§ 516. Moneys of corporations; disposition of net revenues. 1. The monetary transactions of the corporation and the keeping of its books and accounts shall be under the supervision of the board of directors who shall be subject to the general and specific jurisdiction of the state board and to audit by the comptroller.

2. After payment of all of the costs of the corporation's functions, net revenue remaining to the corporation shall be divided among the participating counties in accordance with the following provisions:

a. Fifty percent of such revenue distributed among the participating counties on the basis of the proportion of the total off-track pari-mutuel wagering accepted by the corporation during the previous period that originated in the branch offices located in each participating county;

b. Fifty percent of such revenue on the basis of population, as defined as the total population in each participating county shown by the latest preceding decennial federal census completed and published as a final population count by the United States bureau of the census preceding the commencement of the calendar year in which such distribution is to be made; and

c. A participating county containing a city electing to participate in the management and revenues of a corporation under subdivision two of section five hundred two of this article shall distribute revenue received under paragraphs a and b of this subdivision to such city according to the proportion such city's population bears to the county's population.

2-a. The net revenue remaining to the corporation shall be distributed quarterly, not more than thirty days after the close of the calendar quarter, unless, each off-track betting corporation's board shall determine once annually, that such net revenue remaining to the corporation shall be distributed to participating counties and cities on an annual, or bi-annual basis, to be distributed not more than thirty days after the close of the calendar year, or the close of the bi-annual

year (January-June and July-December). No such determination shall be made prior to the board's receipt of an annual written approval, to such specified annual, or bi-annual payment schedule, between each off-track betting corporation and the governing bodies of each participating counties and cities within such applicable region.

3. The comptroller and his legally authorized representative are authorized to and shall from time to time but at least once annually, examine the accounts and books of the corporation, including its receipts, disbursements, contracts, leases, sinking funds, investments and any other records and papers relating to its financial standing.

4. The corporation shall have power, notwithstanding the provisions of this section, to contract with the holders of any of its bonds as to the custody, collection, securing, investment and payment of any moneys of the corporation or any moneys held in trust or otherwise for the payment of bonds in any way to secure bonds, and to carry out any such contract notwithstanding that such contract may be inconsistent with the previous provisions of this section.

5. Moneys held in trust or otherwise for the payment of bonds or in any way to secure bonds and deposits of such moneys may be secured in the same manner as moneys of the corporation, and all banks and trust companies are authorized to give such security for such deposits.