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**AGENDA**  
**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**BOARD OF DIRECTORS MEETING**  
**JOHN ALKIRE, CHAIR**  
**12:30 P.M., TUESDAY, JUNE 4, 2013**

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Board of Directors will commence at 12:30 p.m., Tuesday, June 4, 2013. The meeting will be held in Sacramento. 1776 Tribute Road Conference Room, Sacramento, CA 95815

**AGENDA**

- I. Date, time and location of next meeting: September 10, 2013
- II. Approval of minutes.
- III. Report, discussion and action, if any, on Legislative Program for 2013.
- IV. Executive Session (Pending Litigation)
- V. Discussion and action, if any, on request from Sonoma County Fair for Paymaster services.
- VI. Report, discussion and action, if any, on planning and projections for 2013 summer fair racing operations.
- VII. Discussion and action, if any, on proposed Security Agreement for reimbursement to CARF of live racing expenses.
- VIII. Report on inquiry from CHRB Parimutuel Committee regarding California Satellite wagering facilities.
- IX. Financials
- X. Executive Director's Report



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**NOTICE**  
**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**BOARD OF DIRECTORS MEETING**  
**JOHN ALKIRE, CHAIR**  
**12:30 P.M., TUESDAY, JUNE 4, 2013**

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Board of Directors will commence at 12:30 p.m., Tuesday, June 4, 2013. The meeting will be held at the CARF Conference Room located at 1776 Tribute Road, Sacramento, California 95815.

**CARF Board of Directors Meeting**  
**Toll Free Dial In Number: (800) 791-2345**  
**Participant Code: 83711 #**  
**Via Teleconference**

In order to ensure that all meeting participants are able to hear discussions during the teleconference, we ask that teleconference participants call from a land-line and place phone on **MUTE** while not speaking. The Public and members of the California Authority of Racing Fairs Board of Directors may participate from the following locations:

Alameda County Fair 4501 Pleasanton Ave. Pleasanton, CA 94566	Humboldt County Fair 1250 5 <sup>th</sup> St. Ferndale, CA 95536	Riverside National Date Festival 46-350 Arabia St. Indio, CA 92201	Solano County Fair 900 Fairgrounds Dr. Vallejo, CA 94589
Antelope Valley Fair 2551 West Ave. H Suite 102 Lancaster, CA 93536	Kern County Fair 1142 South P St. Bakersfield, CA 93307	San Bernardino County Fair 14800 Seventh Street Victorville, CA 92395	Southern CA Fair 18700 Lake Perris Dr. Perris, CA 92570
The Big Fresno Fair 1121 S. Chance Ave. Fresno, CA 93702	Monterey County Fair 2004 Fairground Rd. Monterey, CA 93940	San Joaquin Fair 1658 S. Airport Way Stockton, CA 95206	Stanislaus County 900 North Broadway Turlock, CA 95380
California State Fair 1600 Exposition Blvd. Sacramento, CA 95815	National Orange Show 689 South E St. San Bernardino, CA 92408	Shasta District Fair 1890 Briggs Street Anderson, CA 96007	Tulare County Fair 215 Martin Luther King Tulare, CA 93274
			Ventura County Fair 10 West Harbor Blvd Ventura, CA 93001

## CALIFORNIA AUTHORITY OF RACING FAIRS

## Board of Directors Meeting

Tuesday, May 7, 2013

## MINUTES

A teleconference meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.M., Tuesday, May 7, 2013. The meeting was hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: John Alkire and Rick Pickering. Joining by conference call: Chris Borovansky, Dan Jacobs and Kelly Violini.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Amelia White, Raechelle Gibbons, Anne Grottveit, Alan Aldrich, Cindy Olsen, Janet Lockhart, Randy Magee, Richard Conway, Tom Sawyer. Joining by conference call: Barbara Quaid.

**Agenda Item 1 – Date, Time and Location of Next Meeting.** The next CARF Live Racing Committee meeting will be held June 4, 2013 in Sacramento.

**Agenda Item 2 – Approval of Minutes.** Mr. Korby wanted the minutes to reflect that he was not present at the last meeting due to a death in his family. Mr. Jacobs moved to approve the meeting minutes with that change. Ms. Violini seconded, unanimously approved.

**Agenda Item 3 – Report, discussion and action, if any, on Legislative Program for 2013.** Mr. Brown's report was included on agenda 3 of the CARF Live Racing Committee Meeting.

AB 1074 (Adkins) Horse racing: statewide marketing organization. Mr. Brown reported this bill is similar to CARF's bill on the marketing committee. This is a place holder being moved through the process to address any issues that might occur if and when Hollywood Park stops racing. It's not likely that this bill will continue through the end of the process at a bill dealing with the CMC.

AB 1347 (Gray) Horse racing: out-of-state thoroughbred races: statewide marketing organization. Mr. Brown reported our bill which is dealing with the CMC and which is moving along. It passed out of the policy committee and referred to the appropriations committee. It has no cost and should get through the appropriation committee without any problems. Now we can focus on any larger issues with the CMC rather than pushing back it's sunset another five years.

Mr. Korby reported that he talked with Mr. Brown about also using this bill as a vehicle for language that allows for Horsemen and racing associations to agree that ADW commissions or purses may be used to supplement the 2.5 percent simulcast expense fund if this is not sufficient enough to pay the expenses for operating the satellite network. That provision expires at the end of this year and some are concerned about the sunset. Mr. Brown agrees that this would be a good

vehicle and he has with committee staff. Mr. Korby has talked to NCOTWINC board members and plans to follow up with the Southern California Representatives.

SB 190 (Wright) Sports Wagering. Mr. Brown reported that satellite wagering facilities continue to be included in this bill. Mr. Korby is tracking the Sports Wagering New Jersey bills and will keep everyone informed.

SB 398 (Galgiani) Horse racing: charity days: distribution of proceeds. Mr. Brown stated this bill would allow for revenues generated at charity days to be shared or allocated to non profits that benefit fairs. This bill is in the assembly and has passed the senate floor on a unanimous vote. This is a vehicle for us to use on an annual basis to create opportunities in the horseracing industry.

SB 741 (Canella) Mr. Brown reported Western Fairs governance bill has passed two policy committees, The Senate Agriculture Committee and The Senate Governmental Organization Committee. It was referred to the suspense file earlier this week in the senate appropriation committee. It has identified some costs that go hand in hand with shifting some responsibilities from the state to a district agriculture association. Mr. Brown stated that WFA/CFA are working with CARF, the Department of Finance and CDFA on those issues. CARF and CDFA continue to have discussions on use of the 1% license fee revenue that flows to the department. Mr. Brown is in the process of scheduling a meeting with Mr. Korby, Mr. Alkire, and himself to meet with CDFA.

Mr. Brown reported that the governor will issue the May revision to his budget Tuesday or Wednesday of next week. When it comes out he will let us know, but do not expect any additional cuts this time.

**Agenda Item 4 – Report, discussion, and action, if any, on planning and projections for 2013 Fair racing circuit.** Staff proposed to direct funds from San Mateo County Fair loan repayment funds towards a variance in projected racing expenses. Mr. Jacobs recommended the contingency be removed from the staff proposal and moved to approve the use of \$53,000.00 in unallocated funds from San Mateo County Fair loan repayment funds. Mr. Borovansky 2<sup>nd</sup> the motion. Motion carried.

**Agenda Item 5 – Report, Discussion and action, if any, on racing dates for 2014 and beyond.** Mr. Korby reported on the DRAFT racing calendars for 2014 and 2015 that were included in the meeting packet. After discussion Mr. Jacobs moved to approve support on the calendar scenarios shown below. Ms. Violini 2<sup>nd</sup> the motion. Motion carried with Mr. Pickering abstaining and Mr. Borovansky opposed.

## 2014

- |                     |                                   |
|---------------------|-----------------------------------|
| • June 18-July 6    | Alameda County Fair at Pleasanton |
| • July 9-July 20    | California State Fair             |
| • Aug. 6-Aug. 17    | Humboldt County Fair              |
| • Sept. 17-Sept. 28 | San Joaquin County Fair           |
| • Oct. 1-Oct. 13    | Fresno District Fair              |

## **2015 – Scenario A**

- |                   |                                   |
|-------------------|-----------------------------------|
| • June 24-July 19 | Alameda County Fair at Pleasanton |
| • Aug. 5-Aug. 16  | Humboldt County Fair              |
| • Aug. 19-Sept. 7 | California State Fair             |
| • Sept. 23-Oct. 4 | San Joaquin County Fair           |
| • Oct. 7-Oct. 18  | Fresno District Fair              |

## **2015 – Scenario B**

- |                      |                                   |
|----------------------|-----------------------------------|
| • June 17-July 5     | Alameda County Fair at Pleasanton |
| • July 8-July 19     | California State Fair             |
| • August 5-August 16 | Humboldt County Fair              |
| • Sept. 23-Oct. 4    | San Joaquin County Fair           |
| • Oct. 7-Oct. 18     | Fresno District Fair              |

**Agenda Item 6 – Report, discussion, and action, if any, on development of Satellite Wagering locations at Fair.** Satellite Wagering at Salinas is underway and operating. Ms. Violini reported they had a good day at the Kentucky Derby. Kern County Fair is discussing with CARF and NCOTWinc the development of a Satellite Facility in a card room as a joint venture with the fair and the card room in Bakersfield.

**Agenda Item 7 – Financials.** – No questions.

**Agenda Item 8 – Executive Director’s Report.** Mr. Korby reported there has been a new appointee to the CHRB, Mr. George Krikorian of Palos Verdes. Director Patrick O’Brien from Alameda County Fair has been appointed by the Governor of California to the CHRB.

A second letter was received from Sonoma County Fair requesting the use of CARF’s paymaster. Ms. Grottveit is working on a response to this request. Legal counsel advised that any communication with Sonoma County Fair is to be directed to Mr. Korby and/or Counsel, Ms. Grottveit for an immediate review.

Meeting Adjourned

Respectfully submitted,  
Amelia White



# HORSE RACING UNITED

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May 30, 2013

TO: Members Of The Legislature

SUBJECT: Horse Racing United Position Statement re: The Tribal Draft Legislation

Dear Members Of The Legislature:

Respectfully, we are contacting you in response to the Internet Poker draft legislative language dated May 13, 2013 developed by a number of California gaming tribes that recently has become public.

Horse Racing United (HRU) is a not-for-profit organization that represents the interests of Thoroughbred racing and breeding within California. HRU members consist of: Del Mar Thoroughbred Club, Fairplex Park, Oak Tree Racing Association, Thoroughbred Owners of California, California Thoroughbred Breeders Association and California Authority of Racing Fairs.

The California horse racing and breeding industry is responsible for the employment of nearly 50,000 Californians, including union workers employed directly by the racetracks, and annually creates \$2.46 billion in total economic impact for the State.

We are currently the only industry in California authorized to conduct online gaming, which contributes a significant and growing percentage of our industry's revenue.

Despite being the only industry authorized to conduct online gaming, HRU has consistently made it clear that it is supportive of efforts to pass legislation authorizing Internet Poker that would provide equality for all, given that such an approach is in the best interest of the people of California.

Specifically, HRU supports such an all-inclusive approach for three reasons:

First, making Internet Poker available to many entities will create a new and significant revenue source for the State, estimated to be in excess of \$300 million annually. Internet Poker would be a right being provided by the state, and, as such, should be made widely available to benefit the state fully.

Second, an Internet Poker bill that provides an even playing field for all will enable additional revenue to support existing entities that employ thousands of citizens and create jobs in California. For the California horse racing industry, it will offer much needed support that will allow it to maintain the jobs created by the industry, and to be able to compete with other states who have authorized alternative forms of gaming to support their racing.

And, third, an Internet Poker bill that allows for an even playing field is the type of bill that will generate the broad-based support that is required of such legislation. We appreciate that in a democracy it is important that various sides come together to pursue a constructive approach where everyone can participate. Out of a desire to support passage of a bill, HRU has not adopted the position that the horse racing industry alone – despite its special online status – should have exclusive rights to Internet Poker. We realize such an approach would be neither constructive to passing legislation nor conducive to the best interests of the state. In short, it is our belief that Internet Poker is an opportunity where the many, and not just the few, should be able to participate.

By demanding exclusivity, this tribal draft legislative language fails in that it does not serve the best interest of California when it comes to generating revenue; it also does not serve the best interests of California when it comes to protecting existing jobs and economic development; and it does not serve the best interest of California

when it comes to an approach that would generate broad-based support for the legislation by allowing for greater participation.

HRU looks forwarding to continuing our support for an approach to Internet Poker that represents the best interest of the state and all of our members are committed to assisting with the legislative process in a constructive manner.

We deeply appreciate your efforts to date and look forward to working with you to find a solution that is truly in the best interest of all of California.

Sincerely,

HORSE RACING UNITED MEMBERSHIP



Christopher Korby  
Executive Director  
California Authority of Racing Fairs



Joe Harper  
CEO  
Del Mar Thoroughbred Club



Jim Henwood  
President  
Fairplex Park



Sherwood Chillingsworth  
Executive Vice President  
Oak Tree Racing Association



Joe Morris  
President  
Thoroughbred Owners of California



Doug Burge  
Executive Vice President  
California Thoroughbred Breeders Association

# CA Authority of Racing Fairs 5/1/2013

[AB 25](#)**(Campos D) Employment: social media.****Current Text:** Amended: 3/14/2013 [pdf](#) [html](#)**Introduced:** 12/3/2012**Status:** 4/24/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 24). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Current law prohibits a private employer from requiring or requesting an employee or applicant for employment to disclose a username or password for the purpose of accessing personal social media, to access personal social media in the presence of the employer, or to divulge any personal social media. This bill would apply the provisions described above to public employers. The bill would state that its provisions address a matter of statewide interest and apply to public employers generally, including charter cities and counties.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 277](#)**(Hall D) Tribal gaming: compact ratification.****Current Text:** Amended: 3/21/2013 [pdf](#) [html](#)**Introduced:** 2/11/2013**Status:** 4/30/2013-Read second time. Ordered to third reading.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would ratify the tribal-state gaming compact entered into between the State of California and the North Fork Rancheria Band of Mono Indians, executed on August 31, 2012. The bill would also ratify the tribal-gaming compact entered into between the State of California and the Wiyot Tribe, executed on March 20, 2013. The bill would provide that, in deference to tribal sovereignty, certain actions are not projects for purposes of CEQA. This bill contains other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 328](#)**(V. Manuel Pérez D) Tribal gaming: revenue sharing.****Current Text:** Introduced: 2/13/2013 [pdf](#) [html](#)**Introduced:** 2/13/2013**Status:** 2/28/2013-Referred to Com. on G.O.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would require the California Gambling Control Commission, if it is determined that there is an insufficient amount in the Indian Gaming Revenue Sharing Trust Fund in a fiscal year to distribute the quarterly payments pursuant to these provisions to each eligible recipient Indian tribe, to direct a portion of a specified revenue contribution pursuant to certain tribal-state gaming compacts that would otherwise be deposited into the General Fund, to instead be deposited into the Indian Gaming Revenue Sharing Trust Fund to increase the revenue contribution to that fund in an amount sufficient to ensure the fund has sufficient resources for each eligible recipient Indian tribe to receive the full \$275,000 quarterly payments. This bill contains other related provisions.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 356](#)**(Waldron R) Gaming.****Current Text:** Introduced: 2/14/2013 [pdf](#) [html](#)**Introduced:** 2/14/2013**Status:** 2/15/2013-From printer. May be heard in committee March 17.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. This bill would make a technical, nonsubstantive change to these provisions.

Organization	Position	Priority	Assigned	Subject



[AB 432](#)**(V. Manuel Pérez D) Horse racing: exchange wagering.****Current Text:** Introduced: 2/15/2013 [pdf](#) [html](#)**Introduced:** 2/15/2013**Status:** 4/25/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 17. Noes 0.) (April 24). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would require any racing association or racing fair receiving distributions from any exchange provider's exchange revenues to distribute a portion of that revenue to the official registering agency in a specified manner. By imposing new requirements on any racing association or racing fair, the violation of which would be a crime, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF				

[AB 654](#)**(Hall D) Gambling.****Current Text:** Amended: 3/19/2013 [pdf](#) [html](#)**Introduced:** 2/21/2013**Status:** 4/11/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 17. Noes 0.) (April 10). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would require the Gaming Policy Advisory Committee to meet at least twice per year, and would require the California Gambling Control Commission to consult with the committee on recommended proposed regulations. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 820](#)**(Hall D) Gaming: Gambling Control Act.****Current Text:** Introduced: 2/21/2013 [pdf](#) [html](#)**Introduced:** 2/21/2013**Status:** 4/11/2013-From committee: Do pass and re-refer to Com. on APPR. with recommendation: to consent calendar. (Ayes 16. Noes 0.) (April 10). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would revise the definition of "key employee" to mean any natural person employed in the operation of a gambling enterprise in a supervisory capacity or empowered to make discretionary decisions with regard to gambling operations. The bill would also delete pit bosses and shift bosses from the definition of "key employee" and would instead include shift managers and surveillance managers and supervisors in these provisions.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[AB 1069](#)**(Dickinson D) California Exposition and State Fair.****Current Text:** Amended: 3/20/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 5/1/2013-Action From APPR.: To APPR. SUSPENSE FILE.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would require a director of the governing body of the California Exposition and State Fair whose term has expired to continue to discharge his or her duties until a successor has been appointed. The bill would limit the costs and assessments of the California Exposition and State Fair to personnel costs and costs rendered pursuant to specified contracts entered into with other state agencies. The bill would revise the information the California Exposition and State Fair is required to report annually, and would require the information to be reported to the Governor only. The bill would require the California Exposition and State Fair's books and accounts to be examined and reviewed annually and audited once every 5 years, as specified. This bill contains other related provisions.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1074 (Atkins D) Horse racing: statewide marketing organization.****Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 5/1/2013-Action From APPR.: To APPR. SUSPENSE FILE.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Existing law, operative until January 1, 2014, authorizes thoroughbred racing associations, fairs, and the organization responsible for contracting with thoroughbred racing associations and fairs with respect to the conduct of racing meetings, to form a private, statewide marketing organization to market and promote thoroughbred and fair horse racing. This bill would delete the repeal date, thereby extending the operation of those provisions indefinitely. By making these provisions of the Horse Racing Law permanent, a violation of which is a crime, the bill would create new crimes and would thereby impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1103 (Hall D) Gaming: slot machines.****Current Text:** Amended: 3/21/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/25/2013-From committee: Do pass and re-refer to Com. on APPR. with recommendation: to consent calendar. (Ayes 16. Noes 0.) (April 24). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would provide that only amusement machines or devices that do not offer money, or any item that can be redeemed for money, as a prize are excluded from the definition of a slot machine or device. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1154 (Gray D) Horse racing: equine drug testing: equine medical director.****Current Text:** Amended: 4/18/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 5/1/2013-Action From SECOND READING: Read second time and amended.Re-referred to APPR..

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Current law requires the California Horse Racing Board to contract to provide compensation for an equine medical director, with specified duties and responsibilities, who shall advise the Kenneth L. Maddy Equine Analytical Chemistry Laboratory, located at the University of California at Davis, and be appointed by the Dean of the School of Veterinary Medicine, as specified. This bill would establish that the term for the equine medical director is 2 years, and would prohibit a person from serving 2 consecutive terms. The bill would state various legislative findings and declarations relating to the Kenneth L. Maddy Equine Analytical Chemistry Laboratory.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1226 (Hall D) Horse racing: jockey riding fees.****Current Text:** Amended: 4/8/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/11/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 17. Noes 0.) (April 10). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would require a jockey whose horse finishes first, 2nd, or 3rd, to be paid percentages of the gross purse, as specified, except a jockey who finishes 2nd or 3rd in a race in which the purse is \$9,999 or less. The bill would define gross purse as the published amount of the purse before any deductions. By imposing requirements on the payments made to jockeys, the violation of which would be a misdemeanor, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1239 (Holden D) Public contracts: anti-trafficking.****Current Text:** Amended: 3/21/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/16/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would prohibit a contractor, as defined, that has entered into a contractual relationship with a public entity from engaging in trafficking-related activities, including destroying, concealing, confiscating, or otherwise denying access to the employee's identity documents, such as passports or drivers' licenses.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1267 (Hall D) Tribal gaming: compact ratification.****Current Text:** Amended: 4/29/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/29/2013-Read second time and amended. Ordered to third reading.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would ratify the amendment to the tribal-state gaming compact entered into between the State of California and the Shingle Springs Band of Miwok Indians, executed on November 15, 2012. The bill would provide that, in deference to tribal sovereignty, certain actions may not be deemed projects for purposes of CEQA. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1303 (Hall D) Horse racing: takeouts: disclosure to patrons.****Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/11/2013-From committee: Do pass and re-refer to Com. on APPR. with recommendation: to consent calendar. (Ayes 16. Noes 0.) (April 10). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would require each racing association or fair to inform patrons, through the official program, of the takeout being applied to the handle for the racing meeting. By creating a new crime, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1342 (Jones-Sawyer D) Gambling activities and establishments.****Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 3/14/2013-Referred to Com. on G.O.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would require the Department of Justice and the California Gambling Control Commission to establish an enhanced fee schedule for applicants who wish to have their applications processed and background investigations conducted in an expedited manner.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**AB 1347 (Gray D) Horse racing: out-of-state thoroughbred races: statewide marketing organization.****Current Text:** Amended: 4/16/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/25/2013-From committee: Do pass and re-refer to Com. on APPR. with recommendation: to consent calendar. (Ayes 16. Noes 0.) (April 24). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Current law, the total number of thoroughbred races imported by associations or fairs on a statewide basis under these provisions shall not exceed 50 per day on days when live thoroughbred

or fair racing is being conducted in the state, with the exception of prescribed races, including races that are part of the race card of the Kentucky Derby, the Kentucky Oaks, the Preakness Stakes, the Belmont Stakes, the Jockey Club Gold Cup, the Travers Stakes, the Arlington Million, the Breeders' Cup, the Dubai Cup, the Arkansas Derby, or the Haskell Invitational. This bill would exempt from the 50 race per day limitation, races that are part of the race card. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Sponsor			

**Notes 1:** Referred to A/ Governmental Organizations - KSC Letter sent to Author and Committee on 3/27.

April 24: A/ Governmental Organization - KSC Letter sent to committee on 4/18.

**[AB 1388](#) (Committee on Agriculture) Horses: test verification, horse shows, competitions, and sales.**

**Current Text:** Amended: 4/24/2013 [pdf](#) [html](#)

**Introduced:** 3/4/2013

**Status:** 4/25/2013-Re-referred to Com. on AGRI.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Current law requires any horse or other Equidae brought into this state to be accompanied by a certificate of health and verification that the horse or Equidae has been tested within the preceding 6 months and found negative to a test for equine infectious anemia, except as otherwise specified. A violation of those provisions is a crime. This bill would instead require verification that a horse or other Equidae has been tested, and found negative, for equine infectious anemia within the preceding 12 months. This bill contains other related provisions and other current laws.

Organization	Position	Priority	Assigned	Subject
CARF				

**[AB 1420](#) (Committee on Accountability and Administrative Rev) State government: state agencies: reports.**

**Current Text:** Introduced: 3/21/2013 [pdf](#) [html](#)

**Introduced:** 3/21/2013

**Status:** 4/1/2013-Referred to Com. on A. & A.R.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would eliminate provisions that require certain state agencies to submit certain reports to the Legislature and other state agencies. The bill would also modify requirements of certain reports by requiring, among other things, that reports be placed on the Internet Web site of the reporting agency rather than to be submitted to the Legislature or other state agencies, or requiring certain state agencies to collaborate with other state agencies in preparing those reports. The bill would also modify cross-references.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**[AB 1423](#) (Committee on Governmental Organization) Horse racing: advance deposit wagering and exchange wagering deductions.**

**Current Text:** Introduced: 3/21/2013 [pdf](#) [html](#)

**Introduced:** 3/21/2013

**Status:** 4/25/2013-From committee: Do pass and re-refer to Com. on APPR. with recommendation: to consent calendar. (Ayes 16. Noes 0.) (April 24). Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would require certain amounts generated at harness race meetings that are held in trust by the California Exposition and State Fair to be distributed to the harness racing horsemen who participated in a certain racing meeting, and to the California Exposition and State Fair, in accordance with specified percentages and requirements. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

**[AB 1426](#) (Committee on Governmental Organization) Tribal gaming.**

**Current Text:** Introduced: 3/21/2013 [pdf](#) [html](#)

**Introduced:** 3/21/2013

**Status:** 4/1/2013-Referred to Com. on G.O.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Current federal law, the Indian Gaming Regulatory Act of 1988, provides for the negotiation and execution of tribal-state gaming compacts for the purpose of authorizing certain types of gaming on Indian lands within a state. The California Constitution authorizes the Governor to negotiate and conclude compacts, subject to ratification by the Legislature. This bill would reorganize and make technical, nonsubstantive changes to these provisions. The bill would conform these provisions to the changes made by the Governor's Reorganization Plan No. 2. of 2012. This bill contains other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 190](#)

**(Wright D) Gambling: sports wagering.**

**Current Text:** Amended: 4/29/2013 [pdf](#) [html](#)

**Introduced:** 2/7/2013

**Status:** 4/29/2013-Read second time and amended. Re-referred to Com. on APPR.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Would authorize the owner or operator of a gambling establishment, or the owner or operator of a horse racing track, including a horse racing association, or of a satellite wagering facility, with a current license, to conduct wagering on professional and collegiate sports or athletic events, other than on collegiate sports or athletic events that take place in California or in which any California college team participates, by applying to the California Gambling Control Commission or the California Horse Racing Board, as specified, for authorization to conduct sports wagering, and by paying an annual fee for deposit in the Gambling Addiction Program Fund. This bill contains other related provisions and other existing laws.

Organization	Position	Priority	Assigned	Subject
CARF	Support			

**Notes 1:** April 23 - Draft letter to Author

[SB 356](#)

**(Yee D) Gambling establishments: owner licensing.**

**Current Text:** Introduced: 2/20/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Status:** 4/24/2013-Read second time. Ordered to third reading.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Under current law, a person is deemed unsuitable to hold a state gambling license to own a gambling establishment if the person, or any partner, officer, director, or shareholder of the person, has any financial interest in any business or organization that is engaged in a prohibited form of gambling, whether within or without this state, except as specified. This bill would except from the application of this provision a person or entity that has been licensed in good standing as an owner of a gambling establishment for at least 5 years as of January 1, 2013, and that has obtained a financial interest in a gambling operation that is conducted only outside of the United States.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 398](#)

**(Galgiani D) Horse racing: charity days: distribution of proceeds.**

**Current Text:** Amended: 4/1/2013 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Status:** 4/25/2013-In Assembly. Read first time. Held at Desk.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House					2nd House							

**Summary:** Current law requires each licensed racing association to be made to certain nonprofit corporations and organizations, and requires that at least 20% of the distributions go to charities associated with the horse racing industry. This bill, in addition to those required distributions, would authorize a separate distribution to be made to a nonprofit corporation or trust that has as its sole purpose the support of recognized fairs or the network of California fairs.

Organization	Position	Priority	Assigned	Subject
CARF	Support			

**Notes 1:** April 9: S/ Governmental Organizations - KSC Letter sent to Author and Committee on 3/27.

[SB 472](#)**(Hill D) Gaming: licenses.****Current Text:** Introduced: 2/21/2013 [pdf](#) [html](#)**Introduced:** 2/21/2013**Status:** 4/11/2013-In Assembly. Read first time. Held at Desk.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. This bill would require the application for certain licenses to be filed within 45 calendar days after receipt of an order of the commission.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 601](#)**(Yee D) Gambling activities and establishments.****Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 3/11/2013-Referred to Com. on G.O.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would require the Legislative Analyst to conduct an economic study to be submitted to the Legislature no later than December 1, 2014, analyzing the economic impact of all California laws and regulations on gambling establishments and the state's economy, as specified. The bill would authorize the Legislative Analyst to submit a claim to the Controller for its expenses associated with the study, to be paid from the Gambling Control Fund upon appropriation of the Legislature.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 668](#)**(Fuller R) Tribal gaming: compact ratification.****Current Text:** Amended: 4/1/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/29/2013-In Assembly. Read first time. Held at Desk.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** .

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 678](#)**(Correa D) Internet gambling.****Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 3/11/2013-Referred to Com. on G.O.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Would authorize the operation of Internet poker Web sites within the borders of this state. The bill would require the California Gambling Control Commission to establish a regulatory framework for the licensure of eligible entities and the operation of Internet poker Web sites within the borders of the state.

Organization	Position	Priority	Assigned	Subject
CARF	Watch			

[SB 721](#)**(Padilla D) Horse racing: license fee retention.****Current Text:** Introduced: 2/22/2013 [pdf](#) [html](#)**Introduced:** 2/22/2013**Status:** 4/29/2013-In Assembly. Read first time. Held at Desk.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

**Summary:** Current law authorizes any county or district agricultural association fair conducting racing meetings for the first time on or after January 1, 1979, to retain the applicable state license fee for payment of a capital expense loan incurred for the purpose of preparing its facilities for horse racing. This bill would repeal that authorization. Because this bill would expand the scope of a crime by removing an exception, it would create a state-mandated local program. This bill contains other

related provisions and other existing laws.

**Organization**  
CARF

**Position**  
Watch

**Priority**

**Assigned**

**Subject**

**Total Measures: 29**

**Total Tracking Forms: 29**





## KAHN, SOARES &amp; CONWAY, LLP

ATTORNEYS AT LAW

ANN M. GROTTVEIT  
(916) 448-3826EMAIL:  
agrottveit@kscsacramento.com

May 16, 2013

**VIA EMAIL AND FIRST CLASS MAIL**

Sheryl L. Bratton  
Assistant County Counsel  
Office of the County Counsel  
County Administration Center  
575 Administration Drive, Room 105A  
Santa Rosa, CA 95403

Re: Sonoma Request

Dear Ms. Bratton:

Please find attached recent correspondence between your client Sonoma County Fair ("Sonoma") and the California Authority of Racing Fairs ("CARF").

The CARF Board directed staff to place this issue on the agenda for the June 2013 Board Meeting. Accordingly, the Board has determined that any future contracts with Sonoma will be addressed at the Board level.

Sonoma should address all requests and inquiries about CARF services to CARF before raising the matter with outside industry partners.

Finally Vickie Layne is a CARF employee and Sonoma should not contact her directly regarding this matter.

Very truly yours,

KAHN, SOARES &amp; CONWAY, LLP

Ann M. Grottveit

AMG/ehs  
Enclosures

cc: California Authority of Racing Fairs





Sonoma County Fair & Exposition, Inc.  
1350 Bennett Valley Drive  
Santa Rosa, CA 95404

May 2, 2013

Christopher Korby  
California Authority of Racing Fairs  
1776 Tribute Road, Suite 205  
Sacramento, California 95815

Dear Chris:

It has come to my attention that our separation may cause undue hardship to fair circuit horsemen with regards to their account management. I'm sure we can agree that neither of our organizations would want to harm other racing industry partners with our dissolution.

In an effort to accommodate the owners, trainer, and jockeys, the Sonoma County Fair would like to enlist the services of Vicki Layne as Paymaster of Purses. We believe that it would be in the best interest of the entire racing industry to have the continuity of one single Paymaster for the summer fair meets. In addition, our payment for the contracted services of Vicki will reduce the daily costs to the other fairs for these services provided by CARF. We would expect to contribute to Vicki's employment expenses, would provide lodging and are willing to pay a reasonable premium above the amount to be charged member fairs of CARF.

Please let me know no later than May 15th if we could work together on this issue for the benefit of all our stakeholders.

Sincerely,

Tawny Tesconi  
Fair Manager

cc: John Alkire, Big Fresno Fair  
Jerome Hoban, Alameda County Fair  
Rick Pickering, Cal Expo  
Richard Conway, Humboldt County Fair  
Janet Covello, San Joaquin County Fair  
Kirk Breed, California Horse Racing Board  
Joe Morris, Golden Gate Fields  
Richard Scheidt, Thoroughbred Owners of California  
Charles Dougherty, California Thoroughbred Trainers



*a California state lottery agency*

1776 Tribute Road, Suite 205  
Sacramento, CA 95815  
Office: 916.927.7223 Fax: 916.263.3341  
[www.calfairs.com](http://www.calfairs.com)

May 8, 2013

Ms. Tawny Tesconi  
Sonoma County Fair  
1350 Bennett Valley Rd.  
Santa Rosa, CA

Dear Ms. Tesconi:

This is written in response to your letter to CARF regarding Paymaster services, received by us on May 2.

In January of this year, Sonoma indicated that it was considering withdrawing from CARF management services. In response, CARF made two requests to Sonoma to meet with Fair staff and with appropriate Fair Board members to address the services provided by CARF and to ensure that Sonoma had all available information in moving forward with its decision. Sonoma refused and in response demanded a 15 % reduction to the 2013 CARF budget that had already been approved by the CARF Board.

In February, the Sonoma Fair Board, voluntarily and on its own initiative, voted to withdraw from using CARF management services. At the February CARF meeting, you informed CARF that Sonoma had reviewed the duties and responsibilities that this decision would require Sonoma to take on. You also informed CARF that Sonoma was certain that it had the resources and ability to conduct its Live Racing operations more efficiently if it did not use CARF employees or services.

Sonoma's actions caused the CARF Board serious concern regarding potential liabilities to CARF through acts of omission or commission by Sonoma as a result of its withdrawing from the use of CARF management services. Subsequently, CARF and Sonoma negotiated a Separation Agreement signed by both parties, effective as of April 2, 2013. This Separation Agreement ended Sonoma's membership in CARF. In keeping with Sonoma's wishes, the agreement also memorialized Sonoma's acceptance of complete responsibility and liabilities for the conduct of its racing meeting in 2013. Significant CARF time and resources have gone into this transition.

C A L I F O R N I A   A U T H O R I T Y   O F   R A C I N G   F A I R S

Now, a month to the day after the Separation Agreement went into effect, CARF has received a request from Sonoma to provide a service that Sonoma specifically and unilaterally rejected thirty days earlier. Sonoma now cites its concern regarding the "continuity" of services and programs provided for horsemen as the basis for this sudden turnaround. We would note that CARF management has provided continuity of services and programs to Sonoma and other Northern California Fairs for over twenty-five years. Regrettably, in this case, changes in continuity of services provided to horsemen at Santa Rosa have come about as a result of actions by Sonoma County Fair.

In any event, there cannot be an integrated continuity in the Paymaster function because there is no longer any financial connection between Sonoma and CARF. Regardless of the person or entity which actually provides the Paymaster services, Sonoma will require new accounts and separate IRS reporting for 2013.

When Sonoma decided to cease using CARF management services, it also walked away from access to management personnel, programs and services long provided by CARF. Financial underwriting of purses will no longer be available from CARF. Going forward, it will be up to the CHRB and other industry stakeholders to assess whether Sonoma has made adequate provision of qualified and suitable replacements for important functions such as race track safety and maintenance, underwriting of purses, distribution of parimutuel revenues, simulcast coordination, etc. As we attempted to point out on multiple occasions, the services previously provided by CARF will now become the responsibility of Sonoma County Fair.

It's important to convey that Sonoma's recent actions have cost CARF considerable time effort and money, including a substantial sum in attorneys' fees. In addition, Sonoma's departure will cause other Fairs additional expense by changing the allocations for shared expenses.

Your letter came too late to be included for our May CARF Board meeting agenda. We have sent your letter to legal counsel for review and, if appropriate, will include the matter at the June meeting for discussion by the CARF Board.

Very truly yours,

  
Christopher Korb  
Executive Director

cc: John Alkire, Big Fresno Fair  
Rick Pickering, Cal Expo  
Richard Conway, Humboldt County Fair  
Janet Covello, San Joaquin County Fair  
Jerome Hoban, Alameda County Fair  
Kirk Breed, California Horse Racing Board  
Joe Morris, Golden Gate Fields  
Richard Scheidt, Thoroughbred Owners of California  
Charles Dougherty, California Thoroughbred Trainers



Sonoma County Fair & Exposition, Inc.  
1350 Bennett Valley Drive  
Santa Rosa, CA 95404

May 14, 2013

Christopher Korby  
California Authority of Racing Fairs  
1776 Tribute Road, Suite 205  
Sacramento, California 95815

Dear Chris:

There appears to be a misunderstanding of my letter dated May 2, 2013 regarding CARF Paymaster, Vicki Layne. When I stated that we "would like to enlist the services of Vicki Layne" it was for her time only; I was not requesting use of CARF's Paymaster account or Incompass account.

It is my understanding that Ms. Layne occasionally works other meets either as the Paymaster or Assistant Paymaster, so it appears this concept of her working outside of the CARF member program has been approved in the past. She is a CARF employee, not a contractor; so I am assuming it is up to you to determine if we can contract with CARF for her services. If you see it differently and we can contract directly with her, please let me know.

Regarding the services needed, we will only require Ms. Layne to physically be at our facility during our live meet and we will provide all equipment and space necessary to complete her duties as required for our meet. In addition, we will gladly provide the space and/or connectivity needed for her to manage the CARF paymaster program and services for its member fairs while she is at our facility. Further, she will need to perform paymaster duties prior to and after our meet and I fully understand that we will need to pay for these services. In 2012, we paid \$17,557 (includes Admin Fees) for Ms. Layne's services as a member of CARF, and I am assuming the contract amount we will pay CARF will be adjusted for the amount of work to be performed and our non-member status.

To reiterate, the Sonoma County Fair has a Paymaster bank account established, which includes the start up funds necessary to distribute purses. We have also contracted with InCompass Solutions for the RTO and Horsemen's Bookkeeper systems and are aware that IRS and other reports are due by year's end. These reports will be processed by our accounting department so that we do not impose on Ms. Layne for these services.

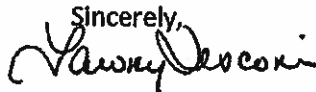
We initiated contact with you for the aforementioned services for two primary reasons:

- Convenience for the horsemen that follow the northern California fair circuit by allowing them uniformity and ease of dealing with the same contact person for accounting purposes and management. For example, the account transfers between Cal Expo to Santa Rosa and Santa Rosa to Ferndale.
- The ability for CARF to reduce the daily costs to their member fairs through Sonoma County Fair's reimbursement for Vicki Layne's expertise and services.

I am sure you know that our industry partners are very supportive of my suggestion that we use Ms. Layne's services for our meet and I hope we can reach a mutually agreeable solution.

According to your letter, you will need to take this to your June 4<sup>th</sup> Board meeting. However, since I clarified that we are only looking to contract for personnel services and nothing more, and since it appears the decision to do this with other meets has not gone to the CARF Board for approval; I would hope you could make an executive decision on this request prior to June.

If you would like to further discuss this matter, please contact me at (707) 545-4218.

Sincerely,  


Tawny Tesconi  
Fair Manager

cc: Doug Beretta, President, Sonoma County Fair Board  
John Alkire, Big Fresno Fair  
Jerome Hoban, Alameda County Fair  
Rick Pickering, Cal Expo  
Richard Conway, Humboldt County Fair  
Janet Covello, San Joaquin County Fair  
Kirk Breed, California Horse Racing Board  
Joe Morris, Golden Gate Fields  
Richard Scheldt, Thoroughbred Owners of California  
Charles Dougherty, California Thoroughbred Trainers



## Alliant Insurance Services, Inc.

Newport Beach - Alliant Insurance Services, Inc.  
1301 Dove Street, Ste. 200  
Newport Beach  
CA 92660-2436  
Phone: (949) 756-0271

**Invoice # 120088**

Page 1 of 1

ACCOUNT NUMBER	DATE
CALIAUT-01	4/17/2013
BALANCE DUE ON	
6/1/2013	
AMOUNT PAID	AMOUNT DUE
	\$950.00

California Authority of Racing Fairs (CARF)  
1776 Tribute Rd Ste 250  
Sacramento, CA

### ACIP-Alliant Crime Insurance Program

Client: California Authority of Racing Fairs (CARF)  
Policy Number: CRIME1314

Policy: Commercial Crime  
Effective: 7/1/2013 to 7/1/2014

Item #	ICO	Trans Eff Date	Due Date	Trans	Description	Amount
390196	NATUN2	7/1/2013	6/1/2013	RENB	13-14 ACIP Crime Renewal	\$950.00

**Total Invoice Balance: \$950.00**

13-14 Alliant Crime Program  
Please make check payable to Alliant Insurance and mail to the address above by June 1, 2013

OK

OK

 OK  
OK  
/

**IMPORTANT NOTICE:** The Nonadmitted & Reinsurance reform act (NRRA) went into effect July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees owed must be promptly remitted to Alliant Insurance Services, Inc.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income Alliant may earn on a placement, are available at [www.alliantinsurance.com](http://www.alliantinsurance.com). For a copy of our policy or for inquiries regarding compensation issues pertaining to your account contact: Alliant Insurance Services, Inc., Attn: General Counsel, 701 B St., 6th Floor, San Diego, CA 92101

**ALLIANT CRIME INSURANCE PROGRAM  
2013-2014 PROPOSAL  
CALIFORNIA AUTHORITY OF RACING FAIRS (CARF)**

<b>INSURER:</b>	National Union Fire Insurance Company of Pittsburgh, PA (Chartis)
<b>*A.M. BEST'S GUIDE RATING:</b> <i>(VERIFIED APRIL 2013)</i>	A, Excellent; Financial Size Category 15; Greater than \$2,000,000,000
<b>*STANDARD &amp; POOR'S RATING:</b> <i>(VERIFIED APRIL 2013)</i>	A, Strong Financial Security
<b>STATE STATUS:</b>	Admitted
<b>POLICY PERIOD:</b>	July 1, 2013 to July 1, 2014 Extension of Policy #02-211-26-48
<b>COVERAGE:</b>	Government Crime Policy on Discovery form including the following coverages: <ul style="list-style-type: none"><li>➤ Employee Theft – Per Loss Coverage</li><li>➤ Forgery or Alteration</li><li>➤ Inside the Premises – Theft of Money and Securities</li><li>➤ Inside the Premises – Robbery &amp; Safe Burglary of Other Property</li><li>➤ Outside the Premises</li><li>➤ (Money, Securities and Other Property)</li><li>➤ Computer Fraud</li><li>➤ Funds Transfer Fraud</li><li>➤ Money Orders &amp; Counterfeit Money</li></ul>
<b>EXCLUSIONS (Including but not limited to):</b>	<ul style="list-style-type: none"><li>• Unauthorized disclosure of confidential information</li><li>• Governmental Action</li><li>• Indirect Loss</li><li>• Legal Fees and Expenses</li><li>• Nuclear Hazard</li><li>• Pollution</li><li>• War and Military Action</li><li>• Inventory Shortages</li><li>• Trading losses</li><li>• Accounting or Arithmetical Errors or Omissions</li><li>• Exchanges or Purchases</li><li>• Fire</li><li>• Money Operated Devices</li><li>• Motor Vehicles or Equipment and Accessories</li><li>• Transfer or Surrender or Property</li><li>• Vandalism</li><li>• Voluntary Parting of Title to Possession of Property</li></ul>

*\*See last page for additional details.*

**ALLIANT CRIME INSURANCE PROGRAM  
2013-2014 PROPOSAL  
CALIFORNIA AUTHORITY OF RACING FAIRS (CARF)**

**ENDORSEMENTS:**

- State Changes
- Additional Named Insured – Endorsement identifies individual member limit and deductible
- Omnibus Named Insured – Coverage extended to all Agencies, Authorities and Districts (including Special Districts) which are governed directly by the governing body of the Named Insured
- Add Faithful Performance of Duty Coverage for Government Employees – Individual Member Limit
- Revision of Discovery and Prior Theft or Dishonesty \$25,000 Sub-Limit
- Cancellation of Policy Amended – 90 Days NOC
- Bonded Employees Exclusion Deleted endorsement
- Add Credit, Debit or Charge Card Forgery
- Include Volunteer Workers as Employees
- Include Specified Non-Compensated Officers and Any Elected or Appointed Officials Employees (blanket coverage)
- Include Chairperson and Members of Specified Committees as Employees (blanket coverage)
- Include Designated Persons or Classes of Persons as Employees – Any Director or Trustees of any of those named as insured
- Include Treasurers or Tax Collectors as Employees
- Include Expenses Incurred to Establish Amount of Covered Loss - \$75,000 Sub-limit
- Employee Post Termination Coverage – 90 Days
- Cancellation Amendatory (Return Pro-Rata)
- Include Leased Workers as Employees Endorsement
- Notice of Claim Reporting by Email
- Coverage Territory Endorsement (excludes loss payments in violation of economic or trade sanctions)
- Vendor Theft - \$1,000,000 Limit excess of vendor insurance policy required by contract. If vendor policy is not valid or collectible, this sublimit applies to loss excess of \$500,000. Coverage not applicable if crime insurance is not required in a written agreement
- Conditions Amended - Subrogation of Faithful Performance of Duty Claims - With respect to losses resulting from the failure of any employee to faithfully perform his or her duties as prescribed by law, the company may subrogate only due to actual fraud, corruption, actual malice, or where the employee or a person or entity was unjustly enriched
- Third Party Coverage - \$250,000 Sublimit with \$25,000 Deductible



**ALLIANT CRIME INSURANCE PROGRAM  
2013-2014 PROPOSAL  
CALIFORNIA AUTHORITY OF RACING FAIRS (CARF)**

**ENDORSEMENTS (continued):**

Except the following:

- El Camino Hospital - \$5M with \$2,500 ded
- Eastern Plumas Health Care \$1M with \$2,500 ded
- Palm Drive Healthcare \$1M with \$2,500 ded
- Southern Humboldt Community Healthcare \$1M with \$2,500 ded
- Washington Township Health Care District - \$10M with \$2,500 ded

Designated Agents as Employees - Only for the following entities:

- City of Dana Point
- Beach Cities Health District
- City of Camarillo
- Regional Solid Waste Association
- San Gabriel Valley Council of Governments
- Big Independent Cities Excess Pool

Joint Loss Payable - Only for the following entities:

- City of San Marino
- City of Palmdale
- City of Pomona
- City of Calabasas
- City of Claremont
- City of Lakewood
- City of Norwalk
- City of Calistoga
- City of Gustine

	<u><b>2012-2013 CURRENT</b></u>	<u><b>2013-2014 PROPOSED</b></u>
<b>LIMIT:</b>	\$1,000,000	\$1,000,000
<b>DEDUCTIBLE:</b>	\$2,500	\$2,500
<b>PREMIUM:</b>	\$950.00	\$ 950.00

**CLAIMS REPORTING  
PROCEDURE:**

Chartis  
Financial Lines Claims  
P.O. Box 25947  
Shawnee Mission, KS 66225  
Phone: 888-602-5246  
Fax: 866-227-1750  
Email: [c-claim@chartisinsurance.com](mailto:c-claim@chartisinsurance.com)

Also Please forward a copy of the loss to:

Alliant Insurance Services, Inc.  
Attn: Robert Frey  
100 Pine Street, 11<sup>th</sup> Floor  
San Francisco, CA 94111  
Phone: 415-403-1400  
Fax: 415-403-1466

**DATE PREPARED:** April 22, 2013



**ALLIANT CRIME INSURANCE PROGRAM  
2013-2014 PROPOSAL  
CALIFORNIA AUTHORITY OF RACING FAIRS (CARF)**

**BROKER:**

**ALLIANT INSURANCE SERVICES, INC.  
NEWPORT BEACH, CALIFORNIA**

**Tom E. Corbett  
First Vice President**

**Lisa Meisner  
Account Manager**

*THIS PROPOSAL IS FOR INFORMATION PURPOSES ONLY AND DOES NOT ALTER THE POLICY IN ANY WAY.  
PLEASE REFER TO THE POLICY FORM FOR COMPLETE COVERAGE, TERMS & CONDITIONS AND EXCLUSIONS.*

*Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at [www.alliant.com](http://www.alliant.com). For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6<sup>th</sup> Floor, San Diego, CA 92101.*

*Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations.*

*Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.*

*A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at [www.ambest.com](http://www.ambest.com)*

*For additional information regarding insurer financial strength ratings visit Standard and Poor's website at [www.standardandpoors.com](http://www.standardandpoors.com)*

*To learn more about companies doing business in your state, visit the Department of Insurance website for your state.*

Public Entity Group



Special Liability Insurance

Renewal Application

September 29, 2013 to September 29, 2014

**COMPLETE NAMED INSURED:** California Authority of Racing Fairs

**LIST ANY RELATED ENTITIES  
THAT ALSO NEED TO BE  
INCLUDED IN THIS POLICY (Include  
relevant documents including contracts,  
MOU or prior policy as needed):**

**NAMED INSURED'S MAILING ADDRESS:** 1776 Tribute Road, Ste. 205  
Sacramento, CA 95815

**NAMED INSURED'S PHYSICAL ADDRESS  
(IF DIFFERENT FROM MAILING):**

**CONTACT NAME:** Julia Gordon - CA Fairs **TITLE:** Assistant Vice President

**PHONE NUMBER:** (949) 660-8141 **FAX NUMBER:** (949) 756-7316

**E-MAIL ADDRESS:** jgordon@alliant.com

**WEB SITE:** www.calfairs.com

**DESCRIPTION OF OPERATIONS (Required):**

**ANY CHANGES TO OPERATIONS FROM SEPTEMBER 2012?** ☐ Yes ☒ No

**IS YOUR ENTITY A 501(c) TAX EXEMPT NON-PROFIT CORPORATION?**

YES NO

☐

☒

**HAS THERE BEEN ANY DISPUTE REGARDING THE ENTITY'S  
TAX-EXEMPT STATUS? (If the answer is "YES", please attach a detailed  
explanation) .....**

☐

☐

**IS YOUR ORGANIZATION A PUBLIC ENTITY? .....**

☒

☐

**IF YES, IS YOUR ORGANIZATION AFFILIATED WITH THE COUNTY? ...**

☐

☒

Public Entity Group



**Special Liability Insurance  
Renewal Application  
September 29, 2013 to September 29, 2014**

**A. GENERAL INFORMATION:**

1. Number of Officials: Elected: 7 Appointed: \_\_\_\_\_  
Please attach a list of board members 5
2. Current # of Employees: Full-time 5 Part-time 7
3. Current # of Active Volunteers: 0
4. Current Workers' Compensation Payroll: \$1607,013
5. Office Square Footage: 2100
6. Operating Budget\*: \$1,132,502
- \*Pure operating cost only. Please exclude all pass-through and capital improvement funds.

**B. DO YOU REQUIRE COVERAGE FOR ANY OF THE FOLLOWING?**  
(Additional premium may apply)

	<u>YES</u>	<u>NO</u>
1. Watercraft: (over 26 feet in length)	<u>      </u>	<u>X</u>
2. Dams:	<u>      </u>	<u>X</u>

**C. AUTO INFORMATION:**

1. If you currently have Owned Auto coverage:
- a. Review the attached auto list and indicate any changes needed.
  - b. Review the attached driver list and indicate any changes needed.
2. Do you have any drivers with any of the following on their records?  
YES \_\_\_\_\_ NO X

Suspended license  
3 or more tickets in the last 12 months  
DUI or DWI  
Leaving the scene of an accident  
Hit and run

Special Liability Insurance  
Renewal Application  
September 29, 2013 to September 29, 2014

**D. EMPLOYMENT PRACTICES**

1. Does the applicant have a director of personnel or other similar position:  
YES \_\_\_\_\_ NO X
2. Does the applicant have established written guidelines and/or procedures for employment practices  
YES X NO \_\_\_\_\_
  - a. If yes, furnish the Company with a copy of the Employee Handbook on these matters.
  - b. Has the handbook been reviewed by an attorney within the past three years?  
YES \_\_\_\_\_ NO X
  - c. Do all new Employees receive a thorough orientation which includes review of the Employee Handbook?  
YES X NO \_\_\_\_\_
3. Is the applicant currently anticipating layoffs or reduction in work force?  
YES \_\_\_\_\_ NO X

If YES, provide details:

**E. PLEASE LIST ANY ADDITIONAL OPTIONS NEEDED ON THIS POLICY:**

Coverage

Limit:

Deductible

SIR (Self Insured Retention)



Special Liability Insurance  
Renewal Application  
September 29, 2013 to September 29, 2014

**F. CYBER LIABILITY** *(This is a pending program enhancement for 2013-2014. This coverage is currently excluded.)*

1. Does your website use firewall and intrusion prevention systems?

YES   X   NO       

2. Do you maintain current versions of Anti-Virus style software to address threats (including but not limited to viruses, Trojans/worms, spyware, malware and root-kits)?

YES   X   NO       

3. What type of personally identifiable information (PII) and protected health information (PHI) do you have?

4. Do you encrypt laptops and back-up tapes?

YES   X   NO       

5. Have you had any breaches?

YES        NO   X  

a. If yes, please provide details.

b. How many records were breached?

\_\_\_\_\_



Special Liability Insurance  
Renewal Application  
September 29, 2013 to September 29, 2014

**G. WOULD YOU LIKE QUOTES FOR ANY ADDITIONAL LINES OF COVERAGE NOT CURRENTLY PURCHASED FROM ALLIANT? (Mark all that apply)**

- ☐ Property      ☐ Earthquake or Flood      ☐ Crime (Employee Dishonesty)  
☐ Workers' Compensation      ☐ VIP (Volunteer Accident Coverage)

The undersigned declares that to the best of their knowledge and belief that statements set forth herein are true. Although the signing of this application does not bind the undersigned on behalf of the Company, to effect insurance, the undersigned on behalf of the Company, agrees that this form and said statements shall be the basis of any quotations which may be submitted.

5/21/2013

Date

Lucy A. Santolucito COO, CARP

Signature and Title of Authorized Representative

PLEASE RETURN THE COMPLETED APPLICATION TO:  
[SLIP@ALLIANTINSURANCE.COM](mailto:SLIP@ALLIANTINSURANCE.COM)

OR

FAX: (619) 699-0902

OR

ALLIANT INSURANCE SERVICES, INC.  
1301 DOVE STREET, SUITE 200  
NEWPORT BEACH, CA 92660

CHRIS TOBIN, FIRST VICE PRESIDENT  
RICK STEDDOM, VICE PRESIDENT  
SHERYL FITZGERALD, ACCOUNT MANAGER LEAD  
ARMANDO GUZMAN, ACCOUNT ADMINISTRATOR  
ESTHER FLORES, ASSISTANT ACCOUNT MANAGER

TELEPHONE: (800) 821-9283 FAX: (619) 699-0902  
[SLIP@ALLIANTINSURANCE.COM](mailto:SLIP@ALLIANTINSURANCE.COM)

# SPECIAL LIABILITY INSURANCE

Named Insured: California Authority of Racing Fairs  
Persons on your Auto Liability Policy as of April 8, 2013

LAST NAME	FIRST NAME	MI	LICENSE NO.	DATE OF BIRTH	STATE
Dontrich	Tom		Information on file	Information on file	CA
<del>Hanford</del>	<del>George</del>		<del>Information on file</del>	<del>Information on file</del>	<del>KY</del>
Haviland	Heather		Information on file	Information on file	AZ
Korby	Christopher		Information on file	Information on file	CA
Layne	Victoria	L	Information on file	Information on file	CA
Swartzlander	Larry	A	Information on file	Information on file	CA
White	Amelia	M	Information on file	Information on file	CA

McDONALD, CLIFTON R.

"

Lic. No. R0454422 CA

DOB:





# SPECIAL LIABILITY INSURANCE

Named Insured: California Authority of Racing Fairs

## Vehicle Reporting Form

Year, Make and Model	Type of Vehicle	Vehicle Identification Number	Est. Miles Driven Annually
1 2004 Ford	F350 4x4 Stake	1FDWW37P34ED66519	4000
2 2005 Ford	Expedition XLT 4x4	1FMPU16545LA31135	2000
3 2004 Kimzey	Equine Ambulance (Trailer)	KEA2704	2000
	Daile		0
	Pegaea		2000
	Pace	Model G10T	2000
	Pace	#043069	2000
	Pace	#081214	2000
4 2011 Jeep	6X12 closed Utility Trailer	1J4RR4GT9BC603917	5000
5 2005 Ford	6X10 Closed Utility Trailer	1FMZU72E95ZA69748	2000
6 2012 Ford	Grand Cherokee Explorer	1FMJU1H58CEF02319	50,000
	Expedition		

DRAFT  
5/23/13

**SECURITY AGREEMENT [OR MOU] BETWEEN CALIFORNIA AUTHORITY OF  
RACING FAIRS  
AND \_\_\_\_\_ FAIR REGARDING ALLOCATION OF PARIMUTUEL  
COMMISSIONS**

This SECURITY AGREEMENT (hereinafter referred to as "Agreement") is made as of the first day of \_\_\_\_\_, 2013, by and between the California Authority of Racing Fairs ("CARF") and the \_\_\_\_\_ ("Fair"), and approved by the California Department of Food and Agriculture ("CDFA") pursuant to its authority in California Business and Professions Code § 19622.2, collectively referred to hereafter as "Parties."

**RECITALS**

WHEREAS, CARF and Fair, as separate legal entities, carry on various activities throughout the year in accordance with the laws, bylaws, and procedures governing each.

WHEREAS, by way of the Amended and Restated Joint Exercise of Powers Agreement ("JPA") executed July 7, 1989, CARF provides necessary services to Member Fairs, by contract or otherwise which may include, but are not limited to; centralized government affairs representation, reports and analysis of the fair and horse racing industry, administration of joint services of CARF including planning, budgeting implementation and fund accounting. These programs include but are not limited to the joint purchase of supplies, materials, services and equipment in the support of the simulcast wagering facilities and programs, racing operations of the Member Fairs and other related activities; and

WHEREAS, in addition to the above services, CARF underwrites racing expenses for Member Fairs that conduct live racing at their facilities ("racing expenses") and from time to time will loan money to Member Fairs for capital projects and other matters that benefit racing operations for the Member Fairs ("loan"); and

WHEREAS, CARF receives payment from Member Fairs by way of payment of member dues ("dues") as well as [payment of printing costs for the official program business operated by CARF in southern California ("payments")] (**Omit??**); and

WHEREAS, pursuant to the JPA, CARF is responsible for the distribution of pari-mutuel commissions to Member Fairs; and

WHEREAS, Fair is a \_\_\_\_\_, governed by \_\_\_\_\_ pursuant to California Business & Professions Code section \_\_\_\_\_ which provides the CDFA with the

authority to require district agriculture associations to meet all applicable standards prescribed by CDFA.

WHEREAS, CARF and Fair desire to enter into a [memorandum of understanding] security agreement setting forth the agreement between Fair and CARF to allocate funds owed to CARF by Fair for racing expenses, loans, dues, and payments pursuant to the JPA and desire CDFA oversight of this transaction.

NOW THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Services. Pursuant to the JPA, CARF shall provide the services detailed in Exhibit "A", attached hereto and incorporated herein ("Services") for the 2013 Live Racing Meeting to be conducted at Fair on \_\_\_\_\_. Fair desires that CARF underwrite the racing expenses associated with these Services and agrees that these expenses will be paid for from pari-mutuel commissions, payable to Fair by CARF.

2. Payment. CARF shall withhold \_\_\_\_ % (percent) of the pari-mutuel commissions owed to Fair until a final reconciliation is provided, typically by February 15 of 2014. After receipt of this reconciliation, Fair shall have 30 (thirty) days to approve the payment to CARF of the remaining racing expenses which CARF shall deduct from its final payment to the Fair. Said Approval will not be unreasonably withheld by the Fair.

[3. Mediation. In the event of any claim or dispute arising from this agreement, the parties shall first attempt to resolve the matter over a period of thirty (30) days before resorting to arbitration, litigation or mediation. Nothing in this provision, however, shall prevent either party from bringing suit in equity in a court of competent jurisdiction at any time.]

4. Representations and Covenants. Fair represents and covenants to CARF as follows:

a. The execution and delivery of this Agreement by or on behalf of Fair has been duly authorized by all necessary action of the governing body of Fair, and Fair has obtained such other approvals and consents as are necessary to consummate this Agreement, and

b. Fair will promptly and duly execute and deliver to CARF such documents, instruments and assurances and take such further action as CARF may from time to time reasonably request in order to carry out the intent and purpose of this Agreement and to establish and protect the rights and remedies created or intended to be created in favor of CARF

5. Default. Any of the following events shall constitute a breach of this Agreement by Fair: (1) the failure of any of Fair's representations or warranties set forth in Section \_\_\_\_\_ to be true and correct in any material respect at any time during the term of this Agreement; or (2) the Failure of Fair to pay to CARF the Racing Expenses required to be paid by Fair under this Agreement. The following events shall constitute a breach of this Agreement by CARF: failure to perform any of CARF's obligations and responsibilities under this Agreement, including the Services identified in paragraph one.

6. Rights and Remedies. On the occurrence of any default hereunder, each party agrees to provide a written "Failure to Comply" notice to the other party giving said party ten days in which to respond with a plan to remedy the issues outlined in the notice.

7. Separation of Entities. CARF and Fair acknowledge and agree that they are separate legal entities, each with their own statutory requirements, bylaws or operating agreements. CARF and Fair further acknowledge and agree that there is a duty on the part of each party not to commingle funds between the two entities.

8. Term. This Agreement shall commence on \_\_\_\_\_, 2013, and terminate on December 31, 2013.

9. Notices. All notices and other communications shall be rendered as follows:

Fair

\_\_\_\_\_  
\_\_\_\_\_

CARF

1776 Tribute Road, Suite 205  
Sacramento, CA 95815

10. Indemnification. Each party hereto agrees to indemnify, defend and hold the other harmless against any and all losses, costs or damages which either may sustain or incur as a consequence of the other's acts or omissions in carrying out this Agreement.

11. Amendments. No change, amendment or modification of this Agreement shall be valid unless in writing and signed by the parties hereto.

12. Assignment. This Agreement may not be assigned or transferred by either party to any third party without the prior written consent of the other party.

13. Attorney's Fees and Venue. If an action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs in addition to any other reasonable relief to which it may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties

hereby submit to the jurisdiction and venue of the appropriate court in the County of Sacramento, State of California for any proceeding arising hereunder.

14. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

15. Binding on Successors. This Agreement shall be binding on and inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

16. Governing Law. This Agreement shall be construed and governed pursuant to the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year set forth above.

DATE: \_\_\_\_\_

CALIFORNIA AUTHORITY OF RACING  
FAIRS

By: \_\_\_\_\_  
\_\_\_\_\_

DATE: \_\_\_\_\_

\_\_\_\_\_ FAIR

By: \_\_\_\_\_  
\_\_\_\_\_

Approved as to form and content:

\_\_\_\_\_  
\_\_\_\_\_,  
On Behalf of the Secretary of California  
Department of Food and Agriculture

## ATTACHMENT A

**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](http://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

**From:** Christopher Korby [korby@calfairs.net]  
**Sent:** Wednesday, May 29, 2013 11:24 AM  
**To:** 'Amelia M. White'  
**Cc:** Heather Haviland  
**Subject:** Advisory on pending inquiry from CHRB to California satellite wagering facilities

Amelia,  
Please forward this advisory to all CARF member Fair managers.  
Thanks.  
-Chris

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**-IMPORTANT ADVISORY-**

The California Horse Racing Board staff has advised us that the Parimutuel Operations Committee plans to add an agenda item regarding satellite wagering to its June 19 meeting in Los Angeles. Please see message below from Mike Marten, Press Officer for the CHRB.

The Committee is inquiring as to whether current simulcast facility operators, including Fairs, would waive their rights to block new outlets within a 20-mile radius. Commissioner Rosenberg, chair of the committee, has asked that each satellite facility respond either in person at the meeting on June 19 or in writing.

We encourage every CARF member Fair which receives an inquiry from the CHRB to respond. If a Fair representative is unable to attend the meeting, please respond in writing. CARF representatives will be present on your behalf at the June 19 meeting.

If your Fair does not receive an inquiry from the CHRB, take no action on this matter.

As you recall, this is not a new issue. In 2010, CARF led the effort to defeat SB 1439 (Price) which would have eliminated the 20 mile radius around satellite wagering facilities. Many of you participated in that effort in order to protect the investment you have in your facility. In the alternative, CARF has worked with member fairs to grant waive the 20 mile radius when an agreement is negotiated between parties that results in fair treatment of all interested and is in the best interest of the industry. We will continue that effort into the future.

We would recommend that a written response include the following; brief and concise is best.

1. Reiteration that CARF representatives will be present at the meeting to respond to CHRB questions on behalf of CARF member Fairs.
2. Your Fair's position on whether it is willing to discuss concepts for neighboring satellite facilities on a case-by-case basis.
3. Whether your Fair has ever discussed development of another satellite facility within 20-miles of the existing satellite.
4. cc: CARF.

Please don't hesitate to contact us if we can be of further assistance.

Best regards,  
--Chris

Christopher Korby  
Executive Director  
California Authority of Racing Fairs

---

Mike Marten wrote:

*As you know, Commissioner Richard Rosenberg stated at the May 23 Board meeting that the Pari-Mutuel Operations Committee will be adding an item to its June 19 agenda concerning the 20-mile radius restriction. He specifically asked whether current simulcast facility operators would waive their rights to block new outlets with a 20-mile radius. He asked for an update on what new facilities are in the pipeline. He further stated he would like "the specific fair to come before us and tell us what their position is."*

*Accordingly, I need to send an e-mail to all wagering outlets requesting their attendance at the meeting or, if that is not possible, for a written position. I am excluding mini-satellites because it is my understanding that a new mini-satellite (e.g. Commerce Club, O.C. Tavern) does not have its own 20-mile radius restriction.*

*Could you help me with the names of fair executives and their e-mail addresses? Thanks*

*Mike*

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**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**BALANCE SHEET**  
**March 31, 2013**

**ASSETS**

	<b>CURRENT YTD</b>	<b>PRIOR YTD</b>
	<b>3/31/13</b>	<b>3/31/12</b>
<b>Current Assets</b>		
CASH - LAIF & INVESTMENTS	1,028,018	1,286,415
CASH - OPERATING/MM	375,843	1,374,827
CASH - TRUST & TOC	946,422	652,582
MARKETABLE SECURITIES	2,462,867	2,409,318
A/R - DUES	54,932	94,538
A/R - PROGRAMS	69,401	48,337
A/R - RACING FAIRS	419,017	149,555
A/R - ERF/OTHER A/R	340,900	563,367
PREPAIDS/DEPOSITS	36,903	46,503
OPEB ASSETS	89,564	89,564
<b>Total Current Assets</b>	<b>5,823,868</b>	<b>6,715,006</b>
<b>Fixed Assets</b>		
AUTOMOBILE	58,382	31,942
FURNITURE & EQUIPMENT	79	746
COMPUTER HARDWARE/SOFTWARE	5,161	6,076
TRACK EQUIPMENT	100,156	150,234
<b>Total Fixed Assets (Net of Depr.)</b>	<b>163,779</b>	<b>188,998</b>
<b>TOTAL ASSETS</b>	<b>5,987,647</b>	<b>6,904,004</b>

**LIABILITIES & NET ASSETS**

<b>Current Liabilities</b>		
A/P & WITHHOLDINGS	220,041	290,507
A/P - PROGRAM ROYALTIES TO HOST	82,507	64,592
RACING DISTRIBUTIONS	644,580	201,378
PURSES	776,527	1,108,949
TRACK SAFETY/MAINT.	209,235	413,455
CMC HORSEMENS PROGRAMS	42,895	0
LOU-5 - SYMPOSIUM	3,805	3,805
MINI SATELLITE FUNDS	446,233	503,359
CAPITAL IMPROVEMENT FUND	150,560	74,884
<b>Total Current Liabilities</b>	<b>2,576,383</b>	<b>2,660,929</b>
<b>Non-Current Liabilities</b>		
CHRIMS FUNDS	92,348	91,766
CHANGE FUND	1,014,000	1,014,000
FAIRS - EQUIP REPLACEMENT FUNDS	1,479,396	2,046,868
<b>Total Non-Current Liabilities</b>	<b>2,585,744</b>	<b>3,152,634</b>
<b>TOTAL LIABILITIES</b>	<b>5,162,127</b>	<b>5,813,563</b>
<b>Net Assets</b>		
FUND EQUITY	774,348	969,806
F&E Net Assets	100,156	150,234
NET INCOME/LOSS	(48,984)	(29,598)
<b>Total Net Assets</b>	<b>825,520</b>	<b>1,090,442</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>5,987,647</b>	<b>6,904,004</b>



**California Authority of Racing Fairs  
Agency Income Statement  
March 31, 2013**

	<b>2011 Year End Actual</b>	<b>2012 Year End Actual</b>	<b>2011 YTD Actual</b>	<b>2012 YTD Actual</b>	<b>2013 YTD Actual</b>	<b>2013 Annual Budget</b>	<b>2013 Budget Variance</b>	<b>2013 % Budget</b>
<b>Revenue:</b>								
Other Revenue	981	82	0	15	20,000	20,000	0	100%
Interest Income	14,756	9,141	2,229	1,034	212	15,000	(14,789)	1%
Member Dues	288,330	270,062	73,228	97,345	66,389	265,555	(199,166)	25%
CARF South Prog Admin Fee	18,333	18,841	4,033	4,978	4,314	19,986	(15,672)	22%
CARF Projects Admin Fee	442,753	0	0	0	0	0	0	0%
CARF Live Racing Admin Fee	157,607	138,147	89,044	6,108	10,361	142,277	(131,916)	7%
CARF @ Leased Facility Rev	0	0	0	0	0	0	0	0%
<b>Total Revenue</b>	<b>922,760</b>	<b>436,272</b>	<b>168,533</b>	<b>109,480</b>	<b>101,275</b>	<b>462,818</b>	<b>(361,543)</b>	<b>22%</b>
<b>Expenses:</b>								
Salaries	310,701	250,529	66,062	52,333	37,650	169,215	131,565	22%
Employee Benefits	41,866	27,265	8,688	8,145	6,267	19,321	13,054	32%
Post Retirement Benefits	35,083	44,884	8,706	8,846	9,541	45,000	35,459	21%
Payroll Taxes	14,970	7,171	4,757	3,885	2,917	8,075	5,158	36%
Accounting Costs	23,384	16,579	5,688	4,063	4,063	16,250	12,187	25%
Audit Services	8,925	9,485	0	0	0	6,375	6,375	0%
Automobile Expense	3,251	7,690	423	1,932	36	7,000	6,964	1%
Contracted Services	3,574	11,770	1,305	964	8,770	4,500	(4,270)	195%
Depreciation	12,634	17,369	0	3,164	5,125	19,986	14,861	26%
Dues & Subscriptions	1,819	2,640	202	1,021	846	2,700	1,854	31%
Insurance Expense	38,772	44,196	9,277	10,737	11,674	45,000	33,326	26%
Legal Expenses	8,009	37,126	1,845	3,525	30,570	15,000	(15,570)	204%
Legislative Expenses	56,144	53,344	14,073	14,039	13,979	50,000	36,021	28%
Meetings Expense	3,782	2,189	1,215	730	854	3,000	2,146	28%
Misc. (Ag Day Sponsor)	51	326	0	83	68	0	(68)	0%
Office Supplies	27,362	31,394	5,135	8,699	3,913	25,000	21,087	16%
Postage & Shipping	3,960	3,849	541	1,030	456	3,600	3,144	13%
Rent (Tribute Road)	35,770	35,770	11,923	8,942	8,942	35,770	26,828	25%
Telephone Expense	11,451	9,481	3,099	2,255	2,017	10,000	7,983	20%
<b>Agency Income (Loss)</b>	<b>255,965</b>	<b>(203,902)</b>	<b>23,918</b>	<b>(31,084)</b>	<b>(48,625)</b>	<b>(49,474)</b>	<b>849</b>	
<b>Southern Prog Income (Loss)</b>	<b>4,160</b>	<b>8,444</b>	<b>4,212</b>	<b>1,486</b>	<b>(358)</b>	<b>2,814</b>	<b>(34,516)</b>	
<b>Total Bal Sheet Net Income (Loss)</b>	<b>260,125</b>	<b>(195,458)</b>	<b>28,130</b>	<b>(29,598)</b>	<b>(48,984)</b>	<b>(46,660)</b>	<b>(33,667)</b>	

**California Authority of Racing Fairs**  
**Southern Region Income Statement**  
**March 31, 2013**

	<b>2011</b>	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>	<b>2013</b>
	<b>Year End</b>	<b>Year End</b>	<b>YTD</b>	<b>YTD</b>	<b>YTD</b>	<b>Annual</b>	<b>Budget</b>	<b>% Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
<b>Program Revenue:</b>								
Program Sales	254,468	262,545	63,820	66,386	57,517	266,475	(208,958)	22%
Other Revenue	0	0	0	0	0	0	0	0%
Royalties/Fees Due Host	(231,975)	(235,260)	(55,575)	(59,922)	(53,562)	(243,675)	190,113	22%
<b>Total Revenue</b>	<b>22,493</b>	<b>27,285</b>	<b>8,245</b>	<b>6,464</b>	<b>3,956</b>	<b>22,800</b>	<b>(18,844)</b>	<b>17%</b>
<b>Expenses:</b>								
Legal Expenses	0	0	0	0	0	0	0	0%
Meetings Expense	0	0	0	0	0	0	0	0%
Misc Exp.(Storage)	0	0	0	0	0	0	0	0%
Office Supplies	0	0	0	0	0	0	0	0%
Paper Expense	0	0	0	0	0	0	0	0%
Postage & Shipping	0	0	0	0	0	0	0	0%
Printing Supplies	0	0	0	0	0	0	0	0%
Rent & Utility Expenses	0	0	0	0	0	0	0	0%
Repairs & Maintenance	0	0	0	0	0	0	0	0%
Telephone Expense	0	0	0	0	0	0	0	0%
Travel Expense	0	0	0	0	0	0	0	0%
<b>Total Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
Operating Income (Loss)	22,493	27,285	8,245	6,464	3,956	22,800	(18,844)	17%
CARF Admin Fee	18,333	18,841	4,033	4,978	4,314	19,986	15,672	22%
Rebate								
<b>Income (Loss)</b>	<b>4,160</b>	<b>8,444</b>	<b>4,212</b>	<b>1,486</b>	<b>(358)</b>	<b>2,814</b>	<b>(34,516)</b>	<b>-13%</b>

[illegible]

**California Authority of Racing Fairs  
Live Racing Income Statement  
March 31, 2013**

	2011=58dys		2012= 61days					
	2011	2012	2011	2012	2013	2013	2013	2013
	Year End	Year End	YTD	YTD	YTD	Annual	Budget	% Budget
	Actual	Actual	Actual	Actual	Actual	Budget	Variance	
<b>Revenues:</b>								
Change Fund Admin Fee	5,161	9,392	0	1,088	1,061	12,000	(10,939)	9%
Racing Fairs Admin Fee	69,945	79,644	6,544	8,046	9,300	95,277	(85,977)	10%
Consolidated Purses Admin Fee	82,500	45,000	82,500	0	0	35,000	(35,000)	0%
NCOTWINC Reimbursement	29,000	25,000	0	0	0	25,000	(25,000)	0%
Racing Fairs Reimbursement	932,602	1,063,471	87,248	107,284	124,856	1,270,360	(1,145,504)	10%
Advertising Revenue	2,500	4,100	0	0	0	4,000	(4,000)	0%
<b>Total</b>	<b>1,121,708</b>	<b>1,226,607</b>	<b>176,292</b>	<b>116,418</b>	<b>135,217</b>	<b>1,441,637</b>	<b>(1,306,420)</b>	<b>9%</b>
<b>Expenses:</b>								
Salaries	275,424	362,294	50,778	61,156	75,959	419,004	343,045	18%
Employee Benefits	48,505	41,443	11,555	10,121	14,240	55,684	41,444	26%
Payroll Taxes	12,669	15,317	3,698	2,172	4,205	24,647	20,442	17%
Accounting Costs	42,255	49,394	10,567	12,192	12,296	48,750	36,454	25%
Audit Services	16,575	17,615	0	0	0	19,125	19,125	0%
Automobile Expense	0	40	0	30	0	1,000	1,000	0%
Dues & Subscriptions, NTRA	0	0	0	0	0	0	0	0%
Insurance Expense	0	0	0	0	0	0	0	0%
Legal Expenses	605	811	0	811	0	5,000	5,000	0%
Meetings Expense	740	870	85	136	509	2,000	1,491	25%
Misc. Exp (Storage,Bank fee)	0	339	0	0	0	0	0	0%
Telephone Expense	3,051	5,794	539	704	1,194	5,000	3,806	24%
Travel Expense	34,340	40,923	1,129	2,167	733	40,000	39,267	2%
<b>Sub-Totals</b>	<b>434,164</b>	<b>534,841</b>	<b>78,352</b>	<b>89,489</b>	<b>109,135</b>	<b>620,210</b>	<b>511,075</b>	<b>18%</b>
<b>Racing Support Services:</b>								
Announcer	17,850	22,800	0	0	0	23,850	23,850	0%
Condition Bk/Program Cover	15,748	15,575	0	0	159	20,000	19,841	1%
Racing Operations Support	57,834	79,596	1,978	1,792	3,305	65,000	61,695	5%
TC02 Testing	6,940	6,915	0	0	0	7,500	7,500	0%
Marketing/Web Devel	160	120	70	30	30	3,000	2,970	1%
Paymaster Operations	6,044	7,383	753	1,886	700	7,500	6,800	9%
Supplies	11,296	13,326	170	451	1,274	15,000	13,726	8%
Tattooing	18,901	16,313	2,153	1,939	1,473	20,000	18,527	7%
Timing/Clocker	0	0	0	0	0	0	0	0%
Transportation	1,711	1,915	0	0	0	3,500	3,500	0%
TV Production/Simulcast	74,701	42,916	0	6,250	6,250	46,350	40,100	13%
Racetrack Safety & Maint.	0	0	0	0	0	104,000	104,000	0%
<b>Sub-Totals</b>	<b>529,938</b>	<b>553,619</b>	<b>8,897</b>	<b>20,821</b>	<b>15,721</b>	<b>679,150</b>	<b>663,429</b>	<b>2%</b>
<b>Total Expenses</b>	<b>964,102</b>	<b>1,088,459</b>	<b>87,248</b>	<b>110,310</b>	<b>124,856</b>	<b>1,299,360</b>	<b>1,174,504</b>	<b>10%</b>
<b>CARF Admin Fee</b>	<b>157,607</b>	<b>138,147</b>	<b>89,044</b>	<b>6,108</b>	<b>10,361</b>	<b>142,277</b>	<b>131,916</b>	<b>7%</b>

# Racing Fair

Financial

## Highlights 2012



Total Conventional & ADW Handle

**\$125 million**

Revenue Distributed by CARF

**\$26 million**

Total Commissions

**\$5.9 million**

Total Purses

**\$7.2 million**



	Total	PLN	SAC	SR	FER	STK	FNO
<b>Revenue</b>							
Takeout & Other Revenue	25,534,120	6,661,347	3,767,148	6,652,190	1,667,949	2,829,696	3,955,790
<b>Commissions</b>							
Total Commissions	5,906,506	1,558,336	890,101	1,311,189	545,023	653,881	947,976
<b>Purses</b>							
Total Purses	7,246,134	1,894,882	1,142,729	1,898,668	455,472	759,582	1,094,801
<b>Distributions</b>							
F&E Fund 19614d/License Fees	206,482	54,053	21,368	55,456	12,217	25,311	38,077
F&E Recapture	31,797	8,654	4,612	8,573	1,706	3,132	5,120
CHRB Support	403,131	110,172	58,381	108,520	21,601	39,644	64,813
Commingle Guest O/S	5,070,998	1,366,569	605,760	1,561,356	227,325	485,802	824,186
Interstate Host	894,616	234,117	145,284	226,444	43,132	120,887	124,752
Location Fee	1,500,929	382,358	253,760	381,884	91,525	179,955	211,447
Promotion	141,931	35,833	22,742	37,276	7,477	17,597	21,006
City/County	222,060	57,563	32,817	58,636	12,054	25,475	35,515
Stabling/Vanning	709,644	179,162	113,706	186,377	37,386	87,985	105,028
Equine Lab	67,292	17,444	9,945	17,768	3,653	7,720	10,762
Owners	49,037	12,640	7,173	12,890	2,700	5,696	7,938
Breeders	503,963	128,967	77,163	133,662	29,807	57,931	76,433
CHRIMS	28,386	7,167	4,548	7,455	1,495	3,520	4,201
Other ADW Distributions	279,129	51,172	34,740	84,459	28,404	36,243	44,111
NCOTW Simulcast Expense Fund	2,266,856	560,972	341,575	560,246	146,423	318,854	338,786



# CALIFORNIA FAIRS SATELLITE NETWORK

## PARI-MUTUEL HANDLE & DISTRIBUTIONS (LIVE & SIMULCAST)

### 1987-2011

*Handle & Distributions Figures Do Not Include Adadvanced Deposit Wagering (ADW).*

Detailed Distribution Report  
01/01/1987 -  
Date Range: 12/31/2011  
Race Type: All Races  
Hosts: All Hosts  
Locations: All Locations  
Tracks: All Tracks  
Report By: Location  
Location Types: California

Location	Handle	License Fee	CHRB Support Fee	F & E	City Tax	Equine	Workers Comp	Satellite Location	Expense Fund	Promotion	Chrims	Van Stable	Proxy Fees	Track	Purses	SB1072	Owners	Breeders Sires	To Out of State Tracks
Anderson	80,326,332	1,735,350	21,782	107,492	259,350	79,876	35,889	1,561,052	2,590,031	375,187	665	477,976	5	3,573,453	3,554,070	11,720	73,688	353,553	485,662
Bakersfield	332,889,862	7,195,451	80,071	286,427	1,078,953	324,000	144,536	6,521,346	11,585,888	1,898,923	3,119	1,870,351	27,400	14,786,473	14,721,231	46,641	253,305	1,432,857	1,560,638
Eureka	50,441,318	1,136,636	1,498	64,349	162,942	49,268	19,097	963,000	1,530,973	239,657	0	282,824	0	2,210,479	2,202,696	0	45,955	221,303	309,455
Ferndale	24,253,924	237,130	12,174	216,928	57,407	17,122	17,917	88,856	270,195	17,584	84	34,457	16	1,811,479	1,933,428	9,984	22,310	102,365	21,031
Fresno	538,571,201	11,525,428	119,225	1,627,752	1,750,322	468,796	207,180	8,371,971	14,577,681	2,180,333	2,722	2,092,976	19,666	27,777,158	28,296,042	71,522	464,513	2,248,679	1,919,004
Fresno Club One	57,316,755	536,659	42,092	40,307	187,477	57,332	62,799	1,139,563	2,208,314	230,978	1,612	422,308	11,622	2,887,194	2,897,736	23,633	34,404	287,018	593,630
Imperial	63,558	1,310	0	0	2	64	0	1,084	1,355	217	0	303	0	2,631	2,593	0	38	293	1,915
Lake Perris	427,495,310	8,809,745	280,714	299,350	1,392,429	427,509	349,298	8,443,556	12,964,749	2,143,619	6,266	2,969,499	32,690	20,302,762	20,177,793	126,913	325,512	2,051,114	2,747,504
Lakeport	100,835	1,281	0	33	0	101	0	1,737	2,522	347	0	608	0	4,258	4,304	0	61	462	2,680
Lancaster	449,439,696	10,276,825	287,994	284,420	1,469,915	449,030	302,550	8,907,423	14,124,713	2,793,460	6,872	3,177,612	51,612	20,600,824	20,448,357	117,243	330,302	2,070,048	2,524,441
Merced	131,242	1,623	0	41	0	131	0	2,309	3,535	462	0	808	0	5,700	5,721	0	81	611	3,377
Mobile Unit	2,578,629	81,157	0	2,675	2,952	2,518	0	50,882	73,558	19,517	0	17,032	0	92,785	90,371	0	2,414	9,890	4,888
Monterey	321,483,483	6,086,931	86,724	293,002	1,043,884	320,172	154,657	6,300,773	11,719,882	1,582,997	3,680	1,602,658	39,355	15,075,852	15,035,434	50,941	257,078	1,412,750	2,171,679
Paso Robles	790,507	16,733	0	108	176	791	0	14,170	17,078	3,045	0	4,087	0	34,178	33,705	0	535	3,652	18,335
Pleasanton	1,439,548,074	26,266,464	532,315	2,927,869	4,676,666	1,338,988	825,038	24,304,043	45,181,546	5,527,227	17,198	7,617,220	158,214	72,998,837	73,974,704	307,418	1,192,543	6,401,708	8,207,819
Pomona	1,715,548,666	38,591,766	1,259,981	4,527,320	5,612,065	1,511,154	1,220,104	25,793,425	39,541,328	6,195,668	27,963	9,659,712	215,284	93,034,165	94,470,984	518,753	1,449,127	7,788,438	8,650,237
Sacramento	1,324,635,197	23,159,271	357,089	1,862,194	2,312,092	1,212,454	704,952	20,763,303	38,722,144	4,802,672	11,743	5,873,365	71,154	71,752,423	71,419,207	183,177	900,007	7,183,355	6,833,502
San Bernardino	1,386,571,292	35,601,264	532,143	819,773	4,534,633	1,384,410	652,918	27,436,466	42,104,794	9,723,308	11,960	9,938,707	65,693	61,023,804	60,350,493	233,765	1,094,863	6,116,804	5,850,656
San Jose	1,100,491,878	18,574,360	418,399	1,063,714	3,580,078	1,097,416	650,709	21,638,622	41,552,108	5,066,391	16,574	6,029,697	207,780	52,105,055	52,182,653	242,133	849,580	4,966,150	7,703,544
San Mateo	256,109,303	837,529	908,765	217,438	840,638	256,111	472,980	5,165,625	9,929,623	954,813	33,624	2,563,299	271,320	12,819,269	12,867,715	528,458	152,083	1,360,120	3,437,649
Santa Barbara	305,518,466	8,556,013	17,756	273,058	495,865	295,272	103,208	6,028,195	8,689,892	1,980,057	0	1,925,164	1,101	13,325,353	13,090,997	0	264,746	1,315,830	1,330,918
Santa Maria	241,413,382	6,252,744	87,383	210,121	787,001	236,904	103,347	4,758,888	6,885,375	1,490,336	1,493	1,611,461	3,326	10,690,951	10,530,839	27,883	203,092	1,072,886	1,140,910
Santa Rosa	661,991,173	13,118,803	186,913	1,961,396	2,153,748	584,091	322,581	9,754,458	18,336,772	2,337,627	5,188	2,798,135	49,600	35,146,399	35,900,668	113,906	560,017	2,841,800	3,024,369
Shalimar (Indio)	296,321,883	7,984,659	107,392	162,512	967,720	295,810	134,188	5,844,043	8,452,383	2,119,676	2,263	2,214,636	1,905	12,914,178	12,730,672	54,849	243,544	1,301,389	1,276,367
Sonora	151,478	2,191	0	19	0	151	0	2,636	3,394	558	0	903	0	6,581	6,671	0	116	680	3,659
Stockton	745,344,897	14,059,003	215,688	1,347,579	2,425,929	695,804	392,985	13,406,071	24,846,497	3,124,640	7,767	3,664,931	89,256	36,579,378	36,825,755	122,654	602,297	3,270,737	4,146,346
Surfside Race Place	2,276,102,789	59,597,875	942,197	988,188	7,427,714	2,273,020	1,073,728	44,893,519	63,720,400	15,498,650	21,001	17,328,335	120,507	99,418,199	97,987,455	403,728	1,897,237	10,185,620	11,833,875
Tulare	125,718,798	2,593,228	40,135	148,980	405,778	125,313	56,532	2,447,118	4,211,680	601,268	1,348	784,119	2,193	5,593,650	5,569,079	24,303	109,921	556,833	778,061
Turlock	177,509,805	2,753,210	95,868	193,246	572,104	177,425	122,780	3,453,798	5,917,010	682,901	3,185	1,331,506	1,785	8,463,774	8,476,923	56,466	151,962	838,700	1,577,598
Vallejo	617,363,414	11,094,894	197,832	1,396,380	1,259,100	561,746	345,063	10,267,781	20,092,206	2,396,382	7,412	3,001,104	99,222	32,261,765	32,731,278	119,662	497,708	2,721,119	3,546,622
Ventura	1,040,507,473	25,678,695	522,770	739,757	3,396,556	1,039,373	529,195	20,559,521	30,709,799	6,600,249	11,347	7,522,199	46,630	47,117,735	46,548,065	205,571	848,722	4,694,887	5,577,424
Victorville	305,484,368	7,090,111	122,268	190,910	998,379	305,229	185,341	6,044,453	9,693,570	1,897,966	2,929	1,999,574	31,993	13,949,882	13,857,336	55,189	223,955	1,392,410	1,638,781
Yuba City	137,875	1,998	0	26	0	138	0	2,329	3,183	501	0	800	0	5,843	5,825	0	111	591	4,032

TOTALS	16,302,352,865	349,456,337	7,477,167	22,253,364	49,851,874	15,587,519	9,189,572	294,932,014	490,264,178	82,487,215	208,014	98,818,367	1,619,331	788,372,463	788,930,799	3,656,513	13,051,827	74,204,650	88,926,609
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# 2015 (United States)

January						
Su	Mo	Tu	We	Th	Fr	Sa
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18	19	20	21	22	23	24
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February						
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March						
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April						
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May						
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June						
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July						
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August						
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September						
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October						
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November						
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December						
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# 2014 (United States)

January						
Su	Mo	Tu	We	Th	Fr	Sa
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February						
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March						
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April						
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May						
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June						
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July						
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August						
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September						
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October						
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November						
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December						
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# 2013 (United States)

January						
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February						
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March						
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April						
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May						
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June						
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July						
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August						
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September						
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October						
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November						
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December						
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