

**Oregon Country Fair Board of Directors' Budget Meeting
January 25, 2010, 7:00pm at Central Presbyterian Church**

Board members present (all): Diane Albino, John "Chewie" Burgess, Katie Cousins, Paxton Hoag, Lara Howe, Jack Makarchek, Deane Morrow, Jon Pincus (alternate), Indigo Ronlov (facilitator), Anna Scott, Lawrence "LT" Taylor, Jon Silvermoon (alternate)

Staff present: Robin Bernardi, Marcus Hinz, Charlie Ruff, norma sax, Steve Wisnovsky

Officers present: Hilary Anthony, Bill Ganser, Steve "Grumpy" Gorham

Others present: Budget Committee members and some volunteers

Business

Indigo disclosed her personal and financial interest with Café Mam which operates as a concession at the OCF. Hilary explained in some detail about requirements that Board members who will be voting on the budgets disclose any financial interest they have related to the Fair.

Jack moved, Chewie seconded, the Board adopt the proposed 2010 Crew Budgets in the total amount of \$633,465.

Discussion: Hilary explained the budgets did not change for many crews but there have been some large changes and there have been some disagreements with crews about interpretation of the guidelines and the budget allocations. She said the Budget Committee tries to be fair and they use the Budget Handbook as a way to help maintain equity. A Kitchen Crew budget negotiation was required this year and, based on the workload, the recommended crew size was increased by 15 to a total of sixty. Recycling concerns regarding their food vouchers and breakfast needs were discussed as an outcome of the budget work this year. Lara said the various options within the budget proposal were not accepted by the crew. She said the crew plans to take on their breakfast preparation and will have some financial support from the coordinators budget.

Grumpy provided an explanation about the nomenclature for the food voucher listings. He said the Crew Budget may have two amendments for figures that are still being worked out, one for VegManEC's and one for Construction. He pointed out the Wristbands and Photo ID crew was split into separate crews this year.

Hilary said we now have 62 crews and crew splitting is not encouraged due to the additional administration and expense behind the scenes. She said it is not just a simple division of crew resources. Grumpy noted the Crew Services and Showers crew were the other split this year.

Indigo said budget approval, by implication, creates these new crews. Jon S noted the coordinator appointments would still be required.

Jon S asked about the budget increase for Vaudeville and Hilary explained the coordinator will use the additional funds in an ongoing effort to achieve performer reimbursement equity. Jon S said that has his support. He noted Food Refer crew is getting more money and Grumpy said the extra is to replace their canopy. Jon S noted the Inventory budget is lower and Grumpy said the Elders were split off into a separate financial entity. Jon S noted the Peach Pit budget went down and Grumpy explained last year's Peach Pit was oversize for the 40th anniversary and it is going back to the smaller size. Jon S noted the wristband cost went up last year too but is not going back down. Grumpy said that figure was not related to the 40th anniversary and the costs are not changing. LT mentioned part of the extra cost has to do with security needs and Grumpy affirmed, giving an explanation about the work of the supplier. Jon S suggested we might consider going to all photo ID at some point.

Jon S asked about a reduction in the Cartography budget and on further examination Grumpy acknowledged there was a \$1240 error. He said the total Crew Budget will change by that amount. Jon S noted the combined figures for Crew Services and Showers was higher than the combined budget in 2009 and asked for the explanation. Sheldon (Budget Committee liaison) said the extra was for a crew addition and some extra supplies.

Lucy pointed out photo ID would be required for about 16,000 volunteers if we switched. Jon S asked for a few more details. Paxton said a photo ID would cost about \$1.50 each and about 5 crews would be required to handle the work.

Anna asked about the food voucher breakdown between Flowers and Garden on the Green Thumb crew. Hilary said that depends on the work periods and that Garden has some trade and

exchange going on with area suppliers. Sheldon gave an explanation about the trade sharing and inventory re-boxing that is conducted by the Green Thumb Garden crew.

Anna noted the increase for Fire Crew and said she appreciates that it will be applied to the Far Side area. She asked if the supply line items in Hospitality and Kitchen are for food and Hilary confirmed. Anna noted the increase in food vouchers for Main Camp and asked for some explanation. Charlie said there are three new positions on that crew. Anna finished up by starting a discussion about the solar stages and noted the solar performance issues at Hoarse Corrale. Hilary noted the solar stages purchased a generator in 2009 because the batteries are not reliable. Chewie added his concerns about the vegetation and pruning requirements being requested and he said he wants to know if the work is really necessary. Paxton pointed out Blue Moon and Shady Grove both operate reliably with solar power.

Paxton asked for a summary and was told crew sizes have increased for Main Camp Kitchen, Pre-Fair Kitchen, Showers, Internal Security, Fire Crew and Teens.

Chewie spoke up, first noting the Kitchen crew size increase and expressing his appreciation for that solution, and then saying he is concerned that other crews are also struggling but not getting the same recognition. He asked if some equity was lost. He pointed out that many people do as much or more, and in different ways, and he said he intends to continue the discussion about fairness across the spectrum of the organization. He repeated he appreciates a solution was found for the Kitchen Crew but is concerned about other crews and equity. Grumpy expressed his agreement, noted the move away from the per diems of the past and said the Budget Committee is trying to do it right. Hilary said a lot is up to the coordinator and their sense of need. Hilary said it is true that some members volunteer hundreds of hours each year and others put in just 20 or 30 hours each year. Some volunteer activities are year around, some are pre-Fair and some are during the Fair which explains some of the time differences. Charlie pointed out the real problem with the Kitchen Crew was the unusual use of trade passes last year. Indigo asked if the new passes were for new crew members and Hilary affirmed.

Steve raised the subject of vehicles and extra vehicle stickers. Grumpy noted the 50% ratio is still in use and said there will be more vehicles. Steve said he wants the Board to be aware of this and he asked for some examination of how to get this trend turned around. He said we need to learn how to do our event with less vehicles. Sheldon explained the Budget Committee really tries to hold the line but also has to consider the actual needs.

Steve asked if there are "for sale" wristbands in this budget. Hilary said some wristbands are sold to entertainers at the same rate as the wristbands for Energy Park and Community Village. Jack said we are diverging into a policy discussion now and we need to get back to our task at hand.

Deane said thanks for sending out the budgets ahead of the meeting and he commented on the special needs for Recycling and indicated he would be supportive a solution.

Katie asked about the Kitchen supply budget and wondered if it might be better to split this expense among the actual crews that are getting fed. She said the reason for this suggestion is to shift more direct responsibility to the crews to help reduce the abuse. Hilary said the kitchen crew has reduced food waste, has been planning well and has a good cost per meal but there are an extraordinary high number of meals being served. The Fair policy of feeding just the active volunteers has been missing the follow-up of gate-keeping in the lines. Charlie said he thinks tracking back to the crew level is a good idea for this situation. He indicated the priority during Main Camp is getting the Fair ready and feeding those working is part of the effort. Hilary added kitchen access could be limited to only certain crews at certain times such as just feeding Construction and Quarter Master during the first week of Main Camp. Grumpy said we could all take some responsibility to act when we witness unauthorized meals. Katie said her point is just about organizing the budget in a more rational way. Jon P said he was more concerned about post-Fair kitchen in how it appears chronically underfunded and hears that from the coordinator. Hilary said the coordinator is actually is very good at spending carefully and is consistently under budget. Joseph said there is a problem her about a coordinator who feels inhibited and does not do well as speaking up about the needs.

Indigo asked if we are ready to vote and Grumpy reminded the Board that the budget total is actually \$1240 higher than shown.

The motion, as corrected to \$634,705, passed 10-0.

Jack moved, LT seconded, the Board adopt the proposed 2010 Board of Directors Budget in the amount of \$96,000.

Discussion: Jack said the donation line is usually discussed and it has not been increased significantly because the actual spent last year was pretty close. Jon S noted this number doesn't seem to matter much considering the way the Board treats it toward the end of the year. Jack said the number is really not arbitrary and we usually get close.

Hilary gave some details about the Jill Heiman Vision Fund. Jon S asked about the purpose of the Personnel line and Jack said it was for the work of the Personnel Committee.

The motion passed 10-0.

Jack moved, Katie seconded, the Board adopt the proposed 2010 Site Manager Budget in the amount of \$83,600.

Discussion: Anna asked for some clarification about recycling and storage and Grumpy said it was for rental.

Steve said the bottom line is what we donate and give away and he makes every effort to frugalize in his budget.

Anna remarked on the increase in utilities and suggested an effort to get those under control. Jon S noted two line items both had propane. Steve replied the one of the items is just electricity expense and the other line budgets propane for Main Camp.

Chewie remarked on the drop in the vehicle maintenance budget and Steve said last year a couple of exceptional repairs were required.

The motion passed 10-0.

Jack moved, Indigo seconded, the Board adopt the proposed 2010 Administrative Assistant Budget in the amount of \$32,350.

Discussion: Katie asked about office assistant expenses and Robin explained they are for office and yard care.

Paxton asked about the copier age and about website maintenance. Norma said the website management is changing.

The motion passed 10-0.

Jack moved, Paxton seconded, the Board adopt the proposed 2010 Culture Jam Budget in the amount of \$28,300.

Discussion: Jon S asked about the employment line item and Grumpy said it was an older item that maintained to show budget history but is not used now.

Anna asked if the camp director item was for a contract and that was affirmed.

Grumpy took a moment to give some clarification about how to compare numbers he put into the remaining three budgets. He said the comparison numbers are needed due to the addition of the executive director's budget. Hilary and Robin noted Culture Jam is staying at about the same size each year now. Diane asked why the toilet costs are blank.

The motion passed 10-0.

Jack moved, Indigo seconded, the Board adopt the proposed 2010 Operations Manager Budget in the amount of \$239,250.

Discussion: Grumpy said this budget reflects changes made to create the Executive Directors budget. He provided some further explanation about how to understand and compare the new budgets to the prior year's numbers. Anna pointed out some line duplications in the two budgets and Charlie said the lines remained even though the figures were moved.

Jack said the omissions in the OM budget show those parts that are moved to the ED budget and described how two budgets can be folded and held side by side to help see the changes. Katie said the lines for Contingency, Expenses and Miscellaneous illustrate the split.

Jon S asked what gets charged under Contractors. Charlie said it's mostly for security at the bus boarding in town. Jon S said the contractor expense should be kept in mind when evaluating alternatives to the bus system as well as all the other corollary expenses.

Jon S asked about the Sheriff cost increase and Charlie said it is for some additional peak time service that is necessary due to cuts in regular local services. Grumpy noted that some money is also being provided for signage upgrading.

Jon S asked if this budget for the bus service is accurate and Charlie said it expected to be accurate but is subject to change if a private company replaces the LTD service.

Chewie raised some concern about the tee shirt item and Indigo said tee shirts are a typical item that increase background costs whenever crew sizes are increased. Charlie said the real tee shirt purpose has become obscured recently and it can be a problem for the security and traffic crews that really need them.

Paxton inquired about Contingency funding for Operations and the impact of the split with the ED budget. Charlie said that was carefully considered and should be fine.

Joseph said the real key in all these budgets is how a dollar shows up only once as income and once as a cost.

LT wondered if the requirement to consider private operators for the bus service was from a legislative or an executive source.

Deane wondered, since the number did not change much and if there are no changes planned for toilets and hand washing. Charlie said there will be some increase again this year. Jon S mentioned the absence of the handicapped toilet near Castle Gate was noted last year and it should be restored.

The motion passed 10-0.

Jack moved, Paxton seconded, the Board adopt the proposed 2010 Executive Director Budget in the amount of \$445,905.

Discussion: Jon S moved, Indigo seconded, to amend by allocating \$7500 for Archaeology Research. Jack and Paxton said they would accept this as a friendly amendment. Jon S said the money would be available for outside support if something is found and needs some work or for advance survey work. Jack asked how this amendment fits with the pending motions about Archaeology and Jon S said it is not related. Jack then objected saying this should be discussed in a regular Board meeting and he withdrew his support meaning further discussion would be on the amendment only. Anna recalled hearing about a contingency fund resolution from the Archaeology Committee.

Jon P suggested this budget could be amended at the time this subject is discussed in a regular meeting.

Jack wondered why there was a Budget line holding a place but without any amount. Marcus said he put the line in but no amount because the plan is still being considered and the needs aren't understood yet. He said it holds a place to show that some work is going forward but he doesn't know how many partners will be involved.

Jack said a placeholder line requires an amount and suggested we move ahead with the budget knowing the subject will be considered later. Joseph said discussion has been underway for several years now. Paxton said the Archaeology Committee meetings are moving ahead on this item and a plan will be coming and will need funds.

Marcus said some money could be used to explore grant opportunities and he asked to make the line amount \$500. Chewie said he supports the idea.

Grumpy said we are slipping around our process of using the budget committee for these discussions and while this is a valid and expected cost we don't know what can be done with outside support.

Jon P moved, Diane seconded, to amend the amount to \$500.

Jon S said he would accept that amount even though the original amount is credible. LT asked for a point of order and said the maker of the original motion also needs to agree for this to be considered a friendly amendment. Jack agreed.

Sheldon said starting an active investigation might not be wise course. Jon S said knowing about potential sites before starting projects is important.

Katie asked about the employee mileage reimbursement and noted the personnel manual (PPPM) states that the OCF will reimburse employees at the federal rate which, for 2010, is 50 cents per mile. She asked if this rate had been factored into this budget and Marcus affirmed.

Hilary noted the budget handbook sets the rate at the federal rate minus the portion for depreciation which results in a rate of about \$0.35. She said that formula has been a consistent past policy and there has been general agreement about paying staff and volunteers the same rate. The difference between the budget handbook and the personnel manual is a recent development. Charlie said the staff pretty much supports the lower rate.

Anna said the personal manual prescribes the employee rate and so she supports the budget item amount. Marcus pointed out the staff will be conscientious about mileage use and about carpooling. He said he is in favor of clarifying the PPPM to match the budget handbook.

Jon S said he thinks the staff could take the difference in the rate as a tax deduction. He also asked about the IRS charitable rate relative to the rate we pay and if we might have to report the difference as income. Hilary said a 1099 would be required but only if any reimbursements exceeded \$600. Jon S asked if the volunteer rate is higher than the IRS charitable rate and Hilary said yes.

Katie said she doesn't know the history of the PPPM rate but feels the Fair should reimburse the staff at the full entitled rate and feels the difference is not significant. She pointed out the personnel manual is a Board approved document so supersedes any guidance in the budget committee handbook. Marcus said it has been corrected this year and the budget reflects the higher rate. Paxton said he is in favor of keeping it flat at \$0.35.

The motion, as amended to \$446,405, passed 10-0

Adjourn

The meeting was adjourned at 9:30 pm.