

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, July 22, 2004**, commencing at **10:00 a.m.**, at the **Del Mar Satellite Wagering Facility**, 2260 Jimmy Durante Blvd., **Del Mar, California**.

AGENDA

Action Items

1. Discussion and action by the Board on the **Application for License to Conduct a Horse Racing Meeting of the Bay Meadows Operating Company (T), from September 3 through November 7, 2004, inclusive.**
2. Discussion and action by the Board on the **Application for License to Conduct a Horse Racing Meeting of the Los Angeles County Fair (F), from September 10 through September 26, 2004, inclusive.**
3. Discussion and action by the Board on the **reconsideration of the license of Capitol Racing, LLC.**
4. Report by representatives of the TOC and the CTT on the **impact on the horse racing industry, of the Workers Compensation Insurance subsidy (AB 701) for owners and trainers.**
5. Report by a representative of a **newly formed Sacramento Harness Benevolent Association.**
6. Report on the process and status on the regulatory amendment for **Jockey Weight Allowances.**
7. Report and update by the CHRB Equine Medical Director on **West Nile Virus.**
8. Report and update by the CHRB Equine Medical Director on **Vesicular Stomatitis.**
9. Discussion and action by the Board on the request of the **Oak Tree Charitable Foundation to distribute \$85,500 in charity racing proceeds to 27 beneficiaries.**
10. Staff report on the following concluded race meetings:
 - A. **San Joaquin Fair** at Stockton from June 16 through June 27, 2004.

Committee Reports

11. Report of the **Race Dates Committee**

Commissioner Sheryl L. Granzella, Chairperson
Commissioner Marie G. Moretti, Member

Other Business

12. **General Business:** Communications, reports, requests for future action of the Board.
13. **Old Business:** Issues that may be raised for discussion purposes only, which have already been brought before the Board.
14. **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
Roger H. Licht, Vice Chairman
William A. Bianco, Member
Sheryl L. Granzella, Member
Marie G. Moretti, Member
Jerry Moss, Member
John C. Sperry, Member
Roy C. Wood, Jr., Executive Director

CALIFORNIA HORSE RACING BOARD

**M e m o r a n d u m**

Date : July 9, 2004

To : **California Horse Racing Board**
John C. Harris, Chairman
Roger H. Licht, Vice Chairman
William A. Bianco, Member
Sheryl L. Granzella, Member
Marie G. Moretti, Member
Jerry Moss, Member
John C. Sperry, Member

From : Sharyn S. Jolly
Administrative Hearings Unit

Subject : PROPOSED DECISIONS SCHEDULED FOR ACTION-EXECUTIVE SESSION

The following Proposed Decisions and Administrative Proceedings may be reviewed for action:

ALVARADO, Frank
SAC 04-016
Appellant

Appeal from Board of Stewards Ruling
94, Pacific Racing Association, dated
March 4, 2004.

STEINER, Joseph
SAC 03-085
Appellant

Appeal from Board of Stewards Ruling
42, Pacific Racing Association, dated
December 28, 2003.

1010 Hurley Way, Suite 300, Sacramento, CA 95825

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PENDING LITIGATION
JULY 2004

CASE

CASE NUMBER

MARTIN, JOHN v.
California Horse Racing Board

Sacramento County Superior Court
No. 98CS00952

DUFFY, NORMA v.
California Horse Racing Board
and Pacific Racing Association

Hayward Superior Court
No. VG03079504

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

Sacramento County Superior Court
No. 03CS01033

STAFF ANALYSIS
July 22, 2004

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF BAY MEADOWS OPERATING COMPANY, LLC AT BAY MEADOWS SEPTEMBER 3, 2004 THROUGH NOVEMBER 7, 2004.

Bay Meadows Operating Company, LLC filed its application to conduct a thoroughbred horse racing meeting at Bay Meadows:

- September 3 through November 7, 2004, or 49 days, one less than 2003. The association proposes to race a total of 421 races, or 8.6 per day.
 - Request to increase the number of races if sufficient horses are available. The request would permit the association to average more than 8.6 races per day.
 - They meet the 10% requirement of stakes purses paid for Cal-bred stakes races.

September - 2004						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6 H	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

October - 2004						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11 H	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25	26	27	28	29	30

November - 2004						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11 H	12	13
14	15	16	17	18	19	20
21	22	23	24	25 H	26	27
28	29	30				

- Racing 5 days per week, Wednesday through Sunday with 8 races Wednesday, Thursday and Friday and 9 or 10 races Saturday, Sunday, holidays and days of special interest.
 - Racing Monday, September 6 and October 11.
 - No racing Thursday, September 9.
- First post:
 - 1:45 p.m. during Del Mar overlap, September 3-8.
 - 1:15 p.m. during Fairplex overlap, September 10-26.
 - 12:45 p.m. during Oak Tree and Hollywood Park overlap, September 29 through November 7.
 - 7:00 p.m. Friday, October 1, 8, 15, 22, 29 and November 5.
- Specific changes from the 2003 license application:
 - Gary Lawless replaces Grant Baker as paddock and patrol judge.
- 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 for Breeders' Cup will start Friday, October 29.
 - Breeders' Cup "Future" wagering on dates to be announced.

- 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 and stakes schedule.
2. Fire clearance.
3. Post time for Breeders' Cup, October 30.

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. 7/01)

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:
Bay Meadows Operating Company LLC Phone: (650) 574-7223
P. O. Box 5050 Fax: (650) 573-4671
2600 South Delaware Street
San Mateo, CA 94402
- B. Breed of horse: TB QH H
- C. Racetrack name: Bay Meadows
- 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. On Deposit with CHRB.

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: September 3rd through November 7th, 2004
- B. Actual dates racing will be held: September 3-6, 8, 10-12, 15-19, 22-26, 29-30
October 1-3, 6-11, 13-17, 20-24, 27-31 and
November 3-7
- C. Total number of days or nights of racing: 49
- D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify)
1st Week-Friday through Monday, Labor Day
2nd Week-Wednesday, Friday through Sunday (dark Thursday)
Week beginning October 6th-Wednesday through Monday (Columbus Day)
- E. Number of days or nights of racing per week: 5

3. RACING PROGRAM

- A. Total number of races: 421

CHRB CERTIFICATION	
Application received: 4/3/04	Hearing date: 7/22/04
Deposit received: on file	Approved date:
Reviewed: PN	License number:

B. Number of races for each day or night:

Not more than an average of 8.6 races per day throughout the meet; propose to conduct 8 races on Wednesdays, Thursdays, and Fridays, 9 or 10 races on Saturdays, Sundays, Holidays and days of special interest. Will seek administrative approval to conduct more than an average of 8.6 races per day if the horse population permits additional races.

C. Total number of stakes races: TBD

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. TBD

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:

Race #	Day Cards (During Del Mar) 9/3-9/8	Day Cards (During Fairplex) 9/10 - 9/26	Day Cards (During OT & HP) 9/29 - 11/7	Friday Nights 10/1, 10/8, 10/15, 10/22, 10/29 & 11/5
1	1:45	1:15	12:45	7:00
2	2:15	1:45	1:15	7:28
3	2:45	2:15	1:45	7:56
4	3:15	2:45	2:15	8:24
5	3:45	3:15	2:45	8:52
6	4:15	3:45	3:15	9:20
7	4:45	4:15	3:45	9:48
8	5:15	4:45	4:15	10:16
9	5:45	5:15	4:45	
10	6:15	5:45	5:15	

Saturday, Breeders' Cup Day, October 30, 2004 - 1st post TBD

We reserve the right to adjust post times as necessary to conform to Southern California post times.

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:
8. If more than 50% of the shares are held by a parent corporation or are paired with any other
9. corporation or entity, give the name of the parent and/or paired corporation or entity:
10. Attach the most recent annual financial statement 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.

D. LLC

1. Registered name of the LLC: Bay Meadows Operating Company LLC
2. State where articles of organization are filed: Delaware
3. Registry or file number for the LLC: 8541094 (State of Delaware)
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:

Frank Stronach – Chairman
 Jim McAlpine – President and Chief Executive Officer
 Donald M. Amos – Executive Vice-President and Chief Operating Officer
 Blake Tohana – Executive Vice-President and Chief Financial Officer
 Bernie Thurman – Vice-President and General Manager
 Gary Cohn – Vice-President and Secretary
 James Bromby – Vice-President
 Michael Scalzo – Vice-President
 Douglas R. Tatters – Vice-President
 Frank J. DeMarco, Jr. – Vice-President, Regulatory Affairs and Assistant Secretary
 Barbara Helm – Controller

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:
Magna Entertainment Corporation – 99%
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:
Magna Entertainment Corporation - 99%
8. Attach the most recent annual financial statement 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. On file

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:
 - Frank Stronach – Chairman
 - Jim McAlpine – President and Chief Executive Officer
 - Gary Cohn – Vice-President and Secretary
 - Frank DeMarco, Jr. – Vice-President, Regulatory Affairs and Assistant Secretary
 - Bernie Thurman – Vice-President and General Manager
 - Michael Scalzo – Vice-President, Operations
 - Tony Calo – Track Announcer
 - Jim Fetter – Director of Video Operations
 - Jerry Gonzales – Chief of Security
 - Dyan Grealish – Director of Group Sales
 - Barbara Helm – Controller
 - Bill Newell – Director of Food and Beverage
 - Bryan Wayte – Mutuel Manager
 - Kay Webb – Simulcast Coordinator

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:
 - Bernie Thurman, Vice-President and General Manager

5. PURSE PROGRAM

A. Estimated purse distribution:

1. All races other than stakes: \$6,419,000
(Does not include listed stakes, overnight stakes & handicaps, or performance purses)
2. Overnight stakes: \$ 660,000 (Includes overnight handicaps)
3. Non-overnight stakes: \$ 450,000 (Includes Breeders' Cup & CTBA supplemental funds)

B. Stakes Races:

1. Estimated purse distribution for all stakes races: \$1,110,000
2. Percentage of the estimated purse distribution for all stakes races that will be distributed for California-bred stakes races:
Over the course of the calendar year, over 10% of the purse distribution for stakes events will be for California-bred stakes.

C. Estimated funds to be generated for all California-bred incentive awards: \$844,322

D. Estimated 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>Estimated Payment</u>
Thoroughbred Owners of California (NTRA contribution)	\$ 108,000
Thoroughbred Owners of California	\$ 74,390
California Thoroughbred Trainers (Administration)	\$ 37,195
California Thoroughbred Trainers (Pension)	<u>\$ 74,390</u>
Total	\$ 293,975

- E. Total estimated amount from all sources to be distributed at the meeting in the form of purses or other benefits to horsemen: \$8,667,297 (plus performance purses)
- F. Estimated purse funds to be generated from on-track handle and intrastate off-track handle: \$6,326,951
- G. Estimated purse funds to be generated from interstate handle: \$1,112,049
- H. Bank or depository for the Paymaster of Purses' purse account and the account number:
Wells Fargo – Account #4496-895475
- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Bowen McBeth
10722 Arrow Route, Suite #110, Rancho Cucamonga, CA 91730 Phone #: (909) 944-6465

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 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: 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: 1,000
- D. Name or location of each off-site stabling area and the number of stalls to be maintained at each site:
Golden Gate Fields – 1,000
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses 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: 1,534
- G. Estimated cost to provide off-site stalls for this meeting: \$405,912

- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
 Vanning cost per horse-\$100; estimated total vanning cost \$110,000. Estimated starter fees for Pleasanton based runners-\$98,600
- I. Estimated cost for off-site stabling and vanning for this meeting. Show cost per-day per-stall:
 Estimated off-site stabling and vanning - \$515,912; stabling cost per day per stall - \$6.15; cost per day per stall including both stabling and vanning - \$7.82

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), TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$2 Twin Trifecta	CHRB #1959; RCI #VP
Race #1	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$1 SF#; \$1 PK4!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1978
Race #2	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$1 SF#	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1
Race #3	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8
Race #4	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; #1976.8
Race #5	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%; \$1 PK4!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1978
Race #6	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%; \$1 PK4!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1978
Race #7	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%; \$1 PK4!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1978
Race #8	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%; \$1 PK4!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1978
Race #9	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%; \$1 PK4!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1978
Race #10	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 SF#; \$1 PPN%; \$1 PK4!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1978

* - \$2 Daily Double on all races
 @ - \$2 Pick 6 on last six races
 + - \$1 Pick 3 on every race
 ++ - \$1 Trifecta on every eligible race
 # - \$1 Superfecta on all eligible races
 % - \$1 Place Pick All on all races carded
 ! - \$1 Pick 4 on the first four, and last four races
 Additional deduction provided by subdivision (a) of Section 19611.5 will be made.

- B. The maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: November 7th, 2004 (closing day)
- C. List any options requested with regard to exotic wagering:
Pick (n) pool (pick six) - \$2 minimum wager; 70% to major pool or carryover, 30% to minor pool
- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin:
Friday, October 29, 2004 for Breeders' Cup Day (Saturday, October 30, 2004)
Breeders' Cup "Future" wagering on dates to be announced
- 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:
Autotote Limited Probe System Contact Person: David Payton
Contract Expires: November, 2006

8. SIMULCASTING WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Northern California Off-Track Wagering, Inc.
- 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.
Agreement is on file with CHRB
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

NORTHERN CALIFORNIA

Alameda County Fair, Pleasanton
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 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

SOUTHERN CALIFORNIA

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 association 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 association.
Attached. Note: Advanced deposit wagering on races conducted at Bay Meadows will be offered by Youbet.com and XpressBet
- 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

Attachment A

Out-of-state wagering systems the association proposes to offer its live audiovisual signal and Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association.

Commingled Pools

Acoma Pueblo, NM
American Tab - OH
Arapahoe Park, CO
Arlington International Race Course, IL
Atlantic City Casino Assn., NJ
Atlantic City Race Course, NJ
Atokad Downs, NE
Attheraces, England
Balmoral Park, IL
Batavia Downs, NY
Bettor Racing OTB, SD
Beulah Park, OH
Birmingham Race Course, AL
Blue Ribbon Downs, OK
Bluff's Run, IA
Boyd Gaming d/b/a Delta Downs-LA
Buffalo Trotting Association, NY
Calder Race Course, FL
Canterbury Park, MN
Capital District OTB, NY
Catskill Off-Track Betting, NY
Charles Town Races, WV
Choctaw Racing Services, L.L.C., OK
Churchill Downs, KY
Churchill Downs Trackside (Spectrum), KY
Citizen Band Potawatomi Indians, IA
Coeur d'Leone Hotel & Casino (ADW), ID
Coeur d'Leone Hotel & Casino, ID
Colonial Downs, VA
Columbus Races, NE
Connecticut OTB, CT
Corpus Christi Greyhound Track, TX
Dairyland Greyhound Park, WI
Delaware Park, DE
Delta Downs, LA
Dover Downs, DE
Downs at Albuquerque, NM
Ellis Park, KY
Emerald Downs, WA
Eureka Downs, KS
Evangeline Downs, LA
Excelsior Hotel (S&A), MD
Fair Grounds, LA
Fair Meadows, IL
Fairmount Park, IL
Finger Lakes Race Track, NY
Fonner Park, NE
Freehold Raceway, NJ
Geneva Lakes Kennel Club, WI
Great Lakes Downs, MI
Greentrack, AL
Gulfstream Park, FL
Harrington Raceway & Simulcast Facility, DE
Hawthorne Race Course, IL
Hazel Park, MI
Hinsdale Greyhound Park, NH
Hoosier Park, IN
Horsemen's Atokad Park, NE
Horsemen's Park, NE
Indiana Downs, IN
Jackson Harness Raceway, MI
Juarez, TX

Keeneland, KY
Kentucky Downs, KY
Kentucky OTB, KY
Las Vegas Dissemination Services, NV
Comanche Tribe, OK
Cities of Gold Sports Bar, NM
Fire Lakes Entertainment, OK
Foxwoods Resorts Casino, CT
Holiday Beach, Cuaraco
Meskwaki Bingo & Casino, IW
The Stables, OK
Tonkawa Bingo, OK
Lebanon Trotting Club, OH
Les Bois Park, ID
Lewiston OTB, ME
Lien Games, ND
Lincoln Park, RI
Lincoln State Fair, NE
Lone Star Race Park, TX
Louisiana Downs, LA
Manor Downs, TX
Maryland Jockey Club, MD
Maywood Park, IL
Mobile Greyhound Park, AL
Monmouth Park, NJ
Montana Simulcast Partners (IMS), MT
Monticello Raceway, NY
Mountaineer Park, WV
Mt. Pleasant Meadows, MI
Multnomah Greyhound Park, OR
Nassau Downs Regional OTB, NY
Nebraska State Fair Park, NE
Nevada Pari-Mutuel Association, NV
New Jersey Sports & Exposition, NJ
New Mexico State Fair, NM
New York City Off-Track Betting, NY
New York Racing Association, NY
Newport Jai Alai, RI
Northfield Park, OH
Northville Downs, MI
Northville Racing Corp., MI
Oaklawn Park, AR
Ocean Downs, MD
Penn National Race Course, PA
Penn National, PA Telebet, Dial-A-Bet, PA
Philadelphia Park, PA
Philadelphia Park, (PhoneBet), PA
Plainridge Racecourse, MA
Playfair Race Course, WA
Pocono Downs, PA
Portland Meadows, OR
Prairie Meadows, IA
Raceway Park, OH
Racing & Gaming Services (RGS), W.I
Randall Doc James (St.Croix) (S&A)
Remington Park, OK
Retama Park, TX
Rillito Park, AZ
River Downs, OH
Rockingham Park, NH
Rockingham Park (ADW), NH
Rosecroft Raceway, NY
Ruidoso Downs, NM

Saginaw Harness, MI
Sam Houston Park, TX
Saratoga Raceway, NY
Scarborough Downs, ME
Schenectady OTB, NY
Scioto Downs, OH
Southland Greyhound Park-AR
Sports Creek Raceway, MI
Sportsman's Park, IL
St. Croix Greyhound Park, WI
Suffolk Downs, MA
Sunland Park Racetrack, NM
SunRay Park and Casino, NM
Tampa Bay Downs, FL
The Meadows, PA
The Meadows (ADW), PA
The Racing Channel, OR
The Texas Hub (Gulf Greyhound), TX
Thistledown Racing Club, OH
Tri-State Greyhound, WV
TRN International
Tucson Greyhound Park, AZ
Turfway Park, KY
Turf Paradise, AZ
Turning Stone Casino, NY
US Offtrack d/b/a Greyhound Channel-OR
Valley Race Park, TX
Vernon Downs, NY
Western Regional OTB, NY
Wichita Greyhound Park, KS
Will Rogers Downs, OK
Wonderland Greyhound Park, MA
Woodlands, KS
Wyoming OTB, WY
Yavapai Downs, AZ
Yonkers Raceway, NY
Youbet

Separate Pools

Assiniboia Downs, CAN
Caliente (Hipodromo De Agua Caliente), MEX
Caymanas Park, JA
Edmonton Northlands, AL, CAN
Elmira Raceway, ON, CAN
Flamboro Downs, ON, CAN
Fraser Downs, BC, CAN
Hiawatha Downs, ON, CAN
Hipodromo d'Aylmer, QU, CAN
Hipodromo Presidente Remon, PA
Juarez, MEX
Las Vegas Dissemination Co., NV
l' Hippodrome de Montreal, ML, CAN
Marquis Downs, SA, CA
Ontario Jockey Club, ON, CAN
Pacific Racing Association, BC, CAN
Queensbury Downs, SA, CAN
Rideau Carlton, ON, CAN
Stampede Park, AL, CAN
Stevenson & Associates, MD
Western Fair, ON, CAN
Windsor Raceway, ON, CAN

“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
NYRA	9/3 through 11/07/04	Full or Partial Cards
Arlington Park	9/3 through 09/19/04	Full or Partial Cards
Calder	9/3 through 11/07/04	Full or Partial Cards
Churchill Downs	10/31 through 11/07/04	Full or Partial Cards
Hastings Park	9/3 through 11/07/04	Full or Partial Cards
Hawthorne	9/24 through 11/07/04	Full or Partial Cards
Keeneland	10/08 through 10/30/04	Full or Partial Cards
Lone Star	10/01 through 10/31/04	Full or Partial Cards
Remington Park	9/3 through 11/07/04	Full or Partial Cards
Thistledown	9/2 through 11/07/04	Full or Partial Cards
Turfway Park	9/8 through 11/07/04	Full or Partial Cards
Woodbine	9/3 through 11/07/04	Full or Partial Cards
Additional cards and/or races pending negotiations		

- 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
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
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 Section 19596.2(d), 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 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:
 Bay Meadows Foundation, Melvin Cohn, President
 P.O. Box 4687, Burlingame, CA 94011

- B. Names and addresses of the trustees or directors of the distributing agent:
 Melvin E. Cohn, c/o Aaronson, Dickerson, Cohn, & Lanzone
 939 Laurel Street, Suite D, San Carlos, CA 94070

 Joseph W. Cotchett, c/o Cotchett & Pitre, 840 Malcom Road, Suite 200, Burlingame, CA 94010

 James Fox, San Mateo District Attorney, 401 Marshall Street, Redwood City, CA 94063

 Eleanor Nettle, 2015 Eucalyptus, San Carlos, CA 94070

 Jackie Speier, c/o Electronic Arts, 1450 Fashion Island Blvd., San Mateo, CA 94404-2064

 Tormey L. Ward, 391 Montwood Circle, Redwood City, CA 94062

 Robert F. Kane, c/o Judges & Attorneys Resolution Services, Inc.
 630 N. San Mateo Drive, San Mateo, CA 94403

- 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	n/a
Association Veterinarian(s)	Robert Connolly, Track Veterinarian Diane Isbell, Examining Veterinarian
Clerk of Scales	Paul Nicolo
Clerk of the Course	Anne Daftary
Horse Identifier	Patrick Kealy
Horseshoe Inspector	Jack Hammonds
Paddock Judge	Gary Lawless
Patrol Judges	Gary Lawless, Ella Robinson
Placing Judge	Tina Walker, Greg Brent
Starter	Chuck Burkes
Timer	Richard Somers

B. Management officials in the racing department:

Coordinator of Racing Operations	Richard Lewis
Racing Secretary	Tom Doutrich
Assistant Racing Secretary	C. Gregory Brent, Jr., Linda Anderson
Paymaster of Purses	Patricia Prospero

Others (identify by name and title)

Assistant Clerk of Scales	Ken Sjordal
Main Track Superintendent	Robert Turman
Turf Track Superintendent	Bernie Eastridge
Price Maker	Richard Somers
Stable Area 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 M. Niccoli, Niccoli Reporting Services
619 Pilgrim Drive, Foster City, CA 94404-1707, (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 Corp USA, Bill O'Brien	Expiration Date: 11/04
P. O. Box 6379, Napa, CA 94581	Description of Equipment on file with CHRB

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:

Photopatrol service, provided by Bay Meadows Operating Company utilizes seven color cameras, twenty-one videotape recorders, and nine video monitors.

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:

Bay Meadows electronic timer, installed and maintained by Bay Meadows personnel

11. SECURITY CONTROLS AND EMERGENCY SERVICES**A. Name and title of the person responsible for security controls on the premises:**

Jerry Gonzales, Chief of Security

- 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:

Uniformed guards	18
Plain clothesmen	2
Stable gate attendants	5

Security alarm systems, monitored by Hue & Cry, cover the administrative offices, mutuel, operations and catering money rooms. Surveillance systems with time-lapse recorders monitor key locations throughout the plant.

- C. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
Bayshore Ambulance, P. O. Box 4622, Foster City, CA 94404, (650) 525-9700
- D. 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
- E. Attach a fire clearance from the fire authority having jurisdiction over the premises. To be submitted
- F. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):
Liberty International WCZ-B71-072827-024
- G. 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 secures the liability of the association for payment of workers' compensation.

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:

Tip Sheets:

Lisa Wasserman/Jack's Blue Card, 127 Sun Avenue, Hayward, CA 94544

Armored Car:

Loomis Armored Car, P. O. Box 44196, San Francisco, CA 94104

Program Printing:

Del Mar Printing, c/o Golden Gate Fields, 1100 Eastshore Highway, Albany, CA 94706

Track Photographer:

Vassar Photography, 1167 Sapphire Drive, Livermore, CA 94550

Jockey's Laundry:

F. Lorene Dutton/Bailey's Mobile Laundry, 3263 Vineyard Ave, Pleasanton, CA 94566

Starting Gate:

Mike Costello/United/Puett Starting Gate Co., P. O. Box 18, S. Salem, NY 10590

13. SCHEDULE OF CHARGES

- A. Proposed charges for admissions, seating or boxes, parking and programs. Note any changes from the



Aon Reed Stenhouse Inc.

20 Bay Street
Toronto, Canada M5J 2N9
Tel: (416) 868-5500 Fax: (416) 868-5580

Memorandum of Insurance

No. M8 /04-05 AMENDED

To: California Horse Racing Board
c/o Bay Meadows
Attn: Bernie Thurman
2600 S. Delaware Street
San Mateo, CA 94402

Re: Evidence of Insurance

Facsimile: (650) 349-5884

Insurance as described herein has been arranged on behalf of the insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured: Magna Entertainment Corp.
45 Vogell Road, 6th Floor
Richmond Hill, Ontario
L4B 3P6

Coverage:	Insurer	Policy No.	Policy Eff. Date	Policy Exp. Date	Limit(s) of Liability not less than Perils Insured
US Commercial General Liability	Zurich American Insurance Company	GLO9302183-02	Jan. 1/2004	Jan. 1/2005	\$1,000,000 US INCLUSIVE Bodily Injury and Property Damage subject to aggregate where applicable
Canadian Commercial General Liability	Zurich Insurance Company of Canada	CGL 3485589-02	Jan. 1/2004	Jan. 1/2005	\$1,000,000 INCLUSIVE Bodily Injury and Property Damage subject to aggregate where applicable
Workers' Compensation	Liberty International	WCZ-B71-072827-024	Jan. 1/2004	Jan. 1/2005	As per applicable State Law

This memorandum constitutes a statement of the facts as of the date of issuance and are so represented and warranted only to California Horse Racing Board c/o Bay Meadows; other persons relying on this memorandum do so at their own risk.

Aon Reed Stenhouse Inc.

Mary M. Smith, Supervisor
Technical Services Department

Issued by: Magda Chmielinska
Direct Line: 416-868-5863

Dated January 5, 2004, at Toronto, Ontario

**THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
OR, IN THE CASE OF AUTOMOBILE INSURANCE,
THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE**

previous year:

Admission (general)	\$3.00
Admission (clubhouse)	\$6.00
Admission (turf club on weekdays)	\$10.00
Admission (turf club on weekends)	\$15.00
Reserved seating (general)	\$3.00
Reserved seating (clubhouse)	\$3.00
Parking (general)	\$4.00
Parking (preferred)	\$7.00
Parking (valet)	\$7.00
Programs (on-track)	\$2.00
(off-track)	\$2.00

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Bay Meadows Jockey Club:

Single Membership	\$ 600
Double Membership	\$ 1,000
Full Season (6 seat table)	\$ 2,400
Full Season (4 seat table)	\$ 2,000
Weekday Membership (4 seats)	\$ 600
Weekend/Holiday Membership (4 seats)	\$ 1,500

Bay Meadows Reserved Box Seating:

Clubhouse Box (6 seats)	\$ 1,000
Special Horsemen's Rate	\$ 700
Grandstand Box (6 seats)	\$ 1,350
Special Horsemen's Rate	\$ 900
Grandstand Box (4 seats)	\$ 1,100
Special Horsemen's Rate	\$ 800

C. Describe any "package" plans such as combined parking, admission and program: None

14. JOCKEYS/DRIVERS' QUARTERS

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

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="text" value="25"/>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

B. Describe the quarters to be used for female jockeys/drivers:

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

15. 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. Inspection complete

B. Number of rooms used for housing on the backstretch of the racetrack:
69 rooms in the barn area, plus 53 in the dormitory for a total of 122 rooms

- C. Number of restrooms available on the backstretch of the racetrack:
 Barn area has 10 restrooms with 35 toilets & 26 showers
 Dorm area has 6 restrooms, 3 for men, and 3 for women
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: 1 to 7

16. 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 metal gooseneck Fontana safety rail, 42" in height from track to top of rail.
 Outer rail is a metal rounded pipe rail.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: Caesar Roldan
- 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.

17. 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): No exceptions
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. To be submitted
- 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). On file
- 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):
 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

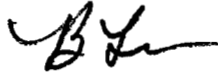
NOTICE TO APPLICANT Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

18. 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.

BERNIE THURMAN

Print Name



Signature

VP and GENERAL MANAGER

Print Title

6/2/04

Date

STAFF ANALYSIS

July 22, 2004

ITEM - 2

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ANGELES COUNTY FAIR AT FAIRPLEX SEPTEMBER 10-26, 2004.

Los Angeles County Fair filed its application to conduct a horse racing meeting at Fairplex:

- September 10-26, 2004, or 17 straight days, the same as 2003. The fair proposes to race 210 races, 13 more than 2003. Twelve races per day Monday through Friday and 13 Saturday and Sunday.

September - 2004						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6 H	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

- First post 12:30 p.m. Monday through Friday and 12:00 p.m. Saturday and Sunday.
- Specific changes from the 2003 license application:
 - J. Thomas Hoyme replaces Heather Kerr as association veterinarian and Thomas Roberts replaces Dennis Flowers as jockey room custodian.
 - 12 races on Saturday in 2003.
 - Placing judges reduced from 3 to 2.
 - 12:30 p.m. weekend post in 2003.
 - Admission increased from \$7 to \$9 for adults purchased through group sales.
- Request Darrel Sparks be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use CHRB rules.
 - Early wagering 8:30 a.m. at Hollywood Park.
- 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.

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

- Thoroughbred horsemen's agreement.

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 OF A CALIFORNIA FAIR
CHRB-18 (Rev. 7/01)

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:

Los Angeles County Fair Association

P. O. Box 2250

Pomona, CA 91769

Phone: 909-865-4093

Fax: 909-622-5652

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 MEETING

A. Inclusive dates for the entire meeting: *Sept. 10 – Sept. 26, 2004*

B. Actual dates racing will be held: *Sept. 10 – Sept. 26, 2004*

C. Dates racing will NOT be held: *None*

D. Total number of days or nights of racing: *17 days*

E. Number of days or nights of racing per week: *7 days*

3. RACING PROGRAM

A. Total number of races: 210

B. Number of races by breed:

<input type="text" value="170"/>	Thoroughbreds	<input type="text" value="19"/>	Quarter Horses	<input type="text" value="9"/>	Appaloosas
<input type="text"/>	Arabians	<input type="text"/>	Paints	<input type="text" value="12"/>	Mules

C. Number of races for each day or night:

CHRB CERTIFICATION

Application received: *6/11/04*
Reviewed: *PN*

Hearing date: *7/22/04*
Approved date:
License number:

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Thoroughbred	10	10	10	10	10	10	10
Other Breeds	3	2	2	2	2	2	3
Total	13	12	12	12	12	12	13

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:

APPROX. POST TIME - *Pacific Daylight Time*

	Monday thru Friday	Saturday & Sunday
Race 1	12:30 pm	12:00 Noon
Race 2	1:00 pm	12:30 pm
Race 3	1:30 pm	1:00 pm
Race 4	2:00 pm	1:30 pm
Race 5	2:30 pm	2:00 pm
Race 6	3:00 pm	2:30 pm
Race 7	3:30 pm	3:00 pm
Race 8	4:00 pm	3:30 pm
Race 9	4:30 pm	4:00 pm
Race 10	5:00 pm	4:30 pm
Race 11	5:30 pm	5:00 pm
Race 12	6:00 pm	5:30 pm
Race 13	N/A	6:00 pm

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:

- Stephen C. Morgan, Chairman*
- | | |
|--------------------------|--------------------------|
| <i>Richard P. Crean</i> | <i>Arthur J. Ludwick</i> |
| <i>Robert A. Dukes</i> | <i>Larry M. Rinehart</i> |
| <i>Fred W. Freehling</i> | <i>Jill Stark</i> |



FAIRPLEX PARK

2004
STAKES SCHEDULE

<u>DATE</u>	<u>STAKE</u>	<u>DISTANCE/PURSE</u>
Friday Sept. 10	FOOTHILL STAKES Colts & Geldings, Three Years Old	\$60,000 Guaranteed Six & One Half Furlongs
Saturday Sept. 11	PHIL D. SHEPHERD STAKES Three Year Olds & Upward	\$60,000 Guaranteed One Mile & One Sixteenth
Sunday Sept. 12	E.B. JOHNSTON STAKES Fillies & Mares, Three Year Olds & Upward	\$60,000 Guaranteed One Mile & One Sixteenth
Monday Sept. 13	DERBY TRIAL STAKES Three Year Olds	\$60,000 Guaranteed One Mile & One Sixteenth
Tuesday Sept. 14	BEAU BRUMMEL STAKES Colts & Geldings, Two Years Old	\$60,000 Guaranteed Six & One Half Furlongs
Wednesday Sept. 15	GOVERNOR'S CUP Three Year Olds & Upward	\$60,000 Guaranteed Six & One Half Furlongs
Thursday Sept. 16	BUSTLES AND BOWS STAKES Fillies, Two Years Old	\$60,000 Guaranteed Six & One Half Furlongs
Friday Sept. 17	PIO PICO STAKES Fillies & Mares, Three Years Old & Upward (Bred in California)	\$60,000 Guaranteed Six & One Half Furlongs
Saturday Sept. 18	BARRETT'S DEBUTANTE Fillies, Two Years Old	\$110,000 Estimated Six & One Half Furlongs
Sunday Sept. 19	BARRETT'S JUVENILE Colts & Geldings, Two Years Old	\$110,000 Estimated Six & One Half Furlongs
Monday Sept. 20	CTBA MARIAN STAKES Fillies, Three Years Old (Bred in California)	\$60,000 Guaranteed One Mile & One Sixteenth
Tuesday Sept. 21	BANGLES AND BEADS STAKES Fillies & Mares, Three Years Old & Upward	\$60,000 Guaranteed Six & One Half Furlongs
Wednesday Sept. 22	BLACK SWAN STAKES Fillies, Two Years Old	\$60,000 Guaranteed One Mile & One Sixteenth
Thursday Sept. 23	GATEWAY TO GLORY STAKES Two Year Olds	\$60,000 Guaranteed One Mile & One Sixteenth
Friday Sept. 24	LAS MADRINAS HANDICAP Fillies & Mares, Three Year Olds & Upward	\$100,000 Guaranteed One Mile & One Sixteenth
Saturday Sept. 25	POMONA DERBY Three Year Olds	\$100,000 Guaranteed About One Mile & One Eighth
Sunday Sept. 26	RALPH M. HINDS POMONA INVITATIONAL HANDICAP Three Year Olds & Upward (Invitational)	\$100,000 Guaranteed About One Mile & One Eighth



FAIRPLEX PARK

2004

QUARTER HORSE
STAKES SCHEDULE

<u>DATE</u>	<u>STAKE</u>	<u>DISTANCE/PURSE</u>
Sunday Sept. 12	POMONA EXPRESS STAKES Three Year Olds & Upward	\$12,500 Added 220 Yards
Saturday Sept. 18	POMONA JUVENILE CHAMPIONSHIP Two Year Olds	\$12,500 Added 350 Yards
Sunday Sept. 19	MATCHMAKER STAKES Fillies & Mares, Three Year Olds & Upward	\$12,500 Added 870 Yards
Sunday Sept. 26	POMONA QUARTER HORSE CHAMPIONSHIP Three Year Olds & Upward	\$15,000 Added 400 Yards

*Juan Gamboa
Linda J. Keagle*

*Ronald T. Vera
Reginald "Reggie" Webb*

- B. Name of the directors serving on the Racing Committee or otherwise responsible for the conduct of the racing program: *N/A*
- 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:

OFFICERS

*James E. Henwood, President & Chief Executive Officer
Dale Coleman, Vice President-Sales, Marketing, & Programming
Michael Seder, Vice President Chief Financial Officer
Dwight Richards, Vice President Operations*

MANAGEMENT

<i>George M. Bradvica, Equine Manager</i>	<i>William Shacklett, Facilities Manager</i>
<i>Dennis Fee, Security/Parking Manager</i>	<i>Scott Kelly, Director of Marketing</i>
<i>Kathy Wadham, Exhibits Manager</i>	<i>Michelle DeMott, Marketing Manager</i>
<i>Rey O'Day, Food & Beverage Manager</i>	<i>Patrick Wright, Events & Admissions Manager</i>
<i>Wendy Talarico, Communications Manager</i>	<i>John Buck, Director of Sales</i>
<i>Karen Furlow, Controller</i>	<i>Ralph Schorbach, I.T. Manager</i>
<i>Lisa Girolami, Director of Creative Development</i>	<i>Ray Ortegaso, Administrative Services Manager</i>
	<i>Holly Reynolds, Children's Services Manager</i>

5. PURSE PROGRAM

- A. Estimated purse distribution:
 - 1. All races other than stakes: *\$3,107,953*
 - 2. Overnight stakes: *0*
 - 3. Non-overnight stakes: *\$1,152,500*
- B. Estimated purse distribution for all **stakes** races: *\$1,152,500*
- C. Estimated funds to be generated for all California-bred incentive awards: *\$338,000*
- D. 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
<i>TOC</i>	<i>\$28,604</i>
<i>CTT</i>	<i>14,088</i>
<i>CTHF Welfare</i>	<i>42,690</i>
<i>CTT Pension</i>	<i>42,690</i>
<i>NTRA</i>	<i>74,708</i>
<i>PCQHRA</i>	<i>5,051</i>
<i>CWA</i>	<i>4,109</i>
<i>TOTAL</i>	<i>\$211,940</i>

- E. Total estimated amount from **all sources** to be distributed at the meeting in the form of purses or other benefits to horsemen: *\$4,810,393*
- F. Estimated purse funds to be generated from on-track handle and intrastate off-track handle: *\$3,922,393*
- G. Estimated purse funds to be generated from interstate handle: *\$550,000*
- H. Bank or depository for the Paymaster of Purses' purse account and the account number:
Bank of America - Account #1496002783
- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:
Bowen McBeth, Inc.
10722 Arrow Route, Suite 110, Rancho Cucamonga, CA 91730, 909-944-6465

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: *1306*
- B. Minimum number of stalls believed necessary for the meeting: *1600*
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: *2,468*
- D. Name or location of each off-site stabling area and the number of stalls to be maintained at each site: *Hollywood Park - 300 San Luis Rey - 200 Santa Anita - 500 Los Alamitos - 1,468*
- E. Attach each contract or agreement between the fair and the person(s) furnishing off-site stabling accommodations for eligible racehorses which 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:
695 permanent; 350 portable

- G. Estimated cost to provide **off-site** stalls for this meeting: *\$257,000*
- H. Estimated cost to provide **vanning** from off-site stalls for this meeting. Show fees to be paid for vanning **per-horse**:

<i>Vanning - \$117,350</i>	
<i>Santa Anita</i>	<i>\$184 round-trip</i>
<i>Hollywood Park</i>	<i>\$208 round-trip</i>
<i>San Luis Rey</i>	<i>\$334 round-trip</i>
<i>Los Alamitos</i>	<i>\$334 round-trip</i>
- I. Total estimated cost for off-site stabling and vanning for this meeting. Show cost per-day **per-stall**:
\$374,350 - \$22.02 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), TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Ex. Race	\$1 E; \$2Twin Trifecta	CHRB #1959; RCI #VP
Race #1	Mixed, \$2Q, \$1E, \$1TRI, \$1PK-3, \$1SF	CHRB #1958, #1959, #1979, #1977, #1979.1
Race #2	Mixed, \$2Q, \$1E, \$1TRI, \$1PK-3, \$1SF	CHRB #1958, #1959, #1979, #1977, #1979.1
Race #3	Mixed ¹ /Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1SF	CHRB #1958, 1959, #1979, #1977, #1954.1, #1979.1
Race #4	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1US begins, \$1SF	CHRB #1958, #1959, #1979, #1977, #1954.1, #1976, #1979.1
Race #5	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$2 PNP-6 ² , \$DD	CHRB #1958, #1959, #1979, #1977, #1954.1, #1957, #1976.9
Race #6	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1SF	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1
Race #7	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1PK-4 ³ , \$1SF	CHRB #1958, #1959, #1979, #1977, #1954.1, #1978, #1979.1
Race #8	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1SF	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1
Race #9	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1SF	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1

Race #10	Thor. \$2Q, \$1E, \$1TRI, \$1PK-3, \$2 Parlay, \$1SF	CHRB #1958, #1959, #1979, #1977, #1954.1, #1979.1
Race #11	Thor. \$2Q, \$1E, \$1TRI, \$2 Parlay, \$1SF, \$1PK-3	CHRB #1958, #1959, #1979, #1954.1, #1979.1, #1977
Race #12	Thor. \$2Q, \$1E, \$1TRI, \$1SF, \$2DD	CHRB #1958, #1959, #1979, #1979.1, #1957
Race #13	Thor. \$2Q, \$1E, \$1TRI, \$1SF	CHRB #1958, #1959, #1979, #1979.1

- 1 Three mixed breed races are scheduled on days to be determined.
- 2 \$2 PNP-6 offered in the last six races daily.
- 3 \$1 PK-4 offered in the last four races daily.

NOTE: On days with less races, the type of wagers offered based on this schedule will be rolled forward or backwards accordingly.

B. The maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool: *September 26, 2004*

C. List any options requested with regard to exotic wagering: *None*

D. Will "advance" or "early bird" wagering be offered? Yes No
 If yes, when will such wagering begin:

Hollywood Park - 8:30 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:

AUTOTOTE Expiration Date: September 2006

8. SIMULCAST WAGERING PROGRAM

A. Simulcast organization engaged by the fair to conduct simulcast wagering:
Southern California OffTrack Wagering, Inc.

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 with the CHRB

C. California simulcast facilities the fair proposes to offer its live audiovisual signal:
(See attached Exhibit A)

D. Out-of-state wagering systems the fair proposes to offer its live audiovisual signal:
(See attached Exhibit B)

E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the fair:
(See attached Exhibit C)

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":
(See attached Exhibit D)

Exhibit A

Alameda County Fair, Pleasanton
Antelope Valley Fair, Lancaster
Barona Casino, Lakeside
Bay Meadows, San Mateo
Big Fresno Fair, Fresno
Cabazon Fantasy Springs Casino, Indio
California State Fair & Expo, Sacramento
Earl Warren Showgrounds, Santa Barbara
Fairplex Park, Pomona
Fresno Club One, Fresno
Golden Gate Fields, Albany
Hollywood Park, Inglewood
Humbolt County Fair, Ferndale
Kern County Fair, Bakersfield
Los Alamitos Racecourse, Los Alamitos
Monterey County Fair, Monterey
National Orange Show, San Bernardino
Redwood Acres Fair, Eureka
San Bernardino County Fair, Victorville
San Joaquin County Fair, Stockton
Santa Clara County Fair, San Jose
Santa Anita Park, Arcadia
Santa Maria Fair Park, Santa Maria
Shalimar Sports Center, Indio
Shasta District Fair, Anderson
Solano County Fair, Vallejo
Sonoma County Fair, Santa Rosa
Stanislaus County Fair, Turlock
Sycuan Gaming Center, El Cajon
The Farmers Fair, Perris
Tulare County Fair, Tulare
Ventura County Fair, Ventura
Viejas Casino & Turf Club, Alpine

Exhibit B

AmericaTab, Ohio
Arapahoe Park, Colorado
Arlington International Race Course, Illinois
Assiniboia Downs, Canada
Atlantic City Casino Assn., New Jersey
Atlantic City Race Course, New Jersey
Atokad Park, South Dakota
Balmoral Park, Illinois
Barrie Raceway, Ontario
Batavia Downs, New York
Beulah Park, Ohio
Birmingham Race Course, Alabama
Blue Ribbon Downs, Oklahoma
Buffalo Trotting Association, New York
Calder Race Course, Florida
Caliente, Mexico
Camptown Greyhound Park, Kansas
Canterbury Park, Minnesota
Capital District OTB, New York
Capital Sports, Australia
Caymanas Race Track, Jamaica
Charles Town Races, West Virginia
Churchill Downs, Kentucky
Colonial Downs, Virginia
Columbus Races, Nebraska
Connecticut OTB, Connecticut
Dairyland Greyhound Park, Wisconsin
Delaware Park, Delaware
Delta Downs, Louisiana
Dover Downs, Delaware
Downs at Albuquerque, New Mexico
Downs at Santa Fe, (PTE Inc.), New Mexico
Edmonton Northlands, Canada
Ellis Park, Kentucky
Elmira Raceway, Ontario
Euro Off Track, Europe
Evangeline Downs, Louisiana
Fairgrounds Racecourse, Louisiana
Fairmount Park, Illinois
Finger Lakes Race Track, New York
Flamboro Downs, Ontario
Fonner Park, Nebraska
Foxboro Park, Massachusetts
Foxwoods Casino (LVDC), Connecticut
Fraser Park, British Columbia
Freehold Raceway, New Jersey
Geneva Lakes Kennel Club, Wisconsin
Gulf Greyhound, Texas
Gulfstream Park, Florida
Harrington Raceway & Simulcast Facility,
Delaware
Hawthorne Race Course, Illinois
Hazel Park, Michigan
Hiawatha Downs, Ontario
Hinsdale Greyhound Park, New Hampshire
Hipodromo de las Americas, Mexico
Hipodromo Presidente Remon, Panama
Holiday Beach Hotel, Curacao
Hoosier Park, Indiana
International All Sports, Europe
Jackson Harness Raceway, Michigan
Kawartha Downs, Ontario
Keeneland, Kentucky
Kentucky Downs, Kentucky
Kentucky OTB, Kentucky
l' Hippodrome de Montreal, Canada
Las Vegas Dissemination Company, Nevada
Lebanon Trotting Club, Ohio
Les Bois Park, Idaho
Lewiston OTB, Maine
Lien Games, North Dakota
Lincoln Greyhound Park, Rhode Island
Lone Oak Racing, Oregon
Lone Star Race Park, Texas
Louisiana Downs, Louisiana
Manor Downs, Texas
Marquis Downs, Saskatchewan
Maryland Jockey Club, Maryland
Maywood Park, Illinois
Meskwaki Casino (LVDC), Nevada
Mile High Greyhound, CO
Mobile Greyhound Park, Alabama
Monmouth Park, New Jersey
Montana State Fair, Montana
Monticello Raceway, NY
Mountaineer Park, West Virginia
Mt. Pleasant Meadows, Michigan
Multnomah Greyhound Park, Oregon
Muskegon Race Course, Michigan
Nassau Downs OTB, New York

Nebraska State Fair Park, Nebraska
Nevada Pari-Mutuel Association, Nevada
New Jersey Sports & Exposition Authority,
New Jersey
New Mexico State Fair, New Mexico
New York City Off-Track Betting,
New York
New York Racing Association, New York
Newport Jai-Alai, Rhode Island
Northfield Park, Ohio
Northville Downs, Michigan
Northwest Racing Associates Limited
Partnership, Washington
Oaklawn Park, Arkansas
Ocean Downs, Maryland
Ontario Jockey Club, Ontario
Pacific Racing Association, Canada
Penn National Race Course, Pennsylvania
Philadelphia Park, Pennsylvania
Pimlico, Maryland
Plainfield Greyhound Park, Connecticut
Pocono Downs, Pennsylvania
Portland Meadows, Oregon
Prairie Meadows, Iowa
Queensbury Downs, Saskatchewan
Raceway Park, Ohio
Racing and Gaming Services, St Kitts
Racing Services, Inc., North Dakota
Remington Park, Oklahoma
Retama Park, Texas
Rillito Park, Arizona
River Downs, Ohio
Roberts Television International, NV
Rockingham Park, New Hampshire
Ruidoso Downs, New Mexico
Saginaw Harness Raceway, MI
Sam Houston Park, Texas
Saratoga Raceway, New York
Scarborough Downs, Maine
Scioto Downs, Ohio
Seabrook Greyhound Park, NH
Southland Greyhound Park, Arkansas
Sports Creek Raceway, Michigan
Sportsman's Park, Illinois
St. Croix Greyhound Park, Wisconsin

Stampede Park, Alberta
Stevenson & Associates, Maryland
Suffolk Downs, Massachusetts
Sunland Park Racetrack, New Mexico
Tampa Bay Downs, Florida
The Meadows, Pennsylvania
The Racing Channel, Pennsylvania
The Racing Channel International, Europe
Thistledown Racing Club, Ohio
Thunder Ridge, Kentucky
Tri-State Greyhound, West Virginia
Trinity Meadows, Texas
TVG, Delaware
Turf Paradise, Arizona
Turfway Park, Kentucky
Valley Greyhound Park, Texas
Vernon Downs, New York
Western Fair, Ontario
Western Regional OTB, New York
Wheeling Downs, Canada
Windsor Raceway, Ontario
Witchita Greyhound Park, Kansas
Wonderland Greyhound Park,
Massachusetts
Woodlands, Kansas
Wyoming OTB, Wyoming
Yavapai Downs, Arizona
Yonkers Raceway, New York
Youbet, Pennsylvania

EXHIBIT C

AmericaTab, Ohio
Arapahoe Park, Colorado
Arlington International Race Course, Illinois
Atlantic City Casino Assn., New Jersey
Atlantic City Race Course, New Jersey
Atokad Downs, Nebraska
Balmoral Park, Illinois
Batavia Downs, New York
Beulah Park, Ohio
Birmingham Race Course, Alabama
Blue Ribbon Downs, Oklahoma
Buffalo Trotting Association, New York
Calder Race Course, Florida
Camptown Greyhound Park, Kansas
Canterbury Park, Minnesota
Capital District OTB, New York
Capital Sports, Australia
Charles Town Races, West Virginia
Churchill Downs, Kentucky
Colonial Downs, Virginia
Columbus Races, Nebraska
Connecticut OTB, Connecticut
Dairyland Greyhound Park, Wisconsin
Delaware Park, Delaware
Delta Downs, Louisiana
Dover Downs, Delaware
Downs at Albuquerque, New Mexico
Downs at Santa Fe, (PTE Inc.), New Mexico
Ellis Park, Kentucky
Euro Off Track, Europe
Evangeline Downs, Louisiana
Fairgrounds Racecourse, Louisiana
Fair Meadows, Oklahoma
Fairmount Park, Illinois
Finger Lakes Race Track, New York
Fonner Park, Nebraska
Foxboro Park, Massachusetts
Foxwoods Casino (LVDC), Connecticut
Freehold Raceway, New Jersey
Geneva Lakes Kennel Club, Wisconsin
Gulf Greyhounds, Texas
Harrington Raceway & Simulcast Facility,
Delaware
Hawthorne Race Course, Illinois
Hazel Park, Michigan
Hinsdale Greyhound Park, New Hampshire
Hoosier Park, Indiana
International All Sports, Europe
Jackson Harness Raceway, Michigan
Keeneland, Kentucky
Kentucky OTB, Kentucky
Kentucky Downs, Kentucky
Las Vegas Dissemination Company, Nevada
Lebanon Trotting Club, Ohio
Les Bois Park, Idaho
Lewiston OTB, Maine
Lien Games, North Dakota
Lincoln Greyhound Park, Rhode Island
Lone Star Race Park, Texas
Louisiana Downs, Louisiana
Manor Downs, Texas
Maryland Jockey Club, Maryland
Meskwaki Casino (LVDC), Nevada
Mobile Greyhound Park, Alabama
Monmouth Park, New Jersey
Monticello Raceway, NY
Mountaineer Park, West Virginia
Multnomah Greyhound Park, Oregon
Mt. Pleasant Meadows, Michigan
Nassau Downs OTB, New York
Nebraska State Fair Park, Nebraska
Nevada Pari-Mutuel Association, Nevada
New Jersey Sports & Exposition Authority,
New Jersey
New Mexico State Fair, New Mexico
New York City Off-Track Betting,
New York
New York Racing Association, New York
Newport Jai-Alai, Rhode Island
Northfield Park, Ohio
Northville Downs, Michigan
Oaklawn Park, Arkansas
Ocean Downs, Maryland
Penn National Race Course, Pennsylvania
Philadelphia Park, Pennsylvania
Pocono Downs, Pennsylvania
Portland Meadows, Oregon
Prairie Meadows, Iowa
Raceway Park, Ohio
Racing and Gaming Services, St. Kitts

EXHIBIT C

Racing Services, Inc., North Dakota
Remington Park, Oklahoma
Retama Park, Texas
Rillito Park, Arizona
River Downs, Ohio
Rockingham Park, New Hampshire
Ruidoso Downs, New Mexico
Sam Houston Park, Texas
Saratoga Raceway, New York
Scarborough Downs, Maine
Southland Greyhound Park, Arkansas
Sports Creek Raceway, Michigan
Sportsman's Park, Illinois
Suffolk Downs, Massachusetts
Sunland Park Racetrack, New Mexico
Tampa Bay Downs, Florida
The Meadows, Pennsylvania
The Racing Channel, Pennsylvania
The Racing Channel International, Europe
Thistledown, Ohio
Timonium, Maryland
Tri-State Greyhound, West Virginia
Trinity Meadows, Texas
TVG, Delaware
Turfway Park, Kentucky
Valley Greyhound Park, Texas
Vernon Downs, NY
Western Regional OTB, New York
Wichita Greyhound Park, Kansas
Wonderland Greyhound Park,
 Massachusetts
Woodlands, Kansas
Wyoming OTB, Wyoming
Yavapai Downs, AZ
Yonkers Raceway, New York
Youbet, Pennsylvania

Exhibit D

Date	Location	Event	Grade	Purse	Distances
9/10/04	Belmont	The Gen. Douglas MacArthur		\$100,000	7 Furlongs
9/11/04	Belmont	The Man O' War	I	\$500,000	1 3/8 Miles (turf)
9/11/04	Belmont	The Gazelle	I	\$250,000	1 1/8 Miles
9/11/04	Belmont	The Woodward	I	\$500,000	1 1/8 Miles
9/12/04	Belmont	The Garden City BC	I	\$300,000	1 1/8 Miles (turf)
9/13/04	Turfway Park	Kentucky Cup Starter Stake		\$50,000	1 Mile
9/13/04	Turfway Park	Kentucky Cup Juvenile Fillies (Listed)		\$100,000	1 Mile
9/13/04	Turfway Park	Gallery Furniture KY Cup Juvenile	III	\$100,000	1 1/15 Miles
9/13/04	Turfway Park	Kentucky Cup Sprint	II	\$150,000	6 Furlongs
9/13/04	Turfway Park	Turfway Breeders' Cup	III	\$250,000	1 1/16 Miles
9/13/04	Turfway Park	Kentucky Cup Classic	II	\$500,000	1 1/8 Miles
9/13/04	Turfway Park	Kentucky Cup Turf		\$300,000	1 1/2 Miles (turf)
9/13/04	Turfway Park	Kentucky Cup Mile		\$200,000	1 Mile (turf)
9/13/04	Turfway Park	Kentucky Cup Ladies Turf		\$100,000	1 Mile (turf)
9/13/04	Turfway Park	Kentucky Cup Turf Dash		\$100,000	6 Furlongs (turf)
9/18/04	Belmont	Ruffian Handicap	I	\$300,000	1 1/16 Miles
9/18/04	Belmont	Belmont Breeders' Cup Handicap	II	\$200,000	1 1/8 Miles (turf)
9/18/04	Belmont	Jerome Handicap	II	\$150,000	1 Mile
9/18/04	Belmont	The Floral Park	III	\$100,000	6 Furlongs
9/18/04	Arlington	The Pucker Up	II	\$200,000	1 1/8 Miles (turf)
9/19/04	Belmont	Matron Stakes	I	\$200,000	1 Mile
9/19/04	Belmont	Futurity	I	\$200,000	1 Mile
9/19/04	Woodbine	Atto Mile	I	\$1,000,000	1 Mile
9/19/04	Arlington	Arlington-Washington Futurity Stakes	II	\$200,000	1 Mile
9/19/04	Arlington	Arlington-Washington Lassie Stakes	III	\$100,000	1 Mile
9/25/04	Belmont	Noble Damsel Handicap	III	\$150,000	1 Mile (turf)
9/25/04	Belmont	The Ashley T. Cole		\$75,000	1 1/8 Miles (turf)
9/25/04	Calder	Brave Raj Stakes		\$100,000	1 Mile & 70 yds
9/25/04	Calder	Foolish Pleasure Stakes		\$100,000	1 Mile & 70 yds
9/25/04	Delaware Park	Caesar Rodney Handicap		\$200,000	1 1/8 Miles (turf)
9/25/04	Louisiana Downs	Super Derby XXI	I	\$500,000	1 1/8 Miles
9/25/04	Louisiana Downs	Marie P. DeBartolo		\$75,000	1 1/16 Mile (turf)
9/26/04	Hastings	British Columbia Derby	II	\$250,000	9 Furlongs
9/26/04	Belmont	The Jamaica	II	\$200,000	1 1/8 Miles (turf)
9/26/04	Belmont	The Schenectady		\$75,000	6 Furlongs
9/26/04	Louisiana Downs	Harrah's LA Downs Handicap		\$100,000	1 1/16 Mile (turf)

Full cards to be determined.

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:

None

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 Section 19596.2(d), 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:

<i>Associate Judges</i>	<i>N/A</i>
<i>Association Veterinarian(s)</i>	<i>J. Thomas Hoyme, D.V.M.</i>
<i>Clerk of Scales</i>	<i>Charles McCaul</i>
<i>Clerk of the Course</i>	<i>Michele Martinez</i>
<i>Horse Identifier</i>	<i>Darrel Sparks</i>
<i>Horseshoe Inspector</i>	<i>Victor Tovar</i>
<i>Paddock Judge</i>	<i>Ken Goldberg</i>

<i>Patrol Judges</i>	<i>Matt Nichols</i>
	<i>Cheryl White</i>
	<i>Ruben Hernandez</i>
<i>Placing Judges</i>	<i>Kevin Colosi</i>
	<i>James Dreyer</i>
<i>Starter</i>	<i>Jay Slender</i>
<i>Timer</i>	<i>Melody Truitt</i>
<i>Quick Official</i>	<i>Larry Gilligan</i>

B. Management officials in the racing department:

<i>Director of Racing</i>	<i>N/A</i>
<i>Racing Secretary</i>	<i>Richard Wheeler</i>
<i>Assistant Racing Secretary</i>	<i>Zachary Soto</i>
<i>Paymaster of Purses</i>	<i>Bridget Crawford</i>
<i>Others (identify by name and title)</i>	
<i>Equine Manager</i>	<i>George M. Bradvica</i>
<i>Racing Consultant</i>	<i>Tom Robbins</i>
<i>Racing Supervisor</i>	<i>Terry Gilligan</i>
<i>Racing Secretary-Quarter Horses & Appaloosas</i>	<i>Robert Moreno</i>
<i>Jockey Room Custodian</i>	<i>Thomas Roberts</i>
<i>Mutuel Manager</i>	<i>Bill Navarro</i>
<i>Safety Manager</i>	<i>Dennis Fee</i>
<i>Announcer</i>	<i>Trevor Denman</i>
<i>Track Superintendent</i>	<i>Steve Wood</i>
<i>Director of Labor Relations</i>	<i>Richard A. Hughes</i>

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

Sidney Proctor, 180 W. State Avenue, Pasadena, California 91105, 626-403-9731

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:

William D. O'Brien, Plusmic Corp USA, Expiration Date of Contract: 12/31/04

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:

Jim Porep, Pegasus Communication Expiration Date of Contract: 4/30/08

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:

*TP-2500G Time Processor timing controller
 Provided by Essential Data Control Systems
 CARF, Larry Swartzlander Expiration Date of Contract: 9/27/04*

*Timing cells – (16) 42 MRR – 5,000 receiving cells
 (16) 42 MRR – 5,000 light source cells
 Owned and operated by Fairplex*

10. SECURITY CONTROLS AND EMERGENCY SERVICES

A. Name and title of the person responsible for security controls on the premises:

Dennis Fee, Safety Services Manager

- 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: *13 Security Guards Money room in the Grandstand Mezzanine has magnetic connections at each opening. There are also interior motion detectors. These systems are monitored by a central alarm station located at Gate 1, which is manned by Security 24 hours a day.*
- C. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
*Event Medical Services (EMS)
 10765 Noel Street, Los Alamitos, California 90720-2457
 Emergency Telephone No.: 909-865-4370 (on grounds)
 800-EMS-1140 or 714-821-6166*
- D. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
*Santa Anita, Hollywood Park and Los Alamitos
 Huntington Ambulance, P. O. Box 145, Sunset Beach, California 90742, 562-904-1550
 Emergency Telephone No.: 562-460-1463*

San Luis Rey Downs, North County Fire Protection District, Fallbrook, CA, 760-723-2005
- E. Attach a fire clearance from the fire authority having jurisdiction over the premises.
To be forwarded directly from Los Angeles County Fire Department.
- F. Name of the workers' compensation insurance carrier for the fair and the number of the insurance policy (if self-insured, provide details):
Self-insured through California Fair Services Authority, copy of letter attached.
- G. 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 secures the liability of the fair for payment of workers' compensation.

11. 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:

*Cornucopia, LLC at Fairplex, Rey O'Day, P. O. Box 2250, Pomona, CA 91769
 Today's Racing Digest, Kay Neves, 1414 E. Foothill Blvd., Glendora, California 91741
 Bob's Cards, Inc., Tiffany Bohland, 420 S. Rolling Hills Place, Anaheim, CA 92807*

12. SCHEDULE OF CHARGES

- A. Proposed charges for admissions, seating or boxes, parking and programs. Note any changes from previous year: ***\$7.00 in 2003**

<i>General Admission</i>	
<i>Adults</i>	<i>\$10.00 weekdays/\$14.00 weekends</i>
<i>Child</i>	<i>5.00/7.00</i>



COUNTY OF LOS ANGELES
FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294

P. MICHAEL FREEMAN
FIRE CHIEF
FORESTER & FIRE WARDEN

July 7, 2004

Mr. Roy Wood, Jr.
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Dear Mr. Wood,

**SUBJECT: INSPECTION REPORT - STABLE AND GRANDSTAND AREAS AT
THE LOS ANGELES COUNTY FAIRPLEX**

This letter is to inform you that the County of Los Angeles Fire Department has completed the annual inspection of the stable and grandstand areas at the Los Angeles County Fairplex. There are no outstanding fire or life safety violations at this time.

In accordance with regulations adopted by the California Horse Racing Board, this letter may be accepted as a fire clearance from this office for the race meet scheduled for the fall of 2004.

If you have any questions or need additional information, please contact Captain Michael Davis at (909) 620-2216.

Very truly yours,

Captain Michael Davis
FIRE PREVENTION DIVISION
EAST REGION POMONA OFFICE

md:sw

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

- | | | | | | | | |
|--------------|-----------|------------------|----------------------|-----------|----------------------|-----------------------|------------------|
| AGOURA HILLS | BRADBURY | CUDAHY | HAWTHORNE | LA MIRADA | MALIBU | POMONA | SIGNAL HILL |
| ARTESIA | CALABASAS | DIAMOND BAR | HIDDEN HILLS | LA PUENTE | MAYWOOD | RANCHO PALOS VERDES | SOUTH EL MONTE |
| AZUSA | CARSON | DUARTE | HUNTINGTON PARK | LAKEWOOD | NORWALK | ROLLING HILLS | SOUTH GATE |
| BALDWIN PARK | CERRITOS | EL MONTE | INDUSTRY | LANCASTER | PALMDALE | ROLLING HILLS ESTATES | TEMPLE CITY |
| BELL | CLAREMONT | GARDENA | INGLEWOOD | LAWNDALE | PALOS VERDES ESTATES | ROSEMEAD | WALNUT |
| BELL GARDENS | COMMERCE | GLENDORA | IRVINDALE | LOMITA | PARAMOUNT | SAN DIMAS | WEST HOLLYWOOD |
| BELLFLOWER | COVINA | HAWAIIAN GARDENS | LA CANADA-FLINTRIDGE | LYNWOOD | PICO RIVERA | SANTA CLARITA | WESTLAKE VILLAGE |
| | | | | | | | WHITTIER |

California Fair Services Authority

P.O. Box 15518, Sacramento, CA 95852 tel: 916.921.2213 fax 916.263.8159 www.cfsa.org



April 15, 2004

To: California Horse Racing Board
1010 Hurley Way, Suite 190
Sacramento, CA 95825
Attn: Pat Noble

Re: Los Angeles County Fair Association
PO Box 2250
Pomona, CA 91769-2250

Please be advised that the Los Angeles County 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:

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: 07/01/2003 to 07/01/2004

CFSA represents to California Horse Racing Board 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 Los Angeles County Fair as set forth in California Horse Racing Board'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

Seniors	4.00/8.00/10.00
Adult purchased through Group Sales	*9.00
Child purchased through Group Sales	4.00
RaceFan ClubCard	7.00
Box Seats	3.00
General Parking	7.00
Preferred Parking	10.00
Valet Parking	15.00
Programs	
On-Track	2.00
Off-Track	2.00

B. Describe any "Season Boxes" or other special accommodation fees:
Described above.

C. Describe any "package" plans such as combined parking, admission and program: *N/A*

13. JOCKEYS' QUARTERS

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

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="text" value="40"/>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

B. Describe the quarters to be used for female jockeys:
12' x 11' lounge with air conditioning and closed circuit TV. 11' x 13' restroom with shower, sauna and 4 cubicles. Located between Paddock and Food and Beverage Area

14. 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. *Inspection completed.*

B. Number of rooms used for housing on the backstretch of the racetrack: 0

C. Number of restrooms available on the backstretch of the racetrack: 26

D. Estimated ratio of restrooms to the number of backstretch personnel: 26/1000

15. 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.

Rail designed per specifications of the California Horse Racing Board.

Metal gooseneck supports with sheet metal cover.

Aluminum face of rail – 25" overhang.

Approximate height of the top of inner railing from the level of the race course – 40".

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

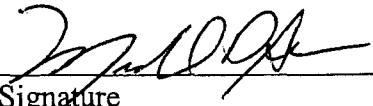
16. DECLARATIONS

- 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):
No exceptions.
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. *Pending*
- 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.

17. 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.

<u>Michael D. Seder</u>	<u></u>
Print Name	Signature
<u>Vice-President</u>	<u>June 9, 2004</u>
Print Title	Date

STAFF ANALYSIS
RECONSIDERATION OF LICENSE

REGULAR BOARD MEETING
JULY 22, 2004

Background:

At the June 3, 2004, Board meeting in Sacramento, the license for the fall 2004 Capitol Racing meeting was conditionally approved. The Board asked that the financial statements for calendar 2003 be provided and that the Capitol purse account be examined. Since that time, the financial statements were provided. The statements provided were "reviewed" statements and CHRB staff has already requested that audited statements be forwarded as soon as possible. Staff has concerns about the reviewed financial statements. Specifically, showing as assets the overpayment of purses (\$2.14 million) and the undocumented advances to horsemen (\$1.29 million). In addition, the contingent liabilities with regard to current litigation are also a concern that may well be addressed by audited statements. Representatives of Capitol Racing will be in attendance to answer questions about the financial statements as well as provide a date by which the audited statements will be available.

The records of the Capitol Racing Purse Account from 1999 through June 2004 have been obtained by CHRB staff and are undergoing a thorough examination as of this date. The records are in good order and all indications thus far are that they are accurate in all material respects. The purse account is overpaid at this time by nearly \$2.5 million – an amount accumulated during several meets conducted since 2001. Approximately half of this amount will likely be offset by the reimbursement of surplus simulcast expenses in early 2005, but the remainder of the overpayment is a matter for the association and the horsemen's organization to resolve.

Recommendation:

Staff recommends that the Board hear from representatives of Capitol Racing, the CHHA, the PCQHRA, Los Alamitos, and other interested parties.

JAMES A. SHAW & COMPANY

**CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION**

ACCOUNTANTS' REVIEW REPORT

To the Members
Capitol Racing LLC
San Diego, California

We have reviewed the accompanying balance sheets of Capitol Racing LLC (a California limited liability company) as of December 31, 2003 and 2002, and the related statements of income and members' capital and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Capitol Racing LLC.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

JAMES A. SHAW & COMPANY

San Diego, California
June 30, 2004

CAPITOL RACING LLC
(A Limited Liability Company)
BALANCE SHEETS
DECEMBER 31, 2003 AND 2002

ASSETS

	2003	2002
Current assets:		
Cash and cash equivalents	\$ 147,455	\$ 158,268
Accounts receivable	876,961	1,287,748
Prepaid expenses	168,006	0
Overpaid purses receivable	2,137,249	1,223,757
Total current assets	3,329,671	2,669,773
Restricted cash for impact fees	553,419	548,166
Equipment, net	420,034	572,795
Goodwill, net	139,207	156,080
Advances to horsemen, net	1,285,136	1,249,249
Long term deposits and other assets	258,333	347,345
Total assets	\$ 5,985,800	\$ 5,543,408

LIABILITIES AND MEMBERS' CAPITAL

Current liabilities:		
Accounts payable	\$ 2,723,221	\$ 2,448,077
Line of credit	0	116,275
Notes payable - horsemen	126,000	126,000
Total current liabilities	2,849,221	2,690,352
Commitments and contingencies		
Members' capital	3,136,579	2,853,056
Total liabilities and members' capital	\$ 5,985,800	\$ 5,543,408

The accompanying notes are an integral part of this financial statement.
See Accountants' Review Report.

CAPITOL RACING LLC
(A Limited Liability Company)
STATEMENTS OF INCOME AND MEMBERS' CAPITAL
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Revenue:		
Pari-mutuel commissions	\$10,277,740	\$10,243,342
Intertrack wagering surplus fund	1,517,072	1,681,713
Program sales	89,512	97,370
Concessions	59,160	61,091
Admissions	63,268	67,833
	<u>12,006,752</u>	<u>12,151,349</u>
Operating expenses:		
Salaries and wages	2,638,039	2,648,879
Rental of track and grounds	1,663,566	1,396,656
Advertising and promotion	1,494,468	1,360,102
Pari-mutuel production costs	1,049,298	1,100,240
Repair and maintenance	845,374	769,932
Breeder awards	496,365	75,438
Professional services	469,940	211,051
Union and employee benefits	319,720	294,640
Utilities	271,863	269,994
Insurance	262,483	296,028
Bad debts	245,000	55,000
Payroll taxes	238,867	244,037
Office and administrative	208,909	105,644
Depreciation and amortization	195,675	228,089
Program and group costs	127,961	150,202
Equipment rentals	102,150	124,229
Testing	95,475	105,513
Other operating expenses	339,511	333,182
Total operating expenses	<u>11,064,664</u>	<u>9,769,156</u>
Income (loss) from operations	942,088	2,382,193
Other income and expense:		
Interest income	7,050	13,593
Interest expense	(20,615)	(17,377)
Net income (loss)	<u>928,523</u>	<u>2,378,409</u>
Members' capital - beginning of the year	2,853,056	1,794,647
Members' capital distributions	(645,000)	(1,320,000)
Members' capital - end of year	<u>\$ 3,136,579</u>	<u>\$ 2,853,056</u>

The accompanying notes are an integral part of this financial statement.
See Accountants' Review Report.

CAPITOL RACING LLC
(A Limited Liability Company)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<u>2003</u>	<u>2002</u>
Cash flows provided by operating activities:		
Net income	\$ 928,523	\$ 2,378,409
Adjustments to reconcile net income to cash provided by operating activities:		
Decrease (increase) in accounts receivable	410,787	(545,117)
Increase in prepaid expenses	(168,006)	0
Increase in overpaid purses	(913,492)	(1,223,757)
Increase in restricted cash	(5,253)	(548,166)
Depreciation and amortization	195,674	228,089
Increase in advances to horsemen, net	(35,887)	(188,087)
Decrease in long term deposits and other assets	89,012	73,282
Increase in accounts payable	275,144	543,462
Net cash provided by operating activities	<u>776,502</u>	<u>718,115</u>
Cash flows used by investing activities:		
Equipment acquisitions	<u>(26,040)</u>	<u>(218,090)</u>
Cash flows used by financing activities:		
Capital distributions	(645,000)	(1,320,000)
(Decrease) increase in line of credit	<u>(116,275)</u>	<u>116,275</u>
Net cash used by financing activities	<u>(761,275)</u>	<u>(1,203,725)</u>
Increase (decrease) in cash	(10,813)	(703,700)
Cash and cash equivalents - beginning of year	<u>158,268</u>	<u>861,968</u>
Cash and cash equivalents - end of year	<u>\$ 147,455</u>	<u>\$ 158,268</u>
 Supplemental disclosure of cash flow information:		
	<u>2003</u>	<u>2002</u>
Cash paid for interest expense	<u>\$ 20,615</u>	<u>\$ 17,377</u>

The accompanying notes are an integral part of this financial statement.
See Accountants' Review Report.

CAPITOL RACING LLC
(A Limited Liability Company)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

NOTE 1 - DESCRIPTION OF BUSINESS

Capitol Racing LLC (a California limited liability company) (the "Company") was formed on February 20, 1997 to acquire the assets of Capitol Racing Association, Inc. and to engage in the operation of harness races and the transmission of television simulcasts of these races. These activities were formerly carried on by Capitol Racing Association, Inc. The Company operates harness racing meets in accordance with California Horse Racing Law. The meets are held at the racetrack on the grounds of the California Exposition and State Fair in Sacramento.

The company leases its facility from the State of California and is granted a license to conduct its meets by the California Horse Racing Board. The granting of the license and the continuing ability to lease the facility are critical elements in the continuation of the business in its current form.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reporting amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(A) Cash and Cash Equivalents:

The Company considers financial instruments with a fixed maturity date of less than three months to be cash equivalents.

(B) Accounts Receivable:

At December 31, 2003 and 2002, respectively, the Company's accounts receivable consisted of the following:

	<u>2003</u>	<u>2002</u>
Southern California Off-Track Wagering, Inc.	\$ 292,118	\$ 348,797
Various other in-state and out-of-state wagering facilities	61,635	211,556
Advanced deposit wagering facilities	492,505	669,828
Employee and other advances	30,703	57,567
	<u>\$ 876,961</u>	<u>\$ 1,287,748</u>

(C) Advertising Costs:

The Company expenses advertising costs as incurred.

See Accountants' Review Report.

CAPITOL RACING LLC
(A Limited Liability Company)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING
POLICIES - Continued

(D) Equipment:

Equipment is recorded at cost. Depreciation is computed using the double declining balance method of depreciation over the assets' estimated useful lives of five to seven years. Depreciation was \$178,801 and \$211,215 for 2003 and 2002. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized.

(E) Amortization of Goodwill:

On April 9, 1997, the Company acquired the assets of Capitol Racing Association, Inc., which included \$253,103 of goodwill. The Company is amortizing that Goodwill over a 15-year period. Amortization expense was \$16,874 for 2003 and 2002.

(F) Income Taxes:

The Company is not a taxpaying entity for federal or California income tax purposes, and thus no income tax expense has been recorded in the statements. Income from the Company is taxed to the members in their individual tax returns.

(G) California Horse Racing Law:

The California Horse Racing Law has established the fixed percentages of the total pari-mutuel handle, which have been retained or paid for license fees, commissions, breakage, purses and awards.

(H) Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of:

The Company accounts for the impairment of long-lived assets and certain identifiable intangibles by reviewing these assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

(I) Reclassifications:

Certain reclassifications have been made to the 2002 financial statements to conform to the 2003 presentation.

See Accountants' Review Report

CAPITOL RACING LLC
(A Limited Liability Company)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

NOTE 3 - EQUIPMENT

Equipment is summarized by major classification as follows:

	<u>2003</u>	<u>2002</u>
Track equipment	\$ 683,057	\$ 675,557
Paddock tent	256,989	256,989
Starting Car	72,948	72,948
Automotive equipment	43,079	43,079
Trailers	32,462	32,462
Turf Club equipment	22,187	22,187
Blood gas unit	13,030	13,030
Office and other equipment	88,457	69,917
	<u>1,212,209</u>	<u>1,186,169</u>
Less accumulated depreciation	<u>(792,175)</u>	<u>(613,374)</u>
	<u>\$ 420,034</u>	<u>\$ 572,795</u>

NOTE 4 - ADVANCES TO HORSEMEN

The Company made advances to several horsemen during the years 2000 through 2003. The advances are undocumented and therefore bear no rate of interest and no terms for repayment.

During 2003 additional advances amounted to \$325,775 and the Company received \$44,888 in repayments. Management established an allowance for doubtful accounts for these advances in 2002 of \$55,000 and added an additional allowance in 2003 of \$245,000, which has been recorded as bad debt expense. The amounts shown on the balance sheets for 2003 and 2002 are net of these allowances of \$300,000 and \$55,000, respectively.

NOTE 5 - IMPACT FEE LITIGATION

Los Alamitos Race Course (Los Alamitos) claims that it is entitled to receive impact fees for taking the harness racing satellite signal from the Company. An Administrative Law Judge (ALJ) ruled in the Company's favor and denied the claim of Los Alamitos. The California Horse Racing Board (CHRB), subsequent to the ALJ's ruling, directed the Company to pay impact fees to Los Alamitos. The Company is currently litigating the CHRB's directive and believes it will prevail. Los Alamitos' claim for impact fees, as of December 31, 2003 and 2002 is in excess of \$3,500,000 and \$2,000,000, respectively. The exact amount of the potential impact fees has not been determined, nor has it been accrued on the Company's financial statements. Prior to December 31, 2003 the Company voluntarily deposited approximately \$500,000 into a restricted cash account (see Note 6) and posted a \$1,000,000 bond.

CAPITOL RACING LLC
(A Limited Liability Company)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

NOTE 5 - IMPACT FEE LITIGATION - continued

Subsequent to December 31, 2003, the Company paid, under protest \$500,000 out of the restricted cash account and has agreed to make certain weekly deposits to the CHRB, pending the results of the litigation. Los Alamitos is holding in excess of \$1,300,000 of monies due to the Horsemen.

NOTE 6 - RESTRICTED CASH

The Company is currently litigating certain fees related to impact fees claimed due by another horse racing track in California (see Note 5). As part of the litigation the Company has agreed to maintain a deposit (restricted cash), which will be released at the end of the litigation to either pay the impact fees or to be returned to the Company. Interest accruing on the deposit remains in the account.

Subsequent to December 31, 2003 the Company paid, under protest, \$500,000 of this amount to the Los Alamitos Race Course (see Note 5).

NOTE 7 - OVERPAID PURSES RECEIVABLE

The Company has in many cases paid purses that were in excess of the amount paid by the horsemen's purse pool based on the pari-mutuel formula. At December 31, 2003 and 2002 overpaid purses amounted to \$2,137,249 and \$1,223,757, respectively. The Company believes that it will recover these amounts from other funds due to the Horsemen.

Should the Company and the horsemen not prevail in the litigation referred to in Note 5, the Horsemen's purse pool will have to pay its share of the disputed impact fees, which could restrict the ability of the purse pool to repay this liability.

NOTE 8 - NOTES PAYABLE - HORSEMEN

As part of the acquisition of the assets of Capitol Racing Association, Inc., the Company assumed \$242,216 of notes payable to horsemen who had previously advanced funds to Capitol Racing Association, Inc. so that it could continue its operations. At the date of the assumption (April 9, 1997), those notes were in default as they were due on August 15, 1995. The notes bear interest at 10%, payable monthly, and all interest payments are current. For 2003 and 2002, total interest cost was \$12,600 and \$13,705. No principal payments were made in 2003 or 2002.

See Accountants' Review Report

CAPITOL RACING LLC
(A Limited Liability Company)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

NOTE 9 - LEASE AGREEMENTS

The Company leases the racetrack at the California Exposition and State Fair (Cal Expo) from the State of California. The lease has been extended through July 31, 2005. For the period from December 18, 2002 until July 26, 2003 the terms include \$5,000 per racing day plus .0024% of the on-track and certain California wagers. For the period July 26, 2003 through July 31, 2005, the lease calls for annual lease payments of \$2,100,000 and requires the Company to expend \$200,000 per year on capital improvements. The Company can terminate the lease if the California Horse Racing Board fails to grant the Company a license to hold its harness racing meets for a minimum number of days. During 2003 and 2002, respectively, the Company incurred \$1,597,630 and \$1,396,656 of rent expense under this agreement. The lease agreement also requires the Company to provide maintenance for the facility, carry certain minimum insurance, and provides rules for sharing concessions and gate revenue.

The Company also leases certain office space under a three-year lease, which commenced on August 1, 2002. The lease calls for monthly payments of \$3,232 and \$3,121 for 2003 and 2002, respectively. The Company incurred \$38,004 and \$18,753 of rent expense under the lease for 2003 and 2002.

The approximate future minimum lease payments due under the office lease at December 31, 2003 are as follows:

Years ended December 31,	
2004	38,784
2005	<u>22,624</u>
	<u>\$ 61,408</u>

NOTE 10 - CHARITY DAYS

California Horse Racing Law requires the Company to designate five racing days to be conducted as charity days during each meet. The Company is required to distribute to charity the lesser of two-tenths of one percent of the Company's on-track handle or the net proceeds of the five designated racing days. The total distribution under this program amounted to approximately \$25,911 for 2003 and \$18,811 for 2002.

NOTE 11 - PENSION PLANS

The Company makes pension contributions to industry-wide and multi-company plans based upon negotiated rates with the various unions and organizations involved. The Company's portion of the accumulated plan benefits and plan net assets is not separately determinable. In 2003 and 2002, total pension cost for the above plans was approximately \$264,117 and \$246,078.

See Accountants' Review Report

CAPITOL RACING LLC
(A Limited Liability Company)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003 AND 2002

NOTE 12 - LINE OF CREDIT

The Company maintains a line of credit with Merrill Lynch Business Financial Services, Inc. The agreement expires on March 31, 2005 and provides for borrowings up to \$600,000 at an interest rate equal to the "30 - Day Commercial Paper Rate" plus 3.15%. At December 31, 2003 the rate was 4.16%, and the Company had no outstanding borrowings. The Company incurred \$8,016 of interest expense related to the line during 2003.

NOTE 13 - CONCENTRATIONS OF CREDIT RISK

The Company maintains its cash balances in two financial institutions in California. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000. As of December 31, 2003 the Company's uninsured balances were \$69,605.

See Accountants' Review Report

<u>AGENDA ITEMS:</u>	4
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CALIFORNIA HORSE RACING BOARD

July 22, 2004, Regular Board Meeting

There is no board package material for these items.

Information to be presented at the board meeting.

ITEM 9

STAFF ANALYSIS
REQUEST FOR APPROVAL OF
CHARITY DISTRIBUTION

REGULAR BOARD MEETING
JULY 22, 2004

Background:

The Oak Tree Charitable Foundation is requesting that the Board approve its proposed distribution of charity racing day proceeds in the amount of \$85,500. The list of 27 beneficiaries is attached for your review. The distribution will give more than 77% to industry-related organizations. Staff finds this request to be in order.

Recommendation:

Staff recommends that the Board approve this request.



Sherwood C. Chillingworth
Executive Vice-President

June 18, 2004

2004 JUN 23 PM 12: 37

RECEIVED
SANTA ANITA

Mr. Roy C. Wood, Jr.
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

FAX: 916-263-6042

Dear Roy:

The audited net proceeds from Charity Racing Days during the 2003 Oak Tree meet came to \$85,600.14.

Therefore, the Directors of the Oak Tree Charitable Foundation respectfully request CHRB approval at the July 22, 2004 regular meeting to disburse a total of \$85,500 to the attached schedule of eligible beneficiaries.

Contributions to thoroughbred industry charities total \$66,000 or 77.19% of the distribution. We also contribute additional monies from our Foundation and Racing Association funds. The total from Oak Tree, all sources, to the equine industry is over 85%.

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

Sincerely,

OAK TREE CHARITABLE FOUNDATION

Sherwood Chillingworth
Executive Vice-President

Attachment

**CHARITABLE FOUNDATION - CHARITY DAYS DISBURSEMENT FROM
Funds Available: \$85,500**

Organization	Amount Suggested
THOROUGHbred INDUSTRY	
California Equine Retirement Foundation	5,000.00
California Animal Health & Food Safety Laboratory	5,000.00
Don MacBeth Memorial Jockey Fund	10,000.00
Jolene's Horse Rescue	2,000.00
Race Track Chaplaincy of America, S. California Council	8,000.00
Shoemaker Foundation	15,000.00
Tranquility Farm (Harry A. Biszantz Mem. Center)	12,000.00
Thoroughbred Rehab Center Inc.	6,500.00
United Pegasus Foundation	2,500.00
Industry Contributions	\$66,000
	77.19%
LOCAL CHARITIES	
American Red Cross, Arcadia Chapter	1,000.00
Arcadia Community Coordinating Council	1,000.00
Arcadia Presbyterian Lay Counseling Center	1,000.00
Bishop, Gooden Home, Pasadena	1,000.00
Boys and Girls Clubs of Pasadena	1,000.00
Casa de las Amigas, Pasadena	1,000.00
Five Acres, The Boys' & Girls' Aid Society, Altadena	1,500.00
Hillsides Home for Children, Pasadena	1,500.00
Los Angeles Orphanage Guild, (Mary Vale Orphanage)ROsem'd	1,000.00
Pasadena Day Nursery for Child Development	1,000.00
Pasadena Humane Society, Pasadena	500.00
Pasadena Mental Health Association, Pasadena	1,000.00
California Foundation for Agriculture in the Classroom	1,000.00
Canine Companions, Oceanside	1,000.00
Salvation Army, Los Angeles	1,000.00
American Cancer Fund for Children, Inc., Los Angeles	1,000.00
Big Brothers of Greater Los Angeles, Inc., L.A.	1,000.00
REINS Therapeutic Horsemanship Program, Bonsall	2,000.00
TOTAL	\$85,500.00

STAFF ANALYSIS
STAFF REPORT ON END-OF-MEET RESULTS

REGULAR BOARD MEETING
JULY 22, 2004

Background:

This item contains end-of-meet reports for recently concluded race meets. Staff is prepared to answer questions regarding the information presented.

Recommendation:

This item is for information and discussion.

END-OF-MEET OUTLINE SUMMARY

For the California Horse Racing Board meeting, July 22, 2004. This report includes a summary for the following racing meeting: SAN JOAQUIN FAIR.

San Joaquin Fair

June 16 – June 27, 2004

Race days: 10

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily handle	1.52%
Ave. On-track	-6.46%
Ave. Off-track	-2.55%
Ave. Interstate-exported	8.28%
Ave. ADW	20.28%
Ave. Daily attendance-Calif.	-3.66%
Ave. On-track	0.15%
Ave. Off-track	-7.82%

SAN JOAQUIN FAIR .

YEAR	2000	2001	2002	2003	2004
TOTAL RACE DAYS	10	10	10	10	10
TOTAL HANDLE	15,424,725	15,421,930	15,053,055	17,014,231	17,272,082
ON-TRACK	2,146,188	2,325,986	2,268,334	2,297,774	2,149,393
OFF-TRACK	10,545,266	9,794,127	9,581,951	9,311,621	9,074,078
INTERSTATE	2,733,271	3,301,817	3,094,738	3,741,643	4,051,463
ADW	0	0	108,033	1,663,193	1,997,147
LIVE	8,988,285	9,130,373	8,631,531	10,890,203	11,295,946
INTRASTATE IMPORTED	3,789,508	3,333,365	3,234,153	2,949,164	2,968,321
INTERSTATE IMPORTED	2,646,932	2,958,192	3,141,600	3,174,864	3,007,815
INTERNATIONAL IMPORTED	0	0	45,772	0	0
AVERAGE DAILY HANDLE	1,542,473	1,542,193	1,505,306	1,701,423	1,727,208
ON-TRACK	214,619	232,599	226,833	229,777	214,939
OFF-TRACK	1,054,527	979,413	958,195	931,162	907,408
INTERSTATE	273,327	330,182	309,474	374,164	405,146
AVERAGE ADW HANDLE			10,803	166,319	199,715
AVERAGE LIVE	898,829	913,037	863,153	1,089,020	1,129,595
INTRASTATE IMPORTED	378,951	333,336	323,415	294,916	296,832
INTERSTATE IMPORTED	264,693	295,819	314,160	317,486	300,782
INTERNATIONAL IMPORTED	0	0	4,577	0	0
TOTAL TAKEOUT	3,083,320	3,088,624	2,989,150	3,078,325	3,504,348
EFFECTIVE TAKEOUT	19.99%	20.03%	19.86%	18.09%	20.29%
STATE LICENSE FEES	196,857	187,983	181,522	181,230	176,811
STATE %	1.28%	1.22%	1.21%	1.07%	1.02%
TRACK COMMISSIONS	612,793	597,322	582,883	569,601	562,443
ADW COMMISSIONS	-	-	2,599	75,152	90,178
TOTAL COMMISSIONS	612,793	597,322	585,482	644,753	652,621
TRACK %	3.97%	3.87%	3.87%	3.35%	3.26%
HORSEMEN'S PURSES	616,726	602,479	588,373	576,015	568,087
ADW PURSES	-	-	2,616	75,886	91,215
TOTAL PURSES	616,726	602,479	590,989	651,901	659,302
HORSEMEN'S %	4.00%	3.91%	3.91%	3.39%	3.29%

SAN JOAQUIN FAIR

YEAR	2000	2001	2002	2003	2004
CALIFORNIA ATTENDANCE	88,805	89,263	87,889	86,393	83,229
ON-TRACK	39,464	45,323	44,849	45,079	45,145
OFF-TRACK	49,341	43,940	43,040	41,314	38,084
DAILY ATTENDANCE	8,881	8,926	8,789	8,639	8,323
AVERAGE DAILY ON - TRACK	3,946	4,532	4,485	4,508	4,515
AVERAGE DAILY OFF - TRACK	4,934	4,394	4,304	4,131	3,808
TOTAL RACE EVENTS	104	104	104	104	104
STARTS	836	816	775	846	797
AVERAGE STARTS PER EVENT	8.0	7.8	7.5	8.1	7.7
AVERAGE HANDLE PER START	10,752	11,189	11,137	12,873	14,173

**SAN JOAQUIN FAIR
TOTAL HANDLE**

