

MINUTES

REGULAR TELECONFERENCE MEETING OF CALIFORNIA FAIR SERVICES AUTHORITY BOARD OF DIRECTORS

February 5, 2025

1776 Tribute Road, Suite 100, Sacramento, CA 95815

In attendance:

Board Members

Laurie Giannini, Chair
Calaveras County Fair

Kim Floyd, Vice Chair
Del Norte County Fair

Chip Holloway, Director
Desert Empire Fair

Andrew Trygg, Director
Nevada County Fairgrounds

Cliff Munson, Director
Siskiyou Golden Fair

Mike Kielty, Director
Public Member

CFSA Staff

John Quiroz, Executive Director
CFSA

Tom Mitchell, Deputy Executive Director
CFSA

Raechelle Gibbons, Chief Financial
Officer CFSA

Renee Yi, Accounting Administrator
CFSA

Angie Cha, Office-Communications
Coordinator CFSA

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

Guests

Michael Fleming, Public Member

Dara Tobias, San Benito County Fair

All Board members, CFSA staff and other participants attended 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., February 5, 2025, by Board Chair Laurie Giannini and roll call was taken.

II. ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON FOR CFSA'S BOARD OF DIRECTORS TO SERVE A TWO-YEAR TERM BEGINNING FEBRUARY 5, 2025

Director Holloway recommended that Director Giannini resume their role as Chair and Director Floyd continue in their role as Vice Chair. There were no other nominations for Board Chair and Board Vice Chair.

Moved by Director Holloway and seconded by Director Kielty to adopt **Resolution No. 25-01** appointing Director Giannini as Board Chair and Director Floyd as Vice Chair to serve a two-year term beginning February 5, 2025.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Kielty
Noes: None
Abstain: None
Absent: Director Munson, Director Flores

There was no public comment.

Motion passed. Chair Giannini assumed control of the meeting.

III. ADOPTION OF RESOLUTION APPROVING THE MINUTES OF THE REGULAR TELECONFERENCE MEETING OF DECEMBER 4, 2024, SPECIAL TELECONFERENCE MEETING OF DECEMBER 18, 2024, SPECIAL TELECONFERENCE MEETING OF JANUARY 6, 2025, AND SPECIAL TELECONFERENCE MEETING OF JANUARY 31, 2025

Moved by Director Holloway and seconded by Director Munson to adopt **Resolution No. 25-02** approving the minutes of the Regular Meeting of December 4, 2024, Special Teleconference Meeting of December 18, 2024, Special Teleconference Meeting of January 6, 2025, and Special Teleconference Meeting of January 31, 2025 as presented.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

IV. ADOPTION OF RESOLUTION APPROVING REVISIONS TO POLICY 010 EMPLOYEE TRAVEL

The revisions to CFSA Policy AD010 Employee Travel reflect changes to the per diem rates recently adopted by the State of California which increased rates for Breakfast and Lunch. Dinner rates that were previously adopted are slightly higher than state rates, but are recommended due to high meal costs for traveling staff.

Additional changes include new language to help set expectations for airline and parking expenses.

Moved by Director Trygg and seconded by Director Floyd to adopt **Resolution No. 25-03** approving revisions to Policy 010 Employee Travel as presented.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

V. ADOPTION OF RESOLUTION APPROVING REVISIONS TO RECORDS RETENTION SCHEDULE

CFSA is currently going through the CAJPA accreditation process and one of the requirements was to update their records retention schedule. John reviewed the schedule and removed some outdated documents CFSA no longer utilize.

CFSA IS constantly working on disposing of eligible paper documents and exploring how to manage electronic documents that are eligible for destruction.

Moved by Director Floyd and seconded by Director Trygg to adopt **Resolution No. 25-04** approving revisions to Records Retention Schedule as presented.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

VI. 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. John Quiroz is the designated CFSA Treasurer per board resolution 19-46.

Moved by Director Holloway and seconded by Director Kielty to adopt **Resolution No. 25-05** approving resolution delegating to CFSA's Treasurer the authority to invest funds or to sell or exchange securities.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

VII. ADOPTION OF RESOLUTION ESTABLISHING THE CFSA CLAIMS COMMITTEE

At the January strategic planning session, the group suggested establishing a CFSA Claims Committee. This idea was inspired by PRISM, which has a claims committee that reviews all claims before they are presented to the board. This process allows for a more efficient and thorough review, reducing the time spent discussing claims during board meetings and minimizing the need for special board meetings.

The Claims Committee would be a standing committee of the Board, and its meetings will need to be publicly noticed, regardless of the quorum size, as standing committees are considered legislative bodies. The committee will consist of three CFSA board members (the Board Chair, Vice Chair, and the public member on the Board), designated CFSA staff, CFSA legal counsel, and authorized consultants as needed.

The Claims Committee would meet before CFSA meetings or as needed whenever staff require guidance on claims. CSFA also requests that the Claims Committee have a settlement authority of \$250,000 for claim resolutions. Claims under this amount would be subject to the approval of the committee and would still be presented to the board for oversight. Claims exceeding \$250,000 will continue to be brought to the board for approval. If this proposal is approved, CFSA will update the CFSA claims authorization document to reflect the new

settlement authority. Claim managers have settlement authority of \$40,000 and Executive staff (John and Tom) have settlement authority of \$50,000.

Additionally, if approved, CFSA's bylaws would need to be amended as the bylaws at Article VI Section 2 state "Payments by Authority in excess of \$50,000 whether for invoices, contract billings or *claims of Member or Participating Entities* must be approved by the Board." (emphasis added). Assuming the Board approves this recommendation, the Bylaws would need to be amended at the next Board meeting.

Moved by Director Floyd and seconded by Director Munson to adopt **Resolution No. 25-06** establishing the CFSA claims committee as presented.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

VIII. ADOPTION OF RESOLUTION APPROVING REVISIONS TO CLAIMS AUTHORIZATIONS MEMO

This memo revises the Claims Authorization list for Workers' Compensation and General Liability as follows:

- Provides authorization for the newly formed CFSA Claims Committee to authorize settlements up to \$250,000.

The following policies remain in effect:

- Any General Liability or Workers' Compensation claim reserved above 50% of the respective risk pool's Self-Insured Retention shall be reported to the Board of Directors in Executive Session at the next regular Board Meeting. Status reports will continue until the claim is closed.
- Excess insurance carriers for Workers' Compensation, General Liability and Special Events will be notified by the respective claims /administrator when any exposure reaches the applicable excess reporting level or in catastrophic injury cases, as per the CFSA Excess Claims Policy.

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- Most Workers' Compensation loss payments are mandated by statute, both as to amount and timeliness. Because these payments must go out even if cumulative payments are over the Workers' Compensation Claims Administrator's settlement authority of \$40,000, the Workers' Compensation Department will seek authority only for lump sum amounts, for purposes of negotiating a settlement, in excess of \$40,000.
- Claims administrators will continue to be responsible for keeping fair managers apprised of significant claims activity associated with their fairgrounds.

Moved by Director Trygg and seconded by Director Holloway to adopt **Resolution No. 25-07** approving revisions to Claims Authorizations Memo as presented.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

IX. APPROVAL AGREEMENT WITH KEN SCHEELER AS CONSULTANT FOR THE MAINTENANCE ASSISTANCE PROGRAM

With the success of the initial Maintenance Assistance Program in 2024, CFSA would like to move forward with another contract in 2025 focusing on additional minimal maintenance repairs. Trips and falls remain our top general liability claim type. This has not changed in the past 10-plus years. CFSA currently have nine open trip-and-fall claims, the lowest reserve being \$10,024 and the largest is \$250,000. Hence the current average claim is reserved at \$74,077.

The program will remain the same as in 2024 that will assist our pool members with affordable repairs to some of the most critical trip-and-fall hazards on their fairgrounds. CFSA would invest in a skilled consultant for our members and the fairgrounds would invest in critical maintenance and repair projects that could prevent unlimited and expensive potential general liability claims.

These projects would cost less than \$10,000 for material and labor for the members. The consultant services would be provided at no cost to the member fairground. CFSA have included \$75,000--the cost of one average trip-and-fall claim--in the 2025 preliminary budget as our investment for this program. CFSA believes that CFSA is in the position to make a small investment to assist our

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member fairgrounds with making small but critical repairs to their facilities which will reduce both general liability and workers' compensation claims in the immediate future.

Moved by Director Floyd and seconded by Director Trygg to adopt **Resolution No. 25-08** Approval Agreement with Ken Scheeler as consultant for the Maintenance Assistance Program as presented.

Ayes: Chair Giannini; Directors Floyd, Holloway, Trygg, Munson, Kielty
Noes: None
Abstain: None
Absent: Director Flores

There was no public comment.

Motion passed.

X. INFORMATION ITEMS

1. CFSA Investment Report
2. Special Events Program
3. Staff Reports:
 - a. Administrative Services
 - b. Finance
 - c. Risk Management
4. Executive Director's Report stood as presented.
5. Directors' Reports
 - a. Director Trygg praised the booth, expressing strong approval and satisfaction
 - b. Director Floyd commended the strategic planning session, describing it as effective and well-executed
6. Next Meeting: April 2, 2025

XI. PUBLIC COMMENT

There was no public comment.

XII. CLOSED SESSION

At 11:10 a.m. the Board adjourned from regular session and went into closed session to discuss the following:

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Workers' Compensation Claims – Government Code Sec. 54956.95

Claimant: Ernestina De Anda

Agency Claimed Against: Madera District Fair 21-A DAA

Claimant: Gerald Duran

Agency Claimed Against: Ventura County Fair 31st DAA

General Liability Claims – Government Code Sec. 54956.95

Claimant: Kyle Hansel

Agency Claimed Against: 1-A DAA Cow Palace

Claimant: Caleb Gonzales

Agency Claimed Against: Tehama District Fair/30th DAA

Claimant: E.L. Long

Agency Claimed Against: 27th DAA Shasta District Fair

Claimant: CA Soul Food Cookout

Agency Claimed Against: Alameda County Fair

XIII. RECONVENE FROM CLOSED SESSION

The Board adjourned from closed session at 11:53 a.m. and resumed regular session.

There was no reportable action from Closed Session.

ADJOURNMENT

The meeting was adjourned at 11:54 a.m.



Laurie Giannini, CHAIR

ATTEST:



John Quiroz, Executive Director