

7th District Agricultural Association / Monterey County Fair
2004 Fairground Road, Monterey, CA 93940
(831) 372-5863

Website: www.montereycountyfair.com

Email: info@montereycountyfair.com

BOARD MEETING AGENDA

Thursday, June 24, 2021 12:00 PM

Join Zoom Meeting

<https://us02web.zoom.us/j/7143722427?pwd=V0NPUVVHZGllS1Q4ck9YOTZSeld4QT09>

Meeting ID: 714 372 2427 Passcode: 343782

One tap mobile +16699009128

All matters noticed on this agenda may be considered for action. Items listed on the agenda may be considered in any order at the discretion of the Board President. Any item not so noticed will not be considered and discussed.

- A. CALL TO ORDER/ROLL CALL OF DIRECTORS PRESENT/EXCUSED
- B. INTRODUCTION OF GUESTS AND STAFF
- C. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA: In accordance with state law, the Board will not comment or otherwise consider public comment matters until and unless such items have been properly noticed for a future meeting.
- D. CONSENT AGENDA (Discussion/Action by Board)
All items on the consent agenda are to be approved in one motion unless a Board member Requests separate action on a specific item.
 - a. Review and Approval of meeting minutes: May 20, 2021
 - b. Review and Approval of Bills
 - c. Review and Approval of Contracts
- E. OLD BUSINESS (Discussion/Action by Board)
- F. NEW BUSINESS (Discussion/Action by Board)
 - a. Approve interim event percentage payments from alcohol gross revenue
 - b. Approve purchase of General Liability Insurance from DGS pending \$25 million umbrella policy
 - c. Review 7th DAA Board Training Updates

All Board meetings must be accessible to the physically disabled. Any person needing a disability- related accommodation or modification in order to attend or participate in any Board or Committee meetings or other Monterey County Fair activities may request assistance by contacting Kelly Violini at the Monterey County Fair Office, 2004 Fairground Road, Monterey, CA 93940 or by calling Kelly at (831) 372-5863.

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G. REPORTS AND INFORMATION (Informational)

- a. Correspondence
 - i. CDFA/Fairs & Expositions
 - ii. CFSA
- b. Committee Reports
 - i. Fair Committee
 - ii. Buildings and Grounds
 - iii. SW/Interim Events
 - iv. Heritage Foundation
- c. CEO Report
- d. Staff Reports

H. MATTERS OF INFORMATION (Informational matters not related to the agenda)

- a. Directors Comments

I. ADJOURNMENT

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MINUTES OF THE MAY 20, 2021, MEETING OF THE 7TH DISTRICT AGRICULTURAL ASSOCIATION

Directors via Zoom: Jeanne Byrne, Dan Presser, Teri Short, Ruth Thompson, and Ricky Cabrera.

Directors absent (excused): Nicole Hollingsworth, Vivien Lindley and Paul Tran.

Guests: Staff member Kelly Violini, CEO and Jessica Ayala & Phillip Carranco members of the public.

A/B/C: The meeting was called to order at 12:05 PM by President Teri Short via Zoom.

D. Consent Agenda

a/b/c: The minutes of the April 22, 2021, meeting along with contracts and March/April bills were approved. Motion carried.

Board Member	Approved	Not Approved
Ricky Cabrera	x	
Jeanne Byrne (seconded motion)	x	
Dan Presser (made motion)	x	
Teri Short	x	
Ruth Thompson	x	

E. Old Business

F. New Business

- a. Approve 2021 JLA Dedication: This was discussed and approved for August 28, 2021. Motion carried.

Board Member	Approved	Not Approved
Ricky Cabrera (seconded motion)	x	
Jeanne Byrne (made motion)	x	
Dan Presser	x	
Teri Short	x	
Ruth Thompson	x	

- b. Approve 2021 WFA Blue Ribbon Award Winner. This was discussed and approved for 2021 Fair. Motion carried. The Fair Committee will finalize the details.

Board Member	Approved	Not Approved
Ricky Cabrera	x	
Jeanne Byrne (seconded motion)	x	
Dan Presser (made motion)	x	
Teri Short	x	
Ruth Thompson	x	

- c. Approved reinstatement of full-time status for CEO as of 6.1.2021. This was approved and motion carried.

Board Member	Approved	Not Approved
Ricky Cabrera (seconded motion)	x	
Jeanne Byrne (made motion)	x	
Dan Presser	x	
Teri Short	x	
Ruth Thompson	x	

G. Reports and Information.

- a. Correspondence: CDFA and CFSA Correspondence was shared. Violini asked President Short for assistance with discussing insurance regulations with CDFA; she responded that she is happy to attend a virtual meeting.
- b. Committee Reports:
 - i. Fair Committee Report: No report.
 - ii. Buildings and Grounds Committee Report: No report.
 - iii. SW/Interim Events: No report
 - iv. Heritage Foundation –No report. They will be meeting in July.
- c. CEO Report: No additional report.
- d. Staff Report: No report

H. Matters of Information

- a. Directors Comments – President Short asked if there was a place to donate old fair logo clothing.
- b. Next board meeting will be held on Thursday, July 22, 2021, 12 PM.

The board meeting was adjourned at 12:38 PM.

Approved

**Teri Short
President**

Approved

**Kelly Violini
CEO/Manager**

MONTEREY COUNTY FAIR, 7th DAA

Bill Payment List

May 2021

DATE	NUM	VENDOR	AMOUNT
113-010 CASH - OPER RABO BANK - ACCT# 0072086688			-37.90
05/12/2021	41695	GRAINGER	-315.70
05/12/2021	41685	ATT	-126.79
05/12/2021	41713	VOYAGER	-204.61
05/12/2021	41707	R & S HEATING AND SHEET METAL, INC.	-28.36
05/12/2021	41700	MONTEREY AUTO SUPPLY INC.	-657.43
05/12/2021	41697	KELLY-MOORE PAINT COMPANY, INC.	-8,350.00
05/12/2021	41694	GLASTONBURY, INC. AUDIO VISUAL	-1,402.94
05/12/2021	41698	MCDONALD REFRIGERATION, INC.	-273.05
05/12/2021	41683	AMERICAN LOCK & KEY SERVICE	-174.80
05/12/2021	41699	MIKESIGNS	-593.28
05/12/2021	41693	FIRST ALARM, INC.	-864.40
05/12/2021	41710	SHAMROCK OFFICE SOLUTIONS	-2,001.25
05/12/2021	41706	OLIVIA TRINIDAD	-445.00
05/12/2021	41702	MONTEREY COUNTY HOSPITALITY ASSOCIATION	-258.04
05/12/2021	41682	ADMIT ONE PRODUCTS	-81.79
05/12/2021	41696	INTERSTATE BATTERY SYSTEM OF SAN JOSE	-306.64
05/12/2021	41687	CAPE LEASING CORPORATION	-42.00
05/12/2021	41708	RAYNE WATER	-541.50
05/12/2021	41689	CLS BOOKKEEPING SERVICES.	-1,125.00
05/12/2021	41714	XOPANDORA	-703.50
05/12/2021	41691	DASSEL'S	-683.44
05/12/2021	41705	OFFICE DEPOT.	-387.34
05/12/2021	41711	ULINE SHIPPING SUPPLY SPECIALISTS	-495.00
05/12/2021	41704	NATIONAL PARKING & VALET, LLC	-212.09
05/12/2021	41690	CULLIGAN QUALITY WATER ENTERPRISES, INC.	-6,340.33
05/12/2021	41709	SAFFIRE, LLC	-814.00
05/12/2021	41692	ELVI'S CLEANING SERVICES	-567.00
05/12/2021	41703	MONTEREY COUNTY WEEKLY	-5,280.54
05/12/2021	41686	CALIFORNIA FAIR SERVICES AUTHORITY.	-2,268.52
05/12/2021	41684	AMERICAN SUPPLY COMPANY	-1,353.46
05/12/2021	41701	MONTEREY CITY DISPOSAL, INC.	-916.64
05/12/2021	41712	VALLEY SAW & GARDEN EQUIPMENT	-37.15
05/12/2021	41688	CASTLE ROCK CATERING	-89.00
05/19/2021	41716	MITCHELL MONCADA	-235.00
05/19/2021	41715	KEVIN COSTA	-109.11
05/19/2021	41718	OLIVIA TRINIDAD	-1,680.00
05/19/2021	41719	RAFAELA LOZANO	-450.00
05/19/2021	41717	DNA ENTERTAINMENT	-503.91
05/31/2021	41720	831 CATERING	-110.00
05/31/2021	41722	KEVIN COSTA	-475.00
05/31/2021	41721	CLS BOOKKEEPING SERVICES.	
Total for 113-010 CASH - OPER RABO BANK - ACCT# 0072086688			\$ -41,541.51

June 2021

INTERIM					
2021 Contracts	AGREE #	Name	Description	Amount	Date Booked
STATUS					Event date
IN PROCESS	21-1041	Ludia Rojas	Quince	\$2,786.00	5/18/2021
IN PROCESS	21-1042	Wendy Alvarez	Quince	\$3,457.00	5/18/2021
IN PROCESS	21-1043	Andy, Abigail & Sam Clarke	Pig boarding	\$100.00	5/20/2021
IN PROCESS	21-1044	Jill Martin	Carmel Middle Grad night	\$580.00	5/28/2021
IN PROCESS	21-1045	Maria Ruvalcaba	Quince	\$3,207.00	5/20/2021
IN PROCESS	21-1046	MPUSD	Graduations	\$13,730.00	6/1/2021
IN PROCESS	21-1047	Dread Ponies	Junior Roller Derby	\$1,225.00	5/26/2021
IN PROCESS	21-1048	Sergio Vasquez	Quince	\$4,678.00	6/2/2021
IN PROCESS	21-1049	Terry Wecker	Dinner	\$3,165.00	6/3/2021
IN PROCESS	21-1050	Jose Ochoa	Quinceanera	\$3,871.00	6/4/2021
IN PROCESS	21-1051	Valerie Valagae	1st birthday	\$3,227.00	6/15/2021
IN PROCESS	21-1052	Lynette Beardsell	wedding	\$923.00	6/15/2021
IN PROCESS	21-1053	Derby Dames	Roller derby	\$3,275.00	6/15/2021
IN PROCESS	21-1054	DBA Empresas Azteca	Arena Concert - deposit only	\$1,000.00	6/16/2021
IN PROCESS	21-1055	Jim Miller	Security meeting	\$100.00	6/16/2021
IN PROCESS	21-1056	Kristen & Brayden McIntyre	Pig boarding	\$50.00	6/17/2021
IN PROCESS	21-1057	Fatima Meza	1 yr birthday	\$2,811.00	6/18/2021
IN PROCESS	21-1058	Richard Mole	Celebration of life	\$2,926.00	6/12/2021
IN PROCESS	21-1059	Ben Bransford Cowby festival	Paytons stage concert - deposit only	\$500.00	6/22/2021
Total 2021 interim				\$51,611.00	

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2022 Contracts	AGREE #	Name	Description	Amount	Date Booked
STATUS					Event date
IN PROCESS	22-1006	John Nash	90th Birthday	\$3,386.00	6/2/2021
Total 2022 Interim				\$3,386.00	

Drive In Contracts					
STATUS	AGREE #	CONTRACTOR	Description	Amount	Date Booked
IN PROCESS	21-DR12	Tanya Roos - Blue zones Project	Drive in move	\$5,535.00	5/20/2021
IN PROCESS	21-DR13	Monterey 4 H	4H Camp & Drive in move	\$500.00	6/13/2021
Total Drive in Contracts				\$6,035.00	

Drive in Sponsors					
2021 Drive in Sponsors	AGREE #	SPONSOR	MOVIE/ DESCRIPTION	AMOUNT	DATE
STATUS					
Total Sponsorships				\$0	

Drive in Advertising or Buyouts					
STATUS	NAME	ORGANIZATION	MOVIE/ DESCRIPTION	AMOUNT	DATES
Advertisement	Erika Tumminelli	Salinas City K-12	Virtual Academy Ad	\$400.00	5/29, 6/15&19, 7/3/21
Total Buyouts				\$400	
Total Revenue				\$61,432	

MONTEREY COUNTY FAIR, 7th DAA

Profit and Loss

January 1 - June 22, 2021

	TOTAL
Income	
422-500 SPONSORS / MONTEREY BAY CLASSIC	50.00
425-100 FEES - LIVESTOCK ENTRIES	51,140.00
Total Income	\$51,190.00
GROSS PROFIT	\$51,190.00
Expenses	
615-405 JUDGES & LABOR - MO BAY CLASSIC	8,797.00
660-100 ELIG. PREMIUMS - CASH (FAIR)	15,000.00
740-405 SUPPLIES - MO BAY CLASSIC	1,470.07
Total Expenses	\$25,267.07
NET OPERATING INCOME	\$25,922.93
NET INCOME	\$25,922.93



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE
Koren Ross, Secretary

December 8, 2016

D2016-06

TO: District Agricultural Associations, CEOs

SUBJECT: Procurement of Insurance for DAA's

This letter is written to inform District Agricultural Associations (DAAs) that acquiring insurance services from commercial sources outside of the California Department of General Services (DGS) or the California Fair Services Authority (CFSA) is not an option. DAAs with existing private insurance policies should forward policy information to the Fairs & Exposition Branch for review and further direction.

Government Code section 11007.7(c)(4) restricts the sources from where DAAs may procure insurance (i.e., general liability and workers' compensation insurance). Accordingly, DAAs are required to obtain insurance coverage through either DGS or through the CFSA.

DGS provides insurance services through its Office of Risk and Insurance Management (ORIM) and, alternatively, CFSA is the Joint Powers Authority (JPA) that offers an insurance pool for fairs. Inquiries regarding purchasing insurance from either of these two entities should be directed to:

Carrie Willson
DGS – ORIM
707 3rd Street, MS 403
West Sacramento, CA 95605
(916) 376-5278
carrie.willson@dgs.ca.gov

Becky Bailey-Findley
CFSA
1776 Tribute Road, Suite 100
Sacramento, CA 95815
(916) 921-2213
baileyfindley@cfsa.org

If you have any questions regarding this requirement, please contact me.

Sincerely,

John Quiroz, Chief
Fairs & Expositions Branch

cc: Carrie Willson – ORIM
Becky Bailey-Findley - CFSA





CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE
Karen Ross, Secretary

May 18, 2020

D2020-02

To: All DAA CEOs and Board Presidents

Subject: Insurance Coverage Limits – New Requirements

During these challenging times, protection of the fairgrounds, fair staff, and patrons is of utmost importance. This letter outlines new requirements regarding General Liability (GL) insurance coverage limits for all DAAs. The California Department of Food and Agriculture (CDFA) is responsible for providing oversight to the California Fair network, including ensuring the integrity of the Fairs and Exposition Fund (Fund). In order to limit potential impacts to the Fund from the trend of multi-million-dollar jury verdicts in public entity lawsuits, CDFA has determined the need to mandate GL insurance coverage minimums. When DAAs are underinsured the financial risk to the DAA, CDFA and the Fund is increased. The new limits must be made effective the next time each policy is renewed.

Additionally, DAAs may only obtain insurance coverage through the California Fair Services Authority (CFSA) or through the Department of General Services Office of Risk and Insurance Management (ORIM). CFSA and ORIM will make sure all insurance policies are secured from insurance companies with a high rating (i.e., a minimum AM Best rating of A-, VII) to ensure the ability of the insurance carrier to pay any claim that may result.

The following minimum GL insurance coverage limits have been identified after consultation with CFSA, ORIM and representatives from Alliant Insurance Services (insurance brokerage service used by both ORIM and CFSA).

Minimum Insurance GL Coverage Limits:

- Twenty-five million (\$25,000,000) per occurrence in GL insurance, including
- Bodily injury and property damage (non-fair-owned property)
 - Personal injury
 - Public official errors and omissions (coverage must be limited to **Public Officials**; it cannot include officers of nonprofit corporations)
 - Employment practices liability (caused by an alleged or actual wrongful act including sexual harassment, wrongful termination, and discrimination)



D2020-02 Insurance Coverage Limits
May 18, 2020
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In addition, DAAs shall ensure that, if available, coverage should include the following categories of activities and events:

- 1) Disease transmission (i.e., E-Coli)
- 2) Terrorism; Athletic Events
- 3) Civil Rights (i.e., First Amendment; Freedom of Expression; Americans with Disability Act)

If you have any questions, please contact:

John Quiroz, Branch Chief – Fairs and Exposition Branch at John.Quiroz@cdfa.ca.gov
Tom Amberson, Risk Department Manager– CFSA at Tamberson@cfsa.org
Carrie Willson, Staff Services Manager DGS – ORIM Carrie.Willson@dgs.ca.gov

Sincerely,



John Quiroz
Branch Chief

cc: Rebecca Desmond, Executive Director, California Fairs Services Authority
Virginia Bolman, Chief, DGS Office of Risk and Insurance Management



CFSA UNDERWRITING POLICY (Updated 2/6/19)

A. Purpose

California Fair Services Authority (CFSA) has established underwriting criteria for the purpose of marketing to new and returning fairs and eligible fair-related public entities that participate in the CFSA Risk Pooling Programs (collectively referred to as “participating entities” or “members”). Underwriting information is also used for rate setting/fee calculations and measuring member performance, and may also be used if necessary to calculate member assessments. Underwriting standards and guidelines are outlined in the various governing documents, including the CFSA Joint Exercise of Powers Agreement (JEPA), the CFSA Bylaws, and CFSA Policies and Procedures. This Underwriting Policy provides a summary and highlights of much of the criteria utilized to complete the underwriting process.

B. Underwriting Function/Mission

Establishing underwriting criteria ensures that all CFSA coverage programs are analyzed for risk exposures, funding requirements, fee and assessment calculations, risk retention levels, compatibility between members, and serviceability by staff. Adherence to these Board approved standards and guidelines guarantees the continued financial viability and security of CFSA.

C. New and Returning Members

Requirements for admittance of new and returning members (“applicants”) to CFSA are set forth in the Joint Exercise of Powers Agreement (JEPA) and in Board policy. An applicant must meet these requirements for membership, as well as the parameters set forth in the California Joint Exercise of Powers Act, Government Code Section 6500, *et seq.*

The CFSA Board of Directors must approve the entry or re-entry by an applicant by a resolution. A new member agrees to participate as a member in a program for a minimum for five years. For a returning member, CFSA staff makes a recommendation to the Board for consideration of a request to rejoin CFSA with a recommended three to five year participation requirement.

D. Application Process

Any prospective applicant must follow this application process for joining the CFSA General Liability Program and/or the CFSA Workers’ Compensation Program (collectively “Core Risk Pooling Programs”):

- 1) The applicant sends a letter to CFSA expressing their interest or their request to participate in either or both of the CFSA Core Risk Pooling Programs.

1776 TRIBUTE ROAD, SUITE 100
SACRAMENTO, CA 95815
PHONE: (916) 921-2213 | FAX: (916) 646-1238

- 2) Following the receipt of such a letter, CFSA's Risk Control staff will conduct a safety inspection of the applicant's site. The Risk Control staff will provide the applicant and CFSA's Board of Directors with their evaluation based on the inspection, and will include any recommendations for improvement.
- 3) The Risk Control staff will also review the applicant's current safety program and will offer their expertise in evaluating the applicant's existing program and in recommending training should the applicant join CFSA.
- 4) The Risk Department will require the applicant to submit existing lease and/or operating agreements, will evaluate any changes that might need to be made to the contracts which facilitate transferring risk, and will assist the applicant in bringing the agreements into compliance with required insurance requirements and language.
- 5) The applicant will provide the following information:
 - a) Underwriting data for the current year, including payroll, audited financial statements, budget, and other financial data as requested;
 - b) Payroll (including W3 reports) information and volunteer hours for the previous five years;
 - c) Five years of most recent STOP reports (or year-end financial reports);
 - d) Loss history for the previous five years, excluding the most recent year;
 - e) Copy of agreement, if member participates in an alternative work program with any local law enforcement agency.
- 6) Based on a review of the information submitted by the applicant, CFSA staff will make its preliminary recommendation to the Board for acceptance into the program.
- 7) If the applicant is a county fair or is operated by a non-profit corporation under the auspices of a county and is approved to join the Workers' Compensation Program, CFSA staff will assist the fair in obtaining a certificate of consent to self-insure from the State Department of Industrial Relations, Office of Self-Insured Plans.
- 8) In reviewing all of the information provided by the applicant and through Risk staff analysis, CFSA may solicit review by the underwriter for CFSA's excess or reinsurance coverages to evaluate any specific coverage issues.
- 9) In review of all of the information provided by the applicant and through Risk staff analysis, CFSA may solicit a review and input from the CFSA Risk Advisory Committee.
- 10) When a county fair, including a fair operated by a non-profit corporation under the auspices of a County, is approved to participate in CFSA's General Liability and/or Workers' Compensation Programs, a resolution for joining CFSA and

execution of the Joint Exercise of Powers Agreement for CFSA will need to be approved by the pertinent County Board of Supervisors. In some circumstances and pursuant to statute, a non-profit corporation operating a County fair may enter into a contract directly with CFSA for risk pooling services.

- 11) Upon completion of the above requirements, CFSA's Board of Directors will consider the applicant's request to join or re-join CFSA and, if approved, will adopt a resolution accepting the applicant as a participant in the General Liability and/or Workers' Compensation risk pool programs of CFSA.

E. Underwriting Guidelines

Any prospective member, including existing members of the JEPA not participating in a particular Core Risk Pooling Program, must meet the following minimum underwriting guidelines:

- 1) Have a loss ratio calculated for the past three years that does not exceed the average loss ratio of the current program members; and
- 2) Demonstrate a commitment to support risk management and safety programs to control and prevent claims.

The CFSA Executive Director, with the approval of the Board, may waive requirement E (1) above if circumstances so warrant.

F. Rate Setting/Funding Requirements

The CFSA General Liability and Workers' Compensation Risk Pool Programs will be funded each year after completion of independent actuarial studies and rates will be approved by the CFSA Board of Directors. Rates are established based on multiple factors, including:

- Payroll exposure, including reported volunteer hours rated at the state hourly minimum wage
- Revenues
- Claims history and loss modification factors
- Excess insurance/reinsurance expenses
- Claims administration expenses
- Loss control expenses
- Overhead expenses
- Consideration of the financial position and targeted equity in the pools

G. General Liability Fees

- 1) A "Risk Exposure Fee" is set annually for each CFSA Fair Class. Each member is assigned a CFSA Fair Class according to Five-Year Average Revenue.

CFSA Fair Class	Five-Year Average Revenue	2018 Base Fee
1	\$0 - \$450,000	\$8,319 - \$11,896*
2	\$450,001 - \$900,000	\$21,961
3	\$900,001 - \$1,750,000	\$41,178
4	\$1,750,001 - \$3,500,000	\$67,715
5	\$3,500,001 - \$8,000,000	\$124,781
6	\$8,000,001 - \$15,000,000	\$176,358
7	>\$15,000,001	\$232,925

*Fee for San Benito Saddle Horse Show - \$8,319; Fee for 48th, 51st, and 52nd District Agricultural Associations (“DAAs”): \$9,983, as these members do not have fairground facilities; All Others - \$11,896.

- 2) The process of rewarding members for good loss history and assessing more to members with poorer loss history begins by accumulating all incurred losses for a five-year period, excluding the most recent loss year.
- 3) In order to evaluate loss history with an emphasis on frequency of claims rather than severity of claims, the value of an individual claim is limited or capped. The increasing cap levels help define the increasing risk exposures between fair classes.

(see chart next page)

CFSA Fair Class	Capped Value Per Claim
1	\$20,000
2	\$25,000
3	\$30,000
4	\$35,000
5	\$40,000
6	\$50,000
7	\$70,000

- 4) For each member, the sum of all fees paid for a five-year period, excluding the most recent year, is computed.
- 5) For each member, the Member Capped Loss Ratio (MCLR) is calculated by dividing the total incurred capped losses by the total fees paid for the same five-year period.
- 6) The Fair Industry Capped Loss Ratio is calculated by dividing the total incurred capped losses for all members by the total fees paid by all members for the same five-year period.
- 7) The Member Loss Modification Factor (MLMF) comes from the following table for 2018 which is used to reward members with a Member Capped Loss Ratio lower than the Fair Industry Capped Loss Ratio and to assess more to members with a loss ratio higher than the industry loss ratio. Each year the table is reviewed and entries are adjusted based on the Fair Industry Capped Loss Ratio. No member may have a lower MLMF than 85% and a higher MLMF than 160%.

(see chart next page)

Range of MCLR (%)	2018 MLMF
= > 0 - <= 5	85%
> 5 - <= 7.5	90%
> 7.5 - <= 10	95%
> 10 - <= 15	100%
> 15 - <= 20	110%
> 20 - <= 30	120%
> 30 - <= 40	130%
> 40 - <= 50	140%
> 50 - <= 60	150%
> 60 - <= 70	160%

- 8) For each member, the annual Fee is calculated by multiplying the Base Fee for that member's CFSA Fair Class by MLMF.
- 9) The Base Fees may be adjusted annually to ensure that total targeted funding is achieved.
- 10) In addition to the Annual Fee, an additional fee for auto liability coverage is added to the Annual Fee for those members that purchase optional auto liability coverage.

H. Workers' Compensation Fees

- 1) Each member supplies CFSA with annual W-3 or IRS Form 6559 wage information on the Workers' Compensation Reporting Form. This form is received by CFSA by the end of February of each year.
- 2) For members choosing to cover volunteers under the Workers' Compensation Program, volunteer hours by category are also reported on the Workers' Compensation Reporting Form. The volunteer payroll for each member is calculated by multiplying the total reported volunteer hours by the state minimum wage rate for that year.
- 3) The total estimated payroll for a member for that year is the sum of values for 1) and 2)

above.

- 4) The Member Base Fee (MBF) is calculated by multiplying the total estimated payroll by the Base Fee Rate expressed as a percentage.
- 5) The process of rewarding members for good loss history and assessing more to members with poorer loss history begins by accumulating all incurred losses for a five-year period, excluding the most recent loss year.
- 6) In order to evaluate loss history with an emphasis on frequency of claims rather than severity of claims, the values of individual claims are limited or capped as follows:
 - a. First two claims, by injury date, exceeding \$25,000: Capped at \$25,000
 - b. Third claim, by injury date, exceeding \$35,000: Capped at \$35,000
 - c. Fourth claim, by injury date, exceeding \$50,000: Capped at \$50,000
 - d. Every claim thereafter, by injury date, exceeding \$75,000: Capped at \$75,000
 - e. Known fraudulent claim: Capped at \$10,000
- 7) For each member, the sum of all fees paid for a five-year period, excluding the most recent year, is computed.
- 8) For each member, the Member Capped Loss Ratio (MCLR) is calculated by dividing the total incurred capped losses by the total fees paid for the same five-year period.
- 9) The Fair Industry Capped Loss Ratio is calculated by dividing the total incurred capped losses for all members by the total fees paid by all members for the same five-year period.
- 10) The Member Loss Modification Factor (MLMF) comes from the following table for 2018 which is used to reward members with a Member Capped Loss Ratio lower than the Fair Industry Capped Loss Ratio and to assess more to members with a loss ratio higher than the Fair Industry Capped Loss Ratio. Each year the table is reviewed and entries are adjusted based on the Fair Industry Capped Loss Ratio. No member may have a lower MLMF than 80% and a higher MLMF than 160%.

(see chart next page)

Range of MCLR (%)	2018 MLMF
= 0	80%
> 0 - <= 5	85%
> 5 - <= 10	90%
> 10 - <= 15	95%
> 15 - <= 20	100%
> 20 - <= 25	110%
> 25 - <= 30	120%
> 30 - <= 40	130%
> 40 - <= 50	140%
> 50 - <= 60	150%
> 60 - <= 70	160%

- 11) The Modified Member Base Fee is calculated by multiplying Member Base Fee by MLMF.
- 12) The prior year fee adjustment is calculated by comparing prior year estimated payroll, including volunteers, previously reported to CFSA, to the actual payroll, including volunteers.
- 13) For each member, the final annual Fee equals Modified Member Base Fee plus or minus the prior year fee adjustment.
- 14) The Base Fee Rate may be adjusted annually to ensure that total targeted funding is achieved.

I. Fee Assessments

The Joint Powers Agreement and agreements with individual participating members state that the Board of Directors has the authority to assess fees including assessing any deficiencies in fees collected for a previous policy year from its Member Entities and Participating Entities. The CFSA Board of Directors adopted an Equity Allocation Policy (2/6/19) to allow for an

assessment of participants in the Core Risk Pooling Programs if projected risk pool target equity for a policy year is below the target equity.

- 1) If it is determined by the Board of Directors, upon consultation with an actuary, that the joint insurance funds for a program in a policy year are insufficient to pay losses, to fund known estimated losses, and to fund estimated losses which have been incurred but not reported, the Board of Directors may impose an assessment on all participating entities.
- 2) The assessment assigned to each participating entity will be calculated by determining each participating entity's percentage of total fees paid in the deficit policy year and applying the same percentage to the amount to be paid by the participating entity of the assessed loss of the deficit policy year.

For example: The 2019 General Liability policy year is determined to be \$100,000 in deficit. Fair A paid 5% of the total General Liability pool contributions in the 2019 policy year. Therefore Fair A's assessment is 5% of the deficit (\$100,000) which equals \$5,000.

- 3) An entity that is no longer a participating entity in a risk pool program at the time of the assessment is determined, but which was a participating entity during the policy year(s) for which the assessment is made, shall pay such assessment in accordance with the CFSA Joint Exercise of Powers Agreement dated October 20, 2008, Section 11 (h), Section 20 (b), and Section 22 (c).

J. Periodic Review

The Underwriting Policy is hereby established as set forth above, and will be periodically reviewed by the CFSA Board of Directors at least once every three years. Under the review, the Board will consider:

- 1) Is the process adequately measuring the risks?
- 2) Is the process adequately allocating costs and expenses?

The Board hereby delegates the underwriting function as outlined in the Policy to the Executive Director, for the sole purpose of addressing underwriting issues.

Kelly Violini

From: Francesconi, Mike@CDFA <mike.francesconi@cdfa.ca.gov>
Sent: Wednesday, December 30, 2020 5:27 PM
To: Francesconi, Mike@CDFA; Diaz, Kathy@CDFA
Cc: Willson, Carrie@DGS; Carroll, Christopher@DGS
Subject: Insurance Coverage Limits – Temporary Waiver
Attachments: D2020-02 - Insurance Coverage Limits Final 5.18.20.pdf; sample CA fair-festival policy.pdf

To : DAA CEOs and Board Presidents

Subject: Insurance Coverage Limits – Temporary Waiver

The purpose of this email is to provide guidance regarding a six-month temporary waiver of procurement for General Liability insurance coverage with a minimum of twenty-five million dollars (\$25,000,000) per occurrence. This six-month waiver is for the period of January 1, 2021, through June 30, 2021, and is applicable to the following District Agriculture Associations:

- 7th DAA – Monterey County Fair
- 35th DAA – Merced County Fair
- 40th DAA – Yolo County Fair
- 52nd DAA – Sacramento County Fair

This waiver will allow these four DAA's to obtain general liability insurance through the Department of General Services Office of Risk and Insurance Management (ORIM) at a minimum level of six-million dollars (\$6,000,000) per occurrence and ten-million dollars (\$10,000,000) aggregate. This temporary waiver is in response to ORIM notifying CDFA that they were not able to secure a quote for twenty-five million dollars (\$25,000,000) per occurrence of general liability insurance as outlined in Circular Letter D2020-02.

The waiver period will allow ORIM an opportunity to see if they can receive a quote for twenty-five million dollars (\$25,000,000) per occurrence of general liability insurance. If ORIM does not receive a quote by April 15, 2021, these DAA's will need to take the necessary steps to join the California Fair Service Authority (CFSA) general liability insurance pool. CFSA generally requires at least two-months to enroll a new fair into the liability insurance pool and the next fiscal year period starts on July 1, 2021. Insurance plans terminated prior to the expiration date have a short rate provision where a certain percentage or minimum premium is kept by the insurance company (see page 3 of sample fair policy). Outside of that, there should not be any penalties for early termination.

If ORIM does receive a quote that meets the CDFA minimum insurance coverage requirements, then the DAA will be able to compare annual insurance premiums and choose either ORIM or CFSA to purchase liability insurance. These DAA's are required to acquire a general liability insurance policy that meets CDFA minimum standard at the soonest available time that this is available. If this requirement is not met, then any potential allocation of funds in 2021 will be withheld. The expectation is that your fair transition as soon as possible to an insurance policy that meets CDFA standards outlined in Circular Letter D2020-02.

Sincerely,

Mike

Mike Francesconi
Agriculture Program Supervisor II
CDFA Fairs and Expositions

MEMORANDUM
OFFICE OF THE GOVERNOR
GAVIN NEWSOM



ANN PATTERSON
Legal Affairs Secretary

TO: *All Agency Secretaries*
FROM: *Governor's Office of Legal Affairs*
RE: *Ethics Reminders During Election Contest*

As California prepares for a recall election, we'd like to provide agency secretaries and other agency appointees with the following reminders about engaging in campaign activities:

Don't use state resources for campaign activities. It is unlawful for any state employee to use—or even permit others to use—state resources for campaign activities, such as activities advocating for or against the recall.

- Violating the law can result in civil penalties, criminal prosecution, and permanent disqualification from holding any office in the state.

State time. Agency appointees are strictly prohibited from engaging in campaign activities on state-compensated time.

- Agency appointees may volunteer only on their personal, non-work time for campaign activities.
 - If you wish to engage in campaign activities during what would otherwise be normal working hours, you must take vacation or other applicable leave time.
 - Appointees who do not accrue leave time should only engage in campaign activities outside normal work hours or on weekends and holidays.

- Full-time agency appointees in particular should keep in mind that the state is currently in a state of emergency and responding to an unprecedented global pandemic. Above all else, they should prioritize the effective and efficient operation of state government in service to the People of California.
- If you are meeting with an external stakeholder for work, and they either mention that they've contributed to a political campaign or offer to contribute, it is best to immediately (and politely) remind the person that you are a state official who may not discuss campaign activities on state time, discontinue the meeting, and reschedule.

Other state resources. Agency appointees are strictly prohibited from engaging in campaign activities using state computers, smartphones or emails.

- Don't engage in campaign activities using a state-issued email account—even on a personal device.
- Don't engage in campaign activities using a state-issued computer or smartphone—even if using a personal email account.

Use of your office/title. Agency appointees must not create the impression that they are using their public offices or official titles on behalf of a political campaign.

- Agency appointees should not do anything that might be easily misconstrued as urging agency employees to vote in a specific way.

Donations/Fundraising. Agency appointees may donate to any campaign, so long as they comply with all legal requirements. However,

- Agency secretaries should generally refrain from soliciting donations or allowing their name to be used by others to solicit donations.

Questions? Please follow the guidance of agency counsel. Should you have further questions, please feel free to reach out to Chief Ethics Advisor Rei Onishi.



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

December 8, 2016

D2016-06

TO: District Agricultural Associations, CEOs

SUBJECT: Procurement of Insurance for DAA's

This letter is written to inform District Agricultural Associations (DAAs) that acquiring insurance services from commercial sources outside of the California Department of General Services (DGS) or the California Fair Services Authority (CFSA) is not an option. DAAs with existing private insurance policies should forward policy information to the Fairs & Exposition Branch for review and further direction.

Government Code section 11007.7(c)(4) restricts the sources from where DAAs may procure insurance (i.e., general liability and workers' compensation insurance). Accordingly, DAAs are required to obtain insurance coverage through either DGS or through the CFSA.

DGS provides insurance services through its Office of Risk and Insurance Management (ORIM) and, alternatively, CFSA is the Joint Powers Authority (JPA) that offers an insurance pool for fairs. Inquiries regarding purchasing insurance from either of these two entities should be directed to:

Carrie Willson
DGS – ORIM
707 3rd Street, MS 403
West Sacramento, CA 95605
(916) 376-5278
carrie.willson@dgs.ca.gov

Becky Bailey-Findley
CFSA
1776 Tribute Road, Suite 100
Sacramento, CA 95815
(916) 921-2213
baileyfindley@cfsa.org

If you have any questions regarding this requirement, please contact me.

Sincerely,

John Quiroz, Chief
Fairs & Expositions Branch

cc: Carrie Willson – ORIM
Becky Bailey-Findley - CFSA





CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE
Karen Ross, Secretary

Recommended Caution for California Rabbit Exhibitions

May 26, 2021

Dear Rabbit Exhibition Organizers and Managers:

This advisory is in response to numerous questions about the current risk of spreading rabbit hemorrhagic disease (RHD) via rabbits at fairs and shows. We are posting this advisory now because of the recent increase of disease spread in southern California and the United States, and the risks created by fairs and shows. We urge rabbit owners to prevent this devastating disease by practicing good biosecurity measures and limiting comingling with other rabbits and their owners. They should also avoid moving or sharing equipment which may serve to transfer virus. Rabbit owners who have experienced recent deaths in their rabbit colony should not attend shows or exhibitions.

Since March 2020, an outbreak of RHD has been spreading in wild and domestic rabbits in the southwestern United States and is now affecting 13 U.S. states. It was detected in southern California in May 2020 and has since been killing wild and/or domestic rabbits in seven Southern California counties: Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura.

Rabbit hemorrhagic disease is caused by a highly contagious and highly fatal calicivirus of rabbits and hares. The primary ways the disease spreads is by movement of infected or exposed rabbits, direct or indirect contact with infected wild and domestic rabbits, movement of rabbit carcasses by scavengers or predators, contamination of hay or feed by infected wild rabbits, or contact with virus on fomites (surfaces) such as hands, shoes, clothing, or feet and fur of rodents and other animals. Clinical signs of rabbit hemorrhagic disease include; sudden death, lethargy, inappetence, seizures/spasms, blood from the nose or other body orifices, difficulty breathing, and vocalization. For more information, please visit https://www.cdffa.ca.gov/AHFSS/Animal_Health/RHD.html

To support our disease containment efforts, the California State Veterinarian is recommending that all rabbit exhibitions practice good biosecurity and health screening of all participating rabbits. The cooperation of rabbit owners is critical in controlling this disease; when exposed rabbits are not moved and comingled, disease is prevented. *An exhibition is an assembly of rabbits brought to the assembly location for purposes that include public display for any duration. Exhibitions include, but are not limited to: sales, auctions, shows, swap meets, pet marts, fair exhibits, pet stores, and petting zoos. Public zoos are not included in this definition.*

Sincerely,

Dr. Annette Jones
State Veterinarian



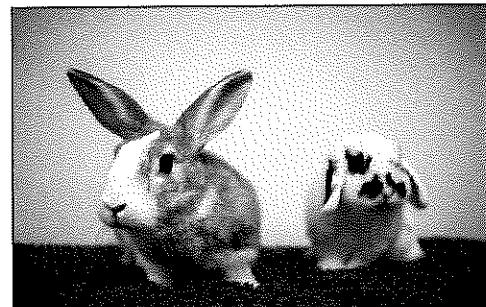


Rabbit Hemorrhagic Disease Risk Management: Advice for Rabbit Show Organizers

Biosecurity practices are always a good idea at shows, not just for rabbit hemorrhagic disease (RHD), but also to reduce the spread of more common contagious conditions such as snuffles (*Pasteurella*), mites, etc. The highest risk areas for RHD are those with infected feral, domestic or wild rabbits. We all have different levels of risk we are willing to accept; the most conservative participants will not take animals away from home or allow them to contact other animals. The following guidance is intended for those hosting shows.

Preventing Disease from Entering A Rabbit Show

- Managers must evaluate the disease risks and decide what control measures they should establish and enforce to prevent RHD entering and spreading during shows. Veterinarians should be consulted to help with these decisions.
- Show managers can decide to add additional requirements for exhibitors and rabbits before and during an event (e.g. restrictions based on home location of rabbits, RHDV2 vaccination, Certificate of Veterinary Inspection, or veterinary inspection on arrival).
- Keep up to date on current [ARBA](#) and California state [guidelines](#) for showing.
- Effective sanitation of equipment prior to holding a show requires two steps: cleaning and disinfection (See USDA C&D guidance, link [here](#).)



Cleaning

- Remove all organic debris from items to be disinfected (e.g. cages, feeding equipment, waterers, footwear, etc.). Items made of wood are best discarded or burned after use.
- Wash items thoroughly with soap and water; rinse well and let dry.
- Allow prolonged exposure to sunlight when possible.

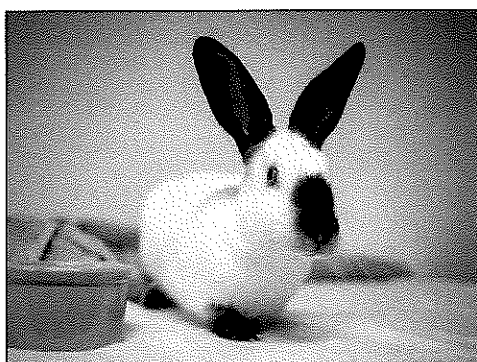
Disinfection

- Saturate equipment by submersion or spray with 10% household bleach (sodium hypochlorite), 1% Virkon ®-S (DuPont), or accelerated hydrogen peroxide (Rescue®)
- Check that you're using a disinfectant that will inactivate RHD virus on the specific surfaces that need cleaning (e.g. metal, cloth, etc.)
- Allow the disinfectant to sit on the surface for 10 minutes, then rinse and let dry before allowing animal contact.

Preventing Spread at the Event

- Clean show surfaces between animals. Show surfaces need to be made of material that can be easily disinfected. Carpet, fabric, and wood are much more difficult to disinfect than wire or smooth metal surfaces.
- Discourage participants from handling other people's rabbits. Do not share feed, water, or treats with other exhibitors.
- Feed, clean and water animals in a manner to minimize contact between staff, rabbits, and rabbit owners. We recommend each owner take care of their own rabbits; if not possible, set up waterers and feeders so they can be checked without handling cages.
- Obtain hay from areas unaffected by the RHD-outbreak and securely store to prevent contact with wild rabbits.
- Keep feed covered or in a container with a lid while at shows.

- Provide handwashing stations with soap and water or bathrooms near the show area to allow for frequent washing (hand sanitizer has not been proven to deactivate this virus).
 - All people touching or handling rabbits should wash their hands before, after, and between rabbits.
 - Show staff, clerks, and judges should minimize handling rabbits from different rabbitry households. They should thoroughly wash their hands with soap and water between touching rabbits belonging to different owners. When possible, they should wear short sleeves and avoid picking up or holding rabbits to avoid contamination of their clothing. Consider "hands-off" judging during the outbreak.
- Implement excellent vector control. Flies, rats, and birds are examples of animals that can move viruses around on their feet and body. Netting and fly traps may help.
- Reduce the public's contact with rabbits. Do not allow non-showing spectators into the rabbit areas. Fence off the show area and post signs to help communicate the need for increased biosecurity.
- Keep show rabbits in cages off the ground and do not allow nose-to-nose contact between rabbits in their cages or on the show table.
- Do not allow sharing of grooming stations, tools or show carpets; designate one per animal or rabbitry.



Controls after the show

- Clean and disinfect the show area immediately after the event.
- Allow a minimum of 18 days between different shows* hosted at the same venue.
- Encourage anonymous reporting of illness to your show office for 3 weeks after the show. Maintain communication with all attendees (list of e-mail addresses or cell phone numbers).

**We recommend keeping show events separate for 18 days, as individual shows will contain different animals from the original show, traveling from different regions with different exposure levels. Separating shows can prevent cross-contamination from animals or equipment, as well as provide adequate time for cleaning and disinfection. In this document, a "show" is an event that is hosted by a different organization with different exhibitors. (For example: A two-day rabbit show for the same animals may be acceptable but hosting a one-day "Open" show immediately followed by a county fair should be discouraged.)*

Before taking rabbits to shows in other states, check with the destination state for their rabbit entry-requirements, and check if your rabbits will be able to return from the show to California. Travel to RHD-affected states and contact with rabbits of unknown origin increases the risk of spreading RHD to domestic and wild rabbits in disease-free areas, even within a state with positive RHD-cases.

For further questions about preventing RHD spread at rabbit shows, please contact ahbfeedback@cdfa.ca.gov.

To report dead domestic rabbits, contact your local CDFA Animal Health Branch:

Animal Health and Food Safety Services Animal Health Branch

Headquarters - (916) 900-5002
 Redding District - (530) 225-2140
 Modesto District - (209) 491-9350
 Tulare District - (559) 685-3500
 Ontario District - (909) 947-4462

USDA-APHIS-VS - (916) 854-3950 or (877) 741-3690

For more information about RHD and biosecurity, visit:
https://www.cdfa.ca.gov/AHFSS/Animal_Health/RHD.html