Greetings Mayor and Council-
Yesterday you asked staff to look into funding from slots. I hope the information below answers your questions:

**Provincial annual net income (2016) from slots at racetracks**
The combined total annual net income that the province receives from slots at both Hastings and Fraser Downs is $39.12 million. Of that net income the province contributes $9.78 million (25% of the total) to the Horse Industry Budget.

**BC Horse Racing Industry Funding Allocation**
The BC Horse Racing Industry (Thoroughbred and Standardbred) operates with two funding streams; income from horse racing wagering, and income from slot machines at Elements/Fraser Downs casino and slot machines at Hastings (25% of slots net income).
The 2016 Horse Industry Budget includes $17.88 million from industry wagering, and $9.78 million from slots revenues. The combined income is then distributed in an agreed upon formulae that gives 33.63% to the Thoroughbred sector, 23.16% to the Standardbred sector, and 43.2% to the Operator of both tracks.

**Horse Industry Budget -**

Monies go towards the following:

- **Horse racing sector:**
  - purses
  - breeders' supplements (to encourage breeding in the province)
  - racing incentives (to encourage owners to buy horses from other jurisdictions and then keep the horses in BC).

- **Track Operator:**
  Contribution towards covering operational costs associated with the conduct of live racing.

Best
Sadhu