



## Lancaster County Agricultural Society, Inc.

*A Nebraska non-profit corporation, designated as 501(c)(3) by the IRS  
and separate county-level political subdivision  
created under Nebraska law in 1870 to promote agriculture & youth.*

### MINUTES

#### Board of Directors Monthly Meeting 7:30pm - Thursday, April 16, 2020

President Ronnau called the meeting of the Lancaster Country Agricultural Society to order at 7:41pm on a Zoom video conference. Ronnau reminded the board that Governor Ricketts issued an executive order (20-03) permitting public bodies to meet virtually and still be in accordance of the Nebraska Open Meeting Act. The Open Meeting Act laws were displayed to attendees on the screen, and notice was given to the Lincoln Journal Star.

Board members present on Zoom were Cooper, Doeschot, Dowding, Messick, Ronnau, Rutt, Rawlinson, Swanson, and Suing. Also present by Zoom were LEC Managing Director Amy Dickerson, LEC Business Development Manager Hoyt Kraeger, Lancaster Co. Fairgrounds JPA Member & County Board Commissioner Roma Amundson, Extension Educator 4-H Youth Development Tracy Anderson, Lancaster County Extension Leader Karen Wobig, LEC Operations Director Greg Rook, LEC Accounting Manager Lois Hartzell, and Ag. Society Board Clerk Jess Nguyen.

**Approval of minutes** – Rawlinson motioned to approve the minutes from the March regular board meeting. Swanson seconded the motion. Motion passed 9-0. Rawlinson motioned to approve the minutes from the April 2 Emergency Meeting, Swanson seconded. Motion passed 9-0.

**Financial report and approval of checks & audit progress** – Hartzell went through the March Balance Sheet; the board had no questions. Hartzell then went over March Profit and Loss Statement. She mentioned how there was a large loss in revenue vs. last year due the cancellations of last 4 of 8 Shrine Circus shows, the Lawn & Leisure trade show, the tractor pull and 2-week pool tourney among other shows starting March 14<sup>th</sup> due to COVID health restrictions limiting gatherings to 250 then 50 then 10 people by March 17<sup>th</sup>. There was yet not much of a difference in rental income or payroll. Regarding Costs of Goods Sold, LEC has gotten rid of some inventory by returning it to food & beverage vendors or selling it to the public. It was motioned by Messick to approve the March financials. Suing seconded. Motion passed 9-0. It was moved by Rawlinson and seconded by Rutt to approve the paying of the March checks for \$98,951.74. Motion passed 9-0. Hartzell went over the Aging Summaries, the team is making phone calls to get receivables collected. The audit is in progress. The auditors are not coming into the facility, but all reports have been sent to them. The audit is due at the end of May to the State.

### **Officer reports**

- President (Ronnau) – Has gotten some lovely notes from LEC and community members to express their support.
- Vice President (Dowding) – Just wants to commend everyone for their hard work.
- Secretary (Cooper) – Nothing to report
- Treasurer (Rutt) – Nothing to report

### **Committee Reports as relevant:**

- Personnel (Ronnau) – None
- Fund Development (Cusick-Rawlinson) – Grant request to Lincoln COVID-19 to help cover labor/utility costs for free events related to COVID pandemic: Red Cross with blood drive, County Election Commissioner with backup primary election locations and Lincoln Food Bank for a food distribution. Just submitted it today to get a little income from the grant.
- Strategic Planning (Cusick-Rawlinson) – None
- Premium Auction (Ronnau) – None
- Grievance (Cooper) – None
- NHSFR Rodeo (Ronnau) – None

**Extension Report / Communications (Wobig)** – Wobig wanted to let the board know that Extension wishes everyone they work with the best and to stay healthy. All of their staff are out of the office, and the office is closed through May. There are still a lot of programs going on, and most people are still working while some are taking administrative leave to take care of their children. Tracy Anderson updated the board that they are working diligently to find different ways to provide online programming. For example, the embryology program has been able to have students watch the candling of the eggs and see their development. There is also an egg cam to see chicks hatch.

**2020 Fair Update (Dickerson/all)** – Ronnau talked about how we LEC will need to alter the fair to ensure it still goes on without causing an outbreak because of the spread of COVID-19. Some fairs around the country have decided they will just not have one while others are going to a virtual fair. Douglas/Sarpy is thinking of going virtual and will go through until early May with planning. Ronnau talked about what she envisions what a virtual fair would look like: the child would still have their project, they would just have to submit a photo or video that will be judged for premium money, placement, and feedback.

Dickerson shared her conversations with others who are a part of the International Association of Fairs & Expositions (IAFE) which represents 2,000 fairs in the entire country. Dickerson thinks LEC is ahead in even thinking about going virtual and thinking of out-of-the-box ideas. One gentleman in an IAFE conference call said that the virus is in control, so fair managers will need to reduce their losses and come back roaring the next year to protect the fairgrounds in the long-term. Dickerson summarized President Trump's plan of easing COVID-19 lockdown restrictions. Phase 1: A limited group of businesses like restaurants and movie theaters can reopen and vulnerable people stay home. Phase 2: Schools can reopen, and non-essential travel can resume. Phase 3: Vulnerable people can resume public

interactions while practicing social distancing. LEC is currently showing a representative of the public health department where people are coming from for events and the size of the events to get advice about how to move forward.

Dickerson said a physical fair open to the public already looks very tough to pull off for us. 25% or more of people will simply not come because they're a vulnerable population or they won't want to be in a crowd until there's a vaccine. The carnival has been stuck for 45 days in Texas. Only half of the rides would be able to come which means half the income. There will be fewer people through the gates and fewer people through the carnival which Dickerson estimates to be a loss of \$50,000 for the fair just in the carnival alone. Not paying for the national attractions beefed up for the 150<sup>th</sup> anniversary would help bring the fair back in the positive. Overall cash flow - with lower attendance, no attraction zone/free music series stage, and half a carnival - would have a difference in finances of almost \$200,000 to the better for the fairgrounds. Rawlinson asked what the expenses would be for a virtual fair. Dickerson answered that LEC would need to promote it through its own media channels to encourage the public to celebrate what the youth are accomplishing but could be done at minimal cost. The team would have to talk with Wobig and her team to see what support would be needed. Wobig said they are having a big Clover Kids event in June which would be their first event to maybe do virtually. Currently, they aren't sure of their needs if the fair were to go virtual.

Ronnau asked each board member for their thoughts on how to go forward with the fair. Messick thought it was a little premature to pull the plug on things, and he would like to get through the next 14 days before making a decision. Rutt would like to see the board wait a couple of weeks before deciding. If the fair needs to go virtual, then the fair should go virtual. Cooper said it's a little early and wants to have open lines of communication with the fair vendors/attractions to let them know LEC is in a holding pattern. He would like to wait it out a bit before deciding. Dowding is not against going virtual, but his concern is the different weight classes for livestock. He was wondering if Extension could videotape the weigh-in one at a time, so animals aren't switched out. Doeschot thinks it is a bit early to decide and mentioned that at the radio stations they are moving forward with event planning but not signing any additional contracts. Ronnau said the board is a little ahead of the game on all of this. The board may need an emergency meeting to regroup, but LEC needs to be given enough time to get out of fair vendor/attraction contracts to avoid expenses. Cooper asked what the advantage is of making a decision now rather than in two weeks. Ronnau answered that LEC can get out of the contracts earlier and a lot of logistics (livestock weigh-in, static events, judges, premium money, promotions, support to families, etc.) needed to be figured out with a team that has been downsized. Anderson wanted the board to know that making or not making a decision tonight will not affect the Extension program. Dickerson reiterated that LEC is operating with a much smaller team that may not be as efficient working remotely at home and are busy canceling all of the previously planned events. The board needs to be more efficient with the LEC team's time. From a financial standpoint, LEC would lose money on the open/public part of the fair. Rawlinson motioned for the board to make the decision to cancel everything other than 4-H and FFA events at the 2020 Super Fair and wait another two weeks to make a decision on what to do with the rest of the 4-H and FFA events. Rutt seconded the motion. Motion passes 7-2, Cooper and Messick voted against.

**COVID Financial Options Report (Hartzell/Dickerson)** – Hartzell updated the board on finances since COVID pandemic started mid-March. For food and beverage, a lot of product has been returned and payments have been put on pause. Regarding utilities, a lot were on auto payments and LEC has since worked with the utilities to stop them. Paycheck Protection Program (PPP) loan funds were received April 13<sup>th</sup> and can be used to cover utilities. West Gate and Union Bank have both gone above and beyond for LEC during this time on financial support options. Union Bank got LEC in the first wave of PPP loans. West Gate Bank does our construction loan bridge financing for the lodging tax grant rodeo improvements and the first interest payment happened to be due about a week ago. The board just signed an extension on that today (4/16) with West Gate Bank allowing LEC not to pay that right now and is stopping principal and interest payments for six months. The team has been invoicing the different shows that were planned and are just asking for half of the rent due on each contract since neither party could have taken out insurance to cover this pandemic. With the construction lodging tax grant, many on the operations crew has been moved to the self-perform construction team in lieu of added construction workers we were just about to hire to finish all the projects as winter ended. LEC will get reimbursed for its labor under the grant and all this is within the original grant budget.

Dickerson spoke about the PPP loan that LEC was granted on Monday (4/13) under the CARES Act. The loan is calculated based on LEC's peak 2.5 times monthly labor level in 2019 of 49 FTE amounting to about \$407,000. The focus of these funds will be on payroll and being super conservative financially. Another option for funding is the Economic Injury Disaster Loan (EIDL) which would be opened for small businesses impacted across the whole nation because of COVID-19. The max loan through EIDL right now is \$35,000 which would help with part of a month. LEC is eligible but will need help with application because LEC is a political subdivision as well as a 501(c)(3). Dickerson and LEC are keeping their voices strong with Congressman Fortenberry and IAFE among others to lobby for ongoing support for fairgrounds, event centers through this crisis.

Dickerson also updated the board on a new long-term revenue source – long-term camping. LEC will be launching the campground soon as water and electrical are all set up. They are finalizing an online camping application, and campers will pay their rent on the website instead of taking card numbers over the phone. There will be a new application form if the applicant is staying longer than two weeks. There is a \$25 application fee to cover the cost of a legal background and credit check. The campground policy has blackout dates, so if there is a facility-wide show they will temporarily move to another site and come back after the show.

**NHSFR Report (Rook)** – Rook reported that the rodeo is still planning on happening. NHSFR will decide for sure between June 1-June 15, so construction is still going to go on. Rook thinks the campground can be ready by mid-May. LES will start primary power on Tuesday. Crews will be on Monday (4/20) to finish work on grandstands. The entire eastern and southern LEC boundaries have been fenced with Chas Skillett leading the crew to do a very professional job. LEC will be ready for the rodeo, but it'll be up to NHSFR if they have it within the COVID health guidelines at the time. WW, LEC's new panels supplier, has been incredibly flexible and has become a great partnership for the future.

**Managing Director report (Dickerson)** – Dickerson said the only event going on is the plant sale where people buy online and pick up curbside. In the Lincoln Room on Tuesday, May 12, LEC is having an American Red Cross blood drive, hosting two local primary election precincts that needed a new home, and will also be taking donations for the Food Bank. LEC may be a Food Bank distribution site because of the large amount of parking lot space. Dickerson plans to meet with them on Friday (4/17). There is no revenue coming in other than the plant sale and camping. Some bigger shows are reaching out to LEC with longer-term planning. Overall, the staff is doing well. The on-site crew feels like everything is safe, happy they're working, and morale is great.

**Other Business** – None

**Public Comment** – None

**Executive Session** – It was motioned by Rutt and seconded by Dowding to enter executive session at 10:14pm. All attendees other than the nine board members exited the Zoom meeting. President Ronnau took minutes for the board from this point. The board discussed and renewed Dickerson's employment agreement. Dowding moved to approve Dickerson's contract as presented. Rawlinson seconded. Motion passed 8-1, Doeschot abstaining. It was motioned by Suing and seconded by Messick to come out of executive session at 10:39pm.

The board decided to set an additional board meeting on Thursday, May 7, 2020 at 7:30pm by Zoom to get critical COVID updates and continue to discuss fair planning.

It was motioned by Messick and seconded by Swanson to adjourn the meeting at 10:48pm. Motion passed 9-0.

Respectfully submitted by: Jess Nguyen – LCAS Board Clerk

---

Secretary Cooper

---

President Ronnau

**Next supplemental meeting: May 7, 2020 at 7:30pm by Zoom**

**Next regular meeting: May 21, 2020 at 7:30pm by Zoom**