

Del Mar Race Track Authority

NOTICE OF MEETING

Del Mar Race Track Authority (RTA) Board Meeting
September 5, 2025, at 1:30 p.m.

Del Mar Fairgrounds
Board Room
2260 Jimmy Durante Boulevard
Del Mar, CA 92014

While the Del Mar Race Track Authority Board meeting will be conducted in person per Government Code section 11133, the Del Mar Race Track Authority will also provide remote participation by Board Members and members of the public. If you prefer to participate remotely, please check the 22nd DAA's website ([Public Information](#)) for the ZOOM link and/or ZOOM dial-in instructions on how to participate and/or view this meeting.

RACE TRACK AUTHORITY MEMBERS

Mark Arabo, President, 22 nd DAA	Michele Perrault, Vice President Department of Finance
Michael Flores, Member Department of Food & Agriculture	Ana M. Lasso, Member Department of General Services
Lisa Barkett, Member, 22 nd DAA	Kathlyn Mead, Member, 22 nd DAA

<u>22nd District Agricultural Association</u>	<u>RTA Counsel</u>
Carlene Moore, RTA Secretary	Joshua Caplan
Michael Sadegh, RTA Treasurer	Office of the California Attorney General

Persons wishing to attend the meeting and who may require special accommodations pursuant to the provisions of the Americans with Disabilities Act are requested to contact the office of the Chief Executive Officer, (858) 755-1161, at least five working days prior to the meeting to ensure proper arrangements can be made.

Items listed on this Agenda may be considered in any order, at the discretion of the chairperson. This Agenda, and all notices required by the California Bagley-Keene Open Meeting Act, are available at www.delmarfairgrounds.com. Public comments on agenda items will be accepted during the meeting as items are addressed.

<p style="text-align: center;">DEL MAR RACE TRACK AUTHORITY (RTA) AGENDA</p>
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Friday, September 5, 2025
1:30 p.m.

Items listed on this Agenda may be considered in any order, at the discretion of the chairperson.

1. **Roll Call**
2. **Approval of Minutes** [Action Item] 3-4
 A. March 21, 2025
3. **Reports** [Information Item] 5-6
 - 22nd DAA Financial Report 7
 - RTA Financial Report
4. **Unfinished Business** Verbal
 A. Consideration and vote on whether to authorize a Board Member of the Del Mar Race Track Authority to create a plaque recognizing each individual that has served previously as a Board Member of the Del Mar Race Track Authority since its inception in 1990 [Action Item]
5. **New Business**
 - None
6. **Public Comment on Matters Not Appearing on the Agenda**

This item is for public comment on issues **NOT** on the current Agenda. No debate by the Board shall be permitted on such public comments and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item. Speaker's time is limited to **two** minutes and may be modified based on the number of public speakers. No speaker may cede their time to another speaker.
7. **Recess**, if needed, to allow further State Race Track Leasing Commission actions related to this meeting
8. **Adjournment**

DEL MAR RACE TRACK AUTHORITY (RTA) MEETING
Minutes – Friday, March 21, 2025

The Del Mar Race Track Authority (Authority) met on Friday, March 21, 2025, in the Board Room hosted by the 22nd District Agricultural Association (District), 2260 Jimmy Durante Blvd., Del Mar, CA.

ROLL CALL

Authority President Mark Arabo called the meeting to order at 10:42 a.m. with all members present:

Mark Arabo, President; District
Michele Perrault, Vice President; Department of Finance (VIA ZOOM)
Michael Flores, Department of Food & Agriculture
Jennifer Osborn, Department of General Services (VIA ZOOM)
Lisa Barkett; District
Kathlyn Mead; District

Joshua Caplan, Authority Counsel, Office of the Deputy Attorney General

District Staff to the Authority

Carlene Moore, RTA Secretary and Controller
Michael Sadegh, RTA Treasurer

ELECTION OF OFFICERS

Member Barkett moved to reelect Mark Arabo to the office of President and reelect Michele Perrault as Vice President for the Del Mar Race Track Authority. Member Flores seconded the motion. President Arabo, Vice President Perrault, and Members Flores, Osborn, Barkett, and Mead were all in favor, and the motion carried 6-0.

APPROVAL OF MINUTES – AUGUST 2, 2024

Member Mead moved to approve the August 2, 2024, meeting minutes. Member Barkett seconded the motion. President Arabo, Vice President Perrault, and Members Flores, Osborn, Barkett, and Mead were all in favor, and the motion carried 6-0.

REPORTS

Reports were found on pages 6-9 of the packet.

Public Comment

Martha Sullivan, Shaun Reynolds, Lynn Freudenberg

UNFINISHED BUSINESS

Update on accounting for assets built or improved upon using bond revenue [Information Item] The report is on pages 10-12 of the packet.

DEL MAR RACE TRACK AUTHORITY (RTA) MEETING

Minutes – Friday, March 21, 2025

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NEW BUSINESS

Item 5A: Consideration and vote on whether to authorize RTA Secretary Moore to create and install a plaque recognizing each individual that has served as a Board Member of the Del Mar Race Track Authority since its inception in 1990 [Action Item]

Member Barkett made the motion to authorize RTA Secretary Moore to work with Member Flores to create and install a plaque recognizing each individual department that has served on the Authority board since its inception in 1990. President Arabo, Vice President Perrault, and Members Flores, Osborn, Barkett, and Mead were all in favor, and the motion carried 6-0.

PUBLIC COMMENT ON MATTERS NOT APPEARING ON THE AGENDA

Martha Sullivan, Lynn Freudenberg, Shaun Reynolds

ADJOURNMENT

There being no further business, President Arabo adjourned the meeting at 11:21 a.m.

22nd DAA
Consolidated Balance Sheet (DAA, RTA, RTLC)
As of July 31, 2025

	2025	2024	2023
Assets			
1 Cash	\$ 41,592,445	\$ 40,372,746	\$ 41,111,806
Restricted Cash - JLA	145,323	571,129	71,667
2 Restricted Cash - F&B Equipment Fund	29,598	51,157	68,625
3 Restricted Cash - RTA	10,239,998	11,501,617	12,598,097
Total Cash and Cash Equivalents	52,007,365	52,496,648	53,850,195
Accounts Receivable	4,565,060	4,589,999	3,200,811
Prepaid Expenses	719,456	725,234	698,873
4 Deferred Outflows Pension	7,035,722	7,035,722	5,298,571
Total Current Assets	12,320,238	12,350,955	9,198,255
Land and Land Improvements	46,998,212	45,178,212	45,208,317
Building and Improvements	218,544,813	217,564,033	217,564,033
Equipment	40,712,673	39,829,951	38,660,270
Capital Projects in Process	2,143,009	4,379,862	1,521,694
Accumulated Depreciation	(202,196,701)	(197,742,577)	(187,402,575)
Total Capital Assets	106,202,006	109,209,481	115,551,738
Total Assets	\$ 170,529,609	\$ 174,057,085	\$ 178,600,188
Liabilities			
Accounts Payable	15,406,715	11,867,098	13,279,408
Payroll Liabilities	1,317,524	1,396,920	673,847
Accrued Liabilities	1,740,304	1,651,297	1,902,705
Other Current Liabilities	740,931	899,475	(253,403)
6 Deferred Revenue	1,119,954	1,461,348	934,425
5 Current Long Term Debt	1,207,165	2,021,583	2,537,472
7 Accrued Employees Leave Liabilities	1,335,933	1,162,025	1,349,569
8 Long Term Debt	53,360,582	56,210,122	59,733,477
Reserve - F&B Equipment Fund	256,409	133,820	74,188
Reserve - JLA	60,691	43,292	36,607
4 Pension Liability	21,684,449	21,479,121	40,054,017
4 Deferred Inflows - Pension	1,717,258	1,717,258	1,754,199
Total Liabilities	99,947,915	100,043,358	122,076,512
Net Resources			
Contributed Capital	78,877,171	78,877,171	78,877,171
Less Contributed Capital to RTA	(34,358,470)	(34,358,470)	(34,358,470)
Net Resources - Unrestricted	22,863,164	11,515,553	11,783,919
Investment in Capital Assets	(3,891,786)	(3,891,786)	(3,891,786)
	63,490,079	52,142,468	52,410,834
Net Proceeds from Operations	7,091,615	21,871,259	4,112,843
Total Net Resources	70,581,694	74,013,727	56,523,677
Total Liabilities and Net Resources	\$ 170,529,609	\$ 174,057,085	\$ 178,600,188

1- Repaid Paycheck Protection Program (PPP) Loan in October 2024; Includes \$11.5M set aside by BOD as DAA reserved funds.

2- Per Food & Beverage Services agreement, 1.50% of all Gross Revenues for unexpected or emergency expenses, including repair and maintenance of equipment.

3- Per bond Pledge Agreement, maintain Reserve account and District cash separately equal to at least Maximum Annual Debt Service.

4- Information provided by CDFA/State Controllers Office; results from changes in components of net pension liability; applicable to a future reporting period.

5- Current portion of long-term debt due within the next 12 months.

6- Advance payments for events/activities in the future.

7- Due to employees at time of separation for paid leave balances.

8- RTA Bonds \$29.0M; Ibank WQI \$6.2M; Ibank Sound \$13.0M; Premier \$1.3M; Energy Efficiency \$3.1M; CalPers SB84 \$1.5M.

22nd DAA
Income Statement
For the Period Ending July 31, 2025
DAA

	July 2025			Year-to-Date			Full 2025
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
REVENUES							
Admissions Revenue	3,537,532	3,497,315	40,217	13,592,244	14,441,375	(849,131)	14,441,375
Gates	3,537,532	3,497,315	40,217	13,592,244	14,441,375	(849,131)	14,441,375
Concessions Revenue	13,509,853	13,457,201	52,652	32,736,095	33,922,602	(1,186,507)	49,286,503
Food & Beverage Contract	5,208,508	4,823,113	385,395	10,600,924	10,319,793	281,131	25,641,444
Other Food & Beverage	3,084,661	2,985,000	99,661	4,830,494	4,820,000	10,494	4,820,000
Midway	5,204,460	5,626,538	(422,078)	17,216,258	18,697,839	(1,481,581)	18,697,839
Facility Rentals Revenue	203,466	160,783	42,683	5,857,946	6,435,437	(577,491)	10,079,614
Commercial	46,539	2,000	44,539	3,273,428	3,549,710	(276,282)	3,549,710
Leases Revenue	54,647	50,783	3,864	377,226	350,180	27,046	606,000
Program Revenues	1,259,678	824,616	435,062	5,870,202	6,807,003	(936,801)	8,007,033
JLA	57,545	22,500	35,045	57,545	22,500	35,045	22,500
Parking	1,172,107	762,316	409,791	5,150,400	6,016,203	(865,803)	7,070,933
Participation Fees	99	10,000	(9,901)	284,245	380,000	(95,755)	380,000
Satellite Wagering	29,927	29,800	127	378,013	388,300	(10,287)	533,600
OPERATING REVENUE TOTALS	18,565,176	17,990,698	574,478	58,433,713	61,956,597	(3,522,884)	82,420,525
Contributions	148,100	27,900	120,200	2,753,225	2,100,340	652,885	2,039,840
Sponsorships	147,900	3,900	144,000	2,737,265	2,064,340	672,925	1,303,840
Other Non-Operating Revenue	35,680	66,477	(30,797)	1,341,044	583,517	757,527	1,025,905
Interest Earnings	0	0	0	655,032	375,000	280,032	750,000
Reimbursed Costs	92,437	53,906	38,531	519,608	594,254	(74,646)	2,158,954
Prior Year Revenue	0	0	0	305,162	0	305,162	0
NON-OPERATING REVENUE TOTALS	276,217	148,283	127,934	4,919,040	3,278,111	1,640,929	5,224,699
TOTAL REVENUE	18,841,393	18,138,981	702,412	63,352,753	65,234,708	(1,881,955)	87,645,224
EXPENSES							
Payroll & Related Expense	2,446,363	2,398,532	(47,831)	12,401,236	13,148,985	747,749	20,004,959
Professional Development	8,463	5,500	(2,963)	58,500	184,225	125,725	321,308
Professional Services Expense	6,766,168	7,806,127	1,039,959	16,224,628	18,618,615	2,393,987	32,343,018
Food & Beverage Expense	3,803,880	3,849,312	45,432	8,888,181	8,994,069	105,888	20,424,275
Insurance Expense	155,502	173,499	17,997	1,248,109	1,215,712	(32,398)	2,175,708
Facility & Related Expense	1,883,586	2,034,952	151,366	4,923,232	5,590,958	667,726	7,560,830
Equipment & Small Ware	0	0	0	79,713	0	(79,713)	0
Telephone & Internet	7,057	8,444	1,387	59,118	57,983	(1,135)	100,318
Repairs & Maintenance	17,056	60,596	43,540	739,793	671,972	(67,821)	1,066,052
Utilities	446,888	583,691	136,803	2,186,809	2,651,164	464,355	4,064,500
- Electricity	760	-	-	997,717	-	-	-
- Water	855	-	-	285,236	-	-	-
Supplies Expense	96,077	91,040	(5,037)	1,365,490	1,747,220	381,731	1,971,470
Marketing & Related Expense	116,916	202,000	85,084	1,290,307	1,410,375	120,068	1,427,175
Program Expenses	6,031,615	6,442,167	410,552	16,095,773	17,352,266	1,256,493	17,624,610
Prizes & Premiums	0	0	0	0	0	0	0
Artists & Entertainment	1,475,416	1,313,350	(162,066)	5,994,254	6,400,850	406,596	6,400,850
Midway Operator Expenses	4,499,341	5,091,988	592,647	9,758,190	10,545,194	787,004	10,545,194
Other Operating Expense	275,575	645,096	369,521	1,879,021	2,085,046	206,025	2,515,339
Bank & Service Fees	197,026	565,661	368,635	1,371,716	1,569,671	197,955	1,668,694
Interest Expense	68,216	68,310	94	477,512	478,170	658	809,440
OPERATING EXPENSE TOTALS	17,771,802	19,793,413	2,021,611	55,427,796	61,169,177	5,741,381	85,623,109
Other Non-Operating Expense							
Prior Year Expense	(2,695)	0	2,695	77,762	0	(77,762)	0
NON-OPERATING EXPENSE TOTALS	(2,695)	0	2,695	77,762	0	(77,762)	0
TOTAL EXPENSE	17,769,107	19,793,413	2,024,306	55,505,558	61,169,177	5,663,619	85,623,109
NET INCOME (LOSS)	1,072,286	(1,654,432)	2,726,718	7,847,195	4,065,531	3,781,664	2,022,115

Note: Positive variances in this report denote better than expected results for that element.

UNAUDITED FINANCIAL STATEMENTS

Del Mar Race Track Authority

Balance Sheet

As of July 31, 2025

	2025	2024	2023
Assets			
Restricted Cash - RTA	6,939,998	8,201,617	9,298,097
Total Cash and Cash Equivalents	6,939,998	8,201,617	9,298,097
Total Current Assets	-	-	51,667
Land and Land Improvements	30,414,450	30,414,450	30,414,450
Building and Improvements	135,213,746	135,213,746	135,213,746
Equipment	26,944,346	26,944,346	26,944,346
Accumulated Depreciation	(133,634,337)	(131,158,245)	(125,109,220)
Total Capital Assets	58,938,204	61,414,297	67,463,321
Total Assets	\$ 65,878,203	\$ 69,615,914	\$ 76,813,085
Liabilities			
Accrued Liabilities	1,783,099	1,781,234	1,979,386
Other Current Liabilities	523,461	549,878	588,294
4 Current Long Term Debt	1,665,000	1,585,000	1,510,000
7 Long Term Debt	29,025,000	30,690,000	33,070,000
Total Liabilities	32,996,560	34,606,113	37,147,680
Net Resources			
Contributed Capital	34,773,454	34,773,454	34,773,454
Net Resources - Unrestricted	(1,137,999)	4,328,617	9,066,994
	33,635,455	39,102,071	43,840,449
Net Proceeds from Operations	(753,813)	(4,092,270)	(4,175,044)
Total Net Resources	32,881,642	35,009,801	39,665,405
Total Liabilities and Net Resources	\$ 65,878,203	\$ 69,615,914	\$ 76,813,085