

TOC Annual Budget Review

By Kellee Breen, CFO

The TOC Board of Directors unanimously approved the annual proposed budget for the fiscal year ending June 30, 2010, at its June Meeting near Hollywood Park racetrack. With declining revenues experienced by the industry and with a focus on reducing expenditures, we project a deficit of \$64,249 for the upcoming year.

Sensitive to the current economic environment and the industry as a whole, we expect a continued modest decline in our revenue projections. ADW projections remain strong, however.

In keeping with TOC's mission of promoting racing to potential new owners, our educational programs and seminars will continue both in Northern and Southern California on a regular basis. We will also continue publishing our quarterly newsletter, which helps keep our base of owners informed on industry issues both nationally and those specific to California. This has been acknowledged as a valued and welcomed source of information to some 11,000 California

Thoroughbred owners.

TOC oversees approximately \$215 million in annual revenues generated by Thoroughbred horse racing in our state. Through its participation on various industry boards, TOC makes sure that owners are represented in the decision-making process. Of that \$215 million, \$145 million goes to purses and owner awards. \$27 million goes to SCOTWINC and \$16 million to NCOTWINC, which oversee our state satellite facilities. \$9 million goes to the CTBL for workers' compensation. \$8 million goes to stabling and vanning in the south, and \$4 million goes to stabling and vanning in the north. Another \$5 million goes to the CMC (marketing) and \$1 million goes to the CJWC (jockeys health and welfare).

The TOC has voting rights with all of the above groups. In addition, TOC is a voting member of the NTRA, the RMTTC, the California Horse Racing Alliance, and various other industry boards.

TOC Revenues

Interest Income	\$17,400.00
Contributed Rent / Income	\$57,845.00
Merchandise donations	\$1,200.00
Total 1% purse revenue	\$1,233,629.00

TOC Expenses

Total Horse Courses/Owners Seminars	\$48,000.00
Total Meetings (Board & General)	\$65,000.00
Total Newsletter	\$99,200.00
Total Personnel Including Lobbyist, Consultant, etc.	\$999,580.00