

Idaho State Racing Commission



**2015
Annual Report**

Monday, March 28th, 2016

The Honorable C. L. "Butch" Otter
Governor of the State of Idaho
Capitol Building
Boise, Idaho 83720

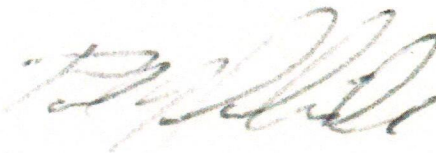
Dear Governor Otter:

On behalf of the Idaho State Racing Commission (ISRC) I am pleased to advise you that our 2015 Annual Report has been posted on our website, www.isp.idaho.gov/racing. Pursuant to the provisions of Idaho Statute 54-2505, the ISRC submits its annual report for the 2015 racing season.

The ISRC and its staff are pleased that horse racing is recognized as an economic and recreational asset to the people of Idaho. The racing and breeding industries are a valuable sector of the state's economy and agribusiness.

We appreciate your continued support of the ISRC and the horse racing industry and look forward to working with you to address the challenges that confront horse racing while we work to strengthen its role and viability in our state.

Respectfully,

A handwritten signature in dark ink, appearing to read "Paul J. Schneider", is written over a faint, circular embossed seal of the Idaho State Racing Commission.

Paul J. Schneider, Chairman

COMMISSIONERS

The Racing Commission is comprised of three members appointed by the Governor and confirmed by the Senate for six-year terms. The names of the current commissioners are listed below with the ending date of each of their respective terms.

Jim C. Hammond	January 2019
Fred H. Snook	January 2019
Paul J. Schneider, Chairman	January 2016

Pursuant to state law, the commissioners are paid \$50 for each day spent on Racing Commission business.

COMMISSION STAFF

The following individuals staff the Racing Commission:

(Vacant at this time)	Executive Director
Ardie Noyes	Management Assistant
Jeremy Beck	TRS1

To further assist the Commission with its regulatory responsibilities, the following individuals were hired by the Commission as part-time seasonal employees for professional and technical services during the 2015 racing season:

David Wheeler	State Steward – Fair Circuit
John Ward	Deputy State Steward - Fair Circuit
Pat Mackey	Deputy State Steward - Fair Circuit
Toni Wheeler	Licensing Clerk – Fair Circuit
Jim Smith	State Steward – Les Bois Park
Ray Youngren	Deputy State Steward – Les Bois Park
Roger White	Deputy State Steward – Les Bois Park
Brent Archibald	Investigator – Les Bois Park
Scott Ward	Investigator – Fair Circuit
Danny Bunderson	Investigator – Fair Circuit
Ed Gygli	Investigator – Fair Circuit
Catrina Schilling	Licensing Clerk – Les Bois Park

Horse racing is the most thoroughly regulated of all sports. To assist the Commission in the task of supervision Commission Veterinarians are retained on a contract basis for the duration of the meets.

Dr. Scott Leibsle, DVM	State Veterinarian – Gem County Fair board; Les Bois Park
Dr. Kent Warner, DVM	State Veterinarian - Fair Circuit

OBJECTIVES AND GOALS

The Idaho State Racing Commission operates under the authority of the Idaho Horse Racing Act Title 54, Chapter 25 Idaho Code. The Commission is vested by law with full authority to prescribe the rules, regulations and conditions under which horse and simulcast racing with pari-mutuel wagering may be conducted in Idaho. The Commission also has the power to govern, direct and regulate racing in Idaho.

The Commission's primary objective is to maintain the integrity of horse racing in Idaho. This is carried out in a number of ways. Close supervision by the Commission and its representatives at the tracks insure the public and the participants:

1. that the Association conducting a race meeting is operated by responsible management;
2. that every owner and trainer seeking to enter a horse in competition is a person of good character and of financial responsibility;
3. that every horse appearing in a race is the animal that it is represented to be on the program and is carrying the correct weight as assigned by the track handicapper;
4. that every race run will represent a true competitive effort by every participating rider or horse;
5. that no rider during the running of a race, commits any act that would tend to make the race anything other than a true competitive test;
6. that every horse is physically fit to race;
7. that no one responsible for the custody of a competing animal has administered or permitted to be administered any forbidden medication to the competing animal;
8. that every racing association is doing its utmost to provide the spectator public, the animals and their attendants the best possible facilities that it can afford.

The Commission also fulfills the role of liaison, acting as the intermediary; between the various associations and the Government of Idaho.

The primary goals of the Commission are to build a strong and credible industry, to operate the Commission offices as efficiently and economically as possible and to serve as a steadfast entity on which the industry and the public can depend upon to preserve and maintain the integrity of horse racing in Idaho.

RACETRACKS AND APPROVED 2015 RACE DATES

Pocatello Downs (POC)

P.O. Box 2688
Pocatello, ID 83206
Telephone: (208) 238-1721
Tami Miller
MAY 3, 10, 17, 25, 31

Les Boise Park (LBP)

5610 Glenwood St.
Boise, Idaho 83714
Telephone: (208) 775-1971
Duayne Didericksen
MAY 16, 20, 23, 27, 30
JUNE 3, 6, 10, 12, 13, 17, 19, 20, 24,
26
JULY 1, 4, 8, 10, 11, 15, 17, 18, 22,
24, 25, 29, 31
AUGUST 1, 5, 7, 8

Gem County Fair board (EMT)

P.O. Box 443
Emmett, ID 83617
Telephone: (208) 365-6828
Jim England
SEPTEMBER 19, 20

Rupert Downs (RUP)

P.O. Box 263
Rupert, ID 83350
Telephone: (208) 431-9766
Becky Grant
JULY 3, 4, 5, 11, 12

Sandy Downs Racing, Inc (IDA)

246 N Yellowstone
Rigby, ID 83442
Telephone: (208) 745-8433
Jim Bernard
AUGUST 22, 23, 29, 30
SEPTEMBER 13

Oneida County Fair board (MAL)

P. O. Box 13
Malad, ID 83252
Telephone: (208) 766-4706
Diane Skidmore
AUGUST 1, 2, 8, 9

Jerome Racing (JER)

1413 S 2050 E
Gooding, ID 83330
Telephone: (208) 324-7209
Brenda Butler
JUNE 7 & 21

Eastern Idaho Fair Board (BLK)

P.O. Box 250
Blackfoot, ID 83221
Telephone: (208) 785-2480
Brandon Bird
SEPTEMBER 6, 7, 11, 12

Cassia County Fair board (BUR)

P.O. Box 1222
Burley, ID 83318
Telephone: (208) 678-9150
Dan Gammon
AUGUST 21 & 22

BREAKDOWN OF 2015 OCCUPATIONAL LICENSES

<u>TYPE OF LICENSES</u>	<u># OF LICENSES</u>
Administration	2
Admissions	53
Announcer	3
Asst. Starter	23
Authorized Agent	1
Chaplin	1
Clerk of Scales/Clocker/Identifier/Chart Person	10
Concessionaire	0
Concession Employees	136
Emergency Medical Technician	12
Exercise Person	21
Groom	141
Horsemen's Bookkeeper	5
Jockey Agent	5
Jockey/Apprentice Jockey	69
Maintenance Employees	23
Miscellaneous ¹	34
Mutuel Employees	170
Officials	31
Office Staff/Racing Secretary	17
Owners	494
Owner/Trainer	172
Outrider	9
Paddock Judge	3
Photographer & Video Operator	24
Plater(Blacksmith)	11
Pony Person	50
Stable Names	46
Starter	9
Track Security	43
Track Supervisor	2
Trainer	77
Tote Employees	24
Veterinarian & Vet Assistants	12
TOTAL	1,740

¹ Miscellaneous: Duplicate Licenses (3), Other (7) and Fines (24)

LES BOIS PARK

RACE DAYS	31
NUMBER OF RACES	245
ATTENDANCE	90,826
DAILY AVERAGE ATTENDANCE	2,929
THOROUGHBRED RACES	150
QUARTER HORSE RACES	95
OTHER RACES***	0
PARI-MUTUEL HANDLE	\$1,753,258
DAILY AVERAGE HANDLE	\$56,556.71
TOTAL THOROUGHBRED HANDLE	\$1,109,720
TOTAL QUARTER HORSE HANDLE	\$643,538
TOTAL OTHER HANDLE***	\$0.00
TOTAL PURSES PAID**	\$1,971,549.42
TOTAL THOROUGHBRED PURSES	\$1,050,774.27
TOTAL QUARTER HORSE PURSES	\$909,940.15
TOTAL OTHER PURSES***	\$10,835.00
AVERAGE PURSE PER RACE	\$8,047.14

** Includes all Sponsorship, horsemen, and added monies

FAIR CIRCUIT STATISTICS

RACE DAYS	23
NUMBER OF RACES	174
ATTENDANCE	34,246
DAILY AVERAGE ATTENDANCE	1,489
THOROUGHBRED RACES	18
QUARTER HORSE RACES	146
OTHER RACES*	1
PARI-MUTUEL HANDLE	\$338,306.20
DAILY AVERAGE HANDLE	\$17,824.04
TOTAL THOROUGHBRED HANDLE	\$50,720.70
TOTAL QUARTER HORSE HANDLE	\$908,234.70
TOTAL OTHER HANDLE*	\$22,888.80
TOTAL PURSES PAID**	\$592,226
TOTAL THOROUGHBRED PURSES**	\$56,550
TOTAL QUARTER HORSE PURSES**	\$487,662
TOTAL OTHER PURSES**	\$48,014
AVERAGE PURSE PER RACE**	\$3,403.60

*Appaloosa/Arabian/Paints

HORSE RACING STATISTICS

RACE DAYS	54
NUMBER OF RACES	419
PARI-MUTUEL HANDLE	\$2,091,564.20
DAILY AVERAGE HANDLE	\$38,732.67
TOTAL RETURNED TO PATRONS	\$863, 449.81

PARI-MUTUEL DISTRIBUTION

Racing Commission	\$35,500.63
Public School Account	\$8,862.49
Small Track Account	\$10,457.93
Breed Account	\$10,457.93
Equine Education Account	\$8,862.49

PUBLIC SCHOOL ACCOUNT

The Public School Income Fund and the Equine Education Income Fund (Idaho Code 54-2513) were established by the Legislature on a sliding percentage scale in order to financially assist Idaho's Public schools.

Idaho's racetracks generated \$8,862.49 in 2015 from live horse racing for the public schools. The Equine Education Fund generated \$8,862.49 from live horse racing as well. Listed below are the amounts generated by each racetrack through live meet pari-mutuel wagering.

<u>TRACK</u>	<u>SCHOOL FUND</u>	<u>EQUINE FUND</u>
Gem County Fair board	\$0.00	\$0.00
Les Bois Park	\$8,764.85	\$8,764.85
Pocatello Racing Association ..	\$39.74	\$39.74
Rupert Downs Incorporated	\$0.00	\$0.00
Sandy Downs – Idaho Falls	\$0.00	\$0.00
Jerome County Fair board	\$0.00	\$0.00
Cassia County Fair board	\$0.00	\$0.00
Eastern Idaho Fair board	\$57.90	\$57.90
Oneida County Fair board	\$0.00	\$0.00

BREED ASSOCIATION ACCOUNT

The Breed Association Distribution Account (Idaho Code 54-2513) was established by the Idaho Legislature authorizing one half of one percent (.5%) of the daily live pari-mutuel handle be distributed quarterly to the lawfully constituted representatives of each horse breed for the betterment of the Idaho-bred horse racing industry. The Racing Commission requires an annual accounting of expenditures from these trustee-and-benefit account recipients. In 2015, this fund generated \$10,457.93 and was distributed as follows:

Idaho Thoroughbred Association	\$5,802.21
Idaho Quarter Horse Association	\$4,541.24
Idaho Appaloosa Association	\$68.70
Idaho Paint Association	\$45.78
Idaho Arabian Association	\$0.00

DISTRIBUTION OF SMALL TRACK ACCOUNT LIVE HORSE RACING

One half of one percent (.5%) of gross daily receipts, separately stated, shall be paid to the Idaho State Racing Commission for deposit in the track distribution account, which is created in the dedicated fund for further distribution to certain Idaho racetracks, defined as follows:

- a. Recipient tracks shall be those which, during the racing year of distribution, have an average daily handle of less than sixty thousand dollars (\$60,000);
- b. Distributions to recipient tracks shall be weighted proportionately based on the number of days raced during the year of distribution.

The amount contributed by each racetrack is listed below:

Les Bois Park	\$8,766.36
Gem County Fair board	\$28.60
Pocatello Racing Association	\$359.77
Rupert Downs Incorporated	\$72.78
Jerome County Fair board	\$110.00
Cassia County Fair board	\$78.85
Eastern Idaho Fair board	\$522.21
Sandy Downs Racing Inc	\$332.65
Oneida County Fair board	\$185.71

The Small Track Account generated \$10,457.93 in 2015 from 23 days of live horse racing. Each recipient received \$454.69 per day multiplied by the number of days they had live racing. The disbursements are listed below.

Gem County Fair board	1 days	\$454.69
Pocatello Racing Association	3 days	\$1,364.08
Rupert Downs Incorporated	3 days	\$1,364.08
Jerome County Fair board	2 days	\$909.39
Cassia County Fair board	2 days	\$909.39
Eastern Idaho Fair board	4 days	\$1,818.77
Oneida County Fair board	3 days	\$1,364.08
Sandy Downs Racing	5 days	\$2,273.46

SIMULCASTING STATISTICS

Simulcast races from around the country were wagered on by patrons year round at the Greyhound Park in Post Falls, Idaho, Les Bois Park in Boise, Idaho and Sandy Downs Racing in Idaho Falls, Idaho.

SIMULCAST HORSE DAYS	332
SIMULCAST GREYHOUND DAYS	316
SIMULCAST PARI-MUTUEL HORSE	\$7,777,964.60
SIMULCAST PARI-MUTUEL GREYHOUND.....	\$725,290.90
SIMULCAST DAILY AVERAGE HANDLE	\$23,427.60
SIMULCAST TOTAL RETURNED TO BETTORS	\$5,925,895.41

SIMULCAST SITES & HANDLES

Sandy Downs – Idaho Falls	\$636,289.60
Greyhound Park - Post Falls	\$1,408,739.40
Les Bois Park – Boise	\$6,458,226.50

SIMULCAST PARI-MUTUEL DISTRIBUTION

Racing Commission	\$140,940.42
Public School Account.....	\$6,987.28
Small Track Account	\$38,890.04
Breed Fund Account	\$38,890.04
Equine Education Fund Account	\$6,987.28
Ada County Fund	\$4,096.34
Kootenai County Fund	\$2,149.06
Bonneville County Fund	\$1,007.73
Horse Owner/Breeder Fund Account	\$3,626.88

SIMULCASTING FAIR TRACK'S DISTRIBUTION

Simulcasting paid one half of one percent (.5%) of the total daily pari-mutuel handle into the small track account, and the same amount into the breed account. Total amount distributed will differ slightly from amount collected due to cut off dates for disbursements. These monies were distributed annually to the small tracks fund and quarterly to the breed associations as follows:

Gem County Fair Board	1 days	\$1,786.75
Pocatello Racing Association	3 days	\$5,360.24
Rupert Downs Incorporated	3 days	\$5,360.24
Jerome County Fair board	2 days	\$3,573.50
Oneida County Fair board	3 days.	\$5,360.24
Cassia County Fair board	2 days	\$3,573.50
Eastern Idaho Fair board	4 days	\$7,146.99
Sandy Downs Racing Inc	5 days	\$8,933.74

SIMULCASTING BREED DISTRIBUTION

Thoroughbred	\$36,191.73
Quarter Horse	\$2,618.02
Appaloosa	\$0.00
Arabian	\$20.24
Paints	\$1.80
Harness (paid to Public Schools)	\$58.25

During the Second Regular Session of the 62nd Idaho Legislature in 2014, Governor Butch Otter signed HB400 which changed section §54-2513 to provide for the distribution of moneys in excess of \$600,000 at the end of the fiscal year in the racing commission account. 60% of the excess goes to the Idaho Horse Owner/Breeder Award Program and the remaining 40% is disbursed to licensed tracks for purse enhancement. This was realized for the first time in over 15 years with the arrival of Historical racing terminals in 2014. Three locations, Les Bois Park in Boise, Double Downs in Idaho Falls, and the Coeur D'Alene Events Park in Post Falls all experienced a substantial increase in patrons visiting these sites due to the Historical terminals. The 2015 Idaho Horse Owner/Breeder award amount for the racing season was \$80,593.49.

(For a complete list of funds generated from Historical racing terminals, please see page 14.)

ADVANCE DEPOSIT WAGERING

Governor Kempthorne signed House Bill 374 on April 23rd, 2003 which amended the existing law to clarify advance deposit wagering on horse racing. The new law requires a source market fee of 10% of the wagered handle to be paid to the Idaho State Racing Commission for further disbursement. The Advance Deposit Wagering generated a total handle of \$5,677,200.40 during the calendar year of 2015. Listed below is the breakdown of disbursement.

Racing Commission	\$28,386.00
Small Track Account	\$28,386.00
Breed Fund Account	\$28,386.00
Public School Fund	\$28,386.00
Live Meet Purse Enhancement	\$227,088.02
Simulcast Facility Enhancement	\$170,316.01
Track Expenses	\$56,772.00

Advance Deposit Wagers Disbursements

<i>Track</i>	<i>Small Track</i>	<i>Purses Enhancement</i>	<i>Track Expenses</i>	<i>Simulcast Tracks</i>
Emmett	\$1,234.17	\$3,793.83	\$1,051.33	\$-0-
Jerome	\$2,468.35	\$8,671.62	\$2,102.67	\$-0-
Rupert	\$3,702.52	\$11,381.50	\$3,154.00	\$-0-
Pocatello	\$3,702.52	\$13,549.40	\$3,154.00	\$-0-
Malad	\$3,702.52	\$12,465.45	\$3,154.00	\$-0-
Burley	\$2,468.35	\$7,587.67	\$2,102.67	\$-0-
Idaho Falls	\$6,170.87	\$18,969.17	\$5,256.67	\$12,838.33
Blackfoot	\$4,936.70	\$17,885.21	\$4,205.33	\$-0-
Les Bois Park	\$-0-	\$132,784.16	\$32,591.34	\$129,340.50
Post Falls	\$-0-	\$-0-	\$-0-	\$28,137.19

Advance Deposit Wagers Breed Distribution

Thoroughbred	\$24,132.66
Quarter Horse	\$4,137.79
Appaloosa	\$39.48
Arabian	\$12.05
Paints	\$27.33
Mules	\$0.00
Harness (pd to Public Schools)	\$36.70

HISTORICAL RACING

HB 220 which was passed on March 20th, 2013 and signed by the Governor March 22nd, 2013 amended IC 54-2512 to allow for historical racing terminals to be installed at 3 locations in the state. In late May of 2014 Les Bois Park and the Coeur d'Alene track were able to begin the operation of the terminals. Double Downs in Idaho Falls began operations in mid December of 2014. The terminals now in operation made for an incredible year at the three locations offering Historical Racing. With the increased revenue the tracks were able to raise purse amounts for live racing as well as more funds being generated for education in Idaho. The positive results from the monies wagered on the historical terminals, however was short lived. SB 1011 was introduced to the legislature in January deeming the historical racing terminals were illegal according to the Idaho State Constitution, Article III, Section 20.c.2, and would ban all terminals throughout the state. After many hours of testimony for/against SB1011 both the House and Senate passed SB1011, repealing instant racing sending the bill to Governor Otter's desk. The bill was vetoed by Governor Butch Otter on Friday, April 3rd, but not delivered to the Senate until Monday, April 6th, the Monday after Easter. The Idaho Senate failed to override the governor's veto by a vote of 19-16 on Monday allowing the machines to continue to operate.

However, the timing of the veto was immediately challenged with a 23 page petition on June 3rd, by the Coeur D'Alene Tribes to the Idaho Supreme Court, stating that the Governor failed to properly veto the bill by the Saturday 4:54pm deadline. Arguments were presented during the Idaho Supreme court case held on August 11th, 2015. The Idaho Supreme Court ruled on Thursday, September 10th in favor of the Coeur D'Alene Tribes stating the veto of SB1011 was not returned to the Senate President Pro Tem within the 5 day deadline. After only 18 months of operation all historical racing terminals were shut down on Friday, September 11th, 2015 following Secretary of State Lawrence Denny signing Senate Bill 1011 into law. Listed below is the breakdown of disbursements till 9/11/2015.

2015 HISTORICAL	Les Bois Park (Boise)	Greyhound Park (Coeur D'Alene)	Double Downs (Idaho Falls)
Historical Pari-Mutuel Handle	\$88,720,129.75	\$1,403,463.33	\$13,811,953.65
Racing Commission	\$443,600.58	\$7,017.33	\$69,059.74
Horse Council Youth Fund	\$88,720.13	\$1,403.43	\$13,811.91
Small Track Fund	\$177,440.39	\$2,806.95	\$27,623.90
Breed Fund	\$177,440.39	\$2,806.95	\$27,623.90
School Fund	\$443,600.58	\$7,017.33	\$69,059.74
Total to Funds	\$1,330,802.07	\$21,051.99	\$207,179.19
<i>Pay Off to Better</i>	<i>\$82,176,456.50</i>	<i>\$1,261,523.10</i>	<i>\$12,613,107.70</i>
<i>Purses</i>	<i>\$693,323.72</i>	<i>\$3,596.41</i>	<i>\$31,090.29</i>

IDAHO STATE RACING COMMISSION
REVENUES & EXPENDITURES
JANUARY 2015 DECEMBER 2015

RECEIPTS

Licenses	\$74,820.00
Fines	\$4,300.00
Pari-Mutuel	\$768,993.87
Other -	\$0.00
Simulcast License Fee	\$44,200.00
Miscellaneous Receipt	<u>\$2,019.33</u>
Total	\$894,333.20

EXPENDITURES

Salaries - Staff	\$96,810.42
Part-Time	\$111,353.13
Commissioners	\$3,250.00
Benefits	\$52,703.23
Travel and Per Diem	\$11,901.73
Contract - Testing	\$22,165.07
Veterinarians	\$20,851.18
Clerical/Licensing Clerks/Office Team	\$12,225.19
Auditing/Historical Racing	\$5,015.59
Printing, Xerox, & Photo Supplies	\$719.38
Utilities	\$3,027.41
Dues & Subscriptions	\$4,073.40
Other Services	\$12,710.21
Fingerprinting	\$6,650.00
Postage & Telephone	\$2,717.70
Car - Fuel, Repairs, Maintenance	\$502.40
Supplies & Equipment	\$7,789.48
Office Equipment Rental	\$910.59
Maintenance & Repairs	\$3,928.21
Legal Fees	\$7,270.65
Insurance	\$252.00
Refunds/P-Card Quarterly Rebates	(\$119.13)
Indirect Costs	\$0.00
Capitol Outlay	\$16,577.85
Miscellaneous & State Auditor Fees	<u>\$44,039.79</u>
Total	\$447,325.48

FINANCIAL SUMMARIES

In March 2005, HB 85aa relating to reports of the Idaho State Racing Commission amended section 54-2505, Idaho Code, to clarify the content of the annual report. The annual report shall be submitted to the Governor's Office on or before the thirty-first day of March each year and shall cover the activities of the commission, including the financial report of the commission and a financial summary of licensees subject to section 54-2508, Idaho Code, and organizations of licensees defined in section 54-2502(3), Idaho Code. The information on this page has been assembled by asking the various racing associations to provide us with their revenue and expenditure information and presenting it here.

Track	Revenue	Expenditures	Profit / Loss
Gem County Fair Board	\$7,963.00	\$35,090.00	(\$27,127.00)
Jerome Racing	\$65,459.48	\$66,295.24	(\$833.98)
Sandy Downs Racing	\$161,958.42	\$166,412.29	(\$4,453.87)
Oneida County Fair Board	\$95,180.13	\$92,902.77	\$2,277.36
Cassia County Fair Board	\$30,376.51	\$42,231.37	(\$11,854.86)
Pocatello Downs	\$105,343.92	\$97,741.00	\$7,602.92
Eastern Idaho Fair Board	\$165,224.00	\$155,371.00	\$9,853.00
Les Bois Park	\$9,788,040.00	\$9,835,899.00	(\$47,859.00)
Coeur d'Alene Greyhound Park	\$625,823.27	\$2,136,101.83	(\$1,510,278.56)
Rupert Downs	\$95,895.90	\$98,512.80	(\$2,616.90)