



NEBRASKA STATE FAIR BOARD

Nebraska State Fair*501 E Fonner Park Rd, Ste 200*PO Box 1387*Grand Island, NE*68803-1387*308-382-1620

MEETING MINUTES

May 13, 2016 – 1:00 p.m.

A regular monthly meeting of the Nebraska State Fair Board was held on Friday, May 13, 2016, at 1:00 p.m. Public notice of this meeting was published in the May 2 – 3, 2016 issues of the Grand Island Independent newspaper and posted to the Nebraska Public meeting calendar website from April 21 – May 13, 2016.

Roll call was read with the following members present: Mark Fahleson; Harry Hoch; Chris Kircher, President; Jeff Kliment; Lowell Minert, Treasurer; Chuck Rolf, Vice President; Marvin Rousey, Secretary; Kirk Shane; Steve Wehrbein and Kent Zeller. Others in attendance were: Joseph McDermott, Executive Director; Kelly O'Brien, Administrative Assistant; Shaun Schleif, Marketing & Sponsorship Director; Chelsey Jungck, Events & Entertainment Director; Jaime Parr, Facility Director; Janna Kuklis, Facility Assistant; Scott Yound, Maintenance Director; Jason Fry, Maintenance Assistant; Ryan Hassebrook, FFA; Representative; Brad Bennett, 4-H Extension Educator for Animal Science Youth Programs; Lindsey Koepke, 1868 Foundation Executive Director; Robert Pore, the Independent; Gail Perry, Attorney and Colin Mues, Attorney.

Kircher announced the meeting had been properly advertised as an open meeting and informed those in attendance of the posting location of the Open Meetings Act.

Minutes of April 8, 2016

There being no corrections:

**Motion made by Fahleson to approve the minutes of April 8, 2016 as printed.
Rolf seconded the motion. Upon voice vote, motion passed unanimously.**

Kircher announced there would be a change in the agenda. As our attorney is present, we would like to move the Executive session up on the agenda.

Executive Session - Litigation

**Motion made by Fahleson to enter into Executive session for the purposes of Litigation.
Rousey seconded the motion. Upon voice vote, motion passed unanimously.**

Time entered into Executive session: 1:02 p.m.

**Motion made by Minert to exit Executive session.
Seconded by Rousey. Upon voice vote motion passed unanimously.**

Time exited Executive session: 1:36 p.m.

April Financial Report

McDermott reported total current assets of \$3,526,162; payables at \$18,816; total direct revenue at \$726,320 and direct expenses \$571,372.

**Motion made by Rousey to approve the March Financial Report.
Minert seconded the motion. Upon voice vote, motion passed unanimously.**

Executive Director's Report

McDermott reported that he and staff have been busy attending NAFM District Spring meetings. There are two meetings left, one in Scottsbluff and the other in Springfield, NE.

McDermott mentioned the contract with Nanonation for the Wayfinding Kiosks was signed last Friday.

McDermott also shared on Tuesday, May 10, the Food and Beverage tax was voted on and approved in Grand Island.

State of NE – Transparency Website Update

McDermott referred the board members to the outline in their packets of how we need to proceed with the Transparency website.

- Law was updated and passed by the Legislature in the 2016 session and signed by the Governor.
- Law requires the Nebraska State Fair Board and other quasi-public agencies to comply with the act.
- We must start providing “checkbook level detail” on expenditures to the State of Nebraska for the period ending July, 2016. We will submit a file monthly to be posted to the website. The first file will need to be provided to the state during the first week of August 2016.
- We are planning to submit a “test file” soon to make sure we are compliant with their system.
- Budget documents will also be provided on an annual basis.
- Certain contracts must be posted to the State’s Transparency website. Our attorney has provide has provided specific criteria to use to determine which contracts need to be posted. We are working with the Public Affairs and Outreach Committee and our attorneys in reviewing all of our contracts.
- Contracts will need to be posted by January 1, 2017.

2016 Sponsorship Update

Schleif reported in 2016 we are experiencing much the same as we do each year. We have a larger number of sponsors that have cancelled “in contract” citing budgets, economy, and marketing preferences. As of today, we are \$57K below last year’s closing totals. Our goal, as it is every year, is to make up the deficit and finish as closely to the previous year as we can.

Currently we have in excess of \$175K in outstanding “asks” which include the potential Naming Rights of the Swine Barn, Sponsorship of the Firefighters Combat Challenge, Birthing Pavilion and other opportunities.

Schleif asked if they have suggestions of business organizations that would make a great sponsor – to please let him know.

2017 NSF Concert Budget

McDermott reported due to our experience in booking larger acts in 2015 and for the 2016 Fair, we are finding it takes more time and it is becoming more difficult to book the larger acts. Jungck put together an outline of the process they go through each year (*a copy was handed out to board members).

McDermott is asking the full board to approve the budget for the 2017 concerts which is \$1,403,949 so that we can begin the booking process earlier, this summer, before the 2016 Fair.

Jungck mentioned she has reached out to four different fairs and found they are experiencing the same things we are.

Motion made by Minert to approve the 2017 Concert Budget in the amount of \$1,403,949. Kliment seconded the motion. Upon voice vote, unanimous approval.

GILCA Update

McDermott wanted to update the board members on GILCA. McDermott stated GILCA is now a legal entity. A bank account has been set up in GILCA’s name only. The committee is currently filling out the necessary paperwork for GILCA to become a 501c3. They have elected officers. McDermott mentioned earlier the food & beverage tax was approved on Tuesday, May 10. The Mayor has indicated he would like to give \$500K to Grow Grand Island. McDermott is comfortable in that once the City goes through their processes that GILCA will receive some funding. One thing McDermott needs from the Board members today is their approval on the Operations agreement that is in their packet.

Motion made by Shane to approve being involved in the GILCA operations. Wehrbein seconded the motion. Upon voice vote, unanimous approval.

Appointment of Committee to review Midway Contract

McDermott explained we signed a contract in 2013 with Wade Shows. This past November when we were in Las Vegas, Frank asked us to renew our agreement as he would like to make a significant investment in equipment and would like to have a renewed agreement. McDermott has obtained three other Midway contracts for comparison.

Rousey commented he recalled that most of the Board members were in favor of renewing the contract. Rousey feels we are being treated fairly by Frank. Rousey does recall that Frank wanted a 5 year contract but thought we wanted to go with a three year contract.

Discussion was had.

Kircher asked if rather than appointing a committee if we can just approve.

McDermott said they could just approve and reminded the board the current Midway contract runs through the 2017 Fair. If we renew, we would add an additional three years to the current term.

Motion made by Rousey to renew our existing contract with Wade Shows which will add an additional three years to current term.

Minert seconded the motion. Upon voice vote, motion passed unanimously.

Committee Reports

a. Facility Planning

Rolf – nothing to report.

b. Finance

Rousey reported in today's committee meeting they talked about the Concert Budget for 2017. Auditors were here the last week of April. They hope to have their written report completed soon so they can review the Audit with the committee in June or July.

c. Public Affairs and Outreach

Fahleson reported today's committee meeting consisted of discussion regarding the State's New Transparency Act. They talked about the concerns, but as a board we have agreed to comply with this.

McDermott added they are still reviewing contracts to determine which one's need to be posted.

d. Livestock Committee

Shane reported the first Entry books will go online Monday, May 16. They will start taking entries on July 1. Most of the Judges contracts are done and most have been received back. All schedules and rules & regulations can be found online.

Shane also reported the tie-outs are complete with the installation of the two extra bars.

e. Events

Wehrbein reported Historical is taking up a lot of their time. They want to develop a policy of what items can be received to be on display.

The committee discussed Milestone Partner. At this time, they have Central Community College and Lincoln Electric so far.

Wehrbein mentioned at the June meeting the Historical committee would like to meet the evening before the board meeting.

f. Executive

Kircher reported the committee met to discuss the need for an additional position that would be responsible for maintenance—particularly for the GILCA shows this summer. In looking at the schedules there are more and more shows planned every year. Additional help for Scott is needed. The position would be reimbursed approximately 50% by GILCA. When not working the GILCA shows the employee will be working for the Nebraska State Fair.

McDermott asked that they keep in mind that these shows create a lot of extra work for Scott & Jason. Fonner Park is also hiring an additional staff member to work these GILCA shows. There will be two people splitting the shifts. The cost to us is minimal. Benefit is that during the Nebraska State Fair when Scott needs additional skilled help they will be working for the Nebraska State Fair. It's a win-win.

Kircher reminded the board members of all the opportunities the new outdoor arena will bring as well.

McDermott added January to May we don't receive much help from Fonner Park as they are focusing on the Horse racing.

Motion made by Minert to approve \$35k in wages and approximately \$5k in insurance costs to add a position for the maintenance department.

Rolf seconded the motion. Upon voice vote, unanimous approval.

Future Nebraska State Fair Board Meeting Dates, Locations and Other Events

- a. July 8 – Board meeting, The Leadership Center, Aurora
- b. August 13 – Board meeting, Nebraska State Fair Board room
- c. August 13 – Blue Ribbon Roll Out, Heartland Event Center
- d. August 26 thru September 5 – Nebraska State Fair
- e. October 14 – Board meeting, Nebraska State Fair Board room
- f. November 11 – Board meeting, Nebraska State Fair Board room
- g. December 8 – Board & Staff Christmas Dinner, Riverside Golf Club
- h. December 9 – Board meeting, Nebraska State Fair Board room

Foundation updates

Koepke reported last night was the 1868 Foundation Annual meeting of the Trustees. They welcomed approximately 100 of their friends. The Lifetime Friend of the Fair award recipient was Jim Reed. Koepke thanked staff for their help with set up. Fundraising for the Outdoor Equine Arena continues. The dedication of the Outdoor Arena will be sometime in July.

Other Business

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None

Adjourn

Motion made by Rousey to adjourn.

Fahleson seconded the motion. Upon voice vote, motion passed unanimously.

Time adjourned: 2:38 p.m.