

CALIFORNIA AUTHORITY OF RACING FAIRS
Board of Directors
Tuesday, December 16, 2014

MINUTES

A teleconference meeting of the California Authority of Racing Fairs (CARF) Board of Directors was held at 12:30 P.M., Tuesday, December 16, 2014. The teleconference meeting was hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Board Directors participating: John Alkire, Chris Borovansky, Chris Carpenter, Rick Pickering and Kelly Violini.

Staff and Guests participating: Christopher Korby, Larry Swartzlander, Heather Haviland, Amelia White, Raechelle Gibbons, Ann Grottveit, Louie Brown, Chris Carpenter, John Quiroz, Brian May and Steve Pierce.

Agenda Item 1 – Date, Time and Location of Next Meeting: February 3, 2015. The next CARF Board of Directors meeting will be held Tuesday, February 3, 2015 in Sacramento.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Approval of Minutes. Mr. Pickering moved to approve the meeting minutes as presented. Mr. Borovansky seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any, on CARF 2015 Legislative Program. Mr. Brown reported that the California legislators were sworn in and assumed office the first Monday in December. Legislative staff will be tasked with making introductions for the first part of the session as 75% of state Assembly has served two years or less and a number of new Senators have been elected. Legislators are currently on recess until Jan. 15, 2015.

Mr. Brown stated that a bill of note was introduced by Assemblymember Mike Gatto to initiate the framework needed to implement Internet poker. As written, the bill would only allow licenses for the tribal communities and existing card rooms. The current language does not discuss or give allowances for the horse racing industry to participate. Legislative staff will follow the bill closely and resume discussions when the legislature returns.

Mr. Brown reported that Assembly Speaker Toni Atkins announced the selection of committee chairs for the 2015-16 regular session. Assemblymember Adam Gray (D-Merced) is the new Chair of the Governmental Organization (G.O.) Committee. Assemblymember Gray

has a great relationship with his local fairs and will be a strong ally regarding fair and racing issues.

Mr. Korby reported that the proposed focus of the CARF 2015-16 legislative program would include ensuring that the racing industry is included in any legislation regarding Internet poker, addressing statute for Advanced Deposit Wagering (ADW) audits and obtaining increases to satellite wagering commissions which have not been addressed since 1987.

Mr. Borovansky moved to direct CARF staff to proceed with the legislative program as described. Mr. Carpenter seconded, unanimously approved.

Agenda Item 5 – Report, Discussion and Action, if any, on Agency Budget and Agenda. Mr. Korby reported 2015 CARF Agency Budget is included in the meeting packet. The budget is similar in structure to last year's budget and is reflective of changes in response to the elimination of project revenues and increases in live racing services.

Mr. Korby noted that the budget has been approved by the CARF Finance Committee and the CARF Live Racing Committee is recommending the live racing portion of the budget to the CARF Board of Directors for formal adoption.

Mr. Borovansky stated that Ms. Gibbons and Mr. Korby had been helpful in responding to some questions he had regarding the budget. He noted that the agency is drawing on its reserves this year and if projections are not met in 2015, the budget process and revenue streams should undergo serious review.

Mr. Borovansky moved to approve the 2015 CARF Agency Budget as presented. Ms. Violini seconded, unanimously approved.

Agenda Item 6 – Executive Director's Report. Mr. Korby reported that in November CARF staff announced nominations were open for three positions on the CARF Board of Directors. Nominations closed in early December and ballots are currently being collected. The CARF membership will be notified regarding the results of the election by mid-week.

Ms. Violini reported that CARF will be hosting a member reception during the WFA Convention in Reno on Tuesday, January 13, 2015 from 5:30 to 6:30 p.m. in Crystal Room 5. The Monterey County Fair will be supplying wine and hors d'oeuvres will be served. Mr. Korby stated that invitations would be distributed to the membership and encouraged fair managers and staff to attend.

Respectfully submitted,
Heather Haviland