



Idaho State Racing Commission

2003 Annual Report

January 22, 2003

The Honorable Dirk Kempthorne
Governor of the State of Idaho
Capitol Building
Boise, Idaho 83720

Dear Governor Kempthorne:

As provided by Idaho Statute 54-2505, we herewith submit on behalf of the Idaho State Racing Commission our annual report for 2003.

The details set forth in the following report respond to the legislative mandate and provide information on the Commission's activities, organizational structure, receipts and disbursements, and recent law changes relating to Racing and Pari-Mutuel Wagering.

The pari-mutuel racing industry in Idaho represents a very important segment of the state's economy, not only as reflected by the operations of the racing facilities themselves, but also through the economic activity generated by the sport itself. The industry faces great challenges and the commission will do all that is possible, within its authority, to assist, and will continue to insure the integrity of pari-mutuel racing in Idaho.

We are happy to inform you the Commission continues to be financially sound, efficiently organized, and operating according to the State Statute. We sincerely appreciate the assistance provided by all levels of government, and most particularly, your office and the legislature in addressing matters of interest and of significance to the Racing Industry and Pari-Mutuel Wagering.

Respectfully,

Michael Lineberry, Chairman

Carolyn Hunt, Commissioner

Oscar Steinley, Commissioner

IDAHO STATE RACING COMMISSON

Dirk Kempthorne
Governor

Michael Lineberry
Commission Chairman

Carolyn Hunt
Commissioner

Oscar Steinley
Commissioner

Eugene O. Baker
Executive Director

MISSION STATMENT

The Idaho State Racing Commission under the direction of the Idaho State Police was created to enhance, promote and protect the live race industry in the state of Idaho. Our mission is accomplished through licensing, regulations and supervision of all live and simulcast race meets in this state under the terms of the Horse Racing Act.

IDAHO STATE RACING COMMISSION

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.

Michael Lineberry, Chairman	January 2005
Carolyn Hunt	January 2007
Oscar Steinley	January 2007

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:

Eugene "Jack" O. Baker	Executive Director
Ardie Noyes	Management Assistant
Jacqueline Libengood	Office Specialist 2/State Pari-Mutuel Inspector
Lavon Napoli	Office Specialist 1
Fred Becker	Investigator

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 2003 racing season:

Terry Crystal	State Steward - Les Bois Park
Taylor Powell	Deputy State Steward - Les Bois Park
Doug Standlee	Deputy State Steward - Les Bois Park
David Wheeler	State Steward - Fair Circuit
Richard Cade	Deputy State Steward - Fair Circuit
Melvin Warr	Deputy State Steward - Fair Circuit
Donald Roloff, DVM	State Veterinarian - Les Bois Park
Mark Ipsen, DVM	State Veterinarian - Fair Circuit
Duane Jones, DVM	State Veterinarian - Fair Circuit
Christy Curteman	State Pari-Mutuel Inspector - Les Bois Park
Toni Wheeler	State Pari-Mutuel Inspector/Licensing - Fair Circuit

HISTORY OF THE RACING COMMISSION

The Legislature passed the Idaho Horse Racing Act on March 5, 1963. The purpose of the Act was to authorize and regulate horse racing and pari-mutuel betting on horse races. Provisions of the Idaho Horse Racing Act are administered and regulated by a three-member Commission appointed by the Governor and confirmed by the Senate. Members are appointed for alternating six-year terms.

The Idaho State Racing Commission employs a Director, appointed by the Commissioners, 3 full time clerical persons, 1 part-time licensing clerk, and 1 part time investigator to perform the day-to-day operations. The Director appoints State Stewards, Veterinarians, Mutuel Inspectors, and Licensing Clerks to insure compliance with the promulgated racing rules and regulations and also the Idaho Racing Act.

The Commission has authority to prepare and promulgate a complete set of rules and regulations to govern race meets in order to insure the individuals who participate at race meets will act in the best interest of racing. The Commission also approves the calendar of racing days at each track.

In 1969, the Act was amended, changing the name of the Idaho Horse Racing Committee to the Idaho State Horse Racing Commission. The amendment strengthened the Commission, giving it power to suspend or revoke licenses or levy fines for violations of the Act. Furthermore, the amendment states that all hearings are subject to the Administrative Procedures Act and that "all law enforcement officers in the State shall assist in the enforcement of this act and the rules and regulations of the Commission."

The Commission was placed under the administration of the Department of Law Enforcement when the Idaho State Government was reorganized in July 1974. On April 17, 2000, Governor Kempthorne signed a bill designating the Department of Law Enforcement as "Idaho State Police".

The Commission is funded by receipts from occupational license fees, fines, and 1-1/4% tax on the pari-mutuel handle.

During March 1980 the distribution formula for the pari-mutuel handle was changed. The significant changes include increases in the percentage for the racetrack and establishment of percentages for breeder associations and small track sponsors.

In 1987, the Act was amended, changing the name of the Idaho State Horse Racing Commission to the Idaho State Racing Commission. The amendment was needed to allow greyhound racing which began in August 1988.

In the 1990 legislative session, the Legislature passed Idaho Code § 54-2512 providing for simulcasting of racing events that take place in other locations. The distribution of deposits of the pari-mutuel bets in simulcasting are the same as live meet distributions. On April 12, 1990 Title 54, Chapter 25 Section 13, Idaho Code, was amended to provide for distribution of certain receipts to the Equine Education account. Chapter 8, Title 57, Idaho Code was amended by the addition of a new section 57-818 to create the Equine Education Account. The Equine Education Fund was appropriated only to the

University of Idaho for its veterinary science program to enhance and forward the work conducted at the northwest equine reproduction laboratory. The act was enforced on and after July 1, 1991.

The Coeur d'Alene Greyhound Park closed its doors for live greyhound racing December 17, 1995 due to continued loss of revenue. The facility is now used as a simulcast site.

In 1996 the 53rd Legislative Session voted to repeal existing law of live (and after July 1, 1999 simulcast) greyhound racing in House Bill 542. House Bill 805 amended and added to existing laws which govern simulcast wagering as well as further define a horsemen's group. The legislators also voted to have the Idaho State Racing Commission disburse to the 1996 race track associations \$175,000 for purse enhancement and \$175,000 to the owners/breeders awards for 1996 Idaho Bred winners.

In 1997 two bills affecting racing were signed into law. The first was House Bill 114 which ensured that persons conducting race meets or simulcasting would have an agreement from a horsemen's group that is recognized by the Idaho Secretary of State and the Commission. It also enabled the small tracks of Idaho to simulcast races if they had run live horse races for two years.

House Bill 123, also in 1997, changed Section 54-2513, Idaho Code to provide for the distribution of moneys in excess of four hundred thousand dollars at the end of the fiscal year that is in the Racing Commission Free Fund. Sixty percent goes to the Idaho Horse Owner/Breeder Award Program and forty percent to licensed tracks for purse enhancement. For the fiscal year ending June 30, 2003 the amounts awarded were: \$14,364.47 to Idaho bred horse owners and breeders which was paid out in December 2003; and \$9,576.31 to nine race tracks for purse enhancements to be used for the 2004 live race meet season.

During 1998 the Commission implemented a new computer system for the occupational licensing process. The new identification system allows the Commission to take digital photographs of the licensees and store them in a much larger database. The Commission sends updated licensing and fine information on a weekly basis to the NAPRA database, which is currently used by 27 different racing jurisdictions.

During the 55th Idaho Legislature, in the first regular session of 1999, Idaho State Code section §54-2514 was amended by removing the Sub-Section 4 "Prohibiting simulcasting or televised greyhound racing after July 1, 1999." This allows the continued simulcasting of greyhound races in Idaho, which enhances the horse industry.

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 a 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 fairly 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.

ADMINISTRATIVE OFFICE

The Racing Commission is responsible for ensuring the legitimate performance of all racing and the integrity of pari-mutuel wagering. This is accomplished through the efforts of Racing Commission Veterinarians, Stewards, Judges, Pari-Mutuel Inspectors, Licensing Clerks, and Investigators, and the cooperative assistance of the Idaho State Police.

The Administrative staff is responsible for all phases of personnel management, financial management, revenue collection, race records, statistical reports and daily transfer of receipts to the State Treasurer's Office, as well as audits and maintenance of race records and receipts from racetracks, license fees, and fines.

The Administrative Office also compiles and/or issues reports such as the spending plan, budget, annual report, financial statements of licensed associations, and a physical property inventory, and maintains a record of minutes of all business conducted by the Racing Commission.

SUMMARY OF OPERATIONS

The Commission performs a number of regulatory functions. Those of principal interest are:

1. Approving race dates;
2. Licensing all persons involved in horse racing;
3. Supervise horse racing in Idaho;
4. Assisting in the development of horse racing;
5. Hearing appeals on Stewards' rulings;
6. Approving simulcast contracts;
7. Issuing Race Meet Licenses.

Race associations must submit their applications for the next year's race dates on a date set by the Commission. Upon review by Commission Staff, the Commission meets to approve, disapprove or discuss modifications to the applications.

The licensing process creates a vast amount of paperwork for the Commission office. It is an important function in the Commission operation. Every individual involved in racing is required to complete an application, as well as other related documents (such as stable names, lease agreements, owners color registry, etc.). These applications are checked for completeness by the License Clerks who collect the fees and issue the licenses. The Commission and Stewards review the forms and then approve or reject the application.

LEGAL

The Idaho State Police Chief Legal Counsel and a Deputy Attorney General from the Office of Attorney General for the State of Idaho assist the Commission in all legal matters.

ASSOCIATION LICENSES

During 2003 the Racing Commission issued a horse racing license to Les Bois Park, Boise; Gem County Fairboard, Emmett; Pocatello Downs, Pocatello; Sandy Downs Racing, Inc., Idaho Falls; Rupert Downs, Inc., Rupert; Jerome Racing, Jerome; Oneida County Fairboard, Malad; Cassia County Fairboard, Burley; and Eastern Idaho State Fairboard, Blackfoot. Simulcast licenses were issued to: Les Bois Park, Boise; Pocatello Downs, Pocatello; Sandy Downs, LLC, Idaho Falls, Eastern Idaho State Fair, Blackfoot and Coeur d'Alene Greyhound Park, Post Falls.

In addition to licensing participants of racing, the Commission has the responsibility of collecting revenue in accordance with Idaho Code, Chapter 25, Section 54-2513. While this code dictates that fair boards or fair districts which conduct race meetings in connection with regularly scheduled annual fairs shall be exempt from public school fees, each licensed racetrack not racing in connection with a fair, must pay to the Racing Commission a fee of \$25 for each day of racing. Revenues from this fee collection are deposited into the public school income fund of the State. The Idaho State Racing Commission received a total of \$1,800.00 from Idaho race tracks for live race days. A total of \$28,800.00 for simulcast license fees was collected and deposited into the public school income fund for simulcast race days in 2003.

PARI-MUTUEL OPERATIONS

Pari-mutuel responsibilities include overseeing the appropriate distribution of the "handle"--the total amount of money wagered at each racing performance. The percentage or take-out of the handle is determined by State statute.

Racing Commission Pari-Mutuel Inspectors check for irregularities in statements regarding pari-mutuel wagering recorded on the "Pari-mutuel Recapitulation Sheet." Completed daily, this activity ensures that exact payoffs are received by the public and the proper revenue is paid to the State.

The Racing Commission implemented a computer program that is used for a direct link to the pari-mutuel system at tracks which allows the commission staff to audit live and simulcast activity daily.

SAFEGUARDS

All monies wagered at each racetrack are logged in a totalisator system, a very sophisticated computer system operated and maintained by a private company. At the start of each race, all wagers are mechanically locked into the computer by a Racing Commission Steward. Two independent computers print out the total amount of money wagered for each race. An independent computer is used as a means of verifying that pari-mutuel reports are accurate. The print-outs are used by the Racing Commission's Pari-Mutuel Inspectors to determine the share of the handle for each entity designated by statute.

DAILY AUDIT

A "Pari-Mutuel Recapitulation Sheet" is completed daily by each racetrack and is certified by the Racing Commission Pari-Mutuel Inspector and the mutuel manager employed by the racetrack. The summary is sent to the Racing Commission which then verifies that the information is accurate. This daily audit ensures that the racing industry has complied with all regulations related to pari-mutuel wagering.

STATE VETERINARIANS

The Idaho Racing Act provides that licensed veterinarians serve the commission as advisors in matters of veterinary medicine. At all times commission veterinarians are to serve and protect the health and well being of the racing animals.

The State veterinarians are responsible for conducting veterinary services for racing animals which includes physical examinations prior to racing, observation for lameness, illness, or any other condition which would prevent the animal from racing to its potential. The official veterinarians are also responsible for treating emergencies of a veterinary nature encountered during the running of the race. In consultation with the stewards, they are allowed to determine which animals may be scratched from racing due to injury, disease or disability.

Racing animals are subject to drug testing to deter the use of drugs to influence the outcome of a race. The official veterinarians at each track are charged with obtaining blood and/or urine samples to be submitted to a racing chemical drug-testing laboratory. A concerted effort is made to obtain the desired specimens from the animals and deliver them to the laboratory under strict chain of custody procedures, so that a given specimen is unadulterated and from the chosen animal.

STEWARDS

Enforcement of the rules and regulations of racing begins with the prosecution of violators by the Board of Stewards at each racetrack. One State Steward and two Deputy State Stewards are appointed by the Racing Commission.

The stewards are present at the racetrack each day and oversee all facets of racing, from supervising the drawing of post positions to making the results of every race official. In addition, the stewards preside over all hearings conducted at the track and report their rulings and findings to the Racing Commission.

Before post-time of the first race, the stewards review the day's program of races to note any changes or errors. Changes are reported to each department that would be affected by the change; i.e. mutuels, paddock judges, patrol judges, starters, clerk of scales, and announcers. All changes are promptly reported to the wagering public.

After observing every race, both live and on television monitors, the stewards mark the order of finish as the animals cross the finish line. They give the first three unofficial finishers to the Mutuel Department,

post any inquiries, review any objections, and request a photo finish when necessary. If there is an apparent violation of the rules, the stewards review the videotapes and then reach a decision before making the results of the race official.

If a violation of the rules occurs, the stewards notify all parties involved of a scheduled hearing. After conducting the hearing, the stewards determine if a fine, and/or a suspension or purse redistribution should be imposed. Violators are then advised of their right of appeal to the Racing Commission.

During the 2003 live race season, 32 fines were issued throughout the state.

LICENSING PROCESS

One of the Commission's responsibilities is the issuance of licenses to Associations who operate racetracks as well as the issuance of occupational licenses to every person who participates in racing.

The licensing process requires that every person participating in racing complete an application and that all questions on the application be answered truthfully. The application's are reviewed for completeness by a Racing Commission licensing clerk entered into the computer, and fees collected. The Board of Stewards may review the application and may, if necessary, interview the applicant. The Racing Commission submits all fingerprint cards to the Idaho State Police's investigative unit background checks. The Commission then submits all licensee information including photos to the North American Pari-Mutuel Regulators Association. database which currently has 27 states submitting their licensing and ruling information.

No person may enter any restricted area of a racetrack without a picture identification badge. All licenses are temporary until completion of a background check.

During 2003 the Racing Commission issued 2,085 occupational licenses and 53 Stable names to persons participating in racing throughout the state.

COMMISSION MEETINGS

During 2003 the Commission held 4 public meetings throughout the State to conduct Commission business, such as approval of race dates, rule changes, and discussions of issues pertaining to the race industry.

MEETING DATE

LOCATION

April 15th, 2003

Idaho State Police POST Bldg

Meridian, ID

May 13th, 2003

Holiday Inn – Boise Airport

Boise, ID

June 17th, 2003

Turf Club – Les Bois Park

Boise, ID

October 24th, 2003

Shilo Inn

Idaho Falls, ID

RACETRACK ROSTER AND APPROVED 2003 RACE DATES

Les Bois Park
5610 Glenwood
Boise, ID 83714
Telephone: (208) 376-3991
Duayne Didericksen, General Manager
MAY: 3,4,7,10,11,14,18,21,24,25,26,29,31
JUNE: 1,4,7,8,11,14,15,18,21,22,25,28,29
JULY: 2,4,5,6, 9,12,13,16,19,20,23,26,27,30
AUGUST: 1,2,3,6,9,10

Gem County Fairboard
3103 West Idaho Blvd.
Emmett, ID 83617
Telephone: (208) 365-5560
Clayton Russell, General Manager
APRIL: 19, 20, 28

Sandy Downs Racing, Inc
3665 N 15th E
Idaho Falls, ID 83401
Telephone: (208) 221-5745
Larry Chapple
SEPTEMBER: 13,14,20,21,27,28

Jerome Racing
P.O. Box 414
Telephone: (208) 324-3840
Chet Child, Manager
JUNE: 14,15, 21

Cassia County Fairboard
P.O. Box 1222
Burley, ID 83318
Telephone: (208) 678-8610
Dean Draper, General Manager
AUGUST: 15,16

Pocatello Downs
P.O. Box 248
Pocatello, ID 83204
Telephone: (208) 238-1721
Donna Bowman, General Manager
MAY: 17,18,24,25,26
JUNE: 1,7,8

Rupert Downs
P.O. Box 153
Rupert, ID 83350
Telephone: (208) 436-1104
Jim Bennett , Operator
JUNE: 28,29
JULY 4,5,6

Oneida County Fairboard
P. O. Box 13
Malad, ID 83252
Telephone: (208) 766-4706
Bob Hobson, President
AUGUST: 2,3,9,10

Eastern Idaho Fairboard
P.O. Box 250
Blackfoot, ID 83221
Telephone: (208) 785-2480
Doris Wallace, General Manager
SEPTEMBER: 1,2,5,6

BREAKDOWN OF OCCUPATIONAL LICENSES

<u>TYPE OF LICENSES</u>	<u># OF LICENSES</u>
Admissions	24
Announcer	5
Asst. Starter - Starter	19
Chart Person	1
Clerk of Scales/Clocker/Identifier	8
Concessionaire	5
Concession Employees	61
Emergency Medical Technician	7
Exercise Person	38
Groom	220
Horsemen's Bookkeeper	10
Jockey Agent	3
Jockey	63
Maintenance Employees	14
Miscellaneous ¹	360
Mutuel Employees	115
Officials	15
Office Staff	14
Other	3
Owners	620
Owner/Trainer	275
Outrider/Valet	8
Paddock Judge/Jock's Room Custodian	3
Photographer & Video Operator	12
Plater	15
Pony Person	52
Racing Secretary/Stall Superintendent	6
Security	26
Stable Names	53
Trainer	59
Tote Employees	8
Veterinarian & Vet Assistants	16

¹ Miscellaneous: Duplicate Licenses, Add-ons and Changes to licenses.

2003 LES BOIS PARK STATISTICS

RACE DAYS	46
NUMBER OF RACES	411
ATTENDANCE	91,834
DAILY AVERAGE ATTENDANCE	1,996
TOTAL NUMBER OF STARTERS	3,053
THOROUGHBRED RACES	289
QUARTER HORSE RACES	120
OTHER RACES*	2
PARI-MUTUEL HANDLE	\$1,992,555
DAILY AVERAGE HANDLE	\$43,316
TOTAL THOROUGHBRED HANDLE	\$1,445,765
TOTAL QUARTER HORSE HANDLE	\$533,074
TOTAL OTHER HANDLE	\$13,716
TOTAL PURSES PAID**	\$1,737,487
AVERAGE PURSE PER RACE	\$4,227
TOTAL THOROUGHBRED PURSES	\$711,000
TOTAL QUARTER HORSE PURSES	\$256,900
TOTAL OTHER PURSES	\$21,300
TOTAL ADDED MONIES**	\$748,287

* Mixed Races – Appaloosa, Paint, Arabian

** Includes all Sponsorship, horsemen, and added monies

2003 FAIR CIRCUIT STATISTICS ****

RACE DAYS	36
NUMBER OF RACES	300
ATTENDANCE	31,329
THOROUGHBRED RACES	51
QUARTER HORSE RACES	195
OTHER RACES****	54
PARI-MUTUEL HANDLE	\$499,922
DAILY AVERAGE HANDLE	\$13,886
TOTAL THOROUGHBRED HANDLE	\$109,330
TOTAL QUARTER HORSE HANDLE	\$301,040
TOTAL OTHER HANDLE	\$89,552
TOTAL PURSES PAID	\$452,507
AVERAGE PURSE PER RACE	\$.1,508
TOTAL THOROUGHBRED PURSES	\$57,761
TOTAL QUARTER HORSE PURSES	\$221,557
TOTAL OTHER PURSES	\$173,189

* Emmett, Idaho Falls, Pocatello, Rupert, Jerome, Burley, Malad, and Blackfoot make up the "Fair Circuit"

*** Mixed, Appaloosa, Paint, Arabian, and Mule

2003 HORSE RACING STATISTICS

RACE DAYS	82
NUMBER OF RACES	711
PARI-MUTUEL HANDLE	\$2,492,477
DAILY AVERAGE HANDLE	\$30,396
TOTAL RETURNED TO PATRONS	\$1,891,744

PARI-MUTUEL DISTRIBUTION

Racing Commission	\$43,039.47
Public School Account.	\$6,459.31
Small Track Account	\$12,462.57
Equine Education Account	\$6,459.31

BREED ACCOUNT \$12,462.57

Thoroughbred	\$7,775.38
Quarter Horse	\$4,170.71
Appaloosa	\$398.96
Paint	\$117.52
Arabian	\$-0-

PUBLIC SCHOOL ACCOUNT

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

Idaho's racetracks generated \$6,459.31 in 2003 from live horse racing for the public schools. The Equine Education Fund generated \$6,459.31 from live horse racing as well. Listed below are the amounts generated by each racetrack through live meet pari-mutuel wagering.

	SCHOOL FUND	EQUINE FUND
Gem County Fairboard	\$ -0-	\$-0-
Les Bois Park	\$6,214.66	\$6,214.66
Pocatello Racing Association	\$ -0-	\$-0-
Rupert Downs Incorporated	\$ -0-	\$-0-
Sandy Downs – Idaho Falls	\$37.80	\$37.80
Jerome County Fairboard	\$ -0-	\$-0-
Cassia County Fairboard	\$ -0-	\$-0-
Eastern Idaho Fairboard	\$206.85	\$206.85
Oneida County Fairboard	\$ -0-	\$-0-

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 2003, this fund generated \$12,462.57 and was distributed as follows:

Idaho Thoroughbred Association	\$7,775.38
Idaho Quarter Horse Association	\$4,170.71
Idaho Appaloosa Association	\$398.96
Idaho Paint Association	\$117.52

**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	\$9,962.87
Gem County Fairboard	\$179.59
Pocatello Racing Association	\$570.13
Rupert Downs Incorporated	\$130.24
Jerome County Fairboard	\$102.81
Cassia County Fairboard	\$52.73
Eastern Idaho Fairboard	\$588.47
Sandy Downs Racing Inc	\$619.55
Oneida County Fairboard	\$256.18

The Small Track Account generated \$12,462.57 in 2003 from 82 days of live horse racing with the disbursements listed below. Total funds distributed to the small racetracks was \$12,462.57.*****

Gem County Fairboard.	3 days	\$1,038.54
Pocatello Racing Association	9 days	\$3,115.62
Rupert Downs Incorporated	5 days	\$1,730.90
Jerome County Fairboard	3 days	\$1,038.54
Cassia County Fairboard	2 days	\$692.45
Eastern Idaho Fairboard	4 days	\$1,384.72
Oneida County Fairboard	4 days	\$1,384.72
Sandy Downs Racing	6 days	\$2,077.08

***** Idaho Code 54-2513 Recipient horse racing tracks of the Track Fund shall be those which, during the race meet year of distribution, have a total race handle from both live races and simulcast races of less than five million dollars (\$5,000,000)

SIMULCAST RACES

Simulcast races from around the country were wagered on by patrons at Les Bois Park in Boise, Pocatello Downs in Pocatello, the Eastern Idaho State Fairgrounds in Blackfoot, Sandy Downs, in Idaho Falls, and at the Greyhound Park in Post Falls, Idaho.

2003 SIMULCASTING STATISTICS

SIMULCAST RACE DAYS	364
SIMULCAST PARI-MUTUEL HORSE	\$21,112,662
SIMULCAST PARI-MUTUEL GREYHOUND.	\$2,474,223
SIMULCAST DAILY AVERAGE HANDLE	\$64,799
SIMULCAST TOTAL RETURNED TO BETTORS	\$17,761,114

2003 Simulcast Sites & Generated Handles

Les Bois Park - Boise	\$12,818,761
Pocatello Downs - Pocatello	\$556,093
Eastern Idaho State Fairgrounds - Blackfoot	\$242,123
Sandy Downs Fairgrounds – Idaho Falls	\$512,276
Greyhound Park - Post Falls	\$9,457,632

SIMULCAST PARI-MUTUEL DISTRIBUTION

Racing Commission	\$408,515.69
Public School Account.	\$45,438.06
Small Track Account	\$105,566.28
Breed Fund Account	\$105,566.28
Equine Education Fund Account	\$45,438.06
Bannock County Fund	\$642.65
Kootenai County Fund.	\$12,697.57
Ada County Fund.	\$9,853.59
Bonneville County Fund	\$1,100.36
Bingham County Fund	\$448.06
Horse Owner/Breeder Fund Account.	\$12,373.79

SIMULCASTING SMALL TRACK 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 Fairboard.	3 days	\$8,917.62
Pocatello Racing Association9 days	\$26,752.86
Rupert Downs Incorporated	5 days	\$14,862.50
Jerome County Fairboard	3 days	\$8,917.62
Oneida County Fairboard.	4 days	\$11,890.16
Cassia County Fairboard	2 days	\$5,945.08
Eastern Idaho Fairboard	4 days	\$11,890.16
Sandy Downs Racing Inc	6 days	\$17,835.24

SIMULCASTING BREED DISTRIBUTION

Thoroughbred	\$106,173.48
Quarter Horse	\$10,647.72
Appaloosa	\$498.29
Arabian	\$672.31
Paints	\$310.40
Mules	\$147.06
Harness – (transferred to School Fund per Statute).	\$1,024.49

TRACK PURSE ENHANCEMENT

During the first regular session of the fifty-fourth Legislative session in January of 1997, House Bill 123 was introduced and passed. This bill changed Section 54-2513, Idaho Code to provide for the distribution of moneys in excess of four hundred thousand dollars at the end of the fiscal year in the Racing Commission's operating fund. Sixty percent of the funds in excess of the \$400,000 is paid to the Idaho Horse Owner/Breeder Award Program and the remaining forty per-cent is paid to the licensed horse tracks to be used strictly for purse enhancements. For the fiscal year ending June 30, 2003 the amounts awarded were: \$14,364.47 to Idaho bred horse owners and breeders was disbursed in December 2003; and \$9,576.31 to nine race tracks for purse enhancements to be used for the 2004 live race meet season. Purse enhancement is disbursed based on the previous calendar year race days.

Gem County Fairboard.	3 days	\$359.11
Pocatello Racing Association	9 days	\$1,077.34
Rupert Downs Incorporated	5 days	\$598.52
Jerome County Fairboard	2 days	\$239.41
Oneida County Fairboard.	4 days	\$478.82
Cassia County Fairboard	2 days	\$239.41
Eastern Idaho Fairboard	3 days	\$359.11
Sandy Downs Racing Inc	6 days	\$718.22
Les Bois Park	46 days	\$5,506.38

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 Advanced Deposit Wagering generated a total handle of \$408,937.00 beginning in June of 2003. Listed below is the breakdown of disbursement which equals \$40,893.72.

Racing Commission	\$2,044.69
Small Track Account	\$2,044.69
Breed Fund Account	\$2,044.69
Public School Fund	\$2,044.69
Live Meet Purse Enhancement	\$16,357.48
Simulcast Facility Enhancement	\$16,357.48

Advance Deposit Wagers Disbursements

	Small Track	Purse Enhancement	Simulcast Facility
Gem County Fairboard	\$170.39	\$667.18	
Pocatello Racing Association	\$511.17	\$1,748.48	\$385.65
Rupert Downs Incorporated	\$283.98	\$828.23	
Jerome County Fairboard	\$170.39	\$575.16	
Oneida County Fairboard	\$227.19	\$667.18	
Cassia County Fairboard	\$113.59	\$299.08	
Eastern Idaho Fairboard	\$227.19	\$782.21	\$167.91
Sandy Downs Racing Inc	\$340.78	\$1,334.37	\$355.26
Les Bois Park		\$9,455.59	\$8,889.80
Post Falls Greyhound Park			\$6,558.86

Advance Deposit Wagers Breed Distribution

Thoroughbred	\$1,816.12
Quarter Horse	\$182.94
Appaloosa	\$8.86
Arabian	\$11.49
Paints	\$5.24
Mules	\$2.51
Harness – (transferred to School Fund per Statute).	\$17.53

IDAHO STATE RACING COMMISSION

REVENUES & EXPENDITURES JANUARY 2003- DECEMBER 2003

RECEIPTS

Licenses	\$48,080.00
Fines	\$2,200.00
Pari-Mutuel	\$457,342.73
Other - Ruling Appeals.	\$10.00
Simulcast License Fee	<u>\$59,400.00</u>
Total	<u>\$567,032.73</u>

EXPENDITURES

Salaries - Staff	\$125,241.53
Part-Time	\$129,808.22
Commissioners	\$1,850.00
Benefits	\$53,266.00
Travel and Per Diem	\$24,747.62
Contract - Testing	\$26,828.70
Veterinarians	\$43,650.49
Photos/Video Services	\$75,097.50
Printing, Xerox, & Photo Supplies	\$910.31
Utilities	\$2,710.31
Dues & Subscriptions	\$5,298.52
Other Services	\$8,464.46
Fingerprinting	\$2,680.00
Postage & Telephone	\$5,196.78
Car - Fuel, Repairs, Maintenance	\$1,217.81
Supplies & Equipment.	\$7,305.92
Office Equipment Rental	\$379.39
Maintenance & Repairs	\$4,853.39
Legal Fees	\$18,405.64
Miscellaneous & State Auditor Fees.	<u>\$5,817.62</u>
Total	<u>\$543,730.21</u>

