

# MINUTES

REGULAR MEETING OF  
CALIFORNIA FAIR SERVICES AUTHORITY  
BOARD OF DIRECTORS,  
INCLUDING STRATEGIC PLANNING WORKSHOP  
October 22-23, 2018  
1776 Tribute Road, Suite 100, Sacramento, CA 95815

**Dan Jacobs**, Board Chair  
Antelope Valley Fair (50<sup>th</sup> DAA)

**Jim Wolcott**, Vice Chair  
Lassen County Fair

**Stephen Kenny**, Director  
Butte County Fair

**Patricia Conklin**, Director  
Dixon May Fair

**John Quiroz**, Director  
California Department of Food &  
Agriculture

**Jack Blyskal**, Director  
Public Member

**Lori Marshall**, Director Alternate  
1-A DAA Cow Palace

**Christy Layton**, Legal Counsel to CFSA  
Sloan Sakai Yeung & Wong LLP

**Osman Mufti**, Legal Counsel to CFSA  
Sloan Sakai Yeung & Wong LLP  
(10/23/18 only)

**Becky Bailey-Findley**, Executive Director  
California Fair Services Authority

**Rebecca Desmond**  
Deputy Executive Director  
California Fair Services Authority

**Raechelle Gibbons**, Controller  
California Fair Services Authority

**Tom Amberson**, Risk Department  
Manager  
California Fair Services Authority

**Melissa Thurber**, Communication Director  
California Fair Services Authority

**Charlie Mitchell**, Consultant  
California Fair Services Authority  
(10/23/18 only)

**Michael Kielty**, Consultant  
George Hills  
(10/22/18 only)

October 22, 2018:

I. CALL TO ORDER

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Pursuant to the meeting notice, a strategic planning workshop and regular meeting of the California Fair Services Authority (CFSA) Board of Directors was convened at 10:00 a.m., October 22, 2018, by Board Chair Dan Jacobs, in the conference room at 1776 Tribute Road, Suite 200, Sacramento, California.

**II. STRATEGIC PLANNING WORKSHOP**

The Board of Directors engaged in a strategic planning workshop with CFSA staff and guests.

**III. ADJOURN TO OCTOBER 23, 2018**

At 5:00 p.m., Chair Jacobs adjourned the meeting until 9:00 a.m. on October 23, 2018.

**October 23, 2018:**

**I. STRATEGIC PLANNING WORKSHOP**

The strategic planning workshop resumed at 9:00 a.m.

**II. REGULAR BOARD MEETING**

The regular board meeting began at 10:40 a.m.

**III. APPROVAL OF MINUTES**

Moved by Director Blyskal and seconded by Director Wolcott to adopt **Resolution No. 18-20** approving the minutes of the regular teleconference meeting of August 1, 2018, as presented to the Board of Directors.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)

Noes: None

Abstain: None

Absent: Director Olcott

**IV. ADOPTION OF RESOLUTION APPROVING REVISED CFSA RISK POOL GOALS**

Based on discussion during the strategic planning workshop, CFSA Executive Director Bailey-Findley recommended tabling this item to the December board meeting.

Moved by Director Blyskal and seconded by Director Kenny to table this agenda item.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)

Noes: None  
Abstain: None  
Absent: Director Olcott

**V. ADOPTION OF RESOLUTION APPROVING UPDATED CFSA UNDERWRITING POLICY**

Based on discussion during the strategic planning workshop, CFSA Executive Director Bailey-Findley recommended tabling this item to the December board meeting.

Moved by Director Kenny and seconded by Director Conklin to table this agenda item.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)  
Noes: None  
Abstain: None  
Absent: Director Olcott

**VI. DISCUSSION AND BOARD DIRECTION ON SETTING ESTIMATED 2019 RISK POOL PROGRAM FEES**

**A. WORKERS' COMPENSATION**

Staff presented analysis of the history of the CFSA Worker's Compensation Risk Pool Program by claims year. Staff recommended an estimated preliminary increase in Workers' Compensation fees for 2019 with final fees being set in April 2019 following review and analysis of the 2018 Workers' Compensation Risk Pool actuary study.

Moved by Director Blyskal and seconded by Director Kenny to direct staff to estimate a 2019 Workers' Compensation fee for 2019 at 6% for members of both Workers' Compensation and General Liability risk pools, and 6.3% for members of only the Workers' Compensation risk pool.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)  
Noes: None  
Abstain: None  
Absent: Director Olcott

**B. GENERAL LIABILITY**

Staff presented analysis of the history of the CFSA General Liability Risk Pool Program by claims year. Staff recommended an estimated preliminary increase

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in General Liability fees for 2019 with final fees being set in April 2019 following review and analysis of the 2018 General Liability Risk Pool actuary study.

Moved by Director Blyskal and seconded by Director Kenny to direct staff to estimate a 2019 General Liability base fee increase of 7%.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)

Noes: None

Abstain: None

Absent: Director Olcott

**VII. ADOPTION OF RESOLUTION APPROVING REVISED SPECIAL EVENTS RISK POOL PROGRAM FEES EFFECTIVE JANUARY 1, 2019**

The current rates for CFSA's Special Events Program (SEP) were last updated in 2014. Since then, the costs of claims and excess liability insurance have continued to increase. In response to requests from fairs, protection under the Program has been extended to cover new activities. The current rates need to be updated to reflect current increased program costs.

Moved by Director Conklin and seconded by Director Kenny to adopt **Resolution No. 18-23** approving the revised Special Events Risk Pool Program Fees effective January 1, 2019, as presented to the Board of Directors.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)

Noes: None

Abstain: None

Absent: Director Olcott

**VIII. ADOPTION OF RESOLUTION APPROVING 2019 CFSA FINANCIAL SERVICES FEES**

Based on discussion during the strategic planning workshop, CFSA Executive Director Bailey-Findley recommended tabling this item to a later date.

Moved by Director Blyskal and seconded by Director Kenny to table this agenda item.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)

Noes: None

Abstain: None

Absent: Director Olcott

**IX. DISCUSSION AND ACTION ON CFSA BOARD APPOINTEE TO CFSA REVENUE PROTECTION PROGRAM COMMITTEE**

Moved by Chair Jacobs and seconded by Director Blyskal to adopt **Resolution No. 18-25** appointing CFSA Board Member Jim Wolcott to serve as the CFSA Board representative on the Revenue Protection Program Committee.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Conklin, Marshall (alternate)  
Noes: None  
Abstain: Director Quiroz  
Absent: Director Olcott

**X. ADOPTION OF RESOLUTION APPROVING RE-ENTRY OF THE CALIFORNIA FAIRS FINANCING AUTHORITY INTO THE CFSA GENERAL LIABILITY RISK POOL PROGRAM**

The California Fairs Financing Authority (CFFA) left the General Liability Risk Pool Program in July 2011 of their own discretion, as a result of a significant reduction in funding. On October 3, 2018, correspondence from CFFA Board Chair John Vasquez was received indicating the interest of CFFA to re-enter the General Liability Risk Pool Program.

Staff conducted a review of CFFA's operations and recommended CFFA be admitted as a participant in the General Liability Risk Pool Program, beginning January 1, 2019 and be required to remain a participant in the General Liability Pool Program for a minimum period of five years: from 2019 through 2023. Staff further recommended that the CFFA annual General Liability Pool fee be calculated at a 100% Member Loss Modification Factor for a CFSA Class III fair for membership years 2019 through 2023.

Moved by Director Blyskal and seconded by Director Kenny to adopt **Resolution No. 18-26** approving the re-entry of California Fairs Financing Authority into the CFSA General Liability Risk Pool program effective January 1, 2019; that CFFA be required to remain a participant in the General Liability Pool Program for a minimum period of five years: 2019 through 2023; and, that the CFFA annual General Liability Pool fee be calculated at a 100% Member Loss Modification Factor for a CFSA Class III fair for membership years 2019 through 2023.

Ayes: Chair Jacobs, Directors Kenny, Blyskal, Wolcott, Quiroz, Conklin, Marshall (alternate)  
Noes: None  
Abstain: None  
Absent: Director Olcott

**XI. INFORMATION ITEMS**

1. CFSA CAJPA Accreditation update was presented as written.
2. CFSA Board of Directors and CFSA Revenue Protection Program

Committee election updates were provided.

Chair Jacobs announced the following election results, offering congratulations to all:

Class 1-2 Fair, CFSA Board Director: Stephen Kenny (four-year term beginning January 1, 2019)

Class 3-7 Fair, CFSA Board Director: Lori Marshall (four-year term beginning January 1, 2019)

Revenue Protection Program Committee, fair representative: T.J. Plew, CEO, Salinas Valley Fair; 1<sup>st</sup> alternate: David Dillabo, CEO, Yuba-Sutter Fair; 2<sup>nd</sup> alternate: Laurie Giannini, CEO, Calaveras County Fair (all two-year terms beginning January 1, 2019).

3. 2019 Preliminary Budget Schedule was presented as written. Chair Jacobs appointed Director Blyskal and Director Alternate Marshall to the budget committee.
4. CFSA investment reports were presented as written.
5. Staff reports were presented as written:
  - a. Administrative Services
  - b. Construction Department
  - c. Finance Department
  - d. Risk Department
6. Legislative Update was presented as written.
7. Executive Director's Report was presented as written.
8. Directors' Reports – Chair Jacobs thanked staff for their work in preparing for the strategic planning workshop.
9. Next Board Meeting is scheduled for December 5, 2018 at 10:00 a.m.

**Closed Session**

Following a break, the Board adjourned from regular session at 11:59 a.m. and went into closed session to discuss the following:

**Workers' Compensation Claims -Government Code Section 54956.95**

CLAIMANT: Johnnie Shirts

AGENCY CLAIMED AGAINST: 18th DAA Eastern Sierra Tri-County Fair

CLAIMANT: Rickie Branch

AGENCY CLAIMED AGAINST: California Exposition & State Fair

**Liability/Special Events Claims – Government Code Sec. 54956.95**

CLAIMANTS: Joyce Dean Edwards

AGENCY CLAIMED AGAINST: 28<sup>th</sup> DAA San Bernardino County Fair

CLAIMANTS: Clifford Gordon

AGENCY CLAIMED AGAINST: 28<sup>th</sup> DAA San Bernardino County Fair

CLAIMANTS: Sherrie Collins-Salada

AGENCY CLAIMED AGAINST: 4<sup>th</sup> DAA Sonoma-Marín Fair

CLAIMANTS: California Fight League

AGENCY CLAIMED AGAINST: 28<sup>th</sup> DAA San Bernardino County Fair

CLAIMANTS: Wendy Bozigian and Mabe Hernandez Audelo

AGENCY CLAIMED AGAINST: 50<sup>th</sup> DAA, Antelope Valley Fair Association, and the Antelope Valley Fair Joint Powers Authority

**Conference with Legal Counsel – Existing Litigation**

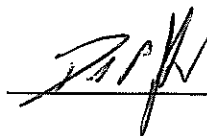
Name of Case: King v. California Fair Services Authority, et al.; Sacramento Superior Case No. 34-2018-00239514 (paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

**VII. Open Session**

The Board adjourned from Closed Session at 1:55 p.m. and resumed regular session. There was no reportable action taken during closed session.

**IX. Adjournment**

The meeting was adjourned at 1:55 p.m.



CHAIR

ATTEST:

Minutes of Regular Meeting

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A handwritten signature in black ink, consisting of several stylized, overlapping loops and lines.

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**SECRETARY**