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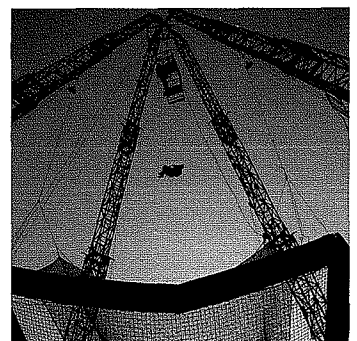
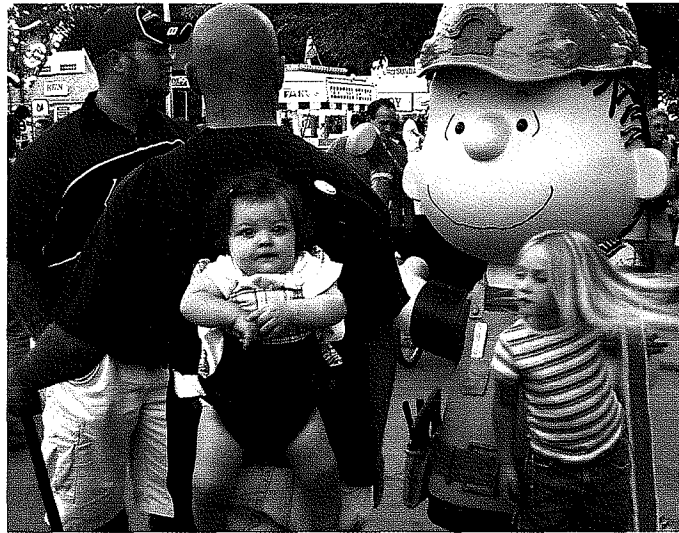
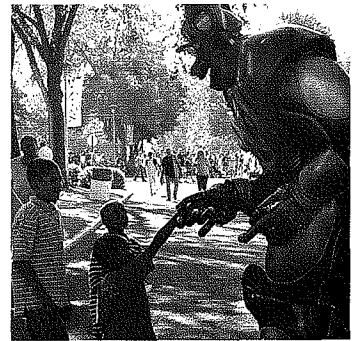
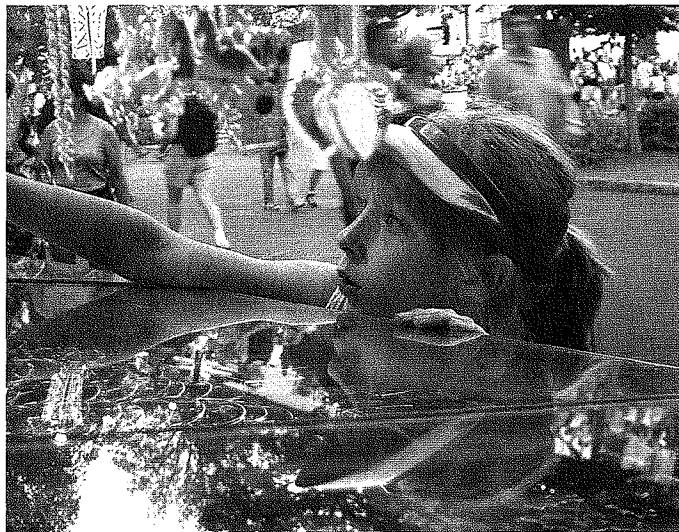
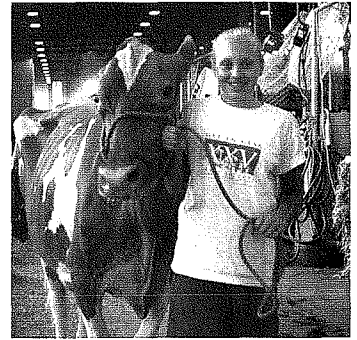
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## ANNUAL REPORT

# 2003

## MINNESOTA STATE FAIR

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# THE REPORT OF THE EXECUTIVE VICE PRESIDENT

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It's not a stretch to say that the Great Minnesota Get-Together is clearly our state's leading cultural, social and educational asset. In fact, it's one of the premier events in the entire world – the envy of other state fairs and a model for fairs and expositions around the globe. It's also no stretch to say that the State Fairgrounds are among the best-utilized properties in the state, hosting a combined total of nearly 3 million people during the annual fair and during a very busy schedule of year-around events.

With ancient roots that stretch back to territorial days before the Civil War, our State Fair is older than the state itself, and has brilliantly served the people of Minnesota for generations. Author Karal Ann Marling says it best in the forward to "Blue Ribbon" – her history of the fair: "The Minnesota State Fair is our central cultural institution – the place where all the varied strands of immigration, agriculture, commerce, politics, aesthetic preference, and moral standards meet and mingle; the place where our collective past is preserved in the language of the premium lists and our collective future manifest in the project of the littlest 4-Her."

Not only does our great State Fair provide unparalleled cultural benefits and build a strong sense of community, but it also packs a huge economic wallop – more than \$150 million annually in the Twin Cities alone, plus additional


unmeasured economic impact throughout the state. This translates into thousands of jobs and tens of millions of dollars in household earnings for Minnesotans.

The State Fair survives and thrives because it is resilient, but it's not indestructible. The vagaries of weather and economy are always a factor, and our historic facilities are aging and need attention. We've tackled the Godzilla of all renovation projects – the Grandstand – but much more work needs to be done elsewhere on the fairgrounds. Our task was further complicated in '03 when, as a state budget-balancing tool, our sales tax exemption was eliminated. (Since 1988, the fair was allowed to retain the sales tax it generated through ticket sales, provided that the total was dedicated exclusively for capital work.) That resulted in a loss of \$1.2 million last year for much-needed improvements to the grounds. In addition, the State Fairgrounds continues to surface in talks at various levels as a potential site for pro sports stadiums and other "development" that is clearly at odds with our mission, with the wellbeing of our neighbors and ultimately with the best interests of all Minnesotans.

These challenges will be met head-on. Your board and staff will do everything humanly possible to present the best fair ever, and to protect and preserve our great State Fair, which is truly a Minnesota

treasure. Regaining the sales tax exemption is a start. In addition, we will continue to closely monitor and act on all other outside issues that threaten our ability to present the greatest fair in the world.

The people of Minnesota deserve the best, and they will get it. God bless you all, and I'll see you at the fair!



Jerry Hammer  
Executive Vice President

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## OUR MISSION...

*To educate and involve our guests by providing a world-class showcase that is innovative, entertaining and fun.*

### *We strive to*

- *Showcase Minnesota's finest agriculture, art and industry*
  - *Present an unparalleled forum for knowledge and ideas*
  - *Provide outstanding customer service*
  - *Offer exceptional value*
  - *Provide a safe, clean environment that is accessible to all*
  - *Create unique experiences*
-

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# MINNESOTA STATE FAIR

# ATTENDANCE AND WEATHER

2003 PAID ATTENDANCE: 1,741,825

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## Cities feelin' hot, hot, hot

*Pioneer Press Online*

AUGUST 25, 2003 — Sunday was summer's hottest day so far, with the temperature reaching 97 degrees at Minneapolis-St. Paul airport at 2:57 p.m., one degree shy of the record for that date, according to the National Weather Service. One place people were feeling the heat was the State Fair, where police received about 50 heat-related calls, said Chief Arthur Blakey, Jr., but none was life-threatening.

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## Fine weather yields another record Friday

*St. Paul Pioneer Press*

AUGUST 31, 2003 — What do you get when you combine the relief of cool temperatures after a spate of hot sticky weather with the best junk food for miles around? A record attendance at the Minnesota State Fair.

On Friday, 179,052 people walked through the fairgrounds gates. That was 6,685 more than last year. Maybe it was the cool weather, with temperatures in the low to mid-70s after a week of 80s and 90s. Or maybe there's something about the Friday before Labor Day that draws people to the State Fair.

## THURSDAY, AUG. 21

Thrifty Thursday • 107,884  
High 82 — Low 66  
Precipitation 0.00 inches

## FRIDAY, AUG. 22

Governor's Fire  
Prevention Day • 121,743  
High 84 — Low 60  
Precipitation 0.00 inches

## SATURDAY, AUG. 23

4-H Day • 177,325  
High 87 — Low 66  
Precipitation 0.00 inches

## SUNDAY, AUG. 24

Red Hot Cars and  
Red Hat Day • 159,165  
High 97 — Low 72  
Precipitation 0.00 inches

## MONDAY, AUG. 25

Seniors & Kids Day • 108,188  
High 83 — Low 61  
Precipitation 0.02 inches

## TUESDAY, AUG. 26

Taste of Tuesday • 100,114  
High 92 — Low 71  
Precipitation 0.00 inches

## WEDNESDAY, AUG. 27

Linus Blankets  
the Fair Day • 109,897  
High 83 — Low 61  
Precipitation 0.00 inches

## THURSDAY, AUG. 28

Seniors & Kids Day • 120,743  
High 89 — Low 67  
Precipitation 0.00 inches

## FRIDAY, AUG. 29

Minnesota Public  
Radio Day • 179,052  
(Daily Record for 2nd Friday)  
High 72 — Low 59  
Precipitation 0.00 inches

## SATURDAY, AUG. 30

Foundation Day • 214,276  
High 76 — Low 53  
Precipitation 0.00 inches

## SUNDAY, AUG. 31

FFA Day • 211,573  
High 75 — Low 54  
Precipitation 0.00 inches

## MONDAY, SEPT. 1

Last Chance Day • 131,865  
High 80 — Low 55  
Precipitation 0.00

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# TWELVE DAYS OF COMPETITION AT THE 2003 FAIR

## Judges sample homebrew at State Fair

By Jim Buchta  
*Star Tribune*

AUGUST 24, 2003 — Just across the street from the Spaghetti Village, the main stage outside the Creative Activities Annex on Saturday afternoon was starting to look like a frat party. Three guys sat back in their folding chairs overlooking a banquet table crammed with empty beer bottles, used paper plates and

rows and rows of plastic cups with just a couple of sips of warm beer left in them.

Welcome to the first annual Minnesota

State Fair Homebrew Contest's Best in Show contest, sponsored by the Minnesota Home Brewers Association. Dozens of home-based brewers entered nearly 90 beers (made with grains), meads (made with honey) and ciders (made with apples).

Best of show honors for this first time State Fair competition went to Steve Piatz of Eagan with his all-grain unnamed Tripel entered in the Strong Belgian ales category.



*Grand Champion Market Beef  
Amanda Eberspacher*

Another first in 2003 was the addition of the Red Angus breed to the Open Beef Show. Clarence Caraway of Lake Benton, won Grand Champion for his Red Angus bull and Cassie Johnson of Cushing, Iowa won Grand Champion for her female.

An Open Barrow Class was introduced to the Open Swine Show this year and Wayne Huinker of Decorah, Iowa walked away with Champion honors for his animal. The new class allowed exhibitors from other states to participate in the State Fair Market Swine Show.

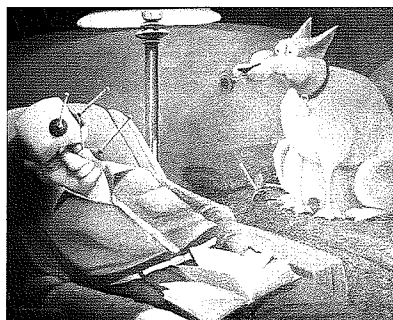
With an increase of more than 30% over last year, the 4-H Purple Ribbon Livestock Auction had another record-breaking year. \$175,775 was raised with 83 animals on the auction block—many going for record amounts.

## Judicial Eyes on the Arts Guys:

*State Fair Fine Arts judges sift through a sea of entries in search of pearls*

By Connie Nelson  
*Star Tribune*

AUGUST 22, 2003 — One activity permeates the Minnesota State Fair like no other, and that's judging. In the next 10 days, judges will eyeball pigs, singers, pumpkins, sweaters, 4-H projects, flowers, bonsai plants, pies, strawberry preserves and dairy princesses, to name but a few. They define the fair, and nowhere more clearly than at its annual Fine Arts Exhibition.



*"The Hazards of Napping"*

People's choice award for the 2003 Fine Arts competition went to Jerry Amerongen of Minneapolis for his whimsical oil painting, "The Hazards of Napping."

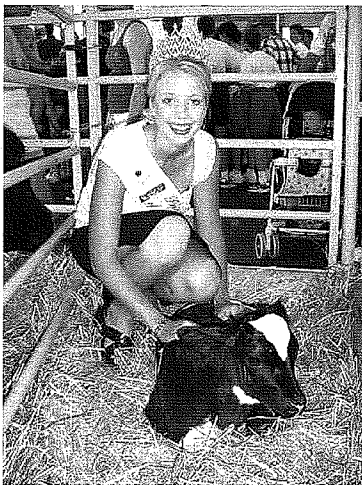
# TWELVE DAYS OF AMUSEMENTS & ACTIVITIES

## Butter dish

By David Hawley  
*Pioneer Press*

**AUGUST 17, 2003** — Princess Kay of the Milky Way, a true Minnesota icon, is posed to celebrate her butter-colored jubilee. Her dynasty will be 50 years old on Wednesday, when the current Princess Kay—Sarah Olson of Hutchinson in McLeod County—crowns a successor during the traditional “Preparation Day” ceremony in the Cosgrove Street bandshell at the Minnesota State Fairgrounds.

Sarah passed the crown to Tae Vander Kooi of Worthington, who will represent the Minnesota dairy industry until her reign ends on preparation day of 2004.



*Tae Vander Kooi*



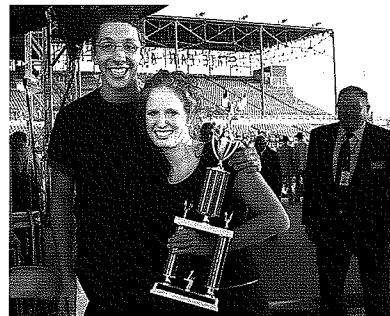
*Kirk Goetz*

*Chelle Belland*

For the second year in a row, overall champion of the Minnesota State Fair Milk Run was Kirt Goetz of Plymouth with a winning time of 16:43. Winner of the women's division was Chelle Belland of LaCrosse, Wisc. who came in at 18:43. The Milk Run was shortened to 5K in 2003.

Max Wojtanowicz and Kecia Rehkamp of St. Cloud took the grand prize in the 2003 State Fair Amateur Talent Contest with their storytelling of “Beauty and the Beast.” Andre Ashby of Plymouth took home the second place prize and third place went to Sharrell Lindorf of Coon Rapids.

First place in the teen division went to Cameron Hughes of Maple Grove and Amy Zhang of Woodbury took top honors in the preteen division.



*Max Wojtanowicz and Kecia Rehkamp*

Representing Fillmore County, Mariah Ciangiola finished first in the MSF County Fair Talent Contest. The teen division was won by Signature Four of Martin County and pre-teen division first place winner Amy Zhang of Washington County, went on to win the State Fair pre-teen competition in the Grandstand.

## Come early, stay late

*St. Paul Pioneer Press*

**AUGUST 20, 2003** — Yes, there are people who show up when the State Fair's 12-day run kicks off Thursday at 6 a.m. You don't have to go that early, but no matter when you go, there's lot's to do. Having fun is one of the mainstays.

And, so much of that mainstay fun in 2003 was new and FREE!

This year the State Fair introduced Little Farm Hands, a hands-on exhibit that was so much fun for kids they didn't realize they were learning; Promo Plaza with product sampling, demos and information; Winn's Thrill Circus with the slide for life, motorcycles on a highwire, sway poles and a giant





Max-Air Snowflyers Big Air Show

space wheel; karaoke in the garden; and hot dog snowboarders and skiers at the Max-Air Snowflyers Big Air Show.

Other free attractions included six free entertainment stages, a high dive show, garden tours, barn tours, a daily parade, the Miracle of Birth Center, roving costumed characters, celebrity canoe races and many visiting attractions in Carousel Park including Radio Disney, the Minnesota Orchestra Instrument Petting Zoo, Cub Foods giant birthday cake and the state's largest senior stretch event!



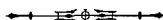
Finally, fair food fans had the opportunity to search for their favorite treats from the comfort of their own computers with Fairborne's Fabulous Fair Food Finder! Over 75,000 individuals used the food finder to locate vendors, plan a route or just explore their culinary options.

We agree...there was "lots to do."

## GRAND CHAMPIONS AT LAST!

*Nobles County Review, Adrian, MN*

SEPTEMBER 9, 2003 — The Adrian HS Marching Dragons recently returned from their second Minnesota State Fair appearance in as many years. Representing SW Minnesota along with Pipestone, MN, the Dragon Band put up some impressive numbers as they marched their way to the school's first Grand Champion.



The 2003 Minnesota State Fair High School Marching Band Competition resulted in a first place trophy for Champlin Park High School in Class A, Winona Cotter High School in Class B and Adrian High School in Class C.



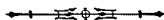
Adrian High School

**Birth: A spectator sport at State Fair**

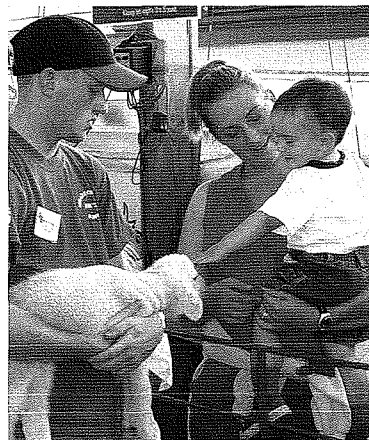
By Peg Meier  
*Star Tribune*

AUGUST 27, 2003 — Psst. Keep an eye on that pregnant ewe over there, in the corner pen. She's standing up, lying down, up and down, up and down, restless, just can't get comfortable. See, says a veterinarian, her abdomen is changing shape, sagging some.

This pretty sheep, with the plain name of White #2, is working up to giving birth, and that's why she's on exhibit at the Minnesota State Fair. She joins cows, pigs and other sheep, all mothers-to-be, whose deliveries are soon expected in the Miracle of Birth Center.



Thanks to the continued efforts of a hard working staff of veterinarians from MVMA and veterinary students at U of M College of Veterinary Medicine plus many dedicated state FFA members, the State Fair welcomed 153 newborns to the Miracle of Birth Center during this year's exposition.



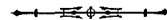
Miracle of Birth Center

FFA celebrated its 75th anniversary during the 2003 Minnesota State Fair and awarded its 40th D. K. Baldwin Award to Tim Schroeder, 21 of Courtland.

## Fair's model farm is on a kid's scale

By Maria Elena Baca  
*The Associated Press*

AUGUST 23, 2003 — There's one farm where nobody minds that chores take all day, where produce is harvested and then replanted and where many farmhands are knee-high to a grasshopper. The Little Farm Hands at the State Fair, a new exhibit based on an old concept, makes farm life real for children ages 3 to 12. Already it's a hit; in its first day, Thursday, about 8,900 people passed through.

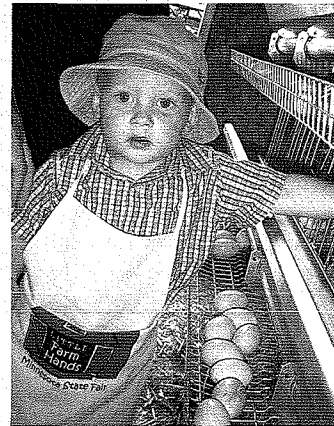
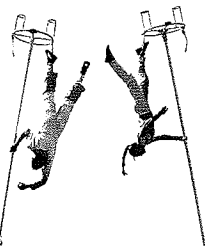
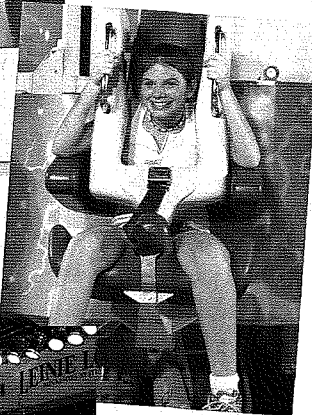


A big hit at the 2003 Minnesota State Fair was Little Farm Hands where children ages 3-12 were able to experience the agricultural process from farm to market.

FOOD • PEOPLE WATCHING • RIDES • ENTE

# TWELVE DAYS OF FU

FARM ANIMALS • MILK RUN • MIRACLE M



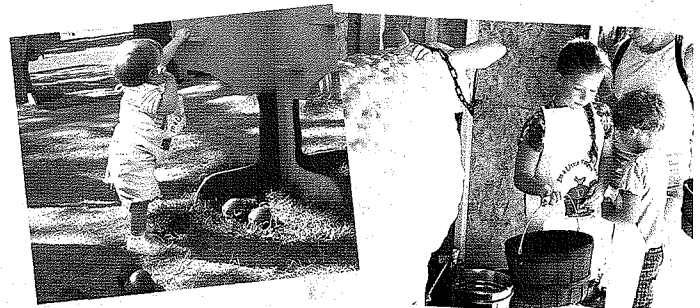
*"Thank you for bringing the farm to city children."*

*Jan, New Hope*



*"Great! Even for 92 year-olds!"*

*Doris, White Bear Lake*



*"Great promotion for us farmers in greater Minnesota."*

*Jodi, Courtland*



Minnesota

Here's what kids had to say about



*"Outstanding J here for our*

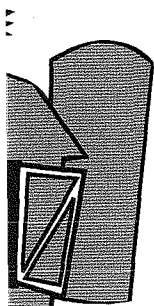
*Doug & G*



ENTERTAINMENT • FREE STUFF • MARCHING BANDS

# ENDING LABOR DAY™

PIZZAS • PARADES • CROP ART • AG EDUCATION



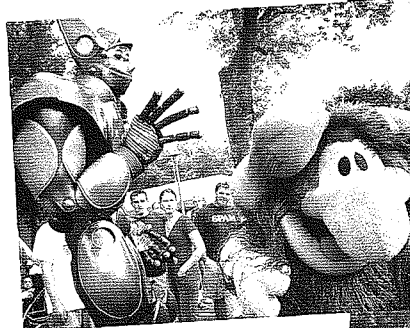
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s and teachers  
Farm Hands!



*"Love it! It was fun for me as a parent. My kids loved doing the activities."*

*Deb, Rochester*

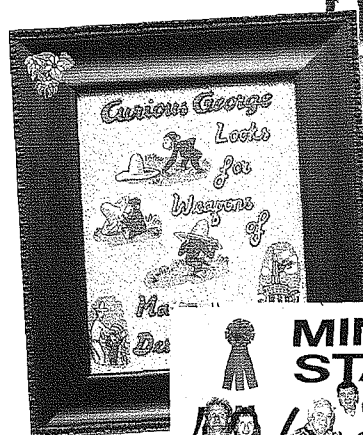


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*"What a fabulous way for city children to have fun while learning about the process of farming!"*

*Janie, Apple Valley*



*"Awesome! Best thing at the fair for kids!!"*

*Erin, Lino Lakes*

# TWELVE DAYS OF GRANDSTAND ENTERTAINMENT

## Fans give thumbs-up to remodeled State Fair grandstand

By Jon Bream  
*Star Tribune*

**AUGUST 22** — Mary Schmidt-Pautler walked into the newly renovated State Fair grandstand Thursday night and went, "Whoa! Incredible."

The semi-new and definitely improved grandstand received 5,385 thumbs-up on its opening night.

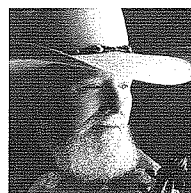
## Music Review:

*Daniels satisfies with deep-fried favorites*

By John Nemo  
*Pioneer Press*

**AUGUST 27** — Play some Skynyrd! That was one phrase not heard Tuesday at the Grandstand, though last-minute fill-in Charlie Daniels did bring some tasty Southern rock to a gigantic crowd as part of a free, fill-in show at the State Fair.

While an official attendance estimate wasn't available for the free show, much of the Grandstand and almost the entire floor were filled, appearing to push the number well over the 10,000 mark. Because the Grandstand was open to anyone who wanted to watch, the crowd ebbed and flowed as the evening wore on. Along with obvious Daniels fans singing along to every song, numerous families also checked out the show, exposing a whole new generation of 6-year-olds to Grandpa Charlie's good-time country rock.



**Boston and Night Ranger:**  
Thursday, Aug. 21 • 5,385

**Aaron Carter with Jump5, Stevie Brock and Greg Raposo:**  
Friday, Aug. 22 • 5,194

**Hootie and the Blowfish and Big Head Todd and the Monsters:**  
Saturday, Aug. 23 • 6,977

**"Weird Al" Yankovic with Scott Novotny**  
Sunday, Aug. 24 • 8,039

**Judy Collins Wildflower Festival with The Kingston Trio, Beth Nielsen Chapman and Lucy Kaplansky**  
Monday, Aug. 25 • 2,455

**The Charlie Daniels Band FREE SHOW**  
Tuesday, Aug. 26 • approx. 10,000

**The Doobie Brothers with Grand Funk Railroad**  
Wednesday, Aug. 27 • 6,028

**Rebecca St. James with Go Fish and Plus One**  
Thursday, Aug. 28 • 4,069

**The B-52s with The Suburbs**  
Friday, Aug. 29 • 6,230

**AB Quintanilla y Los Kumbia Kings with La Conquista**  
Saturday, Aug. 30 • 2,138

**3 Doors Down with Trapt, Seether and Three Days Grace**  
Sunday, Aug. 31 • 8,373

**Amateur Talent Contest (new day)**  
Monday, Sept. 1 • approx. 6,000

# TWELVE DAYS OF FREE STAGE ENTERTAINMENT

## The talent on this year's free stage is, well, priceless

By Ron Hubbard

*Pioneer Press*

August 22 — The Minnesota State Fair is known for offering a kind of comforting regional ritual that changes little from year to year, and there's a lot of musical comfort food on the menus at the musical stages around the fairgrounds.

For example, the evening headliners at the Bandshell include GARY PUCKETT and smooth soulsters THE SPINNERS. SUZY BOGGUSS, who's leaning toward jazz these days, will also try to make up for the surprising paucity of country by holding forth from the Bandshell on Saturday and Sunday.

But if you want some real country and some clever comedy to go along with it, you're unlikely to find a better group of entertainers than RIDERS IN THE SKY. Other headliners include pop-rockers of disparate resumes, rookie FRANKY PEREZ and ageless Midwestern roadhouseer JOHNNY HOLM.

But the headliners aren't the Bandshell's only performers of interest. Each day, three other acts alter-

nate sets throughout the day. Our favorite lineup features a first-rate bluegrass group (MOUNTAIN HEART), a local jazz vocal legend (DEBBIE DUNCAN) and a veteran polka group from New Ulm (THE PETER & PAUL WENDINGER BAND). And there's some hot picking in store when jazz guitarist TOMMY EMMANUEL takes the stage.

Speaking of fancy fretwork, the Heritage Square stage will be a string-bender's paradise. Through this weekend, Minnesota's most enduring bluegrass group, the MIDDLE SPUNK CREEK BOYS, performs a few shows a day before Austin, Texas, swingers HOT CLUB OF COWTOWN do the same Monday through Thursday.

On the final weekend, longtime Garrison Keillor accompanist ADAM GRANGER will demonstrate his guitar prowess between contestants in the MINNESOTA FLATPICKING GUITAR CONTEST. Then there's the State Fiddler's Contest, which takes place Aug. 31 and Labor Day.

Interestingly, some of the Twin Cities' most respected folk and jazz artists are playing at the Ramberg Senior Stage. This Saturday and Sunday, the local folk scene's endearing uncle, DAKOTA DAVE HULL, will perform a few sets, as will prodigal swingers VIC VOLARE & THE VOLARE

LOUNGE ORCHESTRA. The Senior Stage is offering a virtual history of the jazz genre, ranging from early New Orleans (THE PIG'S EYE JASS BAND) to the relatively modern JAZTRONAUTS.

But, to the Fair organizers' credit, they don't just serve up the same thing year after year. The Teen Fair brings a healthy complement of Twin Cities bands out of the clubs and into Baldwin Park. Today's lineup is devoted to hip-hop artists, including LEROY SMOKES and HEIRUSPECS. The alternative rock in the park ranges from the mainstream (FLAVOR and PANORAMIC BLUE) to the offbeat (MANPLANET and RHOMBUS). You can also catch a couple of the Twin Cities' more popular club acts in glam/garage rockers FAUX JEAN and MARK MALLMAN.

Then, there's the diverse collection of sounds emanating from the International Bazaar, which showcases Minnesota bands that perform everything from Latin to African to the American Indian blues of KEITH SECOLA. There are also performances by hypnotists and magicians.

And, if you're wondering who's playing the Garden (formerly the Beer Garden), it's you: It's gone exclusively karaoke this year.

## Bandshell Tonight!



Gary Puckett



Suzy Bogguss



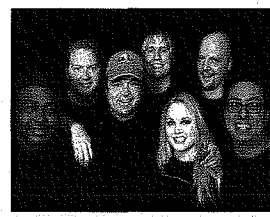
Riders in the Sky



The Spinners



Franky Perez  
and the Highway Saints



Johnny Holm

# TWELVE DAYS OF AWARDS & RECOGNITION

## HONORING OUR OWN

### Minnesota State Fair: 'Food on a stick, name on a brick'

By Amy Chen  
Pioneer Press

AUGUST 8, 2003 — Minnesota State Fair visitors might not recognize the Grandstand when the gates open in two weeks. A four-tiered Grandstand Plaza terrace lined with pine trees and flowers forms a semicircle around a courtyard paved with State Fair memories.

At the heart of the plaza is a 50-by-50-foot patio paved with engraved bricks. Inscriptions include memories of first dates at the fair as well as a marriage proposal for this year's opening day.

### 50 Years and Counting

Recognizing their contributions to the Minnesota State Fair over the past 50 years, the following individuals were presented the 50 Year Award during a special ceremony on the Heritage Square stage on Aug. 25:

Doreen Bengtson, Lewiston, rabbit exhibitor; Robert Bryson, Alden, swine exhibitor; John Keenan, Burnsville, Ye Old Mill; Robert Luther, Lewisville, farm crops exhibitor; Luba Perchyshyn, St. Anthony, bee and honey exhibitor; William Saltzman, Edina, fine arts exhibitor; Leo



*She said, "Yes!"*

Schugel, New Ulm, livestock trucker; Chris Skaar, Hayward, dairy cattle exhibitor; Thomas Slettehaug, Minneapolis, fine arts exhibitor; Roy Thompson, Roseville, farm crops employee; Ronald Vannelli, Shoreview, parking employee; Roger Zummach, Hutchinson, dairy cattle exhibitor.

### In Memory of Ben C. Hallberg,

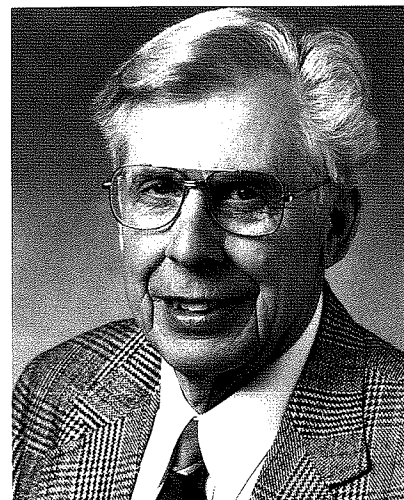
founder of the State Fair Youth Camp, twenty scholarships of \$1,000 each were awarded to the following Minnesota students: Justin A. Anderson, Fairfax; Bridget Curley, Windom; Tony Dahlman, Cokato; Dillon Denisen, Grand Meadow; Ginesa Dux, Stewartville; Nicole Fox, Rosemount; Brian Fruechte, Pipestone; Alex Halbach, Austin; Amy Hazel, Lanesboro; Kortney Ihnen, Foley; Britta V. Johnson, Rush City; Kimberly Sue Johnson, Pipestone; Sara J. Johnson, Hendricks; Erinn Liebhard, Prior Lake; Catherine May, Randolph; Nathaniel Miller, LeRoy; Christopher Moldan, Lambertson; Justin Reeck, Paynesville; Rebecca Scharpe, Arlington; Robyn Werk, Herman.

### Howard Recknor Named Life Member

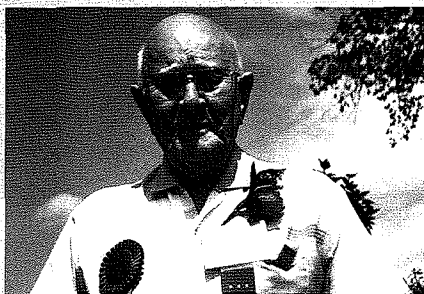
The Minnesota State Agricultural Society annually selects one individual for honorary life membership. This year's honoree is retiring State Fair President Howard Recknor, of Hartland.

Born in 1924, Howard worked as a cattle and crop farmer from 1944 to 1999 and has been involved with fairs for many years. He served on the board of the Minnesota State Fair for 15 years, most recently serving two one-year terms as president. He was manager of the Freeborn County Fair for 25 of his 30 years of involvement and served as a 4-H leader for two decades. Howard has already been honored with life membership in the Freeborn County Ag Society and the Minnesota Federation of County Fairs.

Congratulations, Howard.



*Howard Recknor named Life Member*



#### 2003 OUTSTANDING SENIOR AWARD WINNERS

*LeRoy Brown of Cambridge, Isanti County and Alveda Rhude of Barrett, Grant County*

### Lillian Colton Awarded Hall of Fame Membership

Lillian Colton of Owatonna joins an illustrious group of State Fair luminaries in the State Fair Hall of Fame. Each year hundreds of artists from all over the state bring their creations and masterpieces to the Minnesota State Fair for competition, demonstration and display. Few artists have endured the test of time however, or

— have lasted as long as Lillian Colton—a crop art specialist from Steele County. Aside from being the Minnesota State Fair's

recipient of nine best-of-show purple ribbons, Colton has never missed a State Fair except when the fair was

closed in 1945 due to World War II and in 1946 during the Polio epidemic.

Crop art has always been a part of Colton's life. She grew up on a farm and always liked working with seed. She began exhibiting at her county fair when she was only seven years old. In 1965, she saw the crop art exhibit at the State Fair and decided to enter the following year—she received second place.

Over the years, Colton would walk away with numerous awards and gained such prominence in the forte that she and her artwork even appeared on "The Rosie O'Donnell Show" in 1996.

In 1984 she decided to leave the competition and simply display her pieces. Since then, Lillian Colton has participated in every fair displaying 50 of her works and demonstrating crop art techniques to fairgoers.



*Lillian Colton  
Hall of Fame Membership*



*State Agricultural Society Board of Managers (left to right): Joe Fox, VP 4th Dist. John Paulmann 2nd Dist. • Howard Recknor, Pres. • Clarice Schmidt 9th Dist. Chauncey Wargin 8th Dist. • D.J. Leary, VP 5th Dist. • Lyle Steltz 3rd Dist. Bob Lake 6th Dist. • Dennis Baker 7th Dist. • Jim Foss 1st Dist.*

## 2003 Minnesota State Fair Superintendents

- Dick Anderson – St. Paul: Park & Ride
- Jan Bankey – Richfield: Heritage Square Museum
- Art Blakey – St. Paul: Public Safety
- Bob Crump – Wayzata: Fine Arts
- Paul Day – Northfield: FFA
- Jerry Hawton – New Brighton: Swine
- Dean Johnson – Rochester: Admissions
- Winnie Johnson – Elk River: Bee Culture
- Ron Kelsey – Lamberton: Farm Crops
- Burt Kandel – Brainerd: Education
- Marge Krueger – St. Paul: Senior Citizens
- Kevin LeVoor – Maple Lake: Goats
- Jim Linn – White Bear Lake: Dairy Cattle
- Doris Mold – Lauderdale: Milking Parlor
- John Mons – Brownton: Grandstand Production
- Curt Pederson – Shoreview: Creative Activities
- Robert Peterson – St. Paul: Horse
- Louis Quast Jr. – St. Louis Park: Fruits
- Dick Reinhardt – Owatonna: Ticket Audit
- Brad Rugg – Owatonna: 4-H
- Phyllis Andrews – Maplewood: Flowers
- Marty Rossini – Stillwater: Attractions Ticket Takers
- Chuck Schwartau – Goodhue: Beef Cattle
- Erven Skaar – Cambridge: Vegetable
- John Thomforde – Crookston: Poultry
- Gordon Toenges – Alden: Sheep
- Greg Ustruck – Vadnais Heights: Christmas Trees
- Ron Vannelli – St. Paul: Parking
- Ken Wagner Jr. – St. Paul: Ticket Sales
- Gene Watnaas – Vining: Dairy Products
- Sharon Wessel – Hamel: Llama
- JoAnna Yund – Minneapolis: Dog Trials



# 2003 Concessionaires and Exhibitors

## Agricultural, Lawn & Garden Supplies

Ace Trailer Sales	Shakopee, MN
Agra Cat by Northern States	Elk River, MN
Agromatic—A.F. Klinzing Co. Inc.	Fond Du Lac, WI
All American Pressure Washers	St. Peter, MN
Alum-Line Inc.	Cresco, IA
American Energy Systems	Hutchinson, MN
Amsoil Inc.	Superior, WI
Apache Manufacturing	Norfolk, NE
Askov Greenhouse and Nursery—Petersen Sales	Askov, MN
Aspen Equipment Co.	Bloomington, MN
Blomquist Designing Inc.	Eagan, MN
Bergmann's Greenhouse — Bloom'n Plant Products	Stillwater, MN
BMK Bonsai	Ham Lake, MN
Bou-Matic/Dairy Equipment Co.	Madison, WI
Boyer Ford Trucks Inc.	Minneapolis, MN
Camrose Hill	Stillwater, MN
Capital City Welding	Fridley, MN
Caribbean Gardens	Edina, MN
Crysteel Truck Equipment	Lake Crystal, MN
Cub Cadet Corporation	North Branch, MN
Curtis D. Erickson Co.	St. Paul, MN
Custom Marketing Co. Inc.	West Fargo, ND
Custom Products & Services	Minneapolis, MN
Discount Grain Systems	Atwater, IA
Easy Way Cattle Care	Decorah, IA
Edney Distributing Co. Inc.	Huron, SD
Enestvedt Bros.	Sacred Heart, MN
Erickson, M.	Alexandria, MN
Erskine Manufacturing Co.	Erskine, MN
Farm Fans Inc.	Indianapolis, IN
Featherlite Manufacturing Inc.	Cresco, IA
For-Most Inc.	Hawarden, IA
Garden Shop—Horizons LTD	Conyers, GA
Gullickson Trailer Sales & Services	Elk Mound, WI
Harnack Co., The	Cedar Falls, IA
Hydro Engineering Inc.	Young America, MN
Idso's	Eau Claire, WI
Instantop Inc.	Ramsey, MN
Isanti Engineering Inc.	Fergus Falls, MN
Jack Kovar Sales Co.	Anoka, MN
John Deere Co.	Stacy, MN
K & O Manufacturing Co. Inc.	Hull, IA
Kaye Corporation	North Mankato, MN
Kretzschmar Sales	Janesville, MN
Kubota Tractor Corporation	Hudson, WI
Lano Equipment Inc.	Shakopee, MN
Larsen Industries	Goodhue, MN
Lorenz Manufacturing Co.	Benson, MN
Luverne Truck Equipment Inc.	Brandon, SD
Manke Service	Owatonna, MN
Maple Grove Heating and Supply Inc.	Hillsdale, WI
Meyer Products	Cleveland, OH
Midwest Stihl Inc.	Hayward, WI
Mills Fleet Farm Inc.	Appleton, WI
MN Buffalo Association	Perham, MN
MTI Distributing Co.	Plymouth, MN
NK Sales Inc.	Annandale, MN
Notch Manufacturing	Paynesville, MN
Pearson's Inc.	Thedford, NE
Petty Manufacturing Co.	Gladbrook, IA
Poly Dome (Div. of Polytank)	Litchfield, MN
Radco Industries Inc.	Brainerd, MN
Radintz, H.	Orono, MN
Ritchie Industries Inc.	Conrad, IA
Roberta's Inc.	Shelbyville, IN
S.I. Feeders Division of Schoessow Inc.	Portage, WI
Scharber & Sons	Rogers, MN
Schweiss Distributing Inc.	Fairfax, MN
Simplicity Manufacturing Inc.	St. Cloud, MN
Snapper Power Equipment	Steamboat Rock, IA

Stronghold By Hagie	Clarion, IA
Sudenga Industries Inc.	George, IA
Sullivan Supply Inc.	Dunlap, IA
Sundowner Trailers of Minnesota	Northfield, MN
Terra Pot Hook-Timberwolf Point	Orr, MN
Tri State Bobcat Inc.	Burnsville, MN
Truck Equipment Applications Mktg.	Edina, MN
Truck Utilities and Mfg. Co. Inc.	St. Paul, MN
Yard Stakes — TSE	Crystal, MN
W-W Livestock Systems	Newton, IA
Winpower Sales and Service	Luverne, MN

## Amusements

Adrenaline Drop - Total Thrill Rides Inc.	Carrollton, TX
American Amusement Arcades	Bloomington, MN
Anderson, C.	Tampa, FL
Archway A.M.S.	Imperial, MO
Aries Entertainment Systems Ltd.	St. Albert, AL
Arrow Enterprises Inc. d/b/a Skyride	Hopkins, MN
Bob Duerr's Snake Zoo	New Hope, MN
Cassata Concessions	Daytona, FL
Catarzi & Co.	Palmetto, FL
Cristiani Concessions Inc.	Sarasota, FL
Duke's Amusements	Ruskin, FL
Ejection Seat — Big Adventure Inc.	Carrollton, TX
Fairplay Concessions	Orlando, FL
Falling Star Enterprises	Chesapeake City, MD
Farrow Amusement Co. Inc.	Jackson, MS
Floyd & Baxter Amusement Co.	Lebanon, TN
Gary Oren Concessions	Parker City, IN
Giant Ride Inc. d/b/a Giant Slide	Pasadena, CA
Gold Star Amusements	Minneapolis, MN
Infinite Adventures Inc.	Tampa, FL
K & M Recreation Inc.(Haunted House)	St. Paul, MN
Laser Fair Inc.	Sterling, CO
Lee's Concessions Inc.	Coon Rapids, MN
McDonagh's Amusements	Chesaning, MI
Mid America Shows	Oakland, MI
Midwest Concessions Inc.	Hartford, SD
Monty's Traveling Reptile Show Inc.	Bloomington, MN
Mummy Returns by Theme Star Holdings	Denver, CO
Paramount Attractions Inc.	Tampa, FL
Paul's Concessions Inc.	San Antonio, TX
Pinnacle Management	Phoenix, AZ
Potopas Concessions Inc.	Longwood, FL
R & R Rides	Chandler, AZ
River Raft Ride Inc.	Mound, MN
Rockwall	Carrollton, TX
Schlough, J.	Crystal Lake, IL
Skyfair	Pena Cook, NH
State Fair Penny Arcade	St. Paul, MN
SYD Concessions Inc.	Jupiter, FL
T.F. Bors & Co. Inc.	Mason, MI
Teo Zacchini & Sons	Sarasota, FL
Thomas Carnival Inc.	Austin, TX
Thornberry Concessions	Okeechobee, FL
Tinsley's Amusements	High Hill, MO
Turbo Bungy — Big Sky Adventure Inc.	Carrollton, TX
Ventnor Place Inc.	Minneapolis, MN
Water Wars	Pequot Lakes, MN
Waymark Co.	Shoreview, MN
West, R.	West Bend, IA
Wood, M.	San Antonio, TX
Wood Entertainment Co.	San Antonio, TX
Ye Old Mill Amusements Inc.	Burnsville, MN

## Arts & Crafts, Jewelry, Collectibles

A & B Specialty Co. Inc.	Cannon Falls, MN
A & D Sales	Copley, OH
A Touch of Country Magic	Cleveland, GA
Allards Rugs & Crafts	Darwin, MN

Aloe Tinnery	Sarasota, FL
Anchor Iron Co.	Savage, MN
Apple Basket, The	Sevierville, TN
Billy's Bird House	New Prague, MN
Bonnie Mohr Studios	Glencoe, MN
Bonnie's Boutique	Morristown, MN
Boudin Art Studios	Princeton, MN
C & D Sales	Mound, MN
Cane Factory, The	Attica, NY
Carved Wood Signs	Garrison, MN
Carvings by Torberg	Maple Plain, MN
Chao Flowers	St. Paul, MN
Christy Home Creations	Maple Plain, MN
Cloud Nine Factory	Lindstrom, MN
Constance Collection	Midland, VA
Copper Art of TX	Bogata, TX
Costigans Minerals	Newport, MN
Coverston, P.	Shoreview, MN
Crafteez	San Diego, CA
Creations By Sisters	New Brighton, MN
Creative Memories	Bloomington, MN
Dahl, M.	Edina, MN
Days Art	Hope, IN
Debra's Glasscraft	Minnetonka, MN
Design Quilting	St. Charles, MO
Fair Market Promotions	Dauphin Island, AL
Flags on a Stick	Edina, MN
Fifth Avenue Collection Inc.	Sioux Falls, SD
Fuhrman Leather Co.	Duck Key, FL
Furniture & Glass by D & D Enterprise	Byran, MN
G.S.T. Co.	Lake Elmo, MN
Gem Mountain Studio	Seattle, WA
Gift Jars—Pipe Dreams	Madison, TN
Glassworks Inc.	Marine On St. Croix, MN
Gourds—E&P Crafts	Jacksonville, FL
Hands Unlimited	Ridgecrest, CA
Hixon Glass Blowers	Phoenix, AZ
Hue Inc.	Spooner, WI
Intermezzo	Minneapolis, MN
J & J Enterprises	Tampa, FL
Jerry Simertz Porcelain	Elk River, MN
Johnson, K.	Coon Rapids, MN
Jonrich Sales	Savage, MN
Katies Korner	Cottage Grove, MN
Kathleen's Vintage Boxes	Leonard, ND
Kiddzstuff	Katy, TX
Kinane, M.	St. Paul, MN
Lavigne Leather	Star Prairie, WI
Layden Studios	Minneapolis, MN
Lionstone Pottery Inc.	Milaca, MN
Little Pine Wood Specialties	Deerwood, MN
Longaberger Co.	Minneapolis, MN
Lott's of Crafts	Superior, WI
Mail Call Topical Stamps	St. Paul, MN
Marita's	Red Wing, MN
Mixon Family Baskets	Decatur, AL
Mountain Flower Pottery & Tin	Wayzata, MN
Old Time Portraits	Baely's Harbor, WI
Overbeck, H.	Leota, MN
Paddy Prints Fabric Stamps	Shalimar, FL
Paper Art	Raleigh, NC
Pane in the Glass	Brooklyn Park, MN
Pearl Diver I Inc.	Panama City, FL
Pedretti, M.	Wisconsin Dells, WI
Personalized Christmas Treasures	Dana Point, CA
Pillowcases by Kristen	Apple Valley, MN
Plaster Cast—Cindy Morgan	New Prague, MN
Pol-O-Craft Nails In Bloom	Reading, PA
Pottery—Ottetail Oaks	Ottetail, MN
Precious Moments — Megan Mktg.	Hartville, MO
Railroad Art By John Cartwright	St. Paul, MN
Rebecca's	Brooklyn Park, MN
Ribbon Fair Inc.	Mountain Top, PA



Ruffles and Flourishes .....Lakeville, MN  
 Rustic Arts .....White Bear Lake, MN  
 Saint Croix Jewelers Inc. ....Forest Lake, MN  
 Saliture Designs .....St. Paul, MN  
 Santa Fe Touch .....Albuquerque, NM  
 Saugestad, E. ....Ely, MN  
 Sculptured Candle Co. Inc. ....Grand Rapids, MI  
 Silver Gallery .....Tulsa, OK  
 Silver Strands .....La Mesa, CA  
 Simonsons .....Victoria, MN  
 Sports Impressions.....Granger, IN  
 SRR Enterprises .....Wilson, WI  
 Stampworks of Florida .....Deland, FL  
 Star Silver .....Cape Coral, FL  
 Sterling Silver Plus .....Mound, MN  
 Stitch E-Z-Powell, Brian .....Mocksville, MN  
 Sun Products .....Middletown, OH  
 Time Out .....Crossville, TN  
 Tole House .....St. Paul, MN  
 Tony Sheda Enterprises .....Wrenshall, MN  
 Unique Art & Gift .....Manassas, VA  
 Way Out West .....Claremore, OK  
 Windi Southwest Arts .....Scottsdale, AZ  
 Woodcut Hall Ltd. ....East Troy, WI

## Automotive Dealers & Supplies

Associated Handicapable Vans .....Burnsville, MN  
 Burnsville Volkswagen Inc. ....Burnsville, MN  
 Cummings Mobility  
 Conversion & Supply Inc. ....Hanover, MN  
 Dodge Advertising Association .....Plymouth, MN  
 Eveland's Inc. ....Backus, MN  
 Excell Recreational Vehicles .....Smith Center, KS  
 Ford Motor Co.....Minneapolis, MN  
 Heartland Chevrolet Dealers .....St. Paul, MN  
 Imperial Products Ltd. ....St. Paul, MN  
 Jeep Advertising Association .....Plymouth, MN  
 Jim Lupient GMC Trucks .....Minneapolis, MN  
 Jim Lupient  
 Harold Chevrolet-Geo .....Bloomington, MN  
 Leroy's Custom Painting Inc. ....Coon Rapids, MN  
 Lincoln-Mercury  
 Dealer Association .....Minnetonka, MN  
 Line-X of Minneapolis .....Golden Valley, MN  
 Mattracks Inc. ....Karlstad, MN  
 McCarthy Auto Group .....Roseville, MN  
 Morrie's Mazda .....Minnetonka, MN  
 Red Carpet Car Service Inc. ....St. Paul, MN  
 Redline Specialties, Inc. ....Woodbury, MN  
 Thane Hawkins –  
 Polar Chevrolet .....White Bear Lake, MN  
 Toyota Motor .....Aurora, IL  
 Twin Cities Saturn Retailers .....Golden Valley, MN  
 Waldoch Crafts Inc. ....Forest Lake, MN

## Books & Literature

City Pages .....Minneapolis, MN  
 Cloud Cartographics .....St. Cloud, MN  
 Employment News .....Bloomington, MN  
 LakeStyle Bayside Publishing .....Minneapolis, MN  
 Northwestern Products .....Minneapolis, MN

## Building, Construction & Hardware

American Steel ..... Fargo, ND  
 Backyard Building Systems –  
 Construction Co. ....Hampton, MN  
 Bergee Industries .....Golden Valley, MN  
 Conklin Products Co. ....Bloomington, MN  
 Crystal Bay Corp. ....Wyoming, MN  
 Curb Creations of MN .....Buffalo, MN  
 Four Seasons Realty Inc. ....Brainerd, MN  
 Greyston Construction .....South Haven, MN  
 Lester Building Systems .....Lester Prairie, MN  
 Little Giant  
 Ladder System – Wing Ent .....Springville, UT  
 Midwest Fence & Mfg. Co. ....South St. Paul, MN  
 Morton Buildings Inc. ....Morton, IL  
 Natural Spaces Domes, L.L.C. ....North Branch, MN

Northern Tool & Equipment .....Burnsville, MN  
 Northland Buildings Inc. ....Eau Claire, WI  
 Nut & Bolt Warehouse .....Marine On St. Croix, MN  
 Powers Construction Co. Inc. ....St. Paul, MN  
 Preferred Welder Sales .....Mankato, MN  
 R.B. Industries Inc. ....Harrisonville, MO  
 Rodman & Co. Inc. ....Burbank, CA  
 Shopsmith Woodworking Promotions .....Dayton, OH  
 Thomas Tool and Supply Inc. ....St. Cloud, MN  
 Tool Warehouse .....Minneapolis, MN  
 Underdeck .....Minneapolis, MN  
 Wick Building Systems Inc. ....Pine Island, MN  
 Woodmaster Foundations Inc. ....Prescott, WI  
 Wunder Klein Brick Co. ....Plymouth, MN

## Clothing & Accessories

American Dairy Association of MN .....St. Paul, MN  
 Balizoo Clothing LTD .....Calgary, AB  
 Battle Lake Outdoors .....Burnsville, MN  
 Bon'nean Inc. ....Champlin, MN  
 Brad's Discount Boots .....Humboldt, IA  
 Capital Beverage Sales L.P. ....St. Paul, MN  
 Circle M Hats .....Radcliffe, IA  
 Colada Wear .....Northridge, CA  
 Colorful Cotton Clothing .....Minnetonka, MN  
 Continental Leather  
 Fashions Co. Inc. ....Chula Vista, CA  
 E-Z Way Appliqué .....Keshena, WI  
 Elegant Accents .....San Diego, CA  
 Farm Boy Clothing .....St. Paul, MN  
 Flora's Dress Emporium .....Minneapolis, MN  
 Funk's Leathercraft .....Long Lake, MN  
 Green Mountain Trading Co. ....Lebanon, IN  
 Handbags by Jean .....Wing, AL  
 Kim's Fashions .....Los Angeles, CA  
 Leather Renditions .....Eden Prairie, MN  
 Minnetonka Moccasin Co. Inc. ....Minneapolis, MN  
 Mystic Moon .....Norman, OK  
 Pen-Reed Co. ....Capistrano Beach, CA  
 Puppy Toes .....San Dimas, CA  
 Sandak Aloha Sandals .....Henderson, NV  
 Sharon & James .....Inver Grove Heights, MN  
 Shoes To Boot .....Minneapolis, MN  
 Simply Barbara Western Wear .....Covington, OK  
 Spectacle Shoppe .....New Brighton, MN  
 Sportwear By  
 Martin Wholesale Group .....Mahtomedi, MN  
 Street Town & Country .....Indianola, IA  
 Swedish Clogs-Norden Inc. ....St. Paul, MN  
 The Hatman .....Hudson, FL  
 Triple H. Australian Western Wear .....Oxford, PA  
 Uneek Tie Dyed Apparel .....St. Paul, MN

## Financial Services

Direct By Owner .....North Oaks, MN  
 Waddell & Reed, Inc. ....Arden Hills, MN

## Food & Beverages

3 D Concessions .....Burlington, WI  
 AI's Sub Shop-Hohenwald Ent. Inc. ....Oakdale, MN  
 American Bottling Co. ....South St. Paul, MN  
 American Dairy Association of MN .....St. Paul, MN  
 Andres Watermelon – Stinchfield, J. ....Hopkins, MN  
 Andrew, M. ....Minneapolis, MN  
 Andrus Concessions Inc. ....Apple Valley, MN  
 Art Tysk Concessions .....St. Paul, MN  
 Australian Foods .....Balboa, CA  
 Axle's .....St. Paul, MN  
 Ball Park Cafe .....Shoreview, MN  
 Barona, Stacey & Robert .....Roseville, MN  
 Bayou Bob's LLC .....Andover, MN  
 Ben & Jerry's Ice Cream .....Edina, MN  
 Benson, B. ....Mahtomedi, MN  
 Best Around, The .....North Ft. Myers, FL  
 Bianca's Foods .....Deephaven, MN  
 Big Pepper-Barrett, J. ....St. Paul, MN  
 Billies Baked Potatos .....Huntington, CT

Blooming Onions-Ferch, S. ....Loretto, MN  
 Blue Bell Ice Cream Inc. ....Apple Valley, MN  
 Bridgeman's Restaurants Inc. ....Minnetonka, MN  
 Buffalo Burgers-Woldorsky, J. ....Minneapolis, MN  
 Butcher Boys–  
 F & W Concessions Inc. ....Rhinebeck, NY  
 Cafe Caribe-TRES-C Inc. ....Minnetonka, MN  
 Candy Castle-Huston Inc. ....Parker City, IN  
 Caribbean Heat .....Minneapolis, MN  
 Carl's Gizmo .....Urbandale, IA  
 Carmel Apple Sundaes – Charcoal Hut .....Staples, MN  
 Cheese Curds- Mouth Trap .....West St. Paul, MN  
 Cheese Curds-Muskur Inc. ....White Bear Lake, MN  
 Chicago Dogs .....Stillwater, MN  
 Chick-N-Chops –  
 Peterson Concessions .....Ham Lake, MN  
 China Town-MN .....Waterville, MN  
 Chocolate Chip Cookie Co. ....St. Paul, MN  
 Church of The Epiphany .....Coon Rapids, MN  
 Cinnamon Roasted Nuts.....Minneapolis, MN  
 Cinnamon Rolls-Willis Enterprises .....Tulsa, OK  
 Collier Family Inc. ....Shakopee, MN  
 Colonial Nut Roll Company .....Lake Park, IA  
 Cool Sips-Sunshine Concessions .....Spring Hill, FL  
 Corn Roast-Ribco Enterprises .....White Bear Lake, MN  
 Cotton Candy-Hartley, J. ....South Milwaukee, WI  
 Cotton Candy-Kusick, G. ....Cottage Grove, MN  
 Cotton Candy-Yahr, K. ....Richfield, MN  
 Country Gourmet Inc. ....Minneapolis, MN  
 Country Store Sweet Shoppe .....Minneapolis, MN  
 Cream Puffs-Petrovski Concessions .....Vista, CA  
 Crocker Enterprises Inc. ....Maple Grove, MN  
 Crocker's Spaghetti Village Inc. ....Maple Grove, MN  
 Crutchfield, G. ....San Diego, CA  
 Custards Last Stand .....St Paul, MN  
 Dairy Bar .....Minneapolis, MN  
 Danielson, W. ....St. Paul, MN  
 Darlinda Inc. ....Ham Lake, MN  
 Davis, J. ....Coon Rapids, MN  
 Degnans Popcorn .....Minneapolis, MN  
 Deli Express-E.A. Sween Co. ....Eden Prairie, MN  
 Delicious Potato Skins .....New Hope, MN  
 Delrick Enterprises .....Golden Valley, MN  
 Demitris Greek Food .....Mont Airy, MD  
 DFL Districts 66 and 67 .....St. Paul, MN  
 Dills Concessions .....Venice, FL  
 Dino's Gyros .....Coon Rapids, MN  
 Dip Stix-M & S Concessions .....St. Paul, MN  
 Dippin Dots .....Hampton, MN  
 Dole Whip-Bougie, D. ....Maplewood, MN  
 Donna's Bar-B-Q Rib Sandwich .....South St. Paul, MN  
 Eagle Food Service .....Connorsville, IN  
 El Sol Mexican Food .....St. Paul, MN  
 Engine House .....Eagan, MN  
 Family Tree Cafe–  
 Arlo's Fun Foods Inc. ....St. Cloud, MN  
 Famous Dave's of America Inc. ....Eden Prairie, MN  
 Far Eastern Foods .....Woodbury, MN  
 Festival Foods Inc. ....Cherry Hill, NJ  
 Fire & Ice Concessions .....Escondido, CA  
 Fisherman's Wharf Seafoods– .....St. Paul, MN  
 Foot Long Hot Dogs-Hansen, N. ....Fergus Falls, MN  
 Foot Long Hot Dogs-Hikes, M. ....Fergus Falls, MN  
 Foot Long Hot Dogs-Johnson, J. ....Fergus Falls, MN  
 Foot Long Hot Dogs-Johnson, P. ....Clayton, MN  
 Foot Long Hot Dogs-Johnson, T. ....Strum, WI  
 Foot Long Hot Dogs-Spidal, T. ....Fergus Falls, MN  
 French Creperie .....Minneapolis, MN  
 French Meadow Bakery .....Minneapolis, MN  
 Fudge Folks, The .....Mirror Lake, NH  
 Fudge Puppies-Granny's Enterprises .....St. Cloud, MN  
 Funnel Cakes- D & D Concessions.....South Haven, MN  
 Gass Concessions Inc. ....Plymouth, MN  
 Gasthaus Edelweiss .....Maplewood, MN  
 Geppetos To Go .....Grand Ledge, MI  
 Giant Ride Inc. ....Pasadena, CA  
 Golden's Guiltless Bagels .....St. Paul, MN

Gooden's Old-Fashioned Kettle Korn .....	Byron, MN	Pretzel Factory .....	Aurora, CO	Midamerica Entertainment Inc. ....	Burnsville, MN
Gopher Dairy Club-U of M .....	St. Paul, MN	Prom Catering Co. ....	St. Paul, MN	Merino Skin Care .....	Gilbert, AZ
Grandma's Pasty Shop .....	Richfield, MN	Pronto Pups-GLK Inc. ....	Elk River, MN	Nada Concepts Inc. ....	St. Paul, MN
Grandstand Donuts .....	Lauderdale, MN	Pronto Pups-Hanold, T. ....	Braham, MN	Nail Jazz by Impulse Sales .....	Belchertown, MA
Granny's Caramel Apple Sundaes .....	Hampton, MN	Pronto Pups-Heller, R. ....	Siren, WI	Naturally Beautiful Nails/Nail Masters .....	Plant City, FL
Green Mill .....	St. Paul, MN	Pronto Pups-Jennisch, S. ....	Stockholm, WI	North Country Glycerine Soap .....	Maple Plain, MN
H.M.H. of St. Paul Inc. ....	Lakeland, MN	Pronto Pups-Mertes, T. ....	Minneapolis, MN	Professional Dynamics .....	Burnsville, MN
Hamline United Methodist Church .....	Little Canada, MN	Pronto Pups-Nelson, J. ....	South St. Paul, MN	Saddlehorn Ranch Traders .....	Bonnars Ferry, ID
Hand Maid Sweets .....	Mankato, MN	R.J. Pretzel Co. ....	Breckenridge, CO	Soaps Sky Line Sales .....	South St. Paul, MN
Hansen's Amusement Foods .....	Fergus Falls, MN	Rainbow Ice Cream-Davis, M. ....	Minneapolis, MN	Spectacle Shop.....	New Brighton, MN
Harrington's Enterprises .....	Ellsworth, WI	Rainbow Ice Cream-Tetrault, G. ....	Minneapolis, MN	TeleSensory .....	Minneapolis, MN
Hawaiian Shaved Ice Inc. ....	Hutchinson, MN	Rajin Cajun .....	Brooklyn Park, MN	Touch of Mink-Dermac Labs Inc. ....	Salem, OR
Hildebrand Concessions Inc. ....	Roseville, MN	Rice Kristie Bars .....	Minneapolis, MN	Willow Creek Treasures .....	Vernon Center, MN
Hussong Family Inc. ....	Shakopee, MN	Robbinsdale O.E.S. Dining Hall .....	Robbinsdale, MN		
Ice Cream Factory Inc. ....	Ormond Beach, FL	Roadhouse Chicken .....	Lake Elmo, MN		
Ice Cream Parlor-Rush, T. ....	Minneapolis, MN	Root Beer Stand .....	Falcon Heights, MN		
Ice Kreme Mill Ltd. ....	Westminster, MD	Runyon, D. ....	St. Paul, MN		
Icee USA .....	Brooklyn Center, MN	Sadie's Frozen Custard .....	Fridley, MN		
Isaac, T. ....	Inver Grove Heights, MN	Saint Bernard's Dining Hall .....	St. Paul, MN		
Isabel Burkes Olde Tyme Taffy .....	Plymouth, IA	Salem Lutheran Church .....	Minneapolis, MN		
Italian Junction-Bahr, T. ....	St. Cloud, MN	Sausage By Cynthia .....	Maple Grove, MN		
J.D.'s Eating Establishment .....	Crystal, MN	Sausage Station-Hectorne, D. ....	Chanhausen, MN		
Java Jive .....	Edina, MN	Schneider Popcorn .....	Roseville, MN		
Jerkey Shoppe, The .....	Becker, MN	Schroder Concessions Inc. ....	Faribault, MN		
Jim & Jo's .....	Forest Lake, MN	Schultz's Concessions .....	Shoreview, MN		
Joe's Smoke House .....	Lake Elmo, MN	Schumacher's New PragueHotel Inc. ....	New Prague, MN		
Key Lime Pie .....	Elk River, MN	Seville Co. Inc. ....	Plymouth, MN		
Kirch Enterprises Inc. ....	Shoreview, MN	Sno Cones-Hannasch Inc. ....	Minneapolis, MN		
Kirschner's Beer Stube .....	Burnsville, MN	Spaghetti Eddie's .....	Deltona, FL		
Kitchen Kraft Concessions .....	Columbia Heights, MN	St. Martins .....	Golden Valley, MN		
Lamb Shoppe, The .....	Hutchinson, MN	Steichens Food Market .....	St. Paul, MN		
Larson, G. ....	Minneapolis, MN	Straight's Concessions .....	Crystal, MN		
Larson, J. ....	Minneapolis, MN	Strawberries 'n Creme .....	Waseca, MN		
LaVaque, E. ....	St. Paul, MN	Strawberry Patch .....	St. Paul, MN		
Lee Soynuts Co. ....	Woodbury, MN	Sunderland, D. ....	Andover, MN		
Leimon Concessions .....	Harlingen, TX	Sweet Martha's Cookie Jar .....	St. Paul, MN		
Lemonade Ltd. ....	St. Louis Park, MN	T & A Concessions .....	Candler, FL		
Luigi Fries .....	Lake Elmo, MN	Taco King-Isaac, M. ....	Inver Grove Heights, MN		
Lunch Box-Bahr, P. ....	Spicer, MN	Tejas-Cuisine Concepts .....	Edina, MN		
Lynn's Lefse .....	Aitkin, MN	That's a Wrap .....	St. Paul, MN		
Mac's Grill .....	St. Paul, MN	Tiny Tim Mini Donuts-Larson, K. ....	Taylor's Falls, MN		
Mario's .....	Minneapolis, MN	Tom Thumb Donut Corp. ....	Minneapolis, MN		
Melmar Concessions .....	Lake Elmo, MN	Tremblay's Sweet Shop .....	Stillwater, MN		
Middle East Bakery .....	St. Paul, MN	Tripple Berry .....	Savage, MN		
Midway Food Co. ....	Austin, TX	Tropical Fruit Floss .....	Hastings, MN		
Midway Mens Club .....	Rush City, MN	Tysseling, J. ....	St. Paul, MN		
Minnekabob .....	Golden Valley, MN	Ukmar, R. ....	Sarasota, FL		
Mitchell Concessions.....	St. Paul, MN	Ulmer Metro Distributing Inc. ....	St. Paul, MN		
MN Apples Inc. ....	White Bear Lake, MN	Ultimate Confections .....	Wauwatosa, WI		
MN Honey Producers Association .....	Clarkfield, MN	Veggie Fries-Rosenthal, D. ....	St. Paul, MN		
MN Turkey Growers Association .....	St. Paul, MN	Veggie Pie-Alere's Concessions .....	Pine City, MN		
Moon Beam-Funk's Coffeerville .....	Long Lake, MN	Vend Africa Inc. ....	Minneapolis, MN		
Mr. Ribs Sandwich-Sutich, J. ....	Minnetonka, MN	Vescio's .....	Minneapolis, MN		
Mr. E's Pop-Erb, W. ....	St. Paul, MN	Vietnamese Egg Rolls-Tran, V. ....	Golden Valley, MN		
My Sausage Sister & Me .....	Minneapolis, MN	Vogt, V. - Mexican Hat .....	New London, MN		
North Suburban St. Paul Kiwanis Club.....	Shoreview, MN	Walleye On A Stick-Davis, W. ....	Alexandria, MN		
Nuebel, E. ....	Hudson, WI	Ward Food Services .....	Maplewood, MN		
Oodles of Noodles .....	Minneapolis, MN	Werner's Frontier Inc. ....	New Brighton, MN		
O'Garas .....	St. Paul, MN	Wild Rice .....	Minneapolis, MN		
Orange Crate-Meents, B. ....	River Falls, WI	Wiles Ent. Ltd. ....	Minneapolis, MN		
Orange Treet Sales .....	Minneapolis, MN	Williams Dinette-Steichen, J. ....	Fridley, MN		
Oven Fresh Brownies-Testin, L. ....	Taylor's Falls, MN	Wozniak Concessions Inc. ....	Minneapolis, MN		
Peg, The .....	St. Paul, MN				
Pelican Concessions .....	Pelican Rapids, MN				
Pennsylvania Dutch Funnel Cakes .....	Springfield, MN				
Preferred Pickle, The .....	White Bear Lake, MN				
Peters, J. ....	Mesa, AZ				
Peters .....	St. Paul, MN				
Pickle Dog .....	Rosemount, MN				
Pita Gourmet-Abdo, L. ....	St. Paul, MN				
Pizza Palace .....	Minneapolis, MN				
Pizza Shop .....	Harlingen, TX				
Pizza Wagon .....	Eagan, MN				
Poncho Dog-O'Neil, F. ....	Roseville, MN				
Poncho Dog-O'Neil, L. ....	Roseville, MN				
Poncho Dog-O'Neil, Leah .....	St. Paul, MN				
Poncho Dog-O'Neil, T. ....	Lauderdale, MN				

## Health & Beauty

Avon-Fischer, A .....	Kasson, MN
Beauti Control .....	Ham Lake, MN
Custom Clip Ons-Davis Enterprises .....	Hartville, MO
Fair Do's .....	Fridley, MN
Fragrances Inc. ....	St. Louis Park, MN
Gillette Venus in Motion .....	Syracuse, NY
Glamour Shots .....	Des Moines, IA
Golden Neo-Life Diamite Intl. ....	Kandiyo, MN
Golden Pride/Intl. Dist. ....	Fridley, MN
Happy Feet-Wahl, T. ....	Lakeville, MN
Independent Living Store .....	Bloomington, MN
L'Paige Lipstick-Heckmann, J. ....	Forest Lake, MN
Mary Kay Cosmetics Inc. ....	Bloomington, MN

## Home Improvement & Furnishings

AAA Garage Products Inc. ....	St. Paul, MN
ABC Seamless Inc. ....	Fargo, ND
Access One Inc. ....	Wyoming, MN
Air One Heating & Air Conditioning .....	Brooklyn Park, MN
Amcon Block & Precast .....	St. Cloud, MN
American Clocks Inc. ....	Plant City, FL
American Water Systems .....	Lakeville, MN
Andersen Corporation-Renewalby Andersen .....	Vadnais Heights, MN
Aqua-Therm Inc. ....	Brooklyn, MN
Arrow lift Accessibility .....	Duluth, MN
Asphalt Specialties Co. ....	Shoreview, MN
Authority Fence .....	Monticello, MN
Automatic Garage Door & Fireplace .....	Fridley, MN
B.C. Kitchens Inc. ....	Hopkins, MN
Battin Stucco Co. ....	Big Lake, MN
Brinks Home Security .....	Minneapolis, MN
By The Yard .....	Jordan, MN
Cabinetpak Kitchens of Mpls. ....	Bloomington, MN
Carpet Court .....	St. Paul, MN
Classic Wood Furnace .....	Isanti, MN
Comforest Adjustable Beds .....	Columbia Heights, MN
Commers Conditioned Water Co. ....	Minneapolis, MN
Condor Fireplace .....	Spring Lake Park, MN
Cordpro By Burktek .....	Kansas City, MO
Culligan Water Conditioning .....	Minnetonka, MN
Curley Furniture & Carpet .....	Mendota Heights, MN
Deck Rescue Plus .....	Rockford, MN
Deluxe Rug & Carpet .....	St. Paul, MN
Discount Windows And Wares .....	Roseville, MN
Ecowater Systems Inc. ....	St. Paul, MN
Falls Flag Service-DPS Industries .....	Little Falls, MN
Finn/Sisu .....	St. Paul, MN
Fireside Corner Inc. ....	Roseville, MN
Floor Heat/Systems .....	Minneapolis, MN
Galaxy Custom Booths .....	Wyoming, MN
Garage Tek .....	St. Paul, MN
Glenwood Inglewood .....	Minneapolis, MN
Golden Hammocks Inc. ....	Escondido, CA
Great Garage Door Co. ....	Blaine, MN
Hardwood Floor Store .....	Crystal, MN
Home Depot .....	Fridley, MN
Hutch and Mantle .....	Minneapolis, MN
Idea Home Contracting .....	Minneapolis, MN
J.J. Vanderson & Co. ....	St. Paul, MN
Jack Pixley Sweeps Inc. ....	Andover, MN
Kitchen Make-Over .....	Minneapolis, MN
Luxury Bath Liners of MN .....	Bloomington, MN
Magna Products Inc. ....	Green Bay, WI
MN Rusco Inc. ....	Minnetonka, MN
Mon-Ray Inc. ....	Golden Valley, MN
NTH Communications.....	St. Paul, MN
Need-A-Shed .....	Warren, MN
Northern Crossarm Co. Inc. ....	Chippewa Falls, WI
Northern Glass Block Co. ....	Edina, MN
Patio Enclosures Inc. ....	New Brighton, MN
Patio Town .....	Oakdale, MN
Premium Waters Inc. ....	Minneapolis, MN
Select Comfort .....	Minneapolis, MN
Sir Laurence Stained Glass Studio .....	Farmington, MN
Snyder Home Improvements .....	Minnetonka, MN
Solar Midwest Inc. ....	Plymouth, MN

Stained Glass Overlay Design Studio .....Roseville, MN  
 Standard Water Control Systems Inc. ....Crystal, MN  
 T & J Wood Designs .....Holland, MN  
 Teak Emporium Inc. ....San Diego, CA  
 Tenet Painting & Decorating .....Eden Prairie, MN  
 Thundering Hurd Exchange .....New Virginia, IA  
 Waves of Grain .....Minneapolis, MN  
 Weather Lock Windows Systems .....St. Paul, MN  
 Whalen Woods Log Furniture.....Pequot Lakes, MN  
 Wildlife Collection Inc., The .....Kingsville, TX  
 Wilkening Manufacturing Co. Inc. ....Walker, MN  
 Woolie, The .....Plymouth, MN  
 Xcel Energy .....Minneapolis, MN

## Household Products & Services

Abosch Import Co. ....Hollywood, CA  
 Angies' List .....Bloomington, MN  
 Associated Consultants .....Minneapolis, MN  
 Associated Sewing and Knitting .....St. Paul, MN  
 Cenaiko Enterprises Inc. ....Coon Rapids, MN  
 Chester H. Nairne Co. ....Livonia, MI  
 Comfort Zone .....Minneapolis, MN  
 Cordon Bleu Co. ....Richfield, MN  
 Country Crocks .....Northfield, MN  
 Countryside Floral Design .....Anoka, MN  
 Creative Sewing Centers Inc. ....Golden Valley, MN  
 Custom Playhouse .....Forest Lake, MN  
 Darling Noodle Co. ....Bemidji, MN  
 Daub/Ghiorso Entreprises .....Sonoma, CA  
 Diamondcraft Corp. ....Minneapolis, MN  
 Dry Store, The .....Lanesboro, MN  
 Electrolux .....Plymouth, MN  
 Excell Wireless .....Minneapolis, MN  
 Fantastic Products .....Horse Shoe, NC  
 Florian Ratchet Cut .....Plantville, CT  
 Fortner's Salt-Free Seasonings .....Lake Mills, WI  
 Garlic Gourmay .....Ariel, WA  
 Golden Hammocks Inc. ....Escondido, CA  
 Home of Elegance .....Vadnais Heights, MN  
 Hudspeth, S. ....Allen, TX  
 International Culinary Consultants .....Elberon, NJ  
 Kinetico Dealers of Minnesota .....Burnsville, MN  
 Mary Lue's Knitting World .....St. Peter, MN  
 Melodies-In-Tin .....Riverdale, GA  
 Nancy Thayer & Associates .....Sparta, NJ  
 National Service Co. LLC .....Fresno, CA  
 Niagra Prestige Products .....Brooklyn Park, MN  
 Nomar Inc. ....St. Paul, MN  
 Nordass American Home .....MN Lake, MN  
 Nordmark Group, The .....Apple Valley, MN  
 Pampered Chef, The .....Edina, MN  
 Patterson Products .....La Mirada, CA  
 Quality Bag .....Oakdale, MN  
 Round Bobbin Sewing Center .....St. Paul, MN  
 Rusty Nut Enterprises .....Byron, MN  
 Safari Afari Entreprises .....Brooklyn Park, MN  
 Scissors-Lake side Sales .....Sacramento, CA  
 Shaklee Products-Jansen Dist. ....Minneapolis, MN  
 Showers Plus .....Sierra Madre, CA  
 Shutter Source .....Minneapolis, MN  
 Stan & Jo's Country Creations .....North Mankato, MN  
 Surge Water Conditioning .....Hopkins, MN  
 Swivel Spray .....Minneapolis, MN  
 Syndicate Sales Corp. ....Hopkins, MN  
 Table Charm Ltd. ....Lockport, NY  
 That's My Pan .....Eau Claire, WI  
 Thousand Lakes Realty .....DeSoto, WI  
 Touchtone Energy .....Elk River, MN  
 Vita Mix Corp. ....Cleveland, OH  
 Watkins Inc. ....Winona, MN

## Imports & Ethnic Merchandise

African Collections .....Sharon, MA  
 Aloha Jewelry .....Pearl City, HI  
 Artesanos Unidos .....Los Angeles, CA  
 Bando Imports .....Northbrook, IL  
 Bolivian Imports .....Loveland, CO

Brown, Y. ....Excelsior, MN  
 Caples, M. ....Little Canada, MN  
 Chandl Gallery/Coune' Ltd. ....Minneapolis, MN  
 China Handcraft .....Bloomington, MN  
 Egypt USA .....Concord, CA  
 Fantastic Voyage .....Stillwater, MN  
 Folklore Imports .....Glendale, CA  
 G.F. Philippines Handicraft .....Verona, NJ  
 Gifts Made by Hands .....St. Paul, MN  
 Grand Assorted Enterprise Co. Ltd. ....Claremont, CA  
 Grobal International Inc. ....Minneapolis, MN  
 Hammocks-World Trade .....New Orleans, LA  
 Heart of Tibet .....Stillwater, MN  
 Hollis Hobby Ltd. ....Andover, MN  
 Holy Land Handicrafts .....St. Paul, MN  
 Hmong Folk Art, Inc. ....St. Paul, MN  
 Ice-Ame .....Kenmore, WA  
 Image Imports .....Minneapolis, MN  
 India Bazaar .....Fridley, MN  
 India Imports .....Apache, OK  
 Indian Arts & Crafts .....Terre Haute, IN  
 Inside Africa .....St. Paul, MN  
 International Flag Weaving .....St. Croix Falls, WI  
 International Investors .....San Mateo, CA  
 Irish On Grand .....St. Paul, MN  
 Jennico .....St. Paul, MN  
 Khan, S. ....Hamel, MN  
 Lacquerware-Tong, Linda .....Lawrenceville, GA  
 Oriental Craft and Development Co. ....Lake City, MN  
 Primitive Origins .....South Haven, MN  
 Rama Imports .....Franklin, WI  
 Russia With Love .....Buffalo, MN  
 San Juan, M. ....Azusa, CA  
 Taxco Imports .....West Hills, CA  
 Treasure Chest .....Auburndale, FL  
 Vagabond Imports .....Corona, CA  
 Wooden Needle .....Vadnais Heights, MN

## Institutional Exhibits & Government Agencies

AFS Intercultural Programs .....St. Paul, MN  
 American Association of Retired Persons .....Chicago, IL  
 American Diabetes Association of MN Affiliate .....Minneapolis, MN  
 American Lung Association of MN .....St. Paul, MN  
 American Red Cross .....St. Paul, MN  
 American Swedish Institute .....Minneapolis, MN  
 Art Instruction School .....Minneapolis, MN  
 Arthritis Foundation-MN Chapter .....St. Paul, MN  
 Augsburg College .....Minneapolis, MN  
 Broiler and Egg Assoc. of Minnesota .....St. Paul, MN  
 Brown College .....Mendota Heights, MN  
 Carleton College .....Northfield, MN  
 Center For Mental Health .....Minneapolis, MN  
 College of St. Benedicts/St. Johns .....St. Josephs, MN  
 Concordia University .....St. Paul, MN  
 Education in Minnesota .....St. Paul, MN  
 Epilepsy Foundation of Minnesota .....St. Paul, MN  
 Geological Society of Minnesota .....Robbinsdale, MN  
 Great Lakes Indian Fish & Wildlife Commission .....Odanan, WI  
 Hazelden Foundation .....Center City, MN  
 Indianhead Council - Boy Scoutsof America .....St. Paul, MN  
 Inventors Network .....Stillwater, MN  
 Masonic Grand Lodge of MN .....St. Paul, MN  
 Metro Transit .....Minneapolis, MN  
 Metropolitan Mosquito Control Dist. ....St. Paul, MN  
 Minneapolis Institute of Art .....Minneapolis, MN  
 Minnesota Association of Charter Schools .....St. Paul, MN  
 MN Agriculture In The Classroom .....Shakopee, MN  
 MN AIDS Project .....Minneapolis, MN  
 MN Army & Air National Guard .....Roseville, MN  
 MN Attorney General's Office - Consumer Division .....St. Paul, MN  
 MN Audubon Council of The National Audubon Society .....St. Paul, MN  
 MN Beef Council .....Minneapolis, MN

MN Buffalo Association .....Owatonna, MN  
 MN Blue Flame Gas Association .....Minneapolis, MN  
 MN Children Families & Learning .....St. Paul, MN  
 MN Citizens Concerned For Life .....Minneapolis, MN  
 MN Cultivated Wild Rice Council .....St. Paul, MN  
 MN Dept. of Agriculture .....St. Paul, MN  
 MN Dept. of Economic Security .....St. Paul, MN  
 MN Dept. of Health .....St. Paul, MN  
 MN Dept. of Natural Resources .....St. Paul, MN  
 MN Dept. of Public Safety .....St. Paul, MN  
 MN Dept. of Public Service .....St. Paul, MN  
 MN Dept. of Revenue .....St. Paul, MN  
 MN Dept. of Transportation .....St. Paul, MN  
 MN Dept. of Transportation -Aeronautics Office .....St. Paul, MN  
 MN Dept. of Veterans Affairs .....St. Paul, MN  
 MN Building Codes & Standards .....St. Paul, MN  
 MN Elk Breeders Association .....Sauk Centre, MN  
 MN Farm Bureau Federation .....St. Paul, MN  
 MN Farmers Union .....St. Paul, MN  
 MN Forest Industries Inc. ....Duluth, MN  
 MN Fur Breeders Association .....North St. Paul, MN  
 MN Genealogical Society .....St. Paul, MN  
 MN High Technology Association .....Bloomington, MN  
 MN Higher Education Services Office .....St. Paul, MN  
 MN Homeschoolers Alliance .....Roseville, MN  
 MN House of Representatives-Public Information Office .....St. Paul, MN  
 MN Lamb & Wool Producers Association .....Hutchinson, MN  
 MN Lions Eye Bank and Hearing Foundation .....St. Cloud, MN  
 MN Mensa .....Brooklyn Park, MN  
 MN Newspaper Foundation .....Minneapolis, MN  
 MN Nurses Association .....St. Paul, MN  
 MN Office of Citizenship and Volunteer Services .....St. Paul, MN  
 MN Office of Environmental Assistance .....St. Paul, MN  
 MN Ostrich Association .....Maplewood, MN  
 MN Pollution Control Agency .....St. Paul, MN  
 MN Pork Producers Association .....North Mankato, MN  
 MN Propane Gas Association .....Minneapolis, MN  
 MN Relay Services .....St. Paul, MN  
 MN Senior Federation Inc. ....St. Paul, MN  
 MN Soybean Growers .....North Mankato, MN  
 MN State Colleges and Universities .....St. Paul, MN  
 MN State Council On Disability .....St. Paul, MN  
 MN State Fair Foundation .....Falcon Heights, MN  
 MN State Horticultural Society .....Falcon Heights, MN  
 MN State Senate .....St. Paul, MN  
 MN Turkey Research and Promotion Council .....St. Paul, MN  
 Mothers Against Drunk Driving-MN .....St. Paul, MN  
 National Multiple Sclerosis Society-MN .....Minneapolis, MN  
 Natural Resources Conservation Service .....St. Paul, MN  
 NEI College of Technology .....Columbia Heights, MN  
 New Life Family Services .....Richfield, MN  
 Parker Hughes Institute .....Roseville, MN  
 Pro Choice Resources .....Minneapolis, MN  
 South MN Area Assembly of Alcoholics Anonymous .....Minneapolis, MN  
 St. Mary's College .....Minneapolis, MN  
 St. Paul Building & Construction Trades .....St. Paul, MN  
 Stagecoach Theatre Arts .....Minneapolis, MN  
 Toastmasters International .....Plymouth, MN  
 US Department of Agricultural Research .....St. Paul, MN  
 U.S. Navy .....Minneapolis, MN  
 University of Minnesota - University Relations .....Minneapolis, MN  
 University of St. Thomas .....St. Paul, MN  
 Veterans Affairs Med Center .....Minneapolis, MN  
 William Mitchell College of Law .....St. Paul, MN

## Media

KARE-11 TV .....Golden Valley, MN  
 KDWB Radio .....Minneapolis, MN  
 KEEY/K102 Today's Best Country .....Bloomington, MN  
 KFAN-AM Radio .....Minneapolis, MN

KFMP 107 Hubbard Broadcasting .....St. Paul, MN  
 KJZI – Smooth Jazz .....Minneapolis, MN  
 KKMS-AM Radio .....Eagan, MN  
 KLBB Radio .....St. Paul, MN  
 KMSP-TV .....Eden Prairie, MN  
 KQQL FM, KOOL108 Radio .....Minneapolis, MN  
 KQRS-AM/FM Radio .....Minneapolis, MN  
 KSTP-AM Radio .....St. Paul, MN  
 KSTP-TV–Hubbard Broadcasting Inc. ....St. Paul, MN  
 KSTP-FM Radio .....St. Paul, MN  
 KTCZ-FM–Cities 97 .....Minneapolis, MN  
 KXXR 93X Radio .....Minneapolis, MN  
 KZNZ FM Radio .....Golden Valley, MN  
 MN Public Radio .....St. Paul, MN  
 R.K. Radio Network .....St. Paul, MN  
 100 Radio WLOL Classics .....Minneapolis, MN  
 Saint Paul Pioneer Press .....St. Paul, MN  
 Star Tribune .....Minneapolis, MN  
 U.S.A. Today .....Roseville, MN  
 WCCO Radio .....Minneapolis, MN  
 WCCO Television .....Minneapolis, MN  
 WLTE .....Minneapolis, MN  
 WWTG- The Patriot .....Eagan, MN

### Miscellaneous

Gold-N-Plump Poultry .....St. Cloud, MN  
 Gopher State Ice Company .....St. Paul, MN  
 MN Territorial Pioneers Inc. ....St. Paul, MN  
 Motion Products .....Plymouth, MN  
 Pro Staff Personnel Services .....St. Louis Park, MN  
 Saint Paul Post Office .....St. Paul, MN  
 Synergy Sports – Milk Rules .....Ocean, NY  
 Vista Mobility Specialists Inc. ....Park Ridge, IL

### Music & Entertainment

Chanhasen Dinner Theatres .....Chanhasen, MN  
 Kids Music Box Levine Assoc .....St. Paul, MN  
 Minnesota Orchestra, The .....Minneapolis, MN  
 Ordway Music Theatre .....St. Paul, MN  
 Q-Chord–Pops Music .....Mesa, AZ  
 Schmitt Music Company .....Minneapolis, MN  
 Trico Productions .....St. Paul, MN

### Novelties, Souvenirs & Toys

C.R. Deals .....St. Paul, MN  
 Caricatures By Cindy .....Shoreview, MN  
 Cartoon Passion .....Mission Viejo, CA  
 Clover Creek Concepts .....Arvada, CO  
 Compmark I Corp. ....Minneapolis, MN  
 Crazy Louie's Surplus City .....Minneapolis, MN  
 Dandy Souvenirs .....Fresno, CA  
 Desplenter Novelties .....Chicago, IL  
 Discovery Toys .....Minneapolis, MN  
 Eddy's Teddy Land–Kirch, D. ....Shoreview, MN  
 Exploring with Kids .....White Bear Lake, MN  
 Face Painting by Suzy .....Minneapolis, MN  
 Fair-Market Inc. ....Minneapolis, MN  
 Gimberline, D. ....Hopkins, MN  
 Intercollegiate Athletics .....Minneapolis, MN  
 Make A Place Toys .....Minneapolis, MN  
 Northland Emblem .....Hatley, WI  
 PS Sales .....Sterling Heights, MN  
 Ron Schara Enterprises .....Minneapolis, MN  
 Spin A Paint–Perlman, D. ....New Hope, MN  
 Standi Toys Inc. ....Somerset, WI  
 Televac Computer .....Versailles, MO  
 U of MN Williams Fund .....Minneapolis, MN  
 U of MN Women's Wildman Caricatures ....Albert Lea, MN  
 William Morgan Caricatures .....Minneapolis, MN  
 Wee Dazzle .....Palm Springs, FL

### Pet & Animal Supplies

Ace Tack & Outfitters .....Cambridge, MN  
 Companion Animals Humane Society .....St. Paul, MN  
 Custom Cat Purrrniture .....St. Paul, MN  
 Fancy Publications .....Lampkin, VI  
 Hermit Crabs–Sea Moon .....Brant Beach, NJ

Hope's Braids .....Brainerd, MN  
 Lone Lake Kennels .....Woodbury, MN  
 MN Companion Bird Association .....Lakeville, MN  
 MN Humane Society .....St. Paul, MN  
 MN Purebred Dog Breeders  
 Association .....Bloomington, MN  
 Pet ID Tags .....Earp, CA  
 Rural Pet Supply .....Libertyville, IL  
 Transatlantic Ventures Inc. ....Minneapolis, MN  
 Vermont Nature Creations .....Wells, VT

### Religious Organizations

Christian Educational Service .....Thonotosassa, FL  
 Greater St. Paul Association  
 of Evangelicals .....St. Paul, MN  
 Jewish Community  
 Relations Council .....Minneapolis, MN  
 MN Conference of  
 Seventh-Day Adventists .....Maple Grove, MN  
 Northwestern Products .....Minneapolis, MN

### Political Organizations

Constitution Party .....Minneapolis, MN  
 Green Party of Minnesota .....Minneapolis, MN  
 Libertarian Party of MN .....Minneapolis, MN  
 Independence Party of MN .....Minneapolis, MN  
 MN AFL-CIO .....St. Paul, MN  
 MN Democratic Farmer Labor Party .....St. Paul, MN  
 Norm Coleman for U.S. Senate .....St. Paul, MN  
 Senator Mark Dayton .....Fort Snelling, MN  
 Repeal Conceal League of MN .....Bloomington, MN  
 Republican Party of Minnesota .....St. Paul, MN  
 Taxpayers League .....St. Paul, MN

### Sports & Recreation

3rd Lair Skate Parks .....Minneapolis, MN  
 All American Recreation Inc. ....Bloomington, MN  
 All-Terrainer Company .....Wayzata, MN  
 Coleman Outdoor .....New Berlin, WI  
 Craig Cat .....Andover, MN  
 Custom Cribbage Inc. ....Forest Lake, MN  
 Eagles View of MN .....Crystal, MN  
 Fishing Rod Holder & Backpack  
 A& E Enterprise .....Lake Elsinore, CA  
 Golf Connection, The .....Chanhasen, MN  
 Great Expectations .....Edina, MN  
 Great Northern Engineering .....Minneapolis, MN  
 Greater Midwest Marketing Inc. ....Forest Lake, MN  
 Indian Motorcycles .....St. Paul, MN  
 J.D.I. Sports Optics .....Clearwater, MN  
 Lost Our Marbles .....Manville, NJ  
 Marine Connection Inc. ....Forest Lake, MN  
 Master Z's Dart & Pool Supply .....Waukesha, WI  
 Midwest Resorts .....Minneapolis, MN  
 Minnesoftub Inc. ....Mound, MN  
 MN United Snowmobilers Assn .....Minneapolis, MN  
 Minnesota Twins and Club MLB .....Minneapolis, MN  
 Minnesota Wild NHL Hockey .....St. Paul, MN  
 Minn Golf Cars .....Bloomington, MN  
 Outdoor Cooking Store .....White Bear Lake, MN  
 Outdoor News Inc. ....New Hope, MN  
 Personalized Golf Specialties .....Spring Lake Park, MN  
 Pleasureland RV Center .....Anoka, MN  
 Polaris Industries L.P. ....Minneapolis, MN  
 Porta Bote .....Mountain View, CA  
 Pro Motorsports .....Blaine, MN  
 Pure Vision Ent. ....Duncanville, TX  
 Rainbow Midwest Inc. ....Prior Lake, MN  
 RFG Safe & Knife .....Crystal, MN  
 Roll-In Products .....Grand Rapids, MN  
 Rosemount Boating Center .....Rosemount, MN  
 St. Paul Harley Davidson Buell .....St. Paul, MN  
 St. Paul Saints .....St. Paul, MN  
 Smiling Duck .....Fergus Falls, MN  
 Son Watersports .....Clear Lake, WI  
 Southeastern Minnesota Historic  
 Bluff Country .....Harmony, MN  
 Spineless Wonders .....St. Paul, MN

Sportsman's Trailer  
 Northland Log Homes .....Somerset, WI  
 Swimmin' Hole .....Fridley, MN  
 Trader Publishing Co. ....St. Paul, MN  
 Tread-Aerobic Treadmills .....St. Paul, MN



**OFFICE OF THE LEGISLATIVE AUDITOR**  
STATE OF MINNESOTA • James Nobles, Legislative Auditor

**Independent Auditor's Report**

Ms. Clarice Schmidt, President  
Board of Managers  
State Agricultural Society

Members of the State Agricultural Society

Mr. Jerry Hammer, Executive Vice President  
State Agricultural Society

We have audited the accompanying statements of net assets of the State Agricultural Society as of and for the years ended October 31, 2003 and 2002, and the related statement of revenues, expenses, and changes in net assets, and statement of cash flows for the years then ended. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.

As discussed in Note 1, the State Agricultural Society adopted Governmental Accounting Standards Board Statement No. 38, *Certain Financial Statement Note Disclosures* for the year ended October 31, 2003. This standard modified, established, and rescinded certain financial statement disclosure requirements.

Management's Discussion and Analysis is not a required part of the Society's basic financial statements, but is supplementary information required by generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Ms. Clarice Schmidt, President  
Members of the State Agricultural Society  
Mr. Jerry Hammer, Executive Vice President  
Page 2

Our audit was conducted for the purposes of forming an opinion on the Society's basic financial statements. The accompanying financial schedules are presented for purposes of additional analysis and are not a required part of the Society's basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2004, on our consideration of the State Agricultural Society's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



James R. Nobles  
Legislative Auditor



Claudia J Gudvangen, CPA  
Deputy Legislative Auditor

March 19, 2004



# MINNESOTA STATE FAIR

## *Financial Information*

### **Management Discussion and Analysis**

The Minnesota State Agricultural Society is responsible for producing the annual Minnesota State Fair and managing the State Fairgrounds. The Society is a quasi-state agency, operating with no public subsidy of any kind. Following is an analysis of the Society's financial activities and performance during the fiscal year ended Oct. 31, 2003, along with detailed financial statements and supplementary information.

#### **■ Overview of the Financial Statements**

The Society's financial statements are accounted for as an enterprise fund, operating similar to a private sector company. Income and expenses for the year are presented in the Statement of Revenue, Expenses and Changes in Net Assets; this statement serves to determine if the Society earned an acceptable level of net income. Next, the Statement of Net Assets outlines all of the Society's assets and liabilities, and includes detailed discussion on fixed assets – namely, the State Fairgrounds and its facilities. Finally, the Statement of Cash Flows provides information on cash receipts and payments resulting from operations, as well as financing and investing activity that occurred during the year.

#### **■ Income and Expense**

The State Fair realized a net operating gain of \$724,000 in 2003, based on gross revenues of \$27.5 million and gross expenses of \$26.8 million. The previous year's operation showed a net gain of \$1.3 million from income of \$28 million and expenses of \$26.7 million.

In 2003, as a budget balancing measure the state removed the provision that allowed the fair to retain sales tax earned on State Fair gate, Grandstand and Midway tickets. (The sales tax exemption required that the foregone tax be matched by new fair revenue and dedicated entirely to capital work to the fairgrounds.) The loss of the sales tax exemption resulted in a decrease of \$1.2 million in the fair's gross operating revenue for the year. The fair's sales tax exemption first went into effect in 1989.

State Fair income is earned primarily from three sources: ticket sales, licensing of commercial exhibit space and the rental of fair facilities for non-fair events.

In a normal year, ticket sales represent two-thirds of the State Fair's gross annual income. In 2003, the ticket sales total of \$18.4 million

was earned chiefly through sales of outside gate tickets (\$11 million), Mighty Midway and Kidway tickets (\$5.5 million) and Grandstand tickets (\$1.2 million). The totals for 2002 (please see supporting schedules on page 23) include sales tax earned on tickets sold, which the fair had been allowed to retain prior to '03; the totals for 2003 reflect the net after paying state sales tax.

As with most businesses, expenses are very diverse. Among them are services to fair visitors that include police, sanitation and transportation (\$2.6 million), Grandstand and free entertainment (\$2.7 million), fairgrounds plant operations (\$3.2 million) and maintenance and depreciation of State Fair facilities (\$3.3 million).

#### **Revenues, Expenses and Changes in Net Assets**

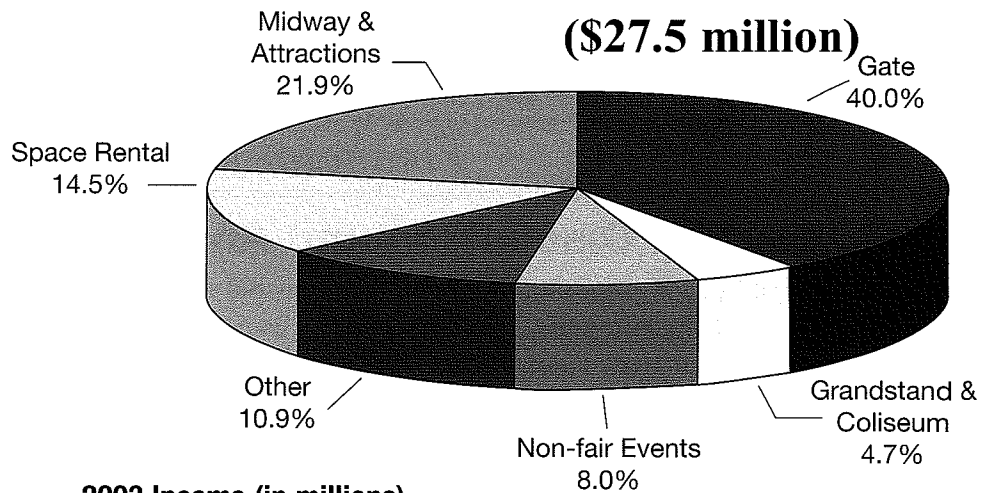
	<b>2002</b>	<b>2003</b>	<b>Change</b>	<b>Percent Change</b>
Total Revenue	28,033,000	27,538,000	(495,000)	(1.7%)
Total Expense	26,626,000	26,814,000	188,000	0.7%
Changes in Net Assets	1,407,000	724,000	(683,000)	(48.5%)
Beginning Net Assets	29,122,000	30,529,000	1,407,000	4.8%
Ending Net Assets	\$30,529,000	\$31,253,000	\$724,000	2.4%

Several areas of expense have seen notable increases in recent years, and that trend continued in 2003. Since 9-11, security procedures have been completely revamped, requiring more personnel and increased operating costs for the public safety department. Public safety expenses of \$982,000 in '02 and \$869,000 in '03 are up an average of \$240,000 over previous years. The State Fair's Park & Ride bus service, offered free to fair guests, continues to grow in popularity. As ridership increases, so do the fair's associated costs – from \$894,000 in '02 to \$985,000 in '03. We expect Park & Ride costs to exceed \$1 million in '04. Additional cost increases were incurred through depreciation of State Fair facilities (\$1.9 million in '02 to \$2 million in '03) and a rise in premiums paid to competitors in the State Fair's agricultural, educational and artistic contests (\$736,000 in '02 to \$830,000 in '03).

The fairgrounds' aging facilities also require more work each year. The loss of the sales tax exemption in '03 came well after budgets were set for the year, resulting in significant deferral of maintenance projects – \$1.2 million in '03 compared to \$2 million in maintenance projects the previous year.

A detailed breakdown of the State Fair's income and expenses are included in the Income and Expense Supporting Schedules on pages 28-30.

## 2003 INCOME (\$27.5 million)

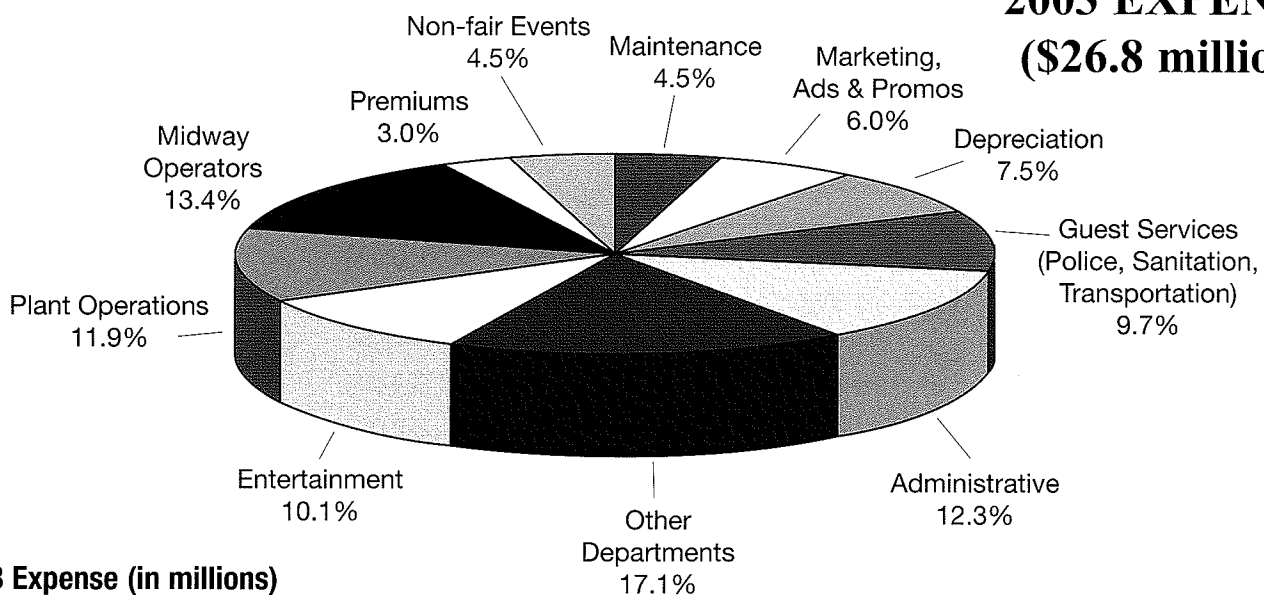


### 2003 Income (in millions)

- Gate – \$11.0
- Midway & Attractions – \$6.0
- Space Rental – \$4.0\*
- Other – \$3.0
- Non-fair Events – \$2.2
- Grandstand & Coliseum – \$1.3

*\*Supporting schedule figure includes attractions income*

## 2003 EXPENSE (\$26.8 million)



### 2003 Expense (in millions)

- Midway Operators – \$3.6
- Plant Operations – \$3.2
- Entertainment – \$2.7
- Administrative – \$3.3
- Guest Services – \$2.6 (Police, Sanitation, Transportation)
- Other Departments – \$4.6
- Depreciation – \$2.0
- Marketing, Ads & Promos – \$1.6
- Maintenance – \$1.2
- Non-fair Events – \$1.2
- Premiums – \$0.8

## ■ Net Assets

The Condensed Statement of Net Assets provides a quick look at the Society's overall financial position, and shows that the direction of the Society's situation is favorable with net assets increasing \$724,000 to a total of \$31.3 million during fiscal 2003.

Two-thirds of the Society's net assets – \$20.6 million – represents the Society's continual investment in capital assets (buildings, equipment and infrastructure) that are absolutely necessary to the Society's ability to present the annual exposition and conduct a busy schedule of non-fair events year-around. Invested in net assets, net of related debt, consists of the total value of the asset, less depreciation and outstanding debt attributed to those assets. An additional component of net assets is the \$9 million construction fund financed through the June '03 sale of Society revenue bonds that are restricted for use to renovate the historic State Fair Grandstand. Other Society net assets are unrestricted.

<b>CONDENSED STATEMENT OF NET ASSETS</b>				
	<b>2002</b>	<b>2003</b>	<b>Change</b>	<b>Percent Change</b>
Current & Other Assets	\$ 7,834,000	\$13,807,000	\$5,973,000	76.2%
Capital Assets	<u>25,216,000</u>	<u>31,825,000</u>	<u>6,609,000</u>	<u>26.2%</u>
Total Assets	33,050,000	45,632,000	12,582,000	38.1%
Long Term Debt	86,000	10,835,000	10,749,000	12498.0%
Other Liabilities	<u>2,435,000</u>	<u>3,544,000</u>	<u>1,109,000</u>	<u>45.5%</u>
Total Liabilities	2,521,000	14,379,000	11,858,000	470.4%
Invested in Capital Assets				
Net of Related Debt	25,058,000	20,635,000	(4,423,000)	(17.6)%
Restricted	2,829,000	9,013,000	6,184,000	218.5%
Unrestricted	<u>2,642,000</u>	<u>1,605,000</u>	<u>(1,037,000)</u>	<u>(39.2)%</u>
Total Net Assets	<u>\$30,529,000</u>	<u>\$31,253,000</u>	<u>\$724,000</u>	<u>2.4%</u>

## ■ Fixed Assets (The State Fairgrounds)

The State Fair's capital assets consist of 141 fair-owned structures, land and improvements to the land, personal property and infrastructure including an intricate network of electricity, communications, gas, water and sewer distribution systems.

Structures include everything from small permanent information and ticket booths to the Coliseum and the massive Grandstand. Most of the State Fair's significant structures and utilities systems date back to WPA days in the '30s and very early '40s. Some buildings are even older, such as the Grandstand (1909), Arts Center (1907) and Progress Center (1907).

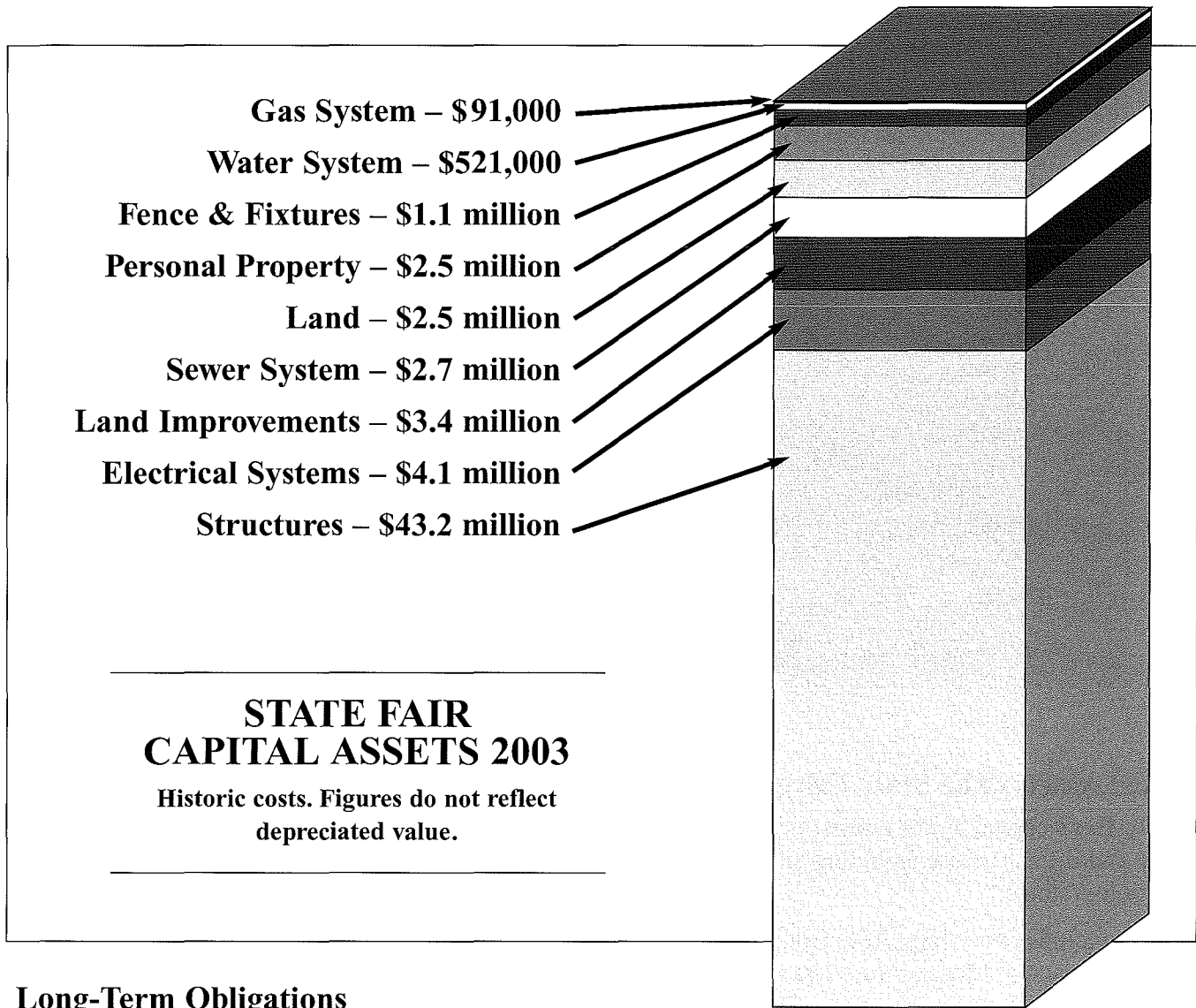
In 2003, the State Fair invested \$8.9 million in capital improvements. By far, the greatest capital expense in '03 was the \$7.6 million first phase of the Grandstand renovation project. The second phase, budgeted at \$7.3 million, is scheduled to be completed prior to the 2004 State Fair. Other 2003 capital projects included \$428,000 to replace the Coliseum's heating and air conditioning system, \$207,000 for a new roof on the operations and service building, \$79,000 to upgrade the fairgrounds communications network, \$70,000 in improvements to the electrical and sewer systems and \$64,000 to purchase additional ticket booths.

A total of \$4.2 million in capital improvement work was done in 2002. Major projects included the \$1.5 million renovation of the Food Building, \$521,000 to complete a new roof for the Horse Barn and \$262,000 to expand the fairgrounds' fiber optic network.

Capital improvements lead to an increased dollar value to fixed assets. This, in turn, results in increased depreciation expense – up \$148,000 from 2002 to a total of \$2 million in 2003.

The real value of the fair's fixed assets, particularly its structures, is far greater than the net value of \$31.8 million reflected in the financial statements. Building valuations conducted for property insurance purposes place the combined value conservatively at \$144 million. Replacement value for the buildings is actually much higher.

Additional information on fixed assets can be found in note 3.



## ■ Long-Term Obligations

At the end of fiscal 2002, the Society had only \$158,000 in long- and short-term debt. The debt consists of a lease for office equipment and one promissary note with an interest rate of 1 percent below the prime rate extending through fiscal 2005. Long-term debt increased significantly in 2003. After several years of planning, renovation of the historic State Fair Grandstand began in earnest. To assist in financing the project, the Society requested and received legislative authority to issue its own revenue bonds. In June of '03, the Society conducted a bond issue of \$11.1 million to apply to the renovation project. Additional information on long-term debt can be found in the notes accompanying the financial statements.

## ■ Statement of Net Assets

For the years ended October 31

2003

2002

### ASSETS

#### Current assets:

Cash and cash equivalents - Unrestricted	\$ 2,894,747	\$ 3,300,482
Cash and cash equivalents - Restricted	9,012,443	2,828,713
Accounts Receivable	1,670,917	1,586,074
Accrued interest receivable	673	847
Prepaid expenses	111,225	20,371
Total current assets	13,690,005	7,736,487

#### Non-current assets:

Note Receivable	117,216	97,391
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#### Capital Assets, Net of related depreciation

31,825,201	25,216,581
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Total assets	\$ 45,632,422	\$ 33,050,459
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### LIABILITIES & NET ASSETS

#### Current liabilities:

Accounts payable	\$ 2,468,197	\$ 1,609,860
Accrued salaries	161,852	147,778
Compensated absences	418,408	409,940
Deferred income	224,728	195,638
Bond interest payable	164,504	-

Total current liabilities	3,437,689	2,363,216
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#### Noncurrent liabilities:

Due within one year	355,719	71,352
Due in more than one year	10,834,741	86,477
Unamortized bond discount	(248,756)	-

Total liabilities	\$ 14,379,393	\$ 2,521,045
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### NET ASSETS

#### Invested in capital assets, net of related debt

\$ 20,634,742	\$ 25,058,751
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#### Restricted for:

Debt Service	1,755,279	-
Capital Improvements	7,258,164	2,828,709

Unrestricted assets	1,604,844	2,641,954
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Total net assets	\$ 31,253,029	\$ 30,529,414
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<b>Total liabilities and net assets</b>	<b>\$ 45,632,422</b>	<b>\$ 33,050,459</b>
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The accompanying notes are an integral part of the financial statements.

## ■ Statement of Revenue, Expenses and Changes in Net Assets

For the years ended October 31

2003

2002

### OPERATING REVENUES:

Ticket sales	\$ 18,356,974	\$ 18,955,477
Departmental	5,330,770	5,274,415
Other	3,796,797	3,714,026
Total operating revenues	\$ 27,484,541	\$ 27,943,918

### OPERATING EXPENSES:

Administrative	\$ 3,345,389	\$ 3,184,158
Activities and Support	14,311,649	14,355,629
Premiums	829,931	735,824
Plant Operations	3,230,455	3,263,893
Plant Maintenance	1,240,225	1,982,571
Other	1,682,215	1,229,181
Depreciation	2,014,340	1,866,475
Total operating expenses	26,654,204	26,617,731
Operating income	\$ 830,337	\$ 1,326,187

### NONOPERATING REVENUES (EXPENSES):

Interest income	\$ 53,170	\$ 88,935
Interest expense	(159,892)	(7,832)
Net income	723,615	1,407,290
Total net assets, beginning of year	\$ 30,529,414	\$ 29,122,124
Total net assets, end of year	\$ 31,253,029	\$ 30,529,414

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



## ■ Statement of Cash Flows

For the years ended October 31

2003

2002

### Cash flow from operating activities:

Cash received from operations

Ticket Sales	\$ 18,145,109	\$ 18,125,556
Activities	5,776,273	5,033,573
Other	3,507,406	3,827,957

Cash payment for operating expenses

Administration	(3,386,590)	(3,340,658)
Activities	(14,576,832)	(15,264,469)
Plant Operations	(4,488,112)	(5,038,797)
Other	(1,398,305)	(1,322,264)
Net cash provided by operating activities	3,578,949	2,020,898

### Cash flow from capital and related financing activities

Net proceeds from revenue bond issuance	10,861,244	-
Payments for acquisition and construction of capital assets	(8,867,652)	(4,299,178)
Disposal of capital assets	244,692	-
Principal payments on notes and leases	(77,369)	(61,715)
Interest payments on notes and leases	(17,208)	(7,832)
Proceeds from note receivable	(19,825)	(4,099)
Net cash provided by capital and related financing activities	2,123,882	(4,372,824)

### Cash flow from investing activities

Interest earnings	75,164	89,132
Net increase (decrease) in cash and cash equivalents	5,777,995	(2,262,794)
Cash and cash equivalents, beginning of year	6,129,195	8,391,989
<b>Cash and cash equivalents, end of year</b>	<b>\$ 11,907,190</b>	<b>\$ 6,129,195</b>

### Reconciliation of operating income to net cash provided by operating activities

Operating income	\$ 830,337	\$ 1,326,187
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	2,014,340	1,866,475
Changes in current operating assets and liabilities		
Current assets: (increase) decrease		
Accounts receivable	(84,843)	(908,014)
Prepaid expenses	(90,854)	55,716
Current liabilities: increase (decrease)		
Accounts payable	858,337	(274,337)
Salary payable	14,074	22,508
Compensated absences	8,468	(18,819)
Deferred revenues	29,090	(48,818)
Total adjustments	2,748,612	694,711
<b>Net cash provided by operating activities</b>	<b>\$ 3,578,949</b>	<b>\$ 2,020,898</b>

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 the 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 an accrual basis. The Society's accounting practices conform to generally accepted accounting principles as prescribed by the Governmental Standards Board. In accordance with Governmental Accounting Standard No. 20, the Society does not apply any pronouncements of the Financial Accounting Standards issued after November 30, 1989. For fiscal year 2003, the Society adopted provisions of Statement No. 38 of the Governmental Accounting Standards Board "Certain Financial Note Disclosures" established for financial reporting for government entities. There was no accumulated effect on the basic financial statements. Compensated absences consist of employee vacation and sick leave benefits. These benefits are determined based on a formula with a maximum number of hours accumulated and are payable upon death, termination, or retirement. Compensated absences are reported as current liabilities.

Costs of newly acquired assets are capitalized and written off as depreciation charges over their estimated useful lives. Purchases over \$1,000.00 are capitalized. Depreciation is computed on the straight-line method. The provision for depreciation is calculated based on the following lives:

Electrical System	30 years
Fence & Fixtures	20 years
Gas distribution system	30 years
Land improvements	20 years
Personal Property	5 & 10 years
Sewer system	20 years
Structures	20 to 50 years
Water distribution system	20 to 30 years

Equity is classified as net assets and is presented in three components:

1. Invested in capital assets, net of related debt - consists of capital assets, net of accumulated depreciation and any outstanding debt that is attributable to the purchase, construction or improvement of those assets.
2. Restricted net assets - consists of net assets with constraints or restrictions placed on their use by external groups or through enabling legislation.
3. Unrestricted net assets - consists of all other assets that do not meet the criteria of restricted or invested in capital, net of related debt.

### NOTE 2: CASH AND CASH EQUIVALENTS

The Society cash balance is invested in deposit accounts and government obligation funds invested exclusively in short-term government securities that the Society considers to be cash equivalents. Minn.Stat. Sec 118A.03 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. During fiscal 2003, the combined insured amount and collateral met the daily requirement as set forth by statute except for one day. Cash and Cash Equivalents of the Minnesota State Agricultural Society for the year ending October 31, 2003:

#### Beginning balance November 1, 2002

Imprest fund - cash on hand	\$ 5,000	
Checking accounts	91,263	
Government obligation funds	6,032,932	
Total		\$ 6,129,195
Increase (Decrease) in Cash for 2003		5,777,995
Ending Cash Balance October 31, 2003		\$ 11,907,190

#### Detail of Year - End Cash Balance:

Imprest fund - cash on hand	\$ 5,000	
Checking accounts	203,012	
Government obligation funds	11,699,178	
Total		\$ 11,907,190

	2003	2002
Cash Equivalents - Restricted		
Building Account	\$ 494,573	\$ 2,828,713
Debt Service Account	876,874	-
Debt Service Reserve Account	878,405	-
Construction Account	6,762,591	-
Total Restricted Cash Equivalents	\$ 9,012,443	\$ 2,828,713

Cash Equivalents - Unrestricted	2,894,747	3,300,482
Total Restricted Cash Equivalents	\$ 11,907,190	\$ 6,129,195

Restricted cash equivalents represent funds restricted in application by enabling legislation or by revenue bond sale covenant requirements.

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

Property, structures, utilities and equipment are recorded at cost and depreciated using the straight-line method over the useful life of the related asset. 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 over their estimated useful life.

	2003	2002
Land	\$ 2,503,439	\$ 2,503,439
Land Improvements	3,409,976	3,409,976
Structures	43,237,879	35,812,225
Electrical System	4,113,914	4,055,398
Fence and Fixtures	1,067,155	1,067,155
Gas System	91,182	91,182
Sewer System	2,677,666	2,664,800
Water System	520,806	520,806
Personal Property	2,496,137	2,222,760
Total	60,118,154	52,347,741
Less Accumulated Depreciation	28,292,953	27,131,160
Net Book Value	\$ 31,825,201	\$ 25,216,581

### NOTE 4: LONG-TERM OBLIGATIONS

	2003		2002	
	Current	Long-term	Current	Long-Term
Notes Payable	\$ 65,824	\$ 9,741	\$ 63,433	\$ 80,900
Lease Payable	4,895	-	7,919	5,577
Bond Payable	285,000	10,825,000		
	\$ 355,719	\$ 10,834,741	\$ 71,352	\$ 86,477
Net Increase (decrease)	\$ 284,367	\$ 10,748,264		

Notes Payable consists of one promissary note originated in 1991 in the amount of \$600,000 to finance the construction of the Visitors Plaza building. This obligation bears an interest that is 1% less than the prime rate in effect from time to time. The office equipment lease installment payment for principal and interest is \$5,599 per month. This lease matures in 2004.

Annual debt service requirements to maturity for the outstanding note payable are as follows:

	Principal	Interest
2004	\$ 65,824	\$ 1,368
2005	9,741	35
	\$ 75,565	\$ 1,403

During 2003, the Minnesota State Agricultural Society issued State Fair Revenue Bonds, Series 2003 in the amount of \$11,110,000. Proceeds from this bond series are being used to provide funds to make capital improvements, complete major renovations to the Grandstand structure, to fund the Series 2003 debt service reserve requirement and to pay cost of issuance expenses relating to the bonds. The bonds are special, limited obligations of the Society and are not secured by the full faith and credit of the Society. The bonds are payable solely from the revenues of the Fair. Principal and interest payments are made semi-annually on each March 15 and September 15, commencing March 15, 2004. The bond interest rates are 3.000% to 5.125%. The bonds mature September 15, 2023.

Annual debt service requirements to maturity for the State Fair Revenue Bonds are as follows:

	Principal	Interest
2004	\$ 285,000	\$ 591,874
2005	395,000	482,405
2006	405,000	470,555
2007	420,000	458,405
2008	430,000	444,755
2009-2013	2,410,000	1,967,575
2014-2018	2,975,000	1,402,189
2019-2023	3,790,000	595,191
	\$ 11,110,000	\$ 6,412,949

## ■ Footnotes

### NOTE 5: SHORT TERM OBLIGATIONS

During fiscal 2003, the Society established a \$3.75 million working capital line of credit for the short-term financing of the grandstand renovation project. The total amount of working capital actually borrowed against the line of credit during fiscal 2003 totaled \$2.1 million. The \$2.1 million was paid in full by proceeds from a revenue bond sale completed by the Society during fiscal 2003. As of 10/31/03 there was no outstanding balance due on the line of credit.

### NOTE 6: LEASE PAYABLE

Leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The lease payable represents one lease for financing of one copier. 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:

Class of Property:

Office Equipment	\$ 36,320
Less: Accumulated amortization	36,320
	\$ -

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, 2003:

Year ending October 31:

Total minimum lease payments - 2004	\$ 5,006
Less: amount representing interest (1)	111
	\$ 4,895

(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 7: RETIREMENT PLAN

The following pension disclosures are made to comply with GASB Statement No. 27, "Accounting or Pensions by State and Local Government Employees".

**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 \$3,469,144 for 2002 and \$3,399,693 for 2003. Total Society payroll was \$6,521,502 for 2002 and \$6,591,130 for 2003. MSRS issues a publicly available financial report that includes financial statement and required supplementary information. That report may be obtained by writing to the MSRS plan administrator at the Minnesota State Retirement System, 60 Empire Drive, Suite 300, Saint Paul, Minnesota 55103-3000.

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 1.2 percent of a five high year salary for the first ten years of service, then 1.7 percent for each year thereafter. Under the Level Formula, the annual accrual amount is 1.7 percent for each year of service. A full annuity is available when age plus years of service equal 90 for annuities calculated with the Step Formula.

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.

**Funding Policy** — 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 6.79% for 2002 and 8.34% for 2003.

The current rates are 4.00 percent for employees and 4.00 percent for the Society for a total of 8.00 percent. The total employer contributions for the Society were \$138,766 for 2002 and \$135,988 for 2003.

**Related Party Investments** — As of October 31, 2003, and for the fiscal year then ended, MSRS held no securities issued by the Society other related parties.

**Deferred Compensation** — All Society full-time employees are eligible to participate in the Minnesota Deferred Compensation Plan for public employees. Deferred compensation is a voluntary 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. The deferred compensation plan is administered by Minnesota State Retirement System.

### NOTE 8: RESTRICTED ASSETS AND FUNDS

**RESTRICTED ASSETS** — These represent funds that are reported separately, due to restrictions in place required by bond obligations or enabling legislation, that mandate how these funds are applied by the Society.

#### Debt Service

This consists of funds that are required for debt service reserves for payment of the annual principal and interest payments for the Series 2003 State Fair Revenue Bonds.

#### Capital Improvements

Restricted capital improvements consists of the following two funds:

1. The remaining balance (\$494,573) of restricted funds as set forth by Minnesota Statutes, Section 289A.31 that previously allowed the Society to retain the sales tax on ticket sales. These funds are specifically designated for the purpose of making capital improvements to the Society's buildings and facilities. Legislation passed during 2003 eliminated the sales tax retention by the Society.
2. The remaining proceeds (\$6,762,591) from the June 2003 sale of revenue bonds by the Society to provide funds to make capital improvements and renovations to the Grandstand structure.

### NOTE 9: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

#### Receivables

Accounts receivable balance at October 31, 2003 were as follows:

	2003	2002
Tickets	\$ 1,162,302	\$ 950,437
Activities	76,594	522,097
Other	432,021	113,540
Receivables, net	\$ 1,670,917	\$ 1,586,074

All receivable balances are expected to be received in the subsequent year.

#### Payables

Accounts payable balances at October 31, 2004 were as follows:

	2003	2002
Administration	\$ 84,819	\$ 51,957
Activities	1,189,539	640,005
Plant Operations	428,730	409,317
Other	765,109	508,581
Total Payable	\$ 2,468,197	\$ 1,609,860

The balances presented in the tables agrees with the balances presented in the statements of net assets.

### NOTE 10: FOUNDATION

The Minnesota State Fair Foundation was incorporated as a Minnesota nonprofit corporation in July 2001. The Foundation's purpose and activities are exempt from federal income tax under Section 501 c 3 of the Internal Revenue Service code. The Foundation's mission is to assist the Society in the preservation, restoration and improvement of the historic Minnesota State Fairgrounds by raising funds for capital and maintenance work to fairgrounds facilities, and providing support for the State Fair's educational programs.

The Foundation has no members; its affairs are governed by a board of directors made up of volunteers representing Minnesota's agricultural and business communities, the arts and members of the State Fair's board of managers. The Foundation is thus deemed a component of the Society. The Foundation's net assets, changes in net assets and cash flows are not material to the Society.

## ■ Supporting Schedule – Revenue and Expenses

For the years ended October 31	2003	2002
<b>OPERATING INCOME</b>		
Ticket sales:		
Carnival	5,513,821	5,717,868
Coliseum	138,574	138,033
Grandstand	1,152,300	1,614,507
Outside gate	10,970,583	10,919,059
Parking	581,696	566,010
<b>Total ticket sales</b>	<b>18,356,974</b>	<b>18,955,477</b>
Activities:		
Box office	127,017	196,192
Campgrounds	110,131	108,637
Carnival	80,469	87,337
Competition	222,368	165,317
Entertainment	27,180	79,615
Forage	13,117	16,665
4-H Auction	175,176	131,350
Public safety	8,746	13,296
Sales	4,566,566	4,476,006
<b>Total activities</b>	<b>5,330,770</b>	<b>5,274,415</b>
Other:		
Beef Expo	55,919	36,469
Licensee Utilities	208,528	206,262
Miscellaneous	62,276	63,140
Non-fair events	2,202,326	2,122,882
Sale of bulk milk	12,579	9,004
Sale of market animals	130,743	102,697
Sponsorships	599,532	651,303
Telephone	134,724	129,480
Utility Assessments	390,170	392,789
<b>Total other</b>	<b>3,796,797</b>	<b>3,714,026</b>
<b>TOTAL OPERATING INCOME</b>	<b>27,484,541</b>	<b>27,943,918</b>
<b>OPERATING EXPENSES</b>		
For the years ended October 31	2003	2002
Administrative:		
Administrative Services	523,642	515,248
Annual meeting	13,502	14,786
Bad debt	12,779	8,150
Board honorarium	10,400	10,344
Computer	367,287	388,228
Dues and subscriptions	18,027	18,087
Insurance	90,279	114,725
Legal services	41,938	32,778
Legislative audit	36,348	34,750
Medical insurance	559,151	480,746
Paid leave	479,566	420,663
Postage and mailing service	84,085	84,588
Printing and supplies	86,031	106,832
Retirement fund	146,349	151,042
Social security	493,680	487,405
Telephone	199,231	195,972
Travel expense	53,005	58,307
Unemployment compensation	21,468	11,574
Workers compensation	108,621	49,933
<b>Total administrative</b>	<b>3,345,389</b>	<b>3,184,158</b>
Activities and Support:		
Admissions	148,812	151,121
Advertising	661,737	662,483

Agri-Land		7,154
Bee culture	7,916	9,047
Beef Expo	41,161	37,478
Box office	159,275	171,506
Campground	60,299	58,396
Carnival	4,094,750	4,046,883
Cattle	95,958	92,192
Christmas trees	4,371	3,248
Competition	377,672	268,707
Creative activities	57,843	60,244
Dairy products	1,182	1,640
Dog trials	2,630	2,454
Education	23,102	23,420
Farm crops	16,097	18,103
Finance	179,575	173,999
Fine arts	31,634	31,610
Flower and agriculture shows	43,320	41,050
Flowers	6,767	6,874
Forage	22,930	46,452
4-H Club	278,996	253,707
Free entertainment	956,017	912,419
Fruit	12,449	11,428
FFA	56,877	61,862
Gate tickets	168,182	170,804
Goats	4,556	4,409
Grandstand - concerts	1,694,766	1,789,743
Grandstand - race		195,673
Heritage exhibits	9,386	10,109
Horse and rodeo	224,738	193,488
Llamas	2,714	3,043
Marketing	542,273	480,145
Meats		1,311
Park & Ride	985,338	894,446
Parking	168,237	175,603
Poultry	14,043	12,388
Public safety	868,846	982,148
Sales	967,262	977,500
Sanitation	769,983	866,143
Senior citizens	10,958	10,969
Sheep	6,653	6,958
Swine	12,735	10,925
Ticket audit	9,894	9,724
Ticket promotion	422,030	318,169
Trams	61,406	60,047
Transportation	17,245	19,630
Vegetables	9,034	8,777
<b>Total activities and support</b>	<b>14,311,649</b>	<b>14,355,629</b>
<b>Premiums:</b>		
Bee culture	3,742	3,776
Beef expo	16,235	7,105
Cattle	113,160	105,362
Christmas tree	3,095	3,235
Creative activities	12,238	12,968
Dairy products	1,085	1,105
Dog trials	1,070	1,110
Education	10,093	10,452
Farm crops	14,093	13,716
Fine arts	10,050	10,000
Flowers	1,729	2,187
4-H Auction	175,026	131,350
4-H Club	67,780	60,842
Fruit	1,654	1,568
FFA	65,048	65,381
Goat	11,730	12,398
Horse	81,215	83,545

Llama	4,830	4,610
Poultry	11,766	11,615
Rural youth scholarships	20,000	20,000
Sale of bulk milk	1,894	8,992
Sale of market animals	130,743	102,410
Sheep	26,992	26,530
Swine	30,943	22,601
Talent contest	8,860	8,620
Vegetables	4,860	4,346
<b>Total premiums</b>	<b>829,931</b>	<b>735,824</b>
Other:		
Institutional tickets	198,126	108,285
Miscellaneous	234,208	14,606
Non-fair events	1,208,274	1,065,183
Veterinarian service	41,607	41,107
<b>Total other</b>	<b>1,682,215</b>	<b>1,229,181</b>
Plant operations:		
Architectural and engineering	221,922	305,499
Fire and police service	100,824	73,843
Fuel, oil and gasoline	53,888	54,572
Greenhouse	190,482	197,980
Operations	347,350	326,944
Property tax and assessments	3,273	28,006
Salaries and contract services	850,925	766,563
Set-up and take-down	802,824	795,937
Signs	70,361	63,426
Supplies	42,282	48,662
Utilities	373,086	372,512
Watchmen	76,923	95,228
Water and sewer	96,315	134,721
<b>Total plant operations</b>	<b>3,230,455</b>	<b>3,263,893</b>
Plant maintenance:		
Electric system	233,323	331,092
Fence and fixtures	21,999	28,597
Gas system	201	1,353
Land	96,781	80,751
Personal property	171,018	191,081
Sewer system	22,867	16,256
Streets and sidewalks	98,462	159,102
Structures	387,209	901,876
Vehicles	176,726	229,467
Water system	31,639	42,996
<b>Total plant maintenance</b>	<b>1,240,225</b>	<b>1,982,571</b>
Depreciation:		
Electric system	107,387	107,936
Fence and fixtures	46,088	46,563
Gas system	686	686
Land improvement	140,400	140,960
Personal property	358,125	356,850
Sewer system	114,582	116,281
Structures	1,235,113	1,085,236
Water system	11,959	11,963
<b>Total depreciation</b>	<b>2,014,340</b>	<b>1,866,475</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>26,654,204</b>	<b>26,617,731</b>
Net operating income	830,337	1,326,187
<b>NON-OPERATING INCOME (EXPENSES)</b>		
Interest income	53,170	88,935
Interest expense	(159,892)	(7,832)
<b>NET INCOME</b>	<b>723,615</b>	<b>1,407,290</b>



## OFFICE OF THE LEGISLATIVE AUDITOR

State of Minnesota • James Nobles, Legislative Auditor

### **Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Representative Tim Wilkin, Chair  
Legislative Audit Commission

Members of the Legislative Audit Commission

Ms. Clarice Schmidt, President  
Board of Managers  
State Agricultural Society

Members of the State Agricultural Society

Mr. Jerry Hammer, Executive Vice President  
State Agricultural Society

We have audited the financial statements of the State Agricultural Society as of and for the year ended October 31, 2003, and have issued our report thereon dated March 19, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### **Compliance**

As part of obtaining reasonable assurance about whether the State Agricultural Society's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the State Agricultural Society's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies



## State Agricultural Society

in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the State Agricultural Society's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. We describe reportable conditions as Findings 1 through 3 in the accompanying section entitled *Current Findings and Recommendations*.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce, to a relatively low level, the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described in Finding 1 to be a material weakness.

This report is intended solely for the information and use of the State Agricultural Society's management and the Legislative Audit Commission and is not intended to be and should not be used by anyone other than these specified parties.

*/s/ James R. Nobles*

*/s/ Claudia J. Gudvangen*

James R. Nobles  
Legislative Auditor

Claudia J. Gudvangen, CPA  
Deputy Legislative Auditor

March 19, 2004

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## Current Findings and Recommendations

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### **1. PRIOR FINDING PARTIALLY RESOLVED: The State Agricultural Society has not appropriately resolved its information technology security risks.**

Our prior audit of the State Agricultural Society identified significant information technology security weaknesses. The Society lacked a comprehensive security foundation and had not addressed many relevant technology risks. We communicated the general nature of these weaknesses to Society's management in our written audit report. However, to minimize exposure to the organization, we also provided the Society with a confidential report of specific, detailed security findings and recommendations.

The Society's systems remain vulnerable to unauthorized access. It has taken steps to secure its systems from external harm. However, more work needs to be done to reduce the organization's exposure to an acceptable level. We are concerned that the Society still does not have complete written information technology security policies, procedures, or standards. This documentation is important because it constitutes the framework to positively control information technology resources. We also are concerned that many high-risk findings in our confidential report have not been addressed.

#### *Recommendation*

- *The State Agricultural Society should build a comprehensive security infrastructure that addresses current information technology risks.*

### **2. The Society did not promptly make adjusting entries to its general ledger cash account to correct recording discrepancies.**

During fiscal year 2003, the Society did not timely adjust its general ledger cash account to correct recording differences identified during its reconciliation process. Although, as part of its monthly bank reconciliation process, the Society identified several reconciling items that were caused by recording differences in the general ledger, it did not make immediate corrections to the general ledger to resolve those items. As a result, the year-end cash balance recorded in the general ledger was originally overstated by about \$48,000. \$46,000 of the difference was a batch of checks, which the Society disbursed shortly before year-end. The checks were posted to accounts payable instead of cash in the general ledger. The remainder involved differences between recorded check disbursement amounts in the general ledger and actual check amounts, and unrecorded bank charges. The Society made our proposed adjusting entries to resolve the differences before it finalized the financial statements.

## State Agricultural Society

### *Recommendation*

- *The Society should promptly make adjusting entries to its general ledger cash account to correct differences identified through its bank reconciliation process.*

### **3. The Society did not adequately segregate duties related to payroll and human resources activity.**

The Society employee responsible for processing payroll, including the employee's own transactions, was also responsible for recording human resources data in the payroll system. Besides processing bi-weekly payroll expenses, that employee was responsible for creating new employee records, changing pay rates, and changing leave accrual rates in the payroll system. Ideally, employees that process payroll should not have the ability to create new employee records, to adjust pay and leave accrual rates, or to process their own transactions. Without proper segregation, employees could manipulate payroll transactions to benefit themselves, without detection. If segregating duties is not plausible, the Society should establish mitigating controls, such as independent reviews of transactions or output reports, to alleviate the risk caused by the lack of segregation.

### *Recommendation*

- *The Society should segregate duties related to payroll and human resources activity, or establish effective mitigating controls to alleviate the risk.*

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**Status of Prior Audit Issues  
As of March 19, 2004**

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**Most Recent Audit**

The Office of the Legislative Auditor performs an annual audit of the State Agricultural Society. Legislative Audit Report 03-22, dated April 24, 2003, covered the fiscal year ended October 31, 2002. The audit scope included those areas material to the Society's financial statements. The report contained four findings. One finding related to the Society's information technology security risks. While the Society has taken some steps to address the issue, further action is necessary to fully resolve the finding, and we repeat the issue as Finding 1 in this report. Another finding concerned the Society's bank reconciliation process, which was substantially resolved. We report a related issue, however, as Finding 2 in this report. The Society resolved the other two findings, one related to the accuracy of the daily average ticket price of carnival tickets sold at the State Fair, and one related to contributions to deferred compensation plans.



THE GREAT MINNESOTA GET-TOGETHER  
12 DAYS OF **FUN** ENDING LABOR DAY

Jeanine Leifeld, CPA, CISA  
Office of the Legislative Auditor  
Room 140 Centennial Building  
658 Cedar St.  
St. Paul, MN 55155

May 5, 2004

Dear Jeanine,

**Response to finding number one:**

When the OLA initially recommended that the Society improve its computer security systems, it was agreed that the project would take a few years. During fiscal '03, the Society dedicated substantial time and resources to address areas of specific concern, and significant progress was made – particularly in securing the fair's systems from outside access. Additional IT staff has been added and will focus in the coming year on continuing to reduce exposure risks as well as completing written information technology security policies, procedures and standards.

**Response to finding number two:**

The \$46,000 in checks issued immediately before year's end were cash awards for winning participants in the fair's 4-H championship livestock auction and post-fair Beef Expo cattle show. Cash to cover the checks was not transferred to the fair's premium fund account until just after the start of the new fiscal year, and our statements were written accordingly. An adjusting entry was made, and the statements are correct as published.

**Response to finding number three:**

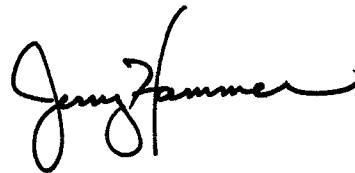
The State Fair will establish additional mitigating controls for its payroll and human resources activities.



Jeanine Leifeld  
Office of the Legislative Auditor

Our thanks to you and the audit team for your efforts on our behalf.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry Hammer". The signature is fluid and cursive, with the first name "Jerry" and last name "Hammer" clearly distinguishable.

Jerry Hammer  
Executive Vice President

## MEETING OF THE SALES COMMITTEE

10:30 a.m. Friday Jan. 17, 2003

### Radisson South Hotel, Bloomington

**Members present:** Dennis Baker, chairman; Joe Fox; D. J. Leary; Jim Foss; John Paulmann; Lyle Steltz; Bob Lake; Chauncey Wargin; Clarice Schmidt; Howard Recknor, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Mark Birk, ex officio. **Also present:** Karen Leach; Steve Pooch; Marshall Jacobson; Brian Hudalla; Dennis Larson; Pam Simon; Carol Doyle; Joe Fischler; Del Cerney; Adam Heffron; Tom Norgel; Kent Harbison.

Chairman Baker called the meeting to order at 10:30 a.m. On a motion by Mr. Fox, seconded by Mr. Paulmann and carried, agenda item #6 regarding sale of the Skyride was moved to the top of the agenda (Aye-8; Nay-0). Rick Rosow, attorney for Skyride owner Arrow Enterprises, introduced Don McClure as a prospective buyer of the Skyride. Mr. McClure and Mr. Rosow reviewed Mr. McClure's professional background and qualifications as a potential owner and operator of the Skyride. Following a ride status report by Mr. Sinclair and board discussion, the board agreed that Mr. McClure appears to have necessary qualifications and experience to own and operate the Skyride, and adopted the following motion as moved by Mr. Lake, seconded by Mr. Steltz and carried (Aye-8; Nay-0): State Fair staff are authorized to continue with discussions leading to sale of the Skyride and execution of a license granting Skyride operation privileges to a qualified buyer contingent upon the following:

A. All of the work set forth in the report of Mr. O. Sidney Roslund, Jr. of Denver, Colo., dated Sept. 20, 2002 regarding the Von Roll Skyride located on the Minnesota State Fairgrounds, must be satisfactorily completed prior to the 2003 Minnesota State Fair.

B. Any proposed purchaser must arrange for re-inspection of the Skyride by an inspector agreeable to the State Fair to determine whether all of the work set forth in the Sept. 20, 2002 report has been satisfactorily accomplished.

C. An evaluation of the condition of the Skyride's wire rope must be undertaken by a certified wire rope specialist, mutually agreeable to the Minnesota State Fair and any proposed purchaser, and the rope must be found satisfactory for operation or replaced by the proposed purchaser.

D. Minnesota State Fair staff must meet with any proposed purchaser for the purpose of coming to mutual agreement with regard to Skyride contractual and operational details; e.g. insurance coverages and requirements, ticket pricing, percentage and other fees payable to the Minnesota State Fair for the privilege of operation, etc.

The report of sales revenue distributed at the Nov. 17, 2002, meeting of the board was approved on a motion by Mr. Fox, seconded by Mr. Paulmann and carried (Aye-8; Nay-0).

A list of percentage attractions, suggested ticket prices and license percentage fees were discussed and partially approved on a motion by Mr. Paulmann, seconded by Mr. Wargin and carried (Aye-8; Nay-0). (At the request of Mr. Hammer, the entire list was subsequently withdrawn at the board meeting of Jan. 19, and added to the agenda for the board meeting scheduled for March 4, 2003.) Mr. Birk presented the following list of 15 concessionaires to serve approved 3.2 alcoholic beverages during the 2003 State Fair. Following discussion, the list was approved on a motion by Mr. Paulmann, seconded by Mr. Lake and carried (Aye-8; Nay-0): Mr. Birk presented a list of 15 concessionaires to serve approved 3.2 alcoholic beverages during the 2002 State Fair. The following list was approved on a motion by Mr. Paulmann, seconded by Mr. Baker and carried (Aye-7; Nay-0).

Andrus Concessions, Inc. (Robert & Joseph Andrus)	Blk. 42	Arcade Building, Spaces 11-15
Ballpark Cafe (Daniel & David Theisen)	Blk. 35	Crossroads, Space G, outside court
Cafe Caribe (Joel & Mary Chesin)	Blk. 42	Arcade Building, Spaces 1-10
Chicago Dogs (Bruce & Anne Chesin)	Blk. 35	Crossroads, Space L, east
Coasters (Paul & Diana Hohenwald)	Blk. 42	Arcade Building, Spaces 23-32
Crocker's Spaghetti Village, Inc. (James W. Crocker)	Blk. 31	Lots 16-18
Frontier Bar, Inc. (Richard Werner)	Blk. 42	Arcade Building, Spaces 16-22
Giggles Campfire Grill (Timothy Weiss)	Blk. 19	Lot 1 & 2
H.M.H. of St. Paul, Inc. (Henry & Ellen Hanten)	Blk. 47	Bazaar, Space A

Hildebrand Concessions, Inc. (Michael & Janice Hildebrand)	Blk. 28	Grandstand Seating Area (five sites)
Kirschner's Beer Stube (Robert Kirschner)	Blk. 45 Blk. 34	Ag-Hort Building, Space H Bandshell
Midway Men's Club	Blk. 30	Lot S
Ragin Cajun (Ron Jacob & Tom Webster)	Blk. 35	Crossroads, Space H, west
Tejas (Wayne Kostroski & Mark Haugen)	Blk. 35	Crossroads, Space K, north
Ward Food Services (Dan Ward)	Blk. 50	Coliseum, Spaces 113, 159 200, 250, 212, 213 & 268

Mr. Birk presented a list of multiple-site concessions and exhibits for the 2003 State Fair. After discussion, the list was approved on a motion by Mr. Foss, seconded by Mr. Wargin and carried (Aye-8; Nay-0).

CONCESSION-EXHIBIT NAME	DESCRIPTION	NUMBER OF SITES
American Dairy Association	Ice Cream, Milk & Dairy Foods	2
Ben Benson	Bratwurst	2
Cenaiko Enterprises, Inc.	Chamios, Shami Mops-E-Z Can Openers	2
Compmark I Corporation	Space Pix Computer Portrait Products	2
Gary Crutchfield Concessions	Cheese on a Stick	2
Gary Larson	Popcorn, Caramel Corn & Caramel Apples	2
George Funk - Moon Beam Coffee	Leather Crafts-Coffee	2
Giant Ride, Inc.	Giant Slide-Cheese on a Stick	2
Gregory B. Kusick	Cotton Candy	2
Hixon Glass Blowers	Blown and Spun Glass	2
Holly's Hobby	Hand Crafts	2
Icee USA Corp.	Icee Frozen Beverages	2
James Johnson	Foot Long Hot Dogs	3
Kirch Enterprises/Gasthaus Edelweiss	Bratwurst-Food and Beverages	2
Kirschners Beer Stube	Hamburgers, Hot Dogs, Chicken, Snacks, 3.2 Beer	2
Larry Abdo-Gopher State Ice Co.	Pocket pies-Ice (Ice-wholesale permit only)	2
Louise H. O'Neil	Hot Dogs on a Stick	2
Mark Andrew	French Fries-S'Mores	2
MRK-Marquette Financial Group	Financial Services	2
Minn. Honey Producers	Honey, Honey Ice Cream & Candy	2
Minne-Kabob Foods	Kabobs	2
National Service Company	Jewelry Cleaner	2
Nomar, Inc.	Hokey Sweepers, Dusters, Brooms & Massage Pillows	2
Orange Treet Sales	Orange Treat Drink-Smoothies & Dairy Bar	2
Patterson Products	Lint Rollers-Rug & Upholstery Cleaners	2
Schmitt Music Company	Pianos and Organs	2
Shirley Hudspeth	Lamps-Ice Shaver Kits	2
Tina Isaac	Food & Beverages-Tempura Veggies	2
Tom Thumb Donut Corp.	Tom Thumb Donuts	2
Watkins, Inc.	Watkins Products	2
Wee Dazzle	Novelties, Souvenirs & Toys	2
Wozniak Concessions, Inc.	French Fries	2
Edward and Sally Nuebel	Fish & Chips-Nut Products	2
James and Ethel Peters	Hot Dogs-Polish Sausage	2
Delrick Enterprises	Popcorn, Caramel Corn, Caramel	3
Fred C. O'Neil, Jr.	Hot Dogs on a Stick	3
Gregory J. Tetrault	Ice Cream, Sno Cones, Caramel Apples and Beverages	3
John Tysseling	Fried Mushrooms-Turkey Drumsticks	3
Kathy Yahr	Cotton Candy	3
Leah H. O'Neil	Hot Dogs on a Stick	3
Lynn Davis	Ice Cream, Sno Cones, Caramel	3
Maxine W. Davis	Ice Cream, Sno Cones, Caramel Apples and Baked Potatoes	3



Robert Crocker	Root Beer	3
Theodore G. O'Neil	Hot Dogs on a Stick	3
Eugene R. LaVaque	Sno Cones	4
Hannasch, Inc.	Sno Cones	4
James Hartley	Cotton Candy	4
Midwest Coca-Cola Bottling	Coca Cola Beverages & Licensed Merchandise	4
Minnetonka Moccasin Company	Moccasin Footwear	4
Schroder Concessions, Inc.	Popcorn, Caramel Corn, Caramel Apples and	4
Syndicate Sales Corp.	Vegetable Cutters, Knives, Salsa Maker	4
Ward Food Services	Food, Beverages & 3.2 Beer (Coliseum)	4
Hildebrand Concessions	Food, Beverages & 3.2 Beer (Grandstand)	5
Dandy Souvenirs	Novelties, Souvenirs & Toys	6
Desplenter Novelties	Novelties, Souvenirs & Toys	6

The meeting was adjourned on a motion by Mr. Fox, seconded by Mr. Leary and carried (Aye-8; Nay-0).

## MEETING OF THE PLANNING COMMITTEE

2:15 p.m. Friday Jan. 17, 2003

Radisson South Hotel, Bloomington

**Members present:** John Paulmann, chairman; Joe Fox; D. J. Leary; Dennis Baker; Jim Foss; Bob Lake; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio; Steve Pooch, ex officio; Brian Hudalla, ex officio; Joe Fischler, ex officio. **Also present:** Karen Leach; Jim Sinclair; Marshall Jacobson; Mary Mannion; Steve Grans; Adam Heffron; Mary Pittelko; Myron Clasemann; Neil Boltik; Scott Welle; Kristen Wollin; Quin Scott.

Chairman Paulmann called the meeting to order at 2:22 p.m. Mr. Hammer reviewed the proposed operating budget for 2003, outlining the direct relationship of the budget to the proposed improvements and maintenance budgets. Information only; no action required. Mr. Hudalla reported on the progress of the Grandstand renovation project. Information only; no action required. Mr. Pooch presented a detailed report on proposed improvements and maintenance projects for '03. Following is a summary of the complete project list, including projects previously approved at the Nov. 17, 2002, meeting of the board:

### 2003 Maintenance & Improvement Budget Summary

A. Structure Improvements:	6,497,900
B. Land Improvements:	
BI. Fencing & Fixtures	16,000
BII. Land	20,000
BII. Sewer System	250,000
BIV. Streets & Sidewalks	Ø
BV. Water Distribution System	Ø
BVI. Gas Distribution System	Ø
BVII. Land Purchases	Ø
TOTAL Land Improvements	286,000
C. Personal Property	209,950
CII. Personal Property	65,000
D. Electric Plant:	119,800
TOTAL Improvements	7,178,650
E. Structure Maintenance:	406,600
F. Land Maintenance:	
FI. Fencing & Fixtures	23,000
FII. Land	88,000
FIII. Sewer System	48,600
FIV. Streets & Sidewalks	115,000
FV. Water Distribution System	29,400
FVI. Gas Distribution System	1,500
TOTAL Land Maintenance	305,500
G. Personal Property Maintenance:	255,800
H. Vehicle Maintenance:	257,500
I. Electric Plant Maintenance:	299,400
TOTAL Maintenance	1,524,800
TOTAL Maintenance & Improvements	8,703,450

Following discussion, it was moved by Mr. Lake, seconded by Mr. Steltz and carried (Aye-8; Nay-0) to recommend full board approval of the improvements and maintenance budgets as submitted. Included in the motion was staff authority

to adjust, shift, add or cancel specific line items as appropriate to accommodate changes that occur during the budget year. On a motion by Mr. Baker, seconded by Mr. Fox and carried, the meeting was adjourned (Aye-8; Nay-0).

## MEETING OF THE LIFE MEMBER ADVISORY COMMITTEE

10:15 a.m. Sunday Jan. 19, 2003

Radisson South Hotel, Bloomington

**Members present:** Don Simons, chairman; Evelyn Hagen; Vern Prokosch; Jim Sinclair, ex officio. **Also present:** Adam Heffron and Tom Norgel, Minnesota State Fair Foundation.

Chairman Simons called the meeting to order at 10:15 a.m. Mr. Heffron provided a review of significant new projects and capital work to be undertaken in 2003 as set forth in the fair's 2003 improvements and maintenance budget. Mr. Sinclair briefly touched on Life Member and Hall of Fame purpose, structure and guidelines. It was requested that updated Life Member and Hall of Fame recipient lists be provided to the Life Members prior to their next meeting during the 2003 fair. Mr. Norgel presented an update on the status and activities of the State Fair Foundation. Comparative reports summarizing food and beverage concession revenues for 2001 and 2002, non-food percentage revenues for 2001 and 2002, multiple-site exhibit and concession licensing from 1985 through 2002, multiple-site food and beverage concession licensing from 1975 through 2002, productivity of carnival operations from 1983 through 2002, and incremental Mighty Midway and Kidway operation revenues from 1995 through 2002 were presented by Mr. Sinclair. With no further business to come before the committee, the meeting was adjourned at 10:48 a.m.

## MEETING OF THE GOVERNING BOARD

Minnesota State Agricultural Society

10:15 a.m. Sunday Jan. 19, 2003

Radisson South Hotel, Bloomington

**Members present:** Howard Recknor, president; Joe Fox, vice president; D. J. Leary, vice president; Jim Foss; John Paulmann; Lyle Steltz; Bob Lake; Dennis Baker; Chauncey Wargin; Clarice Schmidt; Jerry Hammer, secretary. **Also present:** Karen Leach; Steve Pooch; Jim Sinclair; Marshall Jacobson; Brian Hudalla; Mary Mannion; Mark Birk; Joe Fischler; Cheryl Huber; Dennis Larson; Adam Heffron; Pam Johnson; Del Cerney; Tom Norgel; Kent Harbison; Brian Ingvalson.

President Recknor called the meeting to order at 10:25 a.m. Oaths of office were administered to newly re-elected board members as follows: Howard Recknor, president (one-year term); Joe Fox, fourth district vice president (two-year term); Dennis Baker, seventh district manager (three-year term); and Clarice Schmidt, ninth district manager (three-year term). On a motion by Vice President Fox, seconded by Mr. Wargin and carried, Jerry Hammer of St. Paul was re-appointed to serve one year as executive vice president of the Society with no change in salary (Aye-9; Nay-0). The agenda was changed to allow for a presentation by Brian Ingvalson, principal of the Agriculture & Food Sciences Academy. Mr. Ingvalson updated the board on the progress of the high school as it moves into its fourth semester of operation, along with its options for future growth.

Minutes of the Nov. 17, 2002, board and committee meetings were approved on a motion by Ms. Schmidt, seconded by Mr. Paulmann and carried (Aye-9; Nay-0). Minutes of interim activities covering the period Nov. 18, 2002, through Jan. 16, 2003, were approved on a motion by Mr. Foss, seconded by Mr. Fox and carried (Aye-9; Nay-0).

Mr. Jacobson presented the financial statement for Dec. 31, 2002, as follows:

### MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY MONTH ENDING DECEMBER 31, 2002

#### GENERAL FUND ACTIVITY:

Cash Balance-Nov. 30, 2002		\$ 343,177
Add: Cash Deposits	\$ 405,173	
Less: Payroll Ending Dec. 6	(130,251)	
Payroll Ending Dec. 20	(145,721)	
Cash Disbursements	(401,329)	(272,128)
Cash Balance-Dec. 31, 2002		\$ 71,049

**MARKETABLE SECURITIES ACTIVITY:**

Balance-Nov. 30, 2002		\$ 2,332,173
Add: Interest Earned	\$ 2,170	
Securities Purchased		
Less: Securities Redeemed	(325,000)	(322,830)
Balance-Dec. 31, 2002		\$ 2,009,343

**BUILDING FUND ACTIVITY:**

Balance-Nov. 30, 2002		\$ 2,831,384
Add: Interest Earned	\$ 2,672	2,672
Securities Purchased		
Less: Securities Redeemed		
Balance-Dec. 31, 2002		\$ 2,834,056

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

	2001	2002
General Fund	\$ 70,886	\$ 71,049
Petty Cash	5,000	5,000
Marketable Securities	2,457,180	2,009,343
Building Fund	3,772,520	2,834,056
Total Cash Balances	\$ 6,305,586	\$ 4,919,448

Following discussion, the December financial statement was approved on a motion by Mr. Fox, seconded by Mr. Steltz and carried (Aye-9; Nay-0).

Mr. Jacobson presented the following review of the society's financial activities for the years 1984 through 2002. The report was approved on a motion by Mr. Baker, seconded by Mr. Wargin and carried (Aye-9; Nay-0).

YEAR	REVENUE	EXPENSE	OPERATING GAIN (LOSS)	RETAINED EARNINGS	DEBT
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
1994	14,433,000	13,942,000	491,000	2,310,000	1,715,000
1995	19,759,000	18,200,000	1,560,000	2,662,000	2,434,000
1996	20,163,000	19,559,000	604,000	1,455,000	1,932,000
1997	22,689,000	19,651,000	3,038,000	4,133,000	1,468,000
1998	22,790,000	20,801,000	1,989,000	4,355,000	989,000
1999	23,490,000	22,500,000	990,000	4,088,000	532,000
2000	26,628,000	24,284,000	2,344,000	5,500,000	267,000
2001	28,027,000	25,439,000	2,588,000	7,281,000	219,000
2002	28,033,000	26,719,000	1,314,000	5,464,000	158,000

YEAR	NEW PLANT INVESTMENT	PLANT MAINTENANCE	PRIZE MONEY PAID OUT	SALES TAX TO BUILDING FUND
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
1994	2,546,000	869,000	512,000	495,000
1995	2,755,000	950,000	587,000	810,000
1996	2,478,000	1,087,000	604,000	800,000
1997	1,028,000	846,000	632,000	931,000
1998	2,537,000	1,192,000	647,000	890,000

1999	2,273,000	1,541,000	658,000	921,000
2000	2,292,000	1,555,000	678,000	1,035,000
2001	3,197,000	1,460,000	662,000	1,125,000
2002	4,210,000	1,983,000	736,000	1,025,000

North Star Bank of Roseville was designated as the depository for the society's general fund, premium fund and payroll accounts for 2003 on a motion by Mr. Wargin, seconded by Mr. Lake and carried (Aye-9; Nay-0).

The following signatures were authorized for society accounts in 2003 on a motion by Mr. Baker, seconded by Mr. Foss and carried (Aye-9; Nay-0):

**General fund** - Gerald Hammer, Marshall Jacobson, Karen Leach or Steve Pooch (any combination of two signatures). "Hammer/Jacobson" signature imprint authorized for general fund.

**Regular and fair-period payroll** - Gerald Hammer, Karen Leach or Steve Pooch (one signature). "Hammer" signature imprint authorized for payroll funds.

**Premium fund** - Gerald Hammer, Karen Leach or James Sinclair (one signature). "Hammer" signature imprint authorized for premium fund.

**Security transfer resolution** - Gerald Hammer or Marshall Jacobson.

Mr. Baker moved and Mr. Steltz seconded a motion that the following standing committee assignments be made for 2003. Motion carried (Aye-9; Nay-0):

**Finance committee** - Fox, chairman; Lake; Leary; Paulmann; Steltz; Wargin; Recknor, ex officio; Hammer, ex officio; Jacobson, ex officio.

**Governmental affairs committee** - Schmidt, chairman; Baker; Fox; Lake; Leary; Steltz; Recknor, ex officio; Hammer, ex officio; Leach, ex officio; Mannion, ex officio.

**Life member advisory committee** - Keenan, chairman; Simons, vice chairman; Arthaud; Franke; Frost; Hagen; Keskinen; Korff; Lilliquist; Maruska; Morris; Ojakangas; Prokosch; Reinhardt; Roehlke; Wenzel; Recknor, ex officio; Hammer, ex officio; Sinclair, ex officio.

**Operations committee** - Lake, chairman; Foss; Fox; Schmidt; Steltz; Wargin; Recknor, ex officio; Hammer, ex officio; Pooch, ex officio; Hudalla, ex officio.

**Planning committee** - Paulmann, chairman; Baker; Foss; Fox; Lake; Leary; Schmidt; Steltz; Wargin; Recknor, ex officio; Hammer, ex officio; Pooch, ex officio; Hudalla, ex officio; Fischler, ex officio.

**Public affairs committee** - Steltz, chairman; Baker; Foss; Leary; Paulmann; Schmidt; Recknor, ex officio; Hammer, ex officio; Leach, ex officio; Tahti, ex officio.

**Rules & premium list committee** - Wargin, chairman; Baker; Foss; Fox; Paulmann; Schmidt; Recknor, ex officio; Hammer, ex officio; Pooch, ex officio.

**Sales committee** - Baker, chairman; Foss; Fox; Lake; Leary; Paulmann; Schmidt; Steltz; Wargin; Recknor, ex officio; Hammer, ex officio; Sinclair, ex officio; Birk, ex officio.

The following coordinators and department superintendents were approved on a motion by Mr. Baker, seconded by Mr. Paulmann and carried (Aye-9; Nay-0):

**ADMINISTRATION DIVISION** - Fox

Senior Citizens Dept. - Wargin (Marge Krueger, superintendent)

**COMPETITION DIVISION** - Paulmann

Bee Culture Dept. - Lake (Winnie Johnson, superintendent)

Beef Cattle Dept. - Steltz (Chuck Schwartau, superintendent)

Christmas Trees Dept. - Lake (Greg Ustruck, superintendent)

Creative Activities Dept. - Schmidt (Curt Pederson, superintendent)

Dairy Cattle Dept. - Lake (Jim Linn, superintendent)

Dairy Products Dept. - Lake (Gene Watnaas, superintendent)

Dog Trials Dept. - Paulmann (JoAnna Yund, superintendent)

Education Dept. - Lake (Burt Kandel, superintendent)

Farm Crops Dept. - Lake (Ron Kelsey, superintendent)

Fine Arts Dept. - Leary (Bob Crump, superintendent)

Flowers Dept. - Lake (Betty Reyer, superintendent)

4-H Dept. - Schmidt (Brad Rugg, superintendent)

Fruits Dept. - Lake (Louis Quast, superintendent)

FFA Dept. - Baker (Paul Day, superintendent)

Goats Dept. - Leary (Kevin LeVoor, superintendent)

Horses Dept. - Steltz (Bob Peterson, superintendent)  
 Llamas Dept. - Schmidt (Sharon Wessel, superintendent)  
 Milking Parlor Dept. - Wargin (Doris Mold, superintendent)  
 Poultry Dept. - Fox (John Thomforde, superintendent)  
 Sheep Dept. - Wargin (Gordy Toenges, superintendent)  
 Swine Dept. - Lake (Jerry Hawton, superintendent)  
 Vegetables Dept. - Lake (Erven Skaar, superintendent)

#### ENTERTAINMENT DIVISION - Leary

Grandstand Production Dept. - Steltz (John Mons, superintendent)  
 Heritage Exhibits Dept. - Foss (Jan Bankey, superintendent)

#### FINANCE DIVISION - Fox

Ticket Audit Dept. - Paulmann (Dick Reinhardt, superintendent)  
 Ticket Sales Dept. - Steltz (Ken Wagner, superintendent)

#### MARKETING DIVISION - Baker

#### OPERATIONS DIVISION - Schmidt

Admissions Dept. - Leary (Lyle Anderson, superintendent)  
 Park & Ride Dept. - Foss (Dick Anderson, superintendent)  
 Parking Dept. - Wargin (Ron Vannelli, superintendent)  
 Public Safety Dept. - Fox (Art Blakey, superintendent)

#### SALES DIVISION - Baker

Attractions Ticket Takers Dept. - Foss (Marty Rossini, superintendent)

President Recknor declared the board meeting in recess for committee meetings.

### Meeting of the Operations Committee

**Members present:** Chairman Lake; Foss; Fox; Schmidt; Steltz; Wargin; Recknor, ex officio; Hammer, ex officio; Pooch, ex officio; Hudalla, ex officio.

The meeting was called to order by Chairman Lake. On a motion by Mr. Fox, seconded by Mr. Foss and carried, the following "all-pay" gate admission policy was reaffirmed and extended through 2003: "Entry into the Minnesota State Fair shall be contingent solely upon the presentation and surrender of a valid ticket of admission in accordance with the most current schedule of gate prices as established by the board of managers" (Aye-5; Nay-0). The following fee schedule for 2003 was approved on a motion by Mr. Steltz, seconded by Mr. Wargin and carried (Aye-5; Nay-0): Adult admission (13 through 64) - \$8; child admission (5 through 12) - \$7; senior admission (65 and older) - \$7; vehicle with three or fewer occupants - \$6; vehicle with four or more occupants - free; Kids and Seniors Days promotions - \$4 for children (5 through 12) and seniors (65 and older); Thrifty Thursday promotion: adults (13 and older) - \$6, children (5 through 12) - \$3; pre-fair sale ticket for adult, child, senior and parking - \$6; campgrounds - \$15 per night; south Como camper parking - \$8 per night; bus rider and bicycle rider discounts - \$2 discount on regular admission. It was moved by Mr. Fox, seconded by Mr. Wargin and carried that Mr. Hammer be authorized to implement a flexible Grandstand and Coliseum pricing schedule and seating configuration based on the cost of each show (Aye-5; Nay-0). The meeting was adjourned on a motion by Mr. Fox, seconded by Mr. Foss and carried (Aye-5; Nay-0).

### Meeting of the Public Affairs Committee

**Members present:** Chairman Steltz; Baker; Foss; Leary; Paulmann; Schmidt; Recknor, ex officio; Hammer, ex officio; Leach, ex officio; Tahti, ex officio.

Chairman Steltz called the meeting to order. Ms. Leach presented a proposed advertising budget totaling \$660,000 - \$539,000 for media purchases and \$121,000 for production costs. After review, the budget was approved on a motion by Mr. Leary, seconded by Mr. Baker and carried (Aye-5; Nay-0). Chairman Steltz declared the meeting adjourned.

### Meeting of the Rules & Premium List Committee

**Members present:** Chairman Wargin; Baker; Foss; Fox; Paulmann; Schmidt; Recknor, ex officio; Hammer, ex officio; Pooch, ex officio.

Chairman Wargin called the meeting to order. Authority was granted to Mr. Hammer's delegate, in coordination with department superintendents, to make adjustments in rules, release dates and premium allocations for competitive departments in accordance with guidelines established by the society's 2003 budget on a motion by Ms. Schmidt, seconded by Mr. Baker and carried (Aye-5; Nay-0). The meeting was adjourned on a motion by Mr. Fox, seconded by Mr. Foss and carried (Aye-5; Nay-0).

### Meeting of the Finance Committee

**Members present:** Chairman Fox; Lake; Leary; Paulmann; Steltz; Wargin; Recknor, ex officio; Hammer, ex officio; Jacobson, ex officio.

The meeting was called to order by Chairman Fox. Mr. Hammer presented the proposed operating, improvements and maintenance budgets, stating that the improvements and maintenance budgets had been previously reviewed by the board's planning committee at their meeting Jan. 17. After review and discussion, Mr. Lake moved, Mr. Steltz seconded and motion carried to approve the 2003 operating, improvements and maintenance budgets as recommended by the operations committee (Aye-5; Nay-0). The 2003 operating budget follows:

### OPERATING BUDGET SUMMARY

	2002 BUDGET	2002 ACTUAL	2003 BUDGET
<b>TICKET &amp; COUPON SALES:</b>			
CARNIVAL	\$ 5,400,000	5,717,868	5,535,000
COLISEUM	175,000	138,033	150,000
GRANDSTAND	1,750,000	1,614,507	1,750,000
OUTSIDE GATE	10,413,000	10,919,059	11,375,000
PARKING	700,000	566,010	650,000
	18,438,000	18,955,477	19,460,000
<b>ACTIVITIES:</b>			
BOX OFFICE	175,000	196,192	200,000
CAMPGROUNDS	90,000	108,637	108,000
CARNIVAL	70,000	87,337	70,000
COMPETITION	150,000	165,317	160,000
ENTERTAINMENT	50,000	79,615	30,000
FORAGE	14,000	16,665	15,000
4H AUCTION	100,000	131,350	100,000
PUBLIC SAFETY	10,000	13,296	10,000
SALES	3,800,000	4,476,006	4,125,000
	4,459,000	5,274,415	4,818,000

#### OTHER:

BEEF EXPO	41,000	36,469	45,000
BULK MILK SALES	12,000	9,004	10,000
INTEREST	92,000	88,936	50,000
LICENSEE UTILITIES	185,000	206,262	190,000
MARKET ANIMAL SALES	75,000	102,696	80,000
MISCELLANEOUS	95,000	63,140	45,000
NON-FAIR EVENTS	1,925,000	2,122,882	2,050,000
SPONSORSHIPS	550,000	651,303	575,000
TELEPHONE	140,000	129,480	120,000
UTILITY ASSESSMENTS	400,000	392,789	400,000
	3,515,000	3,802,961	3,565,000
<b>TOTAL INCOME</b>	<b>\$26,412,000</b>	<b>\$28,032,853</b>	<b>\$27,843,000</b>

#### EXPENSE

	2002 BUDGET	2002 ACTUAL	2003 BUDGET
<b>ADMINISTRATIVE:</b>			
ADMINISTRATIVE SERVICES	\$ 575,000	515,080	535,000
ANNUAL MEETING	13,000	14,786	15,000
BAD DEBT	16,000	8,150	12,400
BOARD HONORARIUM	10,400	10,344	10,400
COMPUTER	300,000	388,228	372,000
DUES & SUBSCRIPTIONS	16,000	18,087	16,000
INSURANCE	125,000	114,725	162,000
LEGAL SERVICES	22,000	32,778	30,000
LEGISLATIVE AUDIT	32,000	34,750	35,000
MEDICAL INSURANCE	475,000	480,746	553,000
PAID LEAVE	436,000	438,990	450,000
POSTAGE & MAILING SERVICE	100,000	84,588	85,000
PRINTING & SUPPLIES	90,000	106,832	100,000
RETIREMENT FUND	167,000	151,042	155,000
SOCIAL SECURITY	450,000	487,405	500,000
TELEPHONE	150,000	195,972	175,000
TRAVEL EXPENSE	40,000	58,307	40,000
UNEMPLOYMENT	20,000	11,574	20,000
COMPENSATION			
WORKERS COMPENSATION	65,000	49,933	60,000
	3,102,400	3,202,317	3,325,800

#### ACTIVITIES & SUPPORT:

ADMISSIONS	160,000	151,121	160,000
ADVERTISING	660,000	662,483	660,000
AGRI-LAND	10,000	7,154	10,000
BEE CULTURE	8,500	9,047	9,000
BEEF EXPO	40,000	37,478	45,000
BOX OFFICE	155,000	171,506	175,000
CAMPGROUNDS	57,000	58,396	60,000

CARNIVAL	3,700,000	4,046,883	3,915,000
CATTLE	80,000	92,192	85,000
CHRISTMAS TREE	5,000	3,248	4,500
COMPETITION	260,000	272,977	280,000
CREATIVE ACTIVITIES	64,000	60,244	64,000
DAIRY PRODUCTS	1,600	1,640	1,700
DOG TRIALS	2,600	2,454	2,600
EDUCATION	27,000	23,420	25,000
FARM CROPS	17,500	18,103	18,000
FINANCE	196,000	173,999	200,000
FINE ARTS	31,000	31,610	32,000
FLOWER & AG SHOWS	43,000	41,050	45,000
FLOWERS	7,500	6,874	7,500
FORAGE	28,000	46,452	45,000
4-H CLUB	250,000	253,707	260,000
FREE ENTERTAINMENT	900,000	911,355	900,000
FRUIT	10,000	11,428	11,000
FFA		51,000	61,862
GATE TICKETS	183,000	170,804	170,000
GOAT	5,000	4,409	5,000
GRANDSTAND - CONCERTS	1,750,000	1,789,743	1,800,000
GRANDSTAND - RACE	190,000	195,673	
HERITAGE EXHIBITS	15,000	10,109	10,000
HORSE & RODEO	220,000	193,488	220,000
LLAMA	3,000	3,043	3,300
MARKETING	510,000	487,511	510,000
MEATS	2,000	1,311	
PARK & RIDE	799,000	894,446	950,000
PARKING	150,000	175,603	160,000
POULTRY	14,000	12,388	13,500
PUBLIC SAFETY	1,210,000	982,148	1,000,000
SALES	925,000	977,501	1,000,000
SANITATION	800,000	863,047	800,000
SENIOR CITIZEN	12,000	10,969	11,000
SHEEP	9,000	6,957	8,500
SWINE	12,000	10,925	12,000
TICKET AUDIT	7,500	9,724	9,500
TICKET PROMOTION & COMMISSION	310,000	318,169	312,000
TRAMS	65,000	60,047	65,000
TRANSPORTATION	14,000	19,630	20,000
VEGETABLES	8,200	8,777	9,000
	13,978,400	14,363,105	14,167,100
PREMIUMS:			
BEE CULTURE	4,500	3,776	4,500
BEEF EXPO	8,000	7,104	8,000
BULK MILK SALES	12,000	8,992	
CATTLE	110,000	105,362	120,000
CHRISTMAS TREE	3,500	3,235	3,500
CREATIVE ACTIVITIES	14,500	12,968	14,000
DAIRY PRODUCTS	1,100	1,105	1,150
DOG TRIALS	1,100	1,110	1,150
EDUCATION	10,500	10,452	10,500
FARM CROPS	17,000	13,716	16,000
FINE ARTS	10,000	10,000	10,000
FLOWERS	2,600	2,187	3,000
4-H AUCTION	100,000	131,350	100,000
4-H CLUB	64,000	60,843	68,000
FRUIT	2,000	1,568	2,000
FFA		65,000	65,381
GOAT	13,000	12,398	13,000
HORSE	85,000	83,545	86,000
LLAMA	4,600	4,610	4,600
MARKET ANIMAL SALES	75,000	102,410	80,000
POULTRY	12,000	11,615	12,000
RURAL YOUTH SCHOLARSHIPS	20,000	20,000	20,000
SHEEP	28,000	26,530	28,000
SWINE	23,000	22,601	27,000
TALENT CONTEST	9,000	8,620	9,000
VEGETABLES	4,600	4,346	5,000
	700,000	735,824	716,400
OTHER:			
INSTITUTIONAL TICKETS	180,000	108,285	108,000
INTEREST	8,000	7,832	6,000
MISCELLANEOUS	18,000	66,460	32,000
NON-FAIR EVENTS	950,000	1,065,184	1,045,000
VETERINARIAN SERVICE	41,000	41,107	42,000
	1,197,000	1,288,868	1,233,000
PLANT OPERATIONS:			
ARCHITECTURAL & ENGINEERING	150,000	368,499	300,000

FIRE & POLICE SERVICES	135,000	73,843	130,000
FUEL OIL GASOLINE	50,000	54,572	55,000
GREENHOUSE	195,000	197,980	200,000
OPERATIONS	336,000	326,944	406,000
PROPERTY TAX & ASSESSMENTS	28,000	28,006	29,000
SALARIES & CONTRACT LABOR	700,000	766,563	700,000
SET-UP & TAKEDOWN	800,000	795,937	800,000
SIGNS	78,000	63,426	65,000
SUPPLIES	50,000	48,662	50,000
UTILITIES	411,000	372,512	400,000
WATCHMEN	98,000	95,228	99,000
WATER & SEWER	75,000	134,721	100,000
	3,106,000	3,326,893	3,334,000

EXPENSE BEFORE			
MAINTENANCE & DEPRECIATION	22,083,800	22,917,007	22,776,300
NET INCOME BEFORE			
MAINTENANCE & DEPRECIATION	4,328,200	5,115,846	5,066,700
PLANT MAINTENANCE:			
ELECTRIC SYSTEM	275,100	331,092	299,400
FENCE & FIXTURES	17,500	28,597	23,000
GAS SYSTEM	2,000	1,353	1,500
LAND	116,300	80,751	88,000
PERSONAL PROPERTY	244,050	191,081	255,800
SEWER SYSTEM	26,000	16,256	48,600
STREETS & SIDEWALKS	145,000	173,359	115,000
STRUCTURES	622,000	901,357	406,600
VEHICLES	247,500	229,467	257,500
WATER SYSTEM	50,500	42,996	29,400
	1,745,950	1,996,309	1,524,800

DEPRECIATION:			
ELECTRIC SYSTEM	106,000	106,000	110,000
FENCE & FIXTURES	46,000	46,000	46,000
GAS SYSTEM	1,000	1,000	1,000
LAND IMPROVEMENTS	92,000	92,000	86,000
PERSONAL PROPERTY	295,000	295,000	348,000
SEWER SYSTEM	116,000	116,000	124,000
STREETS & SIDEWALKS	43,000	43,000	55,000
STRUCTURES	1,089,000	1,089,000	1,230,000
WATER SYSTEM	12,000	12,000	12,000
	1,800,000	1,800,000	2,012,000
TOTAL EXPENSE	25,629,750	26,713,316	26,313,100
TOTAL INCOME (LOSS)	\$ 782,250	\$ 1,319,537	\$ 1,529,900

	2002 BUDGET	2002 ACTUAL	2003 BUDGET
CASH-BEGINNING OF YEAR	\$ 8,510,603	\$ 8,391,989	\$ 6,110,437
ADD: NET INCOME	782,250	1,314,514	1,529,900
WORKING CAPITAL CHANGE		(1,187,711)	
DEPRECIATION	1,800,000	1,863,516	2,012,000
LOAN PROCEEDS		3,750,000	
CASH AVAILABLE	11,092,853	10,382,308	13,402,337
DEDUCT:			
ELECTRIC SYSTEM	(180,500)	(262,437)	(119,800)
FENCE & FIXTURES	(98,500)	(91,840)	(16,000)
GAS SYSTEM			
LAND	(190,000)	(15,843)	(20,000)
PERSONAL PROPERTY	(348,900)	(551,032)	(274,950)
SEWER SYSTEM			(250,000)
STREETS & SIDEWALKS	(57,000)	(297,619)	
STRUCTURES	(3,012,000)	(2,991,385)	(6,497,900)
WATER SYSTEM			
	(3,922,900)	(4,210,156)	(7,178,650)

CHANGES:			
NOTES-NORTH STAR BANK:			
VISITOR PLAZA	(60,762)	(54,910)	(63,433)
LEASE PAYABLE	(7,422)	(6,805)	(7,919)
GRANDSTAND			(90,000)
TELEPHONE SYSTEM			(7,500)
	(68,204)	(61,715)	(168,852)

CASH-END OF YEAR	7,101,749	6,110,437	6,054,835
BUILDING FUND BALANCE	2,906,227	2,828,714	
CASH AVAILABLE-OPERATIONS	4,195,522	3,281,723	
CASH-END OF YEAR	\$ 7,101,749	\$ 6,110,437	

After discussion, authority was granted to staff to initiate borrowing of up to \$3.75 million for the Grandstand renovation project on a motion by Mr. Paulmann, seconded by Mr. Steltz and carried (Aye-5; Nay-0). Chairman Fox declared the meeting adjourned.

President Recknor reconvened the meeting of the full board. Committee action taken during the Jan. 17 meetings of the sales (except for percentage attractions) and planning committees, and the just-concluded meetings of the public affairs, operations, rules & premium lists and finance committees was approved on a motion by Mr. Baker, seconded by Mr. Fox and carried (Aye-9; Nay-0). Mr. Pooch updated the board on ongoing staff review of facilities contractors. After discussion, one-year contracts were approved for the services of architects and engineers (Toltz, King, Duvall, Anderson and Associates, Inc.), plumbing (McQuillan Brothers Plumbing & Heating), electric (Collins Electric Corporation) and painting (Triemert Wall Covering) were approved on a motion by Mr. Fox, seconded by Mr. Wargin and carried (Aye-9; Nay-0). On a motion by Ms. Schmidt, seconded by Mr. Wargin and carried, the following resolution was adopted (Aye-9; Nay-0): "It is hereby required that society employees Joe Fischler and Rick Wimmer be required to live on the State Fairgrounds for the convenience and to the benefit of the society with gratis rent, utilities and telephone." The resolution will be effective until January 2004 and will be reconsidered at that time. It was moved by Mr. Fox, seconded by Mr. Steltz and carried that Mr. Hammer be authorized to set staff salaries within the salary ranges set by the board in September, 2001 (Aye-9; Nay-0). Mr. Hammer reported to the board on a proposal made by Sen. Mark Olson, Big Lake, for an on-grounds transit system. Information only; no action required. Mr. Sinclair reported on the meeting of the life member advisory committee, conducted earlier that morning. The report was accepted on a motion by Mr. Leary, seconded by Mr. Fox and carried (Aye-9; Nay-0). Ms. Leach reviewed the current status of entertainment negotiations for the 2003 State Fair. Information only; no action required. Mr. Fox and Mr. Norgel updated the board on the activities of the Minnesota State Fair Foundation. Information only; no action required. Mr. Hammer reported on recent discussions held with Falcon Heights Mayor Sue Gehrz, as well as the status of legislation allowing the fair to increase its number of police officers who hold part-time licenses. On a motion by Mr. Fox, seconded by Mr. Leary and carried, Mr. Hammer was directed to send a letter to the State Commissioner of Agriculture supporting agricultural contest premium reimbursement for county fairs. Mr. Steltz moved, Mr. Leary seconded and motion approved by acclamation to commend the State Fair staff for their efforts during the past year. The next meeting of the State Fair board was set for Tuesday March 4 at the Libby Conference Center on the fairgrounds. President Recknor declared the meeting adjourned.

## Minutes of Interim Activities Jan. 19 through March 4, 2003

### January

19 - The Frigid 5K foot race, sponsored by the Sporting Life, was run on various roadways and in the Coliseum.

21 - A session on deferred compensation was presented to full-time staff by the NBI/Ochs Agency. Pooch, LeFebvre and Fickett met with Jim LaRoque of the Minnesota Home Brewers Association to discuss a beer-making competition.

25 - Pooch attended the annual meeting of the Minnesota Horse Council in Brooklyn Center.

27 - Sinclair and Heffron met with Don McClure to discuss his possible purchase of the Skyride attraction from Arrow Enterprises, Inc.

29 - Hammer testified before a meeting of the Minnesota House agriculture policy committee regarding repeal of the circus prohibition portion of the society's governing statute.

30 - Hudalla met with members of the Metro Medical Response System to initiate planning for a training exercise to be held in May at the fairgrounds.

### February

3 - Hammer met with David Hyslop and Reid McClean of the Minnesota Orchestra regarding the Grandstand renovation project. Pooch, Hudalla, Grans and Dick Anderson met with Metro Transit to discuss bus service for the 2003 State Fair.

4 - A meeting of all full-time staff was held at the Libby Conference Center. The State Fair Foundation development committee met at the fairgrounds to review upcoming projects.

6-9 - LeFebvre, Fickett and Simon participated in the IAFE commercial and competitive exhibits seminar in Tampa, Fla., and visited the Florida State Fair. Heffron met with ride and game operators at the International Independent Showmen's Foundation trade show in Gibsonton, Fla., and visited the Florida State Fair in Tampa.

7 - Hammer met with City of Falcon Heights Mayor Sue Gehrz to discuss mutual issues.

10 - Hammer testified at a meeting of the Minnesota Senate agriculture, general legislation and veterans affairs committee regarding repeal of the circus prohibition portion of the society's governing statute.

11 - Senior staff met with representatives of KKE Architects regarding master plan development. Jacobson presented the financial statement of Jan. 31, 2003 as follows:

## MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY MONTH ENDING JANUARY 31, 2003

### GENERAL FUND ACTIVITY:

Cash Balance-Dec. 31, 2002		\$ 96,644
Add: Cash Deposits	\$ 843,269	
Less: Payroll Ending Jan. 3	(126,008)	
Payroll Ending Jan. 17	(127,833)	
Payroll Ending Jan. 31	(128,503)	
Cash Disbursements	(479,835)	(18,910)
Cash Balance-Jan. 31, 2003		\$ 77,734

### MARKETABLE SECURITIES ACTIVITY:

Balance-Dec. 31, 2002		\$ 2,009,344
Add: Interest Earned	\$ 1,431	
Securities Purchased		
Less: Securities Redeemed	(695,000)	(693,569)
Balance-Jan. 31, 2003	\$ 1,315,775	

### BUILDING FUND ACTIVITY:

Balance-Dec. 31, 2002		\$ 2,834,055
Add: Interest Earned	\$ 2,441	2,441
Securities Purchased		
Less: Securities Redeemed		
Balance-Jan. 31, 2003		\$ 2,836,496

### CASH BALANCES FOR MONTH ENDING JANUARY 31:

	2002	2003
General Fund	\$ 107,339	\$ 77,734
Petty Cash	5,000	5,000
Marketable Securities	1,757,180	1,315,775
Building Fund	3,772,520	2,834,055
Total Cash Balances	\$ 5,642,039	\$ 4,232,564

12 - Pooch, LeFebvre, Fickett and Goodrich met with Beef Expo participants to discuss the '03 event.

13 - Mannion and Huber attended a seminar on family medical leave requirements presented by the Fredrikson Byron law firm.

17 - Hammer and Chief of Police Blakey testified before the Minnesota Senate crime prevention and public safety committee regarding a change in the POST board statute that improves the Society's ability to hire police officers.

18 - Hammer attended a reception for University of Minnesota President Bob Bruininks, conducted at Eastcliff. Huber and representatives of the Minnesota Federation of County Fairs met with Radisson South Hotel staff to review the recently-concluded annual meetings. Sinclair and Heffron met with Don McClure to discuss matters relating to his possible purchase and operation of the Skyride attraction.

19 - Hammer and Sinclair met with City of St. Paul department directors Martha Fuller of planning & economic development and Bob Bierscheid of parks & recreation to discuss mutual issues.

24 - Sinclair and Simon met with Kate Kelly of the Star Tribune newspaper to discuss their exhibit plans for the 2003 fair.

26 - Hammer and Hudalla met with representatives of Wellington Property Management regarding Wellington property on Como Avenue.

28 - The first of three training sessions on hiring and payroll procedures was conducted for department superintendents, building superintendents and other staff involved in hiring.

## March

3 - A meeting of the State Fair Foundation was conducted at the Libby Conference Center. Hammer and Jacobson met with representatives of Evensen Dodge financial consultants regarding financing options for the Grandstand renovation project.

## MINNESOTA STATE AGRICULTURAL SOCIETY

### Meeting of the Sales Committee

9 a.m. Tuesday March 4, 2003

Libby Conference Center, State Fairgrounds

**Present:** Dennis Baker, chairman; Jim Foss; Joe Fox; D. J. Leary; Bob Lake; Clarice Schmidt; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Mark Birk, ex officio. Absent: John Paulmann; Lyle Steltz. **Also present:** Karen Leach; Steve Pooch; Marshall Jacobson; Brian Hudalla; Mary Mannion; Chris Tahti; Joe Fischler; Cheryl Huber; Dennis Larson; Adam Heffron; Brigid McGough; Marianne Flor; Tom Fournier; Danyl Zamber; Tom Norgel; Kent Harbison.

Chairman Baker called the meeting to order at 9 a.m. Chairman Baker announced the order of the agenda would be changed to allow for Skyride sale update to be the first order of business. Chairman Baker introduced Richard F. "Ric" Rosow, attorney for Arrow Enterprises, current owner of the Skyride attraction and Donald R. McClure, potential buyer of the Skyride attraction. Mr. Sinclair gave an update of the status of the sale process and reported that several meetings were held with Mr. McClure and State Fair staff to outline parameters for Skyride operation. Based on the results of those meetings and the positive progress of sale arrangements, staff recommended that the board approve the sale of the Skyride attraction by Arrow Enterprises to Mr. McClure for \$225,000, and that Mr. McClure be issued a license granting operating privileges at the 2003 State Fair, pending successful completion of agreed-upon safety inspections. On a motion by Mr. Leary, seconded by Mr. Wargin, the staff recommendation was approved by the committee (Aye-6; Nay-0).

Mr. Heffron presented a list of attraction concessionaires and their proposed license fees for the 2003 fair, based on a percent of revenue formula for each attraction. Following discussion, it was moved by Ms. Schmidt and seconded by Mr. Fox and carried that the following fee schedule be approved (Aye-6; Nay-0).

Concessionaire	Attraction	2002 Percentage(s)	2003 Percentage(s)
Big Adventures, Inc	Climbing Wall	25%	25%
Big Adventures, Inc	Ejection Seat	25%	25%
Big Adventures, Inc	Turbo Bungee	25%	25%
Farrow Amusements, Inc *	Flume Water Ride	35%	35%
Floyd & Baxter, Inc *	Space Roller	35%	35%
Giant Ride, Inc	Giant Slide	30%	30%
K & M Recreation, Inc	Haunted House	27% of gross sales through \$100,000 & 30% of gross sales over \$100,000	30%
Mid America Shows, Inc	Carousel	40%	40%
Mighty Midway & Kidway	Rides, Shows and Games of Skill	Rides and Shows: 43% of tickets redeemed Games of Skill: 22% of tickets redeemed	Rides and Shows: 43% of tickets redeemed Games of Skill: 22% of tickets redeemed
Misc. Merchandise Sales	Misc. Merch. Sales	10%	10%
River Raft Ride, Inc	Raft Ride	0% of tickets sales to \$80,000; 10% of ticket sales from \$80,000 to \$150,000 and 25% of ticket sales over \$150,000	0% of tickets sales to \$80,000; 10% of ticket sales from \$80,000 to \$150,000 and 25% of ticket sales over \$150,000
River Raft Ride, Inc	Pirate Tag	20%	20%
Skyscraper II Limited	Skyscraper	25%	25%
Skyfair, Inc	SkyGlider	15%	20%
Total Thrill Rides, Inc	Adrenaline Drop	25%	25%
Ventor Place, Inc	Space Tower	25%	25%
Ye Old Mill Amusements, Inc	Canal Boat Ride	25%	25%

\* Midway/Kidway Attractions

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

Mr. Heffron next presented a list of proposed attraction ticket pricing for the 2003 fair. It was moved by Mr. Lake, seconded by Mr. Foss and carried that the following attraction ticket pricing schedule be approved (Aye-6; Nay-0).

Concessionaire	Attraction	2002 Ticket Price(s)	2003 Ticket Price(s)
Big Adventures, Inc	Climbing Wall	\$5.00	\$5.00

Big Adventures, Inc	Ejection Seat	\$25.00	\$25.00
Big Adventures, Inc	Turbo Bungee	\$5.00	\$5.00
Giant Ride, Inc	Giant Slide	\$2.00	\$2.00
K & M Recreation, Inc	Haunted House	\$3.50	\$3.50
Mid America Shows, Inc	Carousel	\$1.50	\$1.50
Might Midway & Kidway	Rides, Shows and Games of Skill	Single Coupon=\$.75 Ticket Sheets: Fair-Time= 24 tickets for \$15.00 54 tickets for \$30.00 Advance=20 tickets for \$10.00	Single Coupon=\$.75 Ticket Sheets: Fair-Time= 24 tickets for \$15.00 54 tickets for \$30.00 Advance=20 tickets for \$10.00
Misc. Merchandise Sales	Misc. Merch. Sales	Non-ticketed activity	Non-ticketed activity
River Raft Ride, Inc	Raft Ride	\$3.00	\$3.00
River Raft Ride, Inc	Pirate Tag	\$2.00	\$2.00
Skyscraper II Limited	Skyscraper	\$25.00	\$25.00
Skyfair, Inc	SkyGlider	\$2.50	\$2.50
Total Thrill Rides, Inc	Adrenaline Drop	\$35.00	\$35.00
Ventor Place, Inc	Space Tower	Children=\$1.00 Adults=\$2.00	Children=\$1.00 Adults=\$2.00
Ye Old Mill Amusements, Inc	Canal Boat Ride	Children=\$2.00 Adults=\$2.50	Children=\$2.00 Adults=\$2.50

Mr. Birk gave an update on the placement of concessionaires being relocated as a result of the Grandstand renovation project. Information only; no action required.

There being no further business before the committee, on a motion by Mr. Fox, seconded by Mr. Leary and carried, the meeting was adjourned at 9:18 a.m.

## MEETING OF THE GOVERNING BOARD

9:30 a.m. Tuesday March 4, 2003

Libby Conference Center, State Fairgrounds

**Present:** President Howard Recknor; Vice President Joe Fox; Vice President D. J. Leary; Jim Foss; Bob Lake; Dennis Baker; Chauncey Wargin; Clarice Schmidt; Jerry Hammer. Absent: John Paulmann; Lyle Steltz. **Also present:** Karen Leach; Steve Pooch; Jim Sinclair; Marshall Jacobson; Brian Hudalla; Mary Mannion; Chris Tahti; Mark Birk; Joe Fischler; Adam Heffron; Brigid McGough; Cheryl Huber; Dennis Larson; Danyl Zamber; Marianne Flor; Tom Fournier; Tom Norgel; Kent Harbison.

President Recknor called the meeting to order at 9:25 a.m. Minutes from the Jan. 17-19 board and committee meetings, along with minutes of the Agricultural Society's Jan. 19 annual business session, were approved on a motion by Mr. Baker, seconded by Mr. Foss and carried (Aye-7; Nay-0). Minutes of interim activities covering the period of Jan. 20 through March 3 were approved on a motion by Mr. Fox, seconded by Mr. Lake and carried (Aye-7; Nay-0). The action taken earlier in the day by the sales committee was approved on a motion by Mr. Baker, seconded by Mr. Leary and carried (Aye-7; Nay-0).

The financial statement for February 2003 was presented by Mr. Jacobson. After discussion, the statement was approved as presented on a motion by Mr. Fox, seconded by Mr. Lake and carried (Aye-7; Nay-0).

## MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY MONTH ENDING FEBRUARY 28, 2003

### GENERAL FUND ACTIVITY:

Cash Balance-Jan. 31, 2003		\$ 77,734
Add: Cash Deposits	\$ 854,439	
Less: Payroll Ending Feb. 14	(115,050)	
Payroll Ending Feb. 28	(140,372)	
Cash Disbursements	(524,638)	74,379
Cash Balance-Feb. 28, 2003	\$ 152,113	

### MARKETABLE SECURITIES ACTIVITY:

Balance-Jan. 31, 2003		\$ 1,315,775
Add: Interest Earned	\$ 783	
Securities Purchased		
Less: Securities Redeemed	(690,000)	(689,217)
Balance-Feb. 28, 2003		\$ 626,558

### BUILDING FUND ACTIVITY:

Balance-Jan. 31, 2003		\$ 2,836,497
Add: Interest Earned	\$ 2,076	2,076

Securities Purchased	
Less: Securities Redeemed	
Balance-Feb. 28, 2003	\$ 2,838,573

#### CASH BALANCES FOR MONTH ENDING FEBRUARY 28:

	2002	2003
General Fund	\$ 315,625	\$ 152,113
Petty Cash	5,000	8,500
Marketable Securities	887,159	626,558
Building Fund	3,782,632	2,838,573
Total Cash Balances	\$ 4,990,416	\$ 3,625,744

Mr. Jacobson offered a report on the status of the audit for fiscal 2002 currently being conducted by the legislative auditor. Information only; no action required. Mr. Jacobson presented the following report on the State Fair building fund:

#### MINNESOTA STATE FAIR BUILDING FUND REPORT YEAR ENDING 10/31/02

DATE	REQUIRED DEPOSITS OF SALES TAX AND (10-31) MATCHING FUNDS	BOARD APPROVED FUND RELEASES	REQUIRED FUND BALANCE
1989	\$ 706,321.47	\$ (733,000)	\$ (26,678.53)
1990	745,158.00	(438,000)	307,158.00
1991	882,136.18	(350,000)	532,136.18
1992	808,982.07	(450,000)	358,982.07
1993	987,727.67	(650,000)	337,727.67
1994	989,468.08	(1,570,000)	(580,531.92)
1995	1,612,525.13	(1,625,000)	(12,474.87)
1996	1,578,844.87	(898,000)	680,844.87
1997	1,858,776.38	(2,040,250)	(181,473.62)
1998	1,798,353.84	(1,967,265)	(168,911.16)
1999	1,840,212.74	(2,439,305)	(599,092.26)
2000	2,136,506.06	0	2,136,506.06
2001	2,262,789.28	(2,815,000)	(552,210.72)
2002	2,229,946.52	(3,012,000)	
	\$ 20,437,748.29	\$ (18,987,820)	\$ 1,449,928.29

\* A deposit of \$199,527.00 to open fund in 1988 not required by law.

After discussion, Mr. Baker moved, Mr. Lake seconded and motion carried that \$1,378,780 in unrestricted funds be removed from the building fund and placed in the general fund (Aye-7; Nay-0). On a motion by Mr. Leary, seconded by Mr. Baker and carried, \$997,900 was released from the building fund for use on capital projects budgeted for completion in 2003 (Aye-7; Nay-0). Bob Winthrop and Chuck Upcraft of Evensen Dodge financial consultants gave a presentation on financing options for subsequent phases of the Grandstand renovation project. Following lengthy discussion, Mr. Fox moved and Mr. Baker seconded that Evensen Dodge be retained as financial consultant for the project (Aye-7; Nay-0). Mr. Hudalla presented an update on the progress of the Grandstand renovation project's first phase. Information only; no action required. Mr. Hammer reported on a proposal by the state's department of trade and economic development that would include use of the south Como parking lots for a business office complex. Information only; no action required. An update on fair-time use of the space east of the Coliseum formerly occupied by the parking ramp was offered by Mr. Hammer. Information only; no action required. Ms. Mannion presented several changes to Employee Bulletins #2AB and #3AB, as follows:

#### EMPLOYEE BULLETIN #2AB . . . MINNESOTA STATE FAIR

Re: Leave, Severance and Deferred Compensation Regulations

The following bulletin, issued at the direction of the board of managers of the Minnesota State Agricultural Society, outlines regulations relative to paid holidays, vacation, sick and miscellaneous leave, and severance pay for salaried employees. (Said Bulletin #2AB supersedes and replaces MSAS Employee Bulletin #2AA, issued 1-1-02). These rules go into effect 3-4-03.

2. VACATION LEAVE - Paid vacation leave for employees will be accumulated

at the following rate(s): Through 5th year of employment - 4.25 hours per pay period; 6th through 10th year of employment - 6.25 hours per pay period; 11 years and over - 8.25 hours per pay period. Vacation leave cannot be used during the pay period in which the hours are accrued. Employee should submit a leave request form prior to using vacation leave. Paid vacation leave may be accumulated to any amount provided that once during each year employee's accumulation is reduced to 280 hours or less. If this is not accomplished prior to the end of the last full payroll period of the year, employee's accumulation will automatically be reduced to 280 hours at that time. Reduction may take place in the form of conversion of vacation leave to a deferred compensation plan. (See #11 for Deferred Compensation conversion information.) No other direct payments for unused or unusable vacation time will be made except at termination. Requests for waiver of this prohibition must be made in writing directly to the executive vice president who may grant them at his sole discretion. Copies of such requests will be maintained in the payroll department.

Upon termination, for any cause employees who have completed six months of continuous service will be reimbursed, at his or her present scale, for any accumulation of vacation leave due him or her to a maximum of 280 hours.

3. SICK LEAVE - Paid sick leave for employees will be accumulated at the rate of four hours per pay period. Sick leave cannot be used during the pay period in which the hours are accrued. THERE WILL BE NO LIMITATIONS ON THE EXTENT OF EMPLOYEE'S SICK LEAVE ACCUMULATION.

5. PARENTING LEAVE ACT - This policy provides parenting leave to eligible employees in conjunction with the birth or adoption of a child pursuant to the Minnesota Parenting Leave Act.

If you are not eligible for leave under the FMLA policy, you may still be eligible for parenting leave under this policy. You are eligible for parenting leave up to six weeks under this policy if: (1) you have been employed by the fair for at least 12 consecutive months immediately preceding your request and (2) during those 12 months you worked at least 20 hours per week.

If you are also eligible for parenting leave under the fair's FMLA policy, then your rights are governed solely by that policy during your eligibility with the exceptions as set forth in this paragraph. If you are eligible for FMLA parenting leave but, because of your prior use of FMLA leave you have fewer than six weeks parenting leave remaining under the FMLA, then you will be permitted to take additional parenting leave of up to a total of six work weeks under this policy. In other words, if you are eligible for parenting leave under both the FMLA and the Minnesota Parenting Leave Act, you are entitled to a minimum of six weeks unpaid leave under this policy for the birth, adoption, or placement of your child. The six weeks of leave under this policy may or may not run concurrently with FMLA leave as circumstances dictate.

(1) Under this policy, you will be entitled to an unpaid leave of absence for six weeks in conjunction with the birth, adoption or placement of a child. Your leave may begin at any time chosen by you up to six weeks following the birth or adoption; except that, in the case where the child must remain in the hospital longer than the mother, the leave may not begin more than six weeks after the child leaves the hospital.

(2) If you are disabled because of childbirth, you may use any accrued sick leave during the duration of the disability. If you do so, your six weeks of parenting leave (or some shorter period if you choose) would begin after you have used all of your paid sick leave (but no later than six weeks following the birth or adoption with the exception noted above).

(3) You may choose to use accrued vacation time during your parenting leave. If you do so, your parenting leave will begin on the same date as the vacation time and will run concurrently with your use of vacation time.

(4) During any unpaid portion of your parenting leave, you will not accrue any benefits such as vacation or sick leave, but you will retain all benefits accrued before, and not used during your leave.

(5) While on parenting leave you are eligible to continue your health, dental, and/or life insurance benefits (if you have such benefits through the fair at the time your leave begins), but you must pay the entire premium for this continued coverage. Contact the employee relations coordinator, Cheryl Huber (2452) and she will provide information about the cost and procedure for continuing insurance during unpaid leave.

(6) At the end of your parenting leave, you will be reinstated to your same position or if that position is unavailable, to a comparable position.



(7) If you are not able or do not wish to return to work at the end of your parenting leave, you may apply for a personal leave of absence. If personal leave is granted, your rights will then be governed by the fair's personal leave policy. If personal leave is not granted, then you must return to work. Failure to return to work will be considered voluntary resignation.

8. VOTING TIME - Employees will be allowed a paid period of time long enough to vote ~~during the forenoon of an election day to vote~~ in a state primary or general election, a presidential primary election, a presidential election, a state general election, or an election to fill a vacancy in the United States Congress.

11. DEFERRED COMPENSATION - This is a voluntary plan that allows employees to place a portion of their earnings into a pretax investment program. Taxes on earnings are deferred until time of withdrawal.

Once in each payroll year, an employee may convert up to one hour of vacation for each hour of vacation used in the 26 pay periods ending with the last full pay period in the previous year. No more than 80 hours may be converted per year.

Or, once in each payroll year, if an employee does not choose to convert accumulated vacation to their deferred compensation plan, they will receive (up to) a \$300 matching contribution from the fair, ending the Friday of the last full pay-period of the calendar year.

NOTE: All contributions to an individual's plan, including matching contributions, may not exceed \$11,000 in any calendar year. Since contribution allotments are changing each year, contact MNDGP (Minnesota State Deferred Compensation Plan) at 1-877-457-6466 or visit their website at [www.mndcplan.com](http://www.mndcplan.com) to receive the annual contribution maximums allowed.

#### EMPLOYEE BULLETIN #3AB ... MINNESOTA STATE FAIR

Re: Travel Regulations

The following bulletin, issued at the direction of the board of managers of the Minnesota State Agricultural Society, outlines rules and regulations relative to travel by society officers, board members and employees on society business and expenses incurred thereon. (Said Bulletin #3AB supersedes and replaces MSAS Employee Bulletin #3AA, issued 1-1-02). These rules go into effect 3-4-03.

3. TRAVEL BY PRIVATELY-OWNED OR STATE FAIR OWNED VEHICLES - IN STATE - If possible, State Fair owned vehicles shall be used by employees when traveling within the state on official business. In such cases, the employee shall be reimbursed for the actual expenses incurred in the operation or maintenance of the State Fair vehicle.

The compensation for use of personal automobiles by employees traveling on official State Fair business shall be 36.5 ~~36~~ cents per mile. (Changes in this mileage rate shall be made through formal action of the board and are effective on the date of such action.) No additional reimbursement will be made for any expense incident to the operation or maintenance of such personal car excepting only toll charges and parking fees. Mileage shall be paid for the shortest direct route according to highway department records. Mileage for deviations from the shortest direct route, such as vicinity driving or point of departure, shall be shown as a separate item on the expense report along with an explanation for each day before reimbursement will be allowed. If an employee is attending a conference or training session, mileage will be paid from the shortest route (departure from home or permanent work location). After discussion, the changes were adopted as presented on a motion by Mr. Fox, seconded by Mr. Wargin and carried (Aye-7; Nay-0). Mr. Hudalla reported on staff review of potential construction contractors. After discussion, Mr. Foss moved, Mr. Lake seconded and motion carried that Maertens-Brenny Construction Company of Minneapolis be retained as construction contractor for 2003 (Aye-7; Nay-0). Mr. Hudalla provided a review of public safety and security procedures for 2003, and updated the board on an upcoming training exercise conducted by the Metropolitan Medical Response System, scheduled for May 3 at the fairgrounds. Information only; no action required. Mr. Norgel offered a report on recent activities of the Foundation. Information only; no action required.

Advertising and marketing campaigns for 2003 were reviewed by Ms. Leach and Ms. McGough. Information only; no action required. Mr. Tahti reported on the current status of negotiations for Grandstand and free stage entertainment. Information only; no action required. Mr. Heffron presented the 2003 schedule of non-fair events and reviewed the fair's special events operation. Information only; no action required. Information on the IAFE's Zone 4 spring meeting in Sioux Falls, S.D., was distributed by Mr. Heffron. Information only; no action required. Mr. Pooch reported on the status of exhibits for Agri-Land at the 2003 State Fair. Information only; no action required. The next meeting of the board was tentatively scheduled for Wednesday June 4. There being no further business, President Recknor declared the meeting adjourned at 11:35 a.m.

## Minutes of Interim Activities March 5 through June 5, 2003

### March

5 - Hammer participated as a presenter in a career counseling session for students at St. Paul Central High School.

6-7 - The Nissan Ride & Drive was conducted at the Coliseum and midway lot.

7 - Hammer and other State Fair Foundation officials met to facilitate a feasibility study for a Grandstand renovation capital campaign.

10 - The Minnesota Department of Employee Relations presented the first of two safety training sessions for staff at the Libby Conference Center. Hammer met with Malcolm McDonald and Mike Miles of Space Center, Inc., to discuss opportunities for the Lee & Rose Warner Foundation. Birk and McGough met with representatives of the State Highway Patrol to discuss a larger display at the fair.

11 - Pooch, Birk and Fickett met with Ron Eustice of the Minnesota Beef Council concerning fair issues. The first of two "Right To Know" training sessions for staff was conducted at Libby Conference Center. Johnson attended a meeting of the St. Paul Human Resources Association.

12 - A representative from Ochs Inc. met with staff to discuss optional insurance coverage.

14 - Sinclair and Heffron met with representatives of Schusser Creative Inc. to view a prototype exhibit and discuss its possible presentation at the upcoming fair.

14-16 - The Minnesota Deer Classic, presented by Wildlife Heritage Association, was conducted at the Coliseum.

19 - McGough and Tahti met with representatives of Leinenkugel Brewing to discuss sponsorship for the upcoming fair.

22-24 - Hammer and Sinclair attended the annual meeting of the Mid-West Fairs Association and the Dade County Fair in Miami, Fla. During the meeting, Hammer was elected president of the association.

22-23 - The Minnesota Weapons Collectors presented their annual spring exhibition at the Coliseum.

25 - Minnesota OSHA conducted a safety training session at Libby Conference Center.

26 - Pooch testified before the Minnesota House agriculture policy committee regarding possible sale of Minnesota-produced wine during the fair.

27 - Pooch, Leach, Hudalla, Grans and Dick Anderson met with officials from Metro Transit to discuss bus service for the upcoming fair.

28 - Hammer and members of the financial advisors and bond counsel team met with representatives of the state department of finance to discuss issues relating to bonding authority for the Society. Hammer attended a demonstration of the Taxi 2000 personal rapid transit prototype in Fridley. Pooch testified before the Minnesota Senate ag policy committee on a bill allowing wine sales at the State Fair. Marketing and entertainment staff attended a training session on Arbitron data services.

28-30 - Blue Star Productions presented their winter Super Golf Sale at the Coliseum.

31 - Hammer, Leach, Pooch and Sinclair met with Rod Markin of Markin Consulting to discuss his undertaking of an economic impact study for the fair.

### April

1 - Hammer and Jacobson attended an exit conference with staff of the Office of the Legislative Auditor. Pooch, Sinclair, Leach and Norgel met with Andy Currie to discuss a feasibility study of fund-raising for the Grandstand renovation project. Birk met with Robert Bollar of the Crossroads Chapel concerning their fair exhibit.

3-6 - The Osman Temple Shrine Circus was presented at the Coliseum; animals were housed in the Cattle Barn and warm-up arena.

9 - Johnson attended a meeting of the St. Paul Human Resources Association.

11 - Sinclair, Birk, Larson and Simon met with officials of the state Department of Health and the Department of Agriculture on food safety at the upcoming fair. McGough discussed sponsorship and promotion opportunities with representatives of Border Foods. Sinclair, Birk and McGough met with representatives of Coca-Cola to discuss sponsorship and promotions for the '03 fair.

12-13 - The Gopher State Timing Association's Rod & Custom Spectacular was held at the Coliseum. The Living Green Expo, presented by the Minnesota Office of Environmental Assistance was conducted at the Education Building, the Home Improvement Building and the southern portion of Machinery Hill. The Minnesota Weapons Collectors held their spring show and sale at the Progress Center.

14 - McGough met with representatives of Old Dutch Foods regarding sponsorships and promotions.

15 - Birk and Simon met with members of the Minnesota High Technology Association to discuss their presentation at the '03 fair. Sinclair and McGough met with Allen Putter of Amusement Management International regarding operation of a Skycoaster attraction during the '03 fair.

16 - Pooch, LeFebvre and Fickett attended the annual meeting of Agri-Women held in Bloomington. McGough and Weinfurter attended a meeting of the Governor's Fire Prevention & Control group to discuss day designation activities.

18-19 - The Antique Spectacular & Flea Market was presented by Prime Promotions on Machinery Hill.

21-25 - Huber attended the national Employment Management Conference in Las Vegas, Nev.

22 - Birk met with Craig Hotvedt of "Health Fair 11 at the Fair" regarding this year's presentation. The fair's employee safety committee met at Libby Conference Center.

23 - Hammer testified before the Minnesota Senate tax committee regarding obtaining bonding authority for the society. Sinclair and Heffron met with representatives of Cummins N Power regarding power supply for midway operations. Sinclair and Heffron met with Don McClure regarding Skyride operations at the 2003 fair.

23-24 - The Department of Natural Resources distributed trees at the DNR building.

24 - Hammer attended a meeting of the University of Minnesota's St. Paul campus neighbor advisory group.

25 - Committee chairs for the Minnesota Beef Expo met at the Libby Conference Center.

25-27 - The Minnesota Horse Expo was presented by Minnesota Horse Exposition, Inc.; the event utilized the entire livestock complex. Blue Star Marketing held its Super Computer Sale at the Education Building.

26-27 - The Minneapolis-St. Paul Military Relic and Collectors Show was held at the Progress Center.

28 - The Minnesota FFA Cattle & Livestock Show was conducted at the Coliseum.

30 - McGough discussed promotion and sponsorship opportunities with representatives of Papa John's Pizza. A program on identity theft was presented to staff at Libby Conference Center.

## **May**

1 - Leach, McGough, Tahti, Zamber and Weinfurter attended a meeting with representatives of Midwest Coca-Cola Bottling Company. The American Red Cross presented a staff training session on blood-borne pathogens.

2 - Birk and Simon met with Crane Bodine to view space options for the upcoming fair.

3 - State Fair staff manned a booth promoting the fair at the Cinco de Mayo celebration on St. Paul's West Side.

4 - The Northland Antique Toy, Doll & Advertising Show was held at the Progress Center. The Spring Extravaganza Car Show & Swap Meet was presented by Gopher State Buick on Machinery Hill.

6-7 - The Minnesota Safety Council conducted a first aid and CPR certification program for staff at Libby Conference Center.

7 - McGough and Birk met with representatives of KSTC-TV.

9 - Pooch and Fickett met with Al Withers and Susan Anderson of Minnesota Ag in the Classroom regarding their potential involvement with the Little Farm Hands exhibit. McGough, Dungan and Weinfurter met with Camp Snoopy officials to discuss promotions and entertainment.

9-11 - The F.A.S.H. Saddlebred Horse Show was conducted by friends of the American Saddlebred Horse at the Coliseum and Horse Barn.

10 - The Twin City Model Railroad & Hobby Sale was presented at the Education Building.

11 - The First Fifty Auto Club conducted their Annual Spring Nationals Show and Swap Meet on Machinery Hill.

12 - McGough met with representatives of City Pages entertainment newspaper.

13 - Cerney, Tahti and Mannion met with a representative of ASL Interpreting Services to discuss interpreting at Grandstand events. McGough met with representatives of the MSF Marketing Coalition. Johnson attended a meeting of the Minnesota Job Service Employers Committee at the Midway Workforce Center.

14 - The annual spring training session for department superintendents, key fair-time employees and full-time staff was conducted at the Progress Center. Sinclair and McGough met with representatives of Schell's Brewing to discuss promotions for their Grain Belt label. Johnson attended a meeting of the Minnesota Job Service Employers Committee.

14-17 - YMCA of Greater St. Paul presented a garage sale at the Merchandise Mart. A training session on hiring and payroll procedures was conducted for department superintendents, building superintendents and other staff involved in hiring.

16 - Pooch, Fickett and Archer met with Master Gardeners and the Ornamental Grass Society regarding their possible participation with the Little Farm Hands exhibit. McGough, Tahti and Sinclair discussed sponsorship and promotions with representatives of Miller Brewing.

16-17 - A used car sale was conducted by Auto Dealers Fleet Services on the north parking lots.

17-18 - The Rubber Stamp and Scrap Book Expo was presented at the Progress Center. Northstar Watercolor Society conducted the Water Color Art Show at the Arts Center.

18-21 - The University of Minnesota conducted a vehicle technology demonstration at the midway lot.

19 - McGough met with representatives of Capitol Beverage distributors.

20 - The State Fair employee safety committee met at Libby Conference Center. Hammer, Sinclair and Hudalla met with Steve Wellington of Wellington Management, Inc., to discuss plans for a residential recycling center adjacent to the south Como parking lots. Sinclair and Eiden met with representatives of Apres Tent Company to discuss tent rentals for the upcoming fair.

21 - Huber and Mannion attended a training session on the state's new employee insurance system, conducted by the Minnesota Department of Employee Relations; Sertich attended the same presentation two days later. Cerney attended a seminar conducted by the law firm of Faegre & Benson on the state's gun law.

22 - Hammer met with members of the financial advisory and bond counsel team to discuss potential issue of revenue bonds for financing the Grandstand renovation project. Sinclair and McGough met with representatives of Mix 104 Radio regarding their exhibit.

23-26 - The Minnesota Amateur Quarter Horse Association Corporate Challenge horse show was held at the Coliseum, Horse Barn and Judging Arena.

27 - Cerney met with Kristin Harner of the Minnesota Farm Bureau regarding their sponsorship of the Century Farms program.

28 - Hammer and Jacobson met with members of the fair's financial advisor team to discuss bonding issues.

28-29 - Monroe Auto Parts Manufacturers conducted a shock absorber demonstration at the west Grandstand parking lot.

30-June 1 - The Gem, Mineral, Fossil and Jewelry Show, presented by Great American Gem Show, was held at the Progress Center. The Country Folk Art Show, conducted by the Country Folk Art Show, Inc., was held in the Education Building.

31 - Carmichael Lynch Spong conducted a motorcycle skills course in the west Grandstand parking lot.

## **June**

3 - A meeting of the State Fair Foundation was conducted at the Foundation House on the fairgrounds.

**Minnesota State Agricultural Society  
Meeting of the Sales Committee  
9 a.m. Wednesday June 4, 2003  
Libby Conference Center**

**Members present:** Dennis Baker, chairman; Jim Foss; Joe Fox; D. J. Leary; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Mark Birk, ex officio. Absent: Bob Lake. **Also present:** Karen Leach; Brian Hudalla; Marshall Jacobson; Chris Tahti; Mary Mannion; Joe Fischler; Cheryl Huber; Adam Heffron; Dennis Larson; Brigid McGough; Carol Doyle; Pam Simon; Danyl Zamber; Michelle Fickett; Betty Schadeck; Tom Norgel; and Kent Harbison.

Chairman Baker called the meeting to order at 9:05 a.m. Mr. Sinclair presented the list of attractions booked for the Mighty Midway and Kidway for the upcoming State Fair. Information only; no action required. Mr. Heffron offered a report on other ticketed attractions booked for the '03 fair, requesting ticket price adjustments as follows:

		2002 Rate	2003 Proposed Rate	Proposed Discount Rate
Old Mill	Adult	2.50	2.50	\$2.00 (save \$.50 from opening - noon)**
	Child	2.00	2.25*	1.75 (save \$.50 from opening - noon)**
Skyride	Adult/child one-way	2.75/2.25	2.75*	2.25 (save \$.50 from opening - noon)**
	Adult/child round-trip	4.00/3.00	4.50*	4.00 (save \$.50 from opening - noon)**
Space Tower	Adult	2.00	3.00*	2.50 (save \$.50 from opening - noon)**
	Child	1.00	2.00*	1.50 (save \$.50 from opening - noon)**

\* Attractions requesting rate increase

\*\* Discount promotion on Old Mill, Skyride and Space Tower admission offered in the morning on both Mondays and both Thursdays.

Following discussion, the ticket rates were approved on a motion by Mr. Fox, seconded by Mr. Steltz and carried (Aye-6; Nay-0; Leary abstained). Mr. Heffron presented information on the Skycoaster attraction, booked for Machinery Hill, including proposed license fee and admission price as follows:

CONCESSIONAIRE	ATTRACTION	PERCENTAGE(S)	ADMISSION
Fun Adventures, Inc.	Skycoaster	25% of gross revenue over \$10,000	\$20.00

After discussion, the license terms and admission fee were approved on a motion by Mr. Paulmann, seconded by Mr. Wargin and carried (Aye-7; Nay-0). Mr. Birk offered details of the society's license with Creative Resources - the firm that sells officially-licensed State Fair merchandise at the State Fair Gift Shop in the Visitors Plaza - and requested that Creative Resources be granted a second location at Teen Fair for sale of fair merchandise. After discussion, the second location was approved on a motion by Mr. Wargin, seconded by Mr. Steltz and carried (Aye-7; Nay-0). Mr. Birk presented information on three issues related to the society's policy for fair-time sales of alcoholic beverages as follows: Staff recommended that the hours of sale for 3.2 malt beverages be extended from 10:30 p.m. to 11 p.m.; all other requirements related to malt beverage sales will remain in effect. After discussion, the recommendation was approved on a motion by Ms. Schmidt, seconded by Mr. Paulmann and carried (Aye-7; Nay-0). A statutory change made during the recently-concluded legislative session allows the society to license concessionaires to sell Minnesota-produced wine by the glass. In light of the change, the following recommended policy was presented and discussed. Authority to authorize the sale of Minnesota-produced wine was requested in conjunction with a valid concession license agreement with the following understandings:

- A license granting the privilege to sell wine will not be granted to a licensee already authorized to sell 3.2 non-intoxicating malt beverages.
- All other requirements related to 3.2 non-intoxicating malt beverage sales will apply to wine sales; i.e.
  - Wine sales may not commence before 9:00 a.m. each day (12 noon on Sundays), and must cease no later than 11:00 p.m. each day.
  - Concessionaires must remain open to sell food and other licensed non-malt or wine beverages for thirty (30) minutes after the conclusion of wine sales.
  - If multiple size portion sales are permitted, the per ounce price of wine portion sizes offered must be equal, such that customer purchasing decisions are based on choice, not volume pricing incentives.
  - Wine may not be included in the Blue Ribbon Bargain Book or other value promotions.

After discussion, the policy was adopted on a motion by Mr. Steltz, seconded by Mr. Wargin and carried (Aye-7; Nay-0). Mr. Birk requested approval to issue a wine sales license for the upcoming fair to Schumacher's New Prague Hotel. On a motion by Mr. Fox, seconded by Mr. Foss and carried, the recommendation was approved (Aye-7; Nay-0). The sales committee meeting was adjourned at 9:45 a.m. on a motion by Mr. Fox, seconded by Mr. Leary and carried (Aye-7; Nay-0).

**Meeting of the Governing Board  
10 a.m. Wednesday June 4, 2003  
Libby Conference Center**

**Members present:** Howard Recknor, president; Joe Fox, vice president; D. J. Leary, vice president; Jim Foss; John Paulmann; Lyle Steltz; Dennis Baker; Chauncey Wargin; Clarice Schmidt; Jerry Hammer, secretary. Absent: Bob Lake. **Also present:** Karen Leach; Jim Sinclair; Brian Hudalla; Marshall Jacobson; Chris Tahti; Mary Mannion; Joe Fischler; Cheryl Huber; Adam Heffron; Dennis Larson; Brigid McGough; Carol Doyle; Pam Simon; Danyl Zamber; Michelle Fickett; Betty Schadeck; Tom Norgel; Mark Birk; Bob Winthrop and Chuck Upcraft of Public Financial Management and Kent Harbison.

President Recknor called the meeting to order at 10 a.m. Minutes of the March 4, 2003, board meeting were approved on a motion by Mr. Baker, seconded by Mr. Foss and carried (Aye-8; Nay-0). Minutes of interim activities covering March 5 through June 3 were approved on a motion by Mr. Steltz, seconded by Mr. Wargin and carried (Aye-8; Nay-0). Action conducted earlier in the day by the sales committee was approved on a motion by Mr. Paulmann, seconded by Mr. Steltz and carried (Aye-8; Nay-0).

The May financial statement was presented by Mr. Jacobson as follows:

**MINNESOTA STATE FAIR  
CASH TRANSACTION SUMMARY  
MONTH ENDING MAY 31, 2003**

**GENERAL FUND ACTIVITY:**

Cash Balance-Apr. 30, 2003		\$ 30,229
Add: Cash Deposits	\$ 1,359,108	
Less: Payroll Ending May 9	(166,447)	
Payroll Ending May 23	(150,232)	
Cash Disbursements	(998,779)	43,650
Cash Balance-May 31, 2003	\$ 73,879	

**MARKETABLE SECURITIES ACTIVITY:**

Balance-Apr. 30, 2003		\$ 1,123,822
Add: Interest Earned	\$ 1,273	
Securities Purchased		
Less: Securities Redeemed	(100,000)	(98,727)
Balance-May 31, 2003	\$ 1,025,095	

**BUILDING FUND ACTIVITY:**

Balance-Apr. 30, 2003	\$ 463,595	
Add: Interest Earned	\$ 1,361	1,361
Securities Purchased		
Less: Securities Redeemed		
Balance-May 31, 2003		\$ 464,956

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

	2002	2003
General Fund	\$ 206,873	\$ 73,866
Petty Cash	5,000	5,000
Marketable Securities	2,582,333	1,025,095
Building Fund	773,727	464,956
Total Cash Balances	\$ 3,567,933	\$ 1,568,917

After discussion, the statement was approved as presented on a motion by Mr. Wargin, seconded by Mr. Fox and carried (Aye-8; Nay-0).

Mr. Jacobson outlined departmental pay schedules for the '03 State Fair as follows:

DEPARTMENT	2002 PROJECTED	2002 ACTUAL	2003 PROJECTED
ADMISSIONS	150,150.00	142,095.65	142,372.56
AG-HORT CUSTODIAL	11,849.00	11,126.75	11,500.00
AGRI-LAND	1,475.00	1,289.75	-
BAZAAR	6,896.00	7,731.50	7,500.00
BEE AND HONEY	6,635.00	5,978.26	5,978.26
BEEF CATTLE	2,624.75	1,927.31	1,927.31
CARE AND ASSISTANCE	5,787.50	5,151.76	5,151.75
CHRISTMAS TREES	3,925.00	3,099.00	3,099.00
COLISEUM	7,992.00	7,412.51	8,000.00
COMMERCIAL SPACE CHECKER	4,980.00	4,655.25	5,000.00
COMPETITION	660.00	10,424.50	10,424.50
CONCESSIONS AUDITOR	3,682.50	3,851.75	4,000.00
CREATIVE ACTIVITIES	49,097.50	41,528.88	41,528.00
CREATIVE ACTIVITIES ANNEX	4,635.50	5,820.19	5,800.00
CROSSROADS BUILDING	24,171.75	22,075.49	23,000.00
CUP WAREHOUSE	2,995.00	3,593.38	3,500.00
DAIRY CATTLE	3,345.00	3,682.95	3,682.94
DAIRY PRODUCTS	630.00	630.00	630.00
DOG TRAILS	787.50	736.75	736.75
EDUCATION	19,326.50	16,924.15	16,924.15
EMPIRE COMMONS	5,818.00	6,388.00	6,300.00
F.F.A.	16,397.00	18,861.88	18,861.85
FARM CROPS	11,100.00	11,892.75	11,892.75
FINANCE	6,388.75	7,124.51	7,125.00
FINE ARTS	19,810.00	21,765.33	21,875.26
FLOWERS	4,337.50	4,361.00	4,361.00
FORAGE	-	10,675.50	10,675.50
FREE ENTERTAINMENT	44,462.25	44,740.10	44,827.00
FRUIT AND WINE	6,873.50	7,108.61	7,108.60
GATE TICKET SALES	149,365.00	138,525.65	138,500.00
GOAT	2,162.50	1,787.50	1,787.50
GRANDSTAND ARTIST SALES	2,550.00	2,329.00	2,300.00
GRANDSTAND AUTO RACE	1,326.00	1,285.00	-
GRANDSTAND PRODUCTION	16,445.00	16,500.50	16,029.00
GRANDSTAND STAGE CREW	55,000.00	70,174.05	125,000.00
GUEST SERVICES	6,625.68	6,192.48	6,192.48
HERITAGE EXHIBITS	3,400.00	4,678.00	4,680.00
HERITAGE SQUARE	6,725.75	7,073.50	6,800.00
HOME IMPROVEMENT	2,479.50	2,262.75	2,300.00
HORSE	27,000.00	21,539.63	21,539.63
INFORMATION SERVICES	16,955.20	17,948.08	19,442.05
LLAMA	764.00	756.44	756.44
MACHINERY HILL	3,151.00	3,501.25	3,500.00
MARKETING	3,720.00	5,828.51	2,331.00
MASCOT	4,000.00	4,410.00	4,410.00
MEATS	-	-	-
MERCHANDISE MART	3,605.75	3,854.00	3,800.00
MIDWAY OPERATIONS	19,139.50	20,254.38	20,252.25
MIDWAY TICKET SALES	52,122.50	49,752.15	50,000.00
MILKING PARLOR	27,550.00	26,032.93	26,032.88
MODERN LIVING	2,684.00	2,760.75	2,800.00
NATURAL RESOURCES	1,152.00	1,241.25	1,200.00
OFFICERS COTTAGE	1,867.50	1,995.00	1,995.00
OPERATORS	5,667.65	6,329.85	5,227.10
PARK AND RIDE	59,816.75	68,068.64	77,428.63
PARKING	145,240.75	144,088.02	144,088.00

PERCENT CHECK IN OPERATOR	3,432.00	3,587.00	3,350.00
POULTRY	6,331.30	5,998.25	5,998.25
PUBLIC SAFETY	524,529.00	401,107.75	195,779.75
PUBLIC SAFETY-SUB STATION	114,351.50	114,861.13	114,861.13
SANITATION	91,510.00	80,254.17	90,000.00
SENIOR CITIZENS	5,922.50	5,920.26	5,920.26
SHEEP	3,267.00	2,222.00	2,222.00
*SOUTH CAMPGROUNDS		13,335.76	18,900.00
SWINE	5,981.25	4,759.50	4,759.50
TICKET AUDIT	6,290.00	6,473.50	6,475.00
TICKET OFFICE COLISEUM	4,540.00	4,584.00	4,584.00
TICKET OFFICE GRANDSTAND	10,968.75	10,945.39	10,945.38
TICKET TAKERS/ATTRACTION	60,460.00	69,255.16	60,000.00
TRANSPORTATION	7,320.00	6,983.14	6,983.13
UTILITIES	8,824.00	9,030.00	9,030.00
GRANDSTAND/VARIED INDUSTRIES	11,496.00	13,783.75	13,250.00
VEGETABLE	4,440.00	4,566.25	4,566.25
4-H REGULAR	57,632.00	53,289.70	
4-H UNIVERSITY	91,930.00	92,666.78	
**4-H COMBINED			148,056.44
*NORTH CAMPGROUNDS	33,276.25	40,737.19	34,000.00
PROGRESS CENTER	4,201.00	4,579.51	4,500.00
*EASTROOM	3,934.00	2,848.25	-
**GROUP SALES			1,687.50
FINAL TOTALS	2,066,573.78	1,965,446.26	1,868,042.73

\* 2001 Department Revision

\*\* 2003 Department Revision

Public Safety 2003 projection shows only Fair time 12 day payroll. This does not include the pre-and post-fair security, starting August 1. After discussion, it was moved by Mr. Baker, seconded by Ms. Schmidt and carried that the schedules be approved as presented (Aye-8; Nay-0). Mr. Jacobson and Mr. Hammer reviewed the results of the audit of State Fair accounts for fiscal 2002 conducted by the Office of the Legislative Auditor. After discussion, the audit was accepted on a motion by Ms. Schmidt, seconded by Mr. Fox and carried (Aye-8; Nay-0). Mr. Hammer offered a summary of the State Fair's involvement in the recent legislative session. Issues included the following: The State Fair lost the ability to retain sales tax earned from the sale of its tickets. (By law, the entire amount was matched by the fair and dedicated exclusively to capital work.) The State Fair was exempted from the POST board requirement that limits the number of part-time license holders on Minnesota police forces. The State Fair has the ability to license concessionaires to sell Minnesota-made wine. The State Fair has the ability to issue up to \$20 million in revenue bonds during a six-year period. Information only; no action required. Legal counsel Kent Harbison outlined Minnesota's new gun law, various interpretations of the law and how the law may affect the State Fair. Information only; no action required. Bob Winthrop and Chuck Upcraft of Public Financial Management (formerly Evensen Dodge) presented detailed information on the process required for the Society to issue revenue bonds as a means of financing the next phases of the Grandstand renovation project. To facilitate the process and conform to federal law, the following resolution was presented:

RESOLUTION declaring the official intent of the Minnesota State Agricultural Society to reimburse certain expenditures from the proceeds of bonds, and designating an authorized representative to make declarations of official intent on behalf of the Society.

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and WHEREAS, the Minnesota State Agricultural Society expects to incur certain expenditures which may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a bond; now, therefore, be it RESOLVED by the Board of Managers of the Minnesota State Agricultural Society (the "Society") as follows:

1. The Society reasonably intends to make expenditures for the acquisition and betterment of buildings, improvements, equipment, plant, systems and facilities of the Minnesota State Fairgrounds which are generally described in Exhibit A attached hereto, hereinafter, the "Program," and reasonably

intends to reimburse itself for such expenditures from the proceeds of debt to be issued by the Society in the maximum principal amount of \$11,500,000.

2. This resolution is an expression of the reasonable expectations of the Society based on the facts and circumstances known to the Society as of the date hereof. The anticipated reimbursements are consistent with the Society's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the Society are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the Society's budget or financial policies to pay such Program original expenditures. The Society has not adopted any allocation, budget, or restriction of moneys or adoption of a requirement or policy to reimburse a fund, the primary purpose of which is to prevent moneys from being available to pay an original expenditure the Society intends to reimburse with proceeds of a borrowing.
3. This resolution is intended to constitute a declaration of official intent for purposes of Treas. Reg. § 1.150-2 and any successor law, regulation, or ruling.
4. The allocation of proceeds of the bonds to be issued to any Program original expenditures will be made not later than the later of three years after the expenditure was paid or three years after the property was placed in service.
5. The Program original expenditures to be reimbursed from proceeds of the bonds shall be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Treas. Reg. § 1.150-2(d)(3).
6. Other than (i) expenditures to be paid or reimbursed from sources other than the bonds, (ii) expenditures constituting preliminary expenditures within the meaning of Treas. Reg. § 1.150-2(a)(2), or (iii) expenditures in a "de minimis" amount (as defined in Treas. Reg. § 1.150-2(a)(1)), no original expenditures for the Program have been paid by the Society more than 60 days prior to the date of this resolution.
7. Proceeds of the bonds issued to reimburse the Program original expenditures will be deemed spent only when (1) an allocation entry is made on the books or records of the Society with respect to the bonds; (2) the entry identifies an actual expenditure to be reimbursed, or where the Program is described as a fund or account, the fund or account from which the expenditure was paid; and (3) the allocation is effective to relieve the bond proceeds from restrictions on unspent proceeds under applicable documents and state laws.
8. None of the proceeds of the bonds issued to reimburse the Society for the Program's original expenditures will be used within one year of the allocation (i) to refund another governmental obligation or (ii) to create or increase the balance in a sinking fund or replace funds used for such purpose, or (iii) to create or increase the balance in a reserve or replacement fund or replace funds used for such purposes; or will be used at any time to reimburse any person or entity (other than the Society) for expenditures originally paid with the proceeds of a Society obligation (excluding a Society inter-fund borrowing); unless (i) such amounts are deposited in a bona fide debt service fund or are used to pay debt service in the next one-year period on any Society obligation other than the reimbursement bond, or (ii) the original issue was not reasonably expected to be used to finance the expenditure.
9. No action or inaction by the Society with respect to the allocation of bond proceeds to reimbursement of Program original expenditures will be an artifice or device to avoid, in whole or in part, arbitrage yield restrictions or arbitrage rebate requirements.
10. The Executive Vice President of the Society, Jerry Hammer, is hereby designated as the authorized representative of the Society to declare in writing, in such form as may be approved by the Board of Managers and bond counsel, the official intent of the Society from time to time to reimburse original expenditures for the Program from proceeds of debt to be issued by the Society, for purposes of and in accordance with Treas. Reg. § 1.150-2.

After discussion, the resolution was adopted as presented on a motion by Mr. Leary, seconded by Mr. Baker and carried (Aye-8; Nay-0). A second resolution, providing preliminary approval for issue of bonds, was presented as follows:

RESOLUTION giving preliminary approval to issuance of Minnesota State Fair revenue bonds, Series 2003.

**WHEREAS**, the Minnesota State Agricultural Society (the "Society") is a public corporation which conducts the Minnesota State Fair (the "Fair") and in which is vested the custody, management and control of the property commonly known and used as the Minnesota State Fairgrounds (the "Fairgrounds"), all pursuant to and in accordance with Minnesota Statutes, Chapter 37; and

**WHEREAS**, the Fairgrounds includes over 140 Society-owned structures, together with land, other improvements to the land, personal property and utility infrastructure; and

**WHEREAS**, the major outdoor performance venue at the Fairgrounds is the Grandstand (the "Grandstand"), which was initially constructed in 1909; and

**WHEREAS**, this Board of Managers (this "Board") has determined that it is necessary and appropriate to undertake substantial renovation, remodeling, and improvements to the Grandstand, to provide a modern, attractive outdoor performance facility, increase amenities, enhance utilization of interior space, and bring the structure and supporting electromechanical systems into compliance with current building codes (such renovation, remodeling and improvements to the Grandstand, hereinafter, the "Grandstand Improvement Project"); and

**WHEREAS**, this Board finds that, in addition to Society funds on hand and otherwise available for capital improvements, interim bank financing, and contributions to a capital campaign which may be undertaken by the Society, it is necessary and in the best interests of the Society and the Fair that the Society borrow moneys to carry out the Grandstand Improvement Project; and

**WHEREAS**, under Minnesota Statutes Section 37.31, et seq., the Society has authority to issue bonds to provide for the payment of all expenditures necessary or convenient to carry out its corporate purposes and powers; and

**WHEREAS**, this Board has been advised by the financial advisory firm, Public Financial Management, Minneapolis, Minnesota, that issuance of revenue bonds by the Society to provide moneys for the Grandstand Improvement Project is financially feasible and can result in a lower cost of funds compared to other possible sources of debt financing; and

**WHEREAS**, this Board accordingly finds it necessary and appropriate to proceed with certain actions in furtherance of the issuance of revenue bonds for such purpose; and

**WHEREAS**, the Society deems it necessary and desirable to engage a financial advisor and bond counsel to assist in the proposed issuance of revenue bonds. Now, therefore, be it

**RESOLVED** by the Board of Managers of the Minnesota State Agricultural Society, as follows:

1. The Society hereby preliminarily authorizes the issuance of Minnesota State Fair Revenue Bonds, Series 2003 (the "Bonds") to provide moneys to finance the Grandstand Improvement Project, pursuant to the terms of this Resolution. The Bonds shall be issued in an aggregate original principal amount of not to exceed \$11,500,000, shall have a final maturity not later than 2024, and shall be otherwise substantially as described in the report of Public Financial Management presented to this Board at this meeting in connection with the adoption of this Resolution.
2. The Society hereby engages the financial advisory firm of Public Financial Management, Minneapolis, Minnesota (the "Financial Advisor"), to act as independent financial advisor and hereby engages the law firm of McGrann Shea Anderson Carnival Straughn & Lamb, Chartered to act as bond counsel ("Bond Counsel") in connection with the Bonds.
3. The Society hereby authorizes and directs that all necessary and appropriate actions be taken by the Executive Vice President in conjunction with the Financial Advisor and Bond Counsel, including but not limited to the preparation of a Preliminary Official Statement and a Bond Resolution, to proceed with the issuance of the Bonds. The use and distribution of a Preliminary Official Statement by the Financial Advisor in connection with the marketing of the Bonds, in such form as may be approved by the Executive Vice President, is hereby approved.
4. The Executive Vice President, in conjunction with the Financial Advisor, is hereby authorized to request a rating or ratings on the Bonds from one or more nationally-recognized statistical rating agencies and to obtain proposals for a policy or policies of municipal bond insurance to insure payment, when due, of principal of and interest on the Bonds.
5. The Executive Vice President is hereby authorized and directed to exercise all powers and perform all responsibilities on the part of the Society and this Board necessary or appropriate to carry out the provisions of this Resolution.

6. The members of this Board, and officers, agents and employees of the Society, are hereby authorized and directed to do all such acts and showings and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Resolution, and the documents presented to this meeting or approved hereby, and all of the acts and doings of the members of this Board and officers, agents and employees of the Society which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

7. Notwithstanding the foregoing, (a) all terms and conditions of the Bonds and any security therefore shall be in substance and form satisfactory to this Board as evidenced by the due adoption by this Board of a Bond Resolution authorizing the issuance of the Bonds, (b) issuance of the Bonds shall be subject to the prior written approval of the Minnesota Commissioner of Finance in accordance with Minnesota Statutes, Section 37.31, subdivision 7, (c) the Bonds shall be limited obligations of the Society payable solely from the funds pledged thereto and shall never constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Society except amounts specifically pledged to the payment thereof, and shall not otherwise constitute a general obligation or debt of the Society, (d) no member of this Board or of the Society or other person executing the Bonds shall be liable personally on the Bonds or subject to any personal liability or accountability by reason of their issuance, and (e) the State of Minnesota is not liable on the Bonds and the Bonds are not a debt of the State, and the Bonds shall contain on their face a statement to that effect.

After discussion, the resolution was adopted as presented on a motion by Mr. Baker, seconded by Mr. Fox and carried (Aye-8; Nay-0). Mr. Hammer reviewed the economic impact analysis recently conducted by Markin Consulting. According to the analysis, the Society's year-around operations have an economic impact in the Twin Cities that is likely \$130 million to \$160 million annually. Information only; no action required. Mr. Hammer detailed revisions made to the '03 operating budget necessitated by the loss of dedicated sales tax revenue, and Mr. Hudalla reviewed reductions and deferrals in the improvements and maintenance budgets. Information only; no action required. On a motion by Mr. Baker, seconded by Mr. Foss and carried, fair-period invitations were approved for the following functions (Aye-8; Nay-0): Minnesota Federation of County Fairs board lunch, Friday Aug. 22; Hall of Fame and Life Members lunch, Sunday Aug. 24; Minnesota Livestock Breeders Association breakfast, Thursday Aug. 28; Outstanding Senior Citizens lunch, Thursday Aug. 28; and mayors, media and business leaders picnic, Thursday Aug. 28.

Mr. Tahti presented the following list of contracts for Grandstand, free stages and other fair-period entertainers:

CONTRACTOR	DATES	TERMS	VENUE
MD Systems/Clair Brothers Audio (Sound)	8/21-9/1	\$48,000	Grandstand
Theatrical Media Services (Lights)	8/21-9/1	\$25,400 plus rental and shipping of spotlights to be invoiced	Grandstand
Freestyle Productions (Video)	8/21-8/31	\$43,552.55	Grandstand
Americana Fireworks Display Company	8/21-9/1	\$35,000	Grandstand
A.S.I.A., Inc. (Security)	8/21-9/1	\$15.75 per hour plus tax	Grandstand
PESO, Inc. (Ushers)	8/21-9/1	\$13.95 per hour	Grandstand
HBF, Inc. f/s/o Hootie & the Blowfish	8/23	\$60,000 plus 42% over \$160,000	Grandstand
Big Head Todd & the Monsters Inc. f/s/o Big Head Todd & the Monsters	8/23	\$40,000 plus 28% over \$160,000	Grandstand
Ear Booker Enterprises f/s/o "Weird Al" Yankovic	8/24	\$50,000 plus 75% over \$110,000	Grandstand
CDB, Inc. f/s/o The Charlie Daniels Band	8/26	\$30,000 flat	Grandstand
GFR, Ltd. f/s/o Grand Funk Railroad	8/27	\$32,000 flat	Grandstand

Doobro Entertainment Corp. f/s/o The Doobie Brothers	8/27	\$60,000 plus 70% over \$152,000	Grandstand
Rebecca St. James LLC	8/28	\$25,000 flat	Grandstand
Go Fish, Inc. f/s/o Go Fish	8/28	\$20,000 flat	Grandstand
Plus One Entertainment Inc. f/s/o Plus One	8/28	\$20,000 flat	Grandstand
Normal Town Music, Inc. f/s/o The B-52's	8/29	\$75,000 plus 70% over \$150,000	Grandstand
La Conquista	8/30	\$6,000 flat	Grandstand
Los Kumbia Kings	8/30	\$50,000 flat	Grandstand
Sacco Shows, Inc. f/s/o Mermaids & Mariners	8/21-9/1	\$44,000	Amphitheater
G.P. Music, Inc. f/s/o Gary Puckett	8/21-22	\$20,000 flat	Bandshell Tonight
Suzy Bogguss Concerts, Inc. f/s/o Suzy Bogguss	8/23-24	\$15,000 flat	Bandshell Tonight
Riders in the Sky LLC f/s/o Riders in the Sky	8/25-26	\$20,000 flat	Bandshell Tonight
Spinners Performing Arts, Inc. f/s/o The Spinners	8/27-28	\$35,000 flat	Bandshell Tonight
Poor Man's Son Inc. Franky Perez & the Highway Saints	8/29-8/30	\$7,000 flat	Bandshell Tonight
John Holm Inc. f/s/o Johnny Holm	8/31-9/1	\$8,000 flat	Bandshell Tonight
Tonic Sol-fa	8/21-24	\$11,000 flat	Bandshell
Al Pierson Ltd. f/s/o Guy Lombardo's Royal Canadians	8/21-24	\$14,000 flat	Bandshell
Physics Works, Inc. f/s/o Physics Force	8/21-24	\$7,000 flat	Bandshell
Mountain Heart	8/25-28	\$14,000 flat	Bandshell
Peter Wendinger f/s/o The Peter & Paul Wendinger Band	8/25-28	\$3,200 flat	Bandshell
Tommy Emmanuel	8/29-9/1	\$10,000 flat	Bandshell
Polka Family Band	8/29-9/1	\$15,000 flat	Bandshell
Gardencourt Inc. f/s/o Shannon Lawson	8/29-9/1	\$12,000 flat	Bandshell
Keith Secola	8/21-24	\$8,000 flat	The Bazaar
Ruben Adan f/s/o Sensacion Latina	8/29-9/1	\$5,200 flat	The Bazaar
Bike n Betty Productions f/s/o De'Anna the Hypnotist	8/21-26	\$7,200 flat	The Bazaar
Magic Man, Inc. Tim Gabrielson	8/27-9/1	\$6,600 flat	The Bazaar
Sean Emery	8/21-9/1	\$9,900 flat	Children's Theater
Terry Davolt dba T. Texas Terry	8/21-26	\$4,500 flat	Children's Theater
Norm Barnhart	8/21-26	\$4,000 flat	Children's Theater
Steve Langely f/s/o The Fettucini Brothers	8/27-9/1	\$3,900 flat	Children's Theater
Tune Into Kids	8/27-9/1	\$3,000 flat	Children's Theater
Premier Entertainment f/s/o Mia Dorr's Karaoke	8/21-9/1	\$4,000 flat	The Garden

Bruce Jaeger f/s/o Middle Spunk Creek Boys	8/21-24	\$4,000 flat	Heritage Square	Minnesota Purebred Dog Breeder's Association	8/21-9/1	\$5,500	Pet Center
Rick Crowder f/s/o Sourdough Slim	8/25-28	\$3,600 flat	Heritage Square	Foxfield Equestrian Team	8/21-9/1	\$22,400 plus bona fide expenses	Horse
The Hot Club of Cowtown	8/25-28	\$6,000 flat	Heritage Square	Barnes PRCA Rodeo	8/27-29	\$9,000 prize money, plus \$34,000, plus admissions up to \$1,000	Horse
David Tousley f/s/o The MN Flatpicking Guitar Championship	8/29-30	\$3,175 flat	Heritage Square	Barn Tours	8/21-9/1	\$22,560 plus travel and lodging	Competition
Dan Radford f/s/o The MN State Fiddler's Contest	8/31-9/1	\$3,175 flat	Heritage Square	W.J. Mackey	8/19-9/1	\$13,000	Veterinarian
David Mariette	8/21-24; 8/30-9/1	\$1,540 flat	Heritage Square	William H. Sweeney	8/19-9/1	\$28,000	Veterinarian
Pete Stanaitis	8/25-29	\$1,100 flat	Heritage Square	After discussion, the contracts were approved on a motion by Mr. Fox, seconded by Mr. Wargin and carried (Aye-8; Nay-0). Ms. McGough presented a summary of the State Fair's sponsorship program for the '03 exposition as follows:			
Roger Abrahamson	8/22-9/1	\$2,500 flat	Heritage Square	<b>2003 Sponsorship</b>			
Lumberjack Sports International	8/21-9/1	\$21,200 flat	North Woods	<b>Attraction</b>	<b>Sponsor</b>	<b>Fee</b>	
Max-Air productions, Inc. f/s/o Snowflyers Big Air Show	8/21-9/1	\$40,000 flat	North Woods	Various: Concert Series, Bandshell, Official Beer, Nightly fireworks	Miller Brewing	150,000	
MN Valley Antique Show Power Association	8/21-24	\$1,700 flat	Old Iron	Various: Adventure Park, Official Soft Drink, Official Water	Coca Cola	100,000	
Jack Deschene Show	8/25-28	\$300 flat	Old Iron	ATM - Mobile	US Bank	15,000	
Peter Nohner Show	8/25-28	\$400 flat	Old Iron	Barn Tours	Various Producers	8,550	
Ken Scott Show	8/29-9/1	\$200 flat	Old Iron	Bazaar	Camp Snoopy	1,000	
Dee Scott Show	8/29-9/1	\$200 flat	Old Iron	Competition Pumpkin	M.A. Gedney	10,000	
James Birk Show	8/29-9/1	\$200 flat	Old Iron	Daily Schedule	Cub Foods	20,000	
Tri-State Judging Association	8/21-31	\$4,510 flat	Parade	Food Building	Hilex	825	
David Allen Yurkew	8/27-28	\$600 flat	Ramberg	Herdsman	AT&T Wireless	20,000	
Mark Brown f/s/o Rock-It the Robot	8/21-9/1	\$11,000 flat	Roving Act	Info Booths	Gold'N Plump	15,000	
John Allgaier f/s/o B.C. Characters	8/21-9/1	\$10,800 flat	Roving Act	Little Farm Hands	Schroeder	3,000	
Alexandra Hoopes	9/1	\$450 flat	Talent Contest	Milk Run	Cal Spas	30,000	
Dare Kujawa	9/1	\$50 flat	Talent Contest	Northwoods	Old Dutch	20,000	
Mario Diaz Moresco	9/1	\$50 flat	Talent Contest	Northwoods	Border Foods	10,000	
Tom Chepokas	7/24-27; 8/21-9/1	\$7,160 plus \$75 per half hour overtime, plus \$56 per 2 hour audition and \$6 per half hour overtime	Talent Contest	North Thrill Area	Charmin	15,000	
Nick Abdo f/s/o Leroy Smokes	8/21-22	\$800 flat	Teen Fair	Restroom	Dodge Trucks	2,185	
Sean McPherson f/s/o Heiruspecs	8/21-22	\$2,000 flat	Teen Fair	Rodeo	Blue Cross	10,000	
Wade Linkert f/s/o Flavor	8/23-24	\$800 flat	Teen Fair	Ramberg Center	Green Mill	10,000	
Jonathan Nelson f/s/o Clovis	8/23-24	\$800 flat	Teen Fair	Teen Fair			
Matt Johnson f/s/o Panoramic Blue	8/23-24	\$2,000 flat	Teen Fair	<b>Total</b>		<b>\$440,560</b>	
Sue Generis, Inc.	8/25-26	\$800 flat	Teen Fair	<b>In Kind Sponsors &amp; Contributors</b>			
<b>NON-ENTERTAINMENT CONTRACTS</b>				Old Dutch - Media		20,000	
Minnesota Veterinary Association	8/21-9/1	\$6,500	Pet Center	Miller Brewing - Measured Media Buy		40,000	
				Leinenkugel's - Measured Media/Promo		75,000	
				Coca Cola - NCAA/Powerade/Promotion		180,000	
				Small Maps - Star Tribune		10,000	
				Minnesota Public Radio - Day (Airtime/Print)		40,000	
				<b>MEDIA</b>			
				<b>Print</b>			
				City Pages		30,000	
				Good Age		20,000	
				<b>Broadcast</b>		<b>TBD</b>	
				<b>Total in Kind</b>		<b>415,000</b>	
				<b>TOTAL CASH &amp; IN KIND</b>		<b>855,560</b>	
				Information only; no action required.			
				Ms. Mannion presented the following recommended change in the State Fair Employee Information Handbook:			
				<b>Workplace Violence</b>			
				The Minnesota Agricultural Society (Minnesota State Fair) prohibits any form of workplace violence.			
				The Minnesota Department of Safety defines workplace violence as "words or actions that hurt people. Violence is the abusive or unjust exercise of power, intimidation, or actual use of force which results in or has a high likelihood of causing hurt, fear, injury, suffering or death."			
				<u>With the exception of on-duty licensed police officers, employees (both full-time and part-time) are prohibited from carrying, possessing or using firearms (including but not limited to pistols) or other weapons while on Society premises, while operating machinery, equipment or vehicles for work-related purposes, or while engaged in Society business off the Society premises. This policy applies to all employees, including but not limited to those who have a valid permit to</u>			



carry a firearm. This policy applies to all Society premises, except that valid handgun permit holders may carry or possess firearms in the Society's parking facilities in accordance with applicable federal and Minnesota law. However, all employees (including but not limited to those who have a valid permit to carry a pistol) are prohibited from carrying or possessing any type of firearm or other weapon in their vehicle at any time while on Society business, whether on or off Society premises.

The Society reserves the right to search and inspect property and employees while on Society premises, while operating machinery, equipment, or vehicles for work-related purposes, or while engaged in Society business off premises.

Employees who are aware of policy violations, or who receive threats of violence while on Society premises should promptly report the violations to the executive vice president.

No retaliation of any kind will occur because you have reported an incident of suspected violation of this policy.

Violations of this policy will result in discipline to the employee, up to and including immediate termination of employment.

Employee Bulletin #2AC

10. SEVERANCE PAY - Any employee who is separated from employment with the society after 10 years of continuous employment by reason of death; retirement; layoff, other than seasonal; or discharge, for reasons other than malfeasance; shall be entitled to receive severance pay upon such separation. Severance pay shall be a sum equal to the employee's ~~regular rate of pay at the time of separation~~ highest annual rate of pay during the five years prior to separation multiplied by 40% of the employee's accumulated but unused sick leave balance up to 900 hours. In addition, employees shall receive 12.5% of the employee's hours over 900, times the employee's ~~regular rate of pay at the time of separation~~ highest annual rate of pay during the five years prior to separation.

Should any employee who has received severance pay be subsequently rehired by the society within four years, eligibility for future severance pay shall be computed upon the difference between the amount of accumulated but unused sick leave to the employee's credit at the time the employee was separated and the amount of employee subsequent eligibility for severance pay. Severance pay shall be paid over a period not to exceed two years from termination of employment. After discussion, the change was approved on a motion by Mr. Leary, seconded by Mr. Baker and carried (Aye-8; Nay-0). Ms. Fickett reported on the new Little Farmhands exhibit, Mr. Tahti gave an update on the entertainment schedule and Mr. Sinclair provided background on new commercial exhibits. Information only; no action required. Ms. Schmidt, Mr. Fox and Mr. Hammer reported on activities of the State Fair Foundation. Information only; no action required.

Mr. Leary offered the following resolution:

WHEREAS, David E. Johnson, chairman of the board of the Minnesota State Fair Foundation, has contributed significantly to agriculture education, and

WHEREAS, the University of Minnesota's Board of Regents has acknowledged these contributions by presenting Mr. Johnson with the University of Minnesota's Outstanding Achievement Award, therefore be it

RESOLVED, that the Minnesota State Fair's board of managers extend its congratulations to Mr. Johnson on his receipt of this most distinguished and well-deserved award, and further, that the board express its most sincere gratitude to Mr. Johnson for his excellent service to the State Fair Foundation. The resolution was adopted by acclamation (Aye-8; Nay-0). President Recknor declared the meeting adjourned at 1:20 p.m.

## Minnesota State Agricultural Society Minutes of Interim Activities June 3 through August 21, 2003

### June

3 - McGough met with representatives from KQRS Radio and Blue Cross Blue Shield of Minnesota to discuss plans for the upcoming fair.

3-8 - Pooch attended the annual meeting of the North America Livestock Show and Rodeo Managers Association in San Francisco, Calif.

5-9 - Denny Hecker's auto sale was held at the south Como parking lot.

6 - McGough met with representatives from KSTP Radio and TV to discuss promotions for the upcoming fair.

6-7 - Feasts of the Lord conducted a celebration at the Progress Center and 4-H Building.

6-8 - The Mazda Ride & Drive was conducted in the Grandstand and Midway parking lots.

8 - The General Motors Car Club Association auto show and swap meet was conducted on the northern end of Machinery Hill.

10 - McGough discussed sponsorship opportunities with Old Dutch Foods and AARP.

11 - McGough met with representatives of Leinenkugel's Brewing and Infinity Broadcasting Company.

11-15 - The Region X Arabian Horse Show utilized the Coliseum, Horse Barn, Cattle Barn, Judging Arena and Campgrounds.

12 - Sinclair and Birk met with concessionaire Jerry Woldorsky to discuss 3.2 beer sales at Heritage Square. Anderson attended a meeting of Twin Cities Venue Professionals.

13 - McGough met with representatives of Border Foods to discuss sponsorship and promotions.

14-15 - Prime Promotions presented the Antique Spectacular Show & Flea Market in the Education Building, Progress Center, Baldwin Park, 4-H Building and parts of Machinery Hill.

16 - Hammer addressed a meeting of the Cumberland Kiwanis Club in Cumberland, Wis. McGough met with the State Fair Marketing Coalition media buyers.

16-19 - The 4-H Youth Leadership Extravaganza was conducted at the 4-H Building and Baldwin Park.

17 - Sinclair, Birk and McGough met with representatives of Schell Brewing Company to discuss potential sponsorships for the upcoming fair.

18 - Hammer and Sinclair met with representatives of Taxi 2000 to review their possible participation in the '03 fair.

20 - Hammer spoke at a meeting of the Downtown Minneapolis Rotary Club.

20-22 - The Minnesota Street Rod Association presented their annual Back To The Fifties Weekend using the entire fairgrounds, six exhibit buildings and all public parking areas.

23 - Hammer met with members of Markin Consulting regarding completion of the economic impact study begun earlier this year. Hammer participated in a meeting between the Society's financial advisors Public Financial Management and potential investors relative to the \$11.1 million bond issue for Grandstand renovation. Birk met with representatives of the Minnesota Grape Growers Association and with the State Department of Agriculture to discuss issues related to wine sales at the fair. Sinclair and Birk met with Joe Schmidt of the Midwest Dairy Association to consider improvements to the association's "All The Milk You Can Drink" concession.

24 - McGough discussed promotion and sponsorship opportunities with Royal American Sunrooms.

25 - Sinclair met with Dennis Fraleigh and Todd Mertz to review a new site for the Butcher Boys concession.

25-28 - Tanbark's Cavalcade of Roses horse show was presented at the Coliseum and livestock complex.

## Minnesota State Agricultural Society Meeting of the Sales Committee 2 p.m. Thursday June 26, 2003 Libby Conference Center

**Members present:** Dennis Baker, chairman; Jim Foss; Joe Fox; D.J. Leary (proxy); Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Mark Birk, ex officio. **Also present:** Karen Leach; Marshall Jacobson; Brian Hudalla; Dennis Larson; Adam Heffron; Tom Norgel.

Chairman Baker called the meeting to order at 2:10 p.m. Mr. Sinclair presented background information on a new ticketed attraction produced by Universal Studios titled "The Mummy Returns Live," and offered the following terms for consideration:

CONCESSIONAIRE	ATTRACTION	PERCENTAGE(S)	ADMISSION
ThemeStar	Universal Studios	30% of gross revenue	\$4.00
Holdings, LLC	The Mummy Returns-LIVE!	over \$130,000 net of state sales tax (6.5%) and 10% royalty to Universal Studios	

After discussion, the terms were approved on a motion by Mr. Fox, seconded by Ms. Schmidt and carried (Aye-8; Nay-0). Mr. Sinclair offered the following percentage terms for Skyride operation during the '03 State Fair:

CONCESSIONAIRE	ATTRACTION	PERCENTAGE(S)
DMC, Inc.	Skyride	25% of gross revenue net of state sales tax (6.5%)

After discussion, the percentages were approved on a motion by Mr. Lake, seconded by Mr. Wargin and carried (Aye-8; Nay-0). After discussion, a 3.2 beer license was approved for Jerry Woldorsky's Heritage Square Buffalo Burger concession on a motion by Mr. Wargin, seconded by Mr. Paulmann and carried (Aye-8; Nay-0). The meeting was adjourned at 2:28 p.m. on a motion by Mr. Fox, seconded by Mr. Lake and carried (Aye-8; Nay-0).

## Meeting of the Governing Board 2:45 p.m. Thursday June 26, 2003 Libby Conference Center

**Members present:** Howard Recknor, president; Joe Fox, vice president; D.J. Leary, vice president (proxy); Dennis Baker; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin. **Also present:** Karen Leach; Steve Pooch; Jim Sinclair; Marshall Jacobson; Brian Hudalla; Mark Birk; Dennis Larson; Adam Heffron; Tom Norgel; Bob Winthrop of Public Financial Management and bond counsel Peter Cooper.

President Recknor called the meeting to order at 2:40 p.m. The minutes of the State Fair board meeting conducted June 4, 2003, were approved on a motion by Mr. Steltz, seconded by Mr. Fox and carried (Aye-9; Nay-0).

The following entertainment contracts were presented by Ms. Leach:

CONTRACTOR	DATES	TERMS	VENUE
Spectrum Productions Services	8/18-9/1	\$7,200 flat for rental of FOH	Grandstand
Night Ranger	8/21	\$17,500 flat	Grandstand
Boston	8/21	\$150,000 plus 75% over \$227,500	Grandstand
Chris Trousdale	8/22	\$1,250 flat	Grandstand
Play	8/22	\$1,250 flat	Grandstand
Jump5	8/22	\$5,000 flat	Grandstand
Spectra Music Inc. f/s/o Aaron Carter	8/22	\$50,000 plus 70% over \$127,500	Grandstand
Fly On Inc. f/s/o Lynyrd Skynrd	8/26	\$95,000 plus 75% over \$190,000 plus \$5,000 for production	Grandstand
CDB, Inc. f/s/o The Charlie Daniels Band	8/26	\$30,000 flat	Grandstand
Seether Touring f/s/o Seether	8/31	\$7,500 flat	Grandstand
Trapt Live Touring Inc. f/s/o Trapt	8/31	\$8,000 flat	Grandstand
Allied Audio Services	8/21-9/1	\$79,175.44	Free Entertainment (and other attractions/ departments)
Debbie Duncan	8/25-28	\$5,800 flat	Bandshell
Viento Norteño	8/21-24	\$4,000 flat	The Bazaar
Atahualpa	8/21-24	\$1,500 flat	The Bazaar
Yawo et Les Fils Attivon	8/25-28	\$5,000 flat	The Bazaar
Marimba Africa	8/29-9/1	\$2,500 flat	The Bazaar
LeRoy Larson	8/21-24	\$2,000 flat	Heritage Square
Minnesota Square Dance Fed	8/21-28	Admission tickets for performers	Heritage Square
Platte Valley Boys	8/29-9/1	\$4,000 flat	Heritage

Adam Granger	8/29-9/1	\$2,400 flat	Square Heritage Square
Connie Peterson	8/21-9/1	\$1,800	Heritage Square
Mary Pistukla	8/21-9/1	\$1,800	Heritage Square
Steve Bauer	8/21-9/1	\$2,700	Old Iron Show
John Krois	8/25-28	\$100	Old Iron Show
Leo Lara	8/21-22	\$800	Ramberg
Boot Draggers	8/21-22	\$1,200	Ramberg
Emperors of Jazz	8/21-22	\$1,200	Ramberg
The Gallivaners	8/23-24	\$600	Ramberg
Dakota Dave Hull	8/23-24	\$1,000	Ramberg
Vic Volare	8/23-24	\$1,000	Ramberg
Pig's Eye Jass Band	8/25-26	\$1,050	Ramberg
Cliff Brunzell	8/25-26	\$1,300	Ramberg
Marv Nissel	8/25-26	\$1,200	Ramberg
Skålmusik	8/27-28	\$1,500	Ramberg
Banjo Bandits	8/27-28	\$1,000	Ramberg
Jim Berner	8/29-30	\$600	Ramberg
The Jaztronauts	8/29-30	\$1,000	Ramberg
Royal Order of Klondike Kates	8/29-30	\$1,000	Ramberg
Larkspur Trio	8/31-9/1	\$1,000	Ramberg
Parisota Hot Club	8/31-9/1	\$1,000	Ramberg
3rd Lair Skatepark	8/22-9/2	\$42,500 flat	Teen Fair
Break From Reality	8/21-22	\$800	Teen Fair
Hip Hop Co-op	8/21-24	\$3,200	Teen Fair
The Psychedelicates	8/25-26	\$800	Teen Fair
Rhombus	8/25-26	\$800	Teen Fair
Jay Gilligan	8/25-28	\$2,000	Teen Fair
Epic Hero	8/27-28	\$800	Teen Fair
Faux Jean	8/27-28	\$2,000	Teen Fair
Big Ditch Road	8/29-30	\$800	Teen Fair
Soul Prophets	8/31-9/1	\$800	Teen Fair
Caitlyn Smith	8/31-9/1	\$800	Teen Fair
Mark Mallman	8/31-9/1	\$1,750	Teen Fair

After discussion, the contracts were approved on a motion by Mr. Fox, seconded by Mr. Baker and carried (Aye-9; Nay-0). The action taken by the sales committee earlier that afternoon was approved on a motion by Mr. Baker, seconded by Mr. Steltz and carried (Aye-9; Nay-0). Mr. Heffron reported on the recently-concluded Minnesota Street Rod Association's Back to the Fifties Weekend. Information only; no action required. Mr. Lake moved and Mr. Baker seconded a motion to recess at 2:55 p.m. (Aye-9; Nay-0). President Recknor reconvened the meeting at 3:02 p.m.

Bob Winthrop of Public Financial Management reviewed the Official Statement on the fair's issue of \$11.1 million in revenue bonds to finance certain elements of the Grandstand renovation project. Mr. Winthrop reported that the 10 major bond firms operating in Minnesota formed a syndicate to handle the bond sale. Bond counsel Peter Cooper reviewed three resolutions to be considered by the

board. Summaries of the resolutions follow. (The complete resolutions are on file at the Administration Building at the State Fair's offices on the State Fairgrounds and at the Minnesota State Attorney General's Office.) Resolution 03-3: "State Fair Revenue Bond Resolution" governs all bonds that might be issued now and in the future by the fair. It provides definitions of terms, creates several funds and accounts, and governs the flow of money. After discussion, the resolution was adopted on a motion by Mr. Fox, seconded by Mr. Baker and carried (Aye-9; Nay-0). Resolution 03-4: "First Supplemental State Fair Revenue Bond Resolution Relating to \$11.1 million State Fair Revenue Bonds, Series 2003" sets forth specific terms of the 2003 bonds, to be used to finance elements of the Grandstand renovation project. If the Society issues other bonds at later dates, those bond issues will be facilitated through additional supplemental resolutions. After discussion, the resolution was passed on a motion by Mr. Steltz, seconded by Mr. Paulmann and carried (Aye-9; Nay-0). Resolution 03-5: "Resolution Relating to State Fair Revenue Bonds Series 2003, Awarding the Sale of State Fair Revenue Bonds Series 2003, Approval of Resolutions 03-3 and 03-4 and Continuing Disclosure Certificate, and Authorizing Certain Other Actions" sums up all board activity and general authorizations related to and necessary for the bond issue. After discussion, the resolution was approved on a motion by Mr. Foss, seconded by Mr. Lake and carried (Aye-9; Nay-0). President Recknor declared the meeting adjourned.

## June

28 - Northwestern College & Radio concert and Heart of the City picnic was held on portions of Machinery Hill.

## July

3-6 - The North Star Morgan Americana Horse Show, presented by the North Central Morgan Association, was held at the Coliseum, Horse Barn, warm-up arena and Judging Arena.

4 & 5 - The Twin Cities Hmong Festival, held at St. Paul's McMurray Athletic Fields, utilized the fairgrounds' south Como lots as a park and ride facility.

5 & 6 - Carson & Barnes Circus presented several daily performances at the Grandstand parking lots.

5-10 - The campgrounds was utilized by attendees of the national Shrine Imperial convention, conducted in Minneapolis.

9 - Former State Fair board member and honorary life member of the Society Willis Lilliquist died at his home in Kennedy after a series of illnesses. Mr. Lilliquist served as ninth district representative from 1977 until 1991, and as president in '92 and '93. Staff met with representatives of KKE Architects to discuss the second phase of the Grandstand remodeling project. McGough met with representatives of UCare MN to discuss sponsorships.

11 - Hammer attended the Ramsey County Fair in Maplewood.

11-12 - The Used Book Fair, presented by Midwest Book Hunters, was held at the Progress Center.

11-13 - Blue Star Marketing presented two shows: the Summer Super Computer Show and Sale was held at the Education Building and the Super Golf Sale was conducted at Empire Commons. Carson & Barnes Circus returned for a second weekend of performances at the Grandstand parking lots.

13-14 - Visitation and funeral services for former Society board member and president Willis Lilliquist were conducted in Kennedy; board member Schmidt and former board member, past president and life member Don Simons attended.

14 - McGough met with representatives of the Minnesota Orchestra.

15 - Leach, Sinclair, McGough and Birk met with representatives of KSTP-TV to consider broadcast plans for the upcoming fair.

16 - Pooch attended a meeting of the Western Saddle Clubs and updated the group on changes at the upcoming fair.

17 - Tahti and Anderson discussed Grandstand operations with Asia Security.

18-20 - Car Craft Magazine's Summer Nationals car show was presented on the northern portion of the fairgrounds.

23-28 - Denny Hecker Auto Sale was held at the South Como parking lot.

24 - Sinclair attended a Campus Community Advisory Committee meeting at the University of Minnesota St. Paul campus.

29 - Pooch, LeFebvre and Fickett met with representatives of the Minnesota Veterinary Medical Association and University of Minnesota Veterinary College to discuss the upcoming fair's Miracle of Birth exhibit. A meeting of the fair's employee safety committee was conducted at the Libby Conference Center.

30 - Sinclair and Birk met with Lori Sebastian of the Star Tribune to discuss their exhibit plans for the '03 fair.

## August

1-3 - The North Central Reining Horse Association presented a Reining Horse Show at the Coliseum and livestock area.

5 - A pre-fair meeting of all full-time staff was conducted at the Employment Center; at the meeting, length-of-service awards were presented to Mack Barber, Carol Doyle, Marianne Flor, Steve Grans, Adam Heffron, Brigid McGough, Eric Schultz, Scott Welle and Art Williams (five years); Jerry Hedlund and Martin Weber (25 years); Jim Andert and Steve Pooch (30 years); and Joe Fischler (40 years).

6 - Hammer and board member Schmidt attended the Dakota County Fair in Farmington. Hammer, Leach, Pooch, Sinclair and Hudalla met with Charlie Smith of Bullock, Smith & Partners to discuss master plan development. McGough and Zamber met with representatives of KARE 11 TV.

7 - An appreciation dinner for State Fair Foundation founding contributors was held at Schumacher's New Prague Hotel dining hall at the fairgrounds. McGough met with representatives of AARP, UCare MN and KLBB Radio to discuss '03 fair promotions.

11 - Pooch met with various 4-H livestock show committees to discuss setup for 4-H competitions at the '03 State Fair. Midway and Kidway setup began.

12 - The State Fair hosted a meeting of the Twin Cities Communications Council at the east Grandstand plaza tower. Minnesota Outstanding Senior Citizen judging was conducted at offices of the Minnesota Board on Aging.

13 - The State Fair Campgrounds opened. An orientation session was conducted for American Sign Language and Grandstand interpreters.

14 - The State Fair's employee ID Center opened. Care & Assistance Center employees attended an orientation session.

15 - Hammer visited the Steele County Free Fair in Owatonna.

16 - The summer-long Around the Fair in 80 Days employee recognition program concluded with a final meeting and ceremony at the Bandshell. Orientation sessions were held for information booth and guest services staff.

18 - The Minnesota High Technology Association held a pre-fair preview and fund-raising auction at the Wonders of Technology display in the Progress Center.

19 - An Artists Preview of the State Fair's 91st Annual Fine Arts Exhibition was conducted at the Arts Center.

20 - Princess Kay of the Milky Way coronation ceremony, sponsored by the Midwest Dairy Association, was held at the Bandshell. Preliminary events in the fair's horse show competition were conducted in the Coliseum. Employee parking and shuttle services began, and the Como Avenue camper parking lot opened.

21 - The 2003 Great Minnesota Get-Together opened to the public at 6 a.m. The official opening ceremony was held later that morning at the Bandshell, preceded by ribbon cutting ceremonies at the Grandstand's new East Plaza and the Little Farm Hands exhibit.

## Minnesota State Agricultural Society

### Meeting of the Sales Committee

2 p.m. Thursday Aug. 21, 2003

### Libby Conference Center

**Members present:** Dennis Baker, chairman; Jim Foss; Joe Fox; D.J. Leary (proxy); Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio. **Also present:** Kent Harbison.

Chairman Baker called the meeting to order at 2 p.m. After discussion, the committee approved transfer of the structure at 1 Carnes Ave. from Twisted Lady Bakery to Dino on a motion by Mr. Steltz, seconded by Mr. Fox and carried (Aye-9; Nay-0). A multiple-site concession license for Standi Toys was proposed, permitting sales at a second site (the Little Farm Hands gift shop). The multiple-site license was approved on a motion by Mr. Wargin, seconded by Ms. Schmidt and approved. The meeting adjourned on a motion by Mr. Fox, seconded by Mr. Paulmann and adjourned (Aye-9; Nay-0).

**Meeting of the Governing Board**  
**2:20 p.m. Thursday Aug. 21, 2003**  
**Libby Conference Center**

**Members present:** Howard Recknor, president; Joe Fox, vice president; D.J. Leary, vice president; Dennis Baker; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Jerry Hammer, secretary. **Also present:** Kent Harbison.

President Recknor called the meeting to order at 2:20 p.m. Action of the sales committee taken earlier was approved on a motion by Mr. Foss, seconded by Mr. Baker and carried (Aye-9; Nay-0).

The following entertainment contracts were reviewed:

CONTRACTOR	DATES	TERMS	VENUE
ASL Dynamic Communications (Sign Language)	8/22-9/2	\$850 per evening upon customer request	Grandstand
Eat Your Heart Out Catering	8/15-9/2	\$10,000 plus balance of approved invoices	Grandstand
Stevie Brock	8/22	\$1,250 flat	Grandstand
Scott Novotny	8/24	\$500	Grandstand
Judy Collins Wildflower Festival	8/25 Judy Collins; Kingston Trio; Beth Nielsen Chapman Lucy Kaplansky	\$50,000 broken as follows: \$28,000 plus 40% over \$100,000 \$15,000 flat \$5,000 flat \$2,000 flat	Grandstand
Beejar, Inc. f/s/o The Suburbs	8/29	\$15,000 flat	Grandstand
Long Road Touring Company f/s/o 3 Doors Down	8/31	\$75,750 plus 80% over \$160,100	Grandstand
Trapt Live Touring, Inc. f/s/o Trapt	8/31	\$8,000 flat	Grandstand
Seether Touring f/s/o Seether	8/31	\$7,500 flat	Grandstand
Three Days Grace Music f/s/o Three Days Grace	8/31	\$250 flat	Grandstand
MN B-Boys All-Stars	8/21&22	\$800 flat	Teen Fair
Manplanet	8/25&26	\$1,500 flat	Teen Fair
Tried For Fine	8/29&30	\$800 flat	Teen Fair
Ry and the Rule	8/29&30	\$1,500 Flat	Teen Fair
Winn's Thrills of the Universe	8/21-9/1	\$33,400 plus local labor	Block 13
Allied Audio Services, Inc.	8/18-9/1	\$79,175.44	Various locations
Derold McDonough	8/25-28	\$400 flat	Old Iron Show
James Birk	8/29-9/1	\$200 flat	Old Iron Show
Kraemer's Kracker Jacks	8/27-9/1	\$4,500 flat	Parade
Wacky Wheeler	8/25-28	\$2,200 flat	Parade
University of Minnesota	8/24	\$1,500 flat	Parade
Ebony Clydes	8/21-26	\$1,200 flat	Parade
Pig's Eye Jass Band	9/1	\$560 flat	Parade
Ragnar	8/29	\$450 flat	Parade
St. Anthony Park Community Band	8/22	\$100 flat	Parade
St. Paul Bouncing Team	8/23	\$200 flat	Parade
Gopher State Railway Museum	8/29	\$275 flat	Parade
Hung Vuong Association	8/23&8/30	\$500 flat	Parade

Hui's Lucky Lion Dance Team	8/21,22,24,28,31 & 9/1	\$1,800 flat	Parade
<b>Cancel:</b>			
Break From Reality	8/21&22	\$800 flat	Teen Fair
Chris Trousdale	8/22	\$1,250 flat	Grandstand
Play	8/22	\$1,250 flat	Grandstand
Fly On Inc. f/s/o Lynyrd Skynyrd	8/26	\$95,000 plus 75% over \$190,000 plus \$5,000 for production	Grandstand

After discussion, the contracts were approved as submitted on a motion by Mr. Baker, seconded by Mr. Lake and carried (Aye-9; Nay-0). Mr. Hammer reported on the current status of the bond issue, the loss of the fair's sales tax exemption and the Grandstand renovation project. Information only; no action required. On a motion by Mr. Paulmann, seconded by Mr. Leary and carried, the meeting was adjourned.

**Minnesota State Agricultural Society**  
**Meeting of the Governing Board**  
**10 a.m. Friday Aug. 22, 2003**  
**Officers Quarters, State Fairgrounds**

**Members present:** Howard Recknor, president; Joe Fox; D.J. Leary; Dennis Baker; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Jerry Hammer, secretary. **Also present:** Kent Harbison.

President Recknor called the meeting to order at 10 a.m. Minutes from the board meeting of June 24 were approved on a motion by Mr. Baker, seconded by Mr. Leary and carried (Aye-9; Nay-0). The minutes of interim activities covering the period June 3 through Aug. 21 were approved on a motion by Mr. Fox, seconded by Ms. Schmidt and carried (Aye-9; Nay-0).

The financial statement for July 2003 was presented as follows:

**MINNESOTA STATE FAIR**  
**CASH TRANSACTION SUMMARY**  
**MONTH ENDING JULY 31, 2003**

**GENERAL FUND ACTIVITY:**

Cash Balance-June 30, 2003		\$ 61,668
Add: Cash Deposits	\$ 3,185,681	
Less: Payroll Ending July 4	(264,136)	
Payroll Ending July 18	(208,404)	
Cash Disbursements	(2,095,602)	617,539
Cash Balance-July 31, 2003		\$ 679,207

**MARKETABLE SECURITIES ACTIVITY:**

Balance-June 30, 2003		\$ 456
Add: Interest Earned		
Securities Purchased		
Less: Securities Redeemed		
Balance-July 31, 2003		\$ 456

**BUILDING FUND ACTIVITY:**

Balance-June 30, 2003		\$ 465,272
Add: Interest Earned		272
Securities Purchased		
Less: Securities Redeemed		
Balance-July 31, 2003		\$ 465,544

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

	2002	2003
General Fund	\$ 304,007	\$ 679,207
Petty Cash	11,878	12,028
Marketable Securities	1,888,207	456
Building Fund	775,715	465,544
Construction Fund	11,110,000	
Total Cash Balances	\$2,979,807	\$12,267,235

After discussion, the financial statement was approved as submitted on a motion by Mr. Paulmann, seconded by Mr. Steltz and carried (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. Baker, seconded by Mr. Fox and carried (Aye-9; Nay-0). Mr. Hammer presented a summary of the fair's 2003 sponsorship program. Included are cash sponsorships totaling \$505,000 and in-kind contributions of \$595,000 for a total of \$1,010,000. Information only; no action required. Hammer presented the list of recipients of the 2003 Ben C. Hallberg Rural Youth Scholarships. Award winners are Justin Anderson of Fairfax; Bridget Curley of Windom; Tony Dahlman of Cokato; Dillon Denisen of Grand Meadow; Ginesa Dux of Stewartville; Nicole Fox of Rosemount; Brian Fruechte of Pipestone; Alex Halbach of Austin; Amy Hazel of Austin; Kortney Ihnen of Foley; Britta Johnson of Rush City; Kimberly Johnson of Pipestone; Sara Johnson of Hendricks; Erinn Liebhard of Prior Lake; Catherine May of Randolph; Nathaniel Miller of LeRoy; Christopher Moldan of Lamberton; Justin Reeck of Paynesville; Rebecca Sharpe of Arlington; and Robyn Werke of Herman. After review the list of scholarship winners was approved on a motion by Mr. Steltz, seconded by Mr. Wargin and carried (Aye-9; Nay-0). Mr. Hammer, Ms. Schmidt and Mr. Fox reviewed activities of the State Fair Foundation. Information only; no action required. Mr. Hammer reported on staff's preliminary discussions with Bullock Smith & Partners regarding master planning. Information only; no action required. President Recknor excused himself from the meeting and turned the chair over to Vice President Leary. General discussion followed on first-day operations, public reception of new exhibits and the new Grandstand layout. Vice President Leary declared the meeting adjourned at 11:10 a.m.

**Minnesota State Agricultural Society  
Meeting of the Honorary Life Member Advisory Committee  
2:50 p.m. Sunday Aug. 24, 2003  
Administration Building, State Fairgrounds**

**Members present:** Don Simons, chairman; Harveydale Maruska; Bill Korff; Dick Reinhardt; Howard Morris; Leo Keskinen; and Vern Prokosch. **Also present:** Jerry Hammer.

Chairman Simons called the meeting to order at 2:50 p.m. Mr. Korff moved, Mr. Prokosch seconded and motion carried that current board president Howard Recknor be nominated for honorary life membership at the Society's annual business meeting in January, 2004 (Aye-6; Nay-0). In recognition of her efforts in establishing the State Fair's crop art program, legendary crop artist Lillian Colton of Owatonna was nominated for induction into the State Fair Hall of Fame on a motion by Mr. Reinhardt, seconded by Mr. Korff and carried (Aye-6; Nay-0). Mr. Reinhardt moved, Mr. Prokosch seconded and motion carried that the meeting be adjourned.

**Minnesota State Agricultural Society  
Meeting of the Governing Board  
10 a.m. Sunday Aug. 31, 2003  
Officers Quarters, State Fairgrounds**

**Members present:** Howard Recknor, president; Joe Fox; D.J. Leary; Dennis Baker; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Jerry Hammer, secretary. **Also present:** Kent Harbison; Tom Norgel.

President Recknor called the meeting to order at 10 a.m. Minutes of the Society board meeting conducted Aug. 20, 2003, were approved on a motion by Mr. Baker, seconded by Mr. Paulmann and carried (Aye-9; Nay-0). Mr. Fox moved, Mr. Steltz seconded and motion carried that the minutes of the Society board meeting conducted Aug. 22, 2003, be approved as presented (Aye-9; Nay-0). Minutes of the Society's life member advisory committee conducted Aug. 24, 2003, were approved on a motion by Mr. Wargin, seconded by Mr. Foss and carried (Aye-9; Nay-0). With approval of the minutes, Lillian Colton of Owatonna was named to the State Fair Hall of Fame for her outstanding contributions to the fair's crop art division. Mr. Hammer reported on the status of '03 State Fair events, ticket sales income and attendance. Information only; no action required. Mr. Baker moved, Mr. Lake seconded and motion carried to contract with Bullock Smith & Partners for master plan development per terms outlined in Bullock Smith's proposal dated Aug. 7, 2003 (Aye-9; Nay-0). Mr. Baker moved, Mr. Foss seconded and motion carried to begin preliminary work, not to exceed \$2 million, on the second phase of Grandstand renovation (Aye-9; Nay-0). The board authorized an annual contribution of \$2,000 to the State Fair employee's club to provide partial funding for employee club functions

and beverages used by employees and visitors during normal office hours on a motion by Mr. Foss, seconded by Mr. Lake and carried (Aye-9; Nay-0). It was moved by Mr. Baker, seconded by Mr. Paulmann and carried, that members of the board and certain staff members designated by the secretary be authorized to attend the International Association of Fairs & Expositions international convention Dec. 1-4 in Las Vegas, Nev. (Aye-9; Nay-0). The dates for the 2004 State Fair were set for Thursday Aug. 26 through Labor Day, Monday, Sept. 6 on a motion by Ms. Schmidt, seconded by Mr. Wargin and carried (Aye-9; Nay-0). Friday Oct. 17 was set as the date for the next meeting of the board. Ms. Schmidt asked that, on behalf of the board of managers, the State Fair staff be commended for their efforts in making the '03 State Fair a spectacular success. The meeting was adjourned on a motion by Mr. Lake, seconded by Mr. Leary and carried (Aye-9; Nay-0).

**Minnesota State Agricultural Society  
Minutes of Interim Activities  
Aug. 21 through Oct. 16, 2003**

**August**

21-Sept. 1 - Visitors to the 2003 Great Minnesota Get-Together included delegations from the Iowa State Fair, Wisconsin State Fair, North Carolina State Fair, South Dakota State Fair, San Diego County Fair and Calgary Stampede.

21 - Ribbon-cutting ceremonies were conducted to open the Little Farm Hands exhibit on Machinery Hill and the Grandstand's remodeled performance area.

22 - The Minnesota Federation of County Fairs board conducted a meeting at the Administration Building conference room; following the meeting, the federation board was hosted to a noon lunch by the society's board of managers at the Officers Cottage.

24 - Honorary Life Members of the Society and State Fair Hall of Famers attended a lunch at the Libby Conference Center, followed by a tour of the fairgrounds. After the tour, a meeting of the Life Member Advisory Committee was conducted at the Administration Building.

25 - The State Fair 50 Year Award was presented to a group of 12 long-time State Fair participants at a ceremony conducted by board member Bob Lake at Heritage Square. Sinclair, Pooch, Hammer and members of the board attended a Roseville Rotary Club lunch meeting, hosted by the State Fair at the Blue Ribbon Picnic area.

28 - The Minnesota Livestock Breeders Association board attended a breakfast meeting with the society board and staff to discuss State Fair livestock programs. Later that day, a statewide group of seniors were recognized at a ceremony for Outstanding Senior Citizens, conducted at the Bandshell. That evening, the State Fair board hosted several hundred mayors, county fair representatives, sponsors and other guests at the Blue Ribbon picnic area.

30 - The State Fair Foundation board hosted the Society's board of managers to lunch at the Foundation House.

31 - One Goal Plus ceremonies, recognizing outstanding performance by 16 State Fair staff members, were conducted at the Bandshell. From this group, five individuals received special recognition with One Goal Plus Awards; they are Mitch Wirka (Sanitation), Candy LeVesseur (Employment Services), Russ Johnson (Bee & Honey), Beth Schuldt (Competition) and James Hamilton (Marketing).

**September**

1 - The 2003 Great Minnesota Get-Together ended at 9 p.m. with an aerial fireworks show. Paid attendance was 1,741,825.

9 - Johnson attended a meeting of the Minnesota Job Service Employers Committee at the Midway Workforce Center.

10 - Johnson attended a meeting of the St. Paul Human Resources Association.

11 - Tahti met with representatives of ASIA Security to review Grandstand operations during the '03 fair.

12-15 - The Minnesota 4-H Horse Show was held at the Coliseum, Horse Barn, Judging Arena, Cattle Barn and Campgrounds.

14 - The Antique Motorcycle Club of America presented a Motorcycle Swap Meet at the north parking lot.

15 - Hammer and Sinclair met with Martha Fuller of the St. Paul Planning & Economic Development department.

16 - Carquest Auto conducted a dealer show at the Agrimart Building. Hammer addressed a meeting of the Downtown St. Paul Rotary Club. The State Fair employee safety committee met at the Libby Conference Center.

- 18-21 - Paramount Events presented an Oktoberfest celebration on Machinery Hill.
- 19-22 - The Western Saddle Clubs Horse Show was held at the Coliseum, Horse Barn and Horse Annex, Cattle Barn, Judging Arena and Campgrounds.
- 20 - The Twin Cities Model Railroad Club presented their fall model railroad show at the Education Building.
- 20-21 - Minnesota Arts & Crafts Society presented a Mission Furniture Show and Sale at the Progress Center. The 4-H Dog Show was held at the 4-H Building, Baldwin Park and the Campgrounds.
- 23 - Sinclair and Heffron met with Bob Kohnen, Gary Markovich and Jack Baloga of K & M Enterprises to discuss operation of the Haunted House attraction.
- 24 - The 2002 Metro Children's Water Festival, sponsored by the Washington County Department of Public Health & Environment, was conducted at the 4-H Building, Agri-Land, Baldwin Park and two blocks north of Randall Avenue. Pooch met with representatives of the 4-H livestock show to review animal identification procedures and discuss alternatives. Sinclair and Heffron met with Don McClure to review his first year of ownership and operation of the Skyride attraction. Huber met with Marlys Dorfer of the Radisson South Hotel to discuss the Society's 2004 annual meeting.
- 25-28 - The Fall Arabian Horse Show was presented at the Coliseum and livestock complex facilities.
- 26 - Mannion and Huber attended a seminar on employment law presented by the Gray, Plant and Moody law firm.
- 27 - The Junior League of St. Paul conducted their annual Garage Sale at Empire Commons.
- 27-28 - Capital City Chapter A.A.C.A. conducted a swap meet and auto show at the north parking lot. A weapons collectors show and sale, presented by the Minnesota Weapons Collectors Association, was conducted at the Education Building. The Antique Spectacular, presented by Prime Promotions, was held at the 4-H Building, Arts Center, Progress Center and adjacent outdoor exhibit areas.
- 29 - Mannion and Huber attended the Bloomington Chamber of Commerce Expo at the Radisson South Hotel.
- 30 - Simon and Birk met with representatives of Expo America regarding potential exhibit presentations. Itineraries Minnesota magazine presented the Group Travel Showcase at the Progress Center.
- 30 - Oct. 5 - The Minnesota Harvest Horse Show was held at the Coliseum and horse show facilities.

## October

- 1 - Tahti, Hudalla and Eiden met with G.E. Capital regarding the potential of modular structures for Grandstand production facilities.
- 1-2 - Visitation and funeral services for Ione Korff, wife of former board member and Society Life Member Bill Korff, were conducted in Faribault and attended by a number of present and past board members, Hall of Famers, Life Members and staff.
- 2 - Staff and former colleagues attended a retirement lunch for long-time staff member and State Fair Hall of Fame member Joe Fischler.
- 4 - St. Paul's Districts 10 and 12 (Como Park and St. Anthony Park neighborhoods) conducted a neighborhood cleanup on the north parking lots.
- 4-5 - The Minnesota Arts Council presented the Twin Cities Market 2003 Show at the Fine Arts Center and Progress Center. The Minnesota Comic Book Association held a comic book convention at the Education Building and Creative Activities Annex. South Como parking lots were used as a park and ride location for Minnesota Twins playoff games at the Metrodome.
- 5-8 - Tahti attended the International Entertainment Buyers Association's annual convention in Nashville, Tenn.; at the meeting, Tahti was reelected to the association's board.
- 6 - Pooch and Hudalla met with state fire marshal officials to discuss the next phase of the Grandstand renovation project.
- 7 - Hammer addressed a meeting of the North Suburban Lions Club, conducted at the Libby Conference Center.
- 8 - Mannion, Huber and Johnson met with the McDowell Agency to review their employee background check process and to plan for hiring in 2004. Johnson attended a meeting of the St. Paul Human Resources Association.

- 8-11 - YMCA of Greater St. Paul conducted a garage sale at the Merchandise Mart.
- 8-11,13 - Denny Hecker's Auto Dealerships conducted an auto sale at the South Como parking lots.
- 8-19 - Wilson's Leather presented their annual leather sale at Empire Commons.
- 9 - Mannion and Cerney met with Senior Citizens superintendent Marge Krueger to recap the '03 Outstanding Senior Citizen program and the state Board on Aging.
- 9-10 - Johnson attended the Minnesota State Job Service Employers Committee fall conference in Willmar.
- 10 - Sinclair, Larson, Simon and Birk met with representatives of the Minnesota Department of Health and Department of Agriculture to review operations during the '03 State Fair. Leach, Sinclair and McGough met with Katie Knight of Miller Brewing Company to discuss Miller's potential continued sponsorship of fair programs.
- 10-12 - The Super Computer Show & Sales Extravaganza was presented by Blue Star Marketing at the Education Building, Creative Activities Annex and Home Improvement Building.
- 11-12 - The Military Relics Show was conducted by the St. Paul Military Relics Collectors at the Progress Center.
- 14-15 - As part of the master planning process, Bullock Smith & Partners conducted interviews with a variety of individuals and firms involved with the State Fair.
- 16 - The Minnesota State Fair Foundation Board met at Libby Conference Center. Participants in the Education Minnesota Conference utilized the south Como parking lot as a shuttle lot for their conference in downtown St. Paul. Tahti, Hudalla and Eiden toured modular structures at Fort Snelling for possible use as Grandstand production facilities.
- 17-19 - The State Fair conducted the Fourth Annual Beef Expo at the Coliseum and Cattle Barn. Cutting Edge Productions presented WoodWorks 2003 at the Education Building, Creative Activities Annex and Home Improvement Building.

## Minnesota State Agricultural Society

### Meeting of the Governing Board

10 a.m. Friday Oct. 17, 2003

### Libby Conference Center, State Fairgrounds

**Members present:** Howard Recknor, president; Joe Fox, vice president; Denny Baker; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Chauncey Wargin; Jerry Hammer, secretary. **Absent:** D.J. Leary; Lyle Steltz. **Also present:** Steve Pooch; Mary Mannion; Brian Hudalla; Chris Tahti; Mark Birk; Cheryl Huber; Adam Heffron.

President Recknor called the meeting to order at 10:05 a.m. Minutes of the Society board meeting conducted Aug. 31, 2003, were approved on a motion by Mr. Baker, seconded by Mr. Fox and carried (Aye-7; Nay-0). Mr. Lake moved, Ms. Schmidt seconded and motion carried to approve minutes of interim activities for the period Aug. 21 through Oct. 16, 2003 (Aye-7; Nay-0). Mr. Hammer presented the September financial statement as follows:

### MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY MONTH ENDING SEPTEMBER 30, 2003

#### GENERAL FUND ACTIVITY:

Cash Balance-Aug. 31, 2003		\$ 4,780,030
Add: Cash Deposits	\$ 6,472,935	
Less: Payroll Ending-Sept. 12	(553,277)	
Payroll Ending-Sept. 26	(176,486)	
Fair Period Payroll-Sept. 5	(1,722,949)	
Cash Disbursements	(7,230,982)	(3,190,759)
Balance-Sept. 30, 2003		\$ 1,589,271

#### MARKETABLE SECURITIES ACTIVITY:

Balance-Aug. 31, 2003		\$4,000,456
Add: Interest Earned	\$ 1,717	
Securities Purchased		
Less: Securities Redeemed	(817,174)	(815,457)
Balance-Sept. 30, 2003		\$ 3,184,999

**BUILDING FUND ACTIVITY:**

Balance-Aug. 31, 2003		\$ 465,808
Add: Interest Earned	\$ 246	
Securities Purchased	\$ 28,242	\$ 28,488
Less: Securities Redeemed		
Balance-Sept. 30, 2003		\$ 494,296

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

	2002	2003
General Fund	\$ 2,646,577	\$ 1,589,271
Petty Cash	5,000	5,000
Marketable Securities	6,246,835	3,184,999
Building Fund	777,597	494,296
Construction Fund	-	9,724,552
Total Cash Balances	\$ 9,676,009	\$ 14,998,118

After discussion, the statement was approved on a motion by Mr. Wargin, seconded by Mr. Baker and carried (Aye-7; Nay-0). President Recknor declared the board meeting in recess for a meeting of the sales committee. Chairman Baker called the sales committee to order. Mr. Hammer requested that the committee approve an adjustment in the ticket price for the Adrenaline Drop attraction at the '03 fair from \$35 to \$25. After discussion, the adjustment was approved on a motion by Mr. Foss, seconded by Mr. Fox and carried (Aye-6; Nay-0). Mr. Baker declared the sales committee meeting adjourned. President Recknor reconvened the meeting of the board. Action taken by the sales committee was approved on a motion by Mr. Baker, seconded by Ms. Schmidt and carried (Aye-7; Nay-0). Mr. Hudalla and Mr. Hammer summarized the progress on the Grandstand project and presented plans for the next phase of renovation. On a motion by Mr. Wargin, seconded by Baker and carried, Phase 2 of the Grandstand project at a budget of \$6.4 million was approved (Aye-7; Nay-0). Mr. Tahti reviewed the current state of the live entertainment industry and reported on activities at the recent annual meeting of the International Entertainment Buyers Association, of which Mr. Tahti is a board member. After discussion, State Fair staff was given authority to enter into contracts and agreements with acts and attractions for the 2004 State Fair on a motion by Mr. Baker, seconded by Mr. Lake and carried (Aye-7; Nay-0). On a motion by Mr. Foss, seconded by Mr. Paulmann and carried, gratis storage of personal vehicles and household items was provided through June 1, 2004, for the two staff persons (Joe Fischler and Rick Wimmer) currently required to occupy custodial residences on the fairgrounds (Aye-7; Nay-0). Mr. Fox, Ms. Schmidt and Mr. Hammer provided an update on activities of the State Fair Foundation. Mr. Fox moved, Mr. Baker seconded and motion carried to extend the due date for the interest-free loan of \$75,000 from the Society to the Foundation until Oct. 31, 2004 (Aye-7; Nay-0). (The loan of start-up funding was approved by the Society Jan. 20, 2002, and the original due date for repayment was Oct. 31, 2003.) Included in the discussion was thanks from the board to all State Fair staff who assisted with Foundation programs. Mr. Pooch provided an update on the fair-produced 2003 Beef Expo, currently underway at the Coliseum and livestock facilities. Information only; no action required. On a motion by Mr. Baker, seconded by Mr. Lake and carried, ice rink rental rate adjustments of \$135 to \$145 per hour (peak times) and \$100 to \$115 per hour (non-peak times) were approved (Aye-7; Nay-0). The next meeting of the Society board was set for 9 a.m. Friday Nov. 14 on a motion by Mr. Foss, seconded by Mr. Baker and carried (Aye-7; Nay-0). The meeting adjourned at 11:54 p.m. on a motion by Mr. Fox, seconded by Mr. Baker and carried (Aye-7; Nay-0).

**Minnesota State Agricultural Society**  
**Minutes of Interim Activities**  
**Oct. 17 through Nov. 14, 2003**

**October**

17-19 - The Minnesota Beef Expo, presented by the State Fair, was conducted in the livestock complex and attracted the largest numbers of participants in the four-year history of the event. Cutting Edge Productions presented Woodworks 2003 at the Education Building.

18 - Feasts of the Lord held a tabernacle celebration at the Progress Center.

19 - Twin Cities Roadsters conducted their annual swap meet on the north parking lot.

21 - Senior staff participated in the first of two day-long planning sessions.

22 - The St. Paul Chamber of Commerce, along with various other chambers, held a "Business After Hours" networking event at the Progress Center. Johnson attended a labor law seminar presented by Fredrickson Byron law firm.

23 - Tahti met with Chris Knutson of Art Barbarians to discuss a potential fund raiser for the State Fair foundation.

28 - Tahti, Dungan and Weinfurter met with Lee Theis Motorsports to discuss conducting a motocross event at the '04 State Fair.

29 - Hammer attended a ground-breaking ceremony for the City of Falcon Heights' new housing and retail complex at Snelling and Larpenteur. Birk met with Kurt Wresh of USA Golf to discuss exhibit options for the '04 State Fair. Cerney and Mannion met with senior citizens superintendent Marge Krueger and state board on aging staff regarding the fair's 2004 outstanding senior citizen program. Tahti, Dungan and Weinfurter met with Allied Audio Services to discuss sound systems for free entertainment venues.

**November**

3 - The Coliseum's winter hockey and ice skating season opened. Mannion and Huber attended a training session on employee benefits.

4 - Simon and Birk met with representatives of St. Paul Harley Davidson to review their operations at the '03 fair and to begin planning for the '04 exposition. Johnson attended a meeting of the Minnesota Department of Employment and Economic Development's job service employers committee, and met with the University of St. Thomas human resources club.

6 - Leach, Sinclair and Tahti met with artist Terry Fogarty to discuss a potential fund raiser that would benefit the State Fair Foundation. Huber attended a conference on employee health promotion, presented by Park Nicollet Health Source.

12 - Johnson attended a meeting of the St. Paul Human Resources Association.

13 - Johnson attended a job analysis seminar.

**Minnesota State Agricultural Society**  
**Meeting of the Sales & Planning Committees**  
**Libby Conference Center, State Fairgrounds**  
**9 a.m. Friday Nov. 14, 2003**

**Meeting of the Sales Committee**

**Members present:** Denny Baker, chairman; Joe Fox; D. J. Leary; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Mark Birk, ex officio. **Also present:** Chris Tahti; Mary Mannion; Brian Hudalla; Marshall Jacobson; Adam Heffron; Dennis Larson; Carol Doyle; Pam Simon. Chairman Baker called the meeting to order at 9:01 a.m. Mr. Birk presented a comprehensive report of sales revenue for the 2003 State Fair, totaling \$6.23 million from a variety of sources. The committee will review the report and consider it for acceptance at its next meeting. Chairman Baker congratulated the sales staff for their efforts in producing the report. Mr. Sinclair reported on the changes in Grandstand commercial exhibit space resulting from the next phase of Grandstand renovation. Information only; no action required. Mr. Leary requested that staff prepare a comprehensive report of non-fair events, their income, attendance and facilities marketing. The report will be presented at the board's January meeting. Mr. Heffron reviewed revenue produced through operation of the Mighty Midway, Kidway and percentage attractions at the '03 fair. The information will be reviewed by the board and considered for approval at their next meeting. On a motion by Mr. Fox, seconded by Mr. Paulmann and carried (Aye-8; Nay-0), the sales committee meeting was adjourned at 9:45 a.m.

**Meeting of the Planning Committee**

**Members present:** John Paulmann, chairman; Denny Baker; Joe Fox; D. J. Leary; Jim Foss; Bob Lake; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Howard Recknor, ex officio; Jerry Hammer, ex officio; Steve Pooch, ex officio; Brian Hudalla, ex officio. **Also present:** Jim Sinclair; Mark Birk; Chris Tahti; Mary Mannion; Marshall Jacobson; Adam Heffron; Dennis Larson; Carol Doyle; Pam Simon.

Chairman Paulmann called the meeting to order at 9:45 a.m. Mr. Hudalla presented a list of standard annual improvements and maintenance projects totaling \$1.14 million for consideration. After discussion, the projects were approved on a motion by Mr. Leary, seconded by Mr. Baker and carried (Aye-8; Nay-0). The projects will be incorporated into the complete list of improvements and maintenance budgets to be reviewed by the planning committee in January. The meeting was adjourned at 9:55 a.m. on a motion by Mr. Lake, seconded by Mr. Baker and carried (Aye-8; Nay-0).



**Minnesota State Agricultural Society  
Meeting of the Governing Board  
Libby Conference Center, State Fairgrounds  
10 a.m. Friday Nov. 14, 2003**

**Members present:** Howard Recknor, president; Joe Fox, vice president; D. J. Leary, vice president; Denny Baker; Jim Foss; Bob Lake; John Paulmann; Clarice Schmidt; Lyle Steltz; Chauncey Wargin; Jerry Hammer, secretary. **Also present:** Jim Sinclair; Steve Pooch; Marshall Jacobson; Brian Hudalla; Mary Mannion; Mark Birk; Chris Tahti; Adam Heffron; Dennis Larson; Michelle Fickett.

President Recknor called the meeting to order at 10:06 a.m. Minutes of the Oct. 17, 2003, meeting of the State Fair board were approved on a motion by Mr. Fox, seconded by Mr. Foss and carried (Aye-9; Nay-0). Minutes of interim activities covering the period Oct. 17 through Nov. 13, 2003, were approved on a motion by Mr. Baker, seconded by Mr. Paulmann and carried (Aye-9; Nay-0). Action taken earlier that day by the sales and planning committees was approved on a motion by Mr. Steltz, seconded by Mr. Leary and carried (Aye-9; Nay-0). Mr. Jacobson presented the following statement for October, 2003:

**MINNESOTA STATE FAIR  
CASH TRANSACTION SUMMARY  
MONTH ENDING OCTOBER 31, 2003**

**GENERAL FUND ACTIVITY:**

Cash Balance-Sept. 30, 2003		\$ 1,589,271
Add: Cash Deposits	\$ 2,725,203	
Less: Payroll Ending-Oct. 10	(182,043)	
Payroll Ending-Oct. 24	(164,894)	
Cash Disbursements	(3,716,333)	(1,338,067)
Balance-Oct. 31, 2003		\$ 251,204

**MARKETABLE SECURITIES ACTIVITY:**

Balance-Sept. 30, 2003		\$ 3,184,999
Add: Interest Earned	\$ 1,736	
Securities Purchased		
Less: Securities Redeemed	(500,000)	(498,264)
Balance-Oct. 31, 2003		\$ 2,686,735

**BUILDING FUND ACTIVITY:**

Balance-Sept. 30, 2003		\$ 494,296
Add: Interest Earned	277	
Securities Purchased		
Less: Securities Redeemed		
Balance-Oct. 31, 2003		\$ 494,573

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

	2002	2003
General Fund	\$ 91,263	\$ 251,204
Petty Cash	5,000	5,000
Marketable Securities	3,204,224	2,686,735
Building Fund	2,828,709	494,573
Construction Fund	-	8,527,870
Total Cash Balances	\$6,129,196	\$11,965,382

After discussion, the statement was approved on a motion by Mr. Leary, seconded by Mr. Wargin and carried (Aye-9; Nay-0). At the request of Mr. Leary, staff will present and prepare a detailed report of the Grandstand renovation construction fund and bond proceeds at the board's January meeting. The following list of tickets for Grandstand, Coliseum, Midway and outside gate were transferred to non-pay status on a motion by Mr. Fox, seconded by Mr. Lake and carried (Aye-9; Nay-0):

**NON-PAY REPORT**

**DEPARTMENTAL:**

Access Services	123	\$ 6.00	\$ 738.00
Administration	218	6.00	1,308.00
	20	10.00	200.00

	17	4.00	68.00
Box Office	31	6.00	186.00
Cattle	629	6.00	3,774.00
Competition	573	6.00	3,438.00
	2	4.00	8.00
Creative Activities	207	6.00	1,242.00
Dog Trials	6	6.00	36.00
Education	200	6.00	1,200.00
Events	103	6.00	618.00
FFA	904	6.00	5,424.00
4-H	19,349	6.00	116,094.00
Farm Crops	13	6.00	78.00
Flowers	5	6.00	30.00
Foundation	1,700	6.00	10,200.00
	10	10.00	100.00
Free Entertainment	11,515	6.00	69,090.00
Fruits	300	6.00	1,800.00
Grandstand Production	1,913	6.00	11,478.00
Greenhouse	728	6.00	4,368.00
Guest Services	50	6.00	300.00
Horse	909	6.00	5,454.00
Marketing	801	6.00	4,806.00
	144	10.00	1,440.00
	143	4.00	572.00
Medical Aid	550	6.00	3,300.00
Midway Operations	3	6.00	18.00
Midway Ticket Sales	1,090	6.00	6,540.00
Operations	693	6.00	4,158.00
Park & Ride	1,115	6.00	6,690.00
Public Safety	4,300	6.00	25,800.00
Sales	2,886	6.00	17,316.00
	4	10.00	40.00
Sanitation	1,914	6.00	11,484.00
Seniors	106	6.00	636.00
Swine	7	6.00	42.00
Transportation	20	6.00	120.00
Vegetables	170	6.00	1,020.00
<b>INSTITUTIONAL-ORGANIZATIONS:</b>	33,021	6.00	198,126.00
<b>TOTAL</b>		86,492	\$519,340.00
<b>SUMMARY</b>			
Gate	86,152	6.00	\$516,912.00
Carnival Ride	178	10.00	1,780.00
Blue Ribbon Books	162	4.00	648.00
<b>TOTAL</b>	86,492		\$519,340.00

Mr. Jacobson presented a summary of fair-period departmental payrolls totaling \$1.9 million for 79 fair-time departments. After discussion, the report was approved on a motion by Mr. Baker, seconded by Mr. Lake and carried (Aye-9; Nay-0). Mr. Hammer updated the board on the City of St. Paul's recent application to the state's Department of Employment and Economic Development wherein the City included portions of the State Fairgrounds for redevelopment as a bioscience zone. After discussion, the following resolution was adopted on a motion by Mr. Lake, seconded by Mr. Steltz and carried (Aye-9; Nay-0):

**WHEREAS**, the Minnesota State Fair is the state's most important cultural, social and educational asset, bringing together all facets of Minnesota life for all Minnesotans, and

**WHEREAS**, the Minnesota State Fair is widely hailed as the finest state fair in the nation and recognized as one of the premier events in the world, and

**WHEREAS**, Minnesota State Fairgrounds facilities are utilized by nearly 3 million people throughout the year, and

**WHEREAS**, the Minnesota State Fair is a significant engine of economic activity, generating thousands of jobs and more than \$150 million in economic benefit annually for the Twin Cities and additional unmeasured economic impact throughout the state, and

**WHEREAS**, the lawful care, custody and control of the State Fairgrounds has been entrusted to the Minnesota State Agricultural Society for purposes of fulfilling its vital mission since 1885, be it therefore

**RESOLVED**, that the Society, serving all people of the state as caretaker of their Minnesota State Fairgrounds, does hereby vow to protect this immensely



important resource for all Minnesotans from any private enterprise, local or regional political subdivision or any other governmental agency that attempts to usurp the Society's lawful authority over the lands under its control and protection.

**BE IT FURTHER RESOLVED**, that the Society will do all in its power to foster goodwill and cooperation with its neighbors while fulfilling its mission to provide the people of Minnesota with the finest State Fair in the nation and, by doing so, continue to contribute immeasurably to the state's quality of life as Minnesota's flagship cultural, social and educational asset.

Mr. Hammer was instructed to send the resolution to the office of Randy Kelly, mayor of the City of St. Paul. Mr. Hudalla presented a report on the progress of the second phase of Grandstand renovation. Information only; no action required. Mr. Pooch provided a detailed report on participation in the '03 State Fair's agricultural, creative and education contests. Information only; no action required. Mr. Heffron presented a request for approval of the following adjustments in rental and labor rates for non-fair events in 2004: Block 27 (west of Grandstand) - from \$1,000 per day to \$1,500 per day Block 40 (Midway lot) - from \$1,000 per day to \$1,250 per day

**Labor rates:**

On-duty event supervisor:	\$25 per hour to \$26 per hour
Set-up and tear-down:	\$19 per hour to \$19.50 per hour
Event attendant:	\$15.50 per hour to \$16 per hour

All other rental and labor rates will remain at their current levels. After discussion, the rates were approved on a motion by Mr. Baker, seconded by Mr. Wargin and carried (Aye-9; Nay-0). Ms. Mannion reported that the new federal rate for mileage compensation will increase from 36¢ per mile to 37.5¢ per mile, effective Jan. 1, 2004. The new mileage rate was approved on a motion by Mr. Fox, seconded by Mr. Wargin and carried (Aye-9; Nay-0) and will go into effect Jan. 1. Mr. Fox, Ms. Schmidt and Mr. Hammer reported on recent activities of the State Fair Foundation. Information only; no action required. Ms. Fickett reported on the 2003 Beef Expo, which was the largest and best-attended to date. Information only; no action required. On a motion by Mr. Foss, seconded by Mr. Fox and carried, the meeting was adjourned at 12:10 p.m.

**Minnesota State Agricultural Society**

**Minutes of Interim Activities**

**Nov. 14, 2003, through Jan. 15, 2004**

**November**

14 - Leach and McGough met with the State Fair Marketing Coalition.

18 - The State Fair Foundation capital campaign committee met at the fairgrounds. The Foundation's fair-time volunteers conducted a meeting at the Libby Conference Center. McGough met with representatives of the University of Minnesota to discuss promotions.

19 - Pooch attended the annual meeting of Minnesota Ag In The Classroom. Pooch and Hammer attended an open house at the Agricultural & Food Sciences Academy high school in Roseville.

21 - The State Fair Concessionaire Communications Committee met at the Libby Conference Center. McGough met with representatives from the State Fair Marketing Coalition.

24 - Hammer addressed a meeting of the Midway Lions Club in St. Paul.

30 - Dec. 3 - Hammer, Sinclair, Birk, Tahti, Heffron and Weinfurter, along with board members Recknor, Baker, Foss, Lake, Leary, Paulmann, Schmidt, Steltz and Wargin, attended the annual convention and trade show of the International Association of Fairs & Expositions in Las Vegas, Nev.

**December**

4 - Johnson attended a seminar on ethical business practices, conducted by the Minnesota Department of Employment and Economic Development.

5 - Pooch, Goodrich, Fickett and LeFebvre conducted a Beef Expo meeting at the Minnesota Cattlemen's Convention in Bloomington.

7 - A representative from the Ochs Agency provided a presentation to staff on changes in the deferred compensation plan.

9 - Leach, Sinclair, Birk, McGough and Zamber met with representatives of Coca-Cola to discuss extension of a sponsorship agreement.

10 - Johnson attended a meeting of the St. Paul Human Resources Association. Zamber, along with agricultural society life member Gale Frost, gave a presentation to the St. Anthony Park Seniors Association.

11 - The board of the Minnesota State Fair Foundation met at the Libby Conference Center. Pooch, Fickett, LeFebvre and State Fair fine arts staff

members Bob Crump and Bob Meyer met with representatives of the Hopkins Art Center regarding the fair's '04 fine arts show.

12 - Sinclair, Hudalla, Clasemann, Hayne and Lindahl met with representatives of the Minnesota Department of Health to discuss issues for the '04 fair including campgrounds and dormitory operations.

17 - The State Fair Foundation's personnel committee (Dave Johnson, Joe Fox and Jerry Hammer) met at the Administration Building.

19 - Pooch, LeFebvre, Goodrich and Fickett met with representatives of the Royal Canadian Mounted Police to discuss their performances at the '04 State Fair.

**January**

6 - Johnson attended a meeting of the Minnesota Job Security Employers Committee.

6-9 - Goldstein attended the Western Fairs Association annual convention in San Diego, where she accepted an award for the State Fair's web-based "Fairborne's Fabulous Fair Food Finder."

7 - Fickett met with Carl Aakre of the Agricultural and Food Sciences Academy to discuss the academy's potential operation of Little Farm Hands during the non-fair season.

8 - Hammer met with State Finance Commissioner Dan McElroy to discuss stadium and sales tax issues. Staff of the Office of the Legislative Auditor conducted an audit entrance conference with Hammer, Jacobson and Bona; field work was scheduled to begin immediately. McGough met with representatives of AARP to discuss Senior Days activities at the '04 fair.

12 - Hammer met with Frank Jirik and Jack Larson of the Excel Energy Center and Minnesota Wild to discuss mutual issues.

13 - Hammer met with Minnesota Senate Tax Committee Chair Larry Pogemiller and counselors Bill McGrann and Joe Bagnoli to discuss legislative issues.

14 - Johnson attended a meeting of the St. Paul Human Resources Association.

15 - Huber and Cerney, along with members of the Minnesota Federation of County Fairs and the Midwest Showmen's Association, met with staff of the Radisson South Hotel to finalize arrangements for the Society's 2004 annual meeting.

**MINNESOTA STATE AGRICULTURAL SOCIETY  
ANNUAL MEETING**

**January 16-17-18, 2004**

**Radisson South Hotel, Bloomington**

The 145th annual meeting of the Society, held in conjunction with the annual conventions of the Minnesota Federation of County Fairs and the Midwest Showmen's Association, opened Friday Jan. 16 at the Radisson South Hotel in Bloomington, Minn.

The Society's membership committee met at 4 p.m. Friday Jan. 16. Committee members were Sylvia Krampitz, Waseca County; Rita Sapp, LeSueur County; Ralph Carlson, Chisago County; Joe Fox, Ramsey County; Judy Gerth, Mille Lacs County; Jeff Potter, Redwood County; Ray Erspamer, St. Louis County; and Jan Wollin, Roseau County.

At 9 a.m. Saturday Jan. 17, the resolutions committee met; members were Ann Emery, Houston County; Marian Filk, McLeod County; Mark Campbell, Chisago County; Sharon Stillings, Ramsey County; D. J. Leary, Hennepin County; Burt Hill, Hubbard County; Janet Koch, Traverse County; Al Linder, Koochiching County; and Brian Halvorson, Clay County.

The credentials committee met at 9:45 a.m. Saturday Jan. 17. Committee members were Vince Peterson, Waseca County; Curtis Wolter, Carver County; Jake Nelson, Washington County; Robert Reistad, Ramsey County; D. J. Leary, Hennepin County; Ben Jorgensen, Morrison County; Hubert Sandmann, Murray County; Don Simons, Itasca County; and Robert Sonnenberg, Becker County.

Delegates from the second, eighth and ninth districts met in caucus at 1:40 p.m. Saturday Jan. 17 to certify nominees for election to the Society's board of managers during the Society's general business session the following day. Selected were John Paulmann of Gaylord (second district), Chauncey Wargin of Hermantown (eighth district) and Allen Paulson of Shevlin (ninth district).

At 8 a.m. Sunday Jan. 18, members of the Society met for breakfast and convened in general session at 8:30 a.m. President Recknor welcomed delegates and guests, then asked Secretary Jerry Hammer for his report:

"F. Scott Fitzgerald called it the most magnificent fair in America. Dwight

Eisenhower called it the best state fair he'd ever seen. Of course at that time, it was the only state fair he'd ever seen, but we're not here to argue. I'm sure that among all the state fairs he subsequently saw, ours remained the best. Tony Dahlman is a 19-year-old from Cokato, and he wrote us a letter that says "I was employed at the fair, and 15 days and nights at the fair only confirmed my belief that the Minnesota State Fair is the greatest place on earth." This is all pretty heady stuff, and we frequently get this kind of compliment. It's great and it's flattering and it's even true. But it sure doesn't give us big heads. Quite the contrary, the high esteem in which the State Fair is held underscores our enormous responsibility and our huge obligation to the people of Minnesota and even across the nation, because people come from everywhere to attend the Great Minnesota Get-Together.

"It wasn't easy living up to those responsibilities last year. Normally, we try to stay away from government. As you know, the Society has received no appropriations from any form of government since 1949, and even that was payback for a building that government contractors trashed during World War II. Despite our best efforts, there are times when we get sucked into things, and that happened in a big way last year. Easily the biggest blow came last spring when, as a budget-balancing measure, the state took away the ability we had since 1989 to retain the sales tax that we earned on tickets we sold. That sales tax was dedicated entirely to capital work on fairgrounds facilities. Although the fairgrounds are technically state property, the state contributes nothing to improvements and upkeep. We do it all, and we do a very good job – the best we possibly can. I visited with people in government last spring and it was very clear that the deal was done; the sales tax was gone. In fairness, the sales tax was the last thing to go. When I visited with finance department staff, they said that when faced with last year's deficit, they were forced to look under seat cushions for loose change. According to their estimates, that loose change amounted to \$700,000 a year. In fact, the total was \$1.2 million that we lost for capital work last year. We are working to reinstate the sales tax exemption, and that ball has started rolling. We'll need your help as the session progresses, and you'll be hearing more from us on that later this winter.

"There was also a new gun law passed last year and, regardless of your politics, weapons at fairs are not a good thing. The controversy around the new law drew us into the spotlight and provided a distraction that we really didn't need. We do have the authority to prohibit weapons at the fair, and we did so. Guns, spears, knives, clubs, harpoons, whatever. We don't allow weapons at our State Fair, and neither does any other state fair in the nation, including the traditional redneck states Texas, Arizona, Oklahoma and Florida.

"All the news wasn't grim. On the bright side, we took a huge step forward in securing the future of the fair and its facilities by obtaining the authority to issue our own bonds. I can't overstate how important this is. This is huge. We put that new authority to work immediately by doing an \$11 million bond issue for our Grandstand project. Last year, we started the project by taking care of building code and access issues. You all saw the new plaza, the stair towers, elevator and seating layout this year. As soon as the fair ended, we opened up the second phase which focuses on structural preservation and renovation of the interior. Most important for many people is new rest rooms with capacity in the new women's facilities for 224 at a time. We're talking some real progress here.

"We also received a great indication of the support the fair has when the Grandstand bonds were issued. Ten firms issue bonds in Minnesota, and all 10 went in together on the transaction in a show of support for the fair. This is highly unusual and very gratifying to see. Bonding authority enabled us to conquer the Grandstand, and it will serve the fair very well when we're long gone.

"We all know that Minnesotans dearly love their fair. Everybody has a fair story and everybody has been to the fair. They have high expectations when they visit the fair and they have high expectations of us to deliver on those expectations, but they don't know who we are or how we get things done. They are usually of the wrong opinion that we are funded in some way by the state. Lately, there are some in business and in government who appear to be taking fairs – the State Fair and county fairs – for granted. In fairness, many strongly support the fair, but the message they get is incomplete. To those who don't really understand and appreciate the State Fair, we need to say this:

"The Great Minnesota Get-Together is clearly our state's leading cultural, social and educational asset. In fact, it's one of the premier events in the entire world. They need to understand that the State Fairgrounds are among the best-used property in the state, with nearly 3 million people attending during the annual fair and during a very busy schedule of year-around events.

"They need to recognize that our State Fair has ancient roots that go back before

the Civil War, that the fair is older than the state itself, and has brilliantly served the people of Minnesota for generations.

"They need to understand that the world desperately needs the important sense of community that the fair develops and all the warm and fuzzies that go with it. They also need to realize that the fair provides far more. We pack a huge economic wallop – more than \$150 million annually in the Twin Cities alone, plus additional unmeasured economic impact throughout the state. This is equal to more than five thousand jobs and \$40 million in household earnings.

"This last point, though, may be the most important. That is, the fair is not indestructible. It's resilient, certainly, but it needs to be treated with care. Lately, though, the State Fairgrounds continue to come up in talks at various political levels as a site for pro sports stadiums and other "development" that is clearly at odds with our mission. I thought we were already developed. These discussions are also at odds with the wellbeing of our neighbors and ultimately with the best interests of all Minnesotans. The Ag Society has been very clear in its intent, on behalf of all Minnesotans, to protect the State Fair from outside interests that seek to compromise the fair for their own narrow purposes. We will continue to do so.

"I talked a lot about the challenges we faced and are facing, but I haven't said anything about the '03 State Fair. I won't tell you any more about the labor pains. Let's see the baby. Can we see the video please?

"The video was produced by Dale Kivimaki of Freestyle Productions. That's the outfit that does all the fine video work at Grandstand shows. Dale is as good a man and as great a friend as the fair has, and he's here with us this morning. Dale, would you please stand? Thanks for your hard work.

"Let me share with you quickly some numbers from this year's fair. This is the really important stuff. Thirty-five miles of foot long hot dogs were sold; 181,000 ears of corn; 516,000 corn dogs; 2.6 million cheese curds; Atkins-friendly?; 3,195,000 chocolate chip cookies; and 4 million mini donuts.

"It was an extraordinary year, well worth everyone's effort and the ulcers ten times over. It's an amazing event and it was a spectacular year. Thanks to the fair's board of managers. You've really done the fair proud. Would you please stand? To all of you, thanks so much for your support and for the courageous decisions you made. The Ag Society, everyone who attended the fair and the entire state of Minnesota owes you a lot for your stewardship of their fair. Thank you. I do owe a special thanks to my good friend Howard Recknor. The pride of all of southern Minnesota, including Iowa. We had more than 1.7 million people at the fair this year, and Howard introduced himself to almost every one of them, so that means that he has a million new friends. Howard retires from the board in a few minutes, so Howard, on behalf of all of us, thanks for your service.

"As good as the board is, our staff is even better, and I don't think the board minds me saying that at all. Full-time, seasonal, part-time, fair-time superintendents, all of them. They are dedicated, hard working, expert at their craft, and they'll run through walls to put on the Greatest Fair in the World. Thank you all. And they're smart. They're really smart. Let me tell you what our goat superintendent has been up to lately. In his real life, Kevin LeVoor designed a device for the European Space Agency's vehicle that landed on Mars on Christmas Day. He also designed three parts for NASA's Stardust vehicle that just flew through the tail of a comet and gets back to Earth in 2006. See how smart they are? We have a real live rocket scientist on staff.

"During the fair, we have the One Goal Plus recognition program for fair-time staff who go above and beyond and we have most of them here today. Please stand, Russ Johnson from Bee & Honey; Candy LeVesseur from the employment office; Beth Schuldt in competition; James Hamilton from marketing; and Mitch Wirka from sanitation. Thanks and congratulations to all five of our One Goal Plus award winners.

"Thanks also to the nearly 3 million people who used the State Fairgrounds last year. That's why we are here. They are the people we are here to serve. Finally, my thanks to each and every one of you for the opportunity to serve the amazing Minnesota State Fair. God Bless you all."

Mr. Hammer's report was accepted by the membership.

Mr. Hammer then recognized State Fair Hall of Fame members at the meeting, and introduced State Fair Assistant General Manager Steve Pooch to conduct the induction of long-time crop art mainstay Lillian Colton of Owatonna into the Hall.

RESOLUTIONS committee member Mark Campbell of Chisago County presented the following resolutions for consideration by the Society, and they were adopted as read:

**RESOLUTION NO. 1:** Resolved, that the Society acknowledge its sincere indebtedness to each of the 1,741,825 visitors who attended the 2003 Minnesota State Fair. As Minnesota's greatest and most beloved event we recognize that the Great Minnesota Get-Together is an institution that is indispensable to Minnesotans in providing unmatched educational, cultural and social benefits plus significant economic impact exceeding 150 million dollars annually and thousands of jobs.

**RESOLUTION NO. 2:** Resolved, that it is with utmost dedication that the Minnesota State Fair continues to be committed to keeping agriculture the cornerstone of the exposition. Furthermore, we pledge to present an exposition of the highest quality, showcasing Minnesota's finest agriculture, that is truly worthy of our patrons while providing outstanding customer service, offering exceptional value, presenting an unparalleled forum for knowledge and ideas, creating unique experiences, and making our event accessible to all.

**RESOLUTION NO. 3:** On Nov. 14, 2003, the Minnesota State Agricultural Society Board of Managers collectively passed a resolution reinforcing its position on the future of the Minnesota State Fairgrounds:

**WHEREAS**, the Minnesota State Fair is the state's most important cultural, social and educational asset, bringing together all facets of Minnesota life for all Minnesotans, and

**WHEREAS**, the Minnesota State Fair is widely hailed as the finest state fair in the nation and recognized as one of the premier events in the world, and

**WHEREAS**, Minnesota State Fairgrounds facilities are utilized by nearly 3 million people throughout the year, and

**WHEREAS**, the Minnesota State Fair is a significant engine of economic activity, generating thousands of jobs and more than \$150 million in economic benefit annually for the Twin Cities and additional unmeasured economic impact throughout the state, and

**WHEREAS**, the lawful care, custody and control of the State Fairgrounds has been entrusted to the Minnesota State Agricultural Society for purposes of fulfilling its vital mission since 1885, be it therefore

**RESOLVED**, that the Society, serving all people of the state as caretaker of their Minnesota State Fairgrounds, does hereby vow to protect this immensely important resource for all Minnesotans from any private enterprise, local or regional political subdivision or any other governmental agency that attempts to usurp the Society's lawful authority over the lands under its control and protection.

**BE IT FURTHER RESOLVED**, that the Society will do all in its power to foster goodwill and cooperation with its neighbors while fulfilling its mission to provide the people of Minnesota with the finest State Fair in the nation and, by doing so, continue to contribute immeasurably to the state's quality of life as Minnesota's flagship cultural, social and educational asset.

**RESOLUTION NO. 4:** Resolved, that the ongoing success of the fair is achieved through the efforts of many dedicated people, and that the Society recognizes with profound appreciation all who contributed to the 2003 Minnesota State Fair including State Fair staff, board of managers, exhibitors, entertainers, sponsors, media, purveyors, contractors, advertisers, youth and school groups, implement dealers, manufacturers, and members of FFA and 4-H. Further resolved that special thanks be extended to long-time fair employee, Joe Fischler, who retired this past year after 40 years of full-time service.

**RESOLUTION NO. 5:** Resolved, that we offer our condolences and recognize with great regret the loss of society members in the last year including: Willis Lilliquist, past president of the State Fair board of managers; Ione Korff, wife of past president, Bill Korff; Lyle Anderson, admissions superintendent, full-time employee and 2003 50-Year Award recipient; Lucille Fischler, wife of full-time employee, Joe Fischler; Betty Reyer, flower superintendent; George P. Normes, FFA and farm crops employee and 1996 50-Year Award recipient; Stephen R. Windell, Midway and Kidway guest and operator relations superintendent; Robert Jordan, sheep superintendent; Delores Elmer, wife of past park & ride superintendent, Dan Elmer; Gladys Karnis, owner of Pronto Pups and 50-Year Award recipient in 1996; Katherine Townsend, wife of concessionaire Mugsy Townsend; Louis J. Skarda Sr., concessionaire; John E. Desmond, Tom Thumb Donut Corp., member Midwest Showman's Association and 50-Year Award recipient in 1999; Leonard Wulf, long-time cattle exhibitor; George Zambelli, owner of Zambelli Fireworks Company; David Stafsholt, concessionaire; Eric Bodine, son of commercial exhibitor, Crane Bodine.

**RESOLUTION NO. 6:** Resolved, that the Society appreciates the advantages it obtains from associations with other expositions and related businesses, and that the society will maintain its strong relationships with the International Association of Fairs and Expositions, the Minnesota Federation of County Fairs, the Outdoor Amusement Business Association and the Midwest Showman's Association.

**RESOLUTION NO. 7:** Resolved, that the Society extend its thanks and sincere appreciation to all who contributed to the success of its 145th annual meeting.

CREDENTIALS committee chairman Vince Peterson of Waseca County presented the following committee report, which was adopted by the membership:

"All credentials have been found to be in order with the following exception: Minnesota Fruit & Vegetable Growers Association did not file with the Secretary of State by 12/20/03 deadline." The report was adopted by the membership.

Committee chair Jan Wollin of Roseau County offered the report of the membership committee:

"These are the changes the membership committee respectively recommends to the society: Inactive members: Polk County (Fosston) sold their fairgrounds and they are no longer operating as a fair or receiving state appropriations. The one and one-half votes they were entitled to will now be given to Polk County (Fertile) for a total of three votes. The membership committee also recommended that if anyone present who knows if there are any Statewide Associations who are interested in becoming a member, please bring before the membership committee." The report was adopted by the membership.

Following committee reports, President Recknor turned the chair over to fourth district Vice President Fox to conduct elections as follows:

Clarice Schmidt of Sabin, one-year term as president; John Paulmann of Gaylord, three-year term as second district manager; D. J. Leary of Minneapolis, two-year term as fifth district vice president; Chauncey Wargin of Hermantown, three-year term as eighth district manager; Allen Paulson of Shevlin, two-year balance of Ms. Schmidt's unexpired term as ninth district manager; Howard Recknor of Hartland, honorary life membership in the Society.

There being no further business, the 145th annual meeting of the Minnesota State Agricultural Society was adjourned.

