

CALIFORNIA AUTHORITY OF RACING FAIRS
Board of Directors & Live Racing Committee
Concurrent Meeting
Tuesday, March 14, 2023

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 14, 2023. The meeting was held via teleconference originating at the CARF office, 1776 Tribute Road, Sacramento, CA 95815.

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

CARF Live Racing Committee members joining by conference call: Jerome Hoban, Lauri King and Tom Martinez.

Staff and Guests participating via conference call: Larry Swartzlander, Tom Doutrich, Heather Haviland, Juliana Gomes, Raechelle Gibbons, Ann Grottveit, Matt Cranford, Ruben Gastello, Mike Knapp, Greg Gomes, Tag Wotherspoon, Stacey Lapham, Duane Martin, Michael Margetts and 707-798-9155.

Agenda Item 1 – Date, Time and Location of Next Meeting: The next CARF Board of Directors and Live Racing Committee meetings will be held Tuesday, April 4, 2023 via teleconference.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Closed Session: Conference with Legal Counsel – Anticipated Litigation. Item deferred.

Agenda Item 4 – Approval of Minutes. {ACTION} Ms. King moved to approve the February 7, 2023 CARF Board of Directors & Live Racing Committee concurrent meeting minutes as presented. Mr. Jacobs seconded, unanimously approved.

Agenda Item 5 – Report, Discussion and Action, if any, on Legislative Program. Item deferred.

Agenda Item 6 – Report, Discussion and Action, if any, on Fantasy Sports and Timeline for Calypso Challenge. Mike Knapp presented an overview of Calypso Challenge included in the meeting packet titled, “Calypso Challenge Fantasy Sports.” Mr. Knapp

highlighted the fact that fantasy sports has gained legal acceptance as “skilled game contests” and is not sports betting. Calypso Challenge is adapted to the horse racing pari-mutuel system platform, with results based on an athlete’s fantasy scoring in live-game performances. A contest will include a field of athletes, such as+ 10 Quarterbacks, in place of 10 horses, and the participants will dictate the odds through entry fees paid on their contest selections.

Mr. Knapp stated that Pegasus Communications has made progress in developing the graphics package for football, which can then be modified for other sports. Mr. Swartzlander reported negotiations are ongoing with tote provider BetMakers’ Global Tote.

Mr. Swartzlander presented a timeline for implementing Calypso Challenge at the CARF Satellite Network, including a beta test at Cal Expo in June and an initial launch August 1 at Pleasanton, San Mateo, Cal Expo, Lake Perris and San Jose. Ten additional sites will be scheduled to come online between August to December 2023.

Agenda Item 7 – Financials. Ms. Gibbons presented the financials provided in the meeting packet. Mr. Hoban called for questions; no questions at this time.

Agenda Item 8 – Report, Discussion and Action, if any on Live Racing Operations. Mr. Swartzlander reported on three areas specific to live racing operations:

Race Dates & Stabling: Mr. Swartzlander stated that the 2023 purse package being proposed to the TOC includes: 1) keeping overnight purses at 2022 levels, 2) adding an additional stakes race at Pleasanton, possibly creating the biggest day in fair racing, 3) stabling at Pleasanton and Sacramento June through August, 4) retaining the horsemen’s incentives from 2022 while adding an additional \$300 per starter and 5) raising purses \$38,000 at Ferndale in the event that they are allocated their second week of racing without overlap.

Mr. Swartzlander reported that at the upcoming California Horse Racing Board (CHRB) Meeting on March 16, CARF maintains a position seeking two weeks of racing at Humboldt County Fair without overlapped racing at Golden Gate Fields (GGF). CHRB directed the affected parties to reach a financial compromise. That compromise has not been reached.

Mr. Swartzlander stated that if the parties come to the CHRB Board Meeting without reaching a compromise, it is likely the Board will allocate dates similar to 2022 (first week without overlap and second week with overlap).

Mr. Swartzlander reported that the Ferndale Jockey Club hosted Vice-Chairman Oscar Gonzales at Ferndale for a community event planned to showcase the area’s support for horse racing. Mr. Swartzlander deemed the event successful.

Greg Gomes announced that Humboldt County Fair has hired a new Interim General Manager, Jill Duffy. Ms. Duffy has experience as County Supervisor and was previously the executive director of the Humboldt Waste Management Authority for 10 years.

Horse Recruitment: Mr. Doutrich announced that he will be visiting Turf Paradise in Arizona March 25-28. The summer meet in Arizona at Yavapai Downs will not be running in 2023, creating an opportunity to entice those horsemen to ship to the fairs. A copy of the recruitment package is contained in the meeting packet.

Other: Mr. Swartzlander reported that he will be travelling to Southern California for the upcoming CHRB Meeting and will also be meeting with the new president of SEIU, Local 280.

Agenda Item 9 – Executive Director’s Report. No report.

Respectfully submitted,
Heather Haviland