

# 2013 Annual Report

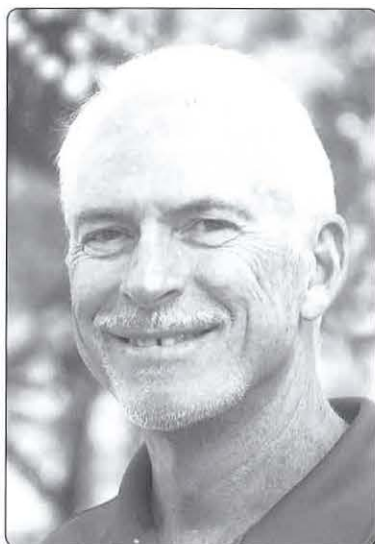
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## The Great Minnesota Get-Together



# Report of the EXECUTIVE VICE PRESIDENT



The State Fair is all about connections. Like nothing else, it connects us to our past, our present and our future. It connects us with every facet of our great state. Most important, it connects us to each other. And in 2013, it connected us to life before air conditioning.

The only string of hot days during an otherwise cool year came in the middle of the fair, and they were scorchers. Temps were in the high 90s with high humidity.

Predictably, attendance was affected, business activity at the fair was down (who wants

sure that everyone's fair visit was filled with the special moments that we have all come to expect.

Two of those moments were tied to our annual Military Appreciation Day. On the morning of Tuesday Aug. 27, a plaque honoring Gold Star families was dedicated in the State Fair Veterans Garden. The ceremony was attended by hundreds of people who have lost family members while in military service to our nation. An hour later, thousands of veterans participated in a Welcome Home Parade for those who served during the Vietnam era. Tens of thousands of fair visitors lined the parade route from the Bandshell to the Grandstand in a tearful and cheerful celebration of gratitude to those who served in the '60s and '70s.

All of us privileged to serve the fair understand that there is no other event anywhere in the world quite like the Great Minnesota Get-Together. We also realize that the fair's reputation is built upon the vision and hard work of generations of people. It's our sacred duty to preserve all that is good about our Great State Fair, and move it forward so that it may continue to be a meaningful and important part of Minnesota's fabric for generations to come. The bottom line is this: We won't let you down. God bless, and I'll see you at the fair.

Jerry Hammer  
Executive Vice President

to eat hot food when it's 97) and the State Fair's operating income for the year took a hit. But the State Fair has been resilient throughout its long history, and this was certainly true in '13. People came to the fair in spite of the heat, and when the weather finally broke for the last two days, two attendance records were set including the biggest fair day ever in a history filled with big days.

Once again, the State Fair was rich in educational opportunity. For decades, the Fairgrounds has been Minnesota's largest classroom, connecting us to agriculture, industry and a multitude of our state's most important institutions. The result is a truly one-of-a-kind learning experience that ultimately inspires us all to improve our lives.

Despite the heat, our staff, our competitive exhibitors and our commercial exhibitors remained at the top of their games. Fair visitors were given the usual red carpet treatment, and we worked hard to make

## GENERAL INFORMATION

Total Attendance, Pricing, Mission Statement .....	2
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# TOTAL ATTENDANCE: 1,731,162

**THURSDAY, AUG. 22**

**Thrifty Thursday: 106,852**

High: 87 Low: 68

Precipitation: none

**FRIDAY, AUG. 23**

**Governor's Fire**

**Prevention Day: 121,941**

High: 88 Low: 64

Precipitation: none

**SATURDAY, AUG. 24**

**4-H Day: 170,986**

High: 90 Low: 71

Precipitation: none

**SUNDAY, AUG. 25**

**Minnesota Cooks™ Day: 145,706**

High: 96 Low: 80

Precipitation: none

**MONDAY, AUG. 26**

**Seniors, Kids &**

**MN State Patrol Day: 102,935**

High: 97 Low: 80

Precipitation: none

**TUESDAY, AUG. 27**

**Military Appreciation Day: 94,076**

High: 96 Low: 79

Precipitation: none

**WEDNESDAY, AUG. 28**

**Read & Ride Day: 116,348**

High: 92 Low: 73

Precipitation: none

**THURSDAY, AUG. 29**

**Seniors Day: 117,480**

High: 95 Low: 75

Precipitation: .03 inches

**FRIDAY, AUG. 30**

**MPR Day: 158,164**

High: 85 Low: 72

Precipitation: none

**SATURDAY, AUG. 31**

**FFA Day: 196,200**

High: 89 Low: 66

Precipitation: trace

**SUNDAY, SEPT. 1**

**Minnesota History Day: 236,197\***

High: 75 Low: 61

Precipitation: none

**MONDAY, SEPT. 2**

**Kids & Last Chance Day: 164,277\***

High: 68 Low: 55

Precipitation: none

*\*New attendance record*



## 2013 PRICING

### PRE-FAIR ADMISSION PRICE

- All ages \$9

### REGULAR ADMISSION PRICE

- Adults (13-64) \$12
- Seniors (65 & over) \$10
- Kids (5-12) \$10
- Children (under 5) FREE

### THRIFTY THURSDAY • AUG. 22

- Adults (13-64) \$10
- Kids (5-12) \$7
- Children (under 5) FREE

### SENIORS DAYS • AUG. 26 & 29

- Seniors (65 & over) \$7

### KIDS DAYS • AUG. 26 & SEPT. 2

- Kids (5-12) \$7
- Children (under 5) FREE

### MILITARY APPRECIATION DAY • AUG. 27

Active military families, retired military, veterans and their spouses who purchased a ticket at the gate and presented valid documentation of military service: \$7

### READ & RIDE DAY • AUG. 28

Public library cardholders who purchased a ticket at the gate:

- Adults (13-64) \$10
- Seniors (65 & over) \$7
- Kids (5-12) \$7
- Children (under 5) FREE

### BLUE RIBBON BARGAIN BOOK

- Pre-fair \$4
- Fair-time \$5

### MIGHTY MIDWAY & KIDWAY

- Pre-fair 20-ticket sheet \$10
- Fair-time
  - 44-ticket sheet \$30
  - 28-ticket sheet \$20
  - Single ticket \$.75

### PARKING:

- \$12 or one \$9 pre-fair admission ticket

## 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





# ANIMALS, AGRICULTURE & COMPETITION



## EQUIMANIA!™

EquiMania!™, a free and interactive education center for horse enthusiasts of all ages, highlighted full-size skeletons and anatomy models, dental tools, tail-braiding and leg-wrapping activities and an 80-foot-long digestive tract. Located in the Horse Barn, there were also stations detailing horse behavior, rider safety, careers, nutrition and more. Each station was equipped with unique educational displays, activities, and quizzes to engage youth from both urban and rural backgrounds. It was presented by the Minnesota State Fair in partnership with Equine Guelph, the horse owners' center at the University of Guelph, Ontario, Canada.



## MINNESOTA CUTTING HORSE ASSOCIATION COMPETITION

This competition showcased athleticism, courage, intuition and expert horsemanship when the horse and rider "cut" a cow from a herd. Then, with explosive moves, they worked to keep her separated from the group in an electrifying duel of instincts. This free event was located at AgStar Arena.

## HOP, FLOP AND SNIFF

This exhibit showcased a sampling of rabbit breeds that distinguished the variations of sizes, shapes, fur types, colors, tails and ears. This new experience was open all 12 days of the fair and was located in the Poultry Barn.



# CONTESTS & ACTIVITIES



First place, Open Division:  
Melanie Bratsch of Willow River,  
vocal solo

## STATE FAIR AMATEUR TALENT CONTEST WINNERS

### Open Division:

First place: Melanie Bratsch of Willow River, vocal solo  
Second place: Alex Shaleen of Lindstrom, dance solo  
Third place: BioFreaks of St. Paul, dance performance

### Teen Division:

First place: Mary Alice Hutton of Bloomington, violin solo

Second place: John Blanda of Maplewood, piano solo

Third place: Britton Pankratz of Mountain Lake, yo yo performance

### Preteen Division:

First place: Gideon Scheeler of St. Paul, piano solo

Second place: Shane Mokua of Cambridge, dance solo

Third place: Lauren Senden of North Mankato, vocal solo

## HIGH SCHOOL MARCHING BAND COMPETITION

High school marching bands from Minnesota and Wisconsin competed in the State Fair's daily mall parade. Rosemount High School was awarded Class A honors, Waseca High School took first place in Class B and Glenwood City High School of Wisconsin won the Class C division.

## MILK RUN

Ben Olson of Coon Rapids and Laura Hernick of New Brighton were the overall male and female 5K Milk Run winners with times of 17:05 and 19:38 respectively.



# 2013 SPONSORS



- August Schell Brewing Co.
- Butter Kernel
- Cal Spas
- Cargill
- CenturyLink
- Coca-Cola
- Cub Foods
- DISH
- Gander Mountain
- Gold Medal Flour

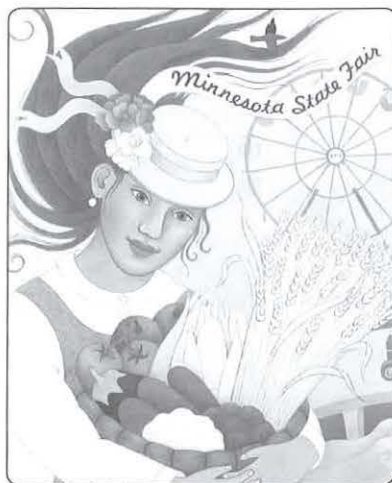
- Gold'n Plump Poultry
- Good Health Saunas
- Great River Energy
- Green Mill Restaurant
- Jacob Leinenkugel Brewing Co.
- John Deere Company
- Kemps
- L'Oréal Paris
- LEGO®

- McDonald's
- Midwest Dairy Association
- Minnesota Corn Growers Association
- Minnesota Farm Bureau Foundation
- Minnesota Farmers Union
- Minnesota Livestock Breeders Association
- Minnesota Lottery
- PreferredOne®

- Sam's Club
- Sensodyne
- Sleep Number
- Summit Brewing Co.
- TCF Bank
- Treasure Island Resort & Casino
- Xfinity



# NEW ENTERTAINMENT, EXHIBITS & ELEMENTS



## 2013 MINNESOTA STATE FAIR COMMEMORATIVE ART BY MARIE OLOFSDOTTER

The 2013 Commemorative Art was the tenth in a series of annual artwork created exclusively for the State Fair. Olofsdotter's signature style is lyrical, magical realism—saturated with color and mapped with flowing lines and bold shapes. Her acrylic piece captures agriculture as the heart of the State Fair, as well as Minnesotans' rich relationship with the land.

## WISER LIVING: SMART SOLUTIONS FOR AGING AT HOME

This interactive exhibit was designed to help visitors and caregivers facing the challenges of aging or chronic health issues envision how they could transform their current homes into more user-friendly spaces. Each room of the "idea house" showcased innovative product solutions and services that help support independence—ranging from simple household goods to new wireless technology to meal services and more. The Front Porch Stage featured speakers, demonstrations and entertainment. Wiser Living was a partnership of the Minnesota State Fair, Aging Services of Minnesota and Older But Wiser Living.



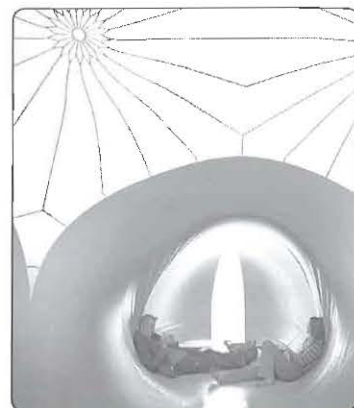
## ARTS A'FAIR

In celebration of arts in Minnesota, fair guests were entertained by drumming, dance, theater and music in surprise pop-up showcases throughout the fairgrounds. The inaugural Arts A'Fair featured performances by COLLIDE Theatrical

Dance Company, Duniya Drum and Dance Company, Green T Productions, History Theatre, In the Heart of the Beast Puppet and Mask Theatre, Live Action Set, Mu Performing Arts, Stages Theatre Company, Summerset Theatre, TigerLion Arts, University of Minnesota Centennial Showboat, and Zorongo Flamenco Dance Theatre & School. Arts A'Fair was supported by contributions made to the Minnesota State Fair Foundation from individuals and the John S. and James L. Knight Foundation.

## LUMINARIUM EXXOPOLIS

This spectacular walk-through sculpture of winding paths, enchanting coves and soaring domes saturated guests in the beauty of light and color. It was constructed of 32,000-square-feet of plastic shaped into 9,000 individual pieces joined by nearly four miles of seams. Created by England's Architects of Air based in the United Kingdom, Exxopolis was located at the intersection of Cooper Street and Murphy Avenue.



## MINNESOTA STATE FLORIST ASSOCIATION FLORALPALOOZA

Eight premier Minnesota florists each showcased their visual interpretations of beloved Dr. Seuss books. Flowers and botanical materials engulfed the Agriculture Horticulture Building's rotunda as each exhibit stretched 24 feet long in a flourish of color and magical whimsy.

## PEOPLE'S CHOICE AWARDS

The State Fair's People's Choice Awards recognized outstanding vendors, while allowing guests to determine the best. During the first six days of the State Fair, visitors were invited to cast ballots at any information booth for their fair favorites in five categories. The winners were:



- Best Product or Service: Henna by Sole Shine
- Best Food or Beverage: Carl's Gizmo Sandwiches
- Best Attraction: Eco Experience-Minnesota Pollution Control Agency
- Best Value: Hamline Church Dining Hall
- Best Customer Service: Mancini's Al Fresco

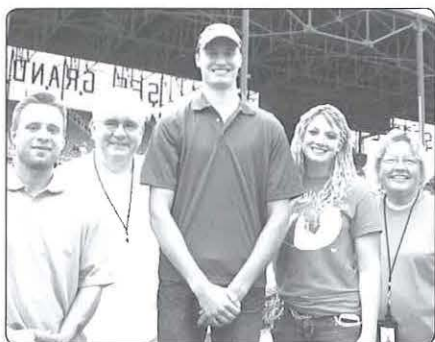
## MILITARY APPRECIATION DAY FLYOVER AND VIETNAM ERA VETERANS PARADE & PROGRAM

On Military Appreciation Day, Tuesday, Aug. 27, the Minnesota State Fair and its visitors honored more than 1,000 Vietnam era veterans in a "Welcome Home" parade through the fairgrounds. Additionally, four T-6 Texan World War II Trainer airplanes thrilled fair guests with a missing-man formation flyover; more than 400 Gold Star family members were recognized with a dedication at the fair's Veterans Memorial Garden; and nearly 10,000 bandanas were given away to fair guests along the parade route to wave in honor of the service members.





# ★ ★ ★ ★ ★ AWARDS & ACCOLADES ★ ★ ★ ★ ★



## 2013 MSF ALL-STAR MVP WINNERS

Five Minnesota State Fair employees were awarded the MSF All-Star MVP Award for exceeding expectations and outstanding service. Winners for 2013 were:

(from left to right): Thomas (Stas) Koeck, Midway Operations/Plant Services; Dave Kettering, Campground; Cody Koenen, Coliseum & Livestock Events/FFA; Nicole Osterdyk, EquiMania™/Competition; Burdette Pederson, Flowers.

## MINNESOTA STATE FAIR RURAL YOUTH SCHOLARSHIPS

The Minnesota State Fair Rural Youth Scholarships were established in 1994 to help further the educational endeavors of young adults from greater Minnesota. Twenty scholarships of \$1,000 each are made available to rural youth or those enrolled in an agriculture program with participation in the current year's Minnesota State Fair. The following individuals were the 2013 recipients:

- Alexandra M. Bosch, Montevideo
- Paige M. Bourne, Maynard
- Jaden M. Carlson, Pipestone
- Dustin R. Compart, Nicollet
- Anna K. Culbertson, Pine Island
- Austin M. Davis, Cokato
- Kendra M. Davis, Glenville
- Adam T. Donkers, Faribault
- Thomas G. Duff, Hampton
- Peter J. Hegland, Utica
- Carmen L. Kryzer, Lewiston
- Mary J. Liebenstein, Dundas
- Austin L. Liepold, Okabena
- Libby K. Mills, Lake City
- Adriane E. Rentschler, Lakefield
- Jonathan T. Roe, Grey Eagle
- Sara A. Roerick, Swanville

- Brandon M. Roiger, Sleepy Eye
- Elen P. Skaar, Minneota
- Greta M. Tank, Cottage Grove

## 50 YEAR AWARD

In 2013, 10 awards were presented to individuals who have actively participated in the Minnesota State Fair for a half-century. They were:

- S. Bruce Anderson – Gate Ticket Sales
- Lee and Bev Bahr – Vendor
- Tim Bahr – Vendor
- Vickie Bahr-Vogt – Vendor
- Ron Butwin – Vendor
- Mike Caskey – Sheep Exhibitor
- Ruth Glende – Creative Activities Exhibitor
- Juanita Reed-Boniface – 4-H
- Robert Roy – Admissions
- Beth Russell – Creative Activities, Farm Crops, Bee & Honey Exhibitor

## HONORARY LIFE MEMBER

The Minnesota State Fair annually elects one individual for honorary life membership in the Minnesota State Agricultural Society. Retiring President Jim Foss is this year's honoree. He was elected to the Minnesota State Fair's board of managers in 2002 and served as president in 2012 and 2013. Foss is a lifelong resident of Goodhue County, where he farmed cattle, hogs and crops on his family's farm. He is retired from active farming. As a youth, Foss participated in 4-H and Future Farmers of America programs at the county and state levels. He joined the Goodhue County Fair board in 1959, and his continuing service to that board includes 13 years as board president. He served as secretary of State FFA from 1956 to 1957, and then as president of the State FFA in 1957 and 1958. He is active in his community where he has served on local school, education and church boards. In 1995, he was inducted



Minnesota State Fair board member  
Jim Foss of Goodhue County

into the Minnesota Livestock Breeders Association Hall of Fame. In 2010, he received the Heritage Award from the International Association of Fairs & Expositions in recognition of his service to fairs and to his community, and he was presented with the Goodhue County Citizen of the Year Award. Most recently, in 2012, he was elected to the Minnesota FFA Hall of Fame.

## OUTSTANDING SENIOR CITIZENS

Kelly Christianson Falk of Roseau and Lloyd Adams of Grand Rapids were named Minnesota's 2013 Outstanding Seniors at the Leinie Lodge Bandshell on Seniors Day, Aug. 29. The two were honored for their outstanding commitment to community service since reaching the age of 65.



Outstanding Senior:  
Kelly Christianson Falk of Roseau



Outstanding Senior:  
Lloyd Adams of Grand Rapids

## DOUGLAS K. BALDWIN AWARD

Laura Bachmeier of Apple Valley with the Randolph FFA Chapter was named the recipient of the Douglas K. Baldwin Award, named in honor of Douglas K. Baldwin, who served as the fair's general manager from 1951 to 1963.

## PRINCESS KAY

MarJenna McWilliam of Winger, representing Polk County, was crowned the 60<sup>th</sup> Princess Kay of the Milky Way to serve as a goodwill ambassador for the dairy industry and the more than 4,000 Minnesota dairy farmers.



# INTERNATIONAL ASSOCIATION OF FAIRS AND EXPOSITIONS AWARDS



*Jerry Hammer with members of his family.*

## HALL OF FAME AWARD

The International Association of Fairs and Expositions (IAFE) inducted the Minnesota State Fair's Executive Vice President and General Manager Jerry Hammer into the Hall of Fame at its 123<sup>rd</sup> Annual Convention in December. The Hall of Fame Award is the highest IAFE honor and is presented annually in recognition of an individual's distinguished achievement in, or contribution to, the fair industry. During Hammer's acceptance speech, he said that the State Fair's success is built on the efforts of many people. "I'm reluctant to accept this award for me personally," Hammer said, "but I will very gladly accept it on behalf of everybody at the Minnesota State Fair." Hammer has spent 44 years serving the Great Minnesota Get-Together. Born and raised a block from the fairgrounds, he began working at

the greenhouse when he was 15 years old and a student at St. Paul's Cretin High School. After graduating from the College of St. Thomas with a degree in journalism, he spent a year as sports and wire editor of the Owatonna People's Press, and then returned to the fair in 1977 as a full-time staff member. He held positions in special events, publicity and marketing before he was appointed general manager in 1997.



## HERITAGE AWARD

Minnesota State Fair board member Al Paulson of Shevlin was presented with the IAFE's Heritage Award, recognizing his decades of volunteer service to his home county fair, the Clearwater County Fair in Bagley, Minn., where he has been fair manager since 1986. Paulson is the Clearwater County auditor and also serves on the Red River Valley Development Association, the Bagley Area Farmers Market and the Headwaters Rotary Club. Paulson has represented the Minnesota State Agricultural Society's ninth district on the State Fair's board of managers since 2004, and was elected board president in January, 2014.

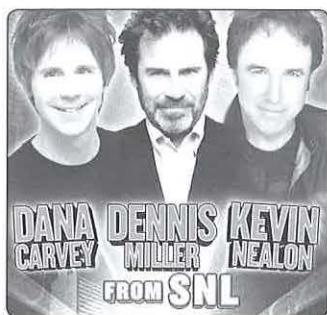
## 2013 STATE FAIR BOARD OF MANAGERS

The State Fair is governed by the Minnesota State Agricultural Society, which is charged exclusively with governance of the State Fair. Society delegates represent all 87 county fairs in Minnesota, along with statewide agricultural groups. At its annual meeting each January, this group elects a 10-member board of managers to set policy and provide oversight for the fair. Nine members represent the Society's nine regional districts, and the 10<sup>th</sup> member (the president) serves at large.



Front row (L-R): Sharon Wessel, Hamel, 3rd District Manager; D.J. Leary, Minneapolis, 5th District Vice President; Jim Foss, Kenyon, President; Joseph Fox, Maplewood, 4th District Vice President; Wally Wichmann, Balaton, 7th District Manager. Back row (L-R): Gordy Toenges, Alden, 1st District Manager; Ron Oleheiser, Grand Rapids, 8th District Manager; Paul Merkins, Stewart, 2nd District Manager; Al Paulson, Shevlin, 9th District Manager; Joe Scapanski, Sauk Rapids, 6th District Manager.





# ★ GRANDSTAND ATTENDANCE ★

Thursday, Aug. 22

**DANA CARVEY, DENNIS MILLER, KEVIN NEALON** from SNL  
8 p.m. • \$38 • Attendance: 2,863

Friday, Aug. 23

**UNDER THE SUN**

featuring **SMASH MOUTH, SUGAR RAY & GIN BLOSSOMS**  
8 p.m. • \$28 • Attendance: 2,088

Saturday, Aug. 24

**SAMMY HAGAR'S FOUR DECADES OF ROCK**  
with special guests **BUCKCHERRY** and **RIVAL SONS**  
7:30 p.m. • \$35 • Attendance: 5,920

Sunday, Aug. 25

**SHERYL CROW** with special guest **DWIGHT YOAKAM**  
7:30 p.m. • \$39 • Attendance: 5,361

Monday, Aug. 26

**THE HAPPY TOGETHER TOUR 2013** featuring **THE TURTLES** with **FLO & EDDIE, CHUCK NEGRON** FORMERLY OF **THREE DOG NIGHT, GARY PUCKETT & THE UNION GAP, GARY LEWIS & THE PLAYBOYS,** and **MARK LINDSAY** (FORMER LEAD SINGER OF **PAUL REVERE & THE RAIDERS**)  
8 p.m. • \$21 • Attendance: 5,447

Tuesday, Aug. 27

**DEPECHE MODE** with special guest **BAT FOR LASHES**  
7:30 p.m. • \$70, \$60 • Attendance: 7,693

Wednesday, Aug. 28

**2013 INTERNET CAT VIDEO FESTIVAL**  
presented by **WALKER ART CENTER**  
7 p.m. • \$10 • Attendance: 9,942

Thursday, Aug. 29

**TRAIN** with special guest **MICHAEL FRANTI & SPEARHEAD**  
7:30 p.m. • \$47, \$37 • Attendance: 7,780

Friday, Aug. 30

**MN MUSIC ON-A-STICK** presented by **89.3 THE CURRENT** featuring **TRAMPLED BY TURTLES, THE SUBURBS, MASON JENNINGS, P.O.S AND THE CHALICE**  
5 p.m. • \$28 • Attendance: 8,834

Saturday, Aug. 31

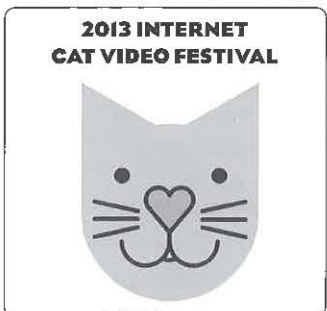
**MACKLEMORE & RYAN LEWIS**  
with special guests **TALIB KWELI** and **CHANCE THE RAPPER**  
7:30 p.m. • \$30, \$20 • Attendance: 16,259 (sold out)

Sunday, Sept. 1

**MINNESOTA STATE FAIR AMATEUR TALENT CONTEST FINALS**  
7:30 p.m. • Free - No Grandstand Ticket Required • Attendance: approx. 9,000

Monday, Sept. 2

**TIM MCGRAW** with special guest **BRANTLEY GILBERT**  
7:30 p.m. • \$71, \$56 • Attendance: 13,047 (sold out)





★ ★ ★ ★ ★ **FREE STAGES** ★ ★ ★ ★ ★

## THE LEINIE LODGE BANDSHELL TONIGHT!



Aug. 22 & 23  
**SUNNY SWEENEY**



Aug. 24 & 25  
**BLUE  
OYSTER CULT**



Aug. 26 & 27  
**HANSON**



Aug. 28 & 29  
**SHEILA E.**



Aug. 30 & 31  
**ROBERT  
RANDOLPH & THE  
FAMILY BAND**



Sept. 1 & 2  
**LARRY GATLIN  
& THE GATLIN  
BROTHERS**

## ■ LEINIE LODGE BANDSHELL

- **Aug. 22 & 23:** Mountain Heart, Chubby Carrier and The Bayou Swamp Band, Dale Watson
- **Aug. 24 & 25:** The Stellas featuring Lennon and Maisy, Alex Meixner Polka Band, Jason D. Williams
- **Aug. 26 & 27:** The 34th Infantry Division "Red Bull" Band, Tonic Sol-fa, Bill Kirchen's Texicalli
- **Aug. 28 & 29:** Neil Zunker and The Music Connection, Maggie Rose, Whisperin' Bill Anderson
- **Aug. 30 & 31:** Home Free, Rosie Flores and The Riveters, Kenny Neal
- **Sept. 1 & 2:** Eric Paslay, The Quebe Sisters Band, Michael Salgado, SongBlast – Dueling Guitars

## ■ FAMILY FAIR STAGE IN BALDWIN PARK

- **Aug. 22 – Sept. 2:** Sean Emery, Break-Shop Bump'n
- **Aug. 22 & 23:** Kidsdance
- **Aug. 24 & 25:** The Okee Dokee Brothers
- **Aug. 26 & 27:** The Bazillions
- **Aug. 28 & 29:** Mama Lou: American Strong Woman
- **Aug. 30 & 31:** The Choo Choo Bob Show Live!
- **Sept. 1 & 2:** Jared Sherlock

## ■ RAMBERG SENIOR CENTER

- **Aug. 22 & 23:** Mark Stillman, RAMM Band
- **Aug. 24 & 25:** The Mellow Fellows, David Malmberg
- **Aug. 26 & 27:** Bill Koncar, Rod Cerar Orchestra
- **Aug. 28 & 29:** Bandana, Jim Berner's Music Legends
- **Aug. 30 & 31:** Radio Joe and The JazzBos, Patty and The Buttons
- **Sept. 1 & 2:** The Irish Brigade, The Fairlanes

## ■ INTERNATIONAL BAZAAR

- **Aug. 22 & 23:** Dirty Shorts Brass Band, Six Appeal
- **Aug. 24 & 25:** Dominic Gaudious, Café Accordion Orchestra
- **Aug. 26 & 27:** Kris and the Riverbend Dutchmen, Sena Ehrhardt
- **Aug. 28 & 29:** Tom Mason and The Blue Buccaneers, Ray Covington
- **Aug. 30 & 31:** Cheremosh Ukrainian Dance Ensemble, Native Pride Dancers

- **Sept. 1 & 2:** BATO! BATO! Breck Marimba Ensemble, The Barley Jacks

## ■ BAZAAR AFTER DARK

- **Aug. 22 & 23:** Socaholix
- **Aug. 24 & 25:** Tropical Zone Orchestra
- **Aug. 26 & 27:** Lost Highway
- **Aug. 28 & 29:** Salsa del Soul
- **Aug. 30 & 31:** The New Primitives
- **Sept. 1 & 2:** GB Leighton

## ■ HERITAGE SQUARE

- **Aug. 22 & 23:** The Roe Family Singers, The Harris Brothers, James Wedgwood Ventriloquist
- **Aug. 24 & 25:** The Daisy Dillman Band, The Minnesota State Fiddle Contest, Kenny Ahern
- **Aug. 26 & 27:** The Chmielewski Funtime Band, The Barbary Coast Dixieland Show Band, The Memories
- **Aug. 28 & 29:** Jerry O'Hagan and his Orchestra, Mary Jane Alm, Magician Jerry Frasier
- **Aug. 30 & 31:** The Boundary Water Boys, The Minnesota Flatpicking Guitar and Duet Championships, Glen Everhart
- **Sept. 1 & 2:** Blue Wolf Bluegrass, Crankschaft and the Gear Grinders, Mary Mack

## ■ HERITAGE AT SUNDOWN

- **Aug. 22 & 23:** Lucy Michelle and the Velvet Lapelles
- **Aug. 24 & 25:** Pert' Near Sandstone
- **Aug. 26 & 27:** Sarah Gayle Meech
- **Aug. 28 & 29:** Billy McLaughlin
- **Aug. 30 & 31:** Pieta Brown & the Sawdust Collective
- **Sept. 1 & 2:** Chastity Brown

## ■ THE X-ZONE

- **Aug. 22 – Sept. 2:** 3rd Lair SkatePark, Flippenout Extreme Trampoline Show

## ■ THE NORTH WOODS

- **Aug. 22 – Sept. 2:** Timberworks Lumberjack Show, Ron Schara's Minnesota Bound

**LEE & ROSE WARNER COLISEUM**

## ■ ENGLISH HORSE SHOWS

- **Wednesday, Aug. 21:** 9 a.m.
- **Thursday, Aug. 22:** 9 a.m., 1 and 6 p.m.
- **Friday, Aug. 23:** 1 and 6:30 p.m.
- **Saturday, Aug. 24:** 6 p.m.
- **Sunday, Aug. 25:** 8:30 a.m., noon and 6 p.m.
- **Monday, Aug. 26:** 1 and 6 p.m.
- **Tuesday, Aug. 27:** 6 p.m.



## ■ HIGH SCHOOL RODEO

- **Wednesday, Aug. 28:** 6 p.m.
- **Thursday, Aug. 29:** noon and 6 p.m.
- **Friday, Aug. 30:** noon

## ■ WESTERN HORSE SHOWS

- **Friday, Aug. 30:** 6 p.m.
- **Saturday, Aug. 31:** 6 p.m.
- **Sunday, Sept. 1:** 8 a.m., 12:30 and 6 p.m.
- **Monday, Sept. 2:** 8:30 a.m. and 12:30 p.m.





#### PRINCIPALS

Thomas M. Montague, CPA  
Thomas A. Karnowski, CPA  
Paul A. Radosevich, CPA  
William J. Lauer, CPA  
James H. Eichten, CPA  
Aaron J. Nielsen, CPA  
Victoria L. Holinka, CPA

### INDEPENDENT AUDITOR'S REPORT

To the Board of Managers and Management  
Minnesota State Agricultural Society

#### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the enterprise fund and the discretely presented component unit of the Minnesota State Agricultural Society (dba Minnesota State Fair) (the Society) as of and for the year ended October 31, 2013, and the related notes to the financial statements, which collectively comprise the Society's basic financial statements as listed in the table of contents.

#### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Minnesota State Fair Foundation, a discretely presented component unit whose statements reflect total assets and expenses of \$1,370,382 and \$1,166,716, respectively, as of and for the year ended October 31, 2013. Those financial statements were audited by other auditors whose reports thereon have been furnished to us. Our opinion on the basic financial statements, insofar as it relates to the amounts included for this organization as a component unit of the Society, is based solely on the report of the other auditor. 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 from material misstatement. The financial statements of the Minnesota State Fair Foundation were not audited in accordance with *Government Auditing Standards*.

(continued)

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

5353 Wayzata Boulevard • Suite 410 • Minneapolis, MN 55416 • Telephone: 952-545-0424 • Telefax: 952-545-0569 • [www.mmkr.com](http://www.mmkr.com)



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **OPINIONS**

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the enterprise fund and the discretely presented component unit of the Society as of October 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## **OTHER MATTERS**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and the required supplementary information, which follows the notes to basic financial statements, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Society's basic financial statements. The general information, supporting schedule – revenues and expenses, and meeting minutes, as listed in the table of contents, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

(continued)



The supporting schedules – revenues and expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The general information and meeting minutes have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Prior Year Comparative Information**

We have previously audited the Society's 2012 financial statements, and we, with reliance on other auditors, expressed unmodified audit opinions on the respective financial statements of the enterprise fund and the discretely presented component unit in our report dated April 30, 2013. In our opinion, based on our audit and the report of the other auditor, the partial comparative information presented herein as of and for the year ended October 31, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2014 on our consideration of the Society's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control over financial reporting and compliance.

*Malloy, Montague, Karnowski, Radosevich & Co., P.A.*

Minneapolis, Minnesota  
May 5, 2014



# MINNESOTA STATE FAIR

## ■ Management Discussion and Analysis

The Minnesota State Agricultural Society produces the annual Minnesota State Fair and manages the State Fairgrounds. The Society is a quasi-state agency, and operates with no public subsidy of any kind, for any purpose. The costs to produce the annual State Fair and all capital and maintenance improvements to the historic State Fairgrounds are financed with revenue earned by the Society and State Fair Foundation donations. Following is an analysis of the Society's financial activities and performance during the fiscal years ended October 31, 2013 and 2012, along with detailed financial statements and supplementary information.

The Minnesota State Fair Foundation was established in 2002 as a tax exempt 501 (c)(3) nonprofit corporation with the exclusive mission of raising funds to assist the Society in improving and maintaining the State Fairgrounds. Therefore, comparative Foundation financial statements for fiscal years 2013 and 2012 are presented as a component unit of the Society.

## ■ Overview of the Financial Statements

The Society's financial statements are accounted for as an enterprise fund, which operates in a manner similar to a private business enterprise. The Statement of Net Position outlines all of the Society's assets, deferred outflows of resources and liabilities, and includes detailed discussion of capital assets – namely, the State Fairgrounds and its facilities. Next, income and expenses for the year are presented in the Statement of Revenue, Expenses and Changes in Net Position; this statement serves to determine if the Society has earned an acceptable level of net income. Finally, the Statement of Cash Flows provides information on cash receipts and payments generated from operations, as well as finance and investment activities that occurred during the year.

## ■ Net Position

The Condensed Statement of Net Position provides a quick look at the Society's overall financial position. Net position decreased to \$43.9 million during fiscal 2013. A decrease in net operating income and foundation grants resulted in a decrease in net position of \$1.4 million during fiscal 2013.

Approximately 96% of the Society's net position – \$42.1 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-round.

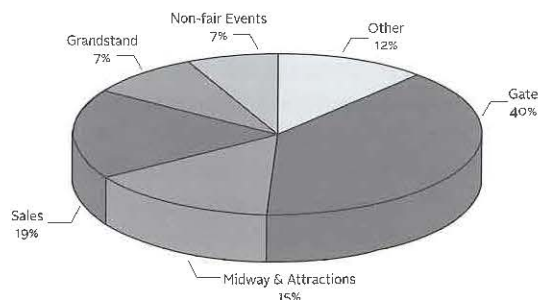
## ■ Income and Expense

The State Fair realized a decrease in net position of \$1.4 million in 2013, based upon gross revenues of \$39.4 million and gross expenses of \$40.8 million. The previous year showed an increase in net position of \$3.0 million from income of \$43.2 million and expenses of \$40.2 million. 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. The 2013 Fair experienced very high heat and humidity on seven of its 12 days. Despite those challenging temperatures, Sunday, September 1 welcomed 236,107 visitors, making it the best-attended single day in State Fair history. Leading up to that record-setting attendance day, the weather played a significant role in the final operating results as attendance was lower than expected causing a

### REVENUE, EXPENSE AND CHANGES IN NET POSITION

	2013	2012
<b>Revenue</b>		
Ticket sales	\$23,896,000	\$26,807,000
Activities	10,136,000	10,360,000
Other	4,859,000	5,041,000
<b>Non-operating revenue</b>		
Grant revenue	536,000	1,022,000
<b>Total revenue</b>	<b>39,427,000</b>	<b>43,230,000</b>
<b>Expense</b>		
Activities, support and administrative	25,845,000	26,382,000
General operations	15,024,000	13,871,000
<b>Total expense</b>	<b>40,869,000</b>	<b>40,253,000</b>
<b>Changes in net position</b>	<b>(1,442,000)</b>	<b>2,977,000</b>
<b>Beginning net position</b>	<b>45,325,000</b>	<b>42,348,000</b>
<b>Ending net position</b>	<b>44,883,000</b>	<b>45,325,000</b>

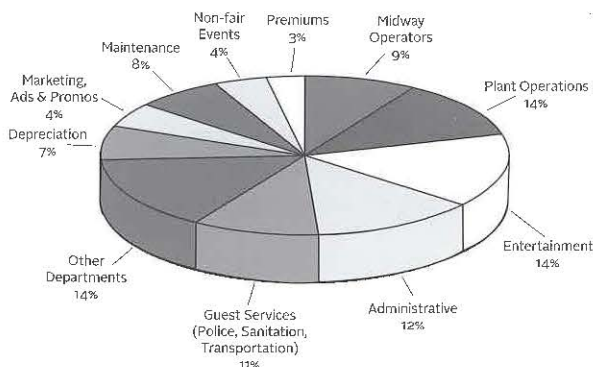
### 2013 Income (\$39.4 million)



### 2013 Income (in millions)

- Gate - \$15.9
- Midway & Attractions - \$6.0
- Sales - \$7.5
- Grandstand - \$2.7
- Non-fair Events - \$2.9
- Other - \$4.4

### 2013 Expense (\$40.8 million)



### 2013 Expense (in millions)

- Midway Operators - \$3.5
- Plant Operations - \$5.8
- Entertainment - \$5.7
- Administrative - \$4.9
- Guest Services (Police, Sanitation, Transportation) - \$4.4
- Other Departments - \$5.9
- Depreciation - \$2.8
- Marketing, Ads & Promos - \$1.7
- Maintenance - \$3.2
- Non-fair Events - \$1.6
- Premiums - \$1.3



corresponding decrease in many revenue areas which in turn resulted in a decrease in net income.

In a typical year, ticket sales represent two-thirds of the State Fair's gross annual income. In 2013, the ticket sales total of \$23.9 million was earned chiefly through sales of outside gate and parking tickets (\$15.9 million), Mighty Midway and Kidway tickets (\$5.3 million), and Grandstand tickets (\$2.7 million).

As with most business enterprises, expenses are very diverse. The State Fair provides extensive services to fair visitors that include police protection (\$1.4 million), sanitation (\$1.1 million) and Park & Ride bus service (\$1.9 million). Other expenses include Grandstand and free entertainment (\$5.7 million), fairgrounds plant operations (\$5.8 million) and maintenance and depreciation of State Fair facilities (\$6.0 million).

A detailed breakdown of the State Fair's income and expenses is included in the Revenues and Expenses Supporting Schedule on pages 25-28.

## CONDENSED STATEMENT OF NET POSITION

	2013	2012
Current & other assets	\$ 7,967,000	\$ 10,635,000
Capital assets	<u>49,593,000</u>	<u>47,341,000</u>
Total assets	57,560,000	57,976,000
Deferred outflows of resources	453,000	503,000
Long-term notes	7,977,000	9,052,000
Other liabilities	<u>6,153,000</u>	<u>4,102,000</u>
Total liabilities	14,130,000	13,154,000
Net investment in capital assets	42,069,000	38,867,000
Restricted	1,288,000	1,303,000
Unrestricted	<u>526,000</u>	<u>5,155,000</u>
Total net position	<u>\$43,883,000</u>	<u>\$45,325,000</u>

## ■ Capital Assets (The State Fairgrounds)

The State Fair's capital assets consist of: 105 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 date back to Works Progress Administration (WPA) days in the '30s and very early '40s. Some buildings are even older, such as the Grandstand (1909), Fine Arts Center (1907) and Progress Center (1907).

In 2013, the State Fair invested \$5,025,000 in capital improvements. Projects included \$1,288,000 for the construction of a new restroom; \$1,205,000 for electrical and fiber optic system upgrades; \$1,160,000 related to the construction of the West End Market that is in progress at year end; and \$431,000 in roof replacements expenditures. In 2012, the State Fair invested \$4,362,000 in capital improvements. Projects included \$3,007,000 for the construction of the new AgStar Arena; \$405,000 for roof replacement on the Progress Center; \$303,000 to remodel the interior of the Education Building; and \$201,000 on the continuing upgrade of the fairgrounds-wide fiber optic system.

Additional information on capital assets can be found in note 3 of the accompanying financial statements.

## ■ Long-Term Liabilities

During fiscal 2012, the Society issued a \$9,052,000 refunding revenue note to retire the outstanding revenue bond and revenue note. After a principal payment of \$1,075,000 during 2013, the long-term principal balance as of October 31, 2013 is \$7,977,000. Additional information on long-term debt can be found in note 4 of the accompanying financial statements.

## ■ State Fair Foundation

Please refer to Note 9 in the accompanying financial statements for information on the Minnesota State Fair Foundation and for information on how Foundation financial statements can be obtained.

# **■ Minnesota State Fair Statement of Net Position**

**As of October 31**

**2013**

**2012**

## **ASSETS**

### **Current assets:**

Cash and cash equivalents - unrestricted	\$ 5,704,396	\$ 8,096,573
Cash and cash equivalents - restricted	1,288,268	1,303,193
Accounts receivable	856,141	885,000
Prepaid expenses	7,596	162,012
Note receivable - current	69,600	21,600
Accrued interest receivable	<u>739</u>	<u>627</u>

### **Total current assets**

**\$ 7,926,740** **\$ 10,469,005**

### **Non-current assets:**

Receivable due from Minnesota State Fair Foundation	18,269	122,944
Note receivable	21,600	43,200
Capital Assets, not being depreciated	3,663,041	2,503,439
Capital Assets, net of related depreciation	<u>45,930,204</u>	<u>44,837,794</u>

### **Total non-current assets**

**\$ 49,633,114** **\$ 47,507,377**

### **Total assets**

**\$ 57,559,854** **\$ 57,976,382**

### **Deferred outflows of resources**

Deferred amount on refunding of debt	\$ 452,604	\$ 502,894
--------------------------------------	------------	------------

### **Total assets and deferred outflows of resources**

**\$ 58,012,458** **\$ 58,479,276**

## **LIABILITIES**

### **Current liabilities:**

Accounts payable	\$ 3,655,178	\$ 1,900,444
Accrued salaries	231,837	184,358
Unearned revenue	169,315	172,830
Note interest payable	25,645	28,778
Note payable - current	1,086,000	1,075,000
Compensated absences - current	<u>402,748</u>	<u>373,538</u>

### **Total current liabilities**

**\$ 5,570,723** **\$ 3,734,948**

### **Noncurrent liabilities:**

Note payable due in more than one year	\$ 6,891,000	\$ 7,977,000
Unamortized note discount	-	(74,750)
Compensated absences	294,233	320,430
Other post employment benefit obligations	<u>1,373,586</u>	<u>1,196,961</u>

### **Total non-current liabilities**

**\$ 8,558,819** **\$ 9,419,641**

### **Total liabilities**

**\$ 14,129,542** **\$ 13,154,589**

## **NET POSITION**

Net invested in capital assets	\$ 42,068,849	\$ 38,866,877
Restricted for:		
Debt service	1,287,818	1,302,743
Capital improvements	450	450
Unrestricted	<u>525,799</u>	<u>5,154,617</u>

### **Total net position**

**\$ 43,882,916** **\$ 45,324,687**

### **Total liabilities and net position**

**\$ 58,012,458** **\$ 58,479,276**

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



# Minnesota State Fair Foundation Statement of Net Assets

As of October 31

	2013	2012
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,111,823	\$ 1,053,264
Investments	166,883	78,516
Accounts receivable	-	1,834
Contributions receivable, net	80,144	385,717
Prepaid expenses and other assets	4,321	6,024
Merchandise inventory	5,335	3,650
Property and equipment, net of accumulated depreciation of \$5,453 and \$15,033, respectively	1,876	5,291
<b>Total assets</b>	<b>\$ 1,370,382</b>	<b>\$ 1,534,296</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Accounts payable	\$ 5,027	\$ 3,873
Accrued expenses	29,705	22,680
Payable due to the Minnesota State Agricultural Society	18,269	122,944
<b>Total Liabilities</b>	<b>53,001</b>	<b>149,497</b>
<b>Net Assets</b>		
Unrestricted:		
Undesignated	384,877	278,085
Board designated for fine arts	33,385	23,047
Board designated for endowment	3,282	2,790
<b>Total unrestricted net assets</b>	<b>421,544</b>	<b>303,922</b>
Temporarily restricted	734,078	936,298
Permanently restricted	161,759	144,579
<b>Total net assets</b>	<b>1,317,381</b>	<b>1,384,799</b>
<b>Total liabilities and net assets</b>	<b>\$ 1,370,382</b>	<b>\$ 1,534,296</b>

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

# **■ Minnesota State Fair Statement of Revenue, Expenses and Changes in Net Position**

For the years ended October 31

	2013	2012
<b>OPERATING REVENUES</b>		
Ticket sales	\$ 23,896,041	\$ 26,807,135
Activities	10,135,897	10,359,507
Other	<u>4,852,151</u>	<u>4,967,875</u>
<b>Total operating revenues</b>	<b>\$ 38,884,089</b>	<b>\$ 42,134,517</b>
<b>OPERATING EXPENSES</b>		
Administrative	\$ 4,934,971	\$ 5,030,799
Activities and support	20,909,988	21,351,887
Premiums	1,261,675	1,262,352
Plant operations	5,811,228	5,029,726
Plant maintenance	3,240,108	2,910,516
Other	1,595,516	1,522,137
Depreciation	<u>2,752,947</u>	<u>2,695,030</u>
<b>Total operating expenses</b>	<b>\$ 40,506,433</b>	<b>\$ 39,802,447</b>
<b>Operating income (loss)</b>	<b>\$ (1,622,344)</b>	<b>\$ 2,332,070</b>
<b>NON OPERATING REVENUES (EXPENSES)</b>		
Investment income	\$ 6,897	\$ 72,773
Grant revenue	535,680	1,022,279
Interest expense	(342,175)	(450,939)
Loss on disposal of capital assets	<u>(19,829)</u>	<u>-</u>
<b>Total non-operating revenues (expenses)</b>	<b>\$ 180,573</b>	<b>\$ 644,113</b>
Change in net position	\$ (1,441,771)	\$ 2,976,183
<b>Total net position, beginning of year</b>	<b>\$ 45,324,687</b>	<b>\$ 42,348,504</b>
<b>Net position, end of year</b>	<b>\$ 43,882,916</b>	<b>\$ 45,324,687</b>

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



# ■ Minnesota State Fair Foundation Statement of Activities

For the years ended October 31

	2013				2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES</b>								
Contributions	\$ 185,346	\$ 354,459	\$ 17,180	\$ 556,985	\$ 151,303	\$ 462,269	\$ 113,660	\$ 727,232
Support from the Minnesota State Agricultural Society	210,535	-	-	210,535	211,969	-	-	211,969
In-Kind Contributions	84,339	-	-	84,339	76,881	-	-	76,881
Special Events, Net of Direct Benefits of \$38,251 and \$51,965, Respectively	65,558	-	-	65,558	55,124	-	-	55,124
Interest and Dividends	1,320	3,427	-	4,747	2,700	1,493	-	4,193
Unrealized Gains on Investments	400	18,395	-	18,795	206	5,026	-	5,232
Miscellaneous Income	75	-	-	75	-	-	-	-
Net Assets Released from Restrictions	578,501	(578,501)	-	-	1,082,806	(1,082,806)	-	-
<b>Total</b>	<b>1,126,074</b>	<b>(202,220)</b>	<b>17,180</b>	<b>941,034</b>	<b>1,580,989</b>	<b>(614,018)</b>	<b>113,660</b>	<b>1,080,631</b>
Merchandise Sales and Commissions	217,979	-	-	217,979	224,538	-	-	224,538
Less: Cost of goods sold	(59,715)	-	-	(59,715)	(60,219)	-	-	(60,219)
Net Merchandise Sales and Commissions	158,264	-	-	158,264	164,319	-	-	164,319
<b>Total Revenues</b>	<b>1,284,338</b>	<b>(202,220)</b>	<b>17,180</b>	<b>1,099,298</b>	<b>1,745,308</b>	<b>(614,018)</b>	<b>113,660</b>	<b>1,244,950</b>
<b>EXPENSES</b>								
Grants to the Minnesota State Agricultural Society	535,680	-	-	535,680	1,022,279	-	-	1,022,279
Payroll	421,879	-	-	421,879	400,103	-	-	400,103
Production Expenses	56,018	-	-	56,018	72,224	-	-	72,224
Contract Services	48,009	-	-	48,009	45,947	-	-	45,947
Office Expenses	39,005	-	-	39,005	41,799	-	-	41,799
Occupancy	32,809	-	-	32,809	33,711	-	-	33,711
Business Expenses	19,310	-	-	19,310	20,560	-	-	20,560
Travel and Meetings	6,011	-	-	6,011	3,241	-	-	3,241
Other Expenses	7,995	-	-	7,995	8,873	-	-	8,873
<b>Total Expenses</b>	<b>1,166,716</b>	<b>-</b>	<b>-</b>	<b>1,166,716</b>	<b>1,648,737</b>	<b>-</b>	<b>-</b>	<b>1,648,737</b>
<b>CHANGE IN NET ASSETS</b>	<b>117,622</b>	<b>(202,220)</b>	<b>17,180</b>	<b>(67,418)</b>	<b>96,571</b>	<b>(614,018)</b>	<b>113,660</b>	<b>(403,787)</b>
Net assets - Beginning	303,922	936,298	144,579	1,384,799	207,351	1,550,316	30,919	1,788,586
<b>NET ASSETS - ENDING</b>	<b>\$ 421,544</b>	<b>\$ 734,078</b>	<b>\$ 161,759</b>	<b>\$ 1,317,381</b>	<b>\$ 303,922</b>	<b>\$ 936,298</b>	<b>\$ 144,579</b>	<b>1,384,799</b>

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

# ■ Minnesota State Fair Statement of Cash Flows

For the years ended October 31

2013

2012

## Cash flow from operating activities

Cash received from operations

Ticket sales

\$ 23,989,372

\$ 26,676,900

Activities

10,244,532

9,982,635

Other

4,780,204

5,369,858

Cash payment for operating expenses

To suppliers of goods or services

(27,355,628)

(27,685,899)

To employees for services

(9,105,619)

(8,862,970)

**Net cash provided by operating activities**

**\$ 2,552,861**

**\$ 5,480,524**

## Cash flow from capital and related financing activities

Payments for acquisition and construction of capital assets

\$ (4,096,420)

\$ (4,325,151)

Payments for acquisition of State Fair property

(96,000)

-

Payments on note receivable

69,600

21,600

Principal payments on revenue note

(1,075,000)

(960,000)

Interest payments on revenue note

(220,269)

(483,529)

Proceeds from issuance of refunding bonds and revenue notes

-

9,052,000

Payments on refunded bonds and revenue notes

-

(9,585,000)

Other payments on refunding bond issue

(397,582)

Net cash provided (used) by capital and related financing activities

\$ (5,418,089)

\$ (6,677,662)

## Cash flow from non-capital financing activities

Grant revenue

451,341

870,052

## Cash flow from investing activities

Interest earnings

6,785

82,257

Net increase (decrease) in cash and cash equivalents

(2,407,102)

\$ (244,829)

Cash and cash equivalents, beginning of year

9,399,766

9,644,595

**Cash and cash equivalents, end of year**

**\$ 6,992,664**

**\$ 9,399,766**

## Reconciliation of operating income (loss) to net cash provided by operating activities

Operating income (loss)

\$ (1,622,344)

\$ 2,332,070

Adjustments to reconcile operating income (loss) to net cash provided by operating activities

Depreciation

2,752,947

2,695,030

Other non-operating revenues and cash expenses

84,340

152,227

Changes in assets and liabilities

Assets: (increase) decrease

Accounts receivable

133,534

(146,571)

Prepaid expenses

154,416

(12,437)

Liabilities: increase (decrease)

Accounts payable

826,366

76,198

Accrued salaries

47,479

44,373

Compensated absences

3,013

95,516

Unearned revenue

(3,515)

41,447

Other post employment benefit obligations

176,625

\$ 202,671

Total adjustments

\$ 4,175,205

\$ 3,148,454

## Net cash provided by operating activities

**\$ 2,552,861**

**\$ 5,480,524**

## Supplemental disclosure of non-cash transactions

For fiscal year 2013 and 2012, accounts payable included capitalized expenses of \$1,004,009 and \$75,641, respectively. For fiscal year 2013 and 2012, the Society received in-kind contributions totaling \$84,340 and \$152,227, respectively. In fiscal 2013, the Fair sold state fair property in exchange for a note receivable in the amount of \$96,000.

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



## ■ Footnotes

### NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The Minnesota State Agricultural Society (dba Minnesota State Fair) 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 using the economic resources measurement focus and the accrual basis of accounting. The Society's accounting practices conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the time of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

This report includes the Minnesota State Fair Foundation financial statements. Although a legally separate organization, the Foundation is considered a component unit of the Society given its resources entirely, or almost entirely benefit the Society, the Society is entitled to these resources, and the resources are significant to the Society's operations. The Foundation is presented as a discretely presented component unit in these financial statements.

The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's information in the Society's financial reporting entity for these differences.

Enterprise funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the enterprise fund's principal operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and the depreciation of capital assets. All other revenues and expenses are reported as non-operating items.

For purposes of the Statement of Cash Flows, the Society considers all highly liquid debt instruments with an original maturity from the time of purchase by the Society of three months or less to be cash equivalents.

Investments are generally stated at fair value, except for investments in 2a7 - like external investment pools, which are stated at amortized cost. Short-term, highly liquid debt instruments (including commercial paper, bankers' acceptance, and U.S. treasury and agency obligations) purchased with a remaining maturity of one year or less are also reported at amortized cost. Investment income is accrued at the balance sheet date.

When necessary, the Society utilizes an allowance for uncollectible accounts to value its receivables. However, the Society considers all of its receivables to be collectible.

Notes receivable consist of loans by the Society to two local businesses for property development on the Fairgrounds. Annual payments are being made on the notes until fiscal 2015.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid expenses in the Society's proprietary funds. Prepaid expenses are reported using the consumption method and recorded as an expense at the time of consumption.

Costs of newly acquired assets are capitalized at historical cost and written off as depreciation charges over their estimated useful lives. Costs of improvements and renovations that add to the original value or materially extend the useful life to the related asset are capitalized and written off as depreciable over their estimated useful life. Purchases over

\$5,000 with an estimated useful life exceeding one year are capitalized. Interest incurred during construction of capital assets is included in the value of the assets. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Depreciation is computed by the straight-line method. Land and construction in progress are not depreciated. The provision for depreciation is calculated based on the following lives:

#### Land improvements:

Fence & Fixtures	20 years
Land improvements	20 to 30 years
Structures	20 to 50 years

#### Utility systems:

Electrical system	30 years
Gas distribution system	30 years
Sewer system	20 years
Water distribution system	20 to 50 years

Personal Property	5 or 10 years
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In addition to assets, statements of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The Society has one type of item that qualifies for reporting in this category. Deferred amount on refunding of debt is the difference (gain) resulting from current refundings and advance refundings and is reported as a deferred outflow of resources in the Statement of Net Position.

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. All compensated absences expected to be paid on termination of employment are accrued when incurred.

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

The Society is exposed to various risks of loss related to the theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers compensation for which the Society carries insurance. Settled claims have not exceeded coverage in any of the past three fiscal years. There were no significant reductions in the Society's insurance coverage in fiscal year 2013.

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

1. Net investment in capital assets - 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 position - consists of net position (funds) that are reported separately due to restrictions in place required by debt obligations or enabling legislation that mandate how these funds are applied by the Society. These assets are for debt service payments and capital improvements.
3. Unrestricted net position - consists of all other assets that do not meet the criteria of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Society's policy to use restricted resources first, then unrestricted resources as they are needed.

The Statement of Net Position, Statement of Revenue and Expense and Changes in Net Position include prior year partial comparative



information in total but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Society's financial statements for the year ended October 31, 2012, from which the summarized information was derived. Also, certain amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation.

During the year ended October 31, 2013, the Society implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. GASB Statement No. 63 created two new financial statement elements, deferred outflows of resources (a consumption of net position that is applicable to a future reporting periods), and deferred inflows of resources (an acquisition of net position that is applicable to a future reporting period, which are distinct from assets and liabilities. It also defined net position as the residual of all other elements presented in a statement of net position (assets + deferred outflows of resources - liabilities - deferred inflows of resources = net position). GASB Statement No. 65 identified specific items previously reported as assets that will now be classified as either deferred outflows of resources or outflows (expenses), and items previously reported as liabilities that will now be reported as either deferred inflows of resources or inflows (revenues).

## 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, in accordance with Minnesota Statutes 37. Minnesota State Statute Section 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 uninsured portion at the close of the business day. On October 31, 2013, according to the bank records, the Society had short-term investments of \$6,432,422 that were invested in repurchase agreements that are backed by U.S. agency underlying securities. After adjusting the bank balance of \$1,420,500 for outstanding checks, deposits in transit, and other reconciling items, the carrying value of deposits totaled \$560,242. Cash and cash equivalents totaled \$6,992,664. At October 31, 2013, all deposits were fully covered by federal depository insurance, surety bonds, or collateral held by the Society's agent in the Society's name.

### Cash and Cash Equivalents of the Minnesota State Agricultural Society for the years ending October 31:

	2013	2012
Cash Equivalents - Restricted		
Building Account	\$ 450	\$ 450
Debt Service Account	<u>1,287,818</u>	<u>1,302,743</u>
Total Restricted Cash Equivalents	1,288,268	1,303,193
Cash Equivalents - Unrestricted	<u>5,704,396</u>	<u>8,096,573</u>
Total Cash Equivalents	<u>\$ 6,992,664</u>	<u>\$ 9,399,766</u>

Restricted cash equivalents represent funds restricted in application by revenue note sale covenant requirements.

Investments are subject to various risks, the following of which are considered the most significant:

**Custodial Credit Risk** – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction, the Society would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Although the

Society's investment policy does not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

**Credit Risk** – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Society's investment policy limits the type of investments that may be purchased to the following: short-term U.S. government securities or obligations issued or guaranteed by the U.S. government or one of its agencies, other high quality money market securities, or investments as defined in Minnesota State Statutes, Chapter 118A and 37. As of October 31, 2013, the Society's investment in a Bremer Bank repurchase agreement had underlying securities consisting of government agencies that were all rated AA by Standard and Poor's Investor Service.

**Concentration Risk** – This is the risk associated with investing a significant portion of the Society's investments (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The Society's investment policy does not address concentration risk. As of October 31, 2013, the Society's investments include the following percentages of specific issuers: Bremer Bank repurchase agreement 100.0 %.

**Interest Rate Risk** – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The Society's investment policies do not address interest rate risk.

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

	Beginning Balance 11/01/12	Increases	Decreases	Ending Balance 10/31/13
<b>Capital assets, not being depreciated:</b>				
Land	\$2,503,439	-	-	\$2,503,439
Construction in progress	-	<u>1,159,602</u>	-	<u>1,159,602</u>
<b>Total capital assets, not being depreciated:</b>	<b>2,503,439</b>	<b>1,159,602</b>	<b>-</b>	<b>3,663,041</b>
<b>Capital assets, being depreciated:</b>				
Land improvements	79,179,723	2,472,430	(479,219)	81,172,934
Utility systems	10,580,104	1,249,801	-	11,829,905
Personal property	<u>1,389,234</u>	<u>142,955</u>	-	<u>1,532,189</u>
<b>Total capital assets, being depreciated</b>	<b>91,149,061</b>	<b>3,865,186</b>	<b>(479,219)</b>	<b>94,535,028</b>
<b>Less accumulated depreciation for:</b>				
Land improvements	(39,073,048)	(2,207,214)	459,390	(40,820,872)
Utility systems	(6,263,354)	(363,964)	-	(6,627,318)
Personal property	<u>(974,865)</u>	<u>(181,769)</u>	-	<u>(1,156,634)</u>
<b>Total accumulated depreciation</b>	<b>(46,311,267)</b>	<b>(2,752,947)</b>	<b>459,390</b>	<b>(48,604,824)</b>
Total capital assets, being depreciated, net	<u>44,837,794</u>	<u>1,112,239</u>	<u>(19,829)</u>	<u>45,930,294</u>
<b>Total capital assets, net</b>	<b>\$ 47,341,233</b>	<b>\$ 2,271,841</b>	<b>\$ (19,829)</b>	<b>\$ 49,593,245</b>

## NOTE 4: LONG-TERM LIABILITIES

	Balance 11/01/12	Additions	Deletions	Balance 10/31/13	Due Within One Year
Refunding revenue note	\$ 9,052,000	\$ -	\$ (1,075,000)	\$ 7,977,000	\$ 1,086,000

The refunding Revenue Note was issued to finance the retirement (refunding) of prior bond issues. The note is a special, limited liability



obligation of the Society and is not secured by the full faith and credit of the Society. The note payable is solely from the revenues of the Fair. Operating revenues at October 31, 2013 were \$38,884,089 which exceeds the amount required for payment of principal and interest in 2014. The interest rate is 2.53% and matures September 15, 2022. As of October 31, 2013, \$6,765,000 of defeased revenue bond debt is outstanding.

Annual debt service requirements to maturity for the State Fair Revenue Refunding Note, Series 2012 is as follows:

	Principal	Interest
2014	\$ 1,086,000	\$ 201,818
2015	1,090,000	174,342
2016	1,104,000	146,765
2017	1,110,000	118,834
2018	680,000	90,751
2019-2022	<u>2,907,000</u>	<u>186,209</u>
	<u>\$ 7,977,000</u>	<u>\$ 918,719</u>

Compensated Absences:

	Balance 11/01/12	Additions	Retirements	Balance 10/31/13	Due With One Year
Severance benefits payable	\$ 351,006	\$ 39,975	\$ (14,265)	\$ 376,716	\$ 9,135
Vacation benefits payable	<u>342,962</u>	<u>394,995</u>	<u>(417,692)</u>	<u>320,265</u>	<u>393,613</u>
	<u>\$ 693,968</u>	<u>\$ 434,970</u>	<u>\$ (431,957)</u>	<u>\$ 696,981</u>	<u>\$ 402,748</u>

## NOTE 5: SHORT TERM OBLIGATIONS

During fiscal year 2013, the Society renewed a working capital line of credit in the amount of \$1.5 million, with a maturity date of June 30, 2014, for possible short-term financing of fair operations. No short-term financing was necessary in fiscal 2013.

## NOTE 6: RETIREMENT PLAN

### Plan Description

All Society full-time employees must participate and are covered by defined benefit pension plans administered by the Minnesota State Retirement System (MSRS). MSRS administers the State Employees' Retirement Fund (SERF) which is a cost-sharing, multiple-employer retirement plan. The payroll for employees covered by MSRS plans for the year ended October 31, was \$4,912,954 for 2013 and \$4,691,910 for 2012. Total Society payroll was \$9,380,214 for 2013 and \$9,111,841 for 2012. 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 % for the first ten years of service then 1.7% for each year thereafter. The benefit is based on a percentage of a high-five average salary. Under the Level formula, the annual accrual amount is 1.7% for each year of service. For employees hired before July 1, 1989, a full annuity is available when age plus years of service equals 90 for annuities calculated under 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 salaries. The total required contribution rate for fiscal year was 10.00%; the employee and the employer each having a required contribution rate of 5.00%. Employer contributions, which equaled the required contributions for the year were \$237,487 for 2013, \$226,754 for 2012, and \$223,238 for 2011.

### 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 the Minnesota State Retirement System.

## NOTE 7: OTHER POST EMPLOYMENT BENEFIT OBLIGATIONS

The Society provides retirees, who meet certain defined requirements, payments for a portion of medical insurance premiums until they reach the age of 65. This type of benefit is classified as an Other Post Employment Benefit (OPEB), a single-employer defined benefit plan administered by the Society and is required to be accounted for in accordance with Government Accounting Standards Board Statement No. 45. The plan does not issue a publicly available financial report. An actuarial valuation of the benefits was conducted in accordance with GASB 45's alternative measurement method for employers with under 100 plan members. The obligation for this benefit is reflected here and in the financial statements.

Net OPEB obligation	
Annual required contribution (ARC)	\$ 296,745
Interest on net OPEB obligation	47,878
Adjustment to annual required contribution	<u>(69,220)</u>
Annual OPEB cost	275,403
Contributions during the year	(98,778)
Increase (decrease) in net OPEB obligation	176,625
Net OPEB obligation beginning of year	<u>1,196,961</u>
Net OPEB obligation end of year	<u>\$1,373,586</u>

The Society's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past three years are as follows:

Fiscal Year Ended	Annual OPEB cost	Employer Contribution	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation
October 31, 2011	\$401,949	\$126,410	31.5%	\$994,290
October 31, 2012	\$274,216	\$71,545	26.1%	\$1,196,961
October 31, 2013	\$275,403	\$98,778	35.9%	\$1,373,586

Employee eligibility for this benefit is the earlier of age 60 and 20 years of service or the Rule of 90 (only employees hired before July 1, 1989 are eligible for Rule of 90). Results are based on the October 31, 2012 GASB 45 actuarial valuation. As of October 31, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$2,307,373 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of

\$2,307,373. The annual covered payroll was \$4,599,335, and the ratio of the UAAL to the annual covered payroll was 50.2%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability occurrence of events far in to the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the ARC of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan member to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Actuarial assumptions include a 4% discount rate; an inflation rate of 3% and an annual medical trend rate of 9% initially—reduced by decrements of one half percent to an ultimate rate of 5% after 8 years. OPEB benefits were calculated under the Projected Unit Credit method and the unfunded actuarial accrued liability (\$2,307,373) is amortized as a level dollar amount on an open basis over 30 years.

This plan is unfunded, the Society is currently proceeding on the pay-as-you-go basis for funding. The Schedule of Funding Progress immediately following the notes to basic financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	4
Active plan members	73
<b>Total members</b>	<b>77</b>

## NOTE 8: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

### Receivables: Accounts receivable balances for the years ended October 31

	2013	2012
Tickets	\$ 40,524	\$ 133,856
Activities	415,559	524,193
Other	<u>400,058</u>	<u>226,951</u>
Total receivables	<u>\$ 856,141</u>	<u>\$ 885,000</u>

### Payables: Accounts payable balances for the years ended October 31

	2013	2012
Administration	\$ 98,806	\$ 302,801
Activities	649,617	676,175
Plant operations	1,532,195	446,534
Capitalized	1,004,009	75,641
Other	<u>\$ 370,551</u>	<u>\$ 399,293</u>
Total payables	<u>\$ 3,655,178</u>	<u>\$ 1,900,444</u>

## NOTE 9: FOUNDATION

The Minnesota State Fair Foundation is a supporting organization of the Minnesota State Agricultural Society and is a not-for-profit corporation exempt from taxes under Section 501(c)(3) of the Internal Revenue Code and applicable Minnesota regulations. The Foundation was established in June 2002 following passage of enabling legislation signed into law by the governor, and governed by a board of directors. The Foundation's mission is to secure and provide funding and

gifts-in-kind all of a nature acceptable to the Fair to be used for the preservation, restoration and improvement of the Minnesota State Fairgrounds, and to support State Fair educational, agricultural, and scientific programs. The Foundation is supported primarily from public and private contributions, merchandise sales, in-kind contributions and volunteer time. Foundation financial statements can be obtained by writing to: Minnesota State Fair Foundation, 1265 Snelling Avenue North, St. Paul, Minnesota 55108.

The following are significant notes to the Minnesota State Fair Foundation financial statements:

### Financial Statement Presentation

Net assets, revenues, expenses, gain and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

#### Unrestricted

Resources over which the Board of Directors has discretionary control. Designated amounts represent those net assets which the Board has set aside for a particular purpose.

#### Temporarily Restricted

Those resources subject to donor imposed restrictions which will be satisfied by actions of the Foundation or passage of time.

#### Permanently Restricted

Those resources subject to a donor imposed restriction that they be maintained permanently by the Foundation. The donors of these resources permit the Foundation to use all or part of the income earned, including capital appreciation, or related investments for unrestricted or temporarily restricted purposes.

### Contributions Receivable

Pledges to give that are expected to be collected within one year are recorded at their net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. The discounts on those amounts are computed using an imputed interest rate applicable to the year in which the pledge is received. Amortization of the discount is included in the contribution revenue. As of October 31, 2013 and 2012, no allowance for uncollectible contributions receivable has been recorded since management believes all pledges are collectible.

Contributions receivable at October 31, 2013 and 2012 represent the present value of receivable due. Present value is determined using discount rates ranging from 3.5% to 4.5%. The expected collection periods of the contributions receivable at October 31, 2013 are as follows:

Year ending October 31	Amount
2014	\$ 65,930
2015	5,100
2016	5,100
2017	5,100
2018	100
Thereafter	<u>300</u>
Total	81,630
Less: unamortized discount	<u>1,486</u>
Total	<u>\$ 80,144</u>

### Revenue Recognition

Contributions, including unconditional promises to give, are recognized as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in the temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time



restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Unconditional contribution pledges are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional contributions are recognized when the conditions on which they depend are substantially met. Gifts and bequests are recognized when it has been determined that there is a legal right to the gift or bequest and the actual amount to be received has been determined. The Foundation currently does not have any conditional pledges.

#### **Donated Services**

Employees of the Fair have made significant contributions of their time to the Foundation's activities. These uncompensated services are included in the agreement between the Fair and the Foundation. Additionally, volunteers have donated time to the Foundation in various capacities. As of October 31, 2013 and 2012, volunteer hours were 2,449 and 2,301, respectively. No amounts have been reflected in the statement for donated services, since the services do not meet established criteria for recognition. These criteria require the donated services create or enhance the nonfinancial assets, require specialized skills which would be purchased if not donated and have an objective basis for measurement.

#### **Fair Value Measurements**

The Foundation has categorized its financial instruments based on the priority of the inputs of the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instrument fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value of the instrument. Financial assets recorded in the statement of financial position are categorized based on the inputs to the valuation techniques as follow:

Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets in an active market that the Foundation has the ability to access (examples includes active exchange-traded equity securities, listed derivatives, and most U.S. Government and agency securities).

Level 2 - Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 - Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability (examples include certain private equity investments).

#### **Income Taxes**

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable Minnesota regulations.

#### **Investments**

The Foundation's investments are comprised of a mutual fund. Investments are stated at fair value. Realized and unrealized gains and losses are reflected in the statement of activities. Investment securities are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the volatility of the market with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the future statement of activities.

#### **Merchandise Inventory**

The Foundation maintains inventories of merchandise held for resale, which are recorded at the lower of cost or market, if purchased. Contributions of inventory are recorded at fair value. Inventories are expensed in the statement of activities and changes in net assets as they are sold.

#### **Property and Equipment**

Property and equipment are recorded at cost, if purchased, and at fair value, if donated. The Foundation depreciates property and equipment over their estimated useful lives (3 to 10 years) by the straight-line method of depreciation.

### **NOTE 10: RELATED PARTY TRANSACTIONS**

In accordance with an agreement between the Foundation and the Society, the Society has provided the following:

- Full use and occupancy of a fairground building rent-free, including telephone and computer services.
- Payroll and limited staff support services.

At October 31, 2013, the Foundation has \$18,269 of outstanding payables due to the Society for payroll and other compensation-related expenses. The October 31, 2012 outstanding payable balance totaled \$122,944. The Society contributed payroll expenses of \$163,220 during fiscal 2013 and \$161,758 during fiscal 2012.

The employees of the Society have made significant contributions of their time to the Foundation's activities. These uncompensated services are included in the agreement between the Society and the Foundation. Additionally, volunteers have donated time to the Foundation in various capacities. No amounts have been included in the statements for donated services, since the services do not meet established criteria for recognition. These criteria require the donated services create or enhance nonfinancial assets, require specialized skills which would be purchased if not donated, and have an objective basis for measurement.

#### **Grants to the Minnesota State Agricultural Society**

During the year ended October 31, 2013, the Foundation granted \$217,500 toward the construction cost of the AgStar Judging Arena; fair-time educational, historical, and artistic experiences valued at \$150,370; recognition pavers and benches valued at \$80,044, and various other miscellaneous gifts valued at \$87,766, for a grant total of \$535,680 during fiscal 2013.

During the year ended October 31, 2012, the Foundation granted \$806,500 for the new construction of the AgStar Judging Arena; fair-time educational and artistic experiences valued at \$116,522; recognition pavers and benches valued at \$58,737, and various other miscellaneous gifts valued at \$40,520, for a grant total of \$1,022,279 during fiscal 2012.

### **NOTE 11: SUBSEQUENT EVENTS**

During December of 2013, the Minnesota State Agricultural Society issued State Fair Revenue Note, Series 2013 in the amount of \$9,600,000. The note interest rate is 3.38% and the note matures in 2022. During January of 2014, the Society issued State Fair Revenue Note, Series 2014 in the amount of \$2,400,000. The note interest rate is 1.99% and the note matures in 2016. Proceeds from the sale of both of these notes will provide funds that will be used to pay certain capital improvement costs for the construction of a new area (West End Market) that will replace the area formerly known as Heritage Square.

### **NOTE 12: CONSTRUCTION COMMITMENTS**

At October 31, 2013, the Society had a contract commitment totaling \$13,100,000 for the construction of West End Market that will replace the area formerly known as Heritage Square.

## REQUIRED SUPPLEMENTARY INFORMATION

### Actuarial Measures of Other Post-employment Benefits

#### Funding Progress

The State Agricultural Society offers other postemployment benefits to employees and their dependents through a single-employer defined benefit health care plan.

#### Required Supplementary Information Schedule of Funding Progress

Actuarial valuation date	2009	10/31/09
	2012	10/31/12
Actuarial value of plan assets	2009	\$ -
	2012	\$ -
Actuarial accrued liability	2009	\$2,988,572
	2012	\$ 2,307,373
Total unfunded actuarial liability	2009	\$2,988,572
	2012	\$ 2,307,373
Funded ratio (1)	2009	0%
	2012	0%
Annual covered payroll	2009	\$4,284,124
	2012	\$4,599,335
Ratio of unfunded actuarial liability to annual covered payroll	2009	69.8%
	2012	50.2%

(1) Actuarial value of assets as a percent of actuarial accrued liability.



# ■ Minnesota State Fair Supporting Schedule - Revenues and Expenses

For the years ended October 31

2013

2012

## OPERATING REVENUE

### Ticket sales:

Carnival	\$ 5,348,131	\$ 5,754,941
Grandstand	2,692,224	4,062,990
Outside gate	14,819,284	15,889,965
Parking	1,036,402	1,099,239

### Total ticket sales

23,896,041 26,807,135

### Activities:

Box office	547,417	601,957
Campgrounds	110,857	119,135
Carnival	117,234	120,760
Competition	294,391	296,436
Entertainment	148,855	178,525
Fine arts	41,823	39,268
Forage	150,192	125,142
4-H auction	519,870	493,590
Public safety	10,087	9,044
Sales	8,195,171	8,375,650

### Total activities

10,135,897 10,359,507

### Other:

Beef Expo	118,950	110,004
Licensee utilities	231,779	231,372
Miscellaneous	112,541	118,810
Non-fair events	2,751,058	2,817,211
Sale of bulk milk	11,224	13,369
Sale of market animals	86,292	111,908
Sponsorships	938,150	1,015,938
Telephone	89,148	84,324
Utility assessments	513,009	464,939

### Total other

4,852,151 4,967,875

### Total operating revenue

38,884,089 42,134,517

## OPERATING EXPENSES

### Administrative:

Administrative services	309,769	301,029
Annual meeting	42,205	32,623
Auditing services	48,068	44,851
Bad debt	1,958	440
Computer	303,448	309,016
Dues and subscriptions	19,405	25,502
Insurance	143,436	222,868
Legal services	94,266	127,009
Managerial services	440,898	448,681
Medical insurance	1,054,925	983,142
Paid leave	723,626	706,827
Postage and mailing service	107,391	96,673
Printing and supplies	103,206	103,572
Retirement fund	254,620	242,844
Social security	693,997	722,901
Support services	133,275	126,773
Telephone	203,719	222,625
Travel expense	98,395	87,483
Unemployment compensation	112,606	96,347

	2013	2012
Workers compensation	45,758	129,593
<b>Total administrative</b>	<b>4,934,971</b>	<b>5,030,799</b>
Activities and Support:		
Admissions	158,764	175,610
Advertising	996,212	1,015,440
Bee culture	11,050	10,350
Beef Expo	95,923	76,306
Box office	300,620	312,505
Campground	68,839	67,342
Carnival	4,006,394	4,285,403
Cattle	174,068	168,278
Christmas trees	11,874	6,819
Competition	655,196	558,784
Creative activities	75,854	73,531
Dairy products	721	1,776
Dog trials	3,197	3,263
Education	37,140	33,020
Farm crops	28,072	26,108
FFA	101,849	94,041
Finance	282,784	290,024
Fine arts	39,840	37,834
Flower and agriculture shows	49,958	52,050
Flowers	11,585	14,314
Forage	172,818	165,217
4-H Club	233,389	221,673
Free entertainment	1,751,574	1,649,315
Fruit	10,497	12,046
Gate tickets	285,578	300,502
Goats	6,429	6,783
Goats - Boer	1,511	2,462
Grandstand - concerts	3,915,280	4,486,825
Heritage exhibits	86,273	55,848
Horse and rodeo	241,856	176,466
Llamas	3,393	3,378
Marketing	357,611	462,851
Park & Ride	1,943,454	1,911,515
Parking	186,359	158,689
Poultry	25,809	20,036
Publications	354,413	372,363
Public safety	1,368,678	1,272,354
Sales	1,310,711	1,193,625
Sanitation	1,055,292	1,083,611
Senior citizens	7,791	7,723
Sheep	9,883	8,433
Swine	18,752	18,986
Ticket audit	3,589	7,188
Ticket promotion	372,867	379,810
Trams	36,750	36,750
Transportation	31,050	26,871
Vegetables	8,441	7,769
<b>Total activities and support</b>	<b>20,909,988</b>	<b>21,351,887</b>
Premiums:		
Bee culture	3,876	4,229
Beef expo	22,976	22,305
Cattle	116,726	123,037
Christmas trees	2,745	2,815
Creative activities	15,518	14,786



	2013	2012
Dairy products	1,425	1,425
Dog trials	1,030	1,110
Education	7,742	11,072
Farm crops	18,746	18,191
FFA	72,195	71,966
Fine arts	12,500	13,900
Fine arts sales	41,798	39,248
Flowers	2,834	2,719
4-H auction	520,515	493,490
4-H club	72,000	73,850
Fruit	2,447	2,335
Goats - dairy	14,209	14,997
Goats - boer	1,224	1,228
Horse	100,583	86,415
Llama	4,295	4,240
Poultry	8,532	10,588
Rural youth scholarships	20,000	20,000
Sale of bulk milk	11,573	13,368
Sale of market animals	91,392	116,158
Sheep	30,813	32,934
Swine	39,420	35,641
Talent contest	19,675	25,620
Vegetables	4,886	4,685
<b>Total premiums</b>	<b>1,261,675</b>	<b>1,262,352</b>
Other:		
Miscellaneous	15,866	74,183
Non-fair events	1,550,136	1,400,413
Veterinarian service	29,514	47,541
<b>Total other</b>	<b>1,595,516</b>	<b>1,522,137</b>
Plant operations:		
Architectural and engineering	263,312	50,177
Fire and police service	291,349	277,374
Fuel, oil and gasoline	136,473	118,133
Greenhouse	233,324	224,167
Operations	1,346,440	1,324,347
Salaries and contract services	910,310	797,873
Set-up and take-down	1,549,428	1,347,422
Signs	103,171	80,773
Supplies	176,299	156,868
Utilities	624,990	489,150
Water and sewer	176,132	163,442
<b>Total plant operations</b>	<b>5,811,228</b>	<b>5,029,726</b>
Plant maintenance:		
Electric system	500,651	712,265
Fence and fixtures	74,893	26,032
Gas system	680	8,270
Land	76,845	99,437
Personal property	347,742	216,171
Sewer system	71,647	104,486
Streets and sidewalks	288,691	280,319
Structures	1,526,837	1,026,153
Vehicles	267,397	254,610
Water system	84,725	182,773
<b>Total plant maintenance</b>	<b>3,240,108</b>	<b>2,910,516</b>

	2013	2012
Depreciation:		
Electric system	201,004	167,200
Fence and fixtures	49,926	52,302
Gas system	627	627
Land improvement	78,113	78,113
Personal property	181,770	1,839,36
Sewer system	137,586	137,887
Streets & sidewalks	45,371	47,308
Structures	2,033,802	2,012,155
Water system	24,748	15,502
<b>Total depreciation</b>	<b>2,752,947</b>	<b>2,695,030</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>40,506,433</b>	<b>39,802,447</b>
<b>Operating income (loss)</b>	<b>(1,622,344)</b>	<b>2,332,070</b>
<b>NON-OPERATING REVENUE (EXPENSES)</b>		
Investment income	6,897	72,773
Grant revenue	535,680	1,022,279
Interest expense	(342,175)	(450,939)
Loss on disposal of capital assets	<u>(19,829)</u>	<u>-</u>
<b>Net non-operating revenue</b>	<b>180,573</b>	<b>644,113</b>
<b>CHANGE IN NET POSITION</b>	<b><u>\$ (1,441,771)</u></b>	<b><u>\$ 2,976,183</u></b>





#### PRINCIPALS

Thomas M. Montague, CPA  
Thomas A. Karnowski, CPA  
Paul A. Radosevich, CPA  
William J. Lauer, CPA  
James H. Eichten, CPA  
Aaron J. Nielsen, CPA  
Victoria L. Holinka, CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Managers and Management  
Minnesota State Agricultural Society

We have audited, 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, the financial statements of the enterprise fund and the discretely presented component unit of the Minnesota State Agricultural Society (dba Minnesota State Fair) (the Society) as of and for the year ended October 31, 2013, and the related notes to the financial statements, which collectively comprise the Society's basic financial statements, and have issued our report thereon dated May 5, 2014. We did not audit the financial statements of the Minnesota State Fair Foundation as of and for the year ended October 31, 2013. Our report includes a reference to other auditors who audited the financial statements of this entity, as described in our report on the Society's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Minnesota State Fair Foundation were not audited in accordance with *Government Auditing Standards*.

#### **INTERNAL CONTROL OVER FINANCIAL REPORTING**

In planning and performing our audit of the financial statements, we considered the Society's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, we do not express an opinion on the effectiveness of the Society's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Society's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

(continued)

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Society's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 or other matters that are required to be reported under *Government Auditing Standards*.

#### **PURPOSE OF THIS REPORT**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Society's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Society's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

*Malloy, Montague, Karnowski, Radlansich & Co., P. A.*

Minneapolis, Minnesota  
May 5, 2014



# MINNESOTA STATE AGRICULTURAL SOCIETY ANNUAL MEETING

January 17-18-19-20, 2013

DoubleTree by Hilton Hotel, Bloomington

The 154<sup>th</sup> 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 Thursday Jan. 17 at the DoubleTree Hotel in Bloomington, Minn.

## MEETING OF THE SALES COMMITTEE

5 p.m. Thursday Jan. 17, 2013

**Members present:** Al Paulson, chairman; Joe Fox; D.J. Leary; Paul Merkins; Ron Oleheiser; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio.

**Also present:** Renee Pearson; Brian Hudalla; Cheryl Huber; Chris Leach; Julie Samec.

Chairman Paulson called the meeting to order at 5:05 p.m.

Mr. Sinclair reviewed the report of '12 State Fair sales revenue, originally distributed at the Nov. 15, 2012, meeting of the board. After further discussion, the report was approved as submitted on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

Mr. Sinclair presented the following percentage attraction recommendations for the '13 State Fair:

CONCESSIONAIRE	ATTRACTION	2012%	2013%
Big Adventures, Inc.	<u>Turbo Bungy</u>	25%	25%
D.M.C., Inc.	Skyride	25%	25%
Fun Adventures, Inc.	<u>Rock Climbing Wall</u>	25%	25%
Giant Ride, Inc.	Giant Slide	30%	30%
Grandstand Artist Merchandise Sales	Artist CD's/DVD's	10%	10%
	Other Merchandise	20%	20%
Hot Shot Thrill Rides	<u>Sling Shot</u>	25%	25%
Hot Shot Thrill Rides	<u>Maxxx Super Flyyy</u>	25%	25%
K & M Recreation, Inc.	Haunted House	30%	30%
KMB Performance, Inc.	Go Carts	25%	25%
Mighty Midway and Kidway	Kidway Rides and Shows	43%	43%
	Midway Rides and Shows	41%	41%
	Games of Skill	23%	23%
River Raft Ride, Inc.	Raft Ride & Pirate Tag	25%	25%
Skyfair, Inc.	SkyGlider	30%	30%
Skyscraper Two, Ltd.	<u>Skyscraper</u>	25%	25%
Spineless Wonders	Butterfly House	20%	20%
Tinsley Amusements, Inc.	Carousel	40%	40%
Ventnor Place, Inc.	Space Tower	25%	25%
Ye Old Mill Amusements, Inc.	Canal Boat Ride	25%	25%

## Underlined attractions are located in Adventure Park

The percentage fees above represent the fees payable to the Minnesota State Fair on receipts from ticket sales associated with operation of the preceding attractions. Percentages are applied as follows; state sales tax (7.125%) is deducted from gross receipts and reconciliation between the Minnesota State Fair and concessionaires is made on the net of tax balance.

After discussion, the attractions and corresponding percentages were approved as presented on a motion by Mr. Scapanski, seconded by Mr. Merkins and carried (Aye-8; Nay-o).

Mr. Sinclair presented ticket prices for the percentage attractions as follows:

CONCESSIONAIRE	ATTRACTION	2013 TICKET PRICE(S)
Big Adventures, Inc.	<u>Turbo Bungy</u>	\$5.00
D.M.C., Inc.	Skyride	\$3.50 one-way \$5.00 round trip
Fun Adventures, Inc.	<u>Rock Climbing Wall</u>	\$5.00
Giant Ride, Inc.	Giant Slide	\$2.00
Hot Shot Thrill Rides, Inc.	<u>Sling Shot</u>	\$30 single/\$55 for 2 riders Early Bird \$25 per rider from opening to 1 p.m.
Hot Shot Thrill Rides, Inc.	<u>Maxxx Super Flyyy</u>	\$15.00
K & M Recreation, Inc.	Haunted House	\$4.00
KMB Performance, Inc.	Go Carts	\$6.00 for Driver \$4.00 for Passenger
Mighty Midway and Kidway	Rides, Shows and Games of Skill	\$.75 single \$20.00 for 28 tickets (\$ .714 per ticket) \$30.00 for 44 tickets (\$ .682 per ticket) (Advance Purchase) \$10.00 for 20 tickets (\$ .500 per ticket)
River Raft Ride, Inc.	Raft Ride Pirate Tag	\$4.00 \$3.00
Skyfair, Inc.	SkyGlider	\$3.50 one way \$5.00 round trip
Skyscraper Two, Ltd.	<u>Skyscraper</u>	\$30 single/\$55 for 2 riders Early Bird \$25 per rider from opening to 1 p.m.
Spinless Wonders	Butterfly House	\$3.00
Tinsley Amusements, Inc.	Carousel	\$2.50
Ventnor Place, Inc.	Space Tower	\$3.00
Ye Old Mill Amusements, Inc.	Canal Boat Ride	\$3.00 **

\*\* = Save \$.50 from opening until noon on Thurs., 8/22 (Thrifty Thursday), Mon., 8/26 (Seniors & Kids Day), Thurs., 8/29 (Seniors Day) and Mon., Labor Day, 9/2 (Kids and Last Chance Day)

Attractions underlined are located in Adventure Park and operate on a central ticket system.

Following discussion, the percentage attraction ticket prices were approved on a motion by Ms. Wessel, seconded by Mr. Oleheiser and carried (Aye-8; Nay-o).

Mr. Sinclair presented the following concessionaires recommended for beer and wine licenses during the '13 State Fair:

Andrus Concessions, Inc. (Robert and Joseph Andrus)	Block 42	1774 Carnes Ave., Arcade Bldg. Malt Beverages
Ballpark Café, Inc. (Daniel and David Theisen)	Block 35	1312 Underwood St., Crossroads Bldg. Malt Beverages
Tres-C, Inc. dba Café Caribe (Joel and Mary Chesin)	Block 42	1770 Carnes Ave., Arcade Bldg. Malt Beverages
Chicago Dogs, Inc. (Bruce and Anne Chesin)	Block 35	1670 Dan Patch Ave., The Garden Malt Beverages
Coasters, Inc. (Paul and Diana Hohenwald)	Block 42	1804 Carnes Ave., Arcade Bldg. Malt Beverages

Dino's Gyros (Constantin, Vona & Jason Adamidas)	Block 36	1701 Carnes Ave. Malt Beverages
Werner's Frontier, Inc. (Richard C. Werner)	Block 42	1790 Carnes Ave., Arcade Bldg., Malt Beverages
Baxter's BBQ, Inc. dba Famous Dave's (Randy Jernberg)	Block 28	1801 Dan Patch Ave., Bldg. 289A Malt Beverages
French Creperie (Marc & Tracy Vezies)	Block 36	1711 Carnes Ave. Minnesota Produced Wine
Giggles' Campfire Grill LLC (Timothy Weiss)	Block 19	1520 Cooper St. Malt Beverages
H.M.H. of St. Paul, Inc. dba Shanghaied Henri's (Henry & Ellen Hanten)	Block 47	1658 Judson Ave., International Bazaar Malt Beverages
Hildebrand Concessions, Inc. (Janice Hildebrand)	Block 28	1755 Dan Patch Ave., Grandstand Malt Beverages
CMK Investments dba Leinie Lodge (Robert J. Kirschner)	Block 34	1302 Cooper St., Bandshell Malt Beverages
Lancer Management Services, Inc. (Glenn Baron)	Block 50	1784 Judson Ave., Coliseum Malt Beverages
Mintahoe, Inc. for MN Farm Wine Assoc. (Kelvin Lee)	Block 44	1271 Underwood St. Minnesota Produced Wine
Midway Men's Club (Michael Wright)	Block 30	1354 Underwood St. Malt Beverages
MJ Financial Group, Inc. dba Ragin Cajun (Ronald Jacob)	Block 35	1670 Dan Patch Ave., The Garden Malt Beverages
O'Gara's at The Fair (Daniel & Kris O'Gara)	Block 34	1626 Dan Patch Ave. Malt Beverages
T.W. Concessions dba Buffalo Burgers (Jerry Woldorsky)	Block 27	1839 Dan Patch Ave., Heritage Square Malt Beverages
Three Amigos, Inc. dba Tejas (Wayne Kostroski and Mark Haugen)	Block 35	1670 Dan Patch Ave., The Garden Malt Beverages
Mintahoe, Inc. dba Minn. Craft Brewers Guild (Shawn McMerty)	Block 35	1263 Cooper St. Ag Hort Bldg. Malt Beverages

After discussion, the concessionaires were approved for beer and wine licenses on a motion by Ms. Wessel, seconded by Mr. Scapanski and carried (Aye-8; Nay-o).

Mr. Sinclair presented the following list of concessionaires recommended for multiple-site licenses at the '13 fair:

CONCESSION-EXHIBIT	DESCRIPTION	SITES
Cenaiko Enterprises, Inc.	Chamios, Shami Mops – E-Z Can Openers	2
Delrick Enterprises	Apples and Beverages	2
NPE Company - Sally Nuebel	Fish & Chips – Nut products	2
Gary Crutchfield Concessions	Cheese on-a-stick	2
George Funk - Moon Beam Coffee	Leather Crafts – Coffee	2
Giant Ride, Inc.	Giant Slide – Cheese on-a-stick	2
Groscurth Concessions	Corn Dogs & Beverages	2
Holly's Hobby	Hand Crafts	2
James and Ethel Peters	Hot Dogs – Polish Sausage	2

James Crocker	Root Beer Barrel	2
Jerry Woldorsky	Buffalo Burgers and Beer	2
Larry Abdo-Gopher State Ice Co.	Pocket pies-Ice (Ice=wholesale permit only)	2
Lavaque Inc. – Michael Lavaque	Snow Cones	2
Mark Andrew	French Fries – S'Mores	2
Midwest Dairy Association	Ice Cream, Milk and Dairy Foods	2
Minn. Honey Producers	Honey, Honey Ice Cream & Candy	2
Minne-Kabob Foods	Kabobs	2
Netterfields Lemonade and Popcorn	Popcorn, Caramel Corn, Sausage, Corn Dogs, Burgers	2
Orange Treet Sales	Orange Treat Drink – Smoothies & Dairy Bar	2
Tina Isaac	Sandwiches – Coffee	2
Wozniak Concessions, Inc.	French Fries	2
Midwest Coca Cola	Coca Cola Soft Drinks	3
Gregory J. Tetrault	Ice Cream, Sno Cones, Caramel Apples, Beverages	3
Icee USA Corp.	Icee Frozen Beverages	3
John Tysseling	Fried Mushrooms – Turkey Drumsticks – Apple Fritters	3
Kathy Yahr	Cotton Candy	3
Leah H. O'Neil	Hot Dogs on-a-stick	3
Lynn Davis	Ice Cream, Sno Cones, Caramel Apples, Beverages	3
Maxine W. Davis	Ice Cream, Sno Cones, Caramel Apples, Baked Potatoes	3
Robert Crocker	Root Beer	3
Wee Dazzle	Novelties, Souvenirs & Toys	3
James Hartley	Cotton Candy	4
Lancer Management Services, Inc.	Food, Beverages & Beer (Coliseum)	4
Schroder Concessions, Inc.	Popcorn, Caramel Corn, Caramel Apples, Cheese Curds	4
Syndicate Sales Corp.	Vegetable Cutters, Knives, Salsa Maker, PVA Mops	4
Hildebrand Concessions, Inc.	Food, Beverages & Beer (Grandstand)	5
Dandy Souvenirs	Novelties, Souvenirs & Toys	8

After discussion, the multiple-site licenses were approved as recommended on a motion by Mr. Oleheiser, seconded by Mr. Wichmann and carried (Aye-8; Nay-o).

Mr. Sinclair provided an update on the potential sale of the Pizza Palace concession structure by its long-time owner. Staff was authorized to initiate the process of ownership change on a motion by Mr. Merkins, seconded by Ms. Wessel and carried (Aye-8; Nay-o). The sales committee meeting was adjourned at 5:54 p.m. on a motion by Mr. Fox, seconded by Mr. Leary and carried (Aye-7; Nay-o).

#### MEETING OF THE BOARD OF MANAGERS 10:15 a.m. Friday Jan. 18, 2013

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Jim Sinclair; Renee Pearson; Brian Hudalla; Marshall



Jacobson; Cheryl Huber; Pam Simon; Dennis Larson; Michelle Butler; Brienna Schuette; Sean Casey; Danyl Vavreck; Gail Anderson; Chris Leach; Wally LeVesseur; Theresa Weinfurter; Carol Doyle; Julie Samec; Kay Cady; Jennine Duda; Frank Parisi; Sarah Psick; and Joe Bagnoli.

President Foss called the meeting to order at 10:19 a.m.

Mr. Bagnoli and Ms. Psick provided an update on the upcoming session of the Minnesota Legislature and issues that may have an impact on the Society. Information only; no action taken.

Mr. Hammer, Mr. Jacobson and Mr. Sinclair offered detailed reports on fiscal '12 sources of revenue and expense, income and ticket sales trends, cash flow, capital improvements, maintenance and depreciation. The proposed operating budget for fiscal 2013 was presented by Mr. Hammer, followed by discussion on the budget's relationship to improvements and maintenance projects. Information only; no action taken.

The meeting adjourned at 11:53 a.m. on a motion by Mr. Leary, seconded by Mr. Fox and carried (Aye-9; Nay-0).

## MEETING OF THE BOARD OF MANAGERS

**2:30 p.m. Friday Jan. 18, 2013**

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Kent Harbison.

The meeting was called to order at 2:52 p.m. by President Foss and declared in executive session.

The meeting was adjourned by President Foss at 3:40 p.m.

## MEETING OF THE PLANNING COMMITTEE

**10:15 a.m. Saturday Jan. 19, 2013**

**Present:** Joe Scapanski, chairman; Joe Fox; D.J. Leary; Paul Merkins; Ron Oleheiser; Al Paulson; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Brian Hudalla, ex officio; Sean Casey, ex officio.

**Also present:** Jim Sinclair; Renee Pearson; Marshall Jacobson; Cheryl Huber; Chris Leach; Brienna Schuette; Swan Melstrom; Michelle Butler; Theresa Weinfurter; Danyl Vavreck; Ryan Donnelly; Steve Grans; Beth Schuldt; Julie Samec; Kay Cady; and Jamie Buttkle.

Chairman Scapanski called the meeting to order at 10:17 a.m.

Mr. Hammer reviewed major capital projects undertaken by the Society at the fairgrounds during the past 15 years. Information only; no action taken.

Mr. Hudalla reviewed capital improvements and maintenance work done during fiscal '12. Information only; no action taken.

Mr. Hammer and Mr. Hudalla presented recommended improvements and maintenance projects for '13 totaling \$6 million. Following is a summary of the complete project list, including projects previously approved at the Nov. 15, 2012, meeting of the board:

## 2013 MAINTENANCE & IMPROVEMENT BUDGET SUMMARY

A. Structure Improvements:	<u>\$2,208,000</u>
B. Land Improvements:	
BI. Fencing & Fixtures	_____
BII. Land	_____
BIII. Sewer System	_____
BIV. Streets & Sidewalks	_____
BV. Water Distribution System	<u>250,000</u>
BVI. Gas Distribution System	_____
BVII. Land Purchases	_____
<b>TOTAL Land Improvements</b>	<b>\$ <u>250,000</u></b>

C. Personal Property \$ 124,000

D. Electric Plant: \$ 432,000

**TOTAL Improvements** **\$ 3,014,000**

E. Structure Maintenance: \$ 1,272,000

F. Land Maintenance:

    FI. Fencing & Fixtures 91,000

    FII. Land 120,000

    FIII. Sewer System 74,700

    FIV. Streets & Sidewalks 275,000

    FV. Water Distribution System 61,000

    FVI. Gas Distribution System 2,500

**TOTAL Land Maintenance** **\$ 624,200**

G. Personal Property Maintenance: \$ 292,400

H. Vehicle Maintenance: \$ 263,000

I. Electric Plant Maintenance: \$ 501,500

**TOTAL Maintenance** **\$ 2,953,100**

**TOTAL Maintenance & Improvements** **\$ 5,967,100**

Following review and discussion, Mr. Wichmann moved, Mr. Fox seconded and motion carried that the '13 improvements and maintenance budget be approved by the committee as presented and recommended to the full board for approval (Aye-8; Nay-0). Included in the motion was staff authority to adjust, shift, add or cancel specific line items as appropriate to accommodate changes that occur throughout the budget year.

The planning committee meeting adjourned at 10:52 a.m. on a motion by Ms. Wessel, seconded by Mr. Wichmann and carried (Aye-8; Nay-0).

## SOCIETY DISTRICT CAUCUSES

**1:45 p.m. Saturday Jan. 19, 2013**

Society delegates from the second and eighth regional districts met in caucus to certify nominees for election to the Society's board of managers during the Society's general business session on Sunday Jan. 20. Selected were Paul Merkins of Stewart (second district) and Ron Oleheiser of Grand Rapids (eighth district).

## GENERAL BUSINESS SESSION OF THE SOCIETY

**8 a.m. Sunday Jan. 20, 2013**

Minnesota State Agricultural Society delegates, staff and friends of the Society met for breakfast and convened in general session at 8:30 a.m. President Foss opened the meeting and asked Secretary Jerry Hammer for his report.

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

President Foss called for a report of the credentials committee by Kirk Peysar of Aitkin County. The committee report was presented as follows and adopted as read:

Minnesota Guernsey Breeders Association did not file with the Secretary of State by 12/20/13.

The president of the American Dairy Association of the Midwest the president was not listed as delegate one, as required for statewide associations credential.

President Foss called for a report of the resolutions committee. Committee member Judy Barka of Traverse County presented the following resolutions for consideration by the Society:

- 1. Resolved**, that the Minnesota State Agricultural Society declares its thanks and appreciation to the 1,788,512 people who attended the 2012 Minnesota State Fair, recognizing that their loyalty and support made it a record-setting fair on many levels.
- 2. Resolved**, that the Society honors and values the traditions cultivated by attendees of the Minnesota State Fair and affirms its main objective is to serve these good people and present them with an unparalleled exposition that is a unique, culturally rich showcase of our state's finest agriculture, art and industry.



**3. Resolved**, that we confirm the Society's mission is to educate and involve fair attendees by providing a world-class showcase that is innovative, entertaining and fun. Therefore, we will continue to strive to offer exceptional value, provide outstanding customer service and make our event accessible to all.

**4. Resolved**, that the Society expresses its profound gratitude to all the individuals whose efforts contributed to the success of the 2012 Minnesota State Fair, including staff, the board of managers, volunteers, exhibitors, vendors, entertainers, sponsors, media, contractors, advertisers, youth and school groups, and members of FFA and 4-H.

**5. Resolved**, that we will further improve the Minnesota State Fair by developing strong relationships with other expositions and organizations dedicated to agriculture, entertainment and amusement, including the International Association of Fairs and Expositions, Minnesota Federation of County Fairs, Outdoor Amusement Business Association, National Independent Concessionaires Association and Midwest Showmen's Association.

**6. Resolved**, that we extend our condolences to their families and recognize with heavy hearts the loss of Society members and State Fair friends in the last year, including: Norbert J. 'Norb' Anderson, long-time parade participant; Richard Compart, past-president of the Minnesota Pork Producers Association and swine exhibitor; Gerald Kafka, parking department; Joe LaGuardia, retired New York State Fair marketing director; Bob McElroy, parking department; Randy Morris, swine exhibitor and Junior Barrow Show coordinator; Edward F. Nuebel, long-time concessionaire; Elmer Reseland, retired Steele County Free Fair secretary-manager; Paul M. Scheel, former Machinery Hill superintendent; Ed Slettom, former Deputy Commissioner of Agriculture; Pete "Poobah" Terhurne, long-time midway sideshow performer; and Peggy Wargin, Century Farm Award recipient and spouse of former State Agricultural Society board member Chauncey Wargin.

**7. WHEREAS**, the Minnesota State Fair is one of the largest and most beloved events in the world, and

WHEREAS, the State Fair is Minnesota's largest classroom offering an overwhelming number of educational opportunities in arts and sciences, agriculture, history, social studies and more, and

WHEREAS, early school openings would deprive tens of thousands of Minnesotans of the opportunity to attend the Great Minnesota Get-Together on school days and would cause many young people to lose important and much-needed work experience at the State Fair, and

WHEREAS, early school openings would deprive thousands of 4-H and FFA members from experiencing this unique annual opportunity to gain valuable education and life experiences at the State Fair while advancing the fair's historical foundation of agriculture, and

WHEREAS, the State Fair has an annual economic impact of more than \$200 million in the Twin Cities alone, plus additional unmeasured economic impact throughout the state, and

WHEREAS, early school openings would create a major loss of attendance and a corresponding decline in the fundamental economics needed to present a State Fair that is correspondingly loved by the people of this state, and damage Minnesota's slowly improving economy, affecting large numbers of Twin Cities businesses that suffer economic set-backs when State Fair attendance is driven down, and

WHEREAS, early school would have a significant negative impact on Minnesota's tourism, hospitality and resort industries and result in a major loss of revenue to the state in its uphill struggle to fund education and produce a balanced budget,

NOW THEREFORE BE IT RESOLVED, that the board of managers

of the Minnesota State Agricultural Society strongly urges all state lawmakers to support the State Law that requires Minnesota's schools to open no earlier than the traditional end of summer on Labor Day, ensuring that children and families from throughout the state can fully participate in the historic, educational and culturally rich Minnesota State Fair.

**8. Resolved**, that the Society offers its sincere thanks to all who contributed to making its 154th annual meeting a great success.

The resolutions were adopted as read.

President Foss turned the chair over to Vice President Fox to conduct the election for the office of president of the Society for a term of one year. President Foss of Kenyon was reelected and reassumed the chair.

President Foss then proceeded to conduct elections as follows: Joe Fox of Maplewood was elected to a two-year term as fourth district vice president; Paul Merkins of Stewart was re-elected to a three-year term as second district manager; Ron Oleheiser of Grand Rapids was re-elected to a three-year term as eighth district manager; and long-time senior citizens superintendent Marge Krueger was elected to honorary life membership in the Society.

There being no further business to be brought before the Society, President Foss declared the 154th meeting of the State Agricultural Society adjourned.

## **MEETING OF THE BOARD OF MANAGERS**

**10:15 a.m. Sunday Jan. 20, 2013**

**Present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Jim Sinclair; Renee Pearson; Brian Hudalla; Marshall Jacobson; Mary Miller; Cheryl Huber; Pam Mix; Chris Leach; Dennis Larson; Pam Simon; Brienna Schuette; Gail Anderson; Ryan Donnelly; Michelle Butler; Danyl Vavreck; Wally LeVesseur; Sean Casey; Swan Melstrom; Maria McCullough; Shannon Buchda; Heather Brady; Chris Noonan; Julie Samec; Emily Rouse; Kay Cady; Lindsay Dickson; Jesse Poppe; Pat Bailey; Kent Harbison.

President Foss called the meeting to order at 10:32 a.m.

Ms. Huber administered oaths of office to newly-elected board members as follows:

Jim Foss of Kenyon, president (one-year term); Joe Fox of Maplewood, fourth district vice president (two-year term); Paul Merkins of Stewart, second district manager (three-year term); Ron Oleheiser of Grand Rapids, eighth district manager (three-year term).

On a motion by Mr. Fox, seconded by Ms. Wessel and carried, Jerry Hammer of St. Paul was re-appointed to a one-year term as executive vice president of the Society (Aye-9; Nay-o). Ms. Huber administered the oath of office to Mr. Hammer.

Minutes of the board meeting conducted Nov. 15, 2012, were reviewed and approved on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

Minutes of interim activities covering the period Nov. 15, 2012, through Jan. 16, 2013, were approved on a motion by Mr. Paulson, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

Mr. Jacobson presented the financial statement for Dec. 31, 2012, as follows:

### **MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY Month Ending December 31, 2012**

#### **OPERATING ACCOUNT ACTIVITY:**

Cash Balance-Nov. 30, 2012	\$5,997,382
Add: Cash Deposits	\$462,123



Less: Payroll Ending Dec. 7	(204,867)	
Payroll Ending Dec. 21	(193,131)	
Cash Disbursements	(415,170)	(351,045)
Cash Balance-Dec. 31, 2012		\$5,646,337

#### **BUILDING FUND ACTIVITY:**

Balance-Nov. 30, 2012		\$450
Add: Interest Earned		
Securities Purchased		
Less: Securities Redeemed		
Balance-Dec. 31, 2012		\$450

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

	2011	2012
General Fund	\$5,948,418	\$5,646,337
Petty Cash	6,100	6,100
Building Fund	449	450
<b>Total Cash Balances</b>	<b>\$5,954,967</b>	<b>\$5,652,887</b>

After discussion, the financial statement was approved on a motion by Mr. Merkins, seconded by Mr. Oleheiser and carried (Aye-9; Nay-0).

Mr. Jacobson presented recommendations for the Society's designated depository, signature authorization and security funds transfer as follows:

Bremer Bank was designated as the depository for the Society's operating account, payroll account and premium fund account with the following signatory authority: Operating account – Gerald Hammer and Marshall Jacobson with "Hammer/Jacobson" signature imprint authorized for operating account; Regular and fair-period payroll account - Gerald Hammer with "Hammer" signature imprint authorized for payroll funds; Premium account - Gerald Hammer with "Hammer" signature imprint authorized for premium account; Security fund transfer resolution - Gerald Hammer or Marshall Jacobson. After discussion, the preceding was approved on a motion by Mr. Scapanski, seconded by Mr. Fox and carried (Aye-9; Nay-0).

The following standing committee appointments for 2013 were reviewed by President Foss:

**Finance Committee** - Merkins, chairman; Fox; Leary; Oleheiser; Paulson; Wichmann; Foss, ex officio; Hammer, ex officio; Jacobson, ex officio.

**Governmental Affairs Committee** - Leary, chairman; Fox; Merkins; Scapanski; Toenges; Wessel; Foss, ex officio; Hammer, ex officio; Sinclair, ex officio; Pearson, ex officio; Hudalla, ex officio.

**Honors Committee** - Fox, chairman; Paulson; Miller; Pearson; Sinclair; Foss, ex officio; Hammer, ex officio.

**Life Member Advisory Committee** - Baker, chairman; Lake, vice chairman; Grass; Hagen; Keenan; Korff; Krueger; Ojakangas; Prokosch; Reinhardt; Roehlke; Schmidt; Simons; Wenzel; Foss, ex officio; Hammer, ex officio; Huber, ex officio.

**Operations Committee** - Oleheiser, chairman; Fox; Merkins; Toenges; Wessel; Wichmann; Foss, ex officio; Hammer, ex officio; Hudalla, ex officio; Leach, ex officio.

**Planning Committee** - Scapanski, chairman; Fox; Leary; Merkins; Oleheiser; Paulson; Toenges; Wessel; Wichmann; Foss, ex officio; Hammer, ex officio; Goodrich, ex officio; Hudalla, ex officio; Casey, ex officio.

**Public Affairs Committee** - Fox, chairman; Leary; Oleheiser; Paulson; Wessel; Wichmann; Foss, ex officio; Hammer, ex officio; Pearson, ex officio; Schuette, ex officio.

**Rules & Premium Lists Committee** - Wessel, chairman; Leary; Merkins; Oleheiser; Paulson; Scapanski; Foss, ex officio; Hammer, ex officio; Goodrich, ex officio; Butler, ex officio; LeFebvre, ex officio.

**Sales Committee** - Paulson, chairman; Fox; Leary; Merkins; Oleheiser;

Scapanski; Toenges; Wessel; Wichmann; Foss, ex officio; Hammer, ex officio; Sinclair, ex officio; Larson, ex officio; Simon, ex officio.

The committee appointments were approved on a motion by Mr. Paulson, seconded by Mr. Oleheiser and carried (Aye-9; Nay-0).

President Foss presented the following board liaison and superintendent appointments for 2013:

#### **Administration - Leary**

Employment Office - Fox (Debbie Edman, superintendent)  
Seniors - Wichmann (Marge Krueger, superintendent)

#### **Competition - Paulson**

Bee Culture - Scapanski (David Schaaf, superintendent)  
Beef Cattle - Toenges (Chuck Schwartau, superintendent)  
Christmas Trees - Scapanski (Greg Ustruck, superintendent)  
Creative Activities - Wessel (Curt Pederson, superintendent)  
Dairy Cattle - Oleheiser (Deb Kraus, superintendent)  
Dairy & Boer Goats - Wichmann (Kevin LeVoor & Gretchen Sankovitz, superintendents)  
Dairy Products - Fox (Lisa Radamacher, superintendent)  
Dog Trials - Leary (JoAnna Yund, superintendent)  
Education - Wessel (Florence Newton, superintendent)  
Farm Crops - Scapanski (Ron Kelsey, superintendent)  
Fine Arts - Oleheiser (Jim Clark, superintendent)  
Flowers - Scapanski (Phyllis Andrews, superintendent)  
4-H - Wessel (Brad Rugg, superintendent)  
Fruits - Scapanski (Louis Quast, superintendent)  
FFA - Paulson (Duane Hutton, superintendent)  
Horses - Paulson (Leo Fourre, superintendent)  
Llamas - Toenges (Jen Rouillard, superintendent)  
Milking Parlor - Fox (Doris Mold, superintendent)  
Miracle of Birth Center - Merkins (Jim Ertl, superintendent)  
Poultry - Leary (Paul Bengston, superintendent)  
Sheep - Scapanski (Jo Bernard, superintendent)  
Swine - Merkins (Jerry Hawton, superintendent)  
Vegetables - Scapanski (Phil Klint, superintendent)

#### **Entertainment - Wichmann**

Grandstand Production - Paulson (Mark Anderson, superintendent)  
Heritage Exhibits - Toenges (Jan Bankey, superintendent)

#### **Finance - Merkins**

Fair-time Payroll - Leary  
Ticket Audit - Fox (Dick Reinhardt, superintendent)  
Ticket Sales - Merkins (JoAnne Ferry)

#### **Marketing - Fox**

#### **Operations - Oleheiser**

Admissions - Oleheiser (Dave Woodis, superintendent)  
Campgrounds - Foss (Teri Blair, superintendent)  
Park & Ride - Wichmann (Dick Anderson, superintendent)  
Parking - Toenges (Jim Benz, superintendent)  
Public Safety - Merkins (Art Blakey, chief of police)  
Sanitation - Scapanski (Brad Vier, superintendent)

#### **Sales - Paulson**

Attraction Ticket Takers - Leary (Jerri Longlet, superintendent)

The board liaison and department superintendent appointments were approved on a motion by Mr. Oleheiser, seconded by Ms. Wessel and carried (Aye-9; Nay-0).

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

#### **OPERATIONS COMMITTEE MEETING**

**Present:** Ron Oleheiser, chairman; Joe Fox; Paul Merkins; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Brian Hudalla, ex officio.



Chairman Oleheiser called the meeting to order.

Mr. Hammer presented the following gate admission policy for the '13 State Fair for consideration:

"Entry into the Minnesota State Fair shall be contingent solely upon the presentation and/or surrender of a valid ticket of admission in accordance with the most current schedule of gate prices as established by the board of managers."

The gate admission policy was adopted as presented on a motion by Ms. Wessel, seconded by Mr. Fox and carried (Aye-5; Nay-0).

Chairman Oleheiser declared the operations committee meeting adjourned.

#### **PUBLIC AFFAIRS COMMITTEE MEETING**

**Present:** Joe Fox, chairman; D.J. Leary; Ron Oleheiser; Al Paulson; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Renee Pearson, ex officio; Brienna Schuette, ex officio.

Chairman Fox called the meeting to order.

Ms. Schuette presented advertising, marketing and publications budgets for 2013, along with a summary of the fair's media relations and social media programs. After discussion, the budgets were approved on a motion by Mr. Paulson, seconded by Mr. Oleheiser and carried (Aye-5; Nay-0).

The public affairs committee meeting was adjourned on a motion by Mr. Paulson, seconded by Mr. Oleheiser and carried (Aye-5; Nay-0).

#### **RULES & PREMIUM LIST COMMITTEE**

**Present:** Sharon Wessel, chairman; D.J. Leary; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Jim Foss, ex officio; Jerry Hammer, ex officio; Michelle Butler, ex officio.

Chairman Wessel called the meeting to order.

Authority was granted to Mr. Hammer's delegate to make adjustments in rules, release dates and premium allocations for competitive departments in accordance with guidelines established by the Society's 2013 operating budget on a motion by Mr. Scapanski, seconded by Mr. Paulson and carried (Aye-5; Nay-0).

The rules & premium list committee was adjourned on a motion by Mr. Oleheiser, seconded by Mr. Paulson and carried.

#### **FINANCE COMMITTEE**

**Present:** Paul Merkins, chairman; Joe Fox; D.J. Leary; Ron Oleheiser; Al Paulson; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Marshall Jacobson, ex officio.

Chairman Merkins called the meeting to order.

Mr. Hammer presented for discussion the 2013 operating budget, which was reviewed by the board Jan. 18, and the 2013 improvements and maintenance budget, which was approved Jan. 19 by the board's planning committee. After further discussion, the budgets were approved by the committee on a motion by Mr. Paulson, seconded by Mr. Oleheiser and carried (Aye-5; Nay-0).

Mr. Hammer was granted authority to implement flexible pricing schedules and seating configurations for Grandstand events, taking into account the costs of production, potential revenue from other sources and weather insurance premiums on a motion by Mr. Paulson, seconded by Mr. Oleheiser and carried (Aye-5; Nay-0).

Mr. Jacobson reviewed the board action taken in November 2012 to refinance the long-term debt accounts for Grandstand renovation and livestock roof replacements; Mr. Jacobson's report was approved on a motion by Mr. Fox, seconded by Mr. Wichmann and carried (Aye-5; Nay-0).

The finance committee meeting adjourned on a motion by Mr. Fox, seconded by Mr. Oleheiser and carried (Aye-5; Nay-0).

President Foss reconvened the meeting of the full board.

Action taken earlier by the sales, planning, operations, public affairs, rules & premium list and finance committees was approved on a motion by Mr. Oleheiser, seconded by Ms. Wessel and carried (Aye-9; Nay-0).

After discussion, the following admission fee schedule was approved for the 2013 State Fair on a motion by Mr. Scapanski, seconded by Mr. Toenges and carried (Aye-9; Nay-0):

Adults (13-64)	\$12
Seniors (65 and over)	\$10
Children (5-12)	\$10
Kids under 5	Free
Seniors & Kids Days promotions	\$7
Thrifty Thursday Adults & Seniors	\$10
Thrifty Thursday Children	\$7
Military Appreciation Day*	\$7
Read & Ride Day adults**	\$10
Read & Ride Day kids**	\$7
Auto parking	\$12
Motorcycle parking	\$6
All-ages pre-fair discount	\$9

\* Discount applies to active military, spouses and kids; retired military and spouses; and military veterans and spouses. All must present valid documentation of military service.

\*\* Discount applies to persons who present a valid library card at the gate.

Mr. Hudalla reviewed the Society's current agreements with five building trades contractors providing a variety of services. Information only; no action required.

Mr. Hammer presented the following non-fair events rates for consideration:

Mr. Hammer was authorized to set staff salaries according to the following job classifications and ranges on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-9; Nay-0).

##### **Operating Classification**

(Title: Specialist)

Weekly salary range: \$560 to \$1,040 (\$29,120 to \$49,712 yearly)

##### **Intermediate & Professional Classification**

(Title: Supervisor)

Weekly salary range: \$750 to \$1,160 (\$39,000 to \$60,320 yearly)

##### **Middle Management Classification**

(Title: Assistant Manager, Manager)

Weekly salary range: \$1,000 to \$1,620 (\$52,000 to \$84,240 yearly)

##### **Executive Classification**

(Title: Director, Controller, Deputy GM, Executive Administrator)

Weekly salary range: \$1,300 to \$2,400 weekly (\$67,600 to \$124,800 yearly)

The Society's legal representation by Fredrickson Byron P.A., and McGrann Shea Carnival Straughn & Lamb Chartered was approved on a motion by Mr. Merkins, seconded by Mr. Toenges and carried (Aye-9; Nay-0).

Mr. Leach reported on the meeting of the Society's life member advisory committee conducted earlier that morning; the report was accepted on a motion by Mr. Paulson, seconded by Mr. Fox and carried (Aye-9; Nay-0).

Ms. Pearson reported on the status of Grandstand entertainment



bookings for the '12 State Fair. Information only; no action taken.

The next meeting of the Society's board of managers was tentatively set for Thursday March 21.

Vice President Fox commended the State Fair staff for their efforts on behalf of the Great Minnesota Get-Together.

The meeting was adjourned at 11:23 a.m. on a motion by Mr. Oleheiser, seconded by Mr. Fox and carried (Aye-9; Nay-0).

## **MINNESOTA STATE AGRICULTURAL SOCIETY MINUTES OF INTERIM ACTIVITIES**

**Jan. 21 through March 22, 2013**

### **January**

20-26 - Anderson attended the International Ticket Association annual conference in Orlando, Fla., where she was honored with the Venues Today Box Office Star of 2013 award.

22 - Miller and Mix attended a seminar presented by the Minnesota Safety Council.

24 - Alexander, Schuette and McGough met with the State Fair Advertising Coalition to discuss advertising strategy for 2013.

25-29 - Four Como Park High School boys hockey games were played at the Warner Coliseum.

29 - Hughes, Schuette and Noonan met with media coaching consultant Erin Mathe to prepare for the upcoming year.

30 - The State Fair employee safety committee met at the lower Admin conference room.

31 - Sinclair and Simon met with Minnesota State Colleges & Universities representatives to discuss their exhibit site needs.

### **February**

4 - The first of two open houses for potential concession operators was conducted at the Pizza Palace facility. Alexander, Schuette and McGough met with Carla Beaurline of Around Town Media regarding State Fair advertising.

5-7 - Alexander attended Pollstar's Concert Industry Consortium in Los Angeles, Calif.

5-9 - Sinclair attended the International Independent Showmen's Association trade show, Outdoor Amusement Business annual meeting, National Independent Concessionaires Association conference and the Florida State Fair in Tampa, Fla.

6 - A meeting and lunch for full-time staff was held in Arden Hills.

7 - Hammer and Hudalla participated in a meeting of the State Fair Foundation development committee at Libby Conference Center. Schuette, Goldstein, Hughes and Duda met with 2013 commemorative artist Marie Olofsdotter.

10-13 - Anderson and Schadeck attended training at Etix headquarters in Raleigh, N.C.

12 - Schuette spoke to Irondale High School students about the State Fair's marketing program.

13 - Full-time staff attended an "Employee Right To Know" workplace information session at the Libby Conference Center. Hammer, Sinclair, Alexander, Jacobson, Hudalla, Goodrich, Leach, Cady and Simon met with Brian Tempas and Andrew Tisue of Cuningham Group to discuss transit hub and Heritage Square designs. Schuette met with Sgt. Paul Paulos of the St. Paul Police Department to discuss the department's media relations procedures.

19 - Hammer gave a presentation to the St. Paul District 10 (Como Park) Community Council.

21 - Goodrich and Donnelly met with state 4-H leaders to discuss current and future direction of 4-H programming at the State Fair. State Fair staff attended a "Lunch & Learn" presentation by Jeff

Johnson and Steve Marth of Spunk Design regarding State Fair logo and branding.

22 - Sinclair, Larson and Simon met with representatives of the Minnesota Craft Brewers Guild to discuss their exhibit and site needs for the upcoming fair.

23-28 - The State Section 3AA, 4AA and 5AA boys high school hockey semi-finals and the Section 3AA finals were played at the Warner Coliseum.

24-25 - Alexander attended an International Entertainments Buyers Association meeting in Nashville, Tenn.

26 - Hammer participated in an event for State Fair Foundation donors, conducted at the J.V. Bailey House.

27 - Senior staff met with representatives of Cuningham Group in continued discussion regarding development of the West Gate project. Goodrich, Butler and Fischer met with the Western Saddle Clubs Association to discuss changes to multi-horse events.

### **March**

1 - The State Section 4AA and 5AA boys high school hockey finals were played at the Warner Coliseum. Goodrich and LeFebvre attended a meeting of the Minnesota Purebred Dairy Cattle Association in Red Wing.

6 - Noonan gave a presentation to students at White Bear Lake High School regarding careers in marketing.

8 - McGough and Weinfurter met with members of the planning committee for Governor's Fire Prevention Day at the fair.

11-13 - Goodrich, Donnelly, Schuldt, McCullough, Barnett, Franzmeier and Leach attended the IAFE Spring Seminar in Grand Island, Neb.; Goodrich offered a presentation at one of the sessions.

12 - Mix hosted and attended a meeting of the Ramsey County Employers Committee at the Libby Conference Center; Pittelko also attended the meeting.

13 - Alexander met with representatives of I.A.T.S.E. stagehands union local 13 to establish rates for 2013.

16-17 - The Minnesota Weapons Collectors Association presented a show and sale at the Warner Coliseum.

19 - Hammer and Jacobson met with Jim Eichten and Jaclyn Huegel of Malloy, Montague, Karnowski, Radosevich & Co. to discuss their audit of Society financial activities for fiscal 2012.

20 - The State Fair Employee Safety Committee met at the lower Admin conference room.

21 - State Fair staff attended a "Lunch & Learn" presentation by Sgt. Paulos of the St. Paul Police Department and Deputy Chief Matt Simpson of the St. Paul Fire Department.

## **MINNESOTA STATE AGRICULTURAL SOCIETY MEETINGS OF THE SALES COMMITTEE & GOVERNING BOARD**

**9 a.m. Thursday March 22, 2013**

**Libby Conference Center, State Fairgrounds**

### **MEETING OF THE SALES COMMITTEE**

**Members present:** Al Paulson, chairman; Joe Fox; D.J. Leary; Paul Merkins; Ron Oleheiser; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Dennis Larson, ex officio; Pam Simon, ex officio.

**Also present:** Renee Alexander; Brian Hudalla; Marshall Jacobson; Cheryl Huber; Mary Miller; Wally LeVesseur; Brienna Schuette; Gail Anderson; Michelle Butler; Danyl Vavreck; Theresa Weinfurter; Steve Grans; Chris Leach; Corey Franzmeier; Shannon Buchda; Nikki



Hines; Chris Noonan; Lara Hughes; Emily Rouse; Lindsay Dickson; Kent Harbison.

Chairman Paulson called the meeting to order at 9 a.m.

Mr. Larson offered a review of the selection process to determine a concession owner/operator for the location at 1715 Carnes Ave., formerly occupied by the Pizza Palace. On a motion by Mr. Merkins, seconded by Ms. Wessel and carried, staff was authorized to submit their selection to the board's executive committee (Aye-8; Nay-o).

Mr. Sinclair forwarded a request from Ye Old Mill Amusements, Inc., operator John Keenan for a price increase from \$3 to \$3.50 per rider. Following discussion and review, the request was denied on a motion by Mr. Scapanski, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

Mr. Sinclair presented a list of Mighty Midway and Kidway attractions and games of skill licensed for the upcoming fair. Information only; no action taken.

The meeting adjourned at 9:23 a.m. on a motion by Mr. Fox, seconded by Mr. Leary and carried (Aye-8; Nay-o).

## MEETING OF THE GOVERNING BOARD

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Renee Alexander; Jim Sinclair; Brian Hudalla; Marshall Jacobson; Cheryl Huber; Mary Miller; Dennis Larson; Pam Simon; Wally LeVesseur; Brienna Schuette; Gail Anderson; Michelle Butler; Danyl Vavreck; Theresa Weinfurter; Steve Grans; Chris Leach; Corey Franzmeier; Shannon Buchda; Nikki Hines; Chris Noonan; Lara Hughes; Emily Rouse; Lindsay Dickson; Kent Harbison; Sarah Psick; Joe Bagnoli.

President Foss called the meeting to order at 9:34 a.m.

Minutes of the Society's board meetings, committee meetings and general business session conducted Jan. 17 through 20, 2013, were approved on a motion by Mr. Oleheiser, seconded by Mr. Fox and carried (Aye-9; Nay-o).

Minutes of interim activities from Jan. 21 through March 22 were reviewed and approved on a motion by Ms. Wessel, seconded by Mr. Paulson and carried (Aye-9; Nay-o).

Mr. Jacobson presented the financial statement for February 2013 as follows:

## MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY Month Ending February 28, 2013

### OPERATING ACCOUNT ACTIVITY:

Cash Balance-Jan. 31, 2013		\$5,080,164
Add: Cash Deposits	\$159,755	
Less: Payroll Ending Feb. 1	(193,060)	
Payroll Ending Feb. 15	(191,465)	
Cash Disbursements	(526,623)	(751,393)
Balance-Feb. 28, 2013		\$4,328,771

### BUILDING FUND ACTIVITY:

Balance-Jan. 31, 2013		\$450
Add: Interest Earned		
Securities Purchased		
Less: Securities Redeemed		
Balance-Feb. 28, 2013		\$450

### CASH BALANCES FOR MONTH ENDING FEBRUARY 28:

	2012	2013
Operating Account	\$2,690,129	\$4,328,771
Petty Cash	6,100	26,100
Building Fund	450	450

Construction Fund

13,474

### Total Cash Balances

\$2,710,153 \$4,355,321

After review, the statement was approved as presented on a motion by Mr. Leary, seconded by Mr. Merkins and carried (Aye-9; Nay-o).

Action taken earlier by the sales committee was approved on a motion by Mr. Paulson, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

Mr. Sinclair provided an update on activities in commercial exhibit sales and sponsorships. Information only; no action required.

The State Fair's entertainment and marketing programs were reviewed by Ms. Alexander. Information only; no action required.

Ms. Rouse and Mr. Sinclair reported on the busy schedule of non-fair events at the State Fairgrounds. Information only; no action required.

State Fair legal representatives Sarah Psick and Joe Bagnoli reported on activities of the '13 Minnesota legislature and their potential impact on the fair. Information only; no action required.

Mr. Hudalla reported on a variety of improvements and maintenance projects currently underway. Information only; no action required.

Mr. Leary moved and Mr. Fox seconded to move the meeting into executive session at 11:43 a.m.; motion carried (Aye-9; Nay-o).

The meeting was reopened at 12:26 p.m. on a motion by Mr. Leary, seconded by Mr. Fox and carried (Aye-9; Nay-o).

After discussion, the next meeting of the board was scheduled for the afternoon of June 6 and the morning of June 7 at the State Fairgrounds.

The meeting was adjourned at 12:36 p.m. on a motion by Mr. Paulson, seconded by Mr. Wichmann and carried (Aye-9; Nay-o).

## MINNESOTA STATE AGRICULTURAL SOCIETY MINUTES OF INTERIM ACTIVITIES

### March 22 through June 6, 2013

#### March

22-24 - The Super Golf Sale, presented by Blue Star Productions, was held at the Warner Coliseum.

23-27 - Hammer, Sinclair, Huber, Simon, Weinfurter, LeVesseur, Butler, Schuette, Vavreck, Hines, Alexander, Leach, Casey and Buchda participated in the IAFE Institute of Fair Management Summit conference, followed by the IAFE Zone 4 Spring Meeting in Rochester, Minn.; several board members also attended the zone meeting.

#### April

1 - Sinclair and Larson met with Pat, Jane and John Mancini to discuss their proposal for the former Pizza Palace concession. Sinclair and Hines met with Don McClure of D.M.C., Inc., to discuss Skyride operations.

2 - Sinclair and Larson met with Tim Weiss to discuss construction of a customer seating pavilion at Giggles Campfire Grill.

3 - Sinclair, Simon, Goodew and Casey met with Minnesota DNR representatives to discuss construction plans for their '13 exhibit.

4-7 - Hammer and Sinclair attended the annual meeting of the Mid-West Fairs Association in St. Augustine, Fla., and visited the Clay County Fair in Green Cove Springs, Fla. The St. Paul Osman Temple Shrine Circus was held at the Warner Coliseum.

8 - Hudalla, Leach, Blakey and Pittelko met with representatives of the St. Paul Fire Department to discuss our cooperative year-around relationship.

9- Hammer, Alexander, Sinclair, Jacobson, Hudalla, Simon, Leach and Cady met with Brian Tempas and Andrew Tisue of Cuninghams Group in continuing discussions about design of the new West Gate and exhibit area facilities.

11 - Sinclair and Hines met with John Keenan to discuss '13 operation plans for Ye Old Mill.



12 - Hammer, Alexander and Simon met with Andrew Tisue of Cuningham Group to continue discussions on planning for the new West Gate exhibit complex.

13-14 - The Gopher State Timing Association Rod & Custom Spectacular was held at the Warner Coliseum.

16 - A Lunch & Learn session for State Fair staff featuring a presentation by Steven Diaz of the Minnesota Department of Health was conducted at the Libby Conference Center. Huber and Miller attended a human resources conference presented by the Grant Plant Mooty law firm.

18 - Foss and Hammer participated in a meeting of the State Fair Foundation board and development committee conducted at the Libby Conference Center.

19 - Sertich and Mix led the first of four training sessions for State Fair superintendents and supervisors on hiring and payroll procedures.

20-21 - The Antique Spectacular Show & Flea Market, presented by Prime Promotions, was held at the Grandstand and Infield. The Minnesota Weapons Collectors Show was presented at the Education Building. The Minneapolis-St. Paul Spring Military Relics Show was conducted at the Progress Center.

21 - The Twin Cities Jewish Federations hosted Israel's 65th Anniversary Celebration at the Dairy Building.

21-26 - Leach, along with various public safety officials from Ramsey County, attended a FEMA-sponsored course on integrated emergency management at the National Emergency Training Center in Emmitsburg, Md.

22 - Alexander, Sinclair, Jacobson, Hudalla, Simon, Leach and Cady met with Brian Tempas and Andrew Tisue of Cuningham Group for continued discussions about design of the new West Gate and exhibit area facilities.

25-28 - Hammer, Sinclair, Alexander, Hudalla and Miller attended the IAFE Management Conference in West Palm Beach, Fla.

26-28 - The Minnesota Horse Expo was held at the Warner Coliseum and livestock complex.

27 - The Twin Cities Antique Motorcycle Auction was conducted at the Progress Center.

27-28 - Munchkin Market's Children's Consignment Sale was held at the Education Building. The Minnesota Reptile Expo, presented by Go Lizzards, LLC, was held at the Merchandise Mart.

## **May**

1 - Senior staff met with representatives of Cuningham Group for continued discussions on transit hub and new exhibit area design.

3-5 - The Sahara Sands Spring Classic Horse Show was held at the Warner Coliseum and livestock complex.

4 - The No Kill Walk for Animals, presented by Minnesota No Kill Walk for the Animals, was held at the Bazaar. The Cookie Concert, presented by the Girl Scouts of Minnesota and Wisconsin River Valleys, was held at the Grandstand and Infield.

5 - The Spring Extravaganza Car Show & Swap Meet was held on Machinery Hill. The Northland Antique, Toy, Doll & Advertising Show was held at the Progress Center.

7 - The first of four education sessions on customer service was held for full-time staff at the Libby Conference Center.

8-11 - The St. Paul YMCA Garage Sale was held at the Merchandise Mart.

9-12 - The FASH Saddlebred Horse Show was presented at the Warner Coliseum and livestock complex.

10-12 - The Friends School of Minnesota Plant Sale was held at the Grandstand.

11 - The Spring Model Railroad & Hobby Sale was held at the Education Building. The St. Paul Craftstravaganza was presented at the Progress Center.

13 - Hammer, Alexander and Cady met with the leadership team of the Minnesota History Center to discuss planning for the new State Fair History Museum.

14 - Mix hosted a meeting of the Ramsey County Employers Committee at the Libby Conference Center; Sertich also attended.

14-16 - Shafer, Stefenhagen, Levine, Schultz, Schaeppi and Barnett attended the Minnesota Safety Council's annual conference on safety and health.

15 - Senior staff met with representatives of Cuningham Group for continued planning discussions on transit hub and new exhibit area design.

16 - Members of the Miracle of Birth veterinary team gave a presentation to State Fair staff members during a Lunch & Learn session conducted at the Libby Conference Center. Sinclair, Vavreck and Larson met with representatives of Coca-Cola to discuss their sponsorship and concession operations.

17 - Sinclair and Larson met with Minnesota Department of Health representatives to discuss code and inspection requirements.

17-19 - Art On A Line Watercolor Art Show, presented by the North Star Water Color Society, was held at the Fine Arts Center.

17-June 2 - The Major Appliance Liquidation Event by ApplianceSmart was conducted at the Education Building.

18-19 - The Rubber Stamp & Scrapbook Expo was held at the Progress Center. The Minnesota Comic Book Association's Springcon was held at the Grandstand.

19 - The First Fifty Auto Parts Sale & Swap Meet was held on the north parking lots. The Riders and Ribbons Schooling Show was held at the AgStar Arena.

21 - Sinclair and Simon met with Crossroads Chapel representatives to discuss their plans for the '13 State Fair.

22 - The State Fair employee safety committee met at the Administration Building. Cady, Hudalla and Leach met with representatives of tenK Energy company to discuss a possible initiative for use of solar energy on the fairgrounds.

22-27 - The Minnesota American Quarter Horse Association Corporate Challenge was conducted at the Warner Coliseum and livestock complex.

23 - Foss, Fox and Huber, along with a few members of the Minnesota Federation of County Fairs board and the Midwest Showmen's Association, toured the Minneapolis Hyatt Hotel as a possible location for the joint annual meetings of the Society, MFCF and Showmen.

28 - Hammer participated in a meeting of the IAFE Institute of Fair Management advisory committee.

30 - Senior staff met with representatives of Cuningham Group for further discussions on design of the new transit hub and exhibit area.

31 - The Electric Run, presented by Human Movement Management, was held on various streets around the fairgrounds.

31-June 2 - The Great American Gem Show & Sale was held at the Progress Center. The Mounted Shooters of America competition was presented at the Warner Coliseum and livestock complex.

## **June**

1 - The Children's Hospitals and Clinics of Minnesota Neonatal Intensive Care Unit Reunion and Baby Steps 3K was held at the Grandstand. Huber and all of the Minnesota Federation of County Fairs board toured Duluth as a potential site for the joint annual meetings of the Society, Federation and Midwest Showmen's Association.



3 - Sinclair and Simon met with representatives of General Mills to discuss their potential participation in the State Fair.

4 - Hammer participated in a meeting of the State Fair Foundation development committee at the J.V. Bailey House. Hudalla, Leach, Grans and Brian Tempas of Cuningham Group met with representatives of the University of Minnesota to discuss transit hub design.

5 - The commemorative art for the 2013 State Fair was unveiled by artist Marie Olofsdotter at the J.V. Bailey House.

# **MINNESOTA STATE AGRICULTURAL SOCIETY MEETING OF THE SALES COMMITTEE & GOVERNING BOARD**

**9 a.m. Friday June 7, 2013**

**Libby Conference Center, State Fairgrounds**

## **MEETING OF SALES COMMITTEE**

**Members present:** Al Paulson, chairman; Joe Fox; D.J. Leary; Paul Merkins; Ron Oleheiser; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Pam Simon, ex officio.

**Also present:** Renee Alexander; Mark Goodrich; Brian Hudalla; Marshall Jacobson; Cheryl Huber; Mary Miller; Gail Anderson; Brienna Schuette; Wally LeVesseur; Michelle Butler; Theresa Weinfurter; Pam Mix; Steve Grans; Danyl Vavreck; Maria Goodew; Nikki Hines; Jim Rougier; Shannon Buchda; Carol Doyle; Chris Noonan; Lara Hughes; Julie Samec; Emily Rouse; Kay Cady; Kent Harbison; Sarah Psick; and Joe Bagnoli.

Chairman Paulson called the meeting to order at 9:03 a.m.

Mr. Sinclair and Ms. Simon reviewed new commercial exhibits licensed for the upcoming fair. Following the presentation, Mr. Scapanski moved, Mr. Wichmann seconded and motion carried to issue a second food and beverage license to F & W Concessions, dba the Butcher Boys and Pitchfork Sausage (Aye 8; Nay-o).

Mr. Leary moved, Ms. Wessel seconded and motion carried to authorize the purchase of the concession structure at 1715 Carnes Ave. from John Robinson (Pizza Palace) for the appraised value of \$96,000, and the sale of the structure for the same amount to Mancini's Char House, dba Mancini's al fresco (Aye-8; Nay-o).

Following discussion on the Society's alcoholic beverage licensing policies, Mancini's al fresco was granted a license to serve beer during the '13 fair on a motion by Ms. Wessel, seconded by Mr. Oleheiser and carried (Aye-8; Nay-o).

On a motion by Mr. Merkins, seconded by Mr. Wichmann and carried, the following six concessionaires were authorized to be issued licenses for the sale of Minnesota-produced wine at the '13 fair (Aye-8; Nay-o): Café Caribe at 1770 Carnes Ave.; Coasters, Inc. at 1804 Carnes Ave.; Giggles' Camp Fire Grill at 1520 Cooper St.; Hildebrand Concessions at the Grandstand; O'Gara's at the Fair at 1626 Dan Patch Ave.; and Shanghaied Henri's at 1658 Judson Ave.

The following updated list of 2013 attraction licensees and percentage fees for each was presented by Mr. Sinclair, along with a recommendation that the percentage for D.M.C., Inc. (Skyride) be increased from 25% to 30%, and that the Krazy Maze attraction be added to Adventure Park at a percentage fee of 25%. Ms. Wessel moved, Mr. Fox seconded and carried to approve the percentage fees as recommended (Aye-8; Nay-o):

CONCESSIONAIRE	ATTRACTION	2013%
Big Adventures, Inc.	<u>Turbo Bungy</u>	25%
D.M.C., Inc.	Skyride	30%
Fun Adventures, Inc.	<u>Rock Climbing Wall</u>	25%
Giant Ride, Inc.	Giant Slide	30%

Grandstand Artist Merchandise Sales	Artist CD's/DVD's	10%
	Other Merchandise	20%
Hot Shot Thrill Rides	<u>Sling Shot</u>	25%
K & M Recreation, Inc.	Haunted House	30%
KMB Performance, Inc.	Go Carts	25%
Krazy Maze LLC	<u>Krazy Maze</u>	25%
Mighty Midway and Kidway (Approved at 11/14/08 Mtg.)	Kidway Rides and Shows	43%
	Midway Rides and Shows	41%
	Games of Skill	23%
River Raft Ride, Inc.	Raft Ride & Pirate Tag	25%
Skyfair, Inc.	SkyGlider	30%
Skyscraper Two, Ltd.	<u>Skyscraper</u>	25%
Spineless Wonders	Butterfly House	20%
Tinsley Amusements, Inc.	Carousel	40%
Ventnor Place, Inc.	Space Tower	25%
Ye Old Mill Amusements, Inc.	Canal Boat Ride	25%

The percentage fees above represent the fees payable to the Minnesota State Fair on receipts from ticket sales associated with operation of the preceding attractions. Percentages are applied as follows; state sales tax (7.125%) is deducted from gross receipts and reconciliation between the Minnesota State Fair and concessionaires is made on the net of tax balance.

Attractions underlined are located in Adventure Park and operate on a central ticket system.

Mr. Sinclair presented requests from four ticketed attractions for adjustments to their admission ticket prices. Following discussion, the following prices were approved for the '13 fair on a motion by Ms. Wessel, seconded by Mr. Fox and carried (Aye-8; Nay-o): Skyride \$4 one-way (increase of 50¢) and \$5.50 round trip (increase of 50¢); SkyGlider \$4 one-way (increase of 50¢) and \$5.50 round trip (increase of 50¢); Giant Slide \$2.50 (increase of 50¢); and Ye Old Mill \$3.25 (increase of 25¢). Also approved was an admission price of \$5 for the new Krazy Maze Adventure Park attraction.

Mr. Sinclair reviewed the upcoming fair's lineup of Midway and Kidway rides and games of skill. Information only; no action taken.

Ms. Vavreck provided an update on sponsorships and touring exhibits for the upcoming fair. Information only; no action taken.

The sales committee meeting was adjourned at 10:04 a.m. on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

## **MEETING OF GOVERNING BOARD**

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Jim Sinclair; Renee Alexander; Mark Goodrich; Brian Hudalla; Marshall Jacobson; Cheryl Huber; Mary Miller; Gail Anderson; Brienna Schuette; Wally LeVesseur; Michelle Butler; Theresa Weinfurter; Pam Mix; Steve Grans; Danyl Vavreck; Maria Goodew; Nikki Hines; Jim Rougier; Shannon Buchda; Carol Doyle; Chris Noonan; Lara Hughes; Julie Samec; Emily Rouse; Kay Cady; Lindsay Dickson; Jesse Poppe; Jennine Duda; Kent Harbison; Sarah Psick; Joe Bagnoli; Jim Eichten.

President Foss called the meeting to order at 10:14 a.m.

Minutes of the March 22, 2013, board and sales committee meetings were reviewed and approved on a motion by Mr. Oleheiser, seconded by Mr. Paulson and carried (Aye-9; Nay-o).

Minutes of interim activities covering the period from March 22 through June 6, 2013, were approved on a motion by Ms. Wessel, seconded by Mr. Fox and carried (Aye-9; Nay-o).



Action taken earlier in the morning by the sales committee was approved on a motion by Mr. Paulson, seconded by Ms. Wessel and carried (Aye-9; Nay-0).

The financial statement for May, 2013, was presented by Mr. Jacobson as follows:

# **MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY**

**Month Ending May 31, 2013**

## **OPERATING ACCOUNT ACTIVITY:**

Balance-April 30, 2013		\$3,807,840
Add: Cash Deposits	\$1,883,798	
Less: Payroll Ending May 10	(269,564)	
Payroll Ending May 24	(226,408)	
Cash Disbursements	(2,109,440)	(721,614)
Balance-May 31, 2013		\$3,086,226

## **BUILDING FUND ACTIVITY:**

Balance-April 30, 2013		\$450
Add: Interest Earned		
Securities Purchased		
Less: Securities Redeemed		
Balance-May 31, 2013		\$450

## **CASH BALANCES FOR MONTH ENDING May 31:**

	2012	2013
Operating Account	\$2,128,652	\$3,086,226
Petty Cash	6,100	6,100
Building Fund	450	450
<b>Total Cash Balances</b>	<b>\$2,135,202</b>	<b>\$3,092,776</b>

After discussion, the financial statement was approved as presented on a motion by Ms. Wessel, seconded by Mr. Paulson and carried (Aye-9; Nay-0).

Mr. Hammer presented State Fair Resolution 13-01 authorizing the amendment of the State Fair 2009 Subordinated Indebtedness Note to extend the maturity thereof and authorizing certain other actions. The complete resolution is on file at the Society offices on the State Fairgrounds and the Minnesota State Attorney General's office. The resolution was approved on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-9; Nay-0).

Jim Eichten of Malloy, Montague, Karnowski, Rodosevich & Co., P.A., and Mr. Jacobson reviewed the audit of the Society's books and accounts for fiscal 2012. After discussion, the review was approved on a motion by Mr. Leary, seconded by Mr. Merkins and carried (Aye-9; Nay-0).

Sarah Psick and Joe Bagnoli of the McGrann Shea public representation firm reviewed the 2013 session of the Minnesota legislature and related issues affecting the Society. Information only; no action taken.

Mr. Jacobson presented fair-time payroll projections for the upcoming fair totaling \$2.5 million for 78 departments. After discussion, the projections were approved on a motion by Mr. Merkins, seconded by Mr. Leary and carried (Aye-9; Nay-0).

Ms. Alexander reported on the status of entertainment and marketing efforts for the upcoming fair, followed by a presentation of the following entertainment contracts for '13:

CONTRACTOR	DATES	TERMS	VENUE
Eat Your Heart Catering (Grandstand Catering)	8/22-9/2	\$20,000 plus final payment due upon receipt of invoice	Grandstand Production
Mark Anderson (Grandstand Superintendent)	8/22-9/2	\$19,228 flat	Grandstand Production

A.S.I.A., Inc. (Concert Security)	8/22-9/2	\$18.70/hour per person Payable upon receipt of invoice	Grandstand Production
Gary Perkins (Grandstand Stage Manager)	8/22-9/2	\$9,750 flat	Grandstand Production
P.E.S.O., Inc. (Concert Ushers)	8/22-9/2	\$17.10/hour per person Payable upon receipt of invoice	Grandstand Production
Freestyle Productions, Inc.	8/22-9/2	\$85,930 flat	Grandstand Production
Pierre Productions, Inc. f/s/o Kevin Nealon	8/22	\$50,000 plus 17.4% over \$330,000	Grandstand Artist
Red Rocker Touring f/s/o Sammy Hagar	8/24	\$200,000 plus 90% over \$300,000	Grandstand Artist
Scout Tours, Inc. f/s/o Sheryl Crow	8/25	\$120,000 plus 80% over \$300,000	Grandstand Artist
Scout Tours, Inc. f/s/o Sheryl Crow	8/25	\$5,000 flat (backline)	Grandstand Artist
Flower Power Concerts, Inc. f/s/o Happy Together Tour 2013	8/26	\$65,000 plus 80% over \$165,000	Grandstand Artist
Venusnote, Inc. f/s/o Depeche Mode	8/27	\$575,000 plus 80% over \$700,000	Grandstand Artist
The Walker Art Center f/s/o 2013 Internet Video Cat Festival	8/28	30% of net box office receipts	Grandstand Artist
Great Nothern Touring, Inc. f/s/o Mason Jennings	8/30	\$25,000 flat	Grandstand Artist
Trampled by Turtles, LLC f/s/o Trampled by Turtles	8/30	\$75,000 plus 70% over \$250,000	Grandstand Artist
Chancelor J. Bennett dba Chance The Rapper	8/31	\$5,000 flat	Grandstand Artist
Macklemore, LLC f/s/o Macklemore & Ryan Lewis	8/31	\$115,000 plus 80% over \$230,000	Grandstand Artist
Day of the Dog, Inc. f/s/o Brantley Gilbert	9/2	\$150,000 flat	Grandstand Artist
Road Dog Touring, Inc. f/s/o Tim McGraw	9/2	\$500,000 plus 80% over \$750,000	Grandstand Artist
Sunny Sweeney Music, LLC f/s/o Sunny Sweeney	8/22-23	\$18,000 flat	Bandshell Tonight
3.O.C. Music, Inc. f/s/o Blue Oyster Cult	8/24-25	\$40,000 flat	Bandshell Tonight
Hanson Inc. f/s/o Hanson	8/26-27	\$50,000 flat	Bandshell Tonight
Robfaith Touring, Inc. f/s/o Randolph & The Family Band	8/30-31	\$37,500 flat	Bandshell Tonight
Larry Gatlin dba Larry Gatlin Enterprises	9/1-2	\$35,000 flat	Bandshell Tonight
Joseph R. Carrier Jr. f/s/o Chubby Carrier & The Bayou Swamp Band	8/22-23	\$8,163 flat	Bandshell Day

Mountain Heart, Inc.	8/22-23	\$8,500 flat	Bandshell Day	Wooden Circle Inc f/s/o Roger Abrahamson	8/22-9/2	\$3,600 flat	Heritage Square
Alex Meixner f/s/o Alex Meixner Polka Band	8/24-25	\$7,000 flat	Bandshell Day	Knock Wood LLC Dba James Wedgwood Ventriloquist	8/22-23	\$1,700 flat	Heritage Square
Jason D Williams	8/24-25	\$12,000 flat	Bandshell Day	Lucy Michelle and the Velvet Lapelles	8/22-23	\$6,000 flat	Heritage Square
Tonic Sol-fa, Inc.	8/26-27	\$8,000 flat	Bandshell Day	Roe Family Singers LLC f/s/o The Roe Family Singers	8/22-23	\$2,000 flat	Heritage Square
Emrose Touring Company, LLC f/s/o Maggie Rose	8/28-29	\$12,000 flat	Bandshell Day	David Mariette (Blacksmith)	8/22-27	\$2,950 flat	Heritage Square
Home Free Music, LLC f/s/o Home Free	8/30-31	\$5,000 flat	Bandshell Day	Premier Global Production Company- Heritage Square Stage	8/22-9/2	\$6,500 flat	Heritage Square
Five Stone, Inc f/s/o Eric Paslay	9/1-2	\$8,000 flat	Bandshell Day	Past Presentations, LLC	8/23-9/3	\$70 flat	Heritage Square
Zurdo Inc. d/b/a Michael Salgado	9/1-2	\$15,000 flat	Bandshell Day	Past Presentations, LLC	8/23-9/3	\$340 flat	Heritage Square
SongBlast LLP f/s/o SongBlast Dueling Guitars	9/1-2	\$3,000 Flat	Bandshell Day	Past Presentations, LLC	8/23-9/3	\$5,550 flat	Heritage Square
Daniel A. Newton f/s/o Café Accordion Orchestra	8/24-25	\$3,500 flat	Bazaar Day	Kenny Ahern	8/24-25	\$1,700 flat	Heritage Square
Dominic Gaudious	8/24-25	\$3,250 flat	Bazaar Day	Minnesota State Fiddler's Association	8/24-25	\$5,000 flat	Heritage Square
Kristofer J. Keltgen f/s/o Kris & The Riverbend Dutchmen	8/26-27	\$1,700 flat	Bazaar Day	Barbary Coast Productions, Inc. f/s/o Barbary Coast Dixieland Show Band	8/26-27	\$3,500 flat	Heritage Square
LaNee Victorsen-Wiley d/b/a Dirty Shorts Brass Band	8/22-23	\$2,000 flat	Bazaar Day	Chmielewski Funtime Band	8/26-27	\$3,000 flat	Heritage Square
Dominic Gaudious	8/25-26	\$3,250 flat	Bazaar Day	The Memories	8/26-27	\$3,000 flat	Heritage Square
Sena Ehrhardt	8/26-27	\$3,000 flat	Bazaar Day	Joel Miller	8/28-9/2	\$3,160 flat	Heritage Square
Raymond Covington f/s/o Ray Covington	8/28-29	\$3,000	Bazaar Day	Jerol L. O'Hagan f/s/o Jerry O'Hagan Orchestra	8/28-29	\$3,000 flat	Heritage Square
Tom Mason f/s/o Tom Mason and The Blue Buccaneers	8/28-29	\$3,500 flat	Bazaar Day	Jerry Frasier	8/28-29	\$1,500 flat	Heritage Square
Ukrainian American Youth Association	8/30-31	\$2,000 flat	Bazaar Day	Creative Music Service f/s/o Mary Jane Alm	8/28-29	\$3,500 flat	Heritage Square
Native Pride Productions f/s/o Native Pride Dancers	8/30-31	\$3,750 flat	Bazaar Day	Glen Everhart	8/30-31	\$1,500 flat	Heritage Square
Breck School f/s/o BATO BATO! Breck Marimba Ensemble	9/1-2	\$1,000 flat	Bazaar Day	Minnesota Bluegrass and Old Time Music Association, Inc	8/30-31	\$3,175 flat	Heritage Square
Brian Wicklund f/s/o The Barley Jacks	9/1-2	\$3,350 flat	Bazaar Day	Spiritwood Music f/s/o The Boundary Water Boys	8/30-31	\$3,500 flat	Heritage Square
Guava Entertainment f/s/o Socaholix	8/22-23	\$3,000 flat	Bazaar at Night	Shirley M Spanhanks dba Blue Wolf Bluegrass	9/1-2	\$1,000 flat	Heritage Square
Pedro Fonseca f/s/o Tropical Zone Orchestra	8/24-25	\$2,000 flat	Bazaar at Night	Alexander C. Larson f/s/o Crankshaft & The Gear Grinders	9/1-2	\$1,000 flat	Heritage Square
BC Characters, Inc. f/s/o BreakShop Bump'n	8/22-9/2	\$30,360 flat	Family Fair at Baldwin Park	Mikelle Budge dba Mary Mack	9/1-2	\$1,800 flat	Heritage Square
Sean Emery	8/22-9/2	\$12,000 flat	Family Fair at Baldwin Park	Sarah Gayle Meech	8/26-27	\$4,100 flat	Heritage Square Evening
Howard S. Walstein f/s/o Kidsdance	8/22-23	\$2,100 flat	Family Fair at Baldwin Park	Dan Sparkman	8/25	\$50 flat	Milk Run
Okee Dokee Music LLC f/s/o Okee Dokee Brothers	8/24-25	\$2,500 flat	Family Fair at Baldwin Park	Rick Recker	8/25	\$350 flat	Milk Run
Adam Douglas Marshall f/s/o The Bazillions	8/26-27	\$1,700 flat	Family Fair at Baldwin Park	Lasertainment LLC f/s/o Lasertainment Laser Hit Show	8/22-9/2	\$19,000 flat	Misc. Attractions
Linsey Lindberg f/s/o Mama Lou: American Strongwoman	8/28-29	\$2,400 flat	Family Fair at Baldwin Park	Rock-It The Robot, Inc	8/22-9/2	\$11,400 flat	Misc. Attractions
Birdhouse Holdings, LLC The Choo Choo Bob Show	8/30-31	\$1,800 flat	Family Fair at Baldwin Park	West Texas Productions, Inc f/s/o ShenaniGuns Comedy Wild West Show	8/22-9/2	\$30,000 flat	Misc. Attractions
Sherlock Studios LLC f/s/o Jared Sherlock	9/1-2	\$1,600 flat	Family Fair at Baldwin Park	DL Weatherhead Timberworks Lumberjack Show LLC	8/22-9/2	\$34,000 flat	North Woods
				Ron Schara Enterprises, LLC f/s/o Ron Schara's Minnesota Bound	8/22-9/2	\$8,000 flat	North Woods
				Elwyn Juenke	8/22-9/2	\$2,160 flat	Old Iron Show
				Joseph Schimml	8/22-25	\$720 flat	Old Iron Show



Jacks PC Consulting LLC f/s/o C. John Deschene	8/22-9/2	\$1,440 flat	Old Iron Show
David M. Lewerer	8/22-9/1	\$1,320 flat	Old Iron Show
Glen William Westphal	8/22-9/2	\$720 flat	Old Iron Show
Jacob Suchy	8/22-9/2	\$540 flat	Old Iron Show
James Birk	8/22-9/2	\$2,520 flat	Old Iron Show
James M. Quirk	8/22-9/2	\$540 flat	Old Iron Show
Lee Jason Sackett	8/22-9/2	\$2,520 flat	Old Iron Show
Leslee Suchy	8/22-9/2	\$540 flat	Old Iron Show
Lorraine Quirk	8/22-9/2	\$540 flat	Old Iron Show
Shannon M. Sackett	8/22-9/2	\$2,520 flat	Old Iron Show
Steven G. Bauer	8/22-9/2	\$2,700 flat	Old Iron Show
DeVon H. Lark	8/22-9/2	\$1,080 flat	Old Iron Show
John Morley	8/26-29	\$360 flat	Old Iron Show
Kenneth Scott	8/26-9/2	\$480 flat	Old Iron Show
Rodney Mondor	8/30-9/2	\$240 flat	Old Iron Show
Jason Stock f/s/o Jason Stock Trolley Service	8/22-9/2	\$1,800 flat	Parade
Jeff Goldsmith	8/22-9/1	\$2,200 flat	Parade
Tom Haugen	8/22-9/1	\$2,530 flat	Parade
Tri-State Judging Association	8/22-9/1	\$2,300 flat	Parade
Jolly Giants Entertainment f/s/o Wacky Wheeler	8/22-9/2	\$6,300 flat	Parade
Paul Husby f/s/o St. Anthony Park Community Band	8/23	\$100 flat	Parade
PedalPub Twin Cities, LLC	8/24	\$440 flat	Parade
St. Paul Police Band	8/24	\$250 flat	Parade
Twin Cities Unicycle Club	8/24	\$400 flat	Parade
Jack Brass Band	8/31-9/2	\$3,300 flat	Parade
Ernest James Torok f/s/o Pig's Eye Jass Band	9/2	\$560 flat	Parade
Mark Stillman	8/22-23	\$600 flat	Ramberg
David L. Malmberg	8/24-25	\$1,700 flat	Ramberg
William F. Koncar dba Bill Koncar	8/26-27	\$1,000 flat	Ramberg
Rodney S. Cerar f/s/o Rod Cerar Orchestra	8/26-27	\$1,200 flat	Ramberg
Rosanna M Kubiatawicz f/s/o Bandana	8/28-29	\$600 flat	Ramberg
James P Berner f/s/o Jim Berner's Music Legends	8/28-29	\$800 flat	Ramberg
Patrick H. McPeck f/s/o Patty & The Buttons	8/30-31	\$2,000 flat	Ramberg
Joseph B. Demko f/s/o Radio Joe & The JazzBos	8/30-31	\$1,600 flat	Ramberg
John D. Barrett f/s/o The Fairlanes	9/1-2	\$1,200 flat	Ramberg
Michael A. Wallace f/s/o The Irish Brigade	9/1-2	\$1,000 flat	Ramberg
Selena Brills	9/1	\$50 flat	Talent Contest
Kaeli Patchen	9/1	\$50 flat	Talent Contest
Aria Stiles	9/1	\$450 flat	Talent Contest

Flippenout Productions, LLC	8/22-9/2	\$32,750 flat	X-Zone
Action Sports of Minnesota dba 3rd Lair Skatepark	8/22-9/2	\$45,475 flat	X-Zone

After discussion, the contracts were approved on a motion by Mr. Fox, seconded by Mr. Paulson and carried (Aye-9; Nay-0).

Ms. Alexander and Mr. Hudalla reviewed the plan to designate public areas for smoking during the '13 fair. Information only; no action taken.

The following board-hosted functions during the fair were approved on a motion by Mr. Merkins, seconded by Mr. Oleheiser and carried (Aye-9; Nay-0): Minnesota Federation of County Fairs board lunch, Friday Aug. 23; Society Hall of Fame and Life Members lunch, Sunday Aug. 25; and Minnesota Livestock Breeders Association breakfast, Thursday Aug. 29.

Reports on State Fair Foundation activities were made by Ms. Cady, Mr. Foss, Mr. Fox and Mr. Hammer. Following discussion, Mr. Fox moved, Mr. Paulson seconded and motion carried authorizing Mr. Hammer to offer the sincere appreciation of the Society to Foundation board members for their outstanding efforts on the State Fair's behalf (Aye-9; Nay-0).

Mr. Hammer reviewed the study program at the 2013 State Fair for students from Pai Chai University in Daejeon, South Korea. Information only; no action taken.

Mr. Foss, Mr. Fox and Ms. Huber reported on the hotel and meeting facilities search currently underway for the joint annual meetings of the Society, Minnesota Federation of County Fairs and Midwest Showmen's Association. Mr. Foss and Mr. Fox encouraged members of the board to offer their input.

The meeting recessed for an executive session at 11:54 a.m. on a motion by Mr. Scapanski, seconded by Mr. Leary and carried (Aye-9; Nay-0).

The executive session adjourned at 12:23 p.m. on a motion by Mr. Scapanski, seconded by Mr. Leary and carried (Aye-9; Nay-0).

The general business meeting of the board adjourned at 12:23 p.m. on a motion by Mr. Scapanski, seconded by Mr. Leary and carried (Aye-9; Nay-0).

#### **MINNESOTA STATE AGRICULTURAL SOCIETY MINUTES OF INTERIM ACTIVITIES June 7 through August 22, 2013**

##### **June**

7-9 - The Spa, Pool & Barbecue Show was held at the Progress Center.

8 - Greyfest, presented by the Minnesota chapter of Greyhound Pets of America, was held at the Dairy Building.

8-9 - The Minnesota Antique Dealers Show was presented at the Fine Arts Center.

9 - The General Motors Car Clubs Association auto show and swap meet was held on Machinery Hill.

10 - Alexander attended a meeting of the International Entertainment Buyers Association in Nashville, Tenn.

12 - Senior staff members met with Brian Tempas and Andrew Tisue of Cuninghame Group for continued discussions on the new West Gate and exhibit complex design.

12-16 - The Region 10 Arabian Horse Show was held at the Warner Coliseum and livestock complex.

13 - Schuette, Hughes and Noonan met with staff of the St. Paul Pioneer Press to discuss coverage of the upcoming fair.

14-15 - The Viking Chapter of the Antique Motorcycle Club of America hosted the AMCA's National Meet at the Progress Center



and Campgrounds. The Vintage Clothing, Jewelry & Textile Show was presented at the Fine Arts Center.

15 - The St. Paul Summer Beer Fest was held at the International Bazaar. Foss, Fox, Hammer and Huber met with representatives of the Minnesota Federation of County Fairs and the Midwest Showmen's Association to discuss hotel and meeting facilities for the joint annual meetings of the Society, Federation and Showmen.

16 - Hammer attended the Hennepin County Fair in Corcoran.

17 - Sinclair, Larson and Simon met with representatives of the Minnesota Craft Brewers Guild to discuss layout and exhibit plans for the upcoming fair.

18 - Schuette, Hughes and Noonan had a pre-fair meeting with staff of WCCO-TV.

19 - The first weekly Around The Fair presentation for all State Fair employees was presented at the Bandshell.

20 - Hammer, Alexander and Cady met with representatives of the Minnesota Historical Society and Cuningham Group at the Mill City Museum in Minneapolis. Schuette, Hughes and Noonan met KSTP-TV to discuss programming for the upcoming fair.

21 - Schuette spoke to students at Summer Academy elementary school in Columbia Heights.

21-23 - The Minnesota Street Rod Association's Back To The '50s weekend utilized the entire fairgrounds.

25 - A meeting of all full-time staff was conducted at the Libby Conference Center. Sinclair and Vavreck met with August Schell Brewing Co. representatives to discuss their sponsorship of the Heritage Square Stage.

26 - Senior staff met with Cuningham Group to continue discussions regarding West Gate project design.

26-30 - The Tanbark Cavalcade of Roses Horse Show was held at the Warner Coliseum and livestock complex.

27 - Sinclair and Simon met with David Bohlken and USDA Animal & Plant Health Inspection Service representatives to review Mr. Bohlken's Butterfly House operations. Schuette, Hughes and Noonan conducted a pre-fair meeting with KARE-TV.

28-29 - The Twin Cities Book Fair was presented at the Progress Center.

28-30 - The Star of the North Antique Show was held at the Education Building.

29 - CBS Radio's Pet-A-Palooza was held on Machinery Hill.

## July

7-12 - The American Dairy Goat Association's National Dairy Goat Show was held at the AgStar Arena and livestock complex.

10 - Selected full-time, part-time and seasonal staff attended the first of four blood-borne pathogen training sessions. Senior staff met in continuing discussions with Cuningham & Associates on the west gate project.

11 - Foss, Paulson, Wessel and Hammer participated in a meeting of the State Fair Foundation nominating committee at the J.V. Bailey House.

12 - Sinclair and Casey met with representatives of Verizon Wireless to consider cell phone antenna placements on the fairgrounds.

12-14 - New Furniture Deals Invitational Show was held at the Education Building.

13 - Hammer visited the Ramsey County Fair in Maplewood.

14 - The Color Run presented by Human Movement was staged at the Grandstand and various roadways throughout the grounds.

17 - Senior staff met with representatives of the Cuningham Group to continue discussions on West Gate project design. Sinclair and Hines met with David Garrett of Haas & Wilkerson insurance to discuss Midway and attraction insurance coverage requirements. The State Fair Employee Safety Committee met at the Administration Building.

17-21 - The American Quarter Horse Association Region 3 Experience Show was held at the Warner Coliseum and livestock complex.

18 - State of Minnesota's Risk Management and the State Fair Safety Team met with staff to discuss first aid, safety and emergency procedures.

19-21 - The Car Craft Summer Nationals Car Show utilized most of the fairgrounds and various exhibit buildings.

23 - Three virtual reality fire extinguisher training sessions for staff were held at the Libby Conference Center.

24 - Senior staff met in continuing discussions on the West Gate project with Cuningham & Associates.

27 - The Mick Kieffer Memorial Car Show was held on Machinery Hill. The Skirt Sports Skirt Chaser 5K Run was held at the International Bazaar and various roadways on the fairgrounds.

30 - Nineteen staff members underwent forklift certification training.

## August

1 - Steve Siever from the IAFE in Springfield, Mo., visited the State Fairgrounds. Sinclair met with Semple Building Movers representatives to discuss cost estimates associated with the potential West Gate project.

1-4 - The North Central Reining Futurity and Derby Horse Show was held at the Warner Coliseum and livestock complex.

2 - Length-of-Service Awards were presented at a meeting of all full-time staff conducted at the Libby Conference Center.

6 - Schuette, Hughes and Noonan offered a presentation on State Fair marketing to the Minnesota Public Relations Society of America at the Libby Conference Center.

13 - Judging for 2013 Outstanding Senior Citizens Awards was held at the Libby Conference Center.

14 - Senior staff met with local law enforcement, medical and safety officials to review emergency procedures.

15 - The State Fair Foundation's Taste of the Fair fundraiser was presented at the International Bazaar, attended by more than 800 people.

16 - Hammer attended the Steele County Free Fair in Owatonna.

17 - The State Fair's Around The Fair committee hosted a pancake breakfast and pre-fair program for seasonal and full-time staff at the 4-H Building.

20 - A preview of the State Fair's 102nd Fine Arts Exhibition was held at the Fine Arts Center.

21 - Princess Kay of the Milky Way was crowned during ceremonies presented by the Midwest Dairy Association at the Bandshell. A pre-fair reception and preview of the Eco Experience was hosted by the Minnesota Pollution Control Agency. The DNR's new aquarium display was featured at a news conference attended by Natural Resources Commissioner Tom Landwehr and Hammer.

22 - The 2013 Great Minnesota Get-Together opened at 6 a.m.

## MINNESOTA STATE FAIR MEETING OF THE GOVERNING BOARD

10 a.m. Friday Aug. 23, 2013

### Officers Quarters, State Fairgrounds

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Al Paulson; Sharon Wessel; Paul Merkins; Joe



Scapanski; Wally Wichmann; Gordy Toenges; Jerry Hammer, secretary.

**Also present:** Kent Harbison; Sarah Psick; Joe Bagnoli; Kay Cady.

President Foss called the meeting to order at 10 a.m.

Minutes of the Society's board and sales committee meetings conducted June 7, 2013, were reviewed and approved on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

Minutes of interim activities covering the period June 7 through Aug. 23, 2012, were approved on a motion by Mr. Merkins, seconded by Mr. Oleheiser and carried (Aye-8; Nay-o).

The financial statement for July 31, 2013, was presented by Mr. Hammer as follows:

# **MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY**

**Month Ending July 31, 2013**

## **OPERATING ACCOUNT ACTIVITY:**

Cash Balance-June 30, 2013		\$2,440,882
Add: Cash Deposits	\$2,357,945	
Less: Payroll Ending July 5	(395,961)	
Payroll Ending July 19	(269,461)	
Cash Disbursements	(1,804,493)	(111,970)
Cash Balance-July 31, 2013		\$2,328,912

## **BUILDING FUND ACTIVITY:**

Balance-June 30, 2013		\$450
Add: Interest Earned		
Securities Purchased		
Less: Securities Redeemed		
Balance-July 31, 2013		\$450

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

	2012	2013
Operating Account	\$1,506,894	\$2,328,912
Petty Cash	6,100	21,400
Building Fund	450	450
<b>Total Cash Balances</b>	<b>\$1,513,444</b>	<b>\$2,350,762</b>

After discussion, the statement was approved on a motion by Ms. Wessel, seconded by Mr. Fox and carried (Aye-8; Nay-o).

Ms. Psick and Mr. Bagnoli presented a review of the 2013 session of the Minnesota legislature and issues that affect the Society. Information only; no action taken.

Mr. Hammer provided a review of the project to redevelop the Heritage Square exhibit area and create a new transit hub west of the Grandstand infield. Information only; no action taken.

The following 2013 entertainment contracts were presented by Mr. Hammer for review:

CONTRACTOR	DATES	TERMS	VENUE
RES Specialty Fireworks	8/22-9/2	\$30,000 flat	Grandstand Production
Clair Brothers Audio, Inc. (GS Sound)	8/22-9/2	\$77,707 flat	Grandstand Production
Premier Global Production Company, Inc. (Lighting)	8/22-9/2	\$26,500 flat	Grandstand Production
Premier Global Production Company, Inc.	8/22-9/2	\$46,750 flat	Grandstand Production
Dana Carvey Enterprises, Inc. f/s/o Dana Carvey	8/22	\$5,000 hotel & travel expenses	Grandstand Artist
Dana Carvey Enterprises, Inc. f/s/o Dana Carvey	8/22	\$85,000 flat	Grandstand Artist
GB Touring, Inc. f/s/o Gin Blossoms	8/23	\$25,000 plus 27% over \$175,000	Grandstand Artist

Smash Mouth Music, Inc. f/s/o Smash Mouth	8/23	\$25,000 plus 27% over \$175,000	Grandstand Artist
Maro, Inc. f/s/o Sugar Ray	8/23	\$25,000 plus 27% over \$175,000	Grandstand Artist
TKO, Inc. f/s/o Buckcherry	8/24	\$30,000 flat	Grandstand Artist
Rivals Sons, Inc. f/s/o Rival Sons	8/24	\$5,000 flat	Grandstand Artist
Rivals Sons, Inc. f/s/o Rival Sons	8/24	\$1,000 flat (backline)	Grandstand Artist
Vla Entertainment Tours, Inc. f/s/o Dwight Yoakam	8/25	\$75,000 flat	Grandstand Artist
Vla Entertainment Tours, Inc. f/s/o Dwight Yoakam	8/25	\$2,500 flat (backline)	Grandstand Artist
Glocal Inc. f/s/o Michael Franti & Spearhead	8/29	\$75,000 flat	Grandstand Artist
Tainline Touring, LLC f/s/o Train	8/29	\$275,000 plus 80% over \$450,000	Grandstand Artist
Stefon Alexander f/s/o P.O.S.	8/30	\$17,500 flat	Grandstand Artist
Talibra, Inc. f/s/o Talib Kweli	8/31	\$10,000 flat	Grandstand Artist
Stiletto Flats, Inc. f/s/o Sheila E.	8/28-29	\$40,000 flat	Bandshell Tonight
Dale Watson	8/22-23	\$7,000 flat	Bandshell Day
Souled Out Productions, Inc. f/s/o The Stellas featuring Lennon and Maisy	8/24-25	\$15,000 flat	Bandshell Day
Bill Anderson Enterprises dba Whiserin' Bill Anderson	8/24-25	\$20,000 flat	Bandshell Day
William K. Kirchen f/s/o Bill Kirchen's Texicali	8/26-27	\$8,925 flat	Bandshell Day
Neal D. Zunker f/s/o Neal Zunker & The Music Connection	8/28-29	\$2,500 flat	Bandshell Day
Kenny Neal	8/30-31	\$8,000 flat	Bandshell Day
Rosie D. Flores f/s/o Rosie Flores & The Riveters	8/30-31	\$5,000 flat	Bandshell Day
GSB Entertainment, LLC f/s/o The Quebe Sisters	9/1-2	\$8,700 flat	Bandshell Day
Appeal Entertainment LLC f/s/o Six Appeal	8/22-23	\$4,000 flat	Bazaar Day
Lost Highway	8/26-27	\$4,200 flat	Bazaar at Night
Shai Hayo f/s/o Salsa del Soul	8/28-29	\$3,000 flat	Bazaar at Night
Stanley Kipper f/s/o The New Primitives	8/30-31	\$3,000 flat	Bazaar at Night
G.B. Leighton, Inc f/s/o GB Leighton	9/1-2	\$3,500 flat	Bazaar at Night
Reginald Todd Harris f/s/o The Harris Brothers	8/22-23	\$3,000 flat	Heritage Square
The Daisy Dillman Band	8/24-25	\$2,500 flat	Heritage Square
Pert' Near Sandstone	8/24-25	\$6,000 flat	Heritage Square Evening
Billy McLaughlin	8/28-29	\$6,000 flat	Heritage Square Evening

Pieta Brown f/s/o Pieta Brown & The Sawdust Collective	8/30-13	\$5,000 flat	Heritage Square Evening
Chastity Brown	9/1-2	\$2,800 flat	Heritage Square Evening
Gordon Joseph Lefebvre	9/22-25	\$240 flat	Old Iron Show
Robert D. Wilson	8/22-9/2	\$1,080 flat	Old Iron Show
Christopher J. Chadwick	8/22-9/2	\$1,440 flat	Old Iron Show
Derold V. McDonough	8/22-9/2	\$2,100 flat	Old Iron Show
Joseph Stevermer	8/22-9/2	\$2,100 flat	Old Iron Show
Robert A. McDonough	8/22-9/2	\$2,100 flat	Old Iron Show
Steve L. McDonough	8/22-9/2	\$2,100 flat	Old Iron Show
Duane H. Rolstad	8/22-25	\$480 flat	Old Iron Show
Roger Geist	8/26-9/2	\$840 flat	Old Iron Show
Cecil Lenard Bechel f/s/o Cecil Bechel	8/30-9/2	\$1,440	Old Iron Show
Rickie D. Grufman	8/30-9/2	\$840 flat	Old Iron Show
Susan M. Hirschmugl f/s/o Upstanding Stilts	8/22-9/2	\$3,900 flat	Parade
Minneapolis First Pathfinder Fundraiser f/s/o Pathfinders Drill Team	8/22, 25, 29 & 9/2	\$1,600 flat	Parade
Crow River Drumline Association f/s/o Phoenix Drumline	8/26-27	\$1,500 flat	Parade
Thomas W. Logan f/s/o Tom's Carousel Music	8/31-9/1	\$400 flat	Parade
Women's Drum Center	8/31-9/1	\$600 flat	Parade
Barebones Productions	8/31-9/1	\$800 flat	Parade
Minnesota Pipes & Drums	8/24	\$1,200 flat	Parade
Regents of the University Of Minnesota	9/1	\$1,500 flat	Parade
Paul K. Mayasich f/s/o RAMM Band	8/22-23	\$1,000 flat	Ramberg
Mellow Fellows	8/24-25	\$800 flat	Ramberg

After discussion, the contracts were approved on a motion by Mr. Merkins, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

Produce Exchange fresh fruit vendors were approved for a second location on a motion by Mr. Scapanski, seconded by Mr. Fox and carried (Aye-8; Nay-o).

Mr. Hammer was authorized to make miscellaneous ticket refunds and payment of minor claims as he deems appropriate on a motion by Mr. Paulson, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

Mr. Hammer presented the following list of State Fair Scholarship winners:

Alexandra M. Bosch, Montevideo; Paige M. Bourne, Maynard; Jaden M. Carlson, Pipestone; Dustin R. Compart, Nicollet; Anna K. Culbertson, Pine Island; Austin M. Davis, Cokato; Kendra M. Davis, Glenville; Adam T. Donkers, Faribault; Thomas G. Duff, Hampton; Peter J. Hegland, Utica; Carmen L. Kryzer, Lewiston; Mary J. Liebenstein, Dundas; Austin L. Liepold, Okabena; Libby K. Mills, Lake City; Adriane E. Rentschler, Lakefield; Jonathan T. Roe, Grey Eagle; Sara A. Roerick, Swanville; Brandon M. Roiger, Sleepy Eye; Elen P. Skaar, Minneota and Greta M. Tank, Cottage Grove. Information only; no action taken.

Mr. Hammer offered a report on the fair's sponsorship program for the '13 State Fair including \$938,000 in various cash sponsorships.

Mr. Hammer reported on activities during the fair's opening day. Information only; no action taken.

The meeting was adjourned at 11:18 a.m. on a motion by Mr. Scapanski, seconded by Mr. Fox and carried.

## MINNESOTA STATE AGRICULTURAL SOCIETY MEETING OF THE GOVERNING BOARD

10 a.m. Sunday Sept. 1, 2013

### Officers Quarters, State Fairgrounds

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Gordy Toenges; Paul Merkins; Ron Oleheiser; Al Paulson; Sharon Wessel; Joe Scapanski; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Marshall Jacobson; Kay Cady; Kent Harbison; Pat Bailey. President Foss called the meeting to order at 10:02 a.m.

Minutes of the board meeting conducted Aug. 23 were reviewed and approved on a motion by Mr. Merkins, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

Mr. Hammer provided an update of activities at the '13 State Fair. Information only; no action taken.

Mr. Hammer provided an update on the West Gate project, including construction of a new education, commercial exhibit and entertainment complex, transit hub and entry gate. After discussion, staff was authorized to proceed with the project work and secure necessary financing with executive committee approval on a motion by Ms. Wessel, seconded by Mr. Oleheiser and carried (Aye-9; Nay-o).

Mr. Jacobson presented the following resolution for consideration:

Resolution of Official Intent To Reimburse Heritage Square and Transit Facilities Expenditures with the Proceeds of Bonds or Notes

WHEREAS, Minnesota State Agricultural Society intends to make capital improvements to Heritage Square and the Transit Facilities of the Fairgrounds (the "Project"); and

WHEREAS, the Society expects to advance funds to pay costs related to the Project and subsequently issue bonds or notes to provide reimbursement for costs properly allocable to the Project which the Society may issue pursuant to Minnesota Statutes, Sections 37.31.

NOW, THEREFORE, BE IT RESOLVED by the Board of Managers of the Minnesota State Agricultural Society, Minnesota, as follows:

1. The Society intends to utilize the proceeds of bonds or notes or to incur other debt, in an amount not currently expected to exceed \$12,023,000, to pay a portion of the costs of the Project.
2. The Society intends that the proceeds of the bonds or notes will be used to reimburse the Society for expenditures with respect to the Project made on or after the date that is no more than 60 days prior to the date of this Resolution.
3. The Society intends that the adoption of this resolution confirms its "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under Section 150 of the Internal Revenue Code.

After discussion, the resolution was adopted on a motion by Mr. Scapanski, seconded by Mr. Fox and carried (Aye-9; Nay-o).

The board authorized an annual contribution of \$3,000 to the State Fair employees club to provide partial funding for employee club functions and beverages used by employees and visitors on a motion by Mr. Fox, seconded by Mr. Merkins and carried (Aye-9; Nay-o).

It was moved by Mr. Paulson, seconded by Ms. Wessel 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 2013 international convention in Las Vegas, Nev. (Aye-9; Nay-o).

The dates of the 2014 Minnesota State Fair were set for Thursday Aug. 21 through Labor Day, Sept. 1, on a motion by Mr. Merkins, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

The next meeting of the Society's board of managers was set for Thursday Nov. 14 on a motion by Ms. Wessel, seconded by Mr. Paulson and carried (Aye-9; Nay-o).

The proposal by the Doubletree Hotel to host the joint annual meetings of the Society, Midwest Showmen and Minnesota Federation of County Fairs on Friday, Saturday and Sunday in mid-January of 2015, 2016 and 2017 was approved on a motion by Scapanski, seconded by Mr. Fox and carried (Aye-9; Nay-o).

It was moved by Mr. Fox and seconded by Mr. Leary to limit the Society's administrative support of the Federation of County Fairs convention; motion failed 1-7 with one abstention.

The meeting adjourned at 11:36 a.m. on a motion by Mr. Paulson, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

### **MINNESOTA STATE AGRICULTURAL SOCIETY MINUTES OF INTERIM ACTIVITIES**

#### **Aug. 22 through Nov. 13, 2013**

##### **August**

22 - Society President Jim Foss presided over opening ceremonies for the 2013 Great Minnesota Get-Together at the Bandshell.

26 - The State Fair hosted a meeting of the Roseville Rotary Club at the Blue Ribbon Picnic Area.

27 - Military Appreciation Day featured a variety of special activities and discounted admission for active, retired and military veterans. Activities included a Welcome Home parade for Vietnam era veterans and dedication of a plaque honoring Gold Star Families in the State Fair Veterans Garden.

29 - Kelly Christianson Falk of Roseau and Lloyd Adams of Grand Rapids were named Minnesota's Outstanding Senior Citizens during ceremonies conducted at the Bandshell.

##### **September**

1 - At a special Grandstand ceremony, five staff members were recognized with State Fair All Star MVP Awards for outstanding performance - Dave Kettering, campgrounds; Thomas Koeck, Midway operations & plant services; Cody Koenen, Coliseum & livestock events; Nikki Osterdyk, Equimania; and Burdette Pederson, flowers.

2 - The 2013 Great Minnesota Get-Together concluded with attendance of 1,731,162. Visitors included John Sykes of the East Texas State Fair in Tyler; Bob Williams of the Wisconsin Department of Agriculture; Steve Siever of the IAFE in Springfield, Mo.; Neil Bowman of the North Carolina State Fair in Raleigh; Patricia Wallace of the San Diego County Fair in Del Mar, Calif.; Gary Slater and James Roemer of the Iowa State Fair in Des Moines; and Jen Puente of the Wisconsin State Fair in Milwaukee.

6-7 - The south Como parking lot was used as a household hazardous waste drop off site for Ramsey County residents; the program continued on weekends through the end of September.

10 - Mix hosted a meeting of the Ramsey County Employers Committee at the Libby Conference Center.

11 - Mix attended a meeting of the St. Paul Human Resources Association.

13-16 - The Minnesota State 4-H Horse Show was held at the Warner Coliseum and livestock complex.

14 - Doberman Rescue Minnesota presented Dobe-O-Rama at the Merchandise Mart. The TC Model Railroad Club's model railroad and hobby sale was held at the Education Building. Conservation Corps Minnesota and Iowa held an 80th anniversary celebration at the DNR Building and park. The University of Minnesota utilized the Grandstand lot for Gopher football parking.

14-15 - The Minnesota Cheese Festival was presented at the International Bazaar.

15 - The Antique Motorcycle Club Swap Meeting was held at the north parking lots.

17 - The CHS Energy Sales Rally was held at the CHS Miracle of Birth Center. Arc Greater Twin Cities and Arc's Value Village held a volunteer event at the 4-H Building.

18 - The State Fair Employee Safety Committee met at the lower Administration Building conference room.

19 - State Fair staff lunch and learn session featured an update on the West Gate and exhibit area project by Brian Tempas and Andrew Tisue from Cuninghame Group. Huber and Miller attended an information session on the State Fair's employee benefits program.

19-23 - The Western Saddle Club Horse Show was held at the Warner Coliseum and livestock complex.

21 - The University of Minnesota utilized the Grandstand lot for Gopher football parking. Hamline Midway Coalition held the Ward 4 Neighborhood Cleanup at the north parking lots.

21-22 - Munchkin Markets Children's Consignment Sale was held at the Education Building. The Antique Mission Furniture Show was held at the Progress Center. Cold Blooded Expo's Minnesota Reptile Show was conducted at the Merchandise Mart. The 4-H Dog Show was held at the 4-H Building and Baldwin Park.

24 - Hammer and Cady met with Stan Hubbard, Rob Hubbard and Kari Hubbard Rominski to discuss the State Fair Foundation. A post-fair meeting of emergency medical, risk management and State Fair staff was held at the Libby Conference Center.

25 - The Metropolitan Conservation Districts presented the Metro Area Children's Water Festival at the 4-H Building and Baldwin Park.

26-29 - Adidas Giant Warehouse Clearance Event was held at the Dairy Building.

27-29 - The Fall Festival Arabian Horse Show was held at the Warner Coliseum and livestock complex.

28 - The MnPAW Animal Adoption Event was held at the International Bazaar. The University of Minnesota utilized the Grandstand lot for Gopher football parking.

28-29 - The Antique Spectacular Show & Flea Market was held at the Grandstand and infield. The Fall Military Relic Show, presented by Minneapolis St. Paul Military Relic Collectors, was conducted at the Progress Center. The Minnesota Weapons Collectors Fall Show & Sale was held at the Education Building.

29 - The Midwest Fall Swap Meet & Antique Auto Show was held on the north parking lots.

30 - Sinclair, Larson, Simon and Hines met with Charlie Burrows of the Firefly Group to discuss food and beverage service at the West End Market (formerly Heritage Square).

##### **October**

1-6 - The Minnesota Harvest Horse Show was held at the Warner Coliseum and livestock complex.

2 - Alexander, Weinfurter, Dungan and Buchda met with representatives of Allied Sound to recap fair-time operations.

2-5 - The Camp du Nord & Widjiwagan YMCA Garage Sale was held at the Merchandise Mart.



3 - Marketing staff met with representatives of the Midwest Dairy Association's public relations firm.

4-5 - Twin Cities Oktoberfest, presented by HMH of St. Paul, was held at the Progress Center.

5 - Fallcon Comic Book Convention was presented by the Minnesota Comic Book Association at the Education Building.

5-6 - Half Price Books, Records & Magazines, Inc. presented the Half Price Books Clearance Event at the Grandstand.

8 - Hammer and Sinclair, along with Rick Frenette from the Wisconsin State Fair, presented a program on fair-produced independent midway operations to the board and department heads of the Iowa State Fair in Des Moines.

9 - Miller and Huber attended a training session on the federal Affordable Care Act conducted by the Minnesota Office of Management and Budget. Mix attended a meeting of the St. Paul Human Resources Association. Schuette spoke to students at Prior Lake High School regarding the State Fair's marketing program.

11 - Sinclair, Larson, Simon and Hines met with Stephanie Shimp of Blue Plate Restaurant Group to discuss food and beverage service at the West End Market.

12 - The Twin Cities Book Festival was held at the Progress Center.

13 - Former State Fair board member and Society Life Member Lyle Steltz of Rush City died at a care facility in North Branch. The Twin Cities Roadsters Swap Meet was held at the north parking lots.

13-16 - Huber and Miller attended the Society for Human Resource Management Minnesota Chapter annual conference in Duluth.

15 - Alexander and Dungan met with representatives of Ron Schara's Minnesota Bound program to discuss their future participation in the fair's North Woods program.

17 - St. Paul Council of Churches held the Cardboard Box City fundraising event for Families Moving Forward at Baldwin Park. Sinclair and Hudalla met with Don McClure of DMC, Inc. (Skyride) and Andrew Tisue of Cuningham Group to discuss West End Market construction.

17-20 - The Minnesota Beef Expo, presented by the Minnesota State Fair, was held at the Warner Coliseum and livestock complex. The Title Nine Women's Athletic Apparel Blowout Sale was held at the Dairy Building.

18-20 - The New Furniture Deals Invitational Show was held at the Education Building.

19 - Former and current members of the Society board attended funeral services for Lyle Steltz in Rush City.

19-22 - Alexander and Dungan attended the annual conference of the International Entertainment Buyers Association in Nashville, Tenn.

19-20 & 25-27 - The south Como parking lot was used as a shuttle parking site for Como Zoo's Zoo Boo event.

22 - Vavreck hosted a behind the scenes tour for the Minnesota Festival & Events Association, along with Grans, Harper, Mix and Roland. Schuette spoke to Mahtomedi High School students about the fair's marketing program.

24 - The State Fair staff Lunch & Learn series continued with a presentation by long-time State Fair entertainer Sean Emery. Alexander graduated from the St. Paul Chamber of Commerce's year-long Leadership St. Paul program.

26 - The University of Minnesota utilized the Grandstand lot for Gopher football parking.

26-27 - The Minnesota Weapons Collectors Show & Sale was held at the Warner Coliseum.

29 - The State Fair received the Better Business Bureau's Torch Award for ethical business practice during a ceremony at the Guthrie Theater

in Minneapolis; Hammer, Pearson, Miller, Sinclair, Huber, Schuette, Leach and Noonan attended.

30 - A construction kick-off event for the new West End Market was held on west Dan Patch Avenue and attended by many staff, board members, State Fair Foundation representatives, friends of the fair and news media. Sinclair, Larson and Hines met with Pat, Jane and Kate Mancini to review their first-year concession operations. State Fair staff met with representatives of the State Departments of Health and Agriculture to review their activities and issues associated with the '13 State Fair.

#### **November**

4 - Hammer met with Brian Tempas of Cuningham Group to discuss design of the new West Gate.

5 - Senior staff participated in the first of several planning sessions for the '14 State Fair. Hughes participated in a conference call with Wisconsin State Fair staff to discuss the Minnesota State Fair's commemorative art program.

6 - Huber, Miller and Mix attended an employment law seminar conducted by Fredrikson & Byron P.A.

9 - The University of Minnesota utilized the Grandstand lot for Gopher football parking.

12 - Mix and Sertich hosted a meeting of the Ramsey County Employers Committee at the Libby Conference Center.

13 - Mix attended a meeting of the St. Paul Human Resources Association.

#### **MINNESOTA STATE AGRICULTURAL SOCIETY MEETING OF THE GOVERNING BOARD AND SALES & PLANNING COMMITTEES**

**9 a.m. Thursday Nov. 14, 2013**

**Libby Conference Center, State Fairgrounds**

#### **MEETING OF SALES COMMITTEE**

**Members present:** Al Paulson, chairman; Joe Fox; D. J. Leary; Paul Merkins; Ron Oleheiser; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio; Dennis Larson, ex officio.

**Also present:** Brian Hudalla; Mark Goodrich; Renee Alexander; Marshall Jacobson; Cheryl Huber; Mary Miller; Chris Leach; Dani Vavreck; Gail Anderson; Michelle Butler; Brienna Schuette; Wally LeVesseur; Steve Grans; Pam Mix; Shannon Buchda; Nikki Hines; Jennifer Bower; Chris Noonan; Maria Goodew; Emily Rouse; Lara Hughes; Josie Belde; Julie Samec; Danielle Wadsworth; Kay Cady; Kent Harbison.

Chairman Paulson called the meeting to order at 9:01 a.m.

Mr. Sinclair, Mr. Larson and Ms. Vavreck reported on \$10.8 million in revenue generated during the '13 State Fair through food and beverage sales, commercial exhibits space license fees, midway rides and attractions, sponsorships and mobile marketing displays. The report will be reviewed by committee members and considered for approval at the next meeting of the sales committee in January, 2014.

The sales committee adjourned at 9:18 a.m. on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-8; Nay-0).

#### **MEETING OF PLANNING COMMITTEE**

**Members present:** Joe Scapanski, chairman; Joe Fox; D.J. Leary; Paul Merkins; Ron Oleheiser; Al Paulson; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jim Foss, ex officio; Jerry Hammer, ex officio; Brian Hudalla, ex officio.

**Also present:** Jim Sinclair; Mark Goodrich; Renee Alexander; Marshall Jacobson; Cheryl Huber; Mary Miller; Dennis Larson; Chris Leach; Dani Vavreck; Gail Anderson; Michelle Butler; Brienna Schuette; Wally LeVesseur; Steve Grans; Pam Mix; Shannon Buchda; Nikki Hines; Jennifer Bower; Chris Noonan; Maria Goodew; Emily Rouse;



Lara Hughes; Josie Belde; Julie Samec; Danielle Wadsworth; Kay Cady; Kent Harbison.

Chairman Scapanski called the meeting to order at 9:19 a.m.

Mr. Hudalla reviewed the status of State Fair facilities, followed by a presentation of a list of standard maintenance projects for fiscal 2014 totaling \$1.2 million. After discussion, the maintenance projects were approved as presented on a motion by Mr. Merkins, seconded by Mr. Leary and carried (Aye-8; Nay-o). The projects will be incorporated into the fair's 2014 capital improvements and maintenance budgets to be reviewed by the planning committee at its next meeting, set for Jan. 18, 2014.

The planning committee meeting was adjourned at 9:39 a.m. on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-8; Nay-o).

#### MEETING OF THE GOVERNING BOARD

**Members present:** Jim Foss, president; Joe Fox, vice president; D.J. Leary, vice president; Paul Merkins; Ron Oleheiser; Al Paulson; Joe Scapanski; Gordy Toenges; Sharon Wessel; Wally Wichmann; Jerry Hammer, secretary.

**Also present:** Jim Sinclair; Mark Goodrich; Renee Alexander; Brian Hudalla; Marshall Jacobson; Cheryl Huber; Mary Miller; Dennis Larson; Chris Leach; Dani Vavreck; Gail Anderson; Michelle Butler; Brienna Schuette; Wally LeVesseur; Steve Grans; Pam Mix; Shannon Buchda; Nikki Hines; Jennifer Bower; Chris Noonan; Maria Goodew; Emily Rouse; Lara Hughes; Josie Belde; Julie Samec; Danielle Wadsworth; Kay Cady; Jesse Poppe; Jennine Duda; Lindsay Dickson; Frank Parisi; Kent Harbison; Peter Cooper; Heather Casperson; Chuck Upcraft.

President Foss called the meeting to order at 9:59 a.m.

Minutes of the Sept. 1 general business meeting of the Society board were reviewed and approved on a motion by Mr. Leary, seconded by Mr. Oleheiser and carried (Aye-9; Nay-o).

Minutes of interim activities covering the period Aug. 22 through Nov. 13, 2013, were presented by Mr. Hammer, reviewed and approved on a motion by Ms. Wessel, seconded by Mr. Paulson and carried (Aye-9; Nay-o).

Action taken earlier by the sales and planning committees was approved on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

Mr. Jacobson presented the financial statement for Oct. 31, 2013, as follows:

#### MINNESOTA STATE FAIR CASH TRANSACTION SUMMARY Month Ending October 31, 2013

##### GENERAL FUND ACTIVITY:

Cash Balance-Sept. 30, 2013		\$7,456,606
Add: Cash Deposits	\$4,750,284	
Less: Payroll Ending Oct. 11	(248,910)	
Payroll Ending Oct. 25	(239,196)	
Cash Disbursements	(6,020,488)	(1,758,310)
Cash Balance-Oct. 31, 2013		\$5,698,296

##### BUILDING FUND ACTIVITY:

Balance-Sept. 30, 2013		\$450
Add: Interest Earned		
Securities Purchased		
Less: Securities Redeemed		
Balance-Oct. 31, 2013		\$450

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

	2012	2013
Operating Account	\$8,090,473	\$5,698,296
Petty Cash	6,100	6,100
Building Fund	450	450
<b>Total Cash Balances</b>	<b>\$8,097,023</b>	<b>\$5,704,846</b>

After discussion, the statement was approved as presented on a motion by Mr. Scapanski, seconded by Mr. Paulson and carried (Aye-9; Nay-o).

Bond Counsel Peter Cooper of McGrann, Shea, Carnival, Strong & Lamb, and Financial Advisors Heather Casperson and Chuck Upcraft of PFM Group presented a detailed review of the following:

Authorizing Resolution for the issuance of State Fair Revenue Notes, approval of the Fourth Supplemental Revenue Bond Resolution, and authorizing certain other actions.

Fourth Supplemental State Fair Revenue Bond Resolution relating to State Fair Revenue Notes 2013A and 2013B.

After discussion, the Authorizing Resolution was approved on a motion by Mr. Paulson, seconded by Mr. Merkins and carried (Aye-9; Nay-o), and the Fourth Supplemental Revenue Bond Resolution was approved on a motion by Mr. Fox, seconded by Ms. Wessel and carried (Aye-9; Nay-o).

Mr. Goodrich reviewed competitive events during the '13 State Fair in agriculture, horticulture, education and the creative arts featuring public participation by more than 14,000 people. Information only; no action taken.

Ms. Alexander reported on the '13 State Fair's Grandstand and free entertainment programs, marketing and box office activities. Information only; no action taken.

Ms. Goodew reviewed highlights of the State Fair's extensive non-fair events schedule, including more than 130 events utilizing State Fair facilities in '13. Information only; no action taken.

Licenses for the sale of beer during the Beer Dabbler Winter Carnival event Jan. 25, 2014, and the BMW Motorcycles Owners of American International Rally July 24-27, 2014, were approved on a motion by Mr. Scapanski, seconded by Mr. Leary and carried (Aye-9; Nay-o).

Ms. Cady reported on activities of the State Fair Foundation, including the capital campaign for the new State Fair History & Heritage Center at the West End Market. Information only; no action taken.

Ms. Huber provided an update on the upcoming joint meetings of the Society, the Midwest Showmen and the Minnesota Federation of County Fairs. Information only; no action taken.

The meeting moved into executive session at 12:16 p.m. on a motion by Ms. Wessel, seconded by Mr. Oleheiser and carried (Aye-9; Nay-o). Executive session ended at 12:34 p.m. on a motion by Mr. Fox, seconded by Mr. Paulson and carried (Aye-9; Nay-o).

Mr. Hammer provided a status report on the deteriorating condition of the Coliseum's ice skating plant. Following the report, staff was authorized to evaluate the feasibility of continued Coliseum ice operations, and to take appropriate action on a motion by Mr. Leary, seconded by Mr. Wichmann and carried (Aye-9; Nay-o).

The meeting was adjourned at 12:46 p.m. on a motion by Mr. Merkins, seconded by Mr. Leary and carried (Aye-9; Nay-o).

#### MINNESOTA STATE AGRICULTURAL SOCIETY MINUTES OF INTERIM ACTIVITIES Nov. 14, 2013, through Jan. 17, 2014

##### November

15 - Hammer met with former Falcon Heights Mayor Sue Gehrz to discuss Ramsey County Library and Lions Club programs.

15-16 - Gold Country presented the Minnesota State Fair & Sports Merchandise Clearance Event at the Warner Coliseum.

18 - Hammer met with Mark Ritchie, Cindie Smart and Jim Smart to discuss the potential for the Twin Cities to host a World's Fair in the future.

19 - Hammer, Alexander, Schuette and Noonan attended a Better Business Bureau luncheon to review the fair's recent BBB Torch Award for Integrity in Business.



23 - The University of Minnesota utilized Grandstand parking lots for Gopher football parking.

26 - Sinclair, Larson and Vavreck met with Bob Kirschner to discuss Leinie Lodge concession operations during the fair.

## **December**

8-12 - Hammer, Sinclair, Alexander, Hudalla, Miller, Huber, Leach, Larson, Simon, Anderson, Mix, Weinfurter, LeVesseur, Goodew and members of the board attended the annual international convention of the International Association of Fairs & Expositions in Las Vegas, Nev. During the convention, Mr. Sinclair concluded a five-year term on the executive committee of the IAFE's board of directors. Mr. Paulson received the association's Heritage Award for service to his county fair and Mr. Hammer was presented with the IAFE's Hall of Fame Award.

13 - Hudalla, Leach and Casey met with all four major cell service providers to discuss the potential for a directional antenna system installation on the fairgrounds.

16 - Alexander and Cady visited with representatives of Bremer Bank to discuss their continued support of the fair's Giant Sing-Along attraction. The Travel Channel broadcast a one-hour edition of Andrew Zimmern's Bizarre Foods America featuring the Minnesota State Fair.

17 - Full-time staff were hosted to a Christmas lunch by the State Fair Employee Club. The State Fair announced that the Warner Coliseum would no longer operate an ice rink after the conclusion of the current 2013-14 winter skating season.

18 - Foss, Hammer and Jacobson reviewed and signed documents for financing the West End Market and gate project.

19 - Hudalla, Leach and Grans met with representatives of the University of Minnesota's parking and transportation to discuss mutual interests. Hudalla, Leach and Grans met with representatives of the City of St. Paul potential for a bike lane on Como Avenue. Sinclair and Simon met with Logan Spector of the University of Minnesota to discuss the establishment of a University-run research facility during the fair.

## **January**

6-7 - Goodrich attended the Wisconsin Association of Fairs annual convention at Wisconsin Dells where he presented a program on critical animal action.

7 - Sinclair, Alexander, Larson, Hines and Tammie Weinfurter met to review proposals for Grandstand food and beverage concession operations.

8 - Senior staff met to review capital and maintenance budget recommendations for the coming year. Miller and Mix met with Karen Hanauer from Life Matters to discuss staff training opportunities. Mix attended a meeting of the St. Paul Human Resources Association.

9 - Sinclair and Simon met with Brian Tempas of the Cuninghams Group on tent needs for the West End project. Huber met with staff of the Doubletree Hilton to finalize plans for the Society's upcoming annual meeting.

13 - Hammer and Society board executive committee members Foss, Fox and Leary and incoming Society President Paulson met to review the program for the upcoming annual meeting of the Society. Hammer participated in a conference call meeting of the IAFE's Institute of Fair Management Advisory Board.

14 - Mix hosted and attended a meeting of the Ramsey County Employers Committee at the Libby Conference Center. Senior staff met to review assignments for the Society's upcoming annual meeting.

## **GENERAL BUSINESS SESSION OF THE SOCIETY**

**8:30 a.m. Sunday Jan. 19, 2014**

Minnesota State Agricultural Society delegates, staff and friends of the Society met for breakfast and convened in general session at 8:30 a.m. President Foss opened the meeting and asked State Fair CEO Jerry Hammer for his report. Mr. Hammer's report was accepted by the membership.

President Foss called for a report of the credentials committee by Duane Alberts of Goodhue County. The committee report was

presented as follows and adopted as read:

All credentials have been found to be in order with the following exceptions: Minnesota Angus Association, the Minnesota Guernsey Breeders did not file with the Secretary of State by 12/20/13 and the Minnesota Holstein Association did not file at all.

President Foss called for a report of the resolutions committee. Committee member Ray Erspamer of St. Louis County presented the following resolutions for consideration by the Society:

**1. Resolved**, that the Minnesota State Agricultural Society expresses its gratitude to the 1,731,162 guests who, despite several days of high heat and humidity, visited the 2013 Minnesota State Fair, making it the seventh best-attended fair in history.

**2. Resolved**, that the Society is committed to honoring the State Fair's deeply rooted traditions and history and its mission of educating and engaging our guests. We continually strive to present a world-class showcase of Minnesota's agriculture, art and industry, outstanding customer service and a safe, clean environment that is accessible to all.

**3. Resolved**, that the enduring success of the State Fair is achieved through the united efforts of many dedicated, hardworking people. The Society recognizes with profound appreciation all those who contributed to the success of the 2013 Minnesota State Fair, including staff, the board of managers, volunteers, exhibitors, vendors, entertainers, sponsors, media, contractors, advertisers, youth and school groups, and members of 4-H and FFA.

**4. Resolved**, that the Society acknowledges that strong relationships and affiliations with other expositions and organizations dedicated to agriculture, entertainment and amusement provide significant value in improving the Minnesota State Fair and in furthering the fair industry statewide, regionally and internationally. We recognize and thank the International Association of Fairs and Expositions, Minnesota Federation of County Fairs, Outdoor Amusement Business Association, National Independent Concessionaires Association and Midwest Showmen's Association.

**5. Resolved**, that the Society recognizes with sadness and extends its condolences to the families of Society members and State Fair friends who recently passed away, including: Helen Anderson, 4-H and Washington County Fair volunteer and wife of Minnesota Federation of County Fairs president Byron Anderson; Lawrence Bachman, developer of Bachman's nursery production and landscape business, a long-standing exhibitor in the Agriculture Horticulture Building; Gerard L. and Cleo Cafesjian, philanthropists whose financial donation to Our Fair Carousel helped keep the 1914 carousel intact and find a permanent home in Como Park; Jay Cochrane, world's greatest high wire walker; Robert "Bob" Crocker with Root Beer Barrels, longtime beverage concessionaire; Janet C. Desmond, founder and proprietor of Tom Thumb mini donuts; Richard "Butch" Dufault, marching band competition judge; Paul Kramer, Fine Arts superintendent from 1965 to 1987; John Michael Lerma, longtime competitor and Creative Activities demonstrator; Eldon J. Metaxas, owner of commercial exhibitor Round Bobbin Sewing Center; William R. Morgan Sr., longtime caricature artist at the fair; Sulo Ojakangas, representative of the eighth district on the State Fair board of managers from 1973 to 1986, board president from 1987 to 1988 and honorary life member of the Minnesota State Agricultural Society; Hazel Redlack, former full-time entertainment department and accounts receivables employee; Dennis Roghair, tree carving artist; and Lyle Ernest Steltz, representative of the third district on the State Fair board of managers from 1993 to 2005, board president from 2006 to 2007 and honorary life member of the Minnesota State Agricultural Society.

**6. WHEREAS**, the Minnesota State Fair is one of the most renowned, popular and cherished end-of-summer traditions, and  
**WHEREAS**, the State Fair is internationally recognized for offering



hands-on learning experiences and opportunities to explore Minnesota's agriculture, industry, culture, art, history and scientific innovation in a unique and world-class environment, and

WHEREAS, the State Fair is woven into the fabric of our state as evidenced by the tens of thousands of exhibitors, vendors, performers and employees (including thousands of school-age workers) who participate in the fair and who depend on a successful event each year for important work experience and crucial income, and

WHEREAS, the State Fair provides valuable life and educational experiences for thousands of 4-H and FFA members who are an essential foundation for the future of our state's agriculture industry, and

WHEREAS, the State Fair has an economic impact of more than \$200 million in the Twin Cities alone, plus additional unmeasured economic impact throughout the state, and these businesses and their employees suffer economic set-backs when State Fair attendance is driven down, and

WHEREAS, a growing number of Minnesota schools have sought and received waivers from the state to begin school prior to Labor Day, a trend that will have a negative impact on State Fair participation and attendance and result in a corresponding decline in the fundamental economics required to present the Great Minnesota Get-Together at the unparalleled and high-caliber level the people of our state have come to treasure and expect, and

WHEREAS, the State Fair joins with Minnesota's tourism, hospitality and resort industry and those businesses and organizations whose vitality depends on a robust end-of-summer and who provide major revenue to the State of Minnesota, which faces an ongoing uphill battle to fund education and balance its budget,

NOW THEREFORE BE IT RESOLVED, that the board of managers of the Minnesota State Agricultural Society strongly urges all state lawmakers to support the State Law that requires Minnesota schools to open no earlier than Labor Day, the traditional end of summer, thus ensuring that children, families and workers from throughout the state can fully participate in and benefit from the historic, educational, culturally rich Minnesota State Fair.

**7. Resolved,** the Society would like to thank all those who attended and contributed to the success of its 155th annual meeting.

The resolutions were adopted as read.

President Foss turned the chair over to Vice President Fox to conduct the election for the office of president of the Society for a term of one year. Al Paulson of Shevlin was elected and assumed the chair.

After being nominated by Life Member Committee Chairman Denny Baker, Jim Foss was elected to honorary life membership in the Society.

President Paulson then proceeded to conduct elections as follows:

D. J. Leary of Minneapolis was reelected to a two-year term as fifth district vice president; Gordy Toenges of Alden was reelected to a three-year term as first district representative; Sharon Wessel of Hamel was reelected to a three-year term as third district representative; Joe Scapanski was reelected to a three-year term as sixth district representative; and Dan Grunhoyd of Gary was elected to serve the final year of President Paulson's unexpired three-year term as ninth district representative.

There being no further business to be brought before the Society, President Paulson declared the 155<sup>th</sup> meeting of the State Agricultural Society adjourned at 10:22 a.m.

# **MINNESOTA STATE FAIR**

**1265 Snelling Avenue North, St. Paul, MN 55108**  
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