

CALIFORNIA AUTHORITY OF RACING FAIRS

Live Racing Committee

Wednesday, November 17, 2010

MINUTES

A meeting of the California Authority of Racing Fairs Live Racing Committee was held at 3:30 P.M., Wednesday, November 17, 2010. The meeting was hosted at the Courtyard Marriott, 1782 Tribute Road, Sacramento, California.

CARF Live Racing Committee members attending: John Alkire, Norb Bartosik, Mike Paluszak, Rick Pickering, Tawny Tesconi and Stuart Titus.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Heather Haviland, Amelia White, George Soares, Vince Agnifili, Dan Jacobs, Kelly Baldwin, Rebecca Desmond, Tim Renner and Cindy Olsen.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Board & Live Racing Committee meetings will be scheduled for December 7, 2010 in Sacramento.

Agenda Item 2 – Approval of Minutes. Mr. Bartosik moved to approve the meeting minutes as amended. Mr. Pickering seconded, unanimously approved.

Agenda Item 3 – Report, Discussion and Action, if any, on Legislative Matters. Legislative matters will be discussed during the second day of the CARF Strategic Planning Conference. The proposed legislative program for 2011 and beyond will include modifying/amending AB 765 language (allows 1% increase in take-out for racing conducted at Fairs), modifying/amending language B&P Section 19522 (requiring satellite supervisors at Fair satellite facilities) and renewing efforts to receive an increase in satellite commissions.

Agenda Item 4 – Report, Discussion and Action, if any, on Racing Dates for 2011 and Beyond. Mr. Korby reported that the 2011 racing calendar adopted by the California Horse Racing Board was included in the meeting packet.

Agenda Item 5 – Discussion and Action, if any, on Replacement Revenues to Fairs that Reduce or Discontinue Horse Live Racing Dates. Mr. Alkire reported that a letter was provided in the meeting packet, written by Mr. Paluszak, requesting assurance of \$414,088 in replacement revenue for 2011 and a written agreement for the provision of replacement revenues through 2016. Mr. Paluszak explained that the replacement revenue figure for 2011 was derived from a 14%

decline in commissions in 2010 projected forward to 2011. This formula, was used to determine the 2010 replacement revenue figure.

Mr. Alkire asked Ms. Desmond if the allocation provided by F&E in 2010, generated from license fees, could be made available to Solano County Fair in 2011. Ms. Desmond responded that the same funds could not be made available as the monies have already been allocated in the expenditure plan to other areas.

Mr. Bartosik suggested that Mr. Korby reconvene the three member CARF sub-committee (Mr. Bartosik, Mr. Paluszak and Ms. Tesconi), which was originally tasked with making a recommendation, to revisit the replacement revenue issue and review unspent F&E allocations residing at CARF. Mr. Bartosik asked Mr. Korby to review account balances and make a recommendation to the sub-committee.

Mr. Pickering moved to refer to the CARF sub-committee the formal requests made by the Solano County Fair regarding 2011 and future replacement revenue for the discontinuation of live horse racing. Ms. Tesconi seconded, unanimously approved.

Agenda Item 6 – Executive Director’s Report. Mr. Korby reported that the city of Del Mar and Senator Kehoe are discussing the potential transfer of the 22nd DAA fairgrounds to the city of Del Mar. Mr. Korby presumes that Senator Kehoe will submit legislation next session to facilitate the transfer. CARF might consider working with the 22nd DAA on a joint position.

Respectfully submitted,
Heather Haviland