

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

October 2, 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

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

Mike Kielty, CFSA Risk Consultant

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 10:10 a.m., October 2, 2019, by Board Chair Steven Kenny, in the conference room at 1776 Tribute Road, Suite 200, Sacramento, California.

II. APPROVAL OF MINUTES

Moved by Director Blyskal and seconded by Director Jacobs to adopt **Resolution No. 19-34** approving the minutes of the Special Teleconference meeting of July 30, 2019, as presented to the Board of Directors.

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

III. DISCUSSION AND BOARD DIRECTION ON ESTIMATED 2020 RISK POOL PROGRAM FEES

In an effort to assist members with their budget preparation each fall, it is CFSA's practice to present the board with recommended estimated fees for both the General Liability and Workers' Compensation risk pooling programs for the next year. After reviewing research, analysis and data presented by staff, the board provides direction on fees for the upcoming year and staff communicates these estimated fees to participating members for their budget purposes in early October.

CFSA's top priority for its members is to fund the risk pools prudently. The agency is tracking with the 2019-2023 business plan and needs to keep going in the direction called for in our Equity Allocation Policy. At this time, staff is seeking direction from the Board of Directors at this meeting on the following 2020 estimated fees:

1. General Liability Risk Pool: Increasing the base fee by 7%.
2. Workers' Compensation Risk Pool: Increasing the base fee to 6.3% of total payroll for members of both the CFSA General Liability and Workers' Compensation risk pools and 6.5% of total payroll for members of just the Workers' Compensation risk pool. The 2019 base fee percentages are 6.1% and 6.3% respectively.

The Board directed staff to move forward with the estimated fee increases as presented.

IV. ADOPTION OF RESOLUTION APPROVING THE REVISED FINANCIAL SERVICES BUSINESS PLAN AND 2020 FEE SCHEDULE

Financial Services have been a part of the ancillary services provided by CFSA for over 25 years. Financial Services clients pay for services according to their various needs, delineated by modules or featured components of various accounting functions and/or by the number of personnel covered by payroll. The Board has determined that the Financial Services provided by CFSA are to be self-sustaining; the risk pools are not to subsidize the Financial Services program. In July 2019, the Board set direction to spread the required increase in

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Financial Services fees over the next four years.

The Financial Services proposed business plan is presented with a four-year look at increased fees to achieve a break-even performance. The recommendation for fees is to specifically adopt the recommended Financial Services fees for 2020. Further it is recommended that the Financial Services business plan and fee schedule be brought to the CFSA board for review and approval each year, taking into consideration variables that impact the business plan each year.

Moved by Director Jacobs and seconded by Director Quiroz to adopt **Resolution No. 19-35** approving the Financial Services Business Plan and Financial Services fees for 2020 as presented to the Board of Directors.

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

V. **ADOPTION OF RESOLUTION APPROVING SIGNATORIES TO CFSA CHECKING ACCOUNTS**

CFSA holds two checking accounts at West America Bank; one for operations and one for claims. Internally CFSA has delegated authority to designated staff regarding payment level, check signing authority, claims settlement authority and detailed procedures of payables approvals, check cutting responsibilities, and approved signatures of checks.

Effective October 10, 2019, the following individuals are authorized to sign on the West America Bank Checking Accounts held by the California Fair Services Authority:

Operating Account (individual signing authority up to \$50,000):
Becky Bailey-Findley, CFSA Executive Director
Rebecca Desmond, CFSA Deputy Executive Director
Kevin Wright, CFSA Business Services Manager

Claims Account (individual signing authority up to \$50,000):
Becky Bailey-Findley, CFSA Executive Director (all claims)
Rebecca Desmond, CFSA Deputy Executive Director (all claims)
Raechelle Gibbons, CFSA Chief Financial Officer (all claims)

Claims Account (individual signing authority up to \$10,000):
Cindy Hehner, CFSA Workers' Compensation Claims Administrator
(Workers' Compensation claims only)
Mark Stone, CFSA General Liability Claims Manager (General Liability claims only)

Moved by Director Blyskal and seconded by Director Quiroz to adopt **Resolution**

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No. 19-38 approving signatories to CFSA checking accounts as presented.

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

VI. INFORMATION ITEMS

1. 2020 Budget Schedule was presented. Directors Kenny and Blyskal will sit on the Budget Committee
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. Executive Director's Report was presented as written.

VII. CLOSED SESSION

The Board adjourned from regular session at 11:45 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: Clifford Gordon
Agency Claimed Against: San Bernardino County Fair/28th DAA

Claimant: Francine Roy
Agency Claimed Against: Santa Clara County Fair

Workers' Compensation Claims (Government Code Section 54956.95)

Claimant: Jesse Gonzalez
Agency Claimed Against: Big Fresno Fair/2st DAA

Directors Jacobs and Quiroz left the meeting at 12:20. Following their departure, closed session continued to discuss the following:

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.

Directors Jacobs and Quiroz rejoined the closed session at 12:42 p.m. Discussion continued on the following:

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 1:39 p.m.

VIII. OPEN SESSION

The Board adjourned from Closed Session at 1:43 p.m. and resumed regular session. There was no reportable action taken during the closed session.

IX. ADOPTION OF RESOLUTION APPROVING EXECUTIVE DIRECTOR EMPLOYMENT CONTRACT

At its last meeting held on July 30, 2019, the Board of Directors selected Rebecca Desmond as the next CFSA Executive Director. This appointment is effective January 1, 2020, following the December 31, 2019, retirement of Becky Bailey-Findley after many years of dedicated service to CFSA. The Board also authorized its Chair and immediate past Chair to work with Legal Counsel to negotiate final terms and conditions of an employment contract with Ms. Desmond.

Moved by Director Jacobs and seconded by Director Quiroz to adopt **Resolution No. 19-37** (i) approving the Executive Director Employment Agreement with Rebecca Desmond, and (ii) authorizing and directing the Board Chair to execute same on behalf of the Authority.

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

X. INFORMATION ITEMS

5. Director's Reports

- a. Director Jacobs presented a gift to Tom Amberson in recognition of his years of service with CFSA as he is transitioning to a new opportunity.

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- b. Director Kenny presented Tom Amberson with a plaque on behalf of CFSA.
- c. Everyone expressed appreciation for Tom and his exemplary service.

6. Next Regular Meeting: December 4, 2019

XVII. ADJOURNMENT

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

ATTEST:



SECRETARY



CHAIR