



Members of the Commission

John Frierson, Chairperson
Eugene Hernandez, Vice-Chairperson
VanBuren Lemons, MD
Christopher Giza, MD
Dean Grafilo

**Action may be taken on any item listed on
the agenda except public comment.
Agenda items may be taken out of order**

**CALIFORNIA STATE ATHLETIC COMMISSION
MEETING MINUTES**

February 25, 2013

10:00a.m. - Conclusion of Business

Location:

Ronald Reagan State Building
Auditorium
320 South Spring Street
Los Angeles, CA 90013

Commissioners Present

Chairman John Frierson
Vice-Chairman Eugene Hernandez
Christopher Giza, MD
Vanburen Ross Lemons, MD
Dean Grafilo

Commissioners Absent

Staff Present

Andy Foster, Executive Officer
Michael Santiago, Senior Staff Counsel, DCA

Agenda Item 1 – Call to Order / Roll Call / Pledge of Allegiance

The meeting was called to order at 10:00 a.m. and a quorum was present.

Agenda Item 2 – Chairman's Opening Remarks

Chairman Frierson welcomed the public.

Agenda Item 3 – Election of Chairman and Vice Chairman For the Upcoming Year

Commissioner Giza made a motion to nominate Chairman John Frierson to serve as Chairman for the upcoming year. Commissioner Lemons seconded the motion and the commission approved the motion by a 5-0 vote.

Commissioner Giza made a motion to nominate Vice-Chairman Hernandez to serve as Vice-Chairman for the upcoming year. Chairman Frierson seconded the motion and the commission approved the motion by a 5-0 vote.

Agenda Item 4 – Approval of December 3, 2012 Meeting Minutes

Vice-Chairman Hernandez made a motion to approve the December 3, 2012 meeting minutes. Chairman Giza seconded the motion and the commission approved the motion by a 5-0 vote.

Agenda Item 5 – Executive Officer's Report

a) Budget Update

- a. The current year expenditure authority of approximately \$ 2,000,000 is being reduced by 38 percent, or \$ 800,000 for the next fiscal year.
- b. The commission does not receive an appropriation but relies on spending authority.
- c. The commission is only allowed to spend the revenues received if it has the expenditure authority to do so. If the commission receives more revenue than our expenditure authority, we cannot spend the excess revenue.
- d. The reduced expenditure authority could be a problem for the commission down the road in order to regulate the number of events and meet anticipated expenditures.
- e. The commission conducted mandatory athletic inspector training by not filling an office technician position for several months.
- f. DCA pro-rata charges of \$108,000 came out in January due to the lag in reporting.
- g. The commission has taken in approximately \$911,000 so far this fiscal year and spent \$750,000. The excess revenue goes into the commission's support fund reserve balance. The reserve is used to help operate the commission when revenues go down.
- h. The commission has approximately \$230,000 in its reserve fund. The fund balance should significantly increase over the next few months. State rules say a 3-month reserve is healthy and the commission is very close to having a healthy reserve fund balance.
- i. Pro-rata is the single largest expense for the commission when the DCA and State pro-rata amounts are combined.
- j. Travel forms for athletic inspectors lag and the Executive Officer has instructed them to submit their travel costs monthly so that our travel costs are more accurate in the monthly budget reports.
- k. The commission has started tracking event specific revenues and expenses to show how much money is made or lost per event. In the past the commission lost money on most of its smaller events. The commission makes money on most events now. The commission drastically reduced athletic inspector travel costs by using proximity as a major factor in event assignments.

- l. The Executive Officer stated that in his opinion, events can be adequately managed with five to six athletic inspectors for a club level show and more for larger events.
 - m. The Executive Officer stated he explored the option of moving athletic inspectors cost reimbursement to a flat-rate. It is the Executive Officer's understanding that the flat-rate option would take 4-5 months to implement and he is moving towards implementing this. The Executive Officer does not want to move the lead inspectors to a flat rate. The lead job should be rewarded because it is a difficult job and we need to continue paying our leads with a hourly rate. The commission is training additional inspectors in the southern part of the state where the majority of its events are held.
 - n. The commission created a time and travel analysis tool to determine how much time and travel costs were billed by athletic inspectors for each event. The new tool allows the commission to determine the amount of money it made, or lost, at each event. The commission has two months of analysis completed at this time for November and December 2012 and plans to continue using this analysis tool. The commission's goal is to have at least six months worth of data before it makes any further recommendations, if needed. The commission's goal is to not lose money at the events it regulates. The Executive Officer stressed how important the smaller shows are to the overall health of the combative sports industry. Although the commission may lose a little money on a few shows, the commission believes it is important to regulate these shows for athlete safety and to help grow the industry.
 - o. Given the past two months of event profit and loss data, the commission is very close to not losing money on events since it reduced costs in November 2012 when the new Executive Officer came on board. Looking ahead, the Executive Officer reported that once the commission adopts flat rate for athletic inspector reimbursement, the commission should be able to make money at most, if not all, future athletic events.
 - p. The Executive Officer reiterated to the Commissioners an important aspect to its budget. The commission's expenditure authority is only a ceiling of how much the commission COULD spend if it had the necessary revenues to support the maximum level of spending. The expenditure authority has NOTHING to do with how much money is in the bank or how much we SHOULD spend. The Executive Officer stated it is important for the commission to have a sufficient level of expenditure authority in order to adequately regulate and support the level of combative sports going on in California.
 - q. Commissioner Lemons asked the Executive Officer to determine what the state central pro-rata charges are and how they are determined?
 - r. Commissioner Giza asked the Executive Officer to determine the positive financial impact of large events on the local economy.
 - s. Chairman Frierson asked the Executive Officer to schedule a Medical Advisory Committee meeting in March.
- b) Status of Pending Regulations**
 - c) Boxer's Pension Fund/Neurological Examination Account Update**
 - a. Commissioner Lemons asked for additional information on the proper usage of the Neurological fund for administration expenses.
 - d) Staffing Update**
 - e) Past Audit Recommendations Progress Report**
 - f) Update on Current Audits in Progress**
 - g) Executive Officer 90 Day Report**
 - h) Update on New Partnership for Pro/Am Events with CAMO**
 - i) Update on Inspector Trainings**
 - j) Update on Enforcement Efforts to Stop Unsanctioned Boxing Events**

- k) **Update on Association of Boxing Commissions Training for Boxing and Mixed Martial Arts**
- l) **Commission Administrative Manual**
- m) **PUBLIC COMMENT:** Frank Gonzalez commented on badges being taken from athletic inspectors, yet law enforcement duties are still being done. Chairman Frierson asked Andy to look into why the badges were taken away. Additionally, the Executive Officer needs to look into the duties performed by the Athletic Inspectors related to under-cover activities and report back to the commission. Do athletic inspectors need badges?

Agenda Item 6 – Discussion and Possible Action Regarding Regulations Pertaining to Neurological Testing

- a) Agenda Item not discussed due to a scheduling conflict with the Medical Advisory Subcommittee.

Agenda Item 7 – Testimony from Stakeholders on How California Boxers Can Participate in Major Boxing Championship Events

- a) Promoter Roy Englebracht testified that Andy Foster's leadership at the commission is bringing stability and a better reputation to the CSAC. As a result, Roy believes that with Mr. Foster's continued leadership at the CSAC, California boxers will get more opportunities to participate in major boxing championship events.

Agenda Item 8 – Discussion and Possible Action Regarding Terry Norris Request for Medical Early Retirement Benefit

- a) Vice Chairman Hernandez made a motion to consider and discuss awarding an early medical retirement benefit to boxer Terry Norris. Chairman Lemons seconded the motion and the commission approved the motion by a 5-0 vote.
- b) Commissioner Lemons discussed the boxer's medical history and noted his support for the early medical retirement benefit.
- c) Vice Chairman Hernandez asked the Executive Officer to develop standards for awarding this type of benefit in the future and ensure that the condition suffered by Mr. Norris is included in future policy and/or regulation for awarding this benefit.
- d) Commissioner Giza made a two-part motion to award boxer Terry Norris an early medical retirement benefit and direct the Executive Officer to set up a fast track emergency regulation for awarding this benefit in the future. Commissioner Lemons seconded the motion and the commission approved the motion by a 5-0 vote.

Agenda Item 9 – Discussion and Possible Action Regarding Commission Rule 268 Color Coding of Tickets

- a) Commissioner Hernandez made a motion to initiate the process to eliminate this rule because it is unenforceable. Commissioner Lemons seconded the motion. Motion approved by a 5-0 vote.

Agenda Item 10 – Nomination and Possible Appointment of Karen L. Herbst, M.D. to the Committee on Medical and Safety Standards

- a) Commissioner Hernandez made a motion to accept the appointment of Karen L. Herbst to the Committee on Medical and Safety Standards. Commissioner Lemons seconded the motion. Motion approved by a 5-0 vote.

Agenda Item 11 – Petitions for Change of Decision

- a) Alexander Flores vs. Matt Hicks
 - a. Commissioner Hernandez made a motion and Commissioner Giza seconded a change in decision from a Technical Draw to a Technical Knock-Out (TKO). Motion approved 5-0 vote and decision changed.
- b) Louis Ramos vs. Ricardo Williams
 - a. The decision at the fight was a Technical Knock-Out for Ricardo Williams.
 - b. The Executive Officer agrees with the referee decision and recommended letting the decision stand. Commissioner Hernandez made a motion to deny the appeal and let the referee decision stand. Commissioner Giza seconded the motion and the commission approved the motion by a 5-0 vote and upheld the referee decision.

Agenda Item 12 – Applications for Licensure

- a) Promoters License Application – One World Boxing Promotions
 - a. Executive Officer recommended granting the license.
 - b. Commissioner Giza stated the prior Executive Officer provided a summary paragraph about each promoter application and would like to see these in the future.
 - c. Commissioner Hernandez motioned to extend the temporary license for 30 days. The motion was seconded by Commissioner Lemons. Motioned Approved 5-0 vote.
- b) Promoters License Application – H&E Entertainment Group LLC
 - a. Commissioner Frierson stated he wanted promoter applicants to appear before the commission in person. Decision deferred to next meeting.

Agenda Item 13 – Public Comment on Items not on the Agenda

- a) No actions taken on public comment.

Agenda Item 14 – Discussion and possible action regarding the International Olympic Committee’s Decision to remove wrestling as an Olympic Sport

Commissioner Grafillo stated he wants to explore ways to work with and support USA Wrestling position to not remove wrestling as an Olympic Sport. Commissioner Grafillo motioned to direct the Executive Officer to write a letter in support of wrestling as an Olympic sport. Commissioner Giza seconded the motion and the commission approved the motion by a 5-0 vote.

Agenda Item 15 – Closed Session – Legal Items

- a) Closed Session.

Agenda Item 16 – Future Agenda Items and Meeting Dates

- a) The Commission directed the Executive Officer to formalize a communication policy with the Commissioners.
- b) Tentative Date for next meeting is Sunday, April 21.

Agenda Item 17 – Adjournment

- a) Meeting adjourned.