

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

October 5, 2022

1776 Tribute Road, Suite 100, Sacramento, CA 95815

In attendance:

Board Members

Nancy Sites, Director
Tulelake-Butte Valley Fair (Via Zoom)

Laurie Giannini, Director
Calaveras County Fair (Via Zoom)

Kim Floyd, Director
Del Norte County Fair (Via Zoom)

Mike Francesconi, Director
CDFA Branch of Fairs & Expositions

Steve Kenny, Director
Butte County Fair

Tom Mitchell, Director
Madera District Fair

Jack Blyskal, Board Chair
Public Member (Via Zoom)

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

Mike Kielty, Alternate Director
Public Member

All Board members, CFSA staff and other participants attended in person or remotely via Zoom or phone (as noted), pursuant to the requirements of California Government Code Section 54950, *et seq.*

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 10:01 a.m., October 5, 2022, by Vice-Chair Steve Kenny and roll call was taken.

II. CLOSED SESSION

The Board adjourned from regular session at 10:03 a.m. and went into closed session to discuss the following:

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

III. RECONVENE FROM CLOSED SESSION

The Board adjourned from closed session at 11:43 a.m. and resumed regular session.

There was no reportable action from Closed Session.

Chair Jack Blyskal joined the meeting and commenced presiding.

IV. ADOPTION OF RESOLUTION APPROVING THE MINUTES OF THE REGULAR TELECONFERENCE MEETING OF JUNE 1, 2022.

Moved by Director Kenny and seconded by Director Francesconi to adopt **Resolution No. 22-23** approving the minutes as presented.

Ayes: Directors Blyskal, Floyd, Giannini, Kenny, Francesconi, Sites, Mitchell

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

V. ADOPTION OF RESOLUTION APPROVING OPEB DELEGATION OF AUTHORITY FOR EXTRACTION OF FUNDS FOR REIMBURSEMENT OF PAID RETIREE HEALTH BENEFITS

CFSA participates in the CalPERS Other Post Employment Benefit program by contributing funds to the California Employers' Retiree Benefit Trust (CERBT) Fund to help finance future costs of retiree health benefits. Each year CFSA pays a contribution to the CERBT Fund based upon biennial actuary valuations. In

addition, the CERBT Fund gives CFSA a "credit" for the direct payment of current retiree health benefits.

The CERBT Fund allows for participating agencies to be reimbursed for the direct payment of current retiree health benefits instead of crediting those payments to the agency's investment fund. We have never taken advantage of the reimbursement option. Projected growth of OPEB assets by year-end 2022, according to our actuary valuation report, would make an estimated \$220,000 available for reimbursement in 2023. We will not know the true figure until spring of 2023.

With the increased costs of operations at CFSA, we may want to take advantage of the reimbursement opportunity in upcoming budget years to help stabilize risk pool fees for our members. To accommodate such a transaction, we need to provide the CERBT Fund with a resolution delegating authority from the Board to designated staff to request reimbursement, which staff would not do without specific CFSA Board direction and approval in any given budget year.

Moved by Director Blyskal and seconded by Director Mitchell to adopt **Resolution No. 22-24** approving delegation of authority to the Executive Director to extract funds from the CERBT Fund for reimbursement of paid retiree health benefits per approved annual budget.

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

There was no public comment.

Motion passed.

VI. **ADOPTION OF RESOLUTION AUTHORIZING THE INVESTMENT OF MONIES INTO LAIF**

CFSA's current Local Agency Investment Fund (LAIF) resolution on file has the CFSA positions of Executive Director, Risk Manager, and Accounting Administrator authorized to make deposits and withdrawals of funds with LAIF. We are requesting the board approve a change in the LAIF resolution to authorize the Executive Director, Deputy Executive Director, and Chief Financial Officer to handle transactions with LAIF.

Moved by Director Kenny and seconded by Director Francesconi to adopt **Resolution No. 22-25** authorizing the investment of monies into LAIF.

Ayes: Directors Blyskal, Floyd, Giannini, Kenny, Francesconi, Sites, Mitchell

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Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

VII. ADOPTION OF RESOLUTION AUTHORIZING GENERAL LIABILITY OPERATING MEMO #22-03 REVISING HAZARDOUS/NONHAZARDOUS ACTIVITIES LIST EFFECTIVE NOVEMBER 5, 2022

Based on staff experience, we are seeking the following revisions to the Hazardous/Nonhazardous Activities List:

- We are seeing an increase in a type of motorized event known as “burnout” events, which are not specifically identified on our Hazardous/Nonhazardous Activities List.
- Electrical work has been added to the Hazardous/Nonhazardous Activities List as a hazardous activity as it is not specifically listed currently.
- Dances/Concerts – We lowered the hazardous designation from more than 5,000 attendees to more than 2,000 attendees; nonhazardous designation is under 2,000 attendees.

Moved by Director Floyd and seconded by Director Giannini to adopt **Resolution No. 22-26** authorizing General Liability Memo #22-03 revising Hazardous/Nonhazardous Activities List effective November 5, 2022.

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

There was no public comment.

Motion passed.

VIII. ADOPTION OF RESOLUTION AUTHORIZING REVISIONS TO SPECIAL EVENTS RATE CARD EFFECTIVE JANUARY 1, 2023

Below are the changes that are being recommended:

1. Festivals – We have found a need to further clarify coverage of festivals as some festival promoters seek coverage for their events when the events include hazardous activities which cannot be covered under the program. Category 151 Festivals has been removed from the Nonhazardous categories and added to the “Other” section under “Category 650 Festivals not including hazardous events.” Fairs will have to call CFSA for a festival coverage quote

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to ensure that festivals covered by the Special Events Insurance Program do not include any hazardous activities.

2. Dances/Concerts – We lowered total attendees limit from 5,000 to 2,000 on the rate card and in the hazardous category of the Hazardous/Nonhazardous Activities List.
3. On the Special Events Rate Card, we added a bullet point to note that any events containing hazardous activities will not be covered by the Special Events Insurance program as that makes the event a hazardous event which cannot be covered by the Special Events Insurance program.

In addition, the attendee level in Category 900 Dances and Concerts is being changed to reflect a reduction in total attendance from under 5,000 to under 2,000. It is staff's position that such events with more than 2,000 people in attendance becomes a hazardous event.

CFSA last increased Special Events rates in 2019. Due to inflation and the increase of excess coverage for liquor liability at events with under 100 attendees, staff is recommending that all event per-day fees be raised by \$10 with the exception of Liquor Liability at events with under 100 attendees be raised by \$25 per day per vendor.

Moved by Director Floyd and seconded by Director Sites to adopt **Resolution No. 22-27** authorizing revisions to Special Events Rate Card effective January 1, 2023.

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

There was no public comment.

Motion passed.

IX. ADOPTION OF RESOLUTION REVISING CFSA POLICY 313 SICK LEAVE TO EXTEND COVID EMERGENCY SICK LEAVE TO DECEMBER 31, 2022

This policy has been updated to reflect an extension of SB 114 COVID 19 Supplemental Paid Sick Leave Details that was signed by Governor Newsom in February of 2022. SB 114 allows for employees to use up to 80 hours of COVID sick leave retroactive to January 1, 2022, and continues through December 31, 2022.

Moved by Director Blyskal and seconded by Director Francesconi to adopt **Resolution No. 22-28** revising CFSA Policy 313 Sick Leave to extend COVID emergency sick leave to December 31, 2022.

Ayes: Directors Blyskal, Floyd, Giannini, Kenny, Francesconi, Sites, Mitchell

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

X. ADOPTION OF RESOLUTION REVISING CFSA POLICY 210 WAGE HOURS AND PAY DAYS

CFSA employees have mostly been working remotely since the onset of the pandemic in March of 2020. CFSA Policy 210 Wage Hours and Paydays was updated in 2021 to add an allowance for business use of personal cell phones while working remotely. As we are in a permanent work environment that includes some employees working solely from home, some employees coming into the office one day per week, and some employees coming into the office five days per week because their job duties require them to be in the office, each situation contains extra expenses.

Staff is proposing a revision to Policy 210 that provides changes in the language of the previous Phone Allowance to a \$100 per month "stipend" for each full-time employee to cover the additional expenses unique to their individual work situation. This stipend may be taxable and the staff has been made aware of this.

Moved by Director Giannini and seconded by Director Kenny to adopt **Resolution No. 22-29** authorizing revisions to CFSA Policy 210 Wage Hours and Pay Days with directed wording changes.

Ayes: Directors Blyskal, Floyd, Giannini, Kenny, Francesconi, Sites, Mitchell

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

XI. CFSA SALARY STUDY COMMITTEE REPORT, DISCUSSION OF INDEPENDENT COMPENSATION SURVEY AND BOARD CONSIDERATION OF SALARY STUDY COMMITTEE RECOMMENDATIONS

a. Consideration and possible approval of CFSA Pay Scale

Moved by Director Kenny and seconded by Director Mitchell to adopt **Resolution**

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No. 22-31 to authorize amending CFSA's Pay Scale by increasing the minimum and maximum salary for all positions and salary grades by 12.5%.

Ayes: Directors Blyskal, Floyd, Giannini, Kenny, Francesconi, Sites, Mitchell

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

b. Consideration and possible approval of adjustments to CFSA staff salary.

Moved by Director Mitchell and seconded by Director Francesconi to adopt **Resolution No. 22-30** approving increasing all current staff salaries, with the exception of the Executive Director, by 12.5% effective January 1, 2023.

Ayes: Directors Blyskal, Floyd, Giannini, Kenny, Francesconi, Sites, Mitchell

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

XII. DISCUSSION AND BOARD DIRECTION ON ESTIMATED 2023 RISK POOL PROGRAM FEES

It is the time of year that we assist our members with their budget preparation by presenting the CFSA board with recommended estimated fees for both General Liability and Workers' Compensation pool programs for the next year. After reviewing research, analyses, 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.

Staff proposed an **estimated** 10% increase of the General Liability base rate for 2023. Current budget reserves would allow us fund the pool at 70-75% under the Budget A scenario.

Staff proposed an **estimated** increase of the Workers' Compensation base rate from 6.1%/6.3% of payroll to 7.0%/7.2% (15% increase). Current budget reserves would allow us fund the pool at 70-75% under the Budget A scenario.

Direction from the Board of Directors was to move forward with the estimated Risk Pool Program Fees as presented.

XIII. INFORMATIONAL ITEMS


1. CFSA Investment Report
2. Staff Reports:
 - a. Administrative Services stood as presented
 - b. Finance Report was briefly presented by Chief Financial Officer Raechelle Gibbons.
 - c. Risk Management report stood as presented.
3. Executive Director's Report was briefly presented by Rebecca Desmond.
4. Directors' Reports
5. Next Meeting: December 7, 2022

XIV. PUBLIC COMMENT

There was no public comment.

X. ADJOURNMENT

The meeting was adjourned at 1:56 p.m.



Jack Blyskal, **CHAIR**

ATTEST:



Kevin Wright, **SECRETARY**