

# MINUTES

## REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

February 5, 2020

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, via phone

**Jim Wolcott**, Director  
Lassen County Fair, via phone

### Guests

**Jeff Mathias**  
Madison Investment Advisors, Inc.

### CFSA Staff

**Rebecca Desmond**  
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

**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 10:04 a.m., February 5, 2020, by Board Chair Steven Kenny, in the conference room at 1776 Tribute Road, Suite 200, Sacramento, California.

## II. APPROVAL OF MINUTES

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Moved by Director Jacobs and seconded by Director Quiroz to adopt **Resolution No. 20-01** approving the minutes of the Regular Teleconference meeting of December 4, 2019, as presented to the Board of Directors.

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

**III. ADOPTION OF RESOLUTION DELEGATING TO CFSA'S TREASURER THE AUTHORITY TO INVEST FUNDS OR TO SELL OR EXCHANGE SECURITIES**

This is an annual delegation from the board to the treasurer for authority to invest funds or to sell or exchange securities for CFSA according to CFSA investment policies. Starting January 1, 2020, Rebecca Desmond became the designated CFSA Treasurer per board resolution 19-46.

Moved by Director Blyskal and seconded by Director Marshall to adopt **Resolution No. 20-02** delegating to CFSA's Treasurer the authority to invest funds or to sell or exchange securities.

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

**IV. ADOPTION OF RESOLUTION APPROVING CFSA'S INVESTMENT GOALS, OBJECTIVES, AND POLICIES**

CFSA's investments, outside of the Local Agency Investment Fund, are handled through Madison Investment Advisors, Inc. Every year we review and approve the CFSA Investment Goals, Objectives and Policies as per Government Code Section 53646. Jeff Mathias from Madison presented the 2019 investment portfolio to the board.

Moved by Director Blyskal and seconded by Director Jacobs to adopt **Resolution No. 20-03** approving CFSA's investment goals, objectives, and policies as presented to the Board of Directors.

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

**V. ADOPTION OF RESOLUTION APPROVING REVISIONS TO CFSA POLICIES AD 010 EMPLOYEE TRAVEL AND AD 011 VEHICLE USE**

In both the "Employee Travel" and the "Use of Vehicles" policies, a line has been added that clearly states that no motorcycle use for travel on CFSA business will be allowed.

Moved by Director Blyskal and seconded by Director Marshall to adopt **Resolution No. 20-04** approving revisions to CFSA Policies AD 010 Employee Travel and AD 011 Vehicle Use as presented.

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

**Director Jim Wolcott left the meeting via telephone at 10:30 a.m.**

**VI. ADOPTION OF RESOLUTION APPROVING APPOINTMENT OF BECKY BAILEY-FINDLEY TO THE CRITICALLY NEEDED POSITION OF PART-TIME RISK MANAGEMENT OUTREACH COORDINATOR UNDER A LIMITED DURATION EMPLOYMENT CONTRACT**

Through a recent strategic planning process CFSA identified a need for the development of a member outreach program. The last year has been spent working on the creation of this program with risk department staff and we are ready to begin full implementation in 2020.

Leading up to the creation of this program, CFSA recognized that specialized risk management outreach services are needed to control the myriad of liability exposures for the public use and operation of California fair facilities and that these types of risk control services are critical to the operation of CFSA's risk pools on behalf of member fairs. Specifically, the CFSA Member Outreach Program will involve onsite work with our member fairs in efforts to assist those with high loss histories and challenges in meeting CFSA risk pool requirements, as well as one-on-one training for new fair CEOs including operational assessment and training. The job duties for the position also include the ability to provide strategic and business planning outreach services as requested and paid for by individual fairs and fair boards. This new program requires the experience of both fair management and risk pool management, which is why Becky Bailey-Findley is the ideal person to launch it and be the first-ever coordinator.

The position of Risk Management Outreach Program Coordinator is integral to CFSA's comprehensive risk control programs for our member fairs, with the main emphasis on executive fair management, broad skills in risk control and risk transfer, and the ability to bring about risk pool member understanding of their role as a responsible risk pool participant.

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Becky Bailey-Findley retired as CFSA's executive director on December 31, 2019, after eight years in that position, which was preceded by 25-plus years in fair and joint powers authority executive management. Her expertise, institutional knowledge and counsel are necessary to coordinate the new member outreach program. Normally, a PERS retiree is subject to a waiting period of 180 days after retirement before the retiree can work as a retired annuitant. However, given that this is a critically needed position, the CFSA board is permitted by statute to formally certify the nature of the employment and the appointment of Becky Bailey-Findley without the passage of 180 days. Pursuant to Government Code Section 7522.56, the board is required to review and approve of Ms. Bailey-Findley's appointment to the critically needed position in a public meeting and as a non-consent item.

Moved by Director Marshall and seconded by Director Jacobs to adopt **Resolution No. 20-05** approving the appointment of Becky Bailey-Findley to fill the critically needed position of part-time Risk Management Outreach Coordinator under a limited duration employment contract.

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

**Director Jim Wolcott returned to the meeting via telephone at 10:37 a.m.**

#### **VII. ADOPTION OF RESOLUTION APPROVING CFSA 2020 PAY SCALE**

The CFSA Board of Directors is responsible for approving any changes in the CFSA Pay Scale. It has been determined that none of CFSA's trainee positions should be classified as exempt from overtime. The Risk Control Specialist Trainee, the Information Specialist Trainee, and the Information Specialist I positions in the Risk Department and the Administration Department have been moved from Salary Grade 6 (Exempt) to Salary Grade 5 (Non-Exempt).

Moved by Director Marshall and seconded by Director Jacobs to adopt **Resolution No. 20-06** approving the CFSA 2020 Pay Scale as presented.

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

#### **VIII. ADOPTION OF RESOLUTION APPROVING LINE OF CREDIT FOR CALIFORNIA FAIRS FINANCING AUTHORITY**

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Executive Director Rebecca Desmond presented the CFFA application for a \$500,000 Line of Credit reporting that CFFA's 2019 Line of Credit of \$250,000 had not been drawn upon and CFSA received written notification from CFFA that they were terminating their 2019-2020 agreement as of January 15, 2020 and applying for a new Line of Credit beginning February 5, 2020. The increased amount of the Line of Credit is due to the 2020 implementation of numerous fairgrounds infrastructure projects.

Moved by Director Blyskal and seconded by Director Jacobs to adopt **Resolution No. 20-07** approving a Line of Credit for California fairs Financing Authority

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

**IX. ADOPTION OF RESOLUTION APPROVING LINE OF CREDIT FOR THE 19<sup>TH</sup> DAA/SANTA BARBARA FAIR & EXPO**

The 19<sup>th</sup> DAA/Santa Barbara Fair & Expo has applied for a \$175,000 line of credit to assist with cash flow needs leading up to fair time in April. The term of the line of credit will be 12 months from the date of the first draw and the loan will be secured with fairgrounds revenues.

The 19<sup>th</sup> DAA took out a \$175,000 Line of Credit in 2019 and paid it back in full following their fair. The new application and supporting documents for the line of credit have been carefully reviewed by CFSA staff and Fairs & Expositions staff. Additionally, CFSA has funds available in its loan program to cover this line of credit.

Moved by Director Blyskal and seconded by Director Jacobs to adopt **Resolution No. 20-08** approving a Line of Credit for the 19<sup>th</sup> DAA/Santa Barbara Fair & Expo.

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

**X. INFORMATION ITEMS**

1. A verbal report on the 2019 Workers Compensation Claims audit were presented by Tom Amberson. The formal final report will be included in the April board meeting packet.
2. CFSA Investment reports were presented as written.

3. Staff reports were presented as written:
  - a. Administrative Services
  - b. Finance Department: The board directed staff to bring back options for a revised Aged Accounts Receivable Collection Policy at the April board meeting and to keep the CDFA Branch of Fairs & Expositions updated monthly.
  - c. Risk Department
4. Executive Director's Report was presented as written
5. Director's Reports

Director Jacobs thanked the staff for doing a great job. He had a great time at the WFA Convention with all who attended from CFSA. He welcomed Rebecca Desmond to her new position as Executive Director.

Director Quiroz reported that he heard very positive comments about CFSA at the convention. In 2020, F&E will be focused on training with hopes of bringing back Nuts & Bolts, Super Schools, and maybe an Advanced CEO training in conjunction with Fall Managers' Conference.

Director Blyskal said he was sorry to miss the WFA Convention but the weather prediction was not in his favor. He welcomed Desmond to her new position and said he looked forward to working with her in her new capacity.

Director Marshall said she was sorry to miss the WFA Convention; she is looking forward to an awesome year; and she welcomed Desmond to her new position.

Chair Kenny reported he had a good convention and he is looking forward to the state funding potential.

Director Wolcott said the WFA Convention was good and asked if CFSA obtained any new members. Desmond responded that yes, one district agricultural association expressed interest in rejoining the general liability risk pool once the new CEO is in place at that fair.
6. Next Regular Meeting: April 8, 2020

**Director Olcott left the meeting via phone at 11:45 a.m.**

#### **XV. CLOSED SESSION**

The Board adjourned from regular session at 11:49 a.m. and took a lunch break and then went into closed session at 12:33 p.m. to discuss 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)

Name of Case: Tim Crews dba Sacramento Valley Mirror v CFSA; Sacramento Superior Court Case No. 34-2015-80002227 (paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

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Name of Case: Noceti Group, et al. v Covello, et al.; San Joaquin Superior Court Case No. STK-CV-UBC-2018-0012544 (Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9

**Directors Jacobs and Quiroz left the meeting at 12:54 p.m.**

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

**Claimant:** Wendy Bozigian and Maby Hernandez Audelo

**Agency Claimed Against:** Antelope Valley Fair/50<sup>th</sup> DAA, et al.

**XVI. OPEN SESSION**

The Board adjourned from Closed Session at 1:27 p.m. and resumed regular session. There was no reportable action taken during the closed session.

**XVII. ADJOURNMENT**

The meeting was adjourned at 1:29 p.m.

**ATTEST:**



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Kevin Wright **SECRETARY**

  
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Stephen J. Kenny **CHAIR**