



NEBRASKA STATE FAIR BOARD

Nebraska State Fair * PO Box 1387 * Grand Island, NE * 68802-1387 * 308-382-1620

MEETING MINUTES

January 22, 2016 – 2:00 p.m.

Palm Room @ Ramada Inn, Kearney NE

A regular monthly meeting of the Nebraska State Fair Board was held on Friday, January 22, 2016, at 2:00 p.m. Public notice of this meeting was published in the January 11 & 12, 2016, issues of the Grand Island Independent newspaper and posted to the Nebraska Public meeting calendar website from January 7 – 22, 2016.

Roll call was read with the following members present: Mark Fahleson; Bob Haag; Chris Kircher, Vice Chairperson; Jana Kruger; Ed Kruse, Chairperson; Kathleen Lodi; Lowell Minert; Chuck Rolf, Treasurer; Marvin Rousey; Kirk Shane, Secretary; Steve Wehrbein and Kent Zeller. Others in attendance were: Joseph McDermott, Executive Director; Kelly O'Brien, Administrative Assistant; Bill Angell, Livestock Superintendent; Shaun Schleif, Marketing & Sponsorship Director; Ross Struss, Marketing & Sponsorship Assistant; Chelsey Jungck, Events & Entertainment Director; Jaime Parr, Facility Director; Janna Kuklis, Facility Assistant; Scott Yound, Maintenance Director; Jason Fry, Maintenance Assistant; Lindsey Koepke, 1868 Foundation Executive Director, Ryan Hassebrook, FFA; Lauren Scharf, NTV; Doug Brand; Jack Aegerter and Jeff Bahr, the Independent.

Kruse 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 December 11, 2015

There being no corrections:

Motion made by Fahleson to approve the minutes of the December 11, 2015 meeting as printed. Wehrbein seconded the motion. Upon voice vote, motion passed unanimously.

December Financial Report

McDermott reported total current assets of \$2,088,140; payables at \$431,378; total direct revenue at \$4,897,536 and direct expenses \$7,078,945

Motion made by Minert to approve the December Financial Report. Haag seconded the motion. Upon voice vote, motion passed unanimously.

Discussion on 2016 Budget

McDermott reported the Finance committee has had conversations regarding the budget. The Finance committee has recommendations for additional revenues. McDermott asked Minert if he would like to share those recommendations.

Minert shared the Finance committee had twenty-three (23) items for consideration to increase revenue. The following five (5) of the twenty-three (23) are what the Finance committee would like to bring before the board for review/approval:

1. Increase gate price/season ticket price
Currently \$10/\$55 – increase to \$12
Currently Advanced Gate \$7 – increase to \$9
Looking at setting up some package deals.
2. Increase exhibitor gate ticket price
Currently \$4 – increase to \$5
3. Increase Livestock vehicle pass price
Currently \$15 – increase to \$25
4. Increase Horse vehicle pass price
Currently \$10 – increase to \$15
8. Increase competitive (Open Class) Dairy fees entry fees
Currently \$20 – increase to \$30

McDermott added the Finance committee is further exploring item #15 – “Charge to ride shuttles to the grounds”. These are the buses that run from Conestoga Mall, Sam’s Club and South Walmart.

McDermott wanted to verify item #20 on the list with the board – “Are we permitted to sell naming rights to the Nebraska Building” – McDermott asked if staff can find sponsorship for the Nebraska Building.

Fahleson replied he would not object to staff finding a sponsor for the Nebraska Building provided the sponsor and its industry align with the State Fair’s mission and values.

Lodl commented that Raising Nebraska has no issues with it either.

McDermott mentioned before they approve the budget, Jaime and Shaun have a presentation they would like to share with the board regarding a potential new exhibit – it is in the budget.

Parr presented the idea of partnering with the Omaha Children’s Museum (OCM). OCM is offering the Nebraska State Fair recognition as a community partner with an opportunity to engage the state and region through an indirect marketing campaign through cross promotion. In 2015, OCM was part of the Nebraska State Fair in the STEM Room located in the Nebraska Building. In 2016 they would like to bring Dinosaurs to the state fair. Dinosaurs is a hands-on interactive exhibit fostering children’s wonder for the creatures, fossils and the history of prehistoric life. Dinosaurs such as Nebraska’s very own Woolly

Mammoth, T-Rex and Stegosaurus can be found within the exhibit. OCM would deliver, setup and tear down the exhibit. OCM would provide staff to oversee the show and help with education during the fair. The presentation will include kid safe mulch, foliage, trees, vines and shrubs to enhance the experience. OCM is offering a different Dinosaur show each year of the three year commitment (2016, 2017 and 2018) at a cost of \$20k in 2016 and \$25k in both 2017 and 2018. We have been offered similar national dinosaur shows ranging in price from \$40-\$80k. The location for the Dinosaurs show will be in the Nebraska Building, just across the hall from Raising Nebraska where STEM was in 2016. Parr added we have similar target markets as Omaha Children’s Museum. Parr feels the partnership would be beneficial for the State Fair. Parr reminded them this is a three year commitment. The piece’s would change out each year but would focus on Dinosaurs every year. We are asking for approval of \$20k today to move forward with the partnership with the OCM.

McDermott stated we have been exploring ways to get into the Omaha market and feel this will be a great relationship to start that process.

Kircher asked what we are doing with STEM.

Parr answered she and McDermott have talked with Lodl and there is room in the lobby of the Nebraska Building for them to set up and they are fine with this change.

McDermott reminded the board there is \$20k included in the budget, so when they approve the budget it will be included.

Motion made by Rolf to approve the increases on 1, 2, 3, 4 & 8.

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

Motion made by Rousey to approve the 2016 Budget.

Minert seconded the motion.

McDermott asked them to keep in mind when going into Executive Session if they approve pay increases that will be discussed in Executive session, it will change the budget.

Upon voice vote, motion passed unanimously.

Update on StateSpending.Nebraska.gov

McDermott reminded the board members of the initial conversation regarding StateSpending.Nebraska.gov in December. McDermott has talked with the Deputy State Treasurer in regards to what should be submitted. Before moving any further, Walt Radcliff is working on getting a meeting set up with Don Stenberg to further discuss.

Discussion on Legislative Resolution 380CA

McDermott reported there is a hearing regarding Legislative Resolution 380CA on Monday, January 25, 2016 at 1:30 p.m. Kruse, McDermott, Cindy Johnson, a 4-H Exhibitor and FFA Exhibitor will be present to testify in opposition of the amendment. Anyone is welcome to attend. McDermott will get information out to the board as soon as he hears anything following the hearing.

Zone 5 - March 4-6, 2016 – Marriott Kansas City Country Club Plaza, Kansas City MO

McDermott asked Jungck to report on Zone 5.

Jungck reported Zone 5 is like our regional conference of fairs. It consists of five states, Iowa, Kansas, Missouri, Illinois and Nebraska. Each year it is hosted by one of the five states, usually in a different location. This year it is Missouri's turn to host and the conference is being held in Kansas City MO. There has been an invitation extended to our very own "Raising Nebraska" to do a presentation at Zone 5 and they have accepted. Jungck confirmed there is no bus going to Zone 5 this year. Jungck stated if interested in going and have not let O'Brien know, to do so as soon as possible.

McDermott asked Kruger if she would like to share a little bit about what is going on this weekend at the NAFM convention.

Kruger gave a brief report on the NAFM Convention of what's going on. Kruger mentioned they have brought back the Dueling Piano's for Saturday night entertainment as they were a hit last year.

Discussion on Sponsorship Policy

McDermott reported he and staff have been talking to the PR Committee regarding the Sponsorship Policy. There are some things we would like to see changed within the policy. If the board considers approving the changes, McDermott will make the formal changes in the policy and bring back for formal approval.

Schleif gave a brief report of the discussion in the PR Committee meeting earlier this morning. Goal is to determine if ticket prices that sponsors are charged as part of the sponsorship agreement are excessive.

Options:

- a. Arrive at pricing that may be more palatable to sponsors.
- b. Define a rationale for the higher cost of sponsor tickets.
- c. Prescribe premium seating and other benefits that better justifies the current pricing.

Schleif said the changed policy would also make way for smaller livestock partners.

Angell reported part of what they have dealt with in the livestock department is people would be interested in donating money but not always at the \$10k level. Some would like to donate a trophy or sponsor a show/class. More in the range of \$100-\$150. They don't want the extra tickets that come with a larger sponsor, they want to hang their banner for example during the Cattlemen's BBQ for an hour or two.

Brand asked in regards to the sponsors are they getting better reserved tickets.

Schleif replied, they are not.

**Motion made by Fahleson to authorize staff to revise the Sponsorship Policy to better align with the needs of sponsors and potential sponsors and the Nebraska State Fair.
Rousey seconded the motion. Upon voice vote, motion passed unanimously.**

Committee Reports

Kruse would like to add to the list of Committee reports “Executive Committee” to bring us up to date regarding what they have discussed.

a. Facility Planning

- Rolf reported he met with Justen Nokes last week in regards to the outdoor arena. Justen is powder coating the arena panels rather than just painting them.
- Rolf will be meeting with CBS Constructors to pick out the red roof for the grandstand.
- There are approximately 55 panels from the old outdoor arena that will be sold on online auction - BigIron.com, on February 17, 2016.
- The committee talked about additional buildings we would like to build in the future.
- Rolf mentioned the big signage board on South Locust is showing some age and will need to be replaced in the future.
- In reviewing the budget, there are several items we rent right now during the fair. The Committee is checking to see if we would make more sense to purchase some of the items.

b. Finance

- Minert reported the Finance committee will be reviewing the Capital Purchases in February.

c. Public Affairs and Outreach

- Kircher reported the committee discussed a sponsor who has come to them asking that we sponsor a vintage car race. The committee is looking at this in more detail as this is a possibility to collaborate on a new event.
- Talked about grounds wide smoking ban as the fair has received comments from a small number of our fair goers to make the entire fair grounds smoke free. Our current policy is no smoking in the barns, buildings and we have a couple of non-smoking outdoor locations. The committee has talked with other fairs that have addressed or considered this same issue. The committee’s conclusion – our existing policy is a good one. We we will keep an eye on the issue to see if it needs revisited.
- The committee is exploring a formal policy regarding the Lifetime pass for Past Board members and other State Fair supporters.

d. Livestock

- Shane reported the committee will meet after the board meeting today. Still checking into security cameras for the three barns.
- Angell has gone over some of the new livestock rules. There are hardly any changes.
- Angell has the livestock schedule tentatively put together.

e. Events

- Kruger reported the committee will meet after the board meeting today. Some of the Events committee met yesterday and toured Stuhr Museum. The rest of the committee will tour the museum in February.
- Kruger would like to see them set up some long term goals.

Future Nebraska State Fair Board Meeting Dates and Locations

- a. March 11 – Board Meeting, Nebraska State Fair Board room
- b. April 8 – Board Meeting, Nebraska State Fair Board room/Races at Fonner Park
- c. April 12 – Volunteer Banquet, Raising Nebraska, doors open at 5 p.m.
- d. May 13 – Board Meeting, Nebraska State Fair Board room
- e. June 3 – Board Meeting/Cattleman’s Ball, TBD
- f. July 8 – Board Meeting, Nebraska State Fair Board room
- g. August 13 – Board Meeting, Nebraska State Fair Board room
- h. August 13 – 1868 Foundation Blue Ribbon Roll Out, Heartland Event Center

Foundation update

Koepke reported that the Foundation has been very busy working on fundraising and grant writing for the outdoor arena. Currently have 16 grant submissions out. They are at 61% of their goal. Recently the foundation received \$100k from the Edgar and Frances Reynolds Foundation. It is a \$25k per year commitment for four years.

Other Business

Kruse mentioned there will be a “Thank You” reception/presentation for Jana Kruger tomorrow in the hospitality suite at 2:00 p.m. Kruse Thanked Jana for all of her time and dedication to the Nebraska State Fair.

Executive Session – Real Estate/Litigation/Personnel

**Motion made by Fahleson to go into Executive session for the purposes of Real Estate/Litigation/Personnel. Shane seconded the motion.
Upon voice vote, motion passed unanimously.**

Time entered into Executive session: 3:24 p.m.

**Motion made by Fahleson to exit Executive session. Kircher seconded the motion.
Upon voice vote, motion passed unanimously.**

Time exited Executive session: 4:27 p.m.

**Motion made by Fahleson to suspend the rules to adjust the agenda so as to permit the Board to revisit and reconsider the budget previously discussed and approved for possible amendment. Rolf seconded the motion.
Upon voice vote, motion passed unanimously.**

**Motion made by Fahleson to amend the budget to add \$44,836.43 for wages.
Kircher seconded the motion.
Upon voice vote, motion passed unanimously.**

**Motion made by Kircher to adjourn. Haag seconded the motion.
Upon voice vote, motion passed unanimously.
Time adjourned: 4:29 p.m.**