

FSMG Meeting Minutes  
Tuesday Dec 1, 2014 - 8:00 - 8:50 AM  
Event Center Conference Room

Members Present: Mark McCauley, Sharon Crouch, Judie Stanton, Rosemary Cooke and Kelley Babcock

Staff Present: John Morrison, Heidi O'Hara, Donna Dowdy and Matt Ferris

Guests: None

The meeting was called to order at 8:00 am. Mark McCauley turned the meeting over to John Morrison.

**John Morrison, Executive Director/Fair Manager/CEO:**

**Minutes** - John distributed copies of the minutes of the November 4, 2014 meeting that were sent to the Board. A motion was made by Judie Stanton to approve the minutes. Seconded by Sharon Crouch. Motion unanimously passed.

**Fair Report** - John reported that Fair preparations are slow at this time of year but the upcoming convention for the International Association of Fairs and Expositions (IAFE) would present several opportunities to connect with agents and representatives from many acts and vendors. He turned the meeting over to Heidi O'Hara to brief the group on Fair entertainment booking. See below.

**Legislative Issues** - John reported that he had met with the Governor's Office of Financial Management (OFM) on the Fair Fund. As a result of the McCleary decision by the Washington State Supreme Court on fully funding basic education, the Governor asked for revised agency budgets that reflected a 15% reduction in general fund expenditures. The State Department of Agriculture reduction was \$5.2 million and they zeroed out the entire \$4 million Fair Fund allocation to help satisfy their reduction. The Fair Fund has been distributed yearly to all the Fairs and youth shows around the state to help support premiums and awards for entries and exhibits, educational programs and youth opportunities. The Clark County Fair relies on these funds to help offset over \$90,000 worth of premium expenses; and for several years has received the largest allocation of any individual Fair in the state based on our annual State Fairs Commissioner score and other factors. Loss of the Fair Fund will be devastating to many small Fairs that derive over 50% of their total budget income from the fund. The Washington State Fairs Association is organizing a state wide effort to have the Fair Fund re-inserted into the Governor's budget and if unsuccessful there, to communicate directly with legislators in the House and Senate to seek their support in putting the fund in their respective budgets. The effort this year to save the Fair Fund appears particularly challenging and will require the participation of every Fair and County to press the issue with our legislators.

**Financial Update** - John reviewed a combined financial report for the 2014 Fair, the Exhibit Hall and the Non-Hall Events as of October 31, 2014. He recapped both the income and expenses received as well as the outstanding receivables and invoices. He estimated that the bottom line Profit and Loss for the Fair will exceed \$530,000 and \$130,000 for the entire Event Center. John also discussed his priorities for capital improvement projects with estimated costs and rationale. Matt Ferris briefed the group on the need for improved Wi-Fi coverage for the entire fairgrounds. This would serve the Fair and give us the ability to have an upgraded ticketing and monitoring system as well as serve the many vendors at events year-round.

**2015 Annual Plan** - John distributed copies of the 2015 Annual Plan for the Event Center. He asked the members to review it and bring questions or suggestions to the January FSMG meeting.

**Heidi O'Hara, Director of Sales and Events:**

**Booking Update** - Heidi reported that the month of November had the Clark County Holiday Gift Fair as the only booking in the Exhibition Hall. This FSMG produced event had an increase of \$4,000 in vendor revenue with the attendance being slightly up over last year. The event was well received and a great team effort on the part of all departments. The profit margin for the event was tracking to be between \$42 and \$44K, up over 2013 revenue of \$40K. The Equestrian Arena was busy with a dog show early in the month and Promoto Motocross taking up the remainder of the month of November through the end of December. A review of 2015 showed an increase in bookings with several new shows highlighted by Bustos Media interested in three Hispanic rodeos and three Hispanic concerts. Overall Exhibit Hall bookings for 2015 are tracking at \$635,263 and the Equestrian Arena at \$166,493.

**Concessions RFP Update** – Three concessions RFP's have been submitted and are under review for scoring. All three offer a fresh approach to the existing concessions menu including more flexibility to work with Event Center on catering and certain show exclusions. Negotiations on the contracts will begin the week of December 15<sup>th</sup> with a decision made by the end of the year.

**Entertainment update** - It was noted that an exciting line up for Fair grounds entertainment was underway for 2015. It was confirmed that the Sea Lion Splash exhibit that was so successful in 2014 would be returning. Additionally, Wild About Monkeys, an educational and interactive exhibit including a variety of primates is sure to be a big draw as well. The Pirate's Parrot act will also return. With all three acts requiring a fair amount of outdoor exhibit space, the process is underway to determine the best locations for each. The featured exhibit "Superhero Adventure" is in the process of being constructed. A tribute band day will be held on Tuesday of Fair in the Grandstand. A Beatles, Led Zeppelin, and Journey cover band will play in the Grandstands that day beginning around 2 PM and going through the early evening. Two of the bands have a local following and will assist in cross marketing the show through their websites and radio station contacts. This event will replace the Rough Stock Rodeo day in 2015. Historically, this has been one of the Fair's slowest days yet the Rodeo was a higher priced event at \$26K. The tribute band day

(Tribute Tuesday) will come in at \$13K, a savings of approximately \$13K with the possibility of boosting food and beverage sales.

**Closed Session** - After the regularly scheduled business of the FSMG was conducted, the meeting adjourned for a closed session to discuss the performance appraisal of Executive Director John Morrison. Following a comprehensive review by the FSMG Board and ensuing discussion, the meeting was re-opened for action. Motion was then made by Judie Stanton and seconded by Sharon Crouch that John Morrison be awarded a five percent wage increase effective January 1, 2015. Motion unanimously carried.

**Next meeting** - The next meeting is scheduled for Tuesday, January 6, 2014 at 8:00 AM in the Event Center Conference Room.

Meeting adjourned at 8:50 AM.