

**CALIFORNIA AUTHORITY OF RACING FAIRS
Board of Directors & Live Racing Committee
Concurrent Meeting
Tuesday, March 1, 2022**

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, March 1, 2022. The meeting was conducted via teleconference originating at the CARF Office, 1776 Tribute Road, Sacramento, CA 95815.

CARF Board Directors joining by conference call: Stephen Hales, Jerome Hoban, Lauri King, Dana Stoehr and Kelly Violini.

CARF Live Racing Committee members joining by conference call: Jerome Hoban, Lauri King, Rich Silacci.

Staff and Guests participating via conference call: Larry Swartzlander, Heather Haviland, Tom Doutrich, Juliana Gomes, Ann Grottveit, Cody Boyles, Louie Brown, Tiffany Burrow-Loushin, Cindy Olsen and Allen Aldrich.

Agenda Item 1 – Date, Time and Location of Next Meeting: The next CARF Board of Directors and Live Racing Committee meeting is April 5, 2022 via teleconference.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Approval of Minutes. Ms. King moved to approve the minutes from the Board of Directors & Live Racing Committee concurrent meeting for October 12, 2021 and February 8, 2022 as presented. Mr. Hales seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any on Fantasy Sports. Mr. Swartzlander reported that he has finalized the contract with Pegasus to include a graphics package for Calypso which will be tested in-house on March 15, 2022. On March 31, 2022 Mr. Swartzlander plans to have the Calypso beta test at the Los Angeles County Fairgrounds with all CARF satellite locations having all equipment installed. Mr. Swartzlander plans for the Calypso Challenge to be fully functional by August 1, 2022.

In addition to the beta-test, Mr. Swartzlander has reached out to marketing firms for proposals and plans to present them to the board next meeting.

Agenda Item 5 – Report, Discussion and Action, if any on Legislative Program. Mr. Boyles updated the Board on the three Sports Wagering initiatives: the Pechanga initiative, which excludes CARF, the FanDuel initiative, which has reached viability with 25% threshold, and the other Indian initiative supported by Wilton Rancheria, has till June 30 to reach the 25% signature threshold and get on the November ballot.

The attorney general has recommended that the June 30 submission date be by April 29 to give counties enough time to verify signatures.

Mr. Boyles adds that legislatively, the racing side is quiet but does have spot bills ready if need be. In addition, a recent presentation at the Sacramento Press Club had Senate President Pro-tem Tony Atkins and speaker Anthony Rendon, were both proponents of seeing a legislative compromise for the sports wagering initiatives. Mr. Boyles and Mr. Brown plan to set up meetings between Senate G.O. members and officials from the Alameda County Fair and Big Fresno Fair. Mr. Boyles hopes the outreach to encourage legislators to include the fairs in any talks with reformed sport wagering initiatives.

Agenda Item 6 – Western Fairs Association Update. Ms. King reported that the Western Fairs Associations had their board planning to discuss changes in membership levels and membership fees. Ms. King added that the CARF seat on the WFA Board is valid through 2022 – at the end of this year, the CARF seat will transition to an Associate Member. From the Associate Membership, CARF would then need to be elected from other associate members in order to be on the WFA Board.

This change of the CARF-WFA board seat was due to a change in the WFA Bylaws. Ms. King encourages conversation between Mr. Swartzlander and WFA's Executive Director Sarah Cummings if CARF wishes to preserve the board seat. If the seat were to be preserved, then that would require a change of WFA Bylaws, so Ms. King encouraged quick action from the Board.

Mr. Hoban questioned why WFA had not continued to take "no action" on the CARF seat until further discussions had happened – thus giving CARF another year on the WFA Board. Ms. King explained that it was a two-year seat, so the expiration runs from 2020-2022.

Ms. King added that CARF will have a Board seat on CFA while also an Associate Member, but encouraged conversation to take place between both CARF and WFA.

Agenda Item 7 – Financials. Ms. Gibbons presented the financials and stated that she is still closing a few 2021 items, including Roberts Communication invoices with NCOTWINC and which entity should be responsible. Ms. Gibbons was happy to report that her and Korynn Philpott had been successful in closing all the invoicing concerns.

Ms. Gibbons was happy to report that CARF is underpaid from their purse account last year and she has adjusted the financials to show the numbers in more of an “apples to apples” comparison. Due to COVID and the shift of expenses from fair to fair, Ms. Gibbons noted that there was a drastic swing.

Ms. Gibbons added that all expenses were netted and fairs paid the commissions due.

Mr. Hoban asked Ms. Gibbons what monies, if any, were received from the NCOTWINC PPP loan. Ms. Gibbons reported that NCOTWINC was awarded roughly \$1,000,000, with CARF receiving around \$200,000 – this number was labor-based on mutuel employees used.

Agenda Item 8 – Report, Discussion and Action, if any on Live Racing Operations. Mr. Swartzlander reported that he had spoken with CHRB Vice Chairman Oscar Gonzalez and Executive Director Scott Chaney in regards to stabling for the summer and the status of Calypso. Mr. Swartzlander noted that feedback was positive.

Mr. Swartzlander added that he plans to have a Live Racing Committee meeting in the last week of March to review the proposed stakes and purse schedules and have an option ready for the board to approve in April.

Ms. Haviland noted that the Employee Handbook would be sent out for review on March 7, 2022 and it is up to the Board on whether they would like to create a subcommittee to review it. Mr. Hoban recommended the Finance Committee review the handbook before going to the Board or forming a subcommittee.

Agenda Item 9 – Executive Director’s Report. Mr. Swartzlander noted that he is looking forward to a meeting with Thomas Hudnut, the incoming CHRB Commissioner, as well as Commissioners Mitchell and Gonzalez.

In addition, Mr. Swartzlander was asked to support an initiative from UC Davis to fund a new facility to support the creation of a new equine sports medicine facility. Mr. Swartzlander added that UC Davis has only requested that CARF support their initiative and is not asking for any monetary donations.

Respectfully submitted,
Juliana Gomes