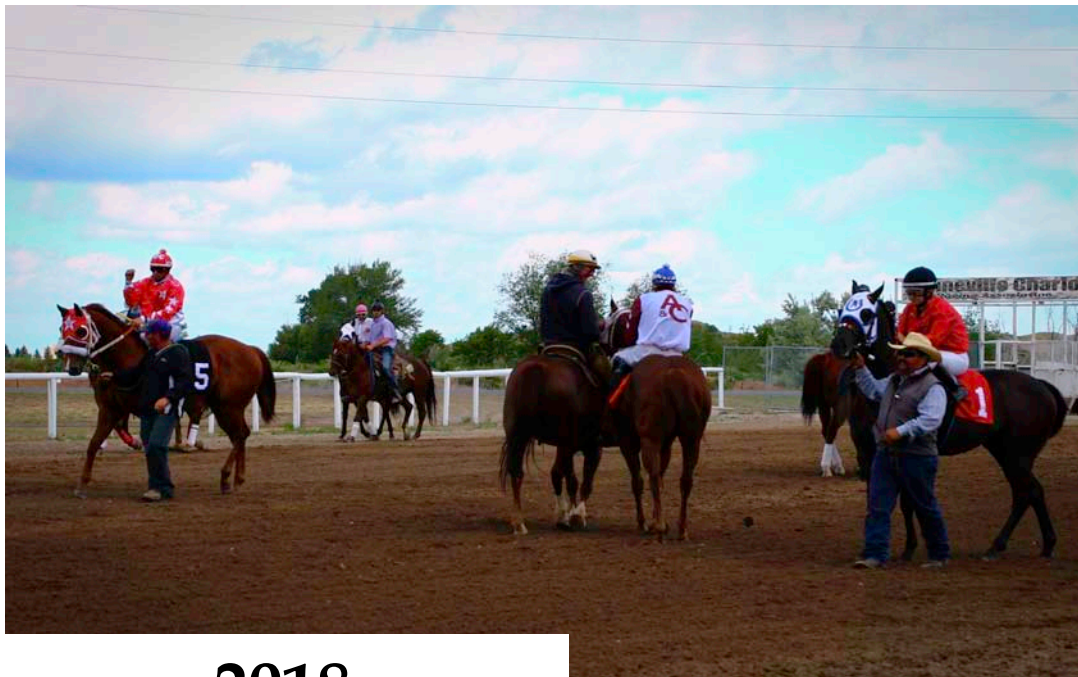


Idaho State Racing Commission



2018 Annual Report



March 21, 2019

The Honorable Brad Little
Governor of the State of Idaho
Capitol Building
Boise, Idaho 83720

Dear Governor Little:

On behalf of the Idaho State Racing Commission (ISRC) I am pleased to advise you that our 2018 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 2018 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 black ink, appearing to read "Jim Hammond". The signature is fluid and cursive, with a large initial "J" and "H".

James 'Jim' Hammond, 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, Chairman	January 2019
Fred H. Snook, Commissioner	January 2019
Mark Browning, Chairman	January 2023

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	Business Operations Manager
Kris England	TRS1- (PT) - Seasonal

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 2018 racing season:

David Wheeler	State Steward – Fair Circuit
John Ward	Deputy State Steward - Fair Circuit
Bud Lish	Deputy State Steward - Fair Circuit

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. Kent Warner, DVM	State Veterinarian - Fair Circuit
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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 2018 RACE DATES

**27 Days Requested/Awarded – 2 days Cancelled
Total Race Days for Calendar Year 2018 - 25**

Pocatello Downs (POC)

P.O. Box 2688
Pocatello, ID 83206
Telephone: (208) 238-1721
Daniel Obray
MAY 6, 13, 18, 20, 27, & 28th

Gem County Fair Board (EMT)

P.O. Box 443
Emmett, ID 83617
Telephone: (208) 365-6828
Jim England
No Race Meet

Sandy Downs Racing, Inc (IDA)

6855 S 15th Ave
Idaho Falls, ID 83401
Telephone: (208) 745-8433
Jim Bernard
JUNE 8, 22
JULY 4, 6, & 20th

Jerome Racing (JER)

1413 S 2050 E
Gooding, ID 83330
Telephone: (208) 324-7209
Brenda Butler
JUNE 10th & 24th

Cassia County Fair Board (BUR)

P.O. Box 1222
Burley, ID 83318
Telephone: (208) 678-9150
Jeff Chatburn
AUGUST 17th & 18th

Les Boise Park (LBP)

5610 Glenwood St.
Boise, Idaho 83714
Telephone: (208) 258-2177
John Sheldon – Operations
No Race Meet

Rupert Downs (RUP)

P.O. Box 263
Rupert, ID 83350
Telephone: (208) 431-9766
Becky Grant
JULY 1, 8th

Oneida County Fair Board (MAL)

P. O. Box 13
Malad, ID 83252
Telephone: (208) 766-4706
Diane Skidmore
AUGUST 4, 5, 11, & 12

Eastern Idaho Fair Board (BLK)

P.O. Box 250
Blackfoot, ID 83221
Telephone: (208) 785-2480
Brandon Bird / Trina Fakrell
SEPTEMBER 2, 3, 7 & 8th

BREAKDOWN OF 2018 OCCUPATIONAL LICENSES

<u>TYPE OF LICENSES</u>	<u># OF LICENSES</u>
Administration	1
Admissions	1
Announcer	3
Asst. Starter	11
Clerk of Scales/Clocker/Identifier/Chart Person	6
Concessionaire	2
Concession Employees	11
Emergency Medical Technician	6
Exercise/Grooms	85
Horsemen's Bookkeeper	6
Jockey/Apprentice Jockey	40
Maintenance Employees	4
Miscellaneous ¹	268
Mutuel Employees	87
Officials	16
Office Staff/Racing Secretary	6
Owners	243
Owner/Trainer	114
Outrider	7
Paddock Judge	2
Photographer & Video Operator	5
Pony Person	33
Stable Names	23
Starter	5
Track Security	1
Trainer	45
Tote Employees	4
<u>Veterinarian & Vet Assistants</u>	<u>5</u>
TOTAL	1,040

¹ Miscellaneous: Duplicate Licenses (1), Fingerprint Fees (258) and Fines (9)

FAIR CIRCUIT STATISTICS

RACE DAYS	25
NUMBER OF RACES	181
ATTENDANCE	43,391
DAILY AVERAGE ATTENDANCE	1,735
THOROUGHBRED RACES	18
QUARTER HORSE RACES	137
OTHER RACES*	26
PARI-MUTUEL HANDLE	\$417,941
DAILY AVERAGE HANDLE	\$16,717
TOTAL THOROUGHBRED HANDLE	\$46,836
TOTAL QUARTER HORSE HANDLE	\$341,722
TOTAL OTHER HANDLE*	\$29,383
TOTAL PURSES PAID**	\$796,431.00
TOTAL THOROUGHBRED PURSES**	\$50,000
TOTAL QUARTER HORSE PURSES**	\$516,081.00
TOTAL OTHER PURSES**	\$15,900
AVERAGE PURSE PER RACE**	\$4,400

*Appaloosa/Arabian/Paints

HORSE RACING STATISTICS

RACE DAYS	25
NUMBER OF RACES	181
PARI-MUTUEL HANDLE	\$417,941.00
DAILY AVERAGE HANDLE	\$16,717.64
TOTAL RETURNED TO PATRONS	\$315,010.85

PARI-MUTUEL DISTRIBUTION

Racing Commission	\$7,009.88
Public School Account	\$46.70
Small Track Account	\$2,089.76
Breed Account	\$2,089.76
Equine Education Account.	\$46.70

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 \$140.54 in 2017 from live horse racing for the public schools. The Equine Education Fund generated \$140.54 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>
Pocatello Racing Association	\$19.09	\$19.09
Rupert Downs Incorporated	\$0.00	\$0.00
Sandy Downs – Idaho Falls	\$14.84	\$14.84
Jerome County Fair Board	\$0.00	\$0.00
Cassia County Fair Board	\$0.00	\$0.00
Eastern Idaho Fair Board	\$12.77	\$12.77
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 2018 this fund generated \$2,089.76 and was distributed as follows:

Idaho Thoroughbred Association	\$234.19
Idaho Quarter Horse Association	\$1,708.66
Idaho Appaloosa Association	\$99.01
Idaho Paint Association	\$47.94

* The Commission should have distributed \$72,339 to the Public School Income Fund from the Breed Distribution Account as of December 31, 2014; however, this amount was erroneously paid to the breeders associations. The Commission implemented and executed its plan to pay the Public School Income Fund from the funds earmarked for the breeders associations until the total amount has been properly distributed. These funds were paid to the Public School Income Fund by June 30th, 2018.

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:

Pocatello Racing Association	\$626.78
Rupert Downs Incorporated	\$67.01
Jerome County Fair Board	\$151.43
Cassia County Fair Board	\$79.25
Eastern Idaho Fair Board	\$411.76
Sandy Downs Racing Inc	\$475.30
Oneida County Fair Board	\$278.23

The Small Track Account generated \$2,089.76 in 2018 from 25 days of live horse racing. Each recipient received \$83.59 per day multiplied by the number of days they had live racing. The disbursements are listed below.

Pocatello Racing Association	6 days	\$501.54
Rupert Downs Incorporated	2 days	\$167.18
Jerome County Fair Board	2 days	\$167.18
Cassia County Fair board	2 days	\$167.18
Eastern Idaho Fair Board	4 days	\$334.36
Oneida County Fair Board	4 days	\$334.36
Sandy Downs Racing	5 days	\$417.95

SIMULCASTING STATISTICS

Simulcast races from around the country were wagered on by patrons year round at the Greyhound Park in Post Falls, Idaho. The IDA-BET Deposit Wagering site which is considered an 'In-State-Advance Wagering Platform' falls under the simulcast pari-mutuel IC 54-2512, therefore even though the wagers are placed through the internet the funds are treated as Simulcast wagers.

SIMULCAST HORSE DAYS	261
SIMULCAST GREYHOUND DAYS	256
SIMULCAST PARI-MUTUEL HORSE	\$1,784,675.90
SIMULCAST PARI-MUTUEL GREYHOUND.....	\$124,775.00
SIMULCAST DAILY AVERAGE HANDLE	\$6,837.84
SIMULCAST TOTAL RETURNED TO BETTORS	\$1,244,831.39

SIMULCAST SITES & HANDLES

Sandy Downs – Idaho Falls & IDA-BET.....	\$410,240.00
Greyhound Park & Event Center - Post Falls	\$1,718,914.20

SIMULCAST PARI-MUTUEL DISTRIBUTION

Racing Commission	\$36,130.17
Public School Account.....	\$590.69
Small Track Account	\$10,022.19
Breed Fund Account	\$10,022.19
Equine Education Fund Account	\$590.69
Kootenai County Fund	\$1,247.88
Horse Owner/Breeder Fund Account	\$624.37

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 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:

Pocatello Racing Association	6 days	\$2,384.96
Rupert Downs Incorporated	2 days	\$794.99
Jerome County Fair Board	2 days	\$794.99
Oneida County Fair Board	4 days	\$1,589.98
Cassia County Fair Board	2 days	\$794.99
Eastern Idaho Fair Board	4 days	\$1,589.98
Sandy Downs Racing Inc	5 days	\$1,987.47

SIMULCASTING BREED DISTRIBUTION

Thoroughbred	\$8,879.90
Quarter Horse	\$879.81
Appaloosa	\$0.06
Arabian	\$18.07
Paints	\$2.37
Mule	\$.52
Harness (paid to Public Schools)	\$156.62

* The Commission should have distributed \$72,339 to the Public School Income Fund from the Breed Distribution Account as of December 31, 2014; however, this amount was erroneously paid to the breeders associations. The Commission implemented and executed its plan to pay the Public School Income Fund from the funds earmarked for the breeders associations until the total amount has been properly distributed. These funds were paid to the Public School Income Fund by June 30th, 2018.

SIMULCAST PURSE

Per IDAPA 11.04.02– Rules Governing Simulcasting, Rule 11.04.02.035.02 provides all responsibilities of each Applicant in order to simulcast televised races during the year. The Simulcast License facility must have in place, (f) a signed contract from a local horsemen's group. The horsemen's group must be one that meets the definition of a horsemen's group as defined in Section 54-2502, Idaho Code. The contract must not conflict with any of the provision of Sections 3001 through 3007 of Title 15 of the United States Code or any other federal laws. During calendar year 2018, no funds were contributed to the interest bearing purse account by Ida-Bet per their horsemen's agreement. Coeur d'Alene Racing, LP forwarded **\$70,449.78** to the Commission for deposit into the interest bearing purse account. Additional interest of **\$1,091.02** was added to the above amount for a total of **\$71,540.80** being forwarded from the Commission to the horsemen's group to enhance the live races.

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 \$8,258,423.90 during the calendar year of 2018. Listed below is the breakdown of disbursement.

Racing Commission	\$41,292.12
Small Track Account	\$41,292.12
Breed Fund Account	\$41,292.12
Public School Fund	\$41,292.12
Live Meet Purse Enhancement	\$330,336.96
Simulcast Facility Enhancement	\$247,752.72
Track Expenses	\$82,584.24

Advance Deposit Wagers Disbursements

<i>Track</i>	<i>Small Track</i>	<i>Purses Enhancement</i>	<i>Track Expenses</i>	<i>Simulcast Tracks</i>
Jerome	\$3,303.37	\$31,026.12	\$ 6,606.74	\$-0-
Rupert	\$3,303.37	\$25,550.92	\$ 6,606.74	\$-0-
Pocatello	\$9,910.11	\$78,477.84	\$19,820.22	\$-0-
Malad	\$6,606.74	\$49,276.78	\$13,213.48	\$-0-
Burley	\$3,303.37	\$23,725.86	\$ 6,606.74	\$-0-
Idaho Falls	\$8,258.42	\$65,702.38	\$16,516.85	\$46,606.39
Blackfoot	\$6,606.74	\$56,577.05	\$13,213.48	\$-0-
Post Falls	\$-0-	\$-0-	\$-0-	\$201,146.33

Advance Deposit Wagers Breed Distribution

Thoroughbred	\$31,290.92
Quarter Horse	\$8,887.64
Appaloosa	\$340.06
Arabian	\$61.72
Paints	\$172.63
Mules (pd to Public Schools)	\$1.76
Harness (pd to Public Schools)	\$537.68

IDAHO STATE RACING COMMISSION
REVENUES & EXPENDITURES
JANUARY 2018 DECEMBER 2018

RECEIPTS

Licenses	\$40,346.00
Fines	\$5,100.00
Pari-Mutuel - Simulcast	\$37,718.62
Pari-Mutuel - Live	\$ 7,009.88
ADW - Commission	\$35,170.88
Simulcast License Fee	\$12,300.00
Miscellaneous Receipt	<u>\$0.00</u>
Total	<u>\$137,645.38</u>

EXPENDITURES

Salaries - Staff	\$67,842.90
Part-Time	\$44,139.18
Commissioners	\$400.00
Benefits	\$29,447.21
Travel and Per Diem	\$4,838.58
Contract - Testing	\$8,944.00
Veterinarians	\$10,450.00
Clerical/Licensing Clerks.	\$4,800.50
Utilities	\$1,766.40
Dues & Subscriptions	\$3,300.00
Other Services	\$232.56
Fingerprinting	\$8,615.00
Postage & Telephone	\$1,764.93
Car - Fuel, Repairs, Maintenance	\$638.82
Supplies & Equipment.	\$1,806.71
Maintenance & Repairs	\$2,450.81
Insurance	\$2,552.00
Auditor Fees/AG Fees/SWCAP	<u>\$33,219.72</u>
Total	<u>\$227,209.32</u>

CALENDAR YEAR 2018 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
Jerome Racing	\$84,854.42	\$84,148.76	+ \$705.66
Sandy Downs Racing	\$376,439.97	\$386,252.12	-\$9,812.15
Oneida County Fair Board	\$147,192.30	\$155,861.56	-\$8,669.26
Cassia County Fair Board	\$39,660.46	\$35,193.06	+ \$4,467.40
Pocatello Downs	\$263,575.00	\$272,590.00	-9,015.00
Eastern Idaho Fair Board	\$157,703.00	\$146,455.00	+ \$11,248.00
Coeur d'Alene Greyhound Park	\$655,439.48	\$1,534,300.76	-\$878,861.28
Rupert Downs	\$42,618.96	\$39,992.15	+ \$2,626.81