

1 **FAIR PARK STUDY COMMITTEE**

2
3 Government Center
4 West Bend, WI

June 8, 2009
1:00 p.m.

5
6 Committee Members Present: Herbert Tennies, Dan Anhalt, Dennis Boese, Tony Warren, James
7 Core, Todd Healy, Rick Gundrum, and William Meyers.

8
9 Also Present: UW-Extension Community Development Educator Paul Roback, Administrative
10 Assistant for Administration and County Board Judy Steinert, Administrative Coordinator Doug
11 Johnson, Finance Director Susan Haag, County Attorney Kim Nass, County Clerk Brenda
12 Jaszewski, UW-Extension 4-H Youth Development Educator/Department Head Kandi O’Neil, Fair
13 Park Deputy Director/Fair Manager Sandy Lang, Fair Park Accounting Manager Debbie Hoefert,
14 Supervisors Charlene Brady, Marilyn Merten, and Joan Russell, Dan Dineen, Ken Miller, Joanna
15 Groth, Richard Roembke, Peter Retler, Diane Pedersen, and Norb Weyer.

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17 The meeting was called to order by Chairman Herb Tennies and the affidavit of posting was read.

18
19 **MINUTES**

20 Moved by Mr. Gundrum, seconded by Mr. Core to approve the May 11, 2009 Fair Park Study
21 Committee minutes. Motion carried.

22
23 **DEBT AND OWNERSHIP OF FAIR PARK BUILDINGS**

24 Ms. Haag reported that in order for the County to take ownership of all the Fair Park buildings,
25 there could not be any liens on them. Currently there is \$277,849 of outstanding contractor bills for
26 the Ziegler building still being reviewed. If Washington County were to purchase the buildings,
27 Ms. Haag recommends pursuing a State Trust Fund Loan. Purchase of the Fair Park buildings
28 would require a three-quarters vote by the County Board. A complete inventory of what is included
29 with ownership would need to be established prior to purchase.

30
31 **AUDIT REPORT**

32 Ms. Haag reviewed an Audit Report for the year ending December 31, 2008, which was completed
33 for the Washington County Agricultural & Industrial Society by Schenck & Associates. A note in
34 the report states “...the Society has incurred unplanned construction costs that have incurred
35 excessive debt covenants that raise substantial doubt about its ability to continue as a going
36 concern.” The Society obtained a three year loan of \$500,000 from the State Bank of Newburg in
37 July of 2008 to help pay for the additional costs of the Ziegler building. In July of 2011, the
38 principal portion of that loan is due in full. Interest is accrued at the rate of 6% and is currently
39 being paid in monthly installments by AIS.

40
41 The AIS reimburses the County for actual costs for labor, maintenance, utilities, insurance and other
42 expenses paid by the County. The County Board passed 2009 Resolution 10 that authorizes AIS to
43 delay payment of any January-June monthly invoices from Washington County until August 31,
44 2009.

45
46 **AIS CONTRACT ALTERNATIVES AND LEGAL ISSUES**

47 Attorney Nass reviewed contract alternatives, legal issues, and options regarding Washington
48 County’s involvement with AIS and Fair Park. The lease and County Fair Agreement between AIS

1 and Washington County is dated April 1, 1999, with an Addendum dated January 19, 2000.
2 Attorney Nass presented three options. Option 1 would be based on the assumption that a non-
3 profit organization is recommended for future operations of Fair Park. Ms. Nass stated that by state
4 law there cannot be a for-profit organization running Fair Park while tax dollars are still being used
5 to pay off debt for the facilities. This option would include a standard lease for the grounds and an
6 operating agreement with performance standards. Option 2 would be based on the assumption that
7 Fair Park is a county operated department or division. Option 3 continues the current operations
8 with the AIS renewal given in January, 2008. The Fair Park Study Committee recommendations
9 and County Board action will determine the legal arrangement and necessary documents.

10
11 **AIS REVENUE STRATEGIES FOR FAIR EVENT**

12 Ms. Lang reviewed a summary of revenue strategies discussed by AIS. Ms. Lang stated that due to
13 the economy, the AIS felt that 2009 was not a good year to make major changes in the fee structure.
14 Their goal is to keep the experience of the Fair affordable for families. Admission prices to the Fair
15 will remain the same as 2008, except for an increase to \$2 for Tuesday night. Parking will continue
16 to be free, and there will be no increase in beverage pricing. Sponsorship has been difficult this
17 year, but the AIS is confident they will meet their goals. Entertainment costs are always a concern
18 and Ms. Lang stated the entertainment budget was cut by \$100,000 this year. The AIS has also re-
19 established their Revenue Committee, which will be taking a look at different facilities to compare
20 pricing and other issues. A new brochure is being developed for marketing Fair Park as well.

21
22 **REVIEW OF FAIR PARK ALTERNATIVES**

23 Mr. Roback presented and reviewed a matrix of Fair Park alternatives. Seven alternatives were
24 listed which include: 1) County has building ownership and operates fair and events; 2) County has
25 building ownership and AIS operates fair and events; 3) County has building ownership and
26 operates events – AIS operates Fair; 4) County has building ownership, another organization
27 operates events & AIS operates fair; 5) County owns a seasonal facility and AIS operates fair and
28 events; 6) County owns a seasonal facility and operates events – AIS operates fair; 7) Status Quo –
29 mixed building ownership and AIS operates fair and events.

30
31 The Committee discussed seasonal operation of Fair Park. Ms. O’Neil stated 4-H has no alternative
32 site and several programs would be eliminated if the Fair Park buildings and grounds were not
33 available year round. Also, due to the extensive use and events, there would be a significant
34 economic impact if the facility was not open year round.

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36 Moved by Mr. Anhalt, seconded by Mr. Meyers to remove alternatives 5 and 6 from consideration.
37 Motion carried.

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39 **NEXT MEETING DATE**

40 The next meeting is scheduled for August 10, 2009, at 1:00 p.m. at the County Courthouse,
41 Government Center.

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43 Moved by Mr. Healy, seconded by Mr. Anhalt to adjourn the meeting at 3:04 p.m. Motion carried.
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