

**CALIFORNIA AUTHORITY OF RACING FAIRS****Live Racing Committee****Tuesday, June 5, 2012****MINUTES**

A teleconference meeting of the California Authority of Racing Fairs Live Racing Committee was held at 11:00 A.M., Tuesday, June 5, 2012. The meeting was hosted at the California Authority of Racing Fairs Board Room, 1776 Tribute Road, Sacramento, California, 95815.

CARF Live Racing Committee members attending: John Alkire, Norb Bartosik and Stuart Titus. Joining by conference call: Janet Covello, Mike Paluszak and Tawny Tesconi.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Heather Haviland, Amelia White, Dave Elliott, Nate Dechoretz, Cindy Olsen, Tom Sawyer, Jim Morgan, Joe Morris, Richard Scheidt and Raechelle Gibbons. Joining by conference call: Dave Mogni, Jeff Farley and Darren Hansen.

**Agenda Item 1 – Date, Time and Location of Next Meeting.** The next CARF Live Racing Committee meeting will be held September 11, 2012 in Sacramento.

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

**Agenda Item 3 – Report, Discussion and Action, if any, on Legislation for 2012 and Beyond.** Item deferred to the CARF Board of Director's meeting at 12:30 p.m.

**Agenda Item 4 – Report, Discussion and Action, if any, on Racing Dates for 2013 and Beyond.** Mr. Korby introduced Joe Morris, General Manager of Golden Gate Fields, and stated that Mr. Morris and Mr. Scheidt were kind enough to travel to Sacramento to participate in a preliminary discussion regarding the 2013 Northern California racing calendar.

Mr. Morris stated that he arrived at Golden Gate Fields in October and hasn't had the opportunity to familiarize himself with historical calendars or dates planning procedures, but it seems to him that many funds and organization in California were set up years ago under different economic conditions (NCOTWinc., Stabling and Vanning Fund, etc.) . When looking at those programs through the lens of someone who has been tasked to make a Northern California racetrack financially viable, it's Mr. Morris' opinion that those models no longer work.

Mr. Morris stated that when looking at dates from a Golden Gate Fields management perspective, at macro level, the track is not profitable five months out of the year (June through October). The months that Golden Gate Fields is not racing live results in a financial loss.

Mr. Morris expressed a strong desire to work closely with Fairs to make the Fair circuit as strong as possible while getting Golden Gate Fields back to zero. Mr. Morris stated that Golden Gate Fields will be focusing efforts on an owner recruitment program that should benefit the entire north. Mr. Morris feels the track isn't short horses, its short owners. Mr. Korby added that it is important to maintain Golden Gate Fields as an anchor of Northern California racing and to recreate some of the synergies that were lost with the closure of Bay Meadows through a closer working relationship with the Fairs.

Mr. Korby asked Mr. Morris if he had considered strategic breaks in the racing calendar. Mr. Morris stated that his priority is to get the track back to profitability.

Mr. Swartzlander asked Mr. Morris how feedback has been regarding the synthetic surface at Golden Gate Fields. Mr. Morris responded that during his time at Golden Gate Fields the track has been improved tremendously by reactivating the involvement of Michael Dickinson and adjusting the maintenance with a more proactive strategy. The resulting injury/fatality statistics are down and better than most tracks in the country.

Mr. Korby asked Mr. Morris about September 2012 dates and if Golden Gate Fields would be open to considering a break from the time Del Mar closes to the opening of Stockton. Mr. Morris stated that he would look at the numbers. Mr. Scheidt stated that he thought September was a great time for a break and that there is currently too much racing in Northern California. Mr. Morris stated that the challenge for him is that September is already a "loser" for Golden Gate Fields and to remove those dates without including some other type of consideration would only worsen the financial situation.

Mr. Korby asked Mr. Morris for his initial position regarding the 2013 racing calendar. Mr. Morris stated that he would like to tweak the calendar to provide relief for the months with 8-10 live racing days (June, August, September and October). Mr. Morris stated that Golden Gate Fields needs to race 10-14 days per month to have a chance at breaking even. He would like to see 3-4 more days in June and 4-5 more days in each August and October. Mr. Morris stated that closing in July creates a significant financial loss with 1,100 horses stabled at the track.

Mr. Titus stated he would like to see the same type of date's arrangement in 2013 as in 2012, pending the results of the meet. Mr. Sawyer stated that he hopes that Stockton finds a successful home in September.

Mr. Korby thanked Mr. Morris and Mr. Scheidt for their participation and stated this was just the first of many conversations that would take place both within this group and with industry principals.

**Agenda Item 5 – Report, Discussion and Action, if any, on CHRB Racing License Applications.** Mr. Swartzlander reported that the Ferndale and Fresno applications are complete and

that the Ferndale application will be heard at the California Horse Racing Board meeting on June 21. The Stockton application is still in progress.

Mr. Alkire thanked Mr. Swartzlander for the extra time and efforts he spent on the Fresno application due to changes in Fair personnel.

**Agenda Item 6 – Report, Discussion and Action, if any, on Exchange Wagering.** Mr. Korby reported that exchange wagering is a hot topic discussion item in the racing industry and is on the agenda because it was possible that the CARF Live Racing Committee may have had a proposal to consider at this meeting. That has turned out not to be the case. There was a tentative agreement circulating that allowed for a limited duration pilot with a flat fee paid to associations and horsemen. That agreement went to the TOC for approval, per statute, and TOC decided to table any further discussions for another year.

Mr. Korby will keep the group informed when discussions on exchange wagering continue.

**Agenda Item 7 – Report, Discussion and Action, if any, on Planning for Summer Racing Operations.** Mr. Korby reported that staff is prepared for the 2012 racing season.

Mr. Swartzlander reported that we have commitments from trainers for 200 out-of-state horses.

Mr. Scheidt reported that he is working with CARF staff to develop a frequently asked question (FAQ) page for horsemen on [www.calfairs.com](http://www.calfairs.com).

**Agenda Item 8 – Executive Director’s Report.** Mr. Korby reported that we have a viable Triple Crown prospect in I’ll Have Another and Saturday should be a big day for the satellite network.

The CHRB approved a mini-satellite in Salinas and CARF staff will be working with Ms. Violini to have that new satellite operational by August.

The CHRB took action to restrict the use of Clenbuterol in Thoroughbred racehorses, an action that mirrors restrictions CARF and Quarter Horse representatives placed on the medication earlier in the year. The CHRB action will take effect during the 2012 Fair season.

Respectfully submitted,  
Heather Haviland