



## Minutes of the Oregon State Fair Council Regular Meeting

April 21, 2016

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

Audio Recorded: Yes

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I. **Call to Order:** The meeting convened at 3:00 p.m. with Chair Craig Smith presiding.

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

**Present:**

Craig Smith, Chair  
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  
Anna Peterson, Council Member  
Kerry Tymchuk, Council Member  
Sen. Arnie Roblan, Advisory Council Member  
Rep. Mike Nearman, Advisory Council Member  
Mike Paluszak, CEO

**Non-Present:**

Leah Perkins-Hagele, 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:** Chair Smith asked if there were any changes or corrections to the minutes presented for approval. Hearing none, the Full Council Meeting Minutes of 2/18/16 were unanimously approved as presented.

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

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

VIII. **CEO's Report:** Mr. Paluszak is working with DAS regarding the Article XI-Q Bonds provided during the 2017 legislative session for fairground improvements. He hopes to have more information to present at the June 2016 council meeting.

IX. **Information Items:**

- a. **State Fair Update:** Mr. Hillman reviewed new attractions coming to the 2017 Oregon State Fair. A new carnival with new rides and layout. There will be motorsports all eleven days of the fair in the Pavilion. This will include monster trucks, demolition derby and truck pulls. Also new this year will be the pyrotechnic and laser light show that will take the place of the fireworks show presented in during the 2015 Fair. This will be a show visible from the interior of the grounds that will combine low-level pyrotechnics and lasers reflecting off most buildings. "Boots and Brews" will be expanded and enhanced including entertainment and food concessions next to it, located at the north end of the grounds. Because of the success of the special
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“Throw Back Thursday” promotion during the 2015 Oregon State Fair, the team is planning another special promotion day designed to drive another giant attendance day.

**X. Action Items**

**a. State Fair Council**

- I. Financial Statement 1/1/16 – 3/31/16:** It was moved by Council Member Cameron and seconded by Council Member Berger to accept the financial statement as presented. The motion carried unanimously.
- II. Discussion and possible action regarding employee benefits policy:** Clarifications are needed regarding certain aspects of the Council’s Employee Benefits Policy and to update the policy to incorporate recent changes in Oregon law regarding mandatory sick leave.

It was moved by Council Member Berger and seconded by Council Member Cameron to approve the clarifications to the employee benefits policy as presented. The motion carried unanimously.

- III. Discussion and possible action regarding Director/CEO’s delegated authority:** Mr. Paluszak is seeking approval for modification to his delegated authority to include exercising option years in contracts previously approved by the Council without additional action by the Council, and to make non-substantive changes to the terms of the contract including extending dates, modification of insurance requirements, and to accommodate minimal cost increases.

It was moved by Council Member Berger and seconded by Council Member McGuigan to approve the modifications to the Director/CEO’s delegated authority as presented. The motion carried unanimously.

**b. Committee Reports and Action Thereon**

**ii. Executive Committee**

1. Director/CEO’s performance evaluation: Chair Smith explained that the Executive Committee has completed the evaluation of the Director/CEO. The Committee was unanimous in approving the ranking of “Often Exceeds Standards” to describe the Director/CEO’s performance for 2015.

The Committee also unanimously approved the Performance Goals that they will use for the 2016 evaluation.

- ii. Governmental Affairs Committee:** Council Member Berger stated that the Committee is working on the legislative agenda and strategy for the 2017 legislative session. The Committee hopes to have it completed and to Sen. Roblan before August 2016.

**XI. Public Comments on Non-Agenda items:** None

**XII. Council Members’ Comments:** None

**XIII. Executive Session: 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.**

Chair Smith reported that in Executive Session the Council discussed modifying the Director/CEO's compensation for 2016. The proposal is to incorporate a performance incentive program for a total of \$10,000 (see attached), and to provide the employer benefit allowance of \$600 per month as additional unmatched deferred compensation in lieu of medical/dental benefit contribution.

It was moved by Council Member Berger to approve the modifications to the Director/CEO's delegated authority, motion was seconded by Council Member McGuigan. The motion carried unanimously.

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

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**Attachment:**

Director/CEO Performance Incentive Plan – 2016

**Meeting Materials:**

Agenda

Financial Statement 1/1/16 – 3/31/16

Employee Benefit Summary

CEO Delegated Authorities Policy

**Oregon State Fair Council**  
**Director/CEO Performance Incentive Plan - 2016**

Approved by the Council 4/21/16

**Total amount of incentive plan award available for 2016: ..... \$10,000.00**

**Distribution Summary of Incentive Plan Award by performance category:**

- A. Performance Evaluation ..... 30% (\$3,000)
- B. Financial Performance ..... 30% (\$3,000)
- C. Fair Performance ..... 20% (\$2,000)
- D. Expo Center Performance ..... 20% (\$2,000)

**A. Performance Evaluation: ..... 30% (\$3,000)**

- Average "Overall Job Performance" rating to receive full amount of incentive amount for this category: 3.0
- Average rating less than 3.0 reduces incentive amount proportionately for this category.  
*Example: If average "Overall Job Performance" rating equals 2.75 (91.7% of 3.0), incentive amount is reduced to \$2,751 (91.7% of \$3,000).*

**B. Financial Performance: ..... 30% (\$3,000)**

- Maintained ending available resources of at least \$1,500,000.
- Added investment in facility of at least \$350,000.
- Received funding in addition to general operating revenue of at least \$200,000<sup>1</sup>.
- Exceed budgeted net income including contingencies by at least \$10,000.

**\* All criteria must be met to receive any of this portion \***

**C. Fair Performance: ..... 20% (\$2,000)**

- Increased attendance by 5% over prior year. .... (10% - \$1,000)
- Increased non cash revenue by 5% over prior year. .... (5% - \$500)
- Increased cash revenue by at least 5% more than the increase in expenses compared to 2015..... (5% - \$500)

**D. Expo Center Performance..... 20% (\$2,000)**

- Increased EBITDA by 5% over prior year EBITDA..... (5% - \$500)
- Increased event days by 10 % over prior year<sup>2</sup>..... (10% - \$1,000)
- Created a guest feedback system to measure if renters and attendees needs and expectations were consistently exceeded (Greater than 50%)..... (5% - \$500)

<sup>1</sup> Legislature, foundations, grants, public and private sector partnerships, etc.

<sup>2</sup> Method for determining "event days":

	<u>Counted For Comparison As:</u>
• Each Move-In or Move-Out Day	.50 Per Building or Outdoor Area
• Each Event Day	1.00 Per Building or Outdoor Area
• Each OSFEC Event (Non-Fair) or Meeting	1.00 Per Building or Outdoor Area

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