



1776 Tribute Road, Suite 205  
Sacramento, CA 95815  
Office: 916.927.7223 Fax: 916.263.3341  
www.calfairs.com

**AGENDA**  
**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**BOARD OF DIRECTORS MEETING**  
**JOHN ALKIRE, CHAIR**  
**1:00 P.M., TUESDAY, FEBRUARY 1, 2011**  
**VIA TELECONFERENCE**

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Board of Directors will commence at 1:00 p.m., Tuesday, February 1, 2011. The meeting will be held at the California State Fair Board Room in the Administration Office located at 1600 Exposition Blvd., Sacramento, California 95815.

**AGENDA**

- I. Date, time and location of next meeting.
- II. Approval of minutes.
- III. Report, discussion and action, if any, on legislative program for 2011 and beyond.
- IV. Report, discussion and action, if any, status of funding allocations from CDFA Division of Fair and Expositions.
- V. Discussion and action, if any, contract negotiations between CDFA Division of Fair and Expositions and California Authority of Racing Fairs for future funding allocations.
- VI. Report, discussion and action, if any, on proposed state budget for FY2011-2012.
- VII. Report on Strategic Planning.
- VIII. Report on pending election.
- IX. Financials
- X. Executive Director's Report



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**NOTICE**  
**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**BOARD OF DIRECTORS MEETING**  
**JOHN ALKIRE, CHAIR**  
**1:00 P.M., TUESDAY, FEBRUARY 1, 2011**  
**VIA TELECONFERENCE**

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The Public and members of the California Authority of Racing Fairs Board of Directors may participate from the locations on the following page or in person.

**CARF Board of Directors Meeting**  
**Toll Free Dial In Number: (800) 791-2345**  
**Participant Code: 83711 #**



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Sacramento, CA 95815  
Office: 916.927.7223 Fax: 916.263.3341  
www.calairs.com

## CALIFORNIA AUTHORITY OF RACING FAIRS Teleconference Meeting Locations

**Alameda County Fair**  
4501 Pleasanton Avenue  
Pleasanton, CA 94566

**Antelope Valley Fair**  
2551 West Ave. H  
Suite 102  
Lancaster, CA 93536

**The Big Fresno Fair**  
1121 S. Chance Avenue  
Fresno, CA 93702

**California State Fair**  
1600 Exposition Blvd.  
Sacramento, CA 95815

**Humboldt County Fair**  
1250 5<sup>th</sup> Street  
Ferndale, CA 95536

**Kern County Fair**  
1142 South P Street  
Bakersfield, CA 93307

**Monterey County Fair**  
2004 Fairground Road  
Monterey, CA 93940

**National Orange Show**  
689 South E Street  
San Bernardino, CA 92408

**Riverside National Date Festival**  
46-350 Arabia Street  
Indio, CA 92201

**San Bernardino Co. Fair**  
14800 Seventh Street  
Victorville, CA 92395

**San Joaquin Fair**  
1658 S. Airport Way  
Stockton, CA 95206

**Santa Barbara Co. Fair**  
937 Thornburg Street  
Santa Maria, CA 93458

**Shasta District Fair**  
1890 Briggs Street  
Anderson, CA 96007

**Solano County Fair**  
900 Fairgrounds Drive  
Vallejo, CA 94589

**Sonoma County Fair**  
1350 Bennett Valley Road  
Santa Rosa, CA 95404

**Southern CA Fair**  
18700 Lake Perris Dr.  
Perris, CA 92570

**Stanislaus County**  
900 North Broadway  
Turlock, CA 95380

**Tulare County Fair**  
215 Martin Luther King  
Tulare, CA 93274

**Ventura County Fair**  
10 West Harbor Blvd  
Ventura, CA 93001-2706

**CALIFORNIA AUTHORITY OF RACING FAIRS**  
**Board of Directors**  
**Tuesday, December 7, 2010**

**MINUTES**

A teleconference meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.M., Tuesday, December 7, 2010. The meeting was hosted at the CARF Conference Room located at 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: John Alkire, Norb Bartosik, Dan Jacobs, Mike Paluszak and Kelly Violini. Joining by conference call: Vince Agnifili.

Staff and Guests attending: Christopher Korby, Rick Wood, Heather Haviland, Amelia White, Raechelle Gibbons, Rebecca Desmond, Louie Brown, Tawny Tesconi, Tony Withington and Richard Lewis. Joining by conference call: Janet Covello.

**Agenda Item 1 – Date, Time and Location of Next Meeting.** The next CARF Board & Live Racing Committee meetings will be scheduled for February 1, 2011 in Sacramento.

**Agenda Item 2 – Approval of Minutes.** Mr. Bartosik noted that the reference to L.A. County Fair in the Executive Director's Report should be changed to Orange County Fair. Mr. Bartosik moved to approve the meeting minutes as amended. Mr. Paluszak seconded, unanimously approved.

**Agenda Item 3 – Report on Strategic Planning.** Mr. Korby reported that a strategic planning meeting was conducted Nov. 17-18, moderated by George Soares, to discuss the organization, its function and where the agency fits into the fair and racing industries. The following action items resulted from the meeting:

- Provide various racing date calendar scenarios with financial projections for 2012 and beyond to be reviewed during the February Live Racing Committee meeting.
- CARF staff will provide an overview of agency activities, current time/resources spent on each activity and whether the resources spent should increase or decrease in each area. Strengthen relationships and educate CARF members and 60+ Fair Managers in California about the economic impact of racing/satellite Fairs receiving revenue from racing and how non-racing Fairs would be impacted if those revenues ceased.
- Ensure funding contracts are in place with F&E by Dec. 31, 2010. Ms. Desmond has received those contracts from CARF and will be making modifications and

returning the contracts to CARF. The project is on schedule to meet its deadline.

- Strengthen direct connections with CHRB members and key legislators.
- Pursue a legislative program for 2011 that includes amending language to AB 765, revising the satellite supervisor requirements implemented by the CHRB and increasing satellite commissions.

Ms. Tesconi added that George Soares tasked the Fair Managers to send Mr. Korby thoughts on how satellite operations should be managed or evolve by Dec. 15, 2010.

**Agenda Item 4 – Report on By-Laws Update.** Mr. Korby reported that the by-laws working group met during the WFA Managers Conference. No reportable action has been taken regarding the by-laws, but the working group will renew its efforts in 2011.

**Agenda Item 5 – Report, Discussion and Action, if any, on 2011 Agency Budget.** Mr. Korby presented the 2011 CARF agency budget provided in the meeting packet. The budget is offered in the same format as the 2010 CARF agency income statement which allows for easy year-to-year comparison. It is important to note that the live racing expense component of the budget was reduced 13.86 percent.

Ms. Gibbons provided a detailed review of the agency income statement, southern region income statement, project management income statement, live racing income statement and proposed 2011 member dues.

Ms. Tesconi requested a detailed breakdown of the support and services provided as part of the CARF administration fee on projects and the distribution of staff salary.

Accounting staff will work with Ms. Desmond to familiarize her with the financials and make any adjustments in documentation that she deems helpful.

Mr. Jacobs moved to accept the budget as written with the stipulation that the dues structure be reviewed by the Controllers' Committee, which will make a recommendation to the Finance Committee, before the budget is implemented. Mr. Paluszak seconded, unanimously approved.

**Agenda Item 6 – Discussion and Action, if any, on Legislative Program for 2011 and Beyond.** Mr. Brown reported that the 2011/12 legislative session began with the swearing in of the new legislature on Dec. 6, 2010. Immediately after the legislature was sworn in, the Governor declared a fiscal emergency and presented the new legislature with \$9 billion in cuts in an attempt to create a balanced budget. As of now, the CDFR money in the General Fund remains intact.

Two bills were introduced that are of interest to racing fairs. SB 1 (Kehoe) authorizes the sale of the Del Mar Fairgrounds to the city of Del Mar, but does not rule out a public bidding process. Language in the bill does not require the new owner to continue the San Diego County Fair or horse racing. There are prominent thoroughbred owners looking to provide financial backing to the city of Del Mar, but the TOC does not currently support the bill since the continuation of horse racing is not assured.

SB 40 (Correa) would legalize and regulate online gaming, specifically Internet poker. This bill is currently being opposed by some California tribal casinos.

Mr. Korby reported that the 2011/12 legislative session will include modifying/amending AB 765 language (allows 1% increase in take-out for racing conducted at Fairs), modifying/amending language B&P Section 19522 (requiring satellite supervisors at Fair satellite facilities) and renewing efforts to receive an increase in satellite commissions.

**Agenda Item 7 – Report, Discussion and Action, if any, on Replacement Revenues for Solano and San Joaquin County Fairs.** Mr. Korby reported that the CARF Live Racing Sub-Committee met and presented the Live Racing Committee with a recommendation that CARF cover the 2011 request for replacement revenues from the Solano and San Joaquin County Fairs in the amount of \$569,000 from unspent project and program revenues being held at CARF. This recommendation would allocate \$414,000 to the Solano County Fair and \$155,000 to the San Joaquin County Fair, plus a 7.5 percent CARF administration fee.

The Live Racing Committee voted unanimously to accept the recommendation from the CARF Sub-Committee.

Mr. Jacobs moved to accept the recommendation adopted by the Live Racing Committee to allocate \$414,000 to the Solano County Fair and \$155,000 to the San Joaquin County Fair (\$569,000 in total plus a 7.5% administration fee) from unspent project revenue for the purpose of revenue replacement. Mr. Bartosik seconded, unanimously approved.

**Agenda Item 8 – Report, Discussion and Action, if any, on MAGNA Entertainment Corp. Bankruptcy Settlement.** Mr. Korby reported that the latest settlement figures give CARF member satellites the full settlement owed, \$749,000, less the legal costs associated with settlement which were \$95,880 (12.8%). The remaining \$653,120 is ready for distribution. Mr. Korby, after consulting with the Finance Committee, recommends that the Board consider an allocation to CARF for administrative fees associated with the efforts in negotiating the bankruptcy.

Mr. Jacobs thanked Mr. Korby for securing the full amount owed to satellites, but stated he felt the distribution to satellites was already hindered by the attorney fees. Mr. Agnifili stated that he has been reporting to his board for several months that the fair would receive the full settlement minus approximately 10% in fees, which is consistent with the information that has been reported to the CARF Board during the last several meetings.

Mr. Alkire thanked executive staff for undertaking the tremendous work load generated by the negotiations and recommended the Board consider a small allocation to the agency.

It was the pleasure of the group not to take action on this item.

**Agenda Item 9 – Report, Discussion and Action, if any, on Funding Contract Negotiations Between CDFA Division of Fairs and Expositions and California Authority of Racing Fairs.** Mr. Korby reported that draft language for use contract preparation has been submitted to F&E. Ms. Desmond stated that the biggest issue moving forward is the procedure for the advancement of funds. F&E has not been officially instructed to recall any funds residing at CARF at this time.

**Agenda Item 10 – Executive Director’s Report.** Mr. Korby reported that Santa Anita Park has reopened their main track with a natural dirt surface. The surface change, combined with the legislative increase in purses that will go into effect Dec. 26, should improve the California simulcast product and increase business.

Mr. Korby reported that he has been distributing news items regarding the potential transfer of the 22<sup>nd</sup> DAA fairgrounds to the city of Del Mar. Mr. Korby will continue to keep the group informed as this matter progresses.

One of the agenda items for the CHRB meeting this month will be determining the future of the Oak Tree Racing Association meet that has traditionally been run at Santa Anita. Santa Anita is requesting to race those dates on behalf of MI Developments.

The California Marketing Committee is working to provide a portable kiosk, manned by a pari-mutuel guild employee, which would be located in public areas such as airports or shopping malls. This kiosk might be beneficial to fairs for incorporating into their fair vendor halls or interim events.

Respectfully submitted,  
Heather Haviland

CA AUTHORITY OF RACING FAIRS LEGISLATIVE REPORT  
LAST 10 DAYS  
1/21/2011

AB 156<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=AB%20156>>  
(Lara) Gambling control: sale or lease of licensee property. (I-  
01/18/2011 html<[http://ct2k2.capitoltrack.com/Bills/asm/ab\\_0151-0200/ab\\_156\\_bill\\_20110118\\_introduced.html](http://ct2k2.capitoltrack.com/Bills/asm/ab_0151-0200/ab_156_bill_20110118_introduced.html)> pdf<[http://ct2k2.capitoltrack.com/Bills/asm/ab\\_0151-0200/ab\\_156\\_bill\\_20110118\\_introduced.pdf](http://ct2k2.capitoltrack.com/Bills/asm/ab_0151-0200/ab_156_bill_20110118_introduced.pdf)>)

Status: 01/19/2011-From printer. May be heard in committee February 18.

Current Location: 01/18/2011-A PRINT

Digest: Existing law establishes the California Gambling Control Commission and prescribes the requirements for obtaining a gambling license and defines a gambling establishment or licensed premises for these purposes. Existing law limits the transfer of property if the transferee has to be approved or licensed by the commission, and specifically prohibits a contract for sale or lease of real or personal property that requires approval of the commission, as specified, from specifying a closing date earlier than 90 days after the submission of the contract to the commission, as specified.

This bill would permit a contract for the sale or lease of real or personal property, subject to the limitations described above, to specify a closing date earlier than 90 days after the submission of the contract to the commission if the commission has approved the contract and the parties have requested it.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Section 19902 of the Business and Professions Code, relating to gaming.

History:

Jan. 19 From printer. May be heard in committee February 18.

Jan. 18 Read first time. To print.

Organization  
CARF



SB 32<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2032>>  
(Leno) Alcoholic beverages: definitions: rectifiers. (I-  
12/06/2010 html<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-0050/sb\\_32\\_bill\\_20101206\\_introduced.html](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_32_bill_20101206_introduced.html)> pdf<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-0050/sb\\_32\\_bill\\_20101206\\_introduced.pdf](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_32_bill_20101206_introduced.pdf)>)

Status: 01/20/2011-Referred to Com. on G.O.

Current Location: 01/20/2011-S G.O.

Digest: The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control.

Existing law defines a "rectifier" to include every person who colors, flavors, or otherwise processes distilled spirits by distillation, blending, percolating, or other processes.

This bill would refine the definition of "rectifier" to exclude any on-sale licensee that colors, flavors, or blends distilled spirits or wine products on the licensed premises for consumption on those premises.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

Laws: An act to amend Section 23016 of the Business and Professions Code, relating to alcoholic beverages.

History:

Jan. 20 Referred to Com. on G.O.

Dec. 7 From printer. May be acted upon on or after January 6.

Dec. 6 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

SB 39<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2039>>  
(Padilla) Alcoholic beverages: caffeinated beer beverages. (I-  
12/06/2010 html<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-0050/sb\\_39\\_bill\\_20101206\\_introduced.html](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_39_bill_20101206_introduced.html)> pdf<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-0050/sb\\_39\\_bill\\_20101206\\_introduced.pdf](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_39_bill_20101206_introduced.pdf)>)

Status: 01/20/2011-Referred to Com. on G.O.

Current Location: 01/20/2011-S G.O.

Digest: The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control. A violation of the act is a misdemeanor, except as

otherwise specified.

This bill would prohibit the import, production, manufacture, distribution, or sale of caffeinated beer beverages, as defined, at retail locations within the state. Because this bill would add a prohibition to the Alcohol Beverage Control Act, the violation of which is a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

Laws: An act to add Section 25622 to the Business and Professions Code, relating to alcoholic beverages.

History:

Jan. 20 Referred to Com. on G.O.

Dec. 7 From printer. May be acted upon on or after January 6.

Dec. 6 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

SB 40<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2040>>

(Correa) Internet poker. (I-

12/06/2010 html<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_40_bill_20101206_introduced.html)

[0050/sb\\_40\\_bill\\_20101206\\_introduced.html](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_40_bill_20101206_introduced.html)> pdf<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-0050/sb\\_40\\_bill\\_20101206\\_introduced.pdf](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_40_bill_20101206_introduced.pdf)>)

Status: 01/20/2011-Referred to Coms. on G.O. and PUB. S.

Current Location: 01/20/2011-S G.O.

Digest: The Gambling Control Act provides for the licensure of certain individuals and establishments that conduct controlled games, as defined, and for the regulation of these gambling activities by the California Gambling Control Commission. Existing law provides for the enforcement of those regulations by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

This bill would establish a framework to authorize intrastate Internet poker, as specified. The bill would require the department to adopt regulations, in consultation with the California Gambling Control Commission, governing the intrastate play of poker games on the Internet, and would provide for a licensed

entity to operate an intrastate Internet poker Web site. The bill would make it a misdemeanor for any person or entity to offer or participate in any form of illegal Internet gambling, as defined, or to process any financial transaction arising out of participation in illegal Internet gambling. The bill would authorize the seizure of any money or property used in or derived from illegal Internet gambling, as specified, and would provide for any money or property that has been seized to be forfeited to the Internet Gambling Fund, as established by this bill. By creating new crimes, this bill would impose a state-mandated local program.

The bill would authorize the department to assess fees on the licensed entity in an amount reasonably necessary to reimburse the department for its costs in implementing and administering these provisions, including a registration fee. The bill also would require the licensed entity to pay a license fee equal to an unspecified percentage of the fees collected by the licensed entity from players participating in poker games conducted on its Internet Web site. By imposing this fee, the bill would constitute a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of 2/3 of the membership of each house of the Legislature. The bill would provide for all fees to be remitted to the Internet Gambling Fund, which would be administered by the Controller subject to annual appropriation by the Legislature.

Existing law, subject to exceptions, generally prohibits the possession and use of a slot machine or device, as defined, and prohibits certain other acts and transactions pertaining to slot machines or devices. Existing law provides varying definitions of slot machine or device for these purposes. Violations of these provisions are punishable by varying misdemeanor penalties.

This bill would provide that personal, networked, or server computers are not included within the term slot machine or device, for purposes of these provisions, if operated pursuant to a valid license or permit to operate an intrastate Internet poker Web site, as defined.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

Laws: An act to add Chapter 5.2 (commencing with Section 19990) to Division 8 of the Business and Professions Code, and to amend Section 330b of the Penal Code, relating to Internet gambling.

History:

Jan. 20 Referred to Coms. on G.O. and PUB. S.

Dec. 7 From printer. May be acted upon on or after January 6.

Dec. 6 Introduced. Read first time. To Com. on RLS. for assignment. To print.

Organization

CARF

SB 45<<http://ct2k2.capitoltrack.com/BillInfo.asp?measure=SB%2045>>

(Wright) Internet gambling. (I-

12/08/2010 html<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_45_bill_20101208_introduced.html)

[0050/sb\\_45\\_bill\\_20101208\\_introduced.html](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_45_bill_20101208_introduced.html)> pdf<[http://ct2k2.capitoltrack.com/Bills/sen/sb\\_0001-0050/sb\\_45\\_bill\\_20101208\\_introduced.pdf](http://ct2k2.capitoltrack.com/Bills/sen/sb_0001-0050/sb_45_bill_20101208_introduced.pdf)>)

Status: 01/20/2011-Referred to Com. on G.O.

Current Location: 01/20/2011-S G.O.

Digest: The Gambling Control Act provides for the licensure of certain individuals and establishments that conduct controlled games, as defined, and for the regulation of these gambling activities by the California Gambling Control Commission. Existing law provides for the enforcement of those regulations by the Department of Justice. Any violation of these provisions is punishable as a misdemeanor, as specified.

This bill would establish a framework to authorize intrastate Internet gambling, as specified. The bill would require the department to issue a request for proposals to enter into contracts with up to 3 hub operators, as defined, to provide lawful Internet gambling games to registered players in California for a period of 20 years, as specified.

The bill would provide that it would be a misdemeanor for any person to offer or play any gambling game provided over the Internet that is not authorized by the state pursuant to this bill. By creating a new crime, this bill would impose a state-mandated local program.

The bill would require a hub operator to remit an agreed-upon percentage, but no less than 10%, of its gross revenues to the Treasurer on a monthly basis.

The bill would also create the Internet Gambling Fund which would be administered by the Controller subject to annual appropriation by the Legislature, and which would not be subject to the formulas established by

statute directing expenditures from the General Fund, for appropriation by the Legislature to state agencies, as specified.

Existing law provides that a statute that imposes a requirement that a state agency submit a periodic report to the Legislature is inoperative on a date 4 years after the date the first report is due.

This bill would require the commission, notwithstanding that requirement, in consultation with the department, Treasurer, and Franchise Tax Board, to issue a report to the Legislature describing the state's efforts to meet the policy goals articulated in this bill within one year of the effective date of this bill and, annually, thereafter.

The bill would also require the Bureau of State Audits, 3 years after the commencement date of any hub operations contract with the state, but no later than 4 years after that date, to issue a report to the Legislature detailing the bureau's implementation of this bill, as specified.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

Laws: An act to add Chapter 5.2 (commencing with Section 19990.01) to Division 8 of the Business and Professions Code, relating to Internet gambling, and declaring the urgency thereof, to take effect immediately.

History:

Jan. 20 Referred to Com. on G.O.

Jan. 3 Read first time.

Dec. 9 From printer. May be acted upon on or after January 8.

Dec. 8 Introduced. To Com. on RLS. for assignment. To print.

Organization

CARF

Total Position Forms: 5

[cid:image001.jpg@01CBB952.3AAE9D50]

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**Christopher Korby**

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**From:** "Christopher Korby" <korby@calfairs.net>  
**To:** "Alkire, John" <jalkire@fresnofair.com>; "Rick Pickering" <rick@alamedacountyfair.com>; "Norb Bartosik" <nbartosik@calexpo.com>; "Kelly Violini" <kelly@montereycountyfair.com>; "Dan Jacobs" <jacobs@avfair.com>; "agnifili, vince" <vince@socalfair.com>; "Mike Paluszak" <mpaluszak@scfair.org>; "Rebecca Desmond" <RDesmond@cdfa.ca.gov>  
**Cc:** "Louie Brown" <lbrown@kscsacramento.com>; "Rick Wood" <rwood@cfsa.org>  
**Sent:** January 14, 2011 5:32 PM  
**Attach:** Funds Allocated by CDFA Held at CARF-Summary as of 12-31-2010.xls  
**Subject:** Fw: Meeting Notes

To: CARF Board members

As a result of the CDFA audit just conducted, CDFA legal counsel is advising that moneys allocated from F&E to fund CARF programs be returned to CDFA. CDFA auditors and legal counsel have found that the documentation which memorialized these allocations was not consistent with state requirements.

We've had on-going discussions with F&E on this matter and this morning Louie Brown, Rick Wood and I met with Nate Dechoretz, Deputy Secretary of Administration & Finance at CDFA, to discuss how we would proceed. Mr. Dechoretz confirmed that CDFA was asking that the funding be returned. He advised us that once the appropriate and required contracts are in place between CARF and CDFA, he would work to re-allocate those funds for the original intended purposes. Please see the meeting notes below sent to Rebecca earlier today.

We will be working with F&E staff to prepare these contracts on an expedited basis. I've spoken with David Hillis at F&E within the last hour. We intend to move these forward as expeditiously as possible and will keep you informed as to the progress.

We wanted to keep you informed in a timely manner on this important development. Please don't hesitate to contact me if you have any questions. We can also follow up at the WFA conference next week.

Best regards,  
 --Chris

Christopher Korby  
 Executive Director  
 California Authority of Racing Fairs  
 916-263-3348

01/25/2011

----- Original Message -----

**From:** [Christopher Korby](#)

**To:** [Rebecca Desmond](#) ; [Louie Brown](#) ; [Rick Wood](#)

**Cc:** [Nate Dechoretz](#) ; [Alkire, John](#)

**Sent:** January 14, 2011 3:58 PM

**Subject:** Meeting Notes

Rebecca,

We all know how hard our respective staffs have been working to prepare for and comply with the findings and recommendations of the recent CDFA audit. I really appreciate the time you and I were able to spend last night discussing the report we sent you showing the funds allocated by F&E, presently held at CARF for the purpose of funding various programs that we administer.

I'd like to report on our meeting with Nate Dechoretz.

This morning, Louie Brown, Rick Wood and I met with Nate to discuss the disposition of those funds in a manner consistent with the findings and recommendations of the audit. We offered as a basis for our discussion the report that we had sent you, also attached here.

Nate noted that CDFA legal counsel has advised that moneys allocated from F&E, held at CARF to fund programs which we administer, must be returned to CDFA because the documentation which memorialized the allocations was not consistent with state requirements. He advised us that once the appropriate and required contracts are in place between CARF and CDFA, he would work to re-allocate those funds for the original intended purposes.

We agreed that funds allocated from F&E, held on account at CARF, would be returned to CDFA within ten days, a period of time which would allow orderly liquidation of investments to retain maximum interest payments. Rick Wood will be contacting the CDFA audit division to coordinate and confirm the amounts.

Nate strongly encouraged us to complete the contracts between CARF and CDFA as soon as possible. We agreed and pledged to do whatever we can to complete that process on or before the date on which funds are returned to CDFA.

We wanted to make sure you were in the loop and had a timely report on our meeting with Nate. We'll also be sending this report to the CARF Board.

We look forward to working with you and your staff toward a prompt resolution of these

01/25/2011



matters. Thanks for your help!

Best regards,  
--Chris

Christopher Korby  
Executive Director  
California Authority of Racing Fairs  
916-263-3348

<u>Program</u>	<u>Held at CARF 12/31/10</u>	<u>Held at CFSA</u>	<u>Admin Fees on Funds held at CARF/CFSA</u>	<u>Committed Encumbered Funds</u>	<u>Uncommitted Funds</u>	
Change Fund	\$1,014,000.00				\$1,014,000.00	
Track Safety	\$214,658.13		(\$16,099.36)	(\$213,967.15)	(\$15,408.38)	see footnote (1)
SWF Facilities Improvement	\$88,680.04		(\$7,616.30)	(\$90,129.75)	(\$9,066.01)	see footnote (2)
Equipment Replacement Funds (ERF)	\$525,793.68	\$500,000.00	(\$76,934.53)	see footnote (3)	\$948,859.15	see footnote (3)
Capital Improvement Funds	\$1,213,708.88	\$1,205,253.36	(\$181,422.17)	(\$279,002.47)	\$1,958,537.60	see footnote (4)
	\$3,056,840.73	\$1,705,253.36	(\$282,072.35)	(\$583,099.37)	\$3,896,922.37	

**FOOTNOTES:**

(1) committed to John Deere Tractor Financing

(2) committed to Ferndale,Tulare,Indio,Vallejo (90K)

(3) ERF program has funds committed through 2015; however, purchase orders have not been placed for equipment orders for 2011 and beyond

(4) Committed Sonoma 30K, Fresno Bal 145K, Monterey 55K, Stockton 13K, Live Racing Fairs Bal 36K(sonoma,Humboldt,CalExpo)

\*\*\*Replacement Revenues to San Joaquin County Fair \$158,775 and Solano County Fair \$ 414,088

a) SWF Facilities Improvement funds partial balances used to pay Replacement Revenues 168K

b) Infotext Balance used to pay Replacement Revenues 129K

c) Capital Improvement funds partial balances used to pay Replacement Revenues 275K



January 14, 2011

Donna Bardaro, Executive Director  
California Fair Services Authority  
1776 Tribute Road, Suite 100  
Sacramento, CA 95815

RE: Transfer of Wagering Facility Improvements Fund to F&E

Dear Donna:

The Division of Fairs and Expositions (F&E) is hereby requesting the California Fair Services Authority return all funds in the Wagering Facility Improvements Fund to F&E as per the recent CDFFA audit of F&E. Correspondingly, the Letter of Understanding LOU 10-03 with CFSA is cancelled. .

F&E is requesting that CFSA transfer the program fund balances for this program to F&E. Please provide a program fund close out reconciliation and remit your check made payable to the CDFFA, Division of Fairs and Expositions to the following address:

CA Department of Food and Agriculture  
Division of Fairs and Expositions  
1010 Hurley Way, Ste 200  
Sacramento, CA 95825

F&E would like to thank CFSA for the services that your organization has provided for this program. If you have any questions please contact me at (916) 263-2459 or via email at [rdesmond@cdfa.ca.gov](mailto:rdesmond@cdfa.ca.gov).

Sincerely,

Rebecca Desmond  
Acting Director

cc: Donna Horner, Assistant Director of Operations, CFSA  
Rick Wood, Assistant Director of Finance, CFSA  
David Hillis, Contracts Manager, F&E  
Lisa Drury, Asset Manager, F&E  
Mae Constantino, Fiscal Operations, F&E  
Kristi Prall, Loan Program Coordinator, F&E  
✓ Chris Korby, Executive Director, CARF



**Christopher Korby**

---

**From:** "Christopher Korby" <korby@calfairs.net>  
**To:** "Rebecca Desmond" <RDesmond@cdfa.ca.gov>; "David Hillis" <DHillis@cdfa.ca.gov>  
**Cc:** "Alkire, John" <jalkire@fresnofair.com>; "Louie Brown" <lbrown@kscsacramento.com>; "Rick Wood" <rwood@cfsa.org>  
**Sent:** January 21, 2011 9:07 AM  
**Attach:** !SAMPLE CONTRACT TEMPLATE {CASS Scope of Work} for F&E-CARF Contract-Scanned-Converted MS WORD-Jan17-2011.doc; !Initial DRAFT-F&E-CARF Contract-Track Changes Turned ON-CK1-Jan21-2011.doc  
**Subject:** Initial DRAFT F&E - CARF Contract

Rebecca and David,

As we discussed earlier in the week, I've gone ahead and drafted initial language for the new contract between F&E and CARF. An electronic version of this initial DRAFT is attached for everyone's review. As recommended by Nate Dechoretz, I based this DRAFT on the CASS template, also attached. Please let me know if this language is acceptable to you folks as a basis for continuing preparation of the contract.

The language describing *Scope of Work* is newly drafted; the language describing *Scope of Services* is a combination of language from previous agreements, with a few revisions to reflect current circumstances, along with language from the CASS template.

I've enabled the *TRACK CHANGES* feature of MS WORD, so if you wish to see the changes from the original template, click **VIEW>Markup** to show edits.

Dave, I've left for you to draft language in Section D (4) since the information in that section has to do with formalities determined by F&E. Make any other revisions you might think necessary or appropriate. There are also certain other references to CDFA formalities (e.g., "PCA code") which need explanation for us. I left them in the language in brackets.

We should also discuss and agree on an administrative fee for providing these services. The admin fee in the past has been 7.5%; we've discussed adjusting that to 10%. From what we understand, 7.5% is in the low range for JPA's providing these types of services. If you're amenable to the change, we'd like to adjust the fee to 10%. We'll be glad to discuss rising costs and reasons for an adjustment. This initial DRAFT leaves the admin fee amount blank.

I hope this DRAFT helps move contract preparation forward. Please make any changes you wish and send over at your earliest convenience. Please confirm receipt.

As soon as our schedules permit, let's get together and agree on a draft to send on the next round of review. I'd suggest next Monday 1/24 or Tuesday 1/25 if possible. I'll clear my

01/25/2011

schedule for any time that can work for you.

As you edit, please turn on the *TRACK CHANGES* feature of MS WORD (Click on **TOOLS>Track Changes** or **CNTL+SHIFT+E**) so that we all can easily review any proposed revisions.

Thanks for your help in this matter. I know we all would like to get the new agreement in place as soon as possible.

Best regards,  
--Chris

Christopher Korby  
Executive Director  
California Authority of Racing Fairs  
916-263-3348

**Christopher Korby**

---

**From:** "Christopher Korby" <korby@calfairs.net>  
**To:** "David Hillis" <DHillis@cdfa.ca.gov>; "Rebecca Desmond" <RDesmond@cdfa.ca.gov>  
**Cc:** "Alkire, John" <jalkire@fresnofair.com>  
**Sent:** January 18, 2011 12:18 PM  
**Attach:** !SAMPLE CONTRACT TEMPLATE {CASS Scope of Work} for F&E-CARF Contract-Scanned-Converted MS WORD-Jan17-2011.doc  
**Subject:** Contract Preparation

David,

This follows up our conversation on Friday during which we discussed how we would proceed in preparing the new contracts that will govern funding allocations from CDFA F&E for programs administered by CARF.

We agreed to use the CASS Scope of Work as a template for a single contract between F&E and CARF, and that the single contract would contain language that would describe the several programs that CARF administers using funding allocated through F&E. We agreed to divide up some of the preparation work so that we could move more quickly toward moving the DRAFT contract on to the next levels of approval.

I agreed to provide you with a scanned and converted electronic version of the CASS template contract in MS WORD, which we could in turn mutually edit with language appropriate for the agreement between F&E and CARF. That document in MS-WORD, is attached. (Title: Scope of Work Cooperative Agricultural Support Services (CASS) March 1, 2010 to February 29, 2012.) I also agreed to provide budgets for each of the programs described in the contract that we would attach to the contract.

You agreed to work on preparing the contract language, inserted into the CASS template, that we could mutually edit using the MS-WORD *Track Changes* function.

I'll send over the budgets as we have them ready. If I find the time, I'll also take a crack at preparing contract language to send over for review.

Please let me know if any of the above does not comport with your recollection of our conversation. Look forward to working with you on this.

Best regards,  
--Chris

Christopher Korby  
Executive Director  
California Authority of Racing Fairs  
916-263-3348

01/25/2011

DRAFT- F&E CARF Contract  
January 21, 2011

## AGREEMENT

**BETWEEN THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE  
DIVISION OF FAIRS AND EXPOSITIONS (F&E)  
AND THE  
CALIFORNIA AUTHORITY OF RACING FAIRS (CARF)**

*JANUARY XX, 2011 TO JANUARY XX, 2013*

### SCOPE OF WORK

Contractor California Authority of Racing Fairs (CARF) agrees to provide the services described herein for the California Department of Food and Agriculture Division of Fairs and Expositions in order to:

1. Assist and support California Fairs in generating revenue from the conduct of live horse racing and satellite wagering and the wagering thereon.
2. Develop or facilitate development of new revenue streams to the network of California Fairs.
3. Assist and support California Fairs in maintaining safe, healthy and attractive venues for the conduct of horse racing.
4. Administer and distribute Supplemental Purse monies pursuant to Business and Professions Code 19606.3 and 19605.9 as directed by CDFA.

### SCOPE OF SERVICES

- A. The CDFA Division of Fairs and Expositions desires that CARF shall develop, manage, administer or otherwise provide services to the network of California Fairs which generate revenue for Fairs to carry out their mission of public service and support of agriculture, consistent with the statutory intent described in Business and Professions Code Section 19606.1. The scope of these services will include the following:
  1. Provide administration of capital project funds for California fairs which are members of CARF, including live racing fairs

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and fairs with satellite wagering facilities.

2. Administer funds in an account known as the Equipment Replacement Fund for the purpose of maintaining and replacing technical systems or electronic equipment utilized for satellite wagering. This Fund operates as a sinking fund and, as such, may hold funds for the purposes described herein beyond the expiration of this agreement.
3. Administer funds in accounts known as the Race Track Safety and Maintenance Fund, and Wagering Facility Improvements Fund for on-going safety, maintenance and capital improvements at live racing and satellite wagering facility fairs. The Race Track Safety and Maintenance Fund operates as a sinking fund and, as such, may hold funds for the purposes described herein beyond the expiration of this agreement.
4. Administer funds as directed by CDFA for development of new revenue generating activities or enterprises.
5. Administer funds necessary to secure the Change Fund (bank) for Northern California simulcast network through Northern California Off-Track Wagering, Inc (NCOTWInc.) while CARF member Fairs conduct parimutuel wagering on live horse racing.
6. Distribute Supplemental Purse monies pursuant to Business and Professions Code 19606.3 and 19605.9 to qualified Fairs as directed by CDFA F&E.
7. CARF shall adopt policy guidelines for the administration of these Funds and enter in to agreements with approved organizations for program participation.
8. CARF shall provide F & E a quarterly status report for all project activity stated in this contract including an accounting of funds expended.



DRAFT- F&E CARF Contract  
January 21, 2011

9. Prior to initializing any site-specific project activity set forth in this contract, CARF shall seek the approval of F & E in order to determine the participating organization's current eligibility to receive the benefit of state funds.
10. Funds appropriated for the purpose of carrying out the terms of this contract shall be retained in a restricted fund account. The disposition of unexpended funds, project savings, and interest earnings on these funds shall be utilized by agreement of the Director of F & E and CARF for the purposes of this contract.
11. CARF will comply with equal employment opportunity laws.
12. CARF shall establish and publish policies for CARF employees on Prevention of Discrimination, Sexual Harassment, Workplace Violence, and Heat Illness in accordance with all applicable Federal and State laws, regulations and any other applicable rules and procedures. CARF shall ensure the policies and procedures are updated pursuant to any changes in the applicable laws and regulations. Additionally, CARF shall ensure all CARF employees adhere to and comply with all the above statutes, regulations, policies, and procedures pertaining to Discrimination, Sexual Harassment, Workplace Violence, and Heat Illness. CARF shall provide training to CARF staff on Sexual Harassment Prevention, Workplace Violence Prevention and Heat Illness Prevention in accordance with all Federal and State laws and regulations.
13. CARF management will promptly act when informed by CDFA of any issues relating to employee performance.

B. The CDFA Division of Fairs and Expositions shall:

1. Include funding allocations for these programs in the annual Expenditure Plans prepared and submitted during the term of this agreement.

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DRAFT- F&E CARF Contract

January 21, 2011

XX.

The Division of Fairs and Expostions (CDFA) agrees to provide the services described herein for the contractor:

- 1. Compensation: For services provided by CARF pursuant to this contract, CDFA shall compensate CARF in an amount not to exceed a total amount of \$xxxxxxx.

CDFA shall allocate funds to CARF for all the cost of managing and administering the programs noted in A (1-X) above. The reimbursement rate shall include a [ XX ] percent administrative fee.

For the California Department of Food and Agriculture  
Division of Fairs and Expositions

By: \_\_\_\_\_  
(Name)

By: \_\_\_\_\_  
(Printed Name)

Its: \_\_\_\_\_  
Title

Date: \_\_\_\_\_

Accepted by:

\_\_\_\_\_  
Christopher Korby  
Executive Director  
California Authority of Racing Fairs

\_\_\_\_\_  
Date

-END OF DRAFT-

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DRAFT- F&E CARF Contract  
January 21, 2011

AGREEMENT

BETWEEN THE CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE  
DIVISION OF FAIRS AND EXPOSITIONS (F&E)  
AND THE  
CALIFORNIA AUTHORITY OF RACING FAIRS (CARF)

JANUARY XX, 2011 TO JANUARY XX, 2013

SCOPE OF WORK

Contractor California Authority of Racing Fairs (CARF) agrees to provide the services described herein for the California Department of Food and Agriculture Division of Fairs and Expositions in order to:

1. Assist and support California Fairs in generating revenue from the conduct of live horse racing and satellite wagering and the wagering thereon.
2. Develop or facilitate development of new revenue streams to the network of California Fairs.
3. Assist and support California Fairs in maintaining safe, healthy and attractive venues for the conduct of horse racing.
4. Administer and distribute Supplemental Purse monies pursuant to Business and Professions Code 19606.3 and 19605.9 as directed by CDFA.

SCOPE OF SERVICES

A. The CDFA Division of Fairs and Expositions desires that CARF shall develop, manage, administer or otherwise provide services to the network of California Fairs which generate revenue for Fairs to carry out their mission of public service and support of agriculture, consistent with the statutory intent described in Business and Professions Code Section 19606.1. The scope of these services will include the following:

1. Provide administration of capital project funds for California fairs which are members of CARF, including live racing fairs

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DRAFT- F&E CARF Contract

January 21, 2011

and fairs with satellite wagering facilities.

2. Administer funds in an account known as the Equipment Replacement Fund for the purpose of maintaining and replacing technical systems or electronic equipment utilized for satellite wagering. This Fund operates as a sinking fund and, as such, may hold funds for the purposes described herein beyond the expiration of this agreement.

3. Administer funds in accounts known as the Race Track Safety and Maintenance Fund, and Wagering Facility Improvements Fund for on-going safety, maintenance and capital improvements at live racing and satellite wagering facility fairs. The Race Track Safety and Maintenance Fund operates as a sinking fund and, as such, may hold funds for the purposes described herein beyond the expiration of this agreement.

4. Administer funds as directed by CDFA for development of new revenue generating activities or enterprises.

5. Administer funds necessary to secure the Change Fund (bank) for Northern California simulcast network through Northern California Off-Track Wagering, Inc (NCOTWInc.) while CARF member Fairs conduct parimutuel wagering on live horse racing.

6. Distribute Supplemental Purse monies pursuant to Business and Professions Code 19606.3 and 19605.9 to qualified Fairs as directed by CDFA F&E.

7. CARF shall adopt policy guidelines for the administration of these Funds and enter in to agreements with approved organizations for program participation.

8. CARF shall provide F & E a quarterly status report for all project activity stated in this contract including an accounting of funds expended.

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**Deleted:** Services shall be provided promptly upon request by CDFA in order to enforce emergency State Interior Quarantine regulations or to promptly conduct regulatory response activities for detections of actionable plant pest or plant disease as determined by the USDA or CDFA.

**Comment:** Black's Law Dictionary defines "sinking fund" as follows: "A fund (usually invested), which will be used to replace improvements as needed. In general accounting, segregated assets which are being accumulated for a specific purpose."

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DRAFT- F&E CARF Contract

January 21, 2011

9. Prior to initializing any site-specific project activity set forth in this contract, CARF shall seek the approval of F & E in order to determine the participating organization's current eligibility to receive the benefit of state funds.

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10. Funds appropriated for the purpose of carrying out the terms of this contract shall be retained in a restricted fund account. The disposition of unexpended funds, project savings, and interest earnings on these funds shall be utilized by agreement of the Director of F & E and CARF for the purposes of this contract.

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11. CARF will comply with equal employment opportunity laws.

12. CARF shall establish and publish policies for CARF employees on Prevention of Discrimination, Sexual Harassment, Workplace Violence, and Heat Illness in accordance with all applicable Federal and State laws, regulations and any other applicable rules and procedures. CARF shall ensure the policies and procedures are updated pursuant to any changes in the applicable laws and regulations. Additionally, CARF shall ensure all CARF employees adhere to and comply with all the above statutes, regulations, policies, and procedures pertaining to Discrimination, Sexual Harassment, Workplace Violence, and Heat Illness. CARF shall provide training to CARF staff on Sexual Harassment Prevention, Workplace Violence Prevention and Heat Illness Prevention in accordance with all Federal and State laws and regulations.

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13. CARF management will promptly act when informed by CDFA of any issues relating to employee performance.

B. The CDFA Division of Fairs and Expositions shall:

1. Include funding allocations for these programs in the annual Expenditure Plans prepared and submitted during the term of this agreement.

- Deleted: 1a. Provide all vehicles, supplies and equipment necessary to carry out assigned work. All vehicles, supplies, and equipment are assigned to CASS personnel on a daily basis. Assignments are recorded in a daily check-out sheet which is signed by the CASS¶ personnel responsible for the vehicle, equipment, or supplies. All vehicles, supplies and equipment remain under the management of CDFA and are to be returned to CDFA management immediately upon completion of assigned tasks.¶
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DRAFT- F&E CARF Contract

January 21, 2011

2. XX

C. Schedule:

The services provided pursuant to this contract shall be completed by no later than January xx, 2013.

D. Invoicing and Billing:

1. CARF shall submit billings (invoices) to the Division of Fairs and Expositions on a [monthly/quarterly] basis. Said billings shall indicate the cost incurred by CARF in providing services since the date of the preceding billing and CARF's [ XX %] administrative fee. The billings shall include documentation of all reimbursable expenses.
2. Billings will specify a specific program or project as titled by CDFA, and a [PCA code?].
3. Each billing will be specific to a single project and PCA code as determined by CDFA. In the event there are multiple projects, there will be a separate billing for each project
4. Invoices may be submitted via USPS, express courier (signature required), e-mail or hand delivered to the Program contract manager:

Xxxxxxx Zxxxxxx  
Division of Fairs and Expositions  
 California Department of Food & Agriculture  
1010 Hurley Way  
 Sacramento, CA 95815

Via email in Excel or PDF format to the Program contract manger:

Xxxxxxxx Zzzzzzzzz  
XZzzzzz@cdfa.ca.gov

In the event of an audit, [F&E: please suggest language, if necessary, for this section] XX

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¶

</> Provide training to CASS personnel regarding the use of Voyager cards and inappropriate charges as outlined in the State of California, Department of General Services, Fleet Handbook (Appendix A.) Inappropriate charges made by CASS personnel on Voyager cards will be recovered by GDFA and will not be reimbursed under the terms of this contract. ¶ ... [1]

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DRAFT- F&E CARF Contract

January 21, 2011

XX.

The Division of Fairs and Expositions (CDFA) agrees to provide the services described herein for the contractor:

- 1. Compensation: For services provided by CARF, pursuant to this contract, CDFA shall compensate CARF in an amount not to exceed a total amount of \$xxxxxxx.

CDFA shall allocate funds to CARF for all the cost of managing and administering the programs noted in A (1-X) above. The reimbursement rate shall include a [ XX ] percent administrative fee.

For the California Department of Food and Agriculture  
Division of Fairs and Expositions

By: \_\_\_\_\_  
(Name)

By: \_\_\_\_\_  
(Printed Name)

Its: \_\_\_\_\_  
Title

Date: \_\_\_\_\_

Accepted by:

\_\_\_\_\_  
Christopher Korby Date  
Executive Director  
California Authority of Racing Fairs

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<p>Provide training to GASS personnel on the use of all equipment, vehicles, and procedures necessary to conduct inspections and regulatory site visits.</p> <p>Provide training to CASS personnel regarding the use of Voyager cards and inappropriate charges as outlined in the State of California, Department of General Services, Fleet Handbook (Appendix A.) Inappropriate charges made by CASS personnel on Voyager cards will be recovered by GDFA and will not be reimbursed under the terms of this contract.</p> <p>Identify inspection sites, locations for regulatory oversight visits, or public outreach events</p> <p>Provide technical oversight of all assigned tasks. CDFA staff will monitor GASS inspections and/or regulatory oversight activities outlined in contract to ensure that all GASS staff is conducting the assigned tasks satisfactorily.</p> <p>Provide, as needed, copies of the CDFA Regulatory Response Manual or other documents that assist in carrying out assigned work.</p>		
<b>Page 4: [2] Formatted</b> Normal, Line spacing: single	<b>Christopher Korby</b>	<b>January 17, 2011 2:27 PM</b>
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<p>Interior Program of the Pest Exclusion Branch</p> <p>the salary or wages, and benefits for each of CASS's personnel, CASS's eight percent (8%) administrative fee, and cost incurred by CASS in providing services to the date of such billing since the date of the preceding billin</p>		
<b>Page 4: [5] Deleted</b>	<b>Christopher Korby</b>	<b>January 17, 2011 2:36 PM</b>
<p>CASS will restrict the audit criteria to only include billings for the Interior Program of Pest Exclusion and base said audit on a State fiscal year. CASS shall provide the Contract Manager with the results of said audit.</p>		
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<p>CASS will perform emergency regulatory services at locations throughout California, as identified by Pest Exclusion Branch Management that are subject to State Interior Quarantine regulations, such as Mediterranean Fruit Fly, Mexican Fruit Fly,</p>		

and Asian Citrus Psyllid, or at any p

<b>Page 2: [7] Comment</b>	<b>Christopher Korby</b>	<b>January 21, 2011 7:31 AM</b>
<b>Black's Law Dictionary</b> defines " <i>sinking fund</i> " as follows: "A fund (usually invested), which will be used to replace improvements as needed. In general accounting, segregated assets which are being accumulated for a specific purpose."		

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roperty where an actionable plant pest or plant disease has been detected. Specific job sites will include temporary Project headquarters, CDFA Interior Program field offices, and any public or privately owned regulated premise in an established quarantined area.		

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Specific tasks assigned to CASS staff will include, but are not limited to: conducting site visits at regulated establishments to ensure compliance with quarantine regulations; overseeing treatments required for quarantine compliance, issuing certificates and/or Limited Permits for applicable shipments; reviewing records of incoming and outgoing shipments from regulated establishments; answering public inquiries (via phone and in person) regarding quarantine compliance procedures; entering data pertaining to regulated establishments; and general administrative support duties in an office environment including answering phones, faxing requested forms to regulated entities, filing documents, etc.

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CASS staff assigned to perform emergency regulatory services shall work under the overall supervision and direction of CASS's Executive Officer and the assigned CASS supervisor. CDFA shall provide technical oversight to ensure that all work is done to CDFA/USDA standards.

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The following CASS classifications will be used to perform the regulatory services described above: CASS Agricultural Technical Aide, CASS Agricultural Technician I, CASS Agricultural Technician II, CASS Agricultural Technician III

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## DRAFT SHOWING MARK-UP

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<p>Cooperative Agricultural Support Services (CASS) March 1, 2010 to February 29, 2012</p>		
<b>Page 1: [26] Deleted</b> CASS	<b>Christopher Korby</b>	<b>January 17, 2011 2:01 PM</b>
<b>Page 1: [26] Deleted</b> Interior Program of Pest Exclusion	<b>Christopher Korby</b>	<b>January 17, 2011 2:01 PM</b>
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<b>Page 1: [32] Deleted</b> Enforce any current and/or future Federal Domestic Quarantine and/or State Interior Quarantine.	<b>Christopher Korby</b>	<b>January 17, 2011 2:02 PM</b>

Conduct emergency regulatory response activities as a result of detections of actionable plant pest or plant disease as determined by the USDA or CDFA.

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<b>Page 1: [34] Deleted</b> CASS	<b>Christopher Korby</b>	<b>January 17, 2011 2:07 PM</b>
<b>Page 1: [34] Deleted</b> provide	<b>Christopher Korby</b>	<b>January 17, 2011 2:11 PM</b>
<b>Page 1: [34] Deleted</b> emergency plant pest exclusion and quarantine services, as requested by the CDFA Interior Program of Pest Exclusion, as follows	<b>Christopher Korby</b>	<b>January 17, 2011 2:10 PM</b>

## GENERAL GOVERNMENT

The General Government Section includes multiple departments, commissions, and offices responsible for oversight and specific activities. The Budget includes total funding of \$4.5 billion (\$2.2 billion General Fund and \$2.3 billion various funds) for these entities.

### CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

The California Department of Food and Agriculture (CDFA) protects and promotes California's agriculture industry and ensures that only safe and quality food reaches the consumer. The CDFA's existing budget includes \$95.8 million in General Fund for a number of programs, such as agricultural plant and animal health, pest prevention, weights and measures, and others. The CDFA also receives \$32 million for support of the network of California fairs (78 fairs that also generate support revenues). Beginning in 2009-10, legislation removed funding from horse racing revenue that had previously helped to support the fairs and required \$32 million General Fund annually for support of the fairs.

The significant General Fund solutions are as follows:

- Given the state's fiscal challenges and the benefits derived by local and private entities, the Secretary of Food and Agriculture will convene key agricultural and industry individuals to look at the long-term viability of state programs and to determine solutions to limit the need for General Fund resources. The consortium

## GENERAL GOVERNMENT

will need to complete its work by February 1, 2011, resulting in General Fund savings of \$15 million in 2011-12, and \$30 million ongoing.

- Eliminate General Fund support for the Network of California Fairs—A permanent decrease of \$32 million as a result of removing state funding for support of the fairs.

### **CALIFORNIA PUBLIC UTILITIES COMMISSION**

The California Public Utilities Commission (PUC) regulates services such as privately owned telecommunications, electric, natural gas, and water companies, in addition to overseeing railroad/rail transit and moving and transportation companies. The PUC is the only agency in the state charged with protecting private utility consumers. As such, the PUC is responsible for ensuring that customers have safe, reliable utility service at reasonable rates, protecting against fraud, and promoting the health of California's economy, which depends on the infrastructure the utilities and the PUC provide.

The PUC oversees the safety of gas transmission and distribution systems in California. New regulations require pipeline operators to establish programs for Public Awareness, Distribution Integrity Management, and Control Room Management. The PUC will be responsible for auditing these new programs. In addition, the PUC plans to enhance its Pipeline Safety Program.

The significant Non-General Fund policy issue adjustment is:

- Gas Safety Program—The Budget includes an increase of 4.0 Engineers and \$498,000 in Public Utilities Reimbursement Account and Federal Trust Fund for natural gas distribution systems safety oversight.

### **COMMISSION ON STATE MANDATES**

The Commission on State Mandates (Commission) is a quasi-judicial agency that hears test claims to determine whether local agencies and school districts are entitled to reimbursement for increased costs mandated by the state. It also hears and decides claims that the Controller incorrectly reduced payments for reimbursement claims, and determines the existence of significant financial distress for applicant counties.

The Constitution requires the Legislature to either fund or suspend specified mandates in the annual Budget Act. Previously, most mandates not related to law enforcement, property taxes, or elections were suspended. With few exceptions, state reimbursable mandate claims are a General Fund expense.

## GENERAL GOVERNMENT

The significant General Fund solutions are as follows:

- **Suspend/Repeal State Mandates**—A decrease of \$227.8 million in 2011-12 as a result of suspending most mandates not related to law enforcement or property taxes. In preparation for the 2012-13 Budget, the Administration is proposing to develop a process with the Legislature whereby all reimbursable mandates are reviewed. This review shall determine which statutes should be maintained, modified to reduce costs, repealed to eliminate the mandate entirely, or amended to make the activity permissive using best practices or guidelines.
- The mandated mental health services for special education students (including students placed in out-of-state residential facilities) are commonly referred to as AB 3632 services. In 2011-12, the AB 3632 mandate will be funded with Proposition 63 funds (for savings of \$98.6 million General Fund) within the Department of Mental Health budget.
- **Deferral of Pre-2004 Mandate Obligations**—A one-time reduction of \$94 million in 2011-12 as a result of deferring the 2011-12 payment for costs incurred prior to 2004-05. These costs are required to be completely paid by 2020-21.

### **CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS**

The California Department of Veterans Affairs provides residential and medical care services to honorably discharged California veterans who served on active duty and are over the age of 62 or disabled, assists veterans and their families in presenting their claims for federal benefits, and offers honorably discharged veterans who served on active duty and active duty military personnel direct low-cost loans to acquire farms and homes.

County Veterans Service Offices assist veterans in receiving the federal benefits for which they are eligible and act as the California Department of Veterans Affairs' network for claim initiation and development. Operation Welcome Home was implemented to connect returning veterans to the services that can help them transition successfully to civilian life. Operation Welcome Home has helped veterans receive coordinated assistance including job placement, unemployment benefits, housing, healthcare, and federal, state, and local veterans' benefits and services.

## GENERAL GOVERNMENT

The significant General Fund solution is:

- Eliminate General Fund Support for County Veterans Service Offices—A decrease of \$9.9 million (\$7.6 million local assistance and \$2.3 million state operations) in 2011-12 as a result of eliminating General Fund support for County Veterans Services Offices and Operation Welcome Home.



THE SACRAMENTO BEE [sacbee.com](http://www.sacbee.com)

# Anatomy of Brown's budget plan

Published Sunday, Jan. 09, 2011

The budget Jerry Brown will propose Monday includes deep program cuts, a June election to extend tax increases and a broad reordering of state and local government to close a deficit estimated at \$25 billion to \$28 billion, according to sources familiar with the plan. Here are some of the elements:

## PROGRAM CUTS

Brown's proposed cuts would be felt throughout state government.

- Education: Provide K-12 schools with Proposition 98 minimum guaranteed funding. If June tax extensions fail, the guarantee would be suspended to allow deeper cuts.
- Higher education: Make deep cuts to both UC and CSU systems, in ways targeted to minimize fee hikes and enrollment reductions.
- State employees: Reduce spending in the six bargaining units that have not reached contract agreements, with savings similar to the 8 percent to 10 percent to which other units agreed.
- State organization: Consolidate some state departments and agencies.
- Governor's Office: Reduce budget by 25 percent (\$7 million), including elimination of education secretary, Cabinet secretaries and first lady's staff.
- Parks: Shut state parks with lowest attendance.
- Libraries: Cut state funding for local libraries.
- Medi-Cal: Require patients to provide co-payments for services, limit doctor visits and reduce rates paid to health providers.
- Healthy Families: Increase participant premiums and co-pays, eliminate vision care.
- Welfare: Cut grants, impose stricter time limits on recipients getting grants, eliminate child care for 11- and 12-year-olds.
- SSI-SSP: Cut grants to the federal minimum for low-income elderly, blind and disabled individuals in the program.
- In-home care: Reduce the number of hours In-Home Supportive Services workers could care for elderly and disabled residents, cut domestic services like cleaning and laundry in cases in which caregivers live in the same home as recipients, typically family members.

- **Developmental services:** Make deep cuts to the system of 21 regional centers that oversee care for the developmentally disabled.
- **Mental health:** Use voter-approved Proposition 63 money to replace general fund money now spent on mental health.
- **Children's programs:** Ask voters to amend Proposition 10 to allow the state to use tobacco tax money now reserved for use by "First 5" commissions.
- **Foster care:** Eliminate transitional housing aid for 18- and 19-year-olds.
- **Cal Fire:** Reduce staffing on wildfires.
- **Courts:** Deep unallocated reduction to trial courts.
- **Fairs:** Cut all state funding for county fairs.
- **AIDS:** Require higher co-payments for AIDS drugs.

## REVENUE

Brown will propose a variety of measures to increase revenue, in some cases directing the money to local governments.

- **Taxes:** Ask voters in June to extend 2009 increases to sales, vehicle and income taxes, raising \$8 billion to \$10 billion over 18 months. If approved by voters, the revenue from extensions of the vehicle and sales taxes would flow to local governments to help finance government realignment.
- **Dependents:** Indefinitely extend the \$99-per-dependent tax credit. The credit was lowered from \$309 per dependent in 2008.
- **Enterprise zones:** Eliminate business tax relief in depressed areas that have been designated as enterprise zones, saving the general fund hundreds of millions of dollars.
- **Redevelopment:** Eliminate hundreds of local redevelopment agencies, eventually redirecting property tax revenue they receive to cities, counties and schools.
- **Borrowing:** Continue borrowing from special funds and take a portion of Indian gambling revenue to general fund.
- **Corporations:** Require all multistate businesses to calculate their tax liability solely on their sales in California. Businesses could no longer use an old formula that accounted for property and payroll size.
- **Transportation:** Use truck weight fees for debt service on state transportation bonds, circumventing Proposition 22's restrictions on taking local transportation dollars.

## REALIGNMENT

Brown will propose several plans to shift programs to local governments.

- **Juveniles:** Eliminate the state Division of Juvenile Justice, instead sending money to local governments to house juvenile offenders.
- **Adult prisoners:** Low-level, nonviolent, non-sex offenders without serious prior convictions would be housed in county jails. Money would be sent to local

**California Authority of Racing Fairs  
Agency Income Statement  
December 31, 2010**

IX.

	<b>2008 Year End Actual</b>	<b>2009 Year End Actual</b>	<b>2010 Year End Actual</b>	<b>2010 Annual Budget</b>	<b>2010 Budget Variance</b>	<b>2010 % Budget</b>	<b>2011 Proposed Budget</b>
<b>Revenue:</b>							
Other Revenue	12,384	148	120	500	(380)	24%	500
Interest Income	96,705	30,515	18,003	30,000	(11,997)	60%	30,000
Member Dues	282,520	282,532	292,913	292,913	0	100%	292,913
CARF South Programs Admin Fee	29,295	25,351	21,256	26,250	(4,994)	81%	18,806
CARF Projects Admin Fee	175,639	66,063	141,872	195,000	(53,128)	73%	195,000
CARF Live Racing Admin Fee	149,334	112,869	109,305	136,723	(27,418)	80%	182,611
CARF @ Leased Facility Revenue	0	(311,170)	0	0	0	0%	0
<b>Total Revenue</b>	<b>745,876</b>	<b>206,308</b>	<b>583,470</b>	<b>681,386</b>	<b>(97,916)</b>	<b>86%</b>	<b>719,830</b>
<b>Expenses:</b>							
Salaries	245,914	226,671	237,503	304,423	66,920	78%	305,173
Employee Benefits	26,800	23,714	18,890	30,000	11,110	63%	30,000
Post Retirement Benefits	31,614	666,317	34,458	32,896	(1,562)	105%	35,000
Payroll Taxes	12,509	12,487	12,529	13,500	971	93%	15,000
Accounting Costs	16,337	17,209	17,272	18,750	1,478	92%	18,750
Audit Services	6,188	7,125	6,375	6,500	125	98%	6,375
Automobile Expense	3,236	435	10,650	4,000	(6,650)	266%	4,000
Contracted Services	659	543	10,435	2,000	(8,435)	522%	5,000
Depreciation	13,729	13,881	11,985	13,500	1,515	89%	10,000
Dues & Subscriptions	14,388	36,048	11,952	37,000	25,048	32%	1,000
Insurance Expense	40,542	37,784	37,127	41,000	3,873	91%	41,000
Legal Expenses	1,740	11,413	21,720	10,000	(11,720)	217%	12,500
Legislative Expenses	54,869	53,508	53,796	60,000	6,204	90%	63,000
Meetings Expense	3,758	5,398	6,852	5,000	(1,852)	137%	5,000
Misc. (Ag Day Sponsor)	204	2,482	2,010	2,500	490	80%	2,500
Office Supplies	19,576	23,754	27,882	20,000	(7,882)	139%	25,000
Postage & Shipping	4,343	5,987	3,117	6,000	2,883	52%	4,000
Rent (Tribute Road)	39,413	38,916	38,265	39,744	1,479	96%	45,000
Repairs & Maintenance	0	0	674	1,000	326	67%	1,000
Telephone Expense	8,132	7,390	9,492	10,000	508	95%	10,000
Training	0	0	895	2,500	1,605	36%	2,500
Travel Expense	23,216	25,280	26,903	27,500	597	98%	27,500
<b>Total Expenses</b>	<b>567,165</b>	<b>1,216,340</b>	<b>600,783</b>	<b>687,813</b>	<b>87,030</b>	<b>87%</b>	<b>669,298</b>
<b>Agency Income (Loss)</b>	<b>178,712</b>	<b>(1,010,031)</b>	<b>(17,313)</b>	<b>(6,427)</b>	<b>(10,886)</b>		<b>50,532</b>
<b>Southern Program Income (Loss)</b>	<b>9,592</b>	<b>7,142</b>	<b>7,498</b>	<b>5,250</b>	<b>(7,740)</b>		<b>2,444</b>
<b>Total Balance Sheet Net Income (Loss)</b>	<b>188,304</b>	<b>(1,002,890)</b>	<b>(9,815)</b>	<b>(1,177)</b>	<b>(18,626)</b>		<b>52,976</b>
<b>Total Restricted Reserves CARF @ Leased Facility</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>

**Southern Region Income Statement**  
**December 31, 2010**

IX.

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>
	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Annual</b>	<b>Budget</b>	<b>% Budget</b>	<b>Proposed</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>		<b>Budget</b>
<b>Program Revenue:</b>							
Program Sales	397,688	343,634	282,584	350,000	(67,416)	81%	250,750
Other Revenue	0	0	0	0	0	0%	0
Royalties/Fees Due Host	(358,703)	(311,141)	(253,830)	(318,500)	64,670	80%	(229,500)
<b>Total Revenue</b>	<b>38,985</b>	<b>32,493</b>	<b>28,754</b>	<b>31,500</b>	<b>(2,746)</b>	<b>91%</b>	<b>21,250</b>
<b>Expenses:</b>							
Legal Expenses	0	0	0	0	0	0%	0
Meetings Expense	98	0	0	0	0	0%	0
Misc Exp.(Storage)	0	0	0	0	0	0%	0
Office Supplies	0	0	0	0	0	0%	0
Paper Expense	0	0	0	0	0	0%	0
Postage & Shipping	0	0	0	0	0	0%	0
Printing Supplies	0	0	0	0	0	0%	0
Rent & Utility Expenses	0	0	0	0	0	0%	0
Repairs & Maintenance	0	0	0	0	0	0%	0
Telephone Expense	0	0	0	0	0	0%	0
Travel Expense	0	0	0	0	0	0%	0
<b>Total Expenses</b>	<b>98</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>
Operating Income (Loss)	38,887	32,493	28,754	31,500	(2,746)	91%	21,250
CARF Admin Fee	29,295	25,351	21,256	26,250	4,994	81%	18,806
Rebate							
<b>Income (Loss)</b>	<b>9,592</b>	<b>7,142</b>	<b>7,498</b>	<b>5,250</b>	<b>(7,740)</b>	<b>143%</b>	<b>2,444</b>

**California Authority of Racing Fairs  
Project Management Income Statement  
December 31, 2010**

IX.

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>
	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Annual</b>	<b>Budget</b>	<b>% Budget</b>	<b>2011</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>		<b>Proposed</b>
							<b>Budget</b>
<b>Revenue:</b>							
CARF Admin Fee	175,639	66,063	141,872	195,000	(53,128)	73%	195,000
Project Management	67,608	79,199	85,559	77,191	8,368	111%	81,935
<b>Total Revenue</b>	<b>243,247</b>	<b>145,262</b>	<b>227,432</b>	<b>272,191</b>	<b>(44,759)</b>	<b>84%</b>	<b>276,935</b>
<b>Expenses:</b>							
Salaries Expense	49,043	58,723	63,396	56,341	(7,055)	113%	58,035
Employee Benefits	6,150	7,287	8,538	8,000	(538)	107%	9,000
Payroll Taxes	2,204	2,832	3,076	3,000	(76)	103%	3,000
Accounting Costs	6,500	6,500	6,620	8,000	1,380	83%	7,500
Audit Services	2,475	2,550	2,550	0	(2,550)	0%	2,550
Automobile Expense	0	0	0	0	0	0%	0
Contracted Services	0	0	0	0	0	0%	0
Telephone Expense	678	708	754	1,000	246	75%	1,000
Travel Expense	0	42	68	250	182	27%	250
Misc. Storage	558	558	558	600	43	93%	600
<b>Total Expenses</b>	<b>67,608</b>	<b>79,199</b>	<b>85,559</b>	<b>77,191</b>	<b>(8,368)</b>	<b>111%</b>	<b>81,935</b>
<b>CARF Admin Fee</b>	<b>175,639</b>	<b>66,063</b>	<b>141,872</b>	<b>195,000</b>	<b>53,128</b>	<b>73%</b>	<b>195,000</b>

**California Authority of Racing Fairs  
Live Racing Income Statement  
December 31, 2010**

IX.

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2010</b>	<b>2011</b>
	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Annual</b>	<b>Budget</b>	<b>% Budget</b>	<b>Proposed</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>		<b>Budget</b>
<b>Revenues:</b>							
Change Fund Admin Fee	46,470	17,065	14,074	20,000	(5,926)	70%	15,000
Racing Fairs Admin Fee	80,538	74,561	73,231	94,723	(21,492)	77%	85,111
Supplemental Purses Admin Fee	22,000	22,000	22,000	22,000	0	100%	82,500
NCOTWINC Reimbursement	29,000	29,000	29,000	29,000	0	100%	29,000
Racing Fairs Reimbursement	1,074,554	1,059,854	997,581	1,262,971	(265,390)	79%	1,082,942
Advertising Revenue	5,010	4,100	4,550	4,000	550	114%	4,000
<b>Total</b>	<b>1,257,573</b>	<b>1,206,580</b>	<b>1,140,436</b>	<b>1,432,694</b>	<b>(292,258)</b>	<b>80%</b>	<b>1,298,553</b>
<b>Expenses:</b>							
Salaries	201,995	230,562	250,342	227,483	(22,859)	110%	251,517
Employee Benefits	40,160	44,792	46,948	46,000	(948)	102%	47,000
Payroll Taxes	10,824	11,877	13,103	13,500	397	97%	13,500
Accounting Costs	42,250	52,250	43,035	48,000	4,965	90%	48,750
Audit Services	16,088	16,575	25,323	16,088	(9,235)	157%	16,575
Automobile Expense	742	1,182	64	5,100	5,036	1%	5,100
Depreciation	0	0	0	0	0	0%	0
Dues & Subscriptions, NTRA	13,596	12,286	10,109	17,000	6,891	59%	1,000
Insurance Expense	0	0	0	0	0	0%	0
Legal Expenses	2,101	0	8,734	10,000	1,266	87%	10,000
Meetings Expense	1,803	1,111	3,440	5,000	1,560	69%	5,000
Misc. Exp (Harness,Storage,Bank fee)	0	58	0	0	0	0%	0
Telephone Expense	1,773	3,363	3,924	3,000	(924)	131%	3,000
Travel Expense	55,224	45,184	29,898	45,000	15,102	66%	35,000
<b>Sub-Totals</b>	<b>386,555</b>	<b>419,240</b>	<b>434,921</b>	<b>436,171</b>	<b>1,250</b>	<b>100%</b>	<b>436,442</b>
<b>Racing Support Services:</b>							
Announcer	26,000	26,596	23,904	36,800	12,896	65%	26,000
Condition Bk/Program Cover	27,509	22,491	15,245	30,500	15,255	50%	20,000
Courier Service (Pgm Distribution)	0	0	0	0	0	0%	0
Racing Operations Support	103,242	79,601	77,063	105,000	27,937	73%	90,000
TC02 Testing	60,010	54,880	7,425	72,000	64,575	10%	15,000
Marketing	3,225	1,783	3,861	20,000	16,139	19%	5,000
Network Management	3,105	3,321	1,548	6,000	4,452	26%	3,000
Paymaster	10,825	20,298	8,106	11,500	3,394	70%	11,500
Program Production	191,389	178,814	179,004	205,000	25,996	87%	205,000
Racing Office System	55,840	53,156	43,739	68,000	24,261	64%	55,000
Recruitment	17,970	22,721	31,108	15,000	(16,108)	207%	10,000
Jumbo Screen	137,700	125,000	126,250	181,000	54,750	70%	160,000
Supplies	15,478	19,158	15,964	20,000	4,036	80%	20,000
Tattooing	17,057	20,469	20,948	19,000	(1,948)	110%	19,000
Timing/Clocker	21,851	22,430	22,805	30,000	7,195	76%	0
Transportation	2,900	3,465	2,150	5,000	2,850	43%	5,000
TV Production/Simulcast	27,582	20,288	17,088	35,000	17,913	49%	35,000
<b>Sub-Totals</b>	<b>721,684</b>	<b>674,471</b>	<b>596,210</b>	<b>859,800</b>	<b>263,590</b>	<b>69%</b>	<b>679,500</b>
<b>Total Expenses</b>	<b>1,108,239</b>	<b>1,093,711</b>	<b>1,031,131</b>	<b>1,295,971</b>	<b>264,840</b>	<b>80%</b>	<b>1,115,942</b>
<b>CARF Admin Fee</b>	<b>149,334</b>	<b>112,869</b>	<b>109,305</b>	<b>136,723</b>	<b>27,418</b>	<b>80%</b>	<b>182,611</b>

**CALIFORNIA AUTHORITY OF RACING FAIRS  
BALANCE SHEET**

**IX.**

**December 31, 2010**

<b>ASSETS</b>	<b>CURRENT YTD</b>	<b>PRIOR YTD</b>
	<b>12/31/10</b>	<b>12/31/09</b>
<b>Current Assets</b>		
CASH - LAIF & INVESTMENTS	1,734,210	6,365,543
CASH - OPERATING/MM	49,755	724,958
CHECKING - TOC PURSE	296,966	255,492
CHECKING - RACING TRUST	84,375	0
MARKETABLE SECURITIES	4,367,720	4,105,677
A/R - DUES	31,424	14,083
A/R - PROGRAMS	64,265	119,042
A/R - RACING FAIRS	292,305	452,081
A/R - F&E/OTHER A/R	3,075,884	3,768,825
PREPAIDS/DEPOSITS	59,290	52,582
OPEB ASSETS	91,955	91,955
<b>Total Current Assets</b>	<b>10,148,150</b>	<b>15,950,237</b>
<b>Fixed Assets</b>		
AUTOMOBILE	37,967	5,740
FURNITURE & EQUIPMENT	1,646	2,419
COMPUTER HARDWARE/SOFTWARE	7,050	9,565
TRACK EQUIPMENT	59,400	59,400
<b>Total Fixed Assets (Net of Depr.)</b>	<b>106,062</b>	<b>77,124</b>
<b>TOTAL ASSETS</b>	<b>10,254,212</b>	<b>16,027,361</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>Current Liabilities</b>		
A/P & WITHHOLDINGS	323,600	4,234,498
A/P - PROGRAM ROYALTIES TO HOST	53,098	71,465
RACING DISTRIBUTIONS	1,073,898	321,802
PURSES	1,204,494	1,405,690
TRACK SAFETY/MAINT.	212,520	883,799
INFOTEXT UPGRADE	0	158,411
MISC PROJECT FUNDS	0	0
LOU-1 - TIMING/TRACK SURFACE/AREA ENHANC	0	0
LOU-2 - SPECIAL EVENT CENTERS	0	0
LOU-3 - SATELLITE SURVEY/TURF STUDY	0	0
EQUIPMENT REPLACEMENT FUND	1,023,847	1,437,934
LOU-5 - SYMPOSIUM	3,805	4,248
FACILITY IMPROVEMENTS & UPGRADES	88,455	512,690
CAPITAL IMPROVEMENT FUND	2,418,004	3,155,596
<b>Total Current Liabilities</b>	<b>6,401,722</b>	<b>12,186,132</b>
<b>Non-Current Liabilities</b>		
CHRIMS FUNDS	90,558	89,313
CHANGE FUND	1,014,000	1,014,000
FAIRS - EQUIP REPLACEMENT FUNDS	2,007,372	1,987,541
<b>Total Non-Current Liabilities</b>	<b>3,111,929</b>	<b>3,090,853</b>
<b>TOTAL LIABILITIES</b>	<b>9,513,651</b>	<b>15,276,986</b>
<b>Net Assets</b>		
FUND EQUITY	728,101	1,730,990
F&E Net Assets	22,275	22,275
CARF@GG	0	(311,170)
RETIREMENT CONTINGENCY	0	0
NET INCOME/LOSS	(9,815)	(691,720)
<b>Total Net Assets</b>	<b>740,561</b>	<b>750,376</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>10,254,212</b>	<b>16,027,361</b>

## *California Fairs' Satellite Network*



Artist Rendering of the Alameda County Fair Satellite Wagering Facility in Pleasanton, CA




- **Map of Satellite Network Locations**
- **Facility Descriptions**
- **Pari-Mutuel Handle and Distributions  
2007 - 2008 - 2009**

Presented by: Christopher Korby, Executive Director  
California Authority of Racing Fairs  
February 2010





# California Fairs Satellite Network

Location	Fair/Regional Description	Table/ Carrel Seating	 Food Service					 Vehicle Parking	 Viewing Displays			
			Restaurant	Deli	Grill	Catering	Beverages & Full Bar		Television	Big Screen TV's	Jumbo Screen TV's	Carrel tabletop TV's
Anderson	Shasta District Fair	240		✓	✓	✓	✓	505	12	5		
Bakersfield	Kern County Fair	600		✓		✓	✓	Unlimited	26	12	2	
Del Mar	San Diego County Fair	3,500	✓	✓		✓	✓	12,000	425	40	4	
San Mateo	San Mateo County Fair	900		✓	✓	✓	✓	Unlimited	175	10	16	
Fresno	Big Fresno Fair	600		✓	✓	✓	✓	3,000	13	16	6	
Indio	Riverside County Fair	500		✓	✓	✓	✓	400	50	10		
Lancaster	Antelope Valley Fair	450		✓	✓	✓	✓	400	60		6	120
Monterey	Monterey California Fair	332		✓	✓	✓	✓	235	18	4		8
Perris	Southern California Fair	350		✓		✓	✓	250	65	6		54
Pleasanton	Alameda County Fair	800	✓	✓	✓	✓	✓	1,500	95		10	60
Pomona	Los Angeles County Fair	1,000	✓			✓	✓	45,000	65	8		147
Sacramento	Cal Expo & State Fair	950	✓	✓	✓	✓	✓	10,140	105		15	90
San Bernardino	National Orange Show	1,400	✓	✓		✓	✓	1,500	175		14	42
San Jose	Santa Clara County Fair	132		✓		✓	✓	475	20	10		
Santa Maria	Santa Barbara County Fair	250		✓	✓	✓	✓	565	42	14		
Santa Rosa	Sonoma County Fair	600	✓	✓	✓	✓	✓	1,000	90		8	20
Stockton	San Joaquin Fair	500		✓	✓	✓	✓	750	120	14	10	
Tulare	Tulare County Fair	300		✓	✓	✓	✓	1,000	14	6		
Turlock	Stanislaus County Fair	200		✓	✓	✓	✓	1,000	12	6	6	
Vallejo	Solano County Fair	250		✓	✓	✓	✓	250	40	16		
Ventura	Ventura County Fair	600		✓	✓	✓	✓	1,700	165		14	26
Victorville	San Bernardino County Fair	350		✓	✓	✓	✓	350	26	8		

# Fair Satellite Wagering Facilities



### LIVE RACING FAIRS

1. Alameda County Fair, Pleasanton
2. California State Fair, Sacramento
3. Fresno District Fair, Fresno
4. Humboldt County Fair, Ferndale
5. Los Angeles County Fair, Pomona
6. San Joaquin Fair, Stockton
7. Solano County Fair, Vallejo
8. Sonoma County Fair, Santa Rosa

### SIMULCAST-ONLY FACILITIES

10. Antelope Valley Fair, Lancaster
11. Desert Expo Centre, Indio
12. San Mateo County Fair, San Mateo
13. Fresno Club One, Fresno
14. Kern County Fair, Bakersfield
15. Lake Perris Sports Pavilion, Perris
16. Monterey County Fair, Monterey
17. National Orange Show, San Bernardino
18. San Bernardino County Fair, Victorville
19. Santa Barbara County Fair, Santa Maria
20. Santa Clara County Fair, San Jose
21. Shasta District Fair, Anderson
22. Stanislaus County Fair, Turlock
23. Surfside Race Place, Del Mar
24. Ventura County Fair, Ventura
25. 24th District Agricultural Assn., Tulare



# PARI-MUTUEL DISTRIBUTIONS REPORT FOR SATELLITE FACILITIES LOCATED AT CALIFORNIA FAIRS 2009

## CHRIMS Detailed Distribution Report

Date Range: 01/01/2009 - 12/31/2009  
Report By: Location

Race Type: All Races  
Location Types: Fairs

Hosts: All Hosts  
Breed: Thoroughbreds

Locations:  
On/Off:

All Locations  
Off Track

Tracks: All Tracks

Location	Handle	License	CHRB Support Fee	F&E	City & County Tax	N/SCOTW/inc Exp. Fund	UC Davis Equine Research	Satellite Location	Van/Stable Fund	Work Comp.	CMC Promotion	PFAB509	Track Commission	Purses	Owners	Breeders/Sires	To Out of State Tracks	Total Distributions	Attendance
Anderson	2,099,707	0	4,166	1,808	6,838	75,236	2,100	41,441	24,774	3,533	8,295	0	101,095	100,557	1,446	10,946	29,568	411,802	7,584
Bakersfield	6,674,603	0	12,425	5,252	21,769	239,927	6,675	131,933	76,588	13,582	26,474	1,715	327,161	325,764	4,469	34,678	82,228	1,310,641	33,064
Eureka	1,442,242	0	1,460	1,038	4,707	51,247	1,442	28,524	17,112	2,058	5,705	0	63,523	63,565	998	7,490	22,353	271,223	2,724
Ferndale	172,728	0	398	381	570	10,364	173	3,455	2,071	387	691	0	6,903	6,783	121	844	1,460	34,601	
Fresno	6,638,013	0	11,884	5,420	21,623	235,595	6,638	131,049	76,546	12,629	26,284	1,271	318,506	316,780	4,467	34,503	95,895	1,299,090	28,267
Fresno Club One	2,929,022	0	6,318	2,692	9,585	105,171	2,929	58,088	33,799	5,874	11,636	971	144,555	143,939	1,972	15,295	39,103	581,927	5,723
Lake Perris	13,502,685	0	49,965	11,994	44,305	364,193	13,503	268,518	163,766	30,800	53,894	1,916	668,586	660,928	9,171	73,772	134,133	2,549,445	65,786
Lancaster	13,230,943	0	48,411	11,970	43,425	358,312	13,231	263,181	159,697	28,102	52,796	3,189	673,898	666,673	8,943	72,164	151,670	2,555,662	63,719
Monterey	6,455,496	0	11,825	4,146	21,056	226,746	6,456	127,611	74,015	11,304	25,569	2,453	323,494	321,802	4,319	33,580	102,167	1,296,541	27,486
Pleasanton	35,393,360	0	71,261	31,549	115,988	1,273,014	35,394	702,957	412,095	66,013	140,771	8,172	1,697,129	1,691,097	24,049	185,105	459,182	6,913,775	117,055
Pomona	47,180,771	0	195,825	39,275	155,012	1,210,381	47,181	939,467	573,077	105,411	188,168	11,601	2,426,358	2,399,074	32,092	259,598	489,973	9,072,494	165,023
Sacramento	24,479,836	0	46,900	21,043	79,984	885,604	24,480	484,752	280,263	46,032	97,776	684	1,093,812	1,090,318	16,355	127,825	339,679	4,635,509	97,970
San Bernardino	26,306,624	0	95,667	24,355	86,367	715,518	26,307	523,437	318,068	60,824	105,074	4,542	1,328,615	1,314,121	17,812	143,564	279,318	5,043,590	136,508
San Jose	30,113,338	0	59,767	26,498	98,849	1,105,664	30,114	599,082	347,779	59,062	119,970	11,521	1,487,915	1,482,022	20,292	157,056	400,947	6,006,538	125,769
San Mateo County	71,996,382	0	149,569	67,578	236,545	2,653,283	71,997	1,433,608	841,091	137,324	286,803	20,999	3,507,760	3,495,884	49,076	376,432	926,899	14,254,847	207,626
Santa Barbara	5,092,580	0	17,554	4,732	16,632	134,917	5,093	100,799	62,735	10,343	20,181	0	256,950	253,564	3,513	27,732	73,443	988,188	16,497
Santa Maria	5,251,315	0	19,522	4,757	17,185	137,163	5,252	104,151	64,996	10,887	20,830	105	263,924	260,340	3,640	28,737	61,943	1,003,431	15,045
Santa Rosa	10,420,797	0	20,312	9,096	33,915	362,121	10,421	205,542	120,371	19,756	41,145	2,676	499,183	498,096	7,025	54,251	142,701	2,026,611	54,299
Shalimar (Indio)	6,325,869	0	19,589	4,755	20,685	166,518	6,326	125,359	77,759	14,832	25,117	44	323,961	319,864	4,354	34,422	73,796	1,217,380	26,981
Stockton	16,398,362	0	34,707	16,435	53,752	596,577	16,399	325,769	189,797	32,687	65,282	4,639	800,814	798,022	11,075	85,675	211,377	3,243,007	75,479
Surfside Race Place	52,086,933	0	145,702	30,495	170,500	1,383,415	52,087	1,033,330	636,468	110,638	206,764	9,131	2,440,663	2,408,135	35,642	282,289	615,299	9,560,558	167,273
Tulare	3,317,738	0	6,673	3,065	10,838	119,669	3,318	65,684	39,232	5,372	13,143	108	151,680	150,885	2,289	17,337	45,549	634,844	13,927
Turlock	8,098,763	0	17,090	7,611	26,502	296,919	8,099	160,619	95,857	13,146	32,138	324	394,061	392,000	5,593	42,343	122,094	1,614,394	28,129
Vallejo	14,124,551	0	28,775	13,779	46,345	526,094	14,125	280,881	162,967	28,830	56,217	6,447	697,972	695,071	9,509	73,492	183,364	2,823,868	60,269
Ventura	24,844,298	0	95,667	21,542	81,551	661,038	24,845	494,248	303,847	51,243	99,022	3,359	1,267,564	1,252,365	17,016	136,106	305,150	4,814,563	77,759
Victorville	7,248,843	0	27,264	6,899	23,793	199,498	7,249	144,201	86,774	16,608	28,897	2,899	368,356	364,652	4,859	39,420	77,835	1,399,204	47,111
<b>(Total: 27 records)</b>	<b>441,825,799</b>	<b>0</b>	<b>1,198,698</b>	<b>378,165</b>	<b>1,448,319</b>	<b>14,094,184</b>	<b>441,837</b>	<b>8,777,686</b>	<b>5,241,546</b>	<b>897,276</b>	<b>1,758,641</b>	<b>98,766</b>	<b>21,634,439</b>	<b>21,472,301</b>	<b>300,097</b>	<b>2,354,655</b>	<b>5,467,125</b>	<b>85,563,734</b>	<b>1,667,073</b>

**\$14.1 Million**  
NCOTWinc. & SCOTWinc.  
Expense Fund

**\$21.6 Million**  
Track Commissions

**\$21.4 Million**  
to Purses

**\$2.4 Million**  
Breeders & Sires Programs

**\$85.6 Million**  
in Total Industry  
Distributions

In 2009, 1,667,073 patrons visited Fair Satellite Wagering Facilities and bet \$441.8 million, contributing \$85.6 million to the CA racing industry.

# PARI-MUTUEL DISTRIBUTIONS REPORT FOR SATELLITE FACILITIES LOCATED AT CALIFORNIA FAIRS 2008

## CHRIMS Detailed Distribution Report

Date Range: 01/01/2008 - 12/31/2008 Race Type: All Races  
Report By: Location Location Types: Fairs

Hosts: All Hosts  
Breed: Thoroughbreds

Locations: All Locations  
On/Off: Off Track

Tracks: All Tracks

Location	Handle	License	City & County Tax	N/SCOTW/inc Exp. Fund	UC Davis Equine Research	Satellite Location	Van/Stable Fund	Work Comp	CMC Promotion	Track Commission	Purses	Owners	Breeders/Sires	To Out of State Tracks	Total Distributions	Attendance
Anderson	2,378,571	28,930	7,740	77,237	2,379	46,912	26,936	4,534	9,387	115,728	115,237	1,639	12,328	30,968	479,956	8,189
Bakersfield	7,279,476	87,555	23,771	243,636	7,280	144,066	80,477	14,998	29,025	357,264	356,099	4,894	37,756	84,119	1,470,940	32,761
Eureka	1,878,261	23,313	6,140	57,213	1,879	37,214	21,420	2,993	7,443	88,175	88,207	1,302	9,852	28,061	373,212	3,887
Ferndale	192,524	1,531	635	11,551	193	3,850	2,212	446	770	7,439	7,306	135	924	1,453	38,447	
Fresno	8,961,003	106,501	29,233	294,494	8,961	177,168	100,146	18,116	35,589	432,548	430,451	6,092	46,385	115,028	1,800,713	31,950
Fresno Club One	2,696,150	32,189	8,855	91,234	2,697	53,669	30,008	5,920	10,811	133,158	132,816	1,824	14,053	30,849	548,081	5,493
Lake Perris	17,566,696	357,452	57,671	473,013	17,567	349,520	176,784	41,970	70,256	852,053	841,849	11,987	93,751	153,945	3,497,818	75,215
Lancaster	14,965,410	301,072	49,123	404,961	14,966	297,714	149,945	32,765	59,903	734,253	725,909	10,168	79,821	153,033	3,013,634	75,343
Monterey	10,118,537	118,687	33,130	368,091	10,119	200,787	113,059	17,991	40,372	478,663	475,632	6,877	52,131	150,050	2,065,590	30,417
Pleasanton	40,025,036	488,559	131,280	1,286,378	40,025	795,636	449,601	82,211	159,845	1,970,419	1,968,418	27,345	209,536	456,075	8,065,328	129,350
Pomona	47,778,698	973,174	157,037	1,221,634	47,779	951,738	481,214	111,757	191,261	2,387,339	2,359,255	32,672	256,421	458,799	9,630,080	151,415
Sacramento	28,538,753	343,489	93,336	940,830	28,539	565,673	314,596	57,649	114,084	1,286,742	1,285,158	19,133	148,495	353,659	5,551,384	110,890
San Bernardino	32,262,038	647,499	105,956	875,246	32,262	642,160	323,886	75,860	129,185	1,585,213	1,567,057	21,948	172,140	314,837	6,493,248	142,907
San Jose	37,217,103	446,124	122,282	1,281,388	37,217	741,104	416,150	73,854	149,118	1,812,915	1,808,126	25,311	193,758	465,383	7,572,730	124,951
San Mateo	27,204,748	319,458	89,107	889,462	27,205	540,043	305,523	55,321	108,506	1,346,232	1,342,846	18,553	141,576	313,078	5,496,911	89,266
Santa Barbara	6,718,134	135,933	21,986	178,131	6,718	133,246	68,161	14,704	26,711	326,981	322,691	4,621	35,778	78,875	1,354,534	22,386
Santa Maria	6,079,864	124,038	19,930	161,927	6,080	120,790	61,843	12,564	24,212	290,456	286,561	4,190	32,426	63,199	1,208,213	20,342
Santa Rosa	12,454,092	151,965	40,645	397,094	12,454	246,334	139,133	25,449	49,496	607,660	606,926	8,462	64,882	150,399	2,500,898	63,165
Shallmar (Indio)	7,239,549	148,349	23,712	190,146	7,240	143,706	74,019	18,485	28,793	361,790	357,080	4,993	38,621	68,965	1,465,899	28,625
Stockton	20,194,698	246,032	66,240	660,474	20,195	401,456	225,927	41,174	80,733	991,421	990,075	13,742	105,531	239,948	4,082,948	85,941
Surfside Race Place	64,078,779	1,292,925	209,956	1,695,745	64,079	1,272,459	647,542	146,130	255,144	3,062,067	3,021,268	44,080	341,761	663,916	12,717,072	196,795
Tulare	3,614,488	44,078	11,805	119,916	3,615	71,542	40,956	6,262	14,327	168,186	167,407	2,491	18,768	46,653	716,004	17,562
Turlock	9,299,765	112,868	30,459	306,790	9,300	184,602	105,722	16,838	36,964	460,337	458,310	6,431	48,476	127,097	1,904,193	32,840
Vallejo	15,856,684	191,530	52,048	522,889	15,857	315,440	176,967	33,933	63,485	796,592	793,944	10,763	82,847	191,901	3,248,196	68,256
Ventura	29,437,699	589,470	96,660	785,231	29,438	585,817	298,355	65,056	117,560	1,459,766	1,441,547	20,226	157,263	320,619	5,967,007	84,903
Victorville	8,271,938	164,917	27,148	225,815	8,272	164,533	82,496	19,590	33,149	408,308	403,956	5,589	44,078	80,704	1,668,556	50,320
<b>(Total: 26 records)</b>	<b>462,308,792</b>	<b>7,477,639</b>	<b>1,515,887</b>	<b>13,760,527</b>	<b>462,318</b>	<b>9,187,179</b>	<b>4,913,077</b>	<b>996,569</b>	<b>1,846,129</b>	<b>22,521,705</b>	<b>22,354,130</b>	<b>315,467</b>	<b>2,439,358</b>	<b>5,141,607</b>	<b>92,931,590</b>	<b>1,685,407</b>

**\$13.7 Million**  
NCOTWinc. & SCOTWinc.  
Expense Fund

**\$22.5 Million**  
Track Commissions

**\$22.4 Million**  
to Purses

**\$2.4 Million**  
Breeders & Sires  
Programs

**\$92.9 Million**  
in Total Industry  
Distributions

In 2008, 1,685,407 patrons visited Fair Satellite Wagering Facilities and bet \$462.3 million, contributing \$92.9 million to the CA racing industry.

# PARI-MUTUEL DISTRIBUTIONS REPORT FOR SATELLITE FACILITIES LOCATED AT CALIFORNIA FAIRS 2007

## CHRIMS Detailed Distribution Report

Date Range: 01/01/2007 - 12/31/2007 Race Type: All Races Location Types: All Races  
Report By: Location Location Types: Fairs

Hosts: All Hosts Breed: Thoroughbreds

Locations: All Locations On/Off: Off Track

Tracks: All Tracks

Location	Handle	License	City & County Tax	N/SCOTWinc Exp. Fund	UC Davis Equine Research	Satellite Location	Van/Stable Fund	Work Comp	CMC Promotion	Track Commission	Purses	Owners	Breeders/Sires	To Out of State Tracks	Total Distributions	Attendance
Anderson	2,750,947	33,367	8,925	86,007	2,751	54,089	31,044	5,432	10,823	137,686	137,043	1,889	14,268	37,026	560,350	8,314
Bakersfield	8,115,501	96,943	26,490	262,463	8,116	160,545	90,102	17,478	32,301	404,587	403,115	5,485	42,222	91,909	1,641,756	35,953
Eureka	1,912,128	23,464	6,214	54,700	1,912	37,660	21,644	3,622	7,533	94,600	93,998	1,317	10,016	28,912	385,591	4,296
Ferndale	189,898	1,473	627	11,394	190	3,798	2,183	477	760	7,352	7,221	133	912	1,235	37,753	
Fresno	9,396,103	110,259	30,561	294,590	9,397	185,219	104,735	19,048	37,197	460,730	458,608	6,376	48,689	120,796	1,886,205	34,259
Fresno Club One	4,243,999	51,297	13,921	137,311	4,244	84,371	47,595	8,914	16,954	211,248	210,377	2,897	22,204	50,917	862,251	6,151
Lake Perris	20,259,128	411,188	66,260	544,813	20,260	401,577	208,504	46,521	80,724	971,238	959,537	13,769	107,691	193,628	4,025,711	84,566
Lancaster	17,813,777	358,938	58,332	477,872	17,814	353,530	183,353	39,132	71,085	865,841	855,653	12,108	94,837	186,874	3,575,369	84,322
Monterey	11,426,532	136,454	37,351	383,005	11,427	226,366	127,433	19,873	45,510	537,475	534,484	7,757	59,340	166,601	2,293,076	32,408
Pleasanton	45,986,863	555,862	150,344	1,441,641	45,987	911,174	514,856	93,935	183,023	2,264,569	2,261,695	31,339	240,483	533,480	9,228,390	140,711
Pomona	58,957,780	1,205,037	193,286	1,499,580	58,958	1,171,429	610,169	137,098	235,294	2,913,085	2,877,855	40,294	315,681	582,053	11,839,820	171,176
Sacramento	35,104,301	420,425	114,630	1,165,178	35,105	694,725	387,202	69,641	140,011	1,685,499	1,683,687	23,569	182,255	434,082	7,036,009	125,792
San Bernardino	36,067,703	725,335	118,105	973,246	36,069	715,790	370,843	84,051	143,963	1,757,708	1,737,264	24,490	191,918	361,742	7,240,524	157,752
San Jose	40,281,500	478,739	132,112	1,304,829	40,282	800,677	450,233	78,467	161,019	1,977,486	1,972,195	27,405	210,697	515,487	8,149,628	123,033
Santa Barbara	9,078,634	182,417	29,688	241,760	9,079	179,924	94,402	19,285	36,075	438,374	432,616	6,234	48,290	110,421	1,828,566	24,381
Santa Maria	6,896,280	140,752	22,511	182,327	6,897	136,432	71,483	14,176	27,364	326,697	322,390	4,721	36,635	74,716	1,367,099	22,826
Santa Rosa	14,772,858	178,976	48,077	443,228	14,774	291,375	164,411	31,350	58,547	734,518	733,633	10,008	77,175	179,845	2,965,917	65,460
Shalimar (Indio)	9,470,832	192,624	30,853	247,260	9,471	186,990	98,236	24,202	37,480	474,710	468,657	6,487	50,256	98,891	1,926,117	33,799
Stockton	21,543,607	260,535	70,500	673,007	21,544	427,275	240,130	45,271	85,938	1,080,241	1,078,732	14,617	112,818	252,538	4,363,144	92,298
Surfside Race Place	71,343,324	1,444,245	232,179	1,883,133	71,344	1,407,147	738,292	163,599	282,136	3,371,519	3,326,319	48,755	377,801	781,019	14,127,487	228,136
Tulare	4,268,785	51,459	13,924	138,255	4,269	84,389	48,262	7,828	16,900	200,523	199,608	2,938	22,189	55,848	846,392	19,995
Turlock	9,831,525	118,310	32,160	309,961	9,832	194,910	111,557	17,774	39,027	491,106	488,720	6,790	51,423	137,189	2,008,759	35,236
Vallejo	17,493,465	210,216	57,308	560,003	17,494	347,320	194,794	38,704	69,892	884,616	881,735	11,857	91,490	211,173	3,576,601	77,277
Ventura	33,830,173	675,438	110,571	903,719	33,831	670,130	350,353	77,645	134,480	1,672,093	1,651,252	23,137	179,803	374,069	6,856,521	94,842
Victorville	10,669,615	214,435	34,955	290,212	10,670	211,845	109,447	24,249	42,636	517,262	511,394	7,228	56,763	106,215	2,137,310	55,954
<b>(Total: 25 records)</b>	<b>501,705,256</b>	<b>8,278,187</b>	<b>1,639,885</b>	<b>14,509,495</b>	<b>501,719</b>	<b>9,938,685</b>	<b>5,371,264</b>	<b>1,087,771</b>	<b>1,996,675</b>	<b>24,480,763</b>	<b>24,287,787</b>	<b>341,599</b>	<b>2,645,855</b>	<b>5,686,664</b>	<b>100,766,348</b>	<b>1,758,937</b>

**\$14.5 Million**  
NCOTWinc. & SCOTWinc.  
Expense Fund

**\$24.5 Million**  
Track Commissions

**\$24.3 Million**  
to Purses

**\$2.6 Million**  
Breeders & Sires  
Programs

**\$100.8 Million**  
in Total Industry  
Distributions

In 2007, 1,758,937 patrons visited Fair Satellite Wagering Facilities and bet \$501.7 million, contributing \$100.8 million to the CA racing industry.