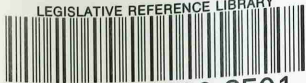


990410

LEGISLATIVE REFERENCE LIBRARY



3 0307 00000 8501

1998 ANNUAL REPORT



S77
.A2
1998

Another Phenomenal Year of Growth

With the right tools...



THE MINNESOTA STATE FAIR IS A TESTAMENT TO SOLID CONSTRUCTION.

Built on an agricultural foundation and expanded on a long tradition of excellence, it has grown into one of the world's premier agricultural and entertainment events.

The fair's growth and success can be attributed to several factors, including the right tools for creating one of the top fairs in the country. These tools include popular fair attractions, innovative presentations and a dedicated group of participants and staff.

The 1998 edition of the Minnesota State Fair was blessed for the third straight year with mostly beautiful weather and record-breaking attendance. From the fair's opening on Aug. 27, and throughout its 12-day run, guests from Minnesota and around the globe flocked to the fair for reasons as varied as the towns they were from. Central to their enjoyment of the fair, however, was a sense of tradition and pride. Minnesotans love their State Fair, and embrace it as an important part of their heritage.



Photo submitted by Hot Shot contest winner Lori Anderson of Roseville, Minn.

RECEIVED

JUN 24 1999

LEGISLATIVE REFERENCE LIBRARY
STATE OFFICE BUILDING
ST. PAUL, MN 55155

TABLE OF CONTENTS

Report of the Executive Vice President	
<i>A word from Jerry Hammer</i>	2
Attractions	
<i>New attractions, returning favorites and values</i>	4
Grandstand and Free Entertainment	
<i>Outstanding talent found only at the fair</i>	6
Competitive Events	
<i>Competition, special contests and award ceremonies</i>	8
Staff	
<i>More than just employees of the Minnesota State Fair</i>	10
Board of Managers	
<i>The people who lead the Minnesota State Agricultural Society</i>	12
Sponsors	
<i>Community and business support</i>	12
Maintenance and Improvements	
<i>The care of the fair</i>	13
Demographics	
<i>The folks who attend the Minnesota State Fair</i>	14
Concession and Exhibit List	15
FINANCIAL INFORMATION	
Auditor's Report	21
Balance Sheet	22
Statement of Revenue, Expenses and Changes in Retained Earnings	23
Statement of Cash Flows	24
Footnotes	25
Supporting Schedules—Revenues and Expenses	27
Supporting Schedules—Cash and Cash Equivalents	31
Audit Opinion Letter	32
Meeting Minutes	37



The report of the Executive

DEAR FRIENDS,

AMONG THE MANY EXCELLENT NEWSPAPER ACCOUNTS OF THE '98 STATE FAIR, TWO STORIES IN

particular stood out because of the perspectives from which they were written.

The first, published in the Star Tribune, was written by first-time fair visitor Tracy Jan.

"From atop the Space Tower Thursday morning, I got my first glimpse

of what I've been waiting for all summer. Sprawling for acres, the Minnesota State Fair resembled an amusement park on steroids...

"Coming from California, I'd never experienced anything like the Great Minnesota Get-Together. Though the gray skies threatened rain, I was already dodg-

ing strollers, little red wagons and toddlers on a leash.

"I should have known that nothing in this state stops for a few raindrops...

"Bill Cosby depicted in seeds, sculptures made of butter, and farm animals — now this is something to write home about."

Tracy's fresh perspective as a first-time visitor reminds us jaded lifers of how wonderful our fair really is. In addition, her story does an excellent job of reminding us of the things that make the fair special, as well as tipping her hat to the perseverance of Minnesotans.

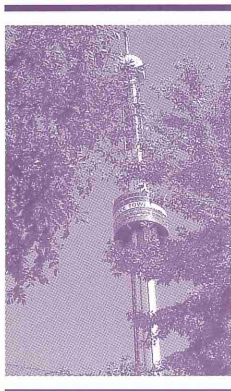
The second story, written by life-long Minnesotan Nick Coleman, goes deep into the essence of the fair, and gets to the heart of what the fair means to us all. In a column published in the Labor Day edition of the St. Paul Pioneer Press,

Coleman wrote of the fair's place in an uneasy world under the headline "All seems right at Fair, despite reality."

"The beauty of the Fair, of course, is that the outside world rarely impinges upon the biosphere of food, fun and frivolity we call the Fair..."

"There are only a few places — the State Capitol is one — where you can get such a palpable feel of connection with the past and the future. But the Capitol has gravitas (a certain weight or sense of dignity, for those who don't speak Latin).

"The State Fair doesn't have dignity; it has undignified, unbridled joy; it has everyone and everything, including (if you were brought up in these parts) the memories of parents and grandparents and Fairs long ago."



Our Mission:

"To educate and involve our guests by providing...

Vice President

It's heartening to read in both pieces that the fair seems to have a happy, other-worldly quality. If we succeed in creating this atmosphere, it's through the efforts of thousands of enormously dedicated people who work very hard to produce the best presentation possible in a safe, clean environment.

While our product may seem impervious to the outside world, the business side of the State Fair is very much a part of the real world. Vagaries in the weather and the economy can and do have a profound effect on the fair. Sound business practice, fiscal responsibility and financial independence are essential in providing a hedge against these uncertainties.

For 50 years, the State Fair has paid its own way, neither asking for nor accepting any tax dollars from federal, state or local governments for any purpose. We produce the annual exposi-

tion, plus maintain and improve the 360-acre State Fairgrounds, on our own. In the real world, that's just as it should be.

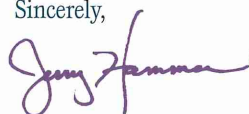
In fiscal '98, State Fair operations resulted in a net gain of nearly \$2 million. Every dime of this profit, plus an additional \$2 million of State Fair funds, will be used this year to fix up and take care of the fairgrounds. Much of this work, such as sewer separation, roof repair and electric plant upgrades, is not very glamorous, but it's all necessary — all real world stuff.

The challenges we face in '99 are also of the real world. The labor shortage and early school openings (which for us are closely related), increased production costs, facilities that demand attention and transportation issues must all be faced head-on.

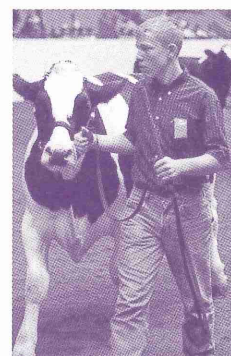
The board and staff of the State Fair gladly accept these challenges and will give our very best effort to present the finest fair ever this year. To our new guests, such as Tracy Jan, we look forward to providing another dose of sensory overload and building new traditions. To our fellow lifers like Nick Coleman, we pledge to maintain the State Fair as a fundamental part of our social fabric.

I very much appreciate the opportunity to serve this great institution and the people of Minnesota. God bless you all.

Sincerely,



Jerry Hammer
Executive Vice President



1998 State Fair Attendance & Weather

Date	Day	Attendance	Hi/Lo Temp	Precip
Thurs. Aug. 27	Thrifty Thursday	97,621	75/64	.16"
Fri. Aug. 28	The Great Outdoors Day	123,225	85/65	.00
Sat. Aug. 29	FFA & Agriculture Day	202,126	81/58	.00
Sun. Aug. 30	Retro Day	193,518	80/52	.00
Mon. Aug. 31	Seniors, Kids & Academic Excellence Day	136,400	77/56	.00
Tues. Sept. 1	Hat Day	94,776	78/49	.00
Wed. Sept. 2	Viva Las Elvis Day	90,150	74/46	.00
Thurs. Sept. 3	Seniors & Kids Day	104,259	79/57	.00
Fri. Sept. 4	International Day	131,405	84/51	.00
Sat. Sept. 5	Wonders of Technology Day	202,787	90/60	.00
Sun. Sept. 6	4-H Day	176,321	81/65	Trace
Mon. Sept. 7	Last Chance Day	136,446	73/54	.00
TOTALS		1,689,034		.16"
		(a new attendance record)		



Photo submitted by Hot Shot contest winner Dave Hanson of Chippewa Falls, Wisc.



New attractions, ret favorites

THE MINNESOTA STATE FAIR IS BUILT ON RETURNING FAVORITES, BUT WHEN NEW ATTRACTIONS ARE MIXED INTO THIS SOLID FOUNDATION, THE RESULT IS A TOP-

notch fair that continues to evolve with the times without compromising its crowd-pleasing tradition.

THE NORTH WOODS

The North Woods was one of the most popular new attractions at the '98 fair. This free entertainment area featured Scheer's Lumberjack Show, Buck Potter's popular Bass Bin fishing demonstrations and virtual reality fishing, a boat-motor and trailer giveaway, plus regular appearances by Ron Schara and guests from his "Minnesota Bound" TV show.

The Royal Lipizzaner Stallions are the most popular Coliseum attraction in State Fair history.



ROYAL LIPIZZANER STALLIONS

The world-famous Royal Lipizzaner Stallions delighted Coliseum audiences with their trademark "Symphony in White." These magnificent horses are considered the aristocracy of performing horse breeds with bloodlines that date back to 16th century Austria. The Lipizzans performed at all English and Western horse shows.

ON THE FARM GAME SHOW

Adults and kids tested their knowledge of agriculture by participating in the On The Farm game show. Contestants were chosen from the audience, with prizes awarded to the most ag-savvy players.

DINOSAURS IN MOTION

Visitors to Dinosaurs in Motion took a giant leap back in time to the Jurassic and Cretaceous periods—65 million to 200 million years ago. The state-of-the-art robotic Tyrannosaurus Rex and other creatures in the exhibit roared and moved with startling realism.

RETURNING FAVORITES

Many fair visitors construct their visits to the State Fair around returning fair favorites. Popular repeat attractions in '98 included:

BANDSHELL TONIGHT

The fair's extensive free entertainment line-up once again included Bandshell Tonight!—a series of evening performances by nationally-known entertainers that drew huge crowds nightly. The diverse lineup included Ricky Skaggs and Kentucky Thunder, Michael Peterson, Maynard Ferguson and his Big Bop Nouveau Band, Junior Brown, The Honeydogs and Kevin Sharp.

ADVENTURE PARK

Adrenaline-seekers found just the ticket in Adventure Park, the fair's popular thrill ride area. Rides included the Ejection Seat giant reverse bungee ride, the Rock—a 24-foot-high mini mountain specially designed for vertical rock climbing, the Reactor simulator theater, a tram-poline bungee launch and the Sky Coaster, which propelled riders through

the air like Superman.

WONDERS OF TECHNOLOGY

Visitors surfed the newest developments in high tech at the fair's Wonders of Technology exhibit, presented by the Minnesota High Technology Association. This popular free exhibit showcased advances such as the newest Internet capabilities, a NASA training simulator and the University of Minnesota's award-winning Aurora solar car.

MIGHTY MIDWAY AND KIDWAY

The State Fair's dynamic Mighty Midway was back and mightier than ever in '98. New attractions never before presented in the region were highlighted, including the wild Spin Out. New rides and attractions for younger thrill seekers were featured at the Kidway.

NEW FOODS

Cafe Caribe (serving Cajun-flavored and Caribbean food)

Deep-fried green pepper rings

Deep-fried pickles

Elk Burgers

Flavor Bursts (soft-serve, twist-style ice cream with a choice of 16 flavors of Flavor Bursts swirled through the ice cream and on the ridges)

French-fried ravioli (fillings include cheese and jalapeño, spinach and artichoke, or meat and served with choice of sauce)

Italian Sundaes (ice cream and toppings made to look like spaghetti and fettuccini)

Pasties (pastry filled with vegetables and with chicken)

Wild game (smoked venison and red elk)

Wood-fired pizza (vegetarian, breakfast and supreme)

urning and values

...a world-class showcase that is innovative,
entertaining and fun. We strive to
offer exceptional value...

AGRI-LAND

The role of Minnesota agriculture in our lives is the focus of Agri-Land, which debuted at the '97 State Fair. This hands-on, high-tech display included real growing crops, the Old Iron Show featuring working antique farm equipment and the Agri-Land Pavilion. Features inside the Pavilion included examples of cutting-edge developments in farming and creative uses for commodities presented by members of the Agricultural Utilization Research Institute.

DAILY MALL PARADE

The 2 p.m. daily parades included marching bands, floats and costumed characters. Featured were the world-famous Budweiser Clydesdales. The awesome draft horses were also on display every day of the fair in the Horse Barn.

BARN TOURS

Visitors took fascinating free guided tours of the State Fair's livestock complex during the '98 fair. Livestock professionals from throughout the United States served as Barn Tour guides, providing a wealth of knowledge from interesting animal trivia to animal care facts.

BARGAINS GALORE

The tools for creating a memorable fair experience were picked up for a bargain by visitors to the '98 State Fair. From special discount days to fair-wide promotions, the 1998 State Fair offered big savings on fun. Some of the deals found during the fair included:

THRIFTY THURSDAY

A total of 97,621 people visited the fair on a rainy Thrifty Thursday, Aug. 27, which offered huge savings on admission for the whole family. Adults got in for just \$3, kids 12 and under were admitted for \$1. Thrifty Thursday also featured all-day deals on everything in the fair's Mighty Midway and Kidway.



Photo submitted by Hot Shot contest winner Tracy Goodwin of St. Louis Park, Minn.

EARLY BIRD MIGHTY MIDWAY SPECIAL

Visitors saved one-third to one-half on all Mighty Midway and Kidway rides, plus big discounts on games and concessions on weekdays from opening to noon.

ADMISSION PRICES

\$6.00	Adults (13 to 64)
\$5.00	Seniors (65 and over)
\$5.00	Kids (5 to 12)
Free	Kids under 5
\$4.00	Pre-fair sale (all ages)*

*Available at the State Fair and Holiday Stationstores throughout Minnesota and western Wisconsin.

MIDWAY TICKETS

\$20.00	Midway bonus sheet (44 tickets)
\$10.00	Fairtime (sheet of 20)
\$8.00	Pre-fair sale (sheet of 20)

Early Bird Special Weekdays, 9 a.m. to noon at the Kidway and 10 a.m. to noon at the Mighty Midway, rides discounted 33 to 50 percent (also discounted all day on Thrifty Thursday, Kids Days and Last Chance Day)

DISCOUNT DAYS

Thrifty Thursday	
\$3.00	Adults (13 and over)
\$1.00	Kids (5 to 12)
Seniors and Kids Days	
\$2.00	Seniors (65 and over)
\$2.00	Kids (5 to 12)

CHEAPSKATE'S GUIDE TO THE FAIR

This popular guide was bigger and better than ever in '98. It expanded to include food and beverage bargains such as reduced prices, combination meals, sample portions and other specials. The guide also directed guests to the best non-food deals, hidden bargains, prize drawings and freebies.

SUPER SAVER DISCOUNT BOOKS

These books, offered from Happenings, included 93 coupons good for weekday savings on food, merchandise and attractions throughout the fairgrounds. They sold for \$4.50 during the fair and \$4 in advance.

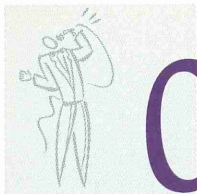
LAST CHANCE DAY

Reduced prices from many State Fair food and merchandise vendors were featured on Last Chance Day, Sept. 7. In addition, visitors saved all day in the Mighty Midway and Kidway.

MASS TRANSIT

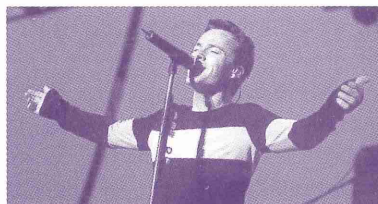
Nearly 30 percent of all fair visitors used some form of mass transportation to get to and from the fairgrounds. Included were Metro Transit regular route and shopping center express buses. Visitors could hop on a Metro Transit State Fair Express bus at Ridgedale, Brookdale, Southdale, Northtown, Signal Hills or Maplewood Mall. The fair's Park & Ride system was also a popular option for many fair guests. This free service offered transportation from 18 parking lots to the fairgrounds, including 4,000 parking spaces at the University of Minnesota's Minneapolis campus, HealthEast's service for people with disabilities and the fair's off-grounds employee shuttle. In all, 459,800 people sat back and enjoyed the ride.

Cheapskate the Chick, ambassador of bargains, surprised lucky visitors with coupons good for free food and merchandise.



Outstanding talent found

1998 GRANDSTAND EVENTS



Thursday, Aug. 27
7:30 p.m. \$17
LeAnn Rimes
Bryan White
Attendance: 15,110

Bryan White made his debut at the fair on the Bandshell stage in '96.



Wednesday, Sept. 2
7:30 p.m. \$20
Bonnie Raitt
The Keb' Mo' Band
Attendance: 10,028

Keb' Mo' donned a wig and glasses as a tribute to the King on Elvis Day.



Friday, Aug. 28
7:30 p.m. \$19
BoDeans
Third Eye Blind
Attendance: 8,876

BoDeans members Sam Llanas and Kurt Neumann have been playing together for more than 17 years.



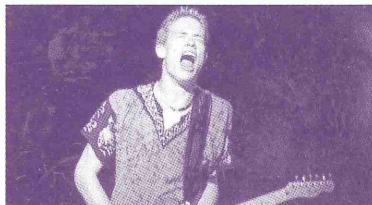
Thursday, Sept. 3
7:30 p.m. \$17
Oak Ridge Boys
Williams & Ree
Attendance: 4,204
Tony n' Tina's Wedding
2 p.m. FREE

Bruce Williams and Terry Ree met while attending Black Hills State College in Spearfish, South Dakota.



Saturday, Aug. 29
7:30 p.m. \$18
Lynyrd Skynyrd
The Kentucky
Headhunters
Attendance: 12,887

Lynyrd Skynyrd's performance at the fair included "Sweet Home Alabama."



Friday, Sept. 4
7:30 p.m. \$19
Jonny Lang
G.B. Leighton
Heidi Jo
Attendance: 11,120

Lang began his career at the age of 14.



Sunday, Aug. 30
6 p.m. \$10
Gary Puckett
The Turtles
The Grass Roots
Attendance: 5,321

The Turtles were the first rock band to be invited to the White House. They played for Richard Nixon.



Saturday, Sept. 5
7:30 p.m. \$17
Loretta Lynn
Crystal Gayle
Attendance: 4,605

Crystal Gayle is the younger sister of the co-headliner Loretta Lynn.



Monday, Aug. 31
7:30 p.m. \$20
The Wallflowers
Max Carl & Big Dance
Attendance: 5,920

It was rumored Jakob Dylan's dad, Bob, attended his son's Grandstand show.



Sunday, Sept. 6
8 p.m. FREE
Amateur Talent
Contest Finals with '97
open division winner Rachel Lee
and the Ray Komischke
Orchestra

Ten Foot Five, a stomp dance group, were the 1998 open division winners.



Tuesday, Sept. 1
7:30 p.m. \$19
Wynonna
Sawyer Brown
Attendance: 8,370

Wynonna cites another '98 Grandstand entertainer, Bonnie Raitt, as a strong musical influence.



Monday, Sept. 7
2 p.m. \$16 reserved
\$12 bleachers
Miller Lite 300 Auto
Race
Attendance: 16,636

Scott Hansen of Green Bay, Wisc. was the first to roar past the finish line in the Labor Day race in 2 hours, 23 minutes and 31 seconds.

only at the fair!

1998 FREE ENTERTAINMENT

Aug. 27 - 30

Aug. 31 - Sept. 3

Sept. 4 - 7

GRAIN BELT PREMIUM BANDSHELL STAGE

Sherrié Austin	BR5-49	Dan Seals
Dale Watson	Fairfield Four	Mila Mason
The Thompson Brothers Band	Michelle Wright	Limpopo

CAL SPAS STAGE IN BALDWIN PARK

Reneé Austin	Joe Juliano	Trailer Trash
The UnColas	The Jaqi Q Band	Bobby Llama
Signature	Kid Hollywood & the Wild Coconuts	The Hot Head Swing Band

HERITAGE SQUARE STAGE

The Bullas	The Medicine Show Music Company	The Derailers
Jack Ingram	Barbary Coast Dixieland Band	The Cousin Lovers
Wylie & the Wild West Show	Mandy Barnett	Danni Leigh

LEINENKUGEL'S LEINIE LODGE IN THE BAZAAR

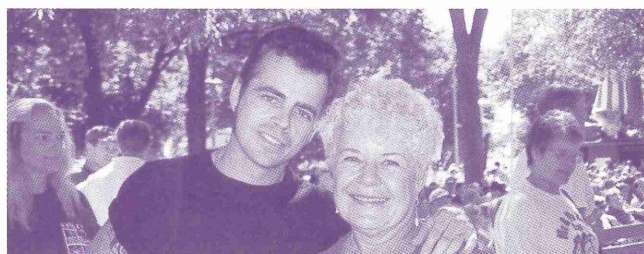
The Stagebenders	Puke & Snot	Scared Weird Little Guys
Bur	Cafe Accordion Orchestra	Big Guitars From Memphis

Aug. 27 - Sept. 1

Sept. 2 - 7

CHILDREN'S THEATER PRESENTED BY NORWEST

Sean Emery	Sean Emery
The Gizmo Guys	Tim Gabrielson
The Gentlemen Jugglers	Kit & Kaboodle
The Splatter Sisters	The Battersby Duo



Dale Watson and Hot Shot photo contest winner Jane E. Larson of St. Paul, Minn.

AMATEUR TALENT

Thurs. Aug. 27 through Sat. Sept. 5, 6:30 p.m.

Minnesota State Fair Amateur Talent Contest Semi-Finals

AMATEUR TALENT

Thurs. Aug. 27 through Fri. Sept. 4, 7:30 p.m.

MSF County Fair Amateur Talent Contest

BANDSHELL TONIGHT!

Thurs. Aug. 27 & Fri. Aug. 28, 8:30 p.m.

Ricky Skaggs and
Kentucky Thunder

Sat. Aug. 29 & Sun. Aug. 30, 8:30 p.m.

Michael Peterson

Mon. Aug. 31 & Tues. Sept. 1, 8:30 p.m.

Maynard Ferguson and his Big Bop Nouveau Band

Wed. Sept. 2 & Thurs. Sept. 3, 8:30 p.m.

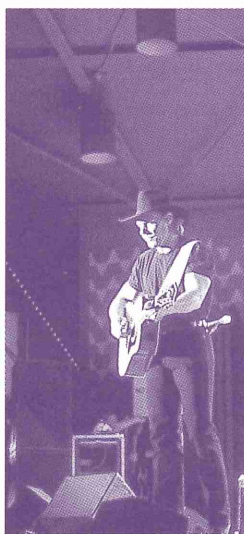
Junior Brown

Fri. Sept. 4 & Sat. Sept. 5, 8:30 p.m.

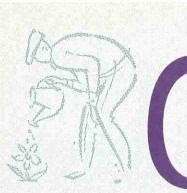
The Honeydogs

Sun. Sept. 6 & Mon. Sept. 7, 7 p.m.

Kevin Sharp



Michael Peterson



Competition, special and award

THE RIGHT INGREDIENTS, KNOWLEDGE AND SKILL CEMENTED TOP HONORS FOR MANY TALENTED ENTRANTS IN VARIOUS AGRICULTURAL AND CREATIVE

contests during the 1998 State Fair.

The State Fair's livestock complex was a bustle of activity again in '98. During the course of the fair, more than 15,000 animals called the complex home. Included were horses, cattle, sheep,

farm crops, fruits and vegetables, school projects, stock dog trials and dairy products. In all, \$648,000 in cash prizes, along with hundreds of trophies and ribbons, were awarded to winning competitors at the fair.

A record \$80,000 was raised during the '98 4-H market livestock auction, conducted by the Minnesota Livestock Breeders Association. A portion of the proceeds from the sale of top prize-winning sheep, swine and cattle went to the Ronald McDonald House, St. Paul Food Bank, American Heart Association and the Leukemia Society of America Minnesota Chapter. Another portion of the sales went to participating students and four \$500 scholarships.

STATE FAIR TALENT CONTEST

Finalists in the 26th annual State Fair

Amateur Talent Contest drew a huge crowd at the Grandstand on Sunday, Sept. 6. The free event attracted nearly 10,000 enthusiastic fans. Grand prize winners were Ten Foot Five (open division: stomp/dance group from Minneapolis), Sarah Wentworth (teen division: vocal soloist from Mendota Heights) and Clint and Cole Holmstrom (pre-teen: basketball from Rice Lake, Wisc.)

Winners of the county fair talent contests throughout the state participated in the MSF County Fair Amateur Talent Contest, held in Baldwin Park. Grand prize winners were Straight River Mud Dogs (open division: county band from Owatonna), Robert Marshall (teen division: piano soloist from Sauk Rapids) and Courtnee Wilcox (pre-teen division: vocal soloist from Truman).

OUTSTANDING SENIORS

Valeria Witte of Duluth and Edward Mehelich of Chisholm were named Minnesota's 1998 Outstanding Senior Citizens during a special ceremony on

Apple is the most popular flavor for pies entered in the creative activities

baked goods category.



stitched and knit items and other handicrafts. Other contests included fine arts,

swine, poultry, llamas and dairy goats. The 1998 goat show was the largest ever, with more than 820 entered in competition.

CREATIVE ACTIVITIES

Creative activities contests were also popular, with 1,879 people entering 5,872 items such as baked and canned goods,

1998 COMPETITIVE EVENTS CATEGORIES

Ag-Hort-Bee • Christmas trees, honey and bee culture, farm crops, flowers, fruits and vegetables.

Creative Activities • Needlecraft, garment making, maple syrup, work of senior citizens, baking, canning, handicrafts and special exhibits.

Education • School projects from grades K-12.

4-H • Entries include livestock, performing arts, and indoor and non-livestock exhibits.

FFA • Livestock and crop entries.

Livestock • Cattle, swine, sheep, stock dog trials, dairy goats, llamas, meats, poultry and rabbits.

Western Stock Horse Show • Miniature horses, Paints, Palominos, Quarter Horses and saddle clubs.

AHSA English Horse Show • Arabians, draft horses, Half-Arabians, hunters, jumpers, Morgans, ponies and saddlebreds.



Photo submitted by Hot Shot contest winner Kim Cope of St. Paul, Minn.

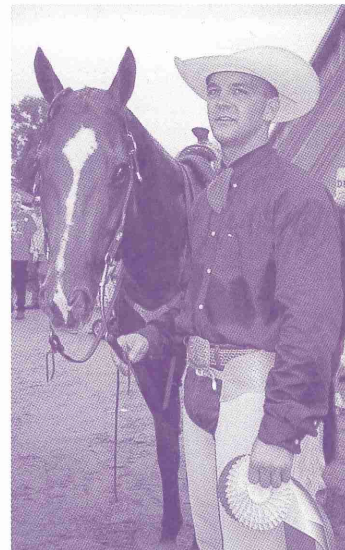


Photo submitted by Hot Shot contest winner Kurt Gabrielson of St. Louis Park, Minn.

contests ceremonies

...We strive to showcase Minnesota's
finest agriculture, art
and industry...

Seniors Day Sept. 3 at the Bandshell.

Witte is active in many organizations and serves on many boards, including the Solway Township Board and the St. Louis County Promotional Board. She also volunteers at local nursing homes and serves as treasurer of the Solway Volunteer Fire Department.

Mehelich is involved in numerous boards and committees, including the Minnesota Senior Federation and Friends of Meals on Wheels. He is also committed to children's health issues and serves on the St. Louis County Area Community Health Board.

Each year, the State Fair, the Minnesota Board on Aging and the Minnesota Federation of County Fairs recognize more than 100 seniors for their contributions to their communities. From that group, one man and one woman are selected as the state's outstanding seniors.

The State Fair also presented a special Humanitarian Award to Ione Austad of Oklee for her generous community contributions, including sewing more than 50 quilts for the state's flood victims.

SPECIAL CONTESTS

Kids of all ages gathered for light-hearted competition at the State Fair Special Contest Tent in west Carousel Park. The contests, free to all fair visitors, included Pickle Putting and Spooky World's Alien Autopsy, in which contestants race to see who can dissect the "alien" the fastest.

MILK RUN

1,300 runners participated in the '98 Milk Run, a five-mile footrace sponsored by the American Dairy Association and WCCO Radio. *The winners of the race were:*

Men—Eric Pierce, Lino Lakes (26:40)

Women—Jill M. Anderson, Duluth (31:07)

MARCHING BAND COMPETITION

High school bands from across the region were judged during the 2 p.m. daily mall parade. *Winners of the competition were:*

Class A—Champlin Park, Minn.

Class B—Waseca, Minn.

Class C—Park Falls, Wis.

CENTURY FARMS

The Minnesota State Fair and the Minnesota Farm Bureau recognized 253 Minnesota farms as 1998 Century Farms. Qualifying farms must be in continuous family ownership for at least 100 years and are at least 50 acres in size. Recipients receive a weather-proof building sign and a commemorative certificate. Since the Century Farm program began in 1976, a total of 6,880 farms in Minnesota have been recognized as Century Farms.

BEN C. HALLBERG

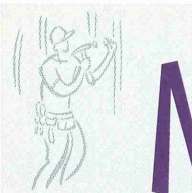
In 1998, 20 scholarships of \$1,000 each were awarded to college and post-secondary students from greater Minnesota. These achievers demonstrated overall leadership in extra-curricular activities and participated and excelled at the State Fair level. The awards are named for Ben C. Hallberg—a long-time fair participant who served the State Fair Farm Boys Camp for 26 years.

50 YEAR AWARDS

The 50 Year Award recognizes people actively involved with the fair for a half-century. 1998 recipients:

Shirley Clark • Food Concessionaire
The Davis Family • Food Concessionaires
Joe Holewa • Food Concessionaire
Roger J. Larson • 4-H programs
Melvin & Marian Kern • 4-H programs
Howard & Dorothy Morris • 4-H, State Fair Board of Managers
Lowell Riewe • Exhibitor, employee
Milton Strand • Horse exhibitor
Walter D. Tysk • Exhibitor, employee





More than just empl Minnes

THE STATE FAIR'S FAMILY OF EMPLOYEES EXPERTLY WIELDS THE RIGHT TOOLS TO CREATE MEMORABLE FAIR EXPERIENCES YEAR AFTER YEAR.

A staff of 64 full-time members supervises and engineers the planning and operation of the fair through seven divisions: administration, competition, entertainment, finance, marketing,

Since 1995, 20 members from the State Fair family of employees have been given the One Goal Plus award for quality service.

operations and sales. Duties of full-time staff members include developing guest services, organizing competitive events and entries, booking entertainers, handling box office sales, developing promotional partnerships, maintaining and improving the 360-acre

fairgrounds, licensing commercial exhibitors and managing a full schedule of interim events. Beyond their work at the fair, many staff are also involved in community activities.

Employees of the State Fair are more than just staff members. They rightly recognize themselves as playing very important parts in presenting one of the best fairs in the world. This shared commitment to success helps bond employees and draw them back year after year. In fact, almost all of

the State Fair's full-time staff began as summer or fair-time staff members, including Executive Vice President Jerry Hammer.

State Fair involvement truly runs in the family. During the fair, many employees are part of a multi-generational commitment to the fair. This type of family involvement grows from year to year as families grow, and many families have been involved in the fair for many years. For example, the Larson family first began working at the fair in the 1930s when Joseph and Anna Larson volunteered at the Christ Lutheran Church dining hall tent. Later, their son and daughter-in-law, Roger and Ramona Larson, began working at the fair in different capacities. This love for the fair extended to

two of Roger and Ramona's three children- Rick and Dennis. While both sons became involved in the fair, it was Dennis who took the family's involvement to a new level when he joined the fair's sales division full-time in 1996 after working as a seasonal employee for 15 years. This is only one example that demonstrates the long-standing tradition of working at the fair, and the contagious love of the fair that is passed from one family member to another.

During the summer, the State Fair staff grows to include more than 150 people working in a variety of areas, including ticket sales and grounds preparation.

Once the fair begins, the staff swells to more than 3,500 employees. Fair-

STATE FAIR DIVISIONS & RESPONSIBILITIES

Administration

Accessibility, employment, guest and staff services.

Competition

Competitive entries, 4-H and FFA, livestock facilities.

Entertainment

Grandstand, free stages, parade, auto racing program.

Finance

Accounting and payroll, box office, purchasing, ticket audit.

Marketing

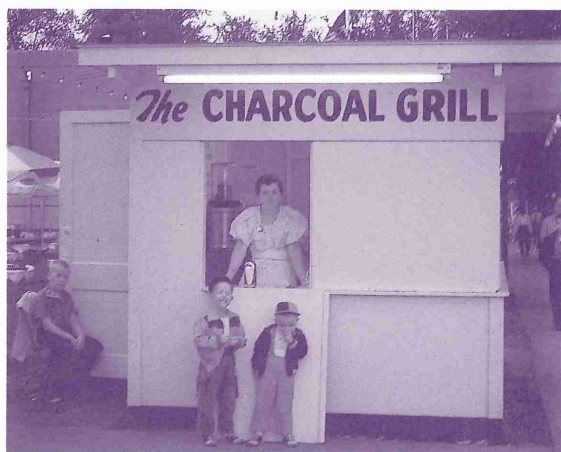
Media and public relations, promotions, sponsorships, advertising.

Operations

Maintenance of buildings, grounds and vehicles, security, logistical support.

Sales

Exhibit and concession licensing, midway operations.



It's Generational! Dennis Larson (right) and his brother Rick visited their mother, Ramona Larson, at the Charcoal Grill during the 1958 Minnesota State Fair.

Employees of the Minnesota State Fair

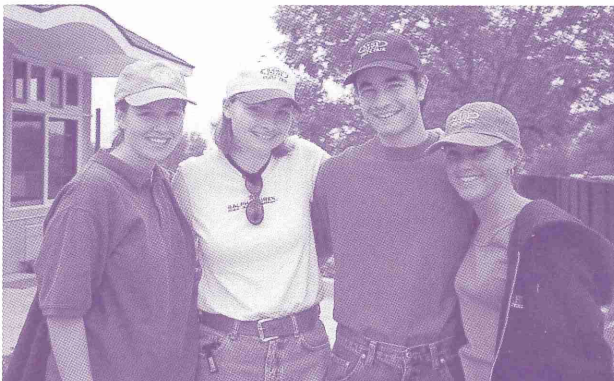
*...We strive to provide
outstanding
customer service...*

time staff work at a variety of functions and services necessary to the success of the 12-day event. Some of the many benefits of working during the fair include free admission, valuable work experience, free staff T-shirts, a 20 percent discount at the State Fair Store and the opportunity to be a part of the team that produces the Minnesota State Fair.

All summer and fair-time staff members are eligible for the One Goal Plus Awards—a program that recognizes outstanding employees. The One Goal Plus Awards recognize four exceptional employees whose work performance, attitude and commitment to their job is exceptional. The 1998 One Goal Plus winners were: Jane Conlin, marketing;

Sara Grans, administration; Richard Carlson, midway ticket takers; and Dave Weinand, milking parlor.

In 1998, the MVP Program was launched to honor exceptional seasonal, part-time and full-time employees. From June through August, staff members were nominated for exceptional services, and one winner was announced weekly.



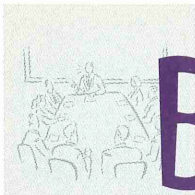
MVP winners for week 12 (left to right): Amy Buerger, Tara Finnegan, Tony Giannini and Emily Eilertson.



One Goal Plus winners (left to right): Jane Conlin, marketing; Sara Grans, administration; Richard Carlson, midway ticket takers; and Dave Weinand, milking parlor.

1998 FAIR-TIME SUPERINTENDENTS

Admissions • Lyle Anderson, Roseville
Auto Race • Neil Larson, Blue Earth
Bee Culture • Winnie Johnson, Elk River
Beef Cattle • Chuck Schwartau, Goodhue
Christmas Trees • Greg Ustruck, Vadnais Heights
Creative Activities • Curt Pederson, Shoreview
Dairy Cattle • Jim Linn, White Bear Lake
Dairy Products • Gene Watnaas, Vining
Dog Trials • JoAnna Yund, Minneapolis
Education • Jim Brown, Prior Lake
Farm Crops • Duane Smith, Minneapolis
FFA • Paul Day, Northfield
Fine Arts • Brad Nuorala, Plymouth
Flowers • Betty Reyer, Maplewood
4-H • Valerie Malmquist, St. Paul
Fruits • Louis Quast, Jr., St. Louis Park
Goats • Kevin LeVoor, Maple Lake
Grandstand Production • John Mons, Brownton
Heritage Exhibits • Gale Frost, St. Paul
Horses • Robert Peterson, St. Paul
Llamas • Sharon Wessel, Hamel
Meats • Ed Butler, Rochester
Midway Ticket Takers • Marty Rossini, Stillwater
Milking Parlor • Doris Mold, Lauderdale
Park & Ride • Dan Elmer, Edina
Parking • Ron Vannelli, St. Paul
Poultry • John Thomforde, Crookston
Public Safety • Art Blakey, St. Paul
Senior Citizens • Marge Krueger, St. Paul
Sheep • Bill Schulke, Bemidji
Swine • Jerry Hawton, St. Paul
Ticket Audit • Dick Reinhardt, Owatonna
Ticket Sales • Ken Wagner, Jr., St. Paul
Vegetables • Erven Skaar, Cambridge



Board of Managers

THE MINNESOTA STATE AGRICULTURAL SOCIETY IS THE GOVERNING BODY OF THE

Minnesota State Fair, and is charged exclusively with operating the exposition and maintaining the 360-acre fairgrounds. The society is a quasi-state agency, operating with no public subsidy of any kind, and consists of delegates from the state's county fairs and various agribusiness groups. Every January, these delegates meet to conduct formal business, including the election of officers to fill alternating terms of the 10-member State Fair board of managers.

Board members set policy for the administration of the fair, serve on committees dealing with specifics of the fair's operation and serve as a liaison between the Agricultural Society membership and State Fair staff. The board is comprised of one representative from each of the society's nine regional districts, plus a president who serves at-large.



BACK ROW Dennis Baker • Spicer, seventh district manager; Bob Lake • Aitkin, sixth district manager; Howard Recknor • Hartland, first district manager; Clarice Schmidt • Sabin, ninth district manager; Don Simons • Grand Rapids, eighth district manager; Lyle Steltz • Rush City, third district manager; John Paulmann • Gaylord, second district manager.

FRONT ROW Joseph Fox • Maplewood, fourth district vice president; Vern Prokosch • Bird Island, president; Richard Keenan • Minneapolis, fifth district vice president.



Sponsors

COMMUNITY AND BUSINESS SUPPORT ALSO PLAY A CENTRAL ROLE

in producing one of the greatest fairs in North America. Sponsors are involved in many areas of the fair, from specific entertainment venues to daily events. Sponsors present at the '98 fair were:

Adventure Park
Target Guest Card
Agriculture & Horticulture Bldg
Pfizer-Zyrtec
Auto Race title sponsor
Miller Brewing Company
Auto Race presenting sponsor
Auto Value Parts Stores
Baldwin Park
Cal Spas

Bandshell
Grain Belt Premium
Barn Tours™
Minn. Livestock Breeders Association, Minn. Farm Bureau, Minn. Pork Producers Association, Minn. Beef Council, American Dairy Association of Minn., Minn. Farmers Union, Farmers Union Insurance, MFU-NFO Livestock and Minn. Foundation for Responsible Animal Care
Bazaar
Leinenkuegel's
Care & Assistance Center
Knox Lumber
Century Farms
Minn. Farm Bureau Federation
Children's Theater
Norwest Banks
Daily schedule
M.A. Gedney
Grandstand fireworks
Budweiser

Grandstand Video screens
Budweiser
Milk Run
American Dairy Association of Minn., WCCO 830 AM Radio
The North Woods
Primestar
The North Woods "Land-a-Lund" boat contest
Lund Boats, Spartan Trailer, Frankie's Live Bait and Marine
Pet Center
Ralston Purina Company
Rodeo
Dodge Trucks
Senior welcome center
Medica
Trams
Minn. Propane Gas Assoc., Chippewa Springs, Panelcraft
Special Contests, 2 days
Spooky World

Maintenance & improvements



THE FAIRGROUNDS BUZZ WITH THE TIRELESS ACTIVITY OF HAMMERS AND SAWS THROUGHOUT THE YEAR IN AN EFFORT TO CONTINUALLY IMPROVE THE STATE FAIR'S

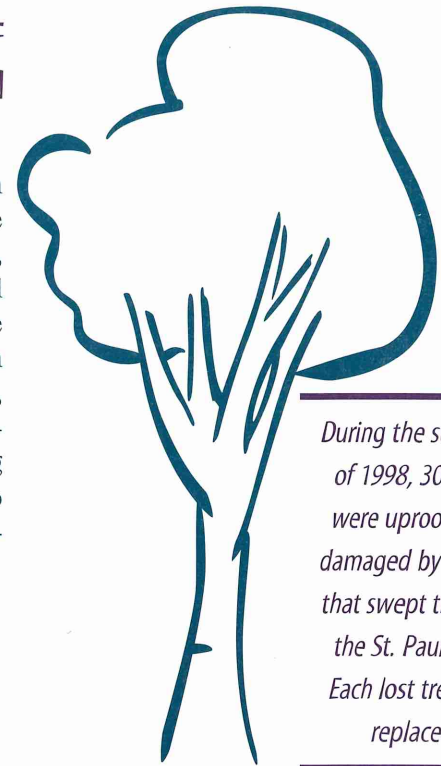
buildings and grounds.

In 1998, maintenance and improvement projects totaled \$3.8 million. Many of these improvements are invisible to the fair visitor, but essential to the growth and well being of the fairgrounds.

About \$1.3 million was spent on updating State Fair structures. A new building was constructed next to Public Safety on Dan Patch Avenue, which now houses the Care and Assistance facility, Mighty Midway offices and other facilities. Also, dozens of roofs and restrooms were repaired and updated.

Other '98 maintenance and improve-

ment projects included \$137,000 in painting projects, \$277,000 to update the fairgrounds storm sewer system, \$130,000 on streets and sidewalks and \$190,000 to repair and maintain the fair's fleet of more than 100 vehicles. In addition to these improvements, \$260,000 was spent on personal property purchases, which include everything from shade umbrellas for the midway to new costumes for the State Fair's mascots.



During the summer of 1998, 30 trees were uprooted or damaged by storms that swept through the St. Paul area. Each lost tree was replaced.





Our guests

OUR GUESTS ARE THE CORNERSTONE OF THE MINNESOTA STATE FAIR. MANY OF THEM HAVE GROWN UP WITH THE FAIR, AND IT IS A TRADITION

that they are now passing down to their children. They are loyal to this tradition and take great pride and ownership of

their fair. The Minnesota State Fair would like to extend a heartfelt thanks to the millions of people who have attended

the fair, making it one of the top fairs in the world.

Data compiled from research conducted in October/November 1998 and Minnesota State Fair sales records.

GENDER



52% Female



48% Male

PLACE OF RESIDENCE



69%

City or Suburb



28%

Small Town



1%

Rural

HOME OWNERSHIP



84% Own



15% Rent



1% Other

EMPLOYMENT



59%

Employed

Full-Time



28%

Not

Employed*



13%

Employed

Part-Time

*Includes homemaker, retired, not employed but looking for work, disabled, student, temporarily laid off and other

EDUCATION



3%

Less than
12th grade



23%

High school
graduate



33%

Some
college



27%

College degree



14%

Graduate degree

AGE



HOUSEHOLD INCOME



...We strive to present an unparalleled

forum for knowledge and ideas,

and create unique

experiences."

1998 PER CAPITA SPENDING

Admission fee average	\$4.85
Food and beverage	9.56
Retail purchases	6.29
Mighty Midway Rides and Games	2.83
Other attractions	1.14
Grandstand and Coliseum tickets	.97
TOTAL	\$25.64

1998 CONCESSION AND EXHIBIT LIST



Agricultural, Lawn & Garden Supplies

Ace Trailer Sales Shakopee, Minn.
 Agromatic - A.F. Klinzing Co. Inc. Fond Du Lac, Wis.
 All American Pressure Washers St. Peter, Minn.
 Alum-Line Inc. Cresco, Iowa
 Amsoil Inc. Superior, Wis.
 Apache Mfg. Norfolk, Neb.
 Askov Greenhouse and Nursery -
 Petersen Sales Askov, Minn.
 Aspen Equipment Co. Bloomington, Minn.
 Beard Industries Frankfort, Ind.
 Blomquist Designing Inc. Eagan, Minn.
 Bloom'n Plant Products Stillwater, Minn.
 BMK Bonsai Ham Lake, Minn.
 Bou-Matic/Dairy Equipment Co. Madison, Wis.
 Boyer Ford Trucks Inc. Minneapolis, Minn.
 Capital City Welding Fridley, Minn.
 Crysteel Truck Equip. Lake Crystal, Minn.
 Cub Cadet Corporation North Branch, Minn.
 Curtis D. Erickson Co. St. Paul, Minn.
 Custom Marketing Co. Inc. West Fargo, N.D.
 Custom Products & Services Minneapolis, Minn.
 Discount Grain Systems Atwater, Minn.
 Duratech Industries Jamestown, N.D.
 E-Z Implements Inc. Jordan, Minn.
 Easy Way Cattle Care Decorah, Iowa
 Edney Distributing Co. Inc. Huron, S.D.
 Enestvedt Bros. Sacred Heart, Minn.
 Erickson, M. Alexandria, Minn.
 Erskine Mfg. Co. Erskine, Minn.
 Farm Fans Inc. Indianapolis, Ind.
 Featherlite Mfg. Inc. Cresco, Iowa
 For-Most Inc. Hawarden, Iowa
 Gardner Barn Equip Co. -
 Fliteway Juneau, Wis.
 Gerlach Service Inc. Cottage Grove, Minn.
 Gullickson Trailer Sales & Services Elk Mound, Wis.
 Hydra-Mac International Eagan, Minn.
 Hydro Engineering Inc. Young America, Minn.
 Idso's Eau Claire, Wis.
 Instantop Inc. Ramsey, Minn.
 Isanti Engineering Inc. Fergus Falls, Minn.
 Itasca Greenhouse Inc. Cohasset, Minn.
 J & D Distribution Willmar, Minn.
 J-Craft Inc. Kimball, Minn.
 Jack Kovar Sales Co. Anoka, Minn.
 John Deere Co. Stacy, Minn.
 K & G Manufacturing Faribault, Minn.
 K & O Manufacturing Co. Inc. Hull, Iowa
 Kaye Corp. North Mankato, Minn.
 Kretzschmar Sales Janesville, Minn.
 Kubota Tractor Corp. Hudson, Wis.
 L-Z Company Inc. Roseville, Minn.
 Lano Equipment Inc. Shakopee, Minn.
 Larsen Industries Goodhue, Minn.
 Lorenz Manufacturing Co. Benson, Minn.
 Luverne Truck Equipment Inc. Brandon, S.D.
 Manke Service Owatonna, Minn.
 Maple Grove Heating and Supply Inc. Hillsdale, Wis.
 Marquette Systems Inc. Byron, Minn.
 Metropolitan Council
 Environmental Services St. Paul, Minn.
 Meyer Products Cleveland, Ohio
 Micada Ventures Hope, N.D.
 Midwest Stihl Inc. Hayward, Wis.
 Mills Fleet Farm Inc. Appleton, Wis.
 Minn. Ag. Education Leadership St. Paul, Minn.
 Minn. Select Sires Coop Inc. St. Cloud, Minn.
 Minn. Bison Association Owatonna, Minn.
 MTI Distributing Co. Plymouth, Minn.

NK Sales Inc. Annandale, Minn.
 North Metro Truck Leasing Albertville, Minn.
 Northwest Mfg. Inc. Red Lake Falls, Minn.
 Notch Manufacturing Paynesville, Minn.
 Oak Springs Barns Webster, Minn.
 Palco Inc. Belle Plaine, Iowa
 Palm Sales Inc. Grove City, Minn.
 Patz Sales Inc. Pound, Wis.
 Pearson's Inc. Thedford, Neb.
 Petty Mfg. Co. Gladbrook, Iowa
 Pioneer Hi Bred International Inc. Tipton, Ind.
 Poly Dome (Div. of Polytank) Litchfield, Minn.
 Product Marketing Junction Inc. Hopkins, Minn.
 Radco Industries Inc. Brainerd, Minn.
 Radintz, H. Orono, Minn.
 Reed Metal Works Warroad, Minn.
 Rising Sun Emu Ranch Spring Park, Minn.
 Ritchie Industries Inc. Conrad, Iowa
 Roberta's Inc. Shelbyville, Ind.
 S.I. Feeders Division of Schoessow Inc. Portage, Wis.
 Scharber & Sons Rogers, Minn.
 Schweiss Distributing Inc. Fairfax, Minn.
 Schwing America Lino Lakes, Minn.
 Simplicity Mfg. Inc. St. Cloud, Minn.
 Stronghold By Hagie Clarion, Iowa
 Sudenga Industries Inc. George, Iowa
 Sullivan Supply Inc. Dunlap, Iowa
 Sundowner Trailers of Minnesota Northfield, Minn.
 Tailwind Trailers Elk River, Minn.
 Truck Equipment Applications Mktg. Edina, Minn.
 Truck Utilities and Mfg. Co. Inc. St. Paul, Minn.
 Uni-Hydro Inc. Cosmos, Minn.
 University of Minnesota College of Ag.
 Food & Food Enviro. Science St. Paul, Minn.
 W-W Livestock Systems Newton, Iowa
 Winpower Sales and Service Luverne, Minn.
 Wooden Wonders Hayward, Wis.

Amusements

AB's Concessions Imperial, Calif.
 American Amusement Arcades Bloomington, Minn.
 Amusements of Buffalo Buffalo, N.Y.
 Anderson, C. Tampa, Fla.
 Ann's Concessions Imperial, Mo.
 Antique Auto Club of America -
 Minnesota Region Maplewood, Minn.
 Archway A.M.S. Imperial, Mo.
 Aries Entertainment Systems Ltd. St. Albert, Ala.
 Arrow Enterprises Inc.
 d/b/a Skyride Hopkins, Minn.
 Astro Amusements Buffalo Grove, Ill.
 B & B Sports Entertainment Tumwater, Wash.
 B & H Attractions Galesburg, Mich.
 Bernweg Industries Inc. Oakland, Mich.
 Bob Duerr's Snake Zoo New Hope, Minn.
 Capitol Beverage Sales L.P. St. Paul, Minn.
 Cassata Concessions Daytona, Fla.
 Conklin Shows Inc. Royal Palm Beach, Fla.
 Cristiani Concessions Inc. Sarasota, Fla.
 Dinosaurs In Motion San Antonio, Texas
 Duke's Amusements Ruskin, Fla.
 Falling Star Enterprises Chesapeake City, Md.
 Farrow Amusement Co. Inc. Jackson, Miss.
 Fun For All Dallas, Texas
 Floyd & Baxter Amusement Co. Lebanon, Tenn.
 Fun Adventures Inc. Carrollton, Texas
 Gary Oren Concessions Parker City, Ind.
 GGW Equipment Co. New Braunfels, Texas
 Giant Ride Inc. d/b/a Giant Slide Pasadena, Calif.
 Giere, J. Staples, Texas
 GMR Marketing (Reynolds Kitchen) .. New Berlin, Wis.
 Gold Star Amusements Minneapolis, Minn.

Grand Games Stillwater, Minn.
 Infinite Adventures Inc. Tampa, Fla.
 Iwerks Entertainment Inc. Burbank, Calif.
 JBS Concessions Hartford, S.D.
 JDP Inc. Lancaster, Ohio
 K & M Recreation Inc. St. Paul, Minn.
 Laser Fair Inc. Sterling, Colo.
 Lee, J. Palm Beach Gardens, Fla.
 Lee's Concessions Inc. Coon Rapids, Minn.
 Midwest Concessions Inc. Hartford, S.D.
 Monty's Traveling
 Reptile Show Inc. Bloomington, Minn.
 Nemeth, D. San Antonio, Texas
 NBA Jam Secaucus, N.J.
 Paramount Attractions Inc. Tampa, Fla.
 Paul's Concessions Inc. San Antonio, Texas
 Pinnacle Management Phoenix, Ariz.
 Potopas Concessions Inc. Longwood, Fla.
 Playworld Unlimited Mason, Mich.
 Pugh Shows Inc. Lancaster, Ohio
 R & R Rides Chandler, Ariz.
 R.E. Ingalls Rides Mason, Mich.
 Renchino Amusements Inc. Sarasota, Fla.
 River Raft Ride Inc. Mound, Minn.
 Rock Amusement Inc., The Poway, Calif.
 Sampson, Marcia Richfield, Minn.
 Schlough, J. Crystal Lake, Ill.
 State Fair Penny Arcade St. Paul, Minn.
 SYD Concessions Inc. Jupiter, Fla.
 T.F. Bors & Co. Inc. Mason, Mich.
 Teo Zacchini & Sons Sarasota, Fla.
 Thomas Carnival Inc. Austin, Texas
 Thornberry Concessions Okeechobee, Fla.
 Tinsley's Amusements High Hill, Mo.
 Uncle Nick Inc. Salem, N.H.
 USA Networks New York, N.Y.
 Ventnor Place Inc. Minneapolis, Minn.
 Virtual Reality Greenfield, Wis.
 Waymark Co. Shoreview, Minn.
 West, R. West Bend, Iowa
 Wood, M. San Antonio, Texas
 Wood Entertainment Co. San Antonio, Texas
 Ye Old Mill Amusements Inc. Burnsville, Minn.

Arts & Crafts, Jewelry, Collectibles

A & B Specialty Co. Inc. Cannon Falls, Minn.
 A Touch of Country Magic Cleveland, Ga.
 A Wreath of Franklin Buffalo, Minn.
 Adelle's Workshop St. Paul Park, Minn.
 Allards Rugs & Crafts Darwin, Minn.
 Aloe Tinnery Sarasota, Fla.
 Anchor Iron Co. Savage, Minn.
 Apple Basket, The Sevierville, Tenn.
 Apple Craft Lake City, Minn.
 Aunt Susie's Bath
 House & Emporium Whitesboro, Texas
 Becca-Rand Sales and
 Marketing Golden Valley, Minn.
 Bonnie's Boutique Morristown, Minn.
 Brush With Nature Verdale, Minn.
 Busy Needle Inc. Stillwater, Minn.
 C & D Sales Mound, Minn.
 Cane Factory, The Attica, N.Y.
 Carousel Horse Replica Somerset, Wis.
 Carvings by Torberg Maple Plain, Minn.
 Christy Home Creations Maple Plain, Minn.
 Cloud Nine Factory Lindstrom, Minn.
 Collectors Cabinet St. Paul, Minn.
 Colorado Buckeye Mesa, Ariz.
 Copper Art of Texas Bogata, Texas
 Costigans Minerals Newport, Minn.
 Countryside Art Gallery Mayer, Minn.

Coverston, P. Shoreview, Minn.
 Creations By Sisters New Brighton, Minn.
 Creative Memories Bloomington, Minn.
 Dahl, M. Edina, Minn.
 Days Art Hope, Ind.
 Debra's Glasscraft Minnetonka, Minn.
 Design Quilting St. Charles, Mo.
 Dough Art Originals Riverview, Fla.
 Equine Elites Woodbury, Minn.
 Eyes of The Wild Art Gallery Maple Grove, Minn.
 Fair Market Promotions Dauphin Island, Ala.
 Fifth Avenue Collection Inc. Sioux Falls, S.D.
 Fuhrman Leather Co. Duck Key, Fla.
 G.S.T. Co. Lake Elmo, Minn.
 Gem Mountain Studio Seattle, Wash.
 Glassworks Inc. Marine On St. Croix, Minn.
 Global Enterprises Apple Valley, Minn.
 Grandmothers House

Antiques White Bear Lake, Minn.
 Hagstrom, J. Roseville, Minn.
 Haliber Co. Chatfield, Minn.
 Hands Unlimited Ridgcrest, Calif.
 Hang-In Tree Marietta, Ga.
 Hastings, Dennis Copley, Ohio
 Historic Photos Ely, Minn.
 Hixon Glass Blowers Phoenix, Ariz.
 Howards Garrison, Minn.
 House of Lloyd Inc. Coon Rapids, Minn.
 Hue Inc. Spooner, Wis.
 Images of The Past Stillwater, Minn.
 Intermezzo Minneapolis, Minn.
 J & J Enterprises Tampa, Fla.
 Jerry Simertz Porcelain Elk River, Minn.
 Johnson, K. Coon Rapids, Minn.
 Katies Korner Cottage Grove, Minn.
 Kinane, M. St. Paul, Minn.
 Koleber, D. Maplewood, Minn.
 Lavigne Leather Star Prairie, Wis.
 Layden Studios Minneapolis, Minn.
 Lionstone Pottery Inc. Milaca, Minn.
 Little Pine Wood Specialties Deerwood, Minn.
 Longaberger Co. Minneapolis, Minn.
 Lott's of Crafts Superior, Wis.
 Mail Call Topical Stamps St. Paul, Minn.
 Marita's Red Wing, Minn.
 Mehus, K. Leonard, N.D.
 Midwest Distributors Mankato, Minn.
 Minn. Made Gifts Inc. St. Paul, Minn.
 Mixon Family Baskets Decatur, Ala.
 Mountain Flower Pottery & Tin Wayzata, Minn.
 Mrs. Anderson's Christmas

Treasures Dana Point, Calif.
 Muriel's Wood Arrangements Richfield, Minn.
 Overbeek, H. Leota, Minn.
 Pane in the Glass Brooklyn Park, Minn.
 Pearl Diver I Inc. Panama City, Fla.
 Pedretti, M. Wisconsin Dells, Wis.
 Person-etts by Roger Arden Hills, Minn.
 Pol-O-Craft Nails In Bloom Reading, Pa.
 Porcelain By Lynn Anoka, Minn.
 Powell, Brian Mocksville, Minn.
 Primera Enterprises Phoenix, Ariz.
 Professional Products Inc. El Segundo, Calif.
 Rebecca's Brooklyn Park, Minn.
 Ribbon Fair Inc. Mountain Top, Pa.
 Roxie's Clay Creations Cottage Grove, Minn.
 Ruffles and Flourishes Lakeville, Minn.
 Rug Lady, The Bigfork, Minn.
 Rustic Arts White Bear Lake, Minn.
 Saint Croix Jewelers Inc. Forest Lake, Minn.
 Saliture Designs St. Paul, Minn.
 Saugestad, E. Ely, Minn.
 Sculptured Candle Co. Inc. Grand Rapids, Mich.
 Settlemire, J. Chino Hills, Calif.

Silver Gallery Tulsa, Okla.
 Silver Strands La Mesa, Calif.
 Simonsons Victoria, Minn.
 Siren Wood Co. Siren, Wis.
 Stampworks of Florida Deland, Fla.
 Star Silver Cape Coral, Fla.
 Sterling Silver Plus Mound, Minn.
 Sunscape Co. Minneapolis, Minn.
 Tole House St. Paul, Minn.
 Tony Sheda Enterprises Wrenshall, Minn.
 Victorian Tintypes Fish Creek, Wisc.
 Way Out West Claremore, Okla.
 Windi Southwest Arts Scottsdale, Ariz.
 Woodcut Hall Ltd. East Troy, Wis.
 Youngquist Gold Wire Jewelry Walsenburg, Colo.



Automotive Dealers & Supplies

Associated Handicapable Vans Burnsville, Minn.
 Burnsville Volkswagon Inc. Burnsville, Minn.
 Dodge Advertising Association Plymouth, Minn.
 Eveland's Inc. Backus, Minn.
 Heartland Chevrolet Dealers St. Paul, Minn.
 Imperial Products Ltd. St. Paul, Minn.
 Iten Chevrolet Co. Borrklyn Center, Minn.
 Jeep/Eagle Advertising Association. Plymouth, Minn.
 Jim Lupient GMC Trucks Minneapolis, Minn.
 Jim Lupient's
 Harold Chevrolet-Geo Bloomington, Minn.
 Leroy's Custom Painting Inc. Coon Rapids, Minn.
 Lincoln-Mercury Dealer
 Association Minnetonka, Minn.
 Line-X of Minneapolis Golden Valley, Minn.
 Mattracks Inc. Karlstad, Minn.
 Morrie's Buffalo Ford Buffalo, Minn.
 Morrie's Mazda Minnetonka, Minn.
 Pontiac Div. of General
 Motors Corp. Bloomington, Minn.
 Red Carpet Car Service Inc. St. Paul, Minn.
 Stallion Customs Ham Lake, Minn.
 Teams Tire Plus Burnsville, Minn.
 Thane Hawkins -
 Polar Chevrolet White Bear Lake, Minn.
 Twin Cities Oldsmobile Dealers Brookfield, Minn.
 Twin Cities Saturn Retailers Golden Valley, Minn.
 Waldoch Crafts Inc. Forest Lake, Minn.



Books & Literature

Camp Natch Inc. Minneapolis, Minn.
 Dorling Kindersley Family Library St. Paul, Minn.
 Northwestern Products Minneapolis, Minn.
 World Book Educational Products Eden Prairie, Minn.



Building, Construction & Hardware

American Steel Fargo, N.D.
 Anchor Fence of Minnesota Inc. Richfield, Minn.
 Backyard Building Systems
 Construction Co. Hampton, Minn.
 Bergee Industries Golden Valley, Minn.
 Conklin Products Co. Bloomington, Minn.
 Crystal Bay Corp. Wyoming, Minn.
 Curb Creations of Minn. Buffalo, Minn.
 Engineered Pressure
 Washing Equipment Monticello, Minn.
 Four Seasons Realty Inc. Brainerd, Minn.
 Gastineau Log Homes Bloomington, Minn.
 Heartland Industries Inc. Carmel, Ind.
 Lester Building Systems Lester Prairie, Minn.
 Midwest Fence & Mfg. Co. South St. Paul, Minn.
 Morton Buildings Inc. Morton, Ill.

Natural Spaces Domes, L.L.C. North Branch, Minn.
 North Star Service and
 Supply Inc. Minneapolis, Minn.
 Northern Hydraulics Inc. Burnsville, Minn.
 Northland Buildings Inc. Eau Claire, Wis.
 Nut & Bolt Warehouse Marine On St. Croix, Minn.
 Powers Construction Co. Inc. St. Paul, Minn.
 Preferred Welder Sales Mankato, Minn.
 R.B. Industries Inc. Harrisonville, Mo.
 Rodman & Co. Inc. Burbank, Calif.
 Royal Conservatories, L.L.C. Minneapolis, Minn.
 Shoptsmith Woodworking Promotions Dayton, Ohio
 Thomas Tool and Supply Inc. St. Cloud, Minn.
 Wick Building Systems Inc. Pine Island, Minn.
 Wing Enterprises Inc. -
 Little Giant Ladder System Springville, Utah
 Woodmaster Foundations Inc. Prescott, Wis.
 Wunder Klein Brick Co. Plymouth, Minn.



Clothing & Accessories

American Dairy Association of Minn. St. Paul, Minn.
 Bob McNamara Footwear Minneapolis, Minn.
 Bon'nean Inc. Champlin, Minn.
 Brad's Discount Boots Humboldt, Iowa
 Capital Beverage Sales L.P. St. Paul, Minn.
 Circle M Hats Radcliffe, Iowa
 Colorful Cotton Clothing Minnetonka, Minn.
 Continental Leather
 Fashions Co. Inc. Chula Vista, Calif.
 Cool Hats St. Paul, Minn.
 Dalliance Boxers Amherst, Mass.
 Dworkin, M. Middletown, N.Y.
 Elegant Accents San Diego, Calif.
 Flora's Dress Emporium Minneapolis, Minn.
 Funk's Leathercraft Long Lake, Minn.
 Green Mountain Trading Co. Lebanon, Ind.
 Handbags by Jean Wing Ala.
 J & J Sportswear Hudson, Wis.
 Jane's Boutique Bloomington, Minn.
 Kim's Fashions Los Angeles, Calif.
 Lingerie Bouquet Minneapolis, Minn.
 M.A. Gedney Minneapolis, Minn.
 Maternity Closet, The Hugo, Minn.
 Minnetonka Moccasin
 Co. Inc. Minneapolis, Minn.
 Mystic Moon Norman, Okla.
 Norden Inc. St. Paul, Minn.
 Pen-Reed Co. Capistrano Beach, Calif.
 Puppy Toes San Dimas, Calif.
 Sandak Aloha Sandals Henderson, Nev.
 Sharon & James Inver Grove Heights, Minn.
 Shay-French Sunglasses Brooksville, Fla.
 Shoes To Boot Minneapolis, Minn.
 Show String Embroidery Inc. Wichita Falls, Texas
 Spectacle Shoppe New Brighton, Minn.
 Street Town & Country Indianola, Iowa
 Tiffany Star Inc. Oakdale, Minn.
 Triple H. Australian Western Wear Oxford, Pa.
 Wee-Dazzle Palm Beach Gardens, Fla.
 Wendy's Studio Carlsbad, Calif.



Financial Services

Dain Rauscher Edina, Minn.
 Federal Investment Co. Brooklyn Park, Minn.
 North Star Bank Roseville, Minn.
 Norwest Bank MN Minneapolis, Minn.
 Offerman & Co. Inc. Minneapolis, Minn.
 Prudential Insurance Co. Shoreview, Minn.

Food & Beverages

Abdo, L. St. Paul, Minn.
 Acomb, B. Maitland, Fla.
 Alere's Concessions Pine City, Minn.
 American Dairy Association of Minn. St. Paul, Minn.
 Andrew, M. Minneapolis, Minn.
 Andrus Concessions Inc. Apple Valley, Minn.
 Arrow Enterprises Inc.
 d/b/a Skyride Cafe Hopkins, Minn.
 Art Tysk Concessions St. Paul, Minn.
 Australian Foods Balboa, Calif.
 Austrian Oblaten Co. Minneapolis, Minn.
 Bahr, P. Spicer, Minn.
 Bahr, T. St. Cloud, Minn.
 Barona, Stacey & Robert Roseville, Minn.
 Barrett, J. St. Paul, Minn.
 Bayou Bob's LLC Andover, Minn.
 Benson, B. Mahtomedi, Minn.
 Best Around, The North Ft. Myers, Fla.
 Bianca's Foods Deephaven, Minn.
 Blue Bell Ice Cream Inc. Apple Valley, Minn.
 Bougie, D. Maplewood, Minn.
 Brede Enterprises Inc. Ramsey, Minn.
 Bridgeman's Restaurants Inc. Minnetonka, Minn.
 Camp Omega-Minn. So. Dist.
 Luth. Church Mo. Synod Waterville, Minn.
 C.C. International Eden Prairie, Minn.
 Caribbean Heat Minneapolis, Minn.
 Case, G. St. Louis Park, Minn.
 Charcoal Hut Staples, Minn.
 Chocolate Chip Cookie Co. St. Paul, Minn.
 Church of The Epiphany Coon Rapids, Minn.
 Classic Provisions Inc. Golden Valley, Minn.
 Collier Family Inc. Shakopee, Minn.
 Confection Designs Kailua Kona, Hawaii
 Conklins Candyland Inc. Royal Palm Beach, Fla.
 Country Gourmet Inc. Minneapolis, Minn.
 Country Store Sweet Shoppe Minneapolis, Minn.
 Crocker Enterprises Inc. Maple Grove, Minn.
 Crocker's Spaghetti Village Inc. Maple Grove, Minn.
 Crutchfield, G. San Diego, Calif.
 D & K Concessions Winterset, Iowa
 Dairy Bar Minneapolis, Minn.
 Danielson, W. St. Paul, Minn.
 Darlinda Inc. Ham Lake, Minn.
 Davis, J. Coon Rapids, Minn.
 Davis, L. Minneapolis, Minn.
 Davis, M. Minneapolis, Minn.
 Davis, W. Alexandria, Minn.
 Degnans Popcorn Minneapolis, Minn.
 Delacatessan Food
 International Inc. Golden Valley, Minn.
 Delicious Potato Skins New Hope, Minn.
 Delrick Enterprises Golden Valley, Minn.
 DFL Districts 66 and 67 St. Paul, Minn.
 Dino's Gyros Coon Rapids, Minn.
 Dip Stix - M & S Concessions St. Paul, Minn.
 Dippin Dots Hampton, Minn.
 Donna's Bar-B-Q Rib Sandwich South St. Paul, Minn.
 E.A. Sween Co. Eden Prairie, Minn.
 Eagle Food Service Connersville, Ind.
 El Sol Mexican Food St. Paul, Minn.
 Erb, W. St. Paul, Minn.
 Extreme Sales & Marketing St. Paul, Minn.
 F & W Concessions Inc. Rhinebeck, N.Y.
 Family Tree Cafe -
 Arlo's Fun Foods Inc. St. Cloud, Minn.
 Famous Dave's of America Inc. Eden Prairie, Minn.
 Far Eastern Foods Woodbury, Minn.
 Ferch, S. Loretto, Minn.
 Festival Foods Inc. Cherry Hill, N.J.
 Fisherman's Wharf Seafoods -
 Wiles Ent. Ltd. Minneapolis, Minn.
 French Meadow Bakery Minneapolis, Minn.

Fresh Fruit Eagan, Minn.
 Fresh Hot Homemade Potato Chip Co. Naples, Fla.
 Fudge Folks, The Mirror Lake, N.H.
 Funk's Coffeeville Long Lake, Minn.
 Gass Concessions Inc. Plymouth, Minn.
 Gasthaus Edelweiss Maplewood, Minn.
 Gazella's Diner & Grill Zephyrhills, Fla.
 Giant Ride Inc. Pasadena, Calif.
 Giere, J. Staples, Texas
 GLK Inc. Elk River, Minn.
 Golden's Guiltless Bagels St. Paul, Minn.
 Gooden's Old-Fashioned Kettle Korn Byron, Minn.
 Gopher Dairy Club -
 University of Minnesota St. Paul, Minn.
 Grandstand Donuts Lauderdale, Minn.
 Granny's Caramel Apple Sundaes Hampton, Minn.
 Granny's Enterprises St. Cloud, Minn.
 H.M.H. of St. Paul Inc. Lakeland, Minn.
 Hamline United
 Methodist Church Little Canada, Minn.
 Hand Maid Sweets Mankato, Minn.
 Hannasch Inc. Minneapolis, Minn.
 Hanold, T. Braham, Minn.
 Hansen's Amusement Foods Fergus Falls, Minn.
 Harrington's Enterprises Ellsworth, Wis.
 Harrison, S. Minneapolis, Minn.
 Hartley, J. S. Milwaukee, Wis.
 Hawaiian Shaved Ice Inc. Hutchinson, Minn.
 Hectorne, D. Chanhassen, Minn.
 Heller, R. Siren, Wis.
 Hildebrand Concessions Inc. Roseville, Minn.
 Hohenwald Enterprises Inc. Oakdale, Minn.
 Hohenwald, P. Oakdale, Minn.
 Hoyers Custom Service Inc. Richfield, Minn.
 Hussong Family Inc. Shakopee, Minn.
 Huston Inc. Parker City, Ind.
 Ice Cream Factory Inc. Ormond Beach, Fla.
 Ice Krewe Mill Ltd. Westminster, Md.
 Icee USA Brooklyn Center, Minn.
 Isaac, M. Inver Grove Heights, Minn.
 Isaac, T. Inver Grove Heights, Minn.
 Isabel Burkes Olde Tyme Taffy Plymouth, Iowa
 Italian Grinder Sandwich Stillwater, Minn.
 J.D.'s Eating Establishment Crystal, Minn.
 Java Jive Edina, Minn.
 Jennisch, S. Stockholm, Wis.
 Jessness Concessions Morris, Minn.
 Jim & Jo's Minneapolis, Minn.
 Johnson, J. Fergus Falls, Minn.
 Just Say Glace St. Paul, Minn.
 Kirch Enterprises Inc. Shoreview, Minn.
 Kirschner's Beer Stube Burnsville, Minn.
 Kitchen Kraft Concessions Columbia Heights, Minn.
 Koney Express Hibbing, Minn.
 Kordus, A. Columbia Heights, Minn.
 Kusick, G. Cottage Grove, Minn.
 Lamb Shoppe, The Hutchinson, Minn.
 Larson, G. Minneapolis, Minn.
 Larson, J. Minneapolis, Minn.
 Larson, K. Taylors Falls, Minn.
 LaVague, E. St. Paul, Minn.
 Lee Soynuts Co. Woodbury, Minn.
 Leimon Concessions Harlingen, Texas
 Lemonade Ltd. St. Louis Park, Minn.
 Levin, S. Maple Grove, Minn.
 Luigi Fries Lake Elmo, Minn.
 Lynn's Lefse Aitkin, Minn.
 M & D Enterprises Paducah, Ky.
 M.T. French Creperie Minneapolis, Minn.
 Mama Lee's Gourmet Hot Chocolate Nashville, Tenn.
 Maple Grove Meats Inc. Becker, Minn.
 Marrone, M. St. Paul, Minn.
 Meents, B. River Falls, Wis.
 Mertes, T. Minneapolis, Minn.

Mid-Continent Bottlers Inc. St. Paul, Minn.
 Middle East Bakery St. Paul, Minn.
 Midway Food Co. Austin, Texas
 Midway Mens Club Rush City, Minn.
 Minnekabob Golden Valley, Minn.
 Minn. Apples Inc. White Bear Lake, Minn.
 Minn. Honey Producers Association. Clarkfield, Minn.
 Minn. Turkey Growers Association St. Paul, Minn.
 Mitchell Concessions St. Paul, Minn.
 Muddy Waters Minneapolis, Minn.
 Muskar Inc. White Bear Lake, Minn.
 National Icee Corporation Brooklyn Center, Minn.
 Nat Joseph Catering Inc. Minneapolis, Minn.
 Nelson, J. South St. Paul, Minn.
 North Suburban St. Paul
 Kiwanis Club Shoreview, Minn.
 Nuebel, E. Hudson, Wis.
 Nummies Inc. Eden Prairie, Minn.
 O'Neil, F. Roseville, Minn.
 O'Neil, L. Roseville, Minn.
 O'Neil, Leah St. Paul, Minn.
 O'Neil, T. Lauderdale, Minn.
 O'Shea Associates Minneapolis, Minn.
 Orange Treet Sales Minneapolis, Minn.
 Organic Foods Inc. Excelsior, Minn.
 Ozzie's In The Park Chaska, Minn.
 Pearse, B. Golden, Colo.
 Peg, The St. Paul, Minn.
 Pelican Concessions Pelican Rapids, Minn.
 Pennsylvania Dutch Funnel Cakes Springfield, Minn.
 Perfect Pickle, The White Bear Lake, Minn.
 Peters, J. Mesa, Ariz.
 Peterson Concessions Ham Lake, Minn.
 Petrovski Concessions Vista, Calif.
 Pickle Dog Rosemount, Minn.
 Pinkus, M. Minnetrista, Minn.
 Pizza Palace Minneapolis, Minn.
 Pizza Wagon Eagan, Minn.
 Porky's Delight Eden Prairie, Minn.
 Pretzel Factory Aurora, Colo.
 Prom Catering Co. St. Paul, Minn.
 Q.M. Enterprises St. Paul, Minn.
 Quality Concessions Lindstrom, Minn.
 R.J. Pretzel Co. Breckenridge, Colo.
 Ribco Enterprises Mendota Heights, Minn.
 Robbinsdale O.E.S. Dining Hall Robbinsdale, Minn.
 Root Beer Stand Falcon Heights, Minn.
 Rosenthal, D. St. Paul, Minn.
 Runyon, D. St. Paul, Minn.
 Rush, T. Minneapolis, Minn.
 Sadie's Frozen Custard Fridley, Minn.
 Saint Bernard's Dining Hall St. Paul, Minn.
 Salem Lutheran Church Minneapolis, Minn.
 Sausage By Cynthia Maple Grove, Minn.
 Schneider Popcorn Roseville, Minn.
 Schroder Concessions Inc. Faribault, Minn.
 Schroeder Milk Co. St. Paul, Minn.
 Schultz's Concessions Shoreview, Minn.
 Schumacher's New Prague
 Hotel Inc. New Prague, Minn.
 Seville Co. Inc. Plymouth, Minn.
 Shutes, G. Bloomington, Minn.
 Shutes, R. Edina, Minn.
 Spaghetti Eddie's Deltona, Fla.
 Steichen, J. Fridley, Minn.
 Steichens Food Market St. Paul, Minn.
 Stinchfield, J. Hopkins, Minn.
 Stone, A. St. Louis Park, Minn.
 Straight's Concessions Crystal, Minn.
 Strawberries 'n Creme Waseca, Minn.
 Strawberry Patch St. Paul, Minn.
 Sunderland, D. Andover, Minn.
 Sunshine Concessions Spring Hill, Fla.
 Sutich, J. Minnetonka, Minn.

Sweet Martha's Cookie Jar St. Paul, Minn.
 T & A Concessions Candler, Fla.
 TLR Family Concessions Rochester, Minn.
 Teeny Weeny Donuts Cloquet, Minn.
 Testin, L. Taylors Falls, Minn.
 Tetrault, G. Minneapolis, Minn.
 Thames, M. Minnetonka, Minn.
 To Your Health Inc. Peterstown, W.Va.
 Tom Thumb Donut Corp. Minneapolis, Minn.
 Townsend, M. Fergus Falls, Minn.
 Tran, V. Golden Valley, Minn.
 TRES-C Inc. Minnetonka, Minn.
 Tremblay's Sweet Shop Stillwater, Minn.
 Tropical Fruit Floss Hastings, Minn.
 Tysseling, J. St. Paul, Minn.
 Ulmer Metro Distributing Inc. St. Paul, Minn.
 Ultimate Confections Wauwatosa, Wis.
 Ukmar, R. Sarasota, Fla.
 Vend Africa Inc. Minneapolis, Minn.
 Venetian Inn St. Paul, Minn.
 Vesicio's Minneapolis, Minn.
 Vogt, V. New London, Minn.
 Ward Food Services Maplewood, Minn.
 Ward's Concessions Huntington Beach, Calif.
 Warling Catering Carrollton, Texas
 Werner's Frontier Inc. New Brighton, Minn.
 Willis Enterprises Tulsa, Okla.
 Wir Nuts Cinnamon
 Roasted Almonds Shoreview, Minn.
 Woldorsky, J. Minneapolis, Minn.
 Wonders Inc. Warner Robins, Ga.
 Wozniak Concessions Inc. Minneapolis, Minn.
 Yahr, J. Richfield, Minn.
 Yahr, K. Richfield, Minn.



Health & Beauty

Apollo Hair Clinic St. Louis Park, Minn.
 Caspers House Minneapolis, Minn.
 Cottage Soaps St. Paul, Minn.
 Davis Enterprises Hartville, Mo.
 Dermac Labs Inc. Salem, Ore.
 Double T Wylie, Texas
 Dyna Dental Systems Minnetonka, Minn.
 Fischer, A Kasson, Minn.
 Fragrances Inc. St. Louis Park, Minn.
 Golden Neo-Life Diamite Intl. Kandiyohi, Minn.
 Golden Pride/Intl. Dist. Fridley, Minn.
 Heckmann, J. Forest Lake, Minn.
 Lifepace, The Bloomington, Minn.
 Mary Kay Cosmetics Inc. Bloomington, Minn.
 Mountain Top Promotions Edina, Minn.
 Nada Concepts Inc. St. Paul, Minn.
 Naturally Beautiful Nails/Nail Masters Plant City, Fla.
 North Country Glycerine Soap Maple Plain, Minn.
 PDL Schwab Inc. Forest Lake, Minn.
 Professional Dynamics Burnsville, Minn.
 TeleSensory Minneapolis, Minn.
 Timbos Enterprises La Grange, Calif.
 Vern Robinson Associates Bessemer City, N.C.
 Wahl, T. Lakeville, Minn.
 World Wise Concepts -
 Trek Alliance Eagan, Minn.



Home Improvement & Furnishings

AAA Garage Products Inc. St. Paul, Minn.
 ABC Seamless Inc. Fargo, N.D.
 Access One Inc. Wyoming, Minn.
 Air One Heating &
 Air Conditioning Brooklyn Park, Minn.
 American Clocks Inc. Plant City, Fla.
 American Water Systems Lakeville, Minn.

Andersen Corp. -
 Renewal by Andersen Vadnais Heights, Minn.
 Aqua-Therm Inc. Brooten, Minn.
 Asphalt Specialties Co. Shoreview, Minn.
 Automatic Garage Door & Fireplace Fridley, Minn.
 B.C. Kitchens Inc. Hopkins, Minn.
 Baby & Teen Golden Valley, Minn.
 Battin Stucco Co. Big Lake, Minn.
 Baykal & Co. Rancho Santa Fe, Calif.
 Brinks Home Security Minneapolis, Minn.
 Budget Mobile Services Circle Pines, Minn.
 By The Yard Jordan, Minn.
 C. Greenwood Design Garland, Texas
 Cabinetpak Kitchens
 of Minneapolis Bloomington, Minn.
 California Closet Co. Bloomington, Minn.
 Carpet Court St. Paul, Minn.
 Ceda Comfort Minneapolis, Minn.
 Classic Surfaces Inc. St. Paul, Minn.
 Classic Wood Furnace Isanti, Minn.
 Comforest Adjustable Beds Columbia Heights, Minn.
 Commers Conditioned Water Co. Minneapolis, Minn.
 Culligan Water Conditioning Minnetonka, Minn.
 Curley Furniture & Carpet Mendota Heights, Minn.
 D.A. Distributing Inc.
 d/b/a Concor Fireplace Spring Lake Park, Minn.
 Deck Rescue Plus Rockford, Minn.
 Deluxe Rug & Carpet St. Paul, Minn.
 Discount Windows And Wares Roseville, Minn.
 DPS Industries Little Falls, Minn.
 Ecowater Systems Inc. St. Paul, Minn.
 Fee-Fi-Faux Plymouth, Minn.
 Finn/Sisu St. Paul, Minn.
 Fireside Corner Inc. Roseville, Minn.
 Floor Heat/Systems Minneapolis, Minn.
 Galaxy Custom Booths Wyoming, Minn.
 Gardner Fence Systems Inc. Minneapolis, Minn.
 Geographic Locations
 International Minneapolis, Minn.
 Glenwood Inglewood Minneapolis, Minn.
 Golden Hammocks Inc. Escondido, Calif.
 Great Garage Door Co. Blaine, Minn.
 Hardwood Floor Store Crystal, Minn.
 Home Depot Fridley, Minn.
 Hutch and Mantle Minneapolis, Minn.
 J.J. Vanderson & Co. St. Paul, Minn.
 Jack Pixley Sweeps Inc. Andover, Minn.
 JIL Industries Malden, Mass.
 Jugs Homestead, Fla.
 K.C. Woodworking Inc. Forest Lake, Minn.
 Kitchen Make-Over Minneapolis, Minn.
 Lindus Construction Inc. Baldwin, Wis.
 Luxury Bath Liners of Minn. Bloomington, Minn.
 Magna Products Inc. Green Bay, Wis.
 Minn. Rusco Inc. Minnetonka, Minn.
 Mon-Ray Inc. Golden Valley, Minn.
 Niagara of America Inc. Charlotte, N.C.
 Noomen Cabinet Specialties Westbrook, Minn.
 Northern Crossarm Co. Inc. Chippewa Falls, Wis.
 Northern Glass Block Co. Edina, Minn.
 Northern States Power Co. Minneapolis, Minn.
 Oakstreet Maplewood, Minn.
 Panelcraft of Minnesota Inc. Minneapolis, Minn.
 Patio Enclosures Inc. New Brighton, Minn.
 Patio Town Oakdale, Minn.
 Plushkell Associates Minnetonka, Minn.
 Premium Waters Inc. Minneapolis, Minn.
 Rite Way Waterproofing Lino Lakes, Minn.
 Select Comfort Minneapolis, Minn.
 Sir Laurence Stained Glass Studio Farmington, Minn.
 Snyder Home Improvements Minnetonka, Minn.
 Solar Midwest Inc. Plymouth, Minn.
 Solarattic Inc. Elk River, Minn.
 Stained Glass Overlay Design Studio Roseville, Minn.

Standard Water Control Systems Inc. Crystal, Minn.
 Stonewall of Minn. Lake Elmo, Minn.
 Teak Emporium Inc. San Diego, Calif.
 Thermax Floor Care Products Shakopee, Minn.
 Tiff Lighting Fixture Mfg. Picton, Ontario
 Walden Brothers Lumber Inc. Shakopee, Minn.
 Weather Lock Windows Systems St. Paul, Minn.
 Westwood Munford, Ala.
 Wildlife Collection Inc., The Kingsville, Texas
 Wilkening Manufacturing Co. Inc. Walker, Minn.
 Worldwide Chimney Inc. Minneapolis, Minn.
 Zee Enterprises Scottsdale, Ariz.



Household Products & Services

Abosch Import Co. Hollywood, Calif.
 Associated Consultants Minneapolis, Minn.
 Associated Sewing and Knitting St. Paul, Minn.
 Bailey & Associates Hagersville, Ontario
 Berg, M. Fargo, N.D.
 BJ Products San Diego, Calif.
 Cenaiko Enterprises Inc. Coon Rapids, Minn.
 Chester H. Nairne Co. Livonia, Mich.
 China Palace Enterprise Co. Minneapolis, Minn.
 Cordon Bleu Co. Richfield, Minn.
 Creative Sewing Centers Inc. Golden Valley, Minn.
 Diamondcraft Corp. Minneapolis, Minn.
 Disk & Data Coon Rapids, Minn.
 Dry Store, The Lanesboro, Minn.
 Earths Edge Apple Valley, Minn.
 Electrolux Plymouth, Minn.
 Elegance In Numbers Murphy, Ore.
 Excell Wireless Minneapolis, Minn.
 Fairlie, Susan Rhinebeck, N.Y.
 Fantastic Products Horse Shoe, N.C.
 Florian Ratchet Cut Plantsville, Conn.
 Fortner's Salt-Free Seasonings Lake Mills, Wis.
 Golden Hammocks Inc. Escondido, Calif.
 Home of Elegance Vadnais Heights, Minn.
 Hudspeth, S. Allen, Texas
 International Culinary Consultants Elberon, N.J.
 Jansen Distributing Minneapolis, Minn.
 Kinetic Dealers of Minnesota Burnsville, Minn.
 Mary Lue's Knitting World St. Peter, Minn.
 Nancy Thayer & Associates Sparta, N.J.
 National Service Co. LLC Fresno, Calif.
 Nomar Inc. St. Paul, Minn.
 Pampered Chef, The Edina, Minn.
 Patterson Products La Mirada, Calif.
 Quality Bag Oakdale, Minn.
 Round Bobbin Sewing Center St. Paul, Minn.
 Rusty Nut Enterprises Byron, Minn.
 Sewing Centers Inc. Minneapolis, Minn.
 Showers Plus Sierra Madre, Calif.
 Sprint PCS Minnetonka, Minn.
 Stan & Jo's Country Creations North Mankato, Minn.
 Surge Water Conditioning Hopkins, Minn.
 Swivel Spray Minneapolis, Minn.
 Syndicate Sales Corp. Hopkins, Minn.
 Table Charm Ltd. Lockport, N.Y.
 Thousand Lakes Realty DeSoto, Wis.
 Tupperware-Lakewood Party Sales Inc. Edina, Minn.
 US West Wireless St. Paul, Minn.
 Vita Mix Corp. Cleveland, Ohio
 Wally's Gadget Corner Toledo, Ohio
 Watkins Inc. Winona, Minn.



Imports & Ethnic Merchandise

African Collections Sharon, Mass.
 Aloha Jewelry Pearl City, Hawaii
 American Swedish Institute St. Paul, Minn.
 Artesanos Unidos Los Angeles, Calif.

Baltic Imports White Bear Lake, Minn.
 Bando Imports Northbrook, Ill.
 Bolivian Imports Loveland, Colo.
 Brown, Y. Excelsior, Minn.
 Caples, M. Little Canada, Minn.
 Chandi Gallery/Coune' Ltd. Minneapolis, Minn.
 China Handcraft Bloomington, Minn.
 Doll Orphanage St. Paul, Minn.
 Egypt USA Concord, Calif.
 Fantastic Voyage Stillwater, Minn.
 Folklore Imports Glendale, Calif.
 G.F. Philippines Handicraft Verona, N.J.
 Grand Assorted Enterprise Co. Ltd. Claremont, Calif.
 Grobal International Inc. Minneapolis, Minn.
 Heart of Tibet Stillwater, Minn.
 High Street International Minneapolis, Minn.
 Holly Tree Enterprises Buffalo, Minn.
 Hollis Hobby Ltd. Andover, Minn.
 Holy Land Handicrafts St. Paul, Minn.
 Ice-Ame Kenmore, Wash.
 Image Imports Minneapolis, Minn.
 Imaginative Imports Stillwater, Minn.
 India Bazaar Fridley, Minn.
 India House Bloomington, Minn.
 India Imports Apache, Okla.
 Indian Arts & Crafts Terre Haute, Ind.
 Inside Africa St. Paul, Minn.
 International Flag Weaving St. Croix Falls, Wis.
 International Investors San Mateo, Calif.
 Irish On Grand St. Paul, Minn.
 Jennico St. Paul, Minn.
 Kay's Blue Onion Art Gallery New Brighton, Minn.
 Khan, S. Hamel, Minn.
 La Fuente Milwaukee, Wis.
 Oriental Craft and Development Co. Lake City, Minn.
 Rama Imports Franklin, Wis.
 San Juan, M. Azusa, Calif.
 Sullivan, R. St. Paul, Minn.
 Taxco Imports West Hills, Calif.
 Treasure Chest Auburndale, Fla.
 Tong, Linda Lawrenceville, Ga.
 Vagabond Imports Corona, Calif.
 Wooden Needle Vadnais Heights, Minn.
 World Trade New Orleans, La.
 Zhivago Rugs Minneapolis, Minn.



Institutional Exhibits & Gov't Agencies

AFS Intercultural Programs St. Paul, Minn.
 American Association of Retired Persons ... Chicago, Ill.
 American Cancer Society Minneapolis, Minn.
 American Diabetes Association
 of Minn. Affiliate Minneapolis, Minn.
 American Lung Association of Minn. St. Paul, Minn.
 American Red Cross St. Paul, Minn.
 American Waterworks
 Association Minneapolis, Minn.
 Art Instruction School Minneapolis, Minn.
 Arthritis Foundation - Minn. Chapter ... St. Paul, Minn.
 Attorney Generals Alliance For
 A Drug Free Minn. St. Paul, Minn.
 Augsburg Weekend College Minneapolis, Minn.
 Bemidji Visitors & Convention
 Bureau Bemidji, Minn.
 Blue Cross & Blue Shield of Minn. St. Paul, Minn.
 Comm. Services for the Deaf St. Paul, Minn.
 Concordia Language Villages Moorehead, Minn.
 Concordia University St. Paul, Minn.
 Dunwoody Institute Minneapolis, Minn.
 Epilepsy Foundation of Minnesota St. Paul, Minn.
 Emergency Medical Services
 Reg. Board Minneapolis, Minn.
 Emu Association of Minnesota Lake Park, Minn.

Geological Society of Minnesota Robbinsdale, Minn.
 Great Lakes Indian Fish & Wildlife
 Commission Odanah, Wis.
 Hazelden Foundation Center City, Minn.
 Highway Construction
 Industry Council New Brighton, Minn.
 Indianhead Council -
 Boy Scouts of America St. Paul, Minn.
 Inventors Network Stillwater, Minn.
 Masonic Grand Lodge of Minn. St. Paul, Minn.
 Metropolitan Council St. Paul, Minn.
 Metro Transit Minneapolis, Minn.
 Metropolitan Mosquito Control Dist. St. Paul, Minn.
 Minn. Adult Day
 Services Association Roseville, Minn.
 Minn. Agriculture
 In The Classroom Shakopee, Minn.
 Minn. AIDS Project Minneapolis, Minn.
 Minn. Army & Air National Guard Roseville, Minn.
 Minn. Association
 of Student Councils Roseville, Minn.
 Minn. Attorney General's Office -
 Consumer Division St. Paul, Minn.
 Minn. Audubon Council of
 The Nat. Audubon Soc. St. Paul, Minn.
 Minn. Beef Council Minneapolis, Minn.
 Minn. Bio Brain Association Minneapolis, Minn.
 Minn. Bison Association Owatonna, Minn.
 Minn. Blue Flame Gas Association ... Minneapolis, Minn.
 Minn. Career Information System St. Paul, Minn.
 Minn. Children St. Paul, Minn.
 Minn. Chiropractic Association St. Paul, Minn.
 Minn. Citizens Concerned
 For Life Minneapolis, Minn.
 Minn. Cultivated Wild Rice Council St. Paul, Minn.
 Minn. Dental Association St. Paul, Minn.
 Minn. Dept. of Agriculture St. Paul, Minn.
 Minn. Dept. of Agriculture -
 Aquaculture St. Paul, Minn.
 Minn. Dept. of Corrections St. Paul, Minn.
 Minn. Dept. of Economic Security St. Paul, Minn.
 Minn. Dept. of Health St. Paul, Minn.
 Minn. Dept. of Human Rights St. Paul, Minn.
 Minn. Dept. of Labor and Industry St. Paul, Minn.
 Minn. Dept. of Natural Resources St. Paul, Minn.
 Minn. Dept. of Public Safety St. Paul, Minn.
 Minn. Dept. of Public Service St. Paul, Minn.
 Minn. Dept. of Revenue St. Paul, Minn.
 Minn. Dept. of Transportation St. Paul, Minn.
 Minn. Dept. of Transportation -
 Aeronautics Office St. Paul, Minn.
 Minn. Dept. of Veterans Affairs St. Paul, Minn.
 Minn. Division of Building
 Codes & Standards St. Paul, Minn.
 Minn. Education Association St. Paul, Minn.
 Minn. Elk Breeders Association Sauk Centre, Minn.
 Minn. Farm Bureau Federation St. Paul, Minn.
 Minn. Farmers Union St. Paul, Minn.
 Minn. Foodshare Maplewood, Minn.
 Minn. Forest Industries Inc. Duluth, Minn.
 Minn. Fur Breeders Association .. North St. Paul, Minn.
 Minn. Genealogical Society St. Paul, Minn.
 Minn. High Technology Council ... Bloomington, Minn.
 Minn. Higher Education
 Services Office St. Paul, Minn.
 Minn. Homeschoolers Alliance Roseville, Minn.
 Minn. House of Representatives -
 Pub. Info. Office St. Paul, Minn.
 Minn. Lamb & Wool
 Producers Association Hutchinson, Minn.
 Minn. Lions Eye Bank and
 Hearing Foundation St. Cloud, Minn.
 Minn. Mensa Brooklyn Park, Minn.
 Minn. Newspaper Foundation Minneapolis, Minn.

Minn. Nurses Association St. Paul, Minn.
 Minn. Office of Citizenship and
 Volunteer Services St. Paul, Minn.
 Minn. Office of
 Environmental Assistance St. Paul, Minn.
 Minn. Ostrich Association Maplewood, Minn.
 Minn. Pollution Control Agency St. Paul, Minn.
 Minn. Pork Producers
 Association North Mankato, Minn.
 Minn. Propane Gas Association Minneapolis, Minn.
 Minn. Senior Federation Inc. St. Paul, Minn.
 Minn. Soybean Growers North Mankato, Minn.
 Minn. State Board
 of Public Defense Minneapolis, Minn.
 Minn. State Colleges and Universities ... St. Paul, Minn.
 Minn. State Council On Disability St. Paul, Minn.
 Minn. State Horticultural
 Society Falcon Heights, Minn.
 Minn. State Senate St. Paul, Minn.
 Minn. Office of Tourism St. Paul, Minn.
 Minn. Turkey Research and
 Promotion Council St. Paul, Minn.
 Mothers Against Drunk
 Driving - Minn. St. Paul, Minn.
 National Multiple Sclerosis
 Society - Minn. Minneapolis, Minn.
 Natural Resources
 Conservation Service St. Paul, Minn.
 NEI College of Technology Columbia Heights, Minn.
 New Life Family Services Richfield, Minn.
 Northern Lights Tourism Alliance Eveleth, Minn.
 Perham Area Chamber of Commerce Perham, Minn.
 Pro Choice Resources Minneapolis, Minn.
 Raptor Center, The St. Paul, Minn.
 Salvation Army Brooklyn Center, Minn.
 South Minn. Area Assembly of
 Alcoholics Anonymous Minneapolis, Minn.
 Stagecoach Theatre Arts Minneapolis, Minn.
 Toastmasters International Plymouth, Minn.
 U.S. Navy Minneapolis, Minn.
 University of Minnesota -
 University Relations Minneapolis, Minn.
 Veterans Affairs Med Center Minneapolis, Minn.
 Voyageurs National Park International Falls, Minn.
 William Mithcell College of Law St. Paul, Minn.



Media

KARE-11 TV Golden Valley, Minn.
 KBEM-FM Radio Minneapolis, Minn.
 KDWB Radio Minneapolis, Minn.
 KEEY/
 K102 Today's Best Country Bloomington, Minn.
 KFAN-AM Radio Minneapolis, Minn.
 KLBB Radio - Cargill Communications ... St. Paul, Minn.
 KMSP-TV Eden Prairie, Minn.
 KQQL FM, KOOL108 Radio Minneapolis, Minn.
 KQRS-AM/FM Radio Minneapolis, Minn.
 KSTP-AM Radio St. Paul, Minn.
 KSTP-TV -
 Hubbard Broadcasting Inc. St. Paul, Minn.
 KSTP-FM Radio St. Paul, Minn.
 KTCZ-FM - Cities 97 Minneapolis, Minn.
 KXXR 93X Radio Minneapolis, Minn.
 KZNZ FM Radio Golden Valley, Minn.
 Minn. Public Radio St. Paul, Minn.
 Rock 100.3 Radio Minneapolis, Minn.
 Saint Paul Pioneer Press St. Paul, Minn.
 Star Tribune Minneapolis, Minn.
 U.S.A. Today Roseville, Minn.
 WCCO Radio Minneapolis, Minn.
 WCCO Television Minneapolis, Minn.



Miscellaneous

ACS Mobility St. Paul, Minn.
 AHT & Associates Shoreview, Minn.
 Gopher State Ice Company St. Paul, Minn.
 J/D Enterprises Watertown, Wis.
 Minn. Territorial Pioneers Inc. St. Paul, Minn.
 Motion Products Plymouth, Minn.
 Olsten Staffing Services Roseville, Minn.
 Oko Company Bloomington, Minn.
 Pro Staff Personnel Services St. Louis Park, Minn.
 Saint Paul Post Office St. Paul, Minn.
 Signific Eagan, Minn.
 SUDZeo Inc. Livingston, Texas
 Vista Mobility Specialists Inc. Park Ridge, Ill.



Music & Entertainment

Bodine's Inc. Richfield, Minn.
 Chanhassen Dinner Theatres Chanhassen, Minn.
 Minnesota Orchestra, The Minneapolis, Minn.
 Music Museum Store Blue Earth, Minn.
 Ordway Music Theatre St. Paul, Minn.
 Primestar Satellite -
 Northway Group St. Paul, Minn.
 Schmitt Music Company Minneapolis, Minn.
 Staneslow, S. St. Paul, Minn.



Novelties, Souvenirs & Toys

C.R. Deals St. Paul, Minn.
 Caricatures By Cindy Shoreview, Minn.
 Compmark I Corp. Minneapolis, Minn.
 Crazy Louie's Surplus City Minneapolis, Minn.
 Desplenter Novelties Chicago, Ill.
 Discovery Toys Minneapolis, Minn.
 DJ's Speed Zone Stevens Point, Wis.
 Entertainment Inc. Dayton, Ohio
 Fair-Market Inc. Minneapolis, Minn.
 Foamation Inc. Milwaukee, Wis.
 Gimberline, D. Hopkins, Minn.
 Grand Games Inc. Stillwater, Minn.
 Kirch, D. Shoreview, Minn.
 Laser Dynamic Mission Viejo, Calif.
 Matt Milner Sales Fridley, Minn.
 Minn. Comic Book Association Oakdale, Minn.
 NLM Inc. d/b/a Imagine This Mahtomedi, Minn.
 Northland Emblem Hatley, Wis.
 Outdoor Sports Cartoonist Klamath Falls, Ore.
 Perlman, D. New Hope, Minn.
 PS Sales Sterling Heights, Minn.
 Put-On Shoppe - Advon Inc. Minneapolis, Minn.
 Ron Schara Enterprises Minneapolis, Minn.
 Squirt Works Inc. St. Louis Park, Minn.
 Standi Toys Inc. Somerset, Wis.
 Stikees - Marek Merchandising Roseville, Minn.
 Televac Computer Versailles, Mo.
 That's A Good Idea Canton, Texas
 U of Minn. Williams Fund Minneapolis, Minn.
 U of Minn. Women's
 Intercollegiate Athletics Minneapolis, Minn.
 Wait & C Inc. Roseville, Minn.
 Wildman Caricatures Albert Lea, Minn.
 William Morgan Caricatures Minneapolis, Minn.



Pet & Animal Supplies

Ace Tack & Outfitters Cambridge, Minn.
 Care Free Pets Canaan, Conn.
 Classy Cat Inc. St. Paul, Minn.
 Custom Cat Purrniture St. Paul, Minn.
 Lone Lake Kennels Woodbury, Minn.
 Midwest Western Shop South St. Paul, Minn.

Minn. Companion Bird Association Lakeville, Minn.
 Minn. Humane Society St. Paul, Minn.
 Minn. Purebred Dog
 Breeders Association Bloomington, Minn.
 Minn. Slim Inc. Hopkins, Minn.
 Pet ID Tags Earp, Calif.
 Rockway Inc. Apple Valley, Minn.
 Rural Pet Supply Libertyville, Ill.
 Vermont Nature Creations Wells, Vt.
 Virtual Vet Bloomington, Minn.
 Woodcrest Ltd. Maple Grove, Minn.



Religious Organizations

Archdiocese of St. Paul and Mpls. St. Paul, Minn.
 Christian Educational Service Thonotosassa, Fla.
 Greater St. Paul Association
 of Evangelicals St. Paul, Minn.
 Jewish Community
 Relations Council Minneapolis, Minn.
 Minn. Conference of
 Seventh-Day Adventists Maple Grove, Minn.
 Northwestern Products Minneapolis, Minn.



Political Organizations

David Lillehaug
 for Attorney General Minneapolis, Minn.
 Doug for Governor South St. Paul, Minn.
 Grassroots Party of Minn. Minneapolis, Minn.
 Green Party of Minnesota Minneapolis, Minn.
 Hatch for Attorney General Minneapolis, Minn.
 Humphrey for Governor St. Paul, Minn.
 Jesse Ventura for Governor Woodbury, Minn.
 Libertarian Party of Minn. Minneapolis, Minn.
 Minn. AFL-CIO St. Paul, Minn.
 Minn. Democratic Farmer Labor Party . . . St. Paul, Minn.
 Mondale for Governor St. Louis Park, Minn.
 Reform Party, The Minneapolis, Minn.
 Republican Party of Minnesota St. Paul, Minn.
 U.S. Senator Rod Grams Anoka, Minn.



Sports & Recreation

A-One Pools and Spas Coon Rapids, Minn.
 All American Recreation Inc. Bloomington, Minn.
 All-Terrainer Company Wayzata, Minn.
 Alli-Gators Minnetonka, Minn.
 Arctic Cat Inc. Thief River Falls, Minn.
 Beamer Enterprises St. Paul, Minn.
 Bicycle Bills West St. Paul, Minn.
 Billiard Warehouse Inc., The South St. Paul, Minn.
 Bischoff, M. Minnetonka, Minn.
 Bombardier Motor Corp.
 of America Wausau, Wis.
 Custom Cribbage Inc. Forest Lake, Minn.
 E & M Manufacturing Plymouth, Minn.
 Frankie's Live Bait & Marine Chicago City, Minn.
 Gear Tender Burnsville, Minn.
 Golf Connection, The Chanhassen, Minn.
 Golf Decor & More Ham Lake, Minn.
 Great Expectations Edina, Minn.
 Great Northern Engineering Minneapolis, Minn.
 Greater Midwest Marketing Inc. Forest Lake, Minn.
 Hackworth, Adell Kingsport, Tenn.
 J.D.I. Sports Optics Clearwater, Minn.
 King Kraft Inc. Madison, Wis.
 Link Recreational Minong, Wis.
 Lost Our Marbles Manville, N.J.
 Marine Connection Inc. Forest Lake, Minn.
 Master Z's Dart & Pool Supply Waukesha, Wis.

MHC Inc., Exercise
 Equipment Outlet Forest Lake, Minn.
 Minnesoftub Inc. Mound, Minn.
 Minn. Timberwolves Minneapolis, Minn.
 Minn. United Snowmobilers
 Association Minneapolis, Minn.
 Minnesota Wild NHL Hockey St. Paul, Minn.
 Outdoor News Inc. New Hope, Minn.
 Outdoor Cooking Store White Bear Lake, Minn.
 Polaris Industries L.P. Minneapolis, Minn.
 Rainbow Midwest Inc. Prior Lake, Minn.
 RFG Safe & Knife Crystal, Minn.
 RGN Enterprises Oneida, Wis.
 Rosemount Boating Center Rosemount, Minn.
 RU Outside Driggs, S.D.
 St. Paul Saints St. Paul, Minn.
 Slugmaster Inc. Lakeville, Minn.
 Southeastern Minnesota
 Historic Bluff Country Harmony, Minn.
 Spineless Wonders St. Paul, Minn.
 Swimmin' Hole Fridley, Minn.
 Trader Publishing Co. St. Paul, Minn.
 Tread-Aerobic Treadmills St. Paul, Minn.
 United Stores Inc. Fridley, Minn.



State Fair Sponsors

Advanced Promotional Concepts Inc. Tampa, Fla.
 American Dairy Association of Minn. . . . St. Paul, Minn.
 Auto Value Parts Stores* St. Cloud, Minn.
 Budweiser/Capitol Beverage St. Paul, Minn.
 Cal Spas of Minn. Plymouth, Minn.
 Capitol Beverage Sales St. Paul, Minn.
 Dodge Trucks Coon Rapids, Minn.
 East Side Beverage Arden Hills, Minn.
 Event Management
 & Promotions Inc. Santa Monica, Calif.
 Fox Pro Marketing Stacy, Minn.
 Frankie's Live Bait and Marine Chicago City, Minn.
 Hilex Corp. Eagan, Minn.
 Knox Lumber* Eagan, Minn.
 Lund Boats New York Mills, Minn.
 M3 Marketing Group Birmingham, Ala.
 M.A. Gedney Co. Chaska, Minn.
 Marketing Werks Chicago, Ill.
 Medica - Allina Minnetonka, Minn.
 Midwest Coca-Cola Bottling Co. Eagan, Minn.
 Miller Brewing Co.* Milwaukee, Wis.
 Minnesota Brewing St. Paul, Minn.
 Minn. Farm Bureau Federation* St. Paul, Minn.
 Minn. Propane Gas Association* . . . Minneapolis, Minn.
 Norwest Banks Minneapolis, Minn.
 Panelcraft of Minn. Minneapolis, Minn.
 Pierce Promotions &
 Event Management Portland, Maine
 Premium Waters Inc. Minneapolis, Minn.
 Primestar Satellite -
 Northway Group St. Paul, Minn.
 Progressive Insurance Arden Hills, Minn.
 Ralston Purina Co. Eagan, Minn.
 Royal Lipizzaner Stallions Inc. Oveido, Fla.
 Rutgers Sugar Lake Lodge Rutgers, Minn.
 Schroeder Milk Co. St. Paul, Minn.
 Smithkline Beecham
 % Measured Marketing Inc. Atlanta, Ga.
 Spartan Trailers St. Paul, Minn.
 Spooky World* Shakopee, Minn.
 Take Action Minneapolis, Minn.
 Target Guest Card Minneapolis, Minn.

*Non-license holding sponsors



STATE OF MINNESOTA
OFFICE OF THE LEGISLATIVE AUDITOR

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Independent Auditor's Report

Mr. Vern Prokosch, President
Board of Managers
State Agricultural Society

Members of the State Agricultural Society

Mr. Jerry Hammer, Executive Vice President
State Agricultural Society

We have audited the accompanying balance sheets of the State Agricultural Society as of and for the year ended October 31, 1998 and 1997, and the related statements of income, retained earnings, and cash flows for the years then ended as presented on pages 22 to 25. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Agricultural Society as of October 31, 1998 and 1997, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

The year 2000 supplementary information on page 26 is not a required part of the basis financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the State Agricultural Society is or will become year 2000 compliant, that the Society's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the Society does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 1999, on our consideration of the State Agricultural Society's internal control over financial reporting and our tests of its compliance with laws and regulations.

Our examination was made for the purposes of forming an opinion on the basic financial statements as a whole. The supplementary financial information included on pages 27 to 31, which is the responsibility of the Society's management, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

James R. Nobles
Legislative Auditor

Claudia J. Gudvangen, CPA
Deputy Legislative Auditor

February 19, 1999

BALANCE SHEET

For the years ended October 31

1998

1997

ASSETS

Current assets:

Cash and cash equivalents (note 2)	\$5,323,257	\$4,653,119
Accounts receivable	733,758	737,944
Accrued interest receivable	1,501	1,631
Prepaid expenses	62,988	35,378
Total current assets	6,121,504	5,428,072

Non-current assets:

Note receivable	134,276	145,964
Property, structures and equipment (note 3)	19,772,271	18,485,386
Total assets	\$26,028,051	\$24,059,422

LIABILITIES & RETAINED EARNINGS

Current liabilities:

Accounts payable	\$1,296,681	\$898,992
Accrued salaries	63,563	54,668
Compensated absences	335,628	346,996
Deferred income	205,035	140,450
Current portion of long-term liabilities (note 4)	491,918	484,500
Total current liabilities	2,392,825	1,925,606

Long-term debt (less current portion)

497,403 983,733

Total liabilities

2,890,228 2,909,339

Retained earnings:

Reserved for building fund (note 7)	2,565,349	2,652,313
Unreserved	20,572,474	18,497,770
Total retained earnings	23,137,823	21,150,083

Total liabilities and retained earnings \$26,028,051 \$24,059,422

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

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS

For the years ended October 31	1998	1997
OPERATING REVENUES:		
Ticket sales	\$15,292,368	\$15,741,617
Departmental	4,516,891	4,309,577
Other	2,809,449	2,553,234
Total operating revenues	22,618,708	22,604,428
OPERATING EXPENSES:		
Administrative	2,418,462	2,190,620
Activities and support	11,713,122	11,622,891
Premiums	647,809	632,160
Other	930,762	886,151
Plant operations	2,415,829	2,052,338
Plant maintenance	1,193,612	845,894
Depreciation	1,389,674	1,290,246
Total operating expenses	20,709,270	19,520,300
Operating income	\$1,909,438	\$3,084,128
NONOPERATING REVENUES (EXPENSES):		
Interest income	170,007	85,046
Interest expense	(91,705)	(131,014)
Net income	1,987,740	3,038,160
Retained earnings, beginning of year	21,150,083	18,111,923
Retained earnings, end of year	\$23,137,823	\$21,150,083

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

STATEMENT OF CASH FLOWS

For the years ended October 31

1998

1997

CASH FLOW FROM OPERATING ACTIVITIES:

Operating income (loss)	\$1,909,438	\$3,084,128
Adjustments to reconcile net increases to net cash provided by operating activities:		
Depreciation	1,389,674	1,290,246
Changes in current assets and liabilities:		
Current assets—(increase) decrease:		
Accounts receivable	4,186	(93,599)
Prepays	(27,610)	(2,352)
Current liabilities—increase (decrease):		
Accounts payable	397,689	(2,412)
Salaries payable	8,895	13,691
Compensated absences	(11,367)	9,539
Deferred revenues	64,585	58,795
Net cash provided by operating activities	3,735,490	4,358,036

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchase of fixed assets	(2,676,561)	(1,192,769)
Disposal of fixed assets	—	6,011
Principal paid on notes and leases	(478,912)	(464,229)
Interest paid on notes and leases	(91,705)	(131,014)
Proceeds from note receivable	11,689	10,823
Net cash provided by investing activities	(3,235,489)	(1,771,178)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest earnings	170,137	97,302
INCREASE (DECREASE) IN CASH	\$670,138	\$2,684,160
Cash and cash equivalents beginning of year	4,653,119	1,968,959
Cash and cash equivalents end of year	\$5,323,257	\$4,653,119

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

FOOTNOTES

NOTE 1: SUMMARY OF ACCOUNTING POLICIES

The Minnesota State Agricultural Society is charged with the conduct of the annual State Fair and management of the State Fairgrounds, as outlined by Chapter 37 of Minnesota Statutes. The financial activities of the Society are accounted for as an enterprise fund which operates in a manner similar to a private business enterprise. Accordingly, the accompanying financial statements are presented on the accrual basis. The Society's accounting practices conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. In accordance with Governmental Accounting Standard No. 20, the Society does not apply any pronouncements of the Financial Accounting Standards Board issued after November 30, 1989. Compensated Absences consist of employee vacation and sick leave time benefits. These benefits are determined based on a formula with a maximum number of hours accumulated and are payable upon death, termination, or retirement. Compensated absences are reported as current liabilities.

NOTE 2: CASH AND CASH EQUIVALENTS

The Society cash balance includes only deposits in the bank.

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

NOTE 3: PROPERTY, STRUCTURES, UTILITIES AND EQUIPMENT

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

	1998	1997
Land	\$2,503,439	\$2,228,778
Land improvements	3,021,451	2,929,733
Structures	28,297,151	26,819,029
Electrical system	3,176,331	2,949,953
Fence and fixtures	763,149	609,561
Gas system	91,182	91,182
Sewer system	1,409,739	1,190,639
Water system	520,806	520,437
Personal property	1,420,077	1,326,859
Total	41,203,325	38,666,171
Less accumulated depreciation	21,431,054	20,180,785
Net book value	\$19,772,271	\$18,485,386

NOTE 4: CURRENT AND LONG-TERM LIABILITY ALLOCATIONS

	1998		1997	
	CURRENT	LONG-TERM	CURRENT	LONG-TERM
Notes payable (note 6)	\$491,918	\$497,403	\$484,500	\$983,733
Net increase (decrease)	\$7,418	\$(486,330)		

NOTE 5: RETIREMENT PLAN

The following pension disclosures are made to comply with GASB Statement 27, "Accounting for Pensions by State and Local Government Employers."

Plan Description

All Society full-time employees must participate and are covered by defined benefit pension plans administered by the Minnesota State Retirement System (MSRS). MSRS administers the State Employees Retirement Fund (SERF) which is a cost-sharing, multiple-employer retirement plan. The payroll for employees covered by MSRS plans for the year ended October 31, was \$2,474,691 for 1997 and \$2,616,113 for 1998. Total Society payroll was \$4,727,770 for 1997 and \$5,130,245 for 1998. MSRS issues a publicly available financial report that includes financial statement and required supplementary information. That report may be obtained by writing to the MSRS plan administrator at the Minnesota State Retirement System, 175 West Lafayette Frontage Road, Suite 300, St. Paul, Minnesota 55107.

MSRS provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State

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

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

Funding Policy

Minnesota Statutes, Chapter 352 sets the rate for employee and employer contributions. Contributions are made to the fund by employees and the Society based on a percentage of gross salary. The Society matches employee contributions and also pays an additional amount to retire prior years unfunded liabilities. The actuarially determined required contribution rates were 7.61% for 1997 and 7.13% for 1998. The current rates are 4.00 percent for employees and 4.00 percent for the Society for a total of 8.00 percent. The total employer contributions for the Society were \$97,482 for 1996, \$101,060 for 1997 and \$103,092 for 1998.

Related Party Investments

As of October 31, 1998, and for the fiscal year then ended, MSRS held no securities issued by the Society or other related parties.

Deferred Compensation

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

NOTE 6: NOTE PAYABLE

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

NOTE 7: RESERVED FUNDS

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

REQUIRED SUPPLEMENTARY INFORMATION

YEAR 2000 COMPLIANCE (UNAUDITED)

The Minnesota State Agricultural Society is currently addressing Year 2000 (Y2K) issues relating to its computer systems. The Year 2000 issue is a result of programming shortcomings that may result in many programs not being able to distinguish between the year 2000 and the year 1900, and not being able to recognize the year 2000 as a leap year. These issues may cause programs to process data inaccurately or to stop processing data altogether.

In 1998, the Society began planning for the year 2000. Planning was followed by an assessment and identification process to determine the hardware and software that would have to be upgraded to become Y2K compliant. The assessment stage of all systems was completed in fiscal 1998.

The Society is within the remediation stage of work on its systems. The remediation stage is when the organization actually makes changes to its systems and equipment to make them Y2K compliant. Completion of Y2K remediation work, however, is not a guarantee that the Society's computer systems and equipment will be Y2K compliant. As of October 31, 1998, the Society has budgeted to replace all non-compliant personal computers with new computers and software that is Y2K compliant. The midrange computer will be verified as Y2K compliant. The software on this computer is in the remediation stage, being updated and tested to be Y2K compliant. The Society plans to complete the remediation stage by March 31, 1999.

As of October 31, 1998, the Society had no specific contracts outstanding to make computer systems or other electronic equipment Y2K compliant. The Society has on-going consulting agreements with several vendors who will assist the Society in completing year 2000 issues relating to its computer systems and the purchase of necessary computer hardware and software upgrades.

SUPPORTING SCHEDULE — REVENUE AND EXPENSES

For the years ended October 31

1998

1997

OPERATING INCOME

TICKET SALES:

Carnival	\$4,749,343	\$5,043,567
Coliseum	190,755	126,945
Grandstand	1,554,104	1,858,021
Outside gate	8,187,707	8,086,645
Parking	562,060	572,796
Tram	48,399	53,643

TOTAL TICKET SALES

15,292,368

15,741,617

ACTIVITIES:

Box office	148,842	184,161
Campgrounds	91,853	89,401
Carnival	67,009	52,085
Competition	140,275	136,871
Entertainment	65,829	52,014
Forage	26,113	20,050
4-H Auction	80,076	76,025
Gift shop	137,385	126,054
Public safety	10,477	21,549
Sales	3,749,032	3,551,367

TOTAL ACTIVITIES

4,516,891

4,309,577

OTHER:

Miscellaneous	133,208	92,538
Non-fair events	1,792,133	1,467,170
Sale of bulk milk	14,432	11,695
Sale of market animals	98,023	112,227
Sponsorships	257,582	280,372
Telephone	204,560	190,797
Utility Assessments	309,511	398,435

TOTAL OTHER

2,809,449

2,553,234

TOTAL OPERATING INCOME

\$22,618,708

\$22,604,428

OPERATING EXPENSES

For the years ended October 31	1998	1997
ADMINISTRATIVE		
Administrative services	\$421,492	\$-
Annual meeting	8,508	\$9,479
Bad debt	401	2,327
Board honorarium	10,109	10,400
Computer	269,952	183,092
Dues and subscriptions	15,102	15,485
Employment services	-	51,527
Insurance	112,350	109,024
Legal services	23,646	44,231
Legislative audit	29,266	28,776
Medical insurance	221,613	196,724
Paid leave	332,337	342,554
Planning	-	898
Postage and mailing service	143,747	161,384
Printing and supplies	92,673	90,754
Retirement fund	106,632	101,060
Salaries	-	244,236
Social security	381,800	350,701
Staff services and training	-	44,866
Telephone	155,727	100,180
Travel expense	53,959	42,716
Unemployment compensation	8,495	10,025
Workers compensation	30,653	50,181
Total administrative	2,418,462	2,190,620
ACTIVITIES AND SUPPORT:		
Access services	-	42,046
Admissions	148,072	132,199
Advertising	618,820	585,075
Agri-Land	20,931	12,050
Bee culture	7,552	7,441
Box office	162,206	153,377
Campground	40,249	25,924
Carnival	3,464,905	3,653,168
Cattle	60,212	58,559
Christmas trees	4,158	3,661
Competition	139,086	148,355
Creative activities	56,449	53,921
Dairy products	1,636	1,505
Dog Trials	2,245	2,165
Education	24,907	23,444
Farm crops	13,916	13,617
Finance	269,473	243,413
Fine arts	21,230	23,458
Flower and agriculture shows	36,750	35,546
Flowers	6,939	7,413
Forage	33,523	22,317
4-H Club	201,061	188,478
Free entertainment	856,941	766,197
Fruit	8,710	7,932

OPERATING EXPENSES (CONTINUED)

	1998	1997
FFA	40,769	39,044
Gate tickets	156,819	152,844
Gift shop	94,882	78,930
Goats	4,584	4,130
Grandstand - concerts	1,506,237	1,569,702
Grandstand - race	170,807	166,093
Guest services	-	143,880
Heritage exhibits	16,365	16,253
Horse and rodeo	245,717	249,044
Llamas	1,920	2,901
Marketing	449,886	404,256
Meats	4,806	4,459
Park & Ride	424,512	384,842
Parking	148,003	156,254
Poultry	9,828	9,865
Public safety	455,069	410,761
Sales	690,949	632,253
Sanitation	743,495	660,616
Senior citizens	13,923	11,884
Sheep	7,341	7,618
Swine	12,999	12,905
Ticket audit	6,155	6,367
Ticket promotion	253,540	229,189
Tram	48,736	52,280
Vegetables	5,809	5,260
Total activities and support	11,713,122	11,622,891
PREMIUMS:		
Bee culture	\$3,672	\$2,690
Cattle	98,937	90,497
Christmas trees	1,910	1,715
Creative activities	11,165	10,772
Dairy products	775	785
Dog Trials	830	830
Education	10,038	9,585
Farm crops	14,885	14,814
Fine arts	9,000	8,400
Flowers	2,491	2,342
4-H Auction	79,951	76,325
4-H Club	60,353	62,225
Fruit	1,610	1,490
FFA	58,065	52,145
Goats	11,296	10,881
Horses	77,165	78,434
Llamas	4,145	4,160
Poultry	8,885	8,867
Rural youth scholarships	20,000	15,000
Sale of bulk milk	14,298	11,690
Sale of market animals	97,328	112,227
Sheep	23,287	22,052
Swine	24,373	21,177
Talent contest	8,890	8,890
Vegetables	4,460	4,167
Total premiums	\$647,809	\$632,160

	1998	1997
OTHER:		
Institutional tickets	136,732	135,800
Miscellaneous	59,413	57,658
Non-fair events	697,437	656,405
Veterinarian service	37,180	36,288
Total other	930,762	886,151
PLANT OPERATIONS:		
Architectural and engineering	24,352	16,108
Fire and police service	126,077	116,195
Fuel, oil and gasoline	34,482	36,723
Greenhouse	125,532	121,058
Operations	138,122	-
Property tax and assessments	27,078	13,094
Salaries and contract services	534,494	460,653
Set-up and take-down	821,781	771,491
Signs	2,820	3,951
Supplies	48,682	35,298
Utilities	329,897	283,667
Watchmen	79,494	76,629
Water and sewer	123,018	117,471
Total plant operations	2,415,829	2,052,338
PLANT MAINTENANCE:		
Electric system	119,164	137,551
Fence and fixtures	21,703	13,645
Gas system	166	307
Land	91,744	36,329
Personal property	177,257	118,065
Sewer system	19,176	12,072
Streets and sidewalks	99,909	67,271
Structures	442,003	233,462
Vehicles	180,727	188,984
Water system	41,763	38,208
Total plant maintenance	1,193,612	845,894
DEPRECIATION:		
Electric system	86,850	80,723
Fence and fixtures	33,443	26,297
Gas system	700	757
Land improvement	124,058	119,952
Personal property	245,671	224,096
Sewer system	54,270	43,557
Structures	832,715	782,920
Water system	11,967	11,944
Total depreciation	1,389,674	1,290,246
TOTAL OPERATING EXPENSE	\$20,709,270	\$19,520,300
Net operating income	\$1,909,438	\$3,084,128
NONOPERATING INCOME (EXPENSES)		
Interest income	170,007	85,046
Interest expense	(91,705)	(131,014)
NET INCOME	\$1,987,740	\$3,038,160

SUPPORTING SCHEDULE — CASH AND CASH EQUIVALENTS

Herewith find the report of cash and cash equivalents of the Minnesota State Agricultural Society for the year ending October 31, 1998.

BEGINNING BALANCE NOVEMBER 1, 1997

Imprest fund - cash on hand	\$4,000	
Checking accounts	55,462	
Cash equivalents	4,590,526	
Trust fund	3,131	
Total		\$4,653,119
Increase (Decrease) in Cash for 1998		670,138

ENDING CASH BALANCE OCTOBER 31, 1998

\$5,323,257

DETAIL OF YEAR-END CASH BALANCE:

Imprest fund - cash on hand	\$4,500	
Checking accounts	164,770	
Cash equivalents	5,153,987	
Trust fund	-	
Total		\$5,323,257

Respectfully submitted,
Jerry Hammer
Executive Vice President

St. Paul, Minnesota

October 31, 1998



STATE OF MINNESOTA
OFFICE OF THE LEGISLATIVE AUDITOR
JAMES R. NOBLES, LEGISLATIVE AUDITOR

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

Mr. Vern Prokosch, President
Board of Managers
State Agricultural Society

Mr. Jerry Hammer, Executive Vice President
State Agricultural Society

Members of the State Agricultural Society

We have audited the financial statements of the State Agricultural Society, as of and for the year ended October 31, 1998, and have issued our report thereon dated February 19, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the State Agricultural Society's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described as Finding 1 in the accompanying section entitled *Current Findings and Recommendations*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the State Agricultural Society's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. However, we noted one matter involving the internal control over financial reporting and its operations that we consider to be a reportable condition.

Vern Prokosch, President
Board of Managers
Mr. Jerry Hammer, Executive Vice President
Page 2

Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgement, could adversely affect the State Agricultural Society's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. We describe the reportable condition as Finding 2 in the accompanying section entitled *Current Findings and Recommendations*.

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

We also noted other matters involving the internal control over financial reporting that we have reported orally to the management of the State Agricultural Society at an exit conference held on April 2, 1999.

This report is intended for the information of the State Agricultural Society management and the Legislative Audit Commission. However, this report is a matter of public record, and its distribution is not limited.



James R. Nobles
Legislative Auditor



Claudia J. Gudvangen, CPA
Deputy Legislative Auditor

February 19, 1999

Current Findings and Recommendations

1. The Board of Managers did not approve a rate of decrease for one of the Society's attractions.

In one case, the Society did not comply with its rules governing license rates for its fair-time attractions. The Society's "Rules Governing the Management and Control of the Minnesota State Fairgrounds and the Minnesota State Fair" require that the Society's Board of Managers approve all license rates for commercial space. According to its meeting minutes, the Society's Board of Managers formally approved a ticket price of \$4 for one of its 1998 state fair attraction licensees. Later, without obtaining formal board approval, the Society's management decreased the price of the attraction to \$3.

Recommendation

- *The State Agricultural Society Board of Managers should formally approve all license rates, including changes to previously approved rates.*

2. The Society did not have current signed contracts on file for certain of its vendors.

In some cases, the Society did not adequately document its contracts with certain event and service providers.

First, the contract with the provider for the largest non-fair event was never signed. The event generated nearly \$162,000 in fiscal year 1998 income. In addition, the Society did not retain proof of insurance for the same event. Proof of insurance is a Society contract requirement for all fairground activities.

In addition, the Society did not have a signed contract with its information system consultant during fiscal year 1998. The contract for fiscal year 1998 was signed and dated November 6, 1998, six days after the fiscal year ended. The Society paid the consultant approximately \$128,000 during fiscal year 1998. Not having written contracts in force during the contract period creates the risk that the Society may not be able to enforce certain provisions of its agreements.

Finally, certain original, written contracts with continuing service providers were very old, some in excess of 10 years. The majority of these older, continuing contracts had multiple reapprovals, additions, and attachments. In one case, the Society could not even produce an original, written contract with one of its advertising service providers. This contract dated back to 1989. In another case, the Society had not retained union wage sheets that were referenced as an essential part of the contract. Union wage rates had changed periodically throughout the contract's duration. The existence of old, often amended contracts increases the risk that the current provisions and terms of the contracts could not be misinterpreted or not enforceable.

Recommendations

- *The Society should complete written contracts for all of its event and service agreements in a timely manner.*
- *The Society should renew or renegotiate contracts with continuing providers on a periodic basis.*
- *The Society should retain all documentation relating to its contracts, including:*
 - original signed contracts,*
 - proof of insurance for all fairground activities, and*
 - essential attachments referenced pursuant to contracts.*

State Agricultural Society

Status of Prior Audit Issues As of October 31, 1998

Most Recent Audit

An audit of the State Agricultural Society is performed annually by the Office of the Legislative Auditor.

Legislative Audit Report 98-18, dated March 13, 1998, covered fiscal year ended October 31, 1997. The audit scope included those areas material to the Society's financial statements. No audit issues were noted in the report.

State of Minnesota Audit Follow-Up Process

The Department of Finance, on behalf of the Governor, maintains a quarterly process for following up issues cited in financial audit reports issued by the Legislative Auditor. The process consists of an exchange of written correspondence that documents the status of audit findings. The follow-up process continues until Finance is satisfied that the issues have been resolved.

It covers entities headed by gubernatorial appointees, including most state agencies, boards, commissions, and Minnesota state colleges and universities. It is not applied to audits of the University of Minnesota, any quasi-state organizations, such as metropolitan agencies or the State Agricultural Society, the state constitutional officers, or the judicial branch.



1265 Snelling Ave. N. • St. Paul, MN 55108-3099
651-642-2200 • FAX: 651-642-2440 • TTY: 651-642-2372
e-mail: fairinfo@statefair.gen.mn.us
<http://www.statefair.gen.mn.us>

Ms. Jeanine Leifeld
Audit Manager
Minnesota Legislative Auditor
Centennial Building
658 Cedar Street
St. Paul, MN 55155

April 7, 1999

Dear Ms. Leifeld,

Response to finding number one

At a business meeting June 2, 1998, the State Agricultural Society's board of managers approved a maximum ticket price of \$4 for the "Dinosaurs In Motion" attraction. Approval was granted with the understanding that the State Fair's administrative staff would attempt to lower the approved admission price through reducing the production costs associated with presenting the exhibit. The intent was to provide a better value for fair guests. The staff was successful in reducing costs, and the price was accordingly dropped to \$3. The board formally approved the price reduction at its Jan. 17, 1999, regular business meeting.

Response to finding number two

The Society executes approximately 4,000 contracts annually with a wide variety of vendors, exhibitors, entertainers, service providers, interim event producers, construction contractors and storage customers. Of the contracts mentioned in the audit recommendation, each are with long-term business associates of the State Fair. In a few cases contracts are dated, but working documents outlining terms are on file for all. All of the terms in these agreements were satisfactorily met.

Nevertheless, we agree that some of our older agreements need to be updated and that all contracts should be fully executed. We have begun a process to review all of our contracts and documentation to insure that all are current and complete. The process is being conducted by State Fair senior staff (assistant managers Karen Leach, Steve Pooch, and Jim Sinclair, finance director Marshall Jacobson, administration director Mary Goiffon and operations director Ken Wenzel). In the future, this process will be conducted on an annual basis.

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

Sincerely,

Jerry Hammer
Executive Vice President

MEETING MINUTES

SALES COMMITTEE MEETING

Radisson South Hotel, Bloomington
Friday January 16, 1998 - 1 p.m.

Members present: Schmidt, chair; Keenan; Fox; Lake; Paulmann; Prokosch; Recknor; Simons; Steltz; Hammer, ex officio; Sinclair, ex officio; Wenzel, ex officio; Jacobson, ex officio.

Also present: Birk; Rustad; Pooch; Fischler and Korff.

The following list of attractions proposed for the 1998 fair, in which the exposition shall participate in revenues on a percentage basis, their respective ticket prices and percentage terms, was presented to the committee and approved on a motion by Mr. Recknor, seconded by Mr. Fox and carried (Aye-8; Nay-0).

Concessionaire	Attraction	Ticket Price(s)	Percentage(s)
Antique Auto Club of America Minnesota Region	Antique Auto Museum	\$1.00	30 %
Arrow Enterprises, Inc.	Skyride	\$1.75 = Child-One Way \$2.50 = Child-Round Trip \$2.25 = Adult-One Way \$3.50 = Adult-Round Trip	25 %
B & B Sports Entertainment	Trampoline Thing	\$5.00	20 %
Desplenter Novelties	Novelty Concessions	Non-ticketed activity	Guarantee of \$11,780 and 30 % of gross sales over \$50,182
Giant Ride, Inc.	Giant Slide	\$1.50	30 %
Iwerks Entertainment, Inc.	Simulation Theater	\$5.00	10 % of the first \$48,000 and 20 % of gross sales over \$48,000
K & M Recreation, Inc.	Haunted House	\$2.50	27 % of gross sales through \$100,000 & 30 % of gross sales over \$100,000
Mighty Midway	Rides, Shows and Games of Skill	\$\$.50 = Single Coupon Coupon Sheets: Fair-Time; \$10.00 = 20 coupons \$20.00 = 44 coupons Advance; \$8.00 = 20 coupons	Rides & Shows: 45 % of tickets redeemed Games of Skill: 20 % of tickets redeemed
Misc. Merchandise Sales	Misc. Merchandise Sales	Non-ticketed activity	10 %
River Raft Ride, Inc.	Raft Ride	\$2.50	0 % of ticket sales to \$80,000;
	Pirate Tag	\$2.00	10 % of ticket sales from \$80,000 to \$150,000 and 25 % of ticket sales over \$150,000
The Rock Amusement, Inc.	Rock Climbing Wall	\$5.00	20 %
Ventnor Place, Inc.	Space Tower	\$1.00 = Children \$2.00 = Adults	25 %
Ye Old Mill Amusements, Inc.	Old Mill Canal Boat Ride	\$1.50 = Children \$1.75 = Adults	25 %

A list of 10 concession operators to whom staff proposed issuance of 3.2 non-intoxicating malt beverage licenses for the 1998 fair was presented to the committee, after which it was moved by Mr. Simons, seconded by Mr. Fox and carried that the following list of such licensees be approved (Aye-8; Nay-0).

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

The committee reviewed and approved the following itemized list of multiple-site concession and exhibit agreements staff proposed to issue for the 1998 fair. Moved by Mr. Lake, seconded by Mr. Keenan and carried (Aye-8; Nay-0).

Name	Description	Sites
Larry Abdo/Gopher State Ice Co.	Pocket Pies/Ice	2
Mark Andrew	French Fries-S'Mores	2
Arrow Enterprises, Inc.	Skyride-Food and Beverages	2
Ben Benson	Bratwurst	2
Cenaiko Enterprises, Inc.	Chamios, Shami Mops-Bath & Kitchen Mats	2
Compmark I Corporation	Space Pix Computer Portrait Products	2
Gary Crutchfield Concessions	Cheese on a Stick	2
William F. Danielson	Onion Rings-Pizza	2
Fisherman's Wharf Seafood	Shrimp Cocktail and Lemonade	2
George Funk	Leather Crafts-Coffee	2
Giant Ride, Inc.	Giant Slide-Cheese on a Stick	2
John A. Giere	Food, Beverages and 3.2 Beer-Games (contiguous)	2
Hixon Glass Blowers	Blown and Spun Glass	2

Holly's Hobby	Hand Crafts	2
Shirley Hudspeth	Garlic products-Ice Shaver Kits	2
Tina Isaac	Food & Beverages-Tempura Veggies	2
Kirch Enterprises/Gasthaus Edelweiss	Bratwurst-Food and Beverages	2
Gregory B. Kusick	Cotton Candy	2
Gary Larson	Popcorn, Caramel Corn and Caramel Apples	2
Matt Milner Sales	Novelties	2
Mini-Kabob Foods	Kabobs	2
Minn. Honey Producers	Honey, Honey Ice Cream & Candy	2
Muskar, Inc.	Fried Cheese Curds	2
National Ice Corp.	Ice Frozen Beverages	2
National Service Company	Jewelry Cleaner	2
Nomar, Inc.	Hokey Sweepers, Dusters and Brooms	2
Louise H. O'Neil	Hot Dogs on a Stick	2
Offerman and Company	Investment Information	2
Orange Treet Sales	Orange Treet Drink-Pineapple on a Stick	2
Patterson Products	Lint Rollers-Pet Mitt Product	2
Schmitt Music Company	Pianos and Organs	2
Robert L. Shutes	Food and Beverages	2
State Fair Penny Arcade	Coin Operated Arcade Games	2
Tom Thumb Donut Corp.	Tom Thumb Donuts	2
Paul S. Ward	Corn on the Cob, Hamburgers & Foot Long Hot Dogs	2
Watkins, Inc.	Watkins Products	2
Jerry Woldorsky	Buffalo Burgers-Baked Potatoes	2
World Book Educational Products	World Book educational materials	2
Wozniak Concessions, Inc.	French Fries	2
Kathy Yahr	Cotton Candy	2
American Dairy Association	Ice Cream, Milk and Dairy Foods-Souvenirs	3
Robert W. Crocker	Root Beer	3
Darinda, Inc.	Pie-Dining Hall (contiguous)	3
Lynn Davis	Ice Cream, Sno Cones, Caramel Apples, Beverages	3
Maxine W. Davis	Ice Cream, Sno Cones, Caramel Apples, Beverages and Baked Potatoes	3
Delrick Enterprises	Popcorn, Caramel Corn, Caramel Apples and Beverages	3
Fresh Fruit	Fruit	3
Hohenwald Enterprises, Inc.	Food and Beverages	3
James Johnson	Foot Long Hot Dogs	3
Chester H. Nairne Company	Blender Queen Blenders-Silverstone Cookware-Magic Pens	3
Edward and Sally Nuebel	Fish & Chips-Nut Products	3
Fred C. O'Neil, Jr.	Hot Dogs on a Stick	3
Leah H. O'Neil	Hot Dogs on a Stick	3
Theodore G. O'Neil	Hot Dogs on a Stick	3
James and Ethel Peters	Hot Dogs-Polish Sausage	3
Philip M. Sampson	Games of Skill	3
Schultz's Concessions	Hamburgers and Hot Dogs	3
Gloria Shutes	Food and Beverages	3
Gregory J. Tetrault	Ice Cream, Sno Cones, Caramel Apples and Beverages	3
Melvyn Townsend	Foot Long Hot Dogs	3
John Tysseling	Fried Mushrooms-Turkey Drumsticks-Apple Fritters	3
Hannasch, Inc.	Sno Cones	4
James Hartley	Cotton Candy	4
Eugene R. LaVaque	Sno Cones	4
Minnetonka Moccasin Company	Moccasin Footwear	4
Schroder Concessions, Inc.	Popcorn, Caramel Corn, Caramel Apples, Cheese Curds, Lemonade and Bratwurst	4
Syndicate Sales Corp.	Vegetable Cutters, Knives, Dusters, Snacker	4
Ward Food Services	Tartmaster, Rotary Food Processors and Polar Hoods	4
Desplenter Novelties	Food, Beverages & 3.2 Beer (Coliseum)	13

Changes which have taken place in the status of multi-site exhibit and concession licensing from 1985 through 1997 and food and beverage concession licensing from 1975 through 1997 were reflected in reports presented to the committee by staff; no action necessary.

EXHIBIT AND CONCESSION LICENSE COMPARISON 1985 - 1990 - 1996 - 1997

Number of Individual Locations	Held by the Following Number of Persons			
	1985	1990	1996	1997
1	865	995	994	1005
2	55	51	45	39
3	24	20	20	21
4	10	15	8	7
5	4	4	0	0
6	4	1	0	0
7	3	0	0	0
9	1	0	0	0
13	0	0	* 1	* 1
21	0	* 1		
26	1			
33	* 1			
Total number of locations available	1,220	1,264	1,189	1,187
Number of Persons Holding Locations	968	1,087	1,068	1,073
Percentage of Persons Holding Four (4) or Fewer Locations	99 %	99 %	99 %	99 %
Percentage of Locations Held In Units Smaller Than Five (5)	91 %	98 %	99 %	99 %
Number of Locations Held By Minnesota Residents	890	894	894	894
Percentage of Locations Held By Minnesota Residents	73 %	79 %	76 %	77 %

* Novelty Locations

**FOOD AND BEVERAGE CONCESSION LICENSE COMPARISON
1975 - 1985 - 1996 - 1997**

Number of Individual Locations Held	By the Following Number of Persons			
	1975	1985	1996	1997
1	95	147	188	195
2	20	29	24	22
3	4	14	18	18
4	5	6	5	5
5	3	2		
7	0	2		
9	1	1		
12	1	0		
13	2	0		
14	2	0		
17	1	0		
26	0	1		
32	1			

Total number of locations available	306	333	309	310
Number of Persons Holding Locations	135	203	234	240
Percentage of Persons Holding Four (4) or Fewer Locations	55 %	82 %	100 %	100 %
Percentage of Persons Holding In Units Smaller Than Five (5)	55 %	82 %	100 %	100 %
Number of Locations Held By Minnesota Residents	158	292	258	260
Percentage of Locations Held By Minnesota Residents	52 %	88 %	84 %	84 %

The following report comparing concession productivity and space value under a percentage versus flat rate formula was presented for committee review; no action necessary.

PERCENTAGE/FOOTAGE PRODUCTIVITY ANALYSIS

The information below has been compiled as a comparative study of the difference between concession productivity/space value under a front footage (@ \$62.00 per front foot) versus percentage of revenue fee formula.

Food and Beverage Concessions *	1996	1997	Comparative
Total front footage	6,800 feet	6,801 feet	+ 1 foot
Gross revenue reported	\$12,849,586	\$13,698,245	+ \$848,659
Total percentage fees paid	1,209,818	1,286,245	+ 76,427
Productivity per front foot	1,889	2,014	+ 124
Value per front to M.S.F.	177	189	+ 11
Value at \$62.00 per front foot	421,600	421,662	+ 62
Attraction, Amusement, Novelty, Game and Souvenir Concessions **	1996	1997	Comparative
Total front footage	1,917 feet	1,904 feet	- 13 feet
Gross revenue reported	\$1,641,414	\$1,528,709	- \$112,704
Total percentage fees paid	242,836	224,024	- 18,811
Productivity per front foot	856	802	- 53
Value per front foot to M.S.F.	126	117	- 9
Value at \$62.00 per front foot	118,854	118,048	- 806

Formulas used:

Productivity per front foot = gross revenue reported divided by total front footage

Value per front foot to M.S.F. = total percentage fees paid divided by total front footage

* Figures include Midway/Kidway Food and Beverage Concessions

** Figures do not include Midway Games of Skill

On a motion by Mr. Lake, seconded by Mr. Fox and carried, the meeting was adjourned at 1:25 p.m. (Aye-8; Nay-0).

PLANNING COMMITTEE MEETING

Radisson South Hotel, Bloomington
Friday January 16, 1998 - 2 p.m.

Members present: Prokosch, chair; Simons; Recknor; Schmidt; Steltz; Lake; Hammer, ex officio; Goiffon, ex officio; Sinclair, ex officio; Wenzel, ex officio. Also present: Keenan; Fox; Paulmann; Rustad; Juettner; Fischler; Jacobson; Pooh; Birk.

Improvements and maintenance budgets totaling \$3.8 million were proposed for 1998 by Mr. Wenzel and reviewed by the committee. Also discussed was the 1998 proposed operating budget and its relationship to the improvements and maintenance budgets.

MAINTENANCE & IMPROVEMENT BUDGET SUMMARY

	1998	1999
A. Structure Improvements:	1,352,375	662,600
B. Land Improvements:		
BI. Fencing & Fixtures	124,150	86,000
BII. Land	68,000	0
BIII. Sewer System	277,000	0
BIV. Streets & Sidewalks	18,700	7,050
BV. Water Distribution System	1,350	83,200
BVI. Gas Distribution System	0	0
BVII. Land Purchases	153,000	0
TOTAL Land Improvements	642,200	176,250
C. Personal Property:	260,200	43,800
D. Electric Plant:	259,500	116,400
TOTAL Improvements	2,514,275	999,050
E. Structure Maintenance:	490,570	694,625
F. Land Maintenance:		
FI. Fencing & Fixtures	35,100	22,275
FII. Land	58,600	21,900
FIII. Sewer System	21,000	0
FIV. Streets & Sidewalks	130,075	20,500

FV. Water Distribution System	45,950	25,000
FVI. Gas Distribution System	1,000	0
TOTAL Land Maintenance	291,725	89,675
G. Personal Property Maintenance:	223,975	38,725
H. Vehicle Maintenance:	190,600	0
I. Electric Plant Maintenance:	127,450	39,700
TOTAL Maintenance	1,324,320	862,725
TOTAL Maintenance & Improvements	3,838,595	1,861,775

Following discussion, it was moved by Mr. Lake, seconded by Ms. Schmidt and carried that the budget be accepted as presented and that a committee recommendation be made for full board approval. Included in the motion was staff authority to adjust, shift, or cancel specific line items as appropriate to changes which may occur during the course of the budget year (Aye-5; Nay-0).

LIFE MEMBER ADVISORY COMMITTEE MEETING

Radisson South Hotel, Bloomington
Sunday January 18, 1998 - 10:30 a.m.

Members present: Morris, chair; Roehlke; Korff; Sinclair, ex officio; Jacobson, ex officio.

Also present: Quick and Johnson.

A summary of new and continuing attractions and exhibits being planned for presentation at the 1998 exposition was presented by Sinclair, after which Roehlke inquired as to the breadth of involvement by antique implement and steam equipment groups throughout the state in the fair's Old Iron Show on Machinery Hill. Sinclair indicated that he was confident the contractor retained by the entertainment division to orchestrate this presentation was in communication with such organizations to solicit their involvement.

Jacobson presented a review of anticipated maintenance and improvement projects to be undertaken in 1998 in the context of the fair's operating budget.

Updated State Fair Hall of Fame booklet materials were presented to the committee.

Entertainment programming tentatively scheduled for the 1998 fair was reviewed by Jacobson.

Sinclair provided reports summarizing the productivity of carnival operations from 1983 through 1994 and Mighty Midway and Kidway operations from 1995 through 1997.

Korff inquired as to the availability of the KARE 11 TV video presented during the Society's general meeting earlier this date for group presentations. Sinclair advised that, given its possession by the NBC affiliate television station, the fair did not have this video presentation in its possession.

There being no further business to come before the committee, the meeting was adjourned at 11:15 a.m.

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

Radisson South Hotel, Bloomington
Sunday January 18, 1998 - 1 p.m.

Members present: Vern Prokosch, president; Joe Fox, vice president; Richard Keenan, vice president; John Paulmann; Howard Recknor; Lyle Steltz; Dennis Baker; Bob Lake; Don Simons; Jerry Hammer, secretary.

Also present: Jim Sinclair; Ken Wenzel; Karen Leach; Mary Goiffon; Marshall Jacobson; Steve Pooh; Susan Ritt; Joe Fischler; Mark Birk; Pam Johnson; Kent Harbison.

Meeting was called to order at 1 p.m. by President Prokosch.

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

It was moved by Mr. Keenan, seconded by Mr. Fox and carried that Jerry Hammer be appointed secretary of the society for the period of one year at an annual salary of \$90,064, with the working title of executive vice president (Aye-9; Nay-0).

Secretary submitted a staff salary range schedule as follows:

OPERATING CLASSIFICATION \$310 - \$696

Competition Assistant
Entertainment Assistant
Facilities Assistant
Greenhouse Assistant
Guest Services Receptionist
Livestock Facilities Assistant
Media & Public Relations Assistant
Payroll & Payables Assistant
Plant Security Assistant
Plant Services Assistant
Plant Services Custodian
Projects Assistant
Purchasing Assistant
Shop Maintenance Assistant

INTERMEDIATE & PROFESSIONAL CLASSIFICATION \$420 - \$818

Specialist - Accessibility Services
Supervisor - Accounting
Supervisor - Box Office
Supervisor - Concessions & Exhibits
Supervisor - Employment Services
Supervisor - Entertainment
Supervisor - Events Activities
Supervisor - Greenhouse
Supervisor - Guest Services
Supervisor - Marketing Support
Supervisor - Plant Services
Supervisor - Projects
Supervisor - Publications
Supervisor - Receipts Management
Supervisor - Sales Accounts
Supervisor - Sales Administration
Supervisor - Shop Maintenance
Supervisor - Sponsor Events
Supervisor - Staff Services

MIDDLE MANAGEMENT CLASSIFICATION \$640 - \$1,184

* Coordinator - Attractions
* Coordinator - Computer Services
* Coordinator - Facilities
* Coordinator - Livestock Facilities
* Coordinator - Operations (Contract Management)
* Coordinator - Purchasing
* Coordinator - Event Marketing & Sales

EXECUTIVE CLASSIFICATION \$850 - \$1,722

* Deputy Director - Operations (Construction)

- * Director - Administration
- * Director - Competition
- * Director - Entertainment
- * Director - Finance
- * Director - Marketing
- * Director - Operations
- * Director - Sales

* Exempt from overtime

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

Minutes of the November 6 board and sales committee meetings, previously mailed to members, were approved on a motion by Mr. Fox, seconded by Mr. Lake, and carried (Aye-9; Nay-0).

Society minutes in vacation, covering the period November 6, 1997, through January 15, 1998, and the administrative action noted therein, were approved on a motion by Mr. Paulmann, seconded by Mr. Recknor and carried (Aye-9; Nay-0).

Jacobson presented the financial statement of December 31, 1997, as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Nov. 30, 1997		\$9,357
Add: Cash Deposits	734,420	
Less: Payroll Ending Dec. 11	(123,530)	
Payroll Ending Dec. 24	(94,424)	
Cash Disbursements	(392,759)	
Cash Balance-Dec. 31, 1997		\$123,707

MARKETABLE SECURITIES ACTIVITY:

Balance-Nov. 30, 1997		\$1,793,935
Add: Interest Earned	7,510	
Less: Securities Purchased		
Securities Redeemed	(525,000)	(517,490)
Balance-Dec. 31, 1997		\$1,276,445

BUILDING FUND ACTIVITY:

Balance-Nov. 30, 1997		\$2,694,984
Add: Interest Earned	12,911	
Less: Securities Purchased		
Securities Redeemed		
Balance-Dec. 31, 1997		\$2,707,895

CASH BALANCES FOR MONTH ENDING DECEMBER 31:

	1996	1997
General Fund	\$53,168	\$ 133,064
Petty Cash	3,000	3,000
Marketable Securities	35,049	1,276,445
Building Fund	542,101	2,707,895
Total Cash Balances	\$633,318	\$4,120,404

The financial statement was approved as presented upon a motion by Mr. Recknor, seconded by Mr. Keenan and carried (Aye-9; Nay-0).

A resumé of financial information, covering 1982 through 1997, was circulated. Upon a motion by Mr. Simons, seconded by Mr. Steltz and carried, the report was approved (Aye-9; Nay 0).

YEAR	REVENUE	EXPENSE	OPERATING GAIN (LOSS)	RETAINED EARNINGS	DEBT
1983	6,969,000	6,959,000	10,000	933,000	1,218,000
1984	7,841,000	7,469,000	372,000	1,227,000	1,163,842
1985	8,088,000	7,443,000	645,000	1,747,000	1,179,000
1986	8,977,000	8,336,000	641,000	1,869,000	1,125,000
1987	9,320,000	9,026,000	294,000	1,602,000	1,016,000
1988	10,222,000	9,759,000	463,000	1,602,000	974,000
1989	11,171,000	10,267,000	904,000	1,307,000	881,000
1990	11,159,000	10,835,000	324,000	1,051,000	748,000
1991	12,827,000	11,754,000	1,073,000	2,112,000	1,770,000
1992	12,295,000	12,216,000	79,000	2,130,000	1,545,000
1993	14,265,000	12,931,000	1,334,000	3,056,000	1,328,000
1994	14,433,000	13,942,000	491,000	2,310,000	1,715,000
1995	19,759,000	18,200,000	1,560,000	2,662,000	2,434,000
1996	20,163,000	19,559,000	604,000	1,455,000	1,932,000
1997	22,689,000	19,651,000	3,038,000	4,133,000	1,468,000

YEAR	NEW PLANT INVESTMENT	PLANT MAINTENANCE	PRIZE MONEY PAID OUT	SALES TAX TO BUILDING FUND*
1983	1,493,000	447,000	397,000	263,000
1984	530,000	436,000	317,000	300,000
1985	663,000	476,000	379,000	298,000
1986	1,017,000	563,000	400,000	319,000
1987	1,024,000	637,000	429,000	356,000
1988	1,062,000	634,000	438,000	379,000
1989	1,804,000	757,000	463,000	353,000*
1990	1,222,000	837,000	443,000	375,000*
1991	1,857,000	931,000	426,000	445,000*
1992	966,000	1,063,000	440,000	415,000*
1993	1,045,000	1,144,000	459,000	500,000*
1994	2,546,000	869,000	512,000	495,000*
1995	2,755,000	950,000	587,000	810,000*
1996	2,478,000	1,087,000	604,000	800,000*
1997	1,028,000	846,000	632,000	931,000*

It was moved by Ms. Schmidt, seconded by Mr. Fox and carried that the North Star Bank of Roseville be designated as depository for the society's general fund, premium fund, regular payroll fund and fair-period payroll fund accounts (Aye-9; Nay-0).

Secretary gave a brief synopsis on the status of the antique carousel, indicating that it appeared likely that the carousel would be placed in St. Paul's Como Park. Nevertheless, staff had in place a plan for construction and financing of a structure to house the carousel at the State Fairgrounds should it be chosen as the carousel's new home. Report only; no action required.

It was moved by Mr. Keenan, seconded by Mr. Steltz and carried that Secretary be authorized to borrow up to \$850,000 for property purchase and capital work (Aye-9; Nay-0).

It was moved by Mr. Simons, seconded by Mr. Keenan and carried that the following signatures be authorized for society accounts:

1. General Fund - Marshall Jacobson, Karen Leach, Kenneth Wenzel or Gerald Hammer (any combination of two signatures). "Jacobson/Hammer" signature plate authorized for general fund.

2. Regular and fair-period payroll - Gerald Hammer, Kenneth Wenzel or Mary Goiffon (one signature). "Hammer" signature plate authorized for payroll fund.
3. Premium - Gerald Hammer, Kenneth Wenzel or Mary Goiffon (one signature). "Hammer" signature plate authorized for premium fund.
4. Security transfer resolution - Gerald Hammer or Marshall Jacobson.

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

Upon a motion by Mr. Lake, seconded by Mr. Paulmann and carried, the following standing committee assignments were made for 1998 (Aye-9; Nay-0):

FINANCE COMMITTEE - Recknor, chair; Simons; Schmidt; Lake; Keenan; Fox; Prokosch, ex officio; Hammer, ex officio; Jacobson, ex officio; Wenzel, ex officio; Pooch, ex officio.

GOVERNMENTAL AFFAIRS COMMITTEE - Simons, chair; Schmidt; Steltz; Lake; Paulmann; Keenan; Prokosch, ex officio; Hammer, ex officio; Jacobson, ex officio; Goiffon, ex officio; Sinclair, ex officio.

LIFE MEMBER ADVISORY COMMITTEE - Morris, chair; Roehlke, vice chair; Lund, vice chair; Keskinen; Maruska; Franke; Ojakangas; Korff; Frost; Reinhardt; Lilliquist; Hagen; Markuson; Prokosch, ex officio; Hammer, ex officio; Leach, ex officio; Ritt, ex officio; Pooch, ex officio.

OPERATIONS COMMITTEE - Steltz, chair; Simons; Recknor; Schmidt; Keenan; Fox; Prokosch, ex officio; Hammer, ex officio; Leach, ex officio; Wenzel, ex officio; Pooch, ex officio.

PLANNING COMMITTEE - Fox, chair; Simons; Recknor; Schmidt; Steltz; Lake; Prokosch, ex officio; Hammer, ex officio; Goiffon, ex officio; Sinclair, ex officio; Wenzel, ex officio.

PUBLIC AFFAIRS COMMITTEE - Keenan, chair; Simons; Steltz; Paulmann; Fox; Baker; Prokosch, ex officio; Hammer, ex officio; Leach, ex officio; Jacobson, ex officio.

RULES & PREMIUM LIST COMMITTEE - Lake, chair; Simons; Recknor; Paulmann; Keenan; Baker; Prokosch, ex officio; Hammer, ex officio; Pooch, ex officio; Goiffon, ex officio; Sinclair, ex officio.

It was moved by Mr. Fox, seconded by Ms. Schmidt and carried that the following be appointed department coordinators and superintendents for 1998:

ADMINISTRATION DIVISION (Schmidt) - Mary Goiffon (director)

- Accessibility Services - Julie Scott (specialist)
- Guest Services - Liz Flinn (supervisor)
- Staff Services - Cheryl Huber (supervisor)
- Reception - Betty Schadeck
- Employment Services - Joan Casey (supervisor)
- Senior Citizens (Lake) - Marge Krueger

COMPETITION DIVISION (Lake) - Steve Pooch (director)

- Assistant - Valori Trantanella
- Livestock Facilities Group - Mark Goodrich (coordinator)
- Forage - Mike Summerbell
- Bee Culture (Fox) - Winnie Johnson
- Beef Cattle (Baker) - Chuck Schwartzau
- Christmas Trees (Fox) - Greg Ustruck
- Creative Activities (Paulmann) - Curt Pederson
- Dairy Cattle (Recknor) - Jim Linn
- Dairy Products (Simons) - Gene Watnaas
- Dog Trials (Keenan) - JoAnna Yund
- Education (Fox) - Jim Brown
- Farm Crops (Fox) - Duane Smith
- Fine Arts (Steltz) - Brad Nuorala
- Flowers (Fox) - Betty Reyer
- 4-H (Steltz) - Valerie Malmquist
- Fruits (Fox) - Louis Quast
- FFA (Lake) - Paul Day
- Goats (Baker) - Kevin LeVoir
- Horses (Simons) - Bob Peterson
- Llamas (Baker) - Anne Heideman
- Meats (Keenan) - Ed Butler
- Milking Parlor (Recknor) - Doris Mold
- Poultry (Paulmann) - John Thomforde
- Sheep (Schmidt) - Bill Schulke
- Swine (Steltz) - Jerry Hawton
- Vegetables (Fox) - Irv Skaar

ENTERTAINMENT DIVISION (Simons) - Karen Leach (director)

- Entertainment - Chris Tahti (supervisor)
- Assistant - Brian Smith
- Grandstand Production - John Mons
- Auto Racing - Neil Larson

FINANCE DIVISION (Recknor) - Marshall Jacobson (director)

- Accounting - Shelly Kinnunen (supervisor)
- Payroll & Payables - Jean Holzemer
- Box Office - Gail Anderson (supervisor)
- Receipts Management - Susan Lynskey (supervisor)
- Computer Services Group - Manley Bona (coordinator)
- Purchasing Group - Bill Eiden (coordinator)

- Assistant - John Hayne
- Assistant - Peder Bruvold
- Ticket Audit (Fox) - Dick Reinhardt
- Ticket Sales (Fox) - Ken Wagner, Jr.

MARKETING DIVISION (Keenan) - Susan Ritt (director)

- Assistant - Susan Quick
- Publications - Amanda Engquist (supervisor)
- Marketing Support - Ken Giannini (supervisor)
- Sponsor Events - (supervisor)
- Heritage Exhibits (Lake) - Gale Frost

OPERATIONS DIVISION (Steltz) - Ken Wenzel (director)

- Construction - Joe Fischler (deputy director)
- Contract Management Group - Mary Pittelko (coordinator)
- Facilities Group - Dave Juettner (coordinator)
- Greenhouse - Rick Wimmer (supervisor)
- Plant Services - (supervisor)
- Projects - Myron Clasmann (supervisor)
- Shop Maintenance - Jim Andert (supervisor)
- Special Events - Brian Hudalla (supervisor)
- Special Services Group
- Admissions (Baker) - Lyle Anderson
- Park & Ride (Paulmann) - Dan Elmer
- Parking (Simons) - Ron Vannelli

Public Safety (Recknor) - Art Blakey
Sanitation (Keenan) - Scot Ribar

SALES DIVISION (Schmidt) - Jim Sinclair (director)
Attractions Group - Mark Birk (coordinator)
Event Marketing & Sales - Adam Heffron (coordinator)
Concessions & Exhibits - Rochelle Rustad (supervisor)
Accounts Administration - Dennis Larson (supervisor)
Office Administration - Pam Johnson (supervisor)
Attractions Ticket Takers - Marty Rossini

Recess for standing committee meetings.

OPERATIONS COMMITTEE MEETING

Members present: Steltz, chair; Simons; Recknor; Schmidt; Keenan; Fox; Prokosch, ex officio; Hammer, ex officio; Leach, ex officio; Wenzel, ex officio; Pooch, ex officio.

It was moved by Ms. Schmidt, seconded by Mr. Simons and carried that the following "all pay" policy be reaffirmed and extended through 1998: "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. Fox, seconded by Ms. Schmidt and carried to approve the following outside gate fee schedule for 1998: adult admission (13 through 64) - \$6; child admission (5 through 12) - \$5; senior admission (65 and over) - \$5; vehicle with three or fewer passengers - \$4; vehicle with four or more passengers - free; Kids and Seniors Days promotions - \$2; Family Day promotion: adults 13 and over - \$3, and kids 5 through 12 - \$1; pre-fair sale ticket for adult, child, senior or parking - \$4; campgrounds - \$15. (Aye-5; Nay-0).

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

Committee meeting adjourned.

PUBLIC AFFAIRS COMMITTEE

Members present: Keenan, chair; Simons; Steltz; Paulmann; Fox; Baker; Prokosch, ex officio; Hammer, ex officio; Ritt, ex officio; Leach, ex officio; Jacobson, ex officio.

Proposed marketing and advertising budgets for 1998 were introduced by Ms. Ritt.

MARKETING

A. Payroll	Full-time	148,500	176,000
	Summer staff	18,000	
	Special exhibits labor	7,000	
	Misc. fair labor	2,500	
B. Printing	Two newsletters	52,000	127,500
	Grandstand flyer	18,000	
	Daily schedules	18,500	
	Picnic supper invitation	1,000	
	Photo page	1,000	
	Posters	3,000	
	Maps	4,000	
	Invitations	1,500	
	Cheapskates Guide	18,000	
	Guest comment cards	2,000	
	Miscellaneous	8,500	
C. Photography	Stills	11,000	14,000
	Video production	500	
	Fair-time video shoot	2,500	
D. Picnic Supper:	Caterer	5,500	8,000
	Tent & equipment rental	2,500	
E. Promotional tickets		25,000	
F. Office supplies & rentals		7,500	
G. Awards		2,500	
H. Newspaper clipping service		5,000	
I. Special days activities		4,000	
J. Buttons		4,000	
K. Vehicle rental		1,000	
L. Brochure distribution		2,500	
M. Special contests		4,000	
N. Blue Ribbon Grill rentals (tent, etc.)		1,000	
O. Showmobile rental		2,500	
P. Special exhibits		16,000	
Q. Sundries		10,000	
R. Media Reimbursement		8,500	
S. Demographics survey		7,500	
T. Souvenir pins		6,500	
U. Records and archives		6,000	
		113,500	
		\$439,000	

ADVERTISING

I. Agency:	Media:		475,000
		Print	
		Radio	
		Television	
		Outdoor	
	Transit (bus sides)		
	Production:		
		Print	
		Radio	
		Television	
		Outdoor	
II. County Fairs Promotion		Transit	123,000
		Misc. projects	
III. Institutional Grandstand Ads			3,000
IV. Miscellaneous Special Publications			6,000
V. Telephone Directories			7,000
VI. Employment Ads			2,000
			4,000
			\$620,000

Following discussion, advertising expenditures of \$620,000 and marketing expenditures of \$439,000 were approved for 1998 on a motion by Mr. Simons, seconded by Mr. Fox and carried (Aye-5; Nay-0).

Committee meeting adjourned.

RULES & PREMIUM LIST COMMITTEE

Members present: Lake, chair; Simons; Recknor; Paulmann; Keenan; Baker; Prokosch, ex officio; Hammer, ex officio; Pooch, ex officio; Goiffon, ex officio; Sinclair, ex officio.

Upon a motion by Mr. Recknor, seconded by Mr. Recknor and carried, authority was granted to the competition director, in coordination with department superintendents, to make adjustments in rules, release dates and premium allocations for respective departments in accordance with guidelines established by the society's 1998 budget (Aye-5; Nay-0).

The following changes to State Fair rules were considered:

1.18 Dogs

~~No dogs or other pets shall be allowed on the State Fairgrounds at any time unless restrained on a leash of less than six feet in length. Every totally or partially blind, physically handicapped or deaf person, or any person training a properly identified dog to be a service dog, may be permitted on the State Fairgrounds during the State Fair except when part of an exhibit or demonstration authorized by the secretary or delegate or when confined within the State Fair campgrounds area. Society security and watch personnel are empowered to order the removal from the State Fairgrounds or its campgrounds any dog or pet not leashed as required or found to be disturbing or endangering the public.~~

During the period of the annual State Fair, no dogs or other pets shall be allowed on the State Fairgrounds. There are three exceptions: 1.) Certified Service animals or service animals in training. 2.) Dogs or other pets may be allowed when part of an exhibition or demonstration authorized by the secretary or delegate. 3.) Dogs or other pets may be allowed in the State Fair campgrounds when confined or restrained on a leash of less than six feet in length. No other exceptions will be allowed during the period of the State Fair. During the non-fair period, no dogs or other pets may be allowed on the State Fairgrounds at any time unless confined or restrained on a leash of less than six feet in length. During fair and non-fair periods, society personnel are empowered to order the removal from the State Fair or its campgrounds any dog or pet in violation of the above, or found to be disturbing or endangering the public.

2.01 License rates

Rates charged for licenses at the State Fair shall be set by the board of managers and implemented by the secretary or ~~commercial space director~~ **secretary or delegate**.

2.03 Duration and extension of licenses

Licenses are valid for a designated period as agreed in writing.

The fact that an operator has entered into an agreement for a designated period does not create a right nor should it create an expectation that the agreement will be extended for any subsequent term. The Society, through its board of managers, secretary and ~~commercial space director~~ **secretary or delegate** reserves the right at its sole discretion to not grant a new license for a subsequent term.

Notwithstanding the foregoing, the Society shall annually review all license agreements in consideration of offering a license for another term to operators from the previous term. The review shall be based on new or changing public needs, physical changes and upon performance of the operator as measured by established standards. The Society expressly reserves the right to not grant a new license at any time when it has determined that it is in the best interest of its patrons not to do so.

The granting of a new license for a subsequent term shall be on the basis of the same space, purpose, products, and ownership as in the prior term unless otherwise expressly provided by the secretary or ~~commercial space director~~ **secretary or delegate**. Grounds, space alterations or other operational changes as determined exclusively by the Society may make it necessary to alter or eliminate certain previously available commercial space from one year to the next. In such an instance, the Society may either offer an alternative location or elect to not grant a new license.

2.04 License extension procedures

The ~~commercial space director~~ **secretary or delegate** will send notices via first class mail to operators who held licenses during the immediately preceding term who are to be given an opportunity to obtain a new license. An acknowledgment and acceptance of the location assigned and other terms must be returned within 30 days of original mailing. Any requests for approval of change in location, purpose or products must be noted on the acceptance.

2.05 New licenses

In furtherance of its stated policy to seek out best-quality commercial exhibits and concessions, the Society may solicit and receive written proposals from independent parties having an interest in obtaining licenses at the State Fair. Proposals may be submitted at any time; they must be detailed in accordance with specifications provided by the Society. The secretary and ~~commercial space director~~ **secretary or delegate** shall exercise their best judgment in determining if changes in the present commercial space allocation are called for and, if so, which new commercial exhibits or concessions would best serve the interests of the Society and its patrons. Among the factors to be considered in this process are:

- Availability of appropriate commercial space
- The health and safety of State Fair patrons
- The extent to which the proposed product or service duplicates those of other commercial exhibits or concessions;
- The appropriate mixture and balance of products and services available throughout the State Fairgrounds
- The originality and quality of the proposed products or service
- Experience and financial stability
- The quality of presentation and professionalism demonstrated
- Such other factors as the Society deems appropriate in determining its best interests and those of its patrons.

2.06 Construction and maintenance of improvements

The placement, construction or alteration of any privately owned building, booth, tent or enclosure on the State Fairgrounds must be approved in advance in writing by the secretary or ~~commercial space director~~ **secretary or delegate**. A person or entity intending to construct or alter such a facility shall submit a formal, written request along with plans and specifications to the ~~commercial space director~~ **secretary or delegate** showing that the proposed construction will be in compliance with applicable building codes and will be of an acceptable design and appearance. All tents must be flame-proofed and accompanied by a letter of certification showing annual flame-proofing treatment by an approved vendor.

The Society shall, from time to time, engage qualified engineering personnel and building and fire code officials to inspect and evaluate the structural condition and safety of buildings on the State Fairgrounds. The Society may order changes or modifications in the improvements of operators as it deems necessary. Changes or modifications so ordered must be accomplished within a reasonable time or structure may be ordered closed, removed or torn down at the expense of the operator.

2.07 Ownership of improvements

Improvements, whether affixed to State Fairgrounds property or portable, are classified as personal property as defined in chapter one of these rules. The use of any improvement on the State Fairgrounds is subject to the discretion of the Society and shall only be permitted pursuant to the terms of a valid license and these rules.

Portable personal property must be removed by its owner from the State Fairgrounds within 15 days following the State Fair or it will be removed or torn down at the owner's expense as directed by the ~~commercial space director~~ **secretary or delegate**. In the event that the secretary and ~~commercial space director~~ **secretary or delegate** determine that a new license involving a structure affixed to State Fair property will not be issued and that the affixed structure must be removed from the property. Failure to remove and restore within the time specified shall result in the forfeiture of all rights in the affixed structure and the commercial space director secretary or delegate, on behalf of the Society, may take possession of and remove the same, charging any expense for

removal and restoration to the owner.

2.10 Transfers of personal property interests

Absent compelling circumstances, the board of managers will not allow the transfer by contract, gift, assignment, bequest, devise, sublease, or otherwise of privately-owned structures affixed to State Fairgrounds property or situated in Society owned buildings.

When, in the judgment of the board of managers, it is in the best interest of the Society and its patrons to allow the structure of an owner situated on the State Fairgrounds to be transferred, the secretary or ~~commercial space director~~ delegate may grant written authorization for transfer of said structure. As an alternative to a third-party transfer, the Society may exercise authority to purchase the structure being offered for transfer, in which case the structure must either be transferred to the Society or removed from the Fairgrounds.

A request to transfer interest in a structure located on the State Fairgrounds shall be made in writing by the owner to the ~~commercial space director~~ secretary or delegate.

The ~~commercial space director~~ secretary or delegate shall respond in writing to the request for transfer within 30 days after its receipt. If a request for transfer is approved, notice of said transfer will be posted for 30 days at the State Fairgrounds administrative offices to advise the public.

The Society may, in its sole discretion, subsequently enter into a license agreement with the transferee. In connection therewith, the society will require the following:

- The transferee has applied for a license according to procedures defined under rule S.F. 2.05 and the proposal has been reviewed and accepted by the ~~commercial space director~~ secretary or delegate. Transferee acknowledges in writing acceptance of the fact that said transfer carries with it no guarantee of the issuance of a license.
- A full, written financial disclosure has been made concerning the structure transfer. The financial disclosure shall warrant that the purchase price paid was limited to the value of the structure, fitments and equipment being transferred. Valuation shall be based entirely on the cost approach.
- The transaction does not violate the Society's policy concerning multiple licenses or other Society commercial space rules.
- The transferee shows adequate experience and financial stability to successfully hold a license.
- The proposed transaction is reasonable, in the best interest of the Society, and is consistent with the health, safety and enjoyment of its patrons.

No transfer of a structure situated on the State Fairgrounds will be approved if the proposed purchase price is greater than the appraised value of the structure and personal property involved in the transfer.

Completion and execution of a Society commercial space transfer policy acknowledgment, verifying understanding and acceptance of Society transfer rules and procedures, and delivery of a copy of same to the ~~commercial space director~~ secretary or delegate, along with a properly executed purchase agreement between the parties, shall constitute finalization of approved structure interest transfer.

2.13 Prize drawings

No drawing for a prize or prizes may be conducted by a license holder without receiving permission in advance from the ~~commercial space director~~ secretary or delegate. Drawing must be conducted in accordance with procedures provided license holder at the time permission is granted.

2.14 Wholesale permits

Wholesale permits are issued by the Society to vendors who desire to solicit orders, deliver articles or provide services to license holders at the State Fair. Parties desiring wholesale permits for the State Fair must apply to the ~~commercial space director~~ secretary or delegate. Delivery vehicles not properly identified with a wholesale permit shall be prohibited from entering the State Fairgrounds during the State Fair. This permit does not authorize retail sales.

3.01 Competitive exhibition times

Times for the setup of State Fair competitive exhibits, the dismantling and removal of exhibits and the hours of public viewing will be set annually by the secretary or ~~competitive exhibits director~~ delegate and will be stated in individual department premium books.

3.02 Responsibility for competitive exhibits

The Society will use diligence to protect livestock and articles entered for exhibition, after their arrival and placement, but under no circumstances will it be responsible for any loss, injury or damage done to or caused by any animal or article on exhibition. It is the responsibility of the competitive exhibitor to obtain appropriate insurance for any damages due to or caused by the exhibit and to indemnify and hold the Society harmless against any claim arising out of incidents involving the exhibit. Removal or pickup of exhibits at established times as stated in individual department premium books, entry blanks or entry receipts, shall be the responsibility of the competitive exhibitor. The Society shall not be responsible for any exhibit not removed or picked up at established time and the secretary or ~~competitive exhibits director~~ delegate will dispose of all exhibits not removed or picked up within one year of such established time.

3.11 Interpretation of rules

A faithful observance of all rules governing the exhibit will be required, and when in doubt as to the application or meaning of a rule, the competitive department superintendent in charge shall interpret such a rule. This interpretation when requested by either a competitive exhibitor or judge must be reduced to writing and returned to the secretary or ~~competitive exhibits director~~ delegate with the award books.

After discussion, it was moved by Mr. Recknor, seconded by Mr. Paulmann and carried that the rule changes be adopted and carried (Aye-5; Nay-0).

Committee meeting adjourned.

FINANCE COMMITTEE MEETING

Members present: Recknor, chair; Simons; Schmidt; Lake; Keenan; Fox; Prokosch, ex officio; Hammer, ex officio; Jacobson, ex officio; Wenzel, ex officio; Pooch, ex officio.

Secretary presented proposed operating, improvements and maintenance budgets for 1998, stating that the improvements and maintenance figures on the expense side of the general budget had been approved by the planning committee on January 16, 1998.

MINNESOTA STATE FAIR BUDGET SUMMARY

INCOME

	1997 Budget	1997 Actual	1998 Budget
TICKET SALES:			
CARNIVAL	\$4,350,000	\$5,043,567	\$4,700,000
COLISEUM	150,000	126,945	160,000
GRANDSTAND	1,770,000	1,858,021	1,775,000
OUTSIDE GATE	7,325,000	8,086,021	7,625,000
PARKING	600,000	572,796	575,000
TRAM RIDE	50,000	53,643	50,000
	\$14,245,000	\$15,741,617	\$14,885,000

ACTIVITIES:

	1997 Budget	1997 Actual	1998 Budget
BOX OFFICE	\$175,000	\$184,161	\$175,000
CAMP GROUNDS	85,000	89,401	85,000
CARNIVAL	45,000	52,085	50,000
COMPETITION	125,000	136,871	130,000
ENTERTAINMENT	60,000	52,014	45,000
FORAGE	15,000	20,050	18,000
4H AUCTION	60,000	76,025	70,000
GIFT SHOP	110,000	126,054	125,000

PUBLIC SAFETY	10,000	21,549	15,000
SALES	3,250,000	3,551,367	3,335,000
	\$3,935,000	\$4,309,577	\$4,048,000
OTHER:			
BULK MILK SALES	\$13,000	\$11,695	\$13,000
INTEREST	25,000	85,046	125,000
MARKET ANIMAL SALES	100,000	112,227	100,000
MISCELLANEOUS	60,000	92,538	80,000
NON-FAIR EVENTS	1,400,000	1,467,170	1,450,000
SPONSORSHIPS & GRANTS	225,000	280,372	225,000
TELEPHONE	145,000	190,797	165,000
UTILITY ASSESSMENTS	425,000	398,435	275,000
	\$2,393,000	\$2,553,234	\$2,433,000
TOTAL INCOME	\$20,573,000	\$22,604,428	\$21,366,000

EXPENSE

	1997 Budget	1997 Actual	1998 Budget
ADMINISTRATIVE:			
ADMINISTRATIVE SERVICES	\$474,500	\$404,555	\$457,000
ANNUAL MEETING	9,600	9,479	10,000
BAD DEBT	1,000	2,327	1,000
BOARD HONORARIUM	10,400	10,400	10,400
COMPUTER	150,000	183,092	268,000
DUES & SUBSCRIPTIONS	14,000	15,485	14,000
INSURANCE	160,000	109,024	115,000
LEGAL SERVICES	50,000	44,231	50,000
LEGISLATIVE AUDIT	30,000	28,776	30,000
MEDICAL INSURANCE	190,000	196,724	212,000
PAID LEAVE	300,000	342,554	375,000
PLANNING	1,000	898	-
POSTAGE & MAILING SERVICE	170,000	161,384	170,000
PRINTING & SUPPLIES	88,000	90,754	92,000
RETIREMENT FUND	100,000	101,060	105,000
SOCIAL SECURITY	345,000	350,701	365,000
TELEPHONE	100,000	100,180	100,000
TRAVEL EXPENSE	50,000	42,716	50,000
UNEMPLOYMENT COMPENSATION	7,500	10,025	10,000
WORKERS COMPENSATION	30,000	50,181	50,000
	\$2,281,500	\$2,254,546	\$2,484,400

ACTIVITIES & SUPPORT:

ADMISSIONS	\$130,000	\$132,199	\$140,000
ADVERTISING	590,000	585,075	620,000
AGRI-LAND	5,000	12,050	18,000
BEE CULTURE	7,500	7,441	7,800
BOX OFFICE	146,000	153,377	161,000
CAMP GROUNDS	20,000	25,924	30,000
CARNIVAL	3,250,000	3,653,168	3,500,000
CATTLE	55,000	58,559	60,000
CHRISTMAS TREE	4,000	3,661	4,000
COMPETITION	152,000	148,355	160,000
CREATIVE ACTIVITIES	55,000	53,921	56,000
DAIRY PRODUCTS	1,800	1,505	1,800
DOG TRIALS	3,000	2,165	3,000
EDUCATION	23,000	23,444	24,000
FARM CROPS	13,000	13,617	14,000
FINANCE	245,000	243,413	252,000
FINE ARTS	24,000	23,458	25,000
FLOWER & AG SHOWS	37,000	35,546	38,000
FLOWERS	7,000	7,413	7,000
FORAGE	12,000	22,317	23,000
4-H CLUB	183,000	188,478	190,000
FREE ENTERTAINMENT	915,000	766,197	895,000
FRUIT	8,000	7,932	8,500
FFA	40,000	39,044	40,000
GATE TICKET SALES	150,000	152,844	157,000
GIFT SHOP	90,000	78,930	86,500
GOAT	4,500	4,130	4,500
GRANDSTAND - CONCERTS	1,600,000	1,569,702	1,600,000
GRANDSTAND - RACE	165,000	166,093	174,000
HERITAGE EXHIBITS	15,000	16,253	16,000
HORSE & RODEO	250,000	249,044	245,000
LLAMA	3,000	2,901	3,200
MARKETING	410,000	404,256	439,000
MEATS	4,700	4,459	4,700
PARK & RIDE	320,000	384,842	405,000
PARKING	147,000	156,254	159,000
POULTRY	10,000	9,865	10,500
PUBLIC SAFETY	375,000	410,761	440,000
SALES	645,000	632,253	727,000
SANITATION	665,000	660,616	649,000
SENIOR CITIZEN	16,500	11,884	16,000
SHEEP	9,000	7,618	8,000
SWINE	11,000	12,905	11,500
TICKET AUDIT	6,500	6,367	6,500
TICKET PROMOTION	225,000	229,189	225,000
TRAMS	50,000	52,280	53,000
VEGETABLE	5,600	5,260	5,600
	\$11,104,100	\$11,436,965	\$11,724,600

PREMIUMS:

BEE CULTURE	\$3,000	\$2,690	\$3,000
BULK MILK SALES	13,000	11,690	13,000
CATTLE	87,000	90,497	100,000
CHRISTMAS TREE	2,000	1,715	2,300
CREATIVE ACTIVITIES	11,000	10,772	11,000
DAIRY PRODUCTS	750	785	800
DOG TRIALS	1,500	830	1,000
EDUCATION	10,500	9,585	10,500

FARM CROPS	16,500	14,814	16,000
FINE ARTS	8,500	8,400	9,000
FLOWERS	2,500	2,342	2,500
4-H AUCTION	60,000	76,325	70,000
4-H CLUB	62,000	62,225	68,000
FRUIT	1,500	1,490	1,500
FFA	48,000	52,145	53,000
GOAT	10,000	10,881	11,000
HORSE	80,000	78,434	82,000
LLAMA	4,000	4,160	4,500
MARKET ANIMAL SALES	100,000	112,227	100,000
POULTRY	10,000	8,867	10,000
RURAL YOUTH SCHOLARSHIPS	15,000	15,000	20,000
SHEEP	25,000	22,052	25,000
SWINE	21,000	21,177	23,000
TALENT CONTEST	9,400	8,890	9,000
VEGETABLES	3,500	4,167	4,500
	\$605,650	\$632,160	\$650,600

OTHER:

INSTITUTIONAL TICKETS	\$95,000	\$135,800	\$130,000
INTEREST	160,000	131,014	140,000
MISCELLANEOUS	20,000	57,658	25,000
NON-FAIR EVENTS	650,000	656,405	640,000
VETERINARIAN SERVICE	37,000	36,288	37,000
	\$962,000	\$1,017,165	\$972,000

PLANT OPERATIONS:

ARCHITECTURAL & ENGINEERING	\$25,000	\$16,108	\$25,000
FIRE & POLICE SERVICES	120,000	116,195	120,000
FUEL OIL GASOLINE	45,000	36,723	40,000
GREENHOUSE	115,000	121,058	125,000
OPERATIONS	127,500	122,000	145,000
PROPERTY TAX & ASSESSMENTS	5,000	13,094	10,000
SALARIES & CONTRACT LABOR	400,000	460,653	500,000
SET-UP & TAKEDOWN	800,000	771,491	800,000
SIGNS	13,000	3,951	10,000
SUPPLIES	45,000	35,298	40,000
UTILITIES	260,000	283,667	325,000
WATCHMEN	72,000	76,629	80,000
WATER & SEWER	130,000	117,471	120,000
	\$2,197,500	\$2,174,338	\$2,340,000

EXPENSE BEFORE MAINTENANCE & DEPRECIATION	17,150,250	17,515,174	18,171,600
---	------------	------------	------------

NET INCOME BEFORE MAINTENANCE & DEPRECIATION	3,422,750	5,174,300	3,194,400
--	-----------	-----------	-----------

PLANT MAINTENANCE:

ELECTRIC SYSTEM	\$162,000	\$137,551	\$141,450
FENCE & FIXTURES	17,000	13,645	35,100
GAS SYSTEM	1,000	307	1,000
LAND	25,000	36,329	58,600
PERSONAL PROPERTY	161,000	118,065	223,975
SEWER SYSTEM	11,000	12,072	21,000
STREETS & SIDEWALKS	61,000	67,271	130,075
STRUCTURES	233,000	233,462	476,570
VEHICLES	164,000	188,984	196,600
WATER SYSTEM	44,000	38,208	45,950
	\$879,000	\$845,894	\$1,324,320

DEPRECIATION:

ELECTRIC SYSTEM	\$76,000	\$80,723	\$88,000
FENCE & FIXTURES	25,000	26,297	32,000
GAS SYSTEM	1,000	757	1,000
LAND IMPROVEMENTS	42,000	41,508	82,000
PERSONAL PROPERTY	236,000	224,096	238,000
SEWER SYSTEM	32,000	43,557	58,000
STREETS & SIDEWALKS	78,000	78,444	42,000
STRUCTURES	788,000	782,920	847,000
WATER SYSTEM	12,000	11,944	12,000

	\$1,290,000	\$1,290,246	\$1,400,000
--	-------------	-------------	-------------

TOTAL EXPENSE	\$19,319,250	\$19,651,314	\$20,895,920
---------------	--------------	--------------	--------------

NET INCOME (LOSS)	\$1,253,750	\$3,038,160	\$470,080
-------------------	-------------	-------------	-----------

	1997 Budget	1997 Actual	1998 Budget
CASH-BEGINNING OF YEAR	\$1,969,070	\$1,969,070	\$4,653,119
ADD: NET INCOME	1,253,750	3,038,160	470,080
WORKING CAPITAL CHANGE		(5,352)	
DEPRECIATION	1,290,000	1,290,246	1,400,000
SHORT-TERM LOAN	1,000,000	730,000	
1880 COMO LOAN			700,000
CASH AVAILABLE	\$5,512,820	\$7,022,124	\$7,223,199
DEDUCT: CAPITAL EXPENDITURES			
ELECTRIC SYSTEM	(158,000)	(163,985)	(259,500)
FENCE & FIXTURES	(43,000)	(35,241)	(124,150)
GAS SYSTEM			-
LAND	(5,000)	(6,879)	(68,000)
PERSONAL PROPERTY	(110,000)	(85,223)	(260,200)
SEWER SYSTEM	(246,000)	(234,929)	(277,000)
STREETS & SIDEWALKS			(18,700)
STRUCTURES	(600,000)	(651,802)	(1,352,375)
WATER SYSTEM			(1,350)
LAND PURCHASES		-	(153,000)
	\$(1,162,000)	\$(1,178,059)	\$(2,514,275)

CHANGES: DEBT STRUCTURE

BANK NOTES-NORTH STAR BANK:			
LAND (SUSSEI)	\$(73,378)	\$(73,378)	\$(73,378)
VISITOR PLAZA	(38,171)	(38,450)	(40,119)
CAROUSEL PARK	(209,591)	(211,162)	(224,856)
PROGRESS CENTER	(121,331)	(121,956)	(130,147)
LAND (GLACIER)	(16,000)	(16,000)	(16,000)
SHORT-TERM LOAN	(1,000,000)	(730,000)	
1880 COMO			(142,000)
	\$(1,458,471)	\$(1,190,946)	\$(626,500)

CASH-END OF YEAR	2,892,349	4,653,119	4,082,424
------------------	-----------	-----------	-----------

BUILDING FUND BALANCE	2,375,000	2,652,313	2,452,313
-----------------------	-----------	-----------	-----------

CASH AVAILABLE-OPERATIONS	514,067	2,000,806	1,630,111
---------------------------	---------	-----------	-----------

CASH-END OF YEAR	\$2,889,067	\$4,653,119	\$4,082,424
------------------	-------------	-------------	-------------

After review, it was moved by Mr. Keenan, seconded by Mr. Simons and carried that the 1998 operating, improvements and maintenance budgets be approved as presented (Aye-5; Nay-0).

It was moved by Mr. Keenan, seconded by Mr. Lake and carried that secretary be authorized to release and transfer the sum of \$1,967,265 from the building fund for direct application to structure maintenance and improvement projects (Aye-5; Nay-0).

Committee meeting adjourned.

Meeting of the full board was reconvened by President Prokosch.

Reports offered and action taken by the sales, planning, operations, public affairs, rules and premium list and finance committees were accepted and approved upon a motion by Mr. Simons, seconded by Ms. Schmidt and carried (Aye-9; Nay-0).

After discussion, it was moved by Mr. Fox, seconded by Mr. Simons and carried that two off season events be allowed to be conducted in the Coliseum after July 15; the events are professional football games tentatively scheduled for July 26 and July 31 (Aye-9; Nay-0).

Upon a motion by Mr. Paulmann, seconded by Mr. Fox and carried, the following change to the State Fair Employee Handbook was approved (Aye-9; Nay-0).

Bulletin #2 which covers holiday, leave and severance regulations-Deferred Compensation employee contributions to an individual's plan, including matching contributions, may not exceed \$8,000 in any calendar year.

The following resolution was offered by Mr. Simons, seconded by Mr. Fox and carried (Aye 9; Nay-0):

"It is hereby required and specified that society employees Joe Fischler, Rick Wimmer and David Juettner be required to live on the State Fairgrounds for the convenience and to the benefit of the society with gratis rent, utilities and telephone."

This resolution will be effective until January, 1999, and at that time will be subject to reconsideration.

Ms. Leach reviewed the status of contract negotiations with acts and attractions for Grandstand and free stage presentations in 1998. Report only; no action required.

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

A report of the Life Member Advisory Committee, which met earlier in the day, was received and accepted on a motion by Mr. Steltz, seconded by Mr. Paulmann and carried (Aye-9; Nay-0).

Upon a motion by Mr. Lake, the meeting was adjourned (Aye-9; Nay-0).

MINUTES IN VACATION

January

8 - Giannini addressed a meeting of the St. Paul Civitan Club on the history of the State Fair.

13 - A Health Promotion session was held for all staff members.

19-22 - Hammer attended the Western Fairs Association annual meeting and convention in Anaheim, Calif.

22 - Giannini addressed a meeting of the Fridley Kiwanis Club on the history of the State Fair.

29 - Hammer met with Steve McKay of Lydon-Bricher Manufacturing to execute the purchase agreement for the property at 1880 Como Ave.

30 - Hammer, Jacobson and Keenan attended a meeting of the Legislative Audit Commission at the State Capitol, where Hammer addressed the commission regarding the Legislative Auditor's 1996 financial audit of the Society. Ritt and Giannini met with Jan Sawinski, Colleen Tollefson and Judy Duclos, Minnesota Office of Tourism, regarding plans for their exhibit at the '98 State Fair.

February

2 - Giannini met with Laurie Brickly, Maureen Ottwell, Aimee Sheldon and Dan Spock to discuss Minnesota Historical Society exhibit at the 1999 State Fair. Hammer, Goiffon and Schadeck, along with state attorney general's representative Peter Berrie, attended real estate closing procedures for the 1880 Como property.

2-8 - Sinclair and Birk attended the International Independent Showmen's Association Trade Show in Gibsonton, Fla., and while in Tampa participated in a National Independent Concessionaires Association concessionaires workshop, visited the Florida State Fair, met with Bob Gill, Bob G. Gill & Associates, regarding attraction safety inspection services, visited with Tom Atkins, Atkins-Hanschen Transportation/Thomas Carnival, Inc., regarding Tram operation and midway electric service oversight, and met with several attraction operators to finalize 1998 midway presentation plans.

3 - Pooch met with Mike Charland, Larry Tande, Brad Rugg, Valerie Malmquist and Tammy Lorch to discuss the 4-H show at the 1998 fair.

5 - Pooch met with Jan Miller of the Minnesota State Horticultural Society to discuss possible new programs with their organization. Wenzel met with Ron Bernstrom, Medicine Lake Bus Lines, to discuss the sale of Medicine Lake to Ryder Transportation.

9 - An employee training session for staff members was held at Century College.

10 - Hammer and Sinclair met with Dean Moe of the Norman Group and Chuck Westin of Cathedral Hill Strategies regarding potential formation of an educational association for commercial exhibitors. A Health Promotion session was held for all staff members.

11 - Sinclair, Pooch and Ritt met with Paul Morrissey, Capitol Beverage Sales, to discuss the level of Budweiser Brewing's involvement in the 1998 fair. Ritt and Engquist met with Tiffanee Dunbar of the Kydd Group, regarding sponsorship opportunities.

12 - Pooch met with John Gundale of American Dairy Association, to discuss their possible involvement in this year's Moo Booth exhibit.

15 - Executive Committee approved the January 31, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Dec. 31, 1997		\$133,064
Add: Cash Deposits	396,495	
Less: Payroll Ending Jan. 7	(106,429)	
Payroll Ending Jan. 21	(98,906)	
Cash Disbursements	(258,488)	(67,328)
Cash Balance-Jan. 31, 1998		\$65,736

MARKETABLE SECURITIES ACTIVITY:

Balance-Dec. 31, 1997		\$1,276,445
Add: Interest Earned	4,600	
Securities Purchased		
Less: Securities Redeemed	(310,000)	(305,400)
Balance-Jan. 31, 1998		\$971,045

BUILDING FUND ACTIVITY:

Balance-Dec. 31, 1997		\$2,707,895
Add: Interest Earned	11,749	11,749
Securities Purchased		
Less: Securities Redeemed		
Balance-Jan. 31, 1998		\$2,719,644

CASH BALANCES FOR MONTH ENDING JANUARY 31:

	1997	1998
General Fund	\$6,776	\$65,736
Petty Cash	3,000	3,000
Marketable Securities	35,198	971,045
Building Fund	136,301	2,719,644
Total Cash Balances	\$181,275	\$3,759,425

18 - Goiffon and Flinn met with representatives from the Minnesota Council of Churches regarding the State Fair Ministry Service. Ritt and Sinclair met with Tim Browne and Gregg Tomlinson of Johnson Grossfield to discuss Ralston Purina's sponsorship of the Pet Center.

18-27 - Tahti worked for the Houston Livestock Show and Rodeo as a participant in the IAFE's Fair Work Exchange program.

19 - Giannini spoke to Minneapolis SW Lions Club about the history and organization of the State Fair.

19-21 - The Minnesota State High School League's girls state hockey tournament was held at the Coliseum.

23 - Pooch attended the annual meeting of the Purebred Dairy Cattle Association in Faribault.

24 - Various staff members met with Metropolitan Transit personnel to go over plans for 1998 fair.

24-28 - The State High School League's section 3 and section 4 boys hockey tournaments were conducted at the Coliseum.

26 - Pre-construction meeting was held at the fair to go over plans for phases III and IV of sewer separation.

MINUTES IN VACATION**March**

2 - Flinn and Senior Citizen superintendent Marge Krueger met with representatives from the Board on Aging regarding judging criteria for the Outstanding Senior Citizens program.

3 - Fischler and Wenzel met with Dean Johnson, TKDA, on various fair construction projects.

4 - Sinclair and Heffron met with Bob Bierschied, Roseville parks and recreation director, to discuss opportunities for shared facility and equipment use. Giannini spoke to Apple Valley Rotary Club about the history and organization of the State Fair.

6 - Hammer, Jacobson and Kinnunen attended an exit conference with staff of the state Legislative Auditor.

7 - The Minnesota Monsters professional indoor football team presented an exhibition game at the Coliseum.

9 - Hammer, Goiffon and Schadeck met with Carl Conney and Peter Berrie of the state attorney general's office regarding real estate matters. Pooch and Giannini met with John Ciezlak, development director for the Minnesota Zoo Foundation, regarding background on the zoo's foundation.

10 - Fischler, Juettner and Wenzel met with Dean Johnson, TKDA, on construction plans for 1880 Como. Executive Committee approved the February 28, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Jan. 31, 1998		\$65,736
Add: Cash Deposits	1,093,790	
Less: Payroll Ending Feb. 4	(137,698)	
Payroll Ending Feb. 18	(103,224)	
Cash Disbursements	(862,814)	(9,946)
Cash Balance-Feb. 28, 1998		\$55,790

MARKETABLE SECURITIES ACTIVITY:

Balance-Jan. 31, 1998		\$971,045
Add: Interest Earned	6,349	
Securities Purchased	1,967,265	
Less: Securities Redeemed	(905,000)	1,068,614
Balance-Feb. 28, 1998		\$2,039,659

BUILDING FUND ACTIVITY:

Balance-Jan. 31, 1998		\$2,719,644
Add: Interest Earned	5,528	
Securities Purchased		
Less: Securities Redeemed	(1,967,265)	(1,961,737)
Balance-Feb. 28, 1998		\$757,907

CASH BALANCES FOR MONTH ENDING FEBRUARY 28:

	1997	1998
General Fund	\$8,083	\$55,790
Petty Cash	5,000	3,000
Marketable Securities	348	2,039,659
Building Fund	766	757,907
Total Cash Balances	\$14,197	\$2,856,356

11 - Ritt and Quick met with Fred Zinn and Ann Treacy of MRNet regarding the fair's web site. A Health Promotion session was held for all staff members. Sinclair and Rustad met with Tim Fristrom and Erling Halverson to discuss Minnesota Propane Gas Association exhibit plans for the 1998 exposition. Giannini met with Holiday Station store officials to discuss ticket sales for the 1998 State Fair.

12 - Pooch attended the annual meeting of the Minnesota Livestock Breeders Association in St. Paul.

13-15 - The 16th Annual Minnesota Deer Classic sport show was presented in the Coliseum.

MEETING OF THE SALES COMMITTEE**MINNESOTA STATE AGRICULTURAL SOCIETY**

Libby Conference Center, State Fairgrounds

Tuesday, March 17, 1998 - 10 a.m.

Members present: Clarice Schmidt, chair; Rich Keenan; Joe Fox; Dennis Baker; Bob Lake; John Paulmann; Don Simons; Lyle Steltz; Vern Prokosch, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio. Absent: Howard Recknor.

Also present: Karen Leach; Mary Goiffon; Steve Pooch; Marshall Jacobson; Mark Birk; Rochelle Rustad; Jim Andert and Kent Harbison.

Jerry Spalding, Jay Spalding and Richard O'Sullivan of U.S. Jesco International Ltd., Inc., appeared before the committee to request review of the sales division staff decision not to issue U.S. Jesco a license granting concession operation privileges at the 1998 State Fair. Staff decision was based on U.S. Jesco's failure to properly control the volume of sound generated by the public address system used for their product demonstrations during the 1996 and 1997 expositions.

A chronological summary of events leading to the staff decision, as well as correspondence and documentation supporting such action, was previously circulated to committee members and to Jerry Spalding. Jerry and Jay Spalding made presentations to the committee that included response to the documentation. Following a period of questions and answers that included a staff report by Mr. Sinclair, it was moved by Mr. Keenan, seconded by Mr. Simons and carried that staff decision not to issue a concession license to U.S. Jesco for the 1998 State Fair be upheld (Aye-7; Nay-0).

With no further business to come before the committee, Ms. Schmidt declared the meeting adjourned at 10:50 a.m.

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

Libby Conference Center, State Fairgrounds

Tuesday March 17, 1998 - 11:05 a.m.

Members present: Vern Prokosch, president; Joe Fox, vice president; Richard Keenan, vice president; John Paulmann; Lyle Steltz; Dennis Baker; Bob Lake; Don Simons; Jerry Hammer, secretary. Absent: Howard Recknor.

Also present: Jim Sinclair; Steve Pooch; Karen Leach; Mary Goiffon; Marshall Jacobson; Mark Birk; Rochelle Rustad; Jim Andert and Kent Harbison.

Meeting was called to order at 11:05 a.m. by Mr. Prokosch.

Minutes of the January 18 board and sales committee meetings, previously mailed to members, were approved on a motion by Mr. Fox, seconded by Mr. Simons and carried (Aye-7; Nay-0).

Society minutes in vacation covering the period January 18 through March 17, 1998, and the administrative action noted therein, were approved on a motion by Mr. Keenan, seconded by Mr. Lake and carried (Aye-8; Nay-0).

Action taken by the sales committee earlier in the day (March 17) was approved on a motion by Mr. Simons, seconded by Mr. Keenan and carried (Aye-8; Nay-0).

Mr. Jacobson presented the February 28, 1998 financial statement.

After discussion, the financial statement was approved upon a motion by Mr. Fox, seconded by Ms. Schmidt and carried (Aye-8; Nay-0).

Secretary gave a brief update on the ownership status of a piece of property south of Como Avenue, occupied by a Burlington Northern Railroad siding until 1981 and presently used by the society for public transit and auto parking. Upon a motion by Mr. Simons, seconded by Mr. Lake and carried, secretary was authorized to explore ownership issues and, if appropriate, pursue acquisition of the property for the society. The motion further specified that should details for acquisition be arranged, the board be polled by telephone for approval (Aye-8; Nay-0).

Secretary offered a report on the current status of the Minnesota Department of Transportation's old Central Shops buildings on the State Fairgrounds. The structures, built in 1934, have not been used by MnDOT since 1985. Following discussion, upon a motion by Mr. Steltz, seconded by Ms. Schmidt and carried, secretary was authorized to enter into negotiations with MnDOT to resolve ownership issues, and to pursue more productive uses for the space currently occupied by the structures. The motion further specified that should details for resolution of ownership issues be confirmed, that the board be polled by telephone for approval (Aye-8; Nay-0).

Ms. Leach presented an update on Grandstand and free stage attractions for the 1998 State Fair. Report only; no action required.

Mr. Sinclair offered an update on the status of commercial exhibit space in the society's arcade building, formerly licensed to long-time concessionaire Ken Cleworth, who died in January. Report only; no action required.

Upon a motion by Ms. Schmidt and seconded by Mr. Fox, the meeting was adjourned at 11:45 a.m. (Aye-8; Nay-0).

MINUTES IN VACATION**March continued**

18 - Sinclair and Birk met with Mrs. Betty Cleworth and her legal and financial representatives to discuss concession license matters.

19 - Pooch attended and spoke at the fair management short course meeting in Hinckley.

20 - Hammer, Wenzel, Goiffon, and attorneys Kent Harbison and Peter Berrie met to discuss the status of the MnDOT building on the State Fairgrounds. Hammer, Sinclair, Birk, Harbison and Keenan discussed legal matters involving concession licenses.

21-22 - The Minnesota Weapons Collectors Association presented their annual show and sale at the Coliseum.

22 - Pooch attended and spoke at the fair management short course in Owatonna.

24 - Scott attended an ergonomics training program conducted by the state Department of Employee Relations. Pooch met with Tom Warnke and Mike McClelland of the University of Minnesota regarding planting at Agri-Land.

28-29 - The Coliseum hosted the Twin Cities Ceramic & Doll Expo.

30-31 - Best Buy staged a commercial film production at the Progress Center.

31 - The Sherwin Williams Pro Paint Show was held at the Coliseum.

April

2 - Hammer and Goiffon met with Peter Berrie of the state attorney general's office, counsel Kent Harbison and Mike Heffron to review issues surrounding ownership of the Minnesota Department of Transportation's old Central Shops buildings on the State Fairgrounds. Pooch, Wimmer and Raschke met with members of the Minnesota Horticultural Society to discuss landscaping possibilities around the Agriculture-Horticulture Building.

3 - Hammer participated in a salute to WCCO Radio personalities Boone & Erickson, presented by the Minnesota Broadcasters Association.

4-5 - The Gopher State Timing Association Rod & Custom Spectacular auto show was held at the Coliseum.

5 - Ritt visited the Sydney Royal Easter Show in Australia.

6 - Giannini addressed a meeting of the Phoenix Singles Club in Fridley on the history of the State Fair.

8-10 - Hammer, Birk and Rustad, along with board members Prokosch, Fox, Paulmann, Recknor, Steltz, Baker, Simons and Schmidt, attended the IAFE Zone 4 Spring Meeting in Watertown, S.D.

9 - Executive Committee approved the March 31, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Feb. 28, 1998		\$55,790
Add: Cash Deposits	696,211	
Less: Payroll Ending Mar. 4	(134,982)	
Payroll Ending Mar. 18	(104,528)	
Cash Disbursements	(494,956)	(38,255)
Cash Balance-Mar. 31, 1998		\$17,535

MARKETABLE SECURITIES ACTIVITY:

Balance-Feb. 28, 1998		\$2,039,659
Add: Interest Earned	8,407	
Securities Purchased		
Less: Securities Redeemed	(510,000)	(501,593)
Balance-Mar. 31, 1998		\$1,538,066

BUILDING FUND ACTIVITY:

Balance-Feb. 28, 1998		\$757,907
Add: Interest Earned	3,462	
Securities Purchased		
Less: Securities Redeemed		
Balance-Mar. 31, 1998		\$761,369

CASH BALANCES FOR MONTH ENDING MARCH 31:

	1997	1998
General Fund	\$25,599	\$55,790
Petty Cash	1,000	3,000
Marketable Securities	369	1,538,066
Building Fund	978	761,369
Total Cash Balances	\$27,946	\$2,319,970

9-12 - The Osman Temple Shrine Circus was presented at the Coliseum.

14 - A health promotion seminar was conducted for all staff members.

16-20 - Now Sports conducted its annual Bike & Fitness Fairgrounds Sale in the Education Building.

17 - Leach and Goiffon attended a communication skills seminar.

17-19 - The Minnesota Golf Swap for Charity was held in the Merchandise Mart.

18-19 - The Antique Spectacular & Flea Market was presented in the Grandstand and race track infield.

20 - A day-long training session for all full-time staff, department superintendents and key fair time personnel was held at Century College in White Bear Lake. Sinclair and Birk met with Joel Chesin regarding a new concession operation for the Arcade building.

21 - Sinclair and Birk met with members of the Robert Andrus family regarding moving and expanding Andy's Jukebox Diner to a new location in the Arcade building. Leach and Tahti met with representatives from Hey City Theater to discuss possible show presentation at the fair. Ritt and McGough met with Ted Allison of KBEM Radio to discuss promotion of State Fair transportation options.

22 - Sinclair and Ritt met with representatives of KSTP-AM Radio to discuss permanent broadcast facilities at the fairgrounds. A picnic for all staff members, sponsored by the Employee Club, was held in Bandshell Park.

22-23 - The Minnesota Department of Natural Resources distributed trees to the public at the Natural Resources Building.

23 - A seminar on Lyme Disease was conducted for staff members.

24-26 - The Super Computer Sale was held at the Education Building. The Minnesota Horse Expo was presented at the Coliseum.

24-28 - Hammer, Sinclair and Wenzel attended the IAFE Spring Management Conference in Coeur d'Alene, Idaho.

24 - May 10 - Eddie Bauer presented a Warehouse Sale in the Lower Grandstand and East Room.

25 - Bert O. Lund, retired society vice president, honorary life member of the society and first-ever recipient of the State Fair's Distinguished Service Award, died at Lyngblomsten Care Center in St. Paul after a year-long battle with cancer. Mr. Lund, active in agriculture and community affairs throughout his professional career, served as the society's fourth district vice president from 1981 until 1997.

27 - Leach met with representatives of Sims Security regarding ushering services.

28 - Leach, Tahti, Anderson, Blakey and Boland met with ASIA Security regarding services for the '98 State Fair.

29 - Visitation and memorial services for Mr. Lund were held in St. Paul and were attended by a delegation of State Fair board members, retired board members, honorary life members of the society, State Fair Hall of Famers and staff.

29 - May 3 - Huber attended the National Employers Service Recreation Association conference in Orlando, Fla.

May

1 - Ritt and McGough met with Bob Gorrell and Patty Walsh of East Side Beverage regarding Miller Brewing's sponsorship of the fair's auto race program.

1-3 - Sahara Sands Spring Classic Arabian Horse Show was held at the Coliseum.

3 - The Northland Antique Toy Show was presented in the Progress Center, and the Gopher State Car Show & Swap Meet was conducted at the Grandstand Infield.

4 - Ritt and McGough met with Lisa Billingham of Norwest Banks regarding their sponsorship of the Children's Theater.

7-11 - Cuneo & Associates Used Vehicle Battle on the Midway sale was held on the Midway lot.

9 - The Twin City Model Railroad Show was held in the Education Building. Executive Committee approved the April 30, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Mar. 31, 1998		\$17,535
Add: Cash Deposits	834,124	
Less: Payroll Ending Apr. 1	(125,742)	
Payroll Ending Apr. 15	(138,773)	
Payroll Ending Apr. 29	(134,450)	
Cash Disbursements	(276,811)	158,348
Cash Balance-Apr. 30, 1998		\$175,883

MARKETABLE SECURITIES ACTIVITY:

Balance-Mar. 31, 1998		\$1,538,066
Add: Interest Earned	5,438	
Securities Purchased		
Less: Securities Redeemed	(510,000)	(504,562)
Balance-Apr. 30, 1998		\$1,033,504

BUILDING FUND ACTIVITY:

Balance-Mar. 31, 1998		\$761,369
Add: Interest Earned	3,240	
Securities Purchased		
Less: Securities Redeemed		
Balance-Apr. 30, 1998		\$764,609

CASH BALANCES FOR MONTH ENDING APRIL 30:

	1997	1998
General Fund	\$8,586	\$175,883
Petty Cash	1,000	3,000
Marketable Securities	370	1,033,504
Building Fund	982	764,609
Total Cash Balances	\$10,938	\$1,976,996

9-10 - The First Fifty Auto Club conducted their 28th Annual Spring Nationals auto show and swap meet at the Grandstand Infield.

14 - Hammer met with Sue Gehrz, mayor of Falcon Heights, to discuss mutual issues. The Indianhead Council of the Boy Scouts of America conducted a company luncheon at the Grandstand Infield. Sinclair attended a Roseville BusinessLink luncheon, and later attended the Suburban Chamber of Commerce's annual meeting where he was named chairman of the suburban chamber board for 1998.

14-16 - The St. Paul Association of Evangelicals conducted a garage sale at the Crossroads Chapel exhibit building.

15 - Sinclair and Birk met with Dwayne Hendricks of Brede Enterprises to discuss concession operation changes for the 1998 and 1999 fairs.

15-17 - The Country Folk Art Show was held in the Lower Grandstand.

16 - Upper Midwest Bird Mart presented a bird and small exotic animal sale in Empire Commons.

19 - Hammer met with Merritt Linzie of Minnesota Department of Transportation to discuss issues regarding MnDOT's old central shops building on the State Fairgrounds. Pooch and Ritt met with Lynn Ketelsen and Jeff Stewart of Linder Farm Network to discuss their possible involvement with Agri-Land. Pooch met with Glenn Eaton and Jim Haines of the Osman Temple Shrine regarding usher service at the Coliseum.

19-21 & 30 - Metropolitan Transit conducted their annual Bus Driver & Mechanic Roadshow on the south Como parking lot.

20 - Sinclair, Ritt and Rustad met with Andy Bloom and Mike Pollack of Rock 100 FM Radio to discuss their site operation, broadcast and promotion plans for the 1998 fair.

21 - Sinclair, Ritt, Birk and McGough met with Eileen Kret to discuss details of the Dinosaurs in Motion presentation at the 1998 fair. Sinclair and Heffron participated in a trade show to promote year-around use of fair facilities.

27 - Sinclair and Johnson met with representatives of the Minnesota Department of Revenue and the Internal Revenue Service to discuss their operation at the 1998 fair. Ritt and Sinclair met with representatives of the St. Paul Pioneer Press to discuss exhibit plans for the 1998 fair.

30 - The Boy Scouts of America Jamboree was conducted on Machinery Hill.

SALES COMMITTEE MEETING

MINNESOTA STATE AGRICULTURAL SOCIETY

Libby Conference Center, State Fairgrounds

Tuesday June 2, 1998 - 9:30 a.m.

Members present: Clarice Schmidt, chair; Rich Keenan; Joe Fox; Dennis Baker; Bob Lake; John Paulmann; Howard Recknor; Don Simons; Lyle Steltz; Vern Prokosch, ex officio; Jerry Hammer, ex officio; Jim Sinclair, ex officio.

Also present: Steve Pooch; Ken Wenzel; Marshall Jacobson; Rochelle Rustad; Kent Harbison.

Absent: Susan Ritt, ex officio.

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

On a motion by Mr. Simons, seconded by Mr. Steltz and carried, approval was granted for Mr. John Schumacher (Schumacher's New Prague Hotel) to purchase the personal property of Mr. P. Kenneth Budrow at its appraised value of \$42,375. The property consists of a permanent food and beverage concession structure at 1703 Carnes Ave. (appraised value of \$38,000) and restaurant equipment (appraised value of \$4,375). The State Fair will serve as facilitator of the transaction. (Aye-8; Nay-0).

The following list of percentage attractions, along with ticket prices and percentage terms, was presented to the committee and approved for the 1998 State Fair on a motion by Mr. Keenan, seconded by Mr. Paulmann and carried (Aye-8; Nay-0).

Concessionaire	Attraction	Ticket Prices(s)	Percentage(s)
Fun Adventures, Inc.	Skycoaster	\$30.00 one rider \$50.00 two riders \$60.00 three riders \$15.00 re-fly	20% after deduction of verifiable crane costs
Infinite Adventures, Inc.	Ejection Seat	\$50.00 single \$60.00 double	20%
Promotional Management Group	Dinosaurs in Motion	\$4.00	20%

After discussion, it was moved by Mr. Baker, seconded by Mr. Keenan and carried that the following ticket prices and/or percentage terms adjustments be approved for the 1998 State Fair (Aye- Baker, Fox, Keenan, Lake, Paulmann, Recknor, Steltz; Nay- Simons).

Ye Old Mill Amusements, Inc.	Old Mill Canal Boat Ride	\$2.00-Adult (+ .25) \$1.50-Child (no change)	
K & M Recreation	Haunted House	\$3.00 (+ .50)	
Farrow Amusements, Inc.	Flume Water Ride		35%
Farrow Amusements, Inc.	Rock & Roll Express		35%
Arrow Enterprises, Inc.	Skyride	\$2.50-Adult one-way (+ .25) \$3.75-Adult roundtrip (+ .25) \$2.00-Youth one-way (+ .25) \$2.75-Youth roundtrip (+ .25)	

Mr. Sinclair presented a report on the status of Mighty Midway and Kidway attraction bookings, including

printed summaries of licenses for rides, shows, games of skill, food and merchandise concessions. No action necessary.

Issuance of licenses granting 3.2 beer sales privileges during the 1998 State Fair for the following two concession operators was approved on a motion by Mr. Keenan, seconded by Mr. Recknor and carried (Aye-8; Nay-0).

TRES-C, Inc. Block 42 Arcade Building, spaces 1-10
(Joel & Mary Chesin)
Andrus Concessions, Inc. Block 42 Arcade Building, spaces 11-15
(Robert & Joseph Andrus)

Sinclair presented a brief report on the status of Brede Enterprises, Inc.'s, participation in the 1998 State Fair. On a motion by Mr. Fox, seconded by Mr. Recknor and carried, the meeting was adjourned at 10:18 a.m. (Aye-8; Nay-0).

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Libby Conference Center, State Fairgrounds
Tuesday June 2, 1998 - 10:23 a.m.

Members present: Vern Prokosch, president; Joe Fox, vice president; Richard Keenan, vice president; John Paulmann; Lyle Steltz; Dennis Baker; Bob Lake; Don Simons; Clarice Schmidt; Howard Recknor; Jerry Hammer, secretary.

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

Meeting was called to order at 10:23 a.m. by Mr. Prokosch.

The minutes of the March 17, 1998, board and sales committee meetings were approved on a motion by Ms. Schmidt, seconded by Mr. Paulmann and carried (Aye-9; Nay-0).

Society minutes in vacation covering the period March 18 through May 31, and the administrative action taken during that time, were approved on a motion by Mr. Recknor, seconded by Mr. Keenan, and carried (Aye-9; Nay-0).

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

Mr. Jacobson presented the May 31, 1998, financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Apr. 30, 1998		\$175,883
Add: Cash Deposits	1,064,538	
Less: Payroll Ending May 13	(160,751)	
Payroll Ending May 27	(123,076)	
Cash Disbursements	(824,474)	(43,763)
Cash Balance-May 31, 1998		\$132,120

MARKETABLE SECURITIES ACTIVITY:

Balance-Apr. 30, 1998		\$1,033,504
Add: Interest Earned	4,923	
Securities Purchased	300,000	304,923
Less: Securities Redeemed		
Balance-May 31, 1998		\$1,338,427

BUILDING FUND ACTIVITY:

Balance-Apr. 30, 1998		\$764,609
Add: Interest Earned		3,138
Less: Securities Redeemed		
Balance-May 31, 1998		\$767,747

CASH BALANCES FOR MONTH ENDING MAY 31:

	1997	1998
General Fund	\$144,958	\$132,120
Petty Cash	1,000	3,000
Marketable Securities	372	1,338,427
Building Fund	987	767,747
Total Cash Balances	\$147,317	\$2,241,294

After review, it was moved by Mr. Simons, seconded by Mr. Keenan and carried that the financial statement of May 31, 1998, be approved (Aye-9; Nay-0).

Mr. Jacobson presented a status report on the society's loan portfolio. No action required.

MINNESOTA STATE FAIR LOAN PORTFOLIO

Origination Date	9/01/89	5/17/91	10/30/91	8/22/94	4/7/95
Principal Amount	\$733,766	\$600,000	\$160,000	\$600,000	\$1,100,000
Purpose	Land	Visitors Plaza	Land	Progress Center	Carousel Park
Term	10 years	15 years	10 years	5 years	5 years
Maturity	9/1/99	10/1/06	10/31/01	9/1/99	7/30/00
Rate or Margin	.73% of prime	Prime - 1%	Prime	7%	7%
Current Rate	6.205%	7.5%	8.5%	7.00%	7.00%
Payment Principal & Interest	\$36,689 semi-annual Mar/Sept (\$7,450 monthly)	\$5,599 monthly	\$8,000 semi-annual Apr/Oct (\$1,938 monthly)	\$11,930 monthly	\$21,838 monthly
Current Balance	\$110,066	\$355,194	\$56,000	\$171,287	\$506,863

Totals: ¹(Principal amount) \$3,193,766; ²(Payment principal and interest) \$48,755;

³(Current balance) \$1,199,410

MINNESOTA STATE FAIR LOAN AMORTIZATION SCHEDULE (JUNE 1, 1998)

	Telephone Cabling	Land (Sussel)	Progress Center	Carousel Park	Land (Glacier)	Visitors Plaza	TOTALS
Balance	0	110,066	171,287	506,863	56,000	355,194	1,199,410
1999		36,689	34,709	269,475	40,000	314,420	695,293
2000		0	0	18,387	24,000	269,289	311,676
2001				0	8,000	233,707	241,707
2002					0	186,755	186,755
2003						135,841	135,841
2004						80,711	80,711
2005						20,995	20,995
2006						0	0

After a presentation by Ms. Goiffon, the following changes to the society's employee handbook were approved on a motion by Mr. Keenan, seconded by Mr. Fox and carried (Aye-9; Nay-0).

Bulletin #2Y supersedes and replaces MSAS Employee Bulletin #2X, issued 1-1-98. These rules go into effect 7-1-98.

SICK LEAVE - Paid sick leave for employees will be accumulated at the rate of four hours per pay period. Prior to January 1, 1999, when and if employee's sick leave accumulation reaches 900 hours and while said accumulation is at or beyond the 900 hour mark, paid sick leave will be accumulated at the rate of two hours per pay period. Beginning January 1, 1999, sick leave will be accumulated at the rate of four hours per pay period regardless of the hours accumulated. Also on January 1, 1999, employees who have accumulated sick leave in excess of 900 hours will have the excess hours doubled. Holidays that occur during sick leave periods will be paid as holidays and not charged sick leave. THERE WILL BE NO LIMITATIONS ON THE EXTENT OF EMPLOYEE'S SICK LEAVE ACCUMULATION.

SEVERANCE PAY - Any employee who is separated from employment with the society after 10 years of continuous employment by reason of death; retirement; layoff, other than seasonal; or discharge, for reasons other than malfeasance; shall be entitled to receive severance pay upon such separation. Severance pay shall be a sum equal to the employee's regular rate of pay at the time of separation multiplied by 40% of the employee's accumulated but unused sick leave balance up to 900 hours. In addition, employees who separate prior to January 1, 1999, shall receive 25% of the employee's accumulated sick leave hours over 900, times the employee's rate of pay at the time of separation. Employees who separate on or after January 1, 1999, shall receive 12.5% of the employee's hours over 900, times the employee's regular rate of pay at the time of separation.

DEFERRED COMPENSATION - This is a voluntary plan that allows employees to place a portion of their earnings into a pretax investment program. Taxes on earnings are deferred until time of withdrawal. Once in each calendar year, an employee may convert up to one hour of vacation for each hour of vacation used in the 26 pay periods ending with the last full pay period in the previous year, provided that an employee may not convert more than 80 hours per year. The employee will receive (up to) a \$75 matching contribution from the fair. After January 1, 1999, there will no longer be a matching contribution made by the fair.

If an employee does not choose to convert accumulated vacation to their deferred compensation plan, they will receive (up to) a \$150 matching contribution from the fair, once in each calendar year ending the Friday of the last full pay-period of the calendar year. After January 1, 1999, the matching contribution from the fair will be an amount up to \$200.

NOTE: All contributions to an individual's plan, including matching contributions, may not exceed \$8,000 in any calendar year.

Bulletin #3X supersedes and replaces MSAS Employee Bulletin #3W, issued 1-19-97. These rules go into effect 7-1-98.

SEAT BELTS - When traveling in a State Fair vehicle, a leased or rental vehicle or your personal vehicle on State Fair business, you are expected to use safety belt systems provided in such vehicles. You should also encourage other occupants in the vehicle to use such systems.

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

The compensation for use of personal automobiles by employees traveling on official State Fair business shall be 29 cents per mile. As of January 1, 1999, the rate will increase to 31 cents per mile. (Changes in this mileage rate shall be made through formal action of the board and are effective on the date of such action.) No additional reimbursement will be made for any expense incident to the operation or maintenance of such personal car excepting only toll charges and parking fees. Mileage shall be paid for the shortest direct route according to highway department records. Mileage for deviations from the shortest direct route, such as vicinity driving or point of departure, shall be shown as a separate item on the expense report along with an explanation for each day before reimbursement will be allowed.

MEALS - Employees shall not claim reimbursement for more than the amount actually paid for meals including a reasonable gratuity and that amount must be reasonable, taking into consideration the location in which the meal is secured. The maximum reimbursement, including sales tax, for meals within the state shall be \$7.00 for breakfast, \$9.00 for lunch and \$15.00 for dinner. The maximum reimbursement, including sales tax, for meals outside the state and on trains shall be \$8.00 for breakfast, \$10.00 for lunch and \$17.00 for dinner. (Changes in this meal allowance schedule, made periodically by the State Department of Administration, shall be incorporated into the regulation as they occur pending formal action by the board.) Reimbursement in connection with an official breakfast, lunch, dinner or banquet shall be the actual cost of the meal.

PERSONAL EXPENSES - Employees in travel status in excess of one week who do not return home during that period of time may claim reimbursement not to exceed \$16.00 per week for laundry and/or dry cleaning and pressing expenses for each week after the first week. If the employee returns home during the period of time in travel status, the reimbursement for laundry, dry cleaning or pressing will not be allowed in the week following the employee's return to travel status. Receipts must accompany the claim for reimbursement. Reimbursement for documented personal telephone calls will be reimbursed up to \$3.00 per day while on travel status. Reasonable costs for baggage handling will be reimbursed.

Upon a motion by Mr. Keenan, seconded by Ms. Schmidt and carried, fair-period invitations were approved for the following functions: Minnesota Federation of County Fairs luncheon, Saturday Aug. 29; State Fair Hall of Fame and Life Members luncheon, Sunday Aug. 30; Minnesota Livestock Breeders breakfast, Thursday Sept. 3; and mayors, media, county fair and business representatives picnic supper, Thursday Sept. 3 (Aye-9; Nay-0).

The departmental payroll schedule for 1998, prepared by superintendents under budgetary guidelines and confirmed by appropriate division directors, was presented and approved on a motion by Mr. Fox, seconded by Ms. Schmidt and carried (Aye-9; Nay-0).

1998 STATE FAIR PERIOD PAYROLL

Department	1997 Projected	1997 Actual	1998 Projected
Access Services	1,200.00	1,029.00	.00
Admissions	123,405.90	123,506.39	135,687.00
Ag-Hort Custodial	9,598.40	9,213.20	9,904.00
Agri-Land	0.00	1,244.00	1,400.00
Bazaar	4,880.25	4,993.88	5,250.00
Bee and Honey	5,068.50	5,135.80	5,342.50

Department	1997 Projected	1997 Actual	1998 Projected
Beef Cattle	2,735.00	2,445.58	2,603.50
Care and Assistance	1,989.75	1,368.05	1,707.50
Christmas Trees	2,848.50	2,683.50	2,845.00
Coliseum	6,028.60	4,378.09	6,013.00
Commercial Space Checker	2,600.00	3,104.13	3,340.00
Competition	544.50	544.50	561.00
Concession Checkers	3,612.00	2,913.13	3,795.00
Creative Activities	36,549.00	37,080.40	40,175.10
Creative Activities Annex	3,533.00	3,795.00	3,669.50
Crossroads Building	5,971.00	4,359.04	6,261.68
Cup Warehouse	3,132.00	2,576.00	2,946.00
D.N.R.	1,056.00	1,012.00	936.00
Dairy Cattle	3,317.50	2,953.50	3,137.00
Dairy Products	600.00	600.00	600.00
Dog Trials	410.00	412.75	522.50
Education	15,243.15	14,637.10	15,363.05
Electric	6,146.00	6,195.63	6,515.38
Empire Commons	4,404.23	3,825.23	4,915.25
F.F.A.	9,990.12	10,496.79	11,494.00
Farm Crops	8,986.50	8,141.23	10,684.50
Finance	4,890.00	5,426.26	5,657.50
Fine Arts	18,660.80	16,687.99	17,751.20
Flowers	4,135.00	4,456.91	4,715.00
Forage	10,186.25	5,088.00	6,200.00
Free Entertainment	39,208.44	35,340.79	36,229.25
Fruit and Wine	5,100.00	5,109.80	5,371.50
Gate Ticket Sales	123,830.00	125,146.62	129,412.50
Gift Shop	9,734.25	9,865.32	11,487.50
Goat	1,651.25	1,641.70	1,740.00
Grandstand Artist Sales	3,360.00	2,070.00	3,375.00
Grandstand Auto Race	6,041.00	5,905.00	6,806.00
Grandstand Production	34,377.50	31,154.15	32,410.00
Grandstand Stage Crew	70,000.00	70,924.14	70,000.00
Guest Services	8,985.25	10,135.89	9,344.80
Heritage Exhibits	6,205.00	6,134.00	6,134.00
Heritage Square	5,362.20	5,076.41	5,639.45
Home Improvement	2,002.00	2,185.63	2,129.00
Horse	24,323.75	24,649.52	27,417.50
Information Services	16,138.25	14,063.76	18,344.00
Llama	980.50	912.27	1,218.50
Machinery Hill	2,597.50	2,644.00	2,430.50
Marketing	6,913.50	6,648.45	7,620.00
Mascot	4,800.00	5,371.25	5,500.00
Meats	3,060.00	2,860.00	2,970.00
Merchandise Mart	2,549.00	2,789.43	2,705.20
Midway Operations	28,553.00	26,851.88	32,824.43
Midway Ticket Sales	77,890.00	66,937.86	77,157.50
Milking Parlor	18,970.00	19,738.79	20,572.50
Modern Living	1,963.00	1,984.50	2,079.20
Officers Cottage	2,211.00	1,657.50	1,695.75
Operators	7,969.75	6,755.64	8,560.75
Park and Ride	74,011.15	85,412.77	88,198.75
Parking	102,200.50	112,398.00	121,191.00
Percent Check-in Operator	2,600.00	2,520.64	2,520.63
Poultry	4,929.50	4,536.81	4,743.50
Public Safety	173,210.00	176,322.50	190,498.75
Public Safety Sub Station	88,745.00	90,716.04	96,608.75
Sanitation	146,989.00	142,636.36	158,160.00
Senior Citizens	5,435.00	5,265.11	5,503.00
Sheep	2,763.15	2,763.15	2,849.38
Swine	4,550.16	3,950.00	3,950.00
Ticket Audit	5,024.00	5,142.50	5,640.00
Ticket Office Coliseum	3,877.50	3,244.63	3,405.00
Ticket Office Grandstand	11,410.50	10,842.11	11,128.75
Ticket Takers	50,353.00	53,493.06	55,530.50
Transportation	5,242.75	4,821.33	5,343.00
Varied Industries	11,032.65	11,645.85	12,278.70
Vegetable	3,553.10	3,125.08	3,355.00
4-H Regular	40,723.00	44,902.91	48,481.00
4-H University	76,220.00	67,151.75	70,368.75
TOTAL	1,630,524.30	1,615,727.98	1,740,921.45

Upon a motion by Mr. Simons, seconded by Mr. Keenan and carried, staff was authorized to provide appropriate reimbursement for legitimate storage damage claims (Aye-9; Nay-0).

Mr. Hammer offered a summary of the '98 State Fair's sponsorship program, indicating that \$197,000 have been tentatively secured from a diverse group of cash sponsors. A second group of companies and organizations are also making commitments to the fair as promotional partners. Mr. Hammer offered that a complete report of sponsor activities will be presented at the board's Aug. 28 meeting. No action required.

1998 SPONSORSHIP PROGRAM

Attraction	Sponsor	Fee
Adventure Park	Target Guest Card	\$15,000
Auto Race (title sponsor)	Miller Brewing Co.	25,000
Auto Race (presenting sponsor)	Auto Value Parts Stores	15,000
Baldwin Park	Cal Spas	17,500
Bandshell	Grain Belt Premium (Minn. Brewing Co.)	30,000
Barn Tours	Various Producers Associations	7,000
Bazaar	Leinenkugel's (Miller Brewing Co.)	17,500
Century Farms	Minnesota Farm Bureau Federation	1,500
Children's Theater	Norwest Banks	10,000
Daily Schedule	M.A. Gedney Co.	6,500
Milk Run	American Dairy Association	3,000
Pet Center	Ralston Purina	12,500
Rodeo	Dodge Trucks	2,000
Senior Welcome Center	Medica	7,500
Trams (tentative)	Minnesota Propane Gas Association	15,000
Herdsman Awards	Hi-lex	750
North Woods	Primestar	12,000
Total		\$197,750

Non-Cash Sponsors

Access for Pride-Will provide volunteers to assist people with disabilities, including wheelchair assistants,

guides and visual interpreters for the blind and visually impaired.

Budweiser-Will bring the Clydesdales and Beer School, supported with advertising.

Care & Assistance-Knox Lumber provides staff, materials and general assistance.

Cup Recycling-Coca-Cola provides additional barrels, as needed. Tenneco provides assistance with processing and on-grounds recycling information.

Milk Cartons-Schroeder Dairy will include State Fair information on 1.2 million milk cartons.

Milk Run-WCCO Radio will provide promotion.

Special Contests-In addition to cash fees, contest sponsors provide materials, prizes, and in some cases, personnel.

Along with the above, negotiations continue with a variety of potential sponsors, sponsor agencies and other promotional partners.

Grandstand, Coliseum, free stage and other fair-period entertainment contracts were reviewed by Ms. Leach and approved on a motion by Mr. Simons, seconded by Mr. Steltz and carried (Aye-9; Nay-0).

CONTRACTOR	DATES	TERMS	VENUE
Audio Visions	8/25-9/7	\$24,000	Grandstand
Grandstand Sound			
Theatrical Media Services	8/25-9/6	\$23,000	Grandstand
Grandstand Lighting			
Free Style Productions	8/27-9/6	\$51,072.90	Grandstand
Warling Catering	8/27-9/7	\$6,500 plus \$6.00-\$6.50/hr. support personnel	Grandstand
Americana Fireworks Display Company	8/27-9/7	\$32,000	Grandstand
Allied Audio Services Milk Run Sound System	8/30	\$300	Grandstand
LeAnn Rimes Ent., Inc. f/s/o LeAnn Rimes	8/27	\$61,200 plus 48% over \$170,000 plus \$23,000 production	Grandstand
Just A Pup, Inc. f/s/o Bryan White	8/27	\$40,800 plus 32% over \$170,000	Grandstand
Outta The Hole Touring f/s/o Lynnyrd Skynyrd	8/29	\$60,000 plus 80% over \$115,000	Grandstand
The Kentucky Roadkill Co. f/s/o Kentucky Headhunters	8/29	\$10,000	Grandstand
G.P. Music, Inc. f/s/o Gary Puckett	8/30	\$12,500	Grandstand
Flo & Eddie, Inc. f/s/o The Turtles	8/30	\$11,500	Grandstand
Robert Grill f/s/o The Grass Roots	8/30	\$11,000	Grandstand
The Wallflowers	8/31	\$125,000 plus 80% over \$180,000	Grandstand
Max Carl & Big Dance	8/31	\$10,000	Grandstand
Wynonna, Inc. f/s/o Wynonna	9/1	\$62,000 plus 48% over \$175,000 plus \$13,000 production	Grandstand
Sawyer Brown, Inc. f/s/o Sawyer Brown	9/1	\$50,000 plus 32% over \$175,000	Grandstand
Get Right, Inc./The Going Raitt f/s/o Bonnie Raitt	9/2	\$150,000 plus 80% Over \$200,000	Grandstand
The Oak Ridge Boys, Inc. f/s/o The Oak Ridge Boys	9/3	\$30,000 plus 80% over \$90,000	Grandstand
Williams & Ree	9/3	\$10,000	Grandstand
Jonny, Inc. f/s/o Jonny Lang	9/4	\$100,000 plus 85% over \$150,000	Grandstand
Loretta Lynn Enterprises f/s/o Loretta Lynn	9/5	\$35,000 plus 75% over \$105,000	Grandstand
Gayle Enterprises, inc. f/s/o Crystal Gayle	9/5	\$30,000	Grandstand
American Speed Association	9/7	\$120,750	Grandstand
Allied Audio Systems Bandshell Sound	8/26-9/7	\$18,550	Bandshell
Allied Audio Systems Bandshell Lights	8/26-9/7	\$3,000	Bandshell
Allied Audio Systems Spotlight	8/26-9/7	\$900	Bandshell
Allied Audio Systems Communications	8/26-9/7	\$1,062	Bandshell
Tom Chepokas f/s/o T.C. & Company	8/27-9/7	\$6,250 plus \$56 per two hour audition fee	Bandshell
RS Entertainment, Inc. f/s/o Ricky Skaggs	8/27-28	\$25,000	Bandshell
Interrobang, Inc. f/s/o Michael Peterson	8/29-30	\$20,000	Bandshell
Maynard Ferguson Music USA, Inc. f/s/o Maynard Ferguson	8/31-9/1	\$20,000	Bandshell
Jamieson Brown Music, Inc. f/s/o Junior Brown	9/2-3	\$20,000	Bandshell
The Honeydogs	9/4-5	\$10,000	Bandshell

Chrome Dome, Inc. f/s/o Kevin Sharp	9/6-7	\$20,000	Bandshell	The Battersby Duo	9/2-9/7	\$5,362	Children's Theater
Dale Watson	8/27-30	\$12,000	Bandshell	Allied Audio Services Ramberg Sound	8/26-9/7	\$495	Ramberg
Thompson Brothers Touring Inc. f/s/o The Thompson Brothers	8/27-30	\$12,500	Bandshell	John Jordan & Friends	8/27-28	\$600	Ramberg
Sherrie Austin	8/27-30	\$14,000	Bandshell	Jolly Nobles	8/27-28	\$800	Ramberg
BR5-49 Tours, Inc. f/s/o BR5-49	8/31-9/3	\$20,000	Bandshell	Jim Busta Band	8/27-28	\$900	Ramberg
Fairfield Four	8/31-9/3	\$14,000	Bandshell	Bourbon Street Boys	8/29-30	\$1,200	Ramberg
Michelle Wright	8/31-9/3	\$20,000	Bandshell	Blue Ox Jazz Babies	8/29, 31 & 9/1	\$1,350	Ramberg
Jade, Inc. f/s/o Mila Mason	9/4-7	\$20,000	Bandshell	James Gang	8/29 & 9/6	\$598	Ramberg
Limpopo	9/4-7	\$7,500	Bandshell	Jolly Huntsmen Band	8/30 & 9/2	\$1,480	Ramberg
Tour Data Corp. f/s/o Dan Seals	9/4-7	\$20,000	Bandshell	Nostalgia	8/31-9/1	\$700	Ramberg
Allied Audio Services Baldwin Sound	8/26-9/7	\$4,600	Baldwin	Stomp N' Dixie	8/30, 9/3, 9/4	\$975	Ramberg
Uncolas	8/27-30	\$4,000	Baldwin	Pigs Eye Jass Band	8/31, 9/3	\$1,456	Ramberg
Renee Austin	8/27-30	\$3,500	Baldwin	Merv's Dixielanders	9/1-2	\$700	Ramberg
Signature	8/27-30	\$11,000	Baldwin	Tom Chepokas f/s/o The Blue Suedes	9/2 & 9/5	\$1,250	Ramberg
Todd Wegner/Kid Hollywood & The Wild Coconuts	8/31-9/3	\$4,400	Baldwin	Klondike Kates	9/3 & 9/4	\$600	Ramberg
Joe Juliano	8/31-9/3	\$4,800	Baldwin	Skal Musik	9/4 & 9/5	\$1,275	Ramberg
Tom Pickard f/s/o Jaqi Q	8/31-9/3	\$4,800	Baldwin	Fidgety Feet	9/5 & 9/7	\$960	Ramberg
The Hot Head Swing Band	9/4-7	\$4,800	Baldwin	Mouldy Figs	9/6 & 9/7	\$1,200	Ramberg
Nate Dungan f/s/o Trailer Trash	9/4-7	\$7,000	Baldwin	Elk River German Band	9/6 & 9/7	\$750	Ramberg
Bobby Llama	9/4-7	\$3,300	Baldwin	Allied Audio Services Parade Review Sound	8/27-9/7	\$1,100	Parade
Day Productions f/s/o Bobby Llama	9/4-7	\$700	Baldwin	Allied Audio Services Parade Float Sound	8/27-9/7	\$1,125	Parade
Allied Audio Services Bazaar Sound	8/26-9/7	\$3,975	Bazaar	John & Mary Block	8/27-9/7	\$3,200	Parade
Stagebenders	8/27-30	\$3,000	Bazaar	Tri-State Judging Assn.	8/27-9/6	\$3,465	Parade
Third House Records and Bur	8/27-30	\$4,000	Bazaar	J & B Enterprises Bass Bin	8/27-9/7	\$10,800	North Woods
Puke & Snot	8/31-9/3	\$8,000	Bazaar	J & B Enterprises Fishing Simulator	8/27-9/7	\$3,600	North Woods
Cafe Accordion Orchestra	8/31-9/3	\$4,800	Bazaar	Scheer Brothers Lumberjack Shows, Inc.	8/27-9/7	\$20,600	North Woods
Big Guitars From Memphis	9/4-7	\$11,000	Bazaar	Gopher State Garden	8/28	\$650	Lee Avenue
Scared Weird Little Guys	9/4-7	\$9,000	Bazaar	Minnesota Purebred Dog Breeders Association	8/27-9/7	\$5,500	Pet Center
John & Mary Block Log Cabin	8/27-9/7	\$4,000	Heritage	Minnesota Veterinary Medical Association	8/27-9/7	\$6,000	Pet Center
Roger Abrahamson Wood Turner	8/27-9/7	\$2,000	Heritage	Barnes PRCA Rodeo	9/2-4	\$40,725	Horse
Allied Audio Services Heritage Sound	8/26-9/7	\$4,275	Heritage	Royal Lipizzaner Stallions, Inc.	8/27-9/7	\$75,000 plus 50 % of four full performances	Horse
The Bullas	8/27-30	\$8,500	Heritage	W.J. Mackey, DVM	8/27-9/7	\$11,500	Vet
Liz Gregory Talent f/s/o The Bullas	8/27-30	\$1,500	Heritage	Sweeney Corporation	8/27-9/7	\$24,000	Vet
Beat Up Ford, Inc. f/s/o Jack Ingram	8/27-30	\$10,000	Heritage	Barn Tours "The Original"	8/27-9/7	\$19,200 plus travel expenses	Competition
Wylie Gustafson f/s/o Wylie & The Wild West	8/27-30	\$11,000	Heritage	Eldo Bentley	8/27-9/7	\$4,500	Cattle
Mandy Barnett	8/31-9/3	\$12,500	Heritage	On The Farm Game Show	8/27-9/7	\$9,600	Agri-Land
Medicine Show Music Company	8/31-9/3	\$5,400	Heritage	Business and staff memberships in the following organizations were approved on a motion by Mr. Keenan, seconded by Ms. Schmidt and carried (Aye-9; Nay-0).			
Barbary Coast Productions f/s/o Barbary Coast Dixieland Band	8/31-9/3	\$4,800	Heritage	Organization			Amount
Danni Leigh	9/4-7	\$12,000	Heritage	Alpaca & Llama Show Association			\$50.00
The Cousin Lovers	9/4-7	\$10,000	Heritage	American Dairy Goat Association			156.00
The Derailers	9/4-7	\$10,000	Heritage	American Horse Shows Association			600.00
Sean Emery	8/27-9/7	\$7,800	Children's Theater	American Miniature Horse Association			50.00
Merry Bobb Music, Inc. f/s/o The Splatter Sisters	8/27-9/1	\$4,050	Children's Theater	American Paint Horse Association			25.00
Barrett Felker and Allan Jacobs f/s/o The Gizmo Guys	8/27-9/1	\$6,300	Children's Theater	American Payroll Association			25.00
LeapFrog Entertainment, Inc. f/s/o The Gentlemen Jugglers	8/27-9/1	\$6,600	Children's Theater	American Quarter Horse Association - Membership			20.00
Kit & Kaboodle	9/2-7	\$3,000	Children's Theater	American Quarter Horse Association - Show Approval			100.00
Tim Gabrielson	9/2-7	\$3,300	Children's Theater	Better Business Bureau of Minnesota			280.00
				Box Office Management International			180.00
				Canadian Association of Fairs & Expositions			200.00
				Country Music Association			100.00
				Executive Women International			247.00
				Greater Minneapolis Chamber of Commerce			395.00
				International Arabian Horse Association			75.00
				Intl Assn of Amusement Parks & Attractions			193.00
				International Association of Fairs & Expositions			900.00
				International Association of Lions Club			290.00
				Mid-West Fairs Associations			250.00
				Midway Chamber of Commerce			150.00
				Minneapolis Convention & Visitors Association			197.50
				Minnesota Agri-Growth Council			400.00
				Minnesota Broadcasters Association			200.00
				Minnesota Chapter, Natl Institute of Govt Purchasing			50.00
				Minnesota Employees Recreation & Services Council			275.00
				Minnesota Federation of County Fairs			50.00
				Minnesota Festivals & Events Association			100.00
				Minnesota Hunter & Jumper Association			50.00
				Minnesota Ice Arena Managers Association			150.00
				Minnesota Newspaper Association			300.00
				Minnesota Paint Horse Association			25.00
				Minnesota Quarter Horse Association			40.00

Minnesota Safety Council	175.00
Minnesota Society of Association Executives	165.00
Minnesota Waste Wise	50.00
National Association of Amusement Ride Safety Officials	35.00
National Association of Purchasing Management-Twin Cities	225.00
National Independent Concessionaires Association	100.00
North American Livestock Show & Rodeo Managers Association	100.00
Outdoor Amusement Business Association	50.00
Public Relations Society of America	125.00
Rocky Mountain Association of Fairs	250.00
Roseville Rotary Club	360.00
St. Paul Area Chamber of Commerce	533.00
St. Paul Convention & Visitors Bureau	350.00
Suburban Area Chamber of Commerce	480.00
Tri-State Horseman's Association	55.00
Western Fairs Association	750.00
Total	\$9,926.50

Copies of the legislative audit report covering fiscal 1997 were reviewed. It was moved by Mr. Steltz, seconded by Mr. Fox and carried that the report be accepted (Aye-9; Nay-0).

Mr. Hammer reviewed the status of discussions with Burlington Northern Railroad regarding purchase of property south of Como Avenue, formerly occupied by a railroad siding until 1981. Upon a motion by Mr. Simons, seconded by Mr. Keenan and carried, staff was authorized to finalize details for acquisition of the property (Aye-9; Nay-0).

Mr. Hammer offered a report on the status of discussions with the Minnesota Department of Transportation regarding their old Central Shops building on the State Fairgrounds. Report only; no action required.

It was moved by Ms. Schmidt, seconded by Mr. Baker and carried that the Radisson South Hotel, Bloomington, be confirmed as site for the 2000, 2001 and 2002 annual meetings on dates corresponding to the present schedule (Friday through Sunday preceding Martin Luther King holiday) and that staff be authorized to negotiate terms and conditions of a hotel contract (Aye-9; Nay-0).

Meeting adjourned at 11:25 a.m. on a motion by Mr. Steltz, seconded by Mr. Fox and carried (Aye-9; Nay-0).

MINUTES IN VACATION

June

1- Executive Committee approved the May 31, 1998 cash transaction summary.

5-6 - Auto Dealers Fleet Services conducted a car sale in the Agromart and on Machinery Hill.

5-7 - The Minnesota Arabian Horse Show was presented in the Coliseum.

6 - Midwest Coca-Cola Bottlers held a company picnic on Machinery Hill.

7 - The 16th annual All GM Car and Truck Show and Swap Meet was presented at the Race Track Infield.

8 - Sinclair and Birk met with Ken Budrow regarding the sale of his concession structure on the fairgrounds and its equipment.

10-12 - Utechniques Saturn Ride and Drive was held on the Midway lot.

11 - Hammer and Goiffon attended a meeting of the Minnesota State Executive Council where approval was obtained for the society to purchase 1.44 acres on the south Como parking lot from Burlington Northern Railroad. Sinclair and Birk met with John Schumacher regarding his acquisition of the concession structure and equipment previously owned by Ken Budrow.

12-14 - The Great American Gem, Mineral & Jewelry Show was conducted at the Education Building.

13-14 - The Minnesota Antique Spectacular & Flea Market was presented at the Grandstand and Race Track Infield.

15 - Sinclair and Rustad met with Mike Gianotti of the state department of health and Charles Klammer of the state department of agriculture regarding food and beverage concessions inspections during the '98 State Fair. Sinclair, Ritt and McGough met with representatives of Home Depot to discuss their involvement as exhibitors at the '98 State Fair.

15-18 - The 4-H Leadership Extravaganza was conducted at the 4-H Building.

16 - Goiffon and Flinn met with representatives of the Minnesota Council of Churches regarding counseling service. Hammer and Ritt met with members of Bolin Marketing & Advertising to discuss market research.

17 - Leach and Tahti met with the producers and cast of Tony 'n Tina's Wedding to begin coordination of their '98 State Fair Grandstand show.

19-21 - The Minnesota Street Rod Association's Back to the '50s Weekend was presented, utilizing the entire fairgrounds.

24 - Hammer met with the University of Minnesota's Paul Tschida and Mark Cox to discuss mutual issues. A St. Paul Neighborhood Cleanup was held at the north parking lot.

24-27 - The Tanbark Cavalcade of Roses Horse Show was presented at the Coliseum.

26 - Special Olympics Minnesota conducted a cycling competition at the Grandstand race track.

29 - Goiffon and Schadeck, along with state attorney general's representative Carl Conney, attended real estate closing procedures for the old railroad spur property on the south Como lot. Sinclair and Ritt met with Julie Banks of the St. Paul Pioneer Press to discuss exhibit plans for the '98 State Fair.

July

2-5 - The North Star Morgan Americana Horse Show was presented at the Coliseum.

4-5 - The City of St. Paul Park & Recreation Department utilized a portion of the south Como lot for parking.

6-15 - The City of St. Paul Forestry Department utilized the north parking lot as a public drop-off site for tree limbs and brush generated by storm damage.

7 - Sinclair and Ritt met with Dana Deutsch of KSTP-TV to discuss exhibit plans for the upcoming fair. Sinclair and Heffron met with representatives of Premium Waters to review distribution plans for providing bottled water at the '98 State Fair. Sinclair, Ritt, Birk, McGough and Tahti met with representatives of Capital Beverage Sales (Budweiser) to discuss sponsorship potential for the fair's nightly fireworks shows.

8 - Wonders of Technology exhibit participants met at the Libby Conference Center.

9 - Dalco/Tennant presented a trade show in the Merchandise Mart.

10 - Executive Committee approved the June 30, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:	
Cash Balance-May 31, 1998	\$132,120
Add: Cash Deposits	1,439,560
Less: Payroll Ending June 13	(148,230)
Payroll Ending June 27	(166,454)
Cash Disbursements	258,750
Cash Balance-June 30, 1998	\$390,870

MARKETABLE SECURITIES ACTIVITY:

Balance-May 31, 1998		\$1,338,427
Add: Interest Earned	6,081	6,081
Securities Purchased		
Less: Securities Redeemed		
Balance-June 30, 1998		\$1,344,508

BUILDING FUND ACTIVITY:

Balance-May 31, 1998		\$767,747
Add: Interest Earned	3,489	3,489
Securities Purchased		
Less: Securities Redeemed		
Balance-June 30, 1998		\$771,236

CASH BALANCES FOR MONTH ENDING JUNE 30:

	1997	1998
General Fund	\$262,213	\$390,870
Petty Cash	3,250	3,000
Marketable Securities	400,374	1,344,508
Building Fund	991	771,236
Total Cash Balances	\$666,828	\$2,509,614

10-11 - Midwest Bookhunters Used Bookfair was conducted in Empire Commons.

10-17 - The National Dairy Goat Show was held at the fair's livestock facilities.

14 - Johnson attended a meeting of the Minnesota Department of Job Security's employment committee.

15 - Johnson attended a training session for America's Talent Bank network. Wenzel and Blakey met with representatives of the St. Paul Police Department to confirm traffic management plans for the upcoming fair.

17 - Hammer attended the Ramsey County Fair on Harriet Island in St. Paul.

18-19 - Car Craft Magazine's Summer Cruise muscle car show was presented on Machinery Hill.

22 - A group of 50 people made up of fair employees, their families and friends participated in the Minneapolis Aquatennial Torchlight Parade.

23 - Bill Perl, a 20-year veteran of the State Fair service department, died after a short battle with cancer.

Hammer attended and addressed a pre-fair dinner meeting for the staff of the Dakota County Fair in Farmington. Johnson attended a Prevue for Windows seminar, presented by Profiles International, Inc.

24 - Auditions for the '98 State Fair Amateur Talent Contest began at the Bandshell and continued through Aug. 3. A record 550 acts registered for the tryouts.

27 - Anne Heideman, superintendent of the fair's llama department and long-time participant in State Fair horse show administration, died of complications from cancer.

28 - Hammer addressed a meeting of the St. Paul Rotary Club. Hammer met with St. Paul Deputy Mayor Tom Fabel, Roseville Mayor Dan Wahl, Falcon Heights Mayor Sue Gerzh and St. Paul City Councilman Jay Benavay to discuss mutual issues.

30 - Johnson attended a seminar titled "Hiring: Stepping Through The Maze."

August

10 - Hammer and assistant attorney general Carl Conney met with St. Paul city attorney Peter Warner and city official Peter White to discuss drainage and assessment issues.

11 - Hammer, Leach, Sinclair and Ritt met with David Hyslop and Reid McLean of the Minnesota Orchestra to discuss mutual issues.

19 - The State Fair Campground opened. The Minnesota 4-H Foundation conducted a donor appreciation dinner at the 4-H Building; board members Clarice Schmidt, Lyle Steltz and John Paulmann attended.

25 - A preview of the Wonders of Technology exhibit was presented in the Progress Center, followed by a special artists preview of the 1998 State Fair Fine Arts Exhibition at the Arts Center.

26 - The Princess Kay of the Milky Way coronation, sponsored by the American Dairy Association of Minnesota, was presented at the Bandshell. Preliminary horse show events were conducted at the Coliseum. Employee parking and shuttle services began, and the camper parking lot on Como Avenue opened.

27 - The 1998 Minnesota State Fair opened to the public at 6 a.m. The fair's new Care & Assistance Center was dedicated at 9:30 a.m. The official opening ceremony for the '98 State Fair was presented at 10:45 a.m. at the Bandshell.

MEETING OF THE GOVERNING BOARD

MINNESOTA STATE AGRICULTURAL SOCIETY

Officers Quarters, State Fairgrounds

Friday Aug. 28, 1998 - 10 a.m.

Members present: Vern Prokosch, president; Joe Fox, vice president; Richard Keenan, vice president; Clarice Schmidt; John Paulmann; Lyle Steltz; Dennis Baker; Bob Lake; Don Simons; Howard Recknor; Jerry Hammer, secretary.

Also present: Kent Harbison.

Meeting was called to order at 10 a.m. by Mr. Prokosch.

The minutes of the June 2, 1998, board and sales committee meetings were approved on a motion by Mr. Recknor, seconded by Mr. Simons and carried (Aye-9; Nay-0).

Society minutes in vacation covering the period June 1 through August 27, and the administrative action taken during that time, were approved on a motion by Ms. Schmidt, seconded by Mr. Fox, and carried (Aye-9; Nay-0).

Mr. Hammer presented the July 31, 1998, financial statement as follows:

GENERAL FUND ACTIVITY:

Cash Balance-June 30, 1998		\$390,870
Add: Cash Deposits	1,331,837	
Less: Payroll Ending July 8	(197,163)	
Payroll Ending July 22	(166,513)	
Cash Disbursements	(1,347,108)	(378,947)
Cash Balance-July 31, 1998		\$11,923

MARKETABLE SECURITIES ACTIVITY:

Balance-June 30, 1998		\$1,344,508
Add: Interest Earned	5,444	
Securities Purchased		
Less: Securities Redeemed	(175,000)	(169,556)
Balance-July 31, 1998		\$1,174,952

BUILDING FUND ACTIVITY:

Balance-June 30, 1998		\$771,236
Add: Interest Earned	3,396	3,396
Less: Securities Redeemed		
Balance-July 31, 1998		\$774,632

CASH BALANCES FOR MONTH ENDING JULY 31:

	1997	1998
General Fund	\$188,537	\$11,923
Petty Cash	8,195	9,145
Marketable Securities	470,375	1,174,952
Building Fund	995	774,632
Total Cash Balances	\$688,102	\$1,970,652

After review, it was moved by Mr. Paulmann, seconded by Mr. Baker and carried that the financial statement of July 31, 1998, be approved (Aye-9; Nay-0).

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

A list of entertainment contracts, not available for consideration at the June 2 board meeting, was submitted by secretary. The following contracts were approved on a motion by Mr. Fox, seconded by Mr. Keenan and carried (Aye-9; Nay-0).

CONTRACTOR	DATES	TERMS	VENUE
Keshaw, Inc. f/s/o BoDeans	8/28	\$60,000 plus 40% over \$160,000	Grandstand
3 E B Touring, Inc. f/s/o Third Eye Blind	8/28	\$60,000 plus 40% over \$160,000	Grandstand
Keb' Mo' Music, Inc. f/s/o Keb' Mo' Band	9/2	\$12,500	Grandstand
G. B. Leighton	9/4	\$5,000	Grandstand
Americana Fireworks Display Company f/s/o Sponsor Set Piece	9/6	\$5,280	Grandstand
FASA Racing Limited f/s/o Tony Raines	9/7	\$3,500	Grandstand
Jack Albinson	9/7	\$200	Grandstand
The Classics Rock & Roll Show	9/7	\$900	Grandstand
Minnesota State Fiddlers Association	9/6-7	\$2,800	Baldwin
Dave Mariette f/s/o Blacksmith	8/27-30	\$600	Heritage
David Olin f/s/o Blacksmith	8/31-9/3	\$600	Heritage
Tom Latane f/s/o Blacksmith	9/4-7	\$600	Heritage
Brian Boru Irish Pipe Band	8/29-30	\$1,200	Parade
Dave Stalhiem f/s/o Antique Pumper	8/27-9/7	\$1,100	Parade
Sky High Guys	8/29-30 & 9/5-7	\$1,750	Parade
Top Chops Brassline	9/7	\$800	Parade
Chopstix Percussion	9/7	\$800	Parade
Kraemers Kracker Jacks	8/27-9/7	\$5,000	Parade
Minnesota Pipes & Drums	9/6-7	\$1,200	Parade
Sandy Acres Farms f/s/o Pony Hitch	8/27-9/7	\$1,200	Parade
Minnesota Valley Antique Power Association	8/27-9/7	\$1,500	Agri-Land
Steve Bauer f/s/o Antique Tractors	8/27-9/7	\$2,000	Agri-Land
Tammy Kok f/s/o Threshing Machine	8/27-9/7	\$1,200	Agri-Land
Randy Roberts	8/27-9/7	\$2,600	Horse
Mike Johnson	8/27-9/7	\$4,500	Cattle

Hammer presented the list of recipients of the 1998 Ben. C. Hallberg Rural Youth Scholarships. Award winners are Nathan Brugman, Jeffers MN; Lisa Detloff, Bertha MN; Alice Diers, Waverly MN; Matthew Geiser, New York Mills MN; Bridget Hollerman, Farwell MN; Karen Huot, Kennedy MN; Renae Jorgens, Boyd MN; Leah Kaehler, St. Charles MN; Barbara Koester, Dennison MN; Sara Obermiller, Round Lake MN; Stephen O'Neill, Olivia MN; Nathan Resch, Glencoe MN; Eric Saterbak, Princeton MN; Chad Steele, Alden MN; Ryan Steele, Alden MN; Megan Torgerson, Warren MN; Stephanie Torgerson, Austin MN; Nicole Tyrrell, Brownville MN; Dan Watje, Willmar MN; and Angie Weis, Pine Island MN. Information only; no action required.

Mr. Hammer offered background on the Grandstand, its historic use and its potential renovation for future service as an exhibit and entertainment facility. Information only; no action required.

Mr. Hammer presented information on '98 State Fair ticket sales to date and the positive hiring situation for fair-time staff members. Information only; no action required.

On a motion by Mr. Paulmann, seconded by Mr. Lake and carried, the meeting was adjourned (Aye-9; Nay-0).

LIFE MEMBER ADVISORY COMMITTEE MEETING

Administration Building, State Fairgrounds
Sunday Aug. 30, 1998 - 1:45 p.m.

Members present: Howard Morris, chairman; Eileen Roehlke; Sulo Ojakangas; Evelyn Hagen; Harveydale Maruska; Dick Reinhardt; Bill Korff; Jerry Franke; Jerry Hammer, ex officio.

Also present: State Agricultural Society Hall of Famers John Libby and Mike Heffron.

The membership shared comments on the 1998 edition of the State Fair.

It was moved by Mr. Ojakangas, seconded by Mr. Franke and carried that long-time cattle superintendent Ray Arthaud be nominated to Honorary Life Membership in the Society (Aye - 7; Nay - 0).

Mr. Hammer updated the membership on the State Fairgrounds and its facilities.

Meeting adjourned.

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Officers Quarters, State Fairgrounds
Sunday Sept. 6, 1998 - 10 a.m.

Members present: Vern Prokosch, president; Joe Fox, vice president; Richard Keenan, vice president; Clarice Schmidt; John Paulmann; Lyle Steltz; Dennis Baker; Bob Lake; Don Simons; Howard Recknor; Jerry Hammer, secretary.

Meeting was called to order at 10 a.m. by Mr. Prokosch.

The minutes of the Aug. 28, 1998, board meeting was approved on a motion by Mr. Simons, seconded by Mr. Fox and carried (Aye-9; Nay-0).

It was moved by Ms. Schmidt, seconded by Mr. Recknor and carried to adopt the report and recommendation of the Life Member Advisory Committee filed with the secretary on Aug. 30, 1998 (Aye - 9; Nay - 0).

On a motion by Mr. Simons, seconded by Mr. Keenan and carried, the following resolution was adopted (Aye - 9; Nay - 0):

"Be it resolved, that the Minnesota State Agricultural Society's board of managers extend its most sincere gratitude to its many partners in the State Fair's public transportation system - namely, the many businesses and institutions that provide parking lots for use by fair visitors; the St. Paul Police Department for its invaluable assistance with traffic management; contractors and suppliers of essential equipment and materials; and, last but not least, Metro Transit for its innovative efficiency in providing equipment and personnel to conduct the most successful transit program of any fair in the world."

Secretary presented for consideration the following maintenance and improvement projects for fall start-up:

Reforestation (30 trees)	10,000
Culvert, pipes and landscaping (block 56)	20,000
Repair of Coliseum ice plant	10,000
Ag Hort interior painting (partial)	25,000
Gas tank removal and testing (block 33)	5,000
New gasoline tank (block 54)	25,000
New electric transformer (block 30)	55,000
MnDOT metal building demolition	40,000
Fine Arts restroom	20,000

Following discussion, the projects were approved upon a motion by Mr. Lake, seconded by Mr. Steltz and carried (Aye - 9; Nay - 0).

Secretary announced that the annual convention and trade show of the International Association of Fairs & Expositions would be held at the Hilton Hotel in Las Vegas, Nev., Nov. 30 - Dec. 3.

It was moved by Ms. Schmidt, seconded by Mr. Fox and carried that the dates for the 1999 State Fair be Thursday Aug. 26 through Labor Day, Monday, Sept. 6 (Aye - 9; Nay - 0).

An agenda date of Tuesday Nov. 10 was tentatively set for the next meeting of the board. No action required.

Ms. Schmidt introduced and Mr. Lake seconded a motion to commend the State Fair's family of employees for their superlative efforts in presenting the very successful 1998 edition of the Minnesota State Fair (Aye - 9; Nay - 0).

Upon a motion by Mr. Lake, seconded by Mr. Keenan and carried, the meeting was adjourned.

MINUTES IN VACATION

August

27 - Sept. 7 - Visitors from other expositions and special guests at the 1998 State Fair included: Tom Laird and Melissa Bass, Coca-Cola USA, Atlanta, Ga.; Doug Lofstrom and Jan Paulson, Los Angeles County Fair, Pomona, Calif.; Julie Burrow, San Antonio Livestock Expo, San Antonio, Tex.; Barbara Wood and Monty Cook, Tulsa State Fair, Tulsa, Okla.; Ed Schmidt, North Dakota State Fair, Minot, N.D.; Ginny Smith, Orange County Fair, Costa Mesa, Calif.; Gary Slater and Mel Willard, Missouri State Fair, Sedalia, Mo.; Neil Fleming, North Dakota Association of Fairs, Cavalier, N.D.; Darwin Fuchs, Dade County Fair, Miami, Fla.; Bill Ogg, Kansas State Fair, Hutchinson, Kan.; and Sheila Mixer, International Association of Fairs & Expositions, Springfield, Mo.

29 - The board of the Minnesota Federation of County Fairs held a meeting at the Administration Building conference room and was hosted to a noon luncheon by the society's board of directors at the officers quarters.

30 - State Fair Hall of Famers and Honorary Life Members of the Society were hosted at a reunion luncheon at the Libby Conference Center, followed by a tour of the fairgrounds. A meeting of the life member advisory committee was conducted during the afternoon at the Administration Building.

31 - A recognition and award ceremony was held at Heritage Square for 50-year fair participants. Among the recipients was former State Fair board member, past president and honorary life member Howard Morris. Medica senior citizen awards were also presented at Heritage Square. A luncheon meeting of the Roseville Rotary Club, hosted by the State Fair, was held in the Grandstand infield. As part of Academic Achievement Day recognition, a statewide group of more than 5,000 grade school and high school students were honored for scholastic achievement by the Minnesota Academic Excellence Foundation, and 106 adults received their General Equivalence Diplomas.

September

3 - The Minnesota Livestock Breeders Association board attended a breakfast meeting with the society board and staff to discuss livestock competition at the State Fair. Outstanding senior citizens awards were presented at the Bandshell.

4 - International Day activities included a citizenship ceremony at the 4-H Building, where 222 individuals from 56 countries were sworn in as citizens of the United States.

6 - Fourteen State Fair employees were recognized for outstanding service during a special ceremony at the Grandstand. Four of these staff members (Richard Carlson of midway ticket takers, Jane Conlin of marketing, Sarah Grans of guest services, and Dave Weinand of the milking parlor) were presented with One Goal Plus Awards.

7 - At 9 p.m., an aerial fireworks presentation signaled the end of the 1998 State Fair. Paid attendance at the '98 Great Minnesota Get-Together totaled 1,689,034.

9 - Huber attended a seminar on employee insurance, conducted by the state department of employee relations.

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

16 - Executive Committee approved the August 31, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-July 31, 1998		\$11,923
Add: Cash Deposits	7,342,671	
Less: Payroll Ending Aug. 5	(197,229)	
Payroll Ending Aug. 19	(202,131)	
Cash Disbursements	(2,620,601)	4,322,710
Cash Balance-Aug. 31, 1998		\$4,334,633

MARKETABLE SECURITIES ACTIVITY:

Balance-July 31, 1998		\$1,174,952
Add: Interest Earned	5,183	
Securities Purchased		
Less: Securities Redeemed	(25,000)	(19,817)
Balance-Aug. 31, 1998		\$1,155,135

BUILDING FUND ACTIVITY:

Balance-July 31, 1998		\$774,632
Add: Interest Earned	3,400	3,400
Securities Purchased		
Less: Securities Redeemed		
Balance-Aug. 31, 1998		\$778,032

CASH BALANCES FOR MONTH ENDING AUGUST 31:

	1997	1998
General Fund	\$2,653,684	\$4,334,633
Petty Cash	8,195	9,345
Marketable Securities	5,747,406	1,155,135
Building Fund	801,000	778,032
Total Cash Balances	\$9,210,285	\$6,277,145

17 - Tahti and Smith visited the Clay County Fair in Spencer, Iowa.

17-20 - The State Fair's busy schedule of special events resumed with the Original Fairgrounds Ski Sale, conducted at the Progress Center.

18-21 - The State 4-H Horse Show was conducted at the Coliseum.

19 - St. Paul community council districts 10 and 12 held a community clean-up event on the north parking lot. Cemstone presented a truck rodeo on the south parking lot.

22 - Johnson and Flinn attended business aptitude seminar, conducted by the Greater Minneapolis Chamber of Commerce.

23 - A meeting of the State Fair Accessibility Advisory Committee was conducted at the Libby Conference Center. Attending were committee members Rachel Wobschall, Reed Risk and Bill Rollefson, and staff members Hammer, Ritt, Wenzel, Leach, Sinclair, Pooch, Goiffon, Flinn and Gail Anderson. Giannini attended and addressed a meeting of the Northern Dakota County Golden K Kiwanis Club. NAPA Auto Parts presented a show for their dealers at the Progress Center.

24 - Sinclair and Pooch attended Wisconsin Farm Progress Days near Menomonie, Wisc.

24-27 - The Western Saddle Clubs Association Horse Show was conducted in the Coliseum.

25 - Pooch, Trantanella and milking parlor superintendent Doris Mold met with Don Scholl of W. S. Sprinkman Company regarding a potential milk pasteurizing and homogenizing display at the Cattle Barn.

25-26 - Auto Dealers Fleet Services held a car sale for State Capitol Credit Union members at the Agri-Land building.

25-27 - The Country Folk Art Show was presented in the Grandstand.

October

1-4 - The Fall Festival Arabian Horse Show was held at the Coliseum.

3 - The Twin Cities Model Railroad Club presented a model railroad and hobby sale at the Education Building. The Junior League of St. Paul Next-To-New Garage Sale was conducted at Empire Commons.

3-4 - The Capital City Chapter A.A.C.A. conducted the Midwest Fall Antique Auto Show & Swap at the Grandstand infield. The Minnesota Crafts Council presented the Fiber/Metal Art Show at the Arts Center.

6 - A meeting of State Fair full-time staff was conducted at the Libby Conference Center.

6-11 - The Minnesota Harvest Horse Show was presented at the Coliseum.

7 - Hammer, Sinclair, Heffron, Wenzel and Hudalla met with City of St. Paul representatives Bob Piram and Vince Gillespie to discuss off-season use of fairgrounds facilities.

8-9 - Johnson attended the Minnesota Job Service Employer Committee's annual fall conference in Duluth.

8-10 - The St. Paul Association of Evangelicals presented a garage sale at the Crossroads Chapel.

9-11 - Devine Marketing Group conducted the Woodworking Show in the Education and Home Improvement buildings.

10-11 - Prime Promotions presented the Antique Spectacular & Flea Market at the Grandstand and race track infield. The Military Relics Show was held at Empire Commons.

11 - Giannini gave a presentation on State Fair history to a group at Christ the King Lutheran Church in New Brighton.

13 - Wenzel, Grans, Elmer, Ritt and Dick Anderson met with representatives of Metro Transit to review 1998 State Fair bus operations and to initiate plans for the '99 exposition. Wenzel, Pittelko and Art Blakey, along with Fred Johnson and Carey Jones of the State of Minnesota's Risk Management Division, met with representatives of HealthEast Transportation, City of St. Paul Fire Department, American Red Cross and Regions Hospital to review '98 State Fair public safety operations.

14 - Hammer attended and addressed a meeting of the East End Lions Club in Maplewood.

14-25 - Wilson's Leather Warehouse Sale was conducted at Empire Commons.

15-19 - Cuneo's Used Vehicle Sale was held at the Midway Lot.

16-18 - The State Fair Computer Sale was presented by Blue Star Productions at the Education Building.

18 - The Twin Cities Roadsters conducted a swap meet at the north parking lots.

20 - Hammer, Sinclair, Leach, Pooch, Wenzel, Birk, Grans and Elmer attended a meeting with a delegation of University of Minnesota officials to discuss issues raised by the University's conversion to a semester system and the resulting early start-up date for classes. Goiffon and Flinn met with Walter Lockhart of the Minnesota Council of Churches regarding ministry service at the State Fair. Staff members Gail Anderson, Doyle, Flinn, Heffron, Huber, Johnson, McGough, Raschke, Rustad and Smith met with St. Anthony Park Elementary School faculty regarding the school's mentoring program. Executive Committee approved the September 30, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Cash Balance-Aug. 31, 1998		\$4,334,633
Add: Cash Deposits	9,906,486	
Less: Payroll Ending Sept. 2	(373,958)	
Payroll Ending Sept. 16	(400,833)	
Payroll Ending Sept. 30	(139,201)	
Fair Period Payroll - Sept. 11	(1,615,167)	
Cash Disbursements	(11,687,040)	(4,309,713)
Cash Balance-Sept. 30, 1998		\$24,920

MARKETABLE SECURITIES ACTIVITY:

Balance-Aug. 31, 1998		\$1,155,135
Add: Interest Earned	6,992	
Securities Purchased	5,000,000	
Less: Securities Redeemed	(500,000)	4,506,992
Balance-Sept. 30, 1998		\$5,662,127

BUILDING FUND ACTIVITY:

Balance-Aug. 31, 1998		\$778,032
Add: Interest Earned	3,294	3,294
Securities Purchased		
Less: Securities Redeemed		
Balance-Sept. 30, 1998		\$781,326

CASH BALANCES FOR MONTH ENDING SEPTEMBER 30:

	1997	1998
General Fund	\$39,373	\$24,920
Petty Cash	2,911	3,200
Marketable Securities	3,352,809	5,662,127
Building Fund	2,661,349	781,326
Total Cash Balances	\$6,056,442	\$6,471,573

26 - Sinclair and Birk met with representatives of Brede Enterprises to review plans for Crossroads beer garden food and beverage operations.

27-30 - Tahti visited with a variety of entertainment agencies in Nashville, Tenn.

28 - Sinclair, Heffron and Doyle attended the Suburban Chamber of Commerce's annual meeting.

29-30 - Wenzel attended a meeting of the IAFE's long range planning committee in Atlanta, Ga.

November

3-5 - The senior executive staff conducted planning sessions at the Libby Conference Center.

4 - Huber and Johnson attended a seminar on employment law, conducted by the Fredrikson & Byron law firm.

5 - Sinclair and Larson met with Minnesota Department of Revenue representatives to review operations at the 1998 State Fair.

SALES COMMITTEE MEETING**MINNESOTA STATE AGRICULTURAL SOCIETY**

Libby Conference Center, State Fairgrounds

Tuesday Nov. 10, 1998 - 9:15 a.m.

Members present: Clarice Schmidt, chair; Rich Keenan; Dennis Baker; Bob Lake; John Paulmann; Don Simons; Lyle Steltz; Prokosch, ex officio; Hammer, ex officio; Sinclair, ex officio; Ken Wenzel, ex officio.

Also present: Marshall Jacobson; Mark Birk; Dennis Larson; Rochelle Rustad; Kent Harbison.

Absent: Joe Fox; Howard Recknor; Susan Ritt, ex officio.

The meeting was called to order by Chairman Schmidt at 9:15 a.m.

A comprehensive written report of sales division revenue for the 1998 State Fair was presented by Mr. Sinclair. Also included in the report was a description of utility consumption charge-backs to commercial exhibitors. After discussion, the report was accepted on a motion by Mr. Steltz, seconded by Mr. Lake and carried (6-0).

Comparative reports of food and beverage concession revenue and non-food concession revenue for 1997 and 1998 were presented by Mr. Sinclair. Information only; no action required.

CONCESSION/EXHIBIT REVENUE SUMMARY

	1997	1998	COMPARISON
CONCESSIONS			
Indoor and Outdoor	\$550,211.69	\$612,837.92	\$62,626.23
Space			
PERCENTAGE/PARTICIPATION ATTRACTIONS			
Antique Auto Show	\$4,215.23	2,583.10	(1,632.13)
Carousel	1,4165.63	13,836.06	(329.57)
Dinosaurs in Motion	-	25,709.86	25,709.86
Ejection Seat	36,035.89	35,222.54	(813.35)
Giant Slide	81,567.82	75,956.20	(5,611.62)
Haunted House	90,959.80	96,015.21	5,055.41
Iwerks	12,746.48	8,104.23	(4,642.25)
Old Mill	23,227.37	24,289.08	1,061.71
River Raft Ride	9,315.26	8,438.33	(876.93)
The Rock - climbing wall	11,022.77	9,208.45	(1,814.32)
Sky Coaster	23,731.91	23,396.62	(335.29)
Skyride	67,639.38	74,303.70	6,664.32
Space Tower	31,017.00	29,675.35	(1,341.65)
Trampoline Thing	10,864.92	10,145.48	(719.44)
			20,374.75

MIDWAY - KIDWAY

Rides and Shows	1,187,423.46	1,148,851.42	(38,572.04)
Games	432,068.99	416,975.34	(15,093.65)
Food and Beverage	62,731.92	54,998.69	(7,733.23)
Arcade	9,382.02	6,682.31	(2,699.71)
Commissary	1,817.69	1,693,424.08	1,867.93
			1,629,375.69
			50.24
			(64,048.39)

GRANDSTAND CONCESSIONS

Food	11,414.25	9,227.12	(2,187.13)
3.2 Beer	36,028.03	29,139.36	(6,888.67)
Artist Merchandise	37,543.50	84,985.78	31,783.24
			70,149.72
			(14,836.06)

NON-FOOD AND BEVERAGE CONCESSION PERCENTAGE

	232,849.56	232,849.56	249,080.67	254,572.85	21,723.29
--	------------	------------	------------	------------	-----------

FOOD AND BEVERAGE CONCESSION PERCENTAGE

	1,290,820.16	1,290,820.16	1,212,529.33	1,212,529.33	(78,290.83)
--	--------------	--------------	--------------	--------------	-------------

3.2 BEER AND FOOD

Andrus Concession Inc.	-		24,875.65		24,875.65
Brede Enterprises, Inc	84,375.62		83,324.25		(1,051.37)
Cleworth's Food and Beverage	56,430.44		-		(56,430.44)
Tres-C, Inc. Club Caribe	-		48,021.54		48,021.54
Crocker's Spaghetti Village	11,775.88		10,654.76		(1,121.12)
John A. Giere	42,935.64		41,336.27		(1,599.37)
H.M.H. of St. Paul, Inc.	31,931.91		34,057.15		2,125.24
Kirschner's Beer Stube	14,726.52		15,536.43		809.91
Midway Men's Club	10,523.46		9,764.43		(759.03)
Ward Food Services	12,743.44		12,958.61		215.17
Werner's Frontier	31,873.66	297,316.57	33,804.78	314,333.87	1,931.12
					17,017.30

SUNDRY

Cancelled but Active Licenses	1,873.50		1,653.00		(220.50)
Concession/Exhibit Lists	624.00		484.00		(140.00)
Entertainer Merchandise Sales	12,104.29		12,653.79		549.50
Purveyor/Commissary Permits	41,400.00		42,400.00		1,000.00
Miscellaneous	5,593.68		2,856.21		(2,737.47)
Novelties (Desplenter)	68,916.88		73,050.10		4,133.22
Programs (official) - Auto Race	969.00	131,481.35	985.00	134,082.10	16.00
					2,600.75

EXHIBITS

All sites		232,675.00		226,936.00	(5,739.00)
-----------	--	------------	--	------------	------------

INSTITUTIONAL

All sites		36,279.00		44,340.00	8,061.00
-----------	--	-----------	--	-----------	----------

GRAND TOTALS

	\$4,966,552.65		\$4,936,041.69		(30,510.96)
--	----------------	--	----------------	--	-------------

FOOD & BEVERAGE PERCENTAGE REPORT

Sales Date	Food \$	Beverage\$	Tax	Current Year		Last Year	
				Net of Gross	Percentage	Net of Gross	Percentage
8-24	33.00	10.00	2.62	40.38	4.04		
8-25	1,578.00	567.00	130.92	2,014.08	201.41	64.32	6.43
8-26	19,132.95	3,402.00	1,375.39	21,159.56	2,115.95	15,876.77	1,587.68
8-27	710,355.67	151,904.24	52,626.20	809,633.71	80,963.49	809,915.53	80,991.62
8-28	943,900.64	278,068.00	74,580.31	1,147,388.33	114,738.97	1,051,995.42	105,199.69
8-29	1,359,227.50	394,188.82	107,016.07	1,646,400.25	164,640.05	1,296,092.64	129,609.36
8-30	1,211,406.07	340,738.28	94,731.82	1,457,412.53	145,741.38	1,272,474.21	127,247.46
8-31	974,345.24	251,217.28	74,799.65	1,150,762.87	115,076.44	932,274.44	93,227.59
9-1	695,019.15	164,603.28	52,465.24	807,157.19	80,715.85	834,693.25	83,469.44
9-2	647,891.31	147,018.84	48,515.64	746,394.51	74,639.58	902,631.39	90,263.33
9-3	709,663.91	157,197.79	52,907.11	813,854.59	81,395.54	1,143,822.40	114,382.40
9-4	866,331.73	239,791.02	67,509.89	1,038,612.86	103,861.43	1,166,730.56	116,673.15
9-5	1,151,825.10	385,260.61	93,812.86	1,443,272.85	144,327.45	1,481,462.95	148,146.41
9-6	977,993.02	252,829.44	75,120.68	1,155,701.78	115,570.27	1,226,958.23	122,695.92
9-7	946,178.17	234,788.87	72,077.84	1,108,889.20	110,889.10	840,845.53	84,084.59
9-8	376.20	71.00	27.29	419.91	41.99	746.85	74.68
Totals	11,215,257.66	3,001,656.47	867,699.53	13,349,214.60	1,334,922.94	12,976,584.49	1,297,659.75
3.2 Beer	-0-	1,945,006.40	127,819.31	1,826,297.09	291,750.96	1,731,931.94	276,675.92
Grand Totals	11,215,257.66	4,946,662.87	995,518.84	15,175,511.69	1,626,673.90	\$14,708,516.43	\$1,574,335.67

\$18,161,920.53

NON FOOD & BEVERAGE PERCENTAGE REPORT

Sales Date	Gross Sale	Tax	Current Year		Last Year	
			Net of Gross	Percentage	Net of Gross	Percentage
8-26						
8-27	132,384.99	4,226.33	128,158.66	17,788.67	102,575.03	14,774.62
8-28	168,986.70	5,274.04	163,712.66	24,042.22	132,525.32	18,823.55
8-29	215,352.75	8,751.67	206,601.08	30,405.75	166,983.05	23,434.81
Sales Date	Gross Sale	Tax	Current Year		Last Year	
			Net of Gross	Percentage	Net of Gross	Percentage
8-30	184,934.68	7,009.95	177,924.73	26,482.35	152,204.75	21,829.21
8-31	153,136.57	6,131.90	147,004.67	21,429.28	113,069.78	16,450.72
9-01	132,587.13	4,719.11	127,868.02	18,341.64	110,677.12	15,737.55
9-02	104,569.33	3,602.05	100,967.28	14,461.29	118,482.92	16,682.23
9-03	107,521.52	3,605.12	103,916.40	14,642.78	144,717.35	20,426.58
9-04	140,231.97	5,213.34	135,018.63	19,397.00	154,991.92	22,147.77
9-05	206,739.34	8,001.63	198,737.71	28,856.32	190,919.88	27,036.04
9-06	161,860.58	6,537.16	155,323.42	23,141.57	159,759.87	22,985.59
9-07	159,335.99	7,129.66	152,206.33	22,426.42	107,456.20	15,665.85
Totals	1,867,641.55	70,201.96	1,797,439.59	261,415.29	1,654,363.19	235,994.52

Mr. Sinclair reported Mighty Midway and Kidway revenue for 1997 and 1998. After discussion, the following Mighty Midway and Kidway percentage license fees for 1998 were approved on a motion by Mr. Keenan, seconded by Mr. Paulmann and carried (Aye-6; Nay-0).

Rides and shows - Gross receipts after state sales tax of 6.5 percent: 43 percent to fair; 57 percent to operator.

Games of skill - Gross receipts after state sales tax of 6.5 percent: 22 percent to fair; 78 percent to operator.

MINNESOTA STATE FAIR CARNIVAL REVENUE/AMUSEMENT RIDES 1983 - 1994

Year	Rank	Total Gross	Advance	Fairs Percentage	Attendance	Per Cap
1983	12	\$1,143,510		\$370,031	1,347,884	\$8.5
1984	11	1,380,367		450,034	1,446,450	.95
1985	10	1,462,861		481,796	1,496,014	.98
1986	9	1,680,873	\$11,058	609,434	1,565,349	1.07
1987	7	1,772,088	18,036	666,824	1,612,178	1.10
1988	6	1,808,701	23,730	677,844	1,621,279	1.12
1989	8	1,700,811	37,344	635,178	1,551,361	1.10
1990	5	1,886,981	51,896	718,026	1,528,688	1.23
1991	2	1,938,969	78,578	738,238	1,488,810	1.30
1992	4	1,902,736	84,672	708,296	1,550,603	1.23
1993	1	2,031,646	105,408	764,530	1,601,325	1.27
1994	3	1,904,490	145,936	698,645	1,561,903	1.22

MIGHTY MIDWAY/KIDWAY REVENUE/RIDES & GAMES

1995	3	\$4,424,566	\$206,296	\$1,399,669	1,673,312	\$2.64
1996	2	4,441,519	242,816	1,442,941	1,673,976	2.65
1997	1	5,042,133	292,656	1,619,292	1,683,454	3.00
1998	2	4,785,014	302,456	1,565,827	1,689,034	2.83

MINNESOTA STATE FAIR MIGHTY MIDWAY/KIDWAY FINANCIAL SUMMARY 1995-1997

Attraction	1995 Gross Revenue	1996 Gross Revenue	1997 Gross Revenue	1998 Gross Revenue
Rides & Shows QTY	\$2,526,607 1995 = 67	\$2,467,265 1996 = 68	\$2,742,431 1997 = 68	\$2,564,620 1998 = 65
Skill Games QTY	1,897,959 1995 = 60	1,974,254 1996 = 61	2,299,702 1997 = 62	2,220,394 1998 = 60
Arcade QTY	42,909 1995 = 1	43,261 1996 = 1	45,209 1997 = 1	35,132 1998 = 1
Merchandise Concessions QTY	34,833 1995 = 2	38,157 1996 = 2	32,925 1997 = 2	50,597 1998 = 1
Food/Beverage Concessions QTY	492,414 1995 = 13	502,994 1996 = 12	576,462 1997 = 12	583,606 1998 = 12
Commissary QTY	11,676 1995 = 1	17,105 1996 = 1	15,657 1997 = 1	21,268 1998 = 1
Totals	\$5,006,398	\$5,043,036	\$5,712,386	\$5,475,617
Differences	+36,638	+669,350	-236,769	

Attraction	1995 MSF Revenue	1996 MSF Revenue	1997 MSF Revenue	1998 MSF Revenue
Rides & Shows QTY	\$1,078,887 1995 = 67	\$1,072,189 1996 = 68	\$1,187,423 1997 = 68	\$1,148,851 1998 = 65
Skill Games QTY	320,782 1995 = 60	370,752 1996 = 61	431,869 1997 = 62	416,975 1998 = 60
Arcade QTY	8,024 1995 = 1	8,120 1996 = 1	8,490 1997 = 1	6,582 1998 = 1
Merchandise Concessions QTY	7,975 1995 = 2	8,318 1996 = 2	6,852 1997 = 2	10,352 1998 = 2
Food/Beverage Concessions QTY	46,565 1995 = 13	47,780 1996 = 12	54,128 1997 = 12	54,799 1998 = 12
Commissary QTY	1,159 1995 = 1	1,711 1996 = 1	1,566 1997 = 1	1,868 1998 = 1
Totals	\$1,463,392**	\$1,508,870**	\$1,690,328**	\$1,639,427
Differences	+45,478	+181,458	-50,901	

** Plus, sales tax revenue to building fund: 1995 - \$270,044; 1996 - \$271,079; 1997 - \$307,736; 1998 - \$292,043

A report on the status of commercial concession space in the Crossroads Building formerly occupied by the Brede Beer Garden was presented by Mr. Sinclair. Information only; no action required.

On a motion by Mr. Simons, seconded by Mr. Keenan and carried, the meeting was adjourned at 10:07 a.m. (Aye-6; Nay-0).

MEETING OF THE GOVERNING BOARD MINNESOTA STATE AGRICULTURAL SOCIETY

Libby Conference Center, State Fairgrounds
Tuesday Nov. 10, 1998 - 10:15 a.m.

Members present: Vern Prokosch, president; Rich Keenan, vice president; Lyle Steltz; Bob Lake; Dennis Baker; Don Simons; John Paulmann; Clarice Schmidt; Jerry Hammer, secretary.

Also present: Jim Sinclair; Karen Leach; Ken Wenzel; Marshall Jacobson; Mary Goiffon; Susan Ritt; Mark Birk; Dennis Larson; Rochelle Rustad; Kent Harbison.

Absent: Joe Fox, vice president; Howard Recknor.

President Prokosch called the meeting to order at 10:15 a.m.

A motion was made by Mr. Simons, seconded by Mr. Paulmann and carried that the minutes from the board meeting conducted Sept. 6, 1998, be approved as submitted (Aye-7; Nay-0).

Minutes in vacation covering the period Aug. 27 through Nov. 9, 1998, and the administrative action noted, were approved on a motion by Mr. Keenan, seconded by Mr. Steltz and carried (Aye-7; Nay-0).

The action taken by the sales committee earlier in the day was approved on a motion by Ms. Schmidt, seconded by Mr. Lake and carried (Aye-7; Nay-0).

Mr. Jacobson presented the October 31, 1998, financial statement as follows:

GENERAL FUND ACTIVITY:

Balance-Sept. 30, 1998		\$24,920
Add: Cash Deposits	2,398,158	
Less: Payroll Ending Oct. 14	(153,561)	
Payroll Ending Oct. 28	(134,574)	

Cash Disbursements	(1,968,883)	141,140
Cash Balance-Oct. 31, 1998		\$166,060

MARKETABLE SECURITIES ACTIVITY:

Balance-Sept. 30, 1998		\$5,662,127
Add: Interest Earned	21,511	
Securities Purchased		
Less: Securities Redeemed	(1,315,000)	
Securities Redeemed (Building Fund)	(1,780,000)	(3,073,489)
Balance-Oct. 31, 1998		\$2,588,638

BUILDING FUND ACTIVITY:

Balance-Sept. 30, 1998		\$781,326
Add: Interest Earned	4,023	
Securities Purchased	1,780,000	
Less: Securities Redeemed		1,784,023
Balance-Oct. 31, 1998		\$2,565,349

CASH BALANCES FOR MONTH ENDING OCTOBER 31:

	1997	1998
General Fund	\$59,276	\$166,060
Petty Cash	4,000	4,500
Marketable Securities	1,926,567	2,588,638
Building Fund	2,640,490	2,565,349
Total Cash Balances	\$4,630,333	\$5,324,547

After discussion, it was moved by Mr. Simons, seconded by Mr. Paulmann and carried that the financial statement be approved (Aye-7; Nay-0).

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

NON-PAY REPORT

DEPARTMENTAL:

Access Services	93	\$4.00	\$372.00
Administration	27	4.00	108.00
	7	8.00	56.00
Agri-land	152	4.00	608.00
Carnival	4	8.00	32.00
Carnival-Ticket Sales	742	4.00	2,968.00
Cattle	515	4.00	2,060.00
Competition	269	4.00	1,076.00
Creative Activities	315	4.00	1,260.00
Education	252	4.00	1,008.00
Fine Arts	116	4.00	464.00
4-H	16,481	4.00	65,924.00
Free Entertainment	10,213	4.00	40,852.00
Fruit	182	4.00	728.00
FFA	304	4.00	1,216.00
Grandstand-Concert	2,110	4.00	8,440.00
Grandstand-Race	482	4.00	1,928.00
Guest Services	128	4.00	512.00
Horse	718	4.00	2,872.00
Llama	4	4.00	16.00
Marketing	4,256	4.00	17,024.00
	454	8.00	3,632.00
Meats	9	4.00	36.00
Operations	101	4.00	404.00
Public Safety	3,255	4.00	13,020.00
Sales	512	4.00	2,048.00
	1	8.00	8.00
Sales-Cup Warehouse	5	4.00	20.00
Senior Citizen	156	4.00	624.00
Sheep	22	4.00	88.00
Swine	6	4.00	24.00

INSTITUTIONAL-ORGANIZATIONS: 12,000 4.00 48,000.00

INSTITUTIONAL-PROMOTION: 22,183 4.00 88,732.00

TOTAL 76,074 \$306,160.00

Gate 75,608 4.00 \$302,432.00

Carnival Ride 466 8.00 3,728.00

TOTAL 76,074 \$306,160.00

GRANDSTAND

8-27 Bryan White, LeAnn Rimes	7:30 p.m.	360 @ \$ 19.00 Contract Provision
8-28 Third Eye Blind, Smash Mouth	7:30 p.m.	130 @ \$ 19.00 Contract Provision
8-29 Lynryd Skynrd, Kentucky Headhunters	7:30 p.m.	173 @ \$ 18.00 Contract Provision
8-30 Gary Puckett, The Grass Roots & The Turtles	6:00 p.m.	82 @ \$ 10.00 Contract Provision
8-31 Wallflowers, Max Carl & Big Dance	7:30 p.m.	60 @ \$ 20.00 Contract Provision
9-01 Wynonna, Sawyer Brown	7:30 p.m.	131 @ \$ 19.00 Contract Provision
9-02 Bonnie Raitt	7:30 p.m.	70 @ \$ 20.00 Contract Provision
9-03 Oak Ridge Boys, Williams & Ree	7:30 p.m.	33 @ \$ 17.00 Contract Provision
9-04 Jonny Lang, G.B. Leighton	7:30 p.m.	76 @ \$ 19.00 Contract Provision
9-05 Loretta Lynn, Crystal Gayle	7:30 p.m.	20 @ \$ 17.00 Contract Provision
9-07 Miller 300	2:00 p.m.	266 @ \$ 16.00 Contract Provision

COLISEUM

8-27 English Horse Show	12:30 p.m.	19 @ \$ 7.50 Judges, Trophy Donors, Departmental
8-27 English Horse Show	6:30 p.m.	19 @ \$ 7.50 Judges, Trophy Donors, Departmental
8-28 English Horse Show	1:00 p.m.	19 @ \$ 7.50 Judges, Trophy Donors, Departmental
8-28 English Horse Show	6:30 p.m.	19 @ \$ 7.50 Judges, Trophy Donors, Departmental
8-29 English Horse Show	2:00 p.m.	19 @ \$ 7.50 Judges, Trophy Donors, Departmental
8-29 English Horse Show	6:30 p.m.	19 @ \$ 7.50 Judges, Trophy Donors, Departmental
8-30 English Horse Show	12:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
8-30 English Horse Show	6:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
8-31 English Horse Show	12:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
8-31 English Horse Show	6:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-01 English Horse Show	6:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-02 Rodeo	7:00 p.m.	18 @ \$ 7.50 Announcer, Departmental
9-03 Rodeo	1:00 p.m.	18 @ \$ 7.50 Announcer, Departmental
9-03 Rodeo	7:00 p.m.	18 @ \$ 7.50 Announcer, Departmental
9-04 Rodeo	7:00 p.m.	18 @ \$ 7.50 Announcer, Departmental
9-04 Western Stock Show	12:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-05 Western Stock Show	6:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-06 Western Horse Show	12:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-06 Western Horse Show	6:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-07 Western Horse Show	12:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental
9-07 Western Horse Show	6:30 p.m.	14 @ \$ 7.50 Trophy Donors, Departmental

Mr. Jacobson presented a report of activity in the society's building fund for 1998, including a summary of board-authorized expenditures, sales tax and matching deposits for the year. After review, the following report was accepted on a motion by Mr. Baker, seconded by Mr. Paulmann and carried (Aye-7; Nay-0):

MINNESOTA STATE FAIR BUILDING FUND REPORT—YEAR ENDING 10/31/98

Date (10-31)	Required deposits of sales tax and matching funds	Actual deposits and interest	Board approved fund releases	Fund balance
1988	\$-0-	\$199,526 *	\$-0-	\$199,526
1989	706,000	722,731	(733,000)	189,527
1990	750,000	765,787	(438,000)	517,044
1991	890,000	919,008	(350,000)	1,086,052
1992	830,000	872,931	(450,000)	1,508,983
1993	1,000,000	1,033,346	(650,000)	1,892,329
1994	1,032,000	1,043,209	(1,570,000)	1,365,538
1995	1,612,000	1,665,636	(1,625,000)	1,406,174
1996	1,600,000	843,519	(898,000)	1,351,693
1997	1,830,000	2,687,358	(2,040,250)	1,998,801
1998	1,780,000	1,880,362	(1,967,265)	1,911,898
	\$12,030,000	\$12,633,413	\$(10,721,515)	\$1,911,898

Fund balance required by law \$1,308,485

Differential (+) \$603,413

* Deposit to open fund; not required by law.

An overview of fair-period departmental payrolls totaling \$1,728,941 was presented by Mr. Jacobson. After discussion, the report was accepted on a motion by Mr. Steltz, seconded by Mr. Paulmann and carried (Aye-7; Nay-0):

A comparative report of agricultural and livestock entries at the 1998 fair was presented by Mr. Hammer. Report only; no action required.

COMPETITIVE ENTRY COMPARISON

Department of	Category	1998	1997	1996
Creative Activities		1773 exhibitors	1821	1937
		5872 entries	5596	5940
Education		1167 exhibitors	1282	1240
		1790 entries	1955	1922
Fine Arts		1403 entries	1280	1246
Beef Cattle		708 animals	676	691
Dairy Cattle		1134 animals	1062	1046
Sheep		955 animals	877	1056
Swine		638 animals	705	668
Goats		820 animals	798	675
Llamas		162 animals	149	148
FFA Beef Cattle		300 animals	269	
FFA Dairy Cattle		546 animals	565	777
FFA Sheep		866 animals	677	658
FFA Swine		971 animals	862	762
Bee & Honey		153 exhibitors	140	148
		835 entries		
Fruit & Wine		102 exhibitors	56	59
			(wine only)	
Flowers		84 exhibitors	67	93
Vegetables		121 exhibitors	126	124

Secretary submitted a comparative report of per capita spending at the fair for the years 1993 through 1998. Information only; no action required.

MINNESOTA STATE FAIR PER CAPITA SPENDING

	1993	1994	1995	1996	1997	1998
Admission fee average	\$3.42	\$3.42	\$3.90	\$3.88	\$4.78	\$4.87
Food & Beverage	7.59	7.60	8.15	8.73	9.30	9.56
Retail purchases	4.97	5.14	5.40	5.67	5.95	6.29
Carnival & other attractions	2.14	2.06	-	-	-	-
Mighty Midway rides & games	-	-	2.65	2.65	3.00	2.83
Other attractions	-	-	.94	1.03	1.07	1.14
Grandstand & Coliseum tickets	1.32	1.28	1.31	1.07	1.11	1.11
	\$19.44	\$19.50	\$22.35	\$23.03	\$25.21	25.66

It was moved by Mr. Keenan, seconded by Mr. Simons and carried that secretary be authorized to enter into

contracts with acts and attractions for the 1999 State Fair (Aye-7; Nay-0).

A motion was made by Mr. Simons, seconded by Mr. Keenan and carried that the following advertising policy be adopted for 1999: "The State Fair's basic advertising outlets shall be all daily and weekly newspapers in Minnesota, as well as broadcast outlets selected from the state's radio and television stations, plus selected newspapers and broadcast outlets in surrounding states." Included in the motion was approval of a 1999 advertising agency agreement with the Bolin Agency (Aye-7; Nay-0).

It was moved by Mr. Keenan, seconded by Mr. Lake and carried that members of the board and certain staff members designated by the secretary be authorized to attend the International Association of Fairs & Expositions international convention Nov. 30 - Dec. 3 in Las Vegas, Nev. (Aye-7; Nay-0).

On a motion by Mr. Simons, seconded by Mr. Steltz and carried, the three staff persons currently required to occupy custodial residences (Fischler, Wimmer and Juettner) will be allowed gratis storage of personal vehicles and other household materials on the fairgrounds (Aye-7; Nay-0).

Rates for non-prime time Coliseum ice rental were adjusted to \$100 per hour - an increase of \$10 - on a motion by Mr. Simons, seconded by Ms. Schmidt and carried (Aye-7; Nay-0).

Secretary sought board approval to pursue a change in the fair's governing statute; the change would allow the service of alcoholic beverages at private, catered events on the fairgrounds. Authority to proceed was granted on a motion by Mr. Steltz, seconded by Mr. Paulmann and carried (Aye-7; Nay-0).

Ms. Goiffon presented a progress report on the upcoming annual meeting, set for Jan. 15 through 19, 1999. Information only; no action required.

Secretary reported that the project to remodel office space in the Service Building must begin as soon as possible; board approval of specific project costs will be included as part of the budget process to be conducted at the society's January meetings. Information only; no action required.

At 11:05 a.m., the meeting was declared adjourned on a motion by Mr. Keenan, seconded by Ms. Schmidt and carried (Aye-7; Nay-0).

MINUTES IN VACATION November

5 - Tahti and McGough met with representatives of City Pages newspaper to discuss promotion of the '99 State Fair. Giannini gave a presentation on marketing the State Fair to a group at the Minnesota Recreation and Parks Association.

10 - Johnson and Flinn attended a seminar on workplace accommodations, presented by the Midway Chamber of Commerce and the St. Paul Job Service.

11 - Sinclair and Birk attended a meeting at the University of Minnesota's College of Agriculture regarding the potential conversion of the University's sheep pasture into intramural athletic facilities.

17 - Hammer, Pooch, Sinclair and Wenzel met with representatives of the University of Minnesota to discuss issues related to proposed University athletic fields. Johnson attended a meeting of the state's Job Service Employer Committee. Sinclair, Ritt and Birk met with Paul Morrissey of Capitol Beverage Sales to discuss presentation of the Budweiser Beer School at the '99 State Fair. Executive Committee approved the October 31, 1998 cash transaction summary as follows:

18 - Johnson attended a seminar on staffing presented by the Suburban Area Chamber of Commerce.

18-21 - Sinclair and Birk attended the annual meeting and trade show of the International Association of Amusement Parks and Attractions, held in Dallas, Tex.

19-20 - Hammer attended and addressed the Dakota Fairs Convention in Bismarck, N. D.

20 - Members of the admissions department met to review operations during the '98 State Fair.

24 - Pooch, Wenzel, Sinclair and Grans met with University of Minnesota representatives to discuss parking and transitway issues related to the University's early start in 1999.

30 - Dec. 3 - Hammer, Leach, Pooch, Sinclair, Wenzel, Ritt, Jacobson, Birk, Tahti and board members Prokosch, Schmidt, Steltz, Baker, Simons, Recknor, Fox and Paulmann attended the International Association of Fairs & Expositions' international convention and trade show in Las Vegas, Nev.

December

4 - Goiffon, Johnson and Huber attended a human rights seminar, presented by the Minnesota Department of Human Rights.

8 - Sinclair and Ritt met with representatives of the St. Paul Pioneer Press to discuss the newspaper's exhibit at the '99 State Fair. Sinclair attended the first of several meetings with TKDA architects regarding plans for a new Bazaar facility.

9 - Hammer attended and addressed a meeting of the University of Minnesota's Council of Deans at the university's St. Paul campus; also attending were officials from the City of Falcon Heights and Gibbs Farm Museum.

10 - Hammer, Pooch and 4-H Superintendent Brad Rugg met with Dale Blyth, the director for the University of Minnesota's Center for 4-H Youth Development. Huber met with staff of the Radisson South Hotel regarding plans for the agricultural society's '99 annual meeting. Hammer, Wenzel, Sinclair, Pooch, Jacobson, Ritt, Goiffon, Fischer and Tahti met with Dean Johnson of TKDA architects regarding Grandstand facilities. Wenzel, Grans and Elmer met with Metro Transit officials regarding '99 State Fair Park & Ride plans.

16 - Legislative auditor staff, led by Jeanine Leifeld and Susan Kachelmeyer, conducted an audit entrance conference with Hammer, Jacobson, Kinnunen and Holzemer; field work was scheduled to begin in early January. Hammer met with Donald McNeely and Malcolm McDonald, representing the Lee & Rose Warner Foundation, to discuss the foundation's potential involvement with the State Fair. Ritt, Tahti and McGough met with representatives of Capitol Beverage Sales regarding Budweiser's promotional and sponsorship opportunities for the '99 State Fair. Executive Committee approved the November 30, 1998 cash transaction summary as follows:

GENERAL FUND ACTIVITY:

Balance-Oct. 31, 1998		\$ 164,845
Add: Cash Deposits	1,095,353	
Less: Payroll Ending Nov. 6	(137,072)	
Payroll Ending Nov. 20	(111,921)	
Cash Disbursements	(1,006,478)	(160,118)
Cash Balance-Nov. 30, 1998		\$4,727

MARKETABLE SECURITIES ACTIVITY:

Balance-Oct. 31, 1998		\$2,588,637
Add: Interest Earned	9,382	
Securities Purchased		
Less: Securities Redeemed	(745,000)	(735,618)
Balance-Nov. 30, 1998		\$1,853,019

BUILDING FUND ACTIVITY:

Balance-Oct. 31, 1998		\$2,565,349
Add: Interest Earned	10,462	10,462
Securities Purchased		
Less: Securities Redeemed		
Balance-Nov. 30, 1998		\$2,575,811

CASH BALANCES FOR MONTH ENDING NOVEMBER 30:

	1997	1998
General Fund	\$9,357	\$4,727
Petty Cash	3,000	3,000
Marketable Securities	1,793,935	1,853,019
Building Fund	2,694,984	2,575,811
Total Cash Balances	\$4,501,276	\$4,436,557

18 - A holiday luncheon for current and former State Fair staff was presented by the fair's employee club. Pooch, Trantanella and milking parlor superintendent Doris Mold met with John Gundale of the American Dairy Association regarding the association's future involvement with the milking parlor.

23 - Tahti held the first of two meetings with Ken Patera and Shiek Adnan Alkaisey regarding presentation of professional wrestling at the '99 State Fair.

January

5 - Staff began a two-day series of budget preparation meetings.

6 - Huber, Giannini and Johnson attended a pre-convention meeting at the Radisson South Hotel in Bloomington.

7 - Society president Prokosch, along with society vice presidents Keenan and Fox, met with Hammer to review business items for the society's upcoming annual meeting. Wenzel and Fischer met with TKDA personnel regarding the fair's on-going sewer separation project.

8 - Wenzel attended the funeral of Anthony Waschbusch — a 50-year employee of the State Fair's midway ticket taker department.

12 - Pooch met with Pat Plonski and Dewey Thorbeck of the University of Minnesota regarding the potential involvement of an agriculture education school at Agri-Land. Johnson attended a meeting of the state's Job Service Employer Committee.

ANNUAL MEETING

MINNESOTA STATE AGRICULTURAL SOCIETY

Radisson South Hotel, Bloomington

January 15 - 16 - 17, 1999

The 140th annual meeting of the Minnesota State Agricultural Society opened Friday Jan. 15 at the Radisson South Hotel in Bloomington.

The resolutions committee met to conduct business at 9:30 a.m. Saturday Jan. 16. Delegates named to the committee were Elden Pohlman, Houston County; Russell Becker, LeSueur County; Debbi Engblom, Isanti County; Ron Erickson, Ramsey County; Richard Keenan, Hennepin County; Victor Schwinghamer, Stearns County; Wallace Wichmann, Lyon County; Mary Prestidge, Lake County; and Roger Sindelar, Lake of the Woods County.

At 10:15 a.m. Saturday Jan. 16, the credentials committee met. Committee members were Joy Meschke, Rice County; Henry Fox, Dakota County; Al Hoffman, Chisago County; Sharon Stillings, Ramsey County; Richard Keenan, Hennepin County; Meg Sax, Mille Lacs County; Roger Trulock, Lyon County; Valeria Witte, South St. Louis County; and Robert Nelson, Polk County.

At 1:30 p.m. Saturday Jan. 16, delegates from the first, third and sixth regional districts met in caucus to certify nominees for election to the society's board of managers during the society's general business session on Sunday. Selected were: first district - Howard Recknor, Hartland; third district - Lyle Steltz, Rush City; sixth district - Robert Lake, Aitkin.

Members of the society met for breakfast at 8 a.m. Sunday Jan. 17, and at 8:30 a.m. convened in general session. President Vern Prokosch introduced the head table and called on Secretary Hammer. Following a short video presentation on the '98 State Fair, Hammer offered his annual report:

"From atop the Space Tower Thursday morning, I got my first glimpse of what I've been waiting for all summer. Sprawling for acres, the Minnesota State Fair resembled an amusement park on steroids. It was sensory overload. Coming from California, I'd never experienced anything like the Great Minnesota Get-Together. Now this is something to write home about." That was an excerpt from a story that was published in the Star Tribune early during the '98 State Fair, and it was written by a reporter from California who had never been here before. She's come from the land of Disneyland, Universal Studios, Knott's Berry Farm, the San Diego Zoo and other great world class attractions, yet she had never experienced anything quite like our fair. Listen to what some others have said.

"The beauty of the fair, of course, is that the outside world rarely impinges upon the biosphere of food, fun and frivolity we call the fair. All seems right when you're munching foot longs, french fries or walleyes-on-a-stick. The State Fair doesn't have dignity. It has undignified, unbridled joy. If we had the means, I'd put the whole dang thing — lock, stock and corn dog — on the USS Enterprise and ship it to a new planet. There, the Minnesota State Fair could clone a slice of life from one of the best places this tired old planet has to offer." These are the words of Nick Coleman, a columnist for the St. Paul Pioneer Press. In print, Nick and his fellow columnists are sometimes accused of being cynical. But here we have a life-long resident of St. Paul, who's in the critic business, and he calls the State Fair one of the best places in the world.

An article in Minnesota Monthly magazine calls the fair a parallel universe, beautifully ordered beneath the veneer of color, frivolity and fun. These raves aren't restricted to local media. In recent years, we've had the same types of reviews in newspapers from around the country, as well as national publications like USA Today and National Geographic.

It's not just limited to media. The guy who runs the Ejection Seat sent a note after this year's fair that reads "The Minnesota State Fair's slogan 'the great Minnesota get-together' is more than a slogan. It's a fact. The fair is a tradition that seemingly has more adherents and devotees than many national holidays or religious observances." This is really something. A guy who travels to events all over the world says that in Minnesota, the fair is a religion.

Last year, I told you about Nancy Larson, from the east side of St. Paul, but I have to bring her up again. She attends the fair all 12 days, every year. At fair time, from the flagpole in her back yard, she flies a giant inflatable pronto pup. Her family knows that if they want to see mom while the fair is on, they better go to the fair, because that's where she'll be. And there are lots more just like her.

Before breakfast this morning, I talked with Doctor Arthaud and Mrs. Arthaud, whose brother and sister-in-law travel from Texas every year to attend the Minnesota State Fair.

I don't mention these people to get us all puffed up about how great we are, because there is always room for improvement. I bring them up because I think we would all do ourselves a big favor if, every once in a while, we'd take a step back and see the fair as these people do. There is something that's very special about the State Fair, and it's an extremely important part of our identities as Minnesotans. For us to do the very best we can for our guests, we need to share in this excitement. We need to see the fair through their eyes if we are to really appreciate and understand just how much the fair means to people.

We can't always do this. While our guests are hopefully having the times of their lives, we're busy trying to get the electricity back on after a squirrel gets tangled up in a power line. That happened on Labor Day this year, and shut down power to about a third of the fairgrounds. Thanks to our great staff, power was back up within a half hour. Or we're dealing with traffic, or cleaning the barns out for changeover, or trying to keep cups stocked for concessionaires, and the list goes on.

But when we remind ourselves of just how special the fair is to people, dealing with these problems really isn't much of a problem. It's a privilege for us to serve. And if, in the process, we create the illusion of a parallel universe and a biosphere of fun, all the better.

To keep the fun in the fair, here are the issues we deal with. Rising production costs, the labor shortage, early school openings, improving and maintaining our facilities. This is the serious side of the fair.

Let's take a quick serious business look at the past year. Once again we were blessed with a record number of guests; paid attendance was just under 1.7 million. It might have been even more, except, for

the first time ever, most of the state's grade schools and high schools opened the week before Labor Day. This clearly affected attendance on those days. It also forced a lot of families involved in junior livestock programs and our other student programs make tough choices — go to school or go to the fair. I know a lot of teachers and school administrators, and based on what they said was accomplished at school prior to Labor Day, it seems that those who went to the fair made the right choice. Early school openings also have a big effect on employment opportunities for young people at the fair. Lots of high school kids work at the fair, and many had to cut their employment short. Barring a change in the law, early school openings will continue to be an issue for us.

On the financial side for '98, our net operating gain for the year was a little under \$2 million. That's great, because as you know, we don't ask for and we don't receive any public funding. The only people who pay for the fair are the people who go to the fair. Every dollar of last year's profit, plus another 2 million bucks, will be spent on improvements and maintenance to the fairgrounds. When you're taking care of 350 acres of facilities, \$4 million really doesn't go very far — not when it costs a million bucks to replace one large roof. And we have lots of roofs.

We invest a lot in our facilities every year, and our grounds look great, but the truth of it is, it's getting increasingly difficult to keep up. Our Grandstand was built in 1909 for horse racing. Today, it's used almost exclusively for stage shows and concert presentations. Both the exhibit space and the production facilities need lots of attention real soon. Our livestock facilities were built in WPA days, and they're marvelous old structures, but they also need serious work. When our utilities systems were built 40 and 50 years ago, I don't think they had ISDN phone lines and computer networks and brilliantly-lit computerized concession stands with sewer capabilities in mind. Production costs keep going up, too. In that respect, we're no different than any other business.

These are our biggest challenges. But I promise you that we're up to the challenge. We're going to have to make tough choices, and sacrifice, and be resourceful, and blaze new trails. But we'll get the job done. We owe it to our visitors and we owe it to posterity.

As is always the case, the fair would never happen without the hard, hard work of many dedicated people. The fair's board of managers sets good policy and provides the support needed to produce our world-class fair. The staff, well, I've said this before but I'll keep saying it: The fair's full-time staff and our group of dedicated department superintendents are truly the envy of the fair industry. I've been fortunate enough to attend some of the best fairs in the country, and among those fairs, and fairs all over the world, we're as famous for our expert staff as we are for the event itself. Our scores of business partners, many of whom are here today, such as Metro Transit and our friends at Bolin Marketing, our hundreds of commercial exhibitors and our thousands of competitive exhibitors — all of you clearly take great pride in the State Fair, and it shows. The board and staff thank you and, most important, nearly 2 million fair visitors thank you for all that you do.

I talked earlier about how special the fair is to our guests. This is great news, but it also means that we share a great responsibility. Everyone in this room, whether you're ag society delegates, or members of the staff, or our business partners, everyone here is a caretaker and a guardian of this marvelous institution. All of us have the very serious obligation to keep the Great in the Great Minnesota Get-Together. This is a big responsibility, but it's an even bigger opportunity for each and every one of us to truly make a difference in the lives of the millions of people who visit the fairgrounds each year. Like all of you, I am honored and proud to serve the Minnesota State Fair. Thank you all for the opportunity, and God bless you all.

Hammer's report was accepted by the membership.

Chairman Al Hoffman of Chisago County presented the following report of the credentials committee, which was adopted by the membership:

All credentials have been found to be in order with the following exceptions: Minnesota Brown Swiss Association, Minnesota Holstein Association, Minnesota Horse Breeders Association, Minnesota Federation of County Fairs, Minnesota Hereford Breeders Association, Minnesota Duroc Breeders Association, Minnesota Guernsey Breeders Association, Minnesota Turkey Growers Association and American Dairy Association did not file with the secretary of state by the statutory deadline of December 20, 1998. Becker County and Pope County credentials were not filed correctly.

A report of the resolutions committee was presented by Ron Erickson of Ramsey County. The following resolutions were adopted by the membership:

1. Resolved, that the Society extend its sincere thanks to the 1,689,034 people who visited the 1998 Minnesota State Fair, making it the best-attended exposition in its 144-year history. We further resolve to acknowledge that the most important part of the fair is its audience, and we pledge our best effort to present an exposition of the highest quality that is truly worthy of our patrons.
2. Resolved, that the Society acknowledge its debt to the many individuals who contributed time and effort to make the 1998 State Fair a record-breaking success, and that the Society extend to these people its sincere gratitude and appreciation.
3. Resolved, that the Society reaffirm its fundamental mission to promote Minnesota agriculture and industry by vigorously seeking new and diverse methods of presentation. We further resolve to maintain agriculture and its related industries as the cornerstone of the exposition.
4. Resolved, that the Society acknowledge with sadness the loss of all members and associates of the Society who died during the past year, including carnival operator Tim Boers, former Federation of County Fairs secretary Don Brown, State Fair horse department staff member Duane Chinander, concessionaire Ken Cleworth, carnival ride operator Jimmy Floyd, catering contractor Harry Given, State Fair llama superintendent Anne Heideman, former society vice president and life member Bert Lund, plumbing contractor John McQuillan, State Fair staff member Bill Perl, performer Buck Potter, concessionaires John Reibold and Shirley Reibold, promoter Paul Robinson, concessionaire Phil Sampson, carnival concessionaire Tim Tallmadge, concessionaire Paul Ward, State Fair midway ticket-taker supervisor Tony Waschbusch and carnival ride operator Red Wood. We further resolve to extend our sympathy to the families and friends of these dedicated people.
5. Resolved, that the Society earns great benefit from its association with other expositions and related businesses, and that the Society continue its strong relationships with the Minnesota Federation of County Fairs, the Midwest Showmen's Association, the International Association of Fairs & Expositions and other organizations dedicated to professional improvement.
6. Resolved, that the Society extend its thanks and sincere appreciation to all who contributed to the success of its 140th annual meeting.

The society then proceeded to conduct elections with results as follows:

Vern Prokosch of Bird Island, president, one-year term; Joseph Fox of Maplewood, vice president - fourth regional district, two-year term; Howard Recknor of Hartland, first regional district, three-year term; Lyle Steltz of Rush City, third regional district, three-year term; Robert Lake, Aitkin, sixth regional district, three-year term; Dr. Ray Arthaud, St. Paul, honorary life member.

There being no further business before the body, the 140th annual meeting of the Minnesota State Agricultural Society was adjourned.

NON-PROFIT ORGANIZATION
US POSTAGE
PAID
MINNESOTA STATE
AGRICULTURAL SOCIETY



Director
Legislative Reference Library
645 State Office Building
St Paul MN 55155