to be in order with the following exceptions: Minnesota Duroc Breeders' Association and Minnesota State Poultry Association did not file with the secretary of state by the statutory deadline of December 20, 1994. Traverse County Fair's president's signature was not original, stamped instead of signed.

Resolutions committee report was offered for the record by Chairperson Ron Erickson, Ramsey County. The following resolutions were adopted by the membership:

1. Resolved, that the society extend its gratitude to the hearty people of the upper Midwest who braved the worst fair weather in memory, and attended the 1994 State Fair in near-record numbers. Further, the society pledges its best effort to continue presentation of an annual event worthy of these good people.
2. Resolved, that the society acknowledge with deepest gratitude the valuable contributions of the thousands of individuals involved in the presentation of the 1994 Minnesota State Fair.
3. Resolved, that the society shall continue its strong relationship with the Minnesota Federation of County Fairs, International Association of Fairs & Expositions, and other organizations dedicated to the improvement of the fair industry.
4. Resolved, that the society acknowledge with sadness the loss of members and associates of the society who died during the past year, including Jim Donnelly, Hank Fox, Don Kienholz, Harold "Red" Lempelius, John Newlon and Don Schultz. We further resolve to extend our sympathy to their families and friends.
5. Resolved, that we offer our sincere appreciation to all who contributed time and effort to the success of the 136th annual meeting.

Special guest speaker Lynn Ketelsen, farm director, Linder Farm Network, Willmar, offered remarks to the delegates.

The society proceeded to conduct elections with results as follows:

Howard Morris, Cokato, president, one-year term; Bert Lund, St. Paul, vice president - fourth regional district, two-year term; Martin Annexstad, St. Peter, second regional district, three-year term; Bob Lake, Aitkin, sixth regional district, one-year unexpired term vacated by election of president; Don Simons, Grand Rapids, eighth regional district, three-year term; Eileen Roehlke, Rogers, honorary life member.

There being no further business before the body, the 136th annual meeting of the Minnesota State Agricultural Society was adjourned.