

MINUTES

TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

June 4, 2014

1776 Tribute Road, Suite 100, Sacramento, CA 95815

Pat Conklin, Board Chair
Dixon May Fair (36th DAA)

Becky Bailey–Findley, Executive Director
California Fair Services Authority

Brian Bullis, (Vice-Chair)
(By Teleconference)
Mariposa County Fair (35-A DAA)

Rebecca Desmond
Deputy Executive Director
California Fair Services Authority

Richard Persons, Director
Lake County Fair (49th DAA)

Tom Amberson, Safety Manager
California Fair Services Authority

Jim Wolcott, Director
Lassen County Fair

Kevin Wright, Mgr of Business Services
California Fair Services Authority

Dan Jacobs, Director
Antelope Valley Fair

Melissa Thurber, Communications
California Fair Services Authority

John Quiroz, Director
Division of Fairs & Expositions

Raechelle Gibbons, Controller
California Fair Services Authority

John Root, Director
(By Teleconference)
Public Member

Charlie Mitchell, Risk Manager
California Fair Services Authority

Christy Layton, Legal Counsel to CFSA
Miller & Owen

Barbara Tyler, Claims Manager
California Fair Services Authority

Ken Alstott, CEO
(By Teleconference)
Cow Palace

Troy Bowers, CEO
(By Teleconference)
Amador County Fair

I. CALL TO ORDER

Pursuant to the meeting notice, a teleconference meeting of the California Fair Services Authority (CFSA) Board of Directors was convened at 10:04 a.m., June 4, 2014, by Board Chair Patricia Conklin, in the conference room at 1776 Tribute Road, Suite 200, Sacramento, California, and by teleconference at the following locations:

Mariposa County Fair
5007 Fairgrounds Road
Mariposa, CA 95338

Cow Palace
2600 Geneva Avenue
Daly City, CA 94014

II. APPROVAL OF MINUTES

Moved by Director Jacobs and seconded by Director Wolcott to adopt **Resolution No. 14-13** approving the minutes of the regular meeting of April 2, 2014, as presented to the Board of Directors.

Ayes: Chair Conklin, Directors Bullis, Root, Wolcott, Jacobs, Quiroz and Persons

Noes: None

Abstain: None

Absent: None

III. ADOPTION OF RESOLUTION APPROVING MODIFICATIONS TO THE CFSA LOAN PROGRAM AND APPROVING LOANS UNDER THE PROGRAM:

A. REVISION OF LOAN PROGRAM GUIDELINES REGARDING PROPERTY INSURANCE REQUIREMENT

B. LINE OF CREDIT FOR AMADOR COUNTY FAIR

C. CAPITAL IMPROVEMENT LOAN FOR COW PALACE

Deputy Executive Director Rebecca Desmond advised that the CFSA Loan Program Guidelines currently require that every fair requesting a capital improvement or repair loan have property insurance through us or provide proof that they have it. Staff is recommending we remove this requirement from our loan program because the property insurance program that we administer on behalf of the Division of Fairs and Expositions is going away as of July 1, and because there is no statutory requirement that the fairs have property insurance.

Currently there are two requests for participation in the CFSA Loan Program: The Amador County Fair is requesting a \$120,000 line of credit for a change fund for their fair, and the Cow Palace is requesting a \$325,000, 5-year capital improvement loan to rebuild the emergency exit ramp for the main arena and a slurry seal and restriping of the main parking lot.

Moved by Director Root and seconded by Director Bullis to adopt **Resolution No. 14-14a** approving the revision of the Loan Program guidelines regarding property insurance requirements.

Ayes: Chair Conklin, Directors Bullis, Root, Wolcott, Jacobs, Quiroz and Persons
Noes: None
Abstain: None
Absent: None

Moved by Director Bullis and seconded by Director Persons to adopt **Resolution No. 14-14b** approving a Line of Credit for Amador County Fair.

Ayes: Chair Conklin, Directors Bullis, Root, Wolcott, Jacobs, Quiroz and Persons
Noes: None
Abstain: None
Absent: None

Moved by Director Root and seconded by Director Jacobs to adopt **Resolution No. 14-14c** approving a Capital Improvement Loan for the Cow Palace.

Ayes: Chair Conklin, Directors Bullis, Root, Wolcott, Jacobs, Quiroz and Persons
Noes: None
Abstain: None
Absent: None

IV. **ADOPTION OF RESOLUTION APPROVING REVISED 2013 PAY SCALE AND NEW 2014 PAY SCALE**

The 2013 pay scale was revised to reflect the changed pay scale from 2011. The 2014 pay scale will remain the same as 2013 except for changing the Safety team titles to Risk Control.

Moved by Director Persons and seconded by Director Jacobs to adopt **Resolution No. 14-15** approving the revised 2013 pay scale and the new 2014 pay scale, and declaring all that all future pay scales be brought to the Board of Directors for approval on an annual basis.

Ayes: Chair Conklin, Directors Bullis, Root, Wolcott, Jacobs, Quiroz and Persons
Noes: None
Abstain: None
Absent: None

V. ADOPTION OF RESOLUTION APPROVING A CONTRACT EXTENSION WITH ALLIANT FOR EXCESS INSURANCE COVERAGE

In October 2005 CFSA entered into an agreement with Driver Alliant to provide brokerage services after a competitive RFQ process. Subsequent Contract Amendments extended the contract to December 31, 2013. Proposed is a Third Amendment to the Alliant contract that will extend the current Agreement for one more year with two 1-year options to extend.

Moved by Director Jacobs and seconded by Director Wolcott to adopt **Resolution No. 14-16** approving a contract extension with Alliant for excess insurance coverage.

Ayes: Chair Conklin, Directors Bullis, Root, Wolcott, Jacobs, Quiroz and Persons

Noes: None

Abstain: None

Absent: None

VI. UPDATE ON REVENUE PROTECTION PROGRAM AND PROPERTY INSURANCE COVERAGE

For the past three years, the fund balance for the Revenue Protection Program has been declining as claims payments, excess premiums, and administrative fees have exceeded revenues. Also the interest income earned on funds has declined significantly. In the past interest income helped to reduce deficits when they occurred. In the coming months CFSA staff, working with the Program Claims Committee, will be evaluating the future funding for this Program. It may be necessary to increase fees to maintain the financial stability of the Program.

CFSA staff and CFSA's insurance broker, Alliant Insurance Services, have finalized a new property insurance program to replace the Pooled Property Protection Program which will terminate on July 1, 2104. This new program will be available to all fairs on an optional basis and will be commercial insurance with no risk sharing or pooling.

All participating fairs will be receiving a notice about the new property insurance program and its coverage and costs in the first week of June. Fairs will be given the option to decline participation in the program.

VII. INFORMATIONAL ITEMS

1. Staff reports were presented as written:
 - a. Administrative Services
 - b. Risk Management
 - c. Construction Department
 - d. Finance Department

e. Risk Control

2. Executive Director Report was presented by Becky Bailey-Findley
3. Directors' Reports:
Chair Conklin emphasized the need for Fair Board Training in matters such as Public Meeting requirements and Sexual Harassment.
Director Bullis mentioned training on the Affordable Care Act and 119-day employees.
Director Persons is working with Executive Director Becky Bailey-Findley on a program to look at possibly reducing coverage levels for motorized activities from the required \$3 million to \$1 million.
Director Quiroz and F&E are working on the "Creating Magic" booklet that they want to update and present. Economic Impact Reports should be finished by August.
4. Next Board meeting:
Scheduled for Wednesday, August 6, 2014 at 10:00am.

VIII. CLOSED SESSION

The Board adjourned from regular session at 11:45 a.m. and went into closed session at 11:50 a.m. to discuss the liability claims involving Jaqub Ramirez and the 23rd DAA, and Robert Mosley, Mark Entner, and Jana Nelson and the 32nd DAA, Lucy Miranda and the National Orange Show, and Hank MacDougall and California Exposition and State Fair.

IX. REGULAR SESSION

The Board adjourned from closed session at 12:25 p.m. and regular session was reconvened. No reportable action was taken during closed session.

X. ADJOURNMENT

The meeting was adjourned at 12:26 p.m.



CHAIR

ATTEST:



SECRETARY