

Marion County Fair Board Meeting
May 5, 2010 5:30 PM
Marion County Public Works

Minutes by Denise Clark

Members: Diannah Dolby, Shannon Gubbels, Phyllis Johnson, Terry Sol, Pam Zielinski

Commissioner Liaison: Janet Carlson

Staff: Denise Clark, Joel Conder, Sara McDonald

Guests: Suzanne Jorgensen (Mid Valley Mentors), Cassie McFarland (Sweeney Promotions), Pamela Rose (4H), Dean Sweeney (Sweeney Promotions), Scott Towery (FFA), Bob Zielinski, Jr. (Fair Foundation)

I. Call to Order: 5:36 PM

II. Public Comments:

Suzanne Jorgensen, Mid Valley Mentors (previously called Youth Impact)

Suzanne described plans for Teen Day. She and Cassie went to three different high schools to promote the fair. They asked students of their interests. They will take this information under consideration and determine what they can implement. Events they are planning on holding:

- Electronic gaming tournament, they are hoping for 100 participants
- Dance competition including hip hop, popping (street style competition)
- Dodge-ball tourney incorporating school spirit
- All-county teen water balloon fight- will generate buzz on the Internet via social networking. It will be a 2-hour event held down in the car show area.

Phyllis asked about the feedback received from the teens; most had not attended the fair.

Bob Zielinski, Fair Foundation

Bob provided an update on creating a foundation to support the Marion County Fair. He convened a planning meeting on April 13. Dennis Koho, an attorney, located on River Road in Keizer, is willing to draw up the papers to develop a Fair Foundation pro bono (without charge). The three founding members of the foundation's board will include Bob, Sharon Davidson, and Debbie Lund. They hope to have this established by mid to the end of May. He doesn't know if it will be up and running by the 2010 fair.

Dean suggests we have a foundation booth at the fair to get the word out. Bob says he's interested but they don't have any booth money to contribute.

Bob says the bylaws will be very simple. The foundation will be looking to the fair board for direction and will act on what the fair board wants done. He says it has to be a separate body from the fair board because of IRS controls. It will cost between \$600-800 to apply to the IRS. He wonders if the fair board can help out with those costs. He said they might have to go out and get donations.

Dean said he wanted to publicly thank Bob and that this looks like a sustainable piece for the fair to continue. Bob said he's glad to do it; he has experience in establishing foundations. He encourages people to keep it on the "tip of their tongue", telling the community about it whenever possible. He said there is a lot of excitement out there about the fair. Looking to the future, Bob sees grandiose things such as new facilities/fairgrounds and "having fun"!

Janet said the process includes submitting paperwork to the IRS, then waiting on them to respond as to whether you get the 501(c)(3) status or not. She doesn't think it will happen before this coming fair. The first organizational meeting will be sometime after the fair, perhaps in October. She'd like the foundation

board meeting to coincide with the monthly fair board meeting so the participants can attend both. Once established, the foundation will need money to buy supplies, stationery, envelopes, etc. They will need to have fundraising events such as a dinner or golf tournament. Janet re-iterated there has to be two separate entities. Both boards must be on the same page; the two boards must move in conjunction, with the communication flow being "tight".

Bob said he wants to "give a future to this fair" and he's committed to be involved until the foundation is up and running.

III. Approval of 4/7/10 Meeting Minutes

Phyllis made a motion to approve the April 7, 2010 meeting minutes; Diannah seconded. Motion passes.

IV. 4H- Pamela Rose

4H has held the fair meeting for all the clubs; all the forms are being sent in. Everything is due June 1. There are still some fair judges to "book". She's hoping to work with Joel to have judges paid in a timely manner this year.

They had a walk-around on the grounds with Sweeney Promotions. They are shuffling space use to accommodate the horse demonstrators (miniature and gypsy horses). They will be moving the dog obedience to the FFA pavilion. This will require the use of the outdoor warm-up arena for horses. Not having the use of this arena last year was challenging. State Fair is cooperating to make it work such as bringing in the sand and dirt. We'll be responsible for getting the sawdust.

The other change is moving the market showmanship and round robin to evening events. 4H has a fan page now that people can join as "friends".

Clubs are asking for banners to use in parades. Sweeney Promotions will provide them some, as this is an additional promotion opportunity.

Dean said he would provide 4H with the ½ price tickets next week.

FFA- Scott Towery

FFA had animal weigh-ins last week. The number of participants is approximately the same as in past years. The kids are getting excited about fair. They are working on changing herdsmanship in which they give points to the clubs based on how many animals they have. They are trying to revamp it to get more participation in clean-up.

Dean asked for the group to think how we can get sawdust for the outdoor arena donated; this could be used year after year. He said the Gypsy horse folks will pay an entry fee, perhaps that will help. We may need around 30 units. The sawdust can be dumped anytime between now and then. (Bob Zielinski said he will do some research.)

V. Treasurer's Report- Joel Conder

Not a lot of activity this past month, mostly revenue from vendors. Denise said we have 27 commercial vendors participating so far.

Costs include staff costs and postage.

Joel said we don't currently have a balanced budget. Alan Haley is working on it. Sara said there is \$1,061 that will be coming over from the 150 Fund.

Janet asked what Alan was planning on presenting to the budget committee. Joel said there have been some changes. Janet said changes need to be presented to the fair board before he officially presents. Joel will be sitting down with Alan next week. Alan's goal is to make a balanced budget; it's not a radical change. Janet suggests the three of them meet to review the changes. (An appointment time was set.) She said any changes will need to be approved retroactively by the fair board.

Dean said there are some changes coming such as the ambulance cost increase. He said there will be income from the horse shows; that will make a difference. He asked about the process for making small changes such as this to the budget. Janet said the point person has authority over a particular line item. Within your budgeted amount, you can move things around as you please. People can't go over the amount in their budgeted line item without costs having to be cut elsewhere.

Janet said there is nothing showing the anticipated changes with the State Fair.

Sara said the board will need to approve the changes as there won't be a County supplemental.

Cassie said Troy Clausen, Marion County Sheriff's Office, has arranged for the adult work crews to setup the barns with no charge to the fair. Previously this was a pass through cost through the State Fair. (The clean-up is done by other crews, not the adult work crews.)

Janet said it is difficult to budget for things if they are rolled up into other items. She'd like to see more transparency in the budget. Joel said he was willing to do that, but it would make the spreadsheet much larger and cumbersome. Janet said it could be done judiciously.

VI. Items of Special Interest

State Fair Negotiations, Oregon Exposition Center (OEC)- Joel

A few negotiations meetings have been held. Joel handed out a draft of the agreement. He announced that Lonestar is the "big name" country act that will be performing at the fair this year at a cost of \$32,500. The concert will be held in the LB Day amphitheater. Denise said they've just put a new album out. Joel clarified with Dean who would be cutting that check, him or the county. Dean said the county will pay that one. Ticket prices will be \$10, \$15 and \$25. This cost will be in addition to entry into the fair. At this point, Dean doesn't know when the tickets will go on sale. Joel said costs associated with the concert are running around \$25,000 (marketing/promoting, booking fees, extra security, catering and incidentals.)

Discussion was held on what costs were built into the agreement.

The board needs to agree on language on what happens with the extra money. Dean said we are under a tight timeline. We need to let OEC guide some of our decisions such as the carry over of extra money to next year's concert.

Phyllis asked whether the fair board has control over entertainment or does OEC. Answer- the fair board does have control over the fair. Joel said we can push the envelope, but we really want to work together as this is quite the opportunity they are providing us.

Shannon asked Janet how we are going to resolve the differences in the budget numbers that Janet brought up tonight and at the same time make this OEC agreement work. Janet says she sees this as a huge opportunity and that we are not going to get to the next level without taking this kind of step. OEC has made us a very generous offer, but we need to make sure our numbers and their numbers align when we put together the agreement. She said she's just going over the details of how much they are asking for off the top and how much we need keep to balance.

Dean said our rent money is simply now being used on entertainment. He met with a Adam Bysouth from OEC for two hours today. They worked on coming up with a budget. Whatever is not spent this year will

go into next year's "pie" for entertainment. He clarified with Adam that there will be no payments made to OEC.

Bob Z. asked if any revenue has been budgeted for the sale of the concert tickets. Dean explained it's taken from the revenue over and above the regular gate dollars.

If 3,000 tickets were sold that might bring in \$30,000 in which a percentage goes to OEC, we would get around \$10,000. That money is not committed anywhere, it goes into the MCF "coffers". Bob agrees this is a good deal. There is still some promotional talk of giving away "x" amount of tickets.

Dean said the basic concept is an opportunity to promote the fair, and get people to the fair. OEC is taking a big risk. The risk factor is we will be spending money on something that OEC is willing to accept to be a partner in the income. As a good partner, Dean would like nothing better than to write them a big check this year. He doesn't know whether they are going to make their previously \$80,000 rent revenue from us. He doesn't think they have that expectation. Sponsorship, food/beer, carnival, gate income, from all 4 days of the fair, will be shared with OEC after we meet our budget. Joel reiterated that we keep all the revenue up to what we generated last year, above that is when we start sharing with OEC. Joel said so we cannot lose on this.

The concert will go from 7:30 to 9:00 PM, the contract says the group will play for 75 minutes. (There will be a warm-up band.) These hours will give people time to spend additional money at the fair.

We are not being charged the \$5,000 a day for use of the amphitheater, which is very generous.

Shannon asked how we are going to control the OEC staff overtime listed in the agreement. Joel said Brian, the OEC director, said he would give us a staff overtime plan prior to fair.

Bob said this is a great opportunity. Any money made, could easily go right out the door. With the new fair foundation, it can hold it indefinitely for the fair. It's a built in protection for the fair.

Phyllis made a motion to accept the "OEC's Request" document (the language regarding carrying over any extra money for entertainment to the next year) that Joel presented. (Attached.) Pam seconded the motion. Motion passes.

Pam made a motion to accept the Treasurer's Report; Phyllis seconded. Motion passes.

Dean asked Joel if the money they had discussed (Bamboozle-type activities) had been transferred out of Professional Entertainment to Events and Activities. Joel said no, not yet.

The question was raised whether Bamboozle been confirmed. Terry confirmed he had.

OFA Fair Date Directories- Denise

Denise distributed the Oregon Fairs Association Fair Dates directories and companion membership cards to all fair board members.

VII. Strategic Plan- June Items

All of the items were in process or under Sweeney Promotions responsibilities. So Shannon asked that we just go straight to Cassie's update.

It was asked why we were looking at the June Strategic plan items. Denise said that is how Kelly has requested it be presented so we know what needs to be accomplished in the coming month.

VIII. Other

Cassie Update:

- They are working with Salem Business Journal. They will have a full-page ad and a Living Green article. They will do one full-page ad a month leading up to fair. They will do a follow-up article in August. They are also giving \$200 cash.
- Developing Open Class incentives and working with the superintendents. (Phyllis said she worked hard at spreading the word at Ag Fest.)
- US Bank is giving \$2,000 in sponsorship.
- Fall Line is going to have a competition this year instead of just a demo.
- Real Heroes HQ (Previously Grand Safety Station) will include Red Cross baby-sitting training and Habitat for Humanity.
- We received 20 interested volunteers from the Ag Fest booth. They also talked to commercial exhibitors about having booths.
- Awesome 3000 had a milking cow model that drew crowds. The costs associated with the booth were around \$200 (comes out of Dean's ad budget). They will be sending out a message through Salem/Keizer Schools Foundation reaching 3300 kids on their mailing list.

Denise said the press releases and the open class post cards seem to be working as immediately upon them hitting the street she received electronic registrations and a phone call.

Sara said 50 press releases are scheduled to go out between Dean and Denise.

Sara is meeting with Alan Pennington (PW Environmental Services) tomorrow regarding the Living Green Expo.

Sara and Janet will start going to neighborhood association meetings tomorrow.

Adjourned: 7:17 PM.

OEC's Request for MCF Board Action:

The OEC has requested that the MCF Board agree to the following language

Marion County Fair (MCF) will invest the entire agreed upon amount of \$68,400 for "major entertainment" for the 2010 fair. This will be done with the guidance and partnership of the OEC and Sweeney Promotions. The OEC's Booking Agent will book all major entertainment acts in cooperation with Sweeney Promotions. This \$68,400 fund will pay for everything involved with booking, ticketing and producing the show, (including some marketing), and for the MCF to provide the "extra" security that will be needed for the concert. Any items necessary to put on the major entertainment will come from these funds.

All cash balances remaining from the \$68,400 "major entertainment" line item that are not spent for the purpose of the 2010 Marion County Fair "major entertainment", shall be carried forward to the 2011 fair. These funds shall be placed in the 2011 MCF budget and earmarked for "major entertainment". These funds shall remain unspent until authorized for expenditure by the MCF Board & notified the OEC to proceed with finding available acts. All monies to be expended from this "major entertainment" fund shall be appropriated annually by the MCF Board. Monies therein shall be expended or used solely by the MCF Board in conjunction with the OEC, subject to the budgetary and fiscal provisions of the annual MCF budget.

Each year the fair is held at the OEC, the MCF Board shall adopt a budget for the use, allocation, and expenditure of the "major entertainment" funds in lieu of rent for as long as the OEC agrees such partnership shall continue.