



Minutes of the Oregon State Fair Council Regular Meeting

October 25, 2018

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 Kevin Cameron presiding.

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

Present:

Jon Chandler, Chair
Kevin Cameron, Vice Chair
Vicki Berger, Council Member
Loyal Burns, Council Member
Gene Derfler, Council Member
George Jennings, Council Member
Austin McGuigan, Council Member
Rep. Mike Nearman, Advisory Council Member
Sen. Arnie Roblan, Advisory Council Member
Craig Smith, Council Member
Kerry Tymchuk, Council Member
Mike Paluszak, Director/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:

- a. Council Meeting of July 26, 2018: Chair Cameron asked if there were any changes or corrections to the minutes presented for approval. Hearing none, it was moved by Council Member Smith and seconded by Council Member Jennings 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 shared that the Oregon State Archive is presenting an exhibit through March on the Oregon State Fair through the years. The exhibit is open weekdays 8am-4:45pm, free to the public, at 800 Summer St. NE Salem, OR 97301.

IX. Information Items:

- a. **State Fair Report:** Mr. Hillman shared the changes since 2015 and the accomplishments of the 2018 Fair. On Friday the 24th, 2018 the Oregon State Fair Council received its millionth Fair visitor. The weather was perfect and inviting staying in the 70's and 80's, a turnaround from the previous year. 2018 had a good economy, people were looking for places to spend their money, and patrons had pent up energy and wanted to get out of the house. 2018 showcased the team's consistent improvement of programming since 2015, when the Council took over the Fair.
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Since 2015, 4-H and FFA programming has been brought into the Fair time schedule, including the horse and dog shows.

The Fair has made judging open to the public. Creative Living and the Shoppers Expo have switched building. The STEM (now expanded to STREAM) programming has been introduced to the Fair. The FFA building has turned into the Tap House. Artisan Village has been moved to the Garden. The Roof Top Bar had been opened again. In 2015, the Fair made international news with the marijuana exhibit. In 2016 the Fair welcomed Rainier the new carnival. Dog town moved toward the north end of the grounds. Monument towers were added the grounds for signage. Kiddie Land was moved closer to the food court. Familyville stage was moved to the west lawn of the Pavilion, and some outdoor commercial exhibits were moved to east of Columbia Hall.

The Fair expanded its inventory of picnic tables to accommodate the need for people to sit and enjoy programming while dining in the food court. There has also been more shelter coverage added to accommodate patrons. Without incident, since 2015 patrons were allowed to bring their dogs to the Fair.

Mid-week promotions have helped with keeping attendance up during the week. \$2.00 day (\$2.00 Rides, Admission and Fair Lift) was a highlight of this year's Fair, as \$.25 day was in 2015. The 9:45 pm Spirit Stage Finale keeps the interest of the patrons and they stay longer to see it. This year was fire dancers. The concerts in L.B. Day Amphitheater times have changed from 8pm to 7pm and are 90minute shows, to give the patrons the opportunity to go out on grounds to see the sights after the show. Labor Day concerts happen earlier in the day, as people don't want to be out late on a Monday night, and have to work and get ready for school. This day is also Labor Day/Military Day which has been very popular and has been expanded to free admission to fire fighters, and first responders, and their families. Patrons this year enjoyed the spontaneous entertainment of Buskers and the marching band.

2018 had a beautiful commercial on air, that should be award winning. A Flash Fair event was created in Portland where the digital media has one million interactions. Simultaneously, a twelve hour flash sale was happening on the website. In twelve hours 42,000 admission tickets and 40,000 carnival rides were sold.

One of the nine shows did not sell more than 300 tickets to an 8,600 seat venue. So, the Marketing and Entertainment Departments developed a contest where winners were guests of the Fair and got to be part of the show. All others that entered won tickets to the Fair and the magic show. The contest packed the house, more than any other show during the Fair.

1.5 million transactions occurred on the E Commerce site in 2018. Food was up 27% over 2016.

Mr. Paluszak added from 2014 to 2018 attendance was up 60% (unique visits), food and beverage was up 60%, and carnival was up 64%.

Mr. Paluszak extended thanks to Don Hillman and Katie Cannon for their service to the Oregon State Fair. The Fair would not be where it is today without your service.

X. Action Items

a. State Fair Council

- I. Receive 2017 Financial Review by Boldt Carlisle + Smith, Certified Public Accountants:** Doug Parham from Boldt Carlisle + Smith presented the 2017 financial review report. 2017 operations resulted in a change in net position of +\$355,595, with an ending net position of \$4,217,333.

Vice Chair Cameron, Council Member Jennings and Mr. Paluszak, reminded the group that capital expenses from 2015 through 2017 and beyond will be reflected as capital investments minus depreciation beginning in 2018, due to a statutory change made in 2017. Council Member Berger asked if we would have an audit of 2018. Yes, the Council adopted a policy of doing an audit and review in alternating years.

A motion was made by Council Member Smith and seconded by Council Member Berger to receive the 2017 Financial Review by Boldt Carlisle + Smith. The motion carried unanimously.

- II. Financial Statement 1/1/2018-9/30/2018:** Mr. Paluszak commented that the current financials are preliminary, and are incomplete with regard to the 2018 Oregon State Fair as collecting revenue and paying expenses related to the Fair are ongoing. A motion was made by Council Member Berger and seconded by Council Member Jennings to accept the financial statement 1/1/2018-9/30/2018. The motion carried unanimously.

b. Committee Reports and Action Thereon

- I.** Executive Committee: None
- II.** Governmental Affairs Committee: Council Member Berger reported that at this time there is no legislation before us. However the fairgrounds does have an enormous need for facility deferred maintenance and improvements. That will be the focus of the Governmental Affairs Committee during the upcoming Legislative session.
- III.** Nominating Committee: The Nominating Committee will need to meet soon as some Council Members terms expire in December.

XI. Public Comments on Non-Agenda items: None

XII. Council Members' Comments: None.

XIII. Executive Session: Pursuant to ORS 192.660(2)(h) to consult with counsel concerning legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Upon reconvening into public session, Vice Chair Cameron reported that the Council received information for Legal Counsel and no action was taken.

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

Meeting Materials:

Agenda

Invitation: Oregon State Fair Exhibit at Oregon State Archives

2017 Financial Review by Boldt Carlisle + Smith

Financial Statement 1/1/18 – 9/30/18