

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

April 3, 2019

1776 Tribute Road, Suite 100, Sacramento, CA 95815

In attendance:

Board Members

Dan Jacobs, Director
Antelope Valley Fair (50th DAA)
(Via Phone)

Jim Wolcott, Director
Lassen County Fair

Stephen Kenny, Director
Butte County Fair

Lori Marshall, Director
Cow Palace Arena & Event Center
(1-A DAA)
(Via Phone)

Michael Olcott, Director
Kern County Fair (15th DAA)
(Via Phone)

John Quiroz, Director
CDFA Fairs & Expo Branch

Jack Blyskal, Director
Public Member

Marianne Stuart, Alternate
Public Member

Michael Francesconi, Alternate
CDFA Fairs & Expositions Branch

CFSA Staff

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

Kevin Wright, Mgr of Bus Svcs
California Fair Services Authority

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

Guests

Jerome Hoban, CEO
Alameda County Fair

Daniel Marsh, Legal Counsel
Alameda County Fair

I. CALL TO ORDER

Pursuant to the meeting notice, a regular teleconference meeting of the California Fair Services Authority (CFSA) Board of Directors was convened at 10:06 a.m., April 3, 2019, by Board Chair Steven Kenny, in the conference room at 1776 Tribute Road, Suite 200, Sacramento, California.

II. CAJPA ACCREDITATION PRESENTATION

Rick Jenkins, director of member services at the Schools Insurance Authority and member of the California Association of Joint Powers Authorities (CAJPA) Accreditation Committee, presented CFSA with its tri-annual CAJPA Accreditation for 2019-2021. He commended CFSA and its staff for completing the rigorous accreditation process that resulted in Full Accreditation from CAJPA. The purpose of the CAJPA accreditation program is to assist managers of JPAs in achieving standards of quality for essential elements of JPA management; assure public officials, governing board members and the public that JPAs are operating with professionalism and meet industry standards of excellence; and address concerns of state regulators and legislators that JPAs are well managed, financially secure and effectively self-regulated.

III. APPROVAL OF MINUTES

Moved by Director Byskal and seconded by Director Wolcott to adopt **Resolution No. 19-11** approving the minutes of the regular teleconference meeting of February 6, 2019, as presented to the Board of Directors.

Ayes: Chair Kenny, Directors Byskal, Jacobs, Quiroz, Wolcott, Olcott
Noes: None
Abstain: None
Absent: Director Marshall

Director Marshall joined the meeting via phone at 10:19 a.m.

IV. ADOPTION OF RESOLUTION ACCEPTING 2018 ACTUARIAL REPORTS FOR GENERAL LIABILITY, WORKERS' COMPENSATION AND SPECIAL EVENTS

Mike Harrington, the actuary from Bickmore, presented the 2018 General Liability, Workers' Compensation and Special Events actuary reports.

Moved by Director Byskal and seconded by Director Quiroz to adopt **Resolution No. 19-12** accepting the 2018 General Liability, Workers' Compensation and Special Events actuary reports.

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Ayes: Chair Kenny, Directors Blyskal, Jacobs, Wolcott, Olcott, Quiroz, Marshall
Noes: None
Abstain: None
Absent: None

V. ADOPTION OF RESOLUTIONS APPROVING 2019 GENERAL LIABILITY AND WORKERS' COMPENSATION RATES

Deputy Executive Director Desmond presented data on performance of the General Liability and Workers' Compensation Risk Pools along with a review of the CFSA annual funding goal and Equity Allocation Policy.

Moved by Director Blyskal and seconded by Director Wolcott to adopt **Resolution No. 19-13** approving a 7% base rate increase for the 2019 General Liability Risk Pool Program.

Ayes: Chair Kenny, Directors Blyskal, Jacobs, Wolcott, Olcott, Quiroz, Marshall
Noes: None
Abstain: None
Absent: None

Moved by Director Blyskal and seconded by Director Quiroz to adopt **Resolution No. 19-14** that was amended to read:

"Now therefore be it resolved by the California Fair Service Authority: 1) That the Self Insured Retention level for the 2019 Workers' Compensation ~~Program~~ year, starting with the July 1, 2019 fiscal year, be modified to \$250,000; 2) That the 2019 Workers' Compensation Program base rate will increase to 6.1% of total payroll for fairs that are members of both the Workers' Compensation and General Liability Risk Pool Programs, along with the proposed changes to the modification factor schedule; and 3) That the 2019 Workers' Compensation Program base rate increases 6.3% of total payroll for fairs that are members of the Workers' Compensation Risk Pool Program only, along with the proposed changes to the modification factor schedule."

Ayes: Chair Kenny, Directors Blyskal, Jacobs, Wolcott, Olcott, Quiroz, Marshall
Noes: None
Abstain: None
Absent: None

~~Moved by Director Blyskal and seconded by Director Quiroz to adopt **Resolution No. 19-14** with a second language amendment: 1) That the Self Insured Retention for the 2019 Workers' Compensation program year, **starting with the July 1 fiscal year,** be modified to \$250,000; 2) That the 2019 Workers' Compensation Program base rate will increase to 6.1% of total payroll for fairs~~

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~~that are members of both the Workers' Compensation and General Liability Risk Pool Programs, along with the proposed changes to the modification factor schedule; and 3) That the 2019 Workers' Compensation Program base rate increases 6.3% of total payroll for fairs that are members of the Workers' Compensation Risk Pool Program only, along with the proposed changes to the modification factor schedule."~~

Ayes: ~~Chair Kenny, Directors Blyskal, Jacobs, Wolcott, Olcott, Quiroz, Marshall~~

Noes: ~~None~~

Abstain: ~~None~~

Absent: ~~None~~

VI. ADOPTION OF RESOLUTION APPROVING THE FINAL 2019 CFSA OPERATING BUDGET

Executive Director Bailey-Findley presented the Final 2019 CFSA Operating Budget.

Moved by Director Blyskal and seconded by Director Marshall to adopt **Resolution 19-15** approving the Final 2019 CFSA Operating Budget.

Ayes: Chair Kenny, Directors Blyskal, Jacobs, Olcott, Marshall, Quiroz, Wolcott

Noes: None

Abstain: None

Absent: None

VII. ADOPTION OF RESOLUTION HONORING FORMER CFSA CONSTRUCTION DEPARTMENT EMPLOYEES

Chair Kenny read Resolution 19-21 into the record:

"WHEREAS, California Fairs Financing Authority lost all base-line funding in 2011; and

WHEREAS, CFSA responded by providing an administrative process by which the valuable services of CFFA for the fair industry could continue; and

WHEREAS, through the creation of a construction department, CFSA hired Bryan Eubanks to lead the continued delivery of CFFA services and later employed Michael Sellens, Marcus Lee and Jeff Fields to aid with that work; and

WHEREAS, CFFA now finds itself in a stable financial position and is able to re-hire employees to continue with its mission; therefore

BE IT RESOLVED BY THE CALIFORNIA FAIR SERVICES AUTHORITY:

That the Board of Directors acknowledges and honors CFSA Construction

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Department staff for their generous and committed service to CFSA and wishes to congratulate them on the re-generation of CFFA.”

Moved by Director Quiroz and seconded by Director Wolcott to adopt **Resolution 19-21** honoring the CFSA Construction Department staff for their service to CFSA.

Ayes: Chair Kenny, Directors Blyskal, Jacobs, Olcott, Quiroz, Marshall, Wolcott
Noes: None
Abstain: None
Absent: None

A lunch break was taken at 12:25 p.m. and Directors Jacobs, Olcott and Marshall left the meeting via telephone.

The meeting reconvened at 12:42 p.m. with Directors Jacobs, Olcott and Marshall joining the meeting via telephone.

VIII. CLOSED SESSION

The Board adjourned from regular session at 12:45 p.m. and went into closed session to discuss the following:

Liability/Special Events Claims – Government Code Sec. 54956.95

Claimant: Chris Alderson

Agency Claimed Against: Alameda County Fair

Director Marshall left the meeting at 2:06 p.m. Director Olcott left the meeting at 2:25 p.m.

The Board returned to open session at 2:37 p.m. reporting the following action:

The Board took action to deny the Alameda County Fair's request for reconsideration of CFSA's coverage position in Alderson v. Alameda County Fair.

IX. ADOPTION OF RESOLUTION APPROVING REVISIONS TO CFSA PERSONNEL POLICIES: POLICY 310 VACATIONS; POLICY 312 HOLIDAYS; AND POLICY 212 COMPENSATORY TIME OFF: NON-MANAGERIAL EXEMPT EMPLOYEES.

Deputy Executive Director Desmond reviewed the revisions to the policies.

Moved by Director Jacobs and seconded by Director Byskal to adopt **Resolution 19-16** approving Adoption of Resolution approving revisions to CFSA Personnel Policies: Policy 310 Vacations; Policy 312 Holidays; and Policy 212

Compensatory Time Off: Non-Managerial Exempt Employees.

Ayes: Chair Kenny, Directors Blyskal, Jacobs, Quiroz, Wolcott
Noes: None
Abstain: None
Absent: Directors Marshall, Olcott

X. ADOPTION OF RESOLUTION APPROVING A LINE OF CREDIT FOR THE CALIFORNIA FAIRS FINANCING AUTHORITY

CFSA Controller Gibbons presented the CFFA application for a \$250,000 Line of Credit reporting that CFFA's 2018 Line of Credit of \$400,000 had been paid in full prior to the 12-month expiration of April 2018.

Moved by Director Wolcott and seconded by Director Byskal to adopt **Resolution 19-17** approving a Line of Credit of \$250,000 for the California Fairs Financing Authority.

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

XI. ADOPTION OF RESOLUTION APPROVING REVISED CFSA PAY SCALES

Manager of Business Services Wright reported that all of the CFSA construction positions were being eliminated from the CFSA Pay Scale. Also, the position of Chief Financial Officer was being added to incorporate appropriate job duties and to provide an advancement opportunity for staff.

Moved by Director Blyskal and seconded by Director Quiroz to approve **Resolution 19-18** approving the CFSA 2019 Pay Scales.

Ayes: Chair Kenny, Directors Blyskal, Jacobs, Quiroz, Wolcott
Noes: None
Abstain: None
Absent: Directors Olcott, Marshall

Director Olcott rejoined the meeting via telephone at 2:50 p.m.

XII. ADOPTION OF RESOLUTION APPROVING AMENDMENT TO CONTRACT WITH CDFA FOR PROFESSIONAL DEVELOPMENT SERVICES

Deputy Executive Director Desmond reported that the current professional development contract with the California Department of Food & Agriculture Branch of Fairs & Expositions was amended to accommodate changes within the budget to meet training needs for California fairs. The overall budget of \$149,000

has not changed. The contract expires July 15, 2019.

Moved by Director Olcott and seconded by Director Wolcott to approve **Resolution 19-19** approving amendment of CDFA Contract 17-0269 and authorizing the Executive Director to execute the amended contract on behalf of CFSA.

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

XIII. ADOPTION OF RESOLUTION APPROVING TRANSFER OF LEAVE BALANCES OF FORMER CFSA CONSTRUCTION DEPARTMENT EMPLOYEES TO CALIFORNIA FAIRS FINANCING AUTHORITY

Executive Director Bailey-Findley reported that with the transition of CFSA construction employees to employment at the California Fairs Financing Authority (CFFA), the CFFA Board of Directors took action at its February 2019 meeting to recognize the employee's' former dates of hire with CFSA for the purpose of accruing vacation benefits and for other items affected by seniority. In addition, each employee could begin with a sick leave accrual equal to the amount of sick leave hours accrued with CFSA and if they chose, each employee could transfer their CFSA vacation accruals to CFFA.

Because CFFA has been reimbursing CFSA for the benefits, accruals and seniority-based benefits as part of the Administrative Services Agreement there is no additional liability assumed by CFFA that CFFA has not already been paying.

Both legal counsel and auditors for CFSA and CFFA provided advice in making this transition. It was recommended that CFSA acknowledge that the sick leave and vacation leave accruals of the four employees (Bryan Eubanks, Marcus Lee, Michael Sellens, and Jeff Fields) will be transferred from CFSA to CFFA.

Moved by Director Blyskal and seconded by Director Quiroz to approve **Resolution 19-20** approving transfer of leave balances of former CFSA construction department employees to California Fairs Financing Authority.

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

XIV. INFORMATION ITEMS

1. CFSA Investment reports were presented as written.

2. Staff reports were presented as written:
 - a. Administrative Services
 - b. Finance Department
 - c. Risk Department
3. Executive Director's Report
4. Director's' Reports
5. Next Board Meeting is scheduled for June 7, 2019.

XV. CLOSED SESSION

The Board adjourned from regular session for a second time at 2:57 p.m. and went into closed session to discuss the following:

Workers' Compensation Claims (Government Code Section 54956.95)

Claimant: Daryl Stoltz

Agency Claimed Against: California Exposition and State Fair

Claimant: Rito Sosa

Agency Claimed Against: Alameda County Fair

Claimant: Gregory Marks

Agency Claimed Against: Orange County Fair/32nd DAA

Directors Jacobs and Quiroz left the meeting at 3:17 p.m.

Liability/Special Events Claims – Government Code Sec. 54956.95

Claimant: Wendy Bozigian and Maby Hernandez Audelo

Agency Claimed Against: Antelope Valley Fair/50th DAA, et al.

Conference with Legal Counsel – Existing Litigation

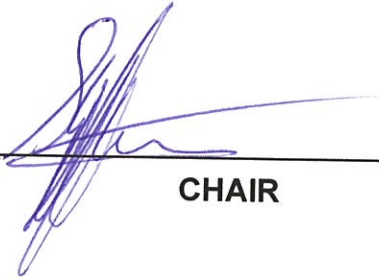
Name of Case: King v. California Fair Services Authority, et al.; US District Court, Eastern District of California, Case No. 2:18-cv-02990-JAM-AC (paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

XVI. OPEN SESSION

The Board adjourned from Closed Session at 3:29 p.m. and resumed regular session. There was no reportable action taken during the second closed session.

XVII. ADJOURNMENT

The meeting was adjourned at 3:30 p.m.



CHAIR

ATTEST:



SECRETARY