

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

June 7, 2023

1776 Tribute Road, Suite 100, Sacramento, CA 95815

In attendance:

Board Members

Laurie Giannini, Chair
Calaveras County Fair

Kim Floyd, Vice Chair (Zoom)
Del Norte County Fair

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

Mike Francesconi, Director
CDFA Branch of Fairs & Expositions

Chip Holloway, Director (Zoom)
Desert Empire Fair

Tom Mitchell, Director
Madera District Fair

Mike Kielty
Public Member

CFSA Staff

Rebecca Desmond, Executive Director
CFSA

John Quiroz, Deputy Executive Director
CFSA

Raechelle Gibbons, Chief Financial
Officer, CFSA

Renee Yi, Accounting Administrator
CFSA

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

Guests

Kevin Wong, Gilbert Associates (Zoom)

Melanie Dahl, Gilbert Associates (Zoom)

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 10:00 a.m., June 7, 2023, by Board Chair Laurie Giannini and roll call was taken.

II. ADOPTION OF RESOLUTION APPROVING THE MINUTES OF THE

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REGULAR MEETING OF APRIL 5, 2023

Moved by Director Francesconi and seconded by Director Kielty to adopt **Resolution No. 23-16** approving the minutes of the Regular meeting of February 1, 2023, as presented.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, and Kielty
Noes: None
Abstain: None
Absent: Directors Mitchell and Holloway

There was no public comment.

Motion passed.

III. ADOPTION OF RESOLUTION ACCEPTING THE 2022 FINANCIAL AUDIT REPORT

Kevin Wong and Melanie Dahl of Gilbert Associates presented the 2022 Financial Audit. They stated that management was very prepared and CFSA received an unmodified opinion, which is the best opinion a public entity can receive in an audit.

Board Chair Giannini complimented Chief Financial Officer Raechelle Gibbons and her team on their fine work.

Moved by Director Kielty and seconded by Director Francesconi to adopt **Resolution No. 23-17** accepting the 2022 Financial Audit Report.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, Mitchell, Kielty, and Holloway
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

IV. ADOPTION OF RESOLUTION ACCEPTING THE REVISED FINAL 2022 GENERAL LIABILITY AND WORKERS' COMPENSATION ACTUARY REPORT

Through the process of our 2022 financial audit, a variance was found in actuarial figures for the 2022 general liability claim year. A typo was also found in the 2022 Workers' Compensation Actuary Report so we have revised final reports for both programs.

Moved by Director Holloway and seconded by Director Francesconi to adopt **Resolution No. 23-18** accepting the revised final 2022 general liability and workers' compensation actuary report.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, Mitchell, Kielty, and Holloway
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

V. ADOPTION OF RESOLUTION APPROVING REVISIONS TO POLICY 110 EXEMPT/NONEXEMPT EMPLOYEE STATUS.

CFSA Policy 110 Exempt/Nonexempt Employee Status is based on current criteria of the Fair Labor Standards Act (FLSA). A recent review of the policy found some language out of date with the current FLSA criteria defining exempt and nonexempt employee status.

Moved by Director Sites and seconded by Director Floyd to adopt **Resolution No. 23-19** approving revisions to Policy 110 Exempt/Nonexempt Employee Status.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, Mitchell, Kielty, and Holloway
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

VI. ADOPTION OF RESOLUTION APPROVING REVISIONS TO POLICY AD 010 EMPLOYEE TRAVEL

CFSA last increased per diem levels to match that of the State of California in 2015: \$7 for breakfast, \$11 for lunch and \$23 for dinner. With inflation over the last two years, it is costing CFSA employees more than the per diem to feed themselves while traveling on CFSA business.

The State has not yet adjusted its per diem. Staff researched what nonprofit firms are paying along with the Federal per diem rate for travel within the State of

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California. The rates were varied with a very minimum of \$9/\$12/\$25 for Plumas County staff and \$20/\$25/\$30 for the San Mateo Event Center. Federal per diem is dependent upon the location of the travel and is a minimum of \$13/\$15/\$26 and a maximum of \$16/\$17/\$36.

Staff proposed the average Federal per diem rate of \$14.50/\$16/\$31 for the State of California as CFSA employees travel all over the state and many times each in locations enroute to their destination. CFSA current \$5 incidental rate is consistent with both the State of California and the Federal rate.

Staff also proposed increasing the maximum hotel night rate allowable without prior approval to \$200 per night.

When billable travel expenses in CFSA contracts are limited, CFSA will still pay its employees the CFSA policy travel per diem but only charge the contractor what is allowable per the contract.

Moved by Director Holloway and seconded by Director Kielty to adopt
Resolution No. 23-20 approving revisions to Policy AD 010 Employee Travel.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, Mitchell, Kielty,
and Holloway
Noes: None
Abstain: None
Absent: None

There was no public comment.

Motion passed.

VII. ADOPTION OF RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE CONTRACT 22-0197, AND ANY SUBSEQUENT AMENDMENTS, WITH THE CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE BRANCH OF FAIRS & EXPOSITIONS

CFSA executive staff is working with CDFA's Branch of Fairs & Expositions on a new contract to continue professional development services for California fairs. This contract will include training and training resources for the Network of California Fairs. The total amount of the contract will be \$77,000 and will begin June 25, 2023.

Moved by Director Floyd and seconded by Director Holloway to adopt
Resolution No. 23-21 authorizing the Executive Director to execute Contract 22-0197, and any subsequent amendments, with the California Department of Food & Agriculture Branch of Fairs & Expositions.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, Mitchell, Kielty,
and Holloway

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Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

VIII. Moved by Director Kielty and seconded by Director Floyd to go into closed session out of agenda order.

Ayes: Chair Giannini, Directors Floyd, Francesconi, Sites, Mitchell, Kielty, and Holloway

Noes: None

Abstain: None

Absent: None

There was no public comment.

Motion passed.

XI. CLOSED SESSION 1

Director Francesconi and General Counsel Mufti left the meeting due to a conflict of interest. CFSA Special Counsel joined closed session.

The Board adjourned from regular session at 10:52 a.m. and went into closed session to discuss the following:

General Liability Claims – Government Code Sec. 54956.95

Claimant: Bryan Eubanks

Agency Claimed Against: California Fairs Financing Authority

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation Pursuant to Government Code Section 54956.9(d)(2)

Potential Cases: 1

X. RECONVENE FROM CLOSED SESSION 1

The Board adjourned from closed session at 11:29 a.m. and resumed regular session.

There was no reportable action from Closed Session.

Director Francesconi and General Counsel Mufti returned to the meeting.

XI. INFORMATIONAL ITEMS

1. CFSA Investment Reports:
 - a. Investment reports stood as presented.
2. Staff Reports:
 - a. Administrative Services stood as presented.
 - b. Finance Report was briefly presented by Chief Financial Officer Raechelle Gibbons.
 - c. Risk Management was briefly presented by John Quiroz.
3. Executive Director's Report stood as presented.
4. Directors' Reports
 - a. Chair Giannini reported that the Calaveras County Fair was very successful with record attendance for the second year in a row. Junior Livestock Auction raised \$1.2 million. The fairgrounds had done \$70,000 in storm repairs before the fair could open, which the fairgrounds paid for out of their operating budget. The Mother Lode Area met at the fair.
 - b. Director Floyd reported that the Del Norte County Fairgrounds completed their grandstand project and their PSPS project.
 - c. Director Sites reported that the Tulelake-Butte Valley Fair removed two hazardous light poles and replacements are delayed due to supply chain issues. Director Mitchell suggested contacting the local utility company for assistance in getting new poles faster.
 - d. Director Holloway reported the Desert Empire Fairgrounds just added LED lighting. The fairgrounds also received \$40,000 in donated asphalt grindings that covered 80% of the main parking lot.
 - e. Director Francesconi reported that there is a bill going through the Legislature to extend remote meeting access under the Bagley-Keene Act. If the bill does not become law before July 1, the Bagley-Keene Act will revert back to requiring in-person only meetings.
5. Next Meeting: August 2, 2023

XI. PUBLIC COMMENT

There was no public comment.

XII. CLOSED SESSION 2

The Board adjourned from regular session at 12:14 p.m. and went into closed session to discuss the following:

Workers' Compensation Claims – Government Code Sec. 54956.95

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Claimant: Thelma Martinez

Agency Claimed Against: Santa Clara County Fair

Claimant: James Waataja

Agency Claimed Against: Orange County Fair/32nd DAA

Claimant: Michelle Schade

Agency Claimed Against: Orange County Fair/32nd DAA

General Liability Claims – Government Code Sec. 54956.95

Claimant: Robert Watson

Agency Claimed Against: Contra Costa County Fair/23rd DAA

Claimant: California Fight League

Agency Claimed Against: San Bernardino County Fair/28th DAA

Claimant: James Cooper

Agency Claimed Against: California Mid-State Fair/16th DAA

Claimant: Robert Grisak

Agency Claimed Against: Colusa County Fair/44th DAA

Claimant: Kyle Hansel

Agency Claimed Against: Cow Palace Arena & Event Center/1A DAA

Claimant: Abigail Allen

Agency Claimed Against: San Diego County Fair/22nd DAA

Claimant: E.L. Long

Agency Claimed Against: Shasta District Fair/27th DAA et.al.

Claimant: Christie Chancellor

Agency Claimed Against: Monterey County Fair/7th DAA

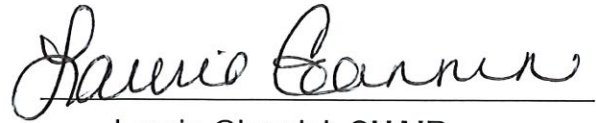
XII. RECONVENE FROM CLOSED SESSION 2

The Board adjourned from closed session at 12:44 p.m. and resumed regular session.

There was no reportable action from Closed Session.

ADJOURNMENT

The meeting was adjourned at 12:45 p.m.

A handwritten signature in cursive script, appearing to read "Laurie Giannini", written over a horizontal line.

Laurie Giannini, **CHAIR**

ATTEST:

A handwritten signature in cursive script, appearing to read "Rebecca Desmond", written over a horizontal line.

Rebecca Desmond, **EXECUTIVE DIRECTOR**