

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



REGULAR MEETING

of the California Horse Racing Board will be held on, Thursday, June 30, 2005, commencing at 2:30 p.m., at the Alameda County Fairgrounds (Satellite Wagering Facility – Gate 12), 4501 Pleasanton Avenue, Pleasanton, California.

AGENDA

Action Items:

1. Discussion and action by the Board on the **approval of the minutes of the regular meetings of April 28, 2005.**
2. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the California Exposition and State Fair (Harness) (H) at Cal-Expo**, commencing August 6 through September 17, 2005, inclusive.
3. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the San Mateo County Fair (F) at Bay Meadows**, commencing August 10 through August 25, 2005, inclusive.
4. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the Humboldt County Fair (F) at Ferndale**, commencing August 11 through August 21, 2005, inclusive.
5. Discussion and action by the Board on the **Application for Approval to Conduct Advance Deposit Wagering (ADW) of Xpressbet, Inc., for an out-of-state multi-jurisdictional wagering hub** from July 1, 2005 through December 31, 2006.
6. Discussion and action by the Board on the **following issues concerning Capital Racing, LLC. 1) Promotional Fund and 2) Overpayment of Purses.**
7. Public hearing by the Board on the adoption of the **regulatory amendment to CHRB Rule 1433 – Application for License to Conduct a Horse Racing Meeting.**
8. Public hearing by the Board on the adoption of the **regulatory amendment to CHRB Rule 1663 – Entry of Claimed Horse.**
9. Public hearing by the Board on the adoption of the **addition of CHRB Rule 1843.6 – Total Carbon Dioxide Testing.**
10. Public hearing by the Board on the adoption of the **regulatory amendment to CHRB Rule 1976.9 – Pick (N) Pool.**
11. Discussion and action by the Board on the **approval of steward's contracts.**

12. Discussion and action by the Board on the **request of the Oak Tree Charitable Foundation to distribute charity racing proceeds in the amount of \$64,395.00 to 10 beneficiaries.**
13. Update on the **use of microchips.** Presentation by Dan Fick, Executive Director of the Jockey Club.
14. Update on the status of the **jockey weight issue.**
15. Discussion of the legality of **California signals being sold to outlets that allow partnership interests in wagers as may be occurring in "Players' Pools".**
16. Discussion of the procedures in place to insure the **timely disclosure of gelded horses and the need for better dissemination of first time gelding information in the program and Racing Form.**
17. Discussion of efforts and success in **raising overall awareness of Fair racing through the Northern California media, as well as the racing media.**
18. . Report on the status of **handle and attendance for all 2005 California race meets.**

Committee Reports

19. Report of the **Race Dates Committee**
Commissioner Richard Shapiro, Chairman
Commissioner John Sperry, Member

Other Business

20. **General Business:** Communications, reports, requests for future action of the Board.
21. **Old Business:** Issues that may be raised for discussion purposes only, which have already been brought before the Board.
22. **Executive Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by Section 11126 of the Government Code.
 - A. Personnel.
 - B. Board may convene an Executive Session to consider any of the attached pending litigation.
 - C. The Board may also convene an Executive Session to consider any of the attached pending administrative licensing and disciplinary hearings.

Additional information regarding this meeting may be obtained from Roy Minami, at the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. A copy of this notice can be located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who requires aids or services in order to participate in this public meeting, should contact Roy Minami.

CALIFORNIA HORSE RACING BOARD

John C. Harris, Chairman
William A. Bianco, Vice Chairman
Sheryl L. Granzella, Member
Marie G. Moretti, Member
Jerry Moss, Member
Richard B. Shapiro, Member
John C. Sperry, Member
Ingrid Fermin, Executive Director

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PENDING LITIGATION
JUNE 2005

CASE

CASE NUMBER

MARTIN, JOHN v.
California Horse Racing Board

Sacramento County Superior Court
No. 98CS00952

**CALIFORNIA HARNESS HORSEMEN'S
ASSOCIATION and CAPITOL RACING,
LLC, v.**
California Horse Racing Board

Sacramento County Superior Court
No. 03CS01033

BERG, PAMELA A. v.
California Horse Racing Board

Sacramento County Superior Court
No. 04AS03127

TITLE 4, CALIFORNIA HORSE RACING BOARD
NOTIFICATION OF CHANGE IN TIME OF REGULATORY HEARING
FOR THE PROPOSED AMENDMENT OF
RULE 1433. APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING
MEETING
AND
RULE 1843.6. TOTAL CARBON DIOXIDE TESTING
AND
RULE 1976.9. PICK (N) POOL

Pursuant to the requirements of Government Code Section 11346.8 subdivision (b) of the California Code of Regulations, the California Horse Racing Board is providing notice that the proposed adoption of Rules 1433, Application For License to Conduct a Horse Racing Meeting, 1843.6, Total Carbon Dioxide Testing and 1976.9, Pick (n) Pool, will be the subject of a regulatory hearing on **Thursday June 30, 2005, at the Alameda County Fair Grounds, 4501 Pleasanton Avenue, Pleasanton, California, at 2:30 p.m.**, or as soon thereafter as the business before the Board will permit. The regulatory hearing was originally scheduled for 3:00 p.m., and the time has been rescheduled to 2:30 p.m.

CALIFORNIA HORSE RACING BOARD
JUNE 20, 2005

PROCEEDINGS of the Regular Meeting of the **California Horse Racing Board** held at the **Churchill Downs Hollywood Park Racetrack**, 1050 South Prairie Avenue, Inglewood, California, on **April 28, 2005**.

Present: John C. Harris, Chairman
William A. Bianco, Vice-Chairman
Sheryl Granzella, Member
Marie G. Moretti, Member
Jerry Moss, Member
Richard B. Shapiro, Member
John C. Sperry, Member
Ingrid Fermin, Executive Director
Derry Knight, Deputy Attorney General

DISCUSSION AND ACTION BY THE BOARD ON THE APPROVAL OF THE MINUTES OF THE REGULAR BOARD MEETING OF FEBRUARY 17, 2005 AND MARCH 24, 2005.

Chairman Harris asked for approval of the minutes of the Regular Board Meetings of February 17, 2005, and March 24, 2005. Commissioner Sperry **motioned** to approve the minutes. Vice-Chairman Bianco **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE SAN JOAQUIN FAIR (F) AT STOCKTON, COMMENCING JUNE 15 THROUGH JUNE 26, 2005, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the San Joaquin Fair (SJF) proposed to run 10 days, the same number of days as in 2004, for a total of 104 races. The first post time would be 12:45 p.m. daily and 3:15 p.m. Fridays. SJF would use CHRB regulations for its wagering program. Ms. Wagner stated the application was missing the name of the clerk of scales and assistant clerk of scales, as well as the thoroughbred horsemen's agreement. In addition, the name of the entity that would provide pari-mutuel audits was missing. Ms. Wagner said staff

recommended approval of the application conditioned on receipt of the missing information. Commissioner Shapiro asked what procedures SJF would follow for total carbon dioxide (TCO₂) testing, and if SJF would have a detention barn. Forrest White of SJF said his organization was waiting for a determination from California Authority of Racing Fairs (CARF) regarding TCO₂ testing. He stated, however, that SJF did have extra stalls for a detention barn area. Chris Korby of CARF said his organization was monitoring the progress of Assembly Bill 52. If it did not become effective prior to the opening of SJF, CARF would institute a plan to conduct TCO₂ testing. Commissioner Shapiro said CARF would need a policy for TCO₂ testing in any event. He stated he preferred CARF continue using the testing mechanism and horsemen's committee currently used throughout the state. Mr. White said SJF intended to run an identical program. Commissioner Shapiro asked if SJF would have a video surveillance program for horses testing positive. Mr. White said SJF did not have video surveillance, but was looking at the issue. Commissioner Shapiro asked if SJF had determined if it would use a one-dollar trifecta. Mr. White stated SJF intended to offer the wager. Commissioner Shapiro asked what happened to the funds in separate simulcast pools, and how did that money benefit California? Mr. Korby said the non-commingled simulcast pools typically bought the signal for a flat fee. Such fees resulted in eight percent being paid to the State of California and the remainder was split. The fee was \$1,000 a signal and CARF disbursed the funds on behalf of the Board. Commissioner Shapiro asked how it would be known if entities that paid a flat fee were not rebating. John Reagan, CHRB staff, said he was not able to guarantee international locations, but staff did know they paid the flat fee. Commissioner Shapiro said if such sites were rebating, the industry was hurting itself only to

receive a flat fee. Commissioner Harris said sites that rebated were motivated to commingle, as they could then take unlimited wagers. Sites that paid a flat fee usually did not take large wagers. He stated rebating was more closely associated with commingling and was a separate issue. Commissioner Shapiro said he was concerned that in every application the Board was approving a list of sites it did not know. He stated he would not want to discover they were rebating, bookmakers or illegal betting shops. Mr. Reagan said staff received signed contracts from each of the simulcast locations with each meeting. The contracts were used to update information on the locations. Mr. Reagan added staff would review the list and review some of the sites. Commissioner Shapiro **motioned** to approve the application for license to conduct a horse racing meeting of SJF. Commissioner Moss **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE ALAMEDA COUNTY FAIR (F) AT PLEASANTON, COMMENCING JUNE 29 THROUGH JULY 10, 2005, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said the Alameda County Fair (ACF) proposed to run 11 days, the same number of days as in 2004, for a total of 120 races. The first post time would be 12:15 p.m. Ms. Wagner stated the fire clearance was missing from the application. She said staff recommended approval of the application conditioned on receipt of the missing information. Commissioner Shapiro asked what ACF planned to do in regards to total carbon dioxide (TCO₂) testing. Rick Pickering of ACF said due to the short duration of the meeting, his organization was looking at a program that could move from fair to fair. Chris Korby of California Authority of Racing Fairs (CARF) said his organization was working with Board

staff to arrive at a satisfactory mechanism for TCO2 testing at the fairs. Commissioner Shapiro **motioned** to approve the application for license to conduct a horse racing meeting of ACF. Commissioner Moretti **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION TO CONDUCT A HORSE RACING MEETING OF THE PACIFIC RACING ASSOCIATION (T) AT GOLDEN GATE FIELDS, COMMENCING MAY 11 THROUGH JUNE 19, 2005, INCLUSIVE.

Jacqueline Wagner, CHRB staff, said Pacific Racing Association (PRA) proposed to run 29 days, one day more than its 2005 allocation, for a total of 499 races. Ms. Wagner stated PRA was requesting the addition of Wednesday, June 1, 2005, as a race day to coincide with Churchill Downs. In addition, PRA was requesting the option of running more than an average of 8.6 races per day if enough horses were available. The first post time would be 12:45 p.m., daily, and the wagering program would be offered utilizing CHRB regulations. Ms. Wagner said staff recommended approval of the application as presented. Chairman Harris commented Churchill Downs first post time would be 1:20 p.m. He asked if PRA's post time of 12:45 p.m. would work. Peter Tunney of PRA said his organization would amend its post time to 1:00 p.m. Commissioner Shapiro asked if the Racing Services, Inc. (RSI), listed on the application was the same organization that in the past experienced some controversy. Mr. Tunney said PRA contacted the South Dakota racing commission and learned RSI was a new group, with new management, that was attempting to resurrect the business. Commissioner Shapiro asked about the status of Racing Gambling Services (RGS). Mr. Tunney said RGS was an organization that operated out of Saint Kitts. He stated RGS had been investigated numerous times by different entities and was doing business properly. RGS was the property

of approximately 100 large bettors who placed wagers and were paid dividends at the end of the year. Commissioner Shapiro said he had no problem with RSI receiving the signal as long as the Board knew who was on the receiving end. Commissioner Moretti **motioned** to approve the application for license to conduct a horse racing meeting of PRA. Commissioner Shapiro **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD ON THE ADOPTION OF THE FOLLOWING REGULATORY AMENDMENTS:

- A. CHRB RULE 1420 – DEFINITIONS.**
 - B. CHRB RULE 1615 – SCALE OF WEIGHTS FOR AGE.**
 - C. CHRB RULE 1616 – MINIMUM WEIGHTS TO BE CARRIED.**
 - D. CHRB RULE 1684 – ITEMS INCLUDED IN WEIGHT.**
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Jacqueline Wagner, CHRB staff, said the proposal to amend Rule 1615, Scale of Weights for Age, would replace the scale of weights with minimum weights for jockeys; require that every horse carry ten pounds of riding gear; and include minimum body fat requirements for men and women. The proposal included an amendment to Rule 1420, Definitions, and the repeal of Rule 1616, Minimum Weights to be Carried and Rule 1684, Items Included in Weight. Ms. Wagner stated the proposed amendments were noticed to the public for the required 45-day period. Comments and supporting documentation were received from Thoroughbred Owners of California (TOC). Ms. Wagner said staff recommended the Board hear from interested parties. Craig Fravel of Del Mar Thoroughbred Club (DMTC) said the proposed amendments would be difficult for California. He stated the effect of the proposal would be the opposite of what was intended. At least two additional racing jurisdictions heard the issue and expressed concern that unless a national policy was formulated, there would be major problems with

competitiveness in the industry. Mr. Fravel said that did not mean the industry was indifferent to the issues presented by the Jockeys' Guild (Guild). He stated a good regulation, based on science, would have the support of the industry. Mr. Fravel reviewed the proposals outlined in the comments submitted by DMTC during the 45-day public comment period. DMTC's proposals included changes to the minimum weights; a requirement that jockeys have a certified annual physical; and a prohibition on the use of certain medical weight-loss activities. In addition DMTC proposed a sound scientific survey of jockey health be conducted by the industry. Mr. Fravel said DMTC also wanted to see rules for jockey weight that were based on National Collegian Athletic Association (NCAA) wrestling guidelines. He said such guidelines were predicated on a certification requirement prior to competition. A wrestler would go through a comprehensive body composition analysis, and based on the analysis, a weight for their age, height, and various other characteristics, below which they could not compete, was assigned. Mr. Fravel said a jockey could have a comprehensive body composition analysis three to four times a year and be assigned a minimum riding weight. He stated such a program would be superior to the current model. Mr. Fravel added perhaps the Racing Commissioners International could be approached to develop a national rule. With simulcasting and horses moving from state to state, rules initiated on a jurisdiction-by-jurisdiction basis would be negative for the industry in general. In addition, there needed to be an immediate review of the weigh-in and weigh-out procedures. The industry needed to use digital scales with digital readouts and computer-assisted documentation. A large component of the issue was the 10-pound equipment problem. The industry needed to look at ways to reduce the weight of equipment by finding good safety helmets, vests and lighter whips so

jockeys could ride at higher weights. The final component of DMTC's comments was a nutritional and educational counseling program. The industry needed to be informed so it would understand the risks and health implications for riders carrying low weights. Such education would also allow jockeys to maintain a healthy lifestyle. Mr. Fravel introduced Dr. Dan Brennerdon, the author of the body composition analysis provisions of the NCAA Sportsmen Handbook. He stated Dr. Brennerdon would present his thoughts on the issue and provide a little educational background. Dr. Brennerdon said there was little information on the health of jockeys. Dr. Brennerdon stated he did a comprehensive med-line search and found seven studies having to do with jockeys injury rates and body composition and dietary habits. Most of the studies dealt primarily with injury risks. Dr. Brennerdon commented he did note that eating disorder patterns were rampant among jockeys and the high injury rate might have been related - to a certain extent - to dehydration and eating behaviors of jockeys. Dr. Brennerdon talked about body fat composition levels and how the numbers reported in the studies differed from the proposed amendment. He said he saw only one survey that assessed body fat percent in the jockey population, so he did not think anyone could accurately determine what was currently true regarding jockeys. Dr. Brennerdon added a survey using multiple methods would have to be conducted to reach a realistic idea of what the jockey population's body fat was. He stated restrained eating patterns did not necessarily lower body fat. Instead, lean muscle mass dropped and body fat could actually increase. Dr. Brennerdon suggested perhaps the rule should require that for a given height, there should be a minimum of lean body mass. A minimum fat mass would not help in understanding the health status of a jockey. Dr. Brennerdon outlined the steps he felt were needed to help create healthy jockeys.

He said a national survey that measured jockeys normal values needed to be conducted. The survey should measure biometric, anthropometric, and psychometric data to get an idea of eating disorder risk and body measurements and blood values. The data would be used to develop a set of recommendations that all parties could agree were fair and achievable. In addition, an educational program to teach nutritional and health to those involved in horse racing was needed. Commissioner Moretti asked what the timeline would be for the type of survey Dr. Bernerdon recommended. Dr. Bernerdon said a research group would have to be established in each state to garner experts to help obtain data. Once the survey was initiated, it would take a couple of months to get the information, then an additional two months to perform an analysis. In total, setting up the system would take longer than collecting the data. From the time of initiation to the time the data was analyzed, the survey would take perhaps one year. Commissioner Shapiro said he believed Dr. Bernerdon's suggestions were the right approach to the problem, but was there a way to expedite the process? He added the Northern California jockey colony was willing to participate in a precursor study. Dr. Bernerdon said a pretest was a standard protocol to ensure a survey worked. However, such tests tended not to be representative of the entire population. Commissioner Moretti asked if the NCAA wrestling rules were done on a national basis. Dr. Bernerdon said the NCAA established rules, which became the standard for all participating NCAA agencies. He added the NCAA rules were established in the same manner he was suggesting for jockey weights. Commissioner Shapiro said he raised the issue at the Racing Commissioners International (RCI) meeting. A variety of jurisdictions, including Illinois, Ohio, Kentucky and New York – as well as the Thoroughbred Racing Association - were interested in addressing the issue on a national level. Mr. Fravel

said DMTC was not suggesting a status quo. It was suggesting an increase in the scale to be adopted as soon as possible. However, the final product needed to be based on good science to be accepted by the industry. Barry Broad of the Jockeys' Guild (Guild) said the industry was facing an occupational and safety health crisis, not merely an academic exercise. Mr. Broad stated he looked at DMTC's proposal and believed it was made with good intentions; however, on its face it was unconstitutional, as it would interfere in the doctor-patient relationship and have the state determine what was excessive food content or consumption. Mr. Broad said the weight standards proposed by DMTC were entirely arbitrary. They were not based on scientific study; rather, they were weights the industry felt it could live with. The Guild's proposal was not to require that jockeys have a body fat level of five percent. It was that jockeys could not go below five percent, and should have a higher body fat. He stated the RCI met only once a year, and if one state decided it did not like its recommendations, nothing would happen. A process that slowed to a crawl towards no result would not work for the Guild. The proposal before the Board at least began to deal with the issue of jockey weight, and it needed to be adopted. Drew Couto of TOC said the Guild brought a serious health issue to the Board when it proposed amending jockey weights. However, the Guild's proposal would not correct serious health issues, which deserved more than setting an arbitrary weight. Mr. Couto said solving difficult questions took time and moving ahead expeditiously would not protect jockeys. He stated all the information regarding the issue confirmed that such factors as lean body mass, hydrations and body fat were not being addressed by the proposed regulation. Mr. Couto said TOC was committed to work with the industry in an expedited manner to find a solution, however, it did not believe the Board should adopt the proposed

amendment. Ed Halpern of California Thoroughbred Trainers (CTT) expressed his organization's opposition to the proposed amendment. John Saddler, a trainer, owner and TOC board member, endorsed the CTT opposition to the proposed amendment. Chairman Harris said it appeared not enough thought had gone into the proposed amendment. He stated he would not like delaying the process, but if California were the first state to adopt the proposal it should put in place something with substance. Commissioner Shapiro said the industry had a strong commitment to the jockey community, but it seemed the only way to arrive at a consensus regarding jockey weights was to conduct a scientific study. At the same time, the industry should move to eliminate anything that encourages unhealthy weight loss practices. Commissioner Shapiro stated the Board should move forward and adopt the racing secretaries proposal by increasing the minimum weight by approximately two to four pounds. The Board should also mandate a study done pursuant to DMTC's proposal. Mr. Broad asked if DMTC's proposal assumed jockeys would be weighed nude and have ten pounds of equipment added, or if it was a weight in which one added five pounds. If that was the case, the nude weight of the jockey was five pounds less than proposed. Mr. Fravel said DMTC's proposal would not amend the current regulation regarding equipment, nor would it change how equipment weight was reported in the official program. He stated it was important that California continue to report equipment the same way as other racing jurisdictions. The industry was attempting to create uniformity in virtually every area of horse racing, and to change the way California calculated equipment weight did not make sense. Mr. Fravel said DMTC wanted to maintain the status quo in the way weights were currently listed, and at the same time raise the current scale. Mr. Broad was essentially correct; the jockey would weigh

five pounds less than the program weight. Commissioner Shapiro said he would prefer to see the true weight of the jockey and the equipment listed in the program. Commissioner Moretti said she agreed with Commissioner Shapiro. She stated her opinion regarding the core issue had not changed, and it was imperative that progress be made. The new information raised a number of questions and perhaps the industry needed to step back and work for a scientifically based rule. Commissioner Sperry said he agreed with Commissioners Moretti and Shapiro, but he did not want to see the issue studied to death. A reasonable time frame with set parameters and guidelines for the study needed to be implemented so a solution could be reached. Rick Baedeker of Hollywood Park said if a horse were listed at 120 pounds in California, it would be listed as carrying 120 pounds in New York, and wagering fans would understand they were the same measurements of weight. However, if California started listing the extra five pounds and stated the horse was carrying 125 pounds, fans would think the horse was carrying more weight. He stated the wagering public needed to be put first and California's method of listing weights in the program should not change until there was a national consensus. Mr. Baedeker said an interim solution would be an explanation in the program that stated the program weight does not include five pounds of equipment. The equipment could be listed so the wagering public would be informed. Commissioner Shapiro said he did not understand why California should mislead the public. The true weight should be listed in the program. Mr. Baedeker said if California changed the way it listed weights, the onus would be on the fans in other states who had to figure out the difference. Commissioner Shapiro said weights were reported differently in Europe. He asked how California was different. Mr. Baedeker said relatively few European horses ran in California

as opposed to American horses that traveled throughout the nation. He stated he believed his interim suggestion was a step that could be taken immediately without confusing the public. Commissioner Moss said for horse racing to survive and prosper it had to reach a national concept. As a state, California could look after its own, but the sport would move ahead only on a national level. Commissioner Moss said he did not believe California should change the way it reported weight without national involvement. The issue needed to be studied so the industry could come to an understanding, and it should be done as soon as possible, but it also needed more time. Chairman Harris said it would be cleaner to table the proposed amendment. If the Board was going to move forward it would need a commitment from the industry that it would pursue the proposed scientific study. The industry needed to state how it was going to do the study, its timetable and how it would be funded. Mr. Fravel said he would work with the Guild to develop a reasonable and realistic program. Mr. Broad said he had experience with occupational health studies, and he did not believe there would be any problems with setting up a study. Chairman Harris said the item would be tabled for further study.

DISCUSSION AND ACTION BY THE BOARD ON THE EMPLOYMENT OF PARI-MUTUEL EMPLOYEES GUILD LOCAL 280 MEMBERS AT ADVANCE DEPOSIT-WAGERING FACILITIES IN CALIFORNIA.

Roy Minami, Assistant Executive Director, said at the March 2005 Regular Board Meeting staff was directed to facilitate a meeting between the Pari-Mutuel Employees Guild (Guild) and the various advance deposit wagering (ADW) providers. The meeting was held on April 18, 2005, at Santa Anita Park racetrack. Mr. Minami said the Guild presented three proposals

regarding employment of its members at ADW facilities. The Guild did not request an immediate response. The ADW providers stated they would consider the Guild's proposals, as well as other alternatives that were not discussed at the meeting. A second meeting would be held in June 2005 where the ADW providers would give their response to the Guild's proposals and perhaps give alternative proposals.

DISCUSSION AND ACTION BY THE BOARD ON THE MATTER OF THE APPROPRIATE DISPOSITION OF PURSE FUNDS BY CAPITOL RACING, LLC, PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19605.7(C).

John Reagan, CHRB staff, said the issue was a portion of the handle referred to as "promotional funds" pursuant to Business and Professions Code Section 19605.7(C). A question arose regarding the existence of a written agreement between Capitol Racing (CR) and the horsemen that would allow CR to use the funds on promotion. If there were no agreement, the horsemen should receive their half of the funds. Commissioner Shapiro stated he would like the item deferred to an ad hoc committee. The issue was only one of many that dealt with different complex components of handle and revenues, and to better understand them, an ad hoc committee was essential. Chairman Harris said the ad hoc committee members would be Commissioners Shapiro and Sperry. Richard English of Los Alamitos Racing Association said he believed the ad hoc committee was a good idea. He requested that CR be directed to cease distributions of the Southern California Off Track Wagering, Inc. (SCOTWINC), simulcast expense fund until the ad hoc committee made a report. Commissioner Shapiro said the issue before the Board was the promotional fund. The simulcast expense fund was not on the agenda so the Board could not take action. The purpose

of the ad hoc committee was to understand the complex issues and make a recommendation. The simulcast expense fund was one item the ad hoc committee would examine. Cristo Bardis, an interested party, said he hoped the ad hoc committee would look at the issues as expeditiously as possible. He stated he had raised several issues regarding CR and the serious problems in the harness industry. Commissioner Shapiro said the ad hoc committee would meet as soon as possible and would listen to every issue Mr. Bardis wished to discuss. Tom Verola of SCOTWINC said his organization had distributed \$800,000 to CR. He asked if SCOTWINC should respond to additional requests by CR for distribution of funds. Mr. Reagan said he was in continuing discussions with the Chief Financial Officer of CR regarding the distribution of funds. All of the parties were aware that CR would cease doing business in July 2005, and were working on the issues as they arose. Kim Hankins of the California Harness Horsemen's Association (CHHA) requested that the ad hoc committee meet as soon as possible to resolve the issues. David Shell, past president of CHHA, requested that the ad hoc committee expand the scope of its discussions to include distribution of promotional fees during the harness racing at Los Alamitos Race Course from 1999 to 2002.

UPDATE ON THE IMPLANTING OF MICROCHIPS FOR THE IDENTIFICATION OF HORSES AND ESTABLISHING STRONGER PROCEDURES THAT REGULATE RESTRICTED AREAS AND HORSES SHIPPED IN AND OUT OF RACETRACKS.

Dr. Ron Jensen, CHRB Equine Medical Director, said microchips were an electronic method of animal detection. Dr. Jensen stated discussions regarding the use of microchips were ongoing in California as well as nationally. The Department of Agriculture initiated the National Animal Identification System (NAIS). The American Horse Council had a working

group that represented the entire industry in the NAIS undertaking. The initial phase of the national program was premises identification. Racetracks would be considered a premise and would receive a national identification number. In addition, the Jockey Club, American Quarter Horse Association, and the United States Trotting Association were seriously looking at microchips as a method for identification. Dr. Jensen explained the chip technology and software recommended for microchip identification. He concluded by stating the technology was available and there was a national movement going forward. Dr. Jensen stated the Board would need to determine if it wanted to start a program in California and be the first jurisdiction to do so. He commented twelve European countries were utilizing microchip identification and the European Union had mandated all horses would use the 15-character chip. Commissioner Moretti asked if an American horse would need a chip implanted prior to racing in Europe. Dr. Jensen said he did not know the answer as the policy did not specify domestic versus foreign horses, but he guessed the policy covered domestic horses. Commissioner Moretti said she understood the method had minimal costs and was not a health risk to the horse. Dr. Jensen said that was correct. The chip would be implanted in the neck of the horse and had a standard cost of \$8.25 each. He added there was a micro-thermal chip that would also give temperature readings at a slightly higher cost. Commissioner Moss asked what the Board could do to expedite the implementation of the technology. Dr. Jensen said the best approach would be to form an industry-working group to determine the best method and how it would be done. Commissioner Shapiro asked if there was any danger to the horse if California decided to use one chip, then the Jockey Club chose another. Would more than one chip harm a horse? Dr. Jensen said he did not believe the horse would be harmed. He stated

the Jockey Club had settled on a chip, and the Board might wish to use a compatible system. In addition, there were readers that would read multiple chips. Commissioner Shapiro said he believed the Board should take the initiative and move forward to implement a system. Chairman Harris said he agreed the Board should act on the issue.

REPORT OF THE PARI-MUTUEL OPERATIONS COMMITTEE

Commissioner Moss said the committee heard suggestions for rule changes from the National Thoroughbred Racing Association bettor policy committee. He stated the committee would recommend several changes to wagering rules. The committee also discussed minimum wager amounts. Finally, scientific games talked to the committee about its investments in technology.

REPORT OF THE RACE DATES COMMITTEE

Commissioner Shapiro said the committee met on April 27, 2005, to discuss converting Northern California fair dates to night harness racing. He stated recommendations would be made at the May 2005 Regular Board Meeting.

MEETING ADJOURNED AT 12:54 P.M.

A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof:

Chairman

Executive Director

STAFF ANALYSIS
June 30, 2005

ISSUE: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE CALIFORNIA EXPOSITION AND STATE FAIR JULY 31, 2005 THROUGH SEPTEMBER 17, 2005.

The California Exposition and State Fair filed its application to conduct a harness horse racing meeting at Cal Expo:

- July 31, 2005 through September 17, 2005. The association proposes to race 26 nights with a minimum of 280 races.
- They will simulcast July 31st through August 5th with live racing beginning August 6.

July - 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4 H	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August - 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

September - 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5 H	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

- Racing 1 night the 1st week, 3 nights the 2nd week, 5 nights the 3rd, 4th and 5th week, 3 nights the 6th week and 4 nights the final week.
- First live post 5:35 p.m. and 2:05 p.m. Monday, September 5.
- Request Carl Sobey be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering will start at 11:00 a.m.
 - Request administrative approval to partner with the Red Mile, Lexington, KY to create "two track Select Four" on specific Fridays and Saturdays during meet.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

Specific information **still needed** to complete this application includes:

1. Horsemen's agreement.
2. Simulcast contract with SCOTWINC.

RECOMMENDATION:

Staff recommends the Board approve the application conditioned upon receiving the additional information necessary to conduct the racing meeting.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
CHRB-17 (Rev. 01/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. Name, mailing address, telephone and fax numbers of association:
California Exposition & State Fair
1600 Exposition Blvd., Sacramento, CA 95815
916-263-3000
Fax- 916-263-3304
Racing Department - 916-263-3279, Fax- 916-263-3230
- B. Breed of horse: **HARNESS**
- C. Racetrack name: **California Exposition & State Fair, (Cal Expo)**
- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490.

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

- A. Inclusive dates for the entire meeting: **July 31 through September 22, 2005**
- B. Actual dates racing will be held: **August 6, 12, 13, 14, 17, 18, 19, 20, 21, 24, 25, 26, 27, 28, 31**
September 1, 2, 3, 4, 5, 9, 10, 14, 15, 16, 17
- C. Total number of days or nights of racing: **26**
- D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify)
Plus Monday, September 5, 2005 – Labor Day Daytime Card
- E. Number of days or nights of racing per week: **Week 1- (1), Week 2- (3), Week 3- (5), Week 4- (5)**
Week 5- (5), Week 6- (3), Week 7- (4)

3. RACING PROGRAM

- A. Total number of races: **Minimum 280 races**

CHRB CERTIFICATION	
Application received: 6/10/05	Hearing date: 6/30/05
Deposit received: \$10,000	Approved date:
Reviewed: PN	License number:

- B. Number of races for each day or night:
- | | | |
|----------------------|--------------------|-----------------------------|
| Wednesdays | 10 Per Card | 40 Races |
| Thursdays | 10 Per Card | 40 Races |
| Fridays | 12 Per Card | 72 Races |
| Saturdays | 12 Per Card | 72 Races |
| Sundays | 11 Per Card | 44 Races |
| 9/5 Labor Day | Monday | 12 Per Card 12 Races |

Respectfully request to alter schedule should need arise.

- C. Total number of stakes races: **0 (Cal Sire stakes eligible races- 4)**
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **None**
- E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used: **Drivers Colors**
- F. List all post times for the daily racing program:

<u>Race</u>	<u>Daily</u>	<u>Monday 9/5</u>
1	5:35	2:05
2	5:58	2:28
3	6:21	2:51
4	6:44	3:24
5	7:07	3:47
6	7:30	4:10
7	7:53	4:33
8	8:17	4:56
9	8:40	5:19
10	9:03	5:42
11	9:26	6:05
12	9:49	6:28

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)
- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. **Provided**

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

- C. CORPORATION – N/A
- Registered name of the corporation:

2. State where incorporated:
3. Registry or file number for the corporation:
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
6. Number of outstanding shares in the corporation:
7. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

D. LLC – N/A

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.

E. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.

Fair, complete listing of Board of Directors and Racing Committee members is attached

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:
Norb Bartosik, General Manager
Steve Wood, Track Foreman
Anita Ortega-Gabbart, Stable Superintendent
Joe Alto, Public Address Announcer

Cal Expo Board of Directors

Chair -
Vice Chair
Member-
Member-
Member-
Member-
Member-
Member-
Member-

Rex Hime
Kathy Nakase
Kirk Breed
Lawrence Davis
John Growney
Marilyn Hendrickson
Marko Mlikotin
Randy Paragary
Amparo Perez-Cook
Brenda Southwick

Ex Officio Member-
Ex Officio Member-

Senator Deborah Ortiz
Assembly Member Dave Jones

Racing Committee

Chair-
Member-
Member-
Member-

John Growney
Lawrence Davis
Rex Hime
Amparo Perez-Cook

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:
Norbert Bartosik, General Manager
David Elliott, Assistant General Manager, Racing Events
Address same as listed in Item 1A

5. PURSE PROGRAM

- A. Current Meeting estimated purse distribution:
 1. All races other than stakes: **\$1,457,000**
 2. Overnight stakes: **None**
 3. Non-overnight stakes: **None**
- B. Current Meeting stakes races: **N/A**
 1. Estimated purse distribution for all stakes races:
 2. Percentage of the estimated purse distribution for all stakes races that will be distributed for California-bred stakes races:
- C. Current Meeting estimated funds to be generated for all California-bred incentive awards: **\$115,475**
- D. Current Meeting estimated amount of payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization	Estimated Payment
California Harness Horsemen's Association	\$93,000
- E. Total estimated amount from all sources to be distributed at the current meeting in the form of purses or other benefits to horsemen (Total equals items 5A+5C+5D): **\$1,665,475**
- F. Current Meeting estimated purse funds to be generated from on-track handle and intrastate off-track handle: **California Handle-On/Off Track-ADW-Excess Expense Fund-B&P Code 19605.7 Purses - \$1,477,368**
- G. Current Meeting estimated purse funds to be generated from interstate handle:
Out of State Live/ADW Export - \$72,632
- H. Bank and account number for the Paymaster of Purses' purse account: **On file.**
- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting: **Disher Accountancy Corp., Gary Disher, 1816 Maryal Dr., Sacramento, CA 95864 916-482-4224**
- J. Prior Meeting actual purse distribution: **N/A**
 1. All races other than stakes:
 2. Overnight stakes:
 3. Non-overnight stakes:
- K. Prior Meeting stakes races: **N/A**

1. Actual purse distribution for all stakes races:
 2. Percentage of the actual purse distribution for all stakes races that were distributed for California-bred stakes races:
- L. Prior Meeting actual funds generated for all California-bred incentive awards: **N/A**
- M. Prior Meeting actual amount of payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s): **N/A**
- | | Recognized Horsemen's Organization | Actual Payment |
|--|------------------------------------|----------------|
| N. Prior Meeting total actual amount from all sources distributed at the meeting in the form of purses or other benefits to horsemen (Total equals items 5J+5L+5M): N/A | | |
| O. Prior Meeting actual purse funds generated from on-track handle and intrastate off-track handle: N/A | | |
| P. Prior Meeting actual purse funds generated from interstate handle: N/A | | |

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **1,016**
- B. Minimum number of stalls believed necessary for the meeting: **880**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **None**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **None**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **N/A**

Complete subsections F through I if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: **1016**
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall: **N/A**
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: **N/A**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, and TRI for trifecta.

	TYPE OF WAGERS	APPLICABLE RULES
Example Race: Attached	\$1 E; \$2 Twin Trifecta	CHRB #1959; RCI #VP

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **September 17, 2005**
- C. List any options requested with regard to exotic wagering: **Respectfully request administrative approval to partner with the Red Mile, Lexington, KY to create "two track Select Four" on specific Fridays and Saturdays during meet**
- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin: **11:00 AM**
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract: **Scientific Games Inc., equipment on file with Board - September 30, 2005**

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering: **Southern California Off Track Wagering Inc. (Scotwinc)**
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
In negotiations
- C. California simulcast facilities the association proposes to offer its live audiovisual signal: **All licensed California simulcast facilities**
- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:

2005 California State Fair Harness Meet Wagering Format

The following CHRB Rules will apply during the 2005 California State Fair Harness Meet:

Type	Rule Number
------	-------------

Exacta	(E)	1959
Trifecta	(TRI)	1979
Quinella	(Q)	1958
Superfecta	(SF)	1979.1
Daily Double	(DD)	1957
PK 3		1977
PK 4		1978
PK 6	(PNP)	1976.9

Race 1-	1 E, 1 TRI, 2 Q, 1 SF, 2 DD
Race 2-	Same as Race 1 plus PK3
Race 3-	Same as Race 1 plus PK3
Race 4-	Same as Race 1 plus 2 PNP
Race 5-	Same as Race 1 plus PK3
Race 6-	Same as Race 1 plus PK3
Race 7-	Same as Race 1 plus PK4
Race 8-	Same as Race 1 plus PK3
Race 9-	Same as Race 1 plus PK3 (PK 3 ON 11 RACE CARD)
Race 10-	Same as Race 1 plus PK3 (PK 3 ON 12 RACE CARD)
Race 11-	Same as Race 1
Race 12-	1 E, 1 TRI, 2 Q, 1 SF

To be provided upon completion.

- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
To be provided upon completion.
- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **N/A**

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **N/A**

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

Attached

- I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: **None**

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
--------------------	----------------	------------	--------------------------------

- J. For **ALL** racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **None**

Item 8 H.

HARNESS SIMULCAST RACES TO BE IMPORTED

With approval, Cal Expo intends to import selected feature and/or stakes races from the below listed harness race tracks. Cal Expo intends to import a full card of harness races from the Meadowlands on Hambletonian Day, August 6, 2005.

<u>Name of Host Track</u>	<u>Race Dates</u>	<u>Full Card or Selected Feature and/or Stakes Races</u>
Meadowlands	8/6/2005	Full Card
Balmoral Park	8/6-9/17/2005	Selected Feature or Stakes
Pompano Park	8/6 & 9/2-17/2005	Selected Feature or Stakes
Northfield Park	8/6-9/17/2005	Selected Feature or Stakes
Yonkers Raceway	8/6-9/17/2005	Selected Feature or Stakes
Monticello Raceway	8/6-9/17/2005	Selected Feature or Stakes
Maywood Park	8/6-9/17/2005	Selected Feature or Stakes
The Meadows	8/6-9/17/2005	Selected Feature or Stakes
Rosecroft Raceway	8/6-9/17/2005	Selected Feature or Stakes
Saratoga Harness	8/6-9/17/2005	Selected Feature or Stakes
Pocono Downs	8/6-9/17/2005	Selected Feature or Stakes
Hazel Park	8/6-9/17/2005	Selected Feature or Stakes
Scioto Downs	8/6-9/17/2005	Selected Feature or Stakes
Hawthorne Race Course	8/6-8/26/2005	Selected Feature or Stakes
Ocean Downs	8/6-8/20/2005	Selected Feature or Stakes
The Red Mile	8/6-9/17/2005	Selected Feature or Stakes
Batavia Raceway	8/6-9/17/2005	Selected Feature or Stakes
Harrington Raceway	8/6-9/17/2005	Selected Feature or Stakes

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Friends of the California State Fair**
- B. Names and addresses of the trustees or directors of the distributing agent: **On file**
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:
- | | |
|-----------------------------|---------------------------|
| Association Veterinarian(s) | Dr. Henry Cook |
| Clerk of Scales | N/A |
| Clerk of the Course | Patty Petersen |
| Film Specialist | Brent Bridges |
| Horse Identifier | Carl Sobey |
| Horseshoe Inspector | John Walker |
| Paddock Judge | Nate Bower |
| Patrol Judges | Bill Vallandingham |
| Placing Judges | Brent Bridges |
| Starter | Bill Vallandingham |
| Timer | Brent Bridges |
- B. Management officials in the racing department:
- | | |
|----------------------------|----------------------|
| Director of Racing | David Elliott |
| Racing Secretary | Ron Goldman |
| Assistant Racing Secretary | N/A |

Paymaster of Purses **Annette Casparian**
 Others (identify by name and title) **Kate Snider, Racing Supervisor**

- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **James Peters, President, Peters Shorthand, 3336 Bradshaw Rd., Suite 240 Sacramento, CA 95827, 916-362-2345**
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corp. USA – Bill O'Brien Contract Expires December 7, 2007
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Pegasus Communications, Inc, Jim Porep, President- Contract Expires April 30, 2008
Upper Pan Camera
Lower Pan Camera
1/8 Pole Tower Camera
5/8 Pole Tower Camera
Infield Warm Up Camera
Paddock Camera
Winners Circle/Finish Line Ground Level Camera
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Cal Expo owned timing system with PC, controllers, Frannie Packard displays on tote board, infield displays located at 1/4-1/2-3/4 poles. Maintenance and service by Pegasus Communications. Contract Expires April 30, 2008

11. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Attached**
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **18 supported by 110 member State Fair Police Department**
1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24 hours period and a plan for detention barns. **N/A**
 2. Detention Barns- **Attached**
 - A. Attach a plan for use of graded stakes or overnight races. -
 - B. Number of security guards in the detention barn area during a 24 hour period.
 - C. Describe number and location of surveillance cameras in detention barn area.
 3. TCO2 Testing: **Attached**
 - A. Number of races to be tested, and number of horses entered in each race to be tested.

11. Security Controls - A&B.

Cal Expo Police Department

The Cal Expo Police Department is headed up by Chief Robert Craft. Chief Craft is a retired captain of the Sacramento Sheriffs Department and is one of the highest decorated officers in the history of the department. The Cal Expo police department enjoys a great working and professional relationship with the CHRB staff.

The grandstand and backstretch areas of the Cal Expo facility will be served by our police department. A minimum of 6 police officers, 2 bicycle officers, 2 mobile patrol units, 1 armed officer in the detention barn and 8 gatemen will be assigned exclusively to the racetrack, grandstand, and backstretch areas. Our backstretch and detention barn will also be served by unarmed Cal Expo Security Guards.

An organizational chart of our police department is attached and the contact phone numbers are: 916-263-3050 and 916-263-3120

2. Detention Barn

The Cal Expo detention barn will be Barn Y and consist of a minimum of 20 stalls secured by police department personnel and a chain link fence around the perimeter of the barn. One police officer and a minimum of one roving security guard will be on duty in the detention barn each day supported by the mobile police officers on duty. Each racing day, two races will be chosen at random at 9:00 AM and all horses in those races will be required to be checked in and present in the detention barn by 12:00 PM. Those horses will be required to stay in the detention barn until such time they enter the racetrack to go to the paddock prior to their race.

Each horse in the detention barn will be limited to two caretakers (one groom and trainer) at a time and each person will be identified by CHRB license, checked, and all equipment will be checked. All functions in the detention barn will be documented and the documentation will be securely filed.

Also, horses will be chosen at random on given racing days for enhanced surveillance by a security guard. Security guards will "show up" at specific stalls in the barn area and provide security prior to these horses leaving their stalls for the paddock.

3. TCO2 Testing

Upon negotiations being reached with CHHA we will follow the attached procedures pertaining to TCO2 Testing and Consequences for Infractions.

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate. None

D. For night racing associations: Describe emergency lighting system

Cal Expo will employ the use of 4 generators that will be strategically placed in locations around the racetrack and be turned on continuously while night racing is occurring. In the event of a racetrack light failure, the generators will provide enough light to ensure the safety of all participants. Also, the patrol judge in the starters car that tracks each race will illuminate the racetrack with their headlights.

*Pertaining to TCO2 Testing and Consequences
For Infractions*

Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2005 Meet. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, and owners' horses within their control, will be subject to the following:

A. 1st Offense – For the first test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse may have his/her barn, and all owners' horses stabled therein, subject to “earned surveillance” for a period of 45 days from the date of the infraction. Such earned surveillance will be conducted at TRACK's sole discretion, and may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days after notification of the first offense, may be subject to confinement in a detention barn beginning at noon on the day before said horse is scheduled to compete. Such detention barn will be established at management's sole discretion, with the costs of such detention/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, being born by the trainer or owner of such horse.

B. 2nd Offense – For the second test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be prohibited from entering any owners' horse within his/her care in a race for a period of 15 race days.

C. 3rd Offense – For the third test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be expelled from TRACK's enclosure for a period of one year, and shall further be precluded from entering any owners' horses within his care for the balance of Track's 2005 Meet.

ROBERT L. CRAFT

Chief of Police, California State Fair Police

Robert Craft was appointed in 2002 by the Cal Expo Board of Directors as the Chief of Police for the California State Fair Police. Robert is a retired Captain from the Sacramento Sheriff's Department after thirty-three (33) years of service. Prior to his appointment, he had also served as a Lieutenant (permanent-intermittent) with the California State Fair Police Department since 1978.

Robert has an extensive and varied background of expertise with the Sacramento Sheriff's Department. He was one of the first officers selected for the first S.W.A.T. unit implemented in the Sheriff's Department. Between 1985 and 1986, he was assigned as a Sergeant to the Special Enforcement Detail (S.E.D.) supervising one of three response teams. He was the first Sheriff's officer to complete the Governor's Office of Emergency Services seven (70 week Hazardous Materials technician/specialist training course and is qualified as a Scene Manager in all Level I, II and III hazardous materials incidents. He also possesses an expertise in Incident Command and Weapons of Mass Destruction.

As a Sheriff's Captain, he was responsible for the design and implementation of a new Sheriff's Division – Special Operations. During his command, he coordinated the Sacramento Sheriff's Department response to Y2K. He also coordinated the law enforcement security plan for the 2000 U.S. Track and Field Trials. In 1999, he worked with the F.B.I. in the investigation of a possible terrorist attack against Suburban Propane (Elk Grove). Two suspects were eventually arrested and convicted.

Under his command, the CSFPD has been upgraded and brought to a professional level. He oversees a department responsible for the security of Cal Expo during the entire year. His staff is comprised of approximately 300 officers who work as permanent-intermittent and come from over thirty-three (33) local law enforcement agencies. A professional working environment was created in the business offices and computers were installed in the officers' transcription areas. Report writing programs were installed in the computers and holding cells were upgraded to meet correctional standards. After September 11th, he increased the staffing of security officers and provides security searches at all public gates during the California State Fair and other interim events.

Robert is one of the most highly decorated officers. He is the recipient of the Sheriff's Silver Star, Sheriff's Medal of Valor, four (4) Sheriff's Letters of Commendation, three (3) Unit Citations and three (3) Critical Incident Ribbons. He received community recognition from the Carmichael Elks Lodge and the Optimist Club of Sutterville Heights in addition to numerous letters of commendation from allied agencies and citizens.

Robert holds a Bachelor of Arts degree in Criminal Justice and is a 1999 graduate of the West Point Leadership Program.

- B. Plan for enhanced surveillance for trainers with high-test results.
- C. Plan for detention barns for repeat offenders.
- D. Number of security personnel assigned to the TCO2 program.

- C. Describe the electronic security system: **Attached**
 - 1. Location and number of video surveillance cameras for the detention barn and stable gate.
- D. For night racing associations: Describe emergency lighting system: **Attached**

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races: **American Medical Response, 1779 Tribute Rd. Suite H, Sacramento, CA 95815 916-563-0600 Contact: Roberta Balcazar**
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites: **N/A**
- C. Attach a fire clearance from the fire authority having jurisdiction over the premises.
A Fire and Life safety inspection will be performed by the State Fire Marshall prior to July 31, 2005. Certificate will be forwarded at that time.
- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **Self insured through CFSA with coverage provided by California Public Entity Insurance Authority**
- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.
Attached

13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each: **None**

14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

- A. Estimated advertising budget for meeting: **The electronic and print media buy for the 2005 State Fair is approximately \$700,000 of which the harness meet will be part of.**
- B. Describe any promotional plans and estimated budget for each promotional activity for meeting: **Off track promotions including handicapping contest, \$70,000- On track "Let It Roll" contest daily, \$13,000 – On track entertainment- \$5,000- On track Jumbotron- \$45,000- On track coupons for free admission and/or free programs, food, beverage etc. \$4,000- Dollar Days promotion on August 6, 2005 which includes free admission all day and \$1 hot dogs and beverages.**
- C. Number of hosts and hostesses employed for meeting: **6 greeters, entry takers, information booth attendants, complimented by the 20 member Women of Harness Racing volunteer staff.**



March 16, 2005

To: California Horse Racing Board (CHRB)
Attn: Pat Noble
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: California Exposition & State Fair
1600 Exposition Blvd.
Sacramento, CA 95815

Please be advised that the California Exposition & State Fair is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

Limit \$10 million CSL per occurrence
Coverage continuous until cancelled

II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: \$500,000 in excess of \$500,000
(b) Employers' Liability: \$10,000,000 in excess of \$500,000
Coverage provided by California Public Entity Insurance Authority
Term: 07/01/2004 to 07/01/2005

CFSA represents to CHRB that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the California Exposition & State Fair as set forth in CHRB's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

A handwritten signature in cursive script that reads "Lianne Lewellen".

Lianne Lewellen
Risk Analyst

17. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by Investigator Martin Snezek on June 16, 2005.
- B. Number of rooms used for housing on the backstretch of the racetrack: **104**
- C. Number of restrooms available on the backstretch of the racetrack: **6 restroom facilities**
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: **50/1**

18. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

5,280

 feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
**Outer Rail is a Steriline Racing Rail in compliance with CHRB Track Safety Regulations.
Inner boundary is marked by pylons.**
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **David Elliott, Director of Racing**
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file.**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **Attached**

19. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
In negotiations with Local 280.
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **In negotiations.**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **N/A**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each



March 16, 2005

To: California Horse Racing Board (CHRB)
Attn: Pat Noble
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: California Exposition & State Fair
1600 Exposition Blvd.
Sacramento, CA 95815

Please be advised that the California Exposition & State Fair is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

Limit \$10 million CSL per occurrence
Coverage continuous until cancelled

II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
B. Excess Coverage (a) Workers' Compensation: \$50,000,000 in excess of \$500,000
(b) Employers' Liability: \$10,000,000 in excess of \$500,000
Coverage provided by California Public Entity Insurance Authority
Term: 07/01/2004 to 07/01/2005

CFSA represents to CHRB that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the California Exposition & State Fair as set forth in CHRB's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

Lianne Lewellen (handwritten signature)

Lianne Lewellen
Risk Analyst

to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):

No Exceptions

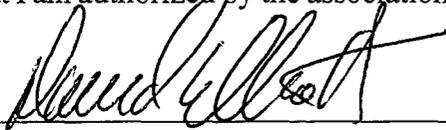
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No Exceptions**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

David Elliott
Print Name


Signature

Assistant General Manager, Racing Events
Print Title

June 3, 2005
Date

STAFF ANALYSIS

June 30, 2005

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE SAN MATEO COUNTY FAIR AT SAN MATEO AUGUST 10-25, 2005.

San Mateo County Fair filed its application to conduct a horse racing meeting at San Mateo:

- August 10-25, 2005, or 12 days, the same as 2004. The fair proposes to race a total of 142 races, 41 more than 2004.

August - 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

- Racing Wednesday through Sunday with 11 or 12 races per day Wednesday, Thursday and Friday and 13 Saturday and Sunday.
 - Number of horses available determines the number of daily races programmed by breed.
 - No racing August 15, 16, 22 and 23.
- First post 12:30 p.m. Saturday and Sunday and 1:00 p.m. weekdays.
 - Post times may be adjusted for the coordination of California races.
- Specific changes from the 2004 license application:
 - Raced on Mondays in 2004.
 - Post time for weekdays was 1:45 p.m. and 1:15 p.m. for weekends in 2004.
 - Increased the number of races on weekdays from 9 to 11 or 12 and weekends from 11 to 13.
 - Dr. Don Davies replaces Dr. Robert Connolly as association veterinarian, Chris Carpenter replaces Hiro Higashi as director of racing and Linda Anderson replaces Patricia Prospero as paymaster of purses.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering will be offered for Breeders' Cup Future wagering – date to be determined.
 - Will offer a \$1 place pick (n) on first 10 races of each card, \$1 pick four on first four and final four races and a \$2 pick (n) pool (pick 6) on final six races.

- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

RECOMMENDATION:

Staff recommends the Board approve the application.

STATE OF CALIFORNIA
 CALIFORNIA HORSE RACING BOARD
 APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF A CALIFORNIA FAIR
 CHRB-18 (Rev. 01/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

A. Name, mailing address, telephone and fax numbers of fair:

San Mateo County Exposition and Fair Association
 P. O. Box 1027, San Mateo, CA 94403-0627
 Telephone (650) 574-3247 Fax (650) 574-3985

B. Fair association is a: District Fair County Fair Citrus Fruit Fair
 California Exposition and State Fair Other qualified fair

NOTICE TO APPLICANT Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

A. Inclusive dates of race meeting: **August 10th through August 25th, 2005**

B. Dates racing will NOT be held: **Monday, August 15th, Tuesday, August 16th,
 Monday, August 22nd, Tuesday, August 23rd**

C. Total number of racing days: **12**

3. RACING PROGRAM

A. Total number of races: **142**

B. Number of races by breed:

Thoroughbreds Quarter Horses Appaloosas
 Arabians Paints Mules

C. Number of races daily:

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Thoroughbred	9			8	8	8	9
Other Breeds	4			3 or 4	3 or 4	3 or 4	4
Total	13			11 or 12	11 or 12	11 or 12	13

The number of races to be conducted will be subject the availability of horses.

Application received: 5/11/05 Reviewed: PN	CHRB CERTIFICATION	Hearing date: 6/30/05 Approved date: License number:
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D. Total number of stakes races by breed:

Thoroughbreds Quarter Horses Appaloosas
 Arabians Paints Mules

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. **Attached**

F. Will provisions be made for owners and trainers to use their own registered colors?

Yes No If no, what racing colors are to be used:

G. List all post times for the daily racing program:

Race #	Weekdays	Weekends
1	1:00	12:30
2	1:25	12:55
3	1:50	1:22
4	2:17	1:49
5	2:44	2:17
6	3:15	2:47
7	3:46	3:17
8	4:17	3:47
9	4:47	4:17
10	5:17	4:47
11	5:47	5:17
12	6:17	5:47
13		6:17

Post times may be adjusted to facilitate coordination of California races

NOTICE TO APPLICANT Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

A. Names of the fair directors: **Tony Clifford, President, Jack Olsen, Vice President, Melanie Hildebrand, Secretary-Treasurer, Larry Buckmaster, Director, Peter Chartz, Director, Carol Conroy, Director, Steve Karp, Director, Mark Norris, Director, Marcy Saunders, Director, John Zirelli, Director, Christa Sied, Youth Commission, Reilley Vanmeter, Youth Commission**

B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program: **Chris Carpenter, Director of Racing**

C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, **other than those listed in 9B**, who will be listed in the official program: **Chris Carpenter, General Manager**

5. PURSE PROGRAM

A. Current Meeting estimated purse distribution:

- 1. All races other than stakes: **\$1,565,903 (includes underpayment from 2004 meet) (plus performance purses)**
- 2. Overnight stakes: **\$ 71,000 + \$12,500 in supplements = \$83,500 total**
- 3. Non-overnight stakes: **\$ 0**

- B. Current Meeting estimated funds to be generated for all California-bred incentive awards: **\$138,030**
- C. Current Meeting estimated amount of payment to each recognized horsemen's organization contracting with the fair and the name(s) of the organization(s):

Recognized Horsemen's Organization	Estimated Payment
CTT	\$ 5,024
TOC	10,048
NTRA	26,375
PCQHRA	2,251
CWAR	862
ARAC	8,037
AMRA	6,582
CHBPAPEN	15,071
CTHF	<u>15,071</u>
Total Estimated Payments:	\$89,321

- D. Total estimated amount from all sources to be distributed at the current meeting in the form of purses or other benefits to horsemen (Total equals items 5A+5B+5C): **\$1,876,754, including stakes supplements and underpayment from prior meet (plus performance purses)**
- E. Current Meeting estimated purse funds to be generated from on-track handle and intrastate off-track handle: **\$1,379,488 (does not include underpayment from prior meet and stakes supplements)**
- F. Current Meeting estimated purse funds to be generated from interstate handle: **\$168,856**
- G. Bank and account number for the Paymaster of Purses' purse account:
San Mateo County Fair Horsemen's Account – Wells Fargo, account # 4211138218
- H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Disher Accountancy Corp., 1816 Maryal Drive, Sacramento, CA 95864; 916-482-4224
- I. Prior Meeting actual purse distribution:
 - 1. All races other than stakes: **\$1,333,588 (plus performance purses)**
 - 2. Overnight stakes: **\$ 0**
 - 3. Non-overnight stakes: **\$ 0**
- J. Prior Meeting actual funds generated for all California-bred incentive awards: **\$126,360**
- K. Prior Meeting actual amount of payment to each recognized horsemen's organization contracting with the fair and the name(s) of the organization(s):

Recognized Horsemen's Organization	Actual Payment
CTT	\$ 4,795
TOC	9,589
NTRA	24,623
PCQHRA	1,011
CWAR	0
ARAC	1,900
AMRA	496
CHBPAPEN	14,384
CTHF	<u>14,384</u>
Total Actual Payments:	\$71,182

- L. Prior Meeting total actual amount from all sources distributed at the meeting in the form of purses or other benefits to horsemen (Total equals items 5I+5J+5K): **\$1,531,130**
- M. Prior Meeting actual purse funds generated from on-track handle and intrastate off-track handle: **\$1,262,133**
- N. Prior Meeting actual purse funds generated from interstate handle: **\$160,014**

NOTICE TO APPLICANT All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the fair and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **900**
- B. Minimum number of stalls believed necessary for the meeting: **1,900**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **1,300**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **Golden Gate Fields, Albany, CA -- 1,000; Alameda County Fair, Pleasanton, CA -- 300**
- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling

accommodations for eligible racehorses that cannot be provided stabling on-site. **On file**

Complete subsections F through I if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available **on-site** for the **1986** meeting: **n/a**
- G. Estimated cost to provide **off-site** stalls for this meeting. Show cost per-day per stall:
Per the 2005 Northern California Stabling and Vanning Agreement, \$120,752, or \$5.81 per day per stall
- H. Estimated cost to provide **vanning** from off-site stalls for this meeting. Show fees to be paid for vanning **per-horse: -0-**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, and TRI for trifecta.

	TYPE OF WAGERS	APPLICABLE RULES
Example Race	\$1 E; \$2 Twin Trifecta	CHRB #1959; RCI #VP
Race #1	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF, \$1PPN, \$1PK\$4	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1, #1976.8, #1978
Race #2	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #3	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF, \$2PNP (P6)*	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1, #1976.9
Race #4	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #5	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF, \$1PK4**	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1, #1978
Race #6	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #7	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #8	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #9	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #10	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #11	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #12	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1
Race #13	\$1E, \$2Q, \$1TRI, \$1PK3, \$2DD, \$1SF	CHRB #1959, #1958, #1979, #1977, #1957, #1979.1

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **August 25th, 2005**
- C. List any options requested with regard to exotic wagering:
***\$2 Pick (n) Pool (Pick 6) will be offered on the final six races of each card, with 70% to the major pool or carryover, and 30% to the minor pool**

****\$1 PK4 will be offered on the first four and final four races of each card**
*****\$1 PPN (Place Pick (n) Pool will be offered on the first ten races of each card**

D. Will "advance" or "early bird" wagering be offered? Yes No
 If yes, when will such wagering begin:
Breeders' Cup Future wagering, date(s) to be determined

E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract: **Scientific Games Racing (probe system), David Payton, 11/05**

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the fair to conduct simulcast wagering: **NCOTWINC**
- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file**
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal: All California facilities authorized to accept the signal, including:

NORTHERN CALIFORNIA

SOUTHERN CALIFORNIA

Alameda County Fair, Pleasanton
 Bay Meadows, San Mateo
 Big Fresno Fair, Fresno
 California State Fair & Exposition, Sacramento
 Club One, Fresno
 Golden Gate Fields, Albany
 Kern County Fair, Bakersfield
 Monterey County Fair, Monterey
 Redwood Acres Fair, Eureka
 San Mateo County Fair, San Mateo
 San Joaquin County Fair, Stockton
 Santa Clara County Fair, San Jose
 Shasta District Fair, Anderson
 Solano County Fair, Vallejo
 Sonoma County Fair, Santa Rosa
 Stanislaus County Fair, Turlock
 Tulare County Fair, Tulare

Barona Casino, Lakeside
 Fantasy Springs Casino (Cabazon), Indio
 Del Mar Thoroughbred Club, Del Mar
 Hollywood Park, Inglewood
 Desert ExpoCentre, Indio
 The Farmers Fair, Perris
 Antelope Valley Fair, Lancaster
 Santa Barbara County Fair, Santa Maria
 Los Alamitos Racecourse, Los Alamitos
 Mid-State Fair, Paso Robles
 National Orange Show, San Bernardino
 Fairplex Park, Pomona
 Santa Anita, Arcadia
 Viejas Casino & Turf Club, Alpine
 Earl Warren Showgrounds, Santa Barbara
 Sycuan Gaming Center, El Cajon
 Ventura County Fair, Ventura
 San Bernardino County Fair, Victorville

- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal: **Attached**
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair: **Attached**
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

Attachment to San Mateo County Fair License Application

8D Out of State wagering systems the fair proposes to offer its live signal:

8E Out of State wagering systems that will combine their pari-mutuel pools with those of the fair:

COMMINGLED SITES:	
AmericaTab	OH
AmWest Entertainment	SD
Arapahoe Park	CO
Arlington International Racecourse	IL
Atlantic City Casino Assn.	NJ
Atlantic City Race Course	NJ
Atlantis Paradise Island Casino	FL
Atokad Downs	NE
Balmoral Park / Maywood	IL
Bettor Racing OTB	SD
Beulah Park	OH
Birmingham Race Course	AL
Blue Ribbon Downs	OK
Bluffs Run Greyhound Park & Casino	IA
Boyd Gaming, d/b/a Delta Downs	LA
Buffalo Trotting Association	NY
Calder Race Course	FL
Canterbury Park	MN
Capital District OTB	NY
Capitol Sports Pty Ltd.	AUS
Catskill OTB	NY
Charles Town Races	WV
Choctaw Racing Services, LLC	OK
Churchill Downs	KY
Crystal Palace Casino	BA
Coeur d' Alene Casino	ID
Coeur d' Alene Casino Phone	ID
Coeur d' Alene Greyhound Park	ID
Colonial Downs	VA
Columbus Races	NE
Comanche Nation Games	OK
Connecticut OTB	CT
Corpus Christi Greyhound Race Track	TX
Crystal Palace Casino	BAH
Dairyland Greyhound Park	WI
Delaware Park	DE
Dover Downs	DE
Downs at Albuquerque	NM
Ellis Park	KY
Emerald Downs	WA
Equus St Thomas Racing	VI
Euro Off Track	FL
European Simulco AKA MEC Sport & Entertainment	CA
Evangeline Downs	LA
Excelsior Casino	AR
Fair Grounds Race Course	LA
Fair Meadows at Tulsa	OK
Fairmount Park	IL
Finger Lakes Race Track	NY
Fire Lakes	OK
Fonner Park	NE
Freehold Raceway	NJ
Geneva Lakes Kennel Club	WI
Gillespie County Fair Race Meet	TX
Great Lakes Downs	MI
Gulf Greyhound Park	TX
Gulf Greyhound Park @ Post Falls	ID
Gulfstream Park	FL
Harrington Raceway AKA Midway Slots	DE
Hawthorne National LLC	IL
Hazel Park	MI
Hinsdale Greyhound Park	NH

Hoosier Park	IN
Horsemen's Park	NE
Indiana Downs	IN
International All Sports	OH
International Wagering Systems, Inc.	CA
Jackson Harness Raceway	MI
Keeneland Association	KY
Kentucky OTB	KY
LVDC Atlantis Paradise Island Casino, Bahamas	NV
LVDC Cities of Gold Sports Bar (Pojoaque), NM	NV
LVDC Comanche Nation Games, OK	NV
LVDC Elite Turf Club, Curacao	NV
LVDC Fire Lakes Entertainment	NV
LVDC Foxwoods Resorts Casino, CT	NV
LVDC Holiday Beach, Curacao	NV
LVDC Meskwaki Bingo & Casino, IA	NV
LVDC Red River Casino, OK	NV
LVDC Spirit Mountain Casino, OR	NV
LVDC The Stables, OK	NV
LVDC Tonkawa Bingo, OK	NV
Lebanon Raceway	OH
Les Bois Park Simulcast Network	ID
Lewiston Raceways, Inc.	ME
Lien Games, Inc.	ND
Lincoln Greyhound Park	RI
Lone Star Race Park Ltd.	TX
Louisiana Downs (Harrah's)	LA
Manor Downs	TX
Maryland Jockey Club	MD
Midway Slots & Simulcast/Harrington Raceway	DE
Montana Simulcast Partners	MT
Monticello Raceway	NY
Mount Pleasant Meadows	MI
Mountaineer Park	WV
Nassau/Suffolk OTB	NY
Nevada Pari-Mutuel Association	NV
New Jersey Sports & Exposition Authority	NJ
New York City Off-Track Betting	NY
New York Racing Association	NY
Newport Jai-Alai	RH
Northfield Park	OH
Northville Downs	MI
Oaklawn Park	AR
Ocean Downs	MD
Penn National Race Course	PA
Philadelphia Park	PA
Plainridge Race Course	MA
Pocono Downs	PA
Portland Meadows	OR
Prairie Meadows	IA
Raceway Park	OH
Racing & Gaming Services, Inc.	WI
Remington Park	OK
Retama Park	TX
River Downs	OH
Rockingham Park	NH
Rosecroft Raceway	MD
Royal River Racing (Bettor Racing OTB)	SD
Ruidoso Downs	NM
Saginaw Harness Raceway	MI
Sam Houston Race Park, LTD	TX
Saratoga Raceway	NY
Scarborough Downs	ME
Scioto Downs	OH
Seabrook Greyhound	NH
Southland Greyhound Park	AR
Sports Creek Raceway	MI
State Fair Park	NE
Stevenson & Associates, Inc. (Common)	MD
Suffolk Downs	MA
Suffolk Downs OTB	MA

Sunland Park	NM
SunRay Park	NE
Tampa Bay Downs	FL
The Meadows	PA
The Racing Channel, Inc. (Domestic)	OR
The Racing Network International, Inc.	OR
Thistledown Racing	OH
Tri-State Racetrack & Gaming Center	WV
Turf Paradise	AZ
Turfway Park	KY
TVG Network	CA
U.S. Off Track, LLC	FL
Valley Greyhound Park (Sam Houston site)	TX
Vernon Downs	NY
Western Regional OTB	NY
Wheeling Downs	WV
Wichita Greyhound Park	KS
Winner's OTB	ME
Wonderland Greyhound Park	MA
Woodlands	KS
Wyoming Downs Rodeo Events, LLC dba PONYUPBET	WY
Wyoming OTB	WY
XpressBet, Inc	CA
Yavapai	AZ
Yonkers Raceway	NY
Youbet	CA
Zia Park Racetrack	NM

SEPARATE POOLS:	
Calliente (MIR)	CA
Caymanas Park	JAM
Fraser Downs	CAN
Hastings Entertainment Inc.	BC
Las Vegas Dissemination Co.	NV
Stevenson & Associates, Inc.	MD
Teletheatre BC	CAN
Woodbine Entertainment Group	CAN

NOTICE TO APPLICANT B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Arlington Park	8/10/05 – 8/25/05	Full or Partial Cards
Calder	8/12/05 – 8/22/05	Full or Partial Cards
Canterbury	8/11/05 – 8/25/05	Full or Partial Cards
Delaware Park	8/13/05 – 8/22/05	Full or Partial Cards
Ellis Park	8/10/05 – 8/25/05	Full or Partial Cards
Emerald Downs	8/11/05 – 8/25/05	Full or Partial Cards
Fort Erie	8/12/05 – 8/22/05	Full or Partial Cards (International)
Hastings Park	8/12/05 – 8/21/05	Full or Partial Cards (International)
Monmouth	8/12/05 – 8/25/05	Full or Partial Cards
NYRA (Saratoga)	8/10/05 – 8/25/05	Full or Partial Cards
Penn National	8/10/05 – 8/25/05	Full or Partial Cards
Philadelphia Park	8/12/05 – 8/22/05	Full or Partial Cards
Pimlico	8/12/05 – 8/25/05	Full or Partial Cards
Prairie Meadows	8/11/05 – 8/25/05	Full or Partial Cards
Remington Park	8/12/05 – 8/22/05	Full or Partial Cards
River Downs	8/11/05 – 8/25/05	Full or Partial Cards
Suffolk Downs	8/10/05 – 8/24/05	Full or Partial Cards
Thistledown	8/11/05 – 8/25/05	Full or Partial Cards
Woodbine	8/10/05 – 8/25/05	Full or Partial Cards (International)

Additional cards and/or races pending

- G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:
N/A

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
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- H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s). **N/A**

NOTICE TO APPLICANT All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

Association Veterinarian(s)	Diane Isbell, Don Davies
Clerk of Scales	Ken Sjoldal
Clerk of the Course	Anne Daftary
Film Specialist	Gary Lawless
Horse Identifier	Patrick Kealy
Horseshoe Inspector	Jack Hammonds
Paddock Judge	Jim Burns
Patrol Judges	Jim Burns, Ken Sjoldal
Placing Judges	Tina Walker, Greg Brent
Starter	Chuck Burkes
Timer	Richard Somers

B. Management officials in the racing department:

Director of Racing	Chris Carpenter
Racing Secretary	Tom Doutrich
Assistant Racing Secretary	Greg Brent
Paymaster of Purses	Linda Anderson
Others (identify by name and title)	
Main Track Superintendent	Robert Turman
Turf Course Superintendent	Bernie Eastridge
Price Maker	Richard Somers
Stable Superintendent	Jerry Lynn Hunter

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

Christine Niccoli, Niccoli Reporting Associates, 619 Pilgrim Drive, Foster City, CA 94404 (650) 573-9339

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

Plusmic Corporation USA (Bill O'Brien), expires 12/7/07

E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.

Bay Meadows Video Department, lead by Jim Fetter, supplies video equipment to record all races. Seven color cameras, twenty-one videotape recorders, and nine video monitors are utilized.

Cameras for dirt and turf tracks include:

Pan camera #1 (tight pan) aligned with finish lines, just above photo finish camera on grandstand roof

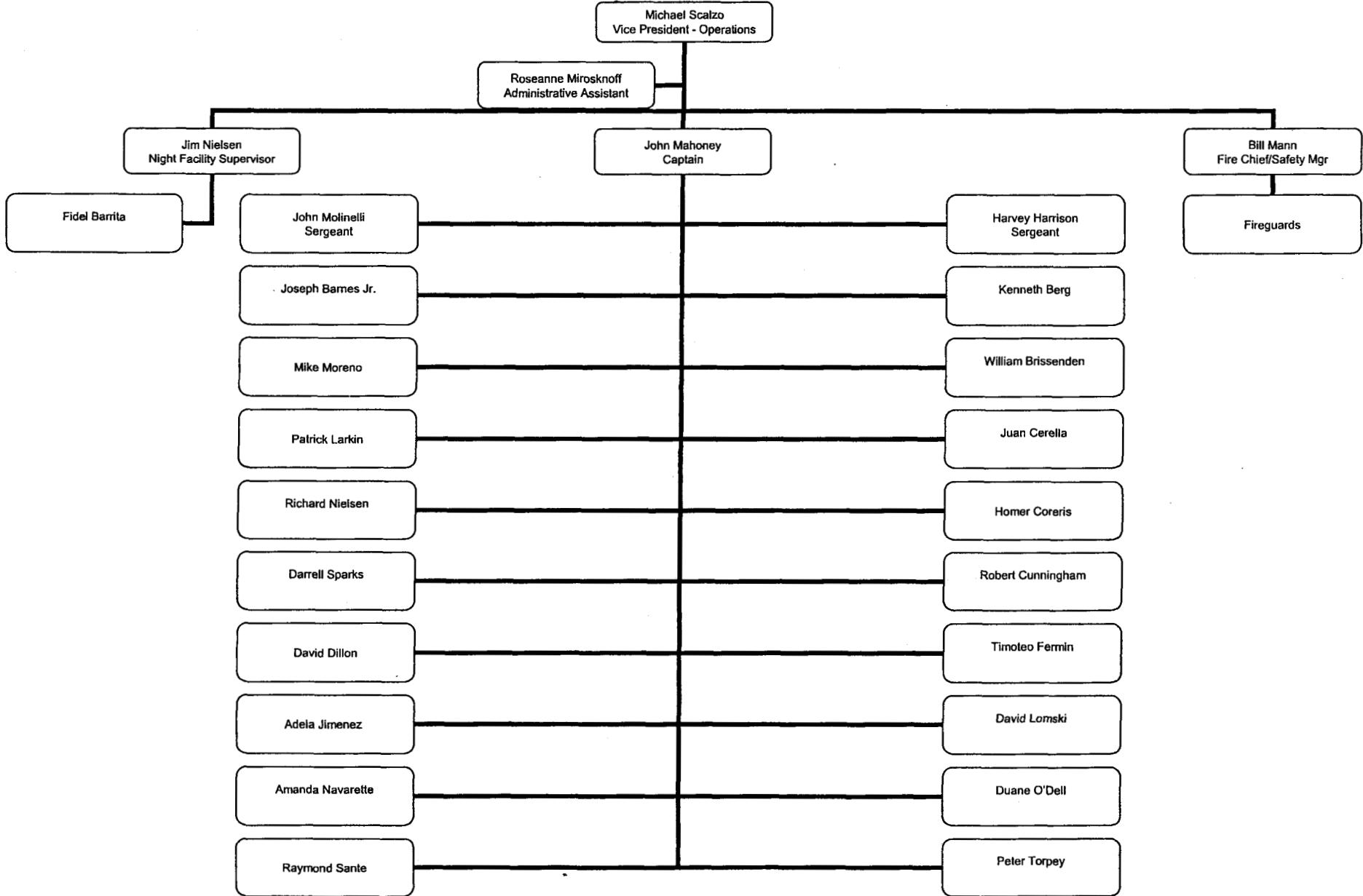
Pan camera #2 (wide pan) located next to tight pan camera
3/8 tower camera aligned with backstretch of dirt track
1/4 tower camera aligned with front stretch of turf course (rear view)
7/8 tower camera aligned with front stretch of dirt track
7/8 pan/tilt/zoom remote controlled camera aligned with turf course front stretch (head on)
Highlight camera follows lead horses down the stretch from near-ground level

- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Electronic timer, installed and maintained by Bay Meadows personnel

10. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.
Michael Scalzo, VP Operations and Security
organizational chart and list of security personnel attached
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **18 uniformed guards, 2 plain clothes, 5 stable area guards**
1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **San Mateo County Fair does not offer either graded stakes or races of \$100,000 or more. Detention barn plan is attached.**
 2. Detention Barns:
 - A. Attach a plan for use of graded stakes or overnight races. **Attached**
 - B. Number of security guards in the detention barn area during a 24-hour period. **5**
 - C. Describe number and location of surveillance cameras in detention barn area. **Attached**
 3. TCO2 Testing:
 - A. Number of races to be tested, and number of horses entered in each race to be tested.
All runners in all races will be tested
 - B. Plan for enhanced surveillance for trainers with high-test results.
First time offenders will be subject to "earned surveillance" for a period of 45 days from the date of the infraction. Earned surveillance shall include the confinement of horses trained by the offender in the detention barn by noon on the day before said horse is scheduled to compete, anytime within a period of 30 days after notification of the offense. A portion of Barn One serves as the detention barn for high-test offenders; specific stalls, with signage, have been designated as detention stalls.
Video surveillance of these designated stalls is conducted on a 24/7 basis. Earned surveillance may also include random pre-race and/or post-race testing for trainers with high-test results. Additionally, security guards closely monitor the barn operations of high-test trainers, and may conduct searches of stall areas, offices, tack rooms and living quarters.
 - C. Plan for detention barns for repeat offenders.
A second offense will result in earned surveillance as referred to in "B", plus the registered trainer will be prohibited from entering any owners' horse within his or her care for a period of

Bay Meadows – Security Department Organizational Structure



Bay Meadows Racing Association – 2005 Security Personnel

Security Office Phone # (650) 573-4535
Stable Gate Phone # (650) 573-4577

Scalzo, Michael, VP Operations and Security
Office# (650) 573-4540
Cell # (650) 222-8153

Staff Members:

Nielsen, James
Barnes Jr, Joseph
Barrita, Fidel
Berg, Kenneth
Bottari, Robert
Brissenden, William
Cerella, Juan
Cook, Robert
Coreris, Homer
Cunningham, Robert
Dillon, David
Ferman, Tomoteo
Harrison, Harvey
Hart, Gregory
Jimenez, Adela
Larkin, Patrick
Lomski, David
Mahoney, John
Mann, Bill
Mirosnkoff, Roseanne
Molinelli, John
Moreno, Michael
Navarrete, Amanda
Nielsen, Richard
O'Dell, Duane
Plunkett, Todd
Sante, Raymond
Sparks, Darrell
Torpey, Peter

10. SECURITY CONTROLS

B-2 (A & C)

Detention Barn-Enhanced Surveillance at Bay Meadows

In January, 2005, a new surveillance system was installed in Barn One, which is the barn mostly frequently utilized by horses shipping in to run at Bay Meadows. Barn One is 360' long by 180' wide, and has ten exits and entrances. Located close to the stable gate entrance, it contains approximately 162 stalls, and houses the receiving barn area, transit and detention stalls. Surveillance equipment includes a 16 camera, 180 GB digital recording system. The installation of surveillance equipment in Barn One was intended as a pilot program to better monitor the activity of horses and persons entering and exiting Barn One and the stable gate area, which is roughly fifty feet away.

One camera has been strategically placed to monitor the stable gate entrance, two cameras monitor designated detention stalls, and the balance have been placed to provide surveillance of the entrances and exits to the barn.

The recorder is kept in a secure housing in a locked communications room in the Barn building. A password is required before any action can be taken on the system.

The cameras are powered from a common power supply located with the recorder in the communications room. The entire system is powered with a UPS power back-up, and will continue to operate during a power failure.

All cameras generate their own infra-red light source, so they provide a viewable image even in "total" darkness. They operate in color during the day, and convert to black-and-white in dark lighting conditions.

The digital recorder records all cameras at full frame. Recording options include resolution quality and motion detection. In motion detection mode, video frame recording commences only when motion is detected within selected areas, which saves on hard-drive storage space. The amount of time that can be stored before re-recording over existing material occurs is dependant upon the amount of barn activity. If all cameras recorded 24 hours a day, 7 days a week, at the highest resolution setting, the 180 GB drive would begin re-writing over existing data within about 48 hours. With standard resolution and motion detection engaged, recording time falls between 5 and 10 days before re-writing begins.

The main stable gate, approximately 50 feet away from the detention barn, is manned on a 24/7 basis. A policy and procedures manual is given to all main stable gate attendants. Excerpts from the manual relating to job duties include the following:

1. ASSIST/ DIRECT AUTHORIZED PERSONS TO THE TRANSIT BARN AND INFIELD STABLE AREA.
2. ASSIST/ DIRECT PATRONS/ GUESTS TO THE GRANDSTAND FACILITY.

3. **PERFORM IDENTIFICATION CHECKS** OF ALL PERSONS ENTERING STABLE AREA. PERSONS ATTEMPTING ACCESS TO RESTRICTED AREAS ARE REQUIRED TO **VISIBLY** DISPLAY THEIR CHRb LICENSE, VISITOR'S PASS, OR OTHER IDENTIFICATION. (CHRb R&R 1922).
4. RESPONSIBLE FOR THE DAILY ISSUE/ CHECK IN OF RADIOS TO OUTRIDERS AND HUMAN AMBULANCE.
5. ALERT TO PERSONS APPEARING TO BE UNDER THE INFLUENCE OF CONTROLLED SUBSTANCES AND/ OR ALCOHOL.
6. ALERT TO PERSONS ATTEMPTING ENTRY INTO THE STABLE AREA/ TRANSIT BARN WITHOUT AUTHORIZATION.
7. ALERT TO POTENTIALLY HARMFUL AND/OR DANGEROUS SITUATIONS OR VIOLATIONS. SECURITY PERSONNEL AND STABLE SUPERINTENDENT SHOULD BE NOTIFIED WHEN SUCH SITUATIONS ARISE.
8. ALERT TO PERSONS ATTEMPTING TO TAMPER WITH BAY MEADOWS PROPERTY.
9. ALERT TO PERSONS PAN HANDLING AND/ OR LOITERING.
10. **RESPONSIBLE FOR ENACTING "911" DISPATCH WHEN ADVISED.** SECURITY/ FIRE PERSONNEL SHOULD BE CONTRACTED IF FIRST AID ASSISTANCE IS NEEDED.
11. INSURES THAT PERSONS LOADING AND UNLOADING HORSES ARE DIRECTED TO THE PROPER AREAS.
12. MONITORS AND DOCUMENTS IN WRITING HORSE ARRIVALS AND DEPARTURES, USING APPROVED ARRIVAL//DEPARTURE SLIPS PROVIDED.
13. MONITORS FEED DELIVERIES.

ADDITIONALLY, ALL STABLE GATE PERSONNEL ARE FAMILIAR WITH THE FOLLOWING CALIFORNIA HORSE RACING BOARD RULES AND REGULATIONS:

#1920 SECURITY CONTROL

- EVERY ASSOCIATION CONDUCTING A RACE MEETING SHALL MAINTAIN SECURITY CONTROLS OVER ITS PREMISES AND SUCH SECURITY CONTROLS ARE SUBJECT TO THE APPROVAL OF THE BOARD.

1921 STABLE RECORDS REQUIRED

- UNLESS GRANTED EXEMPTION BY THE BOARD, EVERY ASSOCIATION SHALL MAINTAIN STABLE AREA RECORDS WHICH SHALL SHOW THE ENTRY AND DEPARTURE OF NON-LICENSED VISITORS TO THE STABLE AREA. SUCH RECORDS WILL SPECIFY THE NAME OF THE VISITOR AND THE AUTHORIZING LICENSEE FOR SUCH VISIT, AND WILL BE MADE AVAILABLE TO THE BOARD, ITS INVESTIGATORS, OR THE STEWARDS UPON DEMAND. SUCH RECORDS WILL BE RETAINED FOR AT LEAST SIX MONTHS.

#1922 IDENTIFICATION REQUIRED (Condensed Version)

- UNLESS THE BOARD PERMITS OTHERWISE, A LICENSE, VISITOR'S PASS OR OTHER IDENTIFICATION ISSUED BY THE BOARD OR THE ASSOCIATION SHALL BE VISIBLY DISPLAYED BY ANY PERSON WITHIN ANY RESTRICTED AREA. NO PERSON SHALL USE THE LICENSE OR CREDENTIAL ISSUED TO ANOTHER, NOR SHALL ANY PERSON GIVE OR LOAN HIS LICENSE OR CREDENTIAL TO ANY OTHER PERSON.

#1924 ASSOCIATION TO PREVENT UNAUTHORIZED ACCESS TO RESTRICTED AREAS

- UNLESS GRANTED EXEMPTION BY THE BOARD, EVERY ASSOCIATION SHALL PREVENT ACCESS TO AND SHALL REMOVE OR CAUSE TO BE REMOVED FROM ITS RESTRICTED AREAS ANY PERSON WHO IS UNLICENSED, OR WHO HAS NOT BEEN ISSUED A VISITOR'S PASS OR OTHER IDENTIFYING CREDENTIAL, OR WHOSE PRESENCE IN SUCH RESTRICTED AREA IS UNAUTHORIZED.

Stable area security guards patrol the stable area on a 24/7 basis. As is the case for Stable Gate Guards, Security Guards are provided a policy and procedures manual and instructed to work closely with stable gate attendants, the stable superintendent, the racing department and the operations department to insure that stable area security is maintained to the satisfaction of the California Horse Racing Board, track management and the horsemen.

15 race days. A third offense will result in the expulsion of the registered trainer from the track's enclosure for a period of one year, and the trainer shall further be prohibited from entering any owners' horses within his or her care for the balance of the track's 2005 race meet.

- D. Number of security personnel assigned to the TCO2 program.

All security guards assigned to the stable area participate in the TCO2 program, in coordination with the racing coordinator and stable superintendent.

- C. Describe the electronic security system:

Security alarm systems, including cameras, motion and contact sensors, monitored by Hue & Cry, cover the administrative offices, mutuel, catering and operations money rooms. Surveillance systems with time-lapse recorders monitor key locations throughout the plant and parking lot. Fire alarms throughout the grandstand and stable areas are monitored by Diversified Alarm Company.

1. Location and number of video surveillance cameras for the detention barn and stable gate.

One camera is dedicated to monitor the stable gate entrance, two cameras monitor the stalls designated as detention stalls within Barn One, and thirteen cameras monitor entrances and exits within Barn One. Surveillance equipment includes a 180 GB digital recording system.

11. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
Bayshore Ambulance, Box 4622, Foster City, CA 94404, (650) 525-9700
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
Turf Rescue, LLC, 19615 Barclay Road, Castro Valley, CA 94546, (510) 581-8470
- C. Attach a fire clearance from the fire authority having jurisdiction over the premises. **Attached**
- D. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the fair for payment of workers' compensation. **Attached**

12. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

Armored Car Service	Loomis Armored, Inc.-Dept 2120, Pasadena, CA 91185-1206
Catering Service	Trackside Catering, Box 5050, San Mateo, CA 94403
Jockey's Laundry	Lorene Dutton, 3263 Vineyard Avenue, Pleasanton, CA 94566
Program Printer	Del Mar Graphics, 7806 Honors Court, Pleasanton, CA 94588
Starting Gate	Mike Costello-United/Puett Starting Gate Co., Box 18, S. Salem, NY 10590
Tip Sheets	Lisa Wasserman-Jack's Blue Card, 127 Sun Avenue, Hayward, CA 94544
Track Photographer	Bill Vassar, 1167 Sapphire Drive, Livermore, CA 94550

13. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

- A. Estimated advertising budget for meeting: **Attached**

FIRE DEPARTMENT
Bureau of Fire Protection and Life Safety
www.cityofsanmateo.org



1900 O'Farrell, Suite 140
San Mateo, California 94403-1382
(650) 522-7940
FAX: (650) 522-7941
TDD: (650) 522-7047

June 8, 2005

Bernie Thurman
Bay Meadows Land Company
2600 Delaware St
San Mateo, California.

Dear Ms. Thurman

2600 S. Delaware Street, San Mateo, California

Fire clearance is granted to the above named Bay Meadows Land Company for the period of time from June 8, 2005 to October 16, 2005.

Progress of a satisfactory level continues to be made to reduce code violations at your facility. This Department would like to extend its thanks for your efforts

Regards,

A handwritten signature in black ink, appearing to read "Michael Leong", is written over the typed name.

Michael Leong
Fire Marshal



March 16, 2005

To: California Horse Racing Board (CHRB)
Attn: Pat Noble
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: San Mateo County Exposition & Fair Association
2495 S. Delaware Street
San Mateo, CA 94403

Please be advised that the San Mateo County Exposition and Fair Association is a member of the California Fair Services Authority (CFSA), and participates in the following self-insurance and loss pooling programs which are administered by CFSA:

I. COMPREHENSIVE GENERAL LIABILITY PROGRAM

Limit \$10 million CSL per occurrence
Coverage continuous until cancelled

II. WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

- A. Primary Coverage \$500,000 self-insured retention California Fair Services Authority
Coverage continuous until cancelled
- B. Excess Coverage (a) Workers' Compensation: \$50,000,000 in excess of \$500,000
(b) Employers' Liability: \$10,000,000 in excess of \$500,000
Coverage provided by California Public Entity Insurance Authority
Term: 07/01/2004 to 07/01/2005

CFSA represents to CHRB that within the above limits, terms and provisions of the coverage stated, to the extent provided by law, CFSA will provide defense, payment, and indemnification on loss funding in accordance with the terms of the contractual assumption of the San Mateo County Exposition & Fair Association as set forth in CHRB's "Insurance Requirements".

You will be given at least thirty (30) days notice of any change in the foregoing information. We trust that this commitment will satisfy your insurance requirements.

Please feel free to contact this office on all matters including possible claims.

Sincerely,

Lianne Lewellen
Risk Analyst

Attachment to San Mateo County Fair License Application

13. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Estimated advertising budget for the meeting:

The estimated advertising budget for the 2005 San Mateo County Fair meet is \$250,000, including \$110,000 of in-kind trade.

B. Promotional plans for meet and estimated budget for each activity:

For the San Mateo County Fair Meet, the majority of promotional activity will be geared toward attempting to drive Fair attendees to the race track. The fairgrounds and racetrack are separated by the length of the facility parking lot.

1) Racetrack booth inside the fairgrounds:

Within the fair, in the Central Mall area, a "Horseracing 101" booth will be set up. The booth will have a prize wheel, where fairgoers can spin the wheel to win prizes, including merchandise from the racetrack and passes that are good for free admission to the races. The booth will be staffed by Bay Meadows Marketing Representatives who will be providing fan education for newcomers. Also, a wagering information video will be shown on a television monitor at the booth.

The Horseracing 101 booth will also include "Speedy", Bay Meadows' fiberglass horse, displayed in a prominent location where children can have their picture taken.

2) Coupon Distribution for all fairgoers:

At the fair box office, when a fair patron receives his or her ticket for admission, he or she will also receive a coupon good for discounted admission at the racetrack, good any day during the fair race meet.

3) GSRN Double Points Day:

The second Sunday of the fair meet is Pacific Classic Day at Del Mar. All Golden State Rewards Network participants will receive double rewards points on all qualifying wagers.

4) Senior Thursdays:

Each Thursday of the Fair will be Senior Thursday, where all fans aged 62 and older will receive free general admission or \$3 Clubhouse admission. Thursdays will also feature a spaghetti feed for senior citizens, a promotion that proved to be quite popular during the Spring Bay Meadows race meet.

C. Number of hosts and hostesses employed for meeting:

There will be seven group sales hostesses, one "handicapping 101" staffer, one tour guide, one greeter located next to the program seller, ten mutuel customer service aides, four mutuel information windows, and five marketing aides.

D. Describe Facilities Set Aside for New Fans:

New fans can log on Bay Meadows' web-site, www.baymeadows.com, and learn about Bay Meadows in a totally unique manner. On the homepage, fans who have never attended the races can sign up for a personalized tour of the facility. The special tour includes free admission and programs, a look at the entire facility, and seating in the Clubhouse boxes which overlook the finish line. Fans arrange for their tours, usually on weekends, at their convenience. Newcomers are met in front of the facility, at the admission entrances, and an explanation is given as to how they would return to the races on their own. The tour includes a trip to the different areas of the plant, such as grandstand, Lower and Upper Clubhouse or Turf Club, and attendees are familiarized with where to buy a program or Form, where to purchase reserved seats, etc. during the tour. At the end of the tour, they are escorted to a seating area reserved for newcomers which overlooks the finish line. The tour guide walks them through a few simple handicapping techniques and visits them occasionally over the remainder of the day to make sure they are comfortable.

Newcomer Windows:

In the grandstand, grandstand mezzanine, Turf Terrace, and Clubhouse, betting windows designated as "Newcomer Welcome" are staffed with friendly and helpful Mutuel Clerks trained to accommodate the needs of novice horseplayers.

Handicapping 101:

The mainline in the grandstand has a large information area with a huge banner designating the area as "Handicapping 101". Friendly Marketing Aides are available to answer questions for any and all fans, including how to read the program, explaining odds, providing directions, etc.

E. Improvements to the physical facility that directly benefit:

Prior to the opening of the Bay Meadows Spring 2005 race meet, which was the first under management by the Bay Meadows Racing Association, a number of improvements were made to the facility and to existing programs at the facility to benefit our customers and horsemen alike. These included:

1) Horsemen:

- The x-ray processing room was remodeled and a new x-ray processor was purchased to facilitate timely response to equine injuries

2) Fans:

- New signage was added throughout the facility in order to make way-finding more user friendly.
- Artwork featuring historical photos of Bay Meadows was added to the Turf Club
- New carpet, paint, and seating areas were added in the Turf Club and Clubhouse.
- New heaters were added

- New furniture was purchased for the infield group areas
- New televisions were added throughout the facility.
- New graphics software was installed to improve the display of wagering data

3) Facilities in Restricted Areas:

- A canopy was added to the walking ring adjacent to the receiving barn
- A surveillance system was added to the Barn One and Stable Gate areas
- An improved Grandstand security surveillance system was installed

Planned improvements to be undertaken following the close of the Spring BM Meet:

4) Horsemen:

- Rubber bricks in the tunnel connecting the infield barn area to the main track will be replaced.

5) Fans:

- Indicators for minutes to post and race number will be added to the paddock tote board
- New carpet will be installed
- Additional televisions will be added

6) Facilities in Restricted Areas:

- Areas of the barn area where internet connectivity is not available will be made wireless accessible.

- B. Describe any promotional plans and estimated budget for each promotional activity for meeting: **Attached**
- C. Number of hosts and hostesses employed for meeting: **Attached**
- D. Describe facilities set aside for new fans: **Attached**
- E. Describe any improvements to the physical facility in advance of the meeting that directly benefits:
 - 1. Horsemen **Attached**
 - 2. Fans **Attached**
 - 3. Facilities in the restricted areas **Attached**

14. SCHEDULE OF CHARGES

- A. Proposed charges, note any changes from previous year:

Admission (general)	\$3.00
Admission (clubhouse)	\$6.00
Reserved seating (general)	\$3.00
Reserved seating (clubhouse)	\$3.00
Parking (general)	\$7.00
Parking (preferred)	\$8.00
Parking (valet)	\$8.00
Programs (on-track)	\$2.00
(off-track)	\$2.00
- B. Describe any "Season Boxes" or other special accommodation fees: **None**
- C. Describe any "package" plans such as combined parking, admission and program: **None**

15. JOCKEYS' QUARTERS

- A. Check the applicable amenities available in the jockeys' quarters:

<input checked="" type="checkbox"/>	Corners (lockers and cubicles)	How many	25
<input checked="" type="checkbox"/>	Showers	<input checked="" type="checkbox"/>	Steam room, sauna or steam cabinets
<input checked="" type="checkbox"/>	Masseur	<input checked="" type="checkbox"/>	Food/beverage service
<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	Lounge area
<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	Certified platform scale
- B. Describe the quarters to be used for female jockeys:

Fifteen by seventeen foot room with a private entrance hall; room has windows TV, heating unit, bunk beds, and a single stall shower. Attached to the room is a private sink and toilet.

16. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by **Chief Investigator Frank Moore and Supervising Investigator Bob Gai on January 27, 2005.**
- B. Number of rooms used for housing on the backstretch of the racetrack:

Barn area	69
Dormitory area	53
Total	122

- C. Number of restrooms available on the backstretch of the racetrack:
Barn area 10 restrooms, 35 toilets, 26 sinks
Dormitory area 6 restrooms, (3 each for men and women)
- D. Estimated ratio of restrooms to the number of backstretch personnel: **1 for every 7 people**

17. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

5,290

 feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Inner rail is a gooseneck Fontana safety rail, 42" in height from track to top of rail
Outer rail is a metal rounded pipe
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Bob Turman**
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file**
- E. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

18. DECLARATIONS

- A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
Contract negotiations with HERE (Local 2), IUOE (Local 3), SEIU (Local 280), Teamsters (Local 853) and Laborers (Local 389) are underway.
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **On file**
- C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions**

- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state): No exceptions

NOTICE TO APPLICANT Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

19. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

CHRIS A. CARPENTER
Print Name
GENERAL MANAGER
Print Title


Signature
5/9/05
Date

STAFF ANALYSIS
June 30, 2005

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE HUMBOLDT COUNTY FAIR AT FERNDALE AUGUST 11-21, 2005.

Humboldt County Fair filed its application for license to conduct a horse racing meeting at Ferndale:

- August 11-21, 2004, or 10 days, the same as 2004. The fair proposes to race 75 races, two more than 2004.

August - 2005						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

- Racing Thursday through Monday the first week and Wednesday through Sunday the second week. Six races Wednesday, 7 Monday and Thursday. 8 Friday and 8 or 9 Saturday and Sunday depending on availability of horses.
 - Number of horses available determines the number of daily races programmed by breed.
 - No racing August 16.
- First post 1:55 p.m. Saturday and Sunday, 2:25 p.m. Monday, Wednesday and Thursday and 2:55 p.m. Friday.
- Specific changes from the 2004 license application:
 - Anne Daftary, Paul Nicolo and Tom Ward replace James Dreyer, Martin Hamilton and Will Meyers as placing judges and Vicky Layne replaces Anna Hamilton as paymaster of purses.
 - Offering a \$1 superfecta in 2005.
- Request Darrell Sparks be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Request the option to offer a \$1 wager on any exotic wager.
 - Request to allow horses entered on one day to be listed on overnight sheets for races scheduled to be run 72 hours from that day.
 - Early wagering 9:30 a.m.

- Simulcasting conducted with other out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

RECOMMENDATION:

Staff recommends the Board approve the application.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

A. Name, mailing address, telephone and fax numbers of fair:

Humboldt County Fair Association (707) 786-9511
1250 5th Street (707) 786-9450
Ferndale, 95536

B. Fair association is a: District Fair County Fair Citrus Fruit Fair
 California Exposition and State Fair Other qualified fair

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

A. Inclusive dates of race meeting: **AUGUST 11-21, 2005**

B. Dates racing will NOT be held: **AUGUST 16, 2005**

C. Total number of racing days: **10 DAYS**

3. RACING PROGRAM

A. Total number of races: **75 RACES**

B. Number of races by breed:

<input type="text" value="41"/>	Thoroughbreds	<input type="text"/>	Quarter Horses	<input type="text" value="6"/>	Appaloosas
<input type="text" value="10"/>	Arabians	<input type="text"/>	Paints	<input type="text" value="18"/>	Mules

C. Number of races daily: **7 on Monday; 6 on Wednesday; 7 on Thursdays; 8 on Fridays; and 8-9 on Saturdays and Sundays, depending on availability of horses.**

Application received: 5/18/05	CHRB CERTIFICATION	Hearing date: 6/30/05
Reviewed: PN		Approved date:
		License number:

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Thoroughbred	4	4	0	3	4	5	4
Other Breeds	4	3	0	3	3	3	4
Total	8	7	0	6	7	8	8

D. Total number of stakes races by breed:

Thoroughbreds
 Quarter Horses
 Appaloosas
 Arabians
 Paints
 Mules

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. **Attached**

F. Will provisions be made for owners and trainers to use their own registered colors?

Yes
 No
If no, what racing colors are to be used:

G. List all post times for the daily racing program:

	<u>Mon/Wed/Thurs</u>	<u>Fridays</u>	<u>Saturdays/Sundays</u>
Race 1	2:25	2:55	1:55
Race 2	2:55	2:55	2:25
Race 3	3:25	3:25	2:55
Race 4	3:55	3:55	3:25
Race 5	4:25	4:25	3:55
Race 6	4:55	4:55	4:25
Race 7	5:25	5:25	4:55
Race 8		5:55	5:25
Race 9			5:55

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

A. Names of the fair directors:

BECKER, BRANSTETTER, BUGENIG, BURGER, CHRISTEN COOPER, DAVIS, FARLEY, GIACOMINI, HIGHT, LACY, LOW, LUCAS, MACDONALD, OLSEN, PARLATO, PETERSON, PRIOR, RENNER, RODONI, AND WILSON

B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program:

BECKER, BUGENIG, BURGER, FARLEY, MACDONALD, OLSEN, PARLATO AND WILSON

C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, other than those listed in 9B, who will be listed in the official program:

STUART TITUS, GENERAL MANAGER & DIRECTOR OF RACING

2005 Stakes Program

Nominations Closing Saturday, August 13, 2005

**Land of Jazz Starter Stake
\$6,500 Added
To be run Friday, August 19, 2005
For Three Year Olds and Upward
Seven Furlongs**

**The Ferndale Dash
\$4,500 Added
For Three Year Olds
To be run Saturday, August 20, 2005
Two hundred and Twenty Yards**

**Les Mademoiselle Stake
Don Harmon Memorial
\$10,000 Added
For Fillies and Mares
For Three Year Olds and Upward
To be run Saturday, August 20, 2005
One and One Sixteenth Mile**

**Ferndale Arabian Stakes
\$6,500 Added
To be run Sunday, August 21, 2005
For Three Year Olds ad Upward
Seven Furlongs**

**Cream City Mule Handicap
\$5,500 Added
For Three Year Olds and Upward
To be run Sunday, August 21, 2005
Six Hundred Sixty Yards**

**C.J. Hindley
Humboldt County Marathon
Starter Stake
\$12,500 Added
For Three Year Olds and Upward
To be run Sunday, August 21, 2005
One Mile and Five Furlongs**

2005 Stakes Program

Nominations Close Tuesday, August 9, 2005

**Charlie Palmer Starter Handicap
\$6,500 Guaranteed
To be run Saturday, August 13, 2005
Fillies and Mares Three Years Old and Upward
Six and One-Half Furlongs**

**Paul Cacci Eel River Sprint
Starter Stake
\$6,500 Guaranteed
To be run Sunday, August 14, 2005
For Three Year Olds and Upward
Five Furlongs**

5. PURSE PROGRAM

- A. Estimated purse distribution:
- | | |
|---------------------------------|------------------|
| 1. All races other than stakes: | \$256,500 |
| 2. Overnight stakes: | -0- |
| 3. Non-overnight stakes: | \$ 58,500 |
- B. Estimated funds to be generated for all California-bred incentive awards: **\$ 10,360**
- C. Estimated amount of payment to each recognized horsemen's organization contracting with the fair and the name(s) of the organization(s):
- | Recognized Horsemen's Organization | Estimated Payment |
|------------------------------------|------------------------|
| CTT | \$ 552 |
| TOC | \$ 1,104 |
| NTRA | \$ 2,200 |
| PCQHRA | \$ 302 |
| CWAR | \$ 1,097 |
| ARAC | \$ 7,781 |
| AMRA | \$10,404 |
| CHBPAPEN | \$ 1,656 |
| CTHF | <u>\$ 1,656</u> |
| TOTAL | \$27,272 |
- D. Total estimated amount from **all sources** to be distributed at the meeting in the form of purses or other benefits to horsemen: **\$352,632**
- E. Estimated purse funds to be generated from on-track handle and intrastate off-track handle: **\$140,000**
- F. Estimated purse funds to be generated from interstate handle: **-0-**
- G. Bank and account number for the Paymaster of Purses' purse account:
West America Bank #0601064512
- H. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Disher Accountancy Corp., 1816 Maryal Dr., Sacramento, CA 95864, 916-482-4224
- I. Prior Meeting actual purse distribution:
- | | |
|---------------------------------|------------------|
| 1. All races other than stakes: | \$249,943 |
| 2. Overnight stakes: | -0- |
| 3. Non-overnight stakes: | \$ 62,245 |
- J. Prior Meeting actual funds generated for all California-bred incentive awards: **\$10,360**
- K. Prior Meeting actual amount of payment to each recognized horsemen's organization contracting with the fair and the name(s) of the organization(s):

Recognized Horsemen’s Organization	Actual Payment
CTT	\$ 552
TOC	1,104
NTRA	3,110
PCQHRA	135
CWAR	787
ARAC	5,790
AMRA	7,746
CHBPAPEN	1,656
CTHF	<u>1,656</u>
Total Actual Payments:	\$22,536

- L. Prior Meeting total actual amount from all sources distributed at the meeting in the form of purses or other benefits to horsemen (Total equals items 5I+5J+5K): **\$345,084**

- M. Prior Meeting actual purse funds generated from on-track handle and intrastate off-track handle: **\$122,187**

- N. Prior Meeting actual purse funds generated from interstate handle: **-0-**

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders’ awards or other benefits to horsemen, **shall not** be deemed as income to the fair and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders’ awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses’ account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses’ account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen’s organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders’ awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders’ awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **258 Permanent 200-240 Portables**

- B. Minimum number of stalls believed necessary for the meeting: **458**

- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **none**

- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **N/A**

- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **N/A**

Complete subsections F through I if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available **on-site** for the **1986** meeting: **N/A**
- G. Estimated cost to provide **off-site** stalls for this meeting. Show cost per-day per stall: **N/A**
- H. Estimated cost to provide **vanning** from off-site stalls for this meeting. Show fees to be paid for vanning **per-horse**: **N/A**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, and TRI for trifecta.

	TYPE OF WAGERS	APPLICABLE RULES
Race #1	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #2	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #3	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #4	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #5	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #6	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #7	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #8	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1
Race #9	\$1E,\$1PK3,\$1TRI,\$2Q,\$2DD,\$1SF	CHRB#1959,1977,1979,1958,1957,1979.1

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **N/A**
- C. List any options requested with regard to exotic wagering: **Request option of a \$1 wager on any exotic wager. Request to allow horses entered on one day to also be listed in overnight sheets for races scheduled to be run 72 hours from that day.**
- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin: **9:30 a.m.**
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract:

Scientific Games Racing/Autotote, David Payton, September 30, 2005

Equipment description on file with the Board

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the fair to conduct simulcast wagering:
**California Authority of Racing Fairs
 Northern California Off-Track Wagering, Inc. (NOTWINC)**
- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file**
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal: **Attached
 All California facilities authorized to accept the signal.**
- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal: **Attached**
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair: **Attached**
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":
Attached

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---

- G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:
N/A

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
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- H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing agreement by the appropriate racing association(s). **N/A**

NOTICE TO APPLICANT: All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

2005 Northern California Racing Fairs - Simulcast Department

8. SIMULCAST WAGERING PROGRAM

- D. Out-of-state wagering systems the fair proposed to offer its live audiovisual signal.
- E. Out of-state wagering systems that will combine their pari-mutuel pools with those of the fair.

Prepared:4/15/05

Separate:

Caliente (MIR)	CA
Caymanas Park	JAM
Fraser Downs	CAN
Hastings Entertainment Inc.	BC
Las Vegas Dissemination Co.	NV
Stevenson & Associates, Inc.	MD
Teletheatre BC	CA
Woodbine Entertainment Group	CAN

Commingled:

America Tab	OH
AmWest Entertainment	KY
Arapahoe Park	CO
Arlington International Racecourse	IL
Atlantic City Casino Assn.	NJ
Atlantic City Race Course	NJ
Atlantis Paradise Island Casino	FL
Atokad Downs	NE
Balmoral Park / Maywood	IL
Beulah Park	OH
Birmingham Race Course	AL
Blue Ribbon Downs	OK
Bluffs Run Greyhound Park & Casino	IA
Boyd Gaming, dba Delta Downs	LA
Buffalo Trotting Association	NY
Calder Race Course	FL
Canterbury Park	MN
Capital District OTB	NY
Capitol Sports Pty Ltd.	AUS
Catskill OTB	NY
Charles Town Races	WV
Choctaw Racing Services, LLC	OK
Churchill Downs	KY
Coeur d' Alene Casino	ID
Coeur d' Alene Casino Phone	ID
Coeur d' Alene Greyhound Park	ID
Colonial Downs	VA
Columbus Races	NE
Comanche Nation Games	OK
Connecticut OTB	CT
Corpus Christi Greyhound Race Track	TX
Crystal Palace Casino	BAH
Dairyland Greyhound Park	WI
Delaware Park	DE
Dover Downs	DE
Downs at Albuquerque	NM
Ellis Park	KY
Emerald Downs	WA
Equus St Thomas Racing	VI
Euro Off Track	FL
European Simulco AKA MEC Sport & Entertainment	CA
Evangeline Downs	LA

Excelsior Casino	AR
Fair Grounds Race Course	LA
Fair Meadows at Tulsa	OK
Fairmount Park	IL
Finger Lakes Race Track	NY
Fire Lakes	OK
Fonner Park	NE
Freehold Raceway	NJ
Geneva Lakes Kennel Club	WI
Gillespie County Fair Race Meet	TX
Great Lakes Downs	MI
Gulf Greyhound Park	TX
Gulf Greyhound Park @ Post Falls	ID
Gulfstream Park	FL
Harrington Raceway AKA Midway Slots	DE
Hawthorne National LLC	IL
Hazel Park	MI
Hinsdale Greyhound Park	NH
Hoosier Park	IN
Horsemen's Park	NE
Indiana Downs	IN
International All Sports	OH
International Wagering Sytems, Inc.	CA
Jackson Harness Raceway	MI
Keeneland Association	KY
Kentucky OTB	KY
LVDC Atlantis Paradise Island Casino, Bahamas	NV
LVDC Cities of Gold Sports Bar (Pojoaque), NM	NV
LVDC Comanche Nation Games, OK	NV
LVDC Elite Turf Club, Curacao	NV
LVDC Fire Lakes Entertainment	NV
LVDC Foxwoods Resorts Casino, CT	NV
LVDC Holiday Beach, Cuaraco	NV
LVDC Meskwaki Bingo & Casino, IA	NV
LVDC Red River Casino, OK	NV
LVDC Spirit Mountain Casino, OR	NV
LVDC The Stables, OK	NV
LVDC Tonkawa Bingo, OK	NV
Lebanon Raceway	OH
Les Bois Park Simulcast Network	ID
Lewiston Raceways, Inc.	ME
Lien Games, Inc.	ND
Lincoln Greyhound Park	RI
Lone Star Race Park Ltd.	TX
Louisiana Downs (Harrah's)	LA
Manor Downs	TX
Maryland Jockey Club	MD
Midway Slots & Simulcast/Harrington Raceway	DE
Montana Simulcast Partners	MT
Monticello Raceway	NY
Mount Pleasant Meadows	MI
Mountaineer Park	WV
Nassau/Suffolk OTB	NY
Nevada Pari-Mutuel Association	NV
New Jersey Sports & Exposition Authority	NJ
New York City Off-Track Betting	NY
New York Racing Association	NY
Newport Jai-Alai	RH
Northfield Park	OH
Northville Downs	MI
Oaklawn Park	AR
Ocean Downs	MD
Penn National Race Course	PA
Philadelphia Park	PA
Plainridge Race Course	MA
Pocono Downs	PA

Portland Meadows	OR
Prairie Meadows	IA
Raceway Park	OH
Racing & Gaming Services, Inc.	WI
Remington Park	OK
Retama Park	TX
River Downs	OH
Rockingham Park	NH
Rosecroft Raceway	MD
Royal River Racing (Bettor Racing OTB)	ID
Ruidoso Downs	NM
Saginaw Harness Raceway	MI
Sam Houston Race Park, LTD	TX
Saratoga Raceway	NY
Scarborough Downs	ME
Scioto Downs	OH
Seabrook Greyhound	NH
Southland Greyhound Park	AR
Sports Creek Raceway	MI
State Fair Park	NE
Stevenson & Associates, Inc. (Common)	MD
Stevenson & Associates, Inc., Books	MD
Suffolk Downs	MA
Suffolk Downs OTB	MA
Sunland Park	NM
SunRay Park	NE
Tampa Bay Downs	FL
The Greyhound Park at Post Falls	ID
The Meadows	PA
The Racing Channel, Inc. (Domestic)	OR
The Racing Network International, Inc.	OR
The Texas Hub at Gulf Greyhound	TX
Thistledown Racing	OH
Tri-State Racetrack & Gaming Center	WV
Turf Paradise	AZ
Turfway Park	KY
TVG Network	CA
U.S. Off Track, LLC	FL
Valley Greyhound Park (Sam Houston site)	TX
Vernon Downs	NY
Western Regional OTB	NY
Wheeling Downs	WV
Wichita Greyhound Park	KS
Wonderland Greyhound Park	MA
Woodlands	KS
Wyoming Downs Rodeo Events, LLC dba PONYUPBET	WY
Wyoming OTB	WY
XpressBet, Inc	CA
Yavapai	AZ
Yonkers Raceway	NY
Youbet	CA
Zia Park Racetrack	NM

2005 Northern California Racing Fairs

8. SIMULCAST WAGERING PROGRAM

- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Arlington Park	6/15 - 9/18/05	Full or Partial Cards
Assiniboia Downs	6/15 - 10/16/05	Full or Partial Cards
Australia	6/15 - 10/16/05	Full or Partial Cards
Calder	6/15 - 10/16/05	Full or Partial Cards
Canterbury Park	6/15 - 9/5/05	Full or Partial Cards
Churchill Downs	6/15 - 7/10/05	Full or Partial Cards
Delaware Park	6/15 - 10/16/05	Full or Partial Cards
Ellis Park	7/13 - 9/5/05	Full or Partial Cards
Fort Erie	6/15 - 10/16/05	Full or Partial Cards
Hastings Park	6/15 - 10/16/05	Full or Partial Cards
Hawthorne	9/23 - 10/16/05	Full or Partial Cards
Hoosier Park	6/15 - 10/16/05	Full or Partial Card
Laurel Park	8/10 - 8/26/05	Full or Partial Cards
Lone Star	6/15 - 7/17/05	Full or Partial Cards
Louisiana Downs	6/15 - 10/16/05	Full or Partial Cards
Meadowlands	9/30 - 10/16/05	Full or Partial Cards
Monmouth Park	6/15 - 10/16/05	Full or Partial Cards
Northlands Park	6/15 - 10/16/05	Full or Partial Cards
NYRA	6/15 - 10/16/05	Full or Partial Cards
Penn National	6/15 - 10/16/05	Full or Partial Cards
Philadelphia Park	6/15 - 10/16/05	Full or Partial Cards
Pimlico	9/8 - 10/16/05	Full or Partial Cards
Prairie Meadows	6/15 - 10/16/05	Full or Partial Cards
Remington Park	8/5 - 10/16/05	Full or Partial Cards
Suffolk Downs	6/15 - 10/16/05	Full or Partial Cards
Thistledown	6/15 - 10/16/05	Full or Partial Cards
Timonium	8/27 - 10/16/05	Full or Partial Cards
Turfway Park	9/7 - 10/16/05	Full or Partial Cards
Woodbine	6/15 - 10/16/05	Full or Partial Cards

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

Association Veterinarian(s)	Henry Cook, DVM
Clerk of Scales	Cheryl White
Clerk of the Course	Dolores Collins
Film Specialist	Jim Benke
Horse Identifier	Darrell Sparks
Horseshoe Inspector	Duke Bonde
Paddock Judge	Darrell Sparks
Patrol Judges	Lisa Jones, Matt Nichols
Placing Judges	Daftary, Nicolo and Ward
Starter	Bob Mooneyhan
Timer	Melody Truitt

B. Management officials in the racing department:

Director of Racing	Stuart Titus
Racing Secretary	Ella Robinson
Assistant Racing Secretary	Lisa Jones
Paymaster of Purses	Vicky Layne
Others (identify by name and title)	

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

Tammy Morris, 3425 French Avenue, West Sacramento, CA 95691

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

Plusmic Corp., USA, Bill O'Brien, December 7, 2007

E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.

Pegasus Communications, Inc., Jim Porep, April 30, 2008

Equipment description on file with Board; 5 cameras (3 tower, 1 pan, 1 hand-held)

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

Pegasus Communications, Inc., Jim Porep, April 30, 2008

10. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Pacific Coast Security, Gene Bass, Owner, (707) 786-9511**
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **25-30 Security Plan/Chain of Command – Guards for gates entering into the racing enclosure will be scheduled for 24 hour coverage. Gene Bass, owner of Pacific Coast Security, will either be on-site or will designate another person from his staff to represent the contact person for security personnel at locations other than gate entrances. Either Gene, or his designee will answer directly to the General Manager. Beneath the supervisor position will be specified number of security personnel. The number will depend on the time of day. At peak periods, a total of three (3) security personnel will be on-site, who will have authority to carry a gun. At peak periods, a total of 17 security personnel will be on site, but not with authority to utilize guns, for general security purposes. At times which both precede and follow peak periods, a lesser amount of security guards will be on site. A total of 332 hours of “armed” services and 667 unarmed services will be provided during our 11-day fair and 10-day race meet.**

See attached CARF plan.

1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.
 2. Detention Barns:
 - A. Attach a plan for use of graded stakes or overnight races.
 - B. Number of security guards in the detention barn area during a 24-hour period.
 - C. Describe number and location of surveillance cameras in detention barn area.
 3. TCO2 Testing:
 - A. Number of races to be tested, and number of horses entered in each race to be tested.
 - B. Plan for enhanced surveillance for trainers with high-test results.
 - C. Plan for detention barns for repeat offenders.
 - D. Number of security personnel assigned to the TCO2 program.
- C. Describe the electronic security system:
1. Location and number of video surveillance cameras for the detention barn and stable gate.
Will work/through CARF to provide for cameras on the detention barn and will conduct random security patrols throughout the barn areas, in conjunction with CHRB investigators.

11. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
City Ambulance of Eureka, 135 7th Street Eureka, CA 95501, (707) 445-4907



a California joint powers agency

1776 Tribute Road, Suite 150
Sacramento, California 95815
Office: 916.927.7223 • Fax: 916.263.3341
www.racingfairs.org

Member Fairs

ALAMEDA COUNTY FAIR
Pleasanton, CA
ANTELOPE VALLEY FAIR
Lancaster, CA
CALIFORNIA STATE FAIR
Sacramento, CA
DEL MAR FAIR
Del Mar, CA
EARL WARREN SHOWGROUNDS
Santa Barbara, CA
FARMERS FAIR & EXPOSITION
Perris, CA
THE BIG FRESNO FAIR
Fresno, CA
HUMBOLDT COUNTY FAIR
Ferndale, CA
KERN COUNTY FAIR
Bakersfield, CA
MONTEREY COUNTY FAIR
Monterey, CA
NATIONAL DATE FESTIVAL
Indio, CA
NATIONAL ORANGE SHOW
San Bernardino, CA
REDWOOD ACRES FAIR
Eureka, CA
SAN BERNARDINO COUNTY FAIR
Victorville, CA
SAN JOAQUIN COUNTY FAIR
Stockton, CA
SAN MATEO COUNTY FAIR
San Mateo, CA
SANTA BARBARA COUNTY FAIR
Santa Maria, CA
SHASTA DISTRICT FAIR
Anderson, CA
SOLANO COUNTY FAIR
Vallejo, CA
SONOMA COUNTY FAIR
Santa Rosa, CA
STANISLAUS COUNTY FAIR
Turlock, CA
TULARE COUNTY FAIR
Tulare, CA
VENTURA COUNTY FAIR
Ventura, CA

May 12, 2005

Ms. Ingrid Fermin, Executive Director
California Horse Racing Board
1010 Hurley Way
Sacramento, CA 95815

Dear Ingrid,

Please consider this letter an attachment to the 2005 License Applications for San Joaquin Fair, Alameda County Fair, Solano County Fair, Sonoma County Fair, Humboldt County Fair and the Fresno District Fair.

Total Carbon Dioxide (TCO2) Testing

On behalf of its member Fairs listed above, California Authority of Racing Fairs (CARF) will manage a program of TCO2 testing for all Thoroughbred starters and for starters of other breeds as the Board may specify. CARF intends to enter into an agreement with the Maddy Equine Analytical Chemistry Laboratory at the University of California at Davis to perform the actual blood testing. We are presently in discussion with Dr. Scott Stanley as to the particulars of that agreement.

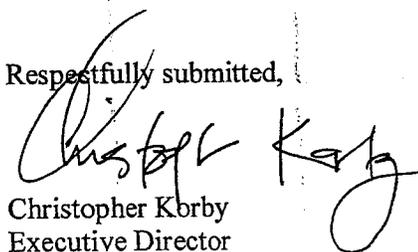
Our testing program will be consistent with TCO2 testing currently conducted by other racing associations in the state. Please find attached to this letter an excerpt of our Agreement with Thoroughbred Owners of California (TOC) pertaining to this program.

Detention Stalls

Each Fair above will designate detention stalls sufficient to stable horses subject to confinement or to "earned surveillance" as specified in the Agreement with TOC. A video surveillance system will be installed to record activities in the area of the detention stalls. At management's discretion, security personnel may be posted to monitor horses in detention. Costs of detention, including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant will be borne by the trainer or owner of such a horse.

Thank you for your consideration.

Respectfully submitted,


Christopher Korbby
Executive Director

*Excerpt from CARF-TOC Agreement
Pertaining to TCO2 Testing and Consequences
For Infractions*

8.15. Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2005 Meet. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, and owners' horses within their control, will be subject to the following:

A. 1st Offense – For the first test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse may have his/her barn, and all owners' horses stabled therein, subject to "earned surveillance" for a period of 45 days from the date of the infraction. Such earned surveillance will be conducted at TRACK's sole discretion, and may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days after notification of the first offense, may be subject to confinement in a detention barn beginning at noon on the day before said horse is scheduled to compete. Such detention barn will be established at management's sole discretion, with the costs of such detention/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, being born by the trainer or owner of such horse.

B. 2nd Offense – For the second test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be prohibited from entering any owners' horse within his/her care in a race for a period of 15 race days.

C. 3rd Offense – For the third test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be expelled from TRACK's enclosure for a period of one year, and shall further be precluded from entering any owners' horses within his care for the balance of Track's 2005 Meet.

The parties further acknowledge and agree that the balance, or a portion thereof, of any penalties imposed by another licensed California Thoroughbred racing association, pursuant to contract provisions similar to those contained herein in Subsections A through C, shall be recognized and enforced by TRACK at its 2005 meet. For the purpose of this Section, said penalties are deemed to be cumulative, and shall be enforced as if any prior elevated TCO₂ test or tests had occurred at TRACK's 2005 meet. Accordingly, any subsequent offense penalty imposed by TRACK pursuant to Subsections B and/or C may, in its discretion, include and be based upon a violation of similar contractual provisions at any other meet conducted by a licensed California Thoroughbred racing association.

STAFF ANALYSIS
June 30, 2005

ISSUE: APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING FOR XPRESSBET, INC., JULY 1, 2005 THROUGH DECEMBER 31, 2006.

XpressBet filed its application as an out-of-state multi-jurisdictional wagering hub to provide Advance Deposit Wagering. They are currently licensed through December 31, 2006 as a California multi-jurisdictional wagering hub to provide Advance Deposit Wagering. They are relocating their totalizator hub from California to Oregon.

- July 1, 2005 through December 31, 2006, during all times races are run which could be up to twenty-four hours a day.
 - XpressBet will provide advance deposit wagering services for the following:
 - Bay Meadows Racing Association at Bay Meadows Racecourse
 - California Authority of Racing Fairs
 - Capitol Racing LLC at Cal Expo
 - Los Angeles Turf Club Incorporated at Santa Anita Park
 - Pacific Racing Association at Golden Gate Fields

RECOMMENDATION:

Staff recommends the Board approve the application.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD (CHRB)
APPLICATION FOR LICENSE TO CONDUCT ADVANCE DEPOSIT WAGERING
CHRB-133 (New 9/01)

Application is made to the CHRB for a license to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and comply with the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

NOTICE – By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct advance deposit wagering and must be accompanied by a bond or other form of financial security in the amount of \$500,000.

1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)

A. Name, mailing address, telephone and fax numbers:

XpressBet, Inc.
200 Race Track Road
Washington, PA 15301
Telephone: (724) 229-6981
Facsimile: (724) 250-4884

B. Name, title, license number and racing jurisdiction where licensed for all management personnel:

Jim McAlpine - Chief Executive Officer (Under Oregon law, Mr. McAlpine is not required to hold a license issued by the Oregon Racing Commission, but he does hold a license issued by the CHRB)

Ron Luniewski - President (Under Oregon law, Mr. Luniewski is not required to hold a license issued by the Oregon Racing Commission, but he does hold a license issued by the CHRB)

Blake Tohana - Executive Vice-President and Chief Financial Officer (Under Oregon law, Mr. Tohana is not required to hold a license issued by the Oregon Racing Commission, but he does hold a license issued by the CHRB)

Don Amos - Executive Vice-President and Chief Operating Officer (Under Oregon law, Mr. Amos is not required to hold a license issued by the Oregon Racing Commission, but he does hold a license issued by the CHRB)

Lee Jackson - Secretary (Under Oregon law, Mr. Jackson is not required to hold a license issued by the Oregon Racing Commission, but he does hold a license issued by the CHRB)

Application received: 6/14/05	CHRB CERTIFICATION	Hearing date: 6/30/05
Reviewed: PN		Approval date:

Mary Lyn Seymour - Controller (Under Oregon law, Ms. Seymour is not required to hold a license issued by the Oregon Racing Commission, but she does hold a license issued by the CHRB)

- C. Name, title and mailing address of the California agent for receipt of service of process:

**CT Corporation System
818 West Seventh Street
Los Angeles, CA 90017**

- D. Attach the contract with the California racing association or fair and the required horsemen's approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

The Applicant already has in place contracts with each of the licensees listed below. These contracts utilize the language set forth in Exhibit 1. In addition, Exhibit 1 contains the language used in the undertaking by Applicant to distribute the market access fee in respect of all remaining periods of the calendar year.

Race Track	Licensee
Santa Anita Park	Los Angeles Turf Club, Incorporated
Bay Meadows Racecourse	Bay Meadows Racing Association
Golden Gate Fields	Pacific Racing Association
California Expo	Capital Racing
Stockton	San Joaquin Fair
Pleasanton	Alameda County Fair
Vallejo	Solano County Fair
Santa Rosa	Sonoma County Fair
Bay Meadows Racecourse	San Mateo Fair
Sacramento Fairgrounds	California Exposition & Fair

2. DATES OF OPERATION

- A. Dates Advance Deposit Wagering will be conducted:
XpressBet, Inc. will conduct advance deposit wagering as of the date the CHRB grants it an Advance Deposit Wagering license until to December 31, 2006 inclusive.
- B. Hours Advance Deposit Wagering will be conducted:
While races are run, up to twenty-four (24) hours per day

3. BUSINESS STRUCTURE

- A. Corporation (complete subsection B)
 LLC (complete subsection C)
 Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

1. Registered name of the corporation:
XpressBet, Inc.
2. State where incorporated:
Delaware
3. Registry or file number for the corporation:
3373240
4. Name of all officers and directors, titles, and number of shares of the corporation held by each;

Name	Title	Number of Shares Owned
Frank Stronach	Director	None
Jim McAlpine	Director, Chief Executive Officer	None
Ron Luniewski	President	None
Blake Tohana	Director, Executive Vice-President and Chief Financial Officer	None
Donald M. Amos	Executive Vice-President and Chief Operating Officer	None
Lee Jackson	Secretary	None
Mary Lyn Seymour	Controller	None

5. Names (true names) of all entities and persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
Magna Entertainment Corp. – 100 Shares
6. Number of outstanding shares in the corporation:
100 common shares
7. Are the shares listed for public trading? Yes No **X**
If yes, on what exchange and how is the stock listed:
Note that Magna Entertainment Corp.'s Class A Subordinate Voting Stock is traded on the Nasdaq National Market under the symbol "MECA" and on the Toronto Stock Exchange under the symbol "MEC.A".
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
Not applicable
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
Magna Entertainment Corp.
10. Attach the most recent annual audited financial statements for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.
Magna Entertainment Corp. reports its financial results on a consolidated basis and therefore separate financials of the Applicant are not available. Attached as Exhibit 2 for your review are the 2004 audited annual financial statements and the unaudited quarterly financial

statements for the period ending March 31, 2005 of the Applicant's parent, Magna Entertainment Corp.

11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

As per discussions with the CHRB, the XpressBet business plan for 2005 and 2006 is being provided under separate cover and shall remain confidential at all times to the CHRB.

C. LLC - Not Applicable

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent annual audited financial statements for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.
9. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

D. OTHER - Not Applicable

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2075.

- A. List the procedures to establish an Account:
Included in the attached Exhibit 3, Plan of Operation, is the Applicant's Account Opening Procedures.
- B. If an application form is used to establish an Account, attach a copy of the form.
Attached as Exhibit 4 is a copy of the application form. Similar forms are used for on-site or in-person applications.

- C. Name and address of the third party you will use to confirm identity, residence and age verification:

In respect of wagers placed through the Applicant's internet and telephone account wagering products, the Applicant will utilize the services of Equifax Information Services LLC to provide identity, residence and age verification services. The address of Equifax Information Services LLC is set forth below:

**Equifax Information Services LLC
1550 Peachtree N.W.
Atlanta, Georgia 30348**

Attached hereto as Exhibit 5 is information about Equifax and an excerpt from its most recent Form 10-K as filed with the United States Securities and Exchange Commission.

In respect of wagers placed through the Applicant's Horse Wizard™ simplified wagering machines (the "SWMs"), the Applicant will not conduct a third party verification of identification for users of the Applicant's SWMs located at Santa Anita and Golden Gate Fields. As previously stated in the Applicant's amendment to its 2004 ADW license, which the CHRB approved on September 15, 2004, the Applicant respectfully submits that no third party verification of user identification is necessary with respect to the SWMs because all wagers placed through the SWMs will be treated as wagers made by a resident of the jurisdiction where the track offering the SWMs is located.

5. **OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.**

- A. Submit a copy of your plan for operation.
Attached as Exhibit 3 is Applicant's *Plan of Operation*.

- B. List the type of deposits you will accept:
In respect of internet and telephone account wagering, the Applicant will accept the following types of deposits: cash deposits made directly, personal checks, cashier's checks, money orders made directly or mailed, debits to an Account Holder's credit card or debit card, and wire and other electronic transfers from a monetary account controlled by Account Holder.

In respect of accounts opened in connection with wagers placed through the Applicant's SWMs, the Applicant will accept cash, cashiers checks, money orders and any other certified forms of funds for deposit in person at Santa Anita or Golden Gate Fields. Personal checks, wire transfers and credit cards may not be used for deposits to SWM accounts.

- C. Identify any fees or transaction-related charges and the amount that will be assessed:
For purposes of internet and telephone account wagering, customers will not be charged a monthly membership or wagering fee or a per call or wager transaction fee. However, customers may be charged a value added transaction fee of \$0.25 per telephone call when dealing with a live teller. Processing fees

may be charged in respect of deposits made pursuant to Item 5B above, via credit card cash advance or wire transfers.

To the extent credit cards are used/permitted to be used in connection with internet and telephone account wagering, processing fees for credit card cash advances will be no greater than 6%. High value customers may not be subject to credit card cash advance processing fees.

A wire transfer of less than \$250.00 is subject to a \$5 processing fee. A wire transfer of greater than \$250.00 is not subject to any charge.

Customers requesting special delivery (e.g. courier) may be charged the cost of those services.

None of the aforementioned fees and/or charges will be charged in respect of accounts opened in connection with wagers placed through the Applicant's SWMs because none of the services set forth above will be offered for funding an account opened in connection with wagering through the Applicant's SWMs.

As the distribution platforms evolve and future enhancements deliver increased functionality to customers, monthly fees or surcharges may be implemented for added value services.

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:
Please refer to Exhibit 6 for Items 1 – 4.

1. Description of the technology to ensure identity, residence, and age verification when an Account is established.
2. Description of the technology to ensure confidentiality of the Means of Personal Identification.
3. Methods and locations available for Account Holders to withdraw funds from their Account.
4. If the Account Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation.

7. PARI-MUTUEL

- A. Name, address and telephone number of the pari-mutuel audit firm:
Bowen & McBeth
10722 Arrow Route, Suite 110
Rancho Cucamonga, California 91730
Telephone: 909-944-6465
Facsimile: 909-980-4788

B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:

(i) Types of pari-mutuel or totalizator equipment to be used.
Totalizator equipment and services will be provided to Applicant by AmTote International, Inc. In addition to standard totalizator equipment and services, Applicant will be utilizing (a) IVR – “interactive voice response technology” (an automated touch-tone betting system) (provided by AmTote International, Inc.), (b) Voice-activated IVR technology (provided by AmTote International, Inc.), (c) on-line computer wagering technology (provided by the Applicant), and (d) Horse Wizard™ self-service account wagering devices (provided by Magna Entertainment Corp.) described in Applicant’s letter to the CHRB dated August 25, 2004 and located at Santa Anita and Golden Gate Fields.

(ii) Simulcast Organization
Roberts Communications Network, Inc., Autotote Systems, Inc.

(iii) Name of entity supplying equipment, and expiration date of the service contract.

Equipment to be supplied by:

AmTote International, Inc. expiration date 3/2/2008
11200 Pepper Road
Hunt Valley, MD 21031-1324

Magna Entertainment Corp.
337 Magna Drive
Aurora, ON L4G 7K1
Canada

C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

Attached as Exhibit 7 is the list of racing venues from which the Applicant currently intends to accept Advance Deposit Wagering. We will update you as racing venues are confirmed or added.

NOTICE – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

8. CONTRACTS AND AGREEMENTS

A. List name and address of all organizations you contracted with to facilitate Advance Deposit Wagering:

**AmTote International, Inc.
11200 Pepper Road
Hunt Valley, MD 21031-1324**

**Magna Entertainment Corp. (supplier of SWMs)
337 Magna Drive
Aurora, ON L4G 7K1
Canada**

- B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed: N/A

9. ADVERTISING

Name and address of the advertising agency you will use:

**Candelaria Advertising
1545 Idlewood Rd.
Glendale, California 91202**

NOTICE – Pursuant to Rule 2072 (h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Section 19604 (D) (3) advertisements shall not be deceptive to the public.

10. CERTIFICATION

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized to attest to this application.

Ron Luniewski
Print Name:

President
Print Title:


Signature:

June 10, 2005
Date:

STAFF ANALYSIS
ISSUES RELATING TO CAPITOL RACING, LLC

REGULAR BOARD MEETING
JUNE 30, 2005

ITEM A:

Background:

This item has been before the Board several times. The last time led to the creation of an ad hoc committee to examine all of the issues relating to Capitol Racing, LLC. This specific matter is as follows: In 1996 the Horse Racing Law was amended to allow a harness track to split .5% of the California simulcast handle with the horsemen. They could put the funds to any use as long as there was a written agreement as to the disposition of the money. Capitol Racing LLC maintains that they had a non-written agreement with prior CHHA boards to spend the funds on promotion, which is exactly what they did. However, the law requires a written agreement and that exists in the form of the many horsemen's agreements between Capitol and the CHHA in which all simulcast funds (the disputed funds were generated from simulcast handle) are to be split 50-50 between the association and purses.

Since there is no written agreement that supersedes the horsemen's agreement and/or any documented action by the board of the CHHA to approve Capitol's use of these funds, it would appear that Capitol has incorrectly withheld approximately \$1.45 million from the harness purses over the last several years. Mr. Christo Bardis has sued Capitol Racing over this matter and the litigation is pending.

Recommendation:

Staff recommends that the Board direct Capitol to work with staff to make the necessary adjustments to the purse account.

ITEM B:**Background:**

Because of the longstanding impact fee dispute between Capitol Racing and Los Alamitos, the purse account at Capitol Racing has been in an overpayment condition for the last couple of years. This has occurred because Capitol has tried to maintain the purse levels by advancing funds to the purse account – funds that were being withheld by Los Alamitos because of the dispute.

According to Capitol's records, its purse account is currently overpaid by approximately \$1.6 million. However, some of Capitol's critics point out that other sources of purse funds like the SCOTWINC simulcast expense refund (\$800,000 less \$400,000 already advanced) could materially reduce that overpayment. If combined with other possible sources of purse funds like the matter in Item A, the overpayment may actually turn out to be an underpayment. Another source of purse funds is the import of out of state races. The night industry is allowed to import six races per night per meet. However, on nights when only one meet is running they may import all twelve races but must split the purse money generated with the other night meet (thus the common title for these funds: 6/12 money). Because of the impact fee dispute and by agreement with Capitol and the CHRB, Los Alamitos is holding \$1.9 million in 6/12 funds as security against any future decision regarding the impact fee dispute.

However, it should be noted that since there are only six weeks of racing remaining at Capitol, even if some of these issues were resolved immediately, it might not be practical to infuse the purse account with such large amounts. After the meet ends on July 30, a complete assessment of the purse account can be initiated. If an underpayment is the outcome, it can be retroactively paid to the horsemen.

Recommendation:

Staff recommends that the Board direct staff to prepare a complete accounting of the Capitol purse account for the August Board meeting.

STAFF ANALYSIS
ARTICLE 3. RACING ASSOCIATION
PROPOSED AMENDMENT OF
RULE 1433
APPLICATION FOR LICENSE TO CONDUCT
A HORSE RACING MEETING

Regular Board Meeting
June 30, 2005

BACKGROUND

Business and Professions (B&P) Code Section 19440 provides that the California Horse Racing Board (Board/CHRB) shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of the Horse Racing Law. Responsibilities of the Board include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19480 states that the Board may issue licenses to conduct horse racing meetings. CHRB Rule 1433, Application for License to Conduct A Horse Racing Meeting, provides that every association or fair that intends to conduct a horse racing meeting must file a completed application with the Board at least 90 days prior to its proposed meeting. Forms CHRB-17, Application for License to Conduct a Horse Racing Meeting, and CHRB-18, Application for License to Conduct a Horse Racing Meeting of a California Fair, are incorporated by reference in Rule 1433; therefore, any revisions to the applications would necessitate an amendment to the rule. Proposed revisions to forms CHRB-17 and CHRB-18 were discussed at the January 2005 Regular Board Meeting. A 45-day public comment period was initiated. At the May 2005 Regular Board Meeting the proposed amendment was heard for adoption. However, due to additional comments, the Board directed staff to amend the proposed text and initiate a 15-day public comment period.

ANALYSIS

When the amendment to Rule 1433 was noticed for the initial 45-day public comment period, the amended CHRB-17 required that applicant racing associations owned by a parent corporation submit an audited annual financial statement for the licensee only. At the May 2005 hearing the language was modified to allow the licensee to submit an audited consolidated annual financial statement of its parent owner if the parent owner is a publicly traded company that guarantees the obligations of the licensee. The change was incorporated; as such licensees could be wholly owned subsidiaries whose financials are consolidated with those of the parent corporation. The consolidated financials of the parent corporation are audited annually to ensure compliance with Security and Exchange Corporation (SEC) regulations. The parent corporation would guarantee the obligations of the licensee by submitting to the Board a letter stating such guarantee. At the May 2005 hearing the Board also heard objections to the new requirement that associations provide advertising and promotional budgets. The California Federation of Racing Associations stated such information could be considered proprietary. However, the Board decided to

retain the new requirement. Similar objections to providing information regarding the percentage an association expected to charge out-of-state sites for simulcasting activity were made by the Del Mar Thoroughbred Club. The Board agreed and removed the provision. To provide clarification the Security Controls questions in section 11 of the CHRB-17 and section 10 of the CHRB-18 were modified.

At the May 2005 hearing the Board requested that section 5 – Purse Program – of CHRB-17 and CHRB-18 be expanded to include the current (proposed) meeting and the prior meeting. This will allow comparisons to projected and past-year purse distributions; funds to be generated for California-bred incentive awards; payments to horsemen's organizations; funds generated from on-track and intrastate off-track handle; and funds generated from interstate handle. This gives a quick indication of the growth of horse racing and the percentages in increase of handle and purses.

RECOMMENDATION

Staff recommends the Board adopt the amendment as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 3. RACING ASSOCIATION
RULE 1433

Application for License to
Conduct a Horse Racing Meeting

Regular Board Meeting
June 30, 2005

1433. Application for License to Conduct a Horse Racing Meeting.

Unless the Board requires an earlier filing, at least 90 days before the time allocated by the Board for a race meeting to start, the association shall file with the Board an Application for License to Conduct a Horse Racing Meeting, CHRB-17 (Rev. ~~7/01~~ 06/05), which is hereby incorporated by reference. Note: CHRB-17 incorporates by reference, the Personal History Record, CHRB-25A (Rev. 7/93). A California fair shall file with the Board an Application for License to Conduct a Horse Racing Meeting of a California Fair, CHRB-18 (Rev. ~~7/01~~ 06/05), which is hereby incorporated by reference. Copies of CHRB-17 and CHRB-18 may be obtained at the California Horse Racing Board headquarters office.

Authority: Sections 19420 and 19440,
Business and Professions Code.

Reference: Sections 19480 and 19568,
Business and Professions Code.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
CHRB-17 (Rev. 7/01 06/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. Name, mailing address, telephone and fax numbers of association:
- B. Breed of horse: TB QH H
- C. Racetrack name:
- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490.

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

- A. Inclusive dates for the entire meeting:
- B. Actual dates racing will be held:
- C. Total number of days or nights of racing:
- D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify)
- E. Number of days or nights of racing per week:

3. RACING PROGRAM

- A. Total number of races:
- B. Number of races for each day or night:
- C. Total number of stakes races:
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses.

CHRB CERTIFICATION	
Application received:	Hearing date:
Deposit received:	Approved date:
Reviewed:	License number:

E. Will provisions be made for owners and trainers to use their own registered colors?

Yes No If no, what racing colors are to be used:

F. List all post times for the daily racing program:

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)

B. Complete the applicable subsection and attached Addendum, Background Information and Ownership.

C. CORPORATION

1. Registered name of the corporation:
2. State where incorporated:
3. Registry or file number for the corporation:
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
6. Number of outstanding shares in the corporation:
7. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
10. Attach the most recent audited annual financial statement for the licensee corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly

traded company and guarantees the obligations of the licensee.

D. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent audited annual financial statement for the licensee LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.

E. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:
2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

5. PURSE PROGRAM

A. Current Meeting Estimated purse distribution:

1. All races other than stakes:
2. Overnight stakes:
3. Non-overnight stakes:

- B. **Current Meeting** stakes races:
1. Estimated purse distribution for all stakes races:
 2. Percentage of the estimated purse distribution for all stakes races that will be distributed for California-bred stakes races:
- C. **Current Meeting** ~~E~~stimated funds to be generated for all California-bred incentive awards:
- D. **Current Meeting** ~~E~~stimated amount of payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization	Estimated Payment
------------------------------------	-------------------

- E. Total estimated amount from all sources to be distributed at the **current** meeting in the form of purses or other benefits to horsemen (*Total equals items 5A+5C+5D*):
- F. **Current Meeting** ~~E~~stimated purse funds to be generated from on-track handle and intrastate off-track handle:
- G. **Current Meeting** ~~E~~stimated purse funds to be generated from interstate handle:
- H. Bank ~~or depository~~ and account number for the Paymaster of Purses' purse account; ~~and the account number:~~
- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

J. Prior Meeting actual purse distribution:

1. All races other than stakes:
2. Overnight stakes:
3. Non-overnight stakes:

K. Prior Meeting stakes races:

1. Actual purse distribution for all stakes races:
2. Percentage of the actual purse distribution for all stakes races that were distributed for California-bred stakes races:

L. Prior Meeting actual funds generated for all California-bred incentive awards:

M. Prior Meeting actual amount of payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

<u>Recognized Horsemen's Organization</u>	<u>Actual Payment</u>
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- N. Prior Meeting total actual amount from all sources distributed at the meeting in the form of purses or other benefits to horsemen (Total equals items 5J+5L+5M):
- Q. Prior Meeting actual purse funds generated from on-track handle and intrastate off-track handle:
- P. Prior Meeting actual purse funds generated from interstate handle:

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held:
- B. Minimum number of stalls believed necessary for the meeting:
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers:
- D. Name and or location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that ~~which~~ cannot be provided stabling on-site.

Complete subsections F through I if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting:
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall:
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
- I. ~~Estimated cost for off-site stabling and vanning for this meeting. Show cost per day per stall:~~

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), ~~LS for limited sweepstakes (pick 6)~~, PK3 for pick three, PK4 for select four, ~~PK6 for pick 6 one pool, PK7 for pick 7~~, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, ~~SS1 for special sweepstakes (pick 6) alternate 1, SS2 for special sweepstakes (pick 6) alternate 2, SS3 for special sweepstakes (pick 6) alternate 3, SRUS for special reserved unlimited sweepstakes (pick 9), SUS for special unlimited sweepstakes (pick 9), and TRI for trifecta, and US for unlimited sweepstakes (pick 9).~~

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$2 Twin Trifecta <u>\$1 Double</u>	CHRB #1959; RCI #VPE

- Race #1
- Race #2
- Race #3
- Race #4
- Race #5
- Race #6
- Race #7
- Race #8
- Race #9
- Race #10
- Race #11
- Race #12
- Race #13

- B. The Mmaximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool:
- C. List any options requested with regard to exotic wagering:
- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin:
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:

8. SIMULCASTING WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.

- C. California simulcast facilities the association proposes to offer its live audiovisual signal:
- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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Examples:

Calder Race Course	1/1 & 1/2/99	Full Card
Fair Grounds	3/14/99	Selected Feature and/or Stakes Races

- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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Examples:

Retama Park	4/8 & 4/9/99	Full Card
Ruidoso Downs	9/6/99	Selected Feature and/or Stakes Races

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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Examples:

~~Saratoga Raceway 5/8/99 Full Card~~
~~Meadowlands 8/7/99 Selected Feature and/or Stakes Races~~

- I. For ALL racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
--------------------	----------------	------------	--------------------------------

- J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2(d) and 19596.3, attach a copy showing the agreement by the appropriate racing association(s).

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vaning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:
- B. Names and addresses of the trustees or directors of the distributing agent:
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing Officials nominated:

Associate Judges

Association Veterinarian(s)
Clerk of Scales
Clerk of the Course
Film Specialist
Horse Identifier
Horseshoe Inspector
Paddock Judge
Patrol Judges
Placing Judges
Starter
Timer

B. Management officials in the racing department:

Director of Racing
Racing Secretary
Assistant Racing Secretary
Paymaster of Purses
Others (identify by name and title)

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract: Specify the number and location of cameras for dirt and turf tracks.

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

11. SECURITY CONTROLS AND EMERGENCY SERVICES

A. Name and title of the person responsible for security controls on the premises: Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: Describe the electronic security system:

1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.

~~2. Attach a written plan for enhanced surveillance of barns.~~

2. Detention Barns:

A. Attach a plan for use of stakes or overnight races.

B. Number of security guards in the detention barn area during a 24-hour period.

C. Describe number and location of surveillance cameras in detention barn area.

3. TCO2 Testing:

A. Number of races to be tested, and number of horses entered in each race to be tested.

B. Plan for enhanced surveillance for trainers with high-test results.

C. Plan for detention barns for repeat offenders.

D. Number of security personnel assigned to the TCO2 program.

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate.

D. For night racing associations: Describe emergency lighting system:

12. EMERGENCY SERVICES

AC. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

BD. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

CE. Attach a fire clearance from the fire authority having jurisdiction over the premises.

DF. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):

EG. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that which secures the liability of the association for payment of workers' compensation.

13.12. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Estimated advertising budget for meeting:

B. Describe any promotional plans and estimated budget for each promotional activity for meeting:

C. Number of hosts and hostesses employed for meeting:

1816. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474.
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing.

1917. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made).
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state):

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

2018. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Print Name

Signature

Print Title

Date

ADDENDUM

Background and Ownership Information

FULL DISCLOSURE: By authority of Sections 19440 and 19480 of the California Business and Professions Code, Chapter 4, Division 8, Horse Racing Law, and in order to allow an evaluation of the competency, integrity, and character of potential racetrack operator, contractor, subcontractor and concessionaire licensees of the California Horse Racing Board (CHRB), any applicant for such a license shall comply with the provisions set forth below. Where applicable, supply the requested information and submit with your application documents. (If necessary, attach additional pages showing the corresponding numbers for the questions you are answering.) If a question does not apply to you, so state with "N/A".

NOTE: All information contained in this Addendum may be disclosed pursuant to the California Public Records Act.

I. BACKGROUND INFORMATION

- A. **PERSONAL INFORMATION** - Application documents must include for each individual who is a director, officer, or partner in the application, or an owner of an interest in the applicant of 5% or more:
 - 1. Full name and any previous names or aliases;
 - 2. date of birth;
 - 3. physical description;
 - 4. business address and telephone number; and
 - 5. disclosure of employment, education and military history for the past 20 years or since the age of 18.

- B. **PERSONAL HISTORY** - Application documents must include a completed Personal History Record, CHRB-25A, for each individual named in Addendum Section I, A.

- C. **RELATIONSHIP** - The application documents must state, for each individual providing information under Addendum Section I, A, whether the individual is related to a member or an employee of the CHRB. A half-relationship or step-relationship is considered to be a familial relationship.

- D. **CORPORATIONS** - If the applicant is a corporation, the application documents must state:
 - 1. The state in which the applicant is incorporated; and
 - 2. name and address of the applicant's agent for service of process in California.

- E. **INDICTMENTS OR CONVICTIONS** - If the applicant is a corporation, the application documents must include a statement disclosing whether the corporation is presently or has ever been indicted or convicted of a criminal offense, e.g., felony or misdemeanor.

- F. **PENDING LEGAL PROCEEDINGS** - An applicant for a license to operate a racetrack must describe any pending legal proceedings of \$250,000 or more:
 - 1. To which the applicant, a director, officer, or partner of the applicant, or an individual who owns an interest in the applicant of 5% or more is a party; or
 - 2. that involves property owned by the applicant, a director, officer, or partner of the applicant, an individual who owns an interest in the applicant of 5% or more, or a related entity identified under Addendum Section I.
 - 3. Applicant must state the name of the court or agency before which the proceeding is or was pending, the case number, date the proceeding was instituted, and the names of the principal parties to the proceeding.

II. OWNERSHIP

- A. **IDENTIFICATION AND LOCATION** - The application documents must include:
 - 1. All names used by the applicant; and
 - 2. name of the agent and the address and telephone number of the office of the applicant for service of process in

B. BUSINESS STRUCTURE - The application documents must describe the applicant's business structure and include an organizational chart.

C. ORGANIZERS - If the applicant is not an individual and was organized less than five years before the date on which the application documents are submitted to the CHRB, the application documents must state:

1. Name of each individual who was an organizer or promoter of the applicant;
2. nature and amount of assets, services, or other consideration contributed to the applicant by an organizer or promoter of the applicant; and
3. nature and amount of anything of value given by the applicant to an organizer or promoter of the applicant.

D. ORGANIZATIONAL DOCUMENTS

1. If the applicant is a corporation, the application documents must include:

- a. Statement of when and in what state the corporation was organized;
- b. certified copy of the articles of incorporation and bylaws of the applicant;
- c. statement and documentation of whether the corporation has been reorganized or reincorporated during the five-year period preceding the date on which the application documents are submitted to the CHRB; and
- d. statement and documentation of whether the corporation has filed restated articles of incorporation.

2. If the applicant is an unincorporated business association, the application documents must include:

- a. Certified copy of each organizational document for the applicant, including any partnership agreement; and
- b. description of any oral agreements involving the organization of the partnership.

E. CAPITOL STOCK

1. If the applicant is authorized to issue capital stock, the application documents must state the classes of stock authorized and the total shares of each class authorized.

2. For each class of stock, applicant must also state:

- a. Par value, if any;
- b. voting rights;
- c. current rate of dividend; and
- d. number of shares outstanding and the market value of each share.

3. Application documents must list the name and address of each person who owns, of record or beneficially, at least 5% of stock. For each person listed under this subsection, the application documents must describe the nature of the person's ownership interest and the person's percentage of the total ownership interest.

4. Application documents must include a certified copy of each voting trust or voting agreement in which at least 5% of the capital stock is held and must state:

- a. Name and address of each stockholder participating in the trust or agreement;
- b. class of stock involved; and
- c. total number of shares held by the trust or agreement.

F. DIRECTORS, OFFICERS, AND PARTNERS

1. If the applicant is not an individual, the application documents must include a list of the individuals who are serving or who are designated to serve, during the first year after the date the application documents are submitted

to the CHRB, as a director, officer, or partner of the applicant. The list must state for each individual:

- a. Name and business address;
 - b. each position or office of the applicant held by the individual;
 - c. principal occupation during the five-year period preceding the date on which the application documents are submitted to the CHRB; and
 - d. nature and extent of any ownership interest in the applicant.
2. Application documents must include a completed Personal History Record, CHRB-25A, for each individual named under Addendum Section II, F, 1.

G. CONTROLLING ENTITY

1. Application documents must state whether another entity exercises or is in a position to exercise control in the management or financial affairs of the applicant. The documents must describe the nature of the relationship between the entity and the applicant and the extent of control exercised by the entity.
2. If a nonindividual entity owns an interest of 5% or more in the applicant, the application documents must include the information required by Addendum Section II, G, 1, as it relates to the nonindividual entity.
3. Application documents must include information required by Addendum Section II, G, 2, for each nonindividual entity identified in the application documents to the extent necessary to determine the identity of each individual who is an indirect holder of an ownership interest in the applicant.

H. OUTSIDE INTERESTS AND LICENSE HISTORY - Application documents must state whether the applicant or a director, officer, or partner of the applicant:

1. Ever held an ownership interest in a licensee of the CHRB; or
2. is currently engaged in the business of racing in another state.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting of a California fair as authorized by Article 6.5 of the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and in accordance with applicable provisions and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT FAIR ASSOCIATION

A. Name, mailing address, telephone and fax numbers of fair:

B. Fair association is a: District Fair County Fair Citrus Fruit Fair
 California Exposition and State Fair Other qualified fair

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

A. ~~Inclusive dates for the entire of race meeting:~~

B. ~~Actual dates racing will be held:~~

CB. Dates racing will NOT be held:

DC. Total number of racing days ~~or nights of racing:~~

E. ~~Number of days or nights of racing per week:~~

3. RACING PROGRAM

A. Total number of races:

B. Number of races by breed:

Thoroughbreds Quarter Horses Appaloosas
 Arabians Paints Mules

C. Number of races ~~for each day or night~~ daily:

CHRB CERTIFICATION		
Application received:		Hearing date:
Reviewed:		Approved date:
		License number:

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Thoroughbred							
Other Breeds							
Total							

D. Total number of stakes races by breed:

<input type="text"/>	Thoroughbreds	<input type="text"/>	Quarter Horses	<input type="text"/>	Appaloosas
<input type="text"/>	Arabians	<input type="text"/>	Paints	<input type="text"/>	Mules

E. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each.

F. Will provisions be made for owners and trainers to use their own registered colors?

Yes No If no, what racing colors are to be used:

G. List all post times for the daily racing program:

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813.

4. FAIR ASSOCIATION

- A. Names of the fair directors:
- B. Names of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program:
- C. Name and title of the fair manager or executive officer and the names and titles of all department managers and fair staff, **other than those listed in 9B**, who will be listed in the official program:

5. PURSE PROGRAM

A. Current Meeting ~~E~~stimated purse distribution:

- 1. All races other than stakes:
- 2. Overnight stakes:
- 3. Non-overnight stakes:

~~B. Estimated purse distribution for all stakes races:~~

~~CB. Current Meeting~~ ~~E~~stimated funds to be generated for all California-bred incentive awards:

~~DC. Current Meeting~~ ~~E~~stimated amount of payment to each recognized horsemen's organization contracting with the fair and the name(s) of the organization(s):

Recognized Horsemen's Organization

Estimated Payment

- CTT
- TOC
- NTRA
- PCQHRA
- CWAR
- ARAC
- AMRA
- CHBPAPEN
- CTHF

Total Estimated Payments:

- ED.** Current Meeting ~~Total Estimated~~ amount from **all sources** to be distributed at the meeting in the form of purses or other benefits to horsemen (Total equals items 5A+5B+5C):
- FE.** Current Meeting Estimated purse funds to be generated from on-track handle and intrastate off-track handle:
- GF.** Current Meeting Estimated purse funds to be generated from interstate handle:
- HG.** Bank or depository and account number for the Paymaster of Purses' purse account ~~and the account number:~~
- HH.** Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
- I.** Prior Meeting actual purse distribution:
 - 1. All races other than stakes:
 - 2. Overnight stakes:
 - 3. Non-overnight stakes:
- J.** Prior Meeting actual funds generated for all California-bred incentive awards:
- K.** Prior Meeting actual amount of payment to each recognized horsemen's organization contracting with the fair and the name(s) of the organization(s):

Recognized Horsemen's Organization

Actual Payment

- CTT
- TOC
- NTRA
- PCQHRA
- CWAR
- ARAC
- AMRA
- CHBPAPEN
- CTHF

Total Actual Payments:

- L. **Prior Meeting actual amount from all sources distributed at the meeting in the form of purses or other benefits to horsemen (Total equals items 5I+5J+5K):**
- M. **Prior Meeting actual purse funds generated from on-track handle and intrastate off-track handle:**
- N. **Prior Meeting actual purse funds generated from interstate handle:**

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the fair and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt into such liability account. In the event the fair is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the fair shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The fair is entitled thereafter to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the fair is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the fair may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held:
- B. Minimum number of stalls believed necessary for the meeting:
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers:
- D. Name and ~~or~~ location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:
- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses ~~which~~ that cannot be provided stabling on-site.

Complete subsections F through I if the fair will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the 1986 meeting:
- G. Estimated cost to provide off-site stalls for this meeting: Show cost per-day per stall:
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
- ~~I. Total estimated cost for off-site stabling and vanning for this meeting. Show cost per-day per stall:~~

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, fairs may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), ~~LS for limited sweepstakes (pick 6)~~, PK3 for pick three, PK4 for select four, ~~PK6 for pick 6 one pool, PK7 for pick seven~~, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, ~~SS1 for special sweepstakes (pick 6) alternate 1, SS2 for special sweepstakes (pick 6) alternate 2, SS3 for special sweepstakes (pick 6) alternate 3, SRUS for special reserved unlimited sweepstakes (pick 9), SUS for special unlimited sweepstakes (pick 9), and TRI for trifecta, and US for unlimited sweepstakes (pick 9).~~

	TYPE OF WAGERS	APPLICABLE RULES
Example Race	\$1 E; \$2 Twin Trifecta <u>\$1 Double</u>	CHRB #1959; RCI #VPE
Race #1		
Race #2		
Race #3		
Race #4		
Race #5		
Race #6		
Race #7		
Race #8		
Race #9		
Race #10		
Race #11		
Race #12		
Race #13		

- B. ~~The M~~maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool:
- C. List any options requested with regard to exotic wagering:
- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin:
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the fair and the simulcast organization, the name of the person(s) supplying equipment, and expiration date of the service contract:

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the fair to conduct simulcast wagering:

- B. Attach the agreement between the fair and simulcast organization permitting the organization to use the fair's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
- C. California simulcast facilities the fair proposes to offer its live audiovisual signal:
- D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair:
- F. List the host tracks from which the fair proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Examples:		
Calder Race Course	1/1 & 1/2/99	Full Card
Fair Grounds	3/14/99	Selected Feature and/or Stakes Races

- G. List imported simulcast races the fair plans to receive during the racing meeting which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
Examples:			
Meadowlands	H	8/7/99	1
Ruidoso Downs	QH	9/6/99	3

- H. If any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2(d) and 19596.3, attach a copy showing agreement by the appropriate racing association(s).

NOTICE TO APPLICANT: All interstate wagering to be conducted by a fair is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by a fair is subject to the provisions of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every fair shall pay to the simulcast organization within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes,

and stabling and vanning deductions. Every fair shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing Officials nominated:

Associate Judges
 Association Veterinarian(s)
 Clerk of Scales
 Clerk of the Course
Film Specialist
 Horse Identifier
 Horseshoe Inspector
 Paddock Judge
 Patrol Judges
 Placing Judges
 Starter
 Timer

B. Management officials in the racing department:

Director of Racing
 Racing Secretary
 Assistant Racing Secretary
 Paymaster of Purses
 Others (identify by name and title)

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract: Specify the number and location of cameras for dirt and turf tracks.

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

10. SECURITY CONTROLS AND EMERGENCY SERVICES

A. Name and title of the person responsible for security controls on the premises: Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: Describe the electronic security system:

1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.

~~2. Attach a written plan for enhanced surveillance of barns.~~

2. Detention Barns:

A. Attach a plan for use of stakes or overnight races.

B. Number of security guards in the detention barn area during a 24-hour period.

C. Describe number and location of surveillance cameras in detention barn area.

3. TCO2 Testing:

A. Number of races to be tested, and number of horses entered in each race to be tested.

B. Plan for enhanced surveillance for trainers with high-test results.

C. Plan for detention barns for repeat offenders.

D. Number of security personnel assigned to the TCO2 program.

C. Describe the electronic security system.

1. Location and number of video surveillance cameras for the detention barn and stable gate.

11. EMERGENCY SERVICES

CA. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

DB. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

EC. Attach a fire clearance from the fire authority having jurisdiction over the premises.

~~F. Name of the workers' compensation insurance carrier for the fair and the number of the insurance policy (if self-insured, provide details):~~

GD. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance which that secures the liability of the fair for payment of workers' compensation.

112. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

13. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

- A. Estimated advertising budget for meeting:
- B. Describe any promotional plans and estimated budget for each promotional activity for meeting:
- C. Number of hosts and hostesses employed for meeting:
- D. Describe facilities set aside for new fans:
- E. Describe any improvements to the physical facility in advance of the meeting that directly benefits:
 - 1. Horsemen
 - 2. Fans
 - 3. Facilities in the restricted areas

14. SCHEDULE OF CHARGES

- A. Proposed charges, for admissions, seating or boxes, parking and programs. Note any changes from previous year:
 - Admission (general)
 - Admission (clubhouse)
 - Reserved seating (general)
 - Reserved seating (clubhouse)
 - Parking (general)
 - Parking (preferred)
 - Parking (valet)
 - Programs (on-track)
 - (off-track)
- B. Describe any "Season Boxes" or other special accommodation fees:
- C. Describe any "package" plans such as combined parking, admission and program:

15. JOCKEYS' QUARTERS

- A. Check the applicable amenities available in the jockeys' quarters:

<input type="checkbox"/>	Corners (lockers and cubicles)	How many	<input style="width: 50px;" type="text"/>
<input type="checkbox"/>	Showers	<input type="checkbox"/>	Steam room, sauna or steam cabinets
<input type="checkbox"/>	Masseur	<input type="checkbox"/>	Food/beverage service
<input type="checkbox"/>		<input type="checkbox"/>	Lounge area
<input type="checkbox"/>		<input type="checkbox"/>	Certified platform scale
- B. Describe the quarters to be used for female jockeys:

16. BACKSTRETCH EMPLOYEE HOUSING

~~A. Attach written certification that an inspection of the backstretch employee housing has been conducted by a lead agency designated by the CHRB and the applicant is not aware of any known violations of the local housing ordinances.~~

A. Inspection of backstretch housing was completed by (name) _____ on (date) _____.

B. Number of rooms used for housing on the backstretch of the racetrack:

C. Number of restrooms available on the backstretch of the racetrack:

D. Estimated ratio of restrooms to the number of backstretch personnel:

1715. TRACK SAFETY

A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet.

B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.

C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:

D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474.

E. If the fair is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing.

1816. DECLARATIONS

A. All labor agreements, concession and service contracts, and other agreements necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state):

B. Attach each horsemen's agreement pursuant to CHRB Rule 2044.

C. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):

- D. Absent natural disasters or causes beyond the control of the fair, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the fair except as follows (if no exceptions, so state):

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

1917. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the fair to attest to this application on its behalf.

Print Name

Signature

Print Title

Date

STAFF ANALYSIS
ARTICLE 7. CLAIMING RACES
PROPOSED AMENDMENT OF
RULE 1663
ENTRY OF CLAIMED HORSE

Regular Board Meeting
June 30, 2005

BACKGROUND

Business and Professions (B&P) Code Section 19420 provides that jurisdiction and supervision over meetings in California and over all persons or things having to do with such meetings is vested in the California Horse Racing Board (Board). B&P Code Section 19440 states responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. B&P Code Section 19562 states the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in California.

Board Rule 1663, Entry of Claimed Horse, provides that a horse claimed out of a claiming race is eligible to race in California immediately after being claimed. The rule also provides that a horse claimed out of a claiming race is not eligible to start in another claiming race for 25 days for less than 25% more than the amount for which it was claimed. No claimed horse is eligible to race in any state other than California until the close of the meeting where it was claimed, except in a stakes race. Standardbred horses are exempt from the rule.

ANALYSIS

The proposed amendment to Rule 1663 is intended to stop or reduce the numbers of claimed horses leaving California by making such horses ineligible to race in another jurisdiction until 60 days after the close of the meeting where it was claimed. Under the proposal, owners would be required to run back in California, or lay over a claimed horse for up to two months. The proposed amendment also states that for the purpose of the Rule, the California Fair Circuit is considered one meeting. The industry requested this provision, as California's Fair Circuit is composed of multiple meetings of short duration and is particularly vulnerable to the claiming practices of out-of-state owners and trainers. Considering the Fair Circuit one meeting will bring the time constraints on claimed horses more in line with California's major meetings, which last anywhere from several months to one year. Subsection 1663(d) includes standardbred horses in the 60-day prohibition while maintaining the breed's exemption from the remaining provisions of the Rule. Standardbred horses were previously excluded from the provisions of Rule 1663, but the industry requested it be included in the 60-day "jail time" provision, as it too has felt the effect of claimed horses being taken out-of-state.

RECOMMENDATION

No comments were received during the 45-day public comment period. Staff recommends the Board adopt the amendment as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 7. CLAIMING RACES
PROPOSED AMENDMENT OF RULE 1663
Entry of Claimed Horse

Regular Board Meeting
June 30, 2005

1663. Entry of Claimed Horse.

(a) A horse claimed out of a claiming race is eligible to race at any racing association in California immediately after being claimed. The horse is not eligible to start in a claiming race for 25 days after the date of the claim for less than 25% more than the amount for which it was claimed;

(b) A horse claimed out of a claiming race is not ~~nor is it~~ eligible to race in any State other than California until 60 days after the close of the meeting from where it was claimed except in a stakes race.

(1) For the purposes of this rule, the California Fair Circuit shall be considered one meeting.

(c) A claimed horse may be removed from the grounds of the association where it was claimed for non-racing purposes.

(de) This rule does The provisions of subsection (a) of this rule do not apply to standardbred horses.

Authority: Sections 19420, and 19440 ~~and 19562~~,
Business and Professions Code.

Reference: Sections ~~19440 and~~ 19562,
Business and Professions Code.

STAFF ANALYSIS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED ADDITION OF RULE
1843.6. TOTAL CARBON DIOXIDE TESTING

ITEM 9 -

Regular Board Meeting
June 30, 2005

BACKGROUND

Business and Professions (B&P) Code Section 19580 provides that the Board shall adopt regulations relating to equine medication to preserve and enhance the integrity of horse racing. B&P Code Section 19581 states that no substance of any kind shall be administered by any means to a horse after it has been entered to race unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof.

Some persons believe lactic acid, which is produced by intense exercise, and is a factor in causing fatigue, can be neutralized by the administration of an alkaline substance such as bicarbonate. This has resulted in the use of alkalizing agents, or "milkshakes," which are administered to a racehorse in an attempt to alter the performance of the horse. To address the total carbon dioxide (TCO₂) problem the racing industry is conducting non-regulatory testing of horses racing in California. In addition, racing associations have initiated detention barns for trainers whose horses have tested positive.

In January 2005 the Board adopted the proposed addition of Rule 1843.6, Total Carbon Dioxide Testing. The proposed addition of Rule 1843.6 was initiated in anticipation of a change in horse racing law (Assembly Bill 52, Horton) that would exempt TCO₂ testing from the provision of the Board's split sample program. Subsequent amendments to the TCO₂ legislation added provisions for a duplicate sample, with the result that the text of 1843.6 required an additional 45-day public comment period.

ANALYSIS

The proposed addition of Rule 1843.6 will allow the official veterinarian, a veterinarian licensed by the Board or a registered veterinary technician licensed by the Board to collect blood samples for the purpose of TCO₂ testing from any horse that is entered to race. The stewards or the official veterinarian must select the horse, and samples may be taken pre-or-post race. Entry of a horse constitutes permission for the taking of such samples. An owner, trainer or any person responsible for the horse that refuses or fails to permit the taking of a sample shall be considered in violation of Rule 1930, Obedience to Security Officers and Public Safety Officers, and shall have the horse declared ineligible to race by the stewards. Rule 1843.6 sets maximum levels of TCO₂ at 37.0 millimoles per liter of blood serum or plasma. Because TCO₂ test samples have a short shelf life it may be difficult or impossible to provide a split sample. Therefore, the provisions of Rule 1859.25, Split Sample Testing, shall not apply to samples collected under Rule 1843.6. However, the owner or trainer may request that a duplicate sample be taken. The request must be made prior to collection of the official sample, and the owner or trainer is responsible for all costs associated with the duplicate sample. The duplicate sample will be shipped to a laboratory approved by the Board - other

than the official laboratory - for testing, while the official sample is tested at the official laboratory. If the Board determines the duplicate sample cannot be tested within five days after it is collected, the results of the official sample shall be final.

RECOMMENDATION

No comments were received during the 45-day public comment period. Staff recommends the Board adopt the proposed regulation as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED ADDITION OF
RULE 1843.6
Total Carbon Dioxide Testing

Regular Board Meeting
June 30, 2005

1843.6. Total Carbon Dioxide Testing.

(a) At the direction of the official veterinarian, a veterinarian licensed by the Board or a registered veterinary technician licensed by the Board may collect blood sample(s) from a horse for the purpose of testing for total carbon dioxide (TCO₂) concentrations. Such blood sample(s) shall be collected under the provision of Rule 1859 of this article, and may be collected pre-race or post-race.

(1) The owner or trainer of a horse selected for testing may request that a duplicate sample be taken. Such request shall be made prior to the collection of the official sample. The costs related to obtaining, handling, shipping and analyzing the duplicate sample shall be the responsibility of the owner or trainer who requested such sample.

(2) If the Board in its discretion determines the duplicate sample cannot be analyzed within five days after the sample is collected, the findings of the official sample shall be final.

(b) Any horse on a facility under the jurisdiction of the Board may be selected by the stewards or the official veterinarian for TCO₂ testing.

(c) Any owner, trainer, or other person responsible for a horse who refuses or fails to permit the taking of test sample(s) from such horse shall be deemed in violation of Rule 1930 of this division and shall have the horse declared ineligible to race by the stewards.

(d) TCO₂ levels in the blood serum or plasma shall not exceed:

(1) 37.0 millimoles per liter of serum or plasma.

(2) TCO₂ levels in excess of 37.0 millimoles shall be considered a Class three-medication violation for administrative purposes.

(e) The provisions of Rule 1859.25 of this article shall not apply to blood sample(s) collected for TCO₂ testing.

Authority: Sections 19420, 19440, 19580 and 19582.5,
Business and Professions Code.

Reference: Sections 19581 and 19582,
Business and Professions Code.

STAFF ANALYSIS
PROPOSED AMENDMENT OF
RULE 1976.9. PICK (N) POOL

Regular Board Meeting
June 30, 2005

BACKGROUND

Business and Professions (B&P) Code Section 19440 provides that the Board shall have all powers necessary to enable it to carry out fully the purposes of this chapter. B&P Code Section 19590 states that the Board shall adopt rules governing, permitting, and regulating pari-mutuel wagering on horse races under the system known as the pari-mutuel method of wagering. B&P Code Section 19593 states no method of betting, pool making, or wagering other than by the pari-mutuel method shall be permitted or used by any person licensed under this chapter to conduct a horse racing meeting. Board Rule 1976.9, Pick (n) Pool requires the selection of the first-place finisher in each of a number of races designated by the association. The Pick (n) must be comprised of more than three, but no greater than ten races. The National Thoroughbred Racing Association (NTRA) Players Panel recommendations regarding the Pick (n) wager were heard by the Pari-Mutuel Operations Committee (Committee) in February 2005. At the February 2005 Regular Board Meeting, the Committee recommended the Board adopt the NTRA recommended amendments to the Pick (n).

During the 45-day public comment period two comments were received. The first noted the term "no contest" – as used in subsection 1976.9 (n) – could be confused with the provisions of Board Rule 1544, Calling Off Race, which provides circumstances where the stewards may declare the race as "no contest." Staff agreed with the comment and modified the language of subsection (n) to clarify the intent of the proposed amendment. Rather than declare the race "no contest" all wagers on the race "shall be considered winning wagers for the purposes of the Pick (n) pool."

The second comment noted that racing surface changes from turf to dirt were addressed but changes from dirt to turf were not. The Board determined that although most racing surface changes, after wagering in the Pick (n) Pool closes, involve changes from turf to dirt there could be a dirt to turf change. The language of subsection (n) was modified to include dirt to turf changes in addition to turf to dirt changes.

The Board instructed staff to notice the modifications to subsection (n) and notice for an additional 15 days.

ANALYSIS

The proposed amendment to Board Rule 1976.9 provides that if the condition of the racing surface changes from turf to dirt or dirt to turf, in a race included in a Pick (n) wager, and the public was not informed of the change prior to the close of wagering on the Pick (n), all wagers on that race shall be considered winning wagers for the purposes of the Pick (n) Pool. The proposed change is meant to protect the wagering public who might not have been fully

informed when they placed their wagers. Horses that perform well on one racing surface might not perform as expected on another.

The proposal to amend Board Rule 1976.9 also permits the totalizator to provide information regarding possible Pick (n) payouts for each of the runners when the last race comprising the Pick (n) is the only race remaining. Such information may help build excitement over the Pick (n) wager, and indicate if a carry-over will occur. The association offering the Pick (n) wager would be able to promote the carry-over and perhaps generate more wagers for the next performance.

RECOMMENDATION

No comments were received during the 15-day comment period. Staff recommends the Board adopt the proposed amendment of Board Rule 1976.9.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED ADDITION OF
RULE 1843.6
Total Carbon Dioxide Testing

Regular Board Meeting
June 30, 2005

1843.6. Total Carbon Dioxide Testing.

(a) At the direction of the official veterinarian, a veterinarian licensed by the Board or a registered veterinary technician licensed by the Board may collect blood sample(s) from a horse for the purpose of testing for total carbon dioxide (TCO₂) concentrations. Such blood sample(s) shall be collected under the provision of Rule 1859 of this article, and may be collected pre-race or post-race.

(1) The owner or trainer of a horse selected for testing may request that a duplicate sample be taken. Such request shall be made prior to the collection of the official sample. The costs related to obtaining, handling, shipping and analyzing the duplicate sample shall be the responsibility of the owner or trainer who requested such sample.

(2) If the Board in its discretion determines the duplicate sample cannot be analyzed within five days after the sample is collected, the findings of the official sample shall be final.

(b) Any horse on a facility under the jurisdiction of the Board may be selected by the stewards or the official veterinarian for TCO₂ testing.

(c) Any owner, trainer, or other person responsible for a horse who refuses or fails to permit the taking of test sample(s) from such horse shall be deemed in violation of Rule 1930 of this division and shall have the horse declared ineligible to race by the stewards.

(d) TCO₂ levels in the blood serum or plasma shall not exceed:

(1) 37.0 millimoles per liter of serum or plasma.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 18. PARI-MUTUEL WAGERING
PROPOSED AMENDMENT OF
RULE 1976.9. PICK (N) POOL

Regular Board Meeting
June 30, 2005

New language is double underlined
Deleted language is *italic strikeouts*

1976.9. Pick (n) Pool.

(a) The Pick (n) requires selection of the first-place finisher in each of a number of races designated by the association. The association shall designate the percentage of the net pool considered the major share, and the percentage of the net pool considered the minor share, if any. The number of races comprising a Pick (n) must be ~~more than three~~, at least four but no ~~greater~~ more than ten. Subsequent changes to the Pick (n) shall be requested in writing by the association. The Board or its designated representative shall respond in writing to requests within five working days of their receipt at Board headquarters.

(b) The major share of the net Pick (n) pool, along with the Pick (n) carryover, shall be distributed to ~~winning wagers selecting~~ ticket holders that selected the first-place finisher in each of the Pick (n) races, based upon the official order of finish, and the minor share of the net Pick (n) pool shall be distributed as a ~~single-price~~ win pool to ~~those~~ ticket holders whose selection finished first in the second greatest number of Pick (n) races; if there are no wagers selecting the first place finisher in each of the Pick (n) races, then:

(1) ~~the~~ The minor share of the net pool shall be distributed as a ~~single-price~~ win pool to ~~those~~ ticket holders whose selection finished first in the greatest number of Pick (n) races, and

(2) ~~the~~ The major share of the net Pick (n) pool shall be retained by the association and added to the corresponding Pick (n) pool of the next performance. The additional Pick (n) pool resulting from such a carryover shall be termed the "Pick (n) carryover."

(c) ~~If there is~~ In a dead heat for first in any of the Pick (n) races involving:

(1) ~~coupled~~ Coupled horses or horses coupled to constitute the field, the Pick (n) pool shall be distributed as if a dead heat had not occurred, or

(2) ~~horses~~ Horses representing two or more ~~betting~~ wagering interests, all horses in the dead heat for win shall be considered winning horses ~~in the race for the purpose of calculating to~~ calculate the pool.

(d) ~~Should~~ If a ~~betting~~ wagering interest in any of the Pick (n) races ~~be~~ is scratched, the racing association may designate the ~~actual~~ favorite, ~~as evidenced~~ determined by total amounts wagered in the ~~Win~~ win pool at the close of wagering on that race, or ~~may~~ allow patrons the option of selecting an alternate ~~betting~~ wagering interest. The ~~actual~~ favorite or ~~the selected~~ alternate ~~betting~~ wagering interest shall be substituted for the scratched ~~betting~~ wagering interest for all purposes, ~~including pool calculations.~~ When If the racing association elects to designate ~~has designated~~ the ~~actual~~ favorite ~~as the substitute selection,~~ and if the ~~Win~~ win pool total ~~is identical~~ for two or more ~~horses,~~ favorites is identical, the ~~horse substitute selection shall be the~~ betting interest with the lowest program number is used. The totalizator shall produce written reports showing each of the wagering combinations with substituted ~~betting~~ wagering interests ~~which~~ that became winners as a result of the substitution, in addition to the normal winning combination, at the end of each race where substitutions occur.

(e) The Pick (n) pool shall be canceled and all Pick (n) wagers for the individual performance shall be refunded if:

(1) ~~three~~ Three or more races included as part of a Pick 4, Pick 5 or Pick 6 are canceled or declared "no contest"; or

(2) ~~four~~ Four or more races included as part of a Pick 7, Pick 8 or Pick 9 are canceled or declared "no contest"; or

(3) ~~five~~ Five or more races included as part of a Pick 10 are canceled or declared "no contest."

(f) If at least one race included as part of a Pick (n) is canceled or declared "no contest," but

fewer than the number specified in subsection (e) ~~of this rule~~, the net pool shall be distributed as a ~~single-price win~~ pool to ~~those~~ ticket holders whose selection finished first in the greatest number of Pick (n) races for that performance. Such distribution shall include the portion ordinarily retained for the Pick (n) carryover but not the carryover from previous performances.

(g) The Pick (n) carryover may be capped at an amount designated by the association, with Board approval. If, at the close of any performance, the ~~amount in the Pick (n) carryover~~ equals or exceeds the designated cap, ~~the Pick (n) carryover~~ it will be frozen until it is won or distributed under other provisions of this rule. After the ~~Pick (n)~~ carryover is frozen, ~~100 percent~~ (100%) of the net pool shall be distributed to ~~those~~ ticket holders whose selection finished first in the greatest number of Pick (n) races for that performance.

(h) Permission to distribute the Pick (n) carryover on a specific date and performance shall be obtained from the Board. The mandatory payout request must contain the intended date and performance for the distribution.

(i) ~~Should~~ If the Pick (n) carryover ~~be~~ is designated for distribution on a specified date and performance in which ~~there are~~ no wagers ~~selecting~~ selects the first-place finisher in each of the Pick (n) races, the entire pool including the carryover shall be distributed as a ~~single-price win~~ pool to ~~those~~ ticket holders whose selection finished first in the greatest number of Pick (n) races. The Pick (n) carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

- (1) ~~upon~~ With written approval from the Board as provided in subsection (h) ~~of this rule~~; or
- (2) ~~upon~~ With written approval from the Board when there is a change in the carryover cap, a change from one type of Pick (n) wagering to another, or when the Pick (n) is discontinued; or
- (3) ~~on~~ On the closing performance of the meet or split meet.

(j) If the Pick (n) carryover must be carried over to the corresponding Pick (n) pool of a subsequent meet, ~~the carryover~~ it shall be deposited in an interest-bearing account approved by the Board. The Pick (n) carryover plus accrued interest shall then be added to the net Pick (n)

pool of the following meet on a date and performance designated by the association, with ~~the~~ Board approval of the Board.

(k) With ~~the~~ Board approval, ~~of the Board,~~ the association may contribute to the Pick (n) carryover a sum of money up to the amount of any designated cap.

(l) No ~~pari-mutuel~~ ticket for the Pick (n) pool shall be sold, exchanged or canceled after the ~~time of the closing~~ close of wagering in the first race of the races comprising the Pick (n), except for refunds ~~on Pick (n) tickets~~ required by this regulation rule.

(m) ~~With the exception of the total amount of the net pool at the close of Pick (n) wagering,~~ ~~the totalizator shall be programmed to suppress all information related to Pick (n) wagering activity until the conclusion of the final race comprising the Pick (n) pool.~~ Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or number of live tickets remaining is ~~strictly~~ prohibited. The totalizator will be programmed to suppress all information related to Pick (n) wagering activity until the conclusion of the final race except for the following:

(1) Total amount of the net pool at the close of Pick (n) wagering.

(2) Information regarding possible Pick (n) payouts for each of the runners when the last race of the Pick (n) pool is the only race remaining to be run.

(n) If the condition of the turf course warrants a change of racing surface changes from turf to dirt or dirt to turf in any race of a Pick (n) pool, and such change was not announced to the public before the close of wagering on the Pick (n) pool, the stewards shall declare the race as no-contest all wagers on such race shall be considered winning wagers for the purposes of the Pick (n) pool. Notwithstanding subsection (f), the calculation of the Pick (n) pool with such a surface change shall be pursuant to subsection (b).

Authority: Sections 19440 and 19590,
Business and Professions Code.

Reference: Sections 19440, 19590 and 19593,
Business and Professions Code.

STAFF ANALYSIS
APPROVAL OF STEWARD'S CONTRACTS
FOR
2005/2006

Regular Board Meeting
June 30, 2005

BACKGROUND

Pursuant to Section 2.06 of the State Contracting Manual, State boards and commissions with contracts in excess of \$5,000, must provide a motion approving and authorizing execution of the agreement/contract.

ANALYSIS

The attached list of Steward contracts, for fiscal year 2005/2006, are for individuals that were not on the list of Steward contracts approved by the Board at the regular meeting on May 26, 2005. The costs do not increase the \$1,598,000.00 steward services amount approved by the Board at the May 26, 2005 meeting.

Steward contracts are estimates based on assignments for the 2005 racing calendar. No guarantee of assignments are assumed, based on the attached list.

RECOMMENDATION

Staff recommends the Board approve the attached list of steward contracts for fiscal year 2005/2006.

PROPOSED 2005/2006 CONTRACTS

STEWARD SERVICES

Chaney, Scott
Daftary, Anne
Sawyer, Kim
Smith, Violet
Nicolo, Paul
Powell, Gina
Soto, Zachary
Ury, Nancy

TOTAL COSTS: \$ 160,000.00

STAFF ANALYSIS
REQUEST FOR APPROVAL OF
CHARITY DISTRIBUTION

REGULAR BOARD MEETING
JUNE 30, 2005

Background:

The Oak Tree Charitable Foundation is requesting that the Board approve its proposed distribution of charity racing day proceeds in the amount of \$64,395. The list of 10 beneficiaries is attached for your review. The distribution will give 100% to industry-related organizations. Staff finds this request to be in order.

Recommendation:

Staff recommends that the Board approve this request.

CHARITABLE



FOUNDATION

June 6, 2005

Ms. Ingrid Fermin
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Fax: 916-263-6042

Dear Ingrid:

The audited net proceeds from Charity Racing Days during the 2004 Oak Tree meet came to \$64,397.34.

Therefore the Directors of the Oak Tree Charitable Foundation respectfully request CHRB approval at the June 30, 2005 regular meeting to disburse a total of \$64,395 to the attached schedule of eligible beneficiaries.

Contributions to thoroughbred industry charities total 100% of the distribution. We also contribute additional monies from our Foundation and Racing Association funds.

Should you wish to review them, copies of grant applications from the selected organizations are available in this office.

Sincerely,

OAK TREE CHARITABLE FOUNDATION

A handwritten signature in black ink, appearing to read "Chillingworth", is written over the typed name below.

Sherwood C. Chillingworth
Executive Vice-President

Attachment.

CHARITABLE



FOUNDATION

**CHARITABLE FOUNDATION - CHARITY DAYS DISBURSEMENT
2005 (2004 MEET)
FUNDS AVAILABLE: 64,397.34**

California Equine Retirement Foundation	\$6,000.00
CA. Thoroughbred Horsemen's Fnd.	4,520.00
Disabled Jockeys' Endowment	12,855.00
Don MacBeth Memorial Jockey Fund	5,000.00
Jolene's Horse Rescue	2,000.00
Race Track Chaplaincy of America, S. California Council	5,000.00
Shoemaker Foundation	10,000.00
Tranquility Farm (Harry A. Biszantz Mem. Center)	12,000.00
United Pegasus Foundation	2,500.00
Winners Foundation	4,520.00
Total	\$64,395.00

STAFF ANALYSIS
UPDATE ON
THE USE OF MICROCRHIPS

ITEM 13 -

Regular Board Meeting
June 30, 2005

BACKGROUND

Business and Professions Code Section 19562 provides that the Board may prescribe rules, regulations, and conditions under which all horse races with wagering on their results shall be conducted in this state. Board Rule 1554, Duties of the Horse Identifier, states that the horse identifier shall inspect documents of ownership, eligibility, registration, or breeding, as may be necessary to insure proper identification for each horse eligible to compete at the race meeting. The horse identifier shall supervise the tattooing or branding for identification of any horse within the inclosure. Board Rule 1597, Association to Maintain Records of Horses on Its Grounds, provides that the association shall maintain a list or record of all horses admitted to its grounds for racing.

Implanting microchips as a means of identifying a horse was discussed at the February 2005 Medication Committee meeting. The issue was again discussed at the April 2005 Regular Board Meeting.

ANALYSIS

The United State Department of Agriculture (USDA) has proposed a National Animal Identification System (NAIS) for all livestock, including horses. The goal of the NAIS is to be able to identify all animals that have had contact with a foreign or domestic animal disease of concern and the premises on which they have been located within 48 hours after disease discovery.

The accurate and timely identification of horses is also a concern of the California Horse Racing Board (CHRB) and the California racing industry and has determined that a plan be developed to utilize microchips for horse identification. However, several logistical and procedural issues need to be resolved before a plan for the rapid and accurate identification of horses can be implemented on both the national and local levels. Ongoing discussions are being conducted with representatives of The Jockey Club, In Compass Solutions, and the California Department of Food and Agriculture (CDFA) to address these issues.

The USDA will be making funds available through the CDFA to conduct pilot projects related to the electronic identification of all livestock. The CDFA has been contacted and made aware that the CHRB and the California Racing Industry would like to be considered for funding to conduct a pilot project for the electronic identification of equine in California.

It is proposed that a pilot project be designed and implemented to:

1. Determine the feasibility of establishing an electronic identification system for equines in California.
2. Develop a protocol for the application of microchips that can provide rapid and accurate identification of equines in California.
3. Develop a database for an equine microchip identification program.

The pilot project would include the following:

1. Thoroughbred racehorses at a selected California racetrack will have microchips implanted in them. The microchips utilized and the method of implanting them would follow the recommendations of the USDA Equine Species Working Group. The recommendations include the use of ISO 11784/11785 radio frequency identification devices (microchips). In addition, it is proposed to utilize a bio-thermal microchip that will not only contain a unique identification number, but will also indicate the horse's body temperature. The pilot project will work with The Jockey Club in assigning the individual horse's identification number to avoid a duplication of numbers. The Jockey Club maintains the Thoroughbred breed registry in the United States, Canada, and Puerto Rico.
2. Selected premises would be identified. All racetracks and CHRB regulated training centers would be assigned premises numbers. In the future, it is hoped that farms, veterinary clinics, and rehabilitation centers that have a history of having racehorse clients would also be assigned premises identification numbers.
3. The project will work with the In Compass Solutions, a subsidiary of The Jockey Club to develop a database that can store and retrieve information concerning the horse's identity and movement. In Compass currently maintains the database that is utilized by California racetracks for horse inventory and horse identification. It is proposed that a microchip database will be incorporated into this existing program.

RECOMMENDATION

Staff recommends the Board hear from Dr. Ron Jensen, Equine Medical Director, and Mr. Dan Fick, Executive Director of the Jockey Club and Chairman of the American Horse Council's Equine Species Working Group, who will make a presentation to the Board to discuss the use of microchips for horse identification from a national perspective.

STAFF ANALYSIS
UPDATE ON THE STATUS
OF THE
JOCKEY WEIGHT ISSUE

Regular Board Meeting
June 30, 2005

BACKGROUND

Business and Professions (B&P) Code Section 19420 states jurisdiction and supervision over meetings in California where horse races with wagering on their results are conducted, and over all persons or things having to do with the operation of such meetings is vested in the California Horse Racing Board. B&P Code Section 19562 provides that the Board may prescribe rules, regulations and conditions under which all horse races with wagering on their results will be conducted in this state. Board Rule 1615, Scale of Weights For Age, mandates the weights to be carried if the conditions for a race do not specify otherwise.

At the March 2004 Regular Board Meeting, the Jockeys' Guild (Guild) proposed an increase in California's jockey weight allowances. After hearing the proposal the Board directed staff to draft amendments to Board rules affecting jockey weights. At the June 2004 Regular Board Meeting proposals to amend rules 1615, Scale of Weights for Age, and 1420, Definitions, and to repeal rules 1616, Minimum Weights to be Carried and 1684, Items Included in Weight, were presented. The Board directed staff to initiate a 45-day public comment period for the proposed amendments. The proposals to amend rules 1615 and 1420, and repeal rules 1616 and 1684, were heard for adoption at the August 2004 Regular Board Meeting. After extensive testimony, the Board directed staff to prepare a modified text of Rule 1615 for consideration at a future date. The Board again discussed the proposed regulation at the February 2005 Regular Board Meeting and directed staff to initiate a new 45-day public comment period. At the April 2005 Regular Board Meeting the Board conducted a hearing for adoption of the proposed amendment. The item was continued for discussion and action at a later date.

ANALYSIS

At the April 2005 Regular Board Meeting Del Mar Thoroughbred Club (DMTC) raised an issue regarding the scientific basis for the proposed amendment to Rule 1615, Scale of Weights for Age. The DMTC representative stated there did not appear to be any data supporting the proposed amendment, and that the proposed methods for measuring body fat content were not reliable. DMTC suggested the Board follow the lead of the National Collegial Athletic Association by conducting a study of the target population before any new weights, or requirements for body fat content, were put in place. DMTC proposed conducting a scientific survey of the health and fitness of California's jockey colony. The results of the survey would be used to develop new jockey weight requirements. It is anticipated that the survey would

CALIFORNIA HORSE RACING BOARD

JUNE 30, 2005
REGULAR BOARD MEETING

There is no board package material for Item 15.

CALIFORNIA HORSE RACING BOARD

ITEM 16 -



Memorandum

Date : April 1, 2005
To : CHRB Boards of Stewards
From : Ingrid Fermin
Executive Director
Subject : CHRB Rule 1865 – Altering Sex of Horse

This is a reminder that any alteration to the sex of a horse must be reported to the racing secretary and the horse identifier within 72 hours of such procedure or as otherwise stated in Rule 1865. Please place a reminder of this regulation on the overnights for your respective meets for a least one-week. Upon the completion of the week, it is expected that complaints will be filed and stewards will impose sanctions on violators. A minimum fine of \$300 is suggested for a first-time offense. No warnings should be issued.

If you have any questions, please contact Roy Minami or me.

cc: Roy Minami, CHRB
CHRB Chiefs and Supervising Investigators
CHRB Veterinarians
Horse Identifiers
Racing Offices

1010 Hurley Way, Suite 300, Sacramento, CA 95825

Phone: (916) 263-6000 □ FAX: (916) 263-6042

ITEM 16A

**THE ATTACHED ITEM WAS NOT INCLUDED
IN THE ORIGINAL BOARD MEETING
PACKAGE MAILED 06/21/05**

1. Discussion of the procedures in place to insure the timely disclosure of gelded horses and the need for better dissemination of first time gelding information in the program and Racing Form.

Comment from Chairman John Harris--

I asked that this item be placed on the board agenda due to the numerous comments I have received from racing fans that are very concerned and upset with the lack of timely announcements of first-time geldings. The ultimate solution is to devise a system wherein first-time geldings (other than first-time starters already noted as geldings) are so described in the Daily Racing Form, as well as the track and Equibase programs. It is generally believed that gelding a colt is a potentially significant change that may impact performance. I think we need to better inform the fans of this. Racing needs to collectively work on a good system to insure better disclosure. I would like to hear from concerned parties on how best to accomplish this.

ITEM 17 ATTACHED

**NOT PREVIOUSLY INCLUDED IN BOARD MEETING
PACKAGE SENT JUNE 21, 2005**

17. Discussion of efforts and success in raising overall awareness of Fair racing through the Northern California media, as well as the racing media.

Chairman Harris placed this item on the agenda for discussion at the Pleasanton meeting because he has serious concerns that the Fairs are not getting adequate coverage in the racing media, and in some instances are not getting enough coverage in their own metropolitan areas.

The Daily Racing Form has reduced coverage of Fair race meets compared to the regular Northern California meetings, and also relative to other tracks around the country with lesser purse structures and popularity. Such DRF features as "A Closer Look", comments on each horse in the "Graded Handicap" section, and the "Race Analysis" section of the Form, though standard at the other meets, are not provided for the Fairs. These are valuable features for the fans, and not having them in the Form may reduce the appeal of fair racing for fans throughout the country.

Dollars wagered in California on California races stay in California. There is no charge to Southern California facilities for the Northern California signal, whereas a Southern track and its horsemen will pay an import fee for races brought in from other states. Although importing races is a viable practice, Chairman Harris believes we should keep Northern California Fair races on a level playing field with races brought in from other jurisdictions. To do that, we need better coverage of Northern California Fair racing in the DRF.

Additionally, Chairman Harris is concerned that Bay Area and Sacramento media do little to cover Fair racing, despite the close proximity of most of the Fairs to the area. Obtaining major-market media coverage is a continuing challenge for horse racing in general. Is there anything more the CHRB or the industry can do to get better press coverage of racing, especially of the Fair circuit?

STAFF ANALYSIS
STAFF REPORT ON YEAR-TO-DATE RESULTS

REGULAR BOARD MEETING
JUNE 30, 2005

Background:

This item contains year-to-date results for 2005. Staff is prepared to answer questions regarding the information presented.

Recommendation:

This item is for information and discussion.

2004 Versus 2005 (12/26/04 - 06/12/05)

					2004	2005		
<u>N. Thoroughbreds</u>	<u>Handle 2004</u>	<u>Handle 2005</u>	<u>Difference</u>	<u>% Change</u>	<u>Attendance</u>	<u>Attendance</u>	<u>Difference</u>	<u>% Change</u>
Live	309,613,351	305,564,064	(4,049,287)	-1.31%	869,488	817,059	(52,429)	-6.03%
Interstate	88,211,879	86,100,651	(2,111,228)	-2.39%				
Out of Zone	92,135,104	84,546,463	(7,588,641)	-8.24%				
International/AB509	27,654	6,464,741	6,437,087	-				
ADW	31,813,306	47,462,750	15,649,444	49.19%				
Total	521,801,294	530,138,669	8,337,375	1.60%				
<u>S. Thoroughbreds</u>								
Live	912,019,392	859,743,238	(52,276,154)	-5.73%	2,373,439	2,168,385	(205,054)	-8.64%
Interstate	166,709,511	164,794,934	(1,914,577)	-1.15%				
Out of Zone	116,687,790	109,632,157	(7,055,633)	-6.05%				
International/AB509	142,447	9,261,268	9,118,821	-				
ADW	107,436,107	131,983,154	24,547,047	22.85%				
Total	1,302,995,247	1,275,414,751	(27,580,496)	-2.12%				
<u>Quarter Horses</u>								
Live	86,248,663	81,249,536	(4,999,127)	-5.80%	456,651	422,999	(33,652)	-7.37%
Interstate	20,167,628	21,456,824	1,289,196	6.39%				
Out of Zone	0	0	0	0.00%				
International/AB509	19,520	1,897,761	1,878,241	-				
ADW	22,624,063	30,942,229	8,318,166	36.77%				
Total	129,059,874	135,546,350	6,486,476	5.03%				
<u>Harness Horses</u>								
Live	68,622,412	49,983,807	(18,638,605)	-27.16%	392,248	347,016	(45,232)	-11.53%
Interstate	21,849,684	19,147,630	(2,702,054)	-12.37%				
Out of Zone	0	0	0	0.00%				
International/AB509	485,699	389,391	(96,308)	-19.83%				
ADW	11,385,542	12,659,799	1,274,257	11.19%				
Total	102,343,337	82,180,627	(20,162,710)	-19.70%				
Totals	2,056,199,752	2,023,280,397	(32,919,355)	-1.60%	4,091,826	3,755,459	(336,367)	-8.22%