

**CALIFORNIA AUTHORITY OF RACING FAIRS****Board of Directors Meeting****Tuesday, May 7, 2013****MINUTES**

A teleconference meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.M., Tuesday, May 7, 2013. The meeting was hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: John Alkire and Rick Pickering. Joining by conference call: Chris Borovansky, Dan Jacobs and Kelly Violini.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Amelia White, Raechelle Gibbons, Anne Grottveit, Alan Aldrich, Cindy Olsen, Janet Lockhart, Randy Magee, Richard Conway, Tom Sawyer. Joining by conference call: Barbara Quaid.

**Agenda Item 1 – Date, Time and Location of Next Meeting.** The next CARF Live Racing Committee meeting will be held June 4, 2013 in Sacramento.

**Agenda Item 2 – Approval of Minutes.** Mr. Korby wanted the minutes to reflect that he was not present at the last meeting due to a death in his family. Mr. Jacobs moved to approve the meeting minutes with that change. Ms. Violini seconded, unanimously approved.

**Agenda Item 3 – Report, discussion and action, if any, on Legislative Program for 2013.** Mr. Brown's report was included on agenda 3 of the CARF Live Racing Committee Meeting.

AB 1074 (Adkins) Horse racing: statewide marketing organization. Mr. Brown reported this bill is similar to CARF's bill on the marketing committee. This is a place holder being moved through the process to address any issues that might occur if and when Hollywood Park stops racing. It's not likely that this bill will continue through the end of the process at a bill dealing with the CMC.

AB 1347 (Gray) Horse racing: out-of-state thoroughbred races: statewide marketing organization. Mr. Brown reported our bill which is dealing with the CMC and which is moving along. It passed out of the policy committee and referred to the appropriations committee. It has no cost and should get through the appropriation committee without any problems. Now we can focus on any larger issues with the CMC rather than pushing back it's sunset another five years.

Mr. Korby reported that he talked with Mr. Brown about also using this bill as a vehicle for language that allows for Horsemen and racing associations to agree that ADW commissions or purses may be used to supplement the 2.5 percent simulcast expense fund if this is not sufficient enough to pay the expenses for operating the satellite network. That provision expires at the end of this year and some are concerned about the sunset. Mr. Brown agrees that this would be a good

vehicle and he has with committee staff. Mr. Korby has talked to NCOTWINC board members and plans to follow up with the Southern California Representatives.

SB 190 (Wright) Sports Wagering. Mr. Brown reported that satellite wagering facilities continue to be included in this bill. Mr. Korby is tracking the Sports Wagering New Jersey bills and will keep everyone informed.

SB 398 (Galgiani) Horse racing: charity days: distribution of proceeds. Mr. Brown stated this bill would allow for revenues generated at charity days to be shared or allocated to non profits that benefit fairs. This bill is in the assembly and has passed the senate floor on a unanimous vote. This is a vehicle for us to use on an annual basis to create opportunities in the horseracing industry.

SB 741 (Canella) Mr. Brown reported Western Fairs governance bill has passed two policy committees, The Senate Agriculture Committee and The Senate Governmental Organization Committee. It was referred to the suspense file earlier this week in the senate appropriation committee. It has identified some costs that go hand in hand with shifting some responsibilities from the state to a district agriculture association. Mr. Brown stated that WFA/CFA are working with CARF, the Department of Finance and CDFA on those issues. CARF and CDFA continue to have discussions on use of the 1% license fee revenue that flows to the department. Mr. Brown is in the process of scheduling a meeting with Mr. Korby, Mr. Alkire, and himself to meet with CDFA.

Mr. Brown reported that the governor will issue the May revision to his budget Tuesday or Wednesday of next week. When it comes out he will let us know, but do not expect any additional cuts this time.

**Agenda Item 4 – Report, discussion, and action, if any, on planning and projections for 2013 Fair racing circuit.** Staff proposed to direct funds from San Mateo County Fair loan repayment funds towards a variance in projected racing expenses. Mr. Jacobs recommended the contingency be removed from the staff proposal and moved to approve the use of \$53,000.00 in unallocated funds from San Mateo County Fair loan repayment funds. Mr. Borovansky 2<sup>nd</sup> the motion. Motion carried.

**Agenda Item 5 – Report, Discussion and action, if any, on racing dates for 2014 and beyond.** Mr. Korby reported on the DRAFT racing calendars for 2014 and 2015 that were included in the meeting packet. After discussion Mr. Jacobs moved to approve support on the calendar scenarios shown below. Ms. Violini 2<sup>nd</sup> the motion. Motion carried with Mr. Pickering abstaining and Mr. Borovansky opposed.

## 2014

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| <ul style="list-style-type: none"><li>• June 18-July 6</li><li>• July 9-July 20</li><li>• Aug. 6-Aug. 17</li><li>• Sept. 17-Sept. 28</li><li>• Oct. 1-Oct. 13</li></ul> | <b>Alameda County Fair at Pleasanton</b><br><b>California State Fair</b><br><b>Humboldt County Fair</b><br><b>San Joaquin County Fair</b><br><b>Fresno District Fair</b> |
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## **2015 – Scenario A**

- June 24-July 19
- Aug. 5-Aug. 16
- Aug. 19-Sept. 7
- Sept. 23-Oct. 4
- Oct. 7-Oct. 18

**Alameda County Fair at Pleasanton**  
**Humboldt County Fair**  
**California State Fair**  
**San Joaquin County Fair**  
**Fresno District Fair**

## **2015 – Scenario B**

- June 17-July 5
- July 8-July 19
- August 5-August 16
- Sept. 23-Oct. 4
- Oct. 7-Oct. 18

**Alameda County Fair at Pleasanton**  
**California State Fair**  
**Humboldt County Fair**  
**San Joaquin County Fair**  
**Fresno District Fair**

### **Agenda Item 6 – Report, discussion, and action, if any, on development of Satellite**

**Wagering locations at Fair.** Satellite Wagering at Salinas is underway and operating. Ms. Violini reported they had a good day at the Kentucky Derby. Kern County Fair is discussing with CARF and NCOTWinc the development of a Satellite Facility in a card room as a joint venture with the fair and the card room in Bakersfield.

### **Agenda Item 7 – Financials.** – No questions.

**Agenda Item 8 – Executive Director's Report.** Mr. Korby reported there has been a new appointee to the CHRB, Mr. George Krikorian of Palos Verdes. Director Patrick O'Brien from Alameda County Fair has been appointed by the Governor of California to the CHRB.

A second letter was received from Sonoma County Fair requesting the use of CARF's paymaster. Ms. Grottveit is working on a response to this request. Legal counsel advised that any communication with Sonoma County Fair is to be directed to Mr. Korby and/or Counsel, Ms. Grottveit for an immediate review.

Meeting Adjourned

Respectfully submitted,  
Amelia White