

2015 – 2017 BUSINESS PLAN



November 26, 2014

Honourable Robin Campbell
President of Treasury Board & Finance
Room 323 Legislature Building
Edmonton AB T5K 2B6

Dear Minister Campbell:

RE: HRA 2015 - 2017 BUSINESS PLAN AND FINANCIALS

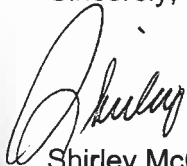
As required under Section 10(1) of the Horse Racing Alberta Act and Section 7 of Horse Racing Alberta's (HRA's) Grant Agreement, I respectfully submit HRA's 2015 – 2017 Business Plan and Financials, as approved by the HRA Board.

2015 is an exciting year for the racing industry with the opening of Century Downs Racetrack & Casino planned for April 1, 2015. Century Downs will host 90 Standardbred Race Days in 2015 with plans for a split meet for Standardbred and Thoroughbred anticipated in 2016.

The 2015 – 2017 Business Plan is focused on exploring opportunities to stabilize and grow the industry. The advice HRA received from Industry, at our 2014 Industry Sessions, has been incorporated in this three (3) year Plan.

On behalf of the Board of HRA, I want to thank you for your continued support of the horse racing industry and we look forward to a continuing and excellent working relationship with you and your officials.

Sincerely,



Shirley McClellan
CEO

cc: Honourable Verlyn Olson, Minister of Agriculture & Rural Development
Ray Gilmour, Deputy Minister of Treasury Board & Finance
Bill Robinson, Chief Executive Officer, AGLC
HRA Board of Directors

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Minister of Agriculture &
Rural Development
Room 228 Legislature Building
Edmonton AB T5K 2B6

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ACCOUNTABILITY STATEMENT

The Business Plan for the years commencing January 1, 2015 - 2017 was prepared by management under my direction and reviewed by the Board of Directors of Horse Racing Alberta. It reflects changes to the 2015 Race Season and realistic expectations and assumptions for the following two years. Again, the advice of the Industry at our Industry Sessions has been incorporated in this three year plan.

This plan incorporates the addition of Century Downs Track in full operation, beginning in the second quarter of the 2015 for Standardbred racing. 2016 will see the return of a split meet, Thoroughbred and Standardbred at Northlands Park and Century Downs, our two "A" Tracks.

The Budget for 2015 and the two years out, incorporates Century Downs and envisioned revenue and expenditure areas. It incorporates the findings of our fairness review for tracks, and increases in the Marketing area to ensure our Industry is appropriately placed as a choice for the public's entertainment dollar.

This Business Plan is a forward looking plan and is designed to maximize opportunities for the entire Horse Racing Industry into the future, incorporating a new purse structure, an emphasis on the Breeding Industry, and racing at two "A" Tracks and two "B" Tracks, with additional racing opportunities at our "A" Tracks. It contains strategies that will ensure quality racing venues for all of our horse industry and an attractive purse structure and Breed Improvement Program to encourage breeding and investment.

HRA's priorities and strategies outlined in the Plan are developed within the context of its responsibilities as identified in the Horse Racing Alberta Act. It continues to work toward sustaining the infrastructure that will support economic growth and stability with emphasis on a successful breeding and racing industry into the future.



Shirley McClellan
CEO

HORSE RACING ALBERTA

In 2002, as a result of the Horse Racing Alberta Act, Horse Racing Alberta (HRA) was formed as a not-for-profit corporation with representatives from all segments of the industry and acts as an independent organization that is open and publicly accountable.

MANDATE

In accordance with the Act, the mandated objectives of HRA are:

1. To govern, direct, control, regulate, manage, market and promote horse racing in any or all of its forms;
2. To protect the health, safety and welfare of racehorses and, with respect to horse racing, the safety and welfare of racing participants and racing officials; and
3. To safeguard the interests of the general public in horse racing.

VISION

“Alberta will be recognized internationally for premier horse racing, breeding and quality entertainment.”

MISSION

“To be a governing body whose role is to promote and facilitate the growth, integrity and economic contribution of the Alberta horse racing and breeding industry. This shall be done by providing quality entertainment, employment, economic and value-added agricultural opportunities within a unified, viable, progressive, accountable and self-regulated industry environment.”

CORE BUSINESS

“To stabilize, enhance and ensure the growth and integrity of the Alberta horse racing and breeding industry.”

GOVERNANCE

HRA is governed by a Board Chair, eight Directors representing the various breed organizations and racetracks, three Directors representing the public and two government-appointed ex-officio (non-voting) members.

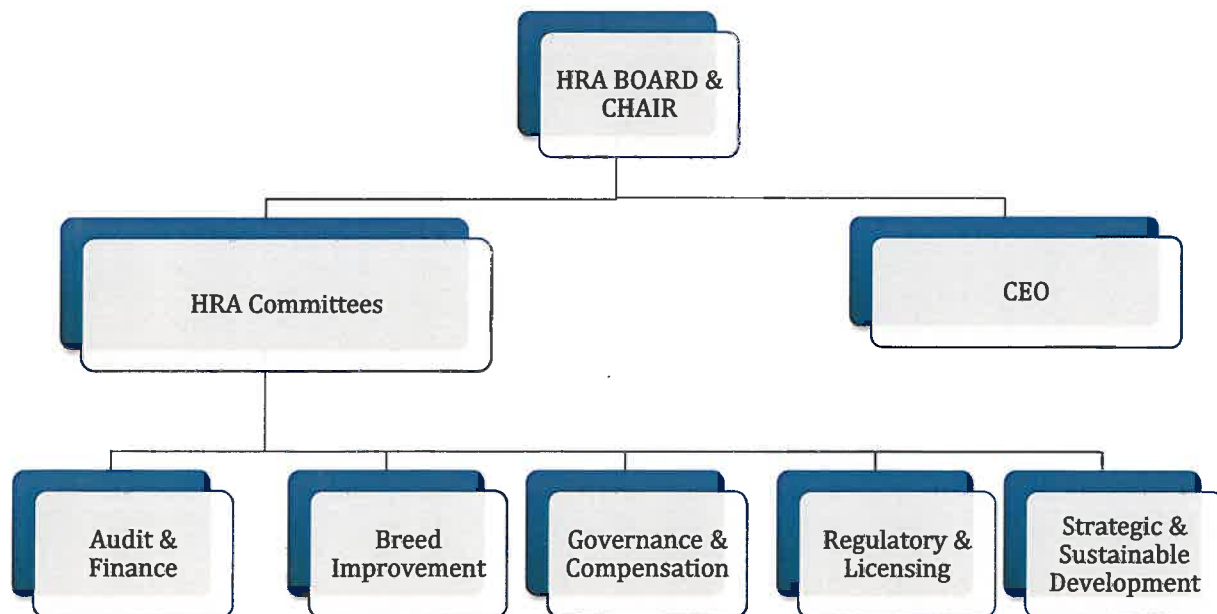
The role of the Chair is to provide direction to management in fulfilling HRA's mandate and carrying out the direction of the Board by ensuring the strategies and operational activities outlined in this Business Plan and the Act are pursued and achieved.

The role of HRA Directors is to provide a multifaceted and balanced approach to industry issues to ensure that decisions are made with full knowledge of all relevant industry logistics. HRA Directors must act with a view to the best interest of the horse racing industry.

The Committees Chaired by members of the Board, report to the Board and are responsible for recommending programs and monitoring performance in specific areas.

Regular communication, reporting, and accountability to the Board is central to the Chair's responsibilities. The Board has empowered the Chair to act and speak publicly on behalf of HRA, as well as to negotiate, on its behalf, with government and industry partners. The role of the Chair was reviewed over the course of 2011 to ensure the role and responsibilities are current and appropriate to the new governance structure.

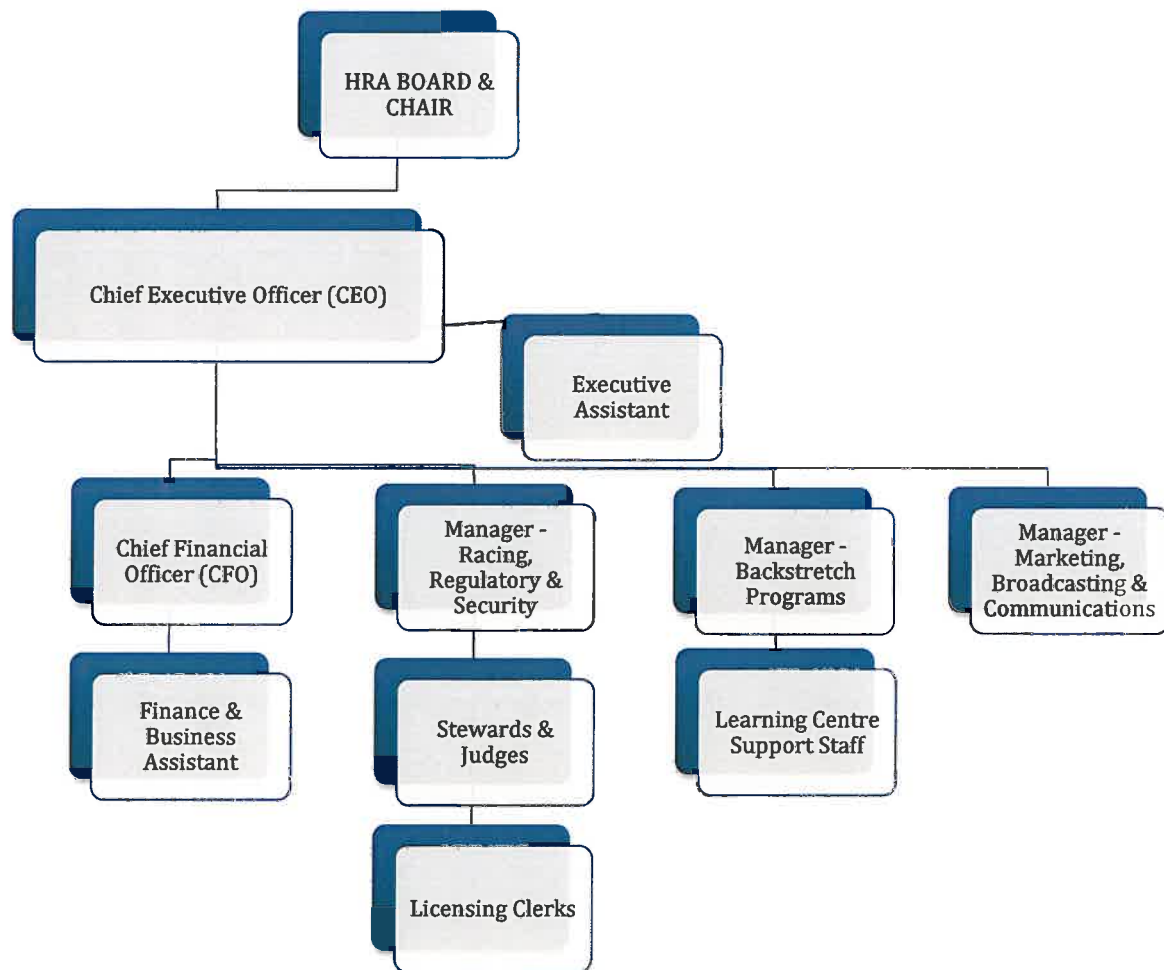
Horse Racing Alberta Governance Structure



CORPORATE STRUCTURE

HRA is led by the Chief Executive Officer and supported by a management team comprised of the Chief Financial Officer, the Manager – Racing, Regulatory & Security, the Manager – Marketing, Broadcasting & Communications, and the Manager – Backstretch Programs. In 2011, HRA completed an organizational review to assess its structure as well as processes and systems in key areas to ensure that they align with its mandate, strategic direction and business plan.

Horse Racing Alberta Corporate Structure



REPORTING REQUIREMENTS

Accountability to Government

On an annual basis, HRA provides to the Minister:

- A three year business plan, approved by the HRA Board of Directors which includes, but is not limited to, goals and key strategies;
- A detailed Operating and Capital Budget for the next calendar year, approved by the HRA Board of Directors, which details financial projections for each subsequent year of the HRA Business Plan and are consistent with the financial targets;
- An Annual Report for the previous calendar year, approved by the HRA Board of Directors, which includes the audited financial statements, and reporting on actual results for each goal, key strategy and performance measure contained in the approved Business Plan; and
- Copies of any management letters issued by HRA's independent auditors and responses to any such letters.

Accountability to Industry

HRA is accountable to industry:

- By actively listening to the issues raised and working collaboratively to address these issues;
- To seek input on industry needs and opportunity for growth; and
- To regularly communicate the overall direction being pursued.

To accomplish the above, sessions with our Industry Partners are held.

Recurring themes from these sessions include: importance of the Calgary track, capital improvements needed at tracks; a Simulcast/OTB wagering model; Appeal processes; importance of the Breed Improvement Program to continue to grow quality; number of race days and purses and the extension of the agreement with government.

A review of the OTB/Simulcast was launched in late June of 2014. Interviews with Track operators involved in the system, Horsemen's Associations, operators of teletheatres and fans were accomplished either in person or the opportunity to provide written comment. All information was collated and reviewed by the Strategic & Sustainable Development Committee and through the Committee to the HRA Board. It was determined that this matter will be a matter for the Committee to bring resolution to in the first quarter of 2015.

Expressions of Interest were advertised. Four were received and vetted by an external committee who determined that two should proceed to the RFP (Request for Proposal) stage. The two RFP submissions were reviewed by an independent Panel and their recommendation was presented to the Strategic & Sustainable Development Committee.

The Panel's recommendation of a split model was accepted by the Strategic & Sustainable Development Committee and presented and carried by the HRA Board of Directors. Under this split model, Northlands would operate all outlets north of Red Deer and Century Casino/Max Gibb (Newco) would operate all outlets south of Red Deer including Red Deer utilizing the area codes 780 (North) and 403 (South) as the dividing line.

STRATEGIC PRIORITIES 2015– 2017

Senior Staff participated in a Strategic session with Industry with a focus on the changed race scene with a second A Track beginning full operation in April of 2015.

A further Industry/Board session was held in October,

Excellent discussions occurred in all the above areas and the 2015 - 2017 Business Plan is built around the input from the sessions with Industry.

Critical Strategic Priority Areas

Marketing:

- Expand the use of PSA's, with a focus in the Southern market.
- Continue to expand the Web Site to effectively deliver key information to Industry and Fans.
- The industry will launch a new aggressive digital/target marketing campaign with the goal of driving interest to a younger demographic composed of 18 – 34 year olds.

Revenues:

- Continue to evaluate ways to improve the returns to our industry
- Monitor the new business model for the Simulcast/OTB system to maximize return
- Continue to work with AGLC with regard to new wagering products that are appropriate to Racing.

Tracks:

- Support Century Downs Racetrack and Casino in a successful opening of the track at Cross Iron Mills (Balzac)
- Encourage the various industry stakeholders to look to long term agreements to enhance stability and confidence in our industry
- Long term licensing
- Explore ways to grow the community circuit for all racing breeds
- Continue to enhance the quality of the working and living environment of racetrack personnel through educational opportunities, substance abuse rehabilitation, work safety awareness and chaplaincy programs

Racing/Breeding:

- Institute a multi-year purse strategy with sufficient growth to provide confidence for involvement in the industry
- Support the breeding industry with programs that encourage improvement of the quality and numbers of mares bred, competitiveness of breeding stock to ensure an adequate return at sales

Communication

Continue to improve and expand the HRA Website utilizing the site with links to partner sites to better communicate with Industry. Continue to hear suggestions from web site users as to improvement of site content.

Risks: 2015 – 2017 Business Plan

The following have been identified as risks that may impede HRA on delivering its business plan objectives:

- Assumptions on performance in RECs and handle and
- Emergence of new epidemics that threaten race horse, foal, stallion and broodmare health

Key Strategic Areas 2015 – 2017

INDUSTRY & GOVERNMENT RELATIONS

“Act as a single voice for the Alberta racing industry, keeping industry and government informed of developments, and championing issues important to the attainment of HRA’s mission and goals.”

BACKGROUND / EXPECTED RESULTS

Since 2002, HRA has stimulated significant investment throughout all areas of the horse racing industry and the areas it touches upon (agriculture, recreation, tourism, and transportation). HRA is the forum for industry stakeholders to meet, to strategize, and to unfold plans that will grow the industry. It is critical that HRA continues to be the one voice of the industry in order to ensure ongoing government support.

To be the one voice of the industry, HRA will continue to identify, advocate, and champion issues of relevance and importance on behalf of the industry. The Board will continue its commitment to all racing breeds and show flexibility and creativity to help the divergent industry reach consensus.

We heard the message clearly from our Industry partners. The focus must be to create more confidence, stability, opportunities, and the environment necessary for continued growth in the industry. The opening of the second A Track at Century Downs will provide much of the above and the Split Model OTB/Simulcast system will also bring continuity and stability.

ACTION PLAN 2015 – 2017: INDUSTRY AND GOVERNMENT RELATIONS

<i>Key Strategies</i>	<i>Operational Activities</i>
Ensure the industry is meeting provincial government requirements relating to the racing industry.	<p>Present 3 year Business Plan to Government.</p> <p>Provide an Annual Report complete with Audited Financial statements.</p> <p>Ensure the Act governing the activities of Horse Racing Alberta is adhered to.</p> <p>Ensure compliance with the Agreement with Government, governing the activities of Horse Racing Alberta.</p>
Provide guidance and assistance to the industry in meeting provincial and municipal government requirements.	<p>Continue to liaise with the provincial government on matters relating to the horse racing industry.</p> <p>Communicate and work with Alberta Gaming and Liquor Commission (AGLC) as they review their strategies for gaming in Alberta and the impact on RECs.</p> <p>Continue to identify industry-wide issues, provincially and nationally; or other issues of importance to the industry on which HRA should either take the lead, act as arbitrator, or facilitate.</p>
Communicate with industry and government partners.	<p>Regular dialogue and contact with industry. This will be accomplished by regular postings on HRA Web Page and stakeholders meetings.</p> <p>Co-ordinate the evaluation of the economic impact of horse racing in the province.</p> <p>Strengthen existing relationships and forge new relationships with racing, gaming, and agricultural organizations, educational institutions, as well as horsemen's groups at either a provincial, national, or international level.</p>

	<p>Develop a database of industry data and facts for the use of the racing industry and government. The data base would include facts regarding various breeds of horses, which would include the number of horses in each breed, number of farms involved in breeding, raising, and racing, and the economic benefits of the industry to the province. This project is still in the planning stage and implementation has moved to 2015.</p> <p>Continue to expand our Website as an effective tool to communicate with our Industry Partners.</p> <p>Develop and distribute an annual report on horse racing in Alberta.</p>
Assist industry in meeting federal government requirements relating the racing industry.	Regular interaction with CPMA regarding Federal regulations that impact the Racing industry.

MARKETING

“In partnership with the industry actively market and promote Alberta horse racing.”

INTRODUCTION

The live horse racing and breeding industry in Alberta is as old as the province itself. After all, this province was built on the back of a horse.

The industry has faced many challenges over the past few years. Now with the actualization of a new Calgary racing facility, the industry is again excited about the future. There is still a lot of hard work ahead for the industry and some of those challenges can be found in marketing.

MARKETING GOALS AND OBJECTIVES

The 2015 marketing plan seeks to:

- Make Alberta Racing and Breeding a priority
- Continues to raise the profile, awareness, and contributions of the Industry in Alberta
- Assist in the opening of the new Calgary racing facility

PUBLIC SERVICE ANNOUNCEMENTS

The Public Service Announcement is a noncommercial message placed in the general public with the objective of raising awareness, providing education and information on value contributed by the racing industry to the province.

In 2015, the Public Service Announcement (PSA) campaigns are designed to assist Albertans in understanding the contributions and economic impact that the horse racing and breeding industry contributes across the province. The PSAs also reinforce that the industry primarily earns its money through slot machines and contributes significantly to the Alberta Lottery Fund.

The campaign in 2015 will see a heavy rotation of the new 60 second PSA, "There's A Horse For Everyone". This PSA was launched in October of 2014 and received accolades from the racing community across Canada. This PSA highlights that horses in Alberta simply are a way of life. This PSA will accompany the existing four properties currently running in Alberta.

TECHNOLOGY (WEBSITE)

Horse Racing Alberta's industry website will continue to deliver racing information, regulatory activities, board and committee information, industry documents, regional racing reports and other industry documentation to racing fans and industry stakeholders.

INTERNAL MARKETING

In an effort to maintain a corporate profile and create goodwill in the community, Horse Racing Alberta participates in various initiatives with traditional and non-traditional partners. Horse Racing Alberta will also continue to partner with industry stakeholders on various promotions and special events.

Horse Racing Alberta proudly partners with The Canadian Finals Rodeo, TELUS World of Science, Innisfail Rodeo, Tim Horton's International Children's Festival, Whitemud Equine Learning Centre, Universal Studios Canada, and various racetrack and media sponsorships.

DIGITAL/TARGET MARKETING

In 2003, after extensive years of market research, Horse Racing Alberta launched "The Horses" branding campaign in an effort to reposition live racing as entertainment to a defined target audience of 18 to 34 year olds across the Province of Alberta. The campaign performed above expectations and was successful in raising the awareness and profile of live horse racing in the province.

The loss of the Calgary racing facility in 2008 resulted in a reduction of revenues and over time budget cuts to marketing and the Branding Campaign. 2015 will see the return of some elements of the branding campaign. Omnibus research conducted in the fall of 2014 re-enforced and assisted the industry in developing critical market research required to move

forward. Past successes in strategy and rationale will also be leveraged in the coming year. The campaign will continue to focus on targeting 18 to 34 year olds and will see creative executions in various new mediums in order to drive interest in Alberta horse racing.

MEDIA/PUBLIC RELATIONS

The objective of the PR and Media relations component will be to improve and maintain key relationships with stakeholders, media, industry partners and the general public. Horse Racing Alberta continues to follow the recommendations of the Marcomm Works Communication Plan approved by the industry in 2011.

LIVE TELEVISION

The Broadcasting initiative is designed to help position live horse racing as a mainstream sporting activity on television. The 2014 broadcast of the Canadian Derby was seen in over 200,000 homes in Alberta.

For 2015, the industry will once again showcase the prestigious Canadian Derby at Northlands Park and will add a second race to the broadcast schedule by airing the popular Ralph Klein Memorial from Century Downs in Calgary.

RISKS

- Weather, the best of racing plans and promotions can be effected by weather
- Continue to keep top of mind awareness for live horse racing in a tough competitive market place

ACTION PLAN 2015 – 2017: MARKETING

<i>Key Strategies</i>	<i>Operational Activities</i>
Public Service Announcement Campaign	The industry's Public Service Announcement campaign has been successfully running in the Alberta marketplace for the last six years and will feature an increase in the Calgary Marketplace.
Continue to reposition live horse racing as a viable and affordable form of entertainment that can be a great social outing with family or friends.	The industry partners will collaborate on marketing and promotional options that ensure we are realizing the maximum return on investment.
Continue to assist industry stakeholders and partners in growing the live attendance and handle (money wagered).	Review and adjust the current marketing activities to ensure they are linked to increasing attendance and handle as well as the benefits the Industry contributes to the Provincial economy particularly in Agriculture and rural communities.

Live Television	The Industry will showcase the very popular Canadian Derby from Northlands Park and the Ralph Klein Memorial from Century Downs.
www.thehorses.com	The 'thehorses.com' website will continue to assist industry stakeholders and the general public in providing regulatory, breeding, racing, operational, marketing, and governance information on the industry website.
Pursue nontraditional horse racing partners in an effort to grow the prominence of the industry and influence public opinion of horse racing in the province.	Evaluate the success of our current partnerships and adjust accordingly.

RACETRACK LICENSING

"To promote the development of high quality off track betting facilities and racetracks for horses, fans, owners, and racing personnel."

The growth and solidification of our principle racing venues, is of utmost importance to the future of racing in Alberta. The industry has endorsed the evolution of racetracks into exciting multi-entertainment destinations.

BACKGROUND / EXPECTED RESULTS

High quality racing facilities are essential for the industry to optimize its potential.

In granting racetrack licenses and providing funding to racetracks in Alberta it is the intention of HRA to:

- Enable the market for pari-mutuel horse racing to mature and expand within the parameters of consumer demand and horse population. As such, the HRA will limit the number of 'A' racetrack licenses to two, which is the number we believe the Alberta market can support
- Require detailed long-term strategic business plans from racetrack licenses for both on and off site activities
- Allocate and monitor funding to racetracks in a fair, equitable, and timely manner, based upon HRA approved business plan, taking into account the racetracks approved strategic business plans for the 2015 Racing season.

- Review the purse component of breeding support programs for provincially bred and owned horses.
- Continue to improve the frequency and variety of educational / training options on such topics as marketing and sale preparation, increasing live foal percentages and disease control and prevention.
- Greater focus on the breeder sector to stem the drop in Alberta foal crop with bonus support for breeders and owners.
- Direct resources to programs that encourage ownership of Alberta sired or foaled horses of all racing breeds.
- Reward performance that demonstrates the objective of improvement.
- Continue to encourage owners of retired race horses to further their careers in riding schools, dressage, jumping and polo.

Thoroughbreds (2015 forward): Breed Improvement

<i>Key Strategies</i>	<i>Operational Activities</i>
Review effectiveness of all existing programs.	Analyze data on mares bred, foals born and racing success. Over the next three years reward only the top 40% of performers.
Encourage ownership of Alberta bred horses.	Supply purse supplements to successfully competing Alberta breds.
Encourage excellence of breeding by paying only those who demonstrate the ability to compete in the top half of races in Alberta.	Reward performances that demonstrate the objective of improvement.
Highlight Alberta Breeding to improve the quality and value of the Alberta bred Thoroughbred.	Evaluate a program element added in 2013 that rewarded Alberta breds that compete at high levels elsewhere in North America, support the Alberta Fall Classic, which is a day of stakes races that showcase the Alberta bred racehorse to the rest of the country.
Encourage purchase of Alberta bred yearlings at the Select Alberta Sale.	Support the Yearling Sales Stakes.
Support successful Alberta stallions.	Continue the performance based stallion bonuses.

Standardbreds (2015 forward): Breed Improvement

<i>Key Strategies</i>	<i>Operational Activities</i>
Direct resources to programs that encourage ownership of Alberta sired or foaled standardbreds.	Support bonuses to owners of 2 – 4 year old Alberta sired horses in all stakes and non-stakes races.
Support superior quality mares.	Maintain the Mare Bonus Program for foals sired by Alberta stallions.
Review effectiveness of existing programs.	Analyze the data on purse supplementation to ensure goals are being achieved.

ACTION PLAN 2015 – 2017: RACE TRACK LICENSING

<i>Key Strategies</i>	<i>Operational Activities</i>
Growth in the OTB/Simulcast market.	Implementation of the Split Model proposal.
Improvement in customer experience and satisfaction.	Ensure Alberta product shown at all OTBs. Measure customer feedback. Increase number of product offerings in Alberta OTBs if appropriate. Dedicated maintenance/service personnel. Periodic site visits by HRA personnel.
Work with all licensed tracks to assist them to develop an annual budget and business plan that will be used by HRA in the license review process.	Utilize a standard process and a template to be used for the review of current racetrack licenses.
Explore the introduction of additional gaming devices in those racetracks that have a REC gaming license, where warranted.	Consult with AGLC regarding the possibility of additional gaming devices.

BREED IMPROVEMENT PROGRAM

“Facilitate the growth of the breeding industry and the quality of racehorses bred in Alberta.”

The growth of the industry is largely dependent upon Alberta’s ability to market the horses sired by Alberta stallions, or of mares that deliver foals in Alberta.

BACKGROUND / EXPECTED RESULTS

HRA’s Breed Improvement Program is directed at enabling the production of high quality Alberta bred horses. HRA’s Breed Improvement Committee is responsible for strategic development of these programs.

Success within this sector takes time. Breeders require a five year horizon from the time of arranging for breeding until the racehorse has the opportunity to reach its full potential on the racetrack. The opening of the ‘A’ racing facility, Century Downs in the Calgary market area will provide stability and support to achieving these goals.

ACTION PLAN 2015 – 2017: BREED IMPROVEMENT

- Continue to work with Alberta Agriculture and Rural Development, the Horse Industry Association of Alberta, Olds College, and the Universities of Alberta and Calgary in fostering research and health initiatives for the equine athlete.
- Continue to work with Alberta Agriculture and Rural Development in identifying equine health risks and potential areas that may require research.

Encourage purchase of Alberta bred or sired standardbreds at the Annual Yearling Sale.	The Annual Yearling Sale has attracted out of Province Buyer's. Have proven they can compete anywhere in North America.
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Quarter Horses (2015 forward): Breed Improvement

<i>Key Strategies</i>	<i>Operational Activities</i>
Encourage the breeding of quality American Quarter Horse racing stock in Alberta.	Supply breeders' bonuses to successfully competing Alberta bred.
Prove Stallions standing in Alberta.	Continue the performance based stallion bonuses and the Sires Stakes Program for foals sired by Alberta Stallions.
Encourage growth in new ownership and investment in racing and breeding stock of Alberta bred horses.	Ensure a balance of racing opportunities between overnight races and stakes racing programs for Alberta bred at both the A and B racetracks.
Encourage purchase of yearlings at the Annual Quarter Horse sale.	Support the Canada Quarter Horse Cup Races.

Community Circuit (2015 forward): Breed Improvement

Continue to work with and provide resources to all breeds at the community racetracks and horse associations. Regardless of where Alberta-breds race in Alberta, Northlands, Century Downs or Community Tracks, they are supported through the Breed Improvement Program. Bonuses are paid based on total purse monies earned by Alberta-breds in all races at all race tracks in Alberta.

Annual Breed Improvement Yearling Sale Statistics

Yearling Sale	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Target	2016 Target	2017 Target
Thoroughbreds	5,389	8,469	8,560	8,342	11,117	10,000	11,000	11,500
Standardbreds	5,820	6,242	4,807	10,027	11,970	12,000	12,500	12,500
Quarterhorses	3,538	4,040	3,205	3,636	2,366	3,400	3,750	3,900

REGULATORY

“Enhance and foster integrity and ethical conduct as a foundation for all aspects of the horse racing industry in Alberta.”

BACKGROUND / EXPECTED RESULTS

Racing integrity and the protection of the public interest are essential to the further development of the industry and central to HRA’s mission. HRA is continuing to enhance a regulatory and compliance framework that is just, reasonable, efficient, and consistent.

In accordance with the *Horse Racing Alberta Act*, the mandated objectives of the HRA are:

- To govern, direct, control, regulate, manage, market and promote horse racing in any or all of its forms;
- To protect the health, safety and welfare of racehorses and, with respect to horse racing, the safety and welfare of racing participants and racing officials; and
- To safeguard the interests of the general public in horse racing.

ACTION PLAN 2015 – 2017: REGULATORY

<i>Key Strategies</i>	<i>Operational Activities</i>
Continue to be a full participant in the discussions with CPMA and other provincial regulators regarding updates or plans for drug testing.	Continue vigilant drug testing of humans and horses. Discussions have begun on updating the withdrawal times for the drugs in our “Schedule of Drugs” Book with Clenbuteral being one of the first on the list.
The revised Rules Governing Horse Racing in Alberta is now in use. They are continually reviewed and updated as required.	Keep upgrading rules as needed for the betterment and fairness of horse racing. Review of penalty guidelines for positive tests has been completed and the appropriate changes have been well accepted.
New Members for the Appeal Tribunal	Once a full complement of members is in place, meet with them to explain procedures and the importance of ensuring appeals are heard in a more timely manner.

HUMAN RESOURCE DEVELOPMENT

“Facilitate the education, training, and well-being of individuals involved in Alberta’s horse racing industry.”

BACKGROUND / EXPECTED RESULTS

HRA has been proactive in addressing human resource issues by improving conditions for its employees and increasing the available pool of qualified personnel. The industry has some unique needs and the hours of work differ from those in most other sectors. In partnership with horsemen’s organizations, racing industry solutions will address human resource needs and improve the quality of life for its employees. Many of the programs are directed towards personnel who work and sometimes live at the track.

ACTION PLAN 2015 – 2017 (PROGRAMS): HUMAN RESOURCES

<i>Key Strategies</i>	<i>Operational Activities</i>
Operate on site Learning Centre. Provide safe learning environment.	Encourage backstretch personnel to access learning opportunities. Provide access to computers and on-site instruction.
Research and develop training programs to address the severe shortage of qualified personnel. Promote our Groom School and Exercise Rider/Jockey School to attract students from other countries. Number of students Graduated from Groom school 2013-2014 was 7. Number of students Graduated from Exercise Rider School 2013-2014 was 12 Develop a Barn Manager/Assistant Trainer Program.	Continue the Exercise Rider/Jockey School as a partnership between HRA and Olds College. Corrine Andros riding in an international apprentice race in Abu Dhabi representing Canada as a graduate of Olds College/HRA Exercise Rider School on November 9, 2014. Continue the Groom School in partnership with Olds College. Continue the Exercise Rider School in partnership with Old College. This Program is at the third stage. To develop the curriculum and implement the program would require a budget of \$70,000.
Offer on-site counseling services to all backstretch personnel.	Continue to provide on-site counseling to those suffering from addiction and substance abuse. Referral services to all programs available through Alberta Health Services are also provided, along with information and education.
Temporary Foreign Worker Program	Will facilitate all applications for foreign workers. Network and develop contacts with Service Canada and Canada Immigration.

HRA Backstretch Foundation/Not For Profit Society – established June 2012.	<p>Explore various avenues for the creation of a charitable model for the Backstretch Foundation.</p> <p>Continue to offer Benevolence to those in need.</p> <p>Memorial Services to those who have lost a loved one.</p> <p>Counseling and referral services to those suffering from addiction and substance abuse.</p> <p>Organize social events to strengthen sense of community.</p> <p>Advocate for all backstretch personnel.</p>
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ANIMAL WELFARE

“Promote and encourage continuous improvement in the industry’s animal welfare practices.”

Protecting “the health, safety, and welfare of racehorses” is one of the legislated objectives of HRA. In reality, equines are treated and looked after very well. Despite this, public perception is often to the contrary, primarily due to publicized issues of poor treatment of animals. This mandate has become increasingly important with media reports of injuries to horses at major international racing events.

BACKGROUND / EXPECTED RESULTS

HRA and other stakeholders must continue to work to ensure that the industry and the public have confidence that Alberta racehorses and breeding stock are treated with respect and dignity. We will seek strategic partnerships with animal welfare organizations to enhance these endeavors.

An outstanding example of these partnerships is the Canadian Equine Centre of Innovation at Olds College. The centre of innovation incorporates leading-edge expertise, facilities, technology, and applied research to provide unique human resource solutions for the equine industry.

ACTION PLAN 2015 – 2017: ANIMAL WELFARE

<i>Key Strategies</i>	<i>Operational Activities</i>
Pursue opportunities to work with others to undertake joint education and research.	<p>Continue the research grant to the Western School of Veterinary Medicine, based on specific research proposals.</p> <p>Enter into partnerships with the University of Alberta and the University of Calgary as appropriate.</p>
Identify and address animal welfare concerns.	<p>Advise industry of any emerging disease threat.</p> <p>Have in place protocols for any emerging infectious disease.</p> <p>Work with racetrack management to assist them with design and upkeep of their facilities in order to ensure the health and safety of horses.</p> <p>Review the multi-location plan for investigating the cause of death of any horse that dies at an Alberta racetrack.</p>
Monitor data provided by the racetrack veterinarians.	<p>Analyze available data on injuries to horses and look for trends.</p> <p>Analyze racing surfaces to ensure an appropriate cost / benefit ratio if installed at Alberta tracks.</p>
Improve horsemanship and animal welfare through education.	<p>Continue to provide educational seminars on fire prevention and safety at racetracks and breeding farms.</p> <p>Working with licensed racetracks, ensure that attainment of a fire safety certificate is a prerequisite for obtaining a groom or trainer license.</p> <p>Work towards better education and ensure proper testing in order to minimize potential drug abuse in racehorses.</p> <p>Work with other agencies to develop seminars for horsemen related to animal upkeep and welfare (i.e., farrier, medication, and vaccination programs).</p>
Ensure racetrack safety.	<p>Work towards ensuring there is an equine emergency care facility at each racetrack.</p>

	<p>Research ways to reduce catastrophic injuries through education and increasing race surface standards at all tracks.</p> <p>Continue to enforce HRA's rules, policies, and procedures designed to maximize the safety of racehorses during training and competitions.</p> <p>Meet with animal welfare agencies to review the work being done at racetracks to ensure the welfare of the horse population.</p>
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PURSES

"Manage and maximize purses, based on revenues available, to stimulate the overall activity, and investment in the industry."

Purse structure forms the basis for all aspects of the participation and investment in live horse racing. Purses ultimately determine the quality of the horses, racing at all horse racetracks, which then directly determines the revenues that may be potentially generated.

BACKGROUND / EXPECTED RESULTS

The purse structure in Alberta must be aggressive, significant, and sustainable. This will provide commitment to the fiscal viability for those investing and participating in horse racing and allows these industry participants to plan for the long term. The result of this strategy should be:

- A more vibrant horse breeding and racing industry in Alberta.
- A higher quality of racing for racing fans (improved quality of horses; larger and more competitive fields) which in turn may stimulate wagering.
- Consensus amongst the breeds that the purse allocations are fair and equitable.
- An increased number of racehorses and racehorse owners in Alberta.
- A greater possibility of race horse owners and breeders making a positive return on their investment.
- Attract appropriate numbers and sufficiently skilled jockeys and drivers.
- Ensure Alberta offers competitive purses especially as it relates to British Columbia.

The following is the HRA contributions to Purses (including actuals and projections) on the class 'A' track and community circuit from 2010 to the end of this Business Plan period:

Year	HRA Purse Grant	*Breed Improvement Program Breed Support	Total Purses
2011	\$10,675,638	\$3,353,749	\$14,029,387
2012	\$10,663,936	\$3,368,750	\$14,032,686
2013	\$10,717,127	\$3,349,876	\$14,067,003
2014	\$9,017,566	\$3,246,410	\$12,263,976
2015	\$13,700,000	\$3,687,000	\$17,387,000
2016	\$15,618,000	\$4,719,360	\$20,337,360
2017	\$16,008,450	\$4,837,344	\$20,845,794

*Estimated money available from Breed Improvement Program.

ACTION PLAN 2015 – 2017: PURSES

<i>Key Strategies</i>	<i>Operational Activities</i>
A strategy for purse distribution that includes the Calgary Track during the second quarter of 2015.	Manage race dates with regards to available facilities, revenues, horsemen's negotiation, attractive racing product and increasing horse fields.
Communicate the rationale for purse grants and race date allocation.	Incorporate into HRA new "corporate" website and strategic Communications Plan.

KEY PERFORMANCE MEASURES

HRA recognizes the importance of monitoring performance. Specific key performance areas that can be measured and tracked have been selected to reflect the expected rejuvenation of the breeding, racing and entertainment sectors that occur as result of the proposed initiatives. These include:

Industry Confidence in HRA

In 2007 a survey, by an independent market research company, was conducted to determine industry confidence in HRA. 503 telephone interviews, approximately 10 minutes in duration on average, were conducted among a representation sample of Albertans 18+ years of age. Results are accurate within +/- 4.4%. The survey concluded the following:

- Albertans have a very positive view of horse racing and breeding in the province.
- Familiarity breeds respect: The more involved people are with horse racing, the more positive their attitudes and the more likely they are to support the Racing Industry Renewal Program.

- Programs such as Horse Racing Alberta's which generate attendance and viewership therefore have an important role in creating positive climate for the provincial government's support of the industry.

Industry confidence ultimately represents the perception of a fair equitable opportunity to be gainfully employed and potential profitability of racing. It is very much dependent on availability of facilities, purse structure and number of race days. All of these areas have been seriously challenged since 2008 to the present date. The anticipated opening of Century Downs in the second quarter of 2015 is providing renewed confidence in the Industry.

An industry Stakeholder session again emphasized the importance of gaining stakeholder confidence through certainty in race dates, transparency and improved communication, the importance of the Breed Improvement Program to grow quality and the importance of the Calgary Track.

Pari-Mutuel Handle

The pari-mutuel handle reflects fan interest in the industry as an entertainment opportunity and as an alternate wagering activity. It is dependent on the size of the pool of money available for distribution, education of potential bettors, and variety of wagers such as win, place, show, and exotic bets such as exactors, daily doubles, triactors, pick 6, pick 7. Industry emphasis must focus on improving live handle (money bet on the Alberta product), as well as the total handle which includes Foreign Full Card simulcast.

Racetrack Attendance

Racetrack attendance reflects on the success of marketing as well as the ability to compete as a major multifaceted entertainment option for the public. The physical layout of the tracks makes it difficult to accurately reflect the mix of fans attending the racing venues versus the other components of the facilities. Clearly on major race days the attendance at the overall facility dramatically increases.

Average Price at Select Yearly Sales

2014 Thoroughbred sales were up by 33% over last year, however, there was an increase of buybacks, RNA's and not solds compared to 2013. The 2014 sale topper went for \$49,000.

Standardbred number of yearlings offered was up 30% over last year. The average showed a 20% increase from 2013. The 2014 sale topper went for \$40,000.

Performance Indicators

A wide spectrum of data will be collected for inclusion in the Annual Report and monitored by HRA to assess progress in implementing desired objectives. These include:

- Number of licenses issued
- Number of registered breeders
- Number of mares bred
- Live foal rate
- Documented animal welfare indicators
- Number of racehorse owners
- Number of racehorses owned by Alberta licensees

Statement of Operations
Operational Data

	2012 Actual ¹	2013 Actual ¹	2014 Budget ²	2014 Forecast ³	2015 Budget ⁴	2016 Projections ⁵	2017 Projections ⁶
Edmonton NLP - Alberta Live & Simulcast	\$10,995,048	\$9,550,250	\$9,932,260	\$9,830,000	\$9,928,300	\$10,027,583	\$10,127,859
Edmonton NLP - Foreign Simulcast	<u>\$73,071,858</u>	<u>\$71,589,503</u>	<u>\$74,453,082</u>	<u>\$75,450,259</u>	<u>\$76,204,762</u>	<u>\$76,966,809</u>	<u>\$77,736,477</u>
	\$84,066,906	\$81,139,753	\$84,385,342	\$85,280,259	\$86,133,062	\$86,994,392	\$87,864,336
Calgary Century Downs - Alberta Live & Simulcast					\$4,633,207	\$6,949,810	\$7,019,308
Calgary Century Downs - Foreign Simulcast					<u>\$35,562,222</u>	<u>\$53,343,333</u>	<u>\$53,876,766</u>
					\$40,195,429	\$60,293,143	\$60,896,074
North HOT - Alberta Live & Simulcast	\$630,559	\$652,797	\$470,014	\$540,700	\$546,107	\$551,568	\$557,084
North HOT - Foreign Simulcast	<u>\$13,636,278</u>	<u>\$18,195,004</u>	<u>\$13,100,403</u>	<u>\$14,100,500</u>	<u>\$14,241,505</u>	<u>\$14,383,920</u>	<u>\$14,527,759</u>
	\$14,266,837	\$18,847,801	\$13,570,417	\$14,641,200	\$14,787,612	\$14,935,488	\$15,084,843
South HOT - Alberta Live & Simulcast	\$1,704,156	\$1,482,644	\$1,452,991	\$1,459,730	\$930,578	\$558,347	\$563,930
South HOT - Foreign Simulcast	<u>\$38,207,110</u>	<u>\$30,991,122</u>	<u>\$30,371,300</u>	<u>\$30,371,300</u>	<u>\$19,361,704</u>	<u>\$11,617,022</u>	<u>\$11,733,192</u>
	\$39,911,266	\$32,473,766	\$31,824,291	\$31,831,030	\$20,292,282	\$12,175,369	\$12,297,122
Community Track Racing - Alberta Live & Simulcast	\$1,612,937	\$1,648,573	\$1,636,362	\$1,835,000	\$1,853,350	\$1,871,884	\$1,890,602
Community Track Racing - Foreign Simulcast	<u>\$3,618,207</u>	<u>\$4,272,756</u>	<u>\$4,204,392</u>	<u>\$4,540,000</u>	<u>\$4,585,400</u>	<u>\$4,631,254</u>	<u>\$4,677,567</u>
	\$5,231,144	\$5,921,329	\$5,840,754	\$6,375,000	\$6,438,750	\$6,503,138	\$6,568,169
Handle All Tracks Racing - Alberta Live & Simulcast	\$14,942,700	\$13,334,264	\$13,491,627	\$13,665,430	\$17,891,542	\$19,959,192	\$20,158,783
Handle All Tracks Racing - Foreign Simulcast	<u>\$128,533,453</u>	<u>\$125,048,385</u>	<u>\$122,129,177</u>	<u>\$124,462,059</u>	<u>\$149,955,592</u>	<u>\$160,942,338</u>	<u>\$162,551,762</u>
Total Handle All Tracks Racing	<u>\$143,476,153</u> ¹	<u>\$138,382,649</u> ¹	<u>\$135,620,804</u> ²	<u>\$138,127,489</u> ³	<u>\$167,847,134</u> ⁴	<u>\$180,901,530</u> ⁵	<u>\$182,710,545</u> ⁶
A Track HRA Purse Grant - overnights and stakes							
Thoroughbred - HRA Purse Grant	\$4,662,141	\$4,662,141	\$3,680,941	\$3,780,941	\$5,274,500	\$6,012,930	\$6,163,253
Standardbred - HRA Purse Grant	\$1,893,000	\$1,693,000	\$1,365,873	\$845,000	\$5,274,500	\$6,012,930	\$6,163,253
Purse Grant-AQHRA Stakes Races at Edmonton	<u>\$107,176</u>	<u>\$107,176</u>	<u>\$107,176</u>	<u>\$107,176</u>	<u>\$139,740</u>	<u>\$159,304</u>	<u>\$163,286</u>
Total 'A' Track HRA Purse Grants	\$6,662,317	\$6,462,317	\$5,153,990	\$4,733,117	\$10,688,740	\$12,185,164	\$12,489,793
Purse Grant Lethbridge - Runners	\$1,126,540	\$1,126,540	\$1,126,540	\$1,126,540	\$1,405,255	\$1,601,991	\$1,642,040
Purse Grant Grande Prairie - Runners	\$510,078	\$563,270	\$563,270	\$563,270	\$836,461	\$953,566	\$977,405
Purse Grant Lacombe - Standardbred	\$2,340,000	\$2,540,000	\$2,048,766	\$2,569,639	\$0	\$0	\$0
Purse Grant Alternate Track - Standardbred					\$736,086	\$839,138	\$860,116
Purse Grant Millarville - Runners	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$33,458</u>	<u>\$38,142</u>	<u>\$39,096</u>
Total Community HRA Purse Grants	\$4,001,618	\$4,254,810	\$3,763,576	\$4,284,449	\$3,011,260	\$3,432,836	\$3,518,657
Total HRA Purse Grants	<u>\$10,663,936</u> ¹	<u>\$10,717,127</u> ¹	<u>\$8,917,566</u> ²	<u>\$9,017,566</u> ³	<u>\$13,700,000</u> ⁴	<u>\$15,618,000</u> ⁵	<u>\$16,008,450</u> ⁶
Scheduled Race Days Thoroughbred at 'A' tracks	82	78	78	73	77	100	100
Scheduled Race Days Standardbred at 'A' tracks	41	35	35	35	113	100	100
Scheduled Race Days Community Tracks	<u>131</u>	<u>129</u>	<u>127</u>	<u>122</u>	<u>90</u>	<u>90</u>	<u>90</u>
Total Scheduled Race Days	<u>254</u>	<u>242</u>	<u>240</u>	<u>230</u>	<u>280</u>	<u>290</u>	<u>290</u>

1 2012 and 2013 Actuals are based on HRA's audited financial statements in all instances in this document. HOT contractual arrangements renegotiated in 2012.

2 2014 Budget as approved by HRA Board. Based on significant drop in both handle and slot revenue in 2013 both handle and slot revenue for 2014 budgeted to continue decline. Various programs were reduced accordingly in an effort to keep budget balanced. Purses, Breed Improvement, Marketing and Regulatory/Administration budgets were reduced. Purse allocations were pro-rated based on 43.5% to Thoroughbreds, 39.5% to Standardbreds and 17% to Other Breeds.

3 The forecast for 2014 shows a small recovery for both handle and slot revenues from 2013.

4 For 2015 overall revenue is budgeted to increase by 52% due to opening of Century Downs in April 2015. Purse allocations have been revised to 38.5% for both Thoroughbred and Standardbred on "A" tracks, 1.02% for Quarterhorse on "A" track, and 21.98% for all breeds racing at "B" tracks (pro-rated). Race dates are allocated annually.

5 Handle is projected to increase by 8% in 2016 and Purse Grants by 14% due to Century Downs racetrack being operational for full year.

6 In 2017 Handle is also projected to increase by a further 1% and Purse Grants by 2.5% over previous year.

Statement of Operations
Financial Data

	2012 Actual ¹	2013 Actual ¹	2014 Budget ²	2014 Forecast ³	2015 Budget ⁴	2016 Projections ⁵	2017 Projections ⁶
Revenue							
General Fee	\$7,173,795	\$6,919,132	\$6,781,040	\$6,906,374	\$8,392,357	\$9,045,076	\$9,135,527
Promotional Levy	\$544,464	\$525,908	\$518,750	\$528,338	\$642,015	\$691,948	\$698,868
Assessments / Licenses / Fines / Other	\$281,476	\$300,439	\$300,900	\$268,455	\$318,725	\$325,000	\$319,000
Gaming Agreement-Current Year ⁷	\$22,859,468	\$21,324,627	\$20,304,440	\$20,934,277	\$34,231,370	\$42,610,498	\$43,433,568
Deferred Revenue Recognition/Interest	\$6,442	\$7,853	\$5,000	\$3,800	\$6,000	\$6,700	\$7,500
Total Revenue	\$30,865,645	\$29,077,960	\$27,910,130	\$28,641,244	\$43,590,466	\$52,679,223	\$53,594,463
Expenses							
HRA Purse Grant	\$10,663,936	\$10,717,127	\$8,917,566	\$9,017,566	\$13,700,000	\$15,618,000	\$16,008,450
Edmonton - HRA Racetrack Funding	\$8,447,577	\$7,714,044	\$7,246,465	\$7,380,659	\$8,290,484	\$8,460,289	\$8,620,106
Edmonton - Standardbred Stabling/Operations ⁸			\$210,573	\$310,573			
Calgary - HRA Racetrack Funding	\$0	\$0	\$0	\$0	\$7,338,581	\$11,762,697	\$11,993,339
Lethbridge - HRA Racetrack Funding	\$1,165,736	\$1,182,712	\$1,153,574	\$1,183,207	\$1,623,862	\$1,657,061	\$1,688,817
Grande Prairie - HRA Racetrack Funding	\$838,861	\$791,214	\$791,214	\$932,432	\$932,432	\$951,080	\$969,729
Millarville - HRA Racetrack Funding	\$20,000	\$20,000	\$20,000	\$20,000	\$30,000	\$30,000	\$30,000
Lacombe - HRA Racetrack Funding ⁹	\$1,170,000	\$1,170,000	\$1,170,000	\$1,250,000	\$0	\$0	\$0
Total Racetrack Funding ¹⁰	\$11,642,174	\$10,877,970	\$10,591,826	\$11,076,871	\$18,215,359	\$22,861,127	\$23,301,989
Discretionary Project Grants ¹¹					\$1,500,000	\$1,500,000	\$1,726,031
Thoroughbred Breeding Support	\$2,271,739	\$2,273,990	\$2,170,220	\$2,170,220	\$2,386,070	\$3,054,170	\$3,130,524
Standardbred Breeding Support	\$1,247,052	\$1,258,776	\$1,184,580	\$1,184,580	\$1,435,340	\$1,837,235	\$1,883,166
Community Breeding Support	\$440,000	\$440,000	\$445,200	\$445,200	\$478,590	\$612,595	\$627,910
Total Breeding Support ¹²	\$3,958,791	\$3,972,766	\$3,800,000	\$3,800,000	\$4,300,000	\$5,504,000	\$5,641,600
Backstretch - Human Resource Development	\$301,911	\$306,884	\$323,000	\$333,150	\$406,900	\$569,660	\$583,902
Broadcasting	\$162,246	\$147,315	\$135,000	\$135,000	\$300,000	\$450,000	\$461,250
Marketing at Racetracks	\$498,963	\$488,550	\$0	\$0	\$0	\$0	\$0
HRA Internal Marketing	\$151,054	\$140,786	\$150,000	\$150,000	\$170,000	\$255,000	\$261,375
Sponsorship/Major Event Promotions	\$126,883	\$0	\$0	\$0	\$0	\$0	\$0
Branding	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Communication, Public and Media Relations	\$8,551	\$13,307	\$40,000	\$40,000	\$40,000	\$60,000	\$61,500
Technology Improvements/Website	\$29,398	\$40,893	\$50,000	\$50,000	\$70,000	\$105,000	\$107,625
Digital/Target Marketing	\$0	\$0	\$0	\$0	\$470,000	\$705,000	\$722,625
Backstretch Social Programs	\$0	\$24,727	\$15,000	\$15,000	\$0	\$0	\$0
Public Service Announcements	\$139,736	\$235,776	\$400,000	\$400,000	\$450,000	\$675,000	\$691,875
Future Initiatives	\$0	\$0	\$0	\$0			
Total Marketing and Promotion ¹³	\$1,116,830	\$1,091,353	\$790,000	\$790,000	\$1,500,000	\$2,250,000	\$2,306,250
Regulatory / Administration ¹⁴	\$3,329,226	\$3,076,620	\$3,054,825	\$3,010,006	\$3,481,590	\$3,829,749	\$3,925,493
Contingency ¹⁵	\$0	\$0	\$0	\$0	\$300,000	\$300,000	\$0
Total Expenses	\$31,012,868	\$30,042,720	\$27,477,217	\$28,027,593	\$43,403,848	\$52,432,536	\$53,493,715
Net Operating Result	-\$147,223	-\$964,760	\$432,913	\$613,651	\$186,618	\$246,687	\$100,748
Cumulative Surplus (Deficit), beginning of year	\$789,634	\$642,411	-\$322,349	-\$322,349	\$291,302	\$477,920	\$724,606
Accumulated Surplus, end of year	\$642,411	-\$322,349	\$110,563	\$291,302	\$477,920	\$724,606	\$825,354

⁷ Slot revenue is expected to increase by 3% over 2014 budget. With the opening of Century Downs Racetrack and Casino in April 2015 a significant increase of approximately 63% is expected. 550 slot machines have been budgeted for 2015 with 650 in subsequent years. A further 24% has been budgeted in 2016 with Century Downs operational for full year. In 2017 a 2% increase is projected.

⁸ In 2014 additional support provided to ASHA for a share of the stabling and operational costs at Northlands Park during the Standardbred Meet.

⁹ In 2014 emergency funds of \$80,000 were provided to Alberta Downs to ensure completion of fall meet. For 2015 the racetrack to host "B" track Standardbred racing has yet to be determined.

¹⁰ Operating Grants for Northlands Park increased to 28.75%, Rocky Mountain Turf Club to 25% and Evergreen Park to 17.25% (sliding scale based on slot performance) in 2015. Century Downs will also receive 28.75% once facility is operational in April.

¹¹ Discretionary Project Grants are introduced in 2015 to provide funding to racetracks for building upgrades. \$1.5 Million has been set aside for the "A" Tracks in 2015 and 2016. Upgrades to the Community Tracks will commence in 2017. In 2017 the Discretionary Project Grant will be calculated based on .85% of the total pari-mutuel handle generated.

¹² In 2014 reductions to the Breed Improvement were made in an effort to meet shortfalls in revenue generation through Handle and Slots. For 2014 the split was revised for Thoroughbred and Standardbred in order to reduce program expenditures. Community Tracks remained constant. A 13% increase has been budgeted for 2015 with a further 28% increase in 2016 and 2.5% in 2017. Individual program allocations are to be revised and will be based on total available. The Breed Improvement Committee to recommend final allocations.

¹³ Significant reductions were made to the Marketing Program in 2014 to meet revenue shortfalls. For 2015 this budget will increase by 90%, a further 50% in 2016 and 2.5% in 2017. The Sustainable Business Committee to recommend final allocations.

¹⁴ Reductions were also made to Regulatory and Administration in 2013 and 2014. Costs expected to rise by 16% in 2015 due to opening of Century Downs. Further increases of 10% in 2016 and 2.15% in 2017.

¹⁵ Contingency of \$300,000 has been reinstated in years 2015 and 2016 to meet unexpected revenue shortfalls and/or increases to expenses and to ensure that a \$1 Million surplus is achieved and maintained.

2015-2017 BUSINESS PLAN FINANCIALS

CONFIDENTIAL - Approved by the HRA Board November 6, 2014

HORSE RACING ALBERTA Financial Projections 2015 to 2017

	2012 Actual ¹	2013 Actual ¹	2014 Budget ²	2014 Forecast ³	2015 Budget ⁴	2016 Projections ⁵	2017 Projections ⁶
Handle:							
Edmonton NLP - Alberta Live & Simulcast	\$10,995,048	\$9,550,250	\$9,932,260	\$9,830,000	9,928,300	\$10,027,563	\$10,127,859
Edmonton NLP - Foreign Simulcast	\$73,071,858	\$71,589,503	\$74,455,082	\$75,450,259	76,204,762	\$76,966,809	\$77,736,477
	\$84,066,906	\$81,139,753	\$84,386,342	\$85,280,259	86,133,062	\$86,994,392	\$87,864,336
Calgary Century Downs - Alberta Live & Simulcast					4,633,207	\$6,949,810	\$7,019,308
Calgary Century Downs - Foreign Simulcast					35,562,222	\$53,343,333	\$53,876,786
					40,195,429	\$60,293,143	\$60,896,075
North HOT - Alberta Live & Simulcast	\$630,559	\$652,797	\$470,014	\$540,700	546,107	\$551,568	\$557,084
North HOT - Foreign Simulcast	\$13,636,278	\$18,195,004	\$13,100,403	\$14,100,500	14,241,505	\$14,383,920	\$14,527,759
	\$14,266,837	\$18,847,801	\$13,570,417	\$14,641,200	14,787,612	\$14,935,488	\$15,084,843
South HOT - Alberta Live & Simulcast	\$1,704,156	\$1,482,644	\$1,452,991	\$1,459,730	930,578	\$558,347	\$563,930
South HOT - Foreign Simulcast	\$38,207,110	\$30,991,122	\$30,371,300	\$30,371,300	19,361,704	\$11,617,022	\$11,733,192
	\$39,911,266	\$32,473,766	\$31,824,291	\$31,831,030	20,292,282	\$12,176,369	\$12,297,123
Community Track Racing - Alta Live & Simulcast	\$1,612,937	\$1,648,573	\$1,636,362	\$1,835,000	1,853,350	\$1,871,884	\$1,890,602
Community Track Racing - Foreign Simulcast	\$3,618,207	\$4,272,766	\$4,204,392	\$4,540,000	4,585,400	\$4,631,254	\$4,677,567
	\$5,231,144	\$5,921,329	\$5,840,754	\$6,375,000	6,438,750	\$6,503,138	\$6,558,169
Handle All Tracks Racing - Alberta Live & Simulcast	\$14,942,700	\$13,334,264	\$13,491,627	\$13,665,430	17,891,542	\$19,959,191	\$20,158,783
Handle All Tracks Racing - Foreign Simulcast	\$128,553,453	\$125,048,385	\$122,129,177	\$124,482,059	149,955,592	\$160,942,339	\$162,551,762
Total Handle All Tracks Racing	\$143,476,153	\$138,382,649	\$135,620,804	\$138,127,489	167,847,134	\$180,901,530	\$182,710,545
	-3.65%		-2.00%	1.85%	21.52%	7.78%	1.00%
Purse Grant:							
"A" Track HRA Purse Grant - overnights and stakes							
Thoroughbred - HRA Purse Grant	\$4,662,141	\$4,662,141	\$3,680,941	\$3,780,941	\$5,274,500	\$6,012,930	\$6,163,253
Standardbred - HRA Purse Grant	\$1,893,000	\$1,693,000	\$1,365,873	\$845,000	\$5,274,500	\$6,012,930	\$6,163,253
AQHRA Stakes Races	\$107,176	\$107,176	\$107,176	\$107,176	\$139,740	\$159,304	\$163,286
Total "A" Track HRA Purse Grant	\$6,662,317	\$6,462,317	\$5,153,990	\$4,733,117	\$10,688,740	\$12,185,164	\$12,469,793
Community - HRA Purse Grant							
Lethbridge Purse Grant	\$1,126,540	\$1,126,540	\$1,126,540	\$1,126,540	\$1,405,255	\$1,601,991	\$1,642,040
Grande Prairie - Runners	\$510,078	\$563,270	\$563,270	\$563,270	\$636,461	\$953,566	\$977,405
Grande Prairie - Standardbred	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lacombe/Alternate Track - Standardbred	\$2,340,000	\$2,540,000	\$2,049,766	\$2,569,639	\$736,086	\$839,138	\$860,116
Millarville - Runners	\$25,000	\$25,000	\$25,000	\$25,000	\$33,458	\$38,142	\$39,096
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Community - HRA Purse Grants	\$4,001,618	\$4,254,810	\$3,763,576	\$4,284,449	\$3,011,260	\$3,432,836	\$3,518,657
Total - HRA Purse Grant	\$10,663,936	\$10,717,127	\$8,917,566	\$9,017,566	\$13,700,000	\$15,618,000	\$16,008,450
		0.50%	-16.79%	1.12%	51.93%	14.00%	2.50%
Scheduled Race Days:							
Thoroughbred at 'A' tracks	82	78	78	73	77	100	100
Standardbred at 'A' tracks	41	35	35	35	113	100	100
Community Tracks	131	129	127	122	90	90	90
Total Scheduled Race Days	254	242	240	230	280	290	290

2015-2017 BUSINESS PLAN FINANCIALS
CONFIDENTIAL - Approved by the HRA Board November 6, 2014

HORSE RACING ALBERTA
Financial Projections 2015 to 2017

	2012 Actual ¹	2013 Actual ¹	2014 Budget ²	2014 Forecast ³	2015 Budget ⁴	2016 Projections ⁵	2017 Projections ⁶
Revenue:							
General Fee ⁷	\$7,173,795	\$6,919,132	\$6,781,040	\$6,906,374	\$8,392,357	\$9,045,076	\$9,135,527
Promotional Levy ⁷	\$544,464	\$525,908	\$518,750	\$528,338	\$642,015	\$691,948	\$698,868
Assessments, Licenses & Fines	\$229,970	\$240,907	\$240,900	\$223,455	\$276,725	\$290,000	\$290,000
Other	\$51,506	\$59,532	\$60,000	\$45,000	\$42,000	\$35,000	\$29,000
Slots - Current Year (Page 7) ⁸	22,859,468	21,324,627	20,304,440	20,934,277	34,231,370	42,610,498	43,433,568
Interest on Deferred Contributions	\$6,442	\$7,853	\$5,000	\$3,800	\$6,000	\$6,700	\$7,500
Gaming Agreement Sub-total	\$22,865,910	\$21,332,480	\$20,309,440	\$20,938,077	\$34,237,370	\$42,617,198	\$43,441,068
Total Revenue	\$30,865,645	\$29,077,960	\$27,910,130	\$28,641,244	\$43,590,466	\$52,679,223	\$53,594,463
Expenses:							
Regulatory / Administration (Page 9) ⁹	\$ 3,340,073	\$ 3,082,023	\$ 3,054,825	\$ 3,010,006	\$ 3,481,590	\$ 3,829,749	\$ 3,925,493
Racetrack Funding Grant (Page 10) ¹⁰	\$11,642,174	\$10,877,970	\$10,591,826	\$11,076,871	\$ 19,715,359	\$ 24,361,127	\$ 25,028,020
Breed Improvement Program (Page 8) ¹¹	\$3,958,791	\$3,972,766	\$3,800,000	\$3,800,000	\$4,300,000	\$5,504,000	\$5,641,600
HRA Marketing and Promotion (Page 11) ¹²	\$1,116,830	\$1,091,353	\$790,000	\$790,000	\$1,500,000	\$2,250,000	\$2,306,250
HRA Purse Grant (Page 5) ¹³	\$10,663,936	\$10,717,127	\$8,917,566	\$9,017,566	\$13,700,000	\$15,618,000	\$16,008,450
Backstretch - Human Resource Development	\$301,911	\$306,884	\$323,000	\$333,150	\$406,900	\$569,660	\$583,902
Contingency ¹⁴	\$0	\$0	\$0	\$0	\$300,000	\$300,000	\$0
Total Expenses	\$ 31,023,715	\$30,048,123	\$ 27,477,217	\$ 28,027,593	\$43,403,849	\$52,432,536	\$53,493,714
Annual Surplus / (Deficit) from Programs	(\$158,070)	(\$970,163)	\$432,913	\$613,651	\$186,617	\$246,686	\$100,748
Add: Cumulative Surplus from Previous Year ¹⁵	\$789,634	\$642,411	(\$322,349)	(\$322,349)	\$291,302	\$477,920	\$724,606
Change in Net Assets	\$10,847	\$5,403					
Cumulative Surplus Unrestricted / (Deficit)	\$642,411	(\$322,349)	\$110,563	\$291,302	\$477,920	\$724,606	\$826,354

**HORSE RACING ALBERTA
Assumptions to Financial Projections 2015 to 2017**

1. 2012 and 2013 Actuals are based on HRA's audited financial statements in all instances in this document.
2. 2014 Budget as approved the HRA Board. Handle was budgeted to decrease by 2% from 2013 actuals and Slot Revenue was budgeted to decrease by 4.5% as a result of significant reductions in revenue generated during last quarter of 2013. Purse allocations were pro-rated based on approved racing schedules at the tracks. Significant reductions were made to program expenditures including regulatory and administration, breed improvement, marketing and purse grant budgets.
3. 2014 Forecast projects an improvement in both handle and slot revenue over budget. Additional funding was provided to Northlands Park to increase the Canadian Derby Purse and help offset additional costs associated with the standardbred meet. Emergency funds were provided to Alberta Downs to ensure the completion of the fall Standardbred meet in Lacombe.
4. 2015 Budget is based on the opening of the Century Downs racetrack and racino in April 2015. The racino is expected to open early in April with standardbred racing to commence later in the month. Slot Revenue is budgeted to increase by 69% over 2014 due to opening of the Century Downs Casino and Racetrack. Handle is projected to rise by 21.5%. Purses are budgeted to increase by 52% overall with 90 days of standardbred racing scheduled at Century Downs. Purse splits have been revised for both A and B track racing to reflect overall fairness and create continuity between the breeds. A new Discretionary Project Grant has been introduced to provide for capital and building improvements to both the A and B tracks. Priority will be given to Century Downs in 2015, Northlands Park in 2016 and Community tracks in 2017. Regulatory and Administrative expenditure to increase based on additional costs associated with the opening of the new track. Marketing will also increase by 90% from 2014 level and the Contingency Fund has been reinstated to meet unexpected revenue shortfalls and/or increases to expenses if necessary.
5. 2016 Projections reflect Century Downs operational for the full year with 650 machines and also reflects a 2% increase on average hourly return per machine from 2015. A 2% increase for Edmonton, Grande Prairie and Lethbridge locations results in 24% overall. Handle is projected to increase by 8% due to Century Downs being operational for full year. Priority will be given to Northlands Park in 2016 for discretionary project grants.
6. 2017 Projections show 1% increase in handle and a further 2% increase in Slot Revenue. Most program expenses are projected to increase by 2.5%. The Capital Fund will be based on .85% of Handle and priority will be given to Community Tracks in 2017.
7. General Fee is 5% of Handle. Promotional Levy is 0.6% of "feature" handle (any wager other than win-place-show), which is estimated at 63.75% of the total.
8. See Slot Revenue Projections on Page 7.
9. See Regulatory/Administration Projections on Page 9.
10. Racetrack Funding Grants comprise (a) Pari-Mutuel Grants and (b) additional general revenues made available by agreement. See Racetrack Funding Projections on Page 10 and notes thereto.
11. See Breed Improvement Program Projections on Page 8.
12. See Marketing and Promotion Projections on Page 11.
13. See HRA Purse Projections on Page 5.
14. Contingency of \$300,000 has been reinstated in years 2015 and 2016 to meet unexpected revenue shortfalls and/or increases to expenses and to ensure that a \$1 Million surplus is achieved and maintained.
15. Cumulative Surplus from HRA programs and operations is carried over from year to year. HRA's fiscal year-end is December 31.

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HORSE RACING ALBERTA Financial Projections 2015 to 2017

Risk Factors

Risk factors identified with the attainment of this Business Plan include:

1. Changes to government's current gaming policy that impact racing.
2. The 2015 budget includes standardbred racing at the new racing facility Century Downs commencing April 2015. Should there be any significant changes to this the Business Plan will have to be reviewed and amended accordingly.
3. Failure to achieve annual breeding and purse strategy targets could call into question the ability of HRA to provide a stable fiscal environment for the industry.
4. Failure of the Alberta horse racing industry to work together for the benefit of the industry as a whole.
5. Failure of HRA to be recognized as the single voice for the racing industry.
6. Underperformance of slot machines and/or overall provincial handle.
7. Competitive practices of other racing jurisdictions, particularly the introduction of electronic gaming devices on a substantial scale at British Columbia Racetracks. This could have a significant effect on Alberta's horse supply as well as the industry's ability to attract new owners and participants to the province if Alberta cannot remain competitive.
8. Competitive practices of other gaming and entertainment industries in Alberta.
9. The success of breeding programs is in part predicated on the desire of owners to race in Alberta. As such, the success of other strategies that relate to improving the quality of racing in Alberta (e.g. increased purses, the future of racing in Calgary, the timing of improvements to the racing infrastructure in Edmonton, etc.) are also critical to the further development of the breeding industry.
10. Other breeding risk factors include:
 - disease
 - economic conditions (e.g. further drought)
 - insufficient quantity of proven stallions
 - Mare reproductive loss syndrome
11. Downturn in the provincial economy or in a provincial economic sector that has a direct influence on the Alberta horse racing and breeding Industries.

The HRA Board is of the opinion that the above risk factors are adequately addressed by this business plan, and barring natural factors (drought, viruses) or a shift in government support to the racing renewal initiative as currently agreed to, these factors should not have any material effect. One potential exception is the BC electronic gaming device issue. The impacts of these machines will depend upon the number introduced and the amount of revenues returned to the BC racing industry.

HORSE RACING ALBERTA Purse Projections 2015 to 2017 ¹

	2012 Actual	2013 Actual	2014 Budget	2014 Forecast	2015 Budget	2016 Projections	2017 Projections
HRA Purse Grant	\$10,663,936	\$10,717,127	\$8,917,566	\$9,017,566	\$13,700,000	\$15,618,000	\$16,008,450
		0.50%	-16.79%	1.12%	51.93%	14.00%	2.50%
Race Days							
Edmonton Thoroughbred	82	78	78	73	77	50	50
Calgary Thoroughbred	0	0	0		0	50	50
Thoroughbred Sub-Total	82	78	78	73	77	100	100
Edmonton Standardbred	41	35	35	35	23	50	50
Calgary Standardbred					90	50	50
Lacombe Standardbred	37	39	40	37			
Standardbred Sub-Total	78	74	75	72	113	100	100
Lethbridge							
Grande Prairie	49	44	44	42	42	42	42
Lacombe/Altamare Track	24	25	22	22	25	25	25
Millarville	20	20	20	20	22	22	22
Community Sub-Total	1	1	1	1	1	1	1
Total Race Days	94	90	87	85	90	90	90
	254	242	240	230	280	290	290

"A" Track Projected Purses							
Thoroughbred	\$4,662,141	\$4,662,141	\$3,680,941	\$3,780,941	\$5,274,500	\$6,012,930	\$6,163,253
Total Thoroughbred Purses	\$4,662,141	\$4,662,141	\$3,680,941	\$3,780,941	\$5,274,500	\$6,012,930	\$6,163,253
AQHRA Stakes Races	\$107,176	\$107,176	\$107,176	\$107,176	\$139,740	\$159,304	\$163,286
Total AQHRA Stakes Races	\$107,176	\$107,176	\$107,176	\$107,176	\$139,740	\$159,304	\$163,286
Standardbred	\$1,893,000	\$1,693,000	\$1,365,873	\$845,000	\$5,274,500	\$6,012,930	\$6,163,253
Total Standardbred Purses	\$1,893,000	\$1,693,000	\$1,365,873	\$845,000	\$5,274,500	\$6,012,930	\$6,163,253
Total "A" Track - HRA Purse Grant	\$6,662,317	\$6,462,317	\$5,153,990	\$4,733,117	\$10,688,740	\$12,185,164	\$12,489,793
Community Track Projected Purses							
Lethbridge	\$1,126,540	\$1,126,540	\$1,126,540	\$1,126,540	\$1,405,255	\$1,601,991	\$1,642,040
Grande Prairie Runners	\$510,078	\$563,270	\$563,270	\$563,270	\$836,461	\$953,566	\$977,405
Grande Prairie Standardbred	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lacombe/Altamare Track Standardbred	\$2,340,000	\$2,540,000	\$2,048,766	\$2,569,639	\$736,086	\$839,138	\$860,116
Millarville Runners	\$25,000	\$25,000	\$25,000	\$25,000	\$33,458	\$38,142	\$39,096
Total Community - HRA Purse Grant	\$4,001,618	\$4,254,810	\$3,763,576	\$4,284,449	\$3,011,260	\$3,432,836	\$3,518,657
Total HRA Purse Grant	\$10,663,936	\$10,717,127	\$8,917,566	\$9,017,566	\$13,700,000	\$15,618,000	\$16,008,450

- The purse projections presented here are the anticipated minimum average purses for each category of racetrack. It does not imply that the purses at each individual racetrack will be the same. HRA will determine purses based on industry performance, race dates and requirements.
- 2012 and 2013 Actuals reflect Audited Financial Statements.
- Variance between 2014 Budget and 2014 Actuals is due to additional \$100,000 increase for the Canadian Derby Purse.
- 2015 Budget includes 77 days of thoroughbred and 23 days of standardbred racing in Edmonton, 90 days of standardbred racing in Calgary and 90 days combined at the community tracks. Purse splits have been calculated as follows: 38.5% for thoroughbred, 38.5% for standardbred at the "A" tracks, 1.02% for "A" track Quarterhorse and 21.98% divided evenly across the Community tracks, i.e. pro-rated based on number of scheduled race days. 22 race days have been allocated for "B" track Standardbred racing with track to be determined. An overall purse increase of 52% is projected for 2015.
- 2016 Projections include a further 14% increase in purses.
- 2017 Projections include 2.5% increase over 2016 projections.

**HORSE RACING ALBERTA
Race Days 2015 to 2017**

Race Days	2012 Actual	2013 Actual	2014 Budget	2014 Forecast	2015 Budget	2016 Projections	2017 Projections
Thoroughbred at 'A' tracks							
Edmonton	82	78	78	73	77	50 50	50 50
Calgary							
Total Thoroughbred at 'A' tracks	82	78	78	73	77	100	100
Standardbred at 'A' tracks							
Edmonton	41	35	35	35	23	50	50
Calgary					90	50	50
Total Standardbred at 'A' tracks	41	35	35	35	113	100	100
Community Tracks							
Lethbridge	49	44	44	42	42	42	42
Grande Prairie	24	25	22	22	25	25	25
Lacombe/Alternate Track	57	59	60	57	22	22	22
Millarville	1	1	1	1	1	1	1
Total Community Tracks	131	129	127	122	90	90	90
Total Race Days	254	242	240	230	280	290	290

**HORSE RACING ALBERTA
Slot Revenue Projections 2015 to 2017**

SLOT REVENUE		2012	2013	2014	2014	2015	2016	2017
	Actual	Actual	Budget	Forecast	Budget	Projections	Projections	
Calgary	-	-	-	-	-	-	-	
Northlands	32,806,123	29,957,454	28,141,611	28,662,752	25,525,500	40,913,730	41,715,960	
Total "A" Tracks	32,806,123	29,957,454	28,141,611	28,662,752	28,836,466	29,427,092	29,982,976	
Community	-	-	-	-	54,361,966	70,340,822	71,698,936	
Lethbridge	6,359,714	6,452,332	6,293,367	6,455,032	6,495,448	6,628,244	6,755,266	
Grande Prairie	5,084,004	4,869,012	4,869,012	5,405,400	5,405,400	5,513,508	5,621,616	
Millarville	-	-	-	-	-	-	-	
Total Community Tracks	11,443,718	11,321,344	11,162,378	11,860,432	11,900,848	12,141,752	12,376,882	
Total Slot Revenue	44,249,841	41,278,798	39,303,989	40,523,184	66,262,814	82,482,574	84,075,818	
HRA share:								
51.66% share	22,859,468	21,324,627	20,304,440	20,934,277	21,044,896	21,474,465	21,883,103	
Total HRA share	22,859,468	21,324,627	20,304,440	20,934,277	21,044,896	21,474,465	21,883,103	
HRA SLOT REVENUE BY VENUE								
Calgary	-	-	-	-	-	-	-	
Northlands	16,947,643	15,476,021	14,537,956	14,807,178	13,186,473	21,136,033	21,550,465	
Lethbridge	3,285,428	3,333,275	3,251,153	3,334,670	14,896,918	15,202,036	15,489,205	
Grande Prairie	2,626,396	2,515,332	2,515,331	2,792,430	3,355,548	3,424,151	3,489,770	
	22,859,468	21,324,627	20,304,440	20,934,277	2,792,430	2,848,278	2,904,127	
		-6.71%	-4.76%	3.10%	34,231,370	42,610,498	43,433,568	
					63.52%	24.45%	1.93%	
Number of Slot Machines								
Calgary - 550 machines to 650 in 2016	-	-	-	-	550	650	650	
Edmonton - 625 machines to 563 Aug 2013	625	625/563	563	563	563	563	563	
Lethbridge	111	111	111	111	111	111	111	
Grande Prairie	99	99	99	99	99	99	99	
Total Slot Machines	835	835/773	773	773	1,323	1,423	1,423	
Average Hourly Return per Machine								
Calgary	-	-	-	-	-	-	-	
Edmonton	8.48	8.15	8.10	8.25	10.00	10.20	10.40	
Lethbridge	10.99	11.18	10.90	11.18	8.30	8.47	8.63	
Grande Prairie	9.38	9.01	9.01	10.00	11.25	11.48	11.70	
					10.00	10.20	10.40	
Average Daily Return per Machine								
Calgary	-	-	-	-	-	-	-	
Edmonton	144.16	138.50	137.70	140.25	170.00	173.40	176.80	
Lethbridge	156.97	159.70	155.76	159.76	141.10	143.99	146.71	
Grande Prairie	140.69	135.12	135.12	149.97	160.76	164.05	167.19	
					150.00	153.00	156.00	

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**HORSE RACING ALBERTA
Breed Improvement Program 2015 to 2017**

	2012 Actual	2013 Actual	2014 Budget	2014 Forecast	2015 Budget	2016 Projections	2017 Projections
Breeding Support							
TB	\$1,959,797	\$1,958,990	\$1,863,520	\$1,863,520	\$2,061,070	\$2,638,170	\$2,704,124
SB	\$1,021,052	\$1,032,776	\$999,580	\$999,580	\$1,215,340	\$1,555,635	\$1,594,526
Total	\$2,980,849	\$2,991,766	\$2,863,100	\$2,863,100	\$3,276,410	\$4,193,805	\$4,298,650
Association & Related Support							
TB	\$311,942	\$315,000	\$306,700	\$306,700	\$325,000	\$416,000	\$426,400
SB	\$226,000	\$226,000	\$185,000	\$185,000	\$220,000	\$281,600	\$288,640
Total	\$537,942	\$541,000	\$491,700	\$491,700	\$545,000	\$697,600	\$715,040
Total "A" BIP	\$3,518,791	\$3,532,766	\$3,354,800	\$3,354,800	\$3,821,410	\$4,891,405	\$5,013,690
Community Breeding Support	\$369,750	\$378,110	\$383,310	\$383,310	\$410,590	\$525,555	\$538,694
Community Association & Related Support	\$70,250	\$61,890	\$61,890	\$61,890	\$68,000	\$87,040	\$89,216
Total Community BIP	\$440,000	\$440,000	\$445,200	\$445,200	\$478,590	\$612,595	\$627,910
Total BIP Expenses	\$3,958,791	\$3,972,766	\$3,800,000	\$3,800,000	\$4,300,000	\$5,504,000	\$5,641,600
		4.55%	-4.35%	0.00%	13.16%	28.00%	2.50%

¹ Budget to increase by 13% in 2015, then increase by 28% in 2016 and a further 2.5% in 2017.

² The Breed Improvement Committee to recommend individual allocations within their budget total.

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**HORSE RACING ALBERTA
Regulatory / Administration 2015 to 2017**

	2012 Actual	2013 Actual	2014 Budget	2014 Forecast	2015 Budget	2016 Projections	2017 Projections	
Staff Salaries & Benefits	\$ 2,002,935	\$ 1,841,466	\$ 1,860,925	\$ 1,886,152	\$ 2,012,710	\$ 2,213,981	\$ 2,269,331	
Operational Costs ¹	\$ 1,182,523	\$ 1,057,463	\$ 1,028,350	\$ 976,354	\$ 1,310,245	\$ 1,441,270	\$ 1,477,301	
Board and Committee Costs	\$ 154,615	\$ 183,094	\$ 165,550	\$ 147,500	\$ 158,635	\$ 174,499	\$ 178,861	
Total Administration Costs	\$ 3,340,073	\$ 3,082,023	\$ 3,054,825	\$ 3,010,006	\$ 3,481,590	\$ 3,829,749	\$ 3,925,493	
		¹	-8.54%	-1.47%	²	³	⁴	⁵
					15.67%	10.00%	2.50%	⁶

¹ Includes changes in net assets.

² In 2014 HRA currently has 29 full-time, part-time, seasonal and contracted positions. Of these positions 20 are regulatory (related to race officiating and supervision).

³ 2014 Forecast shows small decrease in both operational costs and board/committee costs.

⁴ An increase of approximately 16% is budgeted for 2015 due to opening of Century Downs racetrack and set up costs associated with track office and personnel.
Board and Committee costs for 2015:

Board Honorariums & Chair	110,000
Board Travel & Expenses	20,730
Committee Expenses	606
Industry & Government Relations Committee	6,299
Racetrack Licensing Committee	0
Regulatory Committee	0
Animal Welfare Committee	21,000
	<u>158,635</u>

⁵ An increase of 10% is projected for 2016 based on Century Downs being operational for the full year.

⁶ An increase of 2.5% is projected for 2017.

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HORSE RACING ALBERTA Racetrack Funding 2015 to 2017

Handle by Track	2012 Actual	2013 Actual	2014 Budget	2014 Forecast	2015 Budget	2016 Projections	2017 Projections
Edmonton - Northlands Park	\$84,066,906	\$81,139,753	\$84,385,344	\$85,280,259	\$86,133,062	\$86,994,393	\$87,864,337
North HOT	\$14,266,837	\$18,847,801	\$13,570,417	\$14,641,200	\$14,787,612	\$14,935,488	\$15,084,843
Calgary - Century Downs					\$50,244,286	\$78,294,953	\$79,077,903
South HOT	\$39,911,266	\$32,473,765	\$31,824,290	\$31,831,030	\$23,873,273	\$14,323,964	\$14,467,203
Lethbridge	\$4,453,729	\$5,035,937	\$4,955,362	\$4,711,681	\$4,758,798	\$4,806,386	\$4,854,450
Grande Prairie	\$131,018	\$153,163	\$153,163	\$193,204	\$195,136	\$197,087	\$199,058
Lacombe	\$577,613	\$672,301	\$672,301	\$1,375,500	\$1,389,255	\$1,403,148	\$1,417,179
Millarville	\$68,784	\$59,928	\$59,928	\$94,615	\$95,561	\$96,517	\$97,482
	\$143,476,153	\$138,382,649	\$135,620,804	\$138,127,489	\$181,476,982	\$201,051,934	\$203,062,454
		-3.55%	-2.00%	1.85%	31.38%	10.79%	1.00%
Discretionary Project Grants available to Racetracks							
Edmonton	\$0	\$0	\$0	\$0	\$0	\$0	\$875,068
Calgary	\$0	\$0	\$0	\$0	\$0	\$0	\$795,133
Lethbridge	\$0	\$0	\$0	\$0	\$0	\$0	\$41,263
Grande Prairie	\$0	\$0	\$0	\$0	\$0	\$0	\$1,692
Lacombe/Alternate	\$0	\$0	\$0	\$0	\$0	\$0	\$12,046
Millarville	\$0	\$0	\$0	\$0	\$0	\$0	\$829
	\$0	\$0	\$0	\$0	\$1,500,000	\$1,500,000	\$1,726,031
							6
Available to Racetracks from HRA Agreements							
Edmonton	\$8,447,577	\$7,714,044	\$7,246,465	\$7,380,659	\$8,290,484	\$8,460,289	\$8,620,106
Edmonton - Standardbred Stabling			\$210,573	\$310,573			
Calgary	\$0	\$0	\$0	\$0	\$7,338,581	\$11,762,697	\$11,993,339
Lethbridge	\$1,165,736	\$1,182,712	\$1,153,574	\$1,183,207	\$1,623,862	\$1,657,061	\$1,688,817
Grande Prairie	\$838,861	\$791,214	\$791,214	\$932,432	\$932,432	\$951,080	\$969,729
Lacombe	\$1,170,000	\$1,170,000	\$1,170,000	\$1,250,000	\$0	\$0	\$0
Millarville	\$20,000	\$20,000	\$20,000	\$20,000	\$30,000	\$30,000	\$30,000
	\$11,642,174	\$10,877,970	\$10,591,826	\$11,076,871	\$18,215,359	\$22,861,127	\$23,301,989
	\$11,642,174	\$10,877,970	\$10,591,826	\$11,076,871	\$19,715,359	\$24,361,127	\$25,028,020
		-6.56%	-2.63%	1.83%	86.74%	23.56%	2.74%
Total Racetrack Funding							
							6

- 1 In 2012 and 2013 Northlands Park received 25.75% (all in) and Community Tracks received between 13.33% to 18.33% (all in). Additional operating grants were made available to Lacombe for the Standardbred Meet and Millarville to help with their one day meet held July 1. Pari-mutuel (Discretionary) and Capital Grants were discontinued for all tracks.
- 2 2014 Budget based on 25.75% to Northlands Park, 18.33% to Lethbridge, 16.75% to Grande Prairie, \$19,500 per race day to Lacombe and \$20,000 to Millarville.
- 3 2014 forecast reflects increased slot play at all four racinos. An additional \$80,000 in emergency funds were provided to Alberta Downs in order to complete their standardbred meet. An additional \$100,000 was provided to Northlands Park in order to meet additional costs associated with their Standardbred meet in November and December.
- 4 Operating grants to both "A" tracks increase to 28.75% in the 2015 Budget. Lethbridge increases to 25% and Grande Prairie to 17.25% based on sliding scale. Century Downs to open April 2015. An additional \$1.5 million has been set aside for building upgrades to both "A" tracks in 2015 and 2016. Upgrades to Community Tracks will commence in 2017. No racing has been scheduled for Alberta Downs in 2015.
- 5 Century Downs is budgeted for the full operational year with increase to 650 machines.
- 6 Commencing in 2017 Discretionary Project Grants will be based on .85% of handle and priority will be given to Community Tracks for capital upgrades. All grants are based on track requirements, slot performance and funds available.

CONFIDENTIAL - Approved by the HRA Board November 6, 2014

**HORSE RACING ALBERTA
Marketing and Promotion 2015-2017**

	2012 Actual	2013 Actual	2014 Budget	2014 Forecast	2015 Budget	2016 Projections	2017 Projections
Broadcasting	\$162,246	\$147,315	\$135,000	\$135,000	\$300,000	\$450,000	\$461,250
Marketing Grants to Racetracks							
Edmonton	\$304,894	\$294,965					
Calgary	\$47,962	\$75,000					
Lethbridge	\$97,000	\$73,000					
Grande Prairie	\$39,391	\$35,585					
Millarville	\$9,716	\$10,000					
Total:	\$498,963	\$488,550	\$0	\$0	\$0	\$0	\$0
HRA Internal Marketing	\$151,054	\$140,786	\$150,000	\$150,000	\$170,000	\$255,000	\$261,375
Sponsorship/Major Event Promotions	\$126,883	\$0	\$0	\$0			
Branding	\$0	\$0	\$0	\$0			
Communication, Public and Media Relations	\$8,551	\$13,307	\$40,000	\$40,000	\$40,000	\$60,000	\$61,500
HOT Marketing Launch Program (Matching)	\$0	\$0	\$0	\$0			
Technology Improvements/Website	\$29,398	\$40,893	\$50,000	\$50,000	\$70,000	\$105,000	\$107,625
Backstretch Social Programs	\$0	\$24,727	\$15,000	\$15,000			
Digital/Target Marketing	\$0	\$0	\$0	\$0	\$470,000	\$705,000	\$722,625
Public Service Announcements	\$139,736	\$235,776	\$400,000	\$400,000	\$450,000	\$675,000	\$691,875
Future Initiatives	\$0	\$0	\$0	\$0			
Total HRA Marketing & Promotion Programs	\$1,116,830	\$1,091,353	\$790,000	\$790,000	\$1,500,000	\$2,250,000	\$2,306,250
		-2.28%	-27.61%	0.00%	89.87%	50.00%	2.50%

- 2014 Budget decreased by 28% from 2013 actuals due to reductions made in marketing grants to racetracks.
 - 90% increase budgeted for 2015 with startup of new racetrack in Balzac. The Sustainable Business Committee to recommend final allocations.
 - 50% increase projected for 2016 with a further 2.5% in 2017.
- The program budgets are allocated annually.

2015 BUDGET - Approved November 6, 2014

Horse Racing Alberta Budget - Summary For Year ended December 31, 2015

	2013 Actual	2014 Budget	2014 Forecast	2015 Budget
Gross Handle (see Schedule 1)	(\$) \$138,382,649	(\$) \$135,620,804 -2.00%	(\$) \$138,127,489 1.85%	(\$) \$167,847,134 21.52%
Revenue				
General Fee	\$6,919,132	\$6,781,040	\$6,906,374	\$8,392,357
Promotional Levy	\$525,908	\$518,750	\$528,338	\$642,015
Assessments, Licenses & Fines (see Schedule 2)	\$240,907	\$240,900	\$223,455	\$276,725
Other (see Schedule 2)	\$59,532	\$60,000	\$45,000	\$42,000
Lottery Fund:				
Slot Revenue (see Schedule 1)	\$21,324,627	\$20,304,440	\$20,934,277	\$34,231,370
Interest	\$7,853	\$5,000	\$3,800	\$6,000
Lottery Fund Total	\$21,332,480	\$20,309,440	\$20,938,077	\$34,237,370
Total Revenue	\$29,077,960	\$27,910,130 -4.02%	\$28,641,244 2.62%	\$43,590,466 52.19%
Programs				
Purses (see Schedule 3)	\$10,717,127	\$8,917,566	\$9,017,566	\$13,700,000
Racetrack Funding (see Schedule 4)	\$10,877,970	\$10,591,826	\$11,076,871	\$19,715,359
Marketing & Promotion (see Schedule 5)	\$1,091,353	\$790,000	\$790,000	\$1,500,000
Breed Improvement Program (see Schedule 6)	\$3,972,766	\$3,800,000	\$3,800,000	\$4,300,000
Backstretch - Human Resource Dev.(see Schedule 6)	\$306,884	\$323,000	\$333,150	\$406,900
Animal Welfare (see Schedule 7)	\$21,000	\$21,000	\$21,000	\$25,000
Regulatory / Admin. (see Schedule 8)	\$3,061,023	\$3,033,825	\$2,989,006	\$3,456,590
Contingency	\$0	\$0	\$0	\$300,000
Total Program Expenditures	\$30,048,123	\$27,477,217 -8.56%	\$28,027,593 2.00%	\$43,403,849 54.86%
Annual Surplus / (Deficit)	(\$970,163)	\$432,913	\$613,651	\$186,617
Add: Cumulative Surplus from Previous Year	\$642,411			
Change in Net Assets	\$5,403	(\$322,349)	(\$322,349)	\$291,302
Cumulative Surplus/ (Deficit)	(\$322,349)	\$110,563	\$291,302	\$477,920

2015 BUDGET - Approved November 6, 2014

Schedule 1

Horse Racing Alberta Budget - Handle/Slot Revenue For Year Ended December 31, 2015

HANDLE	2013 Actual	2014 Budget	2014 Forecast	2015 Budget
"A" Tracks				
Edmonton - Northlands Park	\$81,139,753	\$84,385,344	\$85,280,259	\$86,133,062
North HQT	\$18,847,801	\$13,570,417	\$14,641,200	\$14,787,612
Calgary - Century Downs	\$32,473,765	\$31,824,290	\$31,831,030	\$40,195,429
South HQT	\$132,461,319	\$129,780,050	\$131,752,489	\$20,292,282
Total "A" Tracks				
				\$161,408,384
Community				
Lethbridge	\$5,035,937	\$4,955,362	\$4,711,681	\$4,758,798
Grande Prairie	\$153,163	\$153,163	\$193,204	\$195,136
Lacombe	\$672,301	\$672,301	\$1,375,500	\$1,389,255
Millarville	\$59,928	\$59,928	\$94,615	\$95,561
Total Community	\$5,921,329	\$5,840,754	\$6,375,000	\$6,438,750
Total Handle	\$138,382,649	\$135,620,804	\$138,127,489	\$167,847,134
		-2.00%	1.85%	21.52%
SLOT REVENUE				
"A" TRACKS				
Calgary	\$0	\$0	\$0	\$25,525,500
HRA Share (51.66%)	\$0	\$0	\$0	\$13,186,473
Edmonton	\$29,957,454	\$28,141,611	\$28,662,752	\$28,836,466
HRA Share (51.66%)	\$15,476,021	\$14,537,956	\$14,807,178	\$14,896,918
Total HRA Share "A" Tracks	\$15,476,021	\$14,537,956	\$14,807,178	\$28,083,392
COMMUNITY				
Lethbridge	\$6,452,332	\$6,293,367	\$6,455,032	\$6,495,448
HRA Share (51.66%)	\$3,333,275	\$3,251,153	\$3,334,669	\$3,355,548
Grande Prairie	\$4,869,012	\$4,869,012	\$5,405,400	\$5,405,400
HRA Share (51.66%)	\$2,515,331	\$2,515,331	\$2,792,430	\$2,792,430
Total HRA Share Community	\$5,848,606	\$5,766,485	\$6,127,099	\$6,147,979
Total HRA Share for Province	\$21,324,627	\$20,304,440	\$20,934,277	\$34,231,370
		-4.78%	3.10%	63.52%
Average Hourly Return per Machine				
Edmonton (625 machines > 563 machines Aug 2013)	8.15	8.10	8.25	8.30
Calgary (550 machines - Apr-Dec 2015)				10.00
Lethbridge (111 machines)	11.18	10.90	11.18	11.25
Grande Prairie (99 machines)	9.01	9.01	10.00	10.00
Average Daily Return per Machine				
Edmonton	138.50	137.70	138.50	141.10
Calgary				170.00
Lethbridge	159.70	155.76	159.70	160.76
Grande Prairie	135.12	135.12	149.97	150.00

2015 BUDGET - Approved November 6, 2014

Schedule 2

Horse Racing Alberta Budget - Revenue Detail For Year Ended December 31, 2015

	2013 Actual	2014 Budget	2014 Forecast	2015 Budget
Assessment, Licenses and Fines				
Assessments	\$87,585	\$87,600	\$83,455	\$124,425
Licenses	\$110,310	\$110,300	\$105,000	\$110,300
Fines	\$43,012	\$43,000	\$35,000	\$42,000
Total Assessments, Licenses & Fines	\$240,907	\$240,900	\$223,455	\$276,725
Other Revenue				
Interest	\$45,012	\$45,000	\$36,000	\$30,000
Miscellaneous	\$14,520	\$15,000	\$9,000	\$12,000
Total Other Revenue	\$59,532	\$60,000	\$45,000	\$42,000

2015 BUDGET - Approved November 6, 2014

Schedule 3

Horse Racing Alberta Budget - Purses and Race Days For Year Ended December 31, 2015

Purses		2013		2014		2014		2015	
"A" Track Projected Purses		Actual		Budget		Forecast		Budget	
		(\$)		(\$)		(\$)		(\$)	
Thoroughbred - HRA Purse Grant		\$4,662,141		\$3,680,941		\$3,780,941		\$5,274,500	
Total Thoroughbred Purses		\$4,662,141		\$3,680,941		\$3,780,941		\$5,274,500	
AQHRA Stakes Races at Edm.- HRA Purse Grant		\$107,176		\$107,176		\$107,176		\$139,740	
Total AQHRA Stakes Races at Edmonton		\$107,176		\$107,176		\$107,176		\$139,740	
Standardbred - HRA Purse Grant		\$1,693,000		\$1,365,873		\$845,000		\$5,274,500	
Total Standardbred Purses		\$1,693,000		\$1,365,873		\$845,000		\$5,274,500	
Total "A" Track - HRA Purse Grant		\$6,462,317		\$5,153,990		\$4,733,117		\$10,688,740	
Community Track Projected Purses									
Lethbridge (Runners) -HRA Purse Grant		\$1,126,540		\$1,126,540		\$1,126,540		\$1,405,255	
Grande Prairie (Runners) - HRA Purse Grant		\$563,270		\$563,270		\$563,270		\$836,46	
Lacombe (Standardbred) - HRA Purse Grant		\$2,540,000		\$2,048,766		\$2,569,639		\$736,080	
Alternate Track (Standardbred) - HRA Purse Grant								\$33,455	
Millarville - HRA Purse Grant		\$25,000		\$25,000		\$25,000		\$3,011,260	
Total Community - HRA Purse Grant		\$4,254,810		\$3,763,576		\$4,284,449		\$13,700,000	
Total HRA Purse Grant		\$10,717,127		\$8,917,566	-16.79%	\$9,017,566	1.12%	\$13,700,000	51.93%
Race Days									
Northlands Park - Thoroughbred		78		78		73		77	
Northlands Park - Standardbred		35		35		35		23	
Century Downs - Standardbred								90	
Total "A" Track Race Days		113		113		108		190	
Rocky Mountain Turf Club - Thoroughbred		44		44		42		42	
Evergreen Park - Standardbred		25		22		22		22	
Alberta Downs - Standardbred		59		60		58		22	
Alternate Track - Standardbred								1	
Millarville - Thoroughbred		1		1		1		1	
Total Community Race Days		129		127		123		90	
Total Race Days		242		240		231		280	

2015 BUDGET - Approved November 6, 2014

Schedule 4

Horse Racing Alberta Budget - Racetrack Funding For Year Ended December 31, 2015

	2013 Actual	2014 Budget	2014 Forecast	2015 Budget
Handle by Track	(\$)	(\$)	(\$)	(\$)
Edmonton - Northlands Park	\$81,139,753	\$84,385,344	\$85,280,259	\$86,133,062
North HOT	\$18,847,801	\$13,570,417	\$14,641,200	\$14,787,612
Calgary - Century Downs		\$0		\$40,195,429
South HOT	\$32,473,765	\$31,824,290	\$31,831,030	\$20,292,282
Lethbridge	\$5,035,937	\$4,955,362	\$4,711,681	\$4,758,798
Grande Prairie	\$153,163	\$153,163	\$193,204	\$195,136
Lacombe	\$672,301	\$672,301	\$1,375,500	\$1,389,255
Millarville	\$59,928	\$59,928	\$94,615	\$95,561
Total Handle	\$138,382,649	\$135,620,804	\$138,127,489	\$167,847,134
HRA Operating to Racetracks				
Edmonton	\$7,714,044	\$7,246,465	\$7,380,659	\$8,290,484
Edmonton (Standardbred Stabling/Operating)		\$210,573	\$310,573	
Calgary	\$0	\$0	\$0	\$7,338,581
Lethbridge	\$1,182,712	\$1,153,574	\$1,183,207	\$1,623,862
Grande Prairie	\$791,214	\$791,214	\$932,432	\$932,432
Lacombe	\$1,170,000	\$1,170,000	\$1,250,000	\$0
Millarville	\$20,000	\$20,000	\$20,000	\$30,000
Total HRA Operating Grant for Racetrack Funding	\$10,877,970	\$10,591,826	\$11,076,871	\$18,215,359
HRA Discretionary Project Grant for Racetrack Funding				\$1,500,000
Total Racetrack Funding	\$10,877,970	\$10,591,826	\$11,076,871	\$19,715,359
		-2.63%	4.58%	77.39%

2015 BUDGET - Approved November 6, 2014

Schedule 5

Horse Racing Alberta Budget - Marketing and Promotion For Year Ended December 31, 2015

	2013 Actual	2014 Budget	2014 Forecast	2015 Budget
Broadcasting	(\$) \$147,315	(\$) \$135,000	(\$) \$135,000	(\$) \$300,000
Marketing Grants (Co-op)				
Northlands Park	\$294,965	\$0		
Alberta Downs	\$75,000	\$0		
Lethbridge	\$73,000	\$0		
Grande Prairie	\$35,585	\$0		
Millarville	\$10,000	\$0		
Total:	\$488,550	\$0	\$0	\$0
HRA Internal Marketing	\$140,786	\$150,000	\$150,000	\$170,000
Sponsorship/Major/Special Event Promotion	\$0	\$0	\$0	
Branding	\$0	\$0	\$0	
Communication, Public and Media Relations	\$13,307	\$40,000	\$40,000	\$40,000
HOT Marketing Launch Program (Matching)	\$0	\$0	\$0	
Technology Improvements/Website	\$40,893	\$50,000	\$50,000	\$70,000
Backstretch Social Programs	\$24,727	\$15,000	\$15,000	
Digital/Target Marketing	\$0	\$0	\$0	\$470,000
Public Service Announcements	\$235,776	\$400,000	\$400,000	\$450,000
Future Initiatives	\$0	\$0	\$0	
TOTAL MARKETING & PROMOTION	\$1,091,353	\$790,000	\$790,000	\$1,500,000

-27.61%

0.00%

89.87%

2015 BUDGET - Approved November 6, 2014

Schedule 6

Horse Racing Alberta Budget - Breed Improvement Programs For Year Ended December 31, 2015

	2013 Actual	2014 Budget	2014 Forecast	2015 Budget
Breeding Support				
Thoroughbred	\$1,958,990	\$1,863,520	\$1,863,520	\$2,061,070
Standardbred	\$1,032,776	\$999,580	\$999,580	\$1,215,340
Total Breeding Support	\$2,991,766	\$2,863,100	\$2,863,100	\$3,276,410
Association Support				
Thoroughbred	\$315,000	\$306,700	\$306,700	\$325,000
Standardbred	\$226,000	\$185,000	\$185,000	\$220,000
Total Association Support	\$541,000	\$491,700	\$491,700	\$545,000
Total Major Breeding Support	\$3,532,766	\$3,354,800	\$3,354,800	\$3,821,410
Community (Other Breeds) Support				
Breeding Support	\$378,110	\$383,310	\$383,310	\$410,590
Association Support	\$61,890	\$61,890	\$61,890	\$68,000
Total Community Support	\$440,000	\$445,200	\$445,200	\$478,590
Total Breeding Support	\$3,972,766	\$3,800,000	\$3,800,000	\$4,300,000
		-4.35%	0.00%	13.16%

2015 BUDGET - Approved November 6, 2014

Schedule 7

Horse Racing Alberta

Budget - Backstretch Human Resource Development and Animal Welfare For Year Ended December 31, 2015

Backstretch Human Resource Development

Scholarships
AQHRA Coordinator
Grooms Training Program
Exercise Rider Training Program
Other Initiatives *
Total Backstretch HR Development

2013
Actual
(\$)
\$10,000
\$0
\$73,496
\$128,524
\$94,864
\$306,884

2014
Budget
(\$)
\$16,000
\$0
\$75,000
\$135,000
\$97,000
\$323,000

2014
Forecast
(\$)
\$16,000
\$0
\$92,650
\$135,000
\$89,500
\$333,150

2015
Budget
(\$)
\$10,000
\$0
\$107,700
\$164,200
\$125,000
\$406,900

5.25%

3.14%

22.14%

* 2014/2015 "Other Initiatives" Includes:

- Computer/Learning Centre/Education
- Chaplaincy
- HRA Development Programs, Misc
- Satellite costs
- Trade Booths/Miscellaneous

2014
\$45,000
\$7,500
\$35,000
\$2,000
\$89,500

2015
\$40,000
\$10,000
\$40,000
\$35,000
\$125,000

Animal Welfare

Grant-Western School of Veterinary Medicine
Performance Standardbreds
Other Initiatives *
Total Animal Welfare

2013
Forecast
(\$)
\$20,000
\$1,000
\$0
\$21,000

2014
Budget
(\$)
\$20,000
\$1,000
\$0
\$21,000

0.00%

2014
Forecast
(\$)
\$20,000
\$1,000
\$0
\$21,000

0.00%

2015
Budget
(\$)
\$20,000
\$1,000
\$4,000
\$25,000

19.05%

* 2014/2015 "Other Initiatives" Includes:

- Fire Prevention Training
- Committee Meetings
- Seminars/Emerging Programs

2014
\$0
\$0
\$0
\$0

2015
\$1,000
\$3,000
\$4,000

Schedule 8

Schedule 8

2015 Budget	
(\$)	
\$1,598,710	
\$356,000	
\$168,000	
\$2,122,710	

3

\$1,598,710
\$356,000
\$168,000

\$1,975.925

\$219,655	\$219,655
\$24,156	\$24,156
\$6,672	\$6,672
\$6,672	\$6,672
\$304,200	\$304,200
\$42,555	\$42,555
\$3,300	\$3,300
\$0	\$0
\$187,800	\$187,800
\$56,255	\$56,255
\$50,000	\$50,000
\$73,500	\$73,500
\$48,490	\$48,490
\$14,300	\$14,300
\$13,130	\$13,130
\$135,055	\$135,055
\$21,000	\$21,000
\$24,000	\$24,000
\$36,422	\$36,422
\$8,377	\$8,377
\$1,500	\$1,500
\$7,566	\$7,566
\$2,000	\$2,000
\$1,000	\$1,000
\$7,000	\$7,000
\$39,300	\$39,300
\$1,333,888	\$1,333,888

\$1,057,900

\$3,061,023