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AGENDA
CALIFORNIA AUTHORITY OF RACING FAIRS
LIVE RACING COMMITTEE MEETING
JOHN ALKIRE, CHAIR
11:30 A.M., TUESDAY, FEBRUARY 1, 2011
VIA TELECONFERENCE

Notice is hereby given that a teleconference meeting of the Live Racing Committee will commence at 11:30 a.m., Tuesday, February 1, 2011. The meeting will be held at the California State Fair Board Room in the Administration Office located at 1600 Exposition Blvd., Sacramento, California 95815.

AGENDA

- I. Date, time and location of next meeting.
- II. Approval of minutes.
- III. Report, discussion and action, if any, on legislative program for 2011 and beyond.
- IV. Report, discussion and action, if any, on 2011 Supplemental Purse administration.
- V. Discussion and action, if any, on planning for the 2011 Fair racing circuit.
- VI. Report, discussion and action, if any, racing dates for 2012 and beyond.
- VII. Report, discussion and action, if any, on 2010 Recruitment Program and planning for the Recruitment program in 2011.
- VIII. Report, discussion and action, if any, on emerging breeds summer racing program.
- IX. Report, discussion and action, if any, on drug and alcohol testing for race-track employees.
- X. Executive Director's Report



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NOTICE
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CARF Live Racing Committee Meeting
Toll Free Dial In Number: (800) 791-2345
Participant Code: 62745 #

The Public and members of the Live Racing Committee may participate from the following locations:

Alameda County Fair
4501 Pleasanton Ave.
Pleasanton, CA 94566

Humboldt County Fair
1250 5th Street
Ferndale, CA 95536

Solano County Fair
900 Fairgrounds Drive
Vallejo, CA 94589

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

San Joaquin Fair
1658 S. Airport Way
Stockton, CA 95206

Sonoma County Fair
1350 Bennett Valley Road
Santa Rosa, CA 95404

California State Fair
1600 Exposition Blvd.
Sacramento, CA 95815

**CALIFORNIA AUTHORITY OF RACING FAIRS
Live Racing Committee
Tuesday, December 7, 2010**

MINUTES

A teleconference meeting of the California Authority of Racing Fairs Live Racing Committee was held at 11:00 A.M., Tuesday, December 7, 2010. The meeting was hosted at the CARF Conference Room located at 1776 Tribute Road, Sacramento, California.

CARF Live Racing Committee members attending: John Alkire, Norb Bartosik, Mike Paluszak and Tawny Tesconi. Joining by conference call: Stuart Titus.

Staff and Guests attending: Christopher Korby, Tom Doutrich, Heather Haviland, Raechelle Gibbons, Amelia White, Louie Brown, Dan Jacobs, Rebecca Desmond, Tony Withington and Richard Lewis. Joining by conference call: Vince Agnifili and Janet Covello.

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

Agenda Item 2 – Approval of Minutes. Ms. Desmond requested that the meeting minutes be amended to reflect that F&E would support CARF using F&E project cost savings for the purpose of assisting in replacement revenues for the San Joaquin and Solano County Fairs. Ms. Tesconi moved to approve the minutes as amended. Mr. Paluszak seconded, unanimously approved.

Agenda Item 3 – Report, Discussion and Action, if any, on Racing Dates for 2011 and Beyond. Mr. Korby reported that racing dates have been approved by the CHRB for 2011 and he strongly recommends that the CARF Live Racing Committee start planning for 2012. Mr. Korby stated that the San Joaquin County Fair intends to transition their fair and racing into the last two weeks of September 2012 and Mr. Korby recommends the committee take formal action to support Stockton's move in the calendar. Ms. Tesconi added that she feels the fairs should continue to retain the week in June that Stockton is vacating for fair racing.

Mr. Korby stated there is also consideration being given to racing at Pleasanton in early September 2012. Mr. Titus requested that any planning for 2012 September dates take into account the financial impact overlap would have on Ferndale.

Mr. Bartosik joined the meeting.

Mr. Korby reported that he is working with Bryan Wayte to develop financials for various 2012 date allocation scenarios.

Ms. Tesconi moved to support the San Joaquin County Fair's desire to conduct a race meet, concurrent with fair, during the last two weeks of September 2012, while retaining the resulting vacant week in June for fair racing. Mr. Bartosik seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any, on Replacement Revenues for Solano and San Joaquin County Fairs. Mr. Korby reported that the CARF Live Racing Sub-Committee (Mr. Bartosik, Mr. Paluszak and Ms. Tesconi) met and came to the recommendation that CARF cover the 2011 request for replacement revenues from the Solano and San Joaquin County Fairs in the amount of \$569,000 from unspent project and program revenues being held at CARF. This recommendation would allocate \$414,000 to the Solano County Fair and \$155,000 to the San Joaquin County Fair, plus a 7.5 percent CARF administration fee.

Mr. Bartosik asked for clarification that Stockton will not be requesting replacement revenues in 2012 if their race meet transitioned to the last two weeks of September. Mr. Korby clarified that they would not be eligible for consideration.

Ms. Tesconi questioned if the formula used to determine the replacement revenues was a valid and formally adopted formula. Mr. Paluszak responded that the formula was used in 2010 and was deemed acceptable by the CARF Board and F&E. Mr. Bartosik recommended that the CARF Board memorialize the formula used to calculate replacement revenue.

Mr. Alkire thanked the sub-committee for their exhaustive efforts in addressing the issue of replacement revenues.

Mr. Bartosik moved to accept the recommendation from the CARF sub-committee that \$569,000 be allocated to the Solano and San Joaquin County Fairs for 2011 from CARF unspent project and program revues for the purpose of revenue replacement. Mr. Bartosik seconded, unanimously approved.

Agenda Item 5 – Discussion and Action, if any, on Legislative Program for 2011. Mr. Brown reported that the 2011/12 legislative session began with the swearing in of the new legislature on Dec. 6, 2010. Immediately after the legislature was sworn in, the Governor declared a fiscal emergency and presented the new legislature with \$9 billion in cuts in an attempt to create a balanced budget. As of now, the CDFA money in the General Fund remains intact.

Two bills were introduced that are of interest to racing fairs. SB 1 (Kehoe) authorizes the sale of the Del Mar Fairgrounds to the city of Del Mar, but does not rule out a public bidding process. Language in the bill does not require the new owner to continue the San Diego County Fair or horse racing. There are prominent thoroughbred owners looking to provide financial backing to the city of Del Mar, but the TOC does not currently support the bill since the continuation of horse racing is not assured.

SB 40 (Correa) would legalize and regulate online gaming, specifically Internet poker. This bill is currently being opposed by some California tribal casinos.

Mr. Korby reported that the 2011/12 legislative session 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 6 – Report on Initial Meeting of CARF Controllers’ Committee. Mr. Korby reported that the CARF Controllers’ Committee met for the first time via conference call on November 30, 2010. For the committee’s initial project, the participants reviewed live racing expenses with the target of making a 12-14% overall reduction. That meeting resulted in a 13.8% reduction to the 2011 live racing budget.

The Controllers’ Committee will continue working with staff to reduce expenses, specifically as it applies to racing personnel. Mr. Korby would also like the group to review the CARF dues structure.

Agenda Item 7 – Executive Director’s Report. Mr. Korby reported that Santa Anita Park has reopened their main track with a natural dirt surface. The surface change, combined with the legislative increase in purses that will go into effect Dec. 26, should improve the California simulcast product and increase business.

Mr. Korby reported that he has been distributing news items regarding the potential transfer of the 22nd DAA fairgrounds to the city of Del Mar. Mr. Korby will continue to keep the group informed as this matter progresses.

One of the agenda items for the CHRB meeting this month will be determining the future of the Oak Tree Racing Association meet that has traditionally been run at Santa Anita. Santa Anita is requesting to race those dates on behalf of MI Developments.

Mr. Alkire requested that supplemental purses be included on the February CARF Live Racing Committee agenda.

Respectfully submitted,
Heather Haviland

CA AUTHORITY OF RACING FAIRS LEGISLATIVE REPORT
LAST 10 DAYS
1/21/2011

AB 156<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=AB%20156>>
(Lara) Gambling control: sale or lease of licensee property. (I-
01/18/2011 html<http://ct2k2.capitoltrack.com/Bills/asm/ab_0151-0200/ab_156_bill_20110118_introduced.html> pdf<http://ct2k2.capitoltrack.com/Bills/asm/ab_0151-0200/ab_156_bill_20110118_introduced.pdf>)

Status: 01/19/2011-From printer. May be heard in committee February 18.

Current Location: 01/18/2011-A PRINT

Digest: Existing law establishes the California Gambling Control Commission and prescribes the requirements for obtaining a gambling license and defines a gambling establishment or licensed premises for these purposes. Existing law limits the transfer of property if the transferee has to be approved or licensed by the commission, and specifically prohibits a contract for sale or lease of real or personal property that requires approval of the commission, as specified, from specifying a closing date earlier than 90 days after the submission of the contract to the commission, as specified.

This bill would permit a contract for the sale or lease of real or personal property, subject to the limitations described above, to specify a closing date earlier than 90 days after the submission of the contract to the commission if the commission has approved the contract and the parties have requested it.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Section 19902 of the Business and Professions Code, relating to gaming.

History:

Jan. 19 From printer. May be heard in committee February 18.

Jan. 18 Read first time. To print.

Organization
CARF

SB 32<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2032>>

(Leno) Alcoholic beverages: definitions: rectifiers. (I-

12/06/2010 html<[http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_32_bill_20101206_introduced.html)

[0050/sb_32_bill_20101206_introduced.html](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_32_bill_20101206_introduced.html)> pdf<http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_32_bill_20101206_introduced.pdf>)

Status: 01/20/2011-Referred to Com. on G.O.

Current Location: 01/20/2011-S G.O.

Digest: The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control.

Existing law defines a "rectifier" to include every person who colors, flavors, or otherwise processes distilled spirits by distillation, blending, percolating, or other processes.

This bill would refine the definition of "rectifier" to exclude any on-sale licensee that colors, flavors, or blends distilled spirits or wine products on the licensed premises for consumption on those premises.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Section 23016 of the Business and Professions Code, relating to alcoholic beverages.

History:

Jan. 20 Referred to Com. on G.O.

Dec. 7 From printer. May be acted upon on or after January 6.

Dec. 6 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

SB 39<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2039>>

(Padilla) Alcoholic beverages: caffeinated beer beverages. (I-

12/06/2010 html<[http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_39_bill_20101206_introduced.html)

[0050/sb_39_bill_20101206_introduced.html](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_39_bill_20101206_introduced.html)> pdf<http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_39_bill_20101206_introduced.pdf>)

Status: 01/20/2011-Referred to Com. on G.O.

Current Location: 01/20/2011-S G.O.

Digest: The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control. A violation of the act is a misdemeanor, except as

otherwise specified.

This bill would prohibit the import, production, manufacture, distribution, or sale of caffeinated beer beverages, as defined, at retail locations within the state. Because this bill would add a prohibition to the Alcohol Beverage Control Act, the violation of which is a crime, the bill would impose a state-mandated local program.

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.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

Laws: An act to add Section 25622 to the Business and Professions Code, relating to alcoholic beverages.

History:

Jan. 20 Referred to Com. on G.O.

Dec. 7 From printer. May be acted upon on or after January 6.

Dec. 6 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

SB 40<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2040>>

(Correa) Internet poker. (I-

12/06/2010 html<http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_40_bill_20101206_introduced.html> pdf<http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_40_bill_20101206_introduced.pdf>)

Status: 01/20/2011-Referred to Coms. on G.O. and PUB. S.

Current Location: 01/20/2011-S G.O.

Digest: The Gambling Control Act provides for the licensure of certain individuals and establishments that conduct controlled games, as defined, and for the regulation of these gambling activities by the California Gambling Control Commission. Existing law provides for the enforcement of those regulations by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

This bill would establish a framework to authorize intrastate Internet poker, as specified. The bill would require the department to adopt regulations, in consultation with the California Gambling Control Commission, governing the intrastate play of poker games on the Internet, and would provide for a licensed

III.

entity to operate an intrastate Internet poker Web site. The bill would make it a misdemeanor for any person or entity to offer or participate in any form of illegal Internet gambling, as defined, or to process any financial transaction arising out of participation in illegal Internet gambling. The bill would authorize the seizure of any money or property used in or derived from illegal Internet gambling, as specified, and would provide for any money or property that has been seized to be forfeited to the Internet Gambling Fund, as established by this bill. By creating new crimes, this bill would impose a state-mandated local program.

The bill would authorize the department to assess fees on the licensed entity in an amount reasonably necessary to reimburse the department for its costs in implementing and administering these provisions, including a registration fee. The bill also would require the licensed entity to pay a license fee equal to an unspecified percentage of the fees collected by the licensed entity from players participating in poker games conducted on its Internet Web site. By imposing this fee, the bill would constitute a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of 2/3 of the membership of each house of the Legislature. The bill would provide for all fees to be remitted to the Internet Gambling Fund, which would be administered by the Controller subject to annual appropriation by the Legislature.

Existing law, subject to exceptions, generally prohibits the possession and use of a slot machine or device, as defined, and prohibits certain other acts and transactions pertaining to slot machines or devices. Existing law provides varying definitions of slot machine or device for these purposes. Violations of these provisions are punishable by varying misdemeanor penalties.

This bill would provide that personal, networked, or server computers are not included within the term slot machine or device, for purposes of these provisions, if operated pursuant to a valid license or permit to operate an intrastate Internet poker Web site, as defined.

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.

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

Laws: An act to add Chapter 5.2 (commencing with Section 19990) to Division 8 of the Business and Professions Code, and to amend Section 330b of the Penal Code, relating to Internet gambling.

History:

Jan. 20 Referred to Coms. on G.O. and PUB. S.

Dec. 7 From printer. May be acted upon on or after January 6.

Dec. 6 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

SB 45<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2045>>

(Wright) Internet gambling. (I-

12/08/2010 html<http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_45_bill_20101208_introduced.html> pdf<http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_45_bill_20101208_introduced.pdf>)

Status: 01/20/2011-Referred to Com. on G.O.

Current Location: 01/20/2011-S G.O.

Digest: The Gambling Control Act provides for the licensure of certain individuals and establishments that conduct controlled games, as defined, and for the regulation of these gambling activities by the California Gambling Control Commission. Existing law provides for the enforcement of those regulations by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

This bill would establish a framework to authorize intrastate Internet gambling, as specified. The bill would require the department to issue a request for proposals to enter into contracts with up to 3 hub operators, as defined, to provide lawful Internet gambling games to registered players in California for a period of 20 years, as specified.

The bill would provide that it would be a misdemeanor for any person to offer or play any gambling game provided over the Internet that is not authorized by the state pursuant to this bill. By creating a new crime, this bill would impose a state-mandated local program.

The bill would require a hub operator to remit an agreed-upon percentage, but no less than 10%, of its gross revenues to the Treasurer on a monthly basis.

The bill would also create the Internet Gambling Fund which would be administered by the Controller subject to annual appropriation by the Legislature, and which would not be subject to the formulas established by

III.

statute directing expenditures from the General Fund, for appropriation by the Legislature to state agencies, as specified.

Existing law provides that a statute that imposes a requirement that a state agency submit a periodic report to the Legislature is inoperative on a date 4 years after the date the first report is due.

This bill would require the commission, notwithstanding that requirement, in consultation with the department, Treasurer, and Franchise Tax Board, to issue a report to the Legislature describing the state's efforts to meet the policy goals articulated in this bill within one year of the effective date of this bill and, annually, thereafter.

The bill would also require the Bureau of State Audits, 3 years after the commencement date of any hub operations contract with the state, but no later than 4 years after that date, to issue a report to the Legislature detailing the bureau's implementation of this bill, as specified.

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.

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

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

Laws: An act to add Chapter 5.2 (commencing with Section 19990.01) to Division 8 of the Business and Professions Code, relating to Internet gambling, and declaring the urgency thereof, to take effect immediately.

History:

Jan. 20 Referred to Com. on G.O.

Jan. 3 Read first time.

Dec. 9 From printer. May be acted upon on or after January 8.

Dec. 8 Introduced. To Com. on RLS. for assignment. To print.

Organization

CARF

Total Position Forms: 5

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Supplemental Purse Funds

	2008				2009				2010			
	Allocations	Supplementl	Performance	Total	Allocations	Supplementl	Performance	Total	Allocations	Supplementl	Performance	Total
	Budgeted	Paid	Paid	Paid	Budgeted	Paid	Paid	Paid	Budgeted	Paid	Paid	Paid
Stockton	0	0	52,700	52,700			83,460	83,460			25,100	25,100
Pleasanton			80,000	80,000			130,040	130,040			96,440	96,440
Vallejo			76,780	76,780			43,920	43,920		62,460	0	62,460
Santa Rosa			89,910	89,910			91,460	91,460			105,910	105,910
CARF I @ GG (historical San Mateo)			60,290	60,290			62,000	62,000		260,867	0	260,867
Ferndale	192,000	203,667	37,270	240,937	280,000	227,654	41,340	268,994	150,000	0	38,630	38,630
Sacramento	0	0	65,200	65,200			84,640	84,640	100,000	0	55,470	55,470
CARF II @ GG				0			77,400	77,400		126,910	0	126,910
Fresno	362,000	389,196	75,620	464,816	100,000		90,100	90,100			67,630	67,630
Consolidated ALL LRF (overpayment)										308,124		
Funds Used	554,000	592,863	537,770	1,130,633	380,000	227,654	704,360	932,014		758,360	389,180	1,147,540
CARF Admin Fee			22,000				22,000				22,000	
Interest Earned			47,061				21,657				14,415	
Funds Received			1,100,000				1,100,000				1,100,000	
Funds Available			29,754				197,397				142,271	

Performance Purse Per Runner-TB	\$100	\$100	\$100
Performance Purse Per Runner-Mixed Breeds	\$70	\$70	\$70

RG-1/23/2011

For Internal Use Only

CALIFORNIA AUTHORITY OF RACING FAIRS
Management Services and Contract Administration
for
Live Horse Racing Operations

Racing Operations

- CARF works with Racing Fairs on preparation, submission and presentation of CHRB License Applications
- Provides Racing Office computer system (all computer hardware/peripherals) and application software (Equibase) and manages service, technical support and transportation
- Provides and manages Paymaster services, including Paymaster (CARF employee) bank accounts, audits, payment of all purse moneys to owners and all other distributions of payment to various recipients
- Telecommunications: provision of voice, fax and data lines necessary to support racing, totalisator and simulcast operations
- Provides accounting, reconciliation and distribution of all parimutuel commissions, purse, license fees and other distributions
- Coordinates development and management of purse schedule through Fair Circuit in cooperation with Fair Racing Secretaries and Thoroughbred Owners of California
- Provides Supplemental Purse Fund management and accounting
- Provides marketing coordination through circuit
- Manages contracts for daily racing program production, printing and distribution
- Manages Condition Book production and distribution
- Manages contracts and logistics for provision of Jumbo Video Screen

CALIFORNIA AUTHORITY OF RACING FAIRS
Management Services and Contract Administration
for
Live Horse Racing Operations

Racing Operations (cont'd)

- Manages contract for Starting Gate
- Manages contract for Photo Finish
- Total Carbon Dioxide (TCO2) testing
- Furnishes electronic timing system with operator
- Oversees TV Replay System for Officials
- Manages provision of Temporary stalls
- Coordinates provision of Mobile offices for racing operations
- Daily, on-site management and oversight of all operations above, along with management, coordination and disposition of other matters that may arise from time to time in the course of conducting racing at Fairs
- Active liaison, representation and advocacy with on-track Stewards and with senior CHRB officials
- Manages consolidated purses' program.

Contracts with Horsemen's Associations

- Negotiate contracts with horsemen's associations, as required by statute.
- Thoroughbred Owners of California
- Cal Western Appaloosa
- Pacific Coast Quarter Horse Association
- Arabian Racing Association of California
- Racing Mule Association
- California Thoroughbred Trainers

CALIFORNIA AUTHORITY OF RACING FAIRS
Management Services and Contract Administration
for
Live Horse Racing Operations

Labor Agreements

- Maintains membership in Federation of California Racing Associations to provide representation in racing industry employer group for labor union negotiations.
- Local 280 Pari-Mutuel Employees Guild
- Local 1877 (formerly Local 399) AFL-CIO Service Employees International Union Valets and rec. barn personnel
- Local 495 International Brotherhood of Teamsters, Chauffeurs, Warehousemen and helpers of America
- Note: Assist Starters now with Teamsters Local 495 but under separate agreement

Racetrack Safety and Maintenance Program

- CARF developed this program and provides management oversight throughout Fair circuit.
- Works with Division of Fairs and Expositions to maintain funding support
- Contracts with Steve Wood, Trackmaster, Inc., to provide expert consultation and oversight of Fair track maintenance
- Carries lease agreements for specialized tractors used for maintaining track surfaces
- Owns and provides custom-built water truck (2001 Sterling).
- Owns and provides rock-picker (added 2003).
-

CALIFORNIA AUTHORITY OF RACING FAIRS
Management Services and Contract Administration
for
Live Horse Racing Operations

Racetrack Safety and Maintenance Program (cont'd)

- Owns or provides harrows, floats, and other miscellaneous equipment required for track maintenance.
- Manages all planning, heavy equipment transportation and logistics
- Provides daily, on-site management, key personnel and oversight
- No direct cost to Racing Fairs.
- Administers Jockey Club Equine Industry Database for CARF member Fairs

Recruitment Program for Out-of-State Horses

- Organizes and conducts out-of-state recruitment of horses to run at Northern California Fairs
- Manage payment of incentives
- Track and report on results of Recruitment Program

Parimutuel Wagering Operations

- Maintains totalisator contract
- Parimutuel labor contract
- NOTWInc agreement for Northern California simulcast network
- You Bet.com Advanced Deposit Wagering
- TVG Advanced Deposit Wagering
- Xpress Bet Advanced Deposit Wagering
- TwinSpires Advanced Deposit Wagering
- Provides all accounting, reconciliation, banking for ADW wagering operations

CALIFORNIA AUTHORITY OF RACING FAIRS
Management Services and Contract Administration
for
Live Horse Racing Operations

Personnel

- Racing Secretary
- Track Safety and Maintenance Manager
- Morning Fitness Vet
- Veterinarian
- TCO2 Technician
- Track Maintenance Crew Chief
- Horse Ambulance Driver
- Clocker and Timer
- Paymaster
- Program Manager
- Track Announcer
- Stewards' Aide
- Jocks' Room

Web Site Operation

- Manages racing Website www.calfairs.net on behalf of Fairs which conduct live racing
- Contracts with information service providers
- Daily management and administration of racing information provided to racing fans on Website

CALIFORNIA AUTHORITY OF RACING FAIRS
Management Services and Contract Administration
for
Live Horse Racing Operations

Simulcast Operations

- Manages Satellite Transmission and Encryption Services
- Manages TV Production for simulcast coverage
- Manages telecommunications support: provision of voice, fax and data lines necessary to support simulcast operations
- Furnishes back up electrical generators
- Provides accounting, reconciliation, banking for simulcast operations
- NOTWInc contract for Northern California simulcast network
- Manages contracts for out-of-state simulcast sites and distribution of daily racing programs and other simulcast information
- Payment of commissions, purses, license fees and all other distributions from simulcast operations

CK - January 2011

2011 Northern California Racing Dates-As approved by CHRB Nov. 9, 2010

December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
26	27	28	29	30	31	
4						1

GGF Total Race Days 181

CARF Meets	57
Ferndale Overlap	8
Total Fairs	65

Simulcast Only	24
Total	270

January						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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					
18						4

February						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					
16						4

March						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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		
17						5

April						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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
18						4

May						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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				
22						4

June						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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		
9			5			7

July						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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						
8			10			5

August						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	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			
11		10	8			2

September						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				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	
19						4

October						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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					
12						10

November						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		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			
21						

December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				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						
14						

Stockton 5

Pleasanton	15
Cal Expo	10

Santa Rosa	15
Ferndale solo	2

Ferndale (overlap)	8
Fresno	10

Golden Gate Winter/Spring (PRA)	December 26 - June 12
Golden Gate Summer (LATC)	August 17 - October 2
Golden Gate Fall (LATC)	October 19 - December 18

Stockton	June 15 - June 19
Pleasanton	June 22 - July 10
Cal Expo	July 13 - 24

Santa Rosa	July 27 - August 14
Ferndale (overlap)	August 12 - 21
Fresno	October 5 - 16

Calendar for year 2012 (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 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	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 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	May 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	June 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
July 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	August 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	September 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
October 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	November 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	December 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

Christopher Korby

From: "Christopher Korby" <korby@calfairs.net>
To: "Breed, Kirk" <KEBreed@chrb.ca.gov>
Cc: "Keith Brackpool" <KBrackpool@gmail.com>; "Alkire, John" <jalkire@fresnofair.com>
Sent: October 20, 2010 9:06 AM
Subject: CHRB Breathalyzer Absent at Fresno

Kirk,

As you know, last Saturday, after hearing reports of contraband alcohol in the Jockeys' Room, Fresno Fair Manager John Alkire contacted the Stewards directly and requested that the CHRB investigators join Fresno Police in an immediate search of the Jocks' Room. Mr. Alkire and I notified you by voice mail just before he contacted the Stewards to let you know that the search was imminent. The search was conducted as a joint effort by CHRB investigators and the Fresno Police Department, which provides on-grounds security for Fresno Fair. When the search discovered contraband alcohol in the kitchen, the Fair ejected the Jocks' kitchen attendant from the grounds.

I left you another voice mail after the search to report the results.

Follow-up investigation led the Fair to believe it had probable cause to believe that the kitchen attendant had furnished alcohol to assistant starters working on the gate crew. Consequently, Fresno Fair management requested that CHRB investigators administer a breathalyzer test to the gate crew to determine whether any of the crew had consumed alcohol or were intoxicated. The CHRB investigator on-site at Fresno informed the Fair Manager, Mr. Alkire, that the investigators could not administer a breath test because the CHRB breathalyzer had been sent to Golden Gate Fields.

Fortunately, on Sunday, the Fresno Police were able to furnish a breathalyzer to test assistant starters for alcohol consumption. Breathalyzer tests were conducted on four assistant starters. Of the four tested, two tested OK, one showed consumption of alcohol and one tested as legally intoxicated.

We thought it's important for you to know, as Executive Director of the CHRB, that when we needed CHRB investigators to administer a breathalyzer test at Fresno, the equipment was not available. If you're open to a suggestion, we'd recommend that the Stewards always be notified before the CHRB breathalyzer is removed from any operating California race track.

01/25/2011

Consumption of alcohol by race track employees on the job is a serious offense that endangers not only the abuser, but co-workers and horses as well. We ask the Board to take the lead and work with us, with other tracks, with horsemen and with unions to enforce an absolute zero-tolerance policy with respect to alcohol and drug use by employees during working hours at the track.

Respectfully,

Christopher Korby
Executive Director
California Authority of Racing Fairs

Christopher Korby

From: "Christopher Korby" <korby@calfairs.net>
To: "Breed, Kirk" <KEBreed@chrb.ca.gov>
Cc: "Alkire, John" <jalkire@fresnofair.com>; "Keith Brackpool" <KBrackpool@gmail.com>; "Ann Grottveit" <agrottveit@kscsacramento.com>
Sent: October 21, 2010 4:40 PM
Attach: Termination Letter- Don Fowler-Jocks Room Cafe-October 16-2010.pdf
Subject: Notice of CARF Termination Letter to Don Fowler

Kirk,

Please be advised that the California Authority of Racing Fairs (CARF) has formally terminated Don Fowler's contract for services effective October 16, 2010, pursuant to the attached letter.

If Mr. Fowler's employment services agreement with CARF was the basis for issuing him a CHRB occupational license, that basis is no longer in effect.

Respectfully,

Christopher Korby
Executive Director
California Authority of Racing Fairs

10/22/2010

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



October 21, 2010

John C. Alkire, Chief Executive Officer
Big Fresno Fair
1121 South Chance Ave.
Fresno, CA 93702

Dear Mr. Alkire,

I am writing this letter to you in response to a series of events that took place the last two days of your race meeting and an email that I received from Mr. Christopher Korby.

October 16, 2010 you notified Steward Grant Baker that you had received a report of the presence of alcohol in the jockey's room and that the licensee/employee was selling beer. Steward Baker informed Investigator Barbara Madarang and she proceeded to investigate with the assistance of the fair's contracted security. The licensee, Don Fowler, admitted to having an ice chest containing beer in the jockey's room. Under present law, and CHRB Rules and Regulations, there is nothing prohibiting a licensee having an ice chest containing beer within the enclosure. If you have knowledge of a person, or persons, who witnessed Mr. Fowler selling beer and that witness is willing to sign a statement that he or she witnessed this transaction then the CHRB can proceed to file a complaint under Section 23300 of the Business and Professions Code which deals the "unlicensed selling of alcoholic beverages." If this witness is not forthcoming then there is nothing the CHRB can do with regards to Mr. Fowler. On the other hand, if there is a house rule or a CARF rule that you have accepted as a house rule that you would like to include as a basis of a complaint from the Big Fresno then we would be more than willing to entertain that request.

October 17, 2010 you requested that the "gate crew" be tested for alcohol. Our testing equipment had been shipped to Golden Gate Fields but the Fresno Police Department were willing to performed the tests. (I won't go into the details of why the CHRB equipment was not present on the last day of the meeting but it won't happen again). Of the four individuals we were legally able to test, one individual tested over the threshold of intoxication -- Mr. Charlie Kutchen. We are presently filing a complaint against Mr. Kutchen under Section 1874 of the CHRB Regulations.

With regard to Mr. Korby's request that the CHRB take the lead to "enforce an absolute zero-tolerance policy with respect to alcohol and drug use by employees during working hours at the track" -- The CHRB has enforced and will continue to enforce California Law with respect to alcohol and drug use by licensees. Over the past year, at the request of the board, we have worked with labor and management to develop regulations to enable random drug and alcohol


Page 2

October 21, 2010

testing of all licensees while inside the enclosure. This set of regulations will be presented to the board at the December board meeting. Hopefully during the 45 day comment period Mr. Korby and the fair associations will take the opportunity to support this set of regulations.

And finally, the Big Fresno Fair was a gigantic success. You and your board should be very proud of your presentation and the spirit embodied in this event. The aforementioned event was the only negative episode that was brought to my attention so that is probably a record in itself. Keep up the good work and please don't hesitate to communicate directly with me on any item you feel necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk E. Breed", with a large, stylized loop at the end.

Kirk E. Breed
Executive Director

cc: Keith Brackpool, Chairman, California Horse Racing Board
John Harris, Member, California Horse Racing Board



a California joint powers agency

1776 Tribute Road, Suite 205
Sacramento, CA 95815
Office: 916.927.7223 Fax: 916.263.3341
www.calairs.com

October 16, 2010

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Don Fowler
539 Woodside Oaks, #3
Sacramento, CA 95825

Re: Termination of Professional Services Agreement

Dear Mr. Fowler:

This letter is formal notification of the automatic termination of your Professional Services Agreement with the California Authority of Racing Fairs (CARF), effective October 16, 2010.

On October 16, 2010, the Fresno District Fair, California Horse Racing Board (CHRB) authorities and the Fresno Police Department conducted a search of the Fresno Fair Jockeys room and found substantial amounts of alcohol in your possession.

The possession of alcohol constitutes a failure to perform services to the satisfaction of CARF pursuant to your professional services agreement, a copy of which is enclosed.

The professional services agreement is automatically terminated pursuant to provision E, contained on page two of the agreement.

Sincerely,

Christopher Korby, Executive Director
California Authority of Racing Fairs

Attachment/Enclosure

cc: CHRB
Fresno District Fair

California Fairs' Satellite Network






Artist Rendering of the Alameda County Fair Satellite Wagering Facility in Pleasanton, CA

- **Map of Satellite Network Locations**
- **Facility Descriptions**
- **Pari-Mutuel Handle and Distributions
2007 - 2008 - 2009**

Presented by: Christopher Korby, Executive Director
California Authority of Racing Fairs
February 2010



California Fairs Satellite Network

Location	Fair/Regional Description	Table/ Carrel Seating	 Food Service					 Vehicle Parking	 Viewing Displays			
			Restaurant	Deli	Grill	Catering	Beverages & Full Bar		Television	Big Screen TV's	Jumbo Screen TV's	Carrel tabletop TV's
Anderson	Shasta District Fair	240		✓	✓	✓	✓	505	12	5		
Bakersfield	Kern County Fair	600		✓		✓	✓	Unlimited	26	12	2	
Del Mar	San Diego County Fair	3,500	✓	✓		✓	✓	12,000	425	40	4	
San Mateo	San Mateo County Fair	900		✓	✓	✓	✓	Unlimited	175	10	16	
Fresno	Big Fresno Fair	600		✓	✓	✓	✓	3,000	13	16	6	
Indio	Riverside County Fair	500		✓	✓	✓	✓	400	50	10		
Lancaster	Antelope Valley Fair	450		✓	✓	✓	✓	400	60		6	120
Monterey	Monterey California Fair	332		✓	✓	✓	✓	235	18	4		8
Perris	Southern California Fair	350		✓		✓	✓	250	65	6		54
Pleasanton	Alameda County Fair	800	✓	✓	✓	✓	✓	1,500	95		10	60
Pomona	Los Angeles County Fair	1,000	✓			✓	✓	45,000	65	8		147
Sacramento	Cal Expo & State Fair	950	✓	✓	✓	✓	✓	10,140	105		15	90
San Bernardino	National Orange Show	1,400	✓	✓		✓	✓	1,500	175		14	42
San Jose	Santa Clara County Fair	132		✓		✓	✓	475	20	10		
Santa Maria	Santa Barbara County Fair	250		✓	✓	✓	✓	565	42	14		
Santa Rosa	Sonoma County Fair	600	✓	✓	✓	✓	✓	1,000	90		8	20
Stockton	San Joaquin Fair	500		✓	✓	✓	✓	750	120	14	10	
Tulare	Tulare County Fair	300		✓	✓	✓	✓	1,000	14	6		
Turlock	Stanislaus County Fair	200		✓	✓	✓	✓	1,000	12	6	6	
Vallejo	Solano County Fair	250		✓	✓	✓	✓	250	40	16		
Ventura	Ventura County Fair	600		✓	✓	✓	✓	1,700	165		14	26
Victorville	San Bernardino County Fair	350		✓	✓	✓	✓	350	26	8		

Fair Satellite Wagering Facilities



PARI-MUTUEL DISTRIBUTIONS REPORT FOR

SATELLITE FACILITIES LOCATED AT CALIFORNIA FAIRS

2009

CHRRMS Detailed Distribution Report																			
Date Range: 01/01/2009 - 12/31/2009				Race Type: All Races				Hosts: All Hosts				Locations: All Locations				Tracks: All Tracks			
Report By: Location				Location Types: Fairs				Breed: Thoroughbreds				On/Off: Off Track							
Location	Handle	License	CHRB Support Fee	F&E	City & County Tax	N/SCOTWinc Exp. Fund	UC Davis Equine Research	Satellite Location	Van/Stable Fund	Work Comp.	CMC Promotion	PFAB509	Track Commission	Purses	Owners	Breeders/ Sires	To Out of State Tracks	Total Distributions	Attendance
Anderson	2,099,707	0	4,166	1,808	6,838	75,236	2,100	41,441	24,774	3,533	8,295	0	101,095	100,557	1,446	10,946	29,568	411,802	7,584
Bakersfield	6,674,603	0	12,425	5,252	21,769	239,927	6,675	131,933	76,588	13,582	26,474	1,715	327,161	325,764	4,469	34,678	82,228	1,310,641	33,064
Eureka	1,442,242	0	1,460	1,038	4,707	51,247	1,442	28,524	17,112	2,058	5,705	0	63,523	63,565	998	7,490	22,353	271,223	2,724
Ferndale	172,728	0	398	381	570	10,364	173	3,455	2,071	387	691	0	6,903	6,783	121	844	1,460	34,601	
Fresno	6,638,013	0	11,884	5,420	21,623	235,595	6,638	131,049	76,546	12,629	26,284	1,271	318,506	316,780	4,467	34,503	95,895	1,299,090	28,267
Fresno Club One	2,929,022	0	6,318	2,692	9,585	105,171	2,929	58,088	33,799	5,874	11,636	971	144,555	143,939	1,972	15,295	39,103	581,927	5,723
Lake Perris	13,502,685	0	49,965	11,994	44,305	364,193	13,503	268,518	163,766	30,800	53,894	1,916	668,586	660,928	9,171	73,772	134,133	2,549,445	65,786
Lancaster	13,230,943	0	48,411	11,970	43,425	358,312	13,231	263,181	159,697	28,102	52,796	3,189	673,898	666,673	8,943	72,164	151,670	2,555,662	63,719
Monterey	6,455,496	0	11,825	4,146	21,056	226,746	6,456	127,611	74,015	11,304	25,569	2,453	323,494	321,802	4,319	33,580	102,167	1,296,541	27,486
Pleasanton	35,393,360	0	71,261	31,549	115,988	1,273,014	35,394	702,957	412,095	66,013	140,771	8,172	1,697,129	1,691,097	24,049	185,105	459,182	6,913,775	117,055
Pomona	47,180,771	0	195,825	39,275	155,012	1,210,381	47,181	939,467	573,077	105,411	188,168	11,601	2,426,358	2,399,074	32,092	259,598	489,973	9,072,494	165,023
Sacramento	24,479,836	0	46,900	21,043	79,984	885,604	24,480	484,752	280,263	46,032	97,776	684	1,093,812	1,090,318	16,355	127,825	339,679	4,635,509	97,970
San Bernardino	26,306,624	0	95,667	24,355	86,367	715,518	26,307	523,437	318,068	60,824	105,074	4,542	1,328,615	1,314,121	17,812	143,564	279,318	5,043,590	136,508
San Jose	30,113,338	0	59,767	26,498	98,849	1,105,664	30,114	599,082	347,779	59,062	119,970	11,521	1,487,915	1,482,022	20,292	157,056	400,947	6,006,538	125,769
San Mateo County	71,996,382	0	149,569	67,578	236,545	2,653,283	71,997	1,433,608	841,091	137,324	286,803	20,999	3,507,760	3,495,884	49,076	376,432	926,899	14,254,847	207,626
Santa Barbara	5,092,580	0	17,554	4,732	16,632	134,917	5,093	100,799	62,735	10,343	20,181	0	256,950	253,564	3,513	27,732	73,443	988,188	16,497
Santa Maria	5,251,315	0	19,522	4,757	17,185	137,163	5,252	104,151	64,996	10,887	20,830	105	263,924	260,340	3,640	28,737	61,943	1,003,431	15,045
Santa Rosa	10,420,797	0	20,312	9,096	33,915	362,121	10,421	205,542	120,371	19,756	41,145	2,676	499,183	498,096	7,025	54,251	142,701	2,026,611	54,299
Shalimar (Indio)	6,325,869	0	19,589	4,755	20,685	166,518	6,326	125,359	77,759	14,832	25,117	44	323,961	319,864	4,354	34,422	73,796	1,217,380	26,981
Stockton	16,398,362	0	34,707	16,435	53,752	596,577	16,399	325,769	189,797	32,687	65,282	4,639	800,814	798,022	11,075	85,675	211,377	3,243,007	75,479
Surfside Race Place	52,086,933	0	145,702	30,495	170,500	1,383,415	52,087	1,033,330	636,468	110,638	206,764	9,131	2,440,663	2,408,135	35,642	282,289	615,299	9,560,558	167,273
Tulare	3,317,738	0	6,673	3,065	10,838	119,669	3,318	65,684	39,232	5,372	13,143	108	151,680	150,885	2,289	17,337	45,549	634,844	13,927
Turlock	8,098,763	0	17,090	7,611	26,502	296,919	8,099	160,619	95,857	13,146	32,138	324	394,061	392,000	5,593	42,343	122,094	1,614,394	28,129
Vallejo	14,124,551	0	28,775	13,779	46,345	526,094	14,125	280,881	162,967	28,830	56,217	6,447	697,972	695,071	9,509	73,492	183,364	2,823,868	60,269
Ventura	24,844,298	0	95,667	21,542	81,551	661,038	24,845	494,248	303,847	51,243	99,022	3,359	1,267,564	1,252,365	17,016	136,106	305,150	4,814,563	77,759
Victorville	7,248,843	0	27,264	6,899	23,793	199,498	7,249	144,201	86,774	16,608	28,897	2,899	368,356	364,652	4,859	39,420	77,835	1,399,204	47,111
(Total: 27 records)	441,825,799	0	1,198,698	378,165	1,448,319	14,094,184	441,837	8,777,686	5,241,546	897,276	1,758,641	98,766	21,634,439	21,472,301	300,097	2,354,655	5,467,125	85,563,734	1,667,073

\$14.1 Million
NCOTWinc. & SCOTWinc.
Expense Fund

\$21.6 Million
Track Commissions

\$21.4 Million
to Purses

\$2.4 Million
Breeders & Sires Programs

\$85.6 Million
in Total Industry
Distributions

In 2009, 1,667,073 patrons visited Fair Satellite Wagering Facilities and bet \$441.8 million, contributing \$85.6 million to the CA racing industry.

PARI-MUTUEL DISTRIBUTIONS REPORT FOR SATELLITE FACILITIES LOCATED AT CALIFORNIA FAIRS 2008

CHRIMS Detailed Distribution Report

Date Range: 01/01/2008 - 12/31/2008			Race Type: All Races		Hosts: All Hosts		Locations: All Locations		Tracks: All Tracks							
Report By: Location		Location Types: Fairs			Breed: Thoroughbreds		On/Off: Off Track									
Location	Handle	License	City & County Tax	N/SCOTWinc Exp. Fund	UC Davis Equine Research	Satellite Location	Van/Stable Fund	Work Comp	CMC Promotion	Track Commission	Purses	Owners	Breeders/ Sires	To Out of State Tracks	Total Distributions	Attendance
Anderson	2,378,571	28,930	7,740	77,237	2,379	46,912	26,936	4,534	9,387	115,728	115,237	1,639	12,328	30,968	479,956	8,189
Bakersfield	7,279,476	87,555	23,771	243,636	7,280	144,066	80,477	14,998	29,025	357,264	356,099	4,894	37,756	84,119	1,470,940	32,761
Eureka	1,878,261	23,313	6,140	57,213	1,879	37,214	21,420	2,993	7,443	88,175	88,207	1,302	9,852	28,061	373,212	3,887
Ferndale	192,524	1,531	635	11,551	193	3,850	2,212	446	770	7,439	7,306	135	924	1,453	38,447	
Fresno	8,961,003	106,501	29,233	294,494	8,961	177,168	100,146	18,116	35,589	432,548	430,451	6,092	46,385	115,028	1,800,713	31,950
Fresno Club One	2,696,150	32,189	8,855	91,234	2,697	53,669	30,008	5,920	10,811	133,158	132,816	1,824	14,053	30,849	548,081	5,493
Lake Perris	17,566,696	357,452	57,671	473,013	17,567	349,520	176,784	41,970	70,256	852,053	841,849	11,987	93,751	153,945	3,497,818	75,215
Lancaster	14,965,410	301,072	49,123	404,961	14,966	297,714	149,945	32,765	59,903	734,253	725,909	10,168	79,821	153,033	3,013,634	75,343
Monterey	10,118,537	118,687	33,130	368,091	10,119	200,787	113,059	17,991	40,372	478,663	475,632	6,877	52,131	150,050	2,065,590	30,417
Pleasanton	40,025,036	488,559	131,280	1,286,378	40,025	795,636	449,601	82,211	159,845	1,970,419	1,968,418	27,345	209,536	456,075	8,065,328	129,350
Pomona	47,778,698	973,174	157,037	1,221,634	47,779	951,738	481,214	111,757	191,261	2,387,339	2,359,255	32,672	256,421	458,799	9,630,080	151,415
Sacramento	28,538,753	343,489	93,336	940,830	28,539	565,673	314,596	57,649	114,084	1,286,742	1,285,158	19,133	148,495	353,659	5,551,384	110,890
San Bernardino	32,262,038	647,499	105,956	875,246	32,262	642,160	323,886	75,860	129,185	1,585,213	1,567,057	21,948	172,140	314,837	6,493,248	142,907
San Jose	37,217,103	446,124	122,282	1,281,388	37,217	741,104	416,150	73,854	149,118	1,812,915	1,808,126	25,311	193,758	465,383	7,572,730	124,951
San Mateo	27,204,748	319,458	89,107	889,462	27,205	540,043	305,523	55,321	108,506	1,346,232	1,342,846	18,553	141,576	313,078	5,496,911	89,266
Santa Barbara	6,718,134	135,933	21,986	178,131	6,718	133,246	68,161	14,704	26,711	326,981	322,691	4,621	35,778	78,875	1,354,534	22,386
Santa Maria	6,079,864	124,038	19,930	161,927	6,080	120,790	61,843	12,564	24,212	290,456	286,561	4,190	32,426	63,195	1,208,213	20,342
Santa Rosa	12,454,092	151,965	40,645	397,094	12,454	246,334	139,133	25,449	49,496	607,660	606,926	8,462	64,882	150,399	2,500,898	63,165
Shalimar (Indio)	7,239,549	148,349	23,712	190,146	7,240	143,706	74,019	18,485	28,793	361,790	357,080	4,993	38,621	68,965	1,465,899	28,625
Stockton	20,194,698	246,032	66,240	660,474	20,195	401,456	225,927	41,174	80,733	991,421	990,075	13,742	105,531	239,948	4,082,948	85,941
Surfside Race Place	64,078,779	1,292,925	209,956	1,695,745	64,079	1,272,459	647,542	146,130	255,144	3,082,067	3,021,268	44,080	341,761	663,916	12,717,072	196,795
Tulare	3,614,488	44,078	11,805	119,916	3,615	71,542	40,956	6,262	14,327	168,186	167,407	2,491	18,768	46,653	716,004	17,562
Turlock	9,299,765	112,868	30,459	306,790	9,300	184,602	105,722	16,838	36,964	460,337	458,310	6,431	48,476	127,097	1,904,193	32,840
Vallejo	15,856,784	191,530	52,048	522,889	15,857	315,440	176,967	33,933	63,485	796,592	793,944	10,763	82,847	191,901	3,248,196	68,256
Ventura	29,437,699	589,470	96,660	785,231	29,438	585,817	298,355	65,056	117,560	1,459,766	1,441,547	20,226	157,263	320,619	5,967,007	84,903
Victorville	8,271,938	164,917	27,148	225,815	8,272	164,533	82,496	19,590	33,149	408,308	403,956	5,589	44,078	80,704	1,668,556	50,320
(Total: 26 records)	462,308,792	7,477,639	1,515,887	13,760,527	462,318	9,187,179	4,913,077	996,569	1,846,129	22,521,705	22,354,130	315,467	2,439,358	5,141,607	92,931,590	1,685,407

\$13.7 Million
NCOTWinc. & SCOTWinc.
Expense Fund

\$22.5 Million
Track Commissions

\$22.4 Million
to Purses

\$2.4 Million
Breeders & Sires
Programs

\$92.9 Million
in Total Industry
Distributions

In 2008, 1,685,407 patrons visited Fair Satellite Wagering Facilities and bet \$462.3 million, contributing \$92.9 million to the CA racing industry.

PARI-MUTUEL DISTRIBUTIONS REPORT FOR SATELLITE FACILITIES LOCATED AT CALIFORNIA FAIRS 2007

CHRIMS Detailed Distribution Report

Date Range: 01/01/2007 - 12/31/2007 Race Type: All Races Hosts: All Hosts Locations: All Locations Tracks: All Tracks
 Report By: Location Location Types: Fairs Breed: Thoroughbreds On/Off: Off Track

Location	Handle	License	City & County Tax	N/SCOTWinc Exp. Fund	UC Davis Equine Research	Satellite Location	Van/Stable Fund	Work Comp	CMC Promotion	Track Commission	Purses	Owners	Breeders/Sires	To Out of State Tracks	Total Distributions	Attendance
Anderson	2,750,947	33,367	8,925	86,007	2,751	54,089	31,044	5,432	10,823	137,686	137,043	1,889	14,268	37,026	560,350	8,314
Bakersfield	8,115,501	96,943	26,490	262,463	8,116	160,545	90,102	17,478	32,301	404,587	403,115	5,485	42,222	91,909	1,641,756	35,953
Eureka	1,912,128	23,464	6,214	54,700	1,912	37,660	21,644	3,622	7,533	94,600	93,998	1,317	10,016	28,912	385,591	4,296
Ferdale	189,898	1,473	627	11,394	190	3,798	2,183	477	760	7,352	7,221	133	912	1,235	37,753	
Fresno	9,396,103	110,259	30,561	294,590	9,397	185,219	104,735	19,048	37,197	460,730	458,608	6,376	48,689	120,796	1,886,205	34,259
Fresno Club One	4,243,999	51,297	13,921	137,311	4,244	84,371	47,595	8,914	16,954	211,248	210,377	2,897	22,204	50,917	862,251	6,151
Lake Perris	20,259,128	411,188	66,260	544,813	20,260	401,577	208,504	46,521	80,724	971,238	959,537	13,769	107,691	193,628	4,025,711	84,566
Lancaster	17,813,777	358,938	58,332	477,872	17,814	353,530	183,353	39,132	71,085	865,841	855,653	12,108	94,837	186,874	3,575,369	84,322
Monterey	11,426,532	136,454	37,351	383,005	11,427	226,366	127,433	19,873	45,510	537,475	534,484	7,757	59,340	166,601	2,293,076	32,408
Pleasanton	45,986,863	555,862	150,344	1,441,641	45,987	911,174	514,856	93,935	183,023	2,264,569	2,261,695	31,339	240,483	533,480	9,228,390	140,711
Pomona	58,957,780	1,205,037	193,286	1,499,580	58,958	1,171,429	610,169	137,098	235,294	2,913,085	2,877,855	40,294	315,681	582,053	11,839,820	171,176
Sacramento	35,104,301	420,425	114,630	1,165,178	35,105	694,725	387,202	69,641	140,011	1,685,499	1,683,687	23,569	182,255	434,082	7,036,009	125,792
San Bernardino	36,067,703	725,335	118,105	973,246	36,069	715,790	370,843	84,051	143,963	1,757,708	1,737,264	24,490	191,918	361,742	7,240,524	157,752
San Jose	40,281,500	478,739	132,112	1,304,829	40,282	800,677	450,233	78,467	161,019	1,977,486	1,972,195	27,405	210,697	515,487	8,149,628	123,033
Santa Barbara	9,078,634	182,417	29,688	241,760	9,079	179,924	94,402	19,285	36,075	438,374	432,616	6,234	48,290	110,421	1,828,566	24,381
Santa Maria	6,896,280	140,752	22,511	182,327	6,897	136,432	71,483	14,176	27,364	326,697	322,390	4,721	36,635	74,716	1,367,099	22,826
Santa Rosa	14,772,858	178,976	48,077	443,228	14,774	291,375	164,411	31,350	58,547	734,518	733,633	10,008	77,175	179,845	2,965,917	65,460
Shalimar (Indio)	9,470,832	192,624	30,853	247,260	9,471	186,990	98,236	24,202	37,480	474,710	468,657	6,487	50,256	98,891	1,926,117	33,799
Stockton	21,543,607	260,535	70,500	673,007	21,544	427,275	240,130	45,271	85,938	1,080,241	1,078,732	14,617	112,818	252,538	4,363,144	92,298
Surfside Race Place	71,343,324	1,444,245	232,179	1,883,133	71,344	1,407,147	738,292	163,599	282,136	3,371,519	3,326,319	48,755	377,801	781,019	14,127,487	228,136
Tulare	4,268,785	51,459	13,924	138,255	4,269	84,389	48,262	7,828	16,900	200,523	199,608	2,938	22,189	55,848	846,392	19,995
Turlock	9,831,525	118,310	32,160	309,961	9,832	194,910	111,557	17,774	39,027	491,106	488,720	6,790	51,423	137,189	2,008,759	35,236
Vallejo	17,493,465	210,216	57,308	560,003	17,494	347,320	194,794	38,704	69,892	884,616	881,735	11,857	91,490	211,173	3,576,601	77,277
Ventura	33,830,173	675,438	110,571	903,719	33,831	670,130	350,353	77,645	134,480	1,672,093	1,651,252	23,137	179,803	374,069	6,856,521	94,842
Victorville	10,669,615	214,435	34,955	290,212	10,670	211,845	109,447	24,249	42,636	517,262	511,394	7,228	56,763	106,215	2,137,310	55,954
(Total: 25 records)	501,705,256	8,278,187	1,639,885	14,509,495	501,719	9,938,685	5,371,264	1,087,771	1,996,675	24,480,763	24,287,787	341,599	2,645,855	5,686,664	100,766,348	1,758,937

\$14.5 Million
 NCOTWinc. & SCOTWinc.
 Expense Fund

\$24.5 Million
 Track Commissions

\$24.3 Million
 to Purses

\$2.6 Million
 Breeders & Sires
 Programs

\$100.8 Million
 in Total Industry
 Distributions

In 2007, 1,758,937 patrons visited Fair Satellite Wagering Facilities and bet \$501.7 million, contributing \$100.8 million to the CA racing industry.