



*a California joint powers agency*

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**NOTICE**  
**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**BOARD OF DIRECTORS MEETING**  
**JOHN ALKIRE, CHAIR**  
**12:30 P.M., WEDNESDAY, OCTOBER 14, 2015**

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Board of Directors will commence at 12:30 p.m., Wednesday, October 14, 2015. The meeting will be held at The Big Fresno Fair, 1121 S. Chance Avenue, Fresno, CA 93702.

Public and members of the California Authority of Racing Fairs Board of Directors may participate from the following locations:

Alameda County Fair  
4501 Pleasanton Ave.  
Pleasanton, CA 94566

California State Fair  
1600 Exposition Blvd.  
Sacramento, CA 95815

Antelope Valley Fair  
2551 West Ave. H, Suite 102  
Lancaster, CA 93536

Monterey County Fair  
2004 Fairground Road  
Monterey, CA 93940

The Big Fresno Fair  
1121 S. Chance Avenue  
Fresno, CA 93702

San Mateo County Fair  
2495 So. Delaware Street  
San Mateo, CA 94403



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**AGENDA**  
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**AGENDA**

- I. Date, time and location of next meeting.
- II. Public Comment.
- III. Approval of minutes.
- IV. Report, discussion and action, if any, on 2015 and 2016 Legislative Program.
- V. Update on Conversion of Statewide Totalisator Services.
- VI. Presentation of independent audit report for 2014 by representatives of Gilbert and Associates, CPA.
- VII. Discussion of Racing Industry Support for Satellite Wagering Facilities in the Network of California Fairs.
- VIII. Financials.
- IX. Executive Director's Report.

**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**Board of Directors**  
**Tuesday, June 2, 2015**

**MINUTES**

A teleconference meeting of the California Authority of Racing Fairs (CARF) Board of Directors was held at 12:30 P.M., Tuesday, June 2, 2015. The teleconference meeting was hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: John Alkire, Jerome Hoban, Dan Jacobs and Rick Pickering. Joining by teleconference: Chris Borovansky, Chris Carpenter and Kelly Violini.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Juliana Gomes, Raechelle Gibbons, Brian May, Richard Conway, John Quiroz and Richard Lewis.

**Agenda Item 1 – Date, Time and Location of Next Meeting: September TBD, 2015.** The next CARF Board of Directors meeting is tentatively scheduled for September location to be determined.

**Agenda Item 2 – Public Comment.** None.

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

**Agenda Item 4 – Report, Discussion and Action, if any, on CARF 2015 Legislative Program.** Mr. Korby reported that Assemblyman Adam Gray's Internet poker bill (AB 431), an untitled shell bill, is purposely devoid of language to keep the bill moving through the legislative process. AB 431 has passed through both the Assembly Governmental Organization Committee and the Assembly Appropriations Committee. Mr. Korby reported that the racing industry, card rooms and the tribal community are continuing extensive informal negotiations.

**Agenda Item 5 – Update on Statewide Totalisator Services.** Mr. Korby reported that preparations for converting California tracks and satellites to the new Totalisator provider, American Totalisator (Amtote), are underway. SCOTWINC and NOTWINC personnel, along with industry principals, are working closing with tracks and fairs to ensure a smooth transition. The exact date of commencement of services is still being worked out due to discrepancies in the Southern California racing calendar. CARF staff will communicate any updates or facility requirements as they are received.

**Agenda Item 6 – Report, Discussion and Action, if any, on Racing Dates for 2016 and Beyond.** Mr. Korby reported that the CARF Live Racing Committee had a lengthy discussion in the prior meeting regarding racing dates in 2016 and beyond due to the uncertainty of management decision and intentions at Golden Gate Fields. Stronach Group representatives had divulged very little information regarding the 2016 racing calendar, but stated that they will seek “quality summer dates” and may close the facility if they cannot secure the dates they request.

The CARF Live Racing Committee voted unanimously to authorize CARF staff to pursue a year-round racing calendar for Northern California that does not include Golden Gate Fields in anticipation of their potential closure. Mr. Korby stated that developing a Fair-only year round racing calendar will not influence ongoing 2016 negotiations, but does ensure that Fairs are exploring and preparing for every opportunity that might become available.

Mr. Pickering moved support the Live Racing Committee motion to authorize Mr. Korby to pursue a year-round racing calendar for Northern California that does not include Golden Gate Fields in anticipation of their potential closure. Mr. Hoban seconded, unanimously approved.

**Agenda Item 7 – Financials.** Mr. Alkire reported that financials are provided in the meeting packet and that Ms. Gibbons is available to answer any questions. Mr. Korby reported that all legal staff has been directed to flag all invoices specific to live racing so that those expenses can be billed appropriately, thereby addressing a concern raised by Mr. Borovansky in May. No further questions at this time.

**Agenda Item 8 – Executive Director’s Report.** Mr. Korby reported that the agenda for the upcoming CHRB Pari-Mutuel Operations Committee meeting at Los Alamitos in June includes satellite wagering facility inspections to be conducted by CHRB staff. CHRB staff requested a satellite inspection survey template that was previously developed and utilized by CARF staff. Though CARF staff was open to providing the template, possible political motivations for inspecting Fair satellites are concerning. The same meeting agenda also includes discussions regarding merging SCOTWINS and NCOTWINC, which is something CARF staff does not support.

Mr. Korby reported that the Hollywood Park grandstand was demolished on May 31.

**Agenda Item 9 – Executive Session (Personnel).** No reportable action was taken during the Executive Session.

Respectfully submitted,  
Heather Haviland

## CA Authority of Racing Fairs 10/2/2015

### [AB 9](#)

**(Gatto D) Gambling: Internet poker: unlawful gambling activity.**

**Current Text:** Introduced: 12/1/2014 [pdf](#) [html](#)

**Introduced:** 12/1/2014

**Status:** 7/8/2015-In committee: Set, first hearing. Hearing canceled at the request of author.

Desk	<b>Policy</b>	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Would authorize eligible entities to apply to the California Gambling Control Commission for a 10-year nontransferable license to operate an intrastate Internet poker Web site offering the play of authorized Internet poker games to registered players within California, as specified. The bill would require that the license be automatically renewed every 10 years upon application, as specified. The bill would prohibit the offer or play of any gambling game provided over the Internet that is not an authorized Internet poker game permitted by the state pursuant to this bill.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

### [AB 76](#)

**(Mathis R) Tribal gaming: regulatory costs.**

**Current Text:** Introduced: 1/5/2015 [pdf](#) [html](#)

**Introduced:** 1/5/2015

**Status:** 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 1/5/2015)

<b>2 year</b>	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Current federal law, the Indian Gaming Regulatory Act of 1988, provides for the negotiation and execution of tribal-state gaming compacts for the purpose of authorizing certain types of gaming on Indian lands within a state. The California Constitution authorizes the Governor to negotiate and conclude compacts, subject to ratification by the Legislature. This bill would make technical, nonsubstantive changes to these provisions. This bill contains other current laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

### [AB 167](#)

**(Jones-Sawyer D) Gambling: Internet poker: unlawful gambling activity.**

**Current Text:** Introduced: 1/22/2015 [pdf](#) [html](#)

**Introduced:** 1/22/2015

**Status:** 7/8/2015-In committee: Set, first hearing. Hearing canceled at the request of author.

Desk	<b>Policy</b>	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Would authorize eligible entities to apply for a 4-year license to operate an authorized poker Web site offering the play of authorized Internet poker games to registered players within California, as specified. The bill would require that the license be automatically renewed every 4 years upon application, as specified. The bill would prohibit the offer or play of any gambling game provided over the Internet that is not an authorized Internet poker game permitted by the state pursuant to these provisions.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

### [AB 431](#)

**(Gray D) Gambling: Internet poker.**

**Current Text:** Amended: 5/4/2015 [pdf](#) [html](#)

**Introduced:** 2/19/2015

**Status:** 6/5/2015-Failed Deadline pursuant to Rule 61(a)(8). (Last location was INACTIVE FILE on 6/1/2015)

Desk	Policy	Fiscal	<b>2 year</b>	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Would declare the Legislature's intent regarding the authorization of Internet poker within the borders of the state. The bill would require the Legislature, among other things, to include consumer protections for Californians in any Internet poker framework that may be adopted by the Legislature to authorize Internet poker in the state, to ensure that framework provides a fair share of revenue for the state, and to include strict standards in that framework to ensure that the Internet poker games are fair. The bill would also make related legislative findings and declarations.

Organization	Position	Priority	Assigned	Subject
CARF	Support			

**Notes 1:** April 24: KSC Letter delivered to author and committee

**AB 581**

**(Gomez D) State Facilities Renewal Bond Act of 2016.**

**Current Text:** Amended: 4/21/2015 [pdf](#) [html](#)

**Introduced:** 2/24/2015

**Status:** 4/29/2015-In committee: Set, second hearing. Hearing canceled at the request of author.

Desk	<b>Policy</b>	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Would enact the State Facilities Renewal Bond Act of 2016, which, if adopted by the voters at the June 7, 2016, statewide primary election, would authorize the issuance of bonds in the amount of \$2,000,000,000, pursuant to the State General Obligation Bond Law, to finance deferred maintenance on state-owned property, subject to appropriation by the Legislature in the annual Budget Act.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 650**

**(Perea D) Horse racing: thoroughbred racing: northern zone: auxiliary offsite stabling, training, and vanning.**

**Current Text:** Amended: 9/4/2015 [pdf](#) [html](#)

**Introduced:** 2/24/2015

**Status:** 9/8/2015-Read second time. Ordered to third reading. Re-referred to Com. on RLS. pursuant to Senate Rule 29.10 (c) .

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	<b>Floor</b>	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** The Horse Racing Law requires, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern zone, that an amount not to exceed 1.25% of the total amount handled by all of those satellite wagering facilities be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead distributed to an organization formed and operated by thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen, to administer a fund to provide reimbursement for offsite stabling at California Horse Racing Board-approved auxiliary training facilities for additional stalls beyond the number of usable stalls the association or fair is required to make available and maintain, and for the vanning of starters from these additional stalls on racing days for thoroughbred horses. This bill would increase the amount that is required to be deducted to an amount not to exceed 2%.

Organization	Position	Priority	Assigned	Subject
CARF	Support			

**Notes 1:** March 11: KSC Letter delivered to Author

May 1: KSC letter delivered to A/ Governmental Organization

**AB 701**

**(Garcia, Cristina D) Gaming.**

**Current Text:** Amended: 9/4/2015 [pdf](#) [html](#)

**Introduced:** 2/25/2015

**Status:** 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was G.O. on 9/4/2015)

Desk	Policy	Fiscal	Floor	Desk	<b>2 year</b>	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Would increase the membership of the Gaming Policy Advisory Committee from 10 to 12 members, and would instead require the committee to be composed of 5 representatives of controlled gambling licensees, 5 members of the general public, and 2 representatives from the Department of Justice.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1188**

**(Gipson D) Importation or sale of endangered animals.**

**Current Text:** Amended: 9/4/2015 [pdf](#) [html](#)

**Introduced:** 2/27/2015

**Status:** 9/4/2015-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

Desk	Policy	Fiscal	Floor	Desk	<b>Policy</b>	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

**Summary:** Current law makes it unlawful to import into the state for commercial purposes, to possess with intent to sell, or to sell within the state, the dead body or other part or product of specified endangered animals, including kangaroos. This bill would delete the prohibition on the importation, possession with the intent to sell, and selling within the state of kangaroos. This bill contains other

related provisions.

**Organization**      **Position**      **Priority**      **Assigned**      **Subject**  
CARF                      Watch

**AB 1282**      **(Gray D) Firefighters: disability.**

**Current Text:** Amended: 9/1/2015      [pdf](#)      [html](#)

**Introduced:** 2/27/2015

**Status:** 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was THIRD READING on 9/2/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

**Summary:** Current law makes a member of the Department of Justice falling within the "state peace officer/firefighter" class who is disabled by injury arising out of and in the course of his or her duties, he or she shall become entitled, regardless of his or her period of service with the Department of Justice, to a leave of absence while so disabled without loss of salary, in lieu of disability payments for a period of not exceeding one year. This bill would make all rank-and-file and supervisory firefighters employed by Department of Forestry and Fire Protection entitled to that benefit regardless of whether the firefighter is assigned by the department to a position in fire prevention, fire suppression, or other capacity.

**Organization**      **Position**      **Priority**      **Assigned**      **Subject**  
CARF                      Watch

**AB 1295**      **(Levine D) Craft distillers: licenses.**

**Current Text:** Enrollment: 9/25/2015      [pdf](#)      [html](#)

**Introduced:** 2/27/2015

**Status:** 9/25/2015-Enrolled and presented to the Governor at 2 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

**Summary:** Would allow the craft distiller's licensee to sell distilled spirits to specified consumers, to own interests in on-sale retail licenses, and to sell beer, wines, brandies, and distilled spirits to consumers for consumption on the premises of a bona fide eating place, as provided. The bill would impose an original fee and an annual renewal fee for the license, which would be deposited in the Alcohol Beverage Control Fund. This bill contains other related provisions and other existing laws.

**Organization**      **Position**      **Priority**      **Assigned**      **Subject**  
CARF                      Watch

**AB 1355**      **(Gray D) Gaming: Tribal Nation Grant Fund.**

**Current Text:** Introduced: 2/27/2015      [pdf](#)      [html](#)

**Introduced:** 2/27/2015

**Status:** 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was G.O. on 3/23/2015)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

**Summary:** Would specify that the Tribal Nation Grant Fund reflects a vision of facilitating the development of tribal institutions and improving the quality of life of tribal people throughout the state. This bill contains other existing laws.

**Organization**      **Position**      **Priority**      **Assigned**      **Subject**  
CARF                      Watch

**AB 1421**      **(Linder R) Gambling Control Act.**

**Current Text:** Introduced: 2/27/2015      [pdf](#)      [html](#)

**Introduced:** 2/27/2015

**Status:** 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/27/2015)

2 year	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

**Summary:** Current law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission. The willful failure to pay the required license fee is a crime. This bill would make technical, nonsubstantive changes to that provision.

**Organization**      **Position**      **Priority**      **Assigned**      **Subject**  
CARF                      Watch

**AB 1539**      **(Committee on Governmental Organization) Horse racing: advance deposit wagering: deductions and distributions: jockey retirement plan.**

**Current Text:** Introduced: 3/26/2015 [pdf](#) [html](#)

**Introduced:** 3/26/2015

**Status:** 5/29/2015-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/27/2015)

Desk	Policy	2 year	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** The Horse Racing Law requires that the method used to calculate the reduction in proportionate share be approved by the board and deducted and distributed in specified amounts, including 50% of the money to the California Horse Racing Board to establish and to administer jointly with the organization certified as the majority representative of California-licensed jockeys, a defined contribution retirement plan for California-licensed jockeys who retired from racing on or after January 1, 2009. This bill would provide that a person becomes a participant in the retirement plan when he or she is licensed as a jockey in California.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**[AB 1540](#) (Gray D) Tribal gaming: compact ratification.**

**Current Text:** Enrollment: 9/16/2015 [pdf](#) [html](#)

**Introduced:** 3/26/2015

**Status:** 9/16/2015-Enrolled and presented to the Governor at 4 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would ratify the tribal-state gaming compact entered into between the State of California and the Santa Ynez Band of Mission Indians, executed on August 26, 2015. The bill would provide that, in deference to tribal sovereignty, certain actions are not projects for the purposes of CEQA. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF				

**[ACR 74](#) (Bigelow R) California Fairground Appreciation Month**

**Current Text:** Chaptered: 6/26/2015 [pdf](#) [html](#)

**Introduced:** 5/18/2015

**Status:** 6/26/2015-Chaptered by Secretary of State - Chapter No. 82

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** This measure would designate June 2015 as California Fairground Appreciation Month and commend the directors, volunteers, staff, local agencies, and nonprofits, as well as the Californians who support and attend fairground events.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**[SB 135](#) (Berryhill R) Gambling.**

**Current Text:** Introduced: 1/22/2015 [pdf](#) [html](#)

**Introduced:** 1/22/2015

**Status:** 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was RLS. on 2/5/2015)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** The Gambling Control Act provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Department of Justice. Current law makes related findings and declarations. This bill would make technical, nonsubstantive changes to these provisions.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**[SB 187](#) (Hall D) Horse racing: out-of-state thoroughbred races: Wood Memorial.**

**Current Text:** Amended: 4/21/2015 [pdf](#) [html](#)

**Introduced:** 2/9/2015

**Status:** 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 9/10/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Under the Horse Racing Law, the total number of thoroughbred races imported by



associations or fairs on a statewide basis under these provisions are required to not exceed 50 per day on days when live thoroughbred or fair racing is being conducted in the state, with the exception of specified prescribed races. This bill would also exempt from the 50 imported race-per-day limitation, races imported that are part of the race card of the Wood Memorial.

**Organization**      **Position**                      **Priority**                      **Assigned**                      **Subject**  
 CARF                      Watch

**SB 221**      **(Jackson D) State public employees: sick leave: veterans with service-related disabilities.**

**Current Text:** Enrollment: 9/8/2015      [pdf](#)      [html](#)

**Introduced:** 2/12/2015

**Status:** 9/8/2015-Enrolled and presented to the Governor at 4:30 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	<b>Enrolled</b>	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would enact the California Wounded Warriors Transitional Leave Act. The bill would grant a state officer or employee who is a military veteran hired on or after January 1, 2016, with a military service-connected disability rated at 30% or more by the United States Department of Veterans Affairs an additional credit for sick leave with pay of up to 96 hours for the purpose of undergoing medical treatment for his or her military service-related disability.

**Organization**      **Position**                      **Priority**                      **Assigned**                      **Subject**  
 CARF                      Watch

**SB 278**      **(Hall D) Gambling: Internet poker.**

**Current Text:** Amended: 6/15/2015      [pdf](#)      [html](#)

**Introduced:** 2/19/2015

**Status:** 6/15/2015-From committee with author's amendments. Read second time and amended. Re-referred to Com. on G.O.

Desk	<b>Policy</b>	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would authorize the operation of an Internet poker Web site within the borders of the state. The bill would require the California Gambling Control Commission, in consultation with the Department of Justice, to promulgate regulations for intrastate Internet poker. The bill would require those regulations to include, but not be limited to, a licensing process for an individual or entity to become an operator of an Internet poker Web site and rules for the operation of an Internet poker Web site. This bill contains other related provisions.

**Organization**      **Position**                      **Priority**                      **Assigned**                      **Subject**  
 CARF                      Watch

**SB 280**      **(Stone R) Public employees: compensation.**

**Current Text:** Amended: 4/15/2015      [pdf](#)      [html](#)

**Introduced:** 2/19/2015

**Status:** 5/1/2015-Failed Deadline pursuant to Rule 61(a)(2). (Last location was P.E. & R. on 4/15/2015)

Desk	<b>2 year</b>	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Current law requires the Controller, in conformity with an accounting system prescribed by the Department of Finance, to install and operate a uniform state payroll system for state agencies. This bill would require the Controller, as part of the development and implementation of a new uniform state payroll system on and after January 1, 2016, to include in the design of the system an Internet Web site portal that allows a state employee to view and print his or her pay warrant electronically.

**Organization**      **Position**                      **Priority**                      **Assigned**                      **Subject**  
 CARF                      Watch

**SB 374**      **(Hueso D) Local agency design-build projects: transit districts.**

**Current Text:** Enrollment: 9/16/2015      [pdf](#)      [html](#)

**Introduced:** 2/24/2015

**Status:** 9/16/2015-Enrolled and presented to the Governor at 4:45 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	<b>Enrolled</b>	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would specify that the definition of a local agency authorized to use the design-build method of project delivery includes the San Diego Association of Governments. The bill would define projects, as it pertains to the San Diego Association of Governments, to include development projects adjacent, or physically or functionally related, to transit facilities developed by the association.

**Organization**      **Position**                      **Priority**                      **Assigned**                      **Subject**  
 CARF                      Watch

[SB 399](#)**(Hall D) Tidelands and submerged lands: City of Los Angeles.****Current Text:** Enrollment: 9/11/2015 [pdf](#) [html](#)**Introduced:** 2/25/2015**Status:** 9/11/2015-Enrolled and presented to the Governor at 10:45 p.m.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Current law grants to the City of Los Angeles all the right, title, and interest of the State of California in and to all tidelands and submerged lands situated below the line of mean high tide of the Pacific Ocean within the boundaries of the city in trust for specified purposes, including promotion of commerce, navigation, and fishery, and for certain uses relating to those purposes. This bill would authorize the City of Los Angeles to grant franchises and permits on, or leases of, those lands for those specified purposes for limited terms, not exceeding 66 years.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 650](#)**(Hall D) California Gambling Control Commission: records.****Current Text:** Amended: 4/8/2015 [pdf](#) [html](#)**Introduced:** 2/27/2015**Status:** 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was G.O. on 6/1/2015)

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Current law, the Gambling Control Act, establishes the California Gambling Control Commission. Current law requires the commission to keep a record of all proceedings at its regular and special meetings and a record of all applications for licenses under the Gambling Control Act, and to make these records open to public inspection. This bill would require the commission to make these records open to public inspection during normal business hours.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 692](#)**(Vidak R) Gambling: California Gambling Control Commission.****Current Text:** Amended: 6/16/2015 [pdf](#) [html](#)**Introduced:** 2/27/2015**Status:** 8/28/2015-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. on 7/9/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Would prohibit a member of the California Gambling Control Commission, the executive director, the chief, and any employee of the commission or department, for a period of 2 years after leaving office or terminating employment, from holding a direct or indirect interest in, holding employment with, representing, appearing for, or negotiating on behalf of, a gambling establishment. By creating a new crime, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 777](#)**(Lara D) Gambling Control Act: corporations.****Current Text:** Amended: 4/6/2015 [pdf](#) [html](#)**Introduced:** 2/27/2015**Status:** 9/11/2015-Failed Deadline pursuant to Rule 61(a)(14). (Last location was INACTIVE FILE on 8/20/2015)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	2 year	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:** Existing law, the Gambling Control Act, provides for the licensure and regulation of various legalized gambling activities and establishments by the California Gambling Control Commission and the investigation and enforcement of those activities and establishments by the Department of Justice. This bill would specify that information on the extent of the remuneration as compensation for services of specified individuals includes bonuses. The bill would require supplying information on the amount of remuneration to persons other than directors and officers in excess of \$95,000. The bill would also require the corporation to supply in its information a copy of its annual federal income tax return within 30 business days after that return is filed.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

Total Measures: 25

Total Tracking Forms: 25

AMENDED IN SENATE SEPTEMBER 4, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 650**

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**Introduced by Assembly Member Perea**

February 24, 2015

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An act to amend ~~Section 19596.2~~ *Sections 19607.2 and 19607.3* of the Business and Professions Code, relating to horse ~~racing~~ *racing*, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 650, as amended, Perea. ~~Horse racing: out-of-state thoroughbred races: Blue Grass Stakes.~~ *Horse racing: thoroughbred racing: northern zone: auxiliary offsite stabling, training, and vanning.*

(1) *The Horse Racing Law requires, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern zone, that an amount not to exceed 1.25% of the total amount handled by all of those satellite wagering facilities be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead distributed to an organization formed and operated by thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen, to administer a fund to provide reimbursement for offsite stabling at California Horse Racing Board-approved auxiliary training facilities for additional stalls beyond the number of usable stalls the association or fair is required to make available and maintain, and for the vanning of starters from these additional stalls on racing days for thoroughbred horses.*

*This bill would increase the amount that is required to be deducted to an amount not to exceed 2% and would provide that this amount, if*

*adjusted by the board, may be a different percentage of the handle for different associations and fairs but only if all the associations and fairs agree to the differing percentages. The bill would establish an auxiliary offsite stabling and training facility and vanning program for thoroughbred races in the northern zone. The bill would revise and recast the provisions governing the organization formed and operated to administer the fund to include, among other things, a 50-50 percentage allocation of specified voting interests on the board of the organization, the use of funds to pay the organization's expenses and compensate the provider of a board-approved auxiliary facility for offsite stabling and training of thoroughbred horses in the northern zone, and the requirement that the organization submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year.*

*The bill would also require that the funds be used to cover all or part of the cost of vanning thoroughbred horses in the northern zone from a board-approved auxiliary offsite stabling and training facility and would authorize the organization to enter into multiyear contracts for auxiliary facilities in the northern zone subject to specified conditions. The bill would authorize the organization to use the funds to pay back commissions, purses, and owners' premiums to the extent that the deductions made exceed in any year the amount of the funds necessary to achieve the objectives of the organization. The bill would also authorize a thoroughbred racing association or fair in the northern zone to opt out of the auxiliary offsite stabling and training facility and vanning program, as specified. The bill would provide that the board shall reserve the right to adjudicate any disputes that arise regarding costs, or other matters, relating to the furnishing of offsite stabling, training, or vanning, as specified.*

*(2) By expanding the provisions of the Horse Racing Law, a violation of which is a crime, the bill would create new crimes and would thereby impose a state-mandated local program.*

*(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

*(4) This bill would declare that it is to take effect immediately as an urgency statute.*

~~The Horse Racing Law authorizes a thoroughbred racing association or fair to distribute the audiovisual signal and accept wagers on the results of out-of-state thoroughbred races conducted in the United States during the calendar period the association or fair is conducting a race meeting, including days on which there is no live racing being conducted by the association or fair, without the consent of the organization that represents horsemen and horsewomen participating in the race meeting and without regard to the amount of purses. Under that law, the total number of thoroughbred races imported by associations or fairs on a statewide basis under these provisions are required to not exceed 50 per day on days when live thoroughbred or fair racing is being conducted in the state, with the exception of prescribed races, including races imported that are part of the race card of the Kentucky Derby, the Kentucky Oaks, the Preakness Stakes, the Belmont Stakes, the Jockey Club Gold Cup, the Travers Stakes, the Arlington Million, the Breeders' Cup, the Dubai Cup, the Arkansas Derby, the Apple Blossom Handicap, or the Haskell Invitational.~~

~~This bill would exempt from the 50 imported race per day limitation, races imported that are part of the race card of the Blue Grass Stakes.~~

~~Vote: majority <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~ yes.~~

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 19607.2 of the Business and Professions  
 2     Code is amended to read:  
 3     19607.2. Notwithstanding Section 19605.8, when satellite  
 4     wagering is conducted on thoroughbred races at associations or  
 5     fairs in the northern zone, an amount not to exceed ~~1.25~~ 2 percent  
 6     of the total amount handled by all of those satellite wagering  
 7     facilities, shall be deducted from the funds otherwise allocated for  
 8     distribution as commissions, purses, and owners' premiums and  
 9     instead distributed to an organization formed and operated by  
 10    thoroughbred racing associations, fairs conducting thoroughbred  
 11    racing, and the organization representing thoroughbred ~~horsemen,~~  
 12    ~~with each party having meaningful representation~~ *horsemen and*  
 13    *horsewomen, for use pursuant to Section 19607.3. A vote of the*  
 14    *organization representing thoroughbred horsemen and*  
 15    *horsewomen shall constitute 50 percent of all voting interests on*  
 16    the board of the ~~organization, to administer, pursuant~~ *organization*

1 ~~formed and operated to supervision of administer the board, a fund~~  
2 ~~to provide reimbursement for offsite stabling at board-approved~~  
3 ~~auxiliary training facilities of fund. The other 50 percent of all~~  
4 ~~voting interests shall be allocated among thoroughbred racing~~  
5 ~~associations or and fairs for additional stalls beyond the number~~  
6 ~~of usable stalls the association is required to make available and~~  
7 ~~maintain pursuant to Section 19535, conducting thoroughbred~~  
8 ~~racing in a manner that provides meaningful representation on~~  
9 ~~the governing board of the organization for starter fees~~  
10 ~~thoroughbred racing associations and for the vanning of starters~~  
11 ~~from these additional stalls on race days for thoroughbred horses.~~  
12 ~~fairs conducting thoroughbred racing, except as provided in~~  
13 ~~subdivision (h) of Section 19607.3.~~

14 *SEC. 2. Section 19607.3 of the Business and Professions Code*  
15 *is amended to read:*

16 19607.3. (a) ~~The Notwithstanding Section 19535, the funds~~  
17 ~~distributed to the organization formed pursuant to Section 19607.2~~  
18 ~~shall be used to reimburse racing associations that are operating~~  
19 ~~offsite stabling providing additional stalls pay the organization's~~  
20 ~~expenses and compensate the provider of a board-approved~~  
21 ~~auxiliary offsite facility for stabling, training, and vanning of~~  
22 ~~thoroughbred horses in the northern zone. The organization~~  
23 ~~administering the auxiliary offsite stabling and training facility~~  
24 ~~and vanning program shall submit its proposed financial and~~  
25 ~~operational plans for the incremental increase in operating costs~~  
26 ~~directly resulting from providing the stabling, upcoming calendar~~  
27 ~~year to the board for review no later than November 1 of the~~  
28 ~~preceding year. Neither the organization administering the~~  
29 ~~auxiliary offsite stabling and training facility and vanning program~~  
30 ~~nor any of the entities forming and operating the organization,~~  
31 ~~except the entity operating the auxiliary offsite stabling and~~  
32 ~~training facility where the injury occurred, shall be liable for any~~  
33 ~~injury to any jockey, exercise person, owner, trainer, or any~~  
34 ~~employee or agent thereof, or any horse occurring at any auxiliary~~  
35 ~~offsite stabling and training facility.~~

36 (b) ~~The funds shall also be used to reimburse horsemen for cover~~  
37 ~~all or part of the cost of vanning starting thoroughbred horses~~  
38 ~~from a board-approved auxiliary training facility operated by a~~  
39 ~~racing association or fair offsite stabling and training facility to~~  
40 ~~the track conducting the racing meeting. Horsemen may use carriers~~

1 of their own choice, except that to start in a thoroughbred race at  
2 a thoroughbred or fair racing meeting in the amount northern  
3 zone. The organization shall determine the extent of reimbursement  
4 to horsemen is limited to the amount and manner in which  
5 compensation will be paid for thoroughbred horses that the  
6 organization determines is generally charged by carriers for  
7 vanning are vanned from the auxiliary training facility to the track  
8 or the fair conducting the thoroughbred or fair racing meeting.  
9 Neither the organization administering the auxiliary offsite stabling  
10 and training facility and vanning program nor any of the entities  
11 forming and operating the organization, except the an entity  
12 actually engaged in vanning horses, is liable for any injury  
13 occurring to any individual or horse during vanning from an offsite  
14 stabling and training facility.

15 (c) The training auxiliary offsite stabling and training facilities  
16 and the amenities provided for offsite stabling and training  
17 purposes shall be substantially equivalent in character to those  
18 provided during by the thoroughbred racing meetings of  
19 association or fair conducting the association racing meeting.

20 (d) In order to ensure the long-term availability of facilities for  
21 offsite stabling and training, the organization may enter into  
22 multiyear contracts for auxiliary facilities in the northern zone.  
23 The organization shall submit to the board for its approval the  
24 multiyear contracts that it enters into with providers of auxiliary  
25 facilities for offsite stabling and training. Contracts not  
26 disapproved by the board within 60 days of submittal to the board  
27 shall be deemed to have been approved by the board.

28 (e) At the request of the board, the organization shall submit a  
29 report detailing all of its receipts and expenditures over the prior  
30 two fiscal years and, upon request of any party within the  
31 organization, those receipts and expenditures shall be audited by  
32 the board.

33 (d) Upon the request of any party within the organization, the  
34 board shall adjudicate any dispute regarding costs, or other matters  
35 relating

36 (f) In addition to the furnishing uses of offsite stabling or  
37 vanning. The board may, if necessary, appoint an independent  
38 auditor to assist the funds described in the resolution of disputes.  
39 The auditor shall be reimbursed from the subdivisions (a) and (b),

1 *the organization may use the funds for both of the organization.*  
2 *following:*

3 ~~(e) The organization may maintain~~

4 *(1) Maintain a reserve fund of up to 10 percent of the total*  
5 *estimated annual vanning and auxiliary offsite stabling and training*  
6 *facility costs. In addition to the reserve fund, if the funds generated*  
7 *for the auxiliary offsite stabling and training facilities and vanning*  
8 *are insufficient to fully reimburse racing associations or fairs for*  
9 *expenses incurred during cover the offsite vanning and stabling*  
10 *program, expenses incurred, the organization may may, in the*  
11 *future, accumulate sufficient funds to fully reimburse cover those*  
12 *associations or fairs for those expenses.*

13 *(2) Pay back commissions, purses, and owners' premiums to*  
14 *the extent the deductions made pursuant to Section 19607.2 exceed*  
15 *in any year the amount of funds necessary to achieve the objectives*  
16 *of the organization.*

17 ~~(f)~~

18 *(g) The amount initially deducted and distributed to the*  
19 *organization shall be 0.5 percent of the total amount handled by*  
20 *satellite wagering facilities authorized under this article in the*  
21 *northern zone on thoroughbred racing, but that allocation may*  
22 *pursuant to Section 19607.2 may, at the request of the organization,*  
23 *be adjusted by the board, in its discretion. However, the adjusted*  
24 *amount may not exceed 1.25 2 percent of the total amount handled*  
25 *by satellite wagering facilities, facilities. The amount deducted*  
26 *and distributed to pay expenses the organization as adjusted by*  
27 *the board may be a different percentage of the handle for different*  
28 *associations and maintain fairs conducting thoroughbred racing*  
29 *meetings in the reserve fund for northern zone, but only if all the*  
30 *continuing support of associations and fairs agree to the program.*  
31 *differing percentages.*

32 *(h) A thoroughbred racing association or fair in the northern*  
33 *zone that is able to provide the minimum number of stalls required*  
34 *by its racing meeting license without the use of any auxiliary offsite*  
35 *stabling and training facility and vanning program may opt out*  
36 *of that program, in which case the deduction described in Section*  
37 *19607.2 shall not apply during the live racing meeting conducted*  
38 *by the association or fair until such time as the association or fair*  
39 *opts back into the auxiliary offsite stabling and training facility*  
40 *and vanning program. Any thoroughbred racing association or*



1 fair in the northern zone that opts out of the auxiliary offsite  
2 stabling and training facility and vanning program shall not have  
3 any voting interest therein until such time as the association or  
4 fair opts back into the program. The organization shall establish  
5 reasonable procedures and timelines for the giving of notice to  
6 the organization by a thoroughbred racing association or fair that  
7 elects to opt out of the auxiliary offsite stabling and training facility  
8 and vanning program.

9 (i) The board shall reserve the right to adjudicate any disputes  
10 that arise regarding costs, or other matters, relating to the  
11 furnishing of offsite stabling, training, or vanning. Notwithstanding  
12 any other law, the board shall maintain all powers necessary and  
13 proper to ensure that offsite stabling, training, and vanning, as  
14 provided for in this article, is conducted in a manner that protects  
15 the public and serves the best interests of horse racing.

16 SEC. 3. No reimbursement is required by this act pursuant to  
17 Section 6 of Article XIII B of the California Constitution because  
18 the only costs that may be incurred by a local agency or school  
19 district will be incurred because this act creates a new crime or  
20 infraction, eliminates a crime or infraction, or changes the penalty  
21 for a crime or infraction, within the meaning of Section 17556 of  
22 the Government Code, or changes the definition of a crime within  
23 the meaning of Section 6 of Article XIII B of the California  
24 Constitution.

25 SEC. 4. This act is an urgency statute necessary for the  
26 immediate preservation of the public peace, health, or safety within  
27 the meaning of Article IV of the Constitution and shall go into  
28 immediate effect. The facts constituting the necessity are:

29 At current levels, there are insufficient funds to maintain an  
30 auxiliary offsite stabling and training facility and vanning program  
31 at racing meetings of thoroughbred horses conducted by  
32 thoroughbred racing associations or fairs. Therefore, in order to  
33 raise sufficient funds before the winter thoroughbred horse racing  
34 season begins, it is necessary that this act take effect immediately.

35 SECTION 1. Section 19596.2 of the Business and Professions  
36 Code is amended to read:

37 19596.2. (a) ~~Notwithstanding any other law and except as~~  
38 ~~provided in Section 19596.4, a thoroughbred racing association~~  
39 ~~or fair may distribute the audiovisual signal and accept wagers on~~  
40 ~~the results of out-of-state thoroughbred races conducted in the~~

1 United States during the calendar period the association or fair is  
2 conducting a race meeting, including days on which there is no  
3 live racing being conducted by the association or fair, without the  
4 consent of the organization that represents horsemen and  
5 horsewomen participating in the race meeting and without regard  
6 to the amount of purses. Further, the total number of thoroughbred  
7 races imported by associations or fairs on a statewide basis under  
8 this section shall not exceed 50 per day on days when live  
9 thoroughbred or fair racing is being conducted in the state. The  
10 limitation of 50 imported races per day does not apply to any of  
11 the following:

12 (1) Races imported for wagering purposes pursuant to  
13 subdivision (e).

14 (2) Races imported that are part of the race card of the Kentucky  
15 Derby, the Kentucky Oaks, the Preakness Stakes, the Belmont  
16 Stakes, the Jockey Club Gold Cup, the Travers Stakes, the  
17 Arlington Million, the Breeders' Cup, the Dubai Cup, the Arkansas  
18 Derby, the Apple Blossom Handicap, the Blue Grass Stakes, or  
19 the Haskell Invitational.

20 (3) Races imported into the northern zone when there is no live  
21 thoroughbred or fair racing being conducted in the northern zone.

22 (4) Races imported into the combined central and southern zones  
23 when there is no live thoroughbred or fair racing being conducted  
24 in the combined central and southern zones.

25 (b) Any thoroughbred association or fair accepting wagers  
26 pursuant to subdivision (a) shall conduct the wagering in  
27 accordance with the applicable provisions of Sections 19601,  
28 19616, 19616.1, and 19616.2.

29 (e) No thoroughbred association or fair may accept wagers  
30 pursuant to this section on out-of-state races commencing after 7  
31 p.m., Pacific standard time, without the consent of the harness or  
32 quarter horse racing association that is then conducting a live racing  
33 meeting in Orange or Sacramento Counties.

**-ADVISORY-**

**AMTOTE INTERNATIONAL TOTALIZATOR SERVICE CONVERSION**

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We're providing this advisory to update all interested parties about the pending statewide conversion of totalizator companies providing service in California. As many of you already know, the contract with Sportech, Inc. the current totalizator vendor in California, is set to expire at the close of business on Sunday, October 25, 2015.

During the three days following October 25, the new totalizator company, **Amtote International**, will be installing new tote equipment at all race tracks and satellite wagering locations throughout California. Northern California Off-Track Wagering, Inc. (NCOTWINC) and Southern California Off-Track Wagering, Inc. (SCOTWINC) will be managing the installations in close cooperation with CARF, with individual racing associations and with **AmTote** installation teams.

The upcoming tote conversion will require different cabinet and carpentry modifications at each location. Extensive planning and site surveys have already been undertaken in order to assess the work required and to coordinate with local, on-site maintenance personnel. In Northern California, NCOTWINC personnel and California Authority of Racing Fairs (CARF) consultants have been conducting on-site visits with maintenance and carpentry personnel at each of the Northern satellite locations over the past month. Technical personnel from **Amtote International**, who will be installing the new equipment at each location, have also been present during these site surveys in order to meet and coordinate with local, on-site personnel.

We're now entering the late stages of the installation planning process. More detailed installation information will be on its way shortly. Specific site location surveys with window-by-window modification requirements and window configuration models for each satellite location have been compiled. These will be distributed to the appropriate personnel at each location.

Further information will also be sent regarding the arrival schedule of Amtote installation personnel and equipment at your location. In case you may need additional information about the installation at your location, a list of key personnel and their contact information is attached. Northern California sites may contact Bryan Wayte or Doug Gooby at any time; Southern Cal sites may contact George Haines at SCOTWInc.

As always, thanks for your help and cooperation.

September 25, 2015

# NORTHERN CALIFORNIA CONTACT LIST

FOR

## AMTOTE CONVERSION

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Bryan Wayte – General Manager NCOTWINC – Office (510) 559-7360, Cell (925) 766-4141

Doug Gooby – Mutuel Manager NCOTWINC – Office (510) 559-7306, Cell (510) 316-8584

Larry Swartzlander – Chief Operating Officer CARF – Cell (916) 799-7084

Roger Riley – Lead Construction Consultant CARF – Cell (916) 663-1950

Web Burrier – California Installation Manager Amtote – Cell (410) 302-9192

Ronald “Rob” Robinson – Northern California Installation Manager Amtote – Cell (410) 808-1339

# SOUTHERN CALIFORNIA CONTACT LIST

FOR

## AMTOTE CONVERSION

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George Haines – General Manager SCOTWINC – Office (626) 574-6428,  
Cell (626) 278-5215

Bill Navarro – Mutuel Manager Del Mar – Office (858) 794-1194

Randy Hartzell – Mutuel Manager Santa Anita – (626) 574-6427

Web Burrier – California Installation Manager Amtote – Cell (410) 302-9192



**CALIFORNIA AUTHORITY OF RACING FAIRS  
BALANCE SHEET  
June 30, 2015**

<b>ASSETS</b>	<b>CURRENT YTD</b>	<b>PRIOR YTD</b>
	<b>06/30/15</b>	<b>06/30/14</b>
<b>Current Assets</b>		
CASH - LAIF & INVESTMENTS	1,852,506	1,869,073
CASH - OPERATING/MM	245,300	582,542
CASH - TRUST & TOC	580,821	690,839
MARKETABLE SECURITIES	1,070,145	1,435,120
A/R - DUES	33,448	18,000
A/R - PROGRAMS	25,696	54,516
A/R - RACING FAIRS & SETTLEMNT	965,492	137,606
A/R - OTHER A/R	88,040	30,217
PREPAIDS/DEPOSITS	54,502	30,863
OPEB ASSETS	125,122	126,118
<b>Total Current Assets</b>	<b>5,041,071</b>	<b>4,974,893</b>
<b>Fixed Assets</b>		
AUTOMOBILE	20,687	37,440
FURNITURE & EQUIPMENT	0	0
COMPUTER HARDWARE/SOFTWARE	1,701	2,422
TRACK EQUIPMENT	0	50,078
<b>Total Fixed Assets (Net of Depr.)</b>	<b>22,388</b>	<b>89,941</b>
<b>TOTAL ASSETS</b>	<b>5,063,459</b>	<b>5,064,834</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>Current Liabilities</b>		
A/P & WITHHOLDINGS	671,960	773,284
COMPENSATED LEAVE ACCRUALS	117,821	121,851
A/P - PROGRAM ROYALTIES TO HOST	36,283	50,592
RACING DISTRIBUTIONS	553,301	(164,890)
PURSES	452,127	560,814
TRACK SAFETY/MAINT.	(80,689)	58,981
HORSEMENS RECRUITMENT PROGRAMS	3,521	13,696
LOU-5 - SYMPOSIUM	3,805	3,805
REV GEN PROJECT FUNDS	459,121	475,866
AUGMENTATION FUNDS	619,564	616,526
<b>Total Current Liabilities</b>	<b>2,836,813</b>	<b>2,510,526</b>
<b>Non-Current Liabilities</b>		
CHANGE FUND	1,014,000	1,014,000
FAIRS - EQUIP REPLACEMENT FUNDS	698,881	1,067,409
<b>Total Non-Current Liabilities</b>	<b>1,712,881</b>	<b>2,081,409</b>
<b>TOTAL LIABILITIES</b>	<b>4,549,694</b>	<b>4,591,936</b>
<b>Net Assets</b>		
FUND EQUITY	554,770	617,606
F&E Net Assets	0	50,078
NET INCOME/LOSS	(41,005)	(194,785)
<b>Total Net Assets</b>	<b>513,765</b>	<b>472,898</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>5,063,459</b>	<b>5,064,834</b>



**California Authority of Racing Fairs  
Agency Income Statement  
June 30, 2015**

	<b>2013 Year End Actual</b>	<b>2014 Year End Actual</b>	<b>2013 Jan-June YTD</b>	<b>2014 Jan-June YTD</b>	<b>2015 Jan-June YTD</b>	<b>2015 Annual Budget</b>	<b>2015 Budget Variance</b>	<b>2015 % Budget</b>
<b>Revenue:</b>								
Other Revenue/OPEB trust Reimb	22,060	78,208	20,030	60,090	16,900	35,000	(18,100)	48%
Interest Income	(713)	8,229	(9,444)	5,388	5,708	2,500	3,208	228%
Member Dues	246,963	234,370	127,380	117,185	120,782	234,368	(113,586)	52%
CARF South Prog Admin Fee	16,259	14,608	8,924	7,935	6,452	15,000	(8,548)	43%
CARF Live Racing Agency Allocation	109,733	157,410	27,428	23,612	34,408	252,326	(217,918)	14%
<b>Total Revenue</b>	<b>400,936</b>	<b>493,212</b>	<b>174,318</b>	<b>214,209</b>	<b>184,251</b>	<b>539,194</b>	<b>(354,943)</b>	<b>34%</b>
<b>Expenses:</b>								
Salaries	201,085	176,783	84,279	84,356	86,396	182,513	96,117	47%
Employee Benefits	16,864	20,619	13,612	10,618	9,945	19,960	10,015	50%
Post Retirement Benefits	40,220	41,671	18,540	22,588	16,890	36,175	19,285	47%
Payroll Taxes	18,183	18,223	4,502	9,967	8,179	19,648	11,469	42%
Accounting Costs	16,395	16,250	8,125	8,125	11,587	16,250	4,663	71%
Audit Services	9,485	6,775	4,900	5,375	4,000	6,775	2,775	59%
Automobile Expense	218	1,267	36	118	4,080	3,000	(1,080)	136%
Contracted Services	9,071	4,222	8,824	4,162	1,015	9,500	8,485	11%
Depreciation	20,170	19,135	10,191	9,681	9,187	17,748	8,561	52%
Dues & Subscriptions	2,949	2,367	1,517	1,571	1,212	3,000	1,788	40%
Insurance Expense	47,930	50,883	23,348	25,657	0	50,950	50,950	0%
Legal Expenses	72,642	62,286	53,130	38,485	10,223	50,000	39,777	20%
Legislative Expenses	56,617	45,479	27,965	22,829	22,753	45,000	22,247	51%
Meetings Expense	2,730	1,360	1,676	1,360	1,728	3,000	1,272	58%
Misc. (Ag Day Sponsor)	349	499	131	155	726	500	(226)	145%
Office Supplies	24,815	24,405	9,394	12,882	10,379	25,000	14,621	42%
Postage & Shipping	2,693	3,161	1,162	1,519	444	3,600	3,156	12%
Rent (Tribute Road)	35,770	35,770	17,885	17,885	17,885	45,478	27,593	39%
Repairs & Maintenance	0	0	0	0	0	500	500	0%
Telephone Expense	8,592	8,375	4,191	4,099	4,458	10,000	5,542	45%
Training	0	369	0	0	313	1,000	687	31%
Travel Expense	15,188	18,609	3,944	6,518	4,893	17,000	12,107	29%
<b>Total Expenses</b>	<b>601,964</b>	<b>558,508</b>	<b>297,351</b>	<b>287,949</b>	<b>226,292</b>	<b>566,598</b>	<b>340,306</b>	<b>40%</b>
<b>Agency Income (Loss)</b>	<b>(201,028)</b>	<b>(65,296)</b>	<b>(123,033)</b>	<b>(73,740)</b>	<b>(42,041)</b>	<b>(27,404)</b>	<b>(14,637)</b>	
<b>Southern Prog Income (Loss)</b>	<b>3,510</b>	<b>2,461</b>	<b>1,526</b>	<b>1,519</b>	<b>1,036</b>	<b>2,500</b>	<b>(18,560)</b>	
<b>Total Bal Sheet Net Income (Loss)</b>	<b>(197,518)</b>	<b>(62,836)</b>	<b>(121,507)</b>	<b>(72,221)</b>	<b>(41,005)</b>	<b>(24,904)</b>	<b>(33,198)</b>	



**California Authority of Racing Fairs  
Southern Region Income Statement  
June 30, 2015**

	2013	2014	2013	2014	2015	2015	2015	2015
	Year End	Year End	Jan-June	Jan-June	Jan-June	Annual	Budget	% Budget
	Actual	Actual	YTD	YTD	YTD	Budget	Variance	
<b>Program Revenue:</b>								
Program Sales	221,902	195,769	118,971	106,787	87,656	200,000	(112,344)	44%
Other Revenue	0	0	0	0	0	0	0	0%
Royalties/Fees Due Host	(202,133)	(178,700)	(108,522)	(97,333)	(80,168)	(182,500)	102,332	44%
<b>Total Revenue</b>	<b>19,769</b>	<b>17,069</b>	<b>10,450</b>	<b>9,454</b>	<b>7,488</b>	<b>17,500</b>	<b>(10,012)</b>	<b>43%</b>
<b>Expenses:</b>								
Legal Expenses	0	0	0	0	0	0	0	0%
Meetings Expense	0	0	0	0	0	0	0	0%
Misc Exp.(Storage)	0	0	0	0	0	0	0	0%
Office Supplies	0	0	0	0	0	0	0	0%
Paper Expense	0	0	0	0	0	0	0	0%
Postage & Shipping	0	0	0	0	0	0	0	0%
Printing Supplies	0	0	0	0	0	0	0	0%
Rent & Utility Expenses	0	0	0	0	0	0	0	0%
Repairs & Maintenance	0	0	0	0	0	0	0	0%
Telephone Expense	0	0	0	0	0	0	0	0%
Travel Expense	0	0	0	0	0	0	0	0%
<b>Total Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
Operating Income (Loss)	19,769	17,069	10,450	9,454	7,488	17,500	(10,012)	43%
CARF Admin Fee	16,259	14,608	8,924	7,935	6,452	15,000	8,548	43%
Rebate								
<b>Income (Loss)</b>	<b>3,510</b>	<b>2,461</b>	<b>1,526</b>	<b>1,519</b>	<b>1,036</b>	<b>2,500</b>	<b>(18,560)</b>	<b>41%</b>





**California Authority of Racing Fairs  
Revenues Generated and Paid through CARF  
Race Recap Report**

<b>2015 Race Meet</b>	<b>Pleasanton</b>	<b>Sacramento</b>	<b>Humboldt</b>	<b>Stockton</b>	<b>Fresno</b>	<b>Total</b>
Tote Handle						\$0
ADW Handle						\$0
All Handle Total	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>REVENUE:</u></b>						
Takeout						0
Programs						0
Summarized Revenues						0
ADW (California & Exports)						0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>EXPENSES:</u></b>						
2015 Circuit Billing						0
2015 Jan-June Billbacks						0
2015 July-September Billbacks						0
2015 Oct-December Billbacks						0
Racetrack Maintenance						0
Relocation Costs						0
<b>Total Track Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Revenues Generated and Paid through CARF</b>						
<b>Total Purses Revenue</b>						
<b>Total Track Commissions Revenue</b>						
<b>TOTAL PURSES/FAIR COMMISSIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**California Authority of Racing Fairs  
Live Racing Income Statement  
June 30, 2015**

	2013=43 days <b>2013</b> Year End Actual	2014=40 days <b>2014</b> Year End Actual	2013 Jan-June YTD	2014 Jan-June YTD	2015=44 days <b>2015</b> Jan-June YTD	<b>2015</b> Annual Budget	<b>2015</b> Budget Variance	<b>2015</b> % Budget
<b>Revenues:</b>								
Reimb. From Live Racing Fairs	1,013,148	1,048,080	376,312	294,046	399,039	1,111,494	(712,455)	36%
<b>Operating Expenses:</b>								
Salaries	407,250	348,075	174,841	150,673	167,264	367,001	199,737	46%
Employee Benefits	66,112	44,137	31,892	22,101	23,164	44,667	21,504	52%
Payroll Taxes	33,228	35,988	11,535	18,226	20,297	39,770	19,473	51%
Accounting Costs	49,186	48,761	24,628	24,380	32,700	48,750	16,050	67%
Audit Services	17,615	20,325	9,100	16,125	12,000	20,325	8,325	59%
Automobile Expense	54	2,718	0	811	179	1,000	821	18%
Dues & Subscriptions, NTRA	0	0	0	0	0	0	0	0%
Insurance Expense	0	0	0	0	0	0	0	0%
Legal Expenses	0	0	0	0	0	5,000	5,000	0%
Meetings Expense	1,109	242	734	101	532	2,000	1,469	27%
Misc. Exp (Storage,Bank fee)	37	12	0	12	0	0	0	0%
Telephone Expense	4,547	4,982	2,311	1,989	3,387	5,000	1,613	68%
Travel Expense	38,090	34,423	3,582	4,356	5,852	35,000	29,148	17%
<b>Sub-Totals</b>	<b>617,227</b>	<b>539,664</b>	<b>258,623</b>	<b>238,774</b>	<b>265,374</b>	<b>568,513</b>	<b>303,139</b>	<b>47%</b>
<b>Racing Support Services:</b>								
Announcer	0	33,387	0	4,495	4,825	40,530	35,705	12%
Condition Bk/Program Cover	23,412	26,560	3,598	6,181	5,986	25,000	19,014	24%
Racing Operations Support	54,323	65,326	37,208	41,130	46,527	65,000	18,473	72%
TC02 Testing	5,235	7,040	0	500	0	6,500	6,500	0%
Marketing/Web Devel	331	236	84	60	60	1,000	940	6%
Network Management	0	0	0	0	0	0	0	0%
Paymaster Operations	6,292	6,285	2,914	3,743	2,178	6,500	4,322	34%
Program Production	128,370	145,411	244	22,607	4,697	150,000	145,303	3%
Racing Office System	26,995	28,969	4,636	5,988	1,447	30,000	28,553	5%
Recruitment	1,862	1,562	0	270	508	15,000	14,493	3%
Jumbo Screen	68,850	68,850	30,600	30,600	30,600	70,000	39,400	44%
Supplies	10,737	12,573	1,447	334	929	13,000	12,071	7%
Tattooing	11,741	10,867	5,712	7,329	8,171	15,000	6,829	54%
Timing/Clocker	0	13,120	0	2,909	1,888	18,740	16,852	10%
Transportation	1,700	1,250	0	0	0	3,500	3,500	0%
TV Production/Simulcast	53,206	64,040	17,650	31,500	24,000	60,000	36,000	40%
RTM ALLOCATION (TRANS.&MAINT)	73,689	73,689	0	0	0	73,689	73,689	0%
RTM SUPPORT COSTS	0	47,553	0	20,193	1,850	49,523	47,673	4%
<b>Sub-Totals</b>	<b>466,744</b>	<b>606,718</b>	<b>104,092</b>	<b>177,837</b>	<b>133,665</b>	<b>642,982</b>	<b>509,317</b>	<b>21%</b>
<b>Total Gross Expenses</b>	<b>1,083,971</b>	<b>1,146,381</b>	<b>362,715</b>	<b>416,611</b>	<b>399,039</b>	<b>1,211,495</b>	<b>812,456</b>	<b>33%</b>
Augmentation LRF	52,457	73,689	0	0	0	75,000	(75,000)	0%
NCOTWINC Reimbursement	25,000	25,000	0	0	0	25,000	(25,000)	0%
<b>Total Net Expenses</b>	<b>1,006,514</b>	<b>1,047,692</b>	<b>362,715</b>	<b>416,611</b>	<b>399,039</b>	<b>1,111,494</b>		

**Christopher Korby**

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**From:** "Olsen, Debbie" <DEBBIE.OLSEN@santaanita.com>  
**To:** <undisclosed-recipients:>  
**Sent:** September 14, 2015 4:11 PM  
**Subject:** STRONACH GROUP NAMES JOE MORRIS SENIOR VICE PRESIDENT OF WEST COAST OPERATIONS  
**STRONACH GROUP NAMES JOE MORRIS SENIOR VICE PRESIDENT OF WEST COAST OPERATIONS, HIGHLY RESPECTED RACING EXEC TO STEP DOWN AS TOC PRESIDENT, EFFECTIVE NOVEMBER 9**



(Sept. 14, 2015)—The Stronach Group announced today that Joe Morris has accepted the position of Senior Vice President of West Coast Operations for the Stronach Group, effective Nov. 9, 2015. Morris will step down as President of the Thoroughbred Owners of California (TOC) at that time.

As Senior Vice President of West Coast Operations, Morris will oversee operations at Santa Anita Park, Golden Gate Fields and San Luis Rey Training Center, and will report directly to Keith Brackpool, Chairman of West Coast Operations. In addition to his experience as President of the TOC since 2013, Morris previously served as General Manager of Golden Gate Fields and Vice President of Operations and Sales for the Stronach Group from 2011 to 2013.

“We are so very pleased to welcome Joe Morris back to the Stronach Group,” said Brackpool. “Joe is an invaluable member of the California racing industry, and as we both further develop our facilities and our racing experience here in California, we believe this appointment will allow for

continued growth and success for all involved.”

“I am very proud of the accomplishments of TOC board and staff and the direction the organization has taken over the last two and a half years,” said Morris. “It has been a very productive and rewarding time for me,” he added, “but I’m excited at the opportunity to work with the Stronach Group again. I look forward to working with Keith and having the chance to advance two of California’s iconic racetracks and the greatest racing in the country.”

TOC Chairman Mike Pegram noted, “We have made great strides over the past couple of years and are indebted to Joe for his unrelenting efforts, which have resulted in numerous benefits for our owners and the industry in general. Although he will be greatly missed, we are fortunate that Joe will continue to play an important role in California racing.”

"The Stronach Group is North America’s leading Thoroughbred racetrack owner/operator. The Stronach Group racetracks include Santa Anita Park, Gulfstream Park & Casino, Golden Gate Fields, Portland Meadows, Laurel Park and Pimlico Race Course, home of the world-famous Preakness. The company owns and operates the Palm Meadows Training Center in Florida, the San Luis Rey Downs Training Center in California and is one of North America's top race horse breeders through its award- winning Adena Springs operation. The Stronach Group is one of the world's largest suppliers of pari-mutuel wagering systems, technologies and services. Its companies include AmTote, a global leader in wagering technology; XpressBet, an internet and telephone account wagering service; and Monarch Content Management, which acts as a simulcast purchase and sales agent of horseracing content for numerous North American racetracks and wagering outlets.”

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# Calendar for year 2016 (United States)

January						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February						
Su	Mo	Tu	We	Th	Fr	Sa
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

March						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

May						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
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July						
Su	Mo	Tu	We	Th	Fr	Sa
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31						

August						
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September						
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October						
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November						
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December						
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25	26	27	28	29	30	31

# Calendar for year 2017 (United States)

January						
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29	30	31				

February						
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March						
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April						
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May						
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June						
Su	Mo	Tu	We	Th	Fr	Sa
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25	26	27	28	29	30	

July						
Su	Mo	Tu	We	Th	Fr	Sa
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30	31					

August						
Su	Mo	Tu	We	Th	Fr	Sa
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20	21	22	23	24	25	26
27	28	29	30	31		

September						
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
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29	30	31				

November						
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19	20	21	22	23	24	25
26	27	28	29	30		

December						
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						