

CALIFORNIA AUTHORITY OF RACING FAIRS  
Board of Directors  
Tuesday, November 6, 2018

MINUTES

A concurrent meeting of the California Authority of Racing Fairs (CARF) Board of Directors and Live Racing Committee was held at 11:00 A.M., Tuesday, November 6, 2018. The meeting was hosted at the CFSA Conference Room, 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: John Alkire, Jerome Hoban and Dana Stoehr. Joining by conference call: Richard Conway and Kelly Violini.

CARF Live Racing Committee attending: John Alkire and Jerome Hoban. Joining by conference call: Richard Conway.

Staff and Guests attending: Larry Swartzlander, Tom Doutrich, Heather Haviland, Juliana Gomes, Ann Grottveit, John Quiroz, Abe Andrade and Armando Carlos. Joining by conference call: Cody Boyles, Allen Aldrich and Caroline Titus.

**Agenda Item 1 – Date, Time and Location of Next Meeting.** The next CARF Board of Directors meeting is scheduled for December 4, 2018 in Sacramento.

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

**Agenda Item 3 – Approval of Minutes.** {ACTION} Ms. Stoehr moved to approve the June 20, June 29 and July 5, 2018 CARF Board of Directors & Live Racing Committee concurrent meeting minutes as presented. Mr. Hoban seconded, unanimously approved.

**Agenda Item 4 – Report, Discussion and Action, if any, on the 2018 Legislative Program.** Mr. Boyles stated that he has been assisting Mr. Brown in writing the “Northern California Racing Sustainability Act,” building off of ideas discussed at the CARF strategic planning session held Aug. 12-13 in Sacramento. Staff is reviewing existing code to look for items that are outdated and/or in need of revision. Mr. Boyles reported that a meeting is being set for November with Assemblymember Adam Gray to discuss sports wagering and fairs.

Mr. Swartzlander asked Mr. Quiroz if there is any action CARF can take to move forward distribution of the “gray area” fair-racing license fees being held at CDFR. Mr. Quiroz stated that he will be following up with legislative staff to see what options are available and next steps. Mr. Hoban asked if these were the funds that had been under discussion in the March Board meeting. The answer was affirmative.

**Agenda Item 5 – Report, Discussion and Action, if any, on 2018 Racing Operations.** Mr. Swartzlander reported that the Big Fresno Fair meet closed out the 2018 Fair Racing Circuit in mid-October. Mr. Swartzlander stated that early projections show the consolidated purse fund as underpaid for 2018.

Mr. Swartzlander reported that Monarch Content Management sent a letter declaring their intent to decline renewal of the simulcast representation agreement with CARF that expires December 25, 2018. CARF staff is taking steps to secure simulcast agreements in-house, including possible consultation for staff training.

Mr. Swartzlander reported that the stabling agreement with Golden Gate Fields has been signed and stall rent will be collected from trainers not participating on the fair circuit.

Mr. Swartzlander stated that Chris Griffin is confident he is close to securing a significant sponsor for the 2019 racing circuit.

**Agenda Item 6 – Report, Discussion and Action, if any, on CARF Office Move February 1, 2019.** Ms. Haviland reported that staff is ontrack to complete the office move from Suite 205 to an office space within CFSA’s suite in early February. Mr. Hoban requested that surplus office furniture be made available for use in the fair racing offices as needed.

**Agenda Item 7 – Report, Discussion and Action, if any, on NCOTWINC.** Mr. Swartzlander reported that The Stronach Group (TSG) is attempting to revamp the state’s northern simulcast system into a network of betting cafes that will funnel bets through TSG’s account wagering service XpressBet. Pacific Racing Association (PRA) took the first step by submitting a CHRB application that stated they will be conducting simulcast wagering with southern California sites only. CHRB declined to vote on the license application during the October meeting and TSG is seeking a simulcast agreement with Northern California satellites.

Mr. Swartzlander stated that the CARF Board had previously given staff direction not to sign another simulcast agreement until the NCOTWINC pension liability issue is solved. Mr. Swartzlander recommended getting Kahn, Soares & Conway, LLP involved to determine legal responsibilities regarding NCOTWINC pension.

**Agenda Item 8 – Report, Discussion and Action, if any, on CARF Financials and Accounts.** Mr. Alkire reported that financials are included in the meeting packet and called for questions.

Ms. Haviland reported that a CARF racing trust account has Chris Korby as the designated signer and Board action is required to change signers. {ACTION} Mr. Conway moved to change

designated signers on the CARF racing trust account to Mr. Alkire, Mr. Swartzlander and Ms. Haviland. Mr. Hoban seconded, unanimously approved.

**Agenda Item 9 – Executive Director’s Report.** Mr. Swartzlander reported that a CARF Finance Committee will be held Thursday, Nov. 29, 2018 in Sacramento.

**Agenda Item 8 – Closed Session: Conference with Legal Counsel – Anticipated Litigation.** Ms. Grottviet reported that during closed session there was a motion made by Mr. Hoban and seconded by Ms. Stoehr to give direction to executive staff to negotiate a Northern California satellite agreement with PRA, accepting terms no less than what is offered in the current agreement, for the betterment of Northern California horse racing. The motion passed unanimously.

Respectfully submitted,  
Heather Haviland