

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

December 4, 2019

1776 Tribute Road, Suite 100, Sacramento, CA 95815

In attendance:

Board Members

Stephen Kenny, Board Chair
Butte County Fair

Dan Jacobs, Director
Antelope Valley Fair

Jack Blyskal, Director
Public Member

John Quiroz, Director
CDFA Fairs & Expositions Branch

Mike Olcott, Director
Kern County Fair

Jim Wolcott, Director
Lassen County Fair, via phone

CFSA Staff

Becky Bailey-Findley, Executive Director
California Fair Services Authority

Rebecca Desmond
Deputy Executive Director
California Fair Services Authority

Raechelle Gibbons
Chief Financial Officer
California Fair Services Authority

Tom Amberson
Risk Department Manager
California Fair Services Authority

Melissa Thurber, Communication Director
California Fair Services Authority

Kevin Wright
Manager of Business Services
California Fair Services Authority

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

Osman Mufti, Legal Counsel to CFSA
Sloan Sakai Yeung & Wong LLP

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

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10:11 a.m., December 4, 2019, by Board Chair Stephen Kenny, in the conference room at 1776 Tribute Road, Suite 200, Sacramento, California.

II. APPROVAL OF MINUTES

Moved by Director Jacobs and seconded by Director Quiroz to adopt **Resolution No. 19-39** approving the minutes of the Regular Teleconference meeting of October 2, 2019; and of the Special Meeting of November 5, 2019, as presented to the Board of Directors.

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

III. ADOPTION OF RESOLUTION ADOPTING UPDATED CFSA CONFLICT OF INTEREST CODE RELATED TO FAIR POLITICAL PRACTICES COMMISSION REQUIREMENTS

California Government Code requires public entities to amend their conflict of interest codes when necessitated by changed circumstances, including the creation or deletion of positions which must be designated or relevant changes in the duties assigned to existing positions.

Moved by Director Blyskal and seconded by Director Olcott to adopt **Resolution No. 19-40** approving the updated CFSA Conflict of Interest Code as presented to the Board of Directors.

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

IV. ADOPTION OF RESOLUTION APPROVING REVISED SERVICES AGREEMENT BETWEEN CFSA AND THE CALIFORNIA FAIRS FINANCING AUTHORITY

CFSA will no longer need to provide broad administrative services to CFFA after December 31st of this year. However, due to long term liabilities related to CFSA staff providing comprehensive administrative services to CFFA from January 2011 to March 2019 (primarily reimbursement of pension and OPEB expenses for one retiree), there is a need for an ongoing agreement whereby CFFA continues to reimburse CFSA for the aforementioned expenses and any others that may arise from previous services provided. In addition, CFFA wishes to continue receiving business services from CFSA for its payroll and accounting needs, which can be addressed in the same agreement.

Moved by Director Olcott and seconded by Director Jacobs to adopt **Resolution No. 19-41** approving the Revised Services Agreement between CFSA and CFFA as presented to the Board of Directors.

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

V. ADOPTION OF RESOLUTION APPROVING GENERAL LIABILITY PROGRAM OPERATING MEMO #19-02 REGARDING CFSA INSURANCE REQUIREMENTS AND APPROVING REVISIONS TO THE HAZARDOUS ACTIVITIES LIST

Based on discussions with members at the recent California Fairs Alliance Fall Managers' Conference, CFSA liability claims manager Mark Stone has recommended a revision to our Contract Insurance Requirements related to participant waivers.

In addition, CFSA Risk Analyst Mario Castagnola has recommended adding specific events to our Hazardous Activities List coverage requirements for fair contractors.

Changes to these documents are done under the Memorandum of Coverage and through operating memoranda approved by the CFSA Board of Directors.

Moved by Director Blyskal and seconded by Director Jacobs to adopt **Resolution No. 19-42** approving General Liability Program Operating Memo #19-02 and approving revisions to the Hazardous Activities list, with instruction to further examine chainsaw carving and ax throwing, with delegated authority to staff to increase the level for those events if it is determined to be needed.

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

VI. ADOPTION OF RESOLUTION APPROVING CFSA POLICY AD 040 (SIGNING AUTHORITY FOR OPERATING CHECKING ACCOUNT) AND AD 041 (SIGNING AUTHORITY FOR CLAIMS CHECKING ACCOUNT)

Based on a review of administrative practices, it is recommend that the Board adopt formal administrative policies relating to CFSA check signing authority. Administrative Policy AD 040 (CFSA Operating Checking Account Delegated Signing Authority) includes a delegation from the CFSA Board of Directors to specific staff positions to sign operating account checks along with signing limits. The proposed policy includes our current operating accounts payable procedures.

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Administrative Policy AD 041 (CFSA Claims Checking Account Delegated Signing Authority) includes a delegation from the CFSA Board of Directors to specific staff positions to sign claims checks along with signing limits. The claims payment process is much more complex than the operating account. This process is currently conducted according an internal document known as the Claims Authorization Memo that specifies duties for all named staff involved in the claims payment process. A copy of the most recent Claims Authorization Memo is attached for review. The Claims Authorization Memo will continue to be used as the guide and will be updated again after Becky Bailey-Findley retires.

Moved by Director Jacobs and seconded by Director Blyskal to adopt **Resolution No. 19-43** approving CFSA policy AD 040 and CFSA Policy AD 041 amended to include the CFSA Board Chair as a second signature only.

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

VII. ADOPTION OF RESOLUTION APPROVING SIGNATORIES TO CFSA CHECKING ACCOUNTS

This is the second phase of changes to the list of authorized signatories on the West America Bank checking accounts due to recent and upcoming management changes. Due to Becky Bailey-Findley's retirement as of December 31, 2019, and the retention of Tom Amberson as the Risk Department Manager, changes need to be made to the signatory authorizations for the operating and claims checking accounts at West America Bank.

Moved by Director Blyskal and seconded by Director Quiroz to adopt **Resolution No. 19-44** approving signatories to CFSA checking accounts as presented.

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

VIII. ADOPTION OF RESOLUTION APPROVING SIGNATORIES TO REVIEW/APPROVE FINANCIAL TRANSFERS TO AND FROM THE LOCAL AGENCY INVESTMENT FUND

The agency has participated in the Local Agency Investment Fund (LAIF) for many years as one of our allowable investments and for the efficiency of frequent access to investment funds without penalty.

LAIF has requested a new resolution updating the titles and title-holders of authorized signatories due to the upcoming retirement of Becky Bailey-Findley. The resolution presented is in the form required by LAIF.

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Moved by Director Blyskal and seconded by Director Olcott to adopt **Resolution No. 19-45** approving signatories to review and/or approve financial transfers to and from the LAIF as presented.

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

IX. ADOPTION OF RESOLUTION APPOINTING REBECCA DESMOND AS CFSA TREASURER EFFECTIVE JANUARY 1, 2020

Becky Bailey-Findley is currently the CFSA Executive Director and Treasurer, and will be retiring at the end of the year. Rebecca Desmond is currently the CFSA Deputy Executive Director and will be stepping into the Executive Director position on January 1, 2020. Consequently, it is recommended that the Board appoint Rebecca Desmond as the CFSA Treasurer.

The CFSA Treasurer has delegated authority from the Board of Directors to invest funds and to sell or exchange securities. This delegation is renewed by the Board each year at the February board meeting.

Moved by Director Olcott and seconded by Director Jacobs to adopt **Resolution No. 19-46** appointing Rebecca Desmond as CFSA Treasurer effective January 1, 2020.

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

X. ADOPTION OF RESOLUTION APPROVING REVISIONS TO CFSA POLICY 415 SUBSTANCE ABUSE

Due to the legalization of marijuana use in the State of California, there is a need to update the substance abuse policy found in CFSA Personnel Policy 415. The recommended changes are based on information obtained at a recent human resources training seminar and review of recent policy updates by other joint powers authorities, as well as review by CFSA legal counsel.

Moved by Director Blyskal and seconded by Director Jacobs to adopt **Resolution No. 19-47** approving revisions to CFSA Policy 415 with the addition of the wording "any non-prescription drug use on CFSA premises" in Section III B.

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

XI. ADOPTION OF RESOLUTION APPROVING REVISED JOB DESCRIPTION FOR CFSA EXECUTIVE DIRECTOR

The Board of Directors has been working with legal counsel and retiring Executive Director Becky Bailey-Findley on executive succession planning for the past year. At its July 30, 2019 meeting, the Board of Directors selected Rebecca Desmond as the next CFSA Executive Director effective January 1, 2020. The current succession plan calls for not filling the Deputy Executive Director position. To that end, a revision to the CFSA Executive Director job description is necessary to incorporate all CFSA executive duties.

Moved by Director Quiroz and seconded by Director Olcott to adopt **Resolution No. 19-48** approving revisions to the job description of the CFSA Executive Director as presented.

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

XII. ADOPTION OF RESOLUTION APPROVING THE CFSA PRELIMINARY BUDGET FOR 2020

Developing the preliminary 2020 CFSA budget began with department managers proposing individual department budgets based on access to real-time financial data. The individual department budgets were rolled into an overall organizational budget at which point further adjustments were made to meet CFSA strategic goals.

An ad hoc committee of the board, Chair Steve Kenny and Vice Chair Jack Blyskal, met on November 20 and reviewed the proposed budget with Deputy Executive Director Rebecca Desmond, Executive Director Becky Bailey-Findley and Chief Financial Officer Raechelle Gibbons. Input from the committee meeting was incorporated into the proposed budget that is included in this agenda packet. This preliminary budget also incorporates the estimated increase in General Liability and Workers' Compensation pool fees as discussed at the October 2 CFSA board meeting.

For this preliminary budget, management staff analyzed known general liability and workers' compensation claims activity in 2019 and made a projection of unrealized losses for both risk pools.

Moved by Director Jacobs and seconded by Director Quiroz to adopt **Resolution No. 19-49** approving the CFSA Preliminary Budget for 2020 as presented.

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

Absent: Director Marshall

XIII. ADOPTION OF RESOLUTION HONORING RETIRING EXECUTIVE DIRECTOR BECKY BAILEY-FINDLEY FOR HER YEARS OF SERVICE WITH CFSA

CFSA has had the privilege of operating under the leadership of Executive Director Becky Bailey-Findley for the past eight years. She has invested her strong team-building skills and her strategic planning prowess taking this organization to the next level of service, all the while including the staff and board in the process.

Becky provided excellent guidance to the CFSA staff during her eight years on the Board of Directors from 1997-2004, however, her real legacy is how she enhanced CFSA as a joint powers authority, a risk pool, an asset to the Network of California Fairs, and as a family. We are all better for having had the honor to work with her as our leading light.

Moved by Director Kenny and seconded by Directors Wolcott, Jacobs, Quiroz, Blyskal, and Olcott to adopt **Resolution No. 19-50** honoring retiring Executive Director Becky Bailey-Findley

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

Noes: None

Abstain: None

Absent: Director Marshall

XIV. INFORMATION ITEMS

1. Results of the 2019 General Liability Claims audit were presented by Tom Amberson, and were favorable.
2. CFSA Investment reports were presented as written.
3. Staff reports were presented as written:
 - a. Administrative Services
 - b. Finance Department
 - c. Risk Department
4. An Outgoing-Executive Director's Report and an Incoming-Executive Director's Report were presented as written, including a memo to staff that was shared at a recent all-staff meeting.
5. Next Regular Meeting: February 5, 2020

XV. CLOSED SESSION

The Board adjourned from regular session at 11:40 a.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

Claimant: Francine Roy

Agency Claimed Against: Santa Clara County Fair

Directors Jacobs and Quiroz left the meeting at 12:08 p.m.

Claimant: Wendy Bozigian and Maby Hernandez Audelo

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

Directors Jacobs and Quiroz returned to the meeting at 12:14 p.m.

Workers' Compensation Claims (Government Code Section 54956.95)

Claimant: Matthew Mann

Agency Claimed Against: Alameda County Fair

Claimant: Rito Sosa

Agency Claimed Against: Alameda County Fair

Claimant: Jonathan Davis

Agency Claimed Against: Grand National/1st DAA

Claimant: Henry Bollinger

Agency Claimed Against: California Exposition and State Fair

The board took a lunch break from 12:30 p.m. to 1:04 p.m.

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)

Public Employment (Government Code Section 54957)

Title: Executive Director

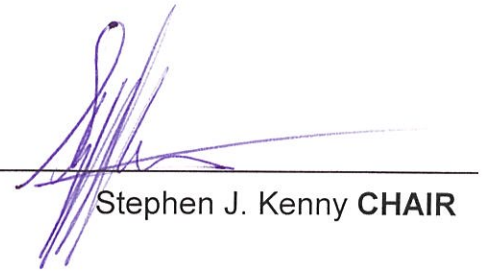
Director Quiroz left the meeting at 1:54 p.m.

XVI. OPEN SESSION

The Board adjourned from Closed Session at 2:14 p.m. and resumed regular session. There was no reportable action taken during the closed session.

XVII. ADJOURNMENT

The meeting was adjourned at 2:15 p.m.



Stephen J. Kenny **CHAIR**

ATTEST:



Kevin Wright **SECRETARY**