

WAC 260-13-570 Disclosure of financial plan. An applicant for a Class A, B, or C license must disclose its financial plan. For a Class A license this must include the financial projections for the development period and each of the first five racing years. For a Class B or C license this must include the financial projections for the first three racing years. For all licenses the financial plan must include separate schedules based upon the number of racing days and types of parimutuel betting the applicant requires to break even and the optimum number of races and types of betting applicant estimates each year. The financial plan must include:

- (1) The following assumptions and support for them:
 - (a) The average daily attendance;
 - (b) Average daily handle;
 - (c) Retention (RCW 67.16.170 and 67.16.175);
 - (d) Admission revenue and admission fees;
 - (e) Parking volume, fees, and revenues;
 - (f) Concessions, gift shop, and program sales;
 - (g) Cost of purses;
 - (h) Parimutuel system expense;
 - (i) State taxes;
 - (j) Real estate taxes;
 - (k) Washington-bred breeder awards (Class A and B only);
 - (l) Washington-bred owner's bonuses (Class A and B only);
 - (m) Class C purse funds (Class A and B only);
 - (n) Parimutuel tax (Class A and B only);
 - (o) Payroll;
 - (p) Operating supplies and services;
 - (q) Utilities;
 - (r) Repairs and maintenance;
 - (s) Insurance;
 - (t) Membership expense;
 - (u) Security expense;
 - (v) Legal and audit expense;
 - (w) Debt service; and
 - (x) Federal taxes;
- (2) The following profit and loss elements:
 - (a) Total revenue, including projected revenues from retention and breakage, admissions, parking, and concessions, gift, and program operations;
 - (b) Total operating expenses, including anticipated expenses for:
 - (i) Purses;
 - (ii) Parimutuel system;
 - (iii) Sales tax;
 - (iv) Parimutuel tax (Class A and B only);
 - (v) Real estate tax;
 - (vi) Admissions tax;
 - (vii) Washington-bred breeder awards (Class A and B only);
 - (viii) Washington-bred owner's bonuses (Class A and B only);
 - (ix) Class C purse fund (Class A and B only);
 - (x) Special assessments;
 - (xi) Cost of concession goods, gifts, and programs;
 - (xii) Advertising and promotion;
 - (xiii) Payroll;
 - (xiv) Operating supplies and service;
 - (xv) Maintenance and repairs;
 - (xvi) Insurance;
 - (xvii) Security;

- (xviii) Legal and audit; and
- (xix) Federal and state income taxes;
- (c) Nonoperating expenses, including anticipated expenses for debt service, facility depreciation and identification of method used, and equipment depreciation and identification of method used;
- (3) Projected cash flow, including assessment of:
 - (a) Income, including equity contributions, debt contributions, interest income, operating revenue; and
 - (b) Disbursements, including land, improvements, equipment, debt service, operating expense, organizational expense; and
- (4) Projected balance sheets as of the end of the development, renovation or repair period and each of the five racing years for Class A license applicant or the first three racing years for Class B or C license applicant, setting forth:
 - (a) Current, fixed, and other noncurrent assets;
 - (b) Current and long-term liabilities; and
 - (c) Capital accounts.

The applicant must also provide an accountant's report supporting the financial projections.

[Statutory Authority: RCW 67.16.020 and 67.16.040. WSR 08-17-050, § 260-13-570, filed 8/14/08, effective 9/14/08.]