

CALIFORNIA AUTHORITY OF RACING FAIRS

Board of Directors

Tuesday, October 6, 2009

Minutes

A meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.M., Tuesday, October 6, 2009. The meeting was conducted at the Big Fresno Fair Administration Office, 1121 Chance Ave., Fresno, CA, 93702.

Live Racing Committee members attending: John Alkire. Joining by conference call: Vince Agnilfini, Norb Bartosik, Dan Jacobs, Mike Paluszak, Rick Pickering and Kelly Violini.

Staff and Guests attending: Chris Korby, Larry Swartzlander, Heather Haviland and Tom Doutrich. Joining by conference call: Louie Brown, Crystal Jack, Debbie Cook, Tawny Tesconi Margot Wilson and Dave Elliott.

Agenda Item 1 – Date and Time of Next Meeting. The next CARF Board & Live Racing Committee meeting will be scheduled in conjunction with the CFA Fall Management Conference (Nov. 4-6, 2009) in Sacramento, date and time to be determined.

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

Agenda Item 3 – Discussion and Action, if any, Regarding Payment of Satellite Location Fees from Trust Accounts Set Up for that Purpose at NCOTWInc. and SCOTWInc. Mr. Korby reported that he moved forward with the CARF Board's direction to create protected accounts at NCOTWInc. and SCOTWInc. for the purpose of depositing and distributing satellite location fees to ensure uninterrupted distribution of fees in the event that a racing association ceases to operate or declares bankruptcy.

Mr. Korby sent a letter to Santa Anita and to SCOTWInc. notifying them that Santa Anita's simulcast contract will not be renewed until trust accounts are created for the purpose of protecting satellite location fees. NCOTWInc. and Golden Gate Fields have been more cooperative in efforts to establish a process to secure a means to hold potential payments. Mr. Korby will keep the Board notified as this item progresses.

Agenda Item 4 – Discussion and Action, if any, Regarding Current or Prospective Legislation. Mr. Brown reported that the legislative session ended Sept. 11, 2009. The racing industry bill that would allow changes to keep NCOTWInc. and SCOTWInc. solvent is sitting on the Senate floor. The bill was caught on the Senate floor due to partisan politics by Republicans to refuse to pass bills with urgency clauses at the end of session.

AB 734 (Hill) dealing with satellite commissions is sitting in the Senate G.O. Committee. Mr. Brown expects there will be extensive discussion within the racing industry regarding satellite commissions and reducing the 20-mile radius for mini-satellites in the next session.

Agenda Item 5 – Executive Director’s Report. Mr. Korby reported that he and Mr. Treacy sent letters to the San Mateo County Event Center requesting clarification on their intent to support a potential satellite wagering facility at Cow Palace as a condition of funding from both F&E and CARF to create the San Mateo satellite wagering facility. Mr. Korby received a response that will be included in the November meeting packet.

Mr. Alkire notified the group that Scott Grieve sent a letter to the CARF Board alerting the group that Earl Warren Showgrounds intends to close the satellite wagering facility located on their Fairgrounds and would like to request reimbursement of the funds they have on deposit with CARF. Mr. Pickering requested a five year history of expenditures made at the Santa Barbara satellite from the CARF Equipment Replacement Fund.

Respectfully submitted,

Heather Haviland