



Minutes of the Oregon State Fair Council Regular Meeting

May 18, 2017

Oregon State Fair & Exposition Center – Cascade Hall-McKenzie Room

Audio Recorded: Yes

I. **Call to Order:** The meeting convened at 1:30 p.m. with Vice Chair Jon Chandler presiding.

II. **Roll Call:** The attendance, both in person and by phone, was recorded as shown below:

Present:

Jon Chandler, Vice Chair
Vicki Berger, Council Member
Loyal Burns, Council Member
Kevin Cameron, Council Member
Gene Derfler, Council Member
George Jennings, Council Member
Austin McGuigan, Council Member
Kerry Tymchuk, Council Member
Mike Paluszak, CEO

Non-Present:

Craig Smith, Chair
Leah Perkins-Hagele, Council Member
Sen. Arnie Roblan, Advisory Council Member
Rep. Mike Nearman, Advisory Council Member
Steve Powers, Advisory Council Member

III. **Pledge of Allegiance:** The Pledge of Allegiance was made by all parties present.

IV. **Presentations:** None

V. **Approval of Minutes:** Vice Chair Chandler asked if there were any changes or corrections to the minutes presented for approval. Hearing none, it was moved by Council Member Berger and seconded by Council Member McGuigan to approve the minutes as presented. The motion carried unanimously.

VI. **Public Comment on Agenda Items:** None

VII. **Council Chair's Report:** None

VIII. **CEO's Report:** Mr. Paluszak thanked Mr. Hillman for sitting in for him at the last meeting.

Mr. Paluszak introduced Rich Kansky. Mr. Kansky is the new President of the Oregon State Fair Foundation, along with lots of new members and new leadership. They are eager to engage with the Council and get started on some projects.

Bolt, Carlisle & Smith is getting ready to start conducting a full audit for 2016. They will start working on the audit the end of May, beginning of June.

Mr. Paluszak reported that gross Expo Center revenue for the first four months of the year is up by 70% over last year, which for the 2016 year was up over 50% compared to 2015. He commended the staff involved with Expo Center marketing and operations for the great job they are doing. The new Expo Center food and beverage concessionaire is doing a great job, reporting event grosses up consistently compared to prior year and doing a great job providing services to our new clients as well. We are in the process of, and looking forward to, renewing their contract another year.

Lastly, Mr. Paluszak reported that a lot of the deferred maintenance and capital projects are moving along, including preparing to begin bond projects this fall. Continued upgrades the equestrian facilities have proven beneficial; generating more horse shows and therefore more revenue.

IX. Information Items:

State Fair Report: Mr. Hillman started out by stating that the main goal for this year is to get over 300,000 in attendance at the fair. The Entertainment Consultant was able to pick up two additional concerts to fill the amphitheater on both Sundays, with no charge to the fair.

The Marketing team is working hard on promotions to increase attendance on Monday, Tuesday, and Wednesday. One dollar senior admission will continue this year. We will have a surprise promotion day on Thursday and admission will be two dollars on Fridays. Other promotions include a possible carnival promotion. Labor Day will again be Heroes Day, honoring Military and First Responders.

The carnival purchased a new roller coaster that will be going up the end of July.

Mr. Hillman also report to help keep costs down, Katie Cannon is working on recruiting service groups. She's also working with non-profit organizations to help promote ticket sales.

Other new features to the fair this year will be a new audio system in the garden area. This audio system will also benefit Expo Center as well. The footprint to the food court will be changing this year.

Mr. Hillman is also reported that sponsorships will be up about twenty-five percent.

X. Action Items

a. State Fair Council

- I. **Financial Statement 1/1/17 – 4/30/17:** Mr. Paluszak pointed out again the significant increase in Expo revenue due to increase in events booked.

A motion was made by Council Member Berger and seconded by Council Member Cameron to accept the financial statement 1/1/17- 4/30/17. The motion carried unanimously.

- II. **Agreement with Oregon Department of Administrative Services, Risk Management for Insurance Services and Coverage from July 1, 2017 until June 30, 2019:** It is Mr. Paluszak's recommendation to stay with the DAS Risk Management State Self-Insurance Pool. OSFEC's fees for DAS Risk Management Property, Liability, Workers Comp, and Risk Administration will go down for 2017-2019 by more than 80%. Mr. Paluszak is waiting to hear back on costs for the Property Insurance Reimbursement to DAS, which we hope will represent an additional significant savings. Additionally, Mr. Paluszak recommends continuing a separate insurance policy for Directors & Officers Liability and Employment Practices Liability, underwritten by Philadelphia Insurance Companies.

A motion was made by Council Member Cameron and seconded by Council Member Berger to accept the agreement with Oregon Department of Administrative Services, Risk Management

for insurance services and coverage from July 1, 2017 until June 30, 2019; and to continue insuring Directors & Officers Liability and Employment Practices through Philadelphia Insurance Companies. The motion carried unanimously.

b. Committee Reports and Action Thereon

- I. Executive Committee:** Deferred to Executive Session.
- II. Governmental Affairs Committee:** Committee Chair Berger reported that SB 384 passed out the Senate, and she fully expects it to move through the House Committee without any issues.

XI. Public Comments on Non-Agenda items: None

XII. Council Members' Comments: None

XIII. Executive Session: a. Pursuant to ORS 192.660(2)(a) to consider the terms of the employment agreement between the Oregon State Fair Council and the Director/CEO.

Upon reconvening into public session, Vice Chair Chandler reported that the Council delegated authority to the Executive Committee to act on the Council's behalf regarding necessary temporary adjustments to the Director/CEO's employment agreement.

XIV. Adjourn: There being no further business the meeting was adjourned.

Meeting Materials:

Agenda

Financial Statement 1/1/17 – 4/30/17

State of Oregon Department of Administrative Services Intergovernmental Agreement - No. 2017-01