

CALIFORNIA AUTHORITY OF RACING FAIRS
Board of Directors
Tuesday, June 5, 2012

MINUTES

A teleconference meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.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 Board Members joining: John Alkire and Norb Bartosik. Joining by conference call: Chris Borovansky, Mike Paluszak and Kelly Violini.

Staff and Guests joining: Christopher Korby, Larry Swartzlander, Heather Haviland, Amelia White, Raechelle Gibbons, Nate Dechoretz, Stuart Titus, Cindy Olsen, Jim Morgan, Dave Elliott, Tom Sawyer, and Louie Brown. Joining by conference call: Janet Covello.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Board of Directors meeting will be scheduled for September 11, 2012 in Sacramento.

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

Agenda Item 3 – Report, Discussion and Action, if any, on Legislation for 2012 and beyond. Mr. Brown reported that today is Election Day; therefore goings-on at the Capitol are extremely quiet. Last Friday, June 1, 2012 was the deadline to move bills out of the house of origin, so a significant number of bills have swapped houses. The last day for policy committees to hear and report bills will be July 6, 2012.

CARF sponsored bills SB 1227 (Negrete McLeod), license fee relief bill, and SB 1418 (Berryhill), technical cleanup bill regarding dates restrictions, have passed out of the Senate and will be heard next in the Assembly G.O. Committee.

Bills of interest include Internet poker and sports wagering. The sports wagering bill, SB 1390 (Wright), is moving along smoothly primarily because the bill does nothing more than authorize California the ability to engage in sports book wagering if, and when, Federal law changes.

The more contentious bill is SB 1463 (Wright) regarding Internet poker. The bill was amended this morning and legislative staff is reviewing the new language. The bill is

scheduled to be heard in the Senate G.O. Committee next Tuesday due to the urgency clause. The intent of the new language was to change the position of some tribal interests. Since this bill has the ability to generate new revenue for California, it will receive careful consideration.

There are still ongoing conversations between CDFA and the Governor's Office regarding a Fair governance bill for District Agricultural Associations (DAAs). The intent of these conversations is to move decision making control of DAAs to the local level.

Mr. Dechoretz reported that F&E staff has been severely downsized and the restructuring of DAAs is necessary to allow the new staffing structure to function properly.

Mr. Borovansky asked Mr. Brown if there has been any discussion of California following New Jersey's path in defying the Federal ban on sports wagering. Mr. Brown said he had not heard anything of that manner, but that several states are watching New Jersey carefully.

Agenda Item 4 – Welcome to New Director Nate Dechoretz, Deputy Secretary of California Department of Food and Agriculture. Mr. Alkire thanked Mr. Dechoretz for joining the CARF Board of Directors and welcomed him to the group.

Agenda Item 5 – Report, Discussion and Action, if any, on Santa Clara County Fair Request for Return of Membership with CARF. Mr. Korby reported that the Santa Clara County Fair in San Jose has provided a written request to rejoin CARF. The Santa Clara County Fair was an original member of the joint-powers authority whose membership lapsed after bankruptcy proceedings. Mr. Korby stated that the Fair has established financial stability and this is a welcome request that he hopes is well-received by the Board of Directors.

Mr. Bartosik moved to accept the Santa Clara County Fair back into the CARF membership as a dues-paying member. Mr. Borovansky seconded, unanimously approved.

Agenda Item 6 – Report, Discussion and Action, if any, on Mini-Satellite Wagering Facility development. Mr. Korby reported that the CHRB approved Monterey County Fair's application to operate a mini-satellite wagering facility in Salinas. Mr. Korby thanked Ms. Violini for sticking with the lengthy and complicated application process. Ms. Violini thanked CARF staff for their help through the process and reported that they are currently finalizing logos and picking out carpet.

Mr. Korby reported that there are several mini-satellite prospects in discussion, including a site at Cow Palace.

Agenda Item 7- Financials. Mr. Korby reported that financials are included in the meeting packet.

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.

Respectfully submitted,
Heather Haviland