



Oregon State Fair Council Meeting Notice & Agenda

Thursday, June 25, 2020

By Conference Call Only Due To COVID-19 Restrictions On Gatherings

Executive Session Begins at 1:30 pm – Not Open To The Public

Public Session Begins at 2:30 pm

Call-In Information For Public Session (515) 604-9099 – Mtg ID 324-649-707

Council Members

Kevin Cameron, Chair

Vicki Berger, Vice Chair

Loyal Burns

Jon Chandler

Gene Derfler

George Jennings

Dayna Jung

Austin McGuigan

Leah Perkins-Hagele

Craig Smith

Advisory Members

Senator Arnie Roblan

Representative Mike Nearman

Salem City Manager Steve Powers

Our Mission

The mission of the Oregon State Fair & Exposition Center is to provide a reason and a place for all people to gather, connect and learn, embrace excellence in all forms and celebrate the achievements of Oregonians.

Our Vision

We envision a relevant Oregon State Fair & Exposition Center that embodies good stewardship of the public's trust and serves as a self-sustaining asset for Oregonians to treasure long into the future.

Public Comments

The Oregon State Fair Council values the input of citizens in making important decisions that affect the Oregon State Fair and Exposition center. We also believe in the right of citizens to observe Council meetings. To ensure citizens have an opportunity to attend Council meeting and offer citizen comment and to ensure that the Council can conduct its business, the following guidelines apply to all public comment.

- The Council will have two sign-up sheets at a desk in the meeting room 15 minutes before the scheduled meeting for those wishing to speak on agenda items or non-agenda subjects. Individuals may sign up in person, or in advance of the meeting via email. Email requests should include the date requester wishes to speak, requester's name, phone number and the agenda item or topic of their comments.
- Public Comment on Agenda Items before the Council: individuals on this list will be called to testify before actions on these items are taken. On the sign-up sheet list your name, address and the agenda item upon which you wish to be heard.
- Public Comment on Non-Agenda Items during Board Meetings: list your name, address and the subject matter upon which you wish to be heard.
- You will have 3 minutes to testify, unless otherwise stated.
- When you are called to come forward to speak state and spell your name for the recorded record of the meeting.
- Council members may ask questions to clarify your testimony but will not engage in a discussion with you. Public Comment allows the Council and CEO to hear issues that interest our citizens, but does not allow an opportunity for dialogue between the speaker, Council or Administrators.
- If the Council determines that follow-up is necessary you may be referred to the Chief Executive Officer or an item may be placed on a future Council agenda.
- If you wish to submit written testimony before or at the meeting, please provide 15 copies.
- The Public may not use videos or PowerPoint presentation to accompany their testimony without prior approval by the Board Chair.
- Individuals offering citizen comment are not permitted to make personal attacks on any Council employee, Council member, other testifier, or member of the public.



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Agenda

1:30 - Executive Session (Not Open To The Public)

Pursuant to ORS 192.660(2)(a) to Consider Employment of a Director/CEO

2:30 - Public Session

- I. Call To Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Report Out Regarding Executive Session
- V. Possible Public Comment and Action Regarding Employment of a Director/CEO
- VI. Approval of Minutes
 - a. Council Meeting of May 28, 2020
- VII. Public Comment on Agenda Items
- VIII. Council Chair's Report
- IX. CEO's Report
- X. Information Items
 - a. State Fair Report
- XI. Action Items
 - a. State Fair Council
 - i. Financial Statement 1/1/20-5/31/20
 - ii. Director/CEO Delegated Authority
 - b. State Fair
 - c. Expo Center
 - d. Committee Reports and Action Thereon
 - i. Executive Committee
 - ii. Governmental Affairs Committee
 - iii. Nominating Committee
- XII. Public Comments on Non-Agenda Items
- XIII. Council Members' Comments
- XIV. Adjourn



Oregon State Fair Council Meeting – June 25, 2020

Agenda Item: VI.a. [For Action]
Approval of Minutes of Council Meeting of May 28, 2020



Minutes of the Oregon State Fair Council Regular Meeting
May 28, 2020
By Phone Due to COVID-19 and Social Distancing requirements
Audio Recorded: Yes

I. Call to Order: The meeting convened at 2:30 p.m. with Chair Kevin Cameron presiding.

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

Present:

Kevin Cameron, Chair
Vicki Berger, Vice Chair
Loyal Burns, Council Member
Jon Chandler, Council Member
Gene Derfler, Council Member
George Jennings, Council Member
Austin McGuigan, Council Member
Leah Perkins-Hagele, Council Member
Sen. Arnie Roblan, Advisory Council Member
Craig Smith, Council Member
Mike Paluszak, Director/CEO

Non-Present:

Dana Jung, 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. Report Out Regarding Executive Session

Chair Cameron reported that an Executive Session was held prior to this meeting pursuant to ORS 192.660(2)(a) to consider employment of a Director/CEO.

A motion was made by Council Member Chandler and seconded by Council Member McGuigan to authorize Mr. Paluszak to enter into a conversation with Kim Grewe-Powell to assume the position of Interim Director/CEO, effective June 25th, 2020 with the results of that conversation reported back to the Executive Committee for concurrence and then brought to the Council for approval at the June 25th, 2020 meeting. Mr. Paluszak will remain Director/CEO until an appointment is made, and will be available on an as needed basis as an employee with an hourly rate also presented to the Executive Committee for concurrence and to the Council for approval on the same schedule.

There being no public comment or discussion, the motion passed unanimously.

V. Possible Public Comments and Action Regarding Employment of a Director/CEO: None

VI. Approval of Minutes:

a. Council Meeting of April 23, 2020: Chair Cameron asked if there were any changes or corrections to the minutes presented for approval. Hearing none, a motion was made by Council Member Chandler and seconded by Council Member McGuigan to approve the minutes as presented. The motion carried unanimously.

VII. Public Comment on Agenda Items: Kim Grewe-Powell thanked the Council for the opportunity, and she looks forward to discussing further with Mr. Paluszak.

VIII. Council Chair's Report: Discussed in item IV.

IX. CEO's Report: Combining IX and X:

Regarding Expo Center: Through September 30 we have cancelled fifty-two events, four have been rescheduled, and two may go on in early August that are very small and within the guidelines. The Oregon Health Authority hospital has been packed up and is in storage/staged for future use on grounds in case it is needed later this year. The Willamette Art Center is opening under Phase One for Marion County, with very limited activity. Marion-Polk Counties Food Share has contacted Mr. Paluszak about a mass food distribution, but he hasn't heard any updates. Our year-round concessionaire has proposed limited drive-up/walk-up concession operation on corner of 17th St. and Silverton Rd. he thinks it will move forward. It is anticipated that Dairy Women will also participate. Unfortunately, the activities we will have going on will not generate much revenue. If we assume no Expo Center events through the rest of the year, we project that we will net approximately +\$33,000, because we did have a few good months early-on before we were shut down. There are permanent salaries that are allocated across all cost/profit centers, and including that allocation we shouldn't go negative on Expo Center.

All but the core staff has been laid off: Mike, Kim, Jim, Wayne, Shawnnell and one maintenance person that is furloughed in case we need him to come in as needed. Once the decision was made for us by the Governor that we could not hold the State Fair we terminated seventeen fair-related contracts and modified two significantly because they had an element of year-round services as well as fair time. The one opportunity we are going to carry forward to 2021 are the concert contracts, as some have expressed interest in moving their contracts to 2021. There are a couple of fair time revenue contracts that needed to be cancelled that he plans to reissue for 2021: the Carnival and Oregon Beverage Service. Particularly the carnival is taking a massive financial hit because they have not been able to open anywhere, but they sound optimistic they will survive the storm. They have applied for grant money and feel sure they will get some.

The biggest conversation regarding the fair is what to do with FFA and 4-H. The fair has been in talks with both organizations and they are going to work within their respective organizations to salvage what programming they can for their participants, but not involving the State Fair.

The management team has decided to take advantage of this time and start preparing and promoting the 2021 State Fair, including announcing our entertainment during this year Fair dates, putting concert tickets on sale, doing admission and carnival presale during the holidays for stocking stuffers, and other things that will generate interest on social media.

Regarding other operations: The LRS facility assessment project has continued. We are waiting the first draft of the report. Starting June 1st Marion County will start paving per the agreement that was approved by the Council a couple months ago. Mr. Paluszak is working with Marion County staff to complete the contract before the start date.

The Management Staff is planning the reopening of the OSFEC offices in compliance with the HR requirements, which are pretty significant. When we reopen will largely depend on when we can start doing events. We are prepared to stay in skeleton mode until then, and through the rest of the year if necessary, with a modest amount of maintenance work being done.

Council Member Smith asked if there were things we could do during the 2020 Fair dates that could promote the Fair such as broadcasting The Gerry Frank Chocolate Cake Contest, have an animal drive thru, wine judging, and other activities that can happen without drawing crowds?

The team is looking at those types of activities and others like them, virtual and otherwise. They do have to meet certain guidelines, have to make sense in in terms of cost to produce, and they don't really generate much revenue. Will report back next month on any decisions.

X. Information Items:

a. **State Fair Report:** See Item IX. above

XI. Action Items

a. **State Fair Council**

i. Financial Statement 1/1/20-4/30/20

Chair Cameron asked if there were any changes or corrections to the Financial Statement presented for approval. Hearing none, a motion was made by Vice Chair Berger and seconded by Council Member Chandler to accept the minutes as presented. The motion carried unanimously.

b. **State Fair:** None

c. **Expo Center:** None

d. **Committee Reports and Action Thereon**

i. Executive Committee: None

ii. Governmental Affairs Committee: None

iii. Nominating Committee: None

XII. Public Comments on Non-Agenda items: None

XIII. Council Members' Comments: None

XIV. Adjourn: There being no further business the meeting was adjourned at 2:56pm

Meeting Materials:

Agenda

Council Meeting Minutes April 23, 2020

Financial Statement 1/1/20-4/30/20



Oregon State Fair Council Meeting – June 25, 2020

Agenda Item: XI.a.i. [For Action]
Financial Statement 1/1/20-5/31/20

Oregon State Fair Council
Balance Sheet
As of May 31, 2020

	May 31, 20
ASSETS	
Current Assets	
Checking/Savings	
10000 · Maps Checking Account	4,586.21
10100 · Maps Savings Account	5,024.51
10120 · USB - Operating Acct - 5013	139,861.32
10121 · USB - Payroll Acct - 3265	14,998.88
10125 · USB - Mrchnt Pre-Sales - 2438	3,078.98
10127 · USB - Fair Admission -5088	5,788.94
10128 · USB - Office Expo - 5104	5,186.38
10129 · USB - Show Works - 5120	2,686.12
10130 · USB - Camp Ground - 5138	2,226.19
10131 · USB - Office FAIR - 5112	1,422.12
10150 · Petty Cash Box - Fair	323.87
10200 · State Treasury Fund Account	4,357,660.09
Total Checking/Savings	4,542,843.61
Accounts Receivable	
11000 · Accounts Receivable	105,032.19
Total Accounts Receivable	105,032.19
Other Current Assets	
12004 · Prepaid Rent	250.00
12005 · Prepaid FCC 10 Yr License	1,960.00
13000 · Prepaid Contracts	4,666.44
Total Other Current Assets	6,876.44
Total Current Assets	4,654,752.24
Other Assets	
19000 · Capital Investments- SF Council	1,832,912.56
Total Other Assets	1,832,912.56
TOTAL ASSETS	6,487,664.80
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	136,588.39
Total Accounts Payable	136,588.39
Credit Cards	
20015 · U S Bank Credit Card - Mike	214.64
20030 · US Bank Credit Card - Jim	60.96
Total Credit Cards	275.60
Other Current Liabilities	
20100 · Deferred Rent Income - MCFair	240,000.00
20200 · Deferred Income - Fair	55,000.00

Oregon State Fair Council
Balance Sheet
As of May 31, 2020

	<u>May 31, 20</u>
20515 · Deferred Income - Expo	15,200.00
24000 · Payroll Liabilities	<u>21,938.79</u>
Total Other Current Liabilities	<u>332,138.79</u>
Total Current Liabilities	<u>469,002.78</u>
Total Liabilities	469,002.78
Equity	
25000 · State Parks Opening Bal	3,014,804.40
25020 · State Biennium Fund 2015-2017	1,015,299.00
32000 · Retained Earnings	2,810,269.07
32050 · Restricted Net Posititon	8,760.02
Net Income	<u>-830,470.47</u>
Total Equity	<u>6,018,662.02</u>
TOTAL LIABILITIES & EQUITY	<u><u>6,487,664.80</u></u>

Oregon State Fair Council
Profit & Loss - Total
January through May 2020

	<u>Jan - May 20</u>
Ordinary Income/Expense	
Income	
Administration Revenue	38,557.98
Operations Revenue	19,740.00
Expo Center Revenue	315,684.13
State Fair Revenue	56.00
Total Income	<u>374,038.11</u>
Gross Profit	374,038.11
Expense	
Salaries & Wages - Permanent	250,959.21
Contracted Labor - PT/Snl/Temp	40,119.38
Employee Benefits - ER Exp	27,109.29
Payroll Tax - Employer's Share	21,246.58
Professional Services Exp.	63,494.69
Council Expense	163.87
Travel/Training/Relocation - EE	7,932.81
Supplies & Expenses	39,818.88
Dues and Subscriptions	1,685.00
Insurance	25,854.50
Utilities-Elec,Gas,Water, Trash	227,640.97
Maint. of Buildings and Grounds	133,491.51
Marketing Expenses	9,489.12
Vehicle Expenses	1,269.66
Bank Fees	10,209.23
Equipment Purchase <\$5k	1,500.00
Permits, Licenses	123.20
State Fair Administrative Exp.	11,697.76
State Fair Marketing Expenses	119,846.46
State Fair Operations Expenses	6,284.17
State Fair Attractions Expenses	29,698.44
State Fair Exhibits Expenses	29,370.89
Total Expense	<u>1,059,005.62</u>
Net Ordinary Income	-684,967.51
Other Income/Expense	
Other Income	
Special Projects Income	<u>595.50</u>

06/16/20
Accrual Basis

Oregon State Fair Council
Profit & Loss - Total
January through May 2020

	<u>Jan - May 20</u>
Total Other Income	595.50
Other Expense	
Special Projects Expense	138,308.30
90700 · Bond Project Exp	7,790.16
Total Other Expense	<u>146,098.46</u>
Net Other Income	<u>-145,502.96</u>
Net Income	<u><u>-830,470.47</u></u>

06/16/20
Accrual Basis

Oregon State Fair Council
Profit & Loss by Class - Exclude NonCash
January through May 2020

	Admin	Operations	Expo	Fair	TOTAL
Ordinary Income/Expense					
Income					
Administration Revenue	38,557.98	0.00	0.00	0.00	38,557.98
Expo Center Revenue	0.00	0.00	315,684.13	0.00	315,684.13
State Fair Revenue	0.00	0.00	0.00	56.00	56.00
Total Income	<u>38,557.98</u>	<u>0.00</u>	<u>315,684.13</u>	<u>56.00</u>	<u>354,298.11</u>
Gross Profit	38,557.98	0.00	315,684.13	56.00	354,298.11
Expense					
Salaries & Wages - Permanent	57,086.78	62,739.81	68,392.81	62,739.81	250,959.21
Contracted Labor - PT/Snl/T...	7,444.82	9,134.48	23,540.08	0.00	40,119.38
Employee Benefits - ER Exp	22,997.43	4,111.86	0.00	0.00	27,109.29
Payroll Tax - Employer's Sha...	4,575.83	5,169.30	5,431.79	6,069.66	21,246.58
Professional Services Exp.	37,173.23	5,462.71	20,858.75	0.00	63,494.69
Council Expense	163.87	0.00	0.00	0.00	163.87
Travel/Training/Relocation - ...	7,573.77	0.00	0.00	359.04	7,932.81
Supplies & Expenses	2,639.23	36,509.23	670.42	0.00	39,818.88
Dues and Subscriptions	1,535.00	0.00	75.00	75.00	1,685.00
Insurance	8,240.74	3,522.74	7,045.51	7,045.51	25,854.50
Utilities-Elec,Gas,Water, Trash	38.53	227,602.44	0.00	0.00	227,640.97
Maint. of Buildings and Grou...	0.00	113,751.51	0.00	0.00	113,751.51
Marketing Expenses	64.64	0.00	9,424.48	0.00	9,489.12
Vehicle Expenses	0.00	1,269.66	0.00	0.00	1,269.66
Bank Fees	4,346.79	0.00	3,715.54	2,146.90	10,209.23
Equipment Purchase <\$5k	0.00	1,500.00	0.00	0.00	1,500.00
Permits, Licenses	0.00	123.20	0.00	0.00	123.20
State Fair Administrative Exp.	0.00	0.00	0.00	11,697.76	11,697.76
State Fair Marketing Expenses	0.00	0.00	0.00	119,846.46	119,846.46
State Fair Operations Expen...	0.00	0.00	0.00	6,284.17	6,284.17
State Fair Attractions Expen...	0.00	0.00	0.00	29,698.44	29,698.44
State Fair Exhibits Expenses	0.00	0.00	0.00	29,370.89	29,370.89
Total Expense	<u>153,880.66</u>	<u>470,896.94</u>	<u>139,154.38</u>	<u>275,333.64</u>	<u>1,039,265.62</u>
Net Ordinary Income	-115,322.68	-470,896.94	176,529.75	-275,277.64	-684,967.51
Other Income/Expense					
Other Income					
Special Projects Income	0.00	595.50	0.00	0.00	595.50
Total Other Income	0.00	595.50	0.00	0.00	595.50

06/16/20
Accrual Basis

Oregon State Fair Council
Profit & Loss by Class - Exclude NonCash
January through May 2020

	<u>Admin</u>	<u>Operations</u>	<u>Expo</u>	<u>Fair</u>	<u>TOTAL</u>
Other Expense					
Special Projects Expense	0.00	138,308.30	0.00	0.00	138,308.30
90700 · Bond Project Exp	0.00	7,790.16	0.00	0.00	7,790.16
Total Other Expense	0.00	146,098.46	0.00	0.00	146,098.46
Net Other Income	0.00	-145,502.96	0.00	0.00	-145,502.96
Net Income	<u><u>-115,322.68</u></u>	<u><u>-616,399.90</u></u>	<u><u>176,529.75</u></u>	<u><u>-275,277.64</u></u>	<u><u>-830,470.47</u></u>

06/16/20
Accrual Basis

Oregon State Fair Council
Profit & Loss by Class - NonCash Trade Only
January through May 2020

	<u>NonCash-Trade</u>	<u>TOTAL</u>
Ordinary Income/Expense		
Income		
Operations Revenue	19,740.00	19,740.00
Total Income	19,740.00	19,740.00
Gross Profit	19,740.00	19,740.00
Expense		
Maint. of Buildings and Gro...	19,740.00	19,740.00
Total Expense	19,740.00	19,740.00
Net Ordinary Income	0.00	0.00
Net Income	0.00	0.00



Oregon State Fair Council Meeting – June 25, 2020

Agenda Item: II.a.ii [For Action]
Director/CEO Delegated Authority

OREGON STATE FAIR COUNCIL
Director/CEO Delegated Authorities

Approved by the Council 11/20/14 – Amended 10/22/15, 4/21/16, 1/25/18

The following authorities have been delegated to the Director/CEO without further approval by the Council, in order to provide for the efficient and effective management of the Oregon State Fair & Expo Center. All actions taken by virtue of these delegated authorities shall be within budget and policy guidelines:

Personnel:

The Director/CEO is delegated the authority to:

- Determine staff positions required, necessary or desirable in order to accomplish the mission, goals and objectives of the Council.
- Determine duties, performance standards, accountabilities, authorities, time bases, work schedules, and workplace policies and procedures.
- Establish salary ranges, increments, incentives, and initial placement of employees within their position's salary range and established vacation accrual tiers.
- Determine benefit providers and plans offered to employees.
- Recruit, hire, assign, evaluate, promote, discipline, and terminate employees as required, necessary or desirable.
- Create, execute and maintain personnel documents and records.

Contracting:

The Director/CEO is delegated the authority to:

- Solicit, negotiate and execute revenue contracts including but not limited to Oregon State Fair & Expo Center rental agreements, sponsorships agreements, commercial exhibit space agreements, food & beverage and merchandise concessions agreements, etc. in any amount for a term not to exceed one year.
- Solicit, negotiate and execute contracts for professional, personal, technical and other services, expertise, and/or equipment required, necessary and/or desirable in order to accomplish the mission, goals and objectives of the Council for any amount not to exceed \$50,000, and entertainment contracts for the Oregon State Fair for any amount not to exceed \$150,000.
- Determine acceptable contract performance and exercise option year(s) provided for in contracts previously approved by the Council if there are no substantive changes of terms except extending contract dates, reasonable adjustments to accommodate minimal cost increases, and modifications of insurance requirements.
- Modify contracts previously approved by the Council at any time if there are no substantive changes of terms except reasonable adjustments to accommodate minimal cost increases, and modifications of insurance requirements.

OREGON STATE FAIR COUNCIL
Director/CEO Delegated Authorities

Approved by the Council 11/20/14 – Amended 10/22/15, 4/21/16, 1/25/18

- Contracts executed within these limits will be reported to the Council as information at a subsequent meeting. Contracts negotiated and recommended beyond these limits will be presented to the Council for action. In the event that time is of the essence and desirable opportunities beyond these limits require approval before it is practical to present them to the Council for action, the Executive Committee is authorized to act on the Council's behalf, not to exceed \$125,000, and such action reported to the Council at a subsequent meeting.

Purchasing:

The Director/CEO is delegated the authority to:

- Solicit, negotiate and execute purchases for any goods, supplies, or services purchased on a time and material basis, that are required, necessary and/or desirable in order to accomplish the mission, goals and objectives of the Council for any amount not to exceed \$50,000.

Purchases beyond these limits will be presented to the Council for action. In the event that time is of the essence and purchases are required, necessary or desirable before it is practical to present them to the Council for action, the Executive Committee is authorized to act on behalf of the Council, not to exceed \$125,000, and such action reported to the Council at a subsequent meeting.

Banking:

The Director/CEO is delegated the authority to:

- Authorize the transfer of funds within established Oregon State Fair Council investment and bank accounts in any amount necessary to provide for the cash flow needs of the Oregon State Fair & Expo Center operations.
- Execute payment of any authorized expenditure of funds directly from any established Oregon State Fair Council investment or bank account in any amount up to \$25,000 without requiring a second authorized signature.

Emergencies:

The Director/CEO is delegated the authority to:

- Take any action outside of these delegated authorities in the case of an emergency situation that requires immediate action to protect the property, infrastructure, personnel, contractors, tenants, visitors, the public, or operations of the Oregon State Fair & Expo Center from imminent peril. The CEO will report such actions taken under this provision as soon as practical to the Council Chair, or the Vice Chair if the Chair cannot be reached within a reasonable period of time. Any such action will be reported to the Council at a subsequent meeting.