

### 8550 California Horse Racing Board

The purpose of the California Horse Racing Board is to regulate parimutuel wagering for the protection of the betting public, to promote the horse racing and breeding industries, and to maximize State of California revenues.

The Board, which is a seven-member commission appointed by the Governor, supervises all race meetings in the state where parimutuel wagering is conducted. Principal activities of the Board include:

- Protecting the betting public.
- Licensing of racing associations and participants in the racing industry.
- Sanctioning licensees who violate the rules, regulations, and laws of racing.
- Allocating the racing days and charity days conducted by racing associations.
- Enforcing laws, rules, and regulations pertaining to horse racing in California.
- Acting as a quasi-judicial body in matters pertaining to horse racing meets.
- Collecting the State's lawful share of revenue derived from horse racing meets.

#### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

|  | Positions   |             |             | Expenditures    |                 |                 |
|--|-------------|-------------|-------------|-----------------|-----------------|-----------------|
|  | 2006-07     | 2007-08     | 2008-09     | 2006-07*        | 2007-08*        | 2008-09*        |
| 10 California Horse Racing Board                         | 25.8        | 28.0        | 28.0        | \$10,291        | \$11,050        | \$11,546        |
| 20.01 Administration                                     | 28.0        | 29.9        | 29.9        | 7,046           | 8,937           | 9,340           |
| 20.02 Distributed Administration                         | -           | -           | -           | -7,046          | -8,937          | -9,340          |
| <b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b> | <b>53.8</b> | <b>57.9</b> | <b>57.9</b> | <b>\$10,291</b> | <b>\$11,050</b> | <b>\$11,546</b> |
| <b>FUNDING</b>   |             |             |             | <b>2006-07*</b> | <b>2007-08*</b> | <b>2008-09*</b> |
| 0191 Fair and Exposition Fund                            |             |             |             | \$8,963         | \$9,519         | \$10,131        |
| 0942 Special Deposit Fund                                |             |             |             | 1,328           | 1,531           | 1,415           |
| <b>TOTALS, EXPENDITURES, ALL FUNDS</b>                   |             |             |             | <b>\$10,291</b> | <b>\$11,050</b> | <b>\$11,546</b> |

#### LEGAL CITATIONS AND AUTHORITY

##### DEPARTMENT AUTHORITY

State Constitution, Article IV, Section 19(b); Business and Professions Code Sections 19400 through 19705.

#### DETAILED BUDGET ADJUSTMENTS

|   | 2007-08*     |              |           | 2008-09*     |              |           |
|---|--------------|--------------|-----------|--------------|--------------|-----------|
|   | General Fund | Other Funds  | Positions | General Fund | Other Funds  | Positions |
| <b>Baseline Adjustment Descriptions</b>               |              |              |           |              |              |           |
| • Employee Compensation Adjustments                   | \$-          | \$190        | -         | \$-          | \$245        | -         |
| • Price Increase                                      | -            | -            | -         | -            | 160          | -         |
| • Data Center Rate Adjustment                         | -            | 37           | -         | -            | 37           | -         |
| • Retirement Rate Adjustment                          | -            | 5            | -         | -            | 5            | -         |
| • Pro Rata Adjustment                                 | -            | -            | -         | -            | -33          | -         |
| • One-Time Cost Adjustment                            | -            | -            | -         | -            | -116         | -         |
| <b>Totals, Baseline Adjustments</b>                   | <b>\$-</b>   | <b>\$232</b> | <b>-</b>  | <b>\$-</b>   | <b>\$298</b> | <b>-</b>  |
| <b>Policy Adjustment Descriptions</b>                 |              |              |           |              |              |           |
| • Steward and Veterinarian Contracts - Rate Increases | \$-          | \$-          | -         | \$-          | \$430        | -         |
| <b>Totals, Policy Adjustments</b>                     | <b>\$-</b>   | <b>\$-</b>   | <b>-</b>  | <b>\$-</b>   | <b>\$430</b> | <b>-</b>  |
| <b>TOTALS, BUDGET ADJUSTMENTS</b>                     | <b>\$-</b>   | <b>\$232</b> | <b>-</b>  | <b>\$-</b>   | <b>\$728</b> | <b>-</b>  |

#### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

|                                  | 2006-07* | 2007-08* | 2008-09* |
|----------------------------------|----------|----------|----------|
| <b>PROGRAM REQUIREMENTS</b>      |          |          |          |
| 10 CALIFORNIA HORSE RACING BOARD |          |          |          |
| State Operations:                |          |          |          |

\* Dollars in thousands, except in Salary Range.

## 8550 California Horse Racing Board - Continued

|                                 | 2006-07*        | 2007-08*        | 2008-09*        |
|---------------------------------|-----------------|-----------------|-----------------|
| 0191 Fair and Exposition Fund   | \$8,963         | \$9,519         | \$10,131        |
| 0942 Special Deposit Fund       | 1,328           | 1,531           | 1,415           |
| <b>Totals, State Operations</b> | <b>\$10,291</b> | <b>\$11,050</b> | <b>\$11,546</b> |
| <b>ELEMENT REQUIREMENTS</b>     |                 |                 |                 |
| <b>10.10 Licensing</b>          | <b>\$2,089</b>  | <b>\$2,273</b>  | <b>\$2,373</b>  |
| <b>State Operations:</b>        |                 |                 |                 |
| 0191 Fair and Exposition Fund   | 1,819           | 1,962           | 2,086           |
| 0942 Special Deposit Fund       | 270             | 311             | 287             |
| <b>10.20 Enforcement</b>        | <b>\$8,202</b>  | <b>\$8,777</b>  | <b>\$9,173</b>  |
| <b>State Operations:</b>        |                 |                 |                 |
| 0191 Fair and Exposition Fund   | 7,144           | 7,557           | 8,045           |
| 0942 Special Deposit Fund       | 1,058           | 1,220           | 1,128           |
| <b>TOTALS, EXPENDITURES</b>     |                 |                 |                 |
| State Operations                | 10,291          | 11,050          | 11,546          |
| <b>Totals, Expenditures</b>     | <b>\$10,291</b> | <b>\$11,050</b> | <b>\$11,546</b> |

## EXPENDITURES BY CATEGORY (Summary By Object)

| 1 State Operations                                   | Positions   |             |             | Expenditures    |                 |                 |
|--|-------------|-------------|-------------|-----------------|-----------------|-----------------|
|  | 2006-07     | 2007-08     | 2008-09     | 2006-07*        | 2007-08*        | 2008-09*        |
| PERSONAL SERVICES                                    |             |             |             |                 |                 |                 |
| Authorized Positions (Equals Sch. 7A)                | 53.8        | 61.0        | 61.0        | \$2,972         | \$3,333         | \$3,380         |
| Total Adjustments                                    | -           | -           | -           | -               | 129             | 160             |
| Estimated Salary Savings                             | -           | -3.1        | -3.1        | -               | -176            | -182            |
| <b>Net Totals, Salaries and Wages</b>                | <b>53.8</b> | <b>57.9</b> | <b>57.9</b> | <b>\$2,972</b>  | <b>\$3,286</b>  | <b>\$3,358</b>  |
| Staff Benefits                                       | -           | -           | -           | 998             | 1,071           | 1,125           |
| <b>Totals, Personal Services</b>                     | <b>53.8</b> | <b>57.9</b> | <b>57.9</b> | <b>\$3,970</b>  | <b>\$4,357</b>  | <b>\$4,483</b>  |
| OPERATING EXPENSES AND EQUIPMENT                     |             |             |             | \$6,321         | \$6,693         | \$7,063         |
| <b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS</b> |             |             |             | <b>\$10,291</b> | <b>\$11,050</b> | <b>\$11,546</b> |
| <b>(State Operations)</b>                            |             |             |             |                 |                 |                 |

## DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

| 1 STATE OPERATIONS                                      | 2006-07*       | 2007-08*       | 2008-09*        |
|---|----------------|----------------|-----------------|
| <b>0191 Fair and Exposition Fund</b>                    |                |                |                 |
| APPROPRIATIONS  |                |                |                 |
| 001 Budget Act appropriation                            | \$8,685        | \$9,287        | \$10,131        |
| Allocation for employee compensation                    | 255            | 190            | -               |
| Adjustment per Section 3.60                             | 29             | 5              | -               |
| Adjustment per Section 15.25                            | -              | 37             | -               |
| <b>Totals Available</b>                                 | <b>\$8,969</b> | <b>\$9,519</b> | <b>\$10,131</b> |
| Unexpended balance, estimated savings                   | -6             | -              | -               |
| <b>TOTALS, EXPENDITURES</b>                             | <b>\$8,963</b> | <b>\$9,519</b> | <b>\$10,131</b> |
| <b>0942 Special Deposit Fund</b>                        |                |                |                 |
| APPROPRIATIONS  |                |                |                 |
| 001 Budget Act appropriation                            | \$1,423        | \$1,531        | \$1,415         |
| 011 Budget Act appropriation (transfer to General Fund) | (2,000)        | (300)          | (400)           |
| <b>Totals Available</b>                                 | <b>\$1,423</b> | <b>\$1,531</b> | <b>\$1,415</b>  |
| Unexpended balance, estimated savings                   | -95            | -              | -               |

\* Dollars in thousands, except in Salary Range.

## 8550 California Horse Racing Board - Continued

|   |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
| <b>1 STATE OPERATIONS</b>                                 | <u>2006-07*</u> | <u>2007-08*</u> | <u>2008-09*</u> |
| <b>TOTALS, EXPENDITURES</b>                               | <u>\$1,328</u>  | <u>\$1,531</u>  | <u>\$1,415</u>  |
| <b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b> | <b>\$10,291</b> | <b>\$11,050</b> | <b>\$11,546</b> |

**FUND CONDITION STATEMENTS**

|   | <u>2006-07*</u> | <u>2007-08*</u> | <u>2008-09*</u> |
|---|-----------------|-----------------|-----------------|
| <b>0942 Special Deposit Fund <sup>N</sup></b>                                     |                 |                 |                 |
| BEGINNING BALANCE   | -               | \$95            | \$95            |
| REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS  |                 |                 |                 |
| Revenues:   |                 |                 |                 |
| 299000 Unclaimed Parimutuel Tickets   | \$1,910         | 1,831           | 1,815           |
| Transfers and Other Adjustments:  |                 |                 |                 |
| T00001 To General Fund per Item 8550-011-0942, Budget Acts of 2006, 2007 and 2008 | <u>-487</u>     | <u>-300</u>     | <u>-400</u>     |
| Total Revenues, Transfers, and Other Adjustments                                  | <u>\$1,423</u>  | <u>\$1,531</u>  | <u>\$1,415</u>  |
| Total Resources   | \$1,423         | \$1,626         | \$1,510         |
| EXPENDITURES AND EXPENDITURE ADJUSTMENTS  |                 |                 |                 |
| Expenditures:   |                 |                 |                 |
| 8550 California Horse Racing Board (Security) (State Operations)                  | <u>1,328</u>    | <u>1,531</u>    | <u>1,415</u>    |
| Total Expenditures and Expenditure Adjustments                                    | <u>\$1,328</u>  | <u>\$1,531</u>  | <u>\$1,415</u>  |
| FUND BALANCE  | \$95            | \$95            | \$95            |

**CHANGES IN AUTHORIZED POSITIONS**

|                                   | <u>Positions</u> |                |                | <u>Expenditures</u> |                 |                 |
|-----------------------------------|------------------|----------------|----------------|---------------------|-----------------|-----------------|
|                                   | <u>2006-07</u>   | <u>2007-08</u> | <u>2008-09</u> | <u>2006-07*</u>     | <u>2007-08*</u> | <u>2008-09*</u> |
| Totals, Authorized Positions      | 53.8             | 61.0           | 61.0           | \$2,972             | \$3,333         | \$3,380         |
| Salary Adjustments                | <u>-</u>         | <u>-</u>       | <u>-</u>       | <u>-</u>            | <u>129</u>      | <u>160</u>      |
| <b>Total Adjustments</b>          | <u>-</u>         | <u>-</u>       | <u>-</u>       | <u>\$-</u>          | <u>\$129</u>    | <u>\$160</u>    |
| <b>TOTALS, SALARIES AND WAGES</b> | <b>53.8</b>      | <b>61.0</b>    | <b>61.0</b>    | <b>\$2,972</b>      | <b>\$3,462</b>  | <b>\$3,540</b>  |

\* Dollars in thousands, except in Salary Range.