



a California joint powers agency

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

NOTICE
CALIFORNIA AUTHORITY OF RACING FAIRS
BOARD OF DIRECTORS MEETING
JOHN ALKIRE, CHAIR
1:00 P.M., TUESDAY, MARCH 1, 2016

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, March 1, 2016. The meeting will be held in Sacramento. 1776 Tribute Road, Conference Room, Sacramento, CA 95815.

Public and members of the California Authority of Racing Fairs Board of Directors may also participate from the following locations:

Alameda County Fair
4501 Pleasanton Ave.
Pleasanton, CA 94566

California State Fair
1600 Exposition Blvd.
Sacramento, CA 95815

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

Monterey County Fair
2004 Fairground Road
Monterey, CA 93940

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

San Mateo County Fair
2495 So. Delaware Street
San Mateo, CA 94403



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AGENDA
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1:00 P.M., TUESDAY, MARCH 1, 2016

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AGENDA

- I. Date, time and location of next meeting: April 5, 2016.
- II. Public Comment.
- III. Approval of minutes.
- IV. Report, discussion and action, if any, on 2016 Legislative Program.
- V. Discussion and action, if any, on Racing Dates for 2016 and beyond.
- VI. Update on membership meeting in April 2016.
- VII. Financials.
- VIII. Executive Director's Report.

CALIFORNIA AUTHORITY OF RACING FAIRS

Board of Directors

Tuesday, February 2, 2016

MINUTES

A meeting of the California Authority of Racing Fairs (CARF) Board of Directors was held at 12:30 P.M., Tuesday, February 2, 2016. The meeting was hosted at the CFSA Board Room, 1776 Tribute Road, Sacramento, California.

CARF Board Directors attending: Richard Conway and Jerome Hoban. Joining by conference call: John Alkire, Chris Carpenter, Dan Jacobs and Kelly Violini.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Juliana Gomes, Raechelle Gibbons, Kelly Olds, Jeanne Wasserman and John Quiroz. Joining by conference call: Louie Brown, Bonnie Griffith and Caroline Titus.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Board of Directors meeting is scheduled for March 1, 2016 in Sacramento.

Agenda Item 2 – Public Comment. None.

Agenda Item 3 – Approval of Minutes. Mr. Hoban moved to approve the meeting minutes as presented. Ms. Violini seconded, unanimously approved.

Agenda Item 4 – Report, Discussion and Action, if any, on 2016 Legislative Program. Mr. Brown reported that CARF staff is continuing to have positive discussions with California Department of Food and Agriculture (CDFA) regarding the opportunity to reinvest license fees derived from horse racing handle back to the fairs that generate them. Mr. Quiroz reported that Fairs & Expositions (F&E) staff are working internally to develop a process to allocate those funds back to racing fairs through an annual request by CARF in either an memorandum of understanding (MOU) or letter of understanding (LOU) format.

Mr. Brown reported that Governor Brown released his proposed 2016-2017 state budget containing a \$3 million continuing allocation to F&E for the operation of fairs and a \$4 million allocation for deferred maintenance at fairs, down from \$7 million provided in 2015-16. Fairs are working with legislators in districts containing county fairs to reestablish funding at a level that will benefit all California fairs. Budget hearings are scheduled to begin in March.

Mr. Brown reported that we can expect potential racing legislation to include the introduction of several spot bills as placeholders. CARF staff is seeking an author to introduce a mini-satellite spot bill and is in discussions with Assemblymember Jim Cooper to reintroduce the Northern California vanning and stabling language from the previous session. Assemblymember Adam Gray has circulated language regarding Internet Poker that will be introduced this session in a new bill. Assemblymember Gray feels that the racing industry will receive greater benefit from a mitigation fund than the opportunity to compete for a license. A mitigation fund would also serve as a compromise between the state's horse racing industry and key tribal gaming interests.

Mr. Brown reported that the daily fantasy sports (DFS) wagering bill AB 1437 (Gray) passed through the Governmental Organization Committee nearly unanimously. Assemblymember Marc Levine, who has been an outspoken critic of the DFS industry, was the only "no" vote. Mr. Korby reported that he met with Assemblymember Gray on January 25th in Turlock to discuss another variation of DFS, which is pari-mutuel DFS wagering, which could become an opportunity for satellites to provide an additional wagering option.

Agenda Item 5 – Discussion and Action, if any, on Racing Dates for 2017 and Beyond.

Mr. Korby reported that the CARF Live Racing Committee unanimously voted to approve the 2017 race dates as presented in the meeting packets with the modifications that Ferndale will run as the sole signal in Northern California Aug. 23 through Sept. 4 and that a two week meet conducted at Pleasanton occur in September, thereby filling the gap between Ferndale and Stockton. Mr. Korby stated that the approved calendar illustrates the Committee's desire to reclaim a block of fair dates from mid-June to mid-October.

Agenda Item 6 – Update on Prospective Membership Meeting in April 2016.

Mr. Korby reported that staff is moving forward with planning a membership meeting April 11 and 12, 2016 at the Jockey Club in San Mateo. Mr. Korby encouraged members to work with Ms. Haviland regarding agenda items and logistics.

Agenda Item 7 – Financials. Mr. Alkire stated that financials are included in the meeting packet and Ms. Gibbons is available to answer any questions. Ms. Gibbons reported that live racing fairs can expect NCOTW, Inc. to close out year-end financials in approximately two weeks. No questions at this time.

Agenda Item 8 – Executive Director's Report. Mr. Korby reported that industry principals have been discussing the possibility of considering an increase in fair satellite commissions in exchange for a reduction in the 20-mile radius protection. Staff will keep fairs informed as these discussions continue.

Respectfully submitted,
Heather Haviland

CA Authority of Racing Fairs Legislative Report - Last 10 Days 2/19/2016

IV.

[AB 1786](#) (Cooley D) Horse racing: the California Standardbred Sires Stakes Program.

Current Text: Introduced: 2/4/2016 [pdf](#) [html](#)

Introduced: 2/4/2016

Status: 2/18/2016-Referred to Com. on G.O.

Location: 2/18/2016-A. G.O.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Horse Racing Law establishes the California Standardbred Sires Stakes Program for standardbred horses bred in California, and provides that an offspring of a registered California standardbred stallion standing in California during an entire breeding season is eligible to race in the program. This bill would expand eligibility to race in the program to include the offspring of registered standardbred stallions standing in Iowa, Wisconsin, Minnesota, Michigan, or Maine, or the Province of Alberta, Canada. This bill contains other related provisions and other existing laws.

Organization **Position**
CARF Watch

[AB 1882](#) (Williams D) Oil and gas: groundwater monitoring.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 2/12/2016-From printer. May be heard in committee March 13.

Location: 2/11/2016-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Existing law requires the State Oil and Gas Supervisor to supervise the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities attendant to oil and gas production. Existing law authorizes the supervisor to require a well operator to implement a monitoring program, designed to detect releases to the soil and water, for aboveground oil production tanks and facilities. This bill would require the division to provide an opportunity and the information necessary for the State Water Resources Control Board and the appropriate regional water quality control board to review, comment on, and propose additional requirements for Class II underground injection well projects. The bill would require the state board or the appropriate regional water quality control board to review, comment on, and propose additional requirements it deems necessary for those projects to ensure that the injection of fluids will not affect the quality of water that is, or may reasonably be, used for any beneficial use. The bill would prohibit the division from approving those projects without written concurrence from the state board or the appropriate regional water quality control board and would require the written concurrence to describe the rationale for the concurrence and explanation as to why additional requirements were or were not required for those projects. This bill contains other existing laws.

Organization **Position**
CARF Watch

[AB 1890](#) (Dodd D) Discrimination: equal pay: state contracting.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 2/12/2016-From printer. May be heard in committee March 13.

Location: 2/11/2016-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Existing law subjects an employer who is, or wishes to become, a contractor with the state for public works, or for goods or services, to various nondiscrimination requirements. Existing law authorizes requiring an employer to submit a nondiscrimination program to the Department of Fair Employment and Housing for approval and certification prior to becoming a contractor or subcontractor with the state, as well as requiring the provision of periodic reports of contractor or subcontractor compliance with that program. This bill would enact the Equal Pay for Equal Work Act of 2016. The bill would require an employer with 100 or more employees in the state and a contract with the state of 30 days or more to submit a description of its nondiscrimination program to the department and to submit periodic reports, no more than annually, on a schedule to be determined by the department, of its compliance with that program. The bill would authorize the department to require approval and certification of the program. The bill would permit the department to require an employer with fewer than 100 employees in state or a contract of less than 30 days to submit a nondiscrimination report. The bill would require the department to define an employee for these purposes. The bill would require the nondiscrimination program to include policies and procedures designed to ensure equal

employment opportunities for all applicants and employees, an analysis of employment selection procedures, and a workforce analysis, as specified. The bill would specify that its provisions are not to be construed to negate certain exemptions established by regulation that predate its enactment or to require the department to reevaluate the validity of these exemptions, as specified. The bill would make a statement of legislative findings.

Organization **Position**
CARF Watch

AB 2011 (Cooper D) Horse racing: thoroughbred racing: northern zone: auxiliary offsite stabling, training, and vanning.

Current Text: Introduced: 2/16/2016 [pdf](#) [html](#)

Introduced: 2/16/2016

Status: 2/17/2016-From printer. May be heard in committee March 18.

Location: 2/16/2016-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Horse Racing Law requires, when satellite wagering is conducted on thoroughbred races at associations or fairs in the northern zone, that an amount not to exceed 1.25% of the total amount handled by all of those satellite wagering facilities be deducted from the funds otherwise allocated for distribution as commissions, purses, and owners' premiums and instead be distributed to an organization formed and operated by thoroughbred racing associations, fairs conducting thoroughbred racing, and the organization representing thoroughbred horsemen, to administer a fund to provide reimbursement for offsite stabling at California Horse Racing Board-approved auxiliary training facilities for additional stalls beyond the number of usable stalls the association or fair is required to make available and maintain, and for the vanning of starters from these additional stalls on racing days for thoroughbred horses. This bill would increase the amount that is required to be deducted to an amount not to exceed 2% and would provide that this amount, if adjusted by the board, may be a different percentage of the handle for different associations and fairs, but only if all the associations and fairs agree to the differing percentages. The bill would establish an auxiliary offsite stabling and training facility and vanning program for thoroughbred races in the northern zone. The bill would revise and recast the provisions governing the organization formed and operated to administer the fund to include, among other things, a 50-50 percentage allocation of specified voting interests on the board of the organization, the use of funds to pay the organization's expenses and compensate the provider of a board-approved auxiliary facility for offsite stabling and training of thoroughbred horses in the northern zone, and the requirement that the organization submit its proposed financial and operational plans for the upcoming calendar year to the board for review no later than November 1 of the preceding year. This bill contains other related provisions and other existing laws.

Organization **Position**
CARF Sponsor

AB 2102 (Hernández, Roger D) Tribal gaming.

Current Text: Introduced: 2/17/2016 [pdf](#) [html](#)

Introduced: 2/17/2016

Status: 2/18/2016-From printer. May be heard in committee March 19.

Location: 2/17/2016-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Existing federal law, the Indian Gaming Regulatory Act of 1988, provides for the negotiation and execution of tribal-state gaming compacts for the purpose of authorizing certain types of gaming on Indian lands within a state. The California Constitution authorizes the Governor to negotiate and conclude compacts, subject to ratification by the Legislature. Existing law ratifies a number of tribal-state gaming compacts between the State of California and specified Indian tribes. This bill would state the intent of the Legislature to enact legislation related to tribal gaming in California.

Organization **Position**
CARF Watch

SB 1019 (Berryhill R) Indian gaming compacts.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 2/12/2016-From printer. May be acted upon on or after March 13.

Location: 2/11/2016-S. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Existing law expressly ratifies specified tribal-state gaming compacts entered in accordance

with the federal Indian Gaming Regulatory Act of 1988. Existing law further sets forth the procedures by which a materially identical compact entered into between the State of California and any other federally recognized Indian tribe may be ratified. This bill would make technical, nonsubstantive changes to those provisions.

Organization	Position
CARF	Watch

Total Measures: 6

Total Tracking Forms: 6

PROPOSAL

CALIFORNIA RACING FAIRS *A NEW MODEL FOR THE FUTURE*

CONSIDERATIONS • BENEFITS • IMPLEMENTATION SCENARIOS

CHRISTOPHER KORBY
EXECUTIVE DIRECTOR
CALIFORNIA AUTHORITY OF RACING FAIRS

OCTOBER 2009

CALIFORNIA RACING FAIRS: A NEW MODEL FOR THE FUTURE

CONCEPT AND SUMMARY

The horse racing industry in California is undergoing profound changes. As a consequence, Fairs in the racing industry must consider significant structural changes in order to strengthen and preserve the racing industry and in order to more effectively manage their interests in horse racing. Therefore, we propose that those members of the California Authority of Racing Fairs which conduct live racing agree to re-structure certain aspects of their racing operations and revenue distributions consistent with the goals noted below. This new structure will be modeled on that of a sports league, in which the members engage in the conduct of a common activity and organize themselves to protect and improve their mutual interests in a manner that benefits all members and the racing industry as a whole.

GOALS

- Strengthen Northern California Summer racing through a re-structured racing program which combines and consolidates Fair racing dates June through October into a calendar featuring: 1) an appropriate number of racing dates based on optimal Fair dates and available horse population; 2) racing opportunities for all classifications of Thoroughbreds; and 3) carefully managed program for emerging breeds.
- Attract/retain owners, trainers and horses for NorCal racing June-October.
- Optimize racing program through 1) carefully structured purse/stakes schedule and 2) consolidated management of purse program through entire circuit.
- Optimize racing revenue to Fairs; provide investment capital for facility improvements.
- Provide for orderly consolidation of racing dates in a manner that assures continued revenues to Fairs which agree to reduce live racing dates or end their live racing program all together.

AGREEMENTS

- All CARF live racing Fairs agree to operate as a **combined Fair meeting** (per Ag Code 4058) so as to allow flexibility in selection of venues and dates going into the future.
- All CARF live racing Fairs agree to **consolidate the purse program** through the entire circuit to allow for 1) better management of purses; 2) closer tracking of purses paid to purses generated; which leads to 3) reduction of risk to any individual Fair. Such consolidation is already provided for in statute.
- All CARF live racing Fairs agree to enter into agreement(s) to facilitate orderly consolidation of racing dates by providing for **replacement revenues** to Fairs which agree to reduce racing dates or end their live racing program all together.
- CARF will continue to request a block of racing dates June-October. Racing dates not directly associated with traditional Fair dates will be run as part of the combined Fair meeting and managed by CARF for mutual benefit of CARF's Live Racing Members and the racing industry in Northern California.

CALIFORNIA RACING FAIRS: A NEW MODEL FOR THE FUTURE

CONSIDERATIONS • BENEFITS • IMPLEMENTATION SCENARIOS

A Combined Fair Meeting

- A combined Fair meeting strengthens Fairs' position for allocation of summer racing dates in Northern California.
- Allows Fairs to determine if, when and where Fair racing dates will be conducted during the summer. Allows flexibility and latitude as the racing landscape in California continues to evolve.
- Gives Fairs the flexibility to combine their traditional dates with other Fairs. "Insurance policy" to help preserve racing revenues for Fairs that may be challenged during the dates allocation or license application process.
- Allows for a platform on which to begin revenue-sharing or payment of replacement revenues, should participating Fairs elect to pursue that concept.
- Strengthens negotiating leverage in negotiations with horsemen, in management of purses and in formulating summer stakes program.
- Helps assure consistent management of racing program. Allows employment of the most capable available racing personnel.
- Allows Fairs to negotiate more consistent labor agreements applicable to entire meeting.
- A meeting lasting longer than two weeks will allow significant carry-overs to develop in the Pick Six bet, a very popular wager.
- Precedents have now been established with licensing of combined Fair meeting in 2007 (two Fairs) and again in 2009 (five Fairs + CARF). CARF has now been licensed as the entity authorized in Ag Code Section 4058, and may apply for the license to conduct the meeting. This has been confirmed by Legislative Counsel's opinion and, as of 2009, by precedent.
- A combined Fair meeting strengthens Fair racing in a time of transition and uncertainty.

CALIFORNIA RACING FAIRS: A NEW MODEL FOR THE FUTURE

CONSIDERATIONS • BENEFITS • IMPLEMENTATION SCENARIOS

Consolidated Purse Program

- Purses paid to horsemen represent one of the largest expenses to a Racing Fair and represents one of the largest potential risks in the event that purse generation is interrupted.
- Consolidating purses allows for a better-managed, more balanced overall racing program for all Fairs.
- Bomber: "A consolidated purse program will help me build momentum in our program through the summer. Over time, this will help our recruitment program attract more and better horses for a stronger overall program."
- In these changing economic times, it's no longer realistic to expect that we can accurately project purse generation for two-week meets, months in advance.
- Maintaining separate purses for each two week Fair meet increases risk to each individual Fair in the event of an occurrence that interrupts the normal racing schedule and purse generation. Consolidating purses represents a prudent move in time of economic uncertainty.
- Separate purses for each Fair makes it virtually impossible to adjust purses in the course of a single two-week meet. This means that we are forced to commit to purses months in advance without the flexibility to adjust once racing begins.
- Consolidated purse program spreads the risk and obligation for purses over multiple Fairs, thereby reducing the risk to any one Fair.
- Multiple purse programs, i.e., one per Fair, make it more difficult to negotiate a consistent racing program with horsemen's groups and to manage a consistent racing program through the Fair circuit.
- B&P Section 19542 of Horse Racing Law already allows a joint powers authority to administer and distribute purses for Fairs that conduct live horse racing meetings in the northern zone. The late Senator Ken Maddy was a proponent of Fairs consolidating purses.
- Racing Fairs have already taken the most significant step toward consolidation when they agreed on a common purse structure in 2006. Two years ago we hired a single Racing Secretary. A consolidated purse program is the next step in this progression of improving management of our racing program.
- Can be implemented immediately.
- Recommended by CARF management team.
- Gives Bomber a tool he needs to take our program to the next level.

CALIFORNIA FAIRS RACING LEAGUE

CONCEPT AND SUMMARY

DRAFT

The horse racing industry in California is undergoing profound changes. As a consequence, the role of Racing Fairs in the racing industry will also undergo changes. Therefore, in order to strengthen and preserve the industry in Northern California, and in order to more effectively manage their interests in horse racing, those members of the California Authority of Racing Fairs which conduct live racing agree to re-structure their racing operations and revenue distributions consistent with the goals noted below. This new structure will be modeled on that of a sports league, in which the members engage in the conduct of a common activity and organize themselves to protect and improve their mutual interests in a manner that benefits all members.

GOALS

- Strengthen Northern California Summer racing through a re-structured racing program which combines and consolidates Fair racing dates June through October into a calendar featuring: 1) an appropriate number of racing dates based on optimal Fair dates and available horse population; 2) racing opportunities for all classifications of Thoroughbreds; and 3) carefully managed program for emerging breeds.
- Attract/retain owners, trainers and horses for NorCal racing June-October.
- Optimize racing program through 1) carefully structured purse/stakes schedule and 2) consolidated management of purse program through entire circuit.
- Optimize racing revenue to Fairs; provide investment capital for facility improvements.
- Provide for orderly consolidation of racing dates in a manner that assures continued revenues to Fairs which agree to reduce live racing dates.

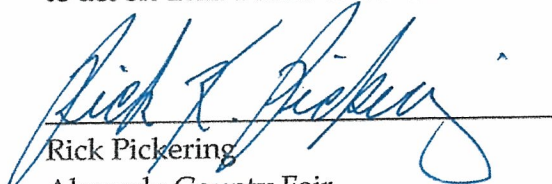
AGREEMENTS

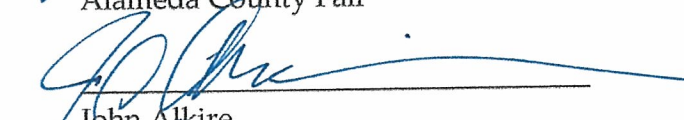
- All CARF live racing Fairs agree to operate as a combined Fair meeting (per Ag Code 4058) so as to allow flexibility in selection of venues and dates going into the future.
- All CARF live racing Fairs agree to consolidate the purse program through the entire circuit to allow for 1) better management of purses; 2) closer tracking of purses paid to purses generated; which leads to 3) reduction of risk in the event of problems at any individual Fair. Such consolidation is already in statute.
- All CARF live racing Fairs agree to enter into revenue-sharing agreement(s) to facilitate orderly consolidation of racing dates by providing for continued revenues to Fairs which agree to reduce racing dates.
- CARF will continue to request a block of racing dates June-October. Racing dates not directly associated with Fair dates will be run as part of the combined Fair meeting and managed by CARF for mutual benefit of members and the racing industry in Northern California.

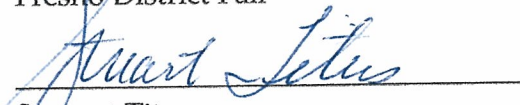
DRAFT


-AGREEMENT-
COMBINED FAIR HORSE RACING MEETING


The undersigned Fairs agree to and confirm their participation in a combined Fair horse racing meeting pursuant to California Food and Agriculture Code Section 4058 and Business and Professions Code Section 19549.1 ff. This agreement is effective April 24, 2009, and will remain in effect until a participating Fair gives notice in writing to CARF that withdraws from participation. These Fairs designate California Authority of Racing Fairs (CARF) to act on their behalf to conduct the combined Fair horse racing meeting.



Rick Pickering
Alameda County Fair


John Alkire
Fresno District Fair


Stewart Titus
Humboldt County Fair

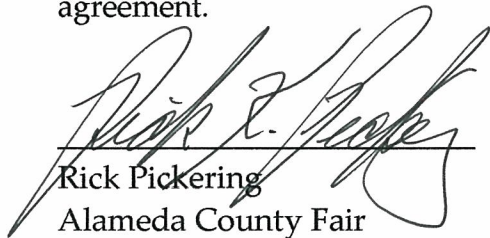

Debbie Cook
San Joaquin Fair

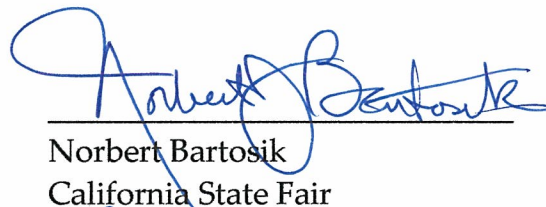

Chris Carpenter
San Mateo County Fair


Michael Paluszak
Solano County Fair

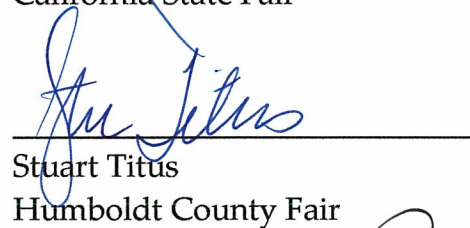
-AGREEMENT-
CONSOLIDATED ADMINISTRATION AND DISTRIBUTION OF PURSES

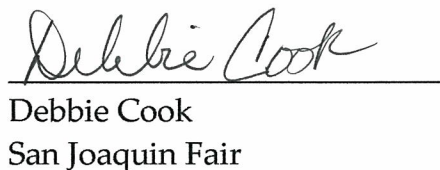
Pursuant to the authorization described in Business and Professions Code Section 19542 and Section 19606.4, the undersigned Fairs, each of which conducted live horse racing in 2009, agree to consolidate administration and distribution of purses, including consolidation of purse underpayments and overpayments for all Fair horse racing meetings conducted in Northern California. The agreement shall apply to purses generated by and purses paid to all breeds and shall also extend to purses generated and purses paid during a combined Fair meeting conducted pursuant to Food and Agriculture Code Section 4058. The undersigned Fairs hereby designate California Authority of Racing Fairs (CARF), a Joint Powers Authority, to act on their behalf for administration and distribution of purses, according to the authorization described in statute. The parties agree that this agreement applies to purses generated and purses paid at Fairs as of June 17, 2009, and will remain in effect from that date forward unless and until a participating Fair gives notice in writing to CARF by February 15 in any given year that it withdraws from the agreement.

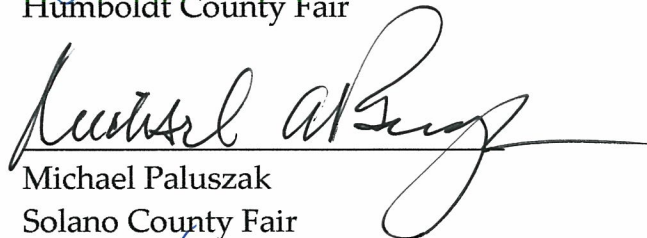

Rick Pickering
Alameda County Fair


Norbert Bartosik
California State Fair

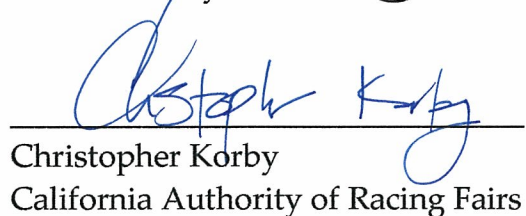

John Alkire
Fresno District Fair


Stuart Titus
Humboldt County Fair


Debbie Cook
San Joaquin Fair


Michael Paluszak
Solano County Fair


Tawny Tesconi
Sonoma County Fair


Christopher Korby
California Authority of Racing Fairs

EXCERPTS FROM
CALIFORNIA HORSE RACING BOARD
MEETING PACKET
APRIL 2009

AT THIS MEETING, THE CHRB ISSUED ITS APPROVAL OF
A COMBINED FAIR HORSE RACING MEETING
FOR THE RACE DATES SHOWN IN AGENDA ITEM 3

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



REGULAR MEETING

of the California Horse Racing Board will be held on Friday, April 24, 2009, commencing at 2:00 p.m., at the Hollywood Park Casino, 3883 West Century Blvd., Inglewood, California. The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website (www.chrb.ca.gov) under "Webcasts."

AGENDA

Action Items:

1. Approval of the minutes of the regular meeting of March 19, 2009.
2. Approval of the minutes of the regular meeting of February 26, 2009.
3. Discussion and action by the Board on the request from the California Authority of Racing Fairs, (CARF) to designate the following allocated race dates as a combined fair horse racing meeting, pursuant to Business and Professions Code section 19549.1: San Joaquin County Fair, June 18, 2009 through June 28, 2009; Alameda County Fair, July 1, 2009 through July 19, 2009; Solano County Fair, July 22, 2009 through July 26, 2009; CARF at Golden Gate Fields, August 12, 2009 through August 23, 2009; CARF at Golden Gate Fields, September 9, 2009 through October 4, 2009 and the Big Fresno Fair, October 7, 2009 through October 18, 2009.
4. Discussion and action by the Board on the Application for License to Operate a Minisatellite Wagering Facility of the California Commerce Club Inc., for a period of up to but not exceeding two years.
5. Discussion and action by the Board regarding the 2009/2010-budget formula to be developed pursuant to Senate Bill 16 (Ashburn), Chapter 12, Statutes of 2009.
6. Discussion and action by the Board regarding an increase in the take-out on conventional and exotic wagers on races conducted by thoroughbred racing associations as permitted by Business and Professions Code section 19601.01 and the modification of California advance deposit wagering (ADW) distributions on thoroughbred races as permitted under Business and Professions Code section 19604(f) (5)(E).
7. Discussion and action by the Board regarding the update from the Los Angeles Turf Club Inc. operating at Santa Anita Park and the significance of the bankruptcy filing of Magna Entertainment Corporation on its racing operations.

8. Discussion and action by the Board regarding a revised allocation of race dates for the Del Mar Thoroughbred Club's (DMTC) July 22, 2009 through September 9, 2009, race meeting.
9. Review and discussion by the Board regarding the financial solvency of the Northern and Southern California Stabling and Vanning Funds and possible steps that may be taken to mitigate losses, including cutting subsidies paid to Fairplex Park at Pomona and San Luis Rey Downs.
10. Discussion and action by the Board regarding the feasibility of waiving CHRB Rule 1433(b), Application for License to Conduct a Horse Racing Meeting, on a case by case basis, when considering the construction of new race tracks, converting synthetic race tracks to dirt tracks and the use of existing dirt tracks for periods exceeding four weeks of thoroughbred racing.
11. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** Persons addressing the Board under this item will be restricted to three (3) minutes for their presentation.
12. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
 - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," as authorized by Government Code section 11126(e).

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

CALIFORNIA HORSE RACING BOARD

John C. Harris, Chairman
David Israel, Vice Chairman
John Andreini, Member
Jesse H. Choper, Member
Bo Derek, Member
Jerry Moss, Member
Kirk E. Breed, Executive Director

DISCUSSION AND ACTION BY THE BOARD
ON THE REQUEST FROM CALIFORNIA AUTHORITY OF RACING FAIRS
(CARF), TO DESIGNATE THE FOLLOWING ALLOCATED RACE DATES AS A
COMBINED FAIR HORSE RACING MEETING, PURSUANT TO
BUSINESS AND PROFESSIONS CODE 19549.1:
SAN JOAQUIN COUNTY FAIR, JUNE 18, 2009 THROUGH JUNE 28, 2009;
ALAMEDA COUNTY FAIR, JULY 1, 2009 THROUGH JULY 19, 2009;
SOLANO COUNTY FAIR, JULY 22, 2009 THROUGH JULY 26, 2009;
CARF AT GOLDEN GATE FIELDS, AUGUST 12, 2009
THROUGH AUGUST 23, 2009; CARF AT GOLDEN GATE FIELDS, SEPTEMBER
9, 2009 THROUGH OCTOBER 4, 2009 AND THE BIG FRESNO FAIR, OCTOBER
7, 2009 THROUGH OCTOBER 18, 2009

Regular Board Meeting
April 24, 2009

BACKGROUND

Business and Professions (B&P) Code section 19549.1 states the Board may allocate horse racing days for mixed breed meetings and combined fair horse racing meetings pursuant to Section 4058 of the Food and Agricultural Code. B&P Code section 19549.1(a) provides the dates may only be allocated for a combined fair horse racing meeting between June 1 and October 31. The California Horse Racing Board (CHRB) approved the 2009 race dates calendar at the November 18, 2008 Regular Board Meeting. The following fairs were approved to conduct a mixed breed horse racing meeting:

- San Joaquin County Fair – June 18-28, 2009 (9 days)
- Alameda County Fair – July 1-19, 2009 (15 days)
- Solano County Fair – July 22-26, 2009 (5 days)
- CARF at Golden Gate Fields – August 12-23, 2009 (10 days)
- CARF at Golden Gate Fields – September 9-October 4, 2009 (19 days)
- Big Fresno Fair – October 7-18, 2009 (10 days)

ANALYSIS

The California Authority of Racing Fairs (CARF), a California joint powers authority operating on behalf of its member fairs, is requesting that the Board designate the above referenced racing dates as a combined fair horse racing meeting, for a total of 68 combined race dates, and that the “normal” license application process for each segment of the combined race meeting proceed as it has in the past. The Sonoma County Fair, Humboldt County Fair, and California Expositions and State Fair are not participants in the combined fair race meeting request.

Under current law, a fair may be allocated a maximum of four weeks of racing each year (B&P Code section 19549). The 2009 allocated fair race dates fall well beneath this maximum.

CARF in submitting its request for a combined fair race meeting maintains that a designation of "a combined fair horse racing meeting will allow Northern California racing Fairs the mechanism needed to conduct the dates allocated by the Board for 2009...[and] will allow flexibility in planning for a changing calendar in Northern California"

In 2007, the Board approved a request from the Solano and Sonoma County Fair to conduct a combined fair horse racing meeting. The Solano County Fair Association and the Sonoma County Fair and Exposition, Inc. entered into a Joint Powers Agreement to combine their fair dates and conduct a four-week mixed breed horse racing meet called the "Sonoma Solano Wine Country Racing." This proposal was introduced to increase handle and attendance. Additionally, the change in the Sonoma County Fair race dates gave fans one more week of turf racing in Northern California.

In granting the 2007 request, Sonoma Solano Wine Country Racing was billed and marketed as a combined race meeting. CARF's 2009 proposal for a combined race meeting does not include plans to promote the fair race dates as a combined race meeting.

Additionally, in 2007, Sonoma and Solano submitted individual license applications for their respective segments of the combined Sonoma Solano Wine Country Racing meeting. However, specific sections of the applications were modified to capture information reflecting information attributed to the "combined race meeting."

RECOMMENDATION

Staff recommends the Board hear from the CARF representative.



a California joint powers agency

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

April 8, 2009

Mr. Kirk Breed, Executive Director
 California Horse Racing Board
 1010 Hurley Way
 Sacramento, CA 95815

VIA e-mail and USPS

Dear Kirk,

Pursuant to Ag Code Section 4058 and Business and Professions Code Section 19549.1 (attached), the California Authority of Racing Fairs (CARF) requests that the Board designate the following 2009 racing dates as a combined Fair horse racing meeting.

- San Joaquin Fair--June 18-28
- Alameda County Fair--July 1-19
- Solano County Fair--July 22-26
- CARF I at Golden Gate Fields--August 12-23
- CARF II at Golden Gate Fields--September 9-October 4
- Fresno Fair--October 7-18.

We are requesting that license applications for each segment of the Combined Fair Horse Racing Meeting be filed in the usual manner for those segments which will be conducted at a Fair race track. California Authority of Racing Fairs, a California joint powers authority operating on behalf of its member Fairs, will be the applicant for the two segments conducted at Golden Gate Fields.

A combined Fair horse racing meeting will allow Northern California racing Fairs the mechanism needed to conduct the dates allocated by the Board for 2009. In the future, it will allow flexibility in planning for a changing calendar in Northern California.

We note a precedent: In 2007, the Board declared the Solano and Sonoma County Fairs a combined Fair horse racing meeting.

Respectfully submitted

/s/

Christopher Korby
 Executive Director

Attachments: 3

CODE SECTION EXCERPTS PERTINENT TO CONDUCT OF A COMBINED FAIR HORSE RACE MEETING

FOOD AND AGRICULTURAL CODE SECTION 4058

4058. (a) Notwithstanding Section 4052, the California Exposition and State Fair, a district agricultural association fair, or county fair in the northern zone, with the approval of the Department of Food and Agriculture, may form an entity for conducting combined fair horseracing meetings and utilize their racing facilities for conducting horseracing meetings, with parimutuel wagering, on days other than the days on which general fair activities are conducted. A combined fair horseracing meeting pursuant to this section shall be a general fair activity for the purpose of Section 19549 of the Business and Professions Code.

(b) The association shall designate certain days of a mixed breed meeting held pursuant to this section as charity days with the proceeds therefrom to be distributed in accordance with Sections 19550 and 19556 of the Business and Professions Code.

(c) The association shall encourage the racing of emerging breeds of horses.

Business and Professions Code Horse Racing Law

19542. Notwithstanding any other provision of law, fairs that conduct live horse racing meetings in the northern zone may allow a joint powers authority to administer and distribute purses and to achieve the purposes of Section 19606.4.

19549.1. Notwithstanding Sections 19533 and 19549 or any other provision of this chapter, the board may allocate horse racing days for mixed breed meetings and combined fair horse racing meetings pursuant to Section 4058 of the Food and Agricultural Code, except as follows:

(a) Dates may only be allocated for a combined fair horse racing meeting between June 1 and October 31.

(b) Days may not be allocated for a mixed breed meeting or a combined fair horse racing meeting during the month of June at the California Exposition and State Fair if a standardbred meeting is being conducted at that facility during the month of June.

The mixed breed meetings shall be conducted by a person other than the fair and shall be subject to Section 19550. The mixed breed meetings shall encourage the racing of emerging breeds of horses.

2009 Racing Schedule

Location	Inclusive Dates
THOROUGHBRED MEETINGS - CENTRAL & SOUTHERN ZONES	
Santa Anita	12/26/08 - 04/19/09
Hollywood Park	04/22/09 - 07/19/09
Del Mar	07/22/09 - 09/09/09
Santa Anita	09/30/09 - 11/08/09
Hollywood Park	11/11/09 - 12/21/09
THOROUGHBRED MEETINGS - NORTHERN ZONE	
Golden Gate	12/26/08 - 06/14/09
Golden Gate	10/21/09 - 12/13/09
QUARTER HORSE MEETINGS - STATEWIDE	
Los Alamitos	01/01/09 - 12/20/09
HARNESS MEETINGS - STATEWIDE	
Cal-Expo	12/26/08 - 08/01/09
Cal-Expo	09/25/09 - 12/19/09
FAIR MEETINGS - STATEWIDE	
Stockton	06/18/09 - 06/28/09
Pleasanton	07/01/09 - 07/19/09
Solano	07/22/09 - 07/26/09
Santa Rosa	07/29/09 - 08/09/09
CARF(GGF)	08/12/09 - 08/23/09
Ferndale	08/13/09 - 08/23/09
State Fair/Cal Expo	08/26/09 - 09/07/09
CARF(GGF)	09/09/09 - 10/04/09
Pomona	09/10/09 - 09/28/09
Fresno	10/07/09 - 10/18/09

LEGISLATIVE COUNSEL

E. Dwyer-Vine

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el A. Weitzman

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January 9, 2006

Honorable Gloria Negrete McLeod
Room 5016, State Capitol

HORSE RACING: LICENSES: JOINT POWERS ENTITIES - #0522003

Dear Ms. Negrete McLeod:

QUESTION

May an entity formed pursuant to a joint powers agreement for the purpose of conducting horse racing be issued a license to conduct horse racing and be eligible to receive racing dates?

OPINION

An entity formed pursuant to a joint powers agreement for the purpose of conducting horse racing may be issued a license to conduct horse racing and be eligible to receive racing dates.

ANALYSIS

The Horse Racing Law, contained in Chapter 4 (commencing with Section 19400) of Division 8 of the Business and Professions Code,¹ regulates horse racing in this state. The California Horse Racing Board (hereafter the board) is vested with the jurisdiction and supervision over horse racing (Sec. 19420). The board is authorized to issue a license to any person to conduct horse racing in accordance with the Horse Racing Law, as long as that person complies with the Horse Racing Law and pays a fee, and the board determines that the issuance of the license will be in the public interest (Sec. 19480). Further, the board is responsible for allocating racing dates to qualified associations (para. (5), subd. (a), Sec. 19440).

¹ All section references are to the Business and Professions Code, unless otherwise specified.

COUNCIL

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Bradley N. Webb

Thus, the pertinent question is whether an entity formed pursuant to a joint powers agreement is considered a "person" for purposes of issuing a license for horse racing, and whether such an entity is a "qualified association" for purposes of receiving racing dates. In that regard, Section 19413 defines "person," for purposes of the Horse Racing Law, to include "any individual, partnership, corporation, limited liability company, or other association or organization." Section 19403 defines "association," for purposes of that law, as "any person engaged in the conduct of a recognized horse race meeting."

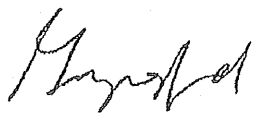
The Joint Exercise of Powers Act authorizes two or more public agencies to enter into a joint powers agreement in order to "jointly exercise any power common to the contracting parties" (Secs. 6500.1 and 6502, Gov. C.). Specifically, "two or more public agencies having the power to conduct agricultural, livestock, industrial, cultural, or other fairs or exhibitions shall be deemed to have a common power with respect to any such fair or exhibition conducted by ... an entity created pursuant to a joint powers agreement entered into by such public agencies." (Sec. 6502, Gov. C.). An entity formed pursuant to a joint powers agreement is a public entity separate from the parties to the agreement (Sec. 6507, Gov. C.).

Words in statutes should be construed according to the usual ordinary import of the words (*IT Corp. v. Solano County Bd. of Supervisors* (1991) 1 Cal.4th 81, 98). In our view, the ordinary construction of the word "association" or "organization" would include a situation where two or more agencies choose to associate or organize into a new entity by way of a contractual agreement. In the context of the Horse Racing Law, this would apply to an entity created for purposes of engaging in a horse racing meeting. Section 6502 of the Government Code grants no new powers to an entity created by a joint powers agreement, but merely sets up a procedure for the exercise of existing powers. As such, the statute cannot be said to enlarge the powers separately possessed by the individual member public agencies, but rather merely provides a procedure whereby this power may be exercised in cooperative action (*The City of Oakland v. Williams* (1940) 15 Cal.2d 542, 549). Thus, if the public agencies that enter into a joint powers agreement each individually are qualified to receive from the board racing dates and a license to conduct horse racing, the entity they form vis-à-vis the joint powers agreement will have the same authority. And, in our view, because such an entity would qualify as an organization or association, for purposes of the definition of "person" in the Horse Racing Law that entity would be eligible to receive racing dates and a license for horse racing.

Therefore, it is our opinion that an entity formed pursuant to a joint powers agreement for the purpose of conducting horse racing may be issued a license to conduct horse racing and be eligible to receive racing dates.

Very truly yours,

Diane F. Boyer-Vine
Legislative Counsel

By 
Gwynnae L. Byrd
Deputy Legislative Counsel

GLB:cob



**CALIFORNIA AUTHORITY OF RACING FAIRS
BALANCE SHEET
December 31, 2015**

ASSETS

	CURRENT YTD	PRIOR YTD
	12/31/15	12/31/14
Current Assets		
CASH - LAIF & INVESTMENTS	1,689,219	1,786,724
CASH - OPERATING/MM	509,801	492,984
CASH - TRUST & TOC	153,403	520,594
MARKETABLE SECURITIES	1,037,030	1,324,111
A/R - DUES	14,302	16,476
A/R - PROGRAMS	28,931	37,453
A/R - RACING FAIRS & SETTLEMNT	665,382	412,267
A/R - OTHER A/R	114,632	290,967
PREPAIDS/DEPOSITS	53,039	101,922
OPEB ASSETS	125,122	125,122
Total Current Assets	4,390,861	5,108,621
Fixed Assets		
AUTOMOBILE	12,310	29,064
FURNITURE & EQUIPMENT	0	0
COMPUTER HARDWARE/SOFTWARE	1,128	2,512
TRACK EQUIPMENT	0	0
Total Fixed Assets (Net of Depr.)	13,439	31,575
TOTAL ASSETS	4,404,300	5,140,196

LIABILITIES & NET ASSETS

Current Liabilities		
A/P & WITHHOLDINGS	276,802	1,035,089
COMPENSATED LEAVE ACCRUALS	142,040	117,821
A/P - PROGRAM ROYALTIES TO HOST	13,869	33,662
RACING DISTRIBUTIONS	565,089	172,801
PURSES	260,972	245,041
TRACK SAFETY/MAINT.	(224,662)	(7,656)
HORSEMENS RECRUITMENT PROGRAMS	15,777	13,716
LOU-5 - SYMPOSIUM	3,805	3,805
REV GEN PROJECT FUNDS	442,866	458,955
AUGMENTATION FUNDS	641,145	618,535
Total Current Liabilities	2,137,703	2,691,770
Non-Current Liabilities		
CHANGE FUND	1,014,000	1,014,000
FAIRS - EQUIP REPLACEMENT FUNDS	678,150	879,655
Total Non-Current Liabilities	1,692,150	1,893,655
TOTAL LIABILITIES	3,829,854	4,585,426
Net Assets		
FUND EQUITY	554,770	617,606
F&E Net Assets	0	0
NET INCOME/LOSS	19,676	(62,835)
Total Net Assets	574,446	554,770
TOTAL LIABILITIES & NET ASSETS	4,404,300	5,140,196



**California Authority of Racing Fairs
Agency Income Statement
December 31, 2015**

	2013 Year End Actual	2014 Year End Actual	2015 Jan-Dec YTD	2015 Annual Budget	2015 Budget Variance	2015 % Budget
Revenue:						
Other Revenue/OPEB trust Reimb	22,060	78,208	32,322	35,000	(2,678)	92%
Interest Income	(713)	8,229	6,600	2,500	4,100	264%
Member Dues	246,963	234,370	220,215	234,368	(14,153)	94%
CARF South Prog Admin Fee	16,259	14,608	11,326	15,000	(3,674)	76%
	6,623	387				
CARF Live Racing Agency Allocation	109,733	157,410	252,551	252,326	225	100%
Total Revenue	400,936	493,212	523,014	539,194	(16,180)	97%
Expenses:						
Salaries	201,085	176,783	189,016	182,513	(6,503)	104%
Employee Benefits	16,864	20,619	19,572	19,960	388	98%
Post Retirement Benefits	40,220	41,671	32,251	36,175	3,924	89%
Payroll Taxes	18,183	18,223	18,929	19,648	719	96%
Accounting Costs	16,395	16,250	17,063	16,250	(813)	105%
Advertising Expense	0	0	0	0	0	0%
Audit Services	9,485	6,775	6,775	6,775	0	100%
Automobile Expense	218	1,267	5,715	3,000	(2,715)	190%
Contracted Services	9,071	4,222	1,130	9,500	8,370	12%
Depreciation	20,170	19,135	18,137	17,748	(389)	102%
Dues & Subscriptions	2,949	2,367	1,313	3,000	1,687	44%
Insurance Expense	47,930	50,883	46,224	50,950	4,726	91%
Legal Expenses	72,642	62,286	19,949	50,000	30,051	40%
Legislative Expenses	56,617	45,479	45,596	45,000	(596)	101%
Meetings Expense	2,730	1,360	2,495	3,000	505	83%
Misc. (Ag Day Sponsor)	349	499	835	500	(335)	167%
Rent - Northern Print Shop	0	0	0	0	0	0%
Office Supplies	24,815	24,405	19,878	25,000	5,122	80%
Postage & Shipping	2,693	3,161	1,175	3,600	2,425	33%
Rent (Tribute Road)	35,770	35,770	35,770	45,478	9,708	79%
Repairs & Maintenance	0	0	0	500	500	0%
Telephone Expense	8,592	8,375	8,718	10,000	1,282	87%
Training	0	369	604	1,000	396	60%
Travel Expense	15,188	18,609	13,662	17,000	3,338	80%
Total Expenses	601,964	558,508	504,808	566,598	61,790	89%
Agency Income (Loss)	(201,028)	(65,296)	18,206	(27,404)	45,609	
Southern Prog Income (Loss)	3,510	2,461	1,470	2,500	(8,378)	
Total Bal Sheet Net Income (Loss)	(197,518)	(62,836)	19,676	(24,904)	37,231	



**California Authority of Racing Fairs
Southern Region Income Statement
December 31, 2015**

	2013	2014	2015	2015	2015	2015
	Year End	Year End	Jan-Dec	Annual	Budget	% Budget
	Actual	Actual	YTD	Budget	Variance	
Program Revenue:						
Program Sales	221,902	195,769	152,647	200,000	(47,353)	76%
Other Revenue	0	0	0	0	0	0%
Royalties/Fees Due Host	(202,133)	(178,700)	(139,851)	(182,500)	42,649	77%
Total Revenue	19,769	17,069	12,796	17,500	(4,704)	73%
Expenses:						
Legal Expenses	0	0	0	0	0	0%
Meetings Expense	0	0	0	0	0	0%
Misc Exp.(Storage)	0	0	0	0	0	0%
Office Supplies	0	0	0	0	0	0%
Paper Expense	0	0	0	0	0	0%
Postage & Shipping	0	0	0	0	0	0%
Printing Supplies	0	0	0	0	0	0%
Rent & Utility Expenses	0	0	0	0	0	0%
Repairs & Maintenance	0	0	0	0	0	0%
Telephone Expense	0	0	0	0	0	0%
Travel Expense	0	0	0	0	0	0%
Total Expenses	0	0	0	0	0	0%
Operating Income (Loss)	19,769	17,069	12,796	17,500	(4,704)	73%
CARF Admin Fee	16,259	14,608	11,326	15,000	3,674	76%
Rebate						
Income (Loss)	3,510	2,461	1,470	2,500	(8,378)	59%



**California Authority of Racing Fairs
Revenues Generated and Paid through CARF
Race Recap Report**

2015 Race Meet

	Pleasanton	Sacramento	Humboldt	Stockton	Fresno	Total
Tote Handle	\$22,530,228	\$16,442,920	\$3,990,268	\$8,311,270	\$14,008,043	\$65,282,728
ADW Handle	\$8,931,555	\$8,506,898	\$2,556,434	\$3,843,567	\$4,859,046	\$28,697,500
All Handle Total	<u>\$31,461,782</u>	<u>\$24,949,818</u>	<u>\$6,546,702</u>	<u>\$12,154,838</u>	<u>\$18,867,089</u>	<u>\$93,980,229</u>

REVENUE:

Takeout	4,869,748	3,539,585	863,471	1,818,108	2,992,194	14,083,106
Programs	20,590	21,807	3,326	11,790	14,724	72,236
Summarized Revenues						0
ADW (California & Exports)	1,126,893	1,119,440	337,107	493,917	606,652	3,684,009
Total	6,017,231	4,680,832	1,203,903	2,323,815	3,613,570	17,839,351

EXPENSES:

2015 Circuit Billing	176,526	161,827	87,815	87,815	132,401	646,383
2015 Jan-June Billbacks	66,194	12,155	6,699	9,207	15,342	109,597
2015 July-September Billbacks	44,914	111,278	31,362	82,055	21,500	291,109
2015 Oct-December Billbacks	62,209	69,080	27,095	39,390	93,390	291,164
Racetrack Maintenance	35,772	32,791	26,829	17,886	17,886	131,165
Relocation Costs	12,267	12,267	6,133	12,267	12,267	55,200
Total Track Expenses	397,882	399,397	185,933	248,620	292,786	1,524,619

Revenues Generated and Paid through CARF

Total Purses Revenue	<u>1,673,998</u>	<u>1,311,232</u>	<u>348,747</u>	<u>599,482</u>	<u>1,015,428</u>	<u>4,948,887</u>
Total Track Commissions Revenue	<u>1,391,729</u>	<u>1,114,899</u>	<u>290,094</u>	<u>526,795</u>	<u>846,078</u>	<u>4,169,595</u>

TOTAL PURSES/FAIR COMMISSIONS	3,065,727	2,426,131	638,841	1,126,277	1,861,506	9,118,482
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**California Authority of Racing Fairs
Live Racing Income Statement
December 31, 2015**

2013=43 days 2014=40 days 2015=44 days

	2013	2014	2015	2015	2015	2015
	Year End	Year End	Jan-Dec	Annual	Budget	% Budget
	Actual	Actual	YTD	Budget	Variance	
Revenues:						
Reimb. From Live Racing Fairs	1,013,148	1,048,080	1,220,743	1,111,494	109,249	110%
Operating Expenses:						
Salaries	407,250	348,075	384,535	367,001	(17,534)	105%
Employee Benefits	66,112	44,137	46,576	44,667	(1,909)	104%
Payroll Taxes	33,228	35,988	46,576	39,770	(6,806)	117%
Accounting Costs	49,186	48,761	48,750	48,750	0	100%
Audit Services	17,615	20,325	20,325	20,325	0	100%
Automobile Expense	54	2,718	1,502	1,000	(502)	150%
Dues & Subscriptions, NTRA	0	0	0	0	0	0%
Insurance Expense	0	0	0	0	0	0%
Legal Expenses	0	0	0	5,000	5,000	0%
Meetings Expense	1,109	242	622	2,000	1,378	31%
Misc. Exp (Storage,Bank fee)	37	12	0	0	0	0%
Telephone Expense	4,547	4,982	6,183	5,000	(1,183)	124%
Travel Expense	38,090	34,423	39,189	35,000	(4,189)	112%
Sub-Totals	617,227	539,664	594,258	568,513	(25,745)	105%
Racing Support Services:						
Announcer	0	33,387	30,200	40,530	10,330	75%
Condition Bk/Program Cover	23,412	26,560	15,505	25,000	9,495	62%
Racing Operations Support	54,323	65,326	80,804	65,000	(15,804)	124%
TC02 Testing	5,235	7,040	12,698	6,500	(6,198)	195%
Marketing/Web Devel	331	236	120	1,000	880	12%
Network Management	0	0	0	0	0	0%
Paymaster Operations	6,292	6,285	5,163	6,500	1,337	79%
Program Production	128,370	145,411	164,907	150,000	(14,907)	110%
Racing Office System	26,995	28,969	29,822	30,000	178	99%
Recruitment	1,862	1,562	4,977	15,000	10,023	33%
Jumbo Screen	68,850	68,850	96,900	70,000	(26,900)	138%
Supplies	10,737	12,573	17,478	13,000	(4,478)	134%
Tattooing	11,741	10,867	18,101	15,000	(3,101)	121%
Timing/Clocker	0	13,120	13,162	18,740	5,578	70%
Transportation	1,700	1,250	2,740	3,500	760	78%
TV Production/Simulcast	53,206	64,040	71,456	60,000	(11,456)	119%
RTM ALLOCATION (TRANS.&MAINT)	73,689	73,689	131,165	73,689	(57,476)	178%
RTM SUPPORT COSTS	0	47,553	46,286	49,523	3,237	93%
Sub-Totals	466,744	606,718	741,485	642,982	(98,503)	115%
Total Gross Expenses	1,083,971	1,146,381	1,335,743	1,211,495	(124,248)	110%
Augmentation LRF	52,457	73,689	75,000	75,000	0	100%
NCOTWINC Reimbursement	25,000	25,000	40,000	25,000	15,000	160%
Total Net Expenses	1,006,514	1,047,692	1,220,743	1,111,494		

Calendar for year 2016 (United States)

January						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

March						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May						
Su	Mo	Tu	We	Th	Fr	Sa
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

July						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

September						
Su	Mo	Tu	We	Th	Fr	Sa
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October						
Su	Mo	Tu	We	Th	Fr	Sa
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23	24	25	26	27	28	29
30	31					

November						
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December						
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18	19	20	21	22	23	24
25	26	27	28	29	30	31

Calendar for year 2017 (United States)

January						
Su	Mo	Tu	We	Th	Fr	Sa
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8	9	10	11	12	13	14
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February						
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			1	2	3	4
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26	27	28				

March						
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April						
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23	24	25	26	27	28	29
30						

May						
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28	29	30	31			

June						
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25	26	27	28	29	30	

July						
Su	Mo	Tu	We	Th	Fr	Sa
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
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17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
Su	Mo	Tu	We	Th	Fr	Sa
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
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19	20	21	22	23	24	25
26	27	28	29	30		

December						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
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17	18	19	20	21	22	23
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