

**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**Board of Directors**  
**Tuesday, September 7, 2010**

**MINUTES**

A meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.M., Tuesday, September 7, 2010. The meeting was hosted by the California Authority of Racing Fairs in the CARF board room located at 1776 Tribute Road, Suite 205, Sacramento, California.

CARF Board of Director members attending: John Alkire, Vince Agnifili, Norb Bartosik, Mike Paluszak and Rick Pickering. Joining by conference call: Kelly Violini.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Heather Haviland, Amelia White, Tom Doutrich, Louie Brown, Raechelle Gibbons, Mike Treacy, Rebecca Desmond, Lisa Drury, Debbie Cook, Chris Carpenter and Stuart Titus.

**Agenda Item 1 – Date, Time and Location of Next Meeting.** The next CARF Board & Live Racing Committee meetings will be held Monday, October 11, 2010 at the Big Fresno Fair, time to be determined.

**Agenda Item 2 – Approval of Minutes.** Mr. Pickering moved to approve the meeting minutes as presented. Mr. Paluszak seconded, unanimously approved.

**Agenda Item 3 – Report, Discussion and Action, if any, on Legislative Matters.** Mr. Brown reported that the 2009-2010 legislative session ended at midnight on August 31, 2010. SB 1072 (Calderon), which started as a CARF sponsored bill to extend the sunset of the California Marketing Committee (CMC), became a vehicle for the omnibus horse racing bill. The bill, in its final form, included a sunset extension for the CMC, a 2% increase in takeout for purses, authority for the CHRB to enter into agreements for exchange wagering and language to permanently relocate the Breeders' Cup to California. AB 2414 (Perez) was amended into a sunset for exchange wagering. Both bills are awaiting the Governor's signature.

Mr. Brown stated that he expect the implementation of mini-satellite wagering facilities and discussion of eliminating the protective radius for existing satellites to continue next session.

**Agenda Item 4 – Report, Discussion and Action, if any, on Revisions to CHRB Satellite Wagering Regulations.** Mr. Korby reported that the proposed revisions to the CHRB satellite wagering regulations are included in the meeting packet. The proposed changes are fairly minimal.

Mr. Korby stated that he does take issue with the requirement for satellites to provide a detailed promotional plan when the funding for satellite promotions has declined from 1% to the extremely limited funding provided through the CMC. A more realistic approach would be to recommend the CHRB require coordination between existing track promotions and outreach to satellites through those promotions.

Mr. Korby reported that CARF's existing review process for grading Fair satellites was more comprehensive than any process the CHRB was able to find nationally.

**Agenda Item 5 – Report, Discussion and Action, if any, on MAGNA Bankruptcy Settlement Negotiations.** Mr. Korby reported that the most current agreed upon settlement amounts from the MAGNA bankruptcy to Fair satellites was provided on a spreadsheet contained in the meeting packet. If this agreement holds, satellites will receive the full amount of statutory distributions owed to them versus the 38-41% that is expected for other secured creditors. Attorney fees will be deducted from the settlement amounts.

**Agenda Item 6 – Report, Discussion and Action, if any, on CARF Board Strategic Planning Conference.** Mr. Korby reported that it is his desire, and the desire of several board members, to hold a CARF strategic planning retreat facilitated by George Soares.

Mr. Pickering asked that each of the sub-committees provided updates at the retreat.

CARF staff will circulate potential dates for the retreat.

**Agenda Item 8 – Financials.** Mr. Alkire stated that financials were included in the meeting packet and Ms. Gibbons was in attendance to answer any questions.

**Agenda Item 7 – Executive Director's Report.** Mr. Korby reported that the Oak Tree Racing Association is going to enter into a two-year agreement to run the Oak Tree meet at Hollywood Park.

Santa Anita Park will be replacing their synthetic surface with a dirt surface.

Mr. Korby and Mr. Alkire have had three meetings with Frank Stronach and MAGNA has repeatedly expressed a desire to work with Fairs.

There will be a Northern California Stakeholders meeting at 10:00 a.m. in the CARF Conference Room to discuss racing dates in Northern California. The meeting will be available via conference call.

The CARF live racing website, [www.calfairs.com](http://www.calfairs.com), was updated and redesigned prior to the Stockton race meet.

Mr. Korby will be providing a cost/benefit evaluation of the CARF NTRA membership at the next meeting.

Respectfully submitted,  
Heather Haviland