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1985 MINNESOTA STATE FAIR

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1985 ANNUAL REPORT

Minnesota State Agricultural Society
Minnesota State Fairgrounds
St. Paul, Minnesota 55108

612/642-2200



INTRODUCTION

The Minnesota State Agricultural Society is charged with the conduct of an annual State Fair as well as control and management of the State Fairgrounds. As required by statute, a preliminary report on fiscal 1985 was submitted to the governor December 31. Following the society's annual meeting and the examination of its books and accounts by the legislative auditor, the following complete annual report was printed and distributed.



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MINNESOTA STATE FAIR

Honorable Rudy Perpich
Governor

State of Minnesota
112 State Capitol
St. Paul, MN 55155

Dear Governor Perpich:

Find enclosed a report on the affairs of the State Agricultural Society as required by Minnesota law.

A local newspaper columnist recently asked his readers to send in their favorite "rule of thumb." His desk was immediately flooded with responses...hundreds of magic formulas as profound as law and as constant as the sun's daily appearance on the eastern horizon.

Watching this tongue-in-cheek exercise, I was reminded that the fair industry has its own set of unique rules of thumb, the most insightful of which is... "Good weather does not assure success, but rain guarantees disaster."

At the risk of excommunication from the exposition fraternity, I challenge this doctrine as faulty and suggest that it be stricken from the Great Golden List. "On what basis is this dogma called to account?," you ask.

Well, last year the Minnesota State Fair, in spite of rain—rain in buckets, rain on the goats, rain in the morning, rain at dusk, rain on the fireworks, rain during the parades, rain before lunch, rain after the night show, rain on sno cones, rain during the auto races, rain on 8 of 12 days—in spite of rain, the Minnesota State Fair enjoyed its finest showing and its largest attendance in 130 years.

Coming within a hair's breadth of 1.5 million visitors, the '85 exposition premiered two unique events while establishing several notable attendance benchmarks...it hosted for the first time a major television show, "Good Morning America" with David Hartman; and it co-sponsored with the American Dairy Association of Minnesota and WCCO Radio an inaugural five-mile running event for 1,000 participants. Attendance standards included overall total—1,496,014, second Friday—126,958 and Labor Day—135,640. While keeping score, it's worth noting that the second largest single day in fair history was tallied on the second Sunday—200,404. On that same day, a new one-day admissions mark for adults was set at 163,397.

Statistics and attendance figures are sometimes interesting and can be fun, but the hard numbers found in profit and loss statements are the cruel judge of success and the measure of continued viability.

The financial health of the State Fair improved measurably during 1985. Its revenues increased three percent, while expenses were reduced. Earnings, as a percentage of revenue, nearly doubled, rising from five to nine percent. This ratio remains quite low, as it should for a non-profit agency, but the change does reflect a survivalist instinct for careful, measured growth and patient budget restraint.

Today, this exposition is leaner and more competitive, and we continue to be more responsive to the needs and wishes of our customers. Our market strategy is simple. It is based on two principals—comprehensive programming and real value. Last year, we spent \$4.97 on each visitor, while receiving at the gate an average of \$2.45 from the same group of attendees. That's value in any language.

Moreover, our visitors had the opportunity to see and do a greater variety of things than is possible at any other public event in this area. The Minnesota State Fair now provides, as it has for many decades, the single strongest tourism attraction in the region, drawing tens of thousands of visitors from other countries, states and provinces to invest in Minnesota fun.

Every ledger has two sides...

The coming summer season, as with the one just past, does not bode well for one of our major constituencies. Minnesota farmers continue to languish between soft markets and growing debt. Their numbers diminish, their resources dwindle and, as a result, an intrinsic family ecosystem is endangered. It is difficult—no, impossible—for this institution dedicated to promoting Minnesota industry—the most important of which is agriculture—to enjoy the sunlight of success, while its friends and neighbors face the gloom of a farm depression which never seems to end. Whenever possible, we pledge to concentrate our effort and energy towards assisting rural and small town participants in agricultural enterprise during this period of painful adjustment.

Sincerely,



Mike Heffron
General Manager

1985 Great Minnesota Get-Together

Fair Summary

By any standard, the 1985 Minnesota State Fair has to be considered the most successful in the 130-year history of the exposition.

In terms of attendance, the '85 State Fair was the best ever, with a total of 1,496,014 people visiting the 12-day event.

In terms of revenue, gross operating income for the year reached a record \$8.08 million, while expenses actually decreased from the previous year, leaving a net operating gain of \$637,602.

In terms of participation, nearly 14,000 competitive exhibitors entered State Fair contests and shared a record of over \$378,000 in cash premiums. In addition, over 1,200 commercial exhibitors and service organizations displayed their best at the exposition.

In terms of quality, the '85 fair offered by far its best-ever schedule of free entertainment at a variety of locations, the most eclectic schedule of Grandstand shows in its history and, in short, more to see and do than at any other event anywhere else in the Upper Midwest.

The new overall attendance standard shattered the previous high of 1,446,450 set in 1984. The '84 and '85 attendance totals represent the first time in modern-day fair history that record attendance was achieved two straight years at the State Fair.

Two daily attendance records were set in '85. On Aug. 30, the second Friday of the fair, 126,958 people visited the



exposition, surpassing the old mark of 121,117 set in '84. A new Labor Day record was also set when 135,640 people attended the fair on its closing day, Sept. 2. The old mark was set in '84 when 130,509 people visited the fair.

The second-largest day in fair history was recorded Sept. 1, the second Sunday of the fair, when attendance reached 200,404. The largest-ever single day, also the second Sunday, was recorded in 1968 when 201,495 people attended the fair.

In the past, record years at the State Fair were achieved with the help of good weather. This was definitely not the case during the '84 and '85 expositions. Weather during the '84 fair was not very good, but the elements during the last week of August in '85 were downright bad. According to the National Weather Service, weather during the fair was four times wetter and darker than normal for that time of year. Average cloud cover during the fair was 81 percent, and rainfall totaled 2.06 inches spread over eight of the fair's 12 days.

Remarkably, the only event canceled due to the weather was the Labor Day auto race program. All other fair activities went on undeterred by the elements. Traffic at all exhibits, indoors and out, remained brisk throughout the fair.

The nation got a look at the State Fair Aug. 23 when ABC TV's "Good Morning America" program was broadcast live from the fair. Heritage Square served as home base for the telecast, produced by a network crew of 55 people.

Admission prices for the '85 fair remained at '84 levels. Regular admission for adults 16 and over was \$3.50. Advance sale

“In the past, record years at the State Fair were achieved with the help of good weather. This was definitely not the case during the '84 and '85 expositions.”

DATE	DESIGNATION	TEMP. (HI-LO)	RAIN	ATTENDANCE
Thursday, Aug. 22	Senior Citizen and 50 Year Award Day	71-61	.01"	65,961
Friday, Aug. 23	Children and Pepsi Bicycle Day	76-62	.42"	106,602
Saturday, Aug. 24	Natural Resources and FFA Day	65-55	.01"	152,279
Sunday, Aug. 25	Amusements and Attractions Day	78-56	None	174,921
Monday, Aug. 26	Education and Arts Day	81-54	None	88,904
Tuesday, Aug. 27	English Horse Show and Royal Canadian Mounted Police Day	76-61	.03"	88,861
Wednesday, Aug. 28	Horse Pull and Health and Disability Awareness Day	70-63	.69"	64,966
Thursday, Aug. 29	Senior Citizens, Farm Equipment and Rodeo Day	70-58	.78"	106,659
Friday, Aug. 30	Children and Pepsi Bicycle Day	69-55	None	126,958*
Saturday, Aug. 31	Milk Run and 4-H Day	74-57	None	183,859
Sunday, Sept. 1	Arm Wrestling and Western Horse Show Day	76-60	Trace	200,404
Monday, Sept. 2	Coca-Cola 300 and Coors Clash Day	82-56	.12"	135,640*
		Totals:	2.06 inches	1,496,014

*Daily attendance record
Weather information obtained from the National Weather Service

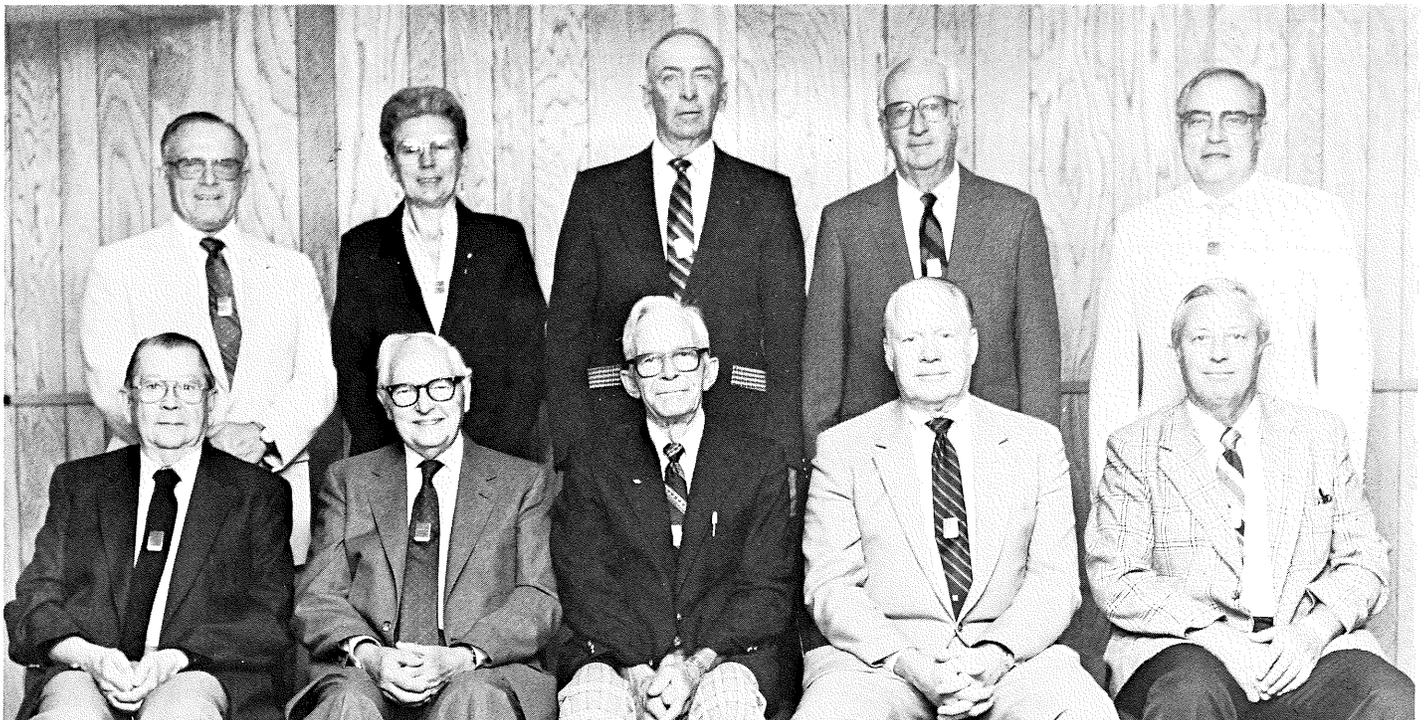
discount tickets, available for \$3, were sold at Holiday Station stores statewide and at the State Fair ticket office on the fairgrounds. Admission for youths 5-15 was \$1.50, and children under 5 were admitted free.

Both Thursdays of the fair were Senior Citizens Days when persons 65 and over were admitted free. Youths under 16 and adult bicyclists received special consideration on both Fridays of the fair. The kids got in free and the bicyclists were admitted for \$1.50.

Parking in all State Fair lots on the fairgrounds and in the lots south of Como Avenue was free. On Saturdays and Sundays, free parking with shuttle bus service to the fairgrounds was available at Rosedale Shopping Center.

Board of Managers

The State Fair is a financially self-supporting agency of the state, governed by the Minnesota State Agricultural Society. The society is charged exclusively with management of the State Fair. Policy for the administration of the fair is set by the society's 10-member board of managers, composed of one member from each of the society's nine regional districts plus a president. Members of the board are elected by authorized delegates of the society, representing the state's



1985 State Fair Board of Managers: Front row, left to right: Willis Lilliquist, Kennedy (9th district manager); Leonard Ramberg, Minneapolis (5th district vice president); J.G. Tiffany, Redwood Falls (president); Bert Lund, St. Paul (4th district vice president); and Vern Prokosch, Bird Island (7th district manager). Back row, left to right— Howard Morris, Cokato (6th district manager); Eileen Roehlke, Rogers (3rd district manager); Martin Annexstad, Jr., St. Peter (2nd district manager); Sulo Ojakangas, Hibbing (8th district manager); and Bill Korff, Faribault (1st district manager).

county fairs and various agribusiness, livestock and crop associations.

The president is nominated from members of the board and serves a term of one year. The board's two vice presidents represent the society's fourth and fifth regional districts (St. Paul and Minneapolis) and are elected to alternating two-year terms. Managers on the board are elected to alternating terms of three years.

In addition to setting policy, board members coordinate various departments and serve on committees dealing with specific areas of operation.

Management

Policy for administration of the State Fair is implemented through the fair's general manager. Mike Heffron, St. Paul, has held this position since 1976.

Heffron has been a full-time employee of the State Fair since 1957, serving as purchasing agent and office manager before being named assistant general manager in 1966.

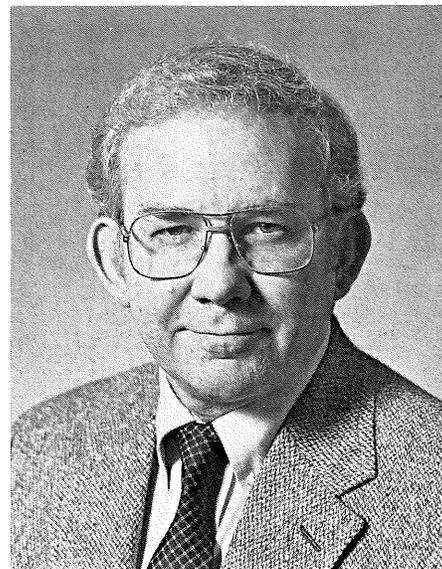
Heffron directs the day-to-day operations of the State Fair through a full-time staff of 40 people, and a seasonal staff that grows to over 2,000 employees by fair-time. To meet the diverse operational needs of the fair, Heffron has divided management of the exposition into two divisions, each headed by an assistant general manager, plus a finance group. Divisions are further divided into areas of specific responsibility. Many of these areas are State Fair departments, each headed by a superintendent.

Operations Division

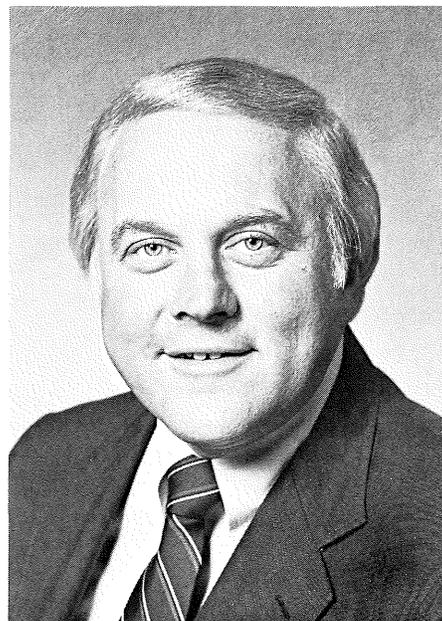
The operations division, headed by Assistant Manager Ken Wenzel, is divided into four groups: plant management, rental services, special services and administration.

Plant Management

The plant management group, which includes the plant services and greenhouse departments, is responsible for the upkeep of the State Fairgrounds. The 304-acre exposition site has over 80 fair-owned buildings, a network of streets and sidewalks, parking lots, parks, picnic areas, flower beds and underground utilities systems. All are maintained on a year-around basis.



Mike Heffron
General Manager



Ken Wenzel
Assistant Manager

The plant services department's primary responsibilities include building and vehicle maintenance, lawn and tree care and snow removal. The work is done by a full-time staff of 21 persons, supplemented by about 100 seasonal employees during the summer months prior to the fair.

The fair's greenhouse is staffed by four people year-around who produce a variety of plants and flowers. The greenhouse crew expands to 10 people during the summer planting season, when over 100 flower beds and decorative floral pieces are readied for the fair. The greenhouse also provides hundreds of plants for indoor displays in State Fair exhibit buildings.

Rental Services

The primary responsibility of the rental services group is the rental of commercial exhibit space for the fair. The State Fair's system of selecting commercial exhibitors from an over-abundance of applicants involves close study of the current retail market and careful planning. This results in a comprehensive and balanced array of merchandise and ideas. Fair visitors, in turn, are provided with the most complete sampling of products, services and institutions in the region.

Income from exhibit space rental represented one-fourth of the State Fair's operating income for 1985. A total of 1,249 space rental contracts was issued for the '85 fair, generating \$1,970,000 in revenue.

Three types of space rental contracts were issued in '85. The first is a *concessionaire* contract, in effect for firms and individuals that sold items or accepted cash deposits from



their exhibit space. The second type of agreement is an *exhibitor* contract, issued to firms and individuals who demonstrated or displayed products from their booths with no exchange of cash. The last type of agreement was a *gratis* contract, issued to service organizations and educational institutions.

Special Services

The special services group is divided into a number of areas that provide essential fair-time services including public safety, parking, sanitation and admissions.

The State Fair's public safety department includes a police force made up of 308 full-time, part-time and reserve officers representing nearly every city and county law enforcement agency in the state. Other services provided by the public safety department include medical aid and fire protection as well as a station equipped with infant care facilities and wheelchair and stroller rental services.

The 257-member parking department controls traffic in the parking lots and ensures that all of the State Fair's 14,000 parking spaces are used effectively.

The sanitation department's crew of 348 people removes over 6,000 cubic yards of trash every fair, working around-the-clock during the exposition to keep the fairgrounds clean.

The admissions department is made up of 250 people who control entry to the fairgrounds. Admissions personnel also take tickets at all Grandstand and Coliseum events.

Also included in the special services group are the forage department, responsible for supplying feed for livestock entered in the fair's competitive events, and the State Fair Youth Camp. The Youth Camp is made up of young persons who serve as ushers for Grandstand and Coliseum events.

Administration

The administration group of the operations division includes functions such as purchasing and inventory control, insurance and staff services.

Off-season special events and Coliseum operations are also part of the administration group. The convenient access of the fairgrounds, the flexibility of its exhibit buildings and its ample parking have proven to be key ingredients in establishing the fairgrounds as one of the finest and busiest special events facilities in the region.

In 1985, over 700,000 people attended a variety of off-season special events at the State Fairgrounds, scheduled through the special events and Coliseum operations departments. Over 150 events were held on the fairgrounds during the year including sales, horse and livestock exhibitions, auto shows, sporting events, meetings and training sessions.

Gross income from off-season rentals accounted for nine percent of the exposition's total income in 1985.



Jim Frost
Assistant Manager

Public Affairs Division

Assistant Manager Jim Frost is in charge of the public affairs division, made up of competitive exhibits, communications and amusements groups.

Competitive Exhibits

Agricultural and creative competitions have always been mainstays of the State Fair, and the exposition continues to emphasize their importance. The competitive exhibits group has 20 departments that offer fair participants a chance to show off by showing their best in a variety of categories including livestock, agricultural and horticultural products, baked goods, handicrafts, art works and school projects.

In 1985, over 13,000 people participated in the State Fair through the exposition's competitive departments. Winning exhibitors shared a record \$378,664 in cash premiums, plus ribbons and trophies.

Two of the big winners in '85 were Brian Smith of St. Paul, who won the largest vegetable competition with a 185-pound pumpkin, and Charles Woehler of Arlington who won the largest boar contest with a hog weighing in at 1,020 pounds.

The State Fair Milk Run made its debut during the '85 State Fair. The course for the five-mile foot race utilized a portion of the fairgrounds and neighboring areas off the grounds. Larry Betcher of Goodhue won the men's division and Kari Wright, Minneapolis, was the top woman finisher.

Communications

The primary functions of the communications group are public relations and marketing, sponsorships and customer services including advance ticket sales and information systems.

The communications group releases State Fair information to the public chiefly through three means: news stories directly to media, paid advertising in print and broadcast media, and direct mail of newsletters and brochures.

Another function of the group is to secure sponsors for the exposition. In 1985, income from the sponsors of various State Fair attractions and events totaled nearly \$140,000. Sponsors such as WCCO Radio and KS95 Radio also provided valuable promotional help. Other sponsors of the 1985 State Fair included Coca-Cola Bottling Midwest, Adolph Coors Company, Eastman Kodak, First Bank System, G.Heileman Brewing Company, Marshall's Stores, Miller Brewing Company, Pepsi Cola Bottling Company, and WDGY Radio.

The group's customer services department handles advance ticket sales, operates State Fair information booths and coordinates mailings of State Fair publications.

Amusements

Production of the fair's Grandstand and extensive free entertainment schedules are the main functions of the amusements group. All aspects of the shows, from contracting with booking agents to loading out after a performance, are handled through the group.

The 1985 State Fair's Grandstand schedule attracted 152,708 people to 12 performances. This represents an average of 12,726 persons at each concert—second only to 1984's record average of 13,743 per show.

1985 Grandstand
Stage Show Summary

DATE	ARTIST(S)	ATTENDANCE
Thursday, Aug. 22	Willie Nelson & Family and The Waylon Jennings Show	9,432
Friday, Aug. 23	Willie Nelson & Family and The Waylon Jennings Show	15,364
Saturday, Aug. 24	The Suburbs and Limited Warranty (matinee)	7,224
Saturday, Aug. 24	Kenny Loggins	13,256
Sunday, Aug. 25	The Oak Ridge Boys and Exile (matinee)	13,829
Sunday, Aug. 25	Don Williams and Tammy Wynette	6,730
Monday, Aug. 26	Pete Seeger and Arlo Guthrie	6,056
Tuesday, Aug. 27	Night Ranger and Van Zandt	15,226
Wednesday, Aug. 28	Michael Johnson w/State Fair Orchestra and Trina Hamlin	Free Show
Thursday, Aug. 29	Tom Jones	6,880
Friday, Aug. 30	Alabama with Gary Morris	17,056
Saturday, Aug. 31	Alabama with Gary Morris	20,850
Sunday, Sept. 1	Neil Young and The International Harvesters with Nicolette Larson	20,805
		<u>152,708</u>

The overall Grandstand audience was reduced by about 20,000 due to two last-minute show cancellations. Dionne Warwick, scheduled to appear Aug. 28 with Michael Johnson, bowed out because of surgery. Amy Grant was set to perform a Sept. 1 matinee, but canceled the final two weeks of her summer concert tour, including her scheduled State Fair show, due to damaged vocal chords.

A single day of auto racing at the Grandstand Speedway was scheduled for the '85 exposition, but steady showers forced the cancellation of the Labor Day program.

It was nearly impossible for fair visitors to take in all of the free entertainment presented during the '85 State Fair. Eighteen different acts gave a total of 54 performances every day of the fair at the exposition's six major free entertainment areas (four stages, a theater and a new outdoor thrill act). To further enhance the picture for fair visitors, the entertainment lineups at the stages changed half-way through the fair and featured an all-new group of acts.

Finance

All of the State Fair's bookkeeping functions are part of the finance group. This group is independent of the operations and public affairs divisions; the finance group supervisor reports directly to the fair's general manager.

The group's areas of responsibility include disbursements and receipts, payroll, systems and statements, investments, computer operations and internal audit.





STATE OF MINNESOTA

OFFICE OF THE LEGISLATIVE AUDITOR

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

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Mr. J.G. Tiffany, President
Board of Managers
State Agricultural Society

and

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

We have examined the balance sheets of the State Agricultural Society as of October 31, 1985 and 1984, and the related statements of revenues, expenses, and changes in retained earnings, and changes in financial position for the years then ended as presented on pages 14 to 17. Our examinations were made in accordance with generally accepted auditing standards, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the State Agricultural Society as of October 31, 1985 and 1984, and the results of its operation and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental financial information included on pages 18 to 21 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Handwritten signature of James R. Nobles in cursive.

James R. Nobles
Legislative Auditor

Handwritten signature of John Asmussen in cursive.

John Asmussen, CPA
Deputy Legislative Auditor

January 17, 1986

Balance Sheet

For the years ended October 31

1985

1984

ASSETS

Current assets:

Cash and securities

(see cash report) \$ 1,981,880 \$ 1,459,622

Accounts receivable (Note 3) 153,905 133,257

Postage 2,552 12,578

Accrued interest receivable 5,813 380

Pre-paid insurance 39,772 9,985

Pre-paid expenses 3,517 2,425

Total current assets \$ 2,187,439 \$ 1,618,247

Fixed assets:

Land, structures, utilities & equipment (Note 4) 9,803,491 9,663,726

Total assets \$11,990,930 \$11,281,973

LIABILITIES

Current liabilities:

Accounts payable \$ 151,950 \$ 144,013

Accrued salaries 19,860 14,859

Accrued interest payable 10,848 12,140

Compensated absences (Note 5) 112,239 102,794

Deferred income (Note 7) 127,829 117,751

Current portion of long-term liabilities (Note 8) 98,112 96,399

Refunds payable (Note 12) 18,114 -0-

Total current liabilities \$ 538,952 \$ 487,956

Long-term liabilities:

Note, contract and lease payable less current portion above (Note 8) 1,080,855 1,067,443

State Agricultural Society retained earnings 10,371,123 9,726,574Total liabilities & equity \$11,990,930 \$11,281,973

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

Income and Expenses

For the years ended October 31	1985	1984
Income:		
Ticket sales	\$4,810,327	\$4,940,463
Departmental	2,175,779	2,007,580
Other	1,094,813	892,814
Total income	\$8,080,919	\$7,840,857
Expenses:		
Administrative	986,143	993,061
Departmental	3,787,994	3,943,146
Premiums	378,664	317,014
Other	619,264	620,150
Maintenance	1,147,850	1,075,146
Depreciation	523,402	502,504
Total expenses	7,443,317	7,451,021
Income less expenses	\$ 637,602	\$ 389,836
Disposal of fixed assets (Note 13)	-0-	(17,731)
Donated equity (Note 14)	6,947	-0-
Net income	\$ 644,549	\$ 372,105

Retained Earnings

For the years ended October 31	1985	1984
Retained earnings at beginning of year	\$ 9,726,574	\$9,354,469
Add:		
Net income	644,549	372,105
Retained earnings at end of year	\$10,371,123	\$9,726,574
Retained for working capital and improvements	\$ 1,746,599	\$1,226,690
Book value of fixed assets net of debt obligations	8,624,524	8,499,884
	\$10,371,123	\$9,726,574

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

Changes In Financial Position

For the years ended October 31	1985	1984
Working capital was provided by:		
Net income for the year	\$ 644,549	\$372,105
Add: Depreciation charges to operations not affecting working capital	523,402	502,504
Proceeds of notes payable	74,700	—
Copier lease	38,210	—
Total funds provided	<u>1,280,861</u>	<u>874,609</u>
Working capital applied to:		
Additions to fixed assets—		
Land acquisition	83,000	-0-
Electrical system	10,467	5,362
Fence and guard rail	7,834	9,358
Land improvements	36,301	15,486
Personal property	93,672	63,165
Sewer system	-0-	4,779
Structures net of loss on disposals (Note 13)	431,450	431,425
Water distribution system	443	562
Decrease in long-term liabilities (Note 8)	99,498	126,532
Total funds applied	<u>762,665</u>	<u>656,669</u>
Increase in working capital	<u>\$ 518,196</u>	<u>\$217,940</u>
Changes in working capital by component:		
Cash in bank and securities	\$ 522,258	\$280,641
Accounts receivable	20,648	25,906
Accrued interest receivable	5,433	69
Pre-paid postage	(10,026)	8,613
Pre-paid insurance	29,787	(5,876)
Other pre-paid expenses	1,092	416
Accounts payable	(7,937)	(12,650)
Compensated absences	(9,445)	(4,161)
Accrued salaries	(5,001)	31,695
Accrued interest	1,292	1,100
Deferred income	(10,078)	(32,175)
Current portion of long-term debt (Note 8)	(1,713)	(75,638)
Refunds payable (Note 12)	(18,114)	-0-
	<u>\$ 518,196</u>	<u>\$217,940</u>

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

Footnotes

Note 1

Includes \$1,058,000 short term redeemed on November 1, 1985.

Note 2: Summary of Account Policies

Assets and liabilities and income and expenses are recognized on the accrual basis of accounting. Fixed assets are stated at cost less accumulated depreciation. Donated materials and services are valued at their estimated fair value at the date they are donated. Expenditures for maintenance and repairs are charged to expense as incurred. Costs of newly acquired items, including renewals and replacements which add to the original value or materially extend the useful lives of the related assets, are capitalized and written off as depreciation charges over their estimated useful lives. Costs of assets and the related accumulated depreciation are eliminated from the accounts in the year of sale or retirement. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. The provision for depreciation is calculated based on the following lives:

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

Note 3: Accounts Receivable

	1985	1984
Gross accounts receivable	\$ 190,307	\$ 168,622
Less allowance for doubtful accounts	36,402	35,365
Net accounts receivable	<u>\$ 153,905</u>	<u>\$ 133,257</u>

In accordance with Minnesota Statutes, accounts receivable of \$6,060 are considered uncollectable and were reported to the Executive Council of the State of Minnesota for cancellation. No action was taken by the Council during fiscal 1985. An amount of \$18,609 was reported in fiscal 1984.

Note 4: Fixed Assets—Land, Structures, Utilities and Equipment

	1985	1984
Land (Note 10)	\$ 1,831,197	\$ 1,748,197
Land improvements	829,827	802,742
Structures and improvements	15,172,184	14,751,166
Electrical plant	1,646,761	1,636,294
Fence and guard rails	174,848	167,014
Gas distribution system	81,591	72,375
Sewer system	390,798	390,798
Water distribution system	423,043	422,600
Personal property	538,661	449,966
	<u>\$21,088,910</u>	<u>\$20,441,152</u>
Less accumulated depreciation	11,285,419	10,777,426
Net book value	<u>\$ 9,803,491</u>	<u>\$ 9,663,726</u>

Note 5: Compensated Absences

	1985	1984
Accrued vacation	\$ 55,641	\$52,296
Vested sick leave	56,598	50,498
Total compensated absences	<u>\$ 112,239</u>	<u>\$ 102,794</u>

Note 6: Minnesota State Retirement System

All Society full-time employees must participate in the State Employees Retirement Fund which is administered by the Minnesota State Retirement System (MSRS). Contributions are made to the fund by employees and the Society based on a percentage of gross salary. The Society matches employee contributions and also pays an additional amount to retire prior years unfunded liabilities. Full funding is required by the year 2009. Current rates are 3.73 percent for employees and 3.9 percent for the society for a total of 7.63 percent. Total society contributions were \$48,164 for 1984 and \$39,592 in 1985.

Note 7: Deferred Income

	1985	1986
Unearned winter storage income	\$ 124,244	\$ 104,751
Advance Coliseum ice rental payments	3,585	13,000
Total deferred income	<u>\$ 127,829</u>	<u>\$ 117,751</u>

Note 8: Current and Long-Term Liability Allocations

	1985		1984	
	Current	Long-term	Current	Long-term
Contract for deed (Note 9)	\$ 22,140	\$ 175,093	\$ 23,504	\$ 197,232
Note payable (Note 10)	62,249	871,484	65,000	859,000
Lease payable (Note 11)	13,723	34,278	7,895	11,211
	<u>98,112</u>	<u>1,080,855</u>	<u>96,399</u>	<u>1,067,443</u>
Net increase	<u>\$ 1,713</u>	<u>\$ 13,412</u>		

Note 9: Contract for Deed Payable

The contract is dated November 30, 1979, and the rate of interest is six percent. The contract is to be paid in not more than 16 annual installments, each of which shall be equal to or exceed the greater of the following amounts: the interest due on the unpaid balance, or 33 $\frac{1}{3}$ percent of the gross annual receipts generated by University of Minnesota parking on fairgrounds lots per existing agreement.

Note 10: Note Payable

The note is dated June 22, 1984, and is payable to the First Bank St. Paul. The note represents financing for the purchase of 7.14 acres of improved land adjacent to the Fairgrounds. On October 10, 1985, an additional amount representing financing for the purchase of 1.73 acres of improved land adjacent to the Fairgrounds was incorporated in the original amount. The rate of interest is 73 percent of the prime lending rate and is payable monthly. Two principal payments totaling \$62,248 are required annually based on a 15-year amortization; payments must be made in a priority manner to any annual capital expenditures. The note is subject to renewal September 1, 1989. The 1984 fixed asset accounts have been restated to reflect 1985 component values assigned to the purchase of improved land.

Note 11: Lease Payable

There are two capital lease obligations. The first is a three year capital lease dated March of 1984 and payable to the Crestwood Capital Corp. and represents financing for the acquisition of computer equipment. The second is a five year capital lease dated September 1985 and payable to Xerox Corporation and represents financing for the acquisition of duplicating equipment. The equipment was capitalized and the lease payable obligation was computed using the present values of the total lease payments. Interest is charged to operations over the term of the lease.

Note 12: Performance Cancellations

During the 1985 Minnesota State Fair, weather and performer illnesses caused the cancellation of three Grandstand performances. Tickets sold for those performances are refundable. As of the end of the fiscal year, an amount of \$18,115 has yet to be refunded.

Note 13: Loss on Disposal of Fixed Assets

The 1984 Minnesota State Fair Annual Report indicated the sale of personal property and the razing of Heritage Square Pavilion. In fiscal 1985, two structures at the Como entry were removed: an entry arch and ticket booth. The loss on disposal of these assets was not significant and is reported with other expenses.

Note 14: Donated Assets

An amount of \$6,947 was donated by various individuals to the Minnesota State Fair. A portion of these funds has been used for improvements to the Heritage Square displays. The unused funds totaling \$436 have been placed in a trust account to be allocated for future projects.

Supporting Schedule—Income and Expenses

For the years ended October 31

INCOME

Tickets:

	1985	1984
Outside gate	\$ 3,650,293	\$ 3,611,958
Grandstand	1,005,566	1,213,864
Coliseum	130,218	95,971
Trackless train	24,250	18,670
Total tickets	<u>\$ 4,810,327</u>	<u>\$ 4,940,463</u>

Departmental:

Agriculture-Horticulture	1,237	\$ 1,398
Amusements	11,909	7,690
Cattle	9,699	11,387
Forage	31,571	28,963
4-H Club	-	2,221
FFA	2,629	2,405
Gas and electric	29,313	21,327
Goats	1,012	809
Horse show	70,270	60,746
Poultry	1,887	1,880
Public Safety	3,884	3,289
Sheep	3,360	3,390
Space Rental	1,969,911	1,861,261
Swine	697	814
Total departmental:	<u>\$ 2,137,379</u>	<u>\$ 2,007,580</u>

Other:

Campgrounds	\$ 38,400	\$ 29,327
Interest	91,668	109,184
Miscellaneous	14,026	10,807
Off-season rentals	763,388	628,127
Sale of bulk milk	11,155	9,289
Sale of market lambs & barrows	67,006	24,081
Sale of materials	8,178	-
Sponsorships	139,392	81,999
Total other:	<u>\$ 1,133,213</u>	<u>\$ 892,814</u>
Total income:	<u>\$ 8,080,919</u>	<u>\$ 7,840,857</u>

EXPENSES

Administrative:

Salaries	\$ 301,120	\$ 350,802
Employee benefits:		
Medical insurance	67,776	61,582
Retirement fund	39,592	48,164
Social security	89,720	92,829
Unemployment compensation	3,335	3,138
Workers' compensation	5,006	9,241
Annual meeting	7,534	5,711
Bad debts	1,037	3,979
Bonds and insurance	127,888	100,536
Computer services	15,013	23,038
Dues and subscriptions	4,690	4,748
Expense accounts	18,753	36,398
Legal services	11,310	9,543
Legislative audit	21,287	23,065
Mailing services	11,350	11,259
Officers' salaries	62,668	61,054
Other	4,252	1,640
Postage	54,897	42,674
Printing & office supplies	35,452	44,637
Telephone	39,735	59,023
Competitive exhibits	60,891	-
Staff training	2,837	-
Total administrative	<u>\$ 986,143</u>	<u>\$ 993,061</u>

EXPENSES (CONTINUED)

For the years ended October 31

	1985	1984
Departmental:		
Admissions	\$ 105,571	\$ 92,976
Advertising	414,039	415,027
Agriculture-Horticulture:		
Bee culture	4,052	4,647
Christmas trees	1,973	1,565
Farm crops	6,458	7,522
Flowers	5,104	5,167
Flower show	19,750	19,750
Fruits	5,838	5,034
Vegetables—potatoes	4,054	3,903
Misc. custodial	5,435	5,383
Amusements—Grandstand	1,025,843	1,320,911
Amusements—other	467,168	454,162
Care and assistance	1,666	1,819
Cattle	30,475	26,781
Campgrounds	11,995	
Coliseum custodial	3,374	7,486
Communications	99,278	94,218
Creative activities	32,777	28,907
Customer services	73,944	70,192
Dairy	936	1,138
Education	18,427	18,404
Fine Arts	15,260	18,177
Forage	29,712	28,131
4-H Club	60,274	52,919
FFA	20,768	18,032
Gas and electric	99,273	96,842
Goats	3,481	3,413
Horse show and rodeo	148,779	97,516
Meats	3,295	3,247
Medical aid	-0-	2,952
Natural resources	1,625	2,342
Parking	78,320	70,622
Plants and flowers	93,210	88,318
Poultry	7,639	7,917
Public safety	231,320	228,387
Sanitation	289,646	279,181
Senior citizens	10,942	6,092
Sheep	5,134	4,596
Space rental	221,401	200,551
Swine	7,087	7,470
Territorial Pioneers	1,614	1,991
Tickets	100,021	116,344
Ticket audit	3,877	3,928
Youth Camp	17,159	19,186
Total departmental	<u>\$ 3,787,994</u>	<u>\$ 3,943,146</u>
Premiums:		
Agriculture-Horticulture:		
Bee culture	\$ 1,310	\$ 1,350
Christmas trees	1,195	1,175
Farm crops	12,964	11,758
Flowers	1,750	1,804
Fruits	896	786
Vegetables-potatoes	2,659	2,558
Amusements—talent contest	4,825	4,150
Cattle	58,522	60,198
Creative activities	4,057	3,974
Dairy	450	450
Education	13,130	13,458
Fine Arts	4,500	4,000
4-H Club	54,877	52,504
FFA	23,974	21,920
Goats	5,001	4,784
Horses	62,995	56,347
Poultry	9,324	9,099
Sale bulk milk	11,153	4,655
Sale market lambs and barrows	66,974	24,075
Sheep	20,392	20,126
Swine	17,716	17,843
Total premiums	<u>\$ 378,664</u>	<u>\$ 317,014</u>

EXPENSES (CONTINUED)

For the years ended October 31

	1985	1984
Other:		
Fire and police services	\$ 73,184	\$ 68,908
Institutional tickets	16,011	15,081
Interest	84,345	102,933
Laundry services	2,209	724
Miscellaneous	24,028	28,141
Off-season rentals	341,819	313,121
Property and casualty losses	70	83
Property taxes	5,109	5,222
Signs	9,100	11,254
Veterinary services	23,506	21,600
Water and sewer	39,883	53,083
Total other	<u>\$ 619,264</u>	<u>\$ 620,150</u>
Maintenance:		
Electric plant	\$ 34,295	\$ 44,632
Fuel, oil and gas	27,333	32,743
Labor:		
Fair set-up/take-down	217,952	261,169
General	372,984	292,236
Watchmen	37,645	36,350
Land:		
Fence and guard rail	12,952	7,800
Gas distribution system	1,265	55
Grading, sod and trees	16,877	21,625
Sewer system	16,944	6,634
Streets, sidewalks and parking lots	12,961	20,838
Water distribution system	10,550	8,467
Storm damage	-0-	3,547
Structure repairs	240,087	217,218
Supplies	16,250	12,814
Vehicle and personal property	129,755	109,018
Total maintenance	<u>\$ 1,147,850</u>	<u>\$ 1,075,146</u>
Depreciation:		
Electric plant	\$ 46,155	\$ 46,551
Fence and guard rail	6,407	6,841
Gas distribution system	444	137
Land improvements	20,533	21,777
Personal property	62,293	52,742
Sewer system	7,354	7,420
Structures	373,139	359,982
Water distribution system	7,077	7,054
Total depreciation	<u>\$ 523,402</u>	<u>\$ 502,504</u>
Total expenses	<u>\$ 7,443,317</u>	<u>\$ 7,451,021</u>
Income less expenses	637,602	389,836
Disposal of fixed assets (Note 13)	-0-	(17,731)
Donated equity (Note 14)	6,947	-0-
Net income	<u>\$ 644,549</u>	<u>\$ 372,105</u>

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

Supporting Schedule—Cash Report

Herewith find the report of cash balance of the State Agricultural Society for the fiscal year ending October 31, 1985.

Beginning cash balance November 1, 1984:

Imprest fund—cash on hand	\$ 400	
Checking accounts	34,222	
U.S. Government Securities	<u>1,425,000</u>	
Total		\$ 1,459,622
Add cash receipts	8,706,097	
Less cash disbursements	<u>8,183,839</u>	
Excess of receipts over disbursements		<u>522,258</u>
Ending Cash Balance October 31, 1985		<u>\$ 1,981,880</u>

Detail of Year-End Cash Balance:

Imprest fund—cash on hand	\$ 400	
Checking accounts	(76,956)	
Bank securities (Note 1)	2,058,000	
Funds held in trust (Note 14)	<u>436</u>	
		<u>\$ 1,981,880</u>

Respectfully submitted,
Robert Potter, Finance Supervisor

St. Paul, Minnesota
October 31, 1985



STATE OF MINNESOTA

OFFICE OF THE LEGISLATIVE AUDITOR

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

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Senator Randolph W. Peterson, Chairman
Legislative Audit Commission

Members of the Legislative Audit Commission

Mr. J.G. Tiffany, President
Board of Managers
State Agricultural Society

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

and

Members of the State Agricultural Society

Audit Scope

We have completed a financial and compliance audit of the State Agricultural Society for the year ended October 31, 1985. Our audit was conducted in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the U.S. General Accounting Office **Standards for Audit of Governmental Organizations, Programs, Activities, and Functions**, and accordingly, included such audit procedures as we considered necessary in the circumstances. Field work was completed on January 17, 1986.

The objectives of the audit were to:

- express an opinion on the financial statements of the State Agricultural Society (SAS) for the year ended October 31, 1985;
- study and evaluate major SAS internal control systems, including a review of receipts including ticket and space rental revenue, and administrative disbursements; and
- verify that financial transactions were made in accordance with applicable laws, regulations, and policies, including Minnesota Statute Chapter 37.

The management of SAS is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

The management of the SAS is also responsible for the Society's compliance with laws and regulations. In connection with our audit, we selected and tested transactions and records from the activities administered by the SAS. The purpose of our testing of transactions was to obtain reasonable assurance that the SAS had, in all material respects, administered their programs in compliance with applicable laws and regulations.

Conclusions

We have issued an unqualified opinion on the SAS financial statements for the year ended October 31, 1985. Our audit opinion, dated January 17, 1986, is included within the 1985 SAS Annual Report.

In our opinion, except for the issues raised in Section I, recommendations 1-3, the SAS system of internal accounting control in effect on October 31, 1985, taken as a whole, was sufficient to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly.

In our opinion, for the year ended October 31, 1985, SAS administered its programs in compliance, in all material respects, with applicable finance-related laws and regulations.

The recommendations included in this report are presented to assist the SAS in improving accounting procedures and controls. Progress on implementing these recommendations will be reviewed during our audit next year.

We would like to thank the State Agricultural Society staff for the cooperation extended to us during this audit.

James R. Nobles
Legislative Auditor

John Asmussen, CPA
Deputy Legislative Auditor

February 26, 1986

State Agricultural Society

LEGISLATIVE AUDITOR'S CURRENT FINDINGS AND RECOMMENDATIONS

Internal control over advance sale tickets need improvement.

Before the start of each State Fair, the State Agricultural Society (SAS) sells advance sale tickets for certain State Fair events. These include discount admission tickets, horseshow tickets, and reserve and general admission grandstand tickets. These tickets may be purchased in person at the SAS treasurer's office or by mail from the SAS office. The SAS ticket manager has the overall responsibility for controlling the various tickets.

Tickets for horseshows, grandstand general admissions, and discount admissions are preprinted. Grandstand reserved tickets are printed on blank ticket stock as orders are received. Blank ticket stock is received from the printer, counted, and stored in the treasurer's vault until used.

There are two major problems with the way the SAS currently accounts for these advance sale tickets. First, no reconciliation of the number of tickets sold to the amount of cash received is done until the night before the start of the fair. Although cash is collected and deposited daily, there is not way of knowing whether cash collected agrees with the number of tickets used until this reconciliation is completed.

The night before the fair begins, MSF staff count all remaining horseshow, grandstand general admission, and discount tickets and calculate the number of tickets sold. For grandstand reserved tickets, the staff obtains the number of the seats for which a ticket has not been printed from the computer and calculates the number of tickets sold by subtracting this number from the reserved seating capacity. For all tickets, the number sold is reconciled to the amount of cash received and any difference is recorded in the accounting records. For the 1985 State Fair, this reconciliation showed a cash shortage of \$5,238. We calculated an additional shortage of \$984 because the SAS staff could not account for 328 discount tickets. If reconciliations of tickets to cash had been done periodically, these cash shortages could have been detected and investigated promptly.

In addition, a perpetual ticket inventory is not maintained to show the number of unsold tickets assigned to each selling unit. Preprinted tickets are not assigned by ticket number to either the treasurer's office or the mail order room. Therefore, MSF could not determine in which selling unit the cash shortages occurred.

In order to maintain more effective control over advance sale tickets, a perpetual inventory system of tickets on hand by selling unit should be maintained. Such a system would provide a record of all ticket issues, allowing the MSF staff to determine cash shortages by selling unit. In addition, periodic ticket reconciliations should be performed. Reconciliations of tickets sold to cash received would allow for prompt detection of cash shortages.

RECOMMENDATIONS:

1. *A perpetual inventory of tickets sold should be maintained for each selling unit.*
2. *Tickets sold prior to the start of the state fair should be reconciled periodically to the cash received.*

Security over blank checks needs improvement.

The SAS has eight checking accounts for various State Fair activities. Most checks are computer printed and manually signed. However, the fair treasurer is given checks from which he manually writes ticket refunds. He also writes checks to concessionaires in exchange for cash. The treasurer prepares a list of all checks he has written or voided. This list is given to the disbursements accountant along with the voided checks. The accountant then posts the list to the accounting records which are ultimately reconciled to the bank statement.

During fiscal year 1985, the SAS did not maintain an inventory or take periodic counts of blank checks. In addition, they did not keep a log of checks used by the computer or assigned to the fair treasurer. As a result, they could not verify that the treasurer's list of checks written and voided accounted for all checks originally assigned to him.

Without an inventory and periodic counts of blank checks, the SAS may not detect unauthorized check writing until after the check has cleared the bank, which may be several months later. If unauthorized use of funds occurred, this time lag could make recovery of those funds difficult. Maintaining a perpetual inventory of checks, including a log of checks used or assigned, would help to establish responsibility for all SAS checks and could help detect misuse of funds before the check clears the bank.

RECOMMENDATION:

3. *To improve security over blank checks, the SAS should maintain an inventory of all checks, including a log of all checks used or assigned.*

MINNESOTA STATE FAIR

February 26, 1986

Ms. Jeanine Leifeld
Audit Manager
Minnesota Legislative Auditor
Veterans Service Building
St. Paul, MN 55155

Dear Ms. Leifeld:

Provided herewith is a response to the recommendations contained in your preliminary audit report of the Minnesota State Agricultural Society for the year ending October 31, 1985.

We are in agreement with your evaluation of the need for improved internal control over advance tickets and check stock. It is our intention to implement the recommendations you have set forth.

An inventory and log system for blank checks is already in place.

We appreciate your generous cooperation in dealing with Society fiscal matters. If I can be of assistance in the ongoing audit process, please let me know.

Sincerely,



Mike Heffron
General Manager

Meeting Minutes

Space Rental Committee Meeting

Radisson South Hotel, Bloomington
Sunday, January 13, 1985, 11 A.M.

Members present: Korff, chairman; Ramberg; Tiffany; Roehlke; Ojakangas; Lund; Sprengler, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Also present: Martin Annexstad and Richard Keenan.

Meeting was called to order by Chairman Korff at 11 a.m.

On a motion by Mr. Lund, seconded by Mr. Tiffany and carried the following list of participation/percentage and malt beverage concession agreements for 1985 and the percentage or amounts payable to the State Fair under each was reviewed and approved (Aye-5; Nay-0):

Participation/Percentage Agreements

Antique Auto Club of America—Mn. Region = Car Museum	30%
Arrow Enterprises, Inc. = Skyride	25%
Brede Carrousel, Inc. = Giant Carrousel	33 1/3%
Desplenter Novelties = Novelty Concessions—Guarantee of \$16,000 on sales to \$62,000; 25% of gross sales from \$62,000 to \$70,000 and 30% of gross sales over \$70,000	33 1/3%
Fairway Golf Range = Miniature Golf	15%
Grandstand Entertainer Merchandise Sales	30%
Junkin Concession Company = Food & Beverages (Grandstand) of first \$20,000 in gross sales and 32 1/2% of gross sales over \$20,000	25%
K & M Recreation, Inc. = Haunted House	15%
Misc. and Bandshell Entertainer Sales	10%
Royal American Shows, Inc. = Carnival (Rides & Shows)	33%
of ticket sales up to and including \$250,000; 35% of ticket sales from \$250,000 through \$500,000; 38% of ticket sales from \$500,000 through \$750,000; 40% of ticket sales from \$750,000 through \$1,000,000; 43% of ticket sales from \$1,000,000 through \$1,250,000 and 45% of ticket sales over \$1,250,000 (25% of all ticket sales for the "Huss Rainbow" ride)	25%
Ventnor Place, Inc. = Space Tower	5%
Whitewater Ltd. = Whitewater Raft Ride	33 1/3%
Ye Old Mill Amusements, Inc. = Old Mill Canal Boat Ride	

The preceding represent percentages payable to the State Fair on receipts from operation of the specified concessions/attractions. Percentages are applied after state sales tax is deducted from gross receipts.

Malt Beverage Agreements

Brede Enterprises, Inc.—Blk. 35, Bldg. 351, Food Show Building, Beer Garden Section
Cleworth's Food & Beverage—Blk. 42, Bldg. 421, Arcade Building Spaces 1 through 15
Coliseum Concessions—Blk. 50, Bldg. 501, Coliseum, Spaces 113 & 159, 200 & 250, 212 & 213 & 268

James W. Crocker—Blk. 31, Lots 16, 17 & 18, Spaghetti Village
James A. Davis—Blk. 50, Bldg. 501, Coliseum, Seating Area Only (50% of net receipts)
Victor W. Elliot—Blk. 47, Bldg. 471, Bazaar, Space A
Junkin Concession Company—Blk. 28, Bldg. 286, Grandstand Seating Area Only (50% of net receipts).
Kirschner's Beer Stube—Blk. 45, Bldg. 451, Ag.-Hort. Z Bldg., Space H
Midway Men's Club—Blk. 30, Lot S
Richard C. Werner—Blk. 42, Bldg. 421, Arcade Bldg. (The Frontier) Space 16 through 21

The preceding represent concessions at the State Fair contracted to sell 3.2 beer. Reconciliation between the State Fair and concessionaire is undertaken as follows: Except as where otherwise indicated, concessionaire pays State Fair \$4.50 per case of beer sold and \$29.00 per 1/2 barrel of tap/draft beer sold. Beer sales are based on 24 12-ounce bottles per case, sold by concessionaire at \$1.00 per bottle, including state sales tax. Tap/draft beer sales are based on use of 12- and 20-ounce waxed paper cups dispensed by concessionaire for \$1.00 per 12 ounce cup and \$1.50 per 20 ounce cup, including state sales tax.

The following list of miscellaneous (multiple-location) concession agreements to be issued for the 1985 Fair was presented to the committee for review and approved on a motion by Mr. Ramberg, seconded by Mr. Tiffany and carried (Aye-5; Nay-0):

CONCESSION NAME	DESCRIPTION	NUMBER OF LOCATIONS
Coliseum Concessions	Food, Beverages and 3.2 Beer	4
Comurate	Heart Rate Machines	6
James A. Davis	Ice Cream and Coca-Cola	3
James A. Davis	Food and Beverages	3
James A. Davis	Ice cream and Sno Cones	15
Desplenter Novelties	Novelties	33
James F. Hannasch	Snow Cones	6
Burton F. Johnson	Gum Ball Machines	12
James J. Kaplan	Peanuts	3
Sandra L. Kaplan	Peanuts	3
Eugene R. LaVaque	Sno Cones	6
Matt Milner Sales	Novelties	2
Minneapolis Star & Tribune	Newspaper Stands	6
Bruce I. Nathanson	Peanuts	2
St. Paul Pioneer Press & Dispatch	Newspaper Stands	6
William E. Salper	Peanuts	3
Televac Computer Company	Handwriting Analysis	4
Townsend & Johnson	Foot Long Hog Dogs	9
USA Today	Newspaper Stands	6
U.S. Bench Corp.	Advertising Park Benches	40
Jane G. Volin	Cigarettes	4

Mr. Sinclair recommended that the merchandise permit fee, charged purveyors for the privileges of conducting business and product distribution on the state fairgrounds, be increased from \$25.00 to \$50.00 for 1985. It was moved by Ms. Roehlke, seconded by Mr. Lund and carried that the recommended fee schedule be approved (Aye-5; Nay-0).

Discussion was undertaken by the committee, staff and counsel, Keenan, regarding changes in the following Space Rental Rules: S.F. 2.1—Length of Space Rental Contracts, S.F. 2.3—Renewal Procedures and S.F. 2.12—Approval of Transfers. Intent of the subject changes was to develop better understanding of space rental policies relative to concession and exhibit transfer. On a motion by Mr. Ramberg, seconded by Mr. Tiffany and carried, Space Rental Rules were amended as follows (Aye-5; Nay-0):

S.F. 2.1—Length of Space Rental Contracts. Space rental contracts are for the designated period of the annual State Fair and, unless otherwise agreed in writing, commence on the first day and expire with the close of the Fair each year. Such contracts cannot be sold, transferred, assigned or devised by will without the written approval of the State Fair.

S.F. 2.3—Renewal Procedures. As close to November 1 as is practical, the Space Rental Department will send renewal applications to Concessionaires and Commercial Exhibitors from the prior year's Fair. The applications must be returned within 30 days of mailing to assure timely processing of the renewal application. Any request for approval of a change in location, purpose, or products must be noted on the renewal application.

S.F. 2.12—Approval of Transfers. A Concessionaire or Commercial Exhibitor may transfer their interest in a concession of commercial exhibit contract when, in the judgement of the Space Rental Department, it is in the best interest of the Fair and the Fair-going public to continue to have that concession or exhibit participate in the Fair. In reviewing a request for such a transfer, the Space Rental Department shall consider, among other things, the following: 1. Quality and character of any structures, improvements and personal property involved; 2. Nature and originality of any products or services presented; 3. Geographic mix, balance and extent of product/service presentation about the Fair.

A Concessionaire or Commercial Exhibitor desiring to transfer their interest in a space rental contract should so notify the Space Rental Department in writing between January 1 and August 1. The Space Rental Department shall respond in writing to the request for transfer within 30 days after the receipt thereof. If a request for transfer is approved, the concession or commercial exhibit will be posted as such for 30 days at the State Fair Space Rental Department to advise members of the public interested in obtaining a concession or commercial exhibit at the fair that the particular concession or commercial exhibit is available for transfer. The State Fair may subsequently enter into a space rental contract with a proposed purchaser or transferee upon satisfaction of the following:

- The proposed concession/commercial exhibit purchaser or transferee has applied for rental space according to procedures defined under State Fair Rule S.F. 2.5—New Application Policy—and had their application reviewed and accepted by the Space Rental Department.
- A full and appropriate financial disclosure has been made in writing concerning the transfer of the concession or commercial exhibit and any personal property involved.
- The transaction does not violate the State Fair's policy concerning multiple ownership of concessions and exhibits or any other rule, regulation, policy or procedure of the State Fair as promulgated in its Space Rental Rules and Regulations and Information Manual.
- The proposed purchaser or transferee has adequate experience and financial stability to successfully own and operate a concession or commercial exhibit at the State Fair.
- The proposed transaction is reasonable, in the best interest of the Fair and is consistent with the health, safety and enjoyment of the Fairgoing public.

It is the policy of the Board of Managers to not approve concession or commercial exhibit transfers where the proposed purchase price is not reasonably related to the actual value of the personal property involved. The Space Rental Department in its discretion shall have the right to request appraisal of any personal property involved in a proposed transfer. Because of the large number of high quality new applications for concessions and commercial exhibit space, it is the general policy of the Board of Managers not to allow transfer of portable concessions/commercial exhibits or space in Fair owned buildings. Proper completion and execution of a Minnesota State Fair Space Rental Department Transfer Policy Acknowledgement verifying understanding and acceptance of State Fair transfer policy, procedures and terms, and delivery of a copy of same to the Space Rental Department, along with a properly executed purchase agreement between the parties, shall constitute finalization of approved concession or commercial exhibit transfer.

It was moved by Mr. Tiffany, seconded by Mr. Ojakangas and carried that a request from Mrs. Doris L. Mullane seeking to transfer a portable concession she operated at the State Fair in block #43 on lot J be denied in support of the Space Rental Committee's prior determination (8-27-82) that if at any point in the future Mrs. Mullane should desire to discontinue operation of the subject concession, the space would revert to the State Fair, based on the quality of the structure/equipment (Aye-5; Nay-0).

A request by Ms. Diane V. Leech to transfer ownership of the portable peanut concession structure she operated at the 1983 and 1984 State Fairs on lot E-1 in block #43 to John and Sharon Halverson was denied on a motion by Mr. Ramberg, seconded by Mr. Tiffany and carried based on the quality of the concession structure/equipment, the number of applicants for rental space at the Fair interested in placing high quality concession operations at the Fair and the acknowledged understandings Ms. Leech agreed to upon her purchase of the subject personal property in August, 1983 (Aye-5; Nay-0).

The portable seafood concession operation and structure of Messrs. Kevin Kelly and David Wieker previously operated on lot W-3 in block #43 were considered by the committee in view of their request to transfer said personal property to Mr. Gary S. Lokken. Based on the quality and integrity of the subject concession structure/equipment it was moved by Mr. Ojakangas, seconded by Mr. Tiffany and carried that their request to transfer be denied (Aye-5; Nay-0).

Mr. Sinclair circulated copies of the 1984 Report of the Space Rental Department to the Committee.

Adjournment was moved by Mrs. Roehlke, seconded by Mr. Tiffany and carried at 12:10 p.m. (Aye-5; Nay-0).

Planning Committee Meeting

Radisson South Hotel, Bloomington
Sunday, January 13, 1985—2 P.M.

Members present: Lund, chairman; Tiffany; Ojakangas; Lilliquist; Morris; Annexstad; Sprengeler, ex officio; Heffron, ex officio; Wenzel, ex officio.

Also present: Frost and Fischler.

A proposed 1985 improvement/maintenance budget totaling \$975,115 was presented by Mr. Wenzel and reviewed by the committee. Also discussed was a deferred project list totaling \$1,359,645.

Following a lengthy review and discussion by the committee and staff, it was moved by Mr. Annexstad, seconded by Mr. Ojakangas and carried that the budget be accepted as presented and that a committee recommendation be made for full board approval. Included under the motion was staff authority to make adjustments in specific line items as appropriate to changes which might occur at a later date (Aye-5; Nay-0).

There being no further business on the table, the planning committee meeting was adjourned.

Life Member Advisory Committee Meeting

Radisson South Hotel, Bloomington
Monday, January 14, 1985—3 P.M.

Members present: Art Sprengeler, chairman; Norris Carnes; Harveydale Maruska; Logan Scow; Jerry Hammer, ex officio (secretary).

Committee reviewed several major aspects of the '84 fair, including a favorable review of the new milking parlor and a discussion on the continuing emergence of grandstand stage shows as a popular feature of the exposition. Committee also discussed plans for the '85 fair, particularly the white water raft ride planned for completion before opening of the upcoming exposition.

Committee members decided to individually consider candidates for election to honorary life membership in the society and to the State Fair Hall of Fame; recommendations will be made at the next meeting of the committee.

Meeting adjourned.

Meeting of the Governing Board Minnesota State Agricultural Society

Radisson South Hotel, Bloomington
Monday, January 14, 1985—3 P.M.

Members present: J.G. Tiffany, president; Bert Lund & Leonard Ramberg, vice presidents; Martin Annexstad; William Korff; Willis Lilliquist; Howard Morris, Sulo Ojakangas; Vern Prokosch; Eileen Roehlke; Mike Heffron, secretary.

Also present: Jim Frost, Ken Wenzel, Jim Roehl, Jerry Hammer, John Galus.

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

It was moved by Mr. Lund, seconded by Mr. Ojakangas and carried that Mike Heffron be reappointed secretary-general manager of the Society for a period of one year with his annual salary fixed at \$53,000. In addition thereto, it was specified that he be required to live on the State Fairgrounds for the convenience and to the benefit of the Society with gratis rent, utilities and telephone (Aye-9; Nay-0). Oath of office administered to Heffron.

Minutes of the November 16 board and space rental committee meeting(s), previously mailed to the members, were approved upon a motion by Mr. Lund, seconded by Ms. Roehlke and carried (Aye-9; Nay-0).

A motion to approve minutes in vacation for the period of November 21, 1984 through January 8, 1985, and the administrative action noted therein, was offered by Mr. Annexstad, seconded by Mr. Lilliquist and carried (Aye-9; Nay-0).

Secretary presented the financial statement of December 31, 1984 as follows:

Cash Activity General Fund—December 31, 1984:			
Cash Balance—November 30, 1984		\$	15,013.06
Add:			
Interest Income	8,087.62		
Securities Sold	125,000.00		
December Cash Receipts	39,377.13	172,464.75	
Total Cash Available Before Disbursements		\$	187,477.81
Less:			
Bi-Weekly Payroll Ending December 7	\$47,480.63		
Bi-Weekly Payroll Ending December 21-Partial	24,000.00		
December Disbursements Paid	104,353.33	175,833.96	
Cash Balance General Fund December 31, 1984		\$	11,643.85

Cash Balances All Accounts—December 31, 1984:

General Fund Account	\$	11,643.85
Petty Cash		850.00
Securities—mature 01/02/85		1,230,000.00
Total Cash Balances—December 31, 1984	\$	1,242,493.85

Cash Balances All Accounts—December 31, 1983:

General Fund Account	\$	11,636.85
Contingent Fund Account		500.00
Petty Cash		550.00
Securities—mature 01/04/84		200,000.00
Securities—mature 01/10/84		730,000.00
Total Cash Balances—December 31, 1983	\$	942,686.85

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

It was moved by Mr. Lund, seconded by Mr. Morris and carried that the First National Bank of St. Paul be designated as depository for Society's general fund account, premium fund account, regular and fair-period payroll fund account(s), treasurer's account, amusement fund account and account receivable/collection account (Aye-9; Nay-0).

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

General fund account—Michael D. Heffron, Kenneth R. Wenzel or James G. Frost, and James S. Roehl, Betty A. Piper or Donald R. Lindeman.

Premium fund account—Michael D. Heffron/signature plate, Kenneth R. Wenzel or James G. Frost.

Regular and fair-period payroll fund accounts—Michael D. Heffron, Kenneth R. Wenzel or James G. Frost.

Treasurer's account—James S. Roehl/signature plate or Donald R. Lindeman.

Amusement fund account—Michael D. Heffron or James G. Frost, and James S. Roehl, Betty A. Piper or Donald R. Lindeman.

Accounts receivable/collection account—transfer account (only), no signatures authorized.

The general fund requires two authorized signatures, as does the amusement fund account. All other accounts require one authorized signature.

Upon a motion by Mr. Lilliquist, seconded by Mr. Annexstad and carried, the following standing committee assignments were made for 1985 (Aye 9; Nay-0).

Finance Committee—Lilliquist, chair; Ramberg; Ojakangas; Morris; Lund; Annexstad; Tiffany, ex officio; Heffron, ex officio; Frost, ex officio; Roehl, ex officio.

Governmental Affairs Committee—Ramberg, chair; Ojakangas; Korff; Lilliquist; Roehlke; Lund; Tiffany, ex officio; Heffron, ex officio; Wenzel, ex officio; Frost, ex officio.

Life Member Advisory Committee—Sprengeler, chair; Scow, vice chair; Carnes; Grunsdorf; Johnston; Keskinen; Lammers; La Pointe; Jim Libby; Lund; Maruska; Muckle; Sincock; Wilkins; Tiffany, ex officio; Heffron, ex officio; Hammer, ex officio (secretary).

Operations Committee—Ojakangas, chair; Ramberg; Korff; Roehlke; Morris; Prokosch; Tiffany, ex officio; Heffron, ex officio; Wenzel, ex officio.

Planning/Utilization Committee—Lund, chair; Ojakangas; Korff; Lilliquist; Morris; Annexstad; Tiffany, ex officio; Heffron, ex officio; Wenzel, ex officio.

Public Affairs Committee—Roehlke, chair; Ramberg; Korff; Lilliquist; Annexstad; Prokosch; Tiffany, ex officio; Heffron, ex officio; Frost, ex officio; Hammer, ex officio.

Rules/Premium List Committee—Morris, chair; Ojakangas; Korff; Lilliquist; Lund; Prokosch; Tiffany, ex officio; Heffron, ex officio; Frost, ex officio; Pooch, ex officio.

Space Rental Committee—Korff, chair; Ramberg; Ojakangas; Roehlke; Lund; Annexstad; Tiffany, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

It was moved by Mr. Lund, seconded by Mr. Annexstad and carried that the following be appointed department coordinators and superintendents for 1985 (Aye-9; Nay-0):

Admissions (Ojakangas) Lyle Anderson

Amusements (Lilliquist) Len Dobbs—Race; Bob Potter—Grandstand Production; Karen Leach—Free Entertainment

Cattle (Roehlke) Ray Arthuad

Creative Activities (Roehlke) Evelyn Hagen

Education (Ojakangas) Bob Anderson

Fine Arts (Lund) Bob Lesch

FFA (Morris) Odell Barduson

Goats (Prokosch) Jim Sheldon

Legislative-Editorial (Annexstad) None

Natural Resources (Korff) Karen Kelley

Plant Management (Ojakangas) Joe Fischler—Plant Management; Bill Hermes—Greenhouse; Phil Fisher—Plant Services

Rental Services (Korff) Jim Sinclair

Ag-Hort (Ramberg) Duane Smith—Crops; Dan Hollerback—Bee; Greg Ustruck—Christmas Tree; Martha Carnes—Flowers; Louis Quast—Fruits; Orrin Turnquist—Veg.-Pot.

Communications (Roehlke) Jerry Hamner

Dairy Products (Annexstad) Cliff Markuson

Farm Machinery Day (Lilliquist) None

4-H Club (Lilliquist) Dan Lindsey

Forage (Annexstad) Dan Elmer

Horse (Lund) Harold Arneman

Meats (Prokosch) Ed Butler

Parking (Prokosch) Ron Vannelli

Poultry (Prokosch) Harold Thomforde

Public Safety (Ramberg) Art Blakey

- Sanitation (Morris) Jim Libby
- Senior Citizen (Ramberg) Marj Krueger
- Swine (Annexstad) Jerry Hawton
- Tickets (Korff) Don Lindeman
- Sheep (Morris) Bob Jordan
- Ticket Audit (Lund) Dick Reinhardt
- Youth Camp (Lund) Joe Clifford

President Tiffany recessed the regular board session so that meetings of standing committees might be conducted. He announced that in keeping with usual procedure, all members of the board are invited to sit in on the deliberation of the various committees so that they might have full knowledge of the matters taken up at these meetings. While voting on committee business is limited to the membership of the particular committee, participation by all board members is encouraged during deliberations.

Operations Committee Meeting

Members present: Ojakangas, chair; Ramberg; Korff; Roehlke; Morris; Prokosch; Tiffany, ex officio; Heffron, ex officio; Wenzel, ex officio.

It was moved by Mr. Ramberg, seconded by Mr. Korff and carried that the following outside gate "all pay policy" be reaffirmed and extended through 1985: "Entry into the Minnesota State Fair shall be solely contingent upon the presentation and surrender of a valid ticket of admission" (Aye-5; Nay-0).

It was moved by Mr. Korff, seconded by Mr. Lilliquist and carried to approve the following outside gate fee schedule for 1985: adult admission—\$3.50; child admission—\$1.50; vehicle admission—no charge; adult discount admission (available in advance only)—\$3.00 (Aye-5; Nay-0).

Following price changes for 1985 were approved upon a motion by Mr. Lilliquist, seconded by Mr. Ramberg and carried: Campgrounds, from \$6.00 to \$8.00 per night; trackless train, from \$.35 to \$.50 and; Coliseum, from \$4/\$3/\$2 to \$4.50/\$3 (Aye-5; Nay-0).

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

Committee meeting adjourned.

Public Affairs Committee Meeting

Members present: Roehlke, chair; Ramberg; Korff; Lilliquist; Annexstad; Prokosch; Tiffany, ex officio; Heffron, ex officio; Frost, ex officio.

Mr. Frost presented the following resume of State Fair advertising policy and procedure:

Use all daily and weekly newspapers in the State of Minnesota, as well as all radio and selected television stations in the State of Minnesota, plus selected newspapers and radio/television stations in surrounding states as the fair's basic advertising outlets.

With this statement and approval of a line in a budget that includes more than 120 lines, the board of managers of the Minnesota State Fair authorizes its staff to proceed with an advertising campaign designed to reach every home in Minnesota and surrounding areas in an effort to help persuade 1.5 million people to attend the annual exposition.

Principal strategists involved with carrying out the board's mandate are a State Fair general manager with 28 years experience, an assistant manager for public affairs with 18 years, a communications supervisor with eight years, and personnel of an advertising agency that has been under contract to the fair since 1973.

Three main conceptual guidelines have been developed by these people as further direction for State Fair advertising efforts.

First of all, the fair has an on-going, almost "corporate," image and look. From this concept has come the "Great Minnesota Get-Together," a phrase that embodies much of what the fair means to many Minnesotans. Frequent use of the phrase since 1973 has made it almost synonymous with the Minnesota State Fair.

The other aspect of the continuity concept has been a graphics design program featuring an expressive permanent logo and logotype that are used annually in all promotional material as well as on gates, vehicles and wherever else possible.

The second guideline is a definition of the role advertising plays in the presentation of each year's fair. This role has two facets: information and excitement.

Surveys show that approximately 45 percent of the state's adult citizens look on themselves as regular fairgoers. This number responded "very likely" or "somewhat likely" when asked if they would attend the next fair. This group needs specific information, including dates, to assist them in their decision whether or not to visit a particular year's fair. They already are generally aware of what the fair has to offer and are predisposed toward attendance.

Advertising that influences these people most effectively includes direct-mail newsletters and brochures, Sunday newspaper inserts, and small space weekly newspaper and special interest publication ads.

The fair's advertising campaign, coupled with its publicity effort, is of such a scope that nearly every potential customer receives basic information about the upcoming State Fair. However, to simply *inform* the remaining 55 percent of the audience is not enough.

This group of infrequent or non-fairgoers must have their attitudes about the exposition changed so that their "not too likely" and "not at all likely" responses become more positive. This is the group fair advertising must *excite*. It is to reach these skeptics that relatively expensive radio and television, billboard and large space daily newspaper advertising is produced and placed.

The third conceptual guideline applied to Minnesota State Fair advertising is that emphasis, creative approaches, media, budgets and all other aspects of the on-going effort must be analyzed and refined or strengthened each year. Emphasis is shifted as Grandstand and Coliseum shows, competitive exhibits, a new exhibit complex or a special anniversary are brought to the forefront. This is accomplished with an annual theme and other creative approaches which not only project the desired emphasis but give a fresh and new look to ads and commercials.

Along with the creative approach, selection of media to be used is analyzed and this analysis becomes a part of the budget refinement process. The board's mandate to use newspaper and radio advertising statewide affects the budget and is valid for two primary reasons: goodwill is created among editors and station managers, their readers and listeners in every city in the state; and the basic information (weekly papers) plus the excitement (radio) of the fair is conveyed to virtually everyone who is able to read or hear.

Beyond the statewide aspect of the advertising budget, the main goal for allocation of available dollars has been to spend as little as possible on production, leaving the greatest amount for media buys. For example, in 1977, the fair budgeted \$222,000 for advertising, of which \$132,000 (60 percent) was spent with media for time or space; in 1985, budgeted expenses are \$425,000, of which \$338,000 (80 percent) will go to media.

One way in which this refinement was accomplished was the dropping of the production of an elaborate four-color brochure, thereby eliminating an expensive printing project. It is felt that basic information can be disseminated in a more economical manner with the money saved applied to the building of excitement, particularly through a stronger schedule of television commercials.

In addition to expansion of schedules, the shift from production to media spending is important and necessary because of the rapid inflation of advertising costs. Estimated overall increase in the cost of buying advertising space or commercial time is from 10 to 15 percent per year. In 1977, a minute on WLOL radio cost \$40; today's cost is \$120. The same year, 30 seconds on WCCO television's news cost \$650; in 1985 it is \$2,400. A two-column by eight-inch ad in the Minneapolis Sunday Tribune cost \$706 in 1977; today the same ad would be \$1,584. During the same period, the fair's advertising budget went from \$222,000 to \$425,000, a figure that has just kept up with the *low* end of the inflation estimate (see chart, following).

Determining what must be spent to advertise the fair cannot be reduced to a formula. Rate increases, available funds and the necessity of promoting costly special events such as Grandstand shows are among the factors, but experience is probably as important an ingredient as any. There are also a few aids from outside this market, including a survey of what comparable expositions spend to advertise. A listing of 14 fairs from which reasonably accurate attendance and budget figures were available shows the Minnesota State Fair to be near the middle in terms of what is spent on advertising per admission (see second chart, following).

Attendance figures released by fairs are sometimes suspect because of the different methods used to calculate totals. Although a more valid comparison might be advertising cost per *paid* admission, paid attendance is usually difficult to determine. However, Ohio (1,292,400 paid admissions), Minnesota (1,262,040) and Los Angeles (1,026,120) serve to illustrate the point. These three fairs spend \$.27, \$.33 and \$.40 per capita respectively when paid attendance only is considered.

Year	Advertising Expense	Minnesota State Fair	
		Total Expenses	Percent—Advertising/Total
1977	\$221,892	\$4,593,004	4.8
1978	\$242,421	\$4,888,076	5.0
1979	\$281,895	\$5,242,092	5.4
1980	\$320,375	\$6,050,871	5.3
1981	\$307,342	\$6,111,163	5.0
1982	\$349,923	\$6,475,157	5.4
1983	\$386,214	\$6,959,398	5.5
1984	\$415,027	\$7,451,021	5.6
1985*	\$425,000	\$7,474,250	5.7

*Projected

U.S. Fairs—1984			
Advertising Cost Per Admission	Fair (Rank by Attendance)	Advertising Budget	Attendance
\$.508	Houston Livestock Show (13)	\$515,000	1,014,550
\$.353	Eastern States Exposition (12)	\$375,000	1,063,113
\$.350	Michigan State Fair (45)	\$176,000	502,320
\$.308	Western Washington State Fair (9)	\$380,000	1,235,066
\$.294	Kansas State Fair (60)	\$93,000	316,000
\$.290	Los Angeles County Fair (6)	\$407,000	1,405,644
\$.287	Minnesota State Fair (5)	\$415,000	1,446,550
\$.258	Wisconsin State Fair (17)	\$225,000	870,838
\$.245	Indiana State Fair (7)	\$325,000	1,328,476
\$.182	Oklahoma State Fair (8)	\$225,000	1,238,347
\$.142	Virginia State Fair (39)	\$74,000	522,415
\$.119	Illinois State Fair (14)	\$115,000	966,907
\$.095	Ohio State Fair (1)	\$350,000	3,671,302
\$.094	Texas State Fair (2)	\$275,000	2,931,691

Proposed advertising and communications budgets for 1985 were introduced and discussed. Following discussion, budgeted advertising expenditures of \$425,000 and communications expenditures of \$87,000 were approved for 1985 on a motion by Mr. Ramberg, seconded by Mr. Korff and carried (Aye-5; Nay-0).

Committee meeting adjourned.

The committee reviewed a second request by Mrs. Fred C. O'Neil to transfer her ownership of the food/beverage concession structure and equipment located on lots VV and VVV in block 36 to Mr. Brad Ribar. Mr. Sinclair advised the committee that two appraisals of the value of the personal property involved had been conducted and that the parties had mutually agreed upon a satisfactory sale price. Based on the preceding it was moved by Mr. Lund, seconded by Mrs. Roehlke and carried that the transfer be approved. (Aye-5; No-0).

Discussion was undertaken by staff and the committee relative to past policy prohibiting the operation of games of skill at the Fair prior to noon on Sundays. Research conducted by the Attorney General's Office on such prohibition was presented to the committee revealing that no statute prohibits such skill game operation. In view of the preceding and the general level of fairgrounds activity on Sunday mornings it was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that Sunday morning operation of skill games be permitted (Aye-5; No-0).

Meeting was adjourned at 9:40.

Meeting of the Governing Board Minnesota State Agricultural Society

Administration Building, State Fairgrounds
Friday, June 14, 1985—10:00 A.M.

Members present: J.G. Tiffany, president; Bill Korff; Eileen Roehlke; Sulo Ojakangas; Martin Annexstad; Vern Prokosch; Willis Lilliquist; Howard Morris; Bert Lund; Leonard Ramberg; Mike Heffron, secretary.

Also present: Ken Wenzel; Jim Frost; Betty Piper; John Galus.

Upon a motion by Mr. Lund, seconded by Mr. Morris and carried, minutes of the January 14 Board meeting, previously mailed to the members, were approved (Aye-9; Nay-0).

Mimeographed copies of the Minutes in Vacation, covering the period January 17 through June 13, 1985, and the administrative action noted therein, as well as minutes of the Space Rental Review meeting held April 4, 1985, were approved upon a motion by Mr. Korff, seconded by Ms. Roehlke and carried (Aye-9; Nay-0).

Secretary presented the May 31, 1985 financial statement as follows:

Cash Activity General Fund—May 31, 1985:

Cash Balance—April 30, 1985		\$ 9,428.93	
Add:			
Interest Income	\$ 6,035.58		
Securities Sold	170,000.00		
May Cash Receipts	215,561.14	391,596.72	
Total Cash Available Before Disbursements			\$401,025.65
Less:			
Bi-Weekly Payroll Ending-April 26	\$ 50,869.05		
Bi-Weekly Payroll Ending-May 9	44,467.79		
Bi-Weekly Payroll Ending-May 23	46,838.75		
Securities Purchased	40,000.00		
May Disbursements Paid	210,537.53	392,713.12	
Cash Balance General Fund May 31, 1985			\$ 8,312.53

Cash Balances All Accounts—May 31, 1985:

General Fund Account	\$ 8,312.53	
Trust Fund Account	2,358.41	
Petty Cash	200.00	
Securities—mature 06/05/85	\$435,000.00	
06/07/85	200,000.00	
06/07/85	40,000.00	
06/12/85	100,000.00	775,000.00
Total Cash Balances—May 31, 1985		\$785,870.94

Cash Balances All Accounts—May 31, 1984:

General Fund Account	\$ 15,743.44	
Contingent Fund Account	500.00	
Petty Cash	200.00	
Securities—mature 06/01/84	\$ 90,000.00	
06/04/84	158,000.00	
06/07/84	70,000.00	
06/10/84	50,000.00	
06/30/84	117,000.00	485,000.00
Total Cash Balances—May 31, 1984		\$501,443.44

After review of the statement and of Society cash/investment balance(s), it was moved by Mr. Lilliquist, seconded by Mr. Annexstad and carried that the financial statement of May 31, 1985 be approved (Aye-9; Nay-0).

Approval of action taken by the Space Rental committee earlier in the day (June 14) was moved by Mr. Korff, seconded by Mr. Lund and carried (Aye-9; Nay-0).

Upon a motion by Mr. Ramberg, seconded by Mr. Lund and carried, fair-period invitations to the Federation of County Fairs board; Livestock Breeders Association board; Life & Hall of Fame members; executive committee(s) of the Retail Farm Equipment Association and Northwest Farm Equipment Association; along with the picnic supper for agricultural—business representatives, were approved (Aye-9; Nay-0).

A joint powers agreement among St. Paul, Falcon Heights, the University and the State Fair to provide watershed management in southwest Ramsey County was approved upon a motion by Mr. Lund, seconded by Mr. Ojakangas and carried (Aye-9; Nay-0).

Cancellation of employment contracts covering Joel Anderson (5-17-85) and Mary Ann Steen (6-7-85) were authorized on a motion by Mr. Morris, seconded by Mr. Annexstad and carried (Aye-9; Nay-0).

A request from the St. Paul Hockey Recognition Committee to rename the Coliseum as the "Doc Romnes Arena" was denied on a motion by Mr. Korff, seconded by Mr. Ojakangas and carried (Aye-9; Nay-0).

Grandstand, Coliseum, free stage and other entertainment contracts were reviewed and approved upon a motion by Mr. Lilliquist, seconded by Mr. Annexstad and carried (Aye-9; Nay-0). It was indicated that the approximate total for approved contracts (\$1,165,000) includes \$385,000 for free acts and attractions. Following is a specific breakdown of contract costs:

Grandstand	Date(s)	Terms
Southern Thunder Sound, Inc.	8/20-9/2	\$13,000 (Lights)
Southern Thunder Sound, Inc.	8/20-9/2	\$18,000 (Sound)
Americana Fireworks Display Co. (Len Bonander)	8/22-9/1 9/2	\$27,060 \$1,000
Northern Racing Corp.	9/2	\$5,500 (includes \$3,000 prize money)
American Speed Association, Inc.	9/2	\$3,000—sanction fee plus \$2,000 point fund contribution
Pace, Inc.	9/2	\$5,000
Steve Hoag (Milk Run Consultant)	8/31	\$200
John D. Magnuson (Milk Run Director)	8/31	\$550
Grogan Helicopters, Inc.	8/22-9/2	\$26,000
Willie Nelson and Family	8/22 & 23	\$102,000 plus 100% over \$175,000 plus \$1,823.10 production costs
The Waylon Jennings Show	8/22 & 23	\$50,000 plus \$1,000 production costs
The Suburbs	8/24	\$15,000 plus 60% over \$40,000
Limited Warranty	8/24	\$5,000
The Oak Ridge Boys	8/25	\$40,000 plus 70% over \$55,000 plus \$2,500 production costs
Tammy Wynette	8/25	\$15,000 plus 35% over \$50,000
Don Williams	8/25	\$20,000 plus 35% over \$50,000
Arlo Guthrie & Pete Seeger	8/26	\$25,000 plus 70% over \$40,000
Night Ranger	8/27	\$50,000 plus 80% over \$70,000
Michael Johnson	8/28	\$5,500
Dionne Warwick	8/28	\$40,000 plus 70% over \$60,000
Tom Jones	8/29	\$38,500 plus 70% over \$65,000 plus \$6,500 production costs
Alabama	8/30	\$50,000 plus 80% over \$75,000 plus \$12,500 production costs plus \$1,500 catering costs
Bill Medley	8/30	\$2,500
Alabama	8/31	\$50,000 plus 80% over \$75,000 plus \$12,500 production costs plus \$1,500 catering costs
Bill Medley	8/31	\$2,500
Neil Young	9/1	\$40,000 plus 75% over \$55,000
Amy Grant	9/1	\$50,000 plus 80% over \$70,000
Free Stage Sound		
Southern Thunder Sound, Inc.	8/21-9/2	\$15,000 (Bandshell & Baldwin Park)
Southern Thunder Sound, Inc.	8/21-9/2	\$5,400 (Bazaar & Heritage Square)
Bandshell		
Bobby Dale	8/22-9/2	\$2,140
Tom Baumgartner	8/22-9/2	\$1,900
Tom Chepokas Quartet	8/22-9/1	\$4,524
The Diamonds	8/22-8/27	\$12,000
The Jack D'Johns	8/22-8/27	\$13,500
The Britton Brothers	8/22-8/27	\$6,500
Danny Davis & The Nashville Brass	8/22-8/27	\$27,500
Boxcar Willie	8/28-9/2	\$30,000
Williams and Ree	8/28-9/2	\$12,600
The Jets	8/28-9/2	\$7,500
The Wright Brothers	8/28-9/2	\$13,500
Baldwin Park		
Mary Jane Alm Band	8/22-8/27	\$4,000
The Wallets	8/22-8/27	\$6,000
The Rockin' Hollywoods	8/22-8/27	\$8,000
Hitz	8/28-9/2	\$6,000
Fairchild	8/28-9/2	\$7,000
Paul New	8/28-9/2	\$8,000

Heritage Square

Back Behind The Barn Boys	8/22-8/27	\$4,500
The Memories	8/22-8/27	\$5,500
Ray Dorschner's Rainbow Valley Dutchmen	8/22-8/27	\$6,000
Riders in the Sky	8/28-9/2	\$12,000
Chmielewski Funtime Show	8/28-9/2	\$7,500
Bluerock	8/28-9/2	\$6,000
Paul Hubler (Blacksmith)	8/22-9/2	\$1,200
John & Mary Block (Antique Vehicle Display)	8/22-9/2	\$525

Bazaar

Kenny Byrd & Friends	8/22-9/2	\$6,600
Duffy Brothers	8/22-8/27	\$4,500
The Four Kinsmen	8/22-8/27	\$8,000
Two For The Show Trio	8/28-9/2	\$7,000
The Cats Pajamas	8/28-9/2	\$4,000

Children's Theater

Willie Wonka	8/22-9/2	\$6,750
Captain Cookie	8/22-9/2	\$3,000
David Cohan	8/22-9/2	\$5,000

Senior Citizens

Jolly Jokers	8/22	Admission
The Golden Melody Makers	8/22	Admission
The Young at Heart Singers	8/25 & 26	Admission
Sauk Rapids Pop Singers	8/28	Admission
The Old Timers Barbershop Quartet	8/29	Admission
The Tootin' Gramps	8/29	Admission
The Roseville Ding Dongs	8/22-8/24	\$200 + Admission
Willie Hagen Combo	8/22 & 23 & 29 & 30	\$800 + Admission
Light Musical Theater Associates	8/24 & 31	\$600
The Nordcap Male Chorus	8/26 & 27	\$330 + Admission
The Rhythm Kings	8/28	\$100 + Admission
Paul & Archie	8/29-9/2	\$600 + Admission

Creative Activities

Cliff Brunzell & The Celebrity Strings	8/22-9/2	\$6,016
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Miscellaneous

The Great American High Dive Team	8/22-9/2	\$24,800
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Dog Exhibit Building

MN Purebred Dog Breeders Assn.	8/22-9/2	\$4,595
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Parades

The All American Judging Assn.	8/22-9/1	\$919
Lu Lu's Llama Hitch	8/22-9/1	\$880
O.C. Mangold (Costumed Rider)	8/22-9/1	\$550 + Admission
John & Mary Block (Donkey Hitch/Antique Carriage)	8/22-9/1	\$1,925
Dennis Johnson (Parade Productions)	8/22	\$1,000
High School Marching Bands Contracts To Be Submitted At Fairtime Board Meeting	(Estimate)	\$13,000 + Admission

Horse Show and Rodeo

Shirely Trimble	8/23-28 & 8/31-9/1	\$130
MN Horse Pullers Assn.	8/28	\$6,900
Barnes P.R.C.A. Rodeo	8/29 & 30	\$18,000 plus \$6,000 prize money plus admission

Agriculture/Horticulture

Washington County Ag. Society (Poultry Cage Rental)	8/9-9/6	\$100
W.J. Mackey, DVM	8/20-9/2	\$7,100
William H. Sweeney	8/20-9/2	\$16,000
Minneapolis Farmers Market	8/22-9/1	\$350
MN Apple Growers Assn.	8/22-9/2	\$850
Twin City Nursery	8/22-9/2	\$1,400
MN State Horticultural Society	8/22-9/2	\$2,300
St. Paul Growers Assn.	8/22-9/2	\$350
North Central Florists Assn.	8/22-9/2	\$8,000
African Violet Society of MN.	8/22 & 23	\$1,000
MN State Horticultural Society	8/22 & 23	\$1,000
MN Gladiolus Society	8/24 & 25	\$1,350
Federated Garden Clubs of Minnesota	8/28 & 29	\$1,350
Orchid Society of Minnesota	8/30 & 31	\$1,000
MN State Bonsai Society	8/30 & 31	\$1,000
MN Dahlia Society	9/1 & 2	\$1,350

Cattle

Conrad Kvamme (Milking Parlor)	8/22-9/2	\$2,000
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A revised and updated contract, covering the space rental consultant services of Richard J. Keenan was approved upon a motion by Mr. Ramberg, seconded by Mr. Korff and carried (Aye-9; Nay-0).

Business or staff membership in the following organizations were approved upon a motion by Mr. Lund, seconded by Ms. Roehlke and carried (Aye-9; Nay-0).

Organization	Amount	Member
Greater Minneapolis Chamber of Commerce	\$ 210.00	
St. Paul Area Chamber of Commerce	208.00	
Minnesota Agri-Growth Council	\$200.00	
Midway Civic & Commerce Association	140.00	Heffron Wenzel Roehl Armstrong Wente
Executive Women's International	150.00	
International Assn. of Fairs & Expositions	600.00	
Minnesota Safety Council	60.00	
Professional Grounds Maintenance Association	60.00	Fisher
Business & Professional Women's Club	40.00	Piper
Midwest Fairs Association	100.00	
American Institute of C.P.A.	55.00	Roehl
Country Music Association	35.00	
Minnesota Newspaper Association	200.00	
Outdoor Amusement Business Association	125.00	
Minnesota Paint Horse Association	15.00	
American Paint Horse Association	10.00	
American Horse Shows Association	500.00	
American Horse Shows Assn. (senior member)	35.00	
American Horse Shows Assn. (saddle seat)	35.00	
American Dairy Goat Assn.	106.00	
Appaloosa Horse Club	20.00	
Minnesota Hunter/Jumper Assn.	35.00	
Minnesota Quarter Horse Assn.	20.00	
Palomino Horse Breeders	35.00	
Tri-State Horseman's Assn.	50.00	
Better Business Bureau	135.00	
Federal Surplus Property	25.00	
MN Chapter of N.I.C.P.	20.00	
Twin City Purchasing	170.00	
MN Society of Association Executives	60.00	Wenzel
Suburban Area Chamber of Commerce	350.00	
Minnesota Ice Arena Managers	50.00	Nardini
	<u>\$3,854.00</u>	

A draft agreement between the Society and the St. Paul Water Utility, providing a perpetual easement for water tower construction in Block 17, was approved upon a motion by Mr. Ojakangas, seconded by Mr. Ramberg and carried (Aye-9; Nay-0).

Department payroll schedules for 1985, as prepared by superintendents under budgetary guidelines and confirmed by appropriate supervisors, were presented by Mr. Frost and approved on a motion by Mr. Ramberg, seconded by Mr. Morris and carried (Aye-9; Nay-0).

Secretary advised the Board that negotiations were going forward with the University on a new west parking lot lease...the previous agreement was cancelled by the Society. He also indicated that the University was considering changing from a quarter to semester schedule...if such a change were made, it would require starting fall classes before Labor Day. No action required.

Upon a motion by Mr. Lund, seconded by Mr. Annexstad and carried, eight (8) storage damage claims totalling \$1,021.39 were approved for payment as per the following schedule (Aye-9; Nay-0): John Holm, plate broken on boat's lower unit, \$726.34; E.R. Gillis, watchman caught keys on motorhome utilities door and broke it, \$477.4; Tim Yeaneau, auto excessively dirty due to placement in beef barn, car wash, \$9.79; John L. Madison, bell broken on boat, \$45.32; Lester Buvik, repair railing on motorhome, \$10.00; James Staples, replace tail light, \$25.00; Adolph Possini, vibrating air compressor scratched car paint, \$61.00; Roy T. Ziegler, boat damaged in the process of storing the unit, \$96.20; Ron Trussell, damage claim denied due to insufficient proof.

Jim Frost re-introduced the subject of establishing a trust structure for the purpose of the Society accepting gifts. Special Assistant Attorney General John Galus outlined several methods of undertaking this project, including the IRS code requirements of each. After discussion, it was moved by Mr. Ramberg, seconded by Mr. Annexstad and carried that the Society, as an instrumentality of the State, set up a special fund/account for the exclusive purpose of administering cash gifts to the Society. Under the motion, authorized signatures for disbursements from the account are to include Heffron or Frost, plus Gravelle or Piper (Aye-9; Nay-0).

Incremental increases in vehicle/boat storage rates based upon unit length were approved upon a motion by Mr. Korff, seconded by Mr. Lilliquist and carried (Aye-9; Nay-0).

After lengthy discussion, it was moved by Mr. Korff to approve the implementation of a famine relief drive during the 1985 State Fair. Motion failed for lack of a second. Mr. Lund absented himself from the meeting.

Mr. Frost updated the Board on the Fair's 1985 sponsorship program indicating that approximately \$125,000 would be realized in direct income from various commercial companies along with advertising/promotion commitments for radio, TV and newspaper placement, per list below:

Attraction	Sponsor	Fee
Auto race (feature)	Coca-Cola	\$ 12,500
Auto race (preliminary)	Adolph Coors Co.	2,000
Baldwin Park Stage	Miller High Life	12,500
Balloon Race	KS 95 Radio	2,500
Bandshell	Schmidt	20,000
Bazaar Stage	Adolph Coors Co.	12,000
Bicycle Days	Pepsi Cola	1,000
Daily Schedule	Marshall's Stores	3,500
Heritage Square Stage	Pepsi Cola	7,500
High Dive Show	Pepsi Cola	6,000
Horse Pull	Adolph Coors Co.	2,000
Message Center Billboard	First Bank Systems	42,500
		<u>\$124,050</u>

Attraction	Sponsor	Consideration
Arm wrestling tournament	Miller Lite	Prize money, expenses
Auto races	WDGY Radio	Promotion
Camera Days at the Races	Eastman Kodak	Promotion
Milk Run	WCCO Radio	Sundry give-aways
Mounties	American Dairy Assn.	contingency awards, promotion
Photo Contest	Radisson Hotels	Promotion, prizes
	Brown Photo	Promotion, prizes
		Sixty percent of room charges
		Prize money, promotion

Sponsorship report accepted upon a motion by Mr. Lilliquist, seconded by Mr. Ojakangas and carried (Aye-8; Nay-0).

Upon a motion by Ms. Roehlke, seconded by Mr. Morris and carried, approval was granted to issue the administrative employee coffee fund (Steve Pooch) \$60.00 to cover coffee used during the summer and during the fair by business visitors (Aye-8; Nay-0).

Mr. Tiffany set an agenda call for the next meeting of the Board on Friday, August 23, 10:00 a.m.

Meeting adjourned.

Meeting of the Governing Board Minnesota State Agricultural Society

Administration Building
Friday, August 23, 1985—10:00 A.M.

Members present: J. G. Tiffany, president; Martin Annexstad; Leonard Ramberg; Vern Prokosch; Bill Korff; Willis Lilliquist; Howard Morris; Sulo Ojakangas; Eileen Roehlke.

Also present: Ken Wenzel; Jim Frost; John Galus; Mike Heffron, secretary.

President Tiffany opened the meeting by welcoming all members to the 1985 Minnesota State Fair.

Upon a motion by Mr. Korff, seconded by Mr. Ojakangas and carried, minutes of the June 14 Board and Space Rental Committee meeting(s), previously mailed to the members, were approved (Aye-8; Nay-0).

Copies of the Minutes in Vacation, covering the period June 17 through August 22, 1985, and the administrative action noted therein, were approved upon a motion by Mr. Ojakangas, seconded by Mr. Annexstad and carried (Aye-8; Nay-0).

Secretary presented the July 31, 1985 Society financial statement as follows:

Cash Activity General Fund—July 31, 1985:

Cash Balance—June 30, 1985		\$	2,506.06
Add:			
Interest Income	\$	9,439.85	
Securities Sold			
July Cash Receipts	800,969.76	810,409.61	
Total Cash Available Before Disbursements		\$	812,915.67
Less:			
Bi-Weekly Payroll Ending July 5	\$	70,901.18	
Bi-Weekly Payroll Ending-July 19		68,161.86	
Securities Purchased		383,000.00	
July Disbursements Paid	283,310.11	805,373.15	
Cash Balance General Fund July 31, 1985		\$	7,542.52

Cash Balances All Accounts—July 31, 1985:

General Fund Account	\$	7,542.52
Trust Fund Account		2,608.41
Petty Cash		1,800.00
Ticket Account		1,210.89
Securities-mature 08/07/85	1,243,000.00	1,243,000.00
Total Cash Balances—July 31, 1985		\$1,256,161.82

Cash Balances All Accounts—July 31, 1984:

General Fund Account	\$33,339.03
Ticket	2,837.65
Contingent Fund Account	500.00
Petty Cash	200.00
Securities-mature 08/08/84	\$100,000.00
08/20/84	40,000.00
08/22/84	200,000.00
09/01/84	660,000.00
Total Cash Balances—July 31, 1984	\$1,036,876.68

Upon a motion by Mr. Ramberg, seconded by Mr. Lilliquist and carried, the financial statement of July 31, 1985 was approved (Aye-8; Nay-0).

Secretary was authorized to make miscellaneous ticket refunds and/or payment of minor claims as he deems appropriate upon a motion by Ms. Roehlke, seconded by Mr. Annexstad and carried (Aye-8; Nay-0).

New employment contracts covering Kim Anderson (6-24-85) and Jane Young (8-12-85) and cancellation of employment contract on James Roehl (8-16-85) were approved upon a motion by Mr. Korff, seconded by Mr. Morris and carried (Aye-8; Nay-0).

Secretary announced that the annual trade association convention of the International Association of Fairs & Expositions would be held at the MGM Hotel, Las Vegas,

Nevada, December 2-5, 1985. It was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that members of the Board and certain administrative personnel as designated by the secretary be authorized to attend the IAFE convention with Society to pay appropriate expenses (Aye-8; Nay-0).

The following changes in authorized signatures for Society accounts were approved upon a motion by Mr. Ramberg, seconded by Mr. Annexstad and carried (Aye-8; Nay-0).

General Fund Account—Heffron or Wenzel and Frost or Piper; Amusement Fund Account—Heffron or Frost and Wenzel or Gravelle; Ticket Account—Frost (or signature plate) or Gravelle; Trust Fund Account—Heffron or Frost and Gravelle or Piper.

After review, the Legislative Audit report, covering Society accounts and statements for fiscal 1984 was accepted upon a motion by Mr. Lilliquist, seconded by Mr. Korff and carried (Aye-8; Nay-0).

A list of entertainment contracts not available for approval at the 6-14-85 board meeting, was submitted by secretary. Upon a motion by Mr. Morris, seconded by Mr. Prokosch and carried, the following contracts were approved (Aye-8; Nay-0).

Performer	Date	Terms	Venue
Kenny Loggins	8/24	\$40,000 plus 85% over \$60,000	Grandstand
Balloon Race	8/24	\$2,450	Grandstand
Van-Zant	8/27	\$3,000	Grandstand
Gary Morris	8/30-31	\$5,000	Grandstand
Nicollette Larson	9/1	\$5,000	Grandstand
Minnesota Stock Car Racing Assn.	9/2	\$3,800	Grandstand
Lee Blaskie	8/4	\$51	Bandshell
Tom Chepokas (auditions)	8/22	\$306	Bandshell
Trina Hamlin	8/22-27 & 8/29-9/2	\$1,100	Bandshell
Raymond A. Komischke	8/22-9/1	\$48,978.50 plus Rehearsals & Admissions	Bandshell
Minneapolis Commodore Barbershop Chorus	8/28	\$1,050	Bandshell
Back Behind The Barn Boys	8/22-8/27	\$5,000	H. Square
Robert & Dawn Rafel	8/22-9/2	\$4,500	H. Square
N. Suburban Senior Chorus	8/28	\$100 + Admiss.	Sen. Cit.
Skip Wangen	8/29-9/2	\$100 + Admiss.	Sen. Cit.
Bob Larson	8/25-27 & 9/1-2	\$175 + Admiss.	Sen. Cit.
The Scandinavians	8/23	\$320 + Admiss.	Sen. Cit.
Eight is Enough	8/27	\$20 + Admiss.	Sen. Cit.
D. Johnson (Parade Productions)	9/1	\$1,000	Parades
St. Croix Horse & Carriage	8/22-9/1	\$550 + Admiss.	Parades
Captain Ken Pumper	8/22-9/1	Admissions	Parades
Angelo Rulli (Organ Grinder)	8/23, 24, 25, 30, 31 & 9/1	\$150 + Admiss.	Parades
Bill Lyons (Oxen Hitch)	8/31	\$100	Parades
Jordan Pumper	8/22-9/1	\$1,474	Parades
Corky Nelson (Oxen)	8/27	\$100	Parades
Jasper Community Band	9/1	\$50 + Admiss.	Parades
St. Anthony Park Comm. Band	8/27	Admiss.	Parades
U of M Alumni Band	8/23	\$250 + Admiss.	Parades
Saxon Firetruck	8/22-9/1	Admiss.	Parades
Chip-ettes	9/1	Admiss.	Parades
WAYL Whale	8/22-9/1	Admiss.	Parades
Draft Horse Hitches	8/22-8/26	\$750	Parades
Richfield H.S. Band	8/22	\$200 + Admiss.	Parades
St. Peter H.S. Band	8/22	\$200 + Admiss.	Parades
St. Thomas Academy H.S. Band	8/22	\$200 + Admiss.	Parades
Spring Lake Park H.S. Band	8/22	\$200 + Admiss.	Parades
Winona Cotter H.S. Band	8/22	\$300 + Admiss.	Parades
Caledonia H.S. Band	8/23	\$300 + Admiss.	Parades
Chatfield H.S. Band	8/23	\$300 + Admiss.	Parades
Ivanhoe H. S. Band	8/24	\$400 + Admiss.	Parades
Jackson H. S. Band	8/24	\$400 + Admiss.	Parades
LaCrescent H.S. Band	8/24	\$300 + Admiss.	Parades

Medford H. S. Band	8/24	\$200 + Admiss.	Parades
Goodhue H. S. Band	8/25	\$200 + Admiss.	Parades
LeRoy-Ostrander H.S. Band	8/25	\$300 + Admiss.	Parades
St. Charles H.S. Band	8/25	\$300 + Admiss.	Parades
Waseca H.S. Band	8/25	\$300 + Admiss.	Parades
Cambridge H.S. Band	8/26	\$200 + Admiss.	Parades
Cathedral H.S. Band	8/26	\$300 + Admiss.	Parades
Jordan H.S. Band	8/26	\$200 + Admiss.	Parades
Winthrop H.S. Band	8/26	\$200 + Admiss.	Parades
Albert Lea H.S. Band	8/27	\$300 + Admiss.	Parades
Deer River H.S. Band	8/27	\$400 + Admiss.	Parades
Patrick Henry H.S. Band	8/27	\$200 + Admiss.	Parades
Peterson H.S. Band	8/27	\$300 + Admiss.	Parades
Anoka H.S. Band	8/28	\$200 + Admiss.	Parades
Concordia Academy H.S. Band	8/28	\$200 + Admiss.	Parades
Northome H.S. Band	8/28	\$500 + Admiss.	Parades
Rushford H.S. Band	8/28	\$300 + Admiss.	Parades
Elk River H.S. Band	8/29	\$200 + Admiss.	Parades
Glenville H.S. Band	8/29	\$300 + Admiss.	Parades
Princeton H.S. Band	8/29	\$200 + Admiss.	Parades
St. James H.S. Band	8/29	\$300 + Admiss.	Parades
Annandale H.S. Band	8/30	\$200 + Admiss.	Parades
Hopkins H.S. Band	8/30	\$200 + Admiss.	Parades
Simley H.S. Band	8/30	\$200 + Admiss.	Parades
Totino-Grace H.S. Band	8/30	\$200 + Admiss.	Parades
Chatek H.S. Band	8/31	\$300 + Admiss.	Parades
Elgin-Millville H.S. Band	8/31	\$300 + Admiss.	Parades
Kiester-Walters H.S. Band	8/31	\$300 + Admiss.	Parades
Spring Valley H.S. Band	8/31	\$300 + Admiss.	Parades
Bloomington-Kennedy H.S. Band	9/1	\$200 + Admiss.	Parades
Delano H.S. Band	9/1	\$200 + Admiss.	Parades
Glencoe H.S. Band	9/1	\$200 + Admiss.	Parades
Monte Wessberg	8/23-9/2	\$3,093.75 + Admiss.	Horse Show Grandstand
Mark McCullum	8/24	\$500	Grandstand
Dionne Warwick (equipment)	8/28	\$150	Grandstand

Cancelled

Northern Racing Corporation (Replaced by MN Stock Car Racing Assn.)
 Bill Medley (Replaced by Gary Morris)
 Old Timer's Barbershop Quartet (Replaced)
 Back Behind the Barn Boys (Wrong amount)
 Dennis Johnson, Parade Productions (Wrong date)

A Xerox #1075 printer lease arrangement was converted to a capital acquisition on a motion by Mr. Ojakangas, seconded by Ms. Roehlke and carried (Aye-8; Nay-0).

After lengthy discussion, it was moved by Mr. Korff, seconded by Mr. Ramberg and carried that secretary be instructed to seek repeal of the so-called performer's "radius clause" limitation bill passed during the immediate past session of the legislature (Aye-8; Nay-0).

Meeting adjourned.

Life Member Advisory Committee

Administration Building
 Sunday, August 25, 1985—2:00 P.M.

Members present: Art Sprengeler, chairman; Ty Sincock; Norris Carnes; Stan Muckle; Ed LaPointe; Birney Wilkins; Tom Lammers; Logan Scow; Leo Keskinen; Harveydale Maruska; Deke Grussendorf.

Also present: Mike Heffron; Jerry Hammer, secretary.

Motion by Mr. Grussendorf, seconded by Mr. Keskinen and carried that former WCCO Radio personality Maynard Speece be recommended for induction into the State Fair Hall of Fame (Aye-10; Nay-0).

It was moved by Mr. Wilkins; seconded by Mr. Carnes and carried that staff research possible candidates for Honorary Life Membership and make appropriate recommendations to the Board at its November meeting (Aye-10; Nay-0).

Meeting adjourned.

Planning & Utilization Committee

Administration Building
 Saturday, August 31, 1985—9:30 A.M.

Members present: Bert Lund, chairman; Sulo Oajakangas; Bill Korff; Willis Lilliquist; Howard Morris; Martin Annexstad; J.G. Tiffany; ex officio; Mike Heffron, ex officio; Ken Wenzel, ex officio.

Also present: Eileen Roehlke; Joe Fischler.

After a detailed presentation and discussion, it was moved by Mr. Lilliquist, seconded by Mr. Ojakangas and carried that a committee report be put before the Board recommending that staff proceed with the following project this fall (Aye-5; Nay-0).

Natural gas installation	\$ 10,000
Replace Service Bldg. roof	65,000
Painting work:	
Officers' Cottage-interior	\$11,000
Dairy Bldg.-interior	15,000
Admin. Bldg-interior	2,400
Engineering study/track area usage	10,000
Overlay Judson/Liggett to Stevens	11,000
Misc. equipment including conference table, chairs, lobby chairs, window blinds and Officers' Cottage furniture	18,000
Repair vomitory covers	2,000
Add shelves (Bldg. #311) & remove toilet fixtures in publicity area	5,500
Stage lites	1,400
Milking Parlor equipment purchase	25,000
	<u>\$176,300</u>

Meeting adjourned.

Meeting of the Governing Board Minnesota State Agricultural Society

Administration Building
 Sunday, September 1, 1985—10:00 A.M.

Roll call...all members present. Also present: Ken Wenzel; Jim Frost; John Galus; Mike Heffron, secretary.

It was moved by Mr. Ramberg, seconded by Mr. Lund and carried to adopt the report of the Life Member Advisory Committee filed 8-25-85 (Aye-9; Nay-0).

Mr. Lund presented a report of Planning Committee recommendations made pursuant to their meeting of August 31. Following discussion, it was moved by Mr. Lund, seconded by Mr. Korff and carried that the report be approved and that the outlined work be undertaken (Aye-9; Nay-0).

It was moved by Mr. Ojakangas, seconded by Mr. Lund and carried that the dates of the 1986 Minnesota State Fair be Thursday, August 21 through Labor Day, Monday, September 1 (Aye-9; Nay-0).

Mr. Tiffany set an agenda date for the next meeting of the Board for Monday, November 18 at 10 a.m. Action confirmed on a motion by Mr. Korff, seconded by Mr. Lund and carried (Aye-9; Nay-0).

Meeting adjourned.

Space Rental Committee Meeting

Administration Building, State Fairgrounds
 Monday, November 18, 1985—9:30 A.M.

Members present: Ramberg; Lund; Roehlke; Annexstad; Ojakangas; Tiffany, ex officio; Heffron, ex officio; Wenzel, ex officio; Sinclair, ex officio.

Also present: John Galus.

Meeting was called to order at 9:30 a.m. by Mr. Tiffany, substituting for the absent Chairman Korff.

The committee reviewed a request from concessionaire Jack Robinson to transfer ownership of two food/beverage concession structures and equipment previously operated by Mr. Robinson at the Fair. It was moved by Mr. Ramberg, seconded by Mr. Annexstad and carried that the Waffle Shop food/beverage concession located on lot J in block 36 and the Pancake House food/beverage concession situated in block 36 on lot N, be transferred to Barbara Robinson Pearse and Beverly Robinson Acomb respectively (Aye-5; Nay-0).

On a motion by Mr. Ojakangas, seconded by Mrs. Roehlke and carried a License and Lease Agreement with Charles L. Johnson dba Coliseum Concessions to provide food and beverage services in the Coliseum during the non-fair period from December 1, 1985 through November 30, 1986 was approved (Aye-5; Nay-0).

Mr. Sinclair presented committee members with copies of the 1985 Space Rental report summarizing department revenues for the year. It was moved by Mr. Ramberg, seconded by Mr. Annexstad and carried that the report be accepted as presented (Aye-5; Nay-0).

A lengthy discussion was undertaken on the subject of carnival percentage arrangements and contract terms between Royal American Shows and the State Fair for 1985/1987. It was moved by Mr. Ojakangas, seconded by Mr. Ramberg and carried that the matter be continued to the next meeting of the committee in January (Aye-5; Nay-0).

A motion was made to adjourn by Mr. Ojakangas, seconded by Mrs. Roehlke and carried at 10:15 a.m. (Aye-5; Nay-0).

**Meeting of the Governing Board
Minnesota State Agricultural Society**

Administration Building
Monday, November 18, 1985—10:20 A.M.

Members present: J.G. Tiffany, president; Eileen Roehlke; Martin Annexstad; Bert Lund; Howard Morris; Vern Prokosch; Willis Lilliquist; Sulo Ojakangas; Leonard Ramberg; Mike Heffron, secretary. Absent: Bill Korff.

Also present: Ken Wenzel; John Galus; Jim Frost; Bob Potter.

Motion made by Mr. Ramberg, seconded by Mr. Lund and carried that Board and committee meeting minutes, recorded during the 1985 Fair-period, be approved as submitted to the members by mail (Aye-8; Nay-0).

Copies of the minutes in vacation, covering the period August 22 through November 16, 1985, and the administrative action noted therein, were approved upon a motion by Mr. Ojakangas, seconded by Mr. Lund and carried (Naye-8; Nay-0).

Secretary presented the October 31, 1985 financial statement as follows:

Cash Activity General Fund—October 31, 1985:

Cash Balance—September 30, 1985		\$1,230,891.60	
Add:			
Interest Income	\$ 9,702.22		
Securities Sold	485,000.00		
Transfer from Account Receivable	1,264.00		
Transfer from Premium Account	5,000.00		
October Cash Receipts	540,624.64	1,041,590.86	

Total Cash Available Before Disbursements 2,272,482.46

Less:			
Bi-Weekly Payroll Ending October 2	\$ 84,651.21		
Bi-Weekly Payroll Ending October 16	52,562.51		
Bi-Weekly Payroll Ending October 30	45,552.07		
Premium Fund Transfers	78,671.68		
Securities Purchased	980,000.00		
October Disbursements Paid	884,306.33	2,125,743.80	

Cash Balance General Fund October 31, 1985 \$ 146,738.66

Cash Balances All Accounts—October 31, 1985:

General Fund Account	\$ 146,738.66	
Trust Fund Account	435.91	
Petty Cash	400.00	
Securities-mature 11/06/85	\$ 848,000.00	
11/06/85	1,000,000.00	1,848,000.00
Total Cash Balances—October 31, 1985		\$1,995,574.57

Cash Balances All Accounts—October 31, 1984:

General Fund Account	\$ 34,221.35	
Petty Cash	400.00	
Securities-mature 11/01/84	1,425,000.00	
Total Cash Balances—October 31, 1984		\$1,459,621.35

Upon a motion by Mr. Morris, seconded by Mr. Lilliquist and carried, the financial statement of October 31, 1985 was accepted and approved (Aye-8; Nay-0).

Approval of action taken by the Space Rental Committee earlier this date (November 18) was moved by Mr. Tiffany, seconded by Mr. Ojakangas and carried (Aye-8; Nay-0).

Following a presentation by Mr. Frost, it was moved by Mr. Lilliquist, seconded by Mr. Lund and carried that a one-year extension be made to the contract currently in force between the Society and M.R. Bolin Advertising, Inc. Included in the motion was approval of the following general advertising policy for 1986 (Aye-8; Nay-0). Use all daily and weekly newspapers in the State of Minnesota, as well as all radio and selected television stations in the State of Minnesota, plus selected newspapers and radio/television stations in surrounding states as the Fair's basic advertising outlets.

It was moved by Mr. Annexstad, seconded by Ms. Roehlke and carried that secretary be authorized to enter into contracts with acts and attractions for the 1986 Fair (Aye-8; Nay-0).

It was moved by Mr. Ramberg, seconded by Mr. Annexstad and carried that employment contracts covering Robert Potter (10-14), Mike Kirch (10-14) and Ron Jeske (10-26) be approved and that the contract covering Betty Piper (10-18) be cancelled (Aye-8; Aye-0).

It was moved by Mr. Lund, seconded by Mr. Prokosch and carried that the following Grandstand/Coliseum tickets be transferred to "Non-pay" status (Aye-8; Nay-0)

GRANDSTAND

8-22 Willie Nelson/Waylon Jennings	8:00 P.M.	76 @ \$9.00	Contract Provision
8-23 Willie Nelson/Waylon Jennings	8:00 P.M.	83 @ \$9.00	Contract Provision
8-24 Suburbs/Limited Warranty	2:00 P.M.	80 @ \$6.00	Contract Provision
8-24 Kenny Loggins	8:00 P.M.	142 @ \$8.00	Contract Provision
8-25 Oak Ridge Boys	2:00 P.M.	35 @ \$9.00	Contract Provision
8-25 Don Williams/Tammy Wynette	8:00 P.M.	15 @ \$8.00	Contract Provision
8-26 Pete Seeger/Arlo Guthrie	8:00 P.M.	35 @ \$7.00	Contract Provision
8-27 Night Ranger	8:00 P.M.	30 @ \$8.00	Contract Provision
8-29 Tom Jones	8:00 P.M.	448 @ \$8.00	Editors/Legislators
8-29 Tom Jones	8:00 P.M.	200 @ \$8.00	Implement Dealers
8-29 Tom Jones	8:00 P.M.	204 @ \$8.00	Senior Citizens
8-30 Alabama	8:00 P.M.	30 @ \$9.00	Contract Provision
8-31 Alabama	8:00 P.M.	13 @ \$9.00	Contract Provision
9-1 Neil Young	8:00 P.M.	60 @ \$9.00	Contract Provision

COLISEUM

8-22 English Horse Show	6:00 P.M.	5 @ \$4.50	Hunter/Jumper Judge
8-23 English Horse Show	1:00 P.M.	5 @ \$4.50	Hunter/Jumper Judge
8-23 English Horse Show	6:00 P.M.	5 @ \$4.50	Hunter/Jumper Judge
8-24 English Horse Show	6:30 P.M.	5 @ \$4.50	Hunter/Jumper Judge
8-25 English Horse Show	12:30 P.M.	5 @ \$4.50	Hunter/Jumper Judge
8-25 English Horse Show	6:30 P.M.	5 @ \$4.50	Hunter/Jumper Judge
8-27 English Horse Show	6:30 P.M.	5 @ \$4.50	RCMP Salute
8-28 Horse Pull	7:00 P.M.	5 @ \$4.50	RCMP Salute
8-28 Horse Pull	7:00 P.M.	4 @ \$4.50	Announcer's Box
8-29 Rodeo	1:00 P.M.	8 @ \$4.50	Announcer's Box
8-29 Rodeo	1:00 P.M.	5 @ \$4.50	RCMP Salute
8-29 Rodeo	7:00 P.M.	8 @ \$4.50	Announcer's Box
8-29 Rodeo	7:00 P.M.	5 @ \$4.50	RCMP Salute
8-29 Rodeo	7:00 P.M.	33 @ \$3.00	Editors/Legislators
8-30 Western Horse Show	12:30 P.M.	5 @ \$4.50	RCMP Salute
8-30 Rodeo	7:00 P.M.	8 @ \$4.50	Announcer's Box
8-30 Rodeo	7:00 P.M.	5 @ \$4.50	RCMP Salute
8-31 Western Horse Show	5:30 P.M.	5 @ \$4.50	RCMP Salute
9-1 Western Horse Show	12:30 P.M.	5 @ \$4.50	RCMP Salute
9-1 Western Horse Show	6:30 P.M.	5 @ \$4.50	RCMP Salute

A breakdown of pedestrian/child outside gate tickets used by various departments and for institutional purposes during the 1985 Fair was submitted for reclassification as "non-pay". It was moved by Mr. Annexstad, seconded by Mr. Lund and carried that said tickets, total value \$49,404, be reclassified as non-pay. Breakdown follows:

ADMINISTRATIVE—OTHER

Miscellaneous \$ 444.00

AG-HORT FRUITS

Lou Quast 183.00

AMUSEMENT—GRANDSTAND

Grandstand Concerts \$ 627.00
Race Participants 1,410.00 2,037.00

AMUSEMENT—OTHER

Albert Lea H.S. Band	216.00
Amusements—Arm Wrestling	150.00
Auction	18.00
'84 Talent Contest Winner	33.00
Parades	1,641.00
Milk Run	3,240.00
Senior Citizens	1,329.00
Talent Contest	
Judges	108.00
Zeppelin Works	252.00
Annandale H.S. Band	345.00
Anoka H.S. Band	441.00
Bloomington-Kennedy H.S. Band	369.00
Caledonia H.S. Band	216.00
Cambridge H.S. Band	321.00
Cathedral H.S. Band	153.00
Chatek (Wisconsin) H.S. Band	333.00
Chatfield H.S. Band	267.00
Concordia Academy H.S. Band	174.00
Deer River H.S. Band	156.00
Elgin-Millville H.S. Band	159.00
Elk River H.S. Band	354.00
Glencoe H.S. Band	288.00
Glenville H.S. Band	183.00
Goodhue H.S. Band	243.00
Hopkins H.S. Band	168.00
Ivanhoe H.S. Band	180.00
Jackson H.S. Band	198.00
Jordan H.S. Band	270.00
Kiester-Walter H.S. Band	171.00
LaCrescent H.S. Band	195.00
LeRoy Ostrander H.S. Band	192.00
Medford H.S. Band	159.00
Northome H.S. Band	105.00
Patrick Henry H.S. Band	135.00
Peterson H.S. Band	180.00
Princeton H.S. Band	450.00
Richfield H.S. Band	414.00
Rushford H.S. Band	210.00
St. Charles H.S. Band	195.00
St. James H.S. Band	309.00
St. Peter H.S. Band	180.00
Simley H.S. Band	372.00
Spring Lake Park H.S. Band	531.00
Spring Valley H.S. Band	225.00
Totino Grace H.S. Band	90.00
Waseca H.S. Band	408.00
Winona H.S. Band	417.00
Winthrop H.S. Band	165.00
	\$16,908.00

CATTLE

Ray Arthaud 186.00

COMMUNICATIONS

Jerry Hammer 888.00

CREATIVE ACTIVITIES

Evelyn Hagen 381.00

EDUCATION			
Bob Anderson	1,920.00	St. Joseph's Home for Children	195.00
FAIR YOUTH CAMP		St. Joseph's Hospital (Ikola)	90.00
Joe Clifford	207.00	St. Joseph's Hospital (Out Patient)	120.00
4-H		St. Paul Ramsey Medical Center (Psy)	90.00
Dan Lindsey	3,801.00	St. Paul Society for the Blind	300.00
FFA		St. Peter Regional Treatment Center	300.00
Odell Barduson	615.00	St. Paul YMCA	300.00
GOATS		Salvation Army	270.00
Jim Sheldon	18.00	Shalom Home	180.00
HORSE		Sharing Life, Inc.	300.00
Harold Arneman	1,905.00	Sister Kenny Institute	105.00
INSTITUTIONAL TICKETS		South Central Manor	66.00
A.B.L.E. (Assn. for the Blind)	270.00	Trevilla of Robbinsdale	300.00
Alpha Human Services	150.00	Tri-County Action Programs	75.00
Anoka State Hospital	300.00	United Blind of Minnesota	300.00
Andrew, Inc.	300.00	University Health Care Center	120.00
Angelus Convalescent Home	90.00	U of M Volunteer Services	300.00
Bristol Place	195.00	Vail Place	120.00
Cambridge State Hospital	300.00	Variety Club Heart Hospital	24.00
Capital Area Counseling Service	42.00	Volunteers of America	45.00
Care Co. Homes, Inc.	45.00	Way 12	135.00
Catholic Charities	45.00	Widjiwagan (St. Paul YMCA)	45.00
Center for Creative Living	105.00	Wilder Juvenile Horizons	36.00
Charaka	150.00	Willows Convalescent Center	120.00
Charlson/Muriel Humphrey Residence	144.00		\$16,011.00
Community Involvement Programs (Brugger)	36.00	MEATS	
Community Involvement Programs (Passageway)	72.00	Ed Butler	330.00
Community Services Department: Day Treatment	54.00	MEDICAL AID	
East	54.00	American Red Cross	930.00
Extended Day Treatment	60.00	PUBLIC SAFETY	
Hearing Impaired	51.00	Art Blakey	2,640.00
Lake Owasso	300.00		
Mental Health	57.00	TOTAL 1985 NON-PAY GATE ADMISSIONS	\$49,404.00
Volunteer Services	300.00		
Cooperating Community Programs	240.00	A review of Fair-period payrolls was undertaken, after which it was moved by Mr. Ojakangas, seconded by Mr. Morris and carried that the payroll summary, totalling \$892,614.15, be approved as submitted (Aye-8; Nay-0).	
Courage Center	300.00	Secretary and Mr. Galus updated the Board on status of litigation between the Society and Met Center relative the allegation that the Fair interfered with a Met Center contract. No action necessary.	
Demar's Childrens Home	172.50	It was moved by Mr. Morris, seconded by Ms. Roehlke and carried that the following signatures be authorized for Society accounts (Aye-8; Nay-0).	
Elliot Board and Care	45.00	General Fund Account, Amusement Fund Account and Trust Fund Account—James G. Frost or Kenneth R. Wenzel; and Michael D. Heffron or Robert W. Potter.	
Faribault State Hospital	300.00	Ticket Account—Michael D. Heffron or James G. Frost.	
Freedom House	186.00	Premium Fund Account, Regular Payroll Fund Account and Fair-Period Payroll Fund Account—Michael D. Heffron, James G. Frost or Kenneth R. Wenzel.	
Golden Valley Health Center	102.00	Upon a motion by Mr. Ojakangas, seconded by Mr. Annexstad and carried approval for payment of the following three (3) storage damage/theft claims was granted: Doug Larson, stolen concession sink, \$68.32; John Ryberg, broken windshield, \$256.06; Allen Lee, trailer damage, \$300.42 (Aye-8; Nay-0).	
Good Neighbor Home	18.00	Secretary reminded the Board that a single opening for election to the Society's "Life Membership" would come before the Annual Meeting in January. After discussion, it was moved by Mr. Lund, seconded by Mr. Annexstad and carried that Mr. Gordon Fickett's name be recommended for election to Life Membership (Aye-8; Nay-0).	
Goodwill Industries	300.00	On a motion by Mr. Ramberg, seconded by Mr. Prokosch and carried, the name of David Stone was added to that of Maynard Speece for induction into the State Fair Hall of Fame (Aye-8; Nay-0).	
Group Homes, Inc.	300.00	Meeting adjourned.	
Guild Residences	225.00		
H.H.H. Job Corps Center	300.00	Annual Meeting	
Hennepin County Medical Center	150.00	Minnesota State Agricultural Society	
Hennepin County Mental Health:		St. Paul Radisson Hotel	
Circle F.	150.00	January 11-13, 1986	
Day Treatment	105.00	The 127th annual meeting of the Minnesota State Agricultural Society opened with a day-long registration session on Saturday, January 11. Registration continued Sunday, January 12 and Monday, January 13. The Society's first general business session, chaired by president J.G. Tiffany, Redwood Falls, was held at 9:15 a.m. Sunday for the purpose of appointing members to the credentials and resolutions committees.	
Hiawatha Valley MHC	120.00	The credentials committee met to conduct business at 10:15 a.m. Sunday. Delegates named to this committee were Henry Schumann, Stewartville; Richard Johnson, St. Peter; Wes Roehlke, Rogers; Lee Nakken, North St. Paul; Leonard Ramberg, Minneapolis; Frank Marshall, Grove City; Don Kienholz, Bird Island; Floyd Walters, Two Harbors; and William Ulrich, Thief River Falls.	
Hoikka House, Inc.	300.00	Appointees to the resolutions committee, which also met at 10:15 a.m. Sunday, included Ron Scheiber, St. Charles; Raleen Larson, Garden City; Andy Rozeboom, Maple Grove; Robert Menge, St. Paul; Al Oster, Minneapolis; Herb Olmschenk, St. Martin; Marvin Olson, Wilmer; Don Roseen, Duluth; and Dave Gilbertson, Fosston.	
Homeward Bound, Inc. (Lofy)	180.00	At 3:00 p.m. Sunday, delegates from the second and eighth regional districts met in caucus to certify nominees for election to the Society's board of managers on January 13. The second district selected Martin Annexstad, St. Peter and the eighth district named Sulo Ojakangas, Hibbing.	
Homeward Bound, Inc. (Gessner)	300.00		
Hope Transition Center	150.00		
Horizon West	45.00		
House, The	120.00		
Kelly Institute	60.00		
Janus	90.00		
Jane Dickman House	75.00		
Lutheran Social Services	111.00		
Lyngblomsten Care Center	150.00		
Merriam Park DAC	105.00		
Minneapolis Society for the Blind	300.00		
MN Correctional Facility (Lino Lakes)	300.00		
MN Vets Home	300.00		
Multi Resource Center, Inc.	75.00		
Muscular Dystrophy Assn.	300.00		
NEB Care Center (East)	135.00		
New Hope Center	60.00		
Oasis	54.00		
Oregon Residential	255.00		
One Eighty Degrees, Inc.	102.00		
Opportunity Workshop (Golden Valley)	90.00		
Opportunity Workshop (WAC)	300.00		
Orvilla, Inc.	300.00		
Outreach Group Homes (Knuttsen)	42.00		
Outreach Group Homes (Koolstra)	174.00		
People, Inc.:			
Apollo Center	42.00		
Central Manor	75.00		
Child Care	67.50		
Mental Health	60.00		
Petra Howard House	54.00		
Phoenix Residence	300.00		
Pierce Co. Human Services Department	45.00		
Portland Residence	300.00		
Prodigal House-MN Vets Home	120.00		
Ramsey Clinic	60.00		
Red Wing Group Home	45.00		
REM-Lyndale	45.00		
REM-Pillsbury	135.00		
Safe House	120.00		

At 1:00 p.m., Monday, members of the Society met in general session. Secretary Mike Heffron offered the following report:

Let me first explain that a change has been made in our year-end reporting procedure. The resume you find at your chair is a good deal shorter and more condensed than the one used at this meeting in past years.

Because of statutory requirements and report deadlines, we have been printing two lengthy and rather expensive booklets...one for this meeting called the "Secretary's Report," and a second later in the year, which included the exact same information, plus meeting minutes and the legislative audit of our books and accounts. This latter publication was our official "Annual Report."

Beginning this year, we will use a shortened version of the Secretary's Report for our January meeting and, as soon as the legislative audit is complete, we will print and mail to each of you a copy of the "Annual Report" in its final form.

At this time I offer for your approval a report of cash balances for the Society, fiscal period ending October 31, 1985...Our opening cash balance, November 1, 1984 was \$1,459,622; during the year, cash receipts of \$8,706,097 and cash disbursements of \$8,183,839, resulted in a closing balance of \$1,981,880.

The Minnesota State Fair is a growing institution, vibrant with life, vigor and activity. This fact is evidenced by its financial health and by its expanding popularity.

Our audience is not only growing in number, it is become more diverse. It expects and receives a wider range of activity. It expects and receives better value for money and time spent.

Nothing is more competitive today than is the leisure market. Right here in the Twin Cities there are literally scores of other events competing with the Fair...many of them copy our style and most of them target our audience.

If the State Fair is to retain its "heavy-weight title" in the world of leisure, it must remain contemporary and value conscious. It must expand its program base to accommodate the most current interests and industries of Minnesota and the Upper Midwest.

At the same time, we must protect our traditional values and maintain the trust of our traditional audience. Rural and small town Minnesota sends far fewer visitors to this Exposition than do its city cousins. Numbers, in this respect, do not count. The spirit of this institution is inseparably bound to the rich, black earth, the forests, the mills and the mines of this state, and to the people who produce the food, fiber and wealth we showcase each fall.

One technique for tracking growth is to look back, say 20 years, to see where we were and how far we've come...

In 1965, Tom Lammers of Stillwater, who remains active today as a Life Member of this Society, served as your president. John Libby was your secretary. Attendance that year was 1.027 million, which is 470,000 fewer visitors than were recorded in 1985. Revenues were under \$2 million and after expenses, the fair enjoyed a profit of \$200,000.

Even though our revenue base now exceeds \$8 million and net income has reached nearly \$650,000, we cannot claim to be more successful financially than were our predecessors in 1965. Their profit exceeded 10 percent of gross, ours in 1985 was just over eight percent of gross. As a postscript, I might add that the financial risks today far exceed those of two decades ago. Our fixed costs are much higher, as are the necessary costs of maintaining this physical plant.

Let me give you two examples...Back in 1965, the Fair was not legally required to carry public liability insurance except on vehicles. Our premium expense that year for insurance was \$3,000. Last year, our insurance bill was \$127,000. This year, we must budget \$200,000 for a reduced level of coverage.

Furthermore, we now pay "first money" sales tax of \$300,000 on gate, Grandstand and Coliseum receipts.

...this expense was non-existent in 1965. As a second postscript, I might suggest that the time is well past due that the state and county fairs of Minnesota seek legislative relief from the payment of this regressive tax...since it is obviously counterproductive in our efforts to serve the citizens of Minnesota.

Back to the scenario of 1965. Some of the highlights that year included...A second, great season for the Teenage Fair; completion of a new Education Building; a new space tower ride; major external and internal street re-alignment and landscape work plus ground breaking for a new Administration Building.

Several of these and other events of 1965 bear an interesting similarity to occurrences of this past season and to our program here today.

The Royal Canadian Mounted Police "Musical Ride", which made its first U.S. fair appearance at the Coliseum, or should I say the "Hippodrome", in 1965, returned for a fourth triumphant stop last fall and, as always, left its audience begging for more.

The new Education Building, dedicated by vice president Hubert Humphrey on August 29, 1965, signaled a fresh awareness of our need to better spotlight the vast array of educational opportunity available in this state. Today's principle speaker, Mr. Bob Anderson, will in a few minutes offer you a brief idea of the progress undertaken by the Education Department in the last two decades and what we have in mind for the future.

Twenty years ago this month, our annual meeting was held at the old Radisson Hotel in downtown Minneapolis. At a business session not unlike this one, three separate occurrences took place which, although they seemed dissimilar at the time, proved drawn to each other like opposite poles in a magnetic field. Today, the three meet in this room.

Our main speaker on that occasion was Mr. Maynard Speece, Farm Director of WCCO Radio. He spoke on the subject of "The Back Forty", a title recognizing WCCO's fortieth anniversary and specifically acknowledging the long, productive association between WCCO and the State Fair...an association which in 1985 marked its 58th year.

The same afternoon, during his secretary's report, John Libby spoke of the growing success enjoyed by Grandstand night shows, making particular mention of the large turnout to see popular, contemporary artist, Roger Miller.

At that time, country-western music had not yet been featured at the Fair, despite the regular, persistent encouragement of KSTP personality Dr. David Stone. David, who brought to the Twin Cities market a Tennessee accent, plus a strong faith in the Grand Old Opry, always assured us that when we were finally blessed with vision and began to book country-western attractions, our Grandstand would "runneeth over". With Alabama and Willie Nelson clearly the strongest features on our 1985 billing, its hard to argue with David.

I'm also sure he'd be the first to remind us that Roger Miller, a contemporary artist in 1965, now identifies with the field of country music.

The third noteworthy event of January 5, 1986 was the opening of the State Fair "Hall of Fame" by our late past president Ted Arens of Aitkin. The event was particularly noteworthy because it authorized the formal recognition of certain individuals, not just because of their contributions to the Fair, but more specifically "to recognize persons who by their past services have contributed to the success and development of the State of Minnesota through the medium of the State Fair."

Since its birth two decades ago, 37 persons have been inducted into the Hall of Fame. Two more will be honored today. The roster is an interesting mix of people, including past governors, like Alexander Ramsey and Henry Sibley; leaders in the development of regional agribusiness, such as Charles Crandall and A.J. McGuire; show people, like Frank Duffield and Carl Sedlmayr; plus those steady workers in the vineyard of this exposition who remained out of sight while shaping it into what it is today, folks like Ed Deemer, Harry Frost and Ralph Zimmerman. One of its members is here today...Norris Carnes.

Looking back at significant events in the life of this fair is a useful exercise. It helps us to retain a balanced perspective of our statutory obligations in the historical sense, but more importantly, it reminds us that this Fair has always tried to accurately reflect the positive edge of social change. It reminds us further that our efforts must point forward, our targets remain high and our aim prove true if we are to continue to serve well the people of this great state.

Special remarks were given by Bob Anderson, State Fair Education Superintendent.

The following credentials committee report was presented by Chairman William Ulrich and accepted by the membership:

All credentials blanks for county agricultural societies, as well as statewide associations, submitted to the State Agricultural Society have been reviewed by the committee and approved by them, with the following exceptions: Minnesota Jersey Cattle Club failed to file with the Secretary of State, Minnesota Shorthorn Association failed to file with the Secretary of State; listed no delegates and failed to include the signature of its president; Clay County Fair credential did not contain the signature of its president or secretary.

Resolutions committee report was given by chairperson Raleen Larson. The following resolutions were adopted by the membership:

Resolution No. 1: Resolved, that we, as members of the Minnesota State Agricultural Society and delegates to its annual meeting, are confident that conduct of the annual State Fair and management of the State Fairgrounds are being handled in the best interests of the people of Minnesota. We have elected a board of managers which has appointed a secretary-general manager who in turn has employed a staff of full-time exposition professionals and part-time superintendents; at each step, competent and dedicated persons are in place and we appreciate their efforts on behalf of the society.

Resolution No. 2: Resolved, that we understand the importance of the roles played by many other groups in the society's 1985 success story. With no less gratitude toward any we might miss, we will attempt to name these groups—news media; competitive and commercial exhibitors; carnival and other independent concessionaries; contractors, including the trades, advertising, show production and fireworks; purveyors and suppliers; sponsors; county fair and chamber of commerce staffs; youth and school groups; implement dealers and manufacturers; plus all the summer and fair-period employees whose diligent work was essential to the successful year.

Resolution No. 3: Resolved, that we reiterate that to us the most important group of all is the fairgoing general public. Through our board and staff we will continue to serve this group in a manner befitting its importance.

Resolution No. 4: Resolved, that our alliance with the Minnesota Federation of County Fairs and our membership in the International Association of Fairs and Expositions are beneficial partnerships. We will continue to work with these groups to further the fair industry in Minnesota and nationally.

Resolution No. 5: Resolved, that we acknowledge with regret the deaths of the following persons—Robert Mayne, Coon Rapids, former Youth Camp superintendent; Jessie Riley, St. Paul, Gopher Club employee; Logan Scow, Osakis, past board member, society president, and life member; Martin F. Thori, St. Paul, former concessionaire; Verna Winkley, Minneapolis, former auto race promoter. Our organization has been diminished with the passing of these individuals and we share the grief of their families and friends.

The Society proceeded to conduct required elections with results as follows:

J.G. Tiffany, Redwood Falls, president, one-year term.

Leonard Ramberg, Minneapolis, fifth regional district vice president, two-year term.

Martin Annexstad, Jr., St. Peter, second regional district manager, three-year term.

Sulo Ojakangas, Hibbing, eighth regional district manager, three-year term.

Gordon Fickett, Blaine, honorary (life) member of the Society.

Maynard Speece, Mission, Texas and David Stone, St. Paul, State Fair Hall of Fame.

There being no further business, the 127th annual meeting of the Minnesota State Agricultural Society was adjourned.

Land Inventory Minnesota State Fairgrounds

October 31, 1985

I. Property situated north of Como Avenue and west of Snelling Avenue.

- A. SE $\frac{1}{4}$ —Sec. 21, T. 29N R. 23W; less right-of-way for Como and Snelling Avenues; and less .93 acres. Total acreage is 151.5.
- B. E $\frac{1}{2}$ —E $\frac{1}{2}$ —SW $\frac{1}{4}$ —Sec. 21, T. 29N, R. 23W; less right-of-way for Como Avenue; and less 4.49 acres. Total acreage is 34.96.
- C. E $\frac{1}{2}$ —W $\frac{1}{2}$ —SE $\frac{1}{4}$ —SE $\frac{1}{4}$ —Sec. 21, T. 29N, R. 23W. Total acreage is 9.93.
- D. That part of the NW $\frac{1}{4}$ —Sec. 28, T. 29N, R. 23W lying within the following described line: commencing at a point on the north line of Sec. 28, T. 29N, R. 23W where said line is intersected by the center line of Como Avenue, being 195 feet west from the northeast corner of the NW $\frac{1}{4}$ of said Sec. 28, thence along the center line of Como Avenue in a westerly direction to a point where southerly extension of west line of the E $\frac{1}{2}$ —W $\frac{1}{2}$ —SE $\frac{1}{4}$ —SW $\frac{1}{4}$ —Sec. 21, T. 29N, R. 23W intersects the center line of Como Avenue, thence northerly on the aforesaid extended line to the north line of Sec. 28, thence due east along the north line of Sec. 28 to the point of beginning. Total acreage is 4.11.
- E. SE $\frac{1}{4}$ —NE $\frac{1}{4}$ —Sec. 21, T. 29N, R. 23W; less right-of-way for Snelling Avenue. Total acreage is 38.55.
- F. SE $\frac{1}{4}$ —NE $\frac{1}{4}$ —NE $\frac{1}{4}$ —Sec. 21, T. 29N, R. 23W; less right-of-way for Snelling Avenue; and less the south 33 feet of the east 415 feet thereof. Total acreage is 8.47.
- G. W $\frac{1}{2}$ —NE $\frac{1}{4}$ —NE $\frac{1}{4}$ —Sec. 21, T. 29N, R. 23W; less the north 500 feet of the east 250 feet; and less right-of-way for Larpenteur Avenue. Total acreage is 16.54.

Total acreage of property situated north of Como Avenue is 264.06.

II. Property situated south of Como Avenue.

- A. East one-half of lots 2 and 9, and lots 3 through 8, block 1; east one-half of lots 2 and 9, and lots 3 through 8, Block 2; lots 1 through 4, and lots 9 through 23, block 3; lots 1 through 28, block 4. St. Anthony Park, St. Paul. Lots 1 through 11, Mitchell's Addition, St. Anthony Park, St. Paul. Together with streets and alleys and vacated streets and alleys, total acreage is 13.98.
- B. West 30 feet of lots 4 and 27, lots 5 through 13, and lots 16 through 26, block 2, Long's Addition, St. Paul. West 30 feet of lots 4 and 27, and lots 5 through 26 (plus an easement from Winston Street situated approximately over the vacated alley between lots 1 through 3 and the east 10 feet of lot 4, and lots 28 through 30 and the east 10 feet of lot 27), block 2, Wynne's Addition, St. Paul. Together with vacated streets and alleys, total acreage is 6.14.
- C. That part of the S $\frac{1}{2}$ —NW $\frac{1}{4}$ —NE $\frac{1}{4}$ Sec. 28, T. 29N, R. 23W east of the extended centerline of Packard Street and west of the joint right-of-way of the Great Northern and Northern Pacific State Fair spur, and

south of Wynne Street and north of the main line of the Northern Pacific railway; less approximately .34 acres. Total acreage is 11.37.

- D. That part of Lots 10, 11, 12, 13, 14, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 and 32, Block 12; Lot 39, Block 17; Lots 1, 26 and 27, Block 6; Lots 1, 2, 3, 18, 19, 20 and 21, Block 7; Lots 1, 2, 3, 4, 5, 17, 18 and 19, Block 8; and adjacent vacated streets and alleys; St. Anthony Park, described as follows: commencing at a point in the southerly line of Como Avenue West distant 96 feet West measured at right angles, from a northerly extension of the east line of Lot 2, Block 6, of said St. Anthony Park; thence on an assumed bearing of South 0 degrees 50 minutes 21 seconds East and parallel with the east line of said Lot 2 a distance of 169.65 feet to the point of beginning; thence South 0 degrees 50 minutes 21 seconds East 957.55 feet, thence South 73 degrees 34 minutes 25 seconds West 79.20 feet; thence North 82 degrees 32 minutes 24 seconds West 237.50 feet; thence North 0 degrees 50 minutes 21 seconds West 393.30 feet; thence South 89 degrees 09 minutes 39 seconds West 272.84 feet; thence North 16 degrees 56 minutes 57 seconds East 199.79 feet; thence South 80 degrees 42 minutes 16 seconds East 241.97 feet; thence North 9 degrees 17 minutes 44 seconds East 325.21 feet; thence North 69 degrees 01 minutes 52 seconds East 242.49 feet to the point of beginning. Total acreage is 7.14.
- E. All that portion of Lots 13, 14, 15, 16, 17, 18, Block 7, and Lots 5, 6, 7, 8, 9, 16 and 17, Block 8, vacated Brewster Street, vacated Eldred Street and that portion of the East-West Alley in said Block 8, all located in St. Anthony Park, more particularly described as follows: Commencing at a point in the Southerly line of Como Avenue West distant 96.0 feet West measured at right angles from a Northerly extension of the East line of Lot 2, Block 6 of said St. Anthony Park; thence South parallel with said Northerly extension of the East line of said Lot 2 and parallel with the East line of said Lot 2 a distance of 720.9 feet to the Point of Beginning of the parcel of land to be described; thence continuing South along the last described course to a point distant 11 feet Northwesterly measured radially to Railroad Company's spur track centerline as now located across said Block 7 and 8; thence Northeasterly parallel with said spur track centerline to a point on the North line of said Lot 13, Block 7; thence Westerly along the North lines of said lots 13, 14, 15, 16, 17 and 18 to the Point of Beginning. Excepting therefrom all that portion of Block 7, St. Anthony Park, lying South and East of Cathlin Street and within a circle having a radius of 60.0 feet; the center of said circle being the point of intersection of the East line of Cathlin Street and the South line of Frances Street. Total acreage is 1.73.

Total acreage of property situated south of Como Avenue is 40.36.

Total acreage all property is 304.42.

