

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

June 2, 2021

1776 Tribute Road, Suite 100, Sacramento, CA 95815

In attendance:

Board Members

Lori Marshall, Director, Board Chair
Cow Palace Arena

Jack Blyskal, Director
Public Member

Nancy Sites, Director
Tulelake-Butte Valley Fair

Laurie Giannini, Director
Calaveras County Fair

Kim Floyd, Director
Del Norte County Fair

Mike Francesconi, Director
CDFA Branch of Fairs & Expositions

Steve Kenny, Director
Butte County Fair

CFSA Staff

Rebecca Desmond, Executive Director
CFSA

John Quiroz, Deputy Executive Director
CFSA

Raechelle Gibbons, Chief Financial
Officer, CFSA

Kevin Wright, Chief Administration
Officer, CFSA

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

Guests

Jessica Agee, Gilbert CPAs

All Board members, CFSA staff and other participants attended remotely via Zoom or phone, pursuant to the requirements of California Government Code Section 54950, *et seq.* and Executive Order N-29-20.

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 10:02 a.m., June 2, 2021, by Board Chair Lori Marshall and roll call was taken. All board members were present.

II. ADOPTION OF RESOLUTION APPROVING THE MINUTES OF THE REGULAR TELECONFERENCE MEETING OF APRIL 7, 2021

Moved by Director Blyskal and seconded by Director Francesconi to adopt **Resolution No. 21-21** approving the minutes as corrected.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

III. ADOPTION OF RESOLUTION APPROVING CFSA'S INVESTMENT GOALS, OBJECTIVES, AND POLICIES (Item tabled from April 7, 2021 meeting)

It was determined the options that our financial advisor Jeff Mathias from Madison presented earlier fall within the current CFSA Investment Goals, Objectives & Policies, and under Government Code 53601. After review, there are no proposed changes to the current CFSA Investment Goals, Objectives & Policies for 2021.

Moved by Director Kenny and seconded by Director Sites to adopt **Resolution No. 21-22** approving CFSA's Investment Goals, Objectives, and Policies.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

IV. ADOPTION OF RESOLUTION ACCEPTING 2020 FINANCIAL AUDIT REPORT

Gilbert CPAs has performed the audit for CFSA 2020 financial statements. Jessica Agee presented the 2020 Audit report, the Management Letter, and the Required Communications document.

Moved by Director Giannini and seconded by Director Blyskal to adopt **Resolution No. 21-23** accepting the 2020 Financial Audit Report as presented.

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Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

V. ADOPTION OF RESOLUTION APPROVING 2021 REVISED PAY SCALE

Proposed addition of the position Administration Clerk I and II within Salary Grade Levels 3 and 4 on the Non-Exempt Pay Scale

Moved by Director Francesconi and seconded by Director Kenny to adopt **Resolution No. 21-24** approving the 2021 Revised Pay Scale as presented.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

VI. ADOPTION OF RESOLUTION APPROVING REVISIONS TO CFSA POLICY 350 GROUP BENEFITS

The Affordable Care Act requires CFSA to provide medical insurance to all employees. We make health coverage available to all employees through CalPERS, and we cover the premiums at 100% of the weighted average of the health benefit plan premiums for employees and 90% for dependents. We have a handful of staff members who obtain their medical insurance outside of CFSA through a family member.

The State of California offers a program that compensates those employees who do not participate in the state medical insurance coverage. The program is known as Flex Elect and it allows for a cash option of \$128 per month to employees who have their medical insurance coverage through a family member.

We currently have three employees who would qualify for the Other Coverage Plan Subsidy at a total cost of \$4,608 per year. If these employees were enrolled in the CFSA health insurance plan it would cost us \$28,728 - \$56,064 per year.

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Moved by Director Blyskal and seconded by Director Francesconi to adopt **Resolution No. 21-25** approving the Revisions to CFSA Policy 350 Group Benefits as presented.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

VII. ADOPTION OF RESOLUTION DELEGATING AUTHORITY CONCERNING DETERMINATION OF READMISSION OF THE FOLLOWING DISTRICT AGRICULTURAL ASSOCIATIONS INTO THE CFSA GENERAL LIABILITY RISK POOL TO THE BOARD CHAIR AND EXECUTIVE DIRECTOR:

1. 7TH District Agricultural Association/Monterey County Fair
2. 35th District Agricultural Association/Merced County Fair
3. 40th District Agricultural Association/Yolo County Fair
4. 52nd District Agricultural Association/Sacramento County Fair

In December of 2020, the CFSA Board of Directors delegated authority to me and then-board chair Steve Kenny to approve any re-entry requests from the 7th, 35th, 40th and 52nd DAAs related to the CFSA General Liability Pool. The delegation was based upon our determination that the DAA meets the re-entry requirements in the CFSA Underwriting Policy. Prior to the end of the coverage year, CDFR granted the four DAAs six-month extensions to obtain the required \$25 million per occurrence liability coverage.

The extension expires on June 30, 2021 and CFSA recently sent out a reminder to the DAAs that they need to obtain the proper coverage and that the Office of Risk and Insurance Management at DGS is unable to secure the coverage, leaving CFSA as the only option. We have heard from three of the four DAAs getting the process in motion for them to rejoin our pool. As of the writing of this memo, we have yet to receive any communication from the 52nd DAA.

Due to the time it will take to gather all of the documentation necessary to review for consideration of their re-entry to the CFSA General Liability pool program, I am once again asking for delegated authority to myself and now-board chair Lori Marshall to grant approval. From a cursory review at the staff level, we see no concerns with any of the four DAAs re-entering our pool at this time.

Moved by Director Blyskal and seconded by Director Francesconi to adopt **Resolution No. 21-26** delegating authority concerning determination of readmission of the four named fairs into the CFSA General Liability Risk Pool to

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the Board Chair and the Executive Director based on the conditions set forth in the CFSA Underwriting Policy.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

VIII. ADOPTION OF RESOLUTION APPROVING EXTENSION OF THE 9TH DISTRICT AGRICULTURAL ASSOCIATION CAPITAL IMPROVEMENT LOAN TERM

A request was received from the 9th DAA/Redwood Acres Fair to extend the terms of the DAA's capital improvement loan by three years due to financial hardship the DAA has been experiencing as a result of the COVID-19 pandemic.

In 2020, this board agreed to defer payments on the loan to March of 2021 at which time the DAA began making payments. The DAA is current on its payments to us, however, they have yet to be able to get back to full revenue generating operations. The DAA has also applied for "target" funding from F&E and if successful, it is their intention to pay off this loan.

Moved by Director Kenny and seconded by Director Giannini to adopt **Resolution No. 21-27** approving an extension of the term of the 9th District Agricultural Association capital improvement loan to May 1, 2024.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion Passed.

IX. ADOPTION OF RESOLUTION AUTHORIZING EXECUTIVE DIRECTOR TO EXECUTE A CONTRACT AND SUBSEQUENT AMENDMENTS WITH THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE BRANCH OF FAIRS & EXPOSITIONS FOR 2021-2022 PROFESSIONAL DEVELOPMENT FOR CALIFORNIA FAIRS

CDFA's Branch of Fairs & Expositions has drafted on a new contract with CFSA to continue professional development services for California fairs.

This contract includes trainings, training resources, and fair assessments for fairs on the watch list. CDFA requires a resolution authorizing CFSA to enter into the new 2021-2022 contract and such a resolution is presented here. The contract is for a total of \$148,940.

Moved by Director Blyskal and seconded by Director Giannini to adopt **Resolution No. 21-28** approving the contract with the California Department of Food and Agriculture Branch of Fairs & Expositions for the 2021-2022 Professional Development for California Fairs and authorizes the Executive Director to execute the Contract and any subsequent amendments.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Giannini, Kenny
Noes: None
Abstain: Director Francesconi
Absent: None

There was no public comment.

Motion Passed.

X. INFORMATIONAL ITEMS

1. CFSA Investment Report was presented as submitted. There was no public comment.
2. The Administrative Services, Finance, and Risk Department Reports were presented as submitted. There was no public comment.
3. Executive Director's Report was presented as submitted. There was no public comment.
4. Directors' Reports: Director Blyskal wished Deputy Director John Quiroz good luck on the pursuit of his Associate in Risk Management certification. Director Floyd shared that they were preparing for their upcoming fair at full capacity, but they were struggling to find workers. Director Marshall reported that there would be no Grand National Rodeo in October of this year, only the junior livestockshow. There was no public comment.
5. The next Regular Board Meeting is August 4, 2021.

XI. 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: Jorgenson

Agency Claimed Against: 21st District Agricultural Association/Big Fresno Fair, et al.

Claimant: Roy

Agency Claimed Against: Santa Clara County Fair

Claimant: Hamilton

Agency Claimed Against: Antelope Valley Fair Association, et al.

Claimant: Cruz

Agency Claimed Against: 36th District Agricultural Association/Dixon May Fair, et al.

Claimant: Aitchison

Agency Claimed Against: Antelope Valley Fair Association, et al.

Claimant: Kramer

Agency Claimed Against: 32nd District Agricultural Association/OC Fair & Event Center

Public Employee Performance Evaluation – Government Code Sec. 54957(b) (1)

Title: Executive Director

Conference with Labor Negotiators – Government Code Sec. 54957.6

Agency Designated Representative: Board Chair

Unrepresented Employee: Executive Director

XII. OPEN SESSION

The Board adjourned from closed session at 12:25 p.m. and resumed regular session.

Regarding Liability Claim *Jorgenson v. 21st District Agricultural Association*: Moved by Director Blyskal and seconded by Director Francesconi to approve authority for settlement of the claim.

Ayes: Chair Marshall, Directors Blyskal, Sites, Floyd, Francesconi, Giannini, Kenny

Noes: None

Abstain: None

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Absent: None

Motion Passed.

There was no other reportable action from Closed Session.

XIII. PUBLIC COMMENT

There was no public comment.

XIV. ADJOURNMENT

The meeting was adjourned at 12:38 p.m.

Lori Marshall

Digitally signed by Lori Marshall
DN: cn=Lori Marshall, o=Cow Palace, ou,
email=lmarshall@cowpalace.com, c=US
Date: 2021.10.20 15:28:02 -07'00'

Lori Marshall, **CHAIR**

ATTEST:



Kevin Wright, **SECRETARY**