



BOARD OF DIRECTORS MEETING - JANUARY 22, 1996

PRESENT: Tom Alexander, Daniel Dillon, Martha Evans, Paxton Hoag, David Liberty, Jack Makarchek, Palmer Parker, Jim Sahr, Jeanne Sharpy, Reggie Soto (alternate), Rich Locus (alternate)

NOT: Anne Henry

INTRODUCTION TO THE BUDGET, Condensed

Steve Gorham and Hilary Anthony, co-Treasurers, did an admirable job explaining the budget packets prepared for this meeting. A conservative estimate for 1996 projected revenue = \$645,000. That total is based upon current gate fees and attendance of 14,000/Friday, 18,000/Saturday and 15,000/Sunday. Palmer noted that board approval of either gate or booth fee increase could significantly increase the projected revenue.

Crew budgets increase by \$9,280.77 over 1995 actual budget. Coordinator Expenses, \$240.00/coordinator up to two coordinators/crew, will remain unless the BoD votes to eliminate them (the coordinator expenses, not the coordinators).

OK, Palmer, here's a possible listing of crews that did not submit budgets as you requested at the first January BoD meeting: Archaeology, Banners, Communications, and Kitchen. The actual amount allocated for carts may change, however the cart crew budget is ok.

The BoD budget remained much the same and came in approximately \$6,000 less than 1995. This includes a line item for "Donations" at \$3,500. The 1995 Donation budget was \$500, \$1250 was actually spent. There is no money allocated to "Acquisitions" in 1996. The expenditure in 1995 was \$8,631.08 for the Larson property. The Capital Projects budget is proposed at \$120,000. This reflects an average normal budget of \$40,000 and an \$80,000 'ad-normal' (thanks for the new word, Steve) budget which includes such items as a new firetruck and other

vehicles. These are potential requests.

The BoD will vote on the Capital Projects budget in March.

The General Manager's budget reflects a tentative proposal. An actual decision will be made in February.

This proposed budget does not jeopardize start up funds.

Answers to Questions:

RE: General: The balance sheet will decrease the cash balance by approximately \$77,000 if all capital projects are approved and implemented in 1996. The capital projects budget may be prioritized over several years.

RE: Administrative Assistant Budget: Line item "Repair and Maintenance," \$2100, reflects the cost for a maintenance contract on the 'nused' copier. (Norma loves the new copier by the way) The money, \$1900, just spent to bring this same copier up to par will appear later as a capital project. The line item "Computers" has no current entry. Rich suggested computer related expenses (software, modems, etc.) be memoed. Thus, next year a baseline will be established for review. New computers are a separate Capital Projects budget item. Jim wants more information about the cost of the nused copier and the additional expenses it has already incurred, but, this is not the forum for that discussion.

RE: Crew Budgets: Medical supplies and services have been transferred to the GM's budget. The "Coordinator Expense" is based upon \$240/coordinator, up to two coordinators/crew. Thus, each coordinator may draw up to \$20/month for reasonable, fair-related expenses: gas money, snacks for crew meetings, childcare for crew meetings. Last year the BoD implemented Coordinator Expenses for the first time at the

budget committee's recommendation. The intention was that coordinators fulfill a year-round position; it shouldn't cost so much to volunteer one's energy. The BoD may revisit this issue if they choose.

The wristband budget, listed as supplies for the On Site Office, does not include the cost of wristbands for kids, which may be approved at an upcoming BoD meeting. The cost for our current wristband needs is approximately \$3,000. They are bought at volume pricing; however, sequentially numbered bands are more expensive. David guestimates a 30% increase in wristbands and cost if the BoD approves kid banding.

THE MOTIONS

Crew Budgets

Jack moved and David seconded to approve the Crew budget as proposed by the Budget Committee. No discussion.

The motion passed: 10 for, 0 opposed.

Site Manager Budget

Jack moved and David seconded to approve the Site Manager budget as proposed by the Budget Committee.

Discussion: Daniel thinks the "Vehicle (repair & maintenance)" line item is too low. New equipment may appear as a Capital Project budget item which includes equipment costing \$500 or more.

The motion passed: 10 for, 0 opposed.

ADMINISTRATIVE ASSISTANT BUDGET

Martha moved and Jack seconded to approve the Administrative Assistant budget as proposed by the Budget Committee. No discussion.

The motion passed: 10 for, 0 opposed.

BOARD OF DIRECTORS BUDGET

David moved and Paxton seconded to approve the Board of Directors budget as proposed by the Budget Committee.

Discussion: Jack is grateful to have the "Donations" line item as high as it is. Leslie

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noted that the "Second Event" line item for \$50,000 was removed by the Budget Committee and does not appear in any other budget. She emphasized that this is a BoD issue.

Daniel moved and Tom seconded to amend the BoD budget to include \$50,000 for Second Event.

Discussion: Daniel later clarified that the intention is to begin the process this year and hold the event in '97. Most of the BoD thinks it is time to act on our intentions. However, many stated that this amount is too large to agree on without more "bells and whistles". In other words, more details or an itemization of how \$50,000 would be spent is needed. Jack noted that agreement to add this amount to the budget may be the impetus to approve increasing gate fees. Many debated whether this should best appear in the BoD budget, the Capital Projects budget, or perhaps become its own separate budget.

Leslie remembered there seemed to be two trains of thought at the Board Retreat last fall. One was to develop the site as a venue for other events in which case this would best be under the Capital Projects budget. Paxton sees the BoD's primary task is to continue the Fair's three-day event. More discussion should take place at a regularly scheduled BoD meeting. Jim would like to proceed in such a way that does not create a non-recoverable expense for the Fair.

David suggested a budget amount of \$10,000 this year and \$40,000 next year. Martha stated this is an investment, as are crew expenses. Reggie thinks the Fair should put on a quality production; \$50,000 is nothing for a music event. A Second Event is not a Capital Project budget item. It will have its own capital projects budget instead. The talent and skills are already available within the Fair family.

Daniel thinks this a 'chicken and the egg' syndrome. One can't begin the process without a budget and one cannot itemize in detail for a budget without beginning. He would prefer to see it remain in the BoD budget to retain supervision. The Fair could create a venue on our land or on another piece of land. We could provide the facility to produce other events

that would generate income for the Fair.

Leslie questions the philosophy behind a Second Event. There are still many questions which when answered will determine what is done.

David believes the Fair site will support a Second Event but not a venue. A Second Event would expand opportunities for our volunteers, could grow closely to its parent, the Fair, and then go off on its own. Cory remembers that a second event idea originated nine years ago to enhance the Entertainment budget. Tom added that a second event would make room for our teens or the old-timers as we all grow older. Hilary thinks that although a ~~Second~~ Event is worth doing, we should not expect to see revenue returned; that would be overconfident. It took 15 years for the Fair to make a significant profit.

The amended motion failed: 6 in favor and 4 opposed (Martha, Jeanne, Paxton & Palmer)

Jack moved, and David seconded, to approve the 1996 BoD budget as proposed by the Budget Committee with the addition of \$10,000 for a Second Event.

The motion passed: 7 in favor and 3 opposed (Jeanne, Paxton & Palmer)

REVISE THE GRIEVANCE PROCEDURE

Paxton moved and Tom seconded that the BoD adopt the Revised Grievance Procedures dated 5/17/95 as prepared by Howard Leighty. Copies are available at the Fair office.

Introduction: Howard Leighty, author of the grievance process, said the basic intent is to simplify the existing document which seemed too technical to be a workable document for Fair family. It requires a delicate balance to simplify the wording and process and yet retain a rigorous timeline and technically well-crafted document/process that would handle even difficult situations. This process is based upon the same one used by the City of Eugene for the last nine years. The purpose is to provide relief from the burden and expense of litigation. It should be fair and unbiased as well as providing a method

to bring out all the issues. The Fair could then demonstrate that it follows fair and reasonable process. Courts generally do not step in to overturn a fair process.

This document would be litigation protection and prevent an extended grievance process. It begins at the crew coordinator level, then the General Manager, and lastly, the BoD. The Personnel Committee level has been deleted. The timeline and deadlines move the process along. Folks either become serious about their issue or they abandon it. (Although this process does not prevent a grievant from suing the Fair at a later date.)

This process creates a new position of a "Grievance Coordinator". The Grievance Coordinator's role is to neutrally advise the grievant in the practical procedure of the grievance process. There would be a new form to file a grievance. Howard would help prepare this in addition to a Question & Answer pamphlet as a supportive document.

The proposed process also limits the number of grievances a person could file in a calendar year to two. This would prevent grievance harassment.

Discussion: Rounds of thank you's were expressed. And now to pick it apart, uh, rather give constructive criticism. Palmer requests the word, 'Constitution' on page 2 be deleted. Also, a Grievance Coordinator sounds like someone who works in the mortuary. Many questioned if anyone could remain neutral to accept the responsibility of the Grievance Coordinator.

Martha suggested the BoD could waive the time limits and encourage the participants to engage in mediation earlier in the process. (Remember the Fair has its own trained mediators, "The Agents of Reality.") Daniel questioned what happens with the process at Step 2 if the General Manager is one of the parties. Would it skip straight to the BoD or would the BoD appoint another person to respond in place of the GM. Howard offered to serve as the Grievance Coordinator.

Steve thinks we should abolish the Grievance Process because it may be used as a political tool. But, if the Fair must have one then this one is ok.

Jack also dislikes a Grievance Procedure because if it is a real grievance, it is going to come to the BoD and how many of the BoD are trained in arbitration. A lot of factors are at play. It seems as if this would disempower the coordinators. Jack does not want the BoD to assume the 'judge' role.

Leslie said of the grievances that have come to her, half have been sent back to the coordinator for more information/resolution. She has resolved two or three with no further BoD involvement. The existing process has helped already. It gives structure and guidelines for folks about whether and how they want to proceed. She is disappointed that a mediation step is not integrated into the process. Does the BoD have the option to say at Step 3 that it considers this resolved at Step 2? Is the BoD obligated to proceed through Step 3?

Paxton thinks the process should go directly to the BoD if Leslie is one of the parties. And some form of ombudsman is helpful for guidance. Martha explained that the Agents of Reality method of mediation is voluntary and should be the second step. If that is unacceptable or they are unable to come to resolution, then it should go to the GM. If y the document is interpreted broadly as it is written then a hearing must be held on every complaint that anyone wants to make. This could take up too much of the BoD's time and be inappropriate. Cory thinks that we are all too involved with the Fair and the Grievance Coordinator would be switching constantly.

Jim would prefer that we not have a grievance process. And yet, it would be an abdication of responsibility if the BoD was to send a grievance away to a committee. David thinks some Grievance Process is necessary. It is one way that someone can get our attention when we aren't paying attention. This is a straight-forward process where everyone is treated fairly.

Daniel said that problems do exist and it is not as if we are opening the floodgates. And if this process helps the GM who is the front-runner for the BoD, then the BoD should support the GM and this process.

Paxton found it interesting that there have been several grievances he hasn't heard of. This

indicates that the process is working. What the Board is considering is a revised, simplified version of the same process. Instead of making more work it should simplify the same work. A failed vote means that we retain the old process which was never suspended.

Hilary suggested that we could create two separate processes. One would be for the small misunderstandings and the other would be a more formal process for those issues that bear legal liability for the Fair.

Jack still wonders why the BoD wants to be the judge; that is a corporate model. Mediations seems to be a more progressive and enlightened process.

The motion passed: 1 opposed (Martha), and 1 abstention (Reggie).

NEW BUSINESS

New fire coordinator, contribution to employees retirement, site management committee, RFP for surveying property, approve the GM budget, clarification on \$10,000 for the second event, increase gate and/or booth fees, Eugene Celebration as a separate line item, and all the other items listed in the FFN.

Minutes by Jen-Lin Hodgden