



a California joint powers agency

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NOTICE
CALIFORNIA AUTHORITY OF RACING FAIRS
FINANCE COMMITTEE MEETING
10:00 A.M., THURSDAY, NOVEMBER 18, 2021

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Finance Committee will commence at 10:00 A.M., Thursday, November 18, 2021. The meeting will be held via teleconference.

Due to Executive Order N-29-20, CARF will provide a teleconference option for its upcoming public meeting. Public and members of the California Authority of Racing Fairs Live Racing Committee may participate via teleconference to minimize the spread of COVID-19. No physical location will be provided.

Dial-In Number: 1-669-900-6833
Meeting ID: 880 2671 7128
Access Code: 776227

Zoom Link:
<https://us06web.zoom.us/j/88026717128>



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AGENDA
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AGENDA

- I. Public Comment.
- II. Closed Session: Conference with Legal Counsel – Personnel.
- III. Report, Discussion and Action, if any, on CARF 2022 Agency and Live Racing Budgets.
- IV. Executive Director's Report.



**California Authority of Racing Fairs
Agency Income Statement
September 30, 2021**

	2019 Year End Actual	2020 Year End Actual	2020 Jan-Sept YTD	2021 Jan-Sept YTD	2021 Estimated Year End	2021 Annual Budget	2021 % Budget	2022 Proposed Budget	
Revenue:									
Other Revenue/OPEB trust Reimb	37,804	38,983	28,587	157,249	172,383	43,000	401%	45,000	1
Interest Income	2,045	2,421	2,309	160	160	1,000	16%	0	
Member Dues	203,922	201,064	150,798	150,798	201,064	201,064	100%	200,064	
CARF South Prog Admin Fee	0	0	0	0	0	0	0%	0	2
CARF Live Racing Agency Allocation	299,797	299,797	134,909	224,848	299,797	299,797	100%	300,000	
Total Revenue	543,579	542,265	316,603	533,054	673,404	544,861	124%	545,064	
Expenses:									
Salaries	138,159	152,625	100,760	97,373	144,109	127,140	113%	162,543	3
Employee Benefits	17,545	22,942	16,802	12,559	17,348	18,170	95%	19,200	
Post Retirement Benefits	86,689	38,373	30,008	32,395	43,772	43,081	102%	45,508	
Payroll Taxes	27,828	28,810	21,932	30,489	41,206	37,927	109%	44,133	4
Accounting Costs	16,250	17,063	12,797	12,797	17,063	17,063	100%	17,916	5
Audit Services	9,800	16,050	16,050	4,013	6,000	6,238	96%	13,975	6
Automobile Expense	710	2,773	2,645	6,185	3,601	3,000	120%	3,500	
Contracted Services	1,931	1,031	585	213	413	1,000	41%	1,000	
Depreciation	3,185	3,526	2,635	2,811	3,852	3,500	110%	3,500	
Dues & Subscriptions	0	398	308	0	0	400	0%	400	
Insurance Expense	48,336	51,936	38,440	41,897	56,853	52,000	109%	58,000	7
Legal Expenses	69,704	46,902	31,008	106,636	121,636	40,000	304%	60,000	8
Legislative Expenses	45,536	45,458	34,115	33,990	45,390	46,000	99%	46,000	
Meetings Expense	2,987	2,410	2,286	143	1,003	2,500	40%	2,500	
Miscellaneous Exp	125	177	130	116	993	200	497%	200	9
Office Supplies	16,376	14,176	10,911	5,423	6,679	5,000	134%	7,000	10
Postage & Shipping	660	388	256	465	500	500	100%	500	
Rent (Tribute Road)	15,277	13,414	10,060	10,060	13,414	13,500	99%	13,500	
Repairs & Maintenance	0	0	0	0	0	500	0%	500	
Telephone Expense	4,736	4,881	3,636	2,588	3,715	4,500	83%	4,500	
Training	300	0	0	0	0	1,000	0%	1,000	
Travel Expense	4,257	2,627	2,204	1,186	2,241	7,000	32%	7,000	11
Total Expenses	510,390	465,958	337,568	401,338	529,787	430,220	123%	512,373	
Agency Income (Loss)	33,189	76,306	(20,965)	131,716	143,617	114,642	125%	32,691	
Southern Prog Income (Loss)	4,462	141	(1,189)	34	0	3,000		0	
Total Bal Sheet Net Income (Loss)	37,652	76,447	(22,154)	131,750	143,617	117,642		32,691	
GASB 68 PENSION EXPENSE	99,291	87,366	0	0	50,000	50,000	0%	50,000	
GASB 75 OPEB EXPENSE	0	(10,532)	0	0	0	0	0%	0	
Total Net Income after GASB68, GASB75	(61,639)	(21,451)	(22,154)	131,750	93,617	67,642	0	(17,309)	

1	2021 Year End greater than budget due to PPP loan forgiveness recognized as other income of \$126,300, Credit card points redeemed \$2,059 and CERBT Reimb of \$43,403
2	2021 transitioned Southern program orders to Satellites to pay Host directly
3	Salary 2021 Year end includes salary adjustment and staff vacation sellback, 2022 budget includes staff increase and hiring Calypso Challenge coordinator 20K
4	Payroll taxes 2021 year end greater than budget due to unfunded PERS and WC rates
5	2022 Accounting contract increase by 5%
6	2020 Annual Financial Review performed in 2021, 2022 budgeted for 2020 and 2021 Full Audit (Agency portion 25%) and Biennial OPEB Valuation for GASB
7	2021 Insurance cost increase due to General Liability and Property insurance market
8	2021 Legal over budget due to Calypso Challenge legal and other legal expenses, 2022 estimate at 60K
9	2021 Miscellaneous expense due to Calypso Challenge FTB & CA license fees
10	2021 Office supply greater than budget due to Budget estimated low
11	2021 less Agency travel, 2022 travel budget remains the same



**California Authority of Racing Fairs
Live Racing Income Statement
September 30, 2021**

	2019=41 days 2019 Year End Actual	2020= 24 days 2020 Year End Actual	2020 Jan-Sept YTD	2021 Jan-Sept YTD	2021= 29 days 2021 Estimated Year End	2021 Annual Budget	2021 % Budget	2022= 35 days 2022 Proposed Budget	
Revenues:									
Reimb. From Live Racing Fairs	1,894,625	887,907	629,036	1,172,875	1,524,157	2,283,350	67%	1,991,340	
3rd Party Lasik Reimb	56,185	25,728	46,006	28,000	35,525	65,000	55%	38,000	
Racing Operations Augmentation Funds	0	202,996	125,000	0	0	0	0%	0	
RTM 1% Funds Grey funds	249,174	0	0	0	0	0	0%	0	
Operating Expenses:									
Salaries	347,164	295,249	237,380	199,892	285,988	240,298	119%	264,483	1
Employee Benefits	41,737	48,977	35,657	33,232	44,091	52,229	84%	43,560	
Payroll Taxes	79,520	83,719	64,988	62,760	75,870	79,560	95%	86,125	
Accounting Costs	48,750	51,187	38,391	38,391	51,187	51,200	100%	53,747	
Audit Services	21,900	21,900	21,900	9,938	11,063	11,063	100%	22,425	2
Automobile Expense	3,848	340	0	820	4,067	3,000	136%	5,000	
Telephone Expense	4,134	4,452	3,537	4,138	5,818	5,000	116%	6,000	
Travel Expense	51,719	20,528	17,999	34,073	49,298	50,000	99%	55,000	
Sub-Totals	598,830	526,402	419,902	383,242	527,382	492,350	107%	536,340	
Racing Support Services:									
Announcer	22,550	9,900	9,900	10,450	13,775	30,000	46%	30,000	
Condition Bk/Program Cover	9,808	3,619	3,619	4,830	10,270	10,000	103%	10,000	
Racing Operations Support	126,971	73,149	72,593	87,038	112,463	125,000	90%	125,000	
Signal Broadcast (RCN)	0	29,708	28,259	7,832	55,852	100,000	56%	60,000	3
Simulcast Management	0	20,142	12,000	0	0	24,000	0%	10,000	
Fitness Vet/TC02 Testing	56,492	61,273	61,273	69,956	92,246	170,000	54%	170,000	
3RD PARTY LASIKS	56,185	21,839	21,839	17,787	22,184	50,000	44%	50,000	
Marketing/Web Devel	1,931	1,031	585	90	500	2,000	25%	2,000	
Paymaster Operations	3,983	1,546	1,413	7,743	9,304	47,000	20%	20,000	4
Incompass Racing Office	143,528	53,083	39,266	70,238	81,017	135,000	60%	135,000	
Racing Office Expenses	17,189	3,998	3,998	5,613	6,113	18,000	34%	18,000	
Recruitment	2,498	1,216	1,216	1,940	2,800	10,000	28%	10,000	
Jumbo Screen	98,450	0	0	69,150	69,150	100,000	69%	100,000	5
Supplies	10,153	6,242	5,503	5,575	9,750	10,000	97%	10,000	
Tattooing	20,665	15,294	13,667	(1,349)	10,000	20,000	50%	20,000	
Timing/Clocker	14,541	6,182	6,182	10,645	13,340	15,000	89%	15,000	
Transportation-silks	2,730	0	0	0	0	3,000	0%	3,000	
TV Production/Simulcast	333,598	127,010	127,010	208,008	213,184	330,000	65%	330,000	6
RTM ALLOCATION (MAINT)	162,723	74,272	64,703	116,121	139,337	140,000	100%	140,000	
RTM TRANSPORTATION	77,275	9,125	9,125	37,065	52,065	75,000	69%	75,000	
STABLING AND TRAINING	281,442	0	0	0	0	282,000	0%	0	7
RTM SUPPORT COSTS	158,443	71,600	68,600	88,900	118,950	160,000	74%	160,000	
Sub-Totals	1,601,155	590,227	550,749	817,633	1,032,299	1,856,000	56%	1,493,000	
Total Gross Expenses	2,199,984	1,116,630	970,651	1,200,875	1,559,682	2,348,350	66%	2,029,340	
Total Net Expenses	2,199,984	891,795	823,812	1,183,088	1,537,497	2,298,350		1,979,340	
				0		over (under) billbacks		0	

1	Salary 2021 Year end includes salary adjustment and staff vacation sellback, 2022 budget includes salary increase back to original rate and staff member promotion
2	2020 Annual Financial Review performed in 2021, 2022 budgeted for 2020 and 2021 Full Audit (Live Racing portion 75%)
3	2021 HD expense from Roberts Communication less due to Decoder NET, 2022 budget based on NET Roberts Contract
4	2021 budgeted for estimated Paymaster transition but did not fill Paymaster position, 2022 budgeted paymaster assistant
5	2021 less than budget due to less racing days at 29 days, 2022 budgeted for more live racing days at 35 days
6	TV Production Expense category is Pegasus contract
7	2021 no Stabling/Training expenses, 2022 budgeted for no Stabling expenses



**California Authority of Racing Fairs
Agency & Live Racing Operating Expense Summary**

	2019 Year End Actual	2020 Year End Actual	2021 Actual Jan-Sept	2021 Estimated Year End	2021 Annual Budget	2021 % Budget	2022 Proposed Budget
Summary Expenses							
Agency & Live Racing Expenses:							
SALARIES	485,322	447,874	297,265	430,098	367,438	117%	427,026
BENEFITS	59,282	71,919	45,791	61,439	70,399	87%	62,760
POST RETIREMENT BENEFITS	86,689	38,373	32,395	43,772	43,081	102%	45,508
ER TAXES	107,348	112,529	93,250	117,076	117,487	100%	130,257
ACCOUNTING	65,000	68,250	51,188	68,250	68,263	100%	71,663
AUDIT SERVICES	31,700	37,950	13,950	17,063	17,301	99%	36,400
AUTOMOBILE	4,558	3,113	7,005	7,667	6,000	128%	8,500
OUTSIDE LABOR	1,931	1,031	213	413	1,000	41%	1,000
DEPRECIATION	3,185	21,635	2,811	3,852	3,500	110%	3,500
DUES/SUBSCRIP	0	448	0	0	400	0%	400
INSURANCE	48,336	51,936	41,897	56,853	52,000	109%	58,000
LEGAL	69,704	46,902	106,636	121,636	40,000	304%	60,000
LEGISLATIVE	45,536	45,458	33,990	45,390	46,000	99%	46,000
MEETINGS	3,044	2,410	143	1,003	2,500	40%	2,500
MISC	125	177	116	993	200	497%	200
OFFICE SUPP	16,376	14,176	5,423	6,679	5,000	134%	7,000
POSTAGE/SHIP	660	388	465	500	500	100%	500
RENT/UTIL	15,277	13,414	10,060	13,414	13,500	99%	13,500
REPAIRS/MTCE	0	0	0	0	500	0%	500
TELEPHONE	8,870	9,333	6,726	9,534	9,500	100%	10,500
TRAINING	300	0	0	0	1,000	0%	1,000
TRAVEL	55,976	23,154	35,258	51,539	57,000	90%	62,000
Total Operating Expenses	1,109,220	1,010,469	784,580	1,057,169	922,569	115%	1,048,713