



Legislation Details (With Board Report)

File #: RES 20-022 **Name:** Laguna Seca Track Budget Appropriations and Estimated Revenues

Type: BoS Resolution **Status:** Passed - County Administrative Office

File created: 2/18/2020 **In control:** Board of Supervisors

On agenda: 3/3/2020 **Final action:** 3/3/2020

Title: Adopt a Resolution to:
 a. Approve an increase in appropriations and estimated revenues in the amount of \$5,832,970 for the Laguna Seca Track Budget Unit 001-1050-8441-CAO029 FY 2019-20 Adopted Budget; and
 b. Authorize and direct the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations and estimated revenues in the amount of \$5,832,970 for the Laguna Seca Track Budget Unit 001-1050-8441-CAO029 (4/5ths vote required).

Sponsors: County Administrative Office

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Resolution, 3. Item No. 22 Completed Board Order & Resolution

| Date | Ver. | Action By | Action | Result |
|----------|------|----------------------|--|--------|
| 3/3/2020 | 1 | Board of Supervisors | adopted - county administrative office | Pass |

Adopt a Resolution to:
 a. Approve an increase in appropriations and estimated revenues in the amount of \$5,832,970 for the Laguna Seca Track Budget Unit 001-1050-8441-CAO029 FY 2019-20 Adopted Budget; and
 b. Authorize and direct the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations and estimated revenues in the amount of \$5,832,970 for the Laguna Seca Track Budget Unit 001-1050-8441-CAO029 (4/5ths vote required).

RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution to:
 a. Approve an increase in appropriations and estimated revenues in the amount of \$5,832,970 for the Laguna Seca Track Budget Unit 001-1050-8441-CAO029 FY 2019-20 Adopted Budget; and
 b. Authorize and direct the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations and estimated revenues in the amount of \$5,832,970 for the Laguna Seca Track Budget Unit 001-1050-8441-CAO029 (4/5ths vote required).

SUMMARY/DISCUSSION:

Laguna Seca Track is estimated to generate revenues above the initial budgeted amount for FY 2019-20. The increase in revenue requires a corresponding increase in expenditures due to the higher level of effort to generate increased revenue. The recommended action will increase appropriations to allow Laguna Seca to continue operations at the current level without an interruption in the ability to conduct business. Revised expenditures in FY 2019-20 are estimated to be \$24,580,970, an increase of \$5,832,970 with offsetting revenue.

WeatherTech Raceway Laguna Seca has experienced increased revenue as a result of increased sponsorship participation, hospitality and general sales which a large portion is related to the return of IndyCar. Fiscal Year (FY) 2020 revenue Budget was adopted at \$15.5 million and to date we have received \$14 million leaving \$1.5 million as unrecognized with four months remaining in the Fiscal Year. The upcoming months are the most

intensive in planning and financial commitments as the business prepares for the upcoming racing season. Many expenditures occur prior to the actual events which kick off in May, with the Trans AM Speedfest and many sponsorships are additionally being committed now as we approach the season. Last year actual revenue was \$19.5 million which reflects greater revenue than the current year budget of \$15.5 million, this occurred as a result of the return of IndyCar which took place in September, falling in FY 2020, while much of the revenue was received in FY 2019. This will reoccur as IndyCar will take place in FY 2021 with much of the revenue being received in FY 2020.

OTHER AGENCY INVOLVEMENT:

This request was supported by the Budget Committee during the January 29, 2020 meeting.

FINANCING:

The recommended action is financed solely by business operations and does not require any General Fund Contribution.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The items included in this report relate to the Board of Supervisors Strategic Initiatives on Administration and Economic Development.

- Economic Development
- Administration
 - Health and Human Services
 - Infrastructure
 - Public Safety

Prepared by: Jose Luis Garcia, Finance Manager, x5119

Approved by: Dewayne Woods, Assistant County Administrative Officer, x5309

Attachment: Resolution