



Minutes of the Oregon State Fair Council Regular Meeting

March 12, 2019

Oregon State Fair & Exposition Center – Floral Building

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
Loyal Burns, Council Member
Gene Derfler, Council Member
George Jennings, Council Member
Austin McGuigan, Council Member
Rep. Mike Nearman, Advisory Council Member
Leah Perkins-Hagele, Council Member
Craig Smith, Council Member
Mike Paluszak, Director/CEO

Non-Present:

Vicki Berger, Council Member
Dayna Jung, Council Member
Steve Powers, Advisory Council Member
Sen. Arnie Roblan, 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 December 6, 2018:** Vice 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 Derfler to approve the minutes as presented. The motion carried unanimously.

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

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

A motion was made by Council Member Smith and seconded by Council Member McGuigan to move X. Action Items, a. State Fair Council to this point of the meeting. The motion carried unanimously.

X. **Action Items**

a. **State Fair Council**

- i. **Financial Statement 1/1/18-12/31/18:** Vice Chair Cameron asked if there were any comments or corrections to the Financial Statement presented for approval. Hearing none, it was moved by Council Member Smith and seconded by Council Member McGuigan to approve the Financial Statement as presented. The motion carried unanimously.
- ii. **Financial Statement 1/1/19-1/31/19:** Vice Chair Cameron asked if there were any comments or corrections to the January 2019 Financial Statement presented for approval. Hearing none, it was moved by Council Member Derfler and seconded by Council Member Smith to approve the January 2019 Financial Statement as presented. The motion carried unanimously.
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iii. Discussion and Action Regarding 2018 Operation Budget

Mr. Paluszak provided an overview of the proposed 2019 operating budget and reported that the proposed budget is consistent with the strategic financial goals adopted by Council with regard to contingency funds and minimum ending reserves. This operating budget does not include capital investments.

Following discussion, it was moved by Council Member Smith and seconded by Council Member McGuigan to:

1. Approve a Calendar Year 2019 Operating Budget of:

| | |
|---|------------------|
| Beginning Available Resources (Projected) | 4,095,168.40 |
| Operating Budget: | |
| 2019 Operating Revenue | \$7,009,394.74 |
| 2019 Operating Expenses | (\$7,438,330.21) |
| Profit/Loss From Operations | (\$428,935.47) |
| Contingency Budget | |
| 2019 Contingency Budget – General: | (\$350,000) |
| 2019 Contingency Budget – Program Investment/Enhancement – Fair: | (\$150,000) |
| Total 2019 Contingency Budget ¹ | (\$500,000) |
| Ending Available Resources: (Projected) | \$3,166,232.93 |
| <i>Minimum Available Resources</i> ² | \$1,500,000 |
| Ending Available Resources In Excess of Minimum (Projected) | \$1,666,232.93 |

¹ Strategic Financial Goal adopted by the State Fair Council 1/21/16: "Propose an annual budget that includes a contingency fund of \$400,000 for emergency needs, unanticipated opportunities, and/or reallocation to other budget categories."

² Strategic Financial Goal adopted by the State Fair Council 1/21/16: "Maintain ending available resources of at least \$1,500,000."

2. Authorize the CEO to conduct the activities of the Oregon State Fair & Exposition Center within the approved Operating Budget without further action by the Council, subject to approved delegated authority.

(continued)

3. Authorize The CEO to make a one-time expenditure, which exceeds the CEO's delegated purchasing authority and is included in the 2019 budget, of \$60,000 to Hillman Consulting, Inc. for OSFC to assume ownership of oregonstatefair.org web site, as was independently valued on 1/1/15.
4. Authorize the CEO to transfer of funds from the Contingency Budget to the Operating Budget as necessary.

The motion carried unanimously.

XI. CEO's Report:

Mr. Paluszak shared that everyone is settling in to their new roles after the restructuring. Mr. Paluszak shared an organizational chart reflecting the transition and restructuring of roles and positions which indicates which positions are full-time, part-time, and contracted.

He and Chair Chandler also reported that they, along with Council Member Berger, had met with Council Member Jung to provide her with some background regarding the Council and OSFEC. All agree that Ms. Jung be a great addition to the Council and look forward to working with her.

XII. Information Items:

a. State Fair Report:

Kim Grewe-Powell shared with the Council the updates of Fair planning. Contract templates are in place that have been vetted by legal counsel. They are getting an earlier start securing sponsors an entertainment this year. So far five artists have been announced: Steve Miller Band, Dustin Lynch, Beach Boys, REO Speed Wagon, and the Newsboys. Four others will be announced in the coming weeks. Concert tickets will go on sale on April 8th.

Major physical changes made to the layout of the fair will include:

The Garden

- Artisans Village - will move west of the Taphouse
- New Oregon-themed programming in the garden will include:
 - Paul Bunyan Lumberjack show
 - Bear Hollow Wood Carvers.
 - Nightly Country-Folk performances and storytelling around a fire pit
 - Smores
 - Microbrews and Oregon Food Carts
 - Open up the 4-H Building access and provide new signage to make it more inviting
 - Three new entrances with Oregon-Themed signage to entice guest to visit the garden area
 - Floral Building programming will be changed to incorporate the new Garden-theme; woodworking, spinner and weavers

East of Floral Building will include:

- Petting Zoo & AgVentureland
- Pig Racing
- Sea Lion Encounter- Edutainment- Rescued Sea Lions

STREAM

- Moving out of Creative Living/Columbia Hall

- New location will be Northeast of Columbia Hall
- Mindworks Exhibit- Engages minds with STEM (Chess, Scrabble, Lego, Simon Says, Puzzles, Memory Games)

Pavilion - Still working on exciting programming

b. Committee Reports and Action Thereon:

- i. Executive Committee: None
- ii. Governmental Affairs Committee: Legislative Session is underway. We are tracking a number of bills.

SB-897 Senator Roblan’s Bill on the Fair’s behalf, requesting \$5.6 million for deferred maintenance of state-owned property. Additional Chief Sponsors are Senators Courtney and Hansell, and Representative Greg Smith. Mr. Paluszak will be meeting with each of them in the coming weeks. The bill has been assigned to Business and General Government Committee, and if approved will subsequently be referral to the Joint Ways and Means Committee.

HB-5030 Budget Bill, that houses the Governor’s Budget line item for \$5 million for restoration of the Horse Stadium and Poultry Barn.

SB-5502 which include the Fair Biennium allocation \$1,015,299 (same amount as 2015-2017 and 2017-2019)

HB 2613 is a county fair bill sponsored by Representative Greg Smith, seeking money to hire a consultant to do an assessment regarding the county fairgrounds’ master planning and report back to the legislature in 2020. This bill does not include the Oregon State Fair.

HB 2233 regarding consumption and sale of marijuana at temporary events. It could potentially reach OSFEC in a couple ways. The bill does talk about licensing temporary events that want to make it a feature of their event, and venues that host such events.

Representative Nearman shared HB 2243 is the same as the Roblan Bill (SB 897), and has been referred to Natural Resource Committee.

- iii. Nominating Committee: None

XIII. Public Comments on Non-Agenda items: None

XIV. Council Members’ Comments: None.

XIV. Adjourn: There being no further business the meeting was adjourned at 3:00 p.m.

Meeting Materials:

Agenda

Financial Statement 1/1/18-12/31/18:

Financial Statement 1/1/19-1/31/19

2019 Operating Budget

Organizational Chart