

CALIFORNIA AUTHORITY OF RACING FAIRS**Board of Directors Meeting****Tuesday, July 1, 2025****MINUTES**

A meeting of the California Authority of Racing Fairs (CARF) Board of Directors was held at 11:00 A.M., Tuesday, July 1, 2025. The meeting was held via teleconference originating from the CARF Office, 1776 Tribute Road, Sacramento, CA 95815.

CARF Board Directors joining by conference call: Daniel Castillo, Dan Jacobs, Tom Keaney, Tom Martinez (arrived Item 5, left Item 7), Dana Stoehr and Kelly Violini.

Staff and Guests participating via conference call: Matt Cranford (arrived Item 5), Michael Flores, Heather Haviland and Raechelle Gibbons.

Agenda Item 1 – Attendance Roll Call. Quorum present.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Board Member Comment. None.

Agenda Item 4 – Approval of Minutes: June 10, 2025. {ACTION} Ms. Violini moved to approve the meeting minutes from June 10, 2025, as presented. Mr. Castillo seconded. YES VOTE: Mr. Castillo, Mr. Jacobs, Mr. Keaney, Ms. Stoehr, Ms. Violini. Approved.

Agenda Item 5 – Board Chair Update. Ms. Stoehr stated that CARF is near a turning point where the agency can close out financial responsibilities and proceed with a clearer financial plan and operating structure. She invited accountability from board members, encouraging questions and oversight into all CARF matters, as the agency makes these fiscal and operational transitions.

Agenda Item 6 – Report, Discussion, and Action, if any, on Proposed Dues Structure and 2025 Budget. Ms. Stoehr introduced the proposed dues structure, as presented in the meeting packet, stating that the dues model ties contributions to racing revenue. Ms. Stoehr stated that San Mateo would see a significant increase in dues, but felt it was justified in relation to the facility's profitability and in the spirit of creating a fair and sustainable cost for the satellite network.

Ms. Violini acknowledged San Mateo's generous contribution and Mr. Jacobs expressed appreciation for the fairness of the structure to smaller sites. Mr. Jacobs proposed staff send invoices now for Q1 and Q2 combined, as well as Q3 and Q4, in case fairs can

prepay; potentially increasing CARF's cash flow while giving fairgrounds' flexibility on payment.

{ACTION} Mr. Jacobs moved to approve the 2025 proposed six-tier dues structure, as presented in the meeting packet. Mr. Martinez seconded. YES VOTE: Mr. Castillo, Mr. Jacobs, Mr. Keaney, Mr. Martinez, Ms. Stoehr and Ms. Violini. Approved.

Ms. Gibbons presented the proposed 2025 budget. Revenue highlights include \$1.1M from equipment sales and \$300,000 from member dues. Major expenses include personnel costs through 2025 as phased retirements occurred, CalPERS unfunded pension liability and remaining legal and operational costs.

Board members directed Ms. Gibbons to bid out auditing services to determine whether CARF's traditional auditing firm's historical context justifies the proposed cost. Board members are willing to authorize a full audit for 2024, instead of the scheduled financial review, but requested due diligence before authorizing payment.

{ACTION} Mr. Jacobs moved to approve the 2025 CARF budget as presented. Mr. Castillo seconded. YES VOTE: Mr. Castillo, Mr. Jacobs, Mr. Keaney, Mr. Martinez, Ms. Stoehr and Ms. Violini. Approved.

Agenda Item 7 – Financials. Ms. Gibbons reviewed the latest financials as provided in the meeting packet. {ACTION} Mr. Keaney moved to accept the financials as presented. Mr. Castillo seconded. YES VOTE: Mr. Castillo, Mr. Cranford, Mr. Jacobs, Mr. Keaney, Ms. Stoehr and Ms. Violini. Approved.

Agenda Item 8 – New Business. None.

Agenda Item 9 – Closed Session: Pending Litigation pursuant to Brown Act. Section 54956.9. Ms. Stoehr reported that no action was taken in closed session.

Agenda Item 10 – Adjournment.

Respectfully submitted,

Heather Haviland