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STATE AGRICULTURAL SOCIETY



Minnesota State Fair

1981

ANNUAL REPORT

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1981

Honorable Albert H. Quie
Governor
State of Minnesota
130 Capitol Building
St. Paul, Minnesota 55155

Dear Governor Quie:

Enclosed herewith is my report as secretary-general manager for the Minnesota State Agricultural Society's fiscal year which ended November 30, 1981.

Scoring a "comeback victory" over the elements, the 1981 Minnesota State Fair tallied a record-shattering gate attendance of 1,414,809; a figure which clearly testifies to its continuing status as the single most popular event in the Upper Midwest. After opening with two straight days of precipitation, the exposition experienced almost perfect weather through its conclusion on Labor Day . . . a glaring contrast to the seven days of rain which beleaguered the fair of 1980.

One must seriously ponder how very dependent this exposition has become on the caprice of weather. Last year's rain dampened 58 percent of the available operating schedule and led to a financial deficit of \$17,163. This season, with only 17 percent of the schedule affected by rain, the fair produced a "barebones" profit of \$93,000, a margin of something less than 1.5 percent of gross revenue.

In certain promotional circles, attendance and profit are considered an absolute criteria of success. We do not necessarily subscribe to such a philosophy. Attendance is a reflection of good value . . . in programming, in entertainment and in educational opportunity. The public is not naive . . . it recognizes benefit and responds when treated reasonably. Over the years, our audience has increased steadily because of continuity in offering a program of solid family value. If we should ever falter in our dedication to public service, the ghostly apparition of failing attendance will surely follow.

This fair is constantly simplifying, perfecting and honing its programs to their essential, cutting edge. We know that innovation breeds a predictable degree of resistance. There is a natural tendency to be comfortable with what has been done before. However, this exposition is not content with the process; it wants success. The bottom line for it is to be on target and to achieve its goals, not just to follow an agreed-upon course of conduct. If one strategy is not productive and publicly acceptable, we formulate and implement another until it wins.

Profit reflects good business practice and reasonable market response. The Minnesota State Fair has never been identified as a large profit center . . . its surplus from year to year has been small, but carefully measured against programming costs and plant maintenance expense. As a public agency, we must follow the tenants of our statutory mandate in such a way that the public will benefit from the exercise. Reasonable profit will follow if the planning process is concise and the execution is cost effective.

This critique may seem a bit simplistic and it is when one considers the unreasonable, inflationary pressures which now face the leisure industry. If a depressed market place follows the inflation spiral, we will be sorely tested in the competition for impulse dollars. It is in this environment that the fair will be best served by its "tradition of excellence."

Over a period of nearly 100 years, those who came before us in managing the affairs of the Society accepted the mandate to assemble what is now one of the most magnificent exposition facilities to be found anywhere on the North American continent. Modern, though of considerable age; functional, yet comfortable, this plant requires a substantial amount of yearly maintenance. Maintenance, as well as a program of continuing capital improvement, are absolutely necessary to our future success.

In order to remain fiscally responsible, the fair must recognize and cope with a large number of cost factors not within its control. Included on the list are ever-rising minimum wage requirements not altogether appropriate to the exposition industry; exorbitant workmen's compensation and unemployment charges; rising liability insurance costs; skyrocketing energy costs and; finally, an ever-increasing tax burden. To suggest that this exposition is "tax exempt" is to be less than accurate. In 1981 the fair paid sales, use and real estate taxes of nearly \$200,000.

It behooves the State Fair board and staff, as caretakers of this great institution, to use sound judgement and progressive methods in dealing with the financial problems of today, so that tomorrow we might deserve the continued support of our constituency . . . the people of Minnesota.

Sincerely,

Mike Heffron
Secretary-General Manager

**MINNESOTA STATE AGRICULTURAL SOCIETY
MINNESOTA STATE FAIRGROUNDS
ST. PAUL, MINNESOTA 55108**

612/642-2200

December 21, 1981

INTRODUCTION

Per Chapter 37, Minnesota Statutes, 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.

The statutes specify that the Society's secretary must provide a report to the governor for the fiscal year ending November 30 on or before December 31 each year; material that follows satisfies this requirement. The statutes also require that a summary of the legislative auditor's annual examination of the Society's books and accounts be appended to the annual report to the governor prior to printing and public distribution; this is done as soon as the auditor's report is available.

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ORGANIZATION

The board of managers of the Minnesota State Agricultural Society serves as the policy-setting body for the management of the Minnesota State Fair. The board is made up of 10 members—one from each of the state's nine regional districts and a president.

Members of the board are elected by the society's authorized delegates, representing the state's county agricultural societies and various agribusiness, livestock breed and crop variety associations.

The president, nominated from members of the board, is elected by the society to serve a term of one year. The two vice presidents are elected to alternating two-year terms; managers are elected to alternating terms of three years.

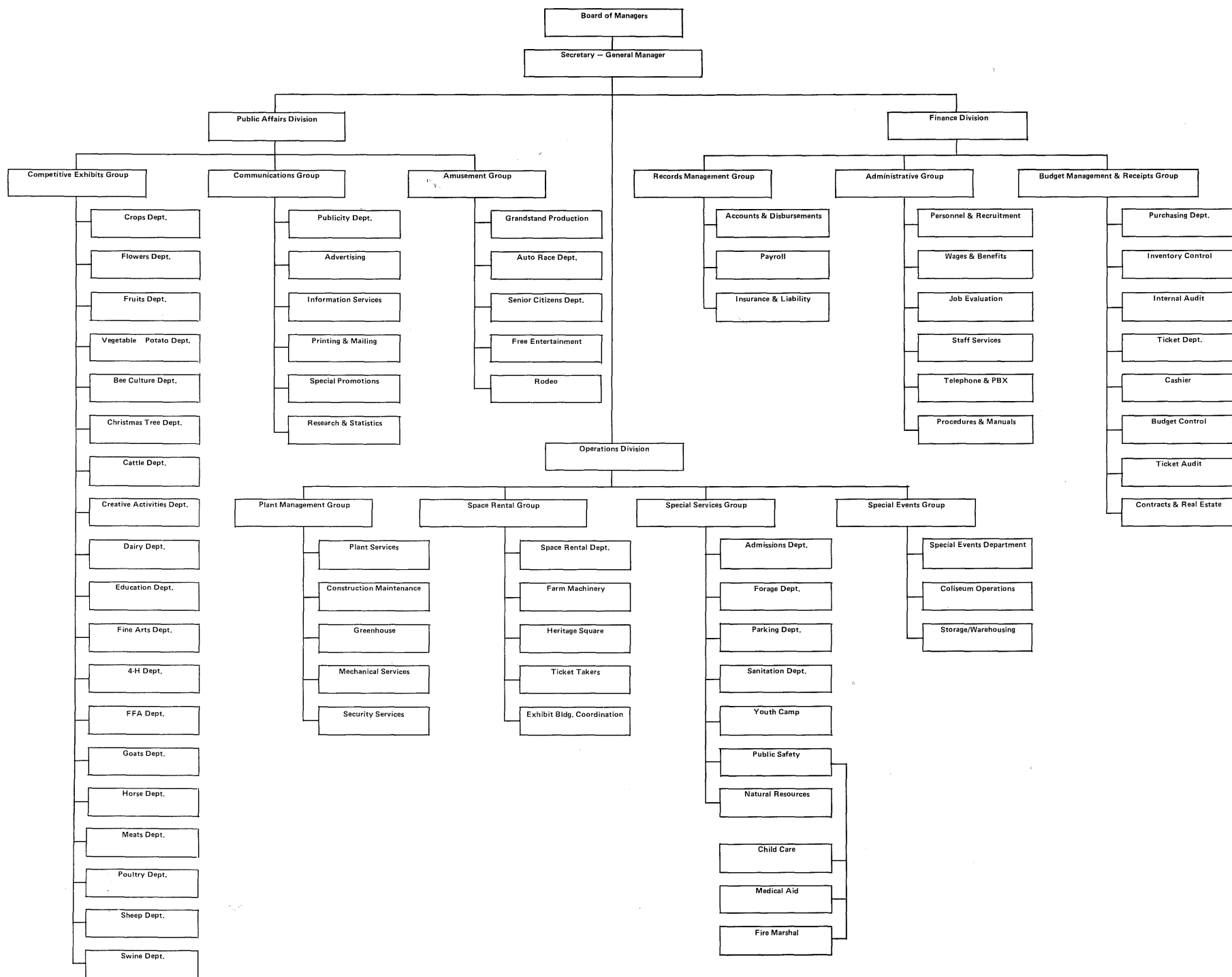
In addition to a policy-setting role, each member of the board serves as an advisor and supervisor, working closely with superintendents of the State Fair's 30 departments. The board also functions through eight committees, which also include non-board members. The committees are finance, governmental affairs, life member advisory, operations, planning and utilization, public affairs, rules and premium list and space rental.

Serving on the Minnesota State Agricultural Society board of managers in 1981 were:

Logan O. Scow, president, Osakis; Bert O. Lund, fourth district vice-president, St. Paul; Leonard F. Ramberg, fifth district vice-president, Minneapolis; William D. Korff, first district manager, Faribault; Arthur Sprengeler, second district manager, Plato; Eileen G. Roehlke, third district manager, Rogers; Howard E. Morris, sixth district manager, Cokato; J. G. (Gib) Tiffany, seventh district manager, Redwood Falls; Sulo J. Ojakangas, eighth district manager, Hibbing; and Willis W. Lilliquist, ninth district manager, Kennedy.

The year-around operation of the State Fair was handled by a full-time staff of 39 people under the direction of the secretary-general manager. As preparations for the annual exposition intensified, this core of personnel ultimately swelled to nearly 2,400 by fair-time.

To meet the operational needs of an organization as diversified as the State Fair, the management of the exposition is divided into three divisions (see chart on following page), each headed by a director. Related activities are further divided into groups as well as specific areas of responsibility; many of these areas are State Fair departments, each headed by a superintendent.



ANNUAL MEETING
MINNESOTA STATE AGRICULTURAL SOCIETY
Leamington Hotel — Minneapolis, Minnesota
January 18, 19, 20, 1981

The 122nd annual meeting of the Minnesota State Agricultural Society got underway with a day-long registration on Sunday, January 18 (registration continued Monday, January 19 and Tuesday, January 20). First general business session, chaired by President Lawrence Haeg, was held at 9:15 a.m. Monday for the purpose of appointing credentials and resolutions committees; these committees met to conduct business at 10:15 a.m. Monday.

At 3:00 p.m. Monday, delegates from the first, third and sixth regional districts met in caucus to certify nominees for election to the society's board of managers on January 20.

At 1:30 p.m. Tuesday, members of the society again met in general session. President Haeg called the meeting to order and reports of Secretary-General Manager Mike Heffron and Finance Director James Roehl were presented and accepted.

Remarks were given by Debbie Terbeest, Spring Valley, Minnesota 4-H president and Dan Koehler, Reading, Minnesota FFA president.

Following credentials committee report was presented by Henry Hammer, Anoka and accepted by the membership:

"All credential blanks for state-wide societies and associations submitted to the State Agricultural Society have been viewed by the committee and approved by them, with the following exceptions: American Dairy Association of Minnesota; Minnesota Horse Breeders Association; State Grange of Minnesota and; Minnesota State Gladiolus Society. The above named state-wide associations were rejected by the Credentials Committee on the basis that they did not file an annual report with the Secretary of State."

Resolutions committee report was given by Les Swanberg, Faribault. The following resolutions were adopted by the membership:

Resolution No. 1: Resolved, that we extend our thanks to the staff and management of the Leamington Hotel and responsible members of the State Fair staff who contributed their time and effort to make the 122nd annual meeting of the Minnesota State Agricultural Society a comfortable, well-organized and beneficial gathering.

Resolution No. 2: Resolved, that we continue to cooperate with the Minnesota Federation of County Fairs in mutually beneficial activities; and that we continue to endorse and support the functions and programs of the International Association of Fairs and Expositions and University of Minnesota's Fair Management Short Course.

Resolution No. 3: Resolved, that we thank the people of Minnesota and the Upper Midwest for their continued support of the Minnesota State Fair through their attendance and participation.

Resolution No. 4: Resolved, that we express our appreciation to the people whose efforts make the Minnesota State Fair possible—namely, all full-time and part-time employees; commercial exhibitors and concessionaires; competitive exhibitors; suppliers and purveyors; members of the media; state officials;

county fairs; youth groups and schools; chambers of commerce and mayors; implement dealers and manufacturers; entertainers, their agents and managers; and State superintendents, the secretary-general manager and board of managers.

Resolution No. 5: Resolved, that in spite of nationwide economic uncertainty and concern, the members of the society are confident that the Minnesota State Fair, through sound management and responsible fiscal policy, will continue to advance the agricultural and horticultural arts and sciences, provide educational opportunity and serve the needs of the people of Minnesota and the Upper Midwest. It is further resolved that the membership of the society believes that a strong and self-supporting State Agricultural Society, free from financial and political dependence on any other body, is best-qualified to chart the course and manage the affairs of future State Fairs.

Resolution No. 6: Resolved, that with a sense of deep loss, we posthumously recognize the contributions made to the society by three men who passed away during 1980; long-time treasurer and honorary life member Roy Sorenson; infield services and State Exhibits Building superintendent Mark Markson; and former greenhouse superintendent, honorary life member and State Fair Hall of Fame member Ralph Zimmerman.

Election of society president for a term of one year was conducted. Logan Scow, Long Prairie, was elected and took over the chair from Mr. Haeg.

The society proceeded to conduct additional required elections with results as follows:

Norris K. Carnes, St. Paul—vice president, fourth district, two-year term.

William Korff, Faribault—manager, first district, three year term.

Eileen Roehlke, Rogers—manager, third district, three-year term.

Howard Morris, Cokato—manager, sixth district, three-year term.

Lawrence Haeg, Robbinsdale—Honorary (life) member of the society.

There being no further business, the 122nd annual meeting of the Minnesota State Agricultural Society was adjourned.

**PLANNING COMMITTEE MEETING
LEAMINGTON HOTEL—MINNEAPOLIS**

Monday, January 19, 1981 — 2:00 PM

Members present: Carnes, chairman; Sprengeler; Roehlke; Ramberg; Tiffany; Scow; Ojakangas; Haeg, ex-officio; Heffron, ex-officio; Wenzel, ex-officio. Also present: Frost; Roehl.

A proposed 1981 improvement/maintenance budget, totaling \$491,000 was presented by secretary and reviewed by committee. Also discussed was a deferred project list totaling \$1,034,060.

Following review and discussion by the committee and staff, it was moved by Mr. Tiffany, seconded by Mr. Ojakangas and carried that the budget be accepted as presented and that a

committee recommendation be made for full board approval (Aye-6; Nay-0).

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

LIFE MEMBER ADVISORY COMMITTEE LEAMINGTON HOTEL—MINNEAPOLIS

Tuesday, January 20, 1981 — 3:00 PM

Members present: Harveydale Maruska, chairman; Deke Grussendorf; Larry Haeg; Leo Keskinen; Ed LaPointe; Stan Muckle; Jim Roehl, ex-officio. Also present: Jerry Hammer.

Upon a motion by Mr. Keskinen, seconded by Mr. Maruska and carried, Larry Haeg was elected chairman of the committee to succeed Harveydale Maruska (Aye-5, Nay-0).

Use of the State Fair publicity film and other speaking materials was discussed. The committee suggested to Mr. Hammer of the publicity staff that the film should be expanded with more emphasis given to free entertainment, livestock, and exhibit activity. The possibility of a slide presentation and accompanying script was also suggested.

A recommendation was made by the committee that the publicity staff explore the possibility of expanding merchandising, promotion and marketing programs with emphasis on rural area markets.

The committee expressed its approval of the "50-Year Award Program" and indicated a willingness to become more active in the presentation of the awards.

Mr. Grussendorf requested of the publicity staff that committee members continue to be notified as quickly as possible of deaths of former committee members and other long-time fair associates.

Meeting adjourned.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY LEAMINGTON HOTEL—MINNEAPOLIS

Tuesday, January 20, 1981 — 3:00 PM

Members present: Logan Scow, president; Norris Carnes and Leonard Ramberg, vice president(s); William Korff; Willis Lilliquist; Howard Morris; Sulo Ojakangas; Eileen Roehlke; Arthur Sprengeler; J. G. Tiffany; Michael Heffron, secretary.

Also present: James Frost; James Sinclair; Kenneth Wenzel; James Roehl.

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

It was moved by Mr. Ramberg, seconded by Mr. Carnes and carried that Michael Heffron be reappointed secretary-general manager of the society for a period of one year with his annual salary fixed at \$40,000. 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 Mr. Heffron.

Minutes of the November 14 board meeting and space rental committee meeting were approved upon a motion by Mr. Sprengeler, seconded by Mr. Korff and carried. (Aye-9; Nay-0).

A motion to approve minutes in vacation for the period November 17, 1980 through January 8, 1981, and the administrative action noted therein, was offered by Mr. Tiffany, seconded by Ms. Roehlke and carried (Aye-9; Nay-0).

Secretary presented the financial statement of December 31, 1980 as follows:

Cash Balance—November 30, 1980	\$ 12,797.73
Bank Securities cashed	115,000.00
Interest Income	5,331.74
December Receipts	44,489.42
	<hr/> \$177,618.89

Disbursements during December:

Bi-weekly payroll, Nov. 29-Dec. 12	\$35,622.56	
Bi-weekly payroll, Dec. 13-26	35,088.90	
Miscellaneous Bills paid	81,668.51	\$152,368.97
		<hr/> \$ 25,249.92

Cash Balance—December 31, 1980:

General Fund	\$ 25,249.92
Contingent Fund	500.00
Petty Cash	200.00
Bank Securities—mature 1/12/81	135,000.00
mature 1/28/81	200,000.00
	<hr/> \$360,949.92

Cash Balance—December 31, 1979:

General Fund	\$ 6,330.16
Contingent Fund	500.00
Petty Cash	150.00
Bank Securities—mature 1/01/80	25,000.00
mature 1/04/80	575,000.00
mature 1/07/80	100,000.00
	<hr/> \$706,980.16

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

Secretary outlined anticipated cash flow requirements necessary to meet society payrolls and expenses for the period January 1 through May 30, 1981. Because of unusually heavy and frequent rains, cash generated by the 1980 fair is not adequate to meet flow needs during the above period of low income and, therefore, it will be necessary to borrow funds on a short-term basis. Heffron indicated that this deficit position could remain until May or June when major income should be forthcoming from space rental and ticket sales. Upon a motion by Mr. Ojakangas, seconded by Mr. Sprengeler and carried, the borrowing of up to \$350,000 on an "as needed basis" to meet payrolls and expenses was approved. As a part of the motion, executive committee was authorized to approve additional borrowing if necessary (Aye-9; Nay-0).

It was moved by Mr. Ramberg, seconded by Mr. Korff and carried that the First National Bank of St. Paul be designated as depository for society's general fund account, regular payroll fund account, fair-period payroll fund account, premium fund account, ticket (treasurer's) account and accounts receivable (collection) account; and that the North Star State Bank of Roseville be designated as depository for the society's contingent fund account (Aye-9; Nay-0).

It was moved by Mr. Carnes, seconded by Mr. Tiffany 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 Logan O. Scow, Norris K. Carnes or Leonard F. Ramberg; and James S. Roehl or Donald R. Lindeman.

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

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

Ticket (treasurer's) account—James S. Roehl (signature plate) or Donald R. Lindeman.

Contingent fund account—Michael D. Heffron, Kenneth R. Wenzel or James G. Frost.

General fund requires three authorized signatures as follows:

Secretary, director of operations or director of public affairs; and president or one of the two vice presidents; and finance director or deputy finance director.

Payroll fund(s), premium fund, contingent fund and ticket (treasurer's) account requires one of the authorized signatures.

Upon a motion by Mr. Ramberg, seconded by Mr. Tiffany and carried, the following standing committee assignments were made for 1981 (Aye—9; Nay—0):

FINANCE COMMITTEE—Lilliquist, chairman; Carnes; Ramberg, Sprengeler; Tiffany; Morris; Scow, ex-officio; Heffron, ex-officio; Roehl, ex-officio.

GOVERNMENTAL AFFAIRS COMMITTEE—Ramberg, chairman; Carnes; Sprengeler; Tiffany; Korff; Roehlke; Scow, ex-officio; Heffron, ex-officio; Frost, ex-officio; Wenzel, ex-officio; Haeg, ex-officio; Maruska, ex-officio.

LIFE MEMBER ADVISORY COMMITTEE—Haeg, chairman; Maruska, vice chairman; Muckle; Keskinen; Grussendorf; Sincok; Gruber; Lammers; Libby; Lund; Wilkins; Johnston; LaPointe; Scow, ex-officio; Heffron, ex-officio; Roehl, ex-officio (secretary).

OPERATIONS COMMITTEE—Ojakangas, chairman; Ramberg; Sprengeler; Korff; Lilliquist, Roehlke; Scow, ex-officio; Heffron, ex-officio; Wenzel, ex-officio.

PLANNING AND UTILIZATION COMMITTEE—Carnes, chairman; Tiffany; Sprengeler; Ojakangas; Roehlke; Morris; Scow, ex-officio; Heffron, ex-officio; Wenzel, ex-officio.

PUBLIC AFFAIRS COMMITTEE—Roehlke, chairperson; Ramberg, Sprengeler; Tiffany; Ojakangas; Korff; Scow, ex-officio; Heffron, ex-officio; Frost, ex-officio; Hammer, ex-officio.

RULES AND PREMIUM LIST COMMITTEE—Sprengeler, chairman; Carnes; Tiffany; Ojakangas; Lilliquist; Morris; Scow, ex-officio; Heffron, ex-officio; Frost, ex-officio; Pooch, ex-officio.

SPACE RENTAL COMMITTEE—Korff, chairman; Carnes; Ramberg; Sprengeler; Tiffany; Ojakangas; Scow, ex-officio; Heffron, ex-officio; Wenzel, ex-officio; Sinclair, ex-officio.

It was moved by Ms. Roehlke, seconded by Mr. Carnes and carried that the following be appointed department supervisors and superintendents for 1981 (Aye—9; Nay—0):

ADMISSIONS—Ojakangas, supervisor; Don Pittelkow, superintendent.

AG-HORT—Ramberg, supervisor; Duane Smith, superintendent, crops; Percy Johnson, superintendent, bee culture; Greg Ustruck, superintendent, Christmas trees; Martha Carnes, superintendent, flowers; Louis Quast, superintendent, fruits; Orrin Turnquist, superintendent, vegetable-potato.

AMUSEMENTS—Roehlke, supervisor; Len Dobbs, superintendent, race; Bob Potter, superintendent, grandstand productions.

CATTLE—Carnes, supervisor; Ray Arthaud, superintendent.

CREATIVE ACTIVITIES—Roehlke, supervisor; Evelyn Hagen, superintendent.

DAIRY PRODUCTS—Carnes, supervisor; Cliff Markuson, superintendent.

EDUCATION—Ojakangas, supervisor; Bob Anderson, superintendent.

FINE ARTS—Korff, supervisor; Bob Lesch, superintendent.

4-H CLUB—Lilliquist, supervisor; Wayne Carlson (acting) superintendent.

FFA—Morris, supervisor; Odell Barduson, superintendent.

FORAGE—Roehlke, supervisor; Dan Elmer, superintendent.

GOATS—Tiffany, supervisor; Jim Sheldon, superintendent.

HORSE—Carnes, supervisor; Harold Arneman, superintendent.

LEGISLATIVE-EDITORIAL—Morris, supervisor

MEATS—Carnes, supervisor; Ed Butler, superintendent

NATURAL RESOURCES—Sprengeler, supervisor; Karen Kelley, superintendent.

PARKING—Korff, supervisor; Ron Vannelli, superintendent.

PLANT MANAGEMENT—Ojakangas, supervisor; Bill Jents, superintendent construction and maintenance; Bill Hermes, superintendent greenhouse; Ed LaPointe, superintendent mechanical services; Joe Fischler, superintendent plant services.

POULTRY—Tiffany, supervisor; Harold Thomforde, superintendent.

PUBLICITY—Roehlke, supervisor; Jerry Hammer, superintendent.

PUBLIC SAFETY—Ramberg, supervisor; Cliff Mottaz, superintendent; Art Blakey, chief of police.

SANITATION—Morris, supervisor; Jim Libby, superintendent.

SENIOR CITIZEN—Ramberg, supervisor; Marj Krueger, superintendent.

SHEEP—Tiffany, supervisor; Bob Jordan, superintendent.

SPACE RENTAL—Korff, supervisor; Jim Sinclair, superintendent.

FARM MACHINERY—Lilliquist, supervisor; Jack True, superintendent.

SWINE—Sprengeler, supervisor; Bob Jacobs, superintendent.

TICKET AUDIT—Lilliquist, supervisor; Dick Reinhardt, superintendent.

TICKETS—Lilliquist, supervisor.

YOUTH CAMP—Sprengeler, supervisor; Larry Hillesland, superintendent.

President Scow recessed the regular board session so that meetings of standing committees might be conducted and an-

nounced that in keeping with usual procedure, all members of the board are invited to sit in on the deliberations 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 acceptable and desirable during deliberations.

SPACE RENTAL COMMITTEE MEETING

Members present: Korff, chairman; Carnes; Ramberg; Sprengeler; Tiffany; Ojakangas; Scow; ex-officio; Heffron, ex-officio; Wenzel, ex-officio; Sinclair; ex-officio.

Mr. Sinclair presented and discussed with the committee a recommendation under which the Space Rental Department would be authorized to institute a general increase in space rental rates for the 1981 State Fair. Said increase would raise exhibit space from an (average) rate of \$23.00 to \$27.00 per front foot and concession space from an (average) rate of \$29.00 to \$37.00 per front foot. This increase would be the first instituted by the society in three years and would bring rates more in line with other expositions of comparable size. Upon a motion by Mr. Ramberg, seconded by Mr. Carnes and carried, approval was granted for the outlined space rate increases (Aye-6, Nay-0).

A program to make mandatory the provision of general liability insurance on all concessionaires/exhibitors was outlined for the committee along with a recommendation of the staff that such a program be instituted for the 1981 State Fair. Under such program all concessionaires/exhibitors would be given 30 days in which to provide the Space Rental Department with evidence that they have provided general liability insurance to cover personal injury, property damage and food products liability for their operations. If at the end of this period evidence of insurance is not forthcoming, space rental contracts for the coming Fair would be issued and include a surcharge to cover insurance provided through a group policy arranged by the State Fair with Haas-Wilkerson-Wohlberg of Kansas City, Missouri. The committee was advised that space rental contracts would be modified to include language to indemnify and hold harmless the State Fair for any liability and even though the State Fair would be named as an additional insured on the proposed group liability policy for concessionaires and exhibitors, the policy would be separate from all State Fair policies/coverage and any claims against this group policy would not go on the State Fair's loss experience record. Upon a motion by Mr. Carnes, seconded by Mr. Ojakangas and carried, staff was authorized to institute such a group insurance program for concessionaires/exhibitors at the 1981 State Fair with minimum liability limit for all concession/exhibit insurance of \$1,000,000 per occurrence. (Aye-6; Nay-0).

Transfer of a food concession structure (contracted for the sale of peanuts) from Mr. Gary S. Pelton to Mr. Walter R. Kranz was approved (contingent upon continued sales of the same peanut product) upon a motion by Mr. Tiffany, seconded by Mr. Ramberg and carried (Aye-6; Nay-0).

Transfer of a food concession structure (contracted for the sale of peanuts) from Mr. Raymond J. Pelton to Mr. Walter R. Kranz was approved (contingent upon continued sales of the same peanut products) upon a motion by Mr. Tiffany, seconded by Mr. Carnes and carried (Aye-6; Nay-0).

Mr. Sinclair presented information on proposed sale(s) of the following concession structures: Gary S. Pelton (1 peanut

stand) to Ted Husnik and; Raymond J. Pelton (3 peanut stands) to Ted Husnik, all of the above requested for the sale of "Deli Stick" from each location in place of peanuts. Upon a motion by Mr. Ramberg, seconded by Mr. Tiffany and carried, bills of sale and space transfers covering the above transactions were denied due to the requested change in products to be offered from what have traditionally been peanut concessions. (Aye-6; Nay-0).

A discussion, initiated at the November 14 space rental committee meeting (53-80) on transfer/sale of the Sky Ride, was continued. Sinclair indicated bids had been accepted on the sale by (owner) Group Amusement Ownership Plan, Inc. and that name and resume of "best bidder", Mr. Edward A. Hjermstad, had been submitted to the society for approval. After lengthy review of Mr. Hjermstad's resume, it was moved by Mr. Ojakangas, seconded by Mr. Sprengeler and carried that transfer be approved given the stipulation that Mr. Hjermstad provide evidence of \$5,000,000 in general liability insurance coverage and further; that he advise the Space Rental Department of his precise plans for implementation of necessary maintenance on the Sky Ride, who he has made arrangements with to perform said maintenance, including their qualifications to undertake such work (Aye-6; Nay-0).

Information was presented to the committee relative to a letter received by Mr. Sinclair on December 30, 1980 from ARAMAC, Inc. requesting that said firm be allowed to sell the Space Tower which is located on the State Fairgrounds. As this information was presented to the committee only for their further awareness, no discussion or action was undertaken.

Mr. Wenzel presented proposed vehicle storage rate increases for the 1981-1982 season to the committee along with comparisons of these proposed rates with those applied during the 1980-1981 season as follows:

1980-1981 Rates	Proposed 1981-1982 Rates
Units up to 16 ft. — \$ 40.00	— \$ 50.00
Over 16 ft. up to 20 ft. — \$ 60.00	— \$ 75.00
Over 20 ft. up to 25 ft. — \$ 75.00	— \$ 90.00
Over 25 ft. up to 30 ft. — \$100.00	— \$120.00
Over 30 ft. up to 35 ft. — \$125.00	— \$150.00
Units over 35 ft. — \$150.00	— \$180.00

Upon a motion by Mr. Carnes, seconded by Mr. Tiffany and carried, the above outlined rate increases were approved (Aye-6; Nay-0).

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

OPERATIONS COMMITTEE MEETING

Members present: Ojakangas, chairman; Ramberg; Sprengeler; Korff; Lilliquist; Roehlke; Scow, ex-officio; Heffron, ex-officio; Wenzel, ex-officio.

It was moved by Mr. Lilliquist, seconded by Mr. Korff and carried that the following outside gate "all-pay" policy be reaffirmed and extended through 1981: 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. Sprengeler, seconded by Mr. Lilliquist and carried to approve the following outside gate fee schedule (same as '80); adult admission—\$3.00; child admission—\$1.00; vehicle admission—no charge; adult discount admission—\$2.00

(in lots of 12) (Aye-5; Nay-0).

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

An increase in the campgrounds fee from \$4.00 to \$6.00 per night was approved upon a motion by Mr. Sprengeler, seconded by Mr. Ramberg and carried (Aye-5; Nay-0).

It was moved by Mr. Korff, seconded by Mr. Lilliquist and carried that "operating hours" as established in 1980 (8-80) be reaffirmed for 1981 (Aye-5; Nay-0).

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

PUBLIC AFFAIRS COMMITTEE MEETING

Members present: Roehlke, chairperson; Ramberg, Sprengeler; Tiffany; Ojakangas; Korff; Scow, ex-officio; Heffron, ex-officio; Frost, ex-officio.

Public Affairs Director Jim Frost presented proposed advertising and publicity budgets for the coming year. Following discussion, budgeted advertising expenditures of \$305,000 and publicity expenditures of \$90,000 were approved for 1981 on a motion by Mr. Ojakangas, seconded by Mr. Ramberg and carried (Aye-5; Nay-0).

There being no additional business on the table, the public affairs committee meeting was adjourned.

RULES/PREMIUM LIST COMMITTEE MEETING

Members present: Sprengeler, chairman; Carnes; Tiffany; Ojakangas; Lilliquist; Morris; Scow, ex-officio; Heffron, ex-officio; Frost, ex-officio.

It was moved by Mr. Carnes, seconded by Mr. Tiffany and carried that the following additions and/or changes to Society rules be approved (Aye-5; Nay-0):

Add new rule . . . S.F. 1.18-Pets.

"No dogs or other pets, other than seeing-eye dogs, shall be permitted on the State Fairgrounds during the annual State Fair. This prohibition does not apply to the State Fair campgrounds or any other area expressly designated by the Secretary-General Manager; nor does it apply to animals on display in competitive or commercial exhibits."

Add new rule . . . S.F. 1.19-Roller Skates and Skateboards.

"Roller skates or skateboards shall not be permitted on the State Fairgrounds during the annual State Fair, except in an exhibit contracted by the Society."

Add new rule . . . S.F. 1.20-Practice Driving.

"The State Fairgrounds may not be used by any person, organization or firm to conduct lessons for or to practice driving automobiles or other motor vehicles, unless such person, organization or firm has entered into a contract with the Society to engage in such activity."

Change language in rule . . . S.F. 3.3.

Change "Livestock Sanitary Board" to "Board of Animal Health."

Add to end of current rule . . . S.F. 3.4-General Entry Requirements.

"No officer of the Society or member of the Board of Man-

agers or State Fair employee or department superintendent, or member of such person's family, shall be permitted, directly or indirectly, to make a competitive entry in any department over which that person has supervisory responsibility or in which that person is employed."

Upon a motion by Mr. Ojakangas, seconded by Mr. Lilliquist and carried, authority was granted to the competitive exhibits coordinator, in cooperation with department superintendents, to make adjustments in rules, release dates and/or premiums for respective departments in accordance with guidelines established by the society's 1981 operating budget (Aye-5; Nay-0).

There being no further business on the table, the rules/premium list committee meeting was adjourned.

FINANCE COMMITTEE MEETING

Members present: Lilliquist, chairman; Carnes; Ramberg; Sprengeler; Tiffany; Morris; Scow, ex-officio; Heffron, ex-officio; Roehl, ex-officio.

Secretary presented a proposed operating, maintenance and improvement budget for 1981, stating that the maintenance and improvement portion of proposed expenses had been approved by the planning committee on January 19, 1981.

Upon a motion by Mr. Ojakangas, seconded by Mr. Sprengeler and carried, the 1981 operating, maintenance and improvement budgets were approved as presented (Aye-5; Nay-0).

There being no additional business on the table, the finance committee meeting was adjourned.

RECONVENED MEETING OF THE BOARD

Reports and action taken by the planning, space rental, operations, public affairs, rules/premium list and finance committee(s) were approved upon a motion by Ms. Roehlke, seconded by Mr. Morris and carried (Aye-8; Nay-0).

Mr. Frost reviewed for the Board the status of contract negotiations with acts and attractions for night Grandstand, Bandshell, Coliseum and other entertainment areas.

New contracts covering the services of MTS-Northwest Sound Service; Triemert (painting); Toltz, King, Duval and Anderson (architectural and engineering); McQuillan Brothers (plumbing) and; Kehne Electric were approved upon a motion by Mr. Carnes, seconded by Mr. Tiffany and carried (Aye-8; Nay-0).

Mr. Wenzel indicated that Construction/Maintenance Superintendent Bill Jents would be retiring on or about April 1. After discussion, it was moved by Mr. Tiffany, seconded by Mr. Ojakangas and carried that secretary and operations director be authorized to contract for carpentry services, as is presently the case with plumbing services, in lieu of hiring a new full-time employee to staff this function. Motion specifies that executive committee approve said contract pending next meeting of the full Board (Aye-8; Nay-0).

An employment contract covering Ken Gianinni (12-13-80) was approved upon a motion by Mr. Ojakangas, seconded by Mr. Lilliquist and carried (Aye-8; Nay-0).

Mr. Roehl submitted a report on behalf of the life member advisory committee, which met at 3:00 p.m. It was moved by Mr. Korff, seconded by Ms. Roehlke and carried that said report be accepted and approved. (Aye-8; Nay-0).

Mr. Wenzel informed the Board that the St. Paul Radisson

Hotel will be available for the society's annual meeting on January 15-18, 1984. After discussion, it was moved by Mr. Tiffany, seconded by Mr. Sprengeler and carried that the St. Paul Radisson be approved as site for the 1984 annual meeting of the society on January 15-18 (Aye-8; Nay-0). (In accordance with prior action taken by the Board, the St. Paul Radisson was approved as the site for the 1982 annual meeting on January 17-19 and; the Minneapolis Leamington was approved as site for the 1983 annual meeting on January 23-26.)

An updated contract covering the services of Mr. Richard Keenan as space rental legal consultant was approved upon a motion by Mr. Lilliquist, seconded by Mr. Ojakangas and carried (Aye-8; Nay-0).

The following officers' cottage room assignments were made by Mr. Scow: 1. Korff; 2. Tiffany; 4. Ramberg; 5. Roehlke; 6. Scow; 7. Ojakangas; 8. Lilliquist; 10. Carnes; 11. Morris; 12. Sprengeler.

Adjournment was moved by Ms. Roehlke, seconded by Mr. Korff and carried (Aye-8; Nay-0).

Meeting adjourned.

SPACE RENTAL REVIEW MEETING ADMINISTRATION BUILDING—STATE FAIRGROUNDS

Monday, April 6, 1981 — 9:00 A.M.

Members present: Korff, chairman; Carnes; Ramberg; Ojakangas; Heffron, ex-officio; Wenzel, ex-officio; Sinclair, ex-officio.

Meeting called to order at 9:00 A.M. by Chairman Korff.

Mr. Roger Tobias of Computer creations presented to the meeting his request for review of his previously denied concession application along with samples of his computer portrait products for consideration. After considering Mr. Tobias' application and product samples and the comments of Mr. Sinclair relative to the two computer portrait concessions presently located on the State Fairgrounds, it was moved by Mr. Ramberg, seconded by Mr. Carnes and carried that Mr. Tobias' request for space be denied based on the fact that there are two such operations contracted for the 1981 State Fair, a concern for maintenance of good geographic balance of such products and the potential for over-duplication of same (Aye-3; Nay-0).

Mr. Sinclair presented correspondence from Far East Company requesting review of the Space Rental Department's decision to deny its application for space to sell oriental gift/imports at the 1981 State Fair. Based on the committee's concern for potential over-duplication of such products, or those generically similar, and a desire to maintain good geographic balance of such products on the fairgrounds it was moved by Mr. Carnes, seconded by Mr. Ojakangas and carried that the initial decision of the State Fair staff to deny this applicant of space be upheld (Aye-3; Nay-0).

The application for Appleside Orchards & Market was presented to the Committee for reconsideration and Mr. Richard Young appeared to provide further information on his products/services as well as a sample of his apple cider product. Mr. Young had submitted an application for concession space which the staff had denied and an application for exhibit space which was still in the process of consideration for display space. It was moved by Mr. Ojakangas, seconded by Mr. Ramberg and carried that the exhibit application still in considera-

tion be given every possible consideration and that the understanding of same be modified to allow for the sale of apple cider only from such space. (Aye-3; Nay-0).

Upon a motion by Mr. Ramberg, seconded by Mr. Carnes and carried, the committee directed the Space Rental Department to make every effort to find suitable exhibit space of an appropriate size to accommodate the request by Andre Industries. If space is not available, the staff was then directed to deny said application by Andre Industries. Further, the Fair policy placing a prohibition on the inheritance, sales/purchase, or transfer of exhibit space from an individual to another was affirmed by the Committee (Aye-3; Nay-0).

It was moved by Mr. Carnes, seconded by Mr. Ojakangas and carried that the staff decision to deny the Space Rental application of Alpine Products be upheld based on a concern for potential over-duplication of generic products. (Aye-3; Nay-0).

A motion was made by Mr. Carnes, seconded by Mr. Ramberg and carried that the application submitted for reconsideration by Mr. Dale Koch be refused in support of the initial staff decision (Aye-3; Nay-0).

The application for exhibit space submitted by Fisher Stoves of Minnesota, Inc. was presented for review by Mr. Sinclair. It was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that said application be placed in an "if suitable space is available" status for further consideration by the staff (Aye-3; Nay-0).

Mr. Traver Hutchins d.b.a. Computer Portraits appeared before the committee to display his products and request review of the initial staff decision to deny his application for space at the 1981 State Fair. After considering Mr. Hutchins' application and product, the motion was made by Mr. Carnes, seconded by Mr. Ramberg and carried that the application of Mr. Hutchins be denied due to a concern for good geographic balance and a desire to avoid over-duplication of such concessions (Aye-3; Nay-0).

On a motion by Mr. Ojakangas, seconded by Mr. Ramberg and carried the initial staff decision to deny the application of Silver Strands to sell jewelry at the 1981 Minnesota State Fair was supported by the Committee (Aye-3; Nay-0).

After receiving information on the application and a request for review by Mr. Ronald Yoder, the Committee found the consensus of its members to be that said application be denied due to a concern for duplication of the product offered. Moved by Mr. Carnes, seconded by Mr. Ramberg and carried (Aye-3; Nay-0).

Dr. Sujan Singh Chadha d.b.a. Chadha Imports appeared before the Committee to request that his application for space at the Fair be given further consideration. It was moved by Mr. Ramberg, seconded by Mr. Carnes and carried that based on concerns for potential over-duplication of Indian imported products and good geographic balance of such products at the Fair, the committee was compelled to deny Dr. Chadha's request for rental space (Aye-3; Nay-0).

After discussing the application for concession space submitted by the Minnesota Purebred Dairy Cattle Breeders Association (Mr. Bert Schwinghamer), as well as the concerns of the Fair for potential over-duplication of malt products, it was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that the initial staff decision to deny this application be upheld based on concerns relating to sanitation, duplica-

tion of product and size required to accommodate the concession trailer proposed. The staff was further directed to explore the need/demand for another malt concession in the live-stock barn area during the 1981 Fair (Aye-3; Nay-0).

Upon a motion by Mr. Ramberg, seconded by Mr. Ojakangas and carried it was decided that the application for space to sell "stretched pennies" submitted by Mr. Jack Bibeau be denied based on committee concerns for duplication of this product (Aye-3; Nay-0).

The applications for rental space submitted by Mr. Douglas Sakarison of Third Dimension and Quality Home Products, Mr. Dale Mettenberg, were jointly considered by the Committee. Based on concerns for potential over-duplication of products generically similar to those of Mr. Sakarison and Mr. Mettenberg as well as a desire to maintain a good geographic balance of same on the Fairgrounds, it was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that both the application for Third Dimension and Quality Home Products be denied (Aye-3; Nay-0).

Mr. Sinclair presented information relating to the alleged subletting of space held at the 1980 Minnesota State Fair by A-C Enterprises to two parties, Third Dimension and Quality Home Products. Further, a letter was provided by Exclusive Home Products of Moorhead, Minnesota indicating that their firm had been offered the opportunity to sublet space from A-C Enterprises during the 1981 State Fair. Based on the correspondence presented, it was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that the staff present the information provided to Kent Harbison of the Attorney General's staff for his opinion and following receipt of same advise Mr. Schlink that his opportunity to return as an exhibitor at the 1981 Minnesota State Fair would be withheld. (Aye-3; Nay-0).

It was moved by Mr. Ramberg, seconded by Mr. Carnes and carried that the proposed sale of the lunch and refreshment concession structure and equipment held by Mr. Merlin Olson in Block 39 on Lot 0 to Wozniak Concessions, Dan and George Wozniak, be approved for the sale of fresh french fries, contingent on the following:

1. That the proposed buyers must confine their entire concession operation activities to the interior of the structure purchased.
2. That the proposed buyers discontinue their commissary/food storage and preparation operations at the rear of the building located on Lot D in Block 44.
3. That the proposed buyers relinquish the two locations in Blocks 43 and 48 upon which their two fresh french fry concessions are contracted to be situated during the State Fair, with all rights to the use of said space to revert to the State Fair for development/use as they deem appropriate.

(Aye-3; Nay-0).

Meeting adjourned at 12:30 P.M.

SPACE RENTAL REVIEW MEETING ADMINISTRATION BUILDING, STATE FAIRGROUNDS

Tuesday, May 19, 1981 - 10:00 A.M.

Members present: Korff, chairman; Carnes; Scow; Tiffany; Heffron, ex-officio; Wenzel, ex-officio; Sinclair, ex-officio.

Also present; Kent Harbison.

Representatives of the Minnesota Citizens Committee, Mr. Dave Thomas and Mr. Lloyd Ahlquist appeared before the committee pursuant to a letter from Mr. Michael Henley requesting review of the Space Rental Department's earlier decision to deny this organization's application for space. Discussion was undertaken relative to this organization's interests and flexibility relating to a desire for concession or exhibit space, location desired, space needed and products/services to be offered. It was determined that this organization was basically interested in visibility and exposure at the Fair rather than strictly the commercial aspects of such an undertaking and the committee requested that the application of the Minnesota Citizens Committee be given every possible consideration in an effort to find them space at the 1981 State Fair. Moved by Mr. Carnes, seconded by Mr. Scow and carried (Aye-4; Nay-0).

The Space Rental Application of Mr. Sam Maggio was placed before the committee for consideration along with samples of products supplied by Mr. Maggio. Mr. Maggio gave a verbal description of his ideas for a silk-screen t-shirt concession, explaining the process of silk-screening and how patrons would undertake to silk-screen their own shirts at his concession. A motion was made by Mr. Carnes, seconded by Mr. Tiffany and carried that the concerns of the committee for potential over-duplication of generic products and geographic balance on the grounds would not allow the committee to grant Mr. Maggio concession space in 1981 (Aye-4; Nay-0).

It was moved by Mr. Carnes, seconded by Mr. Tiffany and carried that the decision of the Space Rental Department relative to the application of Mr. Robert Sherman under the name of Christine's Clock Shop for the sale of grandfather, wall and mantle clocks be upheld based on a concern for duplication of products, geographic balance, and lack of appropriate available space to accommodate such a concession offering these products (Aye-4; Nay-0).

Mr. Dave Stafsholt of Imperial Imports was presented to the committee per his request to have the Space Rental Department's decision to deny his application to sell Flitz metal polish at the State Fair reviewed. Upon a motion by Mr. Scow, seconded by Mr. Carnes and carried, the decision of the Space Rental Department with regard to Mr. Stafsholt's application was confirmed based on a lack of appropriate available space and the fact that applications for the same product had been received prior to Mr. Stafsholt's (Aye-4; Nay-0).

Messrs. Terrill Erickson and Dennis Hatch appeared before the Committee for reconsideration of their application submitted under the company name of Classic Collector Products. After discussion regarding the products proposed to be offered, the committee expressed an appreciation for the artwork shown on the Minnesota commemorative/collector items proposed for display/sale at the Fair and encouraged the staff to make every effort to find suitable space for the presentation of said products at the fair or assist in the efforts of Classic Collector Products to find a concessionaire with assigned space and compatible generic products who would be interested in presenting their items at the 1981 Fair. Moved by Mr. Carnes, seconded by Mr. Scow and carried (Aye-4; Nay-0).

Relative to the decision of the Space Rental Committee at their Monday, April 6, 1981 meeting, discussion was undertaken with Mr. Jerry Schlink of A-C Enterprises and his attorney, Mr. George Roehrdanz, regarding allegations of subletting by three other new applicants for concession space at the

Minnesota State Fair. After considerable questioning by the Committee and Mr. Harbison and the explanations of Mr. Schlink and Mr. Roehrdanz regarding the past business relationships of Mr. Schlink with his employees, it was determined that insufficient evidence existed to indicate that Mr. Schlink had sublet any space assigned to him at previous state fairs

and the staff was directed to execute a space rental contract with Mr. Schlink for the 1981 Minnesota State Fair. Moved by Mr. Scow, seconded by Mr. Tiffany and carried (Aye-4; Nay-0).

Meeting adjourned at 12:45 P.M.

SPACE RENTAL COMMITTEE MEETING **Administration Building, State Fairgrounds** **Friday, July, 10, 1981 - 9:00 A.M.**

Committee members present: William Korff, chairman; Norris Carnes; Leonard Ramberg; Willis Lilliquist; J. G. Tiffany; Sulo Ojakangas; Art Sprengeler; Logan Scow, ex-officio; Mike Heffron, ex-officio; Ken Wenzel, ex-officio; Jim Sinclair, ex-officio.

A request by Mr. Philip Ravitzky to transfer his half ownership in The Strawberry Patch, located in block 41 on lot C to Ms. Nora Ivory, sister of the remaining half owner of said concession, Mr. Francis Ivory, was reviewed by the Committee. It was moved by Mr. Carnes, seconded by Mr. Tiffany and carried that the requested transfer be approved (Aye-6, Nay-0).

Transfer of the Space Tower from ARAMAC, Inc. to Mr. James C. LaVictorie dba Stuff, Inc. was approved contingent upon the following: (1) That the transfer agreement between the two parties be amended to exclude any reference to the concession percentage fee payable to the Fair; (2) That proposed buyer understand that the concession percentage fee payable to the Minnesota State Fair for operation of the Space Tower will be 25% in 1981, but that this percentage amount is reviewed and approved on an annual basis and is in no way guaranteed over time. Moved by Mr. Ramberg, seconded by Mr. Sprengeler and carried (Aye-6; Nay-0).

A proposal by C & T Recreation, Inc. to transfer their ownership interest in the Haunted House located in block 47, lot A to Mr. Chad Cannon dba Cannon Minnesota Corporation was placed before the committee for consideration. It was moved by Mr. Carnes, seconded by Mr. Tiffany and carried that this sale be approved contingent upon the posting of same in the Space Rental Office for a 30 day period (Aye-6, Nay-0).

A letter submitted by Mr. Edward A. Hjermstad dba Arrow Enterprises, Inc., new owner/operator of the Skyride, requesting a reduction of the percentage concession fee payable to the Minnesota State Fair for operation of the Skyride was presented for review by the committee. It was moved by Mr. Ramberg, seconded by Mr. Sprengeler and carried that the concession percentage fee payable to the Minnesota State Fair for operation of the Skyride at the 1981 Fair only be established at 25%, contingent upon Mr. Hjermstad's understanding that the percentage fee payable to the State Fair is reviewed on an annual basis by the Board and is not guaranteed over time. (Aye-6, Nay-0).

The committee reviewed the agreement under which Mr. Charles L. Johnson dba Coliseum Concessions would retain the food and beverage concession rights in the Coliseum during the non-fair period between June 11, 1981 and June 11, 1982. Upon a motion by Mr. Tiffany, seconded by Mr. Ojakangas and carried, said agreement was approved for the stated period. (Aye-6, Nay-0).

It was moved by Mr. Carnes, seconded by Mr. Ojakangas and carried that the front footage rate charged to Royal American

Shows, Inc. for concessions and games at the 1981 State Fair be increased from the 1980 rate of \$35.00 per front foot to \$38.00 per front foot for the 1981 Fair. (Aye-6, Nay-0).

Mr. Sinclair appraised the committee of circumstances surrounding the allocation of designated/reserved parking spaces to purveyors holding merchandise permits at the State Fair and proposed a plan for the implementation of a \$25.00 charge over and above the basic \$25.00 fee for a merchandise permit. This additional \$25.00 charge would entitle the holder to use of the designated parking space corresponding with the permit and the extra privilege of having a specific space designated for parking during the Fair. It was moved by Mr. Ojakangas, seconded by Mr. Sprengeler and carried that the aforementioned fee schedule be implemented. (Aye-6, Nay-0).

On a motion by Mr. Carnes, seconded by Mr. Ramberg and carried, the following list of percentage agreements was approved. (Aye-6, Nay-0).

A.A.C.A.—Minnesota Region—Car Museum	30%
Brede Enterprises—Giant Carrousel	33-1/3%
Brede Enterprises—Beer	20%
Cannon Minnesota Corp.—Haunted House	25%
Cleworth Food & Beverage—Beer	20%
Coliseum Concessions—Beer	20%
James W. Crocker—Beer (Spaghetti Village)	20%
James A. Davis—Beer (Coliseum)	50% of net
Desplenter Concessions—Novelties . . . (Guarantee of \$16,500 on sales to \$62,000—25% of gross sales from \$62,000 to \$70,000 and 30% of sales over \$70,000.)	
Fair Enterprises—G.S. Program/Novelties (Guarantee of \$1,000 & 20% of gross over \$9,500.)	
Fairway Golf Range—miniature golf	33-1/3%
The Frontier—Beer (Richard Werner)	20%
Giant Slide, Inc.—Giant Slide	30%
Junkin Concession Co.—Food & Refreshments (Grandstand) (30% of first \$20,000, 32-1/2% of any amount over \$20,000.)	
Junkin Concession Co.—Beer (Grandstand).	50% of net
Kirschner's Beer Stube—Beer	20%
Mrs. Katie Little—Beer	20%
Tyrone Malone Enterprises, Inc.—Whale	30%
Tyrone Malone Enterprises, Inc.—Boss Truck	30%
Mexican Villages, Inc. (\$20,400 Guarantee plu: 20% beer sales	
Midway Men's Club—Beer	20%
Midway Sign Company—Sign & Card Paintings	20%
Boat Display. (20% to \$10,000 & 25% over \$10,000	
Misc. & Bandshell—Record Sales.	10%
National Multiple Sclerosis Society—UFO Car.	30%
Old Mill Company—Old Mill Canal Ride.	33-1/3%

These figures represent the percentages due the State Fair on each of the above. In applying the percentage, state sales tax is deducted first and the reconciliation between the State Fair and the concessionaire is made on the remaining amount.

It was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried that the following list of percentage concession ticket prices be approved (Aye—6, Nay—0).

1. Giant Slide 50¢
2. Antique Auto Show 75¢
3. Old Mill 50¢ (Kids)
75¢ (Adults)
4. Space Tower 50¢ (Kids)
1.25 (Adults)
5. Royal American Shows (Single Coupons) 30¢
(Coupon Books) —20 coupons per book — \$5.00
6. Sky Ride (Kids—One Way) 75¢
(Kids—Round Trip) \$1.25
(Adults—One Way) \$1.25
(Adults—Round Trip) \$2.00
7. Carrousel 50¢
8. Haunted House \$2.00
- * 9. UFO Car 75¢
10. Whale Show From 50¢ in 1980 to 75¢ in 1981
- *11. Boss Truck 75¢
- *12. Antique Boats 50¢ (Kids)
1.00 (Adults)

*Indicates new attraction in 1981

Except where indicated, ticket prices have not changed from 1980 to 1981.

After reviewing the following roster of miscellaneous concessions for the 1981 Minnesota State Fair, it was moved by Mr. Ramberg, seconded by Mr. Sprengeler and carried that said list be approved. (Aye—6, Nay—0).

Name	Description	Number	Price Per	Total
James A. Davis	Ice Cream & Sno Cones	14	\$ 689.28	\$9,650.00
James A. Davis	Ice Cream & Coca-Cola	5	540.00	2,700.00
James F. Hannasch	Sno Cones	6	533.33	3,200.00
Mrs. Katie Little & John Giere	Cotton Candy	10	616.00	6,160.00
Matt Milner	Novelies	2	575.00	1,150.00
O'Neil Amusements	Stick Dogs	11	709.00	7,800.00
Raymond J. Pelton	Peanuts	6	367.50	2,205.00
Gary Pelton	Peanuts	6	367.50	2,205.00
Townsend & Johnson	Foot Longs	9	611.11	5,500.00
Mrs. Charles Volin	Cigarettes	4	525.00	2,100.00
Televac Computers	Hand Writing Analysis	4	1,335.00	5,340.00
Eugene LaVague	Sno Cones	6	533.33	3,200.00
Burton F. Johnson	Gum Ball/Charm Mach.	12	29.16	350.00
Coliseum Concessions	Food, Beverage and Beer	4	1,400.00	5,600.00

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

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY ADMINISTRATION BUILDING

Friday, July 10, 1981 — 10:00 A.M.

Present: Logan Scow, president; Norris Carnes; Leonard Ramberg; William Korff; Willis Lilliquist; Howard Morris; Sulo Ojakangas; Eileen Roehlke; Arthur Sprengeler; J. G. Tiffany; Mike Heffron, Secretary.

Also present: Ken Wenzel; Jim Sinclair; Kent Harbison; Rich Keenan; Jim Roehl; Jim Frost.

Upon a motion by Ms. Roehlke, seconded by Mr. Lilliquist and carried, minutes of the January 20 Board meeting, previously mailed to the members, were approved (Aye—9; Nay—0).

Mimeographed copies of the Minutes in Vacation, covering the period January 12 through July 4, 1981, and the administrative action noted therein, were approved upon a motion by Mr. Tiffany, seconded by Mr. Korff and carried (Aye—9; Nay—0).

Upon a motion by Mr. Korff, seconded by Mr. Ojakangas and carried, minutes of the April 6 and May 19 Space Rental review meetings were approved (Aye—9; Nay—0).

Secretary presented the June 30, 1981 Society financial statement as follows:

Cash Balance—May 31, 1981	\$ 5,194.39
Interest Income	1,462.86
Ticket Account Transfers	281,000.00
June Receipts	98,611.33
	<u>\$386,268.58</u>

Disbursements during June:

Bi-weekly payroll, May 16-19	\$39,806.54	
Bi-weekly payroll, May 30-June 12	43,690.53	
Bank Securities bought	125,000.00	
June Disbursements paid	<u>127,060.08</u>	\$335,557.15
		<u>\$ 50,711.43</u>

Cash Balance—June 30, 1981:

General Fund	\$ 50,711.43
Contingent Fund	500.00
Petty Cash	800.00
Ticket Account	2,115.72
Bank Securities —mature 7/01/81	110,000.00
—mature 7/13/81	30,000.00
—mature 7/27/81	100,000.00
—mature 7/30/81	60,000.00
	<u>\$354,127.15</u>

Cash Balance—June 30, 1980

General Fund	\$ 29,966.47
Contingent Fund	500.00
Petty Cash	400.00
Ticket Account	25,001.19
Bank Securities—mature 7/07/80	30,000.00
—mature 7/16/80	275,000.00
—mature 7/18/80	115,000.00
—mature 7/23/80	40,000.00
—mature 7/28/80	50,000.00
	<u>\$565,867.66</u>

After review of the statement and of the Society cash and investment balance, it was moved by Mr. Carnes, seconded by Mr. Morris and carried that the financial statement of June 30, 1981 be approved (Aye-9; Nay-0).

Approval of action taken by the Space Rental Committee earlier in the day (July 10) was moved by Mr. Korff, seconded by Mr. Ojakangas and carried (Aye-9; Nay-0).

Secretary reviewed two items of legislation passed into law during the 1981 session, both of which have profound impact on the functional and financial stability of the fair. He indicated that these statutory enactments were effectively channeled through the legislative process without benefit of reasonable hearing and without due consideration of the needs and requirements of the Society. One imposes financial demands upon the exposition which potentially could damage its fiscal position while the second restrains and is counter-productive in areas of space rental administration. Secretary recommended that the Society membership be organized into a cohesive unit so as to deal with these kinds of legislation in an effective manner.

Kent Harbison and Rich Keenan outlined the provision of a new law which would appear to mandate the expansion of small food concessions. Both gentlemen indicated that the statutory language was quite vague and difficult to interpret with respect to application. After considerable discussion, it was moved by Mr. Carnes, seconded by Mr. Lilliquist and carried that the Board affirm action taken by the Space Rental Department in denying expansion of food operations on the basis that (1) there are physically no sites available and (2) over 150 new applicants for food locations have been previously denied space. The motion further instructs the staff to determine, if possible, the meaning of the statute and seek resolution of its inconsistencies (Aye-9; Nay-0).

After a general review of the provisions of the so-called "Falcon Heights City Services" law, it was moved by Mr. Ramberg, seconded by Mr. Korff and carried that staff be authorized to proceed with a negotiation process and that Mr. Keenan be appointed to represent the Society in these matters. Any agreement formulated by the parties is to be presented for Board consideration before implementation (Aye-9; Nay-0).

It was moved by Mr. Carnes, seconded by Mr. Sprengeler and carried to authorize a Society expenditure of up to \$1,200 as part of a joint promotion with the Minneapolis Saddle and Bridle Club for hosting out-of-town and out-of-state horse show exhibitors (Aye-9; Nay-0).

Upon a motion by Mr. Sprengeler, seconded by Mr. Tiffany and carried, the usual Fair-period invitations to Livestock Breeders Association, Life Members and 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). As a part of the motion, approval was granted for serving a breakfast meal to the Livestock Breeders on the day of their attendance.

An employment contract covering Robert Gibbons (4-13-81), plus cancellation of contracts on Bill Jents (3-20-81) and Walter Swanson (3-31-81) were approved upon a motion by Mr. Morris, seconded by Ms. Roehlke and carried (Aye-9; Nay-0). Also approved under the motion were the following changes of assignment; Joe Fischler from Plant Services Superintendent to Plant Management Group Coordinator and Phil

Fisher from Plant Services Assistant Superintendent to Plant Services Superintendent.

Grandstand, Bandshell, Heritage Square, as well as other miscellaneous entertainment contracts were reviewed and approved upon a motion by Ms. Roehlke, seconded by Mr. Ojakangas and carried (Aye-9; Nay-0). It was indicated that the total for all entertainment (\$845,000) includes \$225,000 for free acts and attractions. Following is a specific breakdown of entertainment costs:

Grandstand	Date	Payment Schedule
Willie Nelson	8/27-28	\$102,000 plus 70% over \$140,000
Rodney Dangerfield	8/29	\$40,000 vs 65%
Emmylou Harris	8/30	\$25,000 plus 30% over \$55,000
Pure Prairie League	8/30	\$15,000 plus 30% over \$55,000
Chuck Mangione	8/31	\$35,000 plus 65% over \$50,000
The Statler Brothers	9/1	\$35,000 plus 80% over \$50,000; plus \$500 - sound and lights, \$2,500 - Variety Attractions (agent)
The Doobie Brothers	9/2	\$100,000 (\$50,000 rain guarantee)
Victor Borge	9/3	\$25,000
Air Supply	9/4	\$20,000 plus 65% over \$40,000
Eddie Rabbitt	9/5	\$25,000 plus 65% over \$47,500
Dottie West	9/5	\$10,000
Dr. Hook	9/6	\$20,000 plus 65% over \$37,500
The Association	9/6	\$ 7,500
Zambelli Fireworks Mfg.		\$27,500
Matt Wiederkehr (Hot Air Balloons)		\$ 6,000
Bob Barker	9/7	\$35,000 plus 70% over amount to be determined
Naked Zoo Enterprises/ sound, lights		\$28,000
Bandshell	Date	Amount
The Jara Lane Show	8/27-9/1	\$ 6,500
The Jack D'Johns	8/27-9/1	\$10,500
Julius Wechter & The Baja Marimba Band	8/27-9/1	\$18,000
Billy Thundercloud	8/27-9/1	\$ 9,000
The Johnsons	9/2-9/7	\$ 7,500
Clay and Sally Hart	9/2-9/7	\$12,500
Paul New & Steel City	9/2-9/7	\$15,000
Red Steagall	9/2-9/7	\$15,000
Commodore Chorus	9/3	\$ 950
Ray Komischke Orchestra		\$ _____
J. D. Steele Singers (1980 Talent Winners)		\$ 4,000
Bobby Dale-Bandshell M.C.		\$ 1,600
Tom Baumgartner-Talent Contest M.C.		\$ 1,200
Tom Chepokas Quartet-Talent Contest Stage Band and Audition accompanist @ \$30 / 2 hours		\$ _____

Heritage Square

Blue Rock	9/27-9/1	\$ 6,600
Wolverines Classic Jazz Orch.	9/27-9/1	\$ 6,000
Barbary Coast Banjo Brass	9/2-9/7	\$ 7,380
Great Western Band	9/2-9/7	\$7,598.50
Chatfield Brass Band	9/7	\$ 800
Fischer Brothers Ozark Mountain Log Rolling Show	8/27-9/7	\$10,200
Rafel Family	8/27-9/7	\$ 4,000
Jamie Rafel (Blacksmith)	8/27-9/7	\$ 500

Horse and Rodeo

Barnes P.R.C.A. Rodeo	9/2, 3, 4	\$17,675
Shirley Trimble All days except rodeo		\$ 110
Jack Wallin Band	8/28-9/7	\$ 5,198
(Plus overtime & rehearsal @ \$40 / ½ hour)		\$ _____

Parade

All American Judes Assoc.	9/27-9/5	\$ 672
Mulleague & Company	9/27-9/7	\$ 3,500
Koch Bus Company	8/31-9/1	\$ 309
Lawrence Nelson (Goats & Oxen)	8/27-9/6	\$ 1,600
Leo Brutger (Dog Hitch)	8/27, 28, 31 & 9/1-4	\$ 875
Minnesota High School Bands	8/27-9/6	\$ 8,900
Wisconsin High School Bands	8/29-9/6	\$ 1,000
So. Dakota High School Band	8/28	\$ 1,000
Community Bands (as needed)	9/4 & 9/6	\$ 450

Agriculture/Horticulture

Minnesota Apple Growers Assn.	8/27-9/7	\$ 800
Minnesota State Hort. Society	8/27-9/7	\$ 2,500
Twin City Nursery	8/27-9/7	\$ 1,250
North Central Florists Assn.	8/27-9/7	\$ 7,250

Auto Races

Pace, Inc. (Neil Larson)	8/29 & 30 and 9/1, 3, 5 & 6	\$24,000
Chris Economaki	8/28-29	\$ 850
American Speed Association	8/29-30 and 9/5-6	\$ 2,000
Pro Sport America (bicycle Races)	8/28	No Fee

Machinery Park

Hank Thunander Band	8/27-9/1	\$ 3,550
Chmielewski Funtime Show	9/2-9/7	\$ 5,197.50

Senior Citizens

Minnesota Over 60 Band	8/27	\$ 350
The Crystallettes	8/31	\$ 100
The Melodians	8/27	\$ 50
Bob Larson	8/29 & 30, 9/4-7	\$ 400
Grandmothers Quartet	9/1	6 Gate Tickets
Nelson Twins	9/3	\$ 150
Paul and Archie	9/3-5	\$ 300
Pearl Landis	To be announced	\$ 50

Baldwin Hall

Jackson Marionettes	8/27-9/7	\$ 3,000
Charlie Disney Table Tennis	8/27-9/7	\$ 2,250

Miscellaneous

Minnesota Purebred Dog Breeders Association	8/27-9/7	\$ 3,795
Hanneford Aerial Thrill Circus	8/27-9/7	\$33,000 plus gate admission
Clifford Brunzell Concert Orch.	8/27-9/7	\$ 4,594
One Man Band (Lloyd Geisness)	8/27-9/7	\$ 1,200

Secretary made an interim report on advance ticket sales for 1981 Grandstand shows indicating that, as of July 2, a total sale of \$485,600 had been recorded. Sales on the same date in 1980 were \$420,400.

Kent Harbison provided a brief outline on the ISKCON/Supreme Court decision, as well as the Eighth Circuit Court of Appeals ruling on the Yurkew/Tatoo case. In both instances, the courts upheld the position taken by the Minnesota State Fair. Mr. Scow asked that the record reflect the Board's appreciation to Mr. Harbison and the Attorney General's office in these matters.

Business or staff memberships in the following organizations were approved upon a motion by Mr. Ojakangas, seconded by Mr. Korff and carried (Aye-9; Nay-0):

Organization	Designated Member (if any)	Annual Fee or Dues
American Dairy Goat Association		\$ 50.00
American Horse Shows Association		\$500.00
American Horse Shows Association Arneinan Senior Membership		\$ 25.00
American Institute of Certified Public Accountants	Roehl	\$ 60.00
Appaloosa Horse Club		\$ 20.00
Better Business Bureau		\$135.00
Country Music Association		\$ 25.00
Greater Minneapolis Chamber of Commerce		\$171.00
International Association of Fairs and Expositions		\$500.00
Midway Civic & Commerce Association	Heffron, Wenzel Roehl, Armstrong	\$140.00
Midwest Fairs Association		\$ 75.00
Minnesota Agri-Growth Council		\$200.00
Minnesota Hunter & Jumper Association		\$ 35.00
Minnesota Ice Arena Managers	Nardini	\$ 50.00
Minnesota Newspaper Association		\$150.00
Minnesota Quarter Horse Association		\$ 20.00
Minnesota Safety Council		\$ 55.00
Minnesota Society of Association Executives	Wenzel	\$ 50.00
North Suburban Chamber of Commerce		\$165.00
Palomino Horse Breeders Association		\$ 35.00
St. Paul Area Chamber of Commerce		\$165.00
St. Paul Chapter—Executive Women International	Wente	\$115.00
St. Paul Jaycees	Sinclair	\$ 35.00
Tri-State Horseman's Association		\$ 50.00
United States Auto Club		\$ 50.00
Outdoor Amusement Business Association		\$ 20.00

A carpentry contract covering the services of Joe E. Johnson and Sons was approved upon a motion by Mr. Morris, seconded by Mr. Lillquist and carried (Aye-9; Nay-0).

Mr. Frost outlined the bid and contract process used in selecting Jordahl Construction Company to undertake work on a Grandstand sound and light platform. The low-bid contract, at \$8,230 was approved upon a motion by Mr. Carnes, seconded by Mr. Sprengeler and carried (Aye—9; Nay—0).

Departmental payroll schedules for 1981, as prepared by superintendents under budgetary guidelines and confirmed by appropriate supervisors, were approved on a motion by Mr. Tiffany, seconded by Ms. Roehlke and carried (Aye—9; Nay—0).

A revised schedule of building rental rates and coliseum ice rates was reviewed after which it was moved by Mr. Ramberg, seconded by Mr. Sprengeler and carried that the new schedule be approved (Aye—9; Nay—0). New rates as follows:

Facility	High	Low
Grandstand w/seating, stage and/or track	\$2,500	\$1,500
Grandstand w/Race Track and Infield	\$ 600	\$ 360
Grandstand w/Race Track Only	\$ 250	\$ 150
Grandstand w/First Floor	\$1,650	\$1,000
Grandstand w/Second Floor	\$1,300	\$ 800
Grandstand w/Both Floors	\$2,800	\$1,650
Grandstand w/East Room	\$ 400	\$ 250
Coliseum/Arena, Concourse and Seating	\$1,200	\$ 700
Coliseum/Arena and Concourse Only	\$ 500	\$ 300
*Horse Barn/Alone	\$ 650	\$ 400
Horse Barn/Annex Only	\$ 150	\$ 90
*Judging Arena w/Stalls	\$ 250	\$ 150
Judging Arena w/out Stalls	\$ 150	\$ 90
*Cattle Barn	\$ 650	\$ 400
*Cattle Annex	\$ 550	\$ 330
*Sheep/Poultry Building	\$ 650	\$ 400
* Half of Building	\$ 500	\$ 300
*Swine Barn	\$ 650	\$ 400
Dairy Building	\$ 550	\$ 330
Heritage Square—Entire Complex	\$ 700	\$ 420
Heritage Building 273C Only	\$ 275	\$ 165
Heritage Building 273B Only	\$ 275	\$ 165
Bandshell	\$ 500	\$ 300
Dog Building	\$ 250	\$ 150
Modern Living Building	\$ 325	\$ 200
Arts Center	\$ 800	\$ 500
Senior Citizens Building	\$ 175	\$ 100
Education Building	\$ 650	\$ 400
w/Annex	\$ 900	\$ 550
w/Auditorium	\$ 800	\$ 500
w/Annex and Auditorium	\$ 950	\$ 575
Home Improvement Building	\$ 375	\$ 225
Food Building Auditorium	\$ 275	\$ 165
East or West Only	\$ 200	\$ 120
Merchandise Mart	\$ 500	\$ 300
4-H Building		
First Floor Only	\$ 550	\$ 325
Second and Third Floor	\$ 450	\$ 270
Second or Third Floor	\$ 300	\$ 180
First, Second and Third Floor	\$ 800	\$ 500
Depreciation	\$ 1.00	\$ 1.00
Youth Camp		
First and Second Floors	\$ 300	\$ 180
First or Second Floor	\$ 200	\$ 120
Depreciation	\$.50	\$.50

**Campground

*Campground rental fee:

\$350.00 minimum for the first day

\$175.00 minimum for the second day,

or \$7.00 PER VEHICLE, WHICHEVER IS GREATER

The Campgrounds fee includes usage of the Campgrounds office, the restroom/shower facility, the sanitary dump station and ordinary electric current. Lessee shall incur costs such as LP gas tanks, clean-up, trash removal/disposal and any unusual or unexpected costs such as loss, damage, breakage, unusual current consumption, and/or liability.

**No rental of Campgrounds unless other facilities (Bldgs.) are also rented.

Low rate = 60% of High rate

*If barn rented with Coliseum, then rate = 50% discount.

Coliseum Ice Rates:

Practice Ice	\$ 65.00 per hour
Hourly games	\$ 70.00 per hour
College (MIAC)	\$ 400.00 per game
(1) High School Game	\$ 525.00
(2) High School Games	\$ 750.00
(1) High School Sectional Game	\$1,150.00
(2) High School Sectional Games	\$1,350.00

Concessionaire Mark Andrew appeared before the Board to seek information on Society intent with respect to the new law on expansion of small food operations. Mr. Andrew expressed the opinion that the fair's present policy of prohibiting expansion imposed unfair limitations on those holding three or fewer locations and that divestiture of the larger holdings would be necessary in order to create economic balance on the grounds. Mr. Ramberg explained the action and position taken by the Board earlier in this meeting with respect to the new law, specifically that additional sites are not available for 1981 and that the staff should seek clarification of the statute. It was further suggested that Mr. Andrew place in writing and submit to the Board his concerns and recommendations with respect to his position as a State Fair leaseholder.

Upon a motion by Mr. Ojakangas, seconded by Mr. Sprengeler and carried, approval for payment of six (6) miscellaneous storage damage claims was granted (as follows): Kirk Abrahamson, missing hub cap, amount to be determined; Chris Ayd, dented car hood, \$84.48; Nelles Becker, missing gasoline, \$6.86; Harold Miller, torn spare tire cover, \$11.00; Leonard Thiede, broken battery cover, amount to be determined; Henry Urban, scratch on motor home, \$250.00 (maximum allowed on claim of \$435.30). One additional claim, involving alleged property damage sustained by Roger Westergren, was rejected on the basis that negligence was not established (Aye—8; Nay—0).

It was moved by Ms. Roehlke, seconded by Mr. Morris and carried that trackless train prices for 1981 be increased from 25¢ to 35¢ (Aye—8; Nay—0).

In response to an inquiry from the DeLaval Agricultural Division, it was moved by Mr. Carnes, seconded by Mr. Lilliquist and carried that the fair's standard exhibit building hours of 9:00 a.m. to 9:00 p.m. be reaffirmed (Aye—8; Nay—0).

The following changes in Society travel regulations were approved upon a motion by Mr. Tiffany, seconded by Ms. Roehlke and carried (Aye—8; Nay—0):

Increase mileage allowance to 24¢ and increase meal allowance (in-state) for breakfast to \$3.25, lunch to \$4.30; dinner

to \$7.55 and (out-of-state) for breakfast to \$4.25, lunch to \$5.30 and dinner to \$9.55.

A letter of resignation from 4th Regional District Vice President Norris Carnes was put before the Board for consideration as was an Executive Committee recommendation to fill the vacant position with Mr. Bert Lund of St. Paul. It was moved by Mr. Tiffany, seconded by Mr. Korff and carried to accept Mr. Carnes' resignation and to appoint Mr. Lund to fill the 4th District seat until the Society meets in January (Aye-7; Nay-0).

Upon a motion by Ms. Roehlke, seconded by Mr. Sprengeler and carried, approval was granted to issue the administrative employees coffee fund (Hazel Redlack) \$50.00 to cover coffee used during the summer and during the fair by business visitors (Aye-8; Nay-0).

Mr. Ramberg set an agenda call for the next meeting of the Board as Friday, August 28, 9:00 a.m.

Meeting adjourned.

SPACE RENTAL REVIEW MEETING ADMINISTRATION BUILDING STATE FAIRGROUNDS

Tuesday, July 14, 1981 - 9:00 A.M.

Members present: Korff, chairman; Ramberg; Tiffany; Scow, ex-officio; Heffron, ex-officio; Wenzel, ex-officio; Sinclair, ex-officio.

Also present: Kent Harbison, Richard Keenan.

Messrs. Joshua Levinson and Stephen Jones appeared before the committee to request reconsideration of the decision on their application submitted under the name of The Minneapple Company. After reviewing the products proposed for sale by the Minneapple Company, discussion relating to the idea of civic pride expressed through same was undertaken. The committee indicated that they felt such items rose above the normal concerns which might be expressed regarding generic duplication of such products as: caps, t-shirts, mugs, aprons, etc. The staff was therefore encouraged to place the applicants' request for space in an "if space becomes available" status to be given every further consideration should a suitable location become available between the date of review and the opening of the 1981 Fair. The preceding decision being contingent upon the applicant's understanding that no t-shirts would be offered if space is allocated. It was moved by Mr. Ramberg, seconded by Mr. Tiffany and carried (Aye-9; Nay-0).

Mark and Cindy Nelson were presented to the committee per their request to have the earlier decision on their application for computer portraits reviewed. Upon a motion by Mr. Ramberg, seconded by Mr. Scow and carried, the initial action of the Space Rental Department staff was upheld based on concern for the fact that the product/service applied for was already represented at the Fair, several applications for similar concessions received at an earlier date had already been denied and the committee's concern for potential "over" duplication/representation of such products/services. The lack of space to accommodate said request in an area which would not be detrimental to the geographic balance of such services on the grounds as a whole was expressed as a further concern of the committee (Aye-3; Nay-0).

The application of Mr. William Doth for Poly Pace Products was placed before the committee for reconsideration along with samples of the products proposed for sale by Mr. Doth. A motion was made by Mr. Scow, seconded by Mr. Tiffany and carried that the concerns of the committee for duplication of products generically similar to those applied for by Mr. Doth and geographic balance of same on the grounds, as well as the fact that applications for generically similar products

received at a date earlier than that of Poly Pace Products had been denied, would not allow the committee to grant Mr. Doth concession space for the 1981 State Fair. (Aye-3; Nay-0).

Messrs. Clifford Waughtel, Jr. and Lyle Kleven met with the committee to request review of the application submitted for concessions space by North Star Beverages, Inc. dba The Pop Shoppe. They explained that their interest in space at the Fair was only to offer their new sarsaparilla beverage and no other soft drinks produced by the firm. Discussion was undertaken regarding the committee's concern for proper handling of returnable glass bottles in which the beverage would be supplied. After assurances by the applicants that only their sarsaparilla product would be sold or advertised from any space which might be assigned them and their understanding of State Fair policies and procedures for dealing with glass containers, it was moved by Mr. Scow, seconded by Mr. Tiffany and carried that the staff be directed to place the application of North Star Beverages, Inc. in an "if space becomes available" status to be given further consideration. This decision was made contingent upon the committee and applicant understanding that the applicant, if granted space, would only be allowed to advertise and sell sarsaparilla and sarsaparilla floats under all of the required policies and procedures of the State Fair with the further understanding that no expansion of product lines would be allowed in future years (Aye-3; Nay-0).

It was moved by Mr. Ramberg, seconded by Mr. Scow and carried that the decision of the Space Rental Department relative to the application for rental space submitted by National Tack North (David and Connie Juelfs) be supported based on the physical limitations of available rental space in the area requested.

The application of Elliot Libman was presented to the committee for consideration and Mr. Libman appeared to provide further information regarding his interest in having the location formerly contracted to Yale Libman Piano and Organ Company allocated to him for the sale of jewelry and toy items rather than pianos and organs for which Mr. Libman's father had held the space in previous years. It was the determination of the committee that a request such as this for such a drastic change in products from those previously offered would, under State Fair rules, require that the request of Mr. Libman be treated as a new application for rental space. In

looking at said application to sell jewelry and toys, the consensus of the committee was that concerns for potential "over" duplication of toys and jewelry in their generic sense and a desire to maintain a good geographic balance of such products at the Fair would not allow the committee to grant Mr. Libman space for such a concession at the 1981 State Fair. Moved by Mr. Ramberg, seconded by Mr. Tiffany and carried (Aye-3; Nay-0).

Mr. Edwin Pommerening appeared before the committee to request review of his application for exhibit space which was earlier denied by the Space Rental Department. Mr. Pommerening was reassured that State Fair Policy did not allow the religious/political beliefs of a person to enter into the review of that person's application submitted for rental space at the Fair and that all applications submitted are given fair and equal consideration. It was moved by Mr. Scow, seconded by Mr. Tiffany and carried that the action of the staff to deny the request of Mr. Pommerening under the name of A. C.

Electric be supported based on a simple lack of available exhibit space at the date the subject application was received (Aye-3; Nay-0).

Mr. Kevin Foley appeared before the committee to request reconsideration of the application for food space he had submitted under the name Ali Baba's. Mr. Foley was appraised of the circumstances surrounding the allocation of concession space for new food concessions and advised that at the date his application was received, we had received nearly 100 applications for food space and the State Fair only had been able to enter into contracts with a small portion of these applicants who applied before he did. It was moved by Mr. Ramberg, seconded by Mr. Scow and carried that the initial staff action on said application be upheld based on a lack of available food concession space on the Fairgrounds at the date the Fair received Mr. Foley's application for same. (Aye-3; Nay-0).

Meeting adjourned at 12:30 p.m.

SPACE RENTAL COMMITTEE MEETING ADMINISTRATION BUILDING STATE FAIRGROUNDS

Friday, August 28, 1981 — 8:30 A.M.

Committee members present: Korff, Chairman; Lund; Tiffany; Ramberg; Sprengeler; Ojakangas; Scow, ex-officio; Heffron, ex-officio; Wenzel, ex-officio; Sinclair, ex-officio.

Transfer of four (4) peanut concessions from Mr. Raymond J. Pelton to the following individuals was approved contingent upon the stipulation that said transfers would not be binding until after the 1981 State Fair and that Mr. Pelton would remain responsible for the operation of same during the 1981 Fair.

(1) R. L. Mockler—a peanut concession structure located in Block 43 on Lot E-1; (2) Gene F. Will—a peanut concession structure located in Block 49 on Lot S-1; (3) John Halvorson—a peanut concession structure located in Block 29 on Lot W-1; (4) Dennis L. Rosenthal—a peanut concession structure located in Block 51 on Lot Z-1.

Moved by Mr. Ramberg, seconded by Mr. Tiffany and carried (Aye-5; Nay-0).

It was moved by Mr. Ramberg, seconded by Mr. Tiffany and carried that a request to transfer a peanut concession presented by Mr. Gary S. Pelton be approved contingent upon the

understanding that the transfer would not be binding until after the 1981 Minnesota State Fair and that Mr. Pelton would remain responsible for the operation during the 1981 Fair. The proposed buyer, Mr. Gary Eugene Jackson, would by such action become the owner of a peanut concession structure located in Block 36 on Lot I-1 (Aye-5; Nay-0).

A request by Mr. John B. Pfaff to transfer his peanut concession structure located in space number 68, building number 351 (Food Building) to Mr. Melvin Freeman was reviewed by the Committee. It was moved by Mr. Ramberg, seconded by Mr. Sprengeler and carried that the subject request be granted contingent upon the understanding that this transfer would not be binding until after the 1981 Fair, that Mr. Pfaff would remain bound by his 1981 Space Rental contract for performance under same and that Mr. Freeman will be required to relinquish his use of the space presently contracted to him in the lower grandstand for sales of nuts at the close of the 1981 Fair (Aye-5; Nay-0).

There being no further business on the table, the Space Rental Committee meeting was adjourned.

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

Friday, August 28, 1981 — 9:00 A.M.

Members present: Logan Scow, president; Bert Lund, vice president; Leonard Ramberg, vice president; William Korff; Howard Morris; Eileen Roehlke; Art Sprengeler; J. G. Tiffany; Willis Lilliquist; Sulo Ojakangas; Mike Heffron, secretary.

Also present: Ken Wenzel; Jim Frost; Jim Sinclair.

President Scow opened the meeting by welcoming all members to the 1981 Minnesota State Fair.

Upon a motion by Mr. Lilliquist, seconded by Ms. Roehlke and carried, minutes of the July 10, 1981 Board meeting and Space Rental Committee meeting previously mailed to the members, were approved. (Aye—9; Nay—0).

Mimeographed copies of the Minutes in Vacation, covering the period July 10 through August 26, 1981, and the administrative action noted therein, were approved upon a motion by Mr. Korff, seconded by Mr. Sprengeler and carried (Aye—9; Nay—0).

Upon a motion by Mr. Korff, seconded by Mr. Tiffany and carried, minutes of the July 14 Space Rental review meeting were approved (Aye—9; Nay—0).

Secretary presented the July 31, 1981 Society financial statement as follows:

Cash Balance—June 30, 1981	\$ 50,711.43
Interest Income	4,503.88
Ticket Account Transfers	99,000.00
Bank Securities sold	170,000.00
July Receipts	168,257.59
	<u>\$492,472.90</u>

Disbursements during July:

Bi-weekly payroll, June 13-26	\$45,860.57
Bi-weekly payroll, June 27-July 10	51,948.44
Bank Securities bought	155,000.00
July Disbursements paid	<u>165,002.04</u>
	\$417,811.05
	<u>\$ 74,661.85</u>

Cash Balance—July 31, 1981:

General Fund	\$ 74,661.85
Contingent Fund	500.00
Petty Cash	800.00
Ticket Account	17,110.54
Bank Securities—mature 8/12/81	55,000.00
—mature 8/21/81	35,000.00
—mature 8/26/81	100,000.00
—mature 8/31/81	95,000.00
	<u>\$378,072.39</u>

Cash Balance—July 31, 1980:

General Fund	\$ 9,126.33
Contingent Fund	500.00
Petty Cash	400.00
Ticket Account	22,457.05
Bank Securities—mature 8/06/80	160,000.00
—mature 8/25/80	50,000.00
—mature 9/02/80	50,000.00
	<u>\$292,483.28</u>

Upon a motion by Mr. Ojakangas, seconded by Ms. Roehlke and carried, the financial statement of July 31, 1981 was approved (Aye—9; Nay—0).

Secretary was authorized to make miscellaneous ticket refunds and/or payment on minor claims as he deems advisable, upon a motion by Mr. Korff, seconded by Mr. Sprengeler and carried (Aye—9; Nay—0).

Secretary announced that the annual trade association convention of the International Association of Fairs and Expositions would be held at the MGM Grand Hotel in Las Vegas, Nevada, November 29-December 4, 1981. It was moved by Mr. Ramberg, seconded by Mr. Sprengeler and carried that members of the Board and certain administrative personnel, as designated by the Secretary, be authorized to attend said IAFE convention with Society to pay appropriate expenses (Aye—9; Nay—0).

Acceptance of the action taken by the Space Rental Committee (earlier this date) was moved by Mr. Korff, seconded by Mr. Lund and carried. As a part of the motion a correction to the Space Rental Committee minutes of 7-10-81 was made whereby the following was added to "roster of miscellaneous concessions" (Aye—9; Nay—0).

Walter Kranz	Peanuts	2	\$245.00	\$490.00
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A discussion was undertaken as to the necessity of requiring three signatures on all Society general fund vouchers. It was agreed that the requirement slows the timely processing of invoices unnecessarily and, further, that little additional protection is afforded by adding the signature of an executive committee member. It was moved by Mr. Ramberg, seconded by Mr. Tiffany and carried, that the general fund signature requirement be reduced to two signatures, one as authorized by the Finance Division and a second from among Secretary, Director of Public Affairs or Director of Operations . . . an appropriate resolution to confirm this action should be transmitted to the First National Bank/St. Paul and the Secretary of State (Aye—9; Nay—0).

Secretary announced that a meeting would be held on Friday, September 4 (10:30 a.m.) with Royal American Shows to discuss carnival operations and procedures.

The following motion was offered by Mr. Morris, seconded by Mr. Tiffany and carried (Aye—9; Nay—0): "Be it resolved that Minnesota Avenue on the State Fairgrounds shall henceforth be known and identified as Carnes Avenue so as to properly acknowledge the many contributions made to the Society by Norris K. Carnes".

Secretary outlined procedures used in handling the Willie Nelson cancellation, refund process and contracts on replacement acts. After discussion, it was moved by Mr. Lilliquist, seconded by Ms. Roehlke and carried to approve such procedures, along with a contract on Nelson for '82 and contracts on Don Williams and Ricky Skaggs to fill the August 27-81 (1981) dates (Aye—9; Nay—0).

Secretary announced that an informal meeting would be held between the Board and the House General Legislation Committee on Thursday, September 3 at 10:00 a.m. in the Lower Conference Room.

Mr. Scow set an agenda date for the next meeting of the Board (after the fair— on Friday, November 13, 10:00 a.m.

Meeting adjourned.

**LIFE MEMBER ADVISORY COMMITTEE
ADMINISTRATION BUILDING**

Sunday, August 30, 1981 — 3:00 P.M.

Members present: Larry Haeg, chairman; Deke Grussendorf; Leo Keskinen; Tom Lammers; Ed LaPointe; Harveydale Maruska; Stan Muckle; Ty Sincock; Logan Scow, ex-officio; Jim Roehl, ex-officio (secretary). Also present: Jerry Hammer.

Minutes of the January 30, 1981 committee meeting were approved upon a motion by Mr. Muckle, seconded by Mr. Grussendorf and carried (Aye—7; Nay—0).

It was moved by Mr. Keskinen, seconded by Mr. Sincock and carried that Norris Carnes be recommended to the Board for Life Membership (Aye—7; Nay—0).

The names of persons presently enshrined in the State Fair

Hall of Fame were reviewed. After discussion of several candidates it was moved by Mr. Grussendorf, seconded by Mr. Keskinen and carried that the names of George Cochran and Leonard Harkness be recommended to the Board for inclusion in the Hall of Fame (Aye—7; Nay—0).

The committee requested of the Board that its members be kept informed of legislation affecting the Minnesota State Fair, and agreed to work with the Board and with the Federation of County Fairs to promote legislation in the best interest of exposition industry in Minnesota.

Meeting adjourned.

**PLANNING AND UTILIZATION COMMITTEE
ADMINISTRATION BUILDING**

Saturday, September 5, 1981

Members present: J. G. Tiffany, chairman; Bert Lund; Arthur Sprengeler; Sulo Ojakangas; Eileen Roehlke; Howard Morris; Logan Scow, ex-officio; Ken Wenzel, ex-officio.

After discussion, it was moved by Mr. Ojakangas, seconded by Mr. Lund and carried that a Committee report be put before the Board recommending that staff proceed with the following projects this fall (Aye—5; Nay—0).

Install insulated partitions in Grandstand

Sound Booth for spotlights	\$ 1,300.00	
Convert (2) Coliseum furnaces to natural gas	10,000.00	
Repair Coliseum ice compressor motor	1,524.00	
Install motor heaters for compressor motors	1,284.00	
Install surge arrestors capacitors	1,350.00	
Add (4) drains on Swine Barn roof	7,500.00	
Miscellaneous roof repair to Ag-Hort Building	5,500.00	

Patch and sealcoat:

Commonwealth Avenue	\$22,865.00	
Judson Avenue	5,700.00	
Carnes Avenue	5,000.00	33,565.00

Painting Work:

a. Elect. vault covers & vents	\$ 800.00	
b. Child Care exterior	2,500.00	
c. Dog Building exterior	2,350.00	
d. Sanitation Building exterior	1,850.00	
e. Officers Quarters exterior	3,800.00	
f. Sheep/Poultry exterior	10,250.00	21,550.00
Word Processor		* 20,000.00
		<u>\$103,573.00</u>

*If funding available.

Committee meeting adjourned.

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

Wednesday, September 2, 1981 — 9:30 A.M.

Roll call. All members present.

Also present: Rich Keenan; Ken Wenzel; Mike Heffron.

Discussion was undertaken relative the provision of police patrol and emergency services on the Fairgrounds during the non-fair period. Proposals submitted for such services by Ramsey County Sheriff (Falcon Heights) and by St. Paul Department of Police were reviewed. It was moved by Mr. Tiffany, seconded by Mr. Ojakangas and carried that the contract proposal from St. Paul be accepted and that a contract be entered into for the period September 15, 1981 through September 15, 1982 at a fee of \$6,915.00 (Aye—9; Nay—0).

Secretary provided a resume of coverage and premiums for kidnap and ransom insurance as available for the Board and management staff. No action taken.

A discussion was undertaken on equipment rentals and fees charged for such rentals. Secretary indicated the general policy was to not allow rentals off the grounds, the only exceptions being equipment used by county fairs. It was the consensus of the Board that the staff continue to use discretion with off-site rentals, but that in all cases, rental fees should be charged.

Rich Keenan provided a detailed background and summary of negotiations undertaken with Falcon Heights relative the so-called city services law. It was the Board's position that negotiations should continue and that Mr. Keenan, in concert with the Secretary, should make an appropriate counter-proposal to Falcon Heights in response to the cost items originally submitted by the city.

It was moved by Mr. Tiffany, seconded by Ms. Roehlke and carried that a substitute contract with Monty Hall, as replacement for Bob Barker, be approved on the same term as the original agreement (Aye—9; Nay—0).

Meeting adjourned.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY ADMINISTRATION BUILDING

Monday, September 7, 1981 — 9:30 A.M.

Roll call. All members present. Also present: Ken Wenzel; Jim Sinclair; Jim Roehl.

It was moved by Mr. Ojakangas, seconded by Mr. Sprengeler and carried to adopt the report of the Life Member Advisory Committee, filed 8-30-81, and recommend that Mr. Norris K. Carnes be elected a life member of the Society and that Messrs. Leonard Harkness and George Cochran be elevated to membership in the Hall of Fame (Aye—9; Nay—0).

Secretary submitted an interim financial report on State Fair operations through Saturday, September 5.

It was moved by Mr. Korff, seconded by Mr. Tiffany and carried that the following Grandstand/Coliseum tickets be transferred to "non-pay" status (Aye—9; Nay—0).

GRANDSTAND

8/27	Don Williams	8:00 PM	20 @ \$5.00	Contract Provision
8/28	Don Williams	8:00 PM	26 @ \$5.00	Contract Provision
8/29	Rodney Dangerfield	8:00 PM	16 @ \$7.00	Contract Provision
8/30	EmmyLou Harris	6:00 PM	32 @ \$6.00	Contract Provision
8/30	EmmyLou Harris	9:00 PM	31 @ \$6.00	Contract Provision
8/31	Chuck Mangione	8:00 PM	3 @ \$7.00	Contract Provision
9/2	Doobie Brothers	8:00 PM	75 @ \$9.00	Contract Provision
9/2	Doobie Brothers	8:00 PM	20 @ \$5.00	Contract Provision
9/3	Victor Borge	8:00 PM	571 @ \$5.00	Editors—Legislators
9/3	Victor Borge	8:00 PM	207 @ \$5.00	Senior Citizens
9/4	Air Supply	6:00 PM	12 @ \$6.00	Contract Provision
9/4	Air Supply	9:00 PM	21 @ \$6.00	Contract Provision
9/5	Eddie Rabbit	6:00 PM	17 @ \$6.00	Contract Provision
9/5	Eddie Rabbit	9:00 PM	13 @ \$6.00	Contract Provision
9/6	Dr. Hook	8:00 PM	36 @ \$6.00	Contract Provision
9/7	Bob Barker Show	3:00 PM	50 @ \$5.00	Contract

COLISEUM

8/27	Eng. Horse Show	6:30 PM	3 @ \$4.00	Hunter/Jump. Judge
8/28	Eng. Horse Show	12:30 PM	3 @ \$4.00	Hunter/Jump. Judge
8/28	Eng. Horse Show	6:00 PM	3 @ \$4.00	Hunter/Jump. Judge
8/29	Eng. Horse Show	5:00 PM	3 @ \$4.00	Hunter/Jump. Judge
8/30	Eng. Horse Show	12:30 PM	3 @ \$4.00	Hunter/Jump. Judge
8/30	Eng. Horse Show	6:30 PM	3 @ \$4.00	Hunter/Jump. Judge
9/2	Rodeo	7:00 PM	8 @ \$4.00	Rodeo Announcer
9/2	Rodeo	7:00 PM	357 @ \$3.00	Implement Dealers
9/3	Rodeo	1:00 PM	8 @ \$4.00	Rodeo Announcer
9/3	Rodeo	7:00 PM	8 @ \$4.00	Rodeo Announcer
9/3	Rodeo	7:00 PM	35 @ \$3.00	Editors—Legislators
9/4	Rodeo	7:00 PM	8 @ \$4.00	Rodeo Announcer

After review, it was moved by Mr. Ramberg, seconded by Mr. Lund and carried that the following policy statement on personal property inventory be adopted and inserted in the record (Aye—9; Nay—0).

"With regard to the handling of the personal property inventory the Legislative Audit Commission has made the following recommendations:

- 1) A systematic physical inventory should be completed on an annual basis.
- 2) The inventory cards should be updated and reconciled to the physical inventory annually.
- 3) The amount in the personal property control account should be reconciled to the inventory cards.
- 4) A written policy should be established indicating what

items are to be included in the account, and procedures for recording them on the inventory cards and completing an annual physical inventory.

"Written policies as indicated in recommendation four are in the process of implementation. However, we disagree with the remainder of the auditors inventory recommendations on the basis of practicality and cost justification.

"The problems inherent in the taking of an annual physical inventory and reconciling to individual inventory cards have been described in our response to the audit report. Experience has shown the problems are greater than anticipated.

"Currently, by actual count, we have 1630 inventory cards. Because of differences in description and lack of inventory numbers both recorded and missing on items, the task of reconciling physical counts to inventory cards is cost prohibitive.

"The valutive approach suggested by the auditors is not practical in our situation. The auditors would like a value placed on every inventory card. The total of all cards would be the costs reported on the financial statements. The next step which they have talked about but not put in writing, would be to compute depreciation on each card. Again, the total of the individual depreciation changes would be reflected in the financial statements.

"Assigning value to individual personal property items would be very subjective and of questionable accuracy. Older inventory cards do not contain acquisition dates or costs. It would be necessary to physically inspect all the assets. An inspection of some of these assets has indicated a market value of scrap. But other items have an antique value much greater than cost as in the case of a roll-top desk or a 1943 Ford Flatbed truck.

"As an alternative to the LAC recommendation we believe the following approach would ensure adequate control as well as acceptable valuation for financial statement.

Inventory Control

"For assets of value we plan to assign new numbers and post on individual inventory cards. These assets can then be identified and verified by periodic internal audit procedures. For the remainder of the inventory we plan to list on inventory sheets. These lists will be revised whenever complete inventories are taken.

"The cost of taking a complete physical inventory and the related record verification will be approximately \$3,000.00. We therefore recommend a complete inventory be taken every three years.

Inventory Valuation

"We are presently on an annual basis, writing off all assets eleven years after date of acquisition. This is based on the theory that eleven year old assets are of nominal value. The cost equalization principal is also relevant in our write-off procedure; expense to repair ten year old personal property inventory items negates any material value these assets may have. We also believe our present capitalization policies and account posting reviews are sufficient to present acceptable stated

values on the financial statements.

"In summary, the Legislative Auditors recommendations are based on a strict theoretical interpretation of generally accepted accounting principals (GAAP).

"We believe our stated policy which is practical and cost efficient meets the personal property asset requirements of GAAP namely:

"The cost or other basis of recording property is in accordance with generally accepted accounting principles.

"Additions are authentic.

"Accounting for the use and disposition of property is consistent from period to period and in accordance with generally accepted accounting principles.

"Net book value is expected to be recoverable in the normal course of operations.

"The property represented by the accounts exists, it is owned by the enterprise and is identifiable."

Secretary presented a report of Planning Committee recommendations made pursuant to their meeting of September 5.

Following a short discussion, it was moved by Mr. Tiffany, seconded by Ms. Roehlke and carried that the report be approved and that the outlined work be undertaken this fall (Aye-9; Nay-0).

Secretary submitted a complete list of Fair-period payrolls for Board consideration. Upon a motion by Mr. Lilliquist, seconded by Mr. Sprengeler and carried, said payrolls were approved as submitted (Aye-9; Nay-0).

It was moved by Mr. Ojakangas, seconded by Mr. Lund and carried that the dates of the 1982 Minnesota State Fair be Thursday, August 26 thru Monday, September 7 (Labor Day) (Aye-9; Nay-0).

Messrs. Bart Blinstrup and John Dixon appeared and made a detailed presentation on the proposed installation of a permanent "white water" ride on the Fairgrounds. After discussion, plus a question/answer period, it was moved by Mr. Ramberg, seconded by Mr. Korff and carried that the administration be authorized to proceed with negotiations on this project and to report their findings as soon as possible (Aye-9; Nay-0).

Meeting adjourned.

**SPACE RENTAL COMMITTEE MEETING
ADMINISTRATION BUILDING
STATE FAIR GROUNDS
Friday, November 13, 1981 — 9:30 A.M.**

Committee members present: William Korff, chairman; Leonard Ramberg; Bert Lund; J. G. Tiffany; Art Sprengeler; Sulo Ojakangas; Logan Scow, ex-officio; Mike Heffron, ex-officio; Ken Wenzel, ex-officio; Jim Sinclair, ex-officio.

Also present: Howard Morris; Willis Lilliquist; and Kent Harbison.

Meeting was called to order by Mr. Korff at 9:30 A.M.

Mr. Wenzel reviewed the proposed installation of a "White-water" raft ride, originally presented to the board by Messrs. Bart Blinstrup and John Dixon on September 7, 1981. Discussion was undertaken relative the proposed site of this attraction in Block 48 just west of the Dairy-Animal Products Building. Concerns were expressed regarding the fate of the free circus attraction located in this area should such a ride be installed and what effect a permanent ride installation of this magnitude would have on existing fair attractions, parking, available open space, fair liabilities, utilities, year around space utilization and fair expenditures. The consensus was expressed by those in attendance that the concept was attractive from the standpoint of having a new attraction at the Fair, potential income and the desirable setting which would be created. In addition, it was felt that no attempt should be made to discourage investment in the State Fair. However, based on the area of space required to install such an attraction as opposed to the fair's need to place space to best use on an ongoing basis, the format for proposed space utilization was difficult to accommodate. It was moved by Mr. Lund, seconded by Mr. Sprengeler and carried that the staff continue to investigate the proposed concept with an eye toward finding alternative space which would allow for best possible year around space usage.

Mr. Sinclair presented a report of Space Rental Department revenues during 1981. Total space rental income in 1981 exceeded that of 1980 by \$84,485.21 due largely to an increase in concession and exhibit front footage rates. Beer sales and carnival concession/game earnings showed increases of \$6,241.55 (4%) and \$7,231.00 (6%), respectively, from 1980 to 1981. Percentage attractions showed a decrease in revenues from 1980 to 1981 of \$7,013.43 (4%) while Fair receipts from carnival rides/shows reflected a decrease of \$12,132.69 (3%).

Budgeted income for the Space Rental Department in 1981 as compared to actual revenues indicated that \$33,591.66 was earned in excess of the \$1,500,000.00 projected.

The mandatory general public liability insurance program instituted in 1981 for all commercial exhibitors was reviewed. The program was termed a success in providing proper, required insurance coverage to lessees with nearly 900 (69%) of the total of approximately 1,300 concession and exhibit locations contracted covered by the group insurance policy established with Haas-Wilkerson-Wohlberg of Kansas City. The program required that every person, firm or association contracted for space provide evidence that their operations at the Fair were covered by general public liability insurance to cover bodily injury, property damage and where applicable, food products liability. The required limits of coverage were \$1,000,000.00 combined single limits per occurrence and those who did not provide evidence of their coverage to such limits were provided same through the group policy at a cost of \$35.00 for the first/primary location and \$15.00 for each location thereafter. The Fair experienced no profit from providing this service.

Information regarding the total number of concession, exhibit and gratis space rental contracts issued in 1981 (1,183) was

provided to the committee along with details on the status of space renewal for the 1982 Fair, underway at the time of this meeting. It was indicated that renewal applications and information for the 1982 Fair had been sent on October 30 to the majority of persons, firms and associations contracted for space at the 1981 Fair. It was further explained that the opportunity to renew was being withheld from certain parties based on their performance and that renewal of some others

was being held contingent upon their payment of outstanding obligations, their explanation of certain circumstances relating to their operations, reduction of their space holdings or their acceptance of certain changes in their space/operation proposed by the Fair.

Meeting adjourned at 10:05.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY ADMINISTRATION BUILDING

Friday, November 13, 1981 – 10:15 A.M.

Members present: Logan Scow, president; Bert Lund, vice president; Leonard Ramberg, vice president; William Korff; Willis Lilliquist; Howard Morris; Sulo Ojakangas; Eileen Roehlke; Arthur Sprengeler; J. G. Tiffany; Mike Heffron, secretary.

Also present; Ken Wenzel; Jim Frost; Jim Roehl; Kent Harbison; Larry Shear.

Motion was made by Mr. Morris, seconded by Ms. Roehlke and carried that Board and committee meeting minutes, recorded during the 1981 Fair-period (August 28-September 7), be approved as submitted to the members by mail (Aye-9; Nay-0).

Mimeographed copies of the Minutes in Vacation covering the period August 27 through November 9, 1981, and the administrative action noted therein, were approved upon a motion by Mr. Korff, seconded by Mr. Tiffany and carried (Aye-9; Nay-0).

Secretary presented the October 31, 1981 financial statement as follows:

Cash Balance—September 30, 1981	\$ 1,927.40
Interest Income	31,424.21
Ticket Account Transfers	67,000.00
Bank Securities sold	630,000.00
October Receipts	<u>267,018.28</u>
	\$997,369.89

Disbursements during October:

Bi-weekly payroll, Sept. 19-Oct. 2	\$44,433.60
Bi-weekly payroll, Oct. 3-16	39,785.45
Premium Fund Transfers	115,000.00
Fair Period Payroll Transfers	83,388.56
Bank Securities bought	80,000.00
October Disbursements paid	<u>604,326.16</u>
	\$966,933.77
	\$ 30,436.12

Cash Balance—October 31, 1981:

General Fund	\$ 30,436.12
Contingent Fund	500.00
Petty Cash	400.00
Ticket Account	8,987.72
Bank Securities—mature 11/09/81	80,000.00
—mature 11/12/81	<u>1,044,000.00</u>
	\$1,164,323.84

Cash Balance—October 31, 1980:

General Fund	\$ 440.30
Contingent Fund	500.00
Petty Cash	200.00
Ticket Account	8,933.13
Bank Securities—mature 11/10/80	500,000.00
—mature 11/11/80	260,000.00
—mature 11/25/80	<u>75,000.00</u>
	\$845,073.43

Upon a motion by Mr. Ojakangas, seconded by Ms. Roehlke and carried, the financial statement of October 31, 1981 was accepted and approved (Aye-9; Nay-0).

Following a presentation by Mr. Shear, it was moved by Mr. Korff, seconded by Mr. Lund and carried that a one-year extension be made to the written advertising agreement currently in force between the Society and M.R. Bolin Advertising, Inc. Also included in the motion was approval of the following general advertising policy for 1982 (Aye-9; Nay-0).

“Use all daily and weekly newspapers in the State of Minnesota, as well as all radio and television stations in the State of Minnesota, as well as selected newspapers and radio-television stations in surrounding states as the fair’s basic advertising outlets.”

Approval of action taken by the Space Rental Committee earlier in the day (November 13) was moved by Mr. Korff, seconded by Mr. Tiffany and carried (Aye-9; Nay-0).

Moved by Mr. Ramberg, seconded by Ojakangas and carried that secretary be authorized to enter into contracts with acts and attractions for the 1982 Fair (Aye-9; Nay-0).

It was moved by Mr. Lilliquist, seconded by Mr. Sprengeler and carried that employment contracts covering Myron Clase-man (7-25), Susan Mellang (8-26) and Jamie Larson (10-31) be approved and that the contract covering Hazel Redlack (9-18) be cancelled (Aye-9; Nay-0).

Finance Director Roehl submitted a breakdown of pedestrian/child outside gate tickets to be reclassified as “non-pay” as a result of their being used by various departments and for institutional purposes during the 1982 Fair. It was moved by Mr. Ramberg, seconded by Mr. Ojakangas and carried (Aye-9; Nay-0) that said tickets, total value \$29,807 be reclassified as non-pay. Breakdown as follows:

SUNDRY FAIR

Able—Association for the Blind	\$118.00
Andrew Mentally Ill Facility	100.00
Anoka State Hospital	200.00
Alpha House, Inc.	200.00
Anishinabe Long House	30.00
Birchwood Health Care Center	50.00
Cambridge State Hospital	200.00
Catholic Deaf Office	76.00
Circle F Club Hennepin County	100.00
Cystic Fibrosis	24.00
Eden House, Inc.	120.00
Faribault State Hospital	200.00
Freedom House	70.00
Friendship House I	80.00
Golden Valley Health Center	68.00
Goodwill Industries of St. Paul	200.00
Hazelden Pioneer House	100.00
Hennepin County Mental Health Center	70.00
Hoikka House, Inc.	150.00
Homeward Bound	170.00
Hope Transition Center	80.00
Hubert H. Humphrey Job Corps Center	70.00
International Student Advisors Office	
University of Minnesota	200.00
Lake Owasso Residence	200.00
Lexington School Mentally Handicapped Program	200.00
Lyngblomstein Care Center	80.00
Minneapolis Society for the Blind	200.00
Minnesota Correctional Facility	150.00
Minnesota Veterans Home	200.00
Multi Resource Center	68.00
Muscular Dystrophy Association	200.00
Omeagan, Inc.	70.00
180 Degrees	54.00
Opportunity Workshop, Inc.	30.00
Orvilla, Inc.	140.00
Outreach Group House, Inc.	102.00
Pillsbury Manor	60.00
Phoenix Residence	192.00
People, Inc.	45.00
Ramsey County Mental Health Center	142.00
Rochester State Hospital	70.00
St. Joseph's Hospital	70.00
St. Joseph's Home for Children	166.00
St. Paul Ramsey Hospital	40.00
St. Paul Society for the Blind	200.00
St. Peter State Hospital	200.00
The Salvation Army	80.00
Sherburne House	36.00
Sholom Home, Inc.	110.00
Sister Kenny Institute	70.00
Trivilla of Robbinsdale	200.00
United Blind of Minnesota	200.00
University of Minnesota Hospitals	200.00
TOTAL SUNDRY FAIR	\$ 6,451.00
EDUCATION	\$ 4,006.00
PUBLICITY DEPARTMENT	\$ 383.00

AMUSEMENTS

Albany High School Band	\$ 334.00
Albert Lea High School Band	262.00
Alden-Conger High School Band	152.00
Amusements—Afternoon Races	1,344.00
Amusements—Night Grandstand	714.00
Amusements—One Man Band	48.00
Amusements—Parade	1,145.00
Annandale High School Band	268.00
Anoka High School Band	350.00
Arlington-Green Isle High School Band	200.00
Bloomington—Jefferson High School Band	502.00
Bloomington-Lincoln High School Band	460.00
Caledonia High School Band	196.00
Chatfield High School Band	160.00
Comfrey Public School Band	170.00
Coon Rapids High School Band	236.00
Deer Creek High School Band	76.00
Delano High School Band	152.00
Diedesfeld Germany Band	212.00
Elmore High School Band	142.00
Fire Engine—Ron Saxon Ford	44.00
Forest Lake City Band	92.00
4-H Marching Corps. Scott County	140.00
Hanson High School (Alexandria, SD)	120.00
Healy (Pierz) High School Band	126.00
Jackson High School Band	194.00
Jordan High School Band	222.00
Kerkhoven-Murdock-Sunburg High School Band	162.00
Little Falls High School Band	252.00
Mankato Lancers Band	230.00
Mazeppa High School Band	146.00
McDonald's High School Jazz Ensemble	50.00
Melodians	12.00
Minnesota Over 60 Band	84.00
Monticello High School Band	286.00
Nelson Twins	6.00
New Richmond, Wisconsin School Band	300.00
New Ulm Cathedral High School Band	110.00
Peterson High School Band	140.00
Princeton High School Band	258.00
Proctor High School Band	128.00
Red Wing High School Band	300.00
Richfield High School Band	262.00
River Falls High School Band	144.00
Roseville Ding-Dongers	34.00
Rushford High School Band	146.00
St. James High School Band	176.00
St. Mary's (Sleepy Eye) High School	170.00
St. Paul Police Band	90.00
St. Paul Winter Carnival Senior Royalty	12.00
St. Peter High School Band	138.00
Sherburn-Dunnell High School Band	174.00
Spooner, Wisconsin High School Band	98.00
State Employees Band	120.00
The Crystalettes	24.00
U of M Alumni Band	108.00
Waseca High School Band	256.00
Winona-Cotter High School Band	210.00

MISCELLANEOUS DEPARTMENTS

Administration—Miscellaneous	\$ 180.00
Ag-Hort Fruits	288.00
Creative Activities	202.00
4-H Youth Development	1,674.00
Future Farmers of America	372.00
Horse	72.00
Meats	240.00
Medical Aid	600.00
Public Safety	1,678.00
Youth Camp	384.00

SPACE RENTAL

Minnesota Departments of Electricity, Employment, Health and Revenue	\$ 406.00
TOTAL NON-PAY 1981 GATE ADMISSIONS	\$29,807.00

A specialized service contract, covering maintenance of the Coliseum ice system with Holmsten Refrigeration (12-1) was approved upon a motion by Mr. Tiffany, seconded by Mr. Lilliquist and carried (Aye—9; Nay—0).

It was moved by Mr. Lund, seconded by Ms. Roehlke and carried that secretary be authorized to adjust staff salaries and/or compensation under personal service contracts effective the pay period commencing December 12, 1981 (Aye—9; Nay—0).

Upon motion by Mr. Ramberg, seconded by Mr. Tiffany and carried the claim of art show entrant Mr. David Lill in the amount of \$500 was denied (Aye—9; Nay—0).

An adjustment in the 1982 outside gate discount admission rate from \$2.00 to \$2.50 and child from \$1.00 to \$1.50 was approved upon a motion by Mr. Ojakangas, seconded by Mr.

Lilliquist and carried (Aye—9; Nay—0).

Authorization for transfer of contract (for deed) on Station #23 from Mark Lokowich to Sholom Home, as required in the original sale agreement between Lokowich and the Society, was granted upon a motion by Mr. Sprengeler, seconded by Mr. Tiffany and carried (Aye—9; Nay—0).

Jim Frost submitted a staff report concerning the “Teacher of the Year” program recommending that the Fair discontinue its joint participation with Minnesota Education Association with Minnesota Education Association in this project. After lengthy discussion, it was moved by Mr. Ramberg, seconded by Mr. Lund and carried that the staff report be adopted and that the Fair cease its participation in the TOY program (Aye—9; Nay—0).

It was moved by Mr. Korff, seconded by Mr. Lund and carried that State Fair Employee Bulletin #4 (Group Insurance Benefits) be amended to reflect the most recent package of available coverage provided by the State with the Society to assume appropriate premium payments (Aye—9; Nay—0).

Roehl submitted a report on the “Willie Nelson” ticket situation indicating that of the original (1981) sale of \$132,000, less refunds, plus additional sales since the Fair, a balance of \$60,000 remains in hand.

Wenzel updated the Board on difficulties that have arisen with respect to the management of the Leamington Hotel and the impact that such problems might have on the 1983 annual meeting of the Society. He indicated that alternative facilities will be explored and that a report will be filed at the Board’s next regular meeting in January.

Meeting adjourned.

CASH REPORT

To the Board of Managers, State Agricultural Society:

Gentlemen,

Herewith find my report of cash balances as finance director of the State Agricultural Society for the fiscal year ending November 30, 1981.

Beginning cash balance December 1, 1980

Imprest Fund — Cash on Hand	\$ 200.00	
Checking Accounts	12,797.73	
Contingent Fund Checking Account	500.00	
U. S. Government Obligations	<u>450,000.00</u>	
Total		\$463,497.73
Add Cash Receipts	\$6,535,661.02	
Less Cash Disbursements	<u>6,066,506.32</u>	
Excess of Receipts Over Disbursements		<u>469,154.70</u>
Ending Cash Balance November 30, 1981		<u><u>\$932,652.43</u></u>

Detail of Year—End Cash Balance:

Imprest Fund — Cash on Hand	\$ 550.00	
Checking Accounts	51,602.43	
Contingent Fund Checking Account	500.00	
U. S. Government Obligations	<u>880,000.00</u>	
		<u><u>\$932,652.43</u></u>

Respectfully submitted,

James Roehl, Finance Director

St. Paul, Minnesota

November 10, 1981

BALANCE SHEET

ASSETS

1981

1980

Current Assets:

Cash and Bank Securities	\$ 932,652.43	\$ 463,497.73
Accounts Receivable (Less Allowance for Doubtful Accounts. 1981—\$43,117.89; 1980—\$44,417.06)	40,529.73	54,461.82
Postage	1,640.40	3,182.08
Accrued Interest Receivable	5,969.39	1,251.60
Current Portion of Contract for Deed	129.04	114.51

Total Current Assets	\$ 980,920.99	\$ 522,507.74
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Fixed Assets:

Land, Structures, Utilities & Equipment	8,789,435.71	9,007,786.12
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Other Assets:

Contract for Deed Receivable (Less current portion above)	30,986.51	31,115.55
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TOTAL ASSETS	<u>\$9,801,343.21</u>	<u>\$9,561,409.41</u>
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LIABILITIES AND MINNESOTA STATE FAIR EQUITY

Current Liabilities:

Accounts Payable	\$ 158,458.09	\$ 86,597.33
Accrued Salaries Payable	35,584.45	589.48
Accrued Vacation Benefits	42,572.70	43,272.55
Deferred Income (1982 Grandstand Tickets)	60,320.00	—

Total Current Liabilities	\$ 296,935.24	\$ 130,459.36
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Other Liabilities:

Contract for Deed Payable	\$ 260,736.36	\$ 280,736.36
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Total Liabilities	\$ 557,671.60	\$ 411,195.72
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Minnesota State Fair Retained

Earnings (see statement)	\$9,243,671.61	\$9,150,213.69
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TOTAL LIABILITIES AND MINNESOTA

STATE FAIR EQUITY	<u>\$9,801,343.21</u>	<u>\$9,561,409.41</u>
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INCOME AND EXPENSES

	1981	1980
Income:		
Ticket Sales.	\$3,817,536.95	\$3,613,222.82
Departmental	1,736,401.55	1,621,043.54
Other.	<u>679,429.48</u>	<u>809,274.69</u>
Total Income.	<u>\$6,233,367.98</u>	<u>\$6,043,541.05</u>
Expenses:		
Administrative.	\$ 872,982.58	\$ 821,677.56
Departmental	3,079,448.94	2,996,853.94
Premiums	396,348.68	391,367.41
Other.	354,799.18	394,449.59
Maintenance	977,529.72	1,004,159.24
Depreciation	<u>458,800.96</u>	<u>452,196.81</u>
Total Expenses	\$6,139,910.06	\$6,060,704.55
Net Profit (Loss)	<u>\$ 93,457.92</u>	<u>\$ (17,163.50)</u>

RETAINED EARNINGS

	1981	1980
Retained Earnings at Year's Beginning as		
Previously Reported	\$9,193,486.24	\$9,200,816.10
Employee Vacation Benefits Adjustment (Note 2)	<u>43,272.55</u>	<u>33,438.91</u>
Restated Retained Earnings at Year's		
Beginning	9,150,213.69	9,167,377.19
Add Net Income (Loss)	<u>93,457.92</u>	<u>(17,163.50)</u>
Retained Earnings at Year's End	<u>\$9,243,671.61</u>	<u>\$9,150,213.69</u>
Retained for Working Capital		
and Improvements.	\$ 454,235.90	\$ 142,427.57
Book Value of Fixed Assets	<u>8,789,435.71</u>	<u>9,007,786.12</u>
TOTAL RETAINED EARNINGS	<u>\$9,243,671.61</u>	<u>\$9,150,213.69</u>

APPLICATION OF FUNDS

	1981	1980
Funds Provided:		
Operations:		
Net Income (Loss) for the year	\$ 93,457.92	\$ (17,163.50)
Add back depreciation charges to operations not affecting working capital.	458,800.96	452,196.81
Total Operations	\$ 552,258.88	\$ 435,033.31
Decrease in working capital.	129.04	362,750.22
Total funds provided.	<u>\$ 552,387.92</u>	<u>\$ 797,783.53</u>
Funds Applied:		
Additions to fixed assets:		
Electric plant.	\$ 12,647.52	\$ 15,413.70
Fence and guard rail	22,077.61	5,140.59
Land	— —	(5,310.75)
Personal property	14,375.72	59,123.40
Sewer system	5,800.97	500.24
Parking lots, streets, sidewalks, curbs & gutters.	4,281.58	168,332.50
Structures	181,267.15	499,903.91
Water distribution system	— —	3,606.07
Total Fixed Asset Additions	\$ 240,450.55	\$ 746,709.66
Contract for Deed Receivable	— —	31,115.55
Payment on Contract for Deed Payable.	20,000.00	19,958.32
Increase in Working Capital.	291,937.37	— —
Total Funds Applied	<u>\$ 552,387.92</u>	<u>\$ 797,783.53</u>

SCHEDULE OF WORKING CAPITAL

	1981	1980
Current Assets		
Imprest Fund — Cash on Hand	550.00	200.00
Checking Accounts	51,602.43	12,797.73
Contingent Fund Checking Account	500.00	500.00
U. S. Government Obligations	880,000.00	450,000.00
Accounts Receivable Net	40,529.73	34,461.82
Accrued Interest Receivable	5,969.39	1,251.60
Postage	1,640.40	3,182.08
Current Portion of Contract for Deed	129.04	114.51
	<hr/>	<hr/>
Total Current Assets	\$980,920.99	\$522,507.74
Current Liabilities:		
Accounts Payable	\$158,458.09	\$ 86,597.33
Accrued Salaries Payable	35,584.45	589.48
Accrued Vacation Benefits	42,572.70	43,272.55
Deferred Income (1982 Grandstand Tickets)	60,320.00	— —
	<hr/>	<hr/>
Total Current Liabilities	\$296,935.24	\$130,459.36
Working Capital	\$683,985.75	\$392,048.38
Increase in Working Capital	(291,937.37)	— —
	<hr/>	<hr/>
	<u>\$392,048.38</u>	<u>\$392,048.38</u>

1981 STATE FAIR SUMMARY

The 1981 State Fair attracted 1,414,809 people—the best attendance figure in the history of the exposition. The previous all-time attendance record of 1,405,669 was set in 1979. In 1980, 1,325,360 people attended the State Fair.

Two daily attendance records were established during the exposition. On Friday, September 4, 114,842 people visited the fair, surpassing the old mark of 112,140 set in 1974. Saturday, September 5, was also a record day as 192,487 visited the fair. The old record for the second Saturday was 191,726, set in 1979.

Admission fees were not increased from their 1980 levels. Adults 16 and over were admitted for \$3; children 5-15, \$1; children under 5 were admitted free. Vehicle parking in all fairground lots and at the Energy Park (old Midway Stadium) site was free every day of the fair. Free satellite parking was also available Saturdays and Sundays at Rosedale and Har Mar Mall shopping centers.

Both Thursdays of the fair (August 27 and September 3) were Senior Citizens Days when persons 65 and over were admitted

free. A record 43,174 senior citizens took advantage of the promotion. Fridays (August 28 and September 4) were Children Days and those 15 and under were admitted free. Fridays were also Bicycle Days. Adults 16 and over who rode a bicycle to the fair and parked it in the designated lot near the Como-Snelling gate were admitted for \$1.

Weather information for the table on the following page was obtained from the National Weather Service.

For 12 days in 1981, the 300-acre fairgrounds fulfilled its primary function as the home of the annual Minnesota State Fair. During the remainder of the year, however, the exposition site proved its versatility hosting 112 special events that attracted over 600,000 participants and spectators.

Off-season usage of the facilities generated a net revenue of \$286,956.19 in 1981, based on an income of \$511,492.64 and expenses of \$224,536.45. This compares with a net revenue in 1980 of \$283,306.19. The gross income figure for 1981 represents 10 percent of the exposition's total income.

Date and Day	Designation	Temperature (High-Low)	Conditions	Attendance
Thursday, August 27	Senior Citizens and The Arts Day	71-64	Cloudy*	51,890
Friday, August 28	Children and Bicycle Day	68-62	Cloudy*	85,950
Saturday, August 29	Natural Resources and FFA Day	73-62	Cloudy	180,860
Sunday, August 30	50 Year Award Day	81-59	Partly Cloudy	164,532
Monday, August 31	Education and International Year of Disabled Persons Day	83-63	Cloudy	64,850
Tuesday, September 1	English Horse and Sportsman Stock Car Race Day	67-53	Cloudy	81,947
Wednesday, September 2	Farm Equipment Dealers and Rodeo Day	74-46	Partly Cloudy	96,382
Thursday, September 3	Senior Citizens and Agriculture Producers and Processors Day	71-53	Partly Cloudy	107,985
Friday, September 4	Children and Bicycle Day	71-50	Partly Cloudy	114,842**
Saturday, September 5	Western Horse Show and 4-H Day	71-53	Partly Cloudy	192,487**
Sunday, September 6	AMS/OIL 300 Stock Car Race Day	81-55	Partly Cloudy	172,943
Monday, September 7	Fun and Games Show and Hamm's Attendance Contest Day	74-57	Partly Cloudy***	100,141
NEW RECORD TOTAL				1,414,809

*Steady Rain

**Daily Attendance Record

***Brief Rain Showers

**LAND INVENTORY
MINNESOTA STATE FAIRGROUNDS**

November 30, 1981

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 which is part of the property lying within SE $\frac{1}{4}$ — Sec. 21 as described in footnote 1. 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 which is that part of property lying within SW $\frac{1}{4}$ — Sec. 21 as described in footnote 1. Total acreage is 34.96.
- C. E $\frac{1}{2}$ — W $\frac{1}{2}$ — SE $\frac{1}{4}$ — SW $\frac{1}{4}$ — 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 and west of Snelling 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 that part of the S $\frac{1}{2}$ — N $\frac{1}{2}$ — NE $\frac{1}{4}$ — Sec. 28, T. 29N, R. 23W, described as follows: beginning at a point in the south line of said subdivision, distant 155 feet westerly, measured along said south line, from the southwest corner of that certain 60 foot wide strip of land conveyed to the St. Paul, Minneapolis & Manitoba Railway Company, be deed dated October 7, 1885, filed for record in the office of the Register of Deeds of Ramsey County, Minnesota, on October 21, 1885, in Book 132 of Deeds, page 474; thence easterly along said south line a distance of 155 feet to said southwest corner of said 60 foot wide strip of land, thence northerly along the west line of said 60 foot wide strip of land a distance of 255 feet to a point; thence to the point of beginning along a line curving southwesterly and having a radius of 453 feet (contains approximately .34 acres). Total acreage is 11.37.

Total acreage of property situated south of Como Avenue is 31.49.

Footnote 1—That part of the SW $\frac{1}{4}$ and SE $\frac{1}{4}$, Sec. 21, T. 29N, R. 23W lying within the following described line: beginning at the center of said Sec. 21, thence S 89° 17' 09" W, along the north line of the SW $\frac{1}{4}$ of said Sec. 21, a distance of 656.23 feet to the northwest corner of the E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of said Sec. 21; thence south (assumed bearing), along the west line of the E $\frac{1}{2}$ of said NE $\frac{1}{4}$ of SW $\frac{1}{4}$ a distance of 658.85 feet; thence east 32.74 feet to a point 11.55 feet westerly of the existing curb line; thence northeasterly along a curve to the right, parallel to and 11.55 feet northwesterly of the existing curb line, 853.29 feet (radius of 754.24 feet, delta angle of 64° 49' 14"), the long chord of said curve bears N 46° 59' 22" E; thence N 79° 23' 59" E, parallel to and 11.55 feet northwesterly of the existing curb line, 425.42 feet, thence easterly along a curve to the right, parallel to and 11.55 feet northwesterly of the existing curb line to its intersection with the north line of said SE $\frac{1}{4}$ of Sec. 21, a distance of 483.77 feet (radius of 2833.17 feet, delta angle of 9° 47"), the long chord of said curve bears N 84° 17' 29" E; thence S 89° 17' 09" W. 866.78 feet along the north of said SE $\frac{1}{4}$ of said Sec. 21 to the point of beginning.

REPORT OF LEGISLATIVE AUDITOR
on the
FINANCIAL AFFAIRS
of
STATE AGRICULTURAL SOCIETY

Year Ended November 30, 1981

Operating Under Minnesota Statute Chapter 37.

Senator Donald M. Moe, Chairman
Legislative Audit Commission

Mr. Logan O. Scow, President
Board of Managers
State Agricultural Society

and

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

We have conducted a financial audit of the State Agricultural Society (Society) for the year ended November 30, 1981. Our audit was conducted in accordance with generally accepted auditing standards and was completed on March 26, 1982.

We have issued an unqualified audit opinion on the Society's fiscal year 1980 and 1981 financial statements included in this report. As is explained in our opinion letter the fiscal year 1980 financial statements that had been previously issued have been restated to conform with generally accepted accounting principles. As a result, our opinion on those fiscal year 1980 statements as included in this report is different than the one expressed in our fiscal year 1980 Society audit report.

The Society has made considerable progress towards implementing our audit recommendations. Of the thirteen recommendations made last year, we found that twelve had been implemented. The one remaining recommendation concerning the personal property account has been repeated this year.

Gerald W. Christenson
Legislative Auditor

April 7, 1982

STATE AGRICULTURAL SOCIETY

INTRODUCTION

The State Agricultural Society, established under the authority of Minnesota Statute Chapter 37, is the organization responsible for holding the annual State Fair. The Society is composed of members of agricultural societies which hold annual fairs, delegates from counties where no agricultural society exist, honorary members as the result of eminent service in agriculture, and delegates from various agricultural associations. The management and control of the affairs of the Society is vested in a board of managers consisting of a president and nine other members. The Secretary-General Manager is responsible for administration of the State Fair, and reports to the board of managers. Michael D. Heffron has served as Secretary-General Manager since October 1, 1976. The organization of the State Fair has been divided into three divisions; the Public Affairs Division, the Operating Division, and the Financial Division.

The Society has operated a State Fair since 1859. These fairs have been held at various locations, and in 1885 Ramsey County donated the current 200 acre site to the Society. Since 1949, the State Fair has been self-sustaining and has invested almost \$9 million in the fairgrounds. The State Fair has grown steadily so that in 1981, receipts totaled \$6,200,739 with a record attendance of 1,414,809.

STATUS OF PRIOR AUDIT RECOMMENDATIONS

RECOMMENDATIONS

PROGRESS TOWARD IMPLEMENTATION

The value of the personal property account cannot be readily substantiated.

- | | |
|--|---|
| 1. A systematic physical inventory should be completed on an annual basis. | 1. Recommendation Implemented. |
| 2. The inventory cards should be updated and reconciled to the physical inventory annually. | 2. Recommendation Implemented. |
| 3. The amount in the personal property control account should be reconciled to the inventory cards. | 3. RECOMMENDATION NOT IMPLEMENTED. See current recommendation #1 on page 4. |
| 4. A written policy should be established indicating what items are to be included in the account, and procedures for recording them on inventory cards and completing an annual physical inventory. | 4. Recommendation Implemented. |

The current presentation of the financial statements does not provide the necessary information as required by GAAP.

- | | |
|---|--------------------------------|
| 5. The operating and non-operating income and expense should be segregated on the Income Statement. | 5. Recommendation Implemented. |
| 6. The Income Statement should be condensed to provide a summary of revenues and expenses for the year. Supplemental schedules containing greater detail supporting these summaries may be included with the basic financial statements in the annual report. | 6. Recommendation Implemented. |
| 7. A Retained Earnings Statement should be included with the presentation of the other three statements to provide all the information required by generally accepted accounting principles. | 7. Recommendation Implemented. |

Procedures for premium fund activities are not adequate to provide reasonable assurance that receipts and disbursements are properly handled and recorded.

- | | |
|--|---------------------------------|
| 8. Independent internal reviews of premium fund receipts, disbursements and account records should be documented for post-audit purposes. | 8. Recommendation Implemented. |
| 9. Written procedures should be established for premium fund administration to provide a reference and a source of instructions for new employees. | 9. Recommendation Implemented. |
| 10. To provide security over blank checks, they should be stored in a locked cabinet or safe. | 10. Recommendation Implemented. |

STATUS OF PRIOR AUDIT RECOMMENDATIONS (Continued)

RECOMMENDATIONS	PROGRESS TOWARD IMPLEMENTATION
There is a need for improved cut-off procedures to determine an accurate accounts payable figure as of November 30.	
11. Society officials should develop procedures to determine an accurate cut-off of accounts payable at November 30 each year, including a review of purchase orders and receiving reports as well as invoices.	11. Recommendation Implemented.
Internal controls over the administration of fair-time payroll could be improved.	
12. Written policies and procedures for fair-time payroll should be established and distributed to provide a source of reference for current and future employees, and to provide greater assurance that managerial policies will be followed properly.	12. Recommendation Implemented.
13. Alternate control procedures, such as a spot-check of the distribution of payroll checks, should be considered to mitigate the effect of the lack of segregation of duties in handling fair-time payroll.	13. Recommendation Implemented.

CURRENT FINDINGS AND RECOMMENDATIONS

PRIOR AUDIT RECOMMENDATION NOT IMPLEMENTED: The amount in the personal property control account should be reconciled to the inventory cards.

Fixed assets are comprised of land, structures, utilities, and personal property. Of the \$18,285,413 invested in fixed assets at November 30, 1981, personal property totaled \$441,777, with a corresponding accumulated depreciation of \$248,839. During our audit of the personal property account for fiscal year 1980, we found several problems, including:

- A systematic physical inventory was not completed on a routine basis;
- The inventory cards could not be reconciled to the physical inventory;

A written policy indicating what items are to be included in the account was not established; and

The amount in the personal property control account could not be reconciled to the inventory cards.

During our review of this account for fiscal year 1981, we found that the Society had completed procedures to eliminate the first three problems listed above. However, we still could not reconcile the amount recorded in the control account to the inventory cards.

Society officials told us that there are several problems concerning the inventory cards and accounting records for personal property items. The major problem seems to be that the inventory cards for many of the items over three years old do not contain the historical cost of those items. This information apparently is not available elsewhere, and this prevents the calculation of the total cost of the inventory actually on hand. Without this, a reconciliation to the amount recorded in the control account is not possible.

One of the fundamental principles of accounting and financial reporting is that the amounts reported on the financial statements be supported by actual assets, liabilities, etc. Since the current records do not allow for the reconciliation of the inventory cards to the control account, we were unable to fully substantiate the amount reported as personal property in the financial statements. Also, the Society does not have accurate information concerning the actual value of personal property at its disposal.

RECOMMENDATION:

1. The State Agricultural Society should implement procedures that would enable them to reconcile the personal property control account to the inventory records.

Mr. Logan Scow, 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 (Society) as of November 30, 1981 and 1980, and the related statements of income, retained earnings, and changes in financial position for the years then ended. Our examinations were made in accordance with the 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 report dated January 28, 1981, we expressed a qualified opinion on the fiscal year 1980 financial statements. We felt that they did not fairly present the financial position, results of operations, and changes in financial position of the Society in accordance with generally accepted accounting principles because of five departures from such principles: (1) we were not able to satisfy ourselves as to the value of the personal property at November 30, 1980; (2) there was a change in the method of determining the value of fixed assets and the corresponding depreciation expense as described in Note 2A; (3) uncollectible accounts totaling \$44,257 as described in Note 2B was not included in the income statement; (4) the gain on sale of fixed assets totaling \$126,000 was not shown separately as indicated in Note 11; and (5) there was no statement of retained earnings included with the financial statements. The Society has since restated its fiscal year 1980 financial statements to conform with generally accepted accounting principles. Accordingly, our present opinion on the 1980 financial statements, as presented herein, is different from that expressed in our previous report.

In our opinion, the financial statements referred to above present fairly the financial position of the State Agricultural Society as of November 30, 1980 and 1981, 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 after restatement for the changes, with which we concur, as referred to in the preceding paragraph and for the change in the method of accounting for compensated absences as described in Note 7 to the financial statements.

The Supplemental Schedule of Revenues and Expenses for the fiscal years ended November 30, 1981 and 1980 is presented for supplementary analysis purposes and is not necessary for the fair presentation of the financial statements of the State Agricultural Society in conformity with generally accepted accounting principles. This schedule has been subjected to the tests and other audit 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.

Gerald W. Christenson
Legislative Auditor

March 26, 1982

STATE AGRICULTURAL SOCIETY

BALANCE SHEET

NOVEMBER 30, 1980 AND 1981

ASSETS

Current Assets:	1981	1980
Cash in Bank and Cash Securities (3)	\$ 932,652.43	\$ 463,497.73
Accounts Receivable (4)	40,529.73	54,461.82
Accrued Interest Receivable	5,969.39	1,251.60
Prepaid Postage	1,640.40	3,182.08
Current Portion of Contract for Deed (5)	129.04	114.51
Total Current Assets	<u>\$ 980,920.99</u>	<u>\$ 522,507.74</u>
Non-Current Assets:		
Fixed Assets:		
Land, Structures, Utilities and Equipment (6)	\$8,792,398.27	\$9,007,786.12
Other Assets:		
Contract for Deed Receivable	30,986.51	31,115.55
Total Non-Current Assets	<u>\$8,823,384.78</u>	<u>\$9,058,901.67</u>
Total Assets.	<u>\$9,804,305.77</u>	<u>\$9,561,409.41</u>

LIABILITIES AND RETAINED EARNINGS

Current Liabilities:		
Accounts Payable	\$ 160,461.98	\$ 86,597.33
Deferred Income (1982 Grandstand Ticket Sales)	60,320.00	—
Accrued Compensated Absences (7)	71,332.77	70,306.58
Accrued Salaries Payable	35,584.45	589.48
Retainage Fees Payable	4,840.00	—
Total Current Liabilities	<u>\$ 332,539.20</u>	<u>\$ 157,493.39</u>
Non-Current Liabilities:		
Contract for Deed Payable (8)	<u>\$ 260,736.36</u>	<u>\$ 280,736.36</u>
Total Liabilities.	<u>\$ 593,275.56</u>	<u>\$ 438,229.75</u>
Retained Earnings	<u>\$9,211,030.21</u>	<u>\$9,123,179.66</u>
Total Liabilities and Retained Earnings.	<u>\$9,804,305.77</u>	<u>\$9,561,409.41</u>

STATE AGRICULTURAL SOCIETY

INCOME STATEMENT

Years Ending November 30, 1980 and 1981

	1981	1980
Revenues:		
Ticket Sales	\$3,815,585.51	\$3,613,222.82
Departmental	1,717,097.55	1,621,043.54
Other	668,056.48	683,064.48
Gain on Sale of Fixed Assets (11)	—	126,210.21
Total Revenues	<u>\$6,200,739.54</u>	<u>\$6,043,541.05</u>
Expenses:		
Administrative	\$ 844,719.71	\$ 870,087.06
Departmental	3,078,813.30	2,996,853.94
Premiums	396,348.68	391,367.41
Other	354,799.18	394,449.59
Maintenance	977,529.72	1,004,159.24
Depreciation	460,678.40	452,196.81
Total Expenses	<u>\$6,112,888.99</u>	<u>\$6,109,114.05</u>
Net Income (Loss) (13)	<u>\$ 87,850.55</u>	<u>\$ (65,573.00)</u>

STATE AGRICULTURAL SOCIETY

RETAINED EARNINGS STATEMENT

November 30, 1980 and 1981

	1981	1980
Retained Earnings at Year's Beginning as Previously Reported	\$9,193,486.24	\$9,200,816.10
Employee Vacation Leave Adjustment (7)	(43,272.55)	(33,438.91)
Employee Sick Leave Adjustment (2)	(27,034.03)	(22,881.59)
Add: Accounts Receivable Adjustment (2)	—	44,257.06
Restated Retained Earnings at Year's Beginning	<u>\$9,123,179.66</u>	<u>\$9,188,752.66</u>
Add Net Income (Loss)	<u>87,850.55</u>	<u>(65,573.00)</u>
Retained Earnings at Year End	<u>\$9,211,030.21</u>	<u>\$9,123,179.66</u>
Retained for Working Capital and Improvements	\$ 648,381.79	\$ 365,014.35
Book Value of Fixed Assets Net of Long-Term Contract Obligations	<u>8,562,648.42</u>	<u>8,758,165.31</u>
Total Retained Earnings	<u>\$9,211,030.21</u>	<u>\$9,123,179.66</u>

STATE AGRICULTURAL SOCIETY
STATEMENT OF CHANGES IN FINANCIAL POSITION
Years Ended November 30, 1980 and 1981

	1981	1980
Working Capital was Provided by:		
Net Income (Loss) for the Year	\$ 87,850.55	\$ (65,573.00)
Add: Expenses not requiring outlay of working capital during the year		
Depreciation	460,678.40	452,196.81
Decrease in Contract for Deed Receivable	129.04	
Accounts Receivable Adjustment	—	44,257.06
Total Funds Provided	<u>\$ 548,657.99</u>	<u>\$ 430,880.87</u>
Working Capital Applied to:		
Additions to Fixed Assets:		
Electric System	\$ 12,647.52	\$ 15,413.70
Fence and Guard Rail	22,077.61	5,140.59
Land	—	(5,310.75)
Personal Property	14,375.72	59,123.40
Sewer System	5,800.97	500.24
Parking Lot, Street, Sidewalks	4,281.58	168,332.50
Structures	186,107.15	499,903.91
Water Distribution System	—	3,606.07
Contract for Deed Receivable	—	31,115.55
Payment on Contract for Deed Payable	20,000.00	19,958.32
Total Funds Applied	<u>\$ 265,290.55</u>	<u>\$ 797,783.53</u>
Increase (Decrease) in Working Capital	<u>\$ 283,367.44</u>	<u>\$ (366,902.66)</u>
Changes in Working Capital by Component:		
Cash in Bank and Cash Securities	\$ 469,154.70	\$ (353,040.66)
Accounts Receivable	(13,932.09)	23,258.65
Accrued Interest Receivable	4,717.79	(11,536.71)
Prepaid Postage	(1,541.68)	2,272.58
Current Portion of Contract for Deed	14.53	114.51
Accounts Payable	(73,864.55)	(13,394.97)
Accrued Compensated Absences	(1,026.19)	(13,986.08)
Accrued Salaries Payable	(34,994.97)	(589.48)
Retainage Fees Payable	(4,840.00)	—
Deferred Income	(60,320.00)	—
Increase (Decrease) in Working Capital	<u>\$ 283,367.54</u>	<u>\$ (366,902.16)</u>

STATE AGRICULTURAL SOCIETY
NOTES TO FINANCIAL STATEMENTS
Years Ending November 30, 1981 and 1980

1. SUMMARY OF ACCOUNTING 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	5 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
Streets, Parking Lots, Curbs and Gutters	20 to 30 years
Water Distribution System	50 years

2. CHANGES IN ACCOUNTING METHODS**a. Fixed Assets**

For the year ended November 30, 1979, and prior years, governmental accounting methods which were considered acceptable for fixed assets and depreciation accounting were consistently followed. Beginning with fiscal year 1980, the accounting methods have been changed to comply with generally accepted accounting principles. This change in accounting methods was applied retroactively to the fiscal year ending November 30, 1979, and resulted in a reduction of retained earnings and book value of fixed assets on November 30, 1979, of \$5,194,088.

b. Allowance For Doubtful Accounts

Formerly, accounts receivable of doubtful collectibility were charged to the allowance account and expensed when they were reported to the executive council of the State of Minnesota for cancellation. Beginning December 1, 1979, accounts were charged to the allowance account and bad debts to expense when deemed to be of doubtful collection. A review of accounts which were not of the required six year delinquency to be reported to the executive council but were deemed to be of doubtful collection for fiscal year 1980 amounted to \$44,257. This amount was not included in the net loss of \$7,329.86 as originally reported in

the fiscal year 1980 statements. The Society has corrected the method of reporting this expense, and this amount is now included in the calculation of the fiscal year 1980 loss of \$65,573 as reported in the fiscal year 1981 financial report.

3. CASH IN BANK AND CASH SECURITIES

	1981	1980
Imprest Fund	\$ 550.00	\$ 200.00
Checking Accounts	51,602.43	12,797.73
Contingent Fund Checking Account	500.00	500.00
U.S. Government Obligations and Bank Certificates of Deposit	880,000.00	450,000.00
	<u>\$932,652.43</u>	<u>\$463,497.73</u>

4. ACCOUNTS RECEIVABLE

	1981	1980
Accounts Receivable—Gross	\$ 83,647.62	\$ 98,878.88
Less: Allowance for Doubtful Accounts	43,117.89	44,417.06
Accounts Receivable—Net	<u>\$ 40,529.73</u>	<u>\$ 54,461.82</u>

In accordance with Minnesota Statutes, accounts receivable of \$768.18 are considered uncollectible and have been reported to the executive council of the State of Minnesota for cancellation on December 15, 1981. An amount of \$2,353.92 was similarly reported in fiscal year 1980.

5. CONTRACT FOR DEED RECEIVABLE

The contract receivable is dated October 15, 1980, and is receivable in monthly installments of \$322 over a term of 30 years. The rate of interest is 12 percent.

6. FIXED ASSETS—LAND, STRUCTURES, UTILITIES, EQUIPMENT

Description	1981	1980
Land	\$ 1,143,073.91	\$ 1,143,073.91
Structure and Improvement	13,480,780.80	13,294,673.55
Electric Plant	1,576,363.62	1,563,716.10
Fence and Guard Rails	121,637.40	99,559.79
Gas Distribution System	72,374.98	72,374.98
Sewer System	337,934.81	332,133.84
Parking Lot, Streets, Curbs, Gutters and Sidewalks	718,924.54	714,642.96
Water Distribution System	397,386.53	397,386.53
Personal Property	441,777.29	465,715.29
	<u>\$18,290,263.88</u>	<u>\$18,083,277.05</u>
Less: Accumulated Depreciation	9,497,855.61	9,075,490.93
Net Book Value	<u>\$ 8,792,398.27</u>	<u>\$ 9,007,786.12</u>

NOTES TO FINANCIAL STATEMENT (Continued)

7. COMPENSATED ABSENCES

Leave Type	Balance at June 30	
	1981	1980
Accrued Vacation	\$42,572.70	\$43,272.55
Vested Sick Leave	28,760.07	27,034.03
Total Compensated Absences	<u>\$71,332.77</u>	<u>\$70,306.58</u>

Recently, financial accounting standards regarding compensated absences have been changed. In order to comply with the change, an accounting practice was put into effect at the beginning of the 1981 fiscal year that recognizes unused employee vacation leave and vested sick leave as a liability. The effect of this change is to decrease net income for fiscal year 1981 by \$1,026.19. The financial statements for fiscal year 1980 have been restated to reflect an increase in the 1980 net loss by \$13,986.08 and reduce cumulative retained earnings on November 30, 1979 by \$56,320.50.

8. 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 18 annual installments, each of which shall be equal to or exceed the greater of the following amounts: the interest due on the unpaid balance, or 33 1/3 percent of the gross annual receipts generated by University of Minnesota parking.

9. SALES TAX

Ticket sales, gas and electric sales, and employee cafeteria receipts are shown net of Minnesota sales tax collected: 1980 — \$143,761; 1981 — \$186,637.20.

10. MINNESOTA STATE RETIREMENT SYSTEM

All Society full-time employees (temporary employees from July 1 through October 15 are specifically excluded by Minn. Stat. Section 352.01, Subd. 2B) 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

contribution percentages for the year ended November 30, 1981, were four percent for employees and six percent for the Society. Two percent of the Society contributions to MSRS was to retire prior years unfunded liabilities, with the full funding required by the year 2009. Starting in January, 1982, employee contributions were reduced to 3.46 percent, and employer contributions to 5.2 percent of gross salary.

11. GAIN ON SALE OF FIXED ASSETS

The fiscal year 1980 gain on the sale of property was as follows:

Asset	Book Value	Expense of Sale	Sale Price	Gain (Loss)
Unloading Pit (Razed)	\$ 199.04	—	—	\$ (199.04)
Land Sale (South Como)	4,921.75	—	\$ 92,500.00	87,578.25
Structure Sale (Fire Station)	1,836.65	\$984.35	41,652.00	38,331.00
	\$6,957.44	\$984.35	\$134,152.00	\$126,210.21

12. LEGISLATIVE ACTION

The 1982 Legislature repealed Minn. Stat. Section 37.27 which required the State Agricultural Society to negotiate a contract with the City of Falcon Heights to reimburse the city for expenses it incurred as a result of the State Fair. However, no contract was successfully negotiated between the two parties, with the result that there is a minimal probability a retroactive charge for the 1981 State Fair will occur.

The 1982 Legislature also passed a change in the Society reporting year. The fiscal year will now begin on November 1 and end on the following October 31.

13. UNAUDITED FINANCIAL STATEMENTS

The management of the Society issued unaudited financial statements in January, 1982, which disclosed a fiscal year 1981 net income of \$89,576.59. The financial statements upon which the audit opinion was based indicated a net income of \$87,850.55. The difference of \$1,726.04 is due to the recognition of the change in accrued vested sick leave between fiscal year 1980 and 1981.

STATE AGRICULTURAL SOCIETY
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES

Years Ended November 30, 1980 and 1981

	1981	1980
Ticket:		
Outside Gate	\$2,940,886.23	\$2,809,950.95
Day Grandstand	149,435.76	75,567.31
Night Grandstand	586,012.81	600,696.15
Horse Show and Rodeo	121,496.38	111,982.69
Trackless Train	17,754.33	15,025.72
Total Ticket	<u>\$3,815,585.51</u>	<u>\$3,613,222.82</u>
Departmental:		
Agriculture-Horticulture	\$ 2,084.00	\$ 2,102.25
Amusements—Talent Contest	3,800.00	4,850.00
Amusements—Other	5,000.00	—
Cattle	5,256.00	5,294.00
Dairy	700.05	1,159.98
Employee Cafeteria	4,071.00	4,117.00
Fine Arts	—	1,260.74
Forage	30,718.15	30,493.00
4-H Club	6,373.00	—
FFA	2,955.00	2,951.50
Gas and Electric	32,449.26	33,639.64
Goats	580.00	532.00
Horse Show and Rodeo	54,451.60	62,044.00
Legislative—Editorial	1,350.00	1,000.00
Parking	4,763.45	—
Poultry	1,948.75	1,902.00
Public Safety	10,462.88	920.00
Race	12,740.00	15,019.98
Sheep	2,897.00	2,947.00
Space Rental	1,533,591.66	1,449,106.45
Swine	905.75	1,704.00
Total Departmental	<u>\$1,717,097.55</u>	<u>\$1,621,043.54</u>
Other:		
Campgrounds	\$ 29,416.00	\$ 18,747.00
Interest	79,816.09	65,610.10
Miscellaneous	12,026.39	33,331.59
Off-Season Rentals	506,492.64	522,106.68
Sale—Bulk Milk	10,885.60	11,175.71
Sale—Fixed Assets	—	126,210.21
Sale—Market Lambs and Barrows	29,323.21	30,611.05
Sale—Materials	96.55	1,482.35
Total Other	<u>\$ 668,056.48</u>	<u>\$ 809,274.69</u>
TOTAL INCOME	<u><u>\$6,200,739.54</u></u>	<u><u>\$6,043,541.05</u></u>

STATE AGRICULTURAL SOCIETY
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES

Years Ended November 30, 1980 and 1981

	1981	1980
Administrative:		
Salaries	\$ 293,343.94	\$ 288,285.95
Employees Benefits:		
Medical Insurance	46,745.03	40,209.10
Retirement Fund	45,828.88	43,748.17
Social Security	64,930.08	61,932.43
Unemployment Compensation	12,973.15	8,007.24
Workmen's Compensation	46,379.27	76,266.22
Annual Meeting	8,393.90	7,612.58
Bad Debts	1,028.25	44,417.06
Bonds, Insurance	66,203.05	66,848.37
Computer Services	15,605.82	15,453.90
Dues and Subscriptions	2,659.55	1,923.75
Expense Accounts	22,407.32	19,151.04
Legal Services	5,246.11	3,940.80
Legislative Audit	19,033.28	21,104.40
Mailing Services	8,410.95	—
Officers Salaries	50,771.48	50,769.88
Other	2,995.37	1,444.21
Postage	43,409.11	39,889.64
Printing and Office Supplies	38,685.18	34,279.44
Statistical Survey	—	3,197.78
Telephone	49,669.99	41,605.10
Total Administrative	\$ 844,719.71	\$ 870,087.06
Departmental:		
Admissions	\$ 97,714.85	\$ 101,014.63
Advertising	307,342.45	320,375.01
Agriculture—Horticulture:		
Bee Culture	4,210.25	4,185.29
Christmas Trees	2,193.93	2,024.61
Farm Crops	8,010.79	8,631.27
Flowers	5,265.24	5,053.43
Flower Show	18,450.00	18,300.00
Fruits	5,236.64	4,993.83
Vegetables—Potatoes	3,387.91	3,688.87
Miscellaneous—Custodial	6,151.95	5,375.49
Amusements—Afternoon Grandstand	83,729.54	36,698.16
Amusements—Night Grandstand	639,529.18	656,289.13
Amusements—Other	348,203.66	322,219.87
Cattle	21,404.60	24,378.73
Child Care	1,931.32	1,561.87
Coliseum Custodial	4,347.01	4,149.87
Creative Activities	25,782.25	26,085.99
Dairy	1,116.42	694.87
Education	21,102.78	24,031.71
Employee Cafeteria	11,590.67	11,010.03
Fair Youth Camp	19,091.29	20,076.58
Fine Arts	10,185.33	20,902.94
Forage	30,290.71	30,244.54
4—H Club	50,701.25	64,392.92

STATE AGRICULTURAL SOCIETY
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES
Years Ended November 30, 1980 and 1981

Departmental (Continued)	1981	1980
FFA	\$ 18,700.25	\$ 19,910.23
Gas and Electric	135,540.36	133,803.58
Goats.	3,190.09	3,643.20
Horse Show and Rodeo	95,551.09	84,853.93
Hospital.	5,290.67	4,057.81
Legislative—Editorial	4,547.50	3,606.30
Meats.	2,799.31	3,114.52
Natural Resources	520.26	1,583.71
Parking	72,479.08	74,891.27
Plants and Flowers	81,775.92	56,379.18
Poultry	7,386.42	8,715.36
Publicity	85,635.95	89,987.58
Public Safety	220,114.69	232,189.08
Sanitation	283,629.00	247,454.54
Senior Citizens	4,637.62	4,094.57
Sheep	4,315.88	5,208.84
Space Rental	148,813.78	143,871.64
Swine	7,953.88	7,998.11
Territorial Pioneers	1,590.69	1,169.40
Ticket	162,886.07	150,809.66
Ticket Audit	3,484.77	3,131.79
Total Departmental	<u>\$3,078,813.30</u>	<u>\$2,996,853.94</u>
Premiums:		
Agriculture-Horticulture:		
Bee Culture	\$ 1,524.50	\$ 1,220.00
Christmas Trees	1,040.00	1,015.00
Farm Crops	12,743.00	12,342.00
Flowers	1,560.03	1,538.20
Fruits	486.00	738.50
Vegetables—Potatoes	2,872.00	2,902.00
Amusements—Fiddlers Contest	—	1,195.00
Amusements—Talent Contest	3,800.00	4,050.00
Amusements—Other	—	175.00
Cattle	52,496.00	50,401.40
Creative Activities	4,130.50	4,049.00
Dairy	916.10	1,303.34
Education	12,228.00	13,748.00
Fine Arts	3,500.00	3,500.00
4-H Club	51,663.13	46,423.19
FFA	23,503.00	23,518.00
Goats.	3,371.50	2,736.50
Horse.	52,285.50	56,614.99
Poultry	8,004.25	7,229.00
Race	91,200.00	81,590.00
Sale of Bulk Milk	9,205.72	11,152.57
Sale of Market Lambs and Barrows	29,292.45	30,609.72
Sheep	15,544.00	15,789.00
Swine	14,983.00	17,527.00
Total Premiums	<u>\$ 396,348.68</u>	<u>\$ 391,367.41</u>

STATE AGRICULTURAL SOCIETY
SUPPLEMENTAL SCHEDULE OF REVENUES AND EXPENSES
Years Ended November 30, 1980 and 1981

	1981	1980
Other:		
Fire and Police Services.....	\$ 51,347.11	\$ 43,610.67
Institutional Tickets	6,451.00	5,640.00
Interest Expense	16,951.12	18,041.68
Laundry Services.....	1,447.10	803.25
Miscellaneous Expenses.....	6,064.51	6,143.52
Off-Season Rentals	224,536.45	238,800.49
Property Damage and Casualty Losses.....	3,132.06	5,199.90
Property Taxes	4,176.02	5,477.50
Signs	4,209.37	15,464.30
Water and Sewer	36,484.44	55,268.28
Total Other	<u>\$ 354,799.18</u>	<u>\$ 394,449.59</u>
Maintenance:		
Electric Plant.....	\$ 37,278.09	\$ 27,154.25
Fuel, Oil and Gas.....	27,368.23	33,657.85
Labor:		
Carpenter Benefits.....	908.80	12,406.04
Fair Set-up/Take-Down.....	379,823.69	336,947.06
General Maintenance.....	206,846.95	198,717.02
Watchmen	33,410.07	32,199.50
Land:		
Fence and Guard Rail	4,731.65	1,669.19
Gas Distribution System	370.76	2,672.80
Grading, Sod and Trees.....	19,062.26	14,923.16
Sewer System	12,987.85	9,745.45
Street, Sidewalks and Parking Lots	13,597.78	35,597.59
Water Distribution System	10,919.84	20,259.65
Storm Damage.....	3,779.68	28,406.52
Structure Repairs	120,609.78	130,022.62
Supplies.....	13,789.19	10,876.69
Vehicles and Personal Property	92,045.10	108,903.85
Total Maintenance.....	<u>\$ 977,529.72</u>	<u>\$1,004,159.24</u>
Depreciation:		
Electric Plant.....	\$ 47,294.20	\$ 46,872.62
Fence and Guard Rail	4,649.69	3,545.81
Gas Distribution System	136.87	136.87
Personal Property	45,384.97	47,256.64
Sewer System	5,139.87	4,849.82
Streets and Sidewalks	17,789.47	17,575.39
Structures	331,894.31	323,570.65
Water Distribution System	8,389.01	8,389.01
Total Depreciation	<u>\$ 460,678.40</u>	<u>\$ 452,196.81</u>
TOTAL EXPENSE	<u>\$6,112,888.99</u>	<u>\$6,109,114.05</u>
NET PROFIT (LOSS).....	\$ 87,850.55	\$ (65,573.00)

RESPONSE TO AUDITOR'S REPORT

April 19, 1982

Mr. John R. Hirschfeld, CPA
Auditor-In-Charge
Minnesota Legislative Auditor
Veterans Service Building
St. Paul, MN 55155

Dear Mr. Hirschfeld:

Per your request, I am providing herewith a written response to the recommendation contained in your preliminary audit report on the Minnesota State Agricultural Society for the year ending November 30, 1981.

During fiscal 1981, procedures were initiated to implement all of the personal property recommendations contained in your audit report of November 30, 1980.

In attempting to adopt your personal property reconciliation recommendation, we found the following conditions to exist. In past years, detailed inventory cards were kept primarily for custodial control of personal property assets. Inventory cards were not maintained with a specific cross reference code to the general ledger accounting records. Purchase cost information was not recorded on the inventory cards. Purchase invoices are not available for assets purchased prior to November, 1974.

Because of conditions as stated above, the implementation of the personal property recommendation, if at all possible, would be extremely costly and time consuming.

We have undertaken an internal audit of our personal property records and plan to prepare as completely as possible a detailed itemization of all assets purchased within the last ten years. We believe this audit will provide documentation for the principal of accounting and financial reporting that "the amounts reported on the financial statements be supported by actual assets, liabilities, etc."

We would be appreciative of any further thoughts or suggestions you may have in assisting us in the implementation of the personal property reconciliation recommendation.

I am grateful for your cooperation in dealing with society fiscal matters. If I can be of any assistance in the ongoing audit process, please let me know.

Sincerely,

Mike Heffron
Secretary-General Manager

**ANNUAL MEETING OF THE
MINNESOTA STATE AGRICULTURAL SOCIETY**

GENERAL SESSION

January 19, 1982

**Radisson St. Paul Hotel
St. Paul, Minnesota**

PRESIDENT SCOW: Welcome to the hundred and twenty-third annual meeting of the Minnesota State Agricultural Society.

(Mike Heffron gave the Secretary-General Manager's Report.)

PRESIDENT SCOW: The chair will entertain a motion to approve the secretary's report.

MR. MENGE: Bob Menge. So moved.

PRESIDENT SCOW: Do I hear a second?

MR. SHROEDER: Terry Shroeder. Seconded.

PRESIDENT SCOW: Any discussion? All in favor of the motion, signify by saying "aye".

Opposed, the same sign. The motion is carried.

The next order of business is the Finance Report by our treasurer, Jim Roehl.

MR. ROEHL: Thank you, Mr. Chairman. To the Board of Managers, State Agricultural Society; ladies and gentlemen:

Here I will give our report of cash balances, as finance director of the State Agricultural Society, for the fiscal year ending November 30, 1981.

Our beginning cash balance on December 1st of 1980 was comprised of the following items:

IMPREST Fund, cash on hand, \$200.

In our regular checking account we had \$12,787.73. The contingent fund checking account had a balance of \$500.

We had US Government obligations and bank certificates of deposits at \$450,000.

Those figures add up to a total beginning cash balance of \$463,497.73.

Our activities for the year, we had cash receipts of \$6,535,661.02, less cash disbursements of \$6,066,506.32.

That gave us an excess of receipts over disbursements of \$469,154.70.

Adding that figure to our beginning cash balance gave us a cash balance at November 30 of 1981 of \$932,652.43.

Details of that year-end cash balance are as follows:

IMPREST Fund, cash on hand, \$550; checking account balance, we had \$51,612.43.

In our contingent fund checking account we had \$500 and we had US Government obligations of \$880,000, giving us a total of \$932,652.43, which is the same figure as above.

Respectfully submitted, James Roehl, Finance Director. Thank you.

PRESIDENT SCOW: Thank you, Jim. Do I hear a motion to approve this report?

MR. GRUSSENDORF: Deke Grussendorf. So moved. Grand Rapids.

MR. MARUSKA: Seconded. Harveydale Maruska.

PRESIDENT SCOW: Any discussion of the report? If not, all in favor of the motion signify by saying "aye". Opposed, the same sign. The motion is carried.

Every year this convention is pleased to hear from the youth of our state, and without it none of the county fairs and certainly not the Minnesota State Fair would be the success that they are, and this year it is the turn of the State Agricultural Society to hear from leaders of both our 4-H and our FFA groups in the State of Minnesota, and at this time I am pleased to present to you Mr. Loren Miller, who is secretary of the 4-H clubs. He comes from Eagen, Minnesota.

Mr. Miller? Welcome, and we're glad to have you aboard.

MR. MILLER: Thank you. Greetings from the 74,000 members of the Minnesota 4-H Federation.

I am honored to have this chance to speak before you today, for I am helping out my friend, John Slago, the Federation President. He is unable to attend today, but maybe it is lucky that he is not able to attend for now I am able to account to you the story of Chris Clover, a Minnesota 4-H member, who incidentally shares his name with the national logo used to promote 4-H.

Let's begin with the background of Chris and the 4-H program to which he belongs. He is a 16-year old and has been in 4-H for five years.

This past year his project leader, one of nearly fifteen and a half thousand active leaders statewide, suggested that he demonstrate at the county fair.

He was very excited over his project and asked his parents to assist him. They, knowing the great role their own parents played when they were 4-H members, readily agreed.

Chris performed his presentation at the fair and guess what? He was selected to participate at the Minnesota State Fair as a model 4-H member.

This is where my account of Chris' great experience begins. When he arrived, he saw the vastness of the 300-acre fairgrounds and he vowed to know every inch of it.

That very afternoon he watched a friend being judged on his conservation exhibit. He noticed that the people and the judge actively cooperate in selecting a placement.

His friend commented on how much he had learned through the conference judging process.

That night his friend and he decided to start to work on his vow. They looked at everything, from the education building to the midway, machinery hill to the Pioneer Village.

The next morning he gave his presentation. It was a Youth in Action performance, one that lasts nearly an hour and actively involved the audience. His parents were there, like always, supporting him when he needed it most.

In the afternoon he viewed the Platform Players, a great show performed in the 4-H Building, one of the non-exhibit events such as Share the Fun, Roving Players and Star Revue.

The next morning after calling a friend to tell him what a fun time he'd have when he came two days later with his live-

stock, he strolled over to the 4-H Ambassador Information Booth and picked up a pamphlet. In it he read, quite by surprise, a message from President Ronald Reagan:

"I commend 4-H on your goals and worthy ideals and join you in your commitment to a better America and better world."

"You have my best wishes for your continued success in the future."

Chris thought to himself, he must be saying this to me. Well, when Chris got home that afternoon, he wrote a thank-you note and asked me to read it to you. It's a little hard to read, for he was very excited.

"Dear people in charge of the Minnesota State Fair: Thanks a million, jillion times for giving me the best experience of my life and thank you for supporting the 4-H program that I am a part of."

"My whole family, even my little sister, have grown through 4-H. Because of the State Fair—rather the people behind it—it is as great as it is."

"Sincerely and thanks again, Chris Clover, model 4-H member," and I would like to co-sign this:

"Thank you, Minnesota State 4-H Federation Secretary, Loren Miller."

PRESIDENT SCOW: Thank you, Loren. That's a great letter. We were happy to get it.

We will now hear from the FFA side of the young people's movement in the State of Minnesota, and I am pleased to present to you at this time Mr. Pat Duncanson of Mapleton, who is president of the FFA of Minnesota.

Mr. Duncanson?

MR. DUNCANSON: Thank you very much, and it's truly an honor for me to be here today. I bring greetings from nearly 15,000 young men and women who are part of the Minnesota FFA Association.

The State Fair has been a part of my life for many years. I am currently 20 years old. I have been going to the fair ever since I was old enough to be carried by my mom—in other words, I have been going to the fair for 20 years.

One of the things I remember most about the fair is, as a young boy, walking around machinery hill with my dad. He would always look at the machinery and I was always sleeping on the benches.

I also remember walking through the livestock barns, looking at FFA exhibits, 4-H exhibits, and thinking someday I'd like the opportunity to show livestock up here.

Well, through my FFA experiences, I was lucky enough to take part in our FFA swine show two different years, and I always thought I had fairly good livestock at home, a fairly good farm. I thought if I got my pigs up to the fair, you know, I thought I'd do pretty good up here.

Well, the first year I finished dead last in my class and the second time I tried I didn't do any better. I finished dead last again, but I think that is a tribute to the quality of livestock we get up at the fair, the nearly 2,000 head of livestock that were part of the FFA shows this year.

As state president this year, I was also involved in many other activities we have at the fair, such as agricultural mechanic demonstrations, crops show, horticulture show, tractor driving contest, education booth and so on, but perhaps the biggest thing, the most important thing I feel about the fair is

that this is a place where young agriculturalists have a place to show off a little bit.

All through high school, the athletics and so forth, my choir, my drama—I can do that through the different school events, through the contests and so forth, through football games, wrestling matches, whatever, but I never really had a chance to show off my animals, my pigs that I was so proud of.

But I guess that's one of the main things I feel is so important about the fair. The idea that young men and women involved in agriculture have a chance to show off what they have at home is so important to their lives, because to nearly 15,000 FFA members from across Minnesota, agriculture is a very important part of their lives.

It is an excellent place, the Minnesota State Fair to show off what we do have at home.

Something else we do at the fair is the Children's Barnyard, where we have samples of various animals, such as we had little chickens, we had little turkeys, we had a beef cow and calf, a dairy cow and calf. We had a sow and her piglets and we also had a goat and a lamb.

It was very interesting to hear the various comments as people came through the barnyard, such as the mother saying to her young daughter as she proceeded through the chicken barn, "Aren't those nice looking turkeys?"

Well, we did have a chance to do a little educating there, and a lot of times we think of vocational-ag teachers in classes teaching students.

Well, students involved with various aspects of the fair, a lot of times, we can teach our city cousins a little more about agriculture, give them a little more understanding.

Again I thank you for your support of the FFA at the State Fair and commend you on a job well done.

(Applause)

PRESIDENT SCOW: Thank you, Pat, very much.

With young people like this in back of us, I think we can figure that the State Fair is probably good for some considerable success in 1982, Mike.

The next order of business is the report of the Credentials Committee and I am informed that Mr. Bill Ulrich of Thief River Falls will make this report.

Mr. Ulrich, will you come forward, please?

MR. ULRICH: The report of the 1982 Credentials Committee of the State Agricultural Society:

All credential blanks for the statewide societies and associations submitted to the State Agricultural Society have been viewed by the committee and approved by them, with the following exceptions:

Minnesota Farmers Union did not file a report with the Secretary of State. Farm Equipment Association credentials were valid, except no vote will be allowed for M. J. Mikkelsen of Aberdeen, South Dakota, not a Minnesota state resident.

Central Livestock Association, no delegates or alternates named. Minnesota State Poultry Association, not signed by the president.

Becker County Agricultural Society, not signed by the secretary.

Also in the future, the Credentials Committee recommended that the changes in alternates and delegates be made before the Credentials Committee meets. These changes should be initiated by the secretary and the president.

The committee also debated the acceptance of signature

stamps. After a long discussion, it was recommended that in the future all credentials be personally signed to avoid the possibility of credentials being denied, due to the fact that we don't have the original signatures.

Thank you.

PRESIDENT SCOW: I assume, Bill, that you move the adoption of this report?

MR. ULRICH: Yes.

PRESIDENT SCOW: Adoption has been moved.

MR. BRODE: Seconded. Bill Brode, Todd County.

PRESIDENT SCOW: It's been moved and seconded that the report of the Credentials Committee be adopted. Any discussion?

If not, all in favor, signify by saying "aye". Opposed, the same sign. The motion is carried.

The next item of business to come before us is the report of the Resolutions Committee, and Mr. Bob Menge of St. Paul is chairman of that committee, and Bob, unless there are some vociferous objections from the floor, which I will promptly overrule, we'll pass on all of the resolutions at once, unless you think there is one that needs special treatment.

MR. MENGE: I don't know what that one word means. I can tell I'm in a high class group now, that's for sure.

Well, ladies and gentlemen, I met with the following district representatives yesterday on the resolutions for the State Agricultural Society:

From District One there was Fritz Halstead; Two, Lester Paschke; Three, Henry Hammer; Four, myself; Dale Benson of Seven, Richard Bakke of Eight and, Number Nine, Don Visser.

So the chairmen have suggested here we just read through these and then we can take it from there.

Resolution Number One: Resolved, that we offer our appreciation to the members of the State Fair staff and to the staff and management of the St. Paul Radisson Hotel, who have combined their time and efforts to make the hundred and twenty-third annual meeting of the Minnesota State Agricultural Society a success.

Resolution Number Two: Resolved, that we continue our association with the Minnesota Federation of County Fairs and cooperate in mutually beneficial activities and that we continue to support and participate in the programs and functions of the International Association of Fairs and Expositions and the University of Minnesota's Fair Management Short Course.

Number Three: Resolved, that we extend our thanks to the people of Minnesota and to the upper midwest, who through their combined support contribute to the best attendance ever achieved by the Exposition, which was 1,414,809 visitors in 1981.

Resolution Number Four: Resolved, that we thank all those whose efforts make the Minnesota State Fair possible, namely all fulltime and part-time employees, commercial exhibitors and concessionaires, competitive exhibitors, suppliers and purveyors, members of the media and the State Fair's advertising agencies, state officials, county fairs, youth groups in schools, chambers of commerce and mayors, implement dealers and manufacturers, entertainers, their agents, agricultural producers and suppliers, State Fair Superintendent, the Secretary of the State Fair, General Manager and the Board of Managers.

I think we covered everyone, right?

Resolution Number Five: Resolved, that we posthumously recognize the contributions and dedicated services of four men who passed away in 1981:

Honorary life member and State Fair Hall of Fame member, Edward J. Gruber; retired greenhouse assistant, Carl J. Schmidt; secretary to the public safety superintendent, Clifford J. Mot-taz, and former educational superintendent, Milo J. Peterson.

Resolution Number Six: Resolved, that while the State Fair realizes its obligation to pay taxes, use and property taxes, the Society will actively resist unfair imposition of unwarranted taxes by neighboring municipalities; further, it is resolved that the affairs of the State Fair are best managed by a strong and self-supporting State Agricultural Society, without political or financial dependence on any other body.

Resolution Number Seven: Resolved, that the position of excellence enjoyed by the Minnesota State Fair is due in large measure to the high quality of the state's county fairs.

Especially important are the competitive programs, including FFA, 4-H and open classes conducted at the county level.

Be it therefore resolved, that the membership of the State Agricultural Society wishes to be on record as urging the Governor, Legislature and Department of Agriculture of this great state not to reduce the level of financial support provided our county fairs.

I, Bob Menge, submit these for approval by the group.

PRESIDENT SCOW: Thank you, Bob. I will entertain that as a motion to approve. Do I hear a second?

MR. WILKINS: Seconded. Bernie Wilkins, Brainerd.

PRESIDENT SCOW: You have heard the motion and you have heard the resolutions. Unless there are some objections from the floor, we will vote on them all as one.

All in favor of the motion, signify by saying "aye".

Opposed, the same sign. The resolutions are duly adopted.

We have a minor matter to come up next, and that is the election of president for a term of one year.

Mr. Korff?

MR. KORFF: Mr. Chairman, with the 1981 fair now past history and our thoughts turned to 1982, I think we have been blessed as a great Minnesota Fair with a great management staff and, of course, through the guidance of our great president that we had in 1981.

I take pleasure in placing in nomination to succeed himself, our legal eagle, Mr. Logan Scow, as president.

PRESIDENT SCOW: How can I say anything but thanks? Are there other nominations? Are there other nominations?

Bernie?

MR. WILKINS: I move that the nomination cease and the rules be suspended and a unanimous ballot be cast for the election of president.

PRESIDENT SCOW: Seconded?

MR. MENGE: Seconded.

PRESIDENT SCOW: You have heard the motion that the rules be suspended and nominations be ceased and cast a unanimous ballot. All in favor, say "aye". Opposed?

Well, I should be most remiss if I didn't say that I am happy to be re-elected to another term.

It's been a rewarding year and I can promise you that there's going to be no rain in 1982—this is not a campaign promise because I've already been elected—and that we are going to have another banner year, and I know that because we're blessed with a great board of managers on the Minnesota State Fair, everyone of them.

It's been fun working with you and I shall look forward to working with you again, and on top of that, we have a world champion staff running the Minnesota State Fair, and it's no fault of mine or any member of the board of managers that the 1981 fair was a record breaking fair.

The fault is due entirely to Mike Heffron and his three cohorts, Jim Frost, Jim Roehl and Kenny Wenzel and all the other members of the staff that work under them, and on behalf of Mrs. Scow and myself, we are most appreciative of being returned to this job—I think I can count on Bonnie to help again—and I thank you very much for being re-elected.

(Applause)

I now have some good news and some bad news for you. The bad news is that during 1981 the fair lost through resignation a very, very valuable vice-president who served the fair since 1926, I think, and that, of course, was Norris Carnes. But Norris took his usual way to see that his successor would be equally proficient and equally as well qualified, and by our rules and regulations the board appointed Bert Lund to be his successor.

But it now becomes necessary to elect a vice-president from the Fourth District to fill the one year remaining on Norris Carnes' term and I will now entertain a motion for a vice-president from the Fourth District.

Mike?

MR. HEFFRON: If I may, as tradition holds, we have normally received the recommendation in St. Paul or Minneapolis, either the Fourth or Fifth District, from the chamber of commerce of that city, and in this instance we have a letter signed by Amos Martin, who is executive vice-president of the St. Paul area Chamber of Commerce, saying "The St. Paul area Chamber of Commerce is pleased to recommend Bert Lund of the Webb Company to serve as vice-president of the Minnesota State Agricultural Society, representing the Fourth Regional District."

"Our organization is pleased that Bert Lund has and will serve the Society in a most effective manner."

"We trust that Bert will be elected, and if our organization can assist you in the Society in any way, please don't hesitate to contact me. Amos Martin."

You have heard the recommendation of the St. Paul Chamber. I will now entertain a motion to nominate Mr. Lund or anybody else.

VOICE: I'll nominate Bert Lund.

MR. TIFFANY: Mr. Chairman, I had a nomination in mind, but you stole my thunder in all your rhetoric about Bert Lund.

However, since he has been nominated I would like to second the motion of Bert Lund.

PRESIDENT SCOW: Well, that was the good news I was going to tell you. The bad news is that we lost Norris Carnes. The good news is that we get Bert Lund.

Are there any other motions?

MR. WILKINS: I move the usual motion.

PRESIDENT SCOW: That is Bernie Wilkins, who is a life member of the association. Thank you, Bernie.

Is there a second to that?

MR. LONG: Seconded.

PRESIDENT SCOW: Walter Long seconded it. Any discussion of this motion?

If not, all in favor signify by saying "aye".

Opposed, the same sign.

Bert, come up and say hello.

MR. LUND: Thank you very much for your vote of confidence. No way can I replace or fit in the shoes of Norris Carnes. I am just going to follow him, succeed him, and try to carry on some of the great traditions he has.

I look forward to working with all of you. Thank you.

PRESIDENT SCOW: Well, I'm sure that Bert is a worthy replacement to Norris. I've had the pleasure of working with him and his good wife, Kay, these several months and, Norris, you couldn't have picked a better successor.

The next order of business is the nomination and election of a vice-president from the Fifth District for a term of two years.

MR. HEFFRON: The Greater Minneapolis Chamber of Commerce has submitted the following letter:

"Once again we are pleased to recommend that Leonard Ramberg be continued as Fifth District Vice-President of the State Fair Board."

"As you perhaps know, Leonard Ramberg was top executive at the Northwestern Bank of Minneapolis, Postmaster, a member of the Chamber's staff, and presently serves as President of the Minneapolis Automobile Club."

"We heartily recommend that Leonard Ramberg continue to serve on the State Fair Board." Signed, "John C. Bailey, Manager of the Minneapolis Chamber of Commerce."

PRESIDENT SCOW: You heard the recommendation from the Greater Minneapolis Chamber of Commerce. I will entertain a motion to nominate Mr. Ramberg.

MR. TIFFANY: Mr. Chairman, I would like to nominate Leonard Ramberg to succeed himself for the next two years as our vice-president from the Minneapolis District.

PRESIDENT SCOW: Do I hear a second?

MR. OJAKANGAS: Sulo Ojakangas. Seconded.

PRESIDENT SCOW: Seconded by Sulo Ojakangas, Board of Managers, Hibbing, Minnesota.

Are there other nominations? Bernie, do you want to make the same motion again?

MR. WILKINS: I move that the nominations cease and we cast a unanimous ballot.

PRESIDENT SCOW: Do I hear a second to that?

VOICE: Seconded.

PRESIDENT SCOW: You have heard the motion that the nominations cease and we cast a unanimous ballott for Len Ramberg to succeed himself for a term of two years.

Any further discussion of this motion? If not, all in favor of the motion signify by saying "aye".

Opposed, the same sign.

Len, have you some pearls of wisdom to give us?

MR. RAMBERG: Mr. President and members of the Minnesota State Agricultural Society:

I am delighted that Walter made that motion, because we don't want it to appear that Bernie Wilkins is still running this organization. I really thank you very much for the opportunity to serve again.

All these nice things that have been said about the board and the staff—all I can do is repeat them.

They certainly are a great group with which to work and it's a pleasure to be involved in the Minnesota State Agricultural Society. Thank you very much.

PRESIDENT SCOW: Thank you, Leonard.

As you know, our founding fathers, when they founded the State Agricultural Society, in their infinite wisdom decided that by custom, at least, the senior member of the board becomes president and he serves a couple of years and then he's through.

But they wanted to make it impossible for a city slicker to take over the control of the State Agricultural Society and so they provided that the vice-presidents were to be elected from Minneapolis and St. Paul, but they could never become president of the association.

They didn't know what a favor they did for the State Agricultural Society, because over the years we've been blessed with two very, very fine business people to be our vice-presidents and now we get a third one, and it really has been a blessing in disguise that these city slickers can't take over the operation of the Minnesota State Agricultural Society.

We've got a couple of board members to elect now and we come to the election of a board member from the Seventh District for a term of three years.

MR. HEFFRON: In accordance with the statute, the delegates from the Seventh Regional District met yesterday in caucus and wish to submit to you as a candidate for a three-year term, Mr. James G. Tiffany of Redwood Falls.

PRESIDENT SCOW: The name of Mr. Tiffany has been placed in nomination. I suppose proper rules of order say I have to ask, are there other nominations?

I don't want to, but are there other nominations from the floor; Are there other nominations?

MS. KIENHOLTZ: I move that nominations cease and a ballot be cast for Gib Tiffany.

PRESIDENT SCOW: Inez Kienholtz, Bird Island, moves that the nominations cease and we cast a unanimous ballot.

Bernie, I saw your hand. I assume you want to second that.

MR. WILKINS: Seconded.

PRESIDENT SCOW: You've heard the motion. Any further discussion?

If not, all in favor of the election of Gib Tiffany to succeed himself for a term of three years, signify by saying "aye".

Opposed?

You are unanimously elected, Gib.

(Applause)

PRESIDENT SCOW: Next order of business is selection to the Board of Managers from the Ninth District for a term of three years.

MR. HEFFRON: Delegates from the Ninth Regional District also met yesterday and wish to submit or certify to you on behalf of their district, Mr. Willis Lilliquist of Kennedy to succeed himself for a three-year term on the Board of Managers.

MR. MARUSKA: When a man comes almost 400 miles in a winter such as this to attend a meeting of the Minnesota Agricultural Society as a board member and has served it well, who's also served his own fair in Kittson County, which is sort of falling off the edge of Minnesota both into North Dakota and Canada, I feel it would be a shame not to have him re-elected for another three-year term, to succeed himself, and I would also like to add, being that I look around before I do anything—I don't rush into anything. I looked over your folder here for this year and to me it appears that he's the only one that has a head of hair that is still quite dark and a very small recedence to his hairline, and I thought it necessary that we keep somebody with that youthful look.

I'd like to move the nomination.

PRESIDENT SCOW: That it cease, did you say?

MR. MARUSKA: Yes.

PRESIDENT SCOW: Is there a second?

VOICE: I'll second it.

PRESIDENT SCOW: It's been moved and seconded that the nominations cease and we cast a unanimous ballot for Mr. Lilliquist.

Before you vote, however, I think you should know that when the Lord, in his infinite wisdom, created men, he made heads, and when he got one that wasn't quite perfect, he put hair on it—and I know what I'm talking about.

With that pearl of wisdom in mind, all in favor of the motion signify by saying "aye".

Opposed, the same sign.

Willis, in spite of your hair, you're elected. Would you like to say something?

MR. LILLIQUIST: Sure, I'd like to say something. I've enjoyed working with this board and we've got a real terrific group, and I'm looking forward to the next three years and I want to thank each and every one here for this support. Thank you.

PRESIDENT SCOW: Thank you, Willis.

(Applause)

PRESIDENT SCOW: He lives right across from me in the officer's compound and he's a good neighbor. He doesn't make any noise, he doesn't snore loudly and I'm glad he's been re-elected.

Each year it's customary for a committee that's a standing committee in the State Agricultural Society—and it's known as the Life Member and Hall of Fame Committee, and they consider very carefully, I'm sure, the selection of life members to the Society and the selection members to be nominated to the Hall of Fame, and at this time, Mr. Ramberg, I think you have a report from this committee.

MR. RAMBERG: Mr. President, ladies and gentlemen of the Minnesota State Agricultural Society:

Honorary life membership in the Society is the most fitting honor we can give the following man, for he has truly given a lifetime of service to the State Fair.

In 1921 his long and fruitful association with the State Fair

began, when he joined the fair's horse department as assistant superintendent.

Two years later he became superintendent of the department and held that position until 1944.

On July 6th of that year he was appointed to the Society's Board of Managers as Fourth District Vice-President.

As general manager of the Central Livestock Association from 1943 through 1974, he gained extraordinary expertise in livestock, which he brought to the Board of Managers.

He also put this knowledge to use as supervisor of the cattle, dairy products, horse department, among others.

In 1976 he was elected to the State Fair Hall of Fame. In July, 1981, he retired from the Board of Managers after 38 years as Fourth District Vice-President and after a full 61 years of service to the Society.

During the 1981 State Fair, one of the fairgrounds main thoroughfares, Minnesota Avenue, was renamed in his honor.

For his long and dedicated service to the State Fair, I am honored to nominate Norris K. Carnes for honorary life membership in the Minnesota State Agricultural Society.

Norris, would you please come forward? I'd like to present to you this life membership, which says: "Minnesota State Fair Life Member. Be it known to all persons on January 19, 1982, Norris K. Carnes was elected to honorary life membership in the Minnesota State Agricultural Society and herein-after is entitled to all the rights and privileges pertaining thereto. Logan Scow, President; Michael Heffron, General Manager."

Congratulations, Norris.

(Applause)

MR. CARNES: President Scow, Leonard, I sincerely appreciate the very generous, somewhat exaggerated statement relating to my contribution to the Minnesota State Agricultural Society, but I do sincerely appreciate the single honor which you people assembled here today have seen fit to confer on me by electing me a life member to the Minnesota State Agricultural Society.

I think that most of you people realize that I have been associated with the Minnesota State Fair in one capacity or another for a period of 61 years, and during that long span of time it has been my privilege and pleasure to work with your several splendid Boards of Directors and outstanding managements and I think that the Minnesota State Fair has been exceptionally fortunate in having men of high quality and now a lady of high quality serving on its boards.

These men have brought to the board experience in the management of fairs, county fairs and even larger fairs.

These men have brought to the board experience in the field of agriculture and these men and woman have brought to the board men who have had business experience and these people who have served on this board have recognized the necessity of operating this institution on a self-sufficient basis.

I am proud to say to this group assembled here today that this fair occupies a rather unique position in our society, in the society of state fairs, in that it is not being subsidized by the Minnesota State Legislature and not since the close of World War II has the Minnesota State Agricultural Society received any support from the legislature, and it was necessary at that time because during World War II the so-called at that time Hippodrome Building was taken over by the federal government as an airplane propeller manufacturing plant, and when the war was over the building was ruined and it was necessary for replacement at that time.

The Minnesota State Legislature supplemented funds that the fair had on hand to build a new coliseum, the building we now have.

So I say these men and women that serve on this board have been farsighted and they have pushed for the development of an institution that brings various programs, including educational programs, programs for entertainment and other programs to the people of the State of Minnesota.

This is a much needed service to the people of this state and it does not apply entirely to the State of Minnesota, but it applies to people in the surrounding states and occasionally nationally.

Now, I know that this institution has had problems in the past and I assume from what has been said here today, and in the Livestock Breeders meeting, that you will have some problems in the future, but if this board or this management can try and—or discover a place where I can be of some assistance to you in the solving of these problems, I will consider it a favor if you will command me.

Now, I do appreciate this single honor and I assure you that I will prize it as long as I live. Thank you.

(Applause)

PRESIDENT SCOW: Norris, when you sit down, will you look at that membership card? I just wanted to be sure that it wasn't good at the outside gate.

I can't tell you how pleased I am that you are now a life member.

MR. CARNES: Thank you, sir.

PRESIDENT SCOW: I have known Norris since he was a small boy and I don't know a finer gentleman.

Now, we have the Hall of Fame report and I think Mr. Maruska is to make that section of the report.

Senator Maruska from Warren. He's a used-car dealer, so watch out.

MR. MARUSKA: Mr. Chairman, members of the Minnesota State Agricultural Society, friends, those of you who might not be, and Mr. Carnes, I want to let you know never before had I known you were associated with the Minnesota State Fair before I was.

In 1921 he became active with the Minnesota State Fair and I became on November 29, 1921.

So you have a few years on me, but I want to let you know that I am a member of this great past presidents organization four years your senior, so I don't want you to think that you have anything over on me, and Bernie, I'm going to tell you another thing:

I think you're being discriminated against when Leonard here said that we better not have Bernie Wilkins make that motion too many times or we'll think he's still running the fair.

This is the way they behave everything. I've seen it time and again. While you're in, you're okay. Then while you're out to pasture, they don't even give you grass.

Seldom have I had a chance to be up here and have a captive audience such as this, and I want to let you know that I was a member of this great board—truly a privilege to be on this board—for ten years.

I was its president for awhile and, no we didn't break any records—the only record we broke was we got seven inches of water one night while I was president, but we did struggle

through it and we kept our people and paid them their salaries and they're still with you, and what they learned back in those two years when I was president now is coming to fruition, and I want you people to know this.

Bernie, I suppose you might as well know that I'm going to be on the staff here next year at the Minnesota State Fair.

This morning we had a breakfast of secretaries in this same area and somebody that was telling about the different committees that were going to be formed, the different legislation that was going to be presented, mentioned something about the health problem at county fairs, and they alluded to the fact that here last year at the great Minnesota State Fair a woman came up to buy a hot dog at a hot dog stand.

The man reached into the kettle and took out the hot dog with a pair of tongs and put it in the bun and gave it to her, and she gave him the money and he put the money into the kettle that the hot dogs were coming out of.

She looked at him and said, "My stars, what are we doing that for?"

He said, "That's the only place we put the money. In case we're robbed, nobody's going down there to get it."

Now, I think this great Minnesota State Fair is going to be turned around a little bit and we don't want a scandal about the State Fair of Minnesota, and I'm going to take it upon myself, Bernie, to go around and inspect wiener kettles all during the Minnesota State Fair.

If I need any help in getting my salary, I hope you past presidents will come to my rescue. Is that okay? I knew I could count on you.

I was asked to make this presentation and this nomination because the immediate past president, whose privilege it has been other years to do this, is not with us. Larry Haeg, who has been the immediate past president, is not with us and I will substitute for Larry Haeg.

We have two names that I would like to nominate to be inducted into the Hall of Fame of the Minnesota State Fair. The first is Mr. George R. Cochran.

George R. Cochran was truly the founding father of the Future Farmers of America program at the Minnesota State Fair.

As the department's first superintendent, he was responsible for development and growth of what has become one of the exposition's most important features.

George R. Cochran was born in 1901 near Waterville. After attending the University of Minnesota, he moved to Sleepy Eye and began a distinguished career as an instructor of agriculture.

After two years of teaching in Lancaster, Wisconsin, Mr. Cochran settled in New Richmond, where he taught high school and agriculture for 19 years.

In 1930, shortly after moving to New Richmond, Mr. Cochran became one of 22 charter members of the state FFA foundation board beginning an active association that was to last 38 years.

In 1948 he was appointed the State Supervisor of Agriculture Education and the Cochran family moved to St. Paul.

That same year Mr. Cochran became the state FFA advisor and he immediately contacted State Fair officials with a proposal to involve the FFA in the annual exposition.

The officials accepted and 130 head of swine and sheep were shown at the 1948 State Fair.

In 1949 the FFA became an official department of the State Fair with Mr. Cochran as superintendent. This was followed by a period of rapid growth.

Dairy and beef cattle were added to the program and it soon became the largest FFA livestock show in the world, a distinction it still holds today.

Other programs added under Mr. Cochran's guidance include a livestock judging contest, farm crops competition, tractor driving competition, agriculture mechanics projects and, of course, the enormously popular Children's Barnyard.

Mr. Cochran retired as FFA superintendent in 1968. He died in 1970.

For his superb efforts in founding and developing the FFA activities at the Minnesota State Fair, I am proud to nominate, Mr. Chairman, George P. Cochran for induction into the Minnesota State Fair Hall of Fame.

PRESIDENT SCOW: Thank you, Harveydale.

The name of George R. Cochran has been placed in nomination to the Hall of Fame.

MR. OJAKANGAS: Seconded.

PRESIDENT SCOW: Sulo Ojakangas has seconded the nomination. All in favor of the motion, signify by saying "aye".

Opposed, the same sign.

As I understand it, a member of the Cochran family is in the audience. Would you come forward, please? I think it's George's son, is it?

This is Mr. George Cochran also. He is a member of the family of the man we have just inducted into the Hall of Fame. George, welcome.

MR. COCHRAN: Thank you very much.

PRESIDENT SCOW: In memory and respect to a great man in the FFA program of the State of Minnesota. Congratulations.

MR. MARUSKA: Seldom does a little backslapping Czechoslovakian from northwestern Minnesota have a chance to nominate two fine people to the Hall of Fame of a great State Fair such as ours, but it is my privilege today to name another nominee into induction in the Hall of Fame.

As the state's 4-H program director from 1949 to 1980, Leonard L. Harkness was instrumental in the progress of the 4-H Club at the Minnesota State Fair.

Under his able leadership, 4-H activities expanded into many new areas at the fair.

Beneficiaries of his dedicated service are countless young men and women who participated in 4-H programs, the club members who worked hard throughout the year in hopes of earning a trip to the State Fair.

Leonard was born in Randolph, Minnesota and grew up in a family of eight children.

He graduated from Blue Earth High School and went on to receive a Bachelor of Science Degree in agronomy and plant genetics at the University of Minnesota.

Following graduation he served as a Navy Aviator in the Pacific in the Second World War.

In 1945 he was discharged from the service and became an assistant county extension agent for Blue Earth County, a position he held until 1949.

That year he was named 4-H program director for the state and superintendent of the 4-H department at the State Fair.

During Leonard's 32 years as the superintendent, the 4-H State Fair's activities were expanded to include demonstrations, dress revues, livestock judging and Share the Fun programs, as well as trying to compete against me in the tractor driving contest one year.

He retired as the fair's department superintendent and program director in the autumn of 1980.

Leonard and his wife, Maxine, live in St. Paul and have five children. At his retirement party the committee in charge of the State Fair issued the following statement:

"During his length of service, Leonard has influenced volunteers, professionals and youth around the world as well as at home with his characteristics of good and successful leadership, demonstrating the importance of concern, flexibility, support and follow-through."

"Nowhere were these qualities more evident than in his service to the State Fair."

For his outstanding contributions to the exposition during his long and distinguished career, again Mr. Chairman, I am privileged to nominate Leonard L. Harkness for induction into the State Fair Hall of Fame.

(Applause)

PRESIDENT SCOW: Thank you.

You have heard the nomination of Leonard Harkness. Do I hear a second?

MR. LILLIQUIST: Second that motion.

PRESIDENT SCOW: All in favor of that motion, signify by saying "aye".

Opposed, the same sign.

Leonard, you are in the audience someplace I understand.

This is indeed a privilege. It really is, and might I read the inscription here, the same as the other one for Mr. Cochran:

"In recognition of his dedicated service and many contributions to the success and development of the State of Minnesota and its great agriculture industry, through the medium of the Minnesota State Fair, and as an acknowledgment of their obligations to this man, the members of the Minnesota State Agricultural Society, on this 19th day of January, 1982, do hereby name him to the Minnesota State Fair Hall of Fame."

Leonard, it's with pleasure that I award the second one of these to men dedicated to the lives of young people in the State of Minnesota. God bless you.

MR. HARKNESS: Thank you very much. I think a good many of you out there know how deeply I feel about the Minnesota State Fair and the very privileged role that I had for nearly 32 years to serve as superintendent of the 4-H department.

It's quite an honor to be honored on the same day as Norris Carnes and my late friend, George Cochran—Ray Cochran, as we called him, and to be brought into this association.

I was surprised, Mike, you didn't recognize me walking down here. I would have recognized you. I haven't changed all that much.

And I don't know anyone I would rather have present this to me than my good friend, Harveydale. He added so much pizzazz to the Minnesota State Fair when he joined up shortly after he was born in 1921, I think, and it's people like that and the Leonard Rambergs and all the names Norris mentioned, all the superintendents that he served with—I think of Doug Baldwin and I think of those others that we've been privileged to serve with.

I think we're extremely fortunate in Minnesota to have an institution like the Minnesota State Fair, and I was one of those who signed up the other day and said I'd be glad to help, too, Mike, in case you get in between a rock and a hard place.

I'm one of those who would be privileged to serve the interests of the Minnesota State Fair.

(Applause)

MR. MARUSKA: Doggone it, I never want to quit when I get up here, but I would like to recite, in my humble way, a few verses of something that would be fitting right now. It goes like this.

(A poem was recited by Mr. Maruska)

(Applause)

PRESIDENT SCOW: Thank you Harveydale.

He's a pretty eloquent orator and a wonderful reciter of poetry and, Willis, when you said he drove 400 miles to get down here to board meetings and things like that, I once asked Harveydale how he had time to memorize "The Shooting of Sam McGrew" and "The Cremation of Sam McGee," and he said, "Well, I had 400 miles to drive my automobile alone and nothing else to do but to memorize poetry," so we'll look for more of this later on, Willis.

This concludes the more formal part of this meeting. Do we have any unfinished business to come before the house?

If not, let me remind you that we have the banquet tonight, a fellowship gathering at 5:30 and the formal banquet beginning at 7:00 o'clock, and I will look forward to seeing all of you there.

To the members of the board, the vice-presidents and other members, there is a board meeting immediately following the adjournment of this meeting in the Indian Suite over here in the hall, and there are a lot of items to cover in that meeting and I'll give you five minutes between the adjournment of this meeting and the time to show up there.

Mike, do we have anything else?

There will also be a meeting of the Life Member Advisory Committee to follow this, and that is to be held in the Land O' Lakes Suite also out in the meeting room area here.

Mr. Carnes, will you chair that meeting? You might as well get to work, now that you're a member.

Very well, if there is no other business to come before us, I'll entertain a motion to adjourn.

MR. LONG: So moved.

PRESIDENT SCOW: Walter Long moves. Is there a second?

MR. ROEHLKE: Seconded.

PRESIDENT SCOW: Wes Roehlke seconded.

All in favor of the motion, signify by saying "aye".

Opposed, the same sign.

We are adjourned.