

**KENTUCKY HORSE RACING COMMISSION**  
**MINUTES OF THE SPECIAL MEETING**

Date: October 8, 2019 at 11:00 AM

Place: Central Kentucky Riding for Hope, Conference Room, 4185 Walt Robinson Drive, Kentucky Horse Park, Lexington, KY

Members Present: Chairman Franklin S. Kling, Jr.; Vice-Chairman Mark Simendinger; Commissioner James Gatewood Bell, Jr.; Commissioner Larry Bisig; Commissioner Stuart E. Brown, II, DVM; Commissioner Kerry T. Cauthen; Commissioner Patrick A. Day; Commissioner Douglas A. Hendrickson; Commissioner Lesley Ann May Howard; Commissioner Kenneth A. Jackson; Commissioner Brereton C. Jones, Jr.; and Commissioner Foster Northrop, DVM; and J. David Richardson, M.D.

Ex-officio Members Present: Secretary Don Parkinson, Tourism, Arts & Heritage Cabinet; Secretary K. Gail Russell, Public Protection Cabinet; and Acting Secretary Vivek Sarin, Cabinet for Economic Development

KHRC Staff Participating/Present: Marc A. Guilfoil, Executive Director; Jamie Eads, Deputy Executive Director and Director of Division of Incentives and Development; John L. Forgy, General Counsel; Shawn D. Chapman, Deputy General Counsel

Others Participating: Mr. Kevin Flanery, President of Churchill Downs Racetrack and Senior Vice President for Churchill Downs Incorporated

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
<b>I. Call to Order and Roll Call</b>	3 – 5	Meeting called to order and roll call performed by Chairman Kling. A quorum was recognized.	No action taken.
<b>II. New Business</b> <b>Tab 1 Change of Control – Turfway Park</b>	5 – 34  5 – 8	Chairman Kling requested a motion for the Commission to address the request submitted by NKYRG, LLC to approve the proposed purchase of Turfway Park, LLC as proposed by the parties of that transaction. Motion by Commissioner Day. Second by Commissioner Bisig.  Mr. Forgy presented a background of the proposed transaction and noted that the Commission would only be addressing today the change of control.	Chairman Kling called for a vote to approve NKYRG, LLC’s request to purchase Turfway Park, LLC as presented. Motion carried with no objections or abstentions.

<i>AGENDA ITEM</i>	<i>TRANSCRIPT PAGE NUMBER(S)</i>	<i>DISCUSSION / CONCLUSIONS / RECOMMENDATIONS</i>	<i>ACTION TAKEN</i>
	7	Commissioner Kling noted that Commissioner Brown had arrived to join the meeting.	
	8 – 34	Mr. Flanery presented on behalf of NKYRG, LLC and addressed questions from the Commissioners and ex-officio members.	
<b>IV. Adjournment</b>	34	Chairman Kling requested a motion to adjourn. Motion by Commissioner Cauthen. Second by Commissioner Northrop. Meeting adjourned.	Chairman Kling called for a vote to adjourn. Motion carried with no objections or abstentions.

**NOTE:** The Agenda materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.



MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRONWORKS PKWY, BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
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**TO:** ALL COMMISSION MEMBERS  
**FROM:** Franklin S. Kling, Jr., Chairman, Kentucky Horse Racing Commission  
**DATE:** November 19, 2019  
**SUBJECT:** 2020 MEETING SCHEDULE OF THE KENTUCKY HORSE RACING COMMISSION

Please plan on the following schedule for 2020 meeting dates. This schedule has the Commission convening every other-month on the third Tuesday, with the exception of December, which will take place on the second Tuesday. The off-months can be accessed for the purposes of special meetings and committee meetings.

Day:	Date:	Time:	Location:	Address:
Tuesday	February 18, 2020	1:30p	Kentucky Horse Park - Central Kentucky Riding for Hope	4185 Walt Robertson Dr, Lexington, KY 40511
Tuesday	April 21, 2020	1:30p	Kentucky Horse Park - Central Kentucky Riding for Hope	4185 Walt Robertson Dr, Lexington, KY 40511
Tuesday	June 16, 2020	1:30p	To Be Determined	To Be Determined
Tuesday	August 18, 2020	1:30p	Kentucky Horse Park - Central Kentucky Riding for Hope	4185 Walt Robertson Dr, Lexington, KY 40511
Tuesday	October 20, 2020	1:30p	Kentucky Horse Park - Central Kentucky Riding for Hope	4185 Walt Robertson Dr, Lexington, KY 40511
Tuesday	December 8, 2020	1:30p	Kentucky Horse Park - Rolex Hospitality Room	4089 Iron Works Pkwy, Lexington, KY 40511

# January 2020

December '19						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February '20						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 Turfway Park  New Year's Day	2 Turfway Park	3 Turfway Park	4 Turfway Park
5	6	7  Legislative Session	8  Legislative Session	9 Turfway Park  Legislative Session	10 Turfway Park  Legislative Session	11 Turfway Park
12	13  Legislative Session Keeneland All Ages Sale	14  Legislative Session Keeneland All Ages Sale	15  Noon deadline to file amendments with LRC; Legislative Session Keeneland All Ages Sale	16 Turfway Park  Legislative Session Keeneland All Ages Sale	17 Turfway Park  Legislative Session	18 Turfway Park
19	20  Martin Luther King Day	21  Legislative Session	22  Legislative Session	23 Turfway Park  Legislative Session	24 Turfway Park  Legislative Session	25 Turfway Park
26	27  Legislative Session	28  KTDF Meeting Legislative Session OBS Mixed & HORA Sale	29  Legislative Session OBS Mixed & HORA Sale	30 Turfway Park  Legislative Session	31 Turfway Park KHBIF deadline to submit semi-annual reports; Legislative Session	1
2	3	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFD700; border: 1px solid black; margin-right: 5px;"></span> Turfway Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Keeneland           <span style="display: inline-block; width: 15px; height: 15px; background-color: #0000FF; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs           <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Ellis Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: #800080; border: 1px solid black; margin-left: 20px;"></span> Kentucky Downs         </p>				

# February 2020

January '20							March '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4	1	2	3	4	5	6	7
5	6	7	8	9	10	11	8	9	10	11	12	13	14
12	13	14	15	16	17	18	15	16	17	18	19	20	21
19	20	21	22	23	24	25	22	23	24	25	26	27	28
26	27	28	29	30	31		29	30	31				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1 Turfway Park
2	3 Legislative Session	4 Legislative Session	5 Legislative Session	6 Turfway Park Legislative Session	7 Turfway Park KHRC Mtg Staff Deadline Legislative Session	8 Turfway Park
9	10 Legislative Session FT KY Winter Mixed Sale	11 Legislative Session FT KY Winter Mixed Sale	12 Legislative Session	13 Turfway Park Legislative Session	14 Turfway Park Legislative Session	15 Turfway Park
16	17 Release of KBIF awards; KYSS 3 YO deadline; Noon deadline to file amendments with LRC	18 KHRC Meeting 1:30pm Legislative Session	19 Legislative Session	20 Turfway Park Legislative Session	21 Turfway Park Legislative Session	22 Turfway Park
23	24 Legislative Session	25 Legislative Session	26 Legislative Session	27 Turfway Park Legislative Session	28 Turfway Park Legislative Session	29 Turfway Park
1 Approve Churchill Downs Spring Race Meet Officials	2 Approve Keeneland Spring Race Meet Officials	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFD700; border: 1px solid black;"></span> Turfway Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black; margin-left: 20px;"></span> Keeneland           <span style="display: inline-block; width: 15px; height: 15px; background-color: #0000FF; border: 1px solid black; margin-left: 20px;"></span> Churchill Downs           <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; border: 1px solid black; margin-left: 20px;"></span> Ellis Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: #800080; border: 1px solid black; margin-left: 20px;"></span> Kentucky Downs         </p>				

# March 2020

February '20							April '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1			1	2	3	4	
2	3	4	5	6	7	8	5	6	7	8	9	10	11
9	10	11	12	13	14	15	12	13	14	15	16	17	18
16	17	18	19	20	21	22	19	20	21	22	23	24	25
23	24	25	26	27	28	29	26	27	28	29	30		

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>1</b>	<b>2</b> KHBIF deadline Legislative Session	<b>3</b> Legislative Session	<b>4</b> Legislative Session	<b>5</b> Turfway Park Legislative Session	<b>6</b> Turfway Park Legislative Session	<b>7</b> Turfway Park
<b>8</b>	<b>9</b> Legislative Session	<b>10</b> Legislative Session	<b>11</b> Legislative Session	<b>12</b> Turfway Park Legislative Session	<b>13</b> Turfway Park Legislative Session	<b>14</b> Turfway Park
<b>15</b>	<b>16</b> KYSS 2 YO & 3 YO deadline; 4Q ('19) ADW reports due; Noon deadline to file amendments with LRC; Legislative Session	<b>17</b> Legislative Session OBS 2 YO in Training Sale	<b>18</b> Legislative Session OBS 2 YO in Training Sale	<b>19</b> Turfway Park Legislative Session	<b>20</b> Turfway Park Legislative Session	<b>21</b> Turfway Park
<b>22</b>	<b>23</b> Legislative Session	<b>24</b> KTDF Meeting Legislative Session	<b>25</b> Legislative Session	<b>26</b> Turfway Park Legislative Session	<b>27</b> Turfway Park	<b>28</b> Turfway Park
<b>29</b>	<b>30</b>	<b>31</b> Legislative Session	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>5</b>	<b>6</b>	<b>Thoroughbred Host Track Status</b> 				

# April 2020

March '20						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

May '20						
S	M	T	W	T	F	S
						1
						2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 <i>Legislative Session</i> <i>FT FL 2YO in Training Sale</i>	2 Keeneland	3 Keeneland	4 Keeneland
5 Keeneland	6	7 <i>Kee 2 YO in Training Sale</i>	8 Keeneland	9 Keeneland <i>KHRC Mtg Staff Deadline</i>	10 Keeneland <i>Good Friday</i>	11 Keeneland
12 <i>Easter</i>	13	14 <i>Legislative Session</i>	15 Keeneland <i>KYSS 2YO &amp; 3YO deadline;</i> <i>Noon deadline to file amendments with LRC;</i> <i>Legislative Session</i>	16 Keeneland	17 Keeneland	18 Keeneland
19 Keeneland	20	21 KHRC Meeting 1:30pm <i>OBS 2 YO in Training Sale</i>	22 Keeneland <i>OBS 2 YO in Training Sale</i>	23 Keeneland <i>OBS 2 YO in Training Sale</i>	24 Keeneland <i>OBS 2 YO in Training Sale</i>	25 Churchill Downs
26	27	28 Churchill Downs	29 Churchill Downs	30 Churchill Downs	1	2
3 Approve Ellis Park Race Meet Officials	4	<b>Thoroughbred Host Track Status</b> <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFC000; border: 1px solid black; margin-right: 5px;"></span> Turfway Park <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Keeneland <span style="display: inline-block; width: 15px; height: 15px; background-color: #00B0F0; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Ellis Park <span style="display: inline-block; width: 15px; height: 15px; background-color: #800080; border: 1px solid black; margin-left: 20px;"></span> Kentucky Downs				

# May 2020

April '20							June '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4		1	2	3	4	5	6
5	6	7	8	9	10	11	7	8	9	10	11	12	13
12	13	14	15	16	17	18	14	15	16	17	18	19	20
19	20	21	22	23	24	25	21	22	23	24	25	26	27
26	27	28	29	30			28	29	30				

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	1 Churchill Downs  Kentucky Oaks	2 Churchill Downs  Kentucky Derby
3	4	5	6 Churchill Downs <i>(optional)</i>	7 Churchill Downs	8 Churchill Downs	9 Churchill Downs
10 Churchill Downs	11	12	13 Churchill Downs <i>(optional)</i>	14 Churchill Downs	15 Churchill Downs KYSS 1YO & 2YO deadline; 1Q ADW reports due; Noon deadline to file amendments with LRC	16 Churchill Downs
17 Churchill Downs	18  <i>FT MD 2YO in Trng Sale</i>	19  <i>FT MD 2YO in Trng Sale</i>	20 Churchill Downs <i>(optional)</i>	21 Churchill Downs	22 Churchill Downs	23 Churchill Downs
24 Churchill Downs	25 Churchill Downs  <i>Memorial Day</i>	26	27 Churchill Downs <i>(optional)</i>	28 Churchill Downs	29 Churchill Downs	30 Churchill Downs
31 Churchill Downs	1	<b>Thoroughbred Host Track Status</b> 				

# June 2020

May '20							July '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2				1	2	3	4
3	4	5	6	7	8	9	5	6	7	8	9	10	11
10	11	12	13	14	15	16	12	13	14	15	16	17	18
17	18	19	20	21	22	23	19	20	21	22	23	24	25
24	25	26	27	28	29	30	26	27	28	29	30	31	
						31							

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31	1 KHBIF deadline	2	3 Churchill Downs <i>(optional)</i>  FT CA 2YO in Trng Sale	4 Churchill Downs	5 Churchill Downs  KHRC Mtg Staff Deadline	6 Churchill Downs
7 Churchill Downs	8	9	10 Churchill Downs <i>(optional)</i>  OBS 2 YO & HORA Sale	11 Churchill Downs  OBS 2 YO & HORA Sale	12 Churchill Downs  OBS 2 YO & HORA Sale	13 Churchill Downs
14 Churchill Downs	15  Noon deadline to file amendments with LRC	16 KHRC Meeting 1:30pm	17 Churchill Downs <i>(optional)</i>	18 Churchill Downs	19 Churchill Downs	20 Churchill Downs
21 Churchill Downs	22	23	24 Churchill Downs <i>(optional)</i>	25 Churchill Downs	26 Churchill Downs	27 Churchill Downs
28 Ellis Park	29 Ellis Park <i>(optional)</i>	30 Ellis Park <i>(optional)</i>	1	2	3	4
5 Approve The Red Mile, Churchill Downs Sept, & Kentucky Downs Race Meet Officials	6	<b>Thoroughbred Host Track Status</b> 				

# July 2020

June '20							August '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
	1	2	3	4	5	6							1
7	8	9	10	11	12	13	2	3	4	5	6	7	8
14	15	16	17	18	19	20	9	10	11	12	13	14	15
21	22	23	24	25	26	27	16	17	18	19	20	21	22
28	29	30					23	24	25	26	27	28	29
							30	31					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	1 Ellis Park <i>(optional)</i>  Appoint Committees	2 Ellis Park <i>(optional)</i>	3 Ellis Park	4 Ellis Park  <i>Independence Day</i>
5 Ellis Park	6 Ellis Park <i>(optional)</i>	7 Ellis Park <i>(optional)</i>	8 Ellis Park <i>(optional)</i>	9 Ellis Park <i>(optional)</i>	10 Ellis Park	11 Ellis Park
12 Ellis Park	13 Ellis Park <i>(optional)</i>  <i>FT KY HORA &amp; YIng Sale</i>	14 Ellis Park <i>(optional)</i>  <i>FT KY Select YIng Sale</i>	15 Ellis Park <i>(optional)</i>  Noon deadline to file amendments with LRC	16 Ellis Park <i>(optional)</i>	17 Ellis Park	18 Ellis Park
19 Ellis Park	20 Ellis Park <i>(optional)</i>	21 Ellis Park <i>(optional)</i>	22 Ellis Park <i>(optional)</i>	23 Ellis Park <i>(optional)</i>	24 Ellis Park	25 Ellis Park
26 Ellis Park	27 Ellis Park <i>(optional)</i>	28 Ellis Park <i>(optional)</i>  KTRF Meeting	29 Ellis Park <i>(optional)</i>	30 Ellis Park <i>(optional)</i>	31 Ellis Park  KHBIF deadline to submit semi-annual reports	1
2	3	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: orange; margin-right: 5px;"></span> Turfway Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: lightgreen; margin-left: 20px; margin-right: 5px;"></span> Keeneland           <span style="display: inline-block; width: 15px; height: 15px; background-color: blue; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs           <span style="display: inline-block; width: 15px; height: 15px; background-color: yellow; margin-left: 20px; margin-right: 5px;"></span> Ellis Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: purple; margin-left: 20px;"></span> Kentucky Downs         </p>				

# August 2020

July '20							September '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4			1	2	3	4	5
5	6	7	8	9	10	11	6	7	8	9	10	11	12
12	13	14	15	16	17	18	13	14	15	16	17	18	19
19	20	21	22	23	24	25	20	21	22	23	24	25	26
26	27	28	29	30	31		27	28	29	30			

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1 Ellis Park
2 Ellis Park The Red Mile	3 Ellis Park <i>(optional)</i> The Red Mile <small>Totalizer license app due to the Commission</small>	4 Ellis Park <i>(optional)</i> The Red Mile	5 Ellis Park <i>(optional)</i>	6 Ellis Park <i>(optional)</i> <small>Approve Oak Grove Race Meet Officials</small>	7 Ellis Park  <small>KHRC Mtg Staff Deadline</small> <small>Approve Keeneland &amp; Churchill Downs Fall Race Meet Officials</small>	8 Ellis Park
9 Ellis Park The Red Mile	10 Ellis Park <i>(optional)</i> The Red Mile <small>FT NY Select Yearling Sale</small>	11 Ellis Park <i>(optional)</i> The Red Mile <small>FT NY Select Yearling Sale</small>	12 Ellis Park <i>(optional)</i>	13 Ellis Park <i>(optional)</i>	14 Ellis Park	15 Ellis Park
16 Ellis Park The Red Mile <small>FT NY Bred Yearling Sale</small>	17 Ellis Park <i>(optional)</i> The Red Mile <small>KTBF deadline; 2Q ADW reports due; noon deadline to file amendments with LRC</small> <small>FT NY Bred Yearling Sale</small>	18 Ellis Park <i>(optional)</i> The Red Mile <small>KHRC Meeting 1:30pm</small>	19 Ellis Park <i>(optional)</i>	20 Ellis Park <i>(optional)</i>	21 Ellis Park	22 Ellis Park
23 Ellis Park The Red Mile	24 Ellis Park <i>(optional)</i> The Red Mile	25 Ellis Park <i>(optional)</i> The Red Mile	26 Ellis Park <i>(optional)</i>	27 Ellis Park <i>(optional)</i>	28 Ellis Park	29 Ellis Park
30 Ellis Park The Red Mile	31 Ellis Park <i>(optional)</i> The Red Mile	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: orange; margin-right: 5px;"></span> Turfway Park             <span style="display: inline-block; width: 15px; height: 15px; background-color: lightgreen; margin-left: 20px; margin-right: 5px;"></span> Keeneland             <span style="display: inline-block; width: 15px; height: 15px; background-color: blue; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs             <span style="display: inline-block; width: 15px; height: 15px; background-color: yellow; margin-left: 20px; margin-right: 5px;"></span> Ellis Park             <span style="display: inline-block; width: 15px; height: 15px; background-color: purple; margin-left: 20px;"></span> Kentucky Downs           </p>				

# September 2020

August '20							October '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1					1	2	3
2	3	4	5	6	7	8	4	5	6	7	8	9	10
9	10	11	12	13	14	15	11	12	13	14	15	16	17
16	17	18	19	20	21	22	18	19	20	21	22	23	24
23	24	25	26	27	28	29	25	26	27	28	29	30	31
30	31												

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	31	<b>1</b> <b>Ellis Park</b> <i>(optional)</i> <b>The Red Mile</b> Report of unclaimed tickets due; ADW license apps due to the KHRC	<b>2</b> <b>Kentucky Downs</b>	<b>3</b> <b>Ellis Park</b> <i>(optional)</i>	<b>4</b> <b>Ellis Park</b>	<b>5</b> <b>Ellis Park</b>
<b>6</b> <b>Ellis Park</b> <b>The Red Mile</b>	<b>7</b> <b>Kentucky Downs</b> <b>The Red Mile</b>  <i>Labor Day</i>	<b>8</b> <b>The Red Mile</b>	<b>9</b> <b>Kentucky Downs</b>	<b>10</b> <b>Kentucky Downs</b>	<b>11</b>	<b>12</b> <b>Kentucky Downs</b>
<b>13</b> <b>Kentucky Downs</b> <b>The Red Mile</b>	<b>14</b> <b>The Red Mile</b>  <i>KEE Yearling Sale</i>	<b>15</b> <b>The Red Mile</b>  Noon deadline to file amendments with LRC <i>KEE Yearling Sale</i>	<b>16</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>	<b>17</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>	<b>18</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>	<b>19</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>
<b>20</b> <b>Churchill Downs</b> <b>The Red Mile</b> KYSS Championships  <i>KEE Yearling Sale</i>	<b>21</b> <b>The Red Mile</b> KYSS Championships  <i>KEE Yearling Sale</i>	<b>22</b> <b>The Red Mile</b>  <i>KEE Yearling Sale</i>	<b>23</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>	<b>24</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>	<b>25</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>	<b>26</b> <b>Churchill Downs</b>  <i>KEE Yearling Sale</i>
<b>27</b> <b>Churchill Downs</b>	<b>28</b>	<b>29</b>	<b>30</b>	<b>1</b>	<b>2</b>	<b>3</b>
4	5	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFC000; margin-right: 5px;"></span> Turfway Park                             <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; margin-left: 20px; margin-right: 5px;"></span> Keeneland                             <span style="display: inline-block; width: 15px; height: 15px; background-color: #00B0F0; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs                             <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; margin-left: 20px; margin-right: 5px;"></span> Ellis Park                             <span style="display: inline-block; width: 15px; height: 15px; background-color: #800080; margin-left: 20px;"></span> Kentucky Downs                         </p>				

# October 2020

September '20							November '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5	1	2	3	4	5	6	7
6	7	8	9	10	11	12	8	9	10	11	12	13	14
13	14	15	16	17	18	19	15	16	17	18	19	20	21
20	21	22	23	24	25	26	22	23	24	25	26	27	28
27	28	29	30				29	30					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
27	28	29	30	1 Deadline of Sherriff's office to report posting of unclaimed tickets	2 Keeneland The Red Mile	3 Keeneland The Red Mile
4 Keeneland The Red Mile	5 Keeneland The Red Mile	6 Keeneland KTDF Meeting OBS Select Yearling Sale	7 Keeneland OBS Open Yearling Sale	8 Keeneland OBS Open Yearling Sale	9 Keeneland The Red Mile KHRC Mtg Staff Deadline	10 Keeneland The Red Mile
11 Keeneland The Red Mile	12 Keeneland FT MD Fall Yearling Sale	13 Keeneland FT MD Fall Yearling Sale	14 Keeneland Oak Grove	15 Keeneland Oak Grove Noon deadline to file amendments with LRC	16 Keeneland	17 Keeneland
18 Keeneland	19 Keeneland Oak Grove FT CA Fall Yearling Sale	20 Keeneland Oak Grove KHRC Meeting 1:30pm	21 Keeneland Oak Grove	22 Keeneland Oak Grove FT NY Fall Mixed Sale	23 Keeneland	24 Keeneland
25 Churchill Downs	26 Churchill Downs Oak Grove FT KY Oct Yearling Sale	27 Churchill Downs Oak Grove FT KY Oct Yearling Sale	28 Churchill Downs Oak Grove FT KY Oct Yearling Sale	29 Churchill Downs Oak Grove FT KY Oct Yearling Sale	30 Churchill Downs	31 Churchill Downs
1 Approve Turfway Park Holiday & Winter / Spring Race Meet Officials	2 Approve Race Dates & Track Apps	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: orange; margin-right: 5px;"></span> Turfway Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; margin-left: 20px; margin-right: 5px;"></span> Keeneland           <span style="display: inline-block; width: 15px; height: 15px; background-color: #00BFFF; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs           <span style="display: inline-block; width: 15px; height: 15px; background-color: yellow; margin-left: 20px; margin-right: 5px;"></span> Ellis Park           <span style="display: inline-block; width: 15px; height: 15px; background-color: purple; margin-left: 20px; margin-right: 5px;"></span> Kentucky Downs         </p>				

# November 2020

October '20							December '20						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
				1	2	3			1	2	3	4	5
4	5	6	7	8	9	10	6	7	8	9	10	11	12
11	12	13	14	15	16	17	13	14	15	16	17	18	19
18	19	20	21	22	23	24	20	21	22	23	24	25	26
25	26	27	28	29	30	31	27	28	29	30	31		

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<b>1</b> <b>Churchill Downs</b>	<b>2</b> <b>Oak Grove</b>  Deadline to approve race dates & track apps	<b>3</b> <b>Oak Grove</b>  <b>Election Day</b>	<b>4</b> <b>Churchill Downs</b> <b>Oak Grove</b>	<b>5</b> <b>Churchill Downs</b>	<b>6</b> <b>Keeneland</b>  Breeders' Cup	<b>7</b> <b>Keeneland</b>  Breeders' Cup
<b>8</b> <b>Churchill Downs</b>	<b>9</b> <b>Oak Grove</b>  FT KY Select Brdg Stock Sale	<b>10</b> <b>Oak Grove</b>  KEE Breeding Stock Sale	<b>11</b> <b>Churchill Downs</b> <b>Oak Grove</b>  KEE Breeding Stock Sale Veterans Day	<b>12</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale	<b>13</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale	<b>14</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale
<b>15</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale	<b>16</b>  Noon deadline to file ammendments with LRC KEE Breeding Stock Sale	<b>17</b>  KEE Breeding Stock Sale	<b>18</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale	<b>19</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale	<b>20</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale	<b>21</b> <b>Churchill Downs</b>  KEE Breeding Stock Sale
<b>22</b> <b>Churchill Downs</b>	<b>23</b>	<b>24</b>	<b>25</b> <b>Churchill Downs</b>  KHRC Mtg Staff Deadline	<b>26</b> <b>Churchill Downs</b>  Thanksgiving Day	<b>27</b> <b>Churchill Downs</b>	<b>28</b> <b>Churchill Downs</b>
<b>29</b> <b>Churchill Downs</b>	<b>30</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>6</b>	<b>7</b>	<b>Thoroughbred Host Track Status</b> 				

# December 2020

November '20						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

January '21						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	1	2 Turfway Park	3 Turfway Park	4 Turfway Park	5 Turfway Park  AAEP Annual Meeting
6  AAEP Annual Meeting	7  AAEP Annual Meeting	8 KHRC Meeting 1:30pm  AAEP Annual Meeting <b>FT MD Mixed &amp; HORA Sale</b>	9 Turfway Park  AAEP Annual Meeting	10 Turfway Park  ARCI Winter Meetings	11 Turfway Park  ARCI Winter Meetings	12 Turfway Park
13	14	15 Deadline to award KYSS & KY County Fair dates / purses; <b>Deadline to approve ADW license apps</b> ; Noon deadline to file amendments with LRC	16	17 Turfway Park	18 Turfway Park  Deadline to approve totalizer license apps	19 Turfway Park
20	21	22	23	24  <b>Christmas Eve</b>	25  <b>Christmas Day</b>	26 Turfway Park
27	28	29	30	31 Turfway Park Deadline for all 3 BIFs, QH & STB Dev. Funds; Deadline to pay KyRHWF <b>New Year's Eve</b>	1 Approve KYSS & County fair dates & purses;	2 Approve payment to KyRHWF
3 Approve ADW license apps & conditions of licensure	4 Approve totalizer license apps	<p style="text-align: center;"><b>Thoroughbred Host Track Status</b></p> <p> <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFD700; border: 1px solid black; margin-right: 5px;"></span> Turfway Park             <span style="display: inline-block; width: 15px; height: 15px; background-color: #90EE90; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Keeneland             <span style="display: inline-block; width: 15px; height: 15px; background-color: #4169E1; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Churchill Downs             <span style="display: inline-block; width: 15px; height: 15px; background-color: #FFFF00; border: 1px solid black; margin-left: 20px; margin-right: 5px;"></span> Ellis Park             <span style="display: inline-block; width: 15px; height: 15px; background-color: #800080; border: 1px solid black; margin-left: 20px;"></span> Kentucky Downs           </p>				



MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRON WORKS PKWY., BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
**FROM: Jamie H. Eads, Deputy Executive Director, KHRC**  
**DATE: November 15, 2019**  
**SUBJECT: 2020 KENTUCKY SIRE STAKES PURSE DISTRIBUTIONS AND PROMOTIONS OF CHAMPIONSHIP DAY**

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The Kentucky Standardbred Development Fund/Kentucky Standardbred Breeders’ Incentive Fund Advisory Panel met on September 10, 2019 and recommends approval for the following 2020 Kentucky Sire Stakes estimated purse distributions:

**Two-year-olds:**

Legs: \$40,000  
Finals: \$250,000

**Three-year-olds:**

Legs: \$40,000  
Finals: \$250,000

In addition to the purses above, the Advisory Panel recommends early closing events with the following purse distributions:

**Two-year-olds:**

Legs: \$20,000  
Finals: \$75,000

**Three-year-olds:**

Legs: \$20,000  
Finals: \$75,000

**Two-year-olds race dates:**

Leg 1: 8/16 (Trotters); 8/17 (Pacers)  
Leg 2: 8/24 (Trotters); 8/25 (Pacers)  
Leg 3: 9/06 (Trotters); 9/07 (Pacers)  
Championships: 9/20 & 9/21

**Three-year-olds race dates:**

Leg 1: 8/18 (Trotters); 8/23 (Pacers)  
Leg 2: 8/30 (Trotters); 9/01 (Pacers)  
Leg 3: 9/08 (Trotters); 9/13 (Pacers)  
Championships: 9/20 & 9/21

All races will be held at The Red Mile.



Additionally, the Panel recommends continuing to support harness racing at County Fairs by providing purses of \$5,000 per division for each Fair and \$15,000 for the Finals.

For the last two years, the racing commission, in partnership with several other local entities have promoted the Championships with a family-friendly festival to introduce the community to not only harness racing but equine charities, multiple breeds living in the Commonwealth, local artist and live music.

KRS 230.770 in part states, *“money distributed from the development fund to licensed Standardbred race tracks within the Commonwealth shall be used exclusively to promote races and provide purses....”*

In accordance with KRS 230.770, the KYSS Advisory Panel respectfully request the Commission’s approval to continue to promote and grow the 2020 KYSS Championships with total expenditures up to \$150,000.

The following is a brief description of the KYSS and funding for informational purposes:

The Kentucky Sire Stakes is a culmination of a month-long series of preliminary races, with the biggest money earners getting a chance to compete in the finals at The Red Mile. The series includes two-and-three year-old pacers and trotters for both fillies & colts.

**Kentucky Standardbred Development Fund (KSDF):**

This fund is to promote races and to provide purses for races for Kentucky-bred Standardbred horses. The fund is to be distributed to persons, corporations or associations operating licensed Standardbred race tracks within Kentucky on an equitable basis, for the purposes of conducting separate races for two and three-year-old fillies and colts, both trotting and pacing. The KSDF receives its revenue under the provisions of KRS 138.510, taxes on pari-mutuel wagering.

**Kentucky Standardbred Breeders’ Incentive Fund (KSBIF):**

The Kentucky Standardbred Breeders’ Incentive Fund is financed from the 13% of all receipts collected from the sales and use tax on the fees paid for breeding a stallion to a mare in Kentucky, together with any other money contributed, appropriated, or allocated to the fund from all other sources. The money deposited in the KSBIF is used to provide rewards for breeders or owners of Kentucky-bred Standardbred horses.

Approval is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied





MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
**FROM: Jamie H. Eads, Kentucky Horse Racing Commission**  
**DATE: December 2, 2019**  
**SUBJECT: KENTUCKY COUNTY FAIRS:**

Pursuant to KRS 230.398, Standardbred uncashed ticket money shall be used for harness racing at county fairs. Staff confirms \$42,620.47 was collected for the 2018 un-cashed tickets. This amount will decrease pending advertising paid in Fayette & McCracken counties.

Racing Facility	Amount	Amount Claimed	Advertising Paid	Check Received	Total to Fund
Players Bluegrass Downs	\$20,932.06	\$0.00		\$20,932.06	\$20,932.06
The Red Mile	\$21,688.41	\$0.00		\$21,688.41	\$21,688.41
<b>Total</b>	<b>\$42,620.47</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$42,620.47</b>	<b>\$42,620.47</b>

Approval is recommended

**COMMISSION ACTION:**

\_\_\_\_\_ Approved  
\_\_\_\_\_ Deferred  
\_\_\_\_\_ Denied





MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
CHAIRMAN

MARC A. GUILFOIL  
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TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO: ALL COMMISSION MEMBERS**  
**FROM:** Jamie H. Eads, KHRC  
**DATE:** November 26, 2019  
**SUBJECT: KENTUCKY RACING HEALTH AND WELFARE FUND**

The Kentucky Horse Racing Commission has received the attached request from Richard Riedel seeking transfer of funds from the unclaimed pari-mutuel tickets to the Kentucky Racing Health and Welfare Fund. This total amount is \$1,880,499.40, less any claims and advertising.

The below documents follow this memorandum:

- Letter from Richard Riedel seeking transfer of funds;
- Chart reflecting dollars due the fund;
- Chart reflecting dollars paid to fund;
- Approval of the release of funds from the Kentucky State Auditor;
- Copy of the Kentucky Racing Health and Welfare Fund audit report for 2018 prepared by Monroe Shine.

Pursuant, to KRS 230.362, any reported pari-mutuel ticket that has not been claimed within one (1) year from the time the ticket became payable is presumed to be abandoned. Each year, any person or association holding any unclaimed tickets presumed abandoned as of July 1<sup>st</sup> of that year (in other words, any person holding on July 1<sup>st</sup> any tickets that have not, as of that date, been claimed for a year or more) is required to create a list of the tickets. The list, which records the amount of each ticket, is then submitted to the Commission by September 1<sup>st</sup> of the same year. Between November 1<sup>st</sup> and November 15<sup>th</sup>, the person or association then turns over to the Commission the sum represented by the tickets as reported.

The tickets turned over to the Kentucky Racing Health and Welfare Fund are over a year old. Specifically, these are tickets that were originally sold to bettors between July 1, 2017, and June 30, 2018, and were still unclaimed a year (or more) later on July 1, 2019. Below is a copy of the statute regarding payments to the Kentucky Racing Health and Welfare Fund, Inc.



**230.374 Payments to Kentucky Racing Health and Welfare Fund, Inc.**

All sums reported and paid to the authority under the provisions of KRS 230.361 to 230.373, with the exception of funds paid under KRS 230.398, shall be paid by the authority to the Kentucky Racing Health and Welfare Fund, Inc., a nonprofit charitable corporation, organized for the benefit, aid, assistance, and relief of thoroughbred owners, trainers, jockeys, valets, exercise riders, grooms, stable attendants, pari-mutuel clerks, and other thoroughbred racing personnel employed in connection with racing, and their spouses and children, who can demonstrate their need for financial assistance connected with death, illness, or off-the-job injury and are not otherwise covered by union health and welfare plans, workers' compensation, Social Security, public welfare, or any type of health, medical, death, or accident insurance. These sums shall be paid on or before December 31 in each year, however, no payments shall be made by the authority to the Kentucky Racing Health and Welfare Fund, Inc., unless the authority and the Auditor of Public Accounts are satisfied that the fund is in all respects being operated for the charitable and benevolent purposes as set forth in this section and that no part of the funds paid to the fund by the authority or any net earnings of the fund inure to the benefit of any private individual, director, officer, or member of the fund or any of the persons who turned over sums to the authority representing unclaimed pari-mutuel tickets.

The following is a brief description of the fund for informational purposes.

**Kentucky Racing Health and Welfare Fund.** The Kentucky Racing Health and Welfare Fund, Inc. is an independent charitable corporation, organized for the benefit, aid, assistance and relief of thoroughbred owners, trainers, jockeys, valets, exercise riders, grooms, stable attendants, pari-mutuel clerks and other thoroughbred racing personnel employed in connection with racing, and their spouses and children, who can demonstrate their need for financial assistance connected with death, illness or off-the-job injury and are not otherwise covered by union health and welfare plans, workers' compensation, Social Security, public welfare or any type of health, medical, death or accident insurance. Proceeds from unclaimed pari-mutuel tickets provide the revenue for this fund.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred





## Kentucky Racing Health & Welfare Fund

RICHARD P. RIEDEL • Executive Director  
KAREN PEHLKE • Director of Operations  
422 Heywood Avenue  
Louisville, KY 40208  
(502) 636-2900  
Fax (502) 636-2955

November 5, 2019

Kentucky Horse Racing Commission  
Attn: Jamie Eads, Director, Division of Breeders' Incentives  
4063 Iron Works Pike, Building B  
Lexington, KY 40511

Dear Jamie:

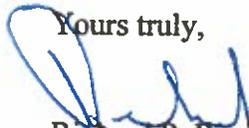
Please place our request for the transfer of funds due to the Kentucky Racing Health and Welfare Fund on December 31, 2019 on the agenda of the next Commission meeting.

Earlier this year we submitted to the Commission our 2018 audit report and a final approval from the Kentucky State Auditor indicating that the Auditor's staff is satisfied that the Kentucky Racing Health and Welfare Fund is, in all respects, being operated for the charitable and benevolent purposes as provided in KRS 230.374.

As always, if there is any additional information you need please contact me.

I sincerely appreciate your assistance in this matter.

Yours truly,

  
Richard P. Riedel  
Executive Director



Kentucky Racing Health & Welfare Fund  
 Attn: Richard Riedel  
 422 Heywood Ave  
 Louisville, KY 40208-1324

Racing Facility	Amount	Amount Claimed	Check Received	Advertising Paid	Total to Fund
Churchill Downs	\$932,496.79	\$8,177.50	\$924,319.29	\$779.53	\$923,539.76
Ellis Park	\$151,545.78	\$0.00	\$151,545.78	\$48.38	\$151,497.40
Keeneland	\$568,319.32	\$1,703.80	\$566,615.52		\$566,615.52
Kentucky Downs*	\$188,092.14	\$102,811.08	\$85,281.06	\$392.94	\$84,888.12
Turfway Park	\$154,037.15	\$78.55	\$153,958.60		\$153,958.60
<b>Total</b>	<b>\$1,994,491.18</b>				<b>\$1,880,499.40</b>

*\*total dollars reported as unclaimed and claimed unusually high for this track;  
 currently working with track & tote to audit.*

Monies to be turned over to the KY Racing Health & Welfare Fund pursuant to KRS 230.374

Fiscal Year	Issued Date	Jrnl Doc Ref Doc ID	Vendor Legal Name	Posting Amount	Cleared Date
2007	4/2/2007	700086206	KENTUCKY RACING HEALTH AND	\$ 2,329,197.66	4/9/2007
2008	12/28/2007	700164423	KENTUCKY RACING HEALTH AND	\$ 2,140,152.42	1/7/2008
2008	2/21/2008	800180458	KENTUCKY RACING HEALTH AND	\$ 224,601.18	2/27/2008
2009	1/23/2009	900272594	KENTUCKY RACING HEALTH AND	\$ 1,513,433.43	1/29/2009
2009	3/2/2009	900282625	KENTUCKY RACING HEALTH AND	\$ 889,767.51	3/6/2009
2009	3/12/2009	900286472	KENTUCKY RACING HEALTH AND	\$ 182,665.46	3/18/2009
2010	12/28/2009	1000048327	KENTUCKY RACING HEALTH AND	\$ 1,300,000.00	1/6/2010
2010	2/15/2010	1000061672	KENTUCKY RACING HEALTH AND	\$ 965,859.01	2/22/2010
2010	4/19/2010	1000080486	KENTUCKY RACING HEALTH AND	\$ 322,016.10	4/26/2010
2010	6/4/2010	1000092937	KENTUCKY RACING HEALTH AND	\$ 10,541.30	6/10/2010
2011	12/21/2010	1100047568	KENTUCKY RACING HEALTH AND	\$ 2,294,541.92	1/5/2011
2012	1/23/2012	1200056850	KENTUCKY RACING HEALTH AND	\$ 2,111,476.93	1/27/2012
2012	4/6/2012	1200079581	KENTUCKY RACING HEALTH AND	\$ 182,019.00	4/9/2012
2013	1/25/2013	1300059166	KENTUCKY RACING HEALTH AND	\$ 1,965,047.22	1/30/2013
2013	2/20/2013	1300067098	KENTUCKY RACING HEALTH AND	\$ 226,757.39	2/25/2013
2014	1/8/2014	1400052861	KENTUCKY RACING HEALTH AND	\$ 2,153,777.97	1/13/2014
2014	3/17/2014	1400071873	KENTUCKY RACING HEALTH AND	\$ 97,950.65	3/21/2014
2015	12/30/2014	1500051866	KENTUCKY RACING HEALTH AND	\$ 1,544,850.14	1/5/2015
2015	12/31/2014	1500052225	KENTUCKY RACING HEALTH AND	\$ 604,802.76	1/7/2015
2016	12/4/2015	1600044811	KENTUCKY RACING HEALTH AND	\$ 1,946,275.49	12/10/2015
2017	12/21/2016	1700049300	KENTUCKY RACING HEALTH AND	\$ 2,030,904.28	12/30/2016
2017	2/8/2017	1700063325	KENTUCKY RACING HEALTH AND	\$ 4,400.96	2/14/2017
2018	12/13/2017	1800046908	KENTUCKY RACING HEALTH AND	\$ 2,220,796.20	12/21/2017
2018	4/12/2018	1800079869	KENTUCKY RACING HEALTH AND	\$ 152,916.71	4/24/2018
2019	12/14/2018	1900047108	KENTUCKY RACING HEALTH AND	\$ 1,934,121.71	12/24/2018



**MIKE HARMON  
AUDITOR OF PUBLIC ACCOUNTS**

July 30, 2019

Richard P. Riedel  
Executive Director  
Kentucky Racing Health and Welfare Fund, Inc.  
422 Heywood Avenue  
Louisville, KY 40208

RE: KRS 230.374 – Transfer of Funds to the Kentucky Racing Health and Welfare Fund, Inc.

Dear Mr. Riedel:

We have received your correspondence to our Chief of Staff, Sara Beth Gregory, dated July 23, 2019 requesting a letter stating that our office is satisfied that the Kentucky Racing Health and Welfare Fund, Inc. (Fund) is being operated for charitable and benevolent purposes as provided in KRS 230.374.

We have reviewed the FY18 Fund financial statement audit report performed by Monroe Shine, which you provided to us, as well as a copy of the Fund's 2019 budget as approved April 18, 2019.

Based on our review of the documents provided, our office is satisfied that the 2019 anticipated expenditures of the Fund are for charitable and benevolent purposes, as required by KRS 230.374, or for reasonable administrative purposes.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial statements or the budget. Accordingly, we do not express such an opinion. Had we performed an audit or further review, other matters might have come to our attention which would have been reported to you.

Thank you and God Bless,

Mike Harmon  
Auditor of Public Accounts

CC: Farrah Petter, Assistant State Auditor  
Sara Beth Gregory, APA Chief of Staff



209 ST. CLAIR STREET  
FRANKFORT, KY 40601-1817

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**KENTUCKY RACING HEALTH AND  
WELFARE FUND, INC. –  
LOUISVILLE, KENTUCKY**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDED  
DECEMBER 31, 2018 AND 2017**



**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**

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# MONROE SHINE

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## Independent Auditor's Report

Board of Directors  
**Kentucky Racing Health and Welfare Fund, Inc.**  
Louisville, Kentucky

We have audited the accompanying financial statements of the **Kentucky Racing Health and Welfare Fund, Inc.**, which comprise the statements of net assets – modified cash basis as of December 31, 2018 and 2017, and the related statements of revenues, expenses, and other changes in net assets – modified cash basis for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Kentucky Racing Health and Welfare Fund, Inc.** as of December 31, 2018 and 2017, and the results of its operations and its cash flows for the years then ended in accordance with the basis of accounting described in Note 1.

### Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion was not modified with respect to that matter.

*Monroe Shine*

Louisville, Kentucky  
June 28, 2019

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**STATEMENTS OF NET ASSETS - MODIFIED CASH BASIS**  
**DECEMBER 31, 2018 AND 2017**

**ASSETS**

	<u>2018</u>	<u>2017</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents:		
Checking and petty cash	\$ 297,332	\$ 87,561
PNC operating cash	2,817,669	3,052,729
PNC operating reserve cash	103,996	45,607
Total cash and equivalents	3,218,997	3,185,897
Marketable securities	5,169,040	5,457,289
Total Current Assets	8,388,037	8,643,186
<b>OTHER ASSETS</b>		
Notes receivable and advances	1,894,051	1,894,051
Land	126,435	126,435
Total Other Assets	2,020,486	2,020,486
Total Assets	10,408,523	10,663,672

**NET ASSETS**

Without donor restrictions	10,399,169	10,651,338
With donor restrictions	9,354	12,334
Total Net Assets	10,408,523	10,663,672
Total Liabilities and Net Assets	\$ 10,408,523	\$ 10,663,672

See notes to financial statements.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**STATEMENTS OF REVENUES, EXPENSES, AND OTHER CHANGES**  
**IN NET ASSETS - MODIFIED CASH BASIS**  
**DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>REVENUE</b>		
KRS 230.374 grant	\$ 2,087,038	\$ 2,225,197
Public contributions	-	800
Interest and dividend income	219,466	162,081
Gain on sale of marketable securities	107,100	35,346
Net unrealized gain (loss) on marketable securities	(509,036)	244,845
KRHSC Co-Pay	7,131	6,900
Sublease rental income	3,250	3,900
Record retrieval	-	10
<b>Total Revenue</b>	<u>1,914,949</u>	<u>2,679,079</u>
<b>EXPENSES</b>		
Claims paid:		
Hospitals - approved gross billings	377,316	366,869
Negotiated credit	(314,709)	(298,576)
Doctors - approved gross billings	558,521	431,099
Negotiated credit	(209,230)	(189,015)
Dentists	256,822	239,979
Orthodontia	4,839	4,620
Vision	37,375	26,430
Prescription	136,852	106,168
Peridontia	11,963	10,019
Chiropractors	9,451	11,542
Ambulance and transportation	525	1,086
Financial aid	21,297	16,467
Funeral expenses	72,673	44,456
Hearing aids	-	16,000
Mental health	7,242	2,976
Acupuncture	1,300	1,925
Diagnostic Center	57,489	55,808
Health fair marketing	2,088	2,645
Kentucky Racing Health Services Center - Louisville	219,872	248,895
Horsemen's Wellness Center - Turfway Park	14,601	14,259
Bereavement and disability expense	2,980	3,191
Administrative	623,383	565,153
Vacant lot maintenance	700	958
PNC investment management fee	19,081	19,560
Kentucky Race Track Retirement Plan	257,667	507,779
<b>Total Expenses</b>	<u>2,170,098</u>	<u>2,210,293</u>
Increase in Net Assets	(255,149)	468,786
<b>Net Assets, Beginning of Year</b>	<u>10,663,672</u>	<u>10,194,886</u>
<b>Net Assets, End of Year</b>	<u>\$ 10,408,523</u>	<u>\$ 10,663,672</u>
Designated operating reserve account	\$ 5,273,036	\$ 5,502,896
Restricted bereavement and disability	9,354	12,334
All other assets	5,126,133	5,148,442
<b>Net Assets, End of Year</b>	<u>\$ 10,408,523</u>	<u>\$ 10,663,672</u>

See notes to financial statements.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS**  
**DECEMBER 31, 2018 AND 2017**

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

The Kentucky Racing Health and Welfare Fund, Inc., (Fund) a non-profit charitable corporation, was formed in 1978 pursuant to KRS 230.374.

The Fund is organized for the benefit, aid, assistance and relief of owners, trainers, jockeys, valets, exercise riders, grooms, stable attendants, pari-mutuel clerks and other racing personnel employed in connection with thoroughbred racing and their spouses and children who demonstrate need for financial assistance connected with death, illness, off-the-job injury and are not otherwise covered by union health and welfare plans, workers' compensation, social security, public welfare or any type of health, medical, death or accident insurance.

Pursuant to KRS 230.374 the Fund receives an annual grant which represents uncashed thoroughbred pari-mutuel tickets. No payment is made to the Fund unless the Kentucky Horse Racing Commission and the Kentucky Auditor of Public Accounts are satisfied the Fund is, in all respects, operated for the charitable and benevolent purposes set forth in KRS 230.374 and 230.375 and no part of the grant paid to the Fund or any net earnings of the Fund inure to the benefit of any individual, director, officer, member of the Fund, or persons who turned over sums to the Commission representing unclaimed pari-mutuel tickets. These payments are restricted by law and are only available for use as set forth in KRS 230.374 and 230.375.

The Fund sponsors the Kentucky Race Track Retirement Plan. The Plan, with discretionary contributions, was established pursuant to KRS 230.375 and is administered for the benefit of eligible participants.

**Basis of Presentation**

These financial statements are presented on the modified cash basis of accounting, another comprehensive basis of accounting. The modified cash basis of accounting incorporates elements of both the cash basis of accounting and generally accepted accounting principles (GAAP). Consequently, revenues are recognized when received and certain expenses and purchases of assets are recognized when cash is disbursed. Depreciation of property and equipment is reported in the financial statements.

The primary differences between the Fund's modified cash basis of accounting and GAAP relates to the recognition of liabilities for claims incurred in one year and paid in the next and disclosure of expenses by natural and functional classification. GAAP would recognize the liability and expense when incurred whereas the modified cash basis recognizes the expense when paid. Management has concluded determining the amount of these claims and the associated expense is an undue administrative burden, speculative and would provide minimal additional financial information.

Management has concluded the modified cash basis of accounting provides an accurate reflection of the Fund's economic activity and operations, accommodates the preparation of operating budgets, internal and external financial statements and facilitates the comparison of budgets to financial statements.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2018 AND 2017**

(1 – continued)

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board which requires the Fund to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Certain prior year accounts have been reclassified to conform with current year presentations.

**Cash and Cash Equivalents**

The Fund considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity date of three months or less to be cash and cash equivalents in the financial statements.

**Investments**

Investments in marketable securities with readily determinable fair values are measured at fair market value in the statement of net assets. The unrealized gains or losses on investments are included in the change in net assets. Gains and losses on the marketable securities are determined based upon the specific securities sold.

**Mortgage Notes Receivable**

Mortgage notes receivable are carried at their estimated collectable amounts. Interest income on mortgage notes receivable is recognized using the cash method. Interest income on impaired loans is recognized as cash is collected or on a cost-recovery basis. Provisions for losses on mortgage notes receivable are determined on the basis of loss experience, known and inherent risks, the estimated value of underlying collateral, and current economic conditions.

**Concentration of Credit Risk**

The Fund maintains its cash at financial institutions and at times the balances may be in excess of federally insured limits. At December 31, 2018, the Fund had \$83,247 of funds in excess of insured limits.

**Use of Estimates**

The Fund uses estimates and assumptions in preparing these financial statements in accordance with its modified cash basis of accounting. These estimates and assumptions affect the reported amounts of assets and the reported expenses, primarily the capitalization and depreciation of long-lived assets. Actual results could vary from the estimates that were used.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2018 AND 2017**

(1 – continued)

**Income Taxes**

The Fund is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, the financial statements do not provide for income taxes.

The Fund has implemented the accounting guidance for uncertainty in income taxes. Under that guidance, tax positions need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the tax authorities. As of December 31, 2018, the Fund has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Fund files a federal Form 990. 990's filed for tax years ended on or after December 31, 2015 are subject to examination. The Fund is not currently being examined and management believes its tax-exempt status would be upheld under examination.

(2) **LIQUIDITY**

The organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

	<u>2018</u>	<u>2017</u>
Cash	\$ 3,218,997	\$ 3,185,897
Marketable securities	5,169,040	5,457,289
	8,388,037	8,643,186
Less net assets with donor restrictions	(9,354)	(12,334)
	\$ 8,378,683	\$ 8,630,852

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments such as marketable securities.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2018 AND 2017**

**(3) INVESTMENT IN MARKETABLE SECURITIES**

The following is a summary of the Fund's investment in a designated reserve account as of December 31, 2018 and 2017:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2018:				
Mutual funds – fixed income	\$ 2,210,207	\$ -	\$ 55,387	\$ 2,154,820
Mutual funds – equity	1,222,642	1,994	144,486	1,080,150
Exchange traded funds – fixed income	1,614,555	-	27,504	1,587,051
Exchange traded funds – equity	372,151	-	25,132	347,019
	<u>\$ 5,419,555</u>	<u>\$ 1,994</u>	<u>\$ 252,509</u>	<u>\$ 5,169,040</u>
December 31, 2017:				
Mutual funds – fixed income	\$ 3,185,937	\$ 19,588	\$ 12,195	\$ 3,193,330
Mutual funds – equity	566,706	86,671	-	653,377
Exchange traded funds – fixed income	506,082	6,251	-	512,333
Exchange traded funds – equity	940,042	170,022	11,815	1,098,249
	<u>\$ 5,198,767</u>	<u>\$ 282,532</u>	<u>\$ 24,010</u>	<u>\$ 5,457,289</u>

The Fund holds the above securities, invested in a designated operating reserve account, to ensure its ability to continue operations as set forth in KRS 230.374 and 230.375. In recent years, the Fund's annual budgeted expenditures have exceeded the grants received from uncashed pari-mutuel tickets. The Fund's board of directors and management consider this operating reserve and the related income generated, necessary to continue the operations of the Fund. The operating reserve investment helps management continue to provide health and welfare benefits despite the uncertainty about the amounts and timing of the grants received and benefits provided.

**(4) FAIR VALUE MEASUREMENTS**

The Fund adopted the provisions of ASC 820 *Fair Value Measurements*, for financial assets and financial liabilities. The Fund has no nonfinancial assets and nonfinancial liabilities determined at fair value.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes the use of inputs used in valuation methodologies into the following three levels:

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2018 AND 2017**

(4 – continued)

- Level 1: Inputs to the valuation methodology are quoted prices, unadjusted for identical assets or liabilities in active markets. A quoted market price in an active market provides the most reliable evidence of fair value and shall be used to measure fair value whenever available.
- Level 2: Inputs to the valuation methodology include quoted market prices for similar assets or liabilities in active markets; inputs to the valuation methodology include quoted market prices for identical or similar assets or liabilities in markets that are not active; or inputs to the valuation methodology that are derived principally from or can be corroborated by observable market data by correlation or other means.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using discounted cash flow methodologies, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

A description of the valuation methodology used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. The table below presents the balance of the assets measured at fair value on a recurring basis as of December 31, 2018 and 2017.

	<b>Carrying Value</b>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>December 31, 2018:</b>				
<i>Assets Measured on a Recurring Basis</i>				
Marketable Securities				
Mutual funds – fixed income	\$2,154,820	\$ -	\$ -	\$2,154,820
Mutual funds – equity	1,080,150	-	-	1,080,150
Exchange traded funds –				
fixed income	1,587,051	-	-	1,587,051
Exchange traded funds – equity	347,019	-	-	347,019
<b>December 31, 2017:</b>				
<i>Assets Measured on a Recurring Basis</i>				
Marketable Securities				
Mutual funds – fixed income	\$3,193,330	\$ -	\$ -	\$3,193,330
Mutual funds – equity	653,377	-	-	653,377
Exchange traded funds –				
fixed income	512,333	-	-	512,333
Exchange traded funds – equity	1,098,249	-	-	1,098,249

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2018 AND 2017**

(4 – continued)

*Marketable securities.* Marketable securities are reported at fair value on a recurring basis. These securities are classified as Level 1 of the valuation hierarchy where quoted market prices from reputable third-party brokers are available in an active market. If quoted market prices are not available, the Fund obtains fair value measurements from independent pricing services. The Company's valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While management believes the Company's valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

(5) **RELATED PARTY MORTGAGE NOTES AND ADVANCES**

The Fund advanced cash to The Old School, LLC and Back Track, Inc. These entities are related parties with members common to both boards of directors. The advances were for operations, the purchase and renovation of a building, and payment of professional fees. During June 2019, the non-interest bearing note secured by a 2<sup>nd</sup> real estate mortgage was extended to May 1, 2021. At December 31, 2018 and 2017, unpaid advances amounted to \$1,889,546 to The Old School, LLC, respectively. At December 31, 2018 and 2017, unpaid advances amounted to \$4,505 to Back Track, Inc.

The Fund has non-interest bearing mortgage notes receivable from The Old School, LLC at December 31, 2018 and 2017 as follows:

	2018	2017
Non-interest bearing note to the Fund, due May 1, 2021, secured by a 2 <sup>nd</sup> real estate mortgage	\$ 1,218,931	\$ 1,218,931
Non-interest bearing note to the Fund, due May 1, 2021, secured by a 3 <sup>rd</sup> real estate mortgage	285,538	285,538
Non-interest bearing note to the Fund, due May 1, 2021, secured by a 4 <sup>th</sup> real estate mortgage	173,429	173,429
Non-interest bearing note to the Fund, due May 1, 2021, unsecured	<u>211,648</u>	<u>211,648</u>
Total mortgage notes receivable	<u>\$ 1,889,546</u>	<u>\$ 1,889,546</u>

(6) **OPERATING LEASE AND SUBLEASE**

The Fund leases office space from The Old School, LLC. The initial term of the lease expired during 2018 and was extended through October 1, 2019 with fifteen additional one year renewal options.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2018 AND 2017**

(6 – continued)

Rent paid under the lease amounted to \$5,976 per month during the years ended December 31, 2018 and 2017. The lease agreement also contains a provision which requires the Fund to reimburse The Old School, LLC for its share of certain expenses. During the year ended December 31, 2018, the fund reimbursed The Old School \$13,000 for HVAC repair expenses. Total rent expense for the years ended December 31, 2018 and 2017 was \$71,710. For the years ended December 31, 2018 and 2017, \$35,855 was allocated to the Kentucky Racing Health Services Center and \$35,855 was reported as an administrative cost.

The Fund uses a portion of the leased space for its offices and subleases the remaining space. The Fund leased a portion of its space to a tenant during the years ended December 31, 2018 and 2017 for \$325 per month. The lease expires March 31, 2019. Total rent received under this sublease for the years ended December 31, 2018 and 2017 was \$3,250 and \$3,900, respectively.

(7) **KENTUCKY RACE TRACK RETIREMENT PLAN**

The Kentucky Race Track Retirement Plan is funded with discretionary contributions from the Fund. Contributions to the Plan were \$250,000 and \$500,000 for the years ended December 31, 2018 and 2017, respectively. The Fund also paid related administration expenses for the Plan of \$7,667 and \$7,779 for the years ended December 31, 2018 and 2017, respectively.

(8) **EMPLOYEE RETIREMENT PLAN**

The Fund has a simplified employee retirement plan for all full time employees with over three years of service. The Fund's contribution equals 8% of the participant's compensation. The Fund's contributions to the plan amounted to \$18,921 and \$18,631 for the years ended December 31, 2018 and 2017, respectively.

(9) **DEVELOPER FEE RECEIVABLE**

In 2002, the Fund entered into a development agreement with The Old School, LLC to supervise the rehabilitation of the building owned by The Old School, LLC. The development agreement required The Old School, LLC to pay the Fund a development fee in the amount of \$743,681. The remaining unpaid balance of \$320,252 is evidenced by an unsecured note payable to the Fund. This note carries an interest rate of 6.0% and is due May 1, 2021 with interest.

(10) **SUBSEQUENT EVENTS**

The Fund has evaluated whether any subsequent events that require recognition or disclosure in the accompanying financial statements and related notes thereto have taken place through June 28, 2019, the date these financial statements were available to be issued. The Fund has determined that there are no such subsequent events other than what has been disclosed in Note 5.



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## Independent Auditor's Report on Supplementary Information

Board of Directors  
**Kentucky Racing Health and Welfare Fund, Inc.**  
Louisville, Kentucky

We have audited the financial statements of **Kentucky Racing Health and Welfare Fund, Inc.** for the years ended December 31, 2018 and 2017, and our report thereon dated June 28, 2019, which expressed an unqualified opinion on those financial statements, appears on page three. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in pages 14 and 15 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with audit standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Monroe Shine*

Louisville, Kentucky  
June 28, 2019

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**ADMINISTRATIVE EXPENSES**  
**YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Salaries	\$ 284,277	\$ 281,381
Payroll taxes	21,798	21,814
Contract labor	490	-
Employee retirement plan	18,921	18,631
Health insurance	85,913	79,638
Travel	3,438	4,128
Meetings	1,228	294
Accounting	3,050	2,950
Audit	11,850	11,450
Legal	47,117	47,076
Investment advisor	4,594	2,931
General insurance	18,606	17,273
Kentucky thoroughbred racing record	140	204
Telephone	11,492	11,023
Postage	2,463	2,887
Office supplies	6,145	4,676
Computer and office equipment	610	260
Printing and publications	4,099	3,718
Service contracts	8,773	5,013
Continuing education	476	517
Office cleaning and storage	2,152	2,754
Office site improvement	26,837	-
Miscellaneous	2,514	3,132
Rent	48,855	35,855
Utilities	4,917	5,234
Website hosting & publishing	369	639
Payroll processing	2,259	1,675
	<hr/>	<hr/>
<b>Total Administrative Expenses</b>	<b>\$ 623,383</b>	<b>\$ 565,153</b>
	<hr/>	<hr/>

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.  
RETIREMENT PLAN  
YEARS ENDED DECEMBER 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>RETIREMENT PLAN</b>		
Retirement plan contributions	\$ 250,000	\$ 500,000
Professional fees	5,490	5,500
Office supplies	695	778
Printing and publications	262	518
Travel expense	1,220	983
	<hr/>	<hr/>
<b>Total Retirement Plan</b>	<b>\$ 257,667</b>	<b>\$ 507,779</b>
	<hr/> <hr/>	<hr/> <hr/>



MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
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WEBSITE: [HTTP://KHRC.KY.GOV](http://khrc.ky.gov)

**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26, 2019

**SUBJECT:** Consideration of phasing out of race day furosemide in two-year-olds, and phasing out of race day furosemide in Stakes races:

The EDRC at their November 25<sup>th</sup> 2019 meeting addressed the issue of phasing out the use of race day furosemide in 2 year-olds in 2020 and the phasing out of furosemide in all stakes races in 2021.

The specifics of this proposal would consist of:

- A restricted administration time for furosemide of 24 hours prior to the post time of the race in which the horse is entered.
- The establishment of a regulatory threshold for furosemide of 1.0 ng/ml in serum corresponding to a 500 mg dose at 24 hours.
- To the extent that furosemide would be administered to a horse at 24 or more hours prior to post time, the administration would be performed by the trainer's private veterinarian.
- Horses participating in furosemide-restricted races will be required to be on association grounds where racing is to be conducted no less than 24 hours prior to post time. Failure to be on site may result in a horse being scratched.

Data will be collected on the incidence and severity of EIPH occurring in the general population as well as in horses participating in furosemide-restricted races. Data will be subjected to review and analysis on a regular, ongoing basis to assess impact on equine health and determine if regulatory changes are warranted. The Equine Medical Director, or his designee, will prepare an annual report for presentation to the EDRC and full commission.



Research opportunities will be identified and pursued in order to best understand the impact of the proposed regulatory changes on equine health and welfare. The KHRC will collaborate with other jurisdictions implementing similar regulations to facilitate data acquisition and maximize the quality and scope of research.

The EDRC voted 6-2 in favor of this initiative.

The KHRC staff recommends approval

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**



MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
**ESTABLISHED 1906**  
4063 IRON WORKS PKWY., BLDG. B  
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WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26, 2019

**SUBJECT:** Consideration of extending the withdraw time for NSAIDs from 24 to 48 hours.

Regulatory veterinarians when performing pre-race soundness exams rely on getting a true read on a horse's soundness and fitness to race at the time of the exam. Morning exams for afternoon post times may be done with only 14 to 18 hours withdrawal from an NSAID administration. Night races shorten this withdrawal time to as little as 10 to 14 hours with the current 24 hour withdrawal time. Extending the withdrawal time to 48 hours gives the regulatory veterinarians a better chance of examining a horse without any condition being masked by an NSAID.

The EDRC at their October 28<sup>th</sup> 2019 meeting addressed extending the withdraw time for NSAIDs from 24 to 48 hours. Further, the presence of more than one NSAID in a post-race sample would be a violation.

The EDRC voted 8-0 in favor of this initiative.

The KHRC staff recommends approval

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**





MATTHEW G. BEVIN  
GOVERNOR

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**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26th, 2019

**SUBJECT:** Consideration of corticosteroid stand down of 14 days:

The RMTC at its August 19, 2019 meeting at Del Mar affirmed the position of their Scientific Advisory Committee that a mandatory stand down period following intra-articular (IA) corticosteroid injections and a prohibition on stacking multiple corticosteroids were warranted.

The EDRC at its October 28, 2019 meeting considered the change to a stand down period of 14 days following IA corticosteroid injections and a prohibition on stacking multiple corticosteroids.

They voted 6-2 in favor of this proposal.

The KHRC staff recommends approval.

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**



MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
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**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26, 2019

**SUBJECT:** Consideration of limiting the use of bisphosphonates

The RMTC at its August 19, 2019 meeting at Del Mar proposed a model rule limiting bisphosphonate use in horses to 4 year olds and older.

The operators of the Kentucky race tracks have proposed limiting the use of bisphosphonates in horses 4 years old and older. The detection of bisphosphonates in horses younger than 4 years old would constitute a violation and the horse would be placed on the vets list for 6 months. The use of bisphosphonates in 4 year olds and older would be limited to FDA approved usage and require reporting the treatment to the KHRC within 24 hours of administration. The horse would be placed on the vets list for 6 months. Any detection of bisphosphonates which has not been reported would constitute a violation.

The EDRC considered this proposal at its October 28, 2019 meeting and voted 7-0 in favor of this proposal.

The KHRC staff recommends approval.

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**





MATTHEW G. BEVIN  
GOVERNOR

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**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26th, 2019

**SUBJECT:** Consideration of eliminating electronic therapeutic treatments on race day

Currently in Kentucky equine medical therapists are allowed to administer treatments to horses on race day.

Electronic therapy modalities which include nebulizers, electronic therapy blankets and Magna Wave machines are being used up until the Lasix treatment window (four and one half hours prior to post time). The staff believe that any treatment that can provide analgesia should not be allowed on race day as this can alter the way a horse travels and mask lameness. The Magna Wave website claims to be able to “reduce pain” and cause “less pain perception”.

The EDRC considered this proposal at its October 28<sup>th</sup>, 2019 meeting and voted 8-0 in favor of this recommendation after voting to exclude nebulization from this restriction.

The KHRC staff would recommend approval of eliminating electronic equine medical therapies on race day with the exception of nebulization.

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**





MATTHEW G. BEVIN  
GOVERNOR

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**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26th, 2019

**SUBJECT:** Consideration of medical record requirements

The Kentucky race tracks have proposed a requirement that 14 days of equine medical records be presented at the time of entry and that the trainer maintain a clear and accurate record of any treatment administered. Under the proposal all medical records would be required to be transferred to each subsequent owner and trainer of a horse.

The EDRC considered this proposal at its October 28, 2019 meeting. They voted 8-0 in favor of this proposal.

The KHRC staff recommends approval.

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**



MATTHEW G. BEVIN  
GOVERNOR

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**TO:** Kentucky Horse Racing Commission members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26th, 2019

**SUBJECT:** Consideration of requirement of examination by Attending Veterinarians prior to entry

The current atmosphere in horse racing has impressed upon everyone the importance of increased scrutiny and examination of race horses to improve safety and help reduce the incidence of injuries.

Regulatory veterinarians for the most part have access to observe and examine entered horses on the morning of race days and during the post parade warmups. Some examinations, when deemed prudent, are done in the one to two days prior to race day.

Some association groups in other jurisdictions have enlisted the cooperation of attending veterinarians in performing examinations and documenting their opinions about the horses' soundness and fitness prior to entry.

The staff at the KHRC would propose a requirement that an attending veterinarian evaluate a horse within the three (3) days prior to entry and providing documentation that in their opinion the horse is fit and sound to race. The examination would include, at a minimum, watching the horse jog. If the attending veterinarian deems diagnostic tests necessary to evaluate the horse, those results must be submitted to the regulatory veterinarian no later than the day before the horse is set to start.

The Safety and Welfare Committee addressed this issue in their October 29, 2019 meeting and voted 5-0 in favor of this proposal.

The KHRC staff recommends approval.



**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**



MATTHEW G. BEVIN  
GOVERNOR

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**TO:** Kentucky Horse Racing Commission Council members

**FROM:** Bruce A. Howard, DVM

**DATE:** November 26th, 2019

**SUBJECT:** Penalty Classification for Scopolamine

Scopolamine is an alkaloid found in the plant genus Datura which includes Jimsonweed, a plant found throughout North America. The live plant has a strong odor and a bitter taste. Animals will consume this dried plant in hay as the odor and bitter taste dissipate during the hay curing process. Symptoms of scopolamine toxicity include dilated pupils and intestinal paralysis which can persist for several days.

Scopolamine has limited historical use in equine veterinary medicine to treat colic and intestinal spasms associated with gas colic, but its potential toxicity and the development of safer, more effective medications have rendered its use as a therapeutic medication obsolete.

The KHRC currently has assigned a class B penalty to scopolamine.

The ARCI has assigned a class 4C penalty to scopoliamine.

The industry standard penalty for scopolamine is that of a Class C penalty

The EDRC at its October 28, 2019 meeting voted 8-0 in favor of changing the penalty for scopolamine from a Class B penalty to a Class C penalty.

The KHRC staff recommends approval.

**KHRC Action:**

\_\_\_\_\_ **Approved**  
\_\_\_\_\_ **Deferred**  
\_\_\_\_\_ **Denied**



## **Conditions of Racing Association Licensing for 2020**

### **Kentucky Horse Racing Commission (KHRC)**

As a condition of the issuance by the KHRC of a license to conduct horse racing during the 2020 racing year, each Kentucky racing association shall be required to certify that it will comply with the following requirements:

- 1) Each racing association shall notify the KHRC of any communication, report, or investigation conducted or to be conducted by the Thoroughbred Racing Association (“TRA”), Thoroughbred Racing Protective Bureau (“TRPB”), United States Trotting Association (“USTA”), American Quarter Horse Association (“AQHA”), Arabian Jockey Club (“AJC”), National Thoroughbred Racing Association (“NTRA”) or any state or federal regulatory agency that relates to the safety, integrity, or security of the racing association and its participants, or that would reasonably be deemed to affect public confidence in the racing association. Each racing association shall further send a copy of any such communication, correspondence, or report to the KHRC within 24 hours of receipt by the racing association. This paragraph shall not be construed to include information delivered to racing association officials acting in the capacity of members of the board of directors of the above referenced organizations.
- 2) Each racing association shall notify the KHRC any time a member of a local, state or federal law enforcement agency enters racing association grounds for the purpose of questioning, investigating, or arresting a licensed individual. Each racing association shall further send a copy of any report related to the questioning, investigation, or arrest, prepared by the racing association or prepared by the law enforcement agency, to the KHRC within 24 hours of receipt by the racing association.
- 3) Each racing association shall send a copy of any self-reporting document, form, or correspondence to the KHRC at the same time it is filed with the state or federal regulatory agency or the organization referenced in Condition No. 1, with the exception of any information that is proprietary to the racing association or has no relevance to the safety, integrity, or security of the racing association. The racing association shall identify to the KHRC any information contained in submitted reports that the racing association considers proprietary or irrelevant to the safety, integrity, or security of the racing association.
- 4) Each racing association shall notify the KHRC if it becomes aware of a wagering anomaly related to racing conducted at that racing association or related to a race imported for simulcast wagering at the racing association, even if a report has not been filed with the organizations referenced in Condition No. 1. The racing association shall provide transactional data and video of the race to the KHRC upon request. Wagering anomalies include any incident that might reasonably affect the public’s confidence in the racing association’s wagering pools, including but not limited to:

- (a) Past posting, cancel delay, and other instances when wagering occurs after the horses have left the gate;
- (b) Off-shore and account wagering fraud;
- (c) Suspected manipulation through computerized robotic wagering;
- (d) Pool odds manipulation;
- (e) Quick pick or random pick malfunction;
- (f) Unusually large cancellation of wagers (especially right as the betting stops);
- (g) Outlets that are habitually late getting into the pools;
- (h) Manual merges;
- (i) Unusual payoffs;
- (j) Failing to remove a scratched horse from the pools (which would then require a re-calculation of payoffs);
- (k) Re-entering a scratched horse to the pools without approval from the Stewards or Judges;
- (l) Suspicious wagering patterns;
- (m) Totalizator or data communications malfunctions;
- (n) Substantial late ticket cancellations; and
- (o) Failure to stop wagering after the official start of a race.

The list of wagering anomalies above is meant to be illustrative and not exclusive.

- 5) Each racing association shall record the date and time (in hours, minutes, and seconds) on all live video feeds originating from a Kentucky track. Each racing association shall be responsible for recording (in hours, minutes, and seconds) the start/off time of each race. Further, each racing association shall require the tote company with whom it does business to certify, and provide evidence of such certification, to the Chief State Steward or Presiding Judge of the time (in hours, minutes, and seconds) of the closing of the betting windows for each race. Records shall be retained for two years after the date of the race. Records shall be submitted to KHRC upon request.
- 6) Each of the timing systems mentioned in Condition No. 5 shall be synchronized with the U.S. Naval Observatory Clock at the beginning of each race day.
- 7) Each racing association shall ensure that the tote company and video provider are available as least one week prior to the start of the live race meet for testing by the Director of Pari-Mutuel Wagering. Each racing association shall ensure that the tote company and video provider for its live meet are operating correctly at least 24 hours prior to the start of the live meet.
- 8) Each racing association shall require its tote vendor, video provider, and teletimer provider to share any and all racing and wagering data requested with the KHRC upon request.
- 9) Each racing association is required to post policies and procedures related to pari-mutuel wagering, including the refund policy, on the racing association's website. Each association shall also post a notice in the racing program and a sign at the racing

association's information window informing patrons where they can access a complete copy of the policies and procedures related to pari-mutuel wagering, including the refund policy.

- 10) Each racing association shall provide a copy of its mutuel department policies and procedures to the KHRC.
- 11) Each racing association shall have protocols in place that mandate exclusion of any receiving track's wagering pool when the racing association cannot verify that all wagers in the receiving track's pool were received prior to the official start of the race. Protocols shall be provided to the KHRC.
- 12) Each racing association shall have protocols in place and shall publicize to its wagering patrons when, as a receiving track, it is excluded from a host track's wagering pool. These protocols shall include an immediate public announcement and immediate posting on the racing association's video monitors and websites. Copies of these protocols shall be provided to the KHRC.
- 13) Each racing association that does business with any individual, person, or entity that offers advance deposit account wagering ("ADW") to Kentucky residents shall require that ADW to be licensed by the Commonwealth.
- 14) Each racing association offering thoroughbred racing shall require owners to deposit the \$20 fee for the administration of race-day furosemide into the owner's account with the horsemen's bookkeeper by 12:00 noon on the day of the race. Failure of the owner to deposit such fee may result in the owner being subjected to penalties, including fines or suspension. Each racing association shall debit the owner's account for the \$20 fee to the credit of the KHRC.
- 15) Each thoroughbred association shall be accredited by the National Thoroughbred Racing Association (NTRA) Safety and Integrity Alliance and abide by the safety and security regulations set forth in Title 810 of the Kentucky Administrative Regulations. Each Standardbred association shall abide by the safety and security regulations set forth in Title 810 of the Kentucky Administrative Regulations. All racing associations shall be subject to inspection by KHRC officials, and shall be required to make any repairs or improvements necessary to comply with the applicable safety and security regulations.
- 16) Each racing association shall settle (and pay, as required) all wagering accounts with simulcast partners on a timely basis, in no event exceeding 60 days past any respective due date.
- 17) All racing associations are required to have a licensed tote employee on the premises during live racing.
- 18) Each racing association shall submit to the KHRC a full employee list that includes the official title of the employee at the racing association and date of hire. This shall be

submitted in a format approved by the Commission Director of Licensing on a monthly basis no later than the 5<sup>th</sup> business day of the month.

- 19) Each racing associations shall report to the KHRC in writing, as required by 810 KAR 3:020, Section 11, the discharge of any licensed employee within 24 hours of the event.
- 20) Each racing association shall ensure that all vendors and vendor employees utilized for racing association operations are properly licensed by the KHRC.
- 21) Each racing association shall require that all vendors and vendor employees display a KHRC identification badge while on racing association grounds.
- 22) An association shall submit an electronic copy of the Kentucky Department of Revenue “Race Track Pari-Mutuel and Admissions Report” Form 73A100 (or equivalent) to the KHRC Director of Pari-Mutuel Wagering via email no later than 4:30 p.m. on the fifth business day (excluding Saturday and Sunday) following the close of each racing week. A race week begins on Monday and Ends of Sunday.
- 23) All notices required to be given to the KHRC under these conditions of licensure, unless otherwise stated, shall be provided to the Executive Director, the Chief State Steward/Presiding Judge, and the Director of Pari-Mutuel Wagering and Compliance via hand delivery, electronic mail, or facsimile no later than 24 hours of the event triggering the notice requirement.
- 24) In the event a racing association does not comply with the requirements of these conditions, the KHRC has the authority to assess fines and/or penalties.
- 25) Additional conditions may be added to these requirements at any time at the discretion of the KHRC.

**CERTIFICATION**

I, \_\_\_\_\_, a duly authorized representative  
of \_\_\_\_\_, hereby acknowledge and certify acceptance of the  
above conditions to the racing association's license for the year 2020 to conduct a horse racing  
meeting in the Commonwealth of Kentucky.

\_\_\_\_\_  
Authorized Representative of Association

\_\_\_\_\_  
Date



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for AmWest Entertainment

---

AmWest Entertainment (“AmWest”) has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the AmWest application states the following:

- AmWest was organized in Kentucky in 2004 as a limited liability company. Its principle business office is currently located in Prospect, KY.
- AmWest is currently good standing and authorized to do business in Kentucky with the Secretary of State.
- AmWest currently operates in 27 states and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.

AmWest has been forthcoming and cooperative in during the current review period. AmWest is currently bonded as per 810 KAR 3:040 (9).

Full renewal of the application to provide advance deposit wagering services for AmWest Entertainment is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for eBet Technologies, Inc.

---

eBet Technologies, Inc. ("eBet") has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the eBet application states the following:

- eBet was organized in Nevada in 2008 as a limited liability company and is 100% owned by Sportech, PLC. Its principal business office is currently located in New Haven, CT. Sportech PLC, also wholly owns and operates Sportech Racing, a totalizator company which is currently licensed by and in good standing with the Kentucky Horse Racing Commission. Sportech Racing has applied for a 2020 Totalizator renewal license.
- eBet is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Nevada.
- eBet currently operates in 37 jurisdictions in the United States and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.



eBet has been forthcoming and cooperative in during the current review period. eBet is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to eBet Technologies is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for Lien Games Racing, LLC

---

Lien Games Racing, LLC (“Lien Games”) has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the Lien Games application states the following:

- Lien Games was organized in North Dakota in 2005 as a limited liability company. Its principle business office is currently located in Fargo, ND.
- Lien Games is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in North Dakota.
- Lien Games currently operates in 28 states and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.

Lien Games has been forthcoming and cooperative in during the current review period. Lien Games is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to Lien Games Racing, LLC is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for NYRABets, LLC

---

NYRABets, LLC (“NYRABets”) has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the NYRABets application states the following:

- NYRABets was organized in Delaware in 2016 as a limited liability company. NYRABets is a wholly owned subsidiary of New York Racing Association. Its principal business office is currently located in Jamaica, NY.
- NYRABets is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Delaware.
- NYRABets currently operates in 28 states and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.

NYRABets has been forthcoming and cooperative in during the current review period. NYRABets is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to NYRABets is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for ODS Technologies, L.P. d/b/a/ TVG Network

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ODS Technologies, L.P. d/b/a/ TVG Network ("TVG") has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the TVG application states the following:

- It was organized in Delaware in 1994 as a limited partnership. ODS Holding, LLC has a 97.667% interest in ODS Technologies, L.P. Its principal business office is currently located in Los Angeles, CA.
- It is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Delaware.
- It currently operates in 34 states and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.



TVG has been forthcoming and cooperative in during the current review period. TVG is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to TVG is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for Churchill Downs Technology Initiatives Company d/b/a/  
Twin Spires

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Churchill Downs Technology Initiatives Company d/b/a/ Twin Spires (“Twin Spires”) has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the Twin Spires application states the following:

- It was organized in Delaware in 2007 as a limited partnership. Twin Spires is a wholly owned subsidiary of Churchill Downs, Incorporated. Its principal business office is currently located in Louisville, KY. Churchill Downs, Incorporated also wholly owns and operates United Tote Company, a totalizator company which is currently licensed and in good standing with the Kentucky Horse Racing Commission, and Churchill Downs Racetrack, which is also in good standing with the Kentucky Horse Racing Commission. United Tote has applied for a 2020 Totalizator renewal license and Churchill Downs Racetrack was granted a 2020 Racing Association Renewal License.
- It is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Delaware.



- It currently operates in 40 jurisdictions in the United States and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.

TwinSpires has been forthcoming and cooperative in during the current review period. TwinSpires is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to Twin Spires is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for Watch and Wager, LLC

---

Watch and Wager, LLC (“WAW”) has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the WAW application states the following:

- It was organized in Nevada in 2010 as a limited liability company. Its principal business office is currently located in San Francisco, CA.
- It is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Nevada.
- It currently operates in 27 states and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.

Watch and Wager has been forthcoming and cooperative in during the current review period. Watch and Wager is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to Watch and Wager, LLC is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
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EXECUTIVE DIRECTOR

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 ADW Renewal Application for Xpressbet, LLC

---

Xpressbet, LLC (“Xpressbet”) has submitted a renewal application for 2020 licensure to provide advance deposit wagering services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the Xpressbet application states the following:

- Xpressbet was organized in Delaware in 2001 as a limited partnership. Xpressbet is a wholly owned subsidiary of The Stronach Group, Incorporated. Its principal business office is currently located in Washington, PA. The Stronach Group also wholly owns and operates AmTote International, a totalizator company which is currently licensed and in good standing with the Kentucky Horse Racing Commission. AmTote International has applied for a 2020 Totalizator renewal license.
- Xpressbet is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Delaware.
- Xpressbet currently operates in 54 states/provinces/territories and is licensed in every jurisdiction in which the organization operates that currently requires a license to offer ADW services.

- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.

Xpressbet has been forthcoming and cooperative in during the current review period. Xpressbet is currently bonded as per 810 KAR 3:040 (9).

Issuance of a renewal license to conduct Advance Deposit Account Wagering to Xpressbet, LLC is recommended.

**COMMISSION ACTION**

\_\_\_\_\_Approved

\_\_\_\_\_Denied

\_\_\_\_\_Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 Totalizator License Application for AmTote International

---

AmTote International (“AmTote”) submitted a renewal application for 2020 licensure to provide totalizator services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. AmTote has been cooperative and forthcoming with requests for additional information.

Among other things, the AmTote application states the following:

- It was organized in Delaware in 1991 as a limited liability company and is 100% owned by The Stronach Group, and its principal business office is currently located in Hunt Valley, Maryland. The Stronach Group also wholly owns and operates Xpressbet, LLC, an ADW which is currently licensed and in good standing with the Kentucky Horse Racing Commission. Xpressbet has applied for a 2020 ADW renewal license.
- It is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Delaware.
- It is currently licensed in 23 jurisdictions in the United States and operates in many other countries.
- It currently provides totalizator services for historical horse racing at The Red Mile and several advance deposit wagering companies licensed by the KHRC.



- It has had an SOC 1 Type II Report audit (formerly SAS 70 audit) of its internal controls completed in the 12 months prior to the submission of their application. The independent auditors, Deloitte, LLP, issued a satisfactory opinion and noted no major exceptions.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.
- It has operational systems in place that will maintain compliance with the Kentucky Horse Racing Commission Totalizator Standards. AmTote has also signed an affidavit indicating that the organization will abide by the Kentucky Horse Racing Commission Totalizator Standards.

AmTote has been forthcoming and cooperative in during the current review period.

Full renewal of the application to provide totalizator services is recommended.

**COMMISSION ACTION**

\_\_\_\_\_Approved

\_\_\_\_\_Denied

\_\_\_\_\_Deferred





MATTHEW G. BEVIN  
GOVERNOR

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CHAIRMAN

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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 Totalizator License Application for Sportech Racing, LLC

---

Sportech Racing, LLC (“Sportech”) submitted a renewal application for 2020 licensure to provide totalizator services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the Sportech application states the following:

- Sportech was organized in Delaware in 1980 as a limited liability company and is 100% owned by Sportech, Inc., and its principal business office is currently located in New Haven, Connecticut. Sportech, Inc. also wholly owns and operates eBet Technologies, an ADW which is currently licensed and in good standing with the Kentucky Horse Racing Commission. eBet Technologies has applied for a 2020 ADW renewal license.
- Sportech is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Delaware.
- Sportech is currently licensed in 26 jurisdictions in the United States and in every jurisdiction in which the organization operates that currently requires a license to perform totalizator services.
- Sportech provides totalizator services at Ellis Park, Kentucky Downs, and several advance deposit wagering companies licensed by the KHRC.



- Sportech has had an SOC 1 Type II Report audit (formerly SAS 70 audit) of its internal controls completed in the past 12 months. The independent auditors, Grant Thornton, LLP, issued a satisfactory opinion and noted no major exceptions.
- Sportech has operational systems in place that will maintain compliance with the Kentucky Horse Racing Commission Totalizator Standards. Sportech has also signed an affidavit indicating that the organization will abide by the Kentucky Horse Racing Commission Totalizator Standards.
- Sportech has had no major incident reports related to wagering in Kentucky over the past licensing period.

Sportech has been forthcoming and cooperative in during the current review period.

Full renewal of the application to provide totalizator services is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approved

\_\_\_\_\_ Denied

\_\_\_\_\_ Deferred



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** 2020 Totalizator License Application for United Tote Company

---

United Tote Company (“United Tote”) submitted a renewal application for 2020 licensure to provide totalizator services in the Commonwealth of Kentucky. **A full copy of the application and attachments is available for your review at the KHRC office.**

KHRC staff members and Chairman Kling have reviewed the application. Among other things, the United Tote application states the following:

- United Tote was organized in Montana in 1975 as a limited liability company and is 100% owned by Churchill Downs Incorporated, and its principal business office is currently located in Louisville, Kentucky. Churchill Downs, Incorporated also wholly owns and operates Twin Spires, an ADW which is currently licensed and in good standing with the Kentucky Horse Racing Commission, and Churchill Downs Racetrack, which is also in good standing with the Kentucky Horse Racing Commission. Twin Spires has applied for a 2020 ADW renewal license and Churchill Downs Racetrack was granted a 2020 Racing Association Renewal License.
- United Tote is currently good standing and authorized to do business in Kentucky with the Secretary of State and is also in good standing and authorized to do business in Montana.
- United Tote is currently licensed in 32 jurisdictions in the United States and in every jurisdiction in which the organization operates that currently requires a license to perform totalizator services.



- United Tote currently provides totalizator services to Bluegrass Downs, Churchill Downs, Keeneland, The Red Mile, and Turfway Park, and several advance deposit wagering companies licensed in Kentucky
- United Tote has had an SOC 1 Type II Report audit (formerly SAS 70 audit) of its internal controls completed in the past 12 months prior to the submission of their application. The independent auditors, MCM CPAs & Advisors, LLP, issued a satisfactory opinion and noted no major exceptions.
- There are no major outstanding occurrences to warrant concern by the Kentucky Horse Racing Commission.
- It has operational systems in place that will maintain compliance with the Kentucky Horse Racing Commission Totalizator Standards. United Tote has also signed an affidavit indicating that the organization will abide by the Kentucky Horse Racing Commission Totalizator Standards.

United Tote has been forthcoming and cooperative in during the current review period.

Full renewal of the application to provide totalizator services is recommended.

**COMMISSION ACTION**

\_\_\_\_\_Approved

\_\_\_\_\_Denied

\_\_\_\_\_Deferred





MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
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**To:** Kentucky Horse Racing Commission

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** November 29, 2019

**Re:** Request from Keeneland/Red Mile to offer PariMAX Historical Horse Racing Version 3.17

---

On October 10, 2019, the Kentucky Horse Racing Commission (“Commission”) received a request from Keeneland/Red Mile (“KRM”) to offer PariMAX Version 3.17 historical horse racing pari-mutuel wagering pools. As of November 29, 2019, KRM will operate 938 historical horse racing pari-mutuel wagering terminals, of which 488 terminals utilize the PariMAX system. If PariMAX Version 3.17 is approved, KRM will be required to submit an exact floor layout and a list of the terminals that will offer wagering on the PariMAX Version 3.17 for KHRC staff review and approval.

The PariMAX system is operated by PariMAX Holdings, LLC (“PariMAX”), a division of AmTote International, LLC (“AmTote”). AmTote is currently one of the three providers of historical horse racing pools at KRM. PariMAX currently offers similar exotic wagering pools in Alabama, Oregon, and Wyoming. Prior to KRM submitting this request, PariMAX Version 3.17 underwent testing at Gaming Laboratories International (“GLI”), one of the independent, third-part testing laboratories under contract with the KHRC.

GLI has reviewed PariMAX Version 3.17 and affirms that the system complies with all applicable Kentucky statutes and regulations. The GLI report for PariMAX Version 3.17<sup>1</sup> will be sent to all commissioners prior to the meeting for review.

If approved by the Commission, KRM and PariMAX staff will transition the affected wagering terminals to the appropriate wagering pools in a secure manner and with guidance from Commission staff.

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<sup>1</sup> Gaming Laboratories International Report SY-399-AMT-19-08

PariMAX Version 3.17 includes the following updates to the PariMAX wagering system:

- The “Red’s Tale” and “Snow’s Tale” game themes have been added. These game themes both utilize the previously-tested “P6.P3P5\_Plus.P2P5\_Plus\_COJ” wager profile.
- Additional 10% commission rate options have been added for the “P6.P3P5\_Plus.P2P5\_Plus” wager profile for the \$0.40 and \$1.00 denominations.
- Additional 9% and 10% commission rate options have been added for the “P6.P3P5\_Plus.P2P5\_Plus\_COJ” wager profile for the \$0.50 wager profile denomination.
- Added terminal support to recall the last 200 wagers through the attendant menu.
- The “amtote” folder has been restructured to organize functional components (for example, individual games) together. Added support for file verification for each component and USB flash drive storage.

Prior to KRM offering pari-mutuel wagering on the new pool, Commission staff will perform on-site testing of this new pool. The testing will be conducted to ensure that the pool functioned as described and that the payouts complied with the documentation provided to the Commission by GLI.

Commission staff recommends approval of the Keeneland/Red Mile request to authorize PariMAX Version 3.17 and the exotic wagering pools and entertaining game themes associated with Version 3.17 with the following conditions:

- 1) The “Higher Jackpot” option for all PariMAX wager profiles shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.
- 2) Similar to the approval granted in April 2019, the configurable options in previous PariMAX versions shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.
- 3) Multi-game options shall not be implemented without prior written approval of the Kentucky Horse Racing Commission.

**COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**





MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
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**To:** Kentucky Horse Racing Commission members

**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance

**Date:** December 2, 2019

**Re:** Kentucky Downs Updated Request to Offer Historical Horse Race Wagering

---

On June 19, 2018, the Kentucky Horse Racing Commission (“KHRC”) approved a request from Kentucky Downs to offer historical horse race (“HHR”) wagering at their licensed facility in Franklin, Kentucky (“2018 Kentucky Downs Approval”). A few of the details contained in the 2018 Kentucky Downs Approval are as follows:

- Up to 1,200 historical horse racing pari-mutuel wagering terminals;
- A designated area located at 5629 Nashville Road, Franklin, KY 42134;
- A rendering initial floor plan were provided;
- The technology provider to be used to offer pari-mutuel wagering on historical horse races was identified as Exacta Systems; and
- An overview of the agreement with the horsemen’s group and the association was provided.

On November 18, 2019, Kentucky Downs submitted a request to amend the approval to offer pari-mutuel wagering on historical horse races at Kentucky Downs (“2019 Kentucky Downs Request”). The following is a list of the details that Kentucky Downs is seeking to amend from the 2018 Kentucky Downs Approval in the 2019 Kentucky Downs Request:

- An increase in the total number of historical horse racing pari-mutuel wagering terminals to 2,000;

810 KAR 1:120 (4) establishes requirements that must be met in order for the KHRC to approve a written request from an association to offer any exotic wagering on an historical horse race. The written submission must include the following:

(a) *The types, number, and denominations of pari-mutuel wagers to be offered;*

- (b) *A detailed description of the rules that apply to the pari-mutuel wager and the method of calculating payouts, including how money will be allocated to the seed pool;*
- (c) *The days and hours of operation during which wagering on historical horse races will be offered;*
- (d) *A detailed description of the proposed designated area and the terminal or terminals on which the pari-mutuel wagers will be made, including an architect's rendering of the proposed designated area which describes the size, construction, layout, capacity, number of terminals, and location of surveillance and other security equipment, and at least one (1) photograph of the designated area when construction is completed;*
- (e) *The practices and procedures that will ensure the security, safety, and comfort of patrons in the designated area;*
- (f) *The manufacturer, make, and model of the terminal, including a copy of all literature supplied by the manufacturer of the terminal;*
- (g) *The maintenance and repair procedures that will ensure the integrity of the terminals;*
- (h) *A complete list of individuals who are authorized to examine and repair the terminals for any reason; and*
- (i) *A memorandum outlining the terms of the agreement between the association and either the Kentucky Horsemen's Benevolent and Protective Association or the Kentucky Thoroughbred Association/Kentucky Thoroughbred Owners and Breeders referenced in Section 6(2) of this administrative regulation.*

In evaluating the 2019 Kentucky Downs Request, Commission staff has found the following:

- (a) Pari-mutuel wagering on historical horse racing will occur on wagering terminals described in Section (f) below. Kentucky Downs is requesting a maximum of 2,500 terminals. The November 2019 Kentucky Downs Request states that Kentucky Downs has yet determined the types, numbers, and denominations of pari-mutuel wagers to be offered;
- (b) Kentucky Downs states that the current rules that apply to their wagers will apply to any new historical horse racing pari-mutuel wagering terminals;
- (c) Kentucky Downs has not yet determined the days and hours of operation during which wagering on historical horse races will be offered;
- (d) Final details of the proposed designated area at Kentucky Downs have not yet been determined. An architect's rendering of the proposed designated area was not included. The required photograph of the designated area when construction is completed has not been included as the designated area has not been constructed;
- (e) Kentucky Downs expects to utilize the same practices and procedures in use today to ensure the security, safety, and comfort of patrons in the designated area at Kentucky Downs after the building expansion;
- (f) Information related to the manufacturer, make, and model of the terminals used for pari-mutuel wagering on historical horse races was not provided as the technology provider for the designated area at Kentucky Downs has not been determined. KHRC staff will review the literature supplied by the manufacturer of the terminal once a final determination of the models that will be used in the designated area is made;

- (g) Kentucky Downs will continue to utilize the same maintenance and repair procedures in use today to ensure the integrity of the terminals at Kentucky Downs has not yet been determined;
- (h) Kentucky Downs expects to utilize the same staff of the facility; and
- (i) An agreement between Kentucky Downs and the Kentucky Horsemen’s Benevolent and Protective Association has not yet been determined for the expanded pari-mutuel wagering on historical horse races at Kentucky Downs.

Based on this review of the written request by Kentucky Downs to offer pari-mutuel wagering on historical horse races, KHRC staff recommends approval of the amended request with the following conditions:

1. Notification and KHRC staff approval of any changes to the material submitted in the application material;
2. Approval of any new technology providers used to offer pari-mutuel wagering on historical horse races and associated entertaining game themes or the selection of a KHRC-approved historical horse racing pari-mutuel wagering system and associated entertaining game themes;
3. Final inspection and approval by KHRC staff upon completion of the construction of the Kentucky Downs expanded designated area, and submission of at least one photograph of the designated area;
4. Final inspection and approval by KHRC staff of the internal control policies and procedures that will ensure the security, safety, and comfort of patrons in the designated area;
5. Final inspection and approval by KHRC staff of the terminals that Kentucky Downs intends to use to offer wagering on historical horse races;
6. Final inspection and approval by KHRC staff of maintenance and repair procedures that will ensure the integrity of the terminals;
7. Final inspection and approval of a list of the complete list of individuals who are authorized to examine and repair the terminals;
8. Receipt of the terms of the agreement with applicable horsemen’s organizations;
9. Receipt of documents confirming the establishment of a non-refundable trust account used to operate the seed pool(s) for any new historical horse racing pari-mutuel wagering pools operated at Kentucky Downs;
10. Receipt of a report from an independent, third party testing laboratory confirming that the amount in the non-refundable trust account is sufficient to ensure that the pools operate as designed, and

**COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**



November 18, 2019

5629 Nashville Road  
Franklin, Kentucky 42134

270-586-7778

[KentuckyDowns.com](http://KentuckyDowns.com)

Marc Guilfoil, Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511

Dear Marc,

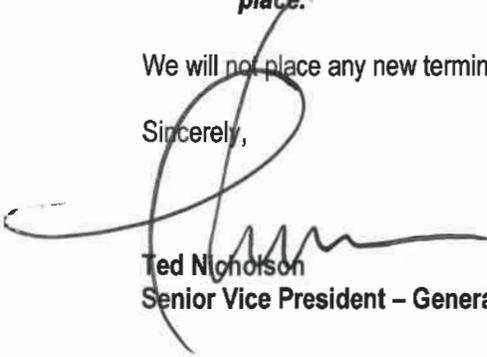
Kentucky Downs would like to request the Kentucky Horse Racing Commission to approve an increase in terminals, currently we are approved to have up to 1,200 terminals on our gaming floor and we would like to take this new maximum to 2,500.

If this request is approved by the commission, please see below the answers at this time to the requirements per 810 KAR 1:120(4):

- The types, number, and denominations of pari-mutuel wagers to be offered – *this will be determined closer to opening day.*
- A detailed description of the rules that apply to the pari-mutuel wager and the method of calculating payouts, including how money will be allocated to the seed pool – ***we will continue to use the same rules that apply to our current approved wagers.***
- The days and hours of operation during which wagering on historical horse races will be offered – ***if any change is to happen, that will be determine closer to the opening day.***
- A detailed description of the proposed designated area and the terminal or terminals on which the pari-mutuel wagers will be made, including an architect's rendering of the proposed designated area which describes the size, construction, layout, capacity, number of terminals, and location of surveillance and other security equipment, and at least one (1) photograph of the designated area when construction is completed – ***this is still at design level, as soon as it is finalized and approved by owners it will be shared with the commission.***
- The practices and procedures that will ensure the security, safety, and comfort of patrons in the designated area - ***we will continue to practice and procedures as now in place.***
- The manufacturer, make, and model of the terminal, including a copy of all literature supplied by the manufacturer of the terminal – ***to be determine closer to opening day.***
- The maintenance and repair procedures that will ensure the integrity of the terminals - ***we will continue to practice and procedures as now in place.***
- A complete list of individuals who are authorized to examine and repair the terminals for any reason – ***current authorized positions, no foreseen change.***
- A memorandum outlining the terms of the agreement between the association and either the Kentucky Horsemen's Benevolent and Protective Association or the Kentucky Thoroughbred Association/Kentucky Thoroughbred Owners and Breeders referenced in Section 6(2) of this administrative regulation – ***same agreement we have currently in place.***

We will not place any new terminals on our gaming floor until we have received approval from the KHRC.

Sincerely,



Ted Nicholson  
Senior Vice President – General Manager



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

**PUBLIC PROTECTION CABINET**  
**KENTUCKY HORSE RACING COMMISSION**  
ESTABLISHED 1906  
4063 IRONWORKS PKWY, BLDG. B  
LEXINGTON, KENTUCKY 40511  
TELEPHONE: (859) 246-2040 FAX: (859) 246-2039  
WEBSITE: [HTTP://KHRC.KY.GOV](http://KHRC.KY.GOV)

**To:** Kentucky Horse Racing Commission Members  
**From:** Steve May, Director of Pari-Mutuel Wagering and Compliance  
**Date:** November 29, 2019  
**Re:** Ellis Park Updated Request to Offer Historical Horse Race Wagering

---

On June 18, 2019, the Kentucky Horse Racing Commission (“KHRC”) approved a request from Ellis Park to offer historical horse race (“HHR”) wagering at their licensed facility in Henderson, Kentucky (“June 2019 Ellis Park Approval”). A few of the details contained in the June 2019 Ellis Park Approval are as follows:

- Up to 1,200 historical horse racing pari-mutuel wagering terminals;
- A designated area located at 3300 U.S. Highway 41 North, Henderson, KY 42419;
- A rendering initial floor plan were provided;
- The technology provider to be used to offer pari-mutuel wagering on historical horse races was identified as Exacta Systems; and
- An overview of the agreement with the horsemen’s group and the association was provided.

On November 21, 2019, Ellis Park submitted a request to amend the approval to offer pari-mutuel wagering on historical horse races at Ellis Park (“November 2019 Ellis Park Request”). The following is a list of the details that Ellis Park is seeking to amend from the June 2019 Ellis Park Approval in the November 2019 Ellis Park Request:

- An increase in the total number of historical horse racing pari-mutuel wagering terminals to 2,000;

810 KAR 1:120 (4) establishes requirements that must be met in order for the KHRC to approve a written request from an association to offer any exotic wagering on an historical horse race. The written submission must include the following:

*(a) The types, number, and denominations of pari-mutuel wagers to be offered;*

- (b) *A detailed description of the rules that apply to the pari-mutuel wager and the method of calculating payouts, including how money will be allocated to the seed pool;*
- (c) *The days and hours of operation during which wagering on historical horse races will be offered;*
- (d) *A detailed description of the proposed designated area and the terminal or terminals on which the pari-mutuel wagers will be made, including an architect's rendering of the proposed designated area which describes the size, construction, layout, capacity, number of terminals, and location of surveillance and other security equipment, and at least one (1) photograph of the designated area when construction is completed;*
- (e) *The practices and procedures that will ensure the security, safety, and comfort of patrons in the designated area;*
- (f) *The manufacturer, make, and model of the terminal, including a copy of all literature supplied by the manufacturer of the terminal;*
- (g) *The maintenance and repair procedures that will ensure the integrity of the terminals;*
- (h) *A complete list of individuals who are authorized to examine and repair the terminals for any reason; and*
- (i) *A memorandum outlining the terms of the agreement between the association and either the Kentucky Horsemen's Benevolent and Protective Association or the Kentucky Thoroughbred Association/Kentucky Thoroughbred Owners and Breeders referenced in Section 6(2) of this administrative regulation.*

In evaluating the November 2019 Ellis Park Request, Commission staff has found the following:

- (a) Pari-mutuel wagering on historical horse racing will occur on wagering terminals described in Section (f) below. Ellis Park is requesting a maximum of 2,000 terminals. The November 2019 Ellis Park Request states that Ellis Park has yet determined the types, numbers, and denominations of pari-mutuel wagers to be offered;
- (b) Ellis Park has not yet determined the rules that apply to the pari-mutuel wagers and the methods of calculating payouts, including how money will be allocated to the seed pools;
- (c) Ellis Park has not yet determined the days and hours of operation during which wagering on historical horse races will be offered;
- (d) Final details of the proposed designated area at Ellis Park have not yet been determined. An architect's rendering of the proposed designated area was not included. The required photograph of the designated area when construction is completed has not been included as the designated area has not been constructed;
- (e) Ellis Park has not yet determined the practices and procedures that will ensure the security, safety, and comfort of patrons in the designated area at Ellis Park after the building expansion;
- (f) Information related to the manufacturer, make, and model of the terminals used for pari-mutuel wagering on historical horse races was not provided as the technology provider for the designated area at Ellis Park has not been determined. KHRC staff will review the literature supplied by the manufacturer of the terminal once a final determination of the models that will be used in the designated area is made;
- (g) An overview of the maintenance and repair procedures that will ensure the integrity of the terminals at Ellis Park has not yet been determined;

- (h) Since no expansion construction has begun at Ellis Park for pari-mutuel wagering on historical horse races, Ellis Park has not yet hired the full staff of the facility; and
- (i) An agreement between Ellis Park and the Kentucky Horsemen’s Benevolent and Protective Association has not yet been determined for the expanded pari-mutuel wagering on historical horse races at Ellis Park.

Based on this review of the written request by Ellis Park to offer pari-mutuel wagering on historical horse races, KHRC staff recommends approval of the amended request with the following conditions:

1. Notification and KHRC staff approval of any changes to the material submitted in the application material;
2. Approval of any new technology providers used to offer pari-mutuel wagering on historical horse races and associated entertaining game themes or the selection of a KHRC-approved historical horse racing pari-mutuel wagering system and associated entertaining game themes;
3. Final inspection and approval by KHRC staff upon completion of the construction of the Ellis Park expanded designated area, and submission of at least one photograph of the designated area;
4. Final inspection and approval by KHRC staff of the internal control policies and procedures that will ensure the security, safety, and comfort of patrons in the designated area;
5. Final inspection and approval by KHRC staff of the terminals that Ellis Park intends to use to offer wagering on historical horse races;
6. Final inspection and approval by KHRC staff of maintenance and repair procedures that will ensure the integrity of the terminals;
7. Final inspection and approval of a list of the complete list of individuals who are authorized to examine and repair the terminals;
8. Receipt of the terms of the agreement with applicable horsemen’s organizations;
9. Receipt of documents confirming the establishment of a non-refundable trust account used to operate the seed pool(s) for any new historical horse racing pari-mutuel wagering pools operated at Ellis Park;
10. Receipt of a report from an independent, third party testing laboratory confirming that the amount in the non-refundable trust account is sufficient to ensure that the pools operate as designed, and

**COMMISSION ACTION**

\_\_\_\_\_ **Approved**

\_\_\_\_\_ **Denied**

\_\_\_\_\_ **Deferred**



November 21, 2019

Mr. Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4063 Iron Works Parkway, Bldg. B  
Lexington, KY 40511

RE: Request To The Kentucky Horse Racing Commission (the "Commission")  
to Increase the Number of Authorized Historical Horse Racing Machines  
at Ellis Park

Dear Mr. Guilfoil:

As you and the Commission are aware, in August 2019, Ellis Entertainment, LLC ("Applicant") received approval from the Commission to offer exotic wagers on historical horse racing per 810 KAR 1:120, Section 2 and 810 KAR 1:120, Section 4. Initial approval was awarded for up to 1,200 machines. At this time, Applicant requests the Commission to amend its approval for up to 2,000 machines.

For reference, we have created the following executive summary. We intend to fine tune our plans for our HHR facility, processes, machines and games once we have secured approval from the Commission, and we will provide supplemental information to the Commission as we continue to draw closer to opening our facility

**Executive Summary:**

- Applicant ultimately hopes to deploy up to 2,000 HHR units, with multiple different cabinet styles, games, and themes and requests Commission approval for up to that number.
- As with other facilities offering wagering on historical horse races in Kentucky, all games will be tested by an approved third-party testing laboratory, and will be submitted to the Commission for its final approval.
- Applicant will draw upon its expertise in operating Ellis Park Racetrack plus its affiliates' expertise in operating other racing and gaming facilities, to provide our patrons with a safe, secure and first class wagering and entertainment experience.

- The addition of wagering on historical horse racing by Applicant will continue to strengthen the horse racing industry in Kentucky and provide additional purse funds to ensure Kentucky Thoroughbred racing continues to thrive.

Pursuant to 810 KAR 1:120 § 4(1), prior to accepting exotic wagers on historical horse races, an applicant shall submit a written request with the information listed below. This information will be submitted at a later date once more concrete plans are in place.

- (a) The types, number, and denominations of pari-mutuel wagers to be offered;
- (b) A detailed description of the rules that apply to the pari-mutuel wager and the method of calculating payouts, including how money will be allocated to the seed pool;
- (c) The days and hours of operation during which wagering on historical horse races will be offered;
- (d) A detailed description of the proposed designated area and the terminal or terminals on which the pari-mutuel wagers will be made, including an architect's rendering of the proposed designated area which describes the size, construction, layout, capacity, number of terminals, and location of surveillance and other security equipment, and at least one (1) photograph of the designated area when construction is completed;
- (e) The practices and procedures that will ensure the security, safety, and comfort of patrons in the designated area;
- (f) The manufacturer, make, and model of the terminal, including a copy of all literature supplied by the manufacturer of the terminal;
- (g) The maintenance and repair procedures that will ensure the integrity of the terminals;
- (h) A complete list of individuals who are authorized to examine and repair the terminals for any reason;
- (i) A memorandum outlining the terms of the agreement between the association and either the Kentucky Horsemen's Benevolent and Protective Association or the Kentucky Thoroughbred Association/Kentucky Thoroughbred Owners and Breeders referenced in Section 6(2) of this administrative regulation.

Feel free to contact me if you require any additional information with respect to this request of the Commission.

Sincerely,

*Ken Mimmack*

Ken Mimmack,  
Manager,  
Ellis Park, LLC

By *JPH*  
ON BEHALF OF  
KEN MIMMACK



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

K. GAIL RUSSELL  
SECRETARY

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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**TO: KENTUCKY HORSE RACING COMMISSION**

FROM: Barbara Borden, Chief State Steward

DATE: November 8, 2019

**RE: RATIFICATION OF EXECUTIVE DIRECTOR APPROVAL OF  
OAK GROVE'S PROPOSED 2019 RACE MEET OFFICIALS**

---

By letter dated October 18, 2019 Peter Szymanski, Director of Racing at Oak Grove racetrack, requested approval of the attached Roster of Racing Officials scheduled to preside over the conduct of racing during the 2019 harness meet. By letter dated November 8, 2019 Executive Director of the Kentucky Horse Racing Commission, Marc Guilfoil, gave his written approval of the roster of officials retroactive to the start of the Oak Grove Race Meet on October 18, 2019, conditioned on ratification by the Commission. Please be advised that the Judges have been accredited by ROAP (Racing Officials Accreditation Program) and all officials and were licensed by the meet opening.

Approval is recommended.

**COMMISSION ACTION:**

\_\_\_\_\_ Approved

\_\_\_\_\_ Deferred

\_\_\_\_\_ Denied



MATTHEW G. BEVIN  
GOVERNOR

FRANKLIN S. KLING, JR.  
CHAIRMAN

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EXECUTIVE DIRECTOR

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November 8, 2019

Peter Szymanski  
Director of Racing  
Oak Grove Racing Gaming Hotel  
105 Walter Garrett Lane  
PO Box 756  
Oak Grove, KY 42262

Dear Mr. Szymanski,

The Kentucky Horse Racing Commission is in receipt of Oak Grove Racing and Gaming's request approve its roster of Standardbred racing officials for its 2019 race meet. This request was not brought before the Commission for action before Oak Grove's meet was scheduled to start on October 18, 2019. Therefore, under the authority granted by KRS 230.230 to manage the day-to-day operations and to carry out the policy and program directives of the Commission, I hereby approve the request, retroactive to the beginning of the 2019 race meet, conditioned on ratification by the full Commission at its next public meeting.

Regards,

*Marc A. Guilfoil*  
Marc A. Guilfoil  
Executive Director  
Kentucky Horse Racing Commission

*with permission,*

*Jamie H. Eads*

cc: Mike Ziegler



October 18, 2019

Mr. Marc Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4062 Iron Works Parkway  
Lexington, KY 40511

Dear Mr. Guilfoil:

Oak Grove Racing and Gaming respectfully requests approval from the Kentucky Horse Racing Commission for the following Standardbred Racing Officials for our upcoming meet:

Race Secretary and Associate Judge:	Tom Agosti
Assistant Race Secretary:	Curby Stillings
Starter:	Mike Moss
Paddock Judge:	Ted Torgerson
Horse Identifier:	Pam Coleman
Timer and Photo Finish:	Nick Coleman
Charter/Program Coordinator/Clerk of the Course:	Tom Agosti
Director of Mutuels:	Jerry Bradley
Director of Security:	Rock Solid Security (outsourced firm)
Track Superintendent:	Gary Mills
Paddock Blacksmith:	Marvin Pryor

As always, Oak Grove Racing and Gaming shall be in compliance with all applicable state and federal laws. Thank you for your time in considering this matter.

Very truly yours,

Peter Szymanski  
Director of Racing



MATTHEW G. BEVIN  
GOVERNOR

K. GAIL RUSSELL  
SECRETARY

FRANKLIN S. KLING, JR.  
CHAIRMAN

MARC A. GUILFOIL  
EXECUTIVE DIRECTOR

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**TO: ALL COMMISSION MEMBERS**  
**FROM:** John Forgy, KHRC General Counsel  
Shawn Chapman, KHRC Deputy General Counsel  
**DATE:** December 5, 2019  
**SUBJECT: REQUEST TO AMEND KHRC REGULATIONS IN TITLES 810 AND 811 TO INCLUDE KENTUCKY HARNESS ASSOCIATION**

The Kentucky Horse Racing Commission is in receipt of a request from the Kentucky Harness Association (“KHA”) to serve as a horseman’s association to conduct business in Kentucky with tracks that conduct harness racing for purposes of simulcasting, historical horse racing, live racing and for participation on the Kentucky Standardbred Development Fund/Kentucky Standardbred Breeders’ Incentive Fund advisory panel, also referred to as the Kentucky Sire Stakes Panel. The purpose of the KHA is to promote, support and facilitate growth of the Standardbred industry in Kentucky. The KHA will serve as a second representative organization in the Standardbred industry, in addition to the already established Kentucky Harness Horsemen’s Association. This is similar to the Thoroughbred industry in Kentucky, where representation is provided by both the KTA-KTOB as well as the KyHBPA. Letters of support from both Churchill Downs and The Red Mile are enclosed.

Recognizing KHA will affect the following four regulations:

- 810 KAR 5:060 Entries and starters
- 810 KAR 5:070 Runners of the race
- 810 KAR 7:040 Kentucky Standardbred development fund and Kentucky Standardbred breeders’ incentive fund
- 811 KAR 1:250 Exotic wagering

In additional to adding KHA to 810 KAR 7:040, the amendment includes removing the current stallion bonus and adding language to support breeder and stallion awards. Proposed amendments to the above regulations to include KHA follow this memorandum. Staff recommends approval.

**COMMISSION ACTION:**

\_\_\_\_\_ Approved  
\_\_\_\_\_ Deferred  
\_\_\_\_\_ Denied



Kentucky Harness Association, Inc.

P.O. Box 11743  
Lexington, KY 40577

November 20, 2019

Mr. Marc Guilfoil  
Executive Director  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511

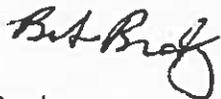
Re: Kentucky Harness Association, Inc.

Dear Marc:

I am writing to you on behalf of the Kentucky Harness Association, Inc. ("KHA") to request that the Kentucky Horse Racing Commission take the appropriate action as soon as possible to allow the KHA to serve as a potential horsemen's association to conduct business in Kentucky with track associations that conduct harness racing for purposes of simulcasting, historical horse racing, live racing, and for sire stakes advisory panel participation, etc. It is my understanding that certain aspects of this request may require regulatory changes and that the appropriate procedure to initiate such is through a formal request to the Commission. Please allow this letter to serve as that request.

The KHA is established to promote, support and facilitate growth of the Standardbred industry in Kentucky and to promote and encourage cooperative efforts among Standardbred race tracks, owners, breeders, trainers and drivers, fans, etc. for the overall benefit of the Standardbred industry. We are excited to work with the Commission on all issues relating to harness racing in Kentucky and greatly appreciate the Commission and its staff for its efforts to grow harness racing.

Thanks in advance.



Bob Brady  
President, KHA



# CHURCHILL DOWNS

INCORPORATED

November 22, 2019

Mr. Marc Guilfoil  
Executive Director  
Kentucky Horse Racing Commission  
4068 Iron Works Parkway  
Building B  
Lexington, Kentucky 40511

Dear Mr. Guilfoil:

It has been brought to our attention that the Kentucky Harness Association ("KHA") has requested approval from the Kentucky Horse Racing Commission ("KHRC") to serve as an association representing Standardbred horsemen in the Commonwealth. Churchill Downs Incorporated is fully supportive of this request.

As you are aware, with respect to Thoroughbred racing in Kentucky, there are two applicable horsemen's groups with whom we conduct our business. Given that neither of those two groups holds a monopoly over decisions involving horsemen, both work diligently to be reasonable and act in the best interest of their members. This leads to more efficient and conciliatory relationships between tracks and horsemen, thus benefiting the Commonwealth's racing industry. As we stand on the precipice of substantial improvements in Kentucky Standardbred purses fueled by our soon-to-open Oak Grove Racing & Gaming facility, we believe that it is crucial to mirror the successful approach implemented in the KHRC's Thoroughbred regulations as we develop our role in Standardbred racing.

We feel strongly that the KHA's mission of promoting and encouraging cooperative efforts among tracks, owners, breeders, trainers, drivers and fans will benefit the overall Standardbred industry in the Commonwealth and therefore encourage the Commission to approve their role.

Please feel free to contact me with any questions or concerns.

Very truly yours,



Mike Ziegler  
Executive Director of Racing

RECEIVED

NOV 22 2019

KENTUCKY HORSE  
RACING COMMISSION

# REDMILE

November 25, 2019

Mr. Marc Guilfoil, Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Pkwy, Building B  
Lexington, KY 40511

Dear Mr Guilfoil:

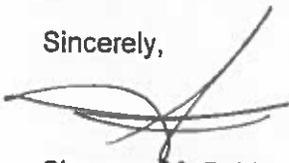
We have been informed of a request by the Kentucky Harness Association, or KHA, to be a representative association recognized by the KHRC for the standardbred horsemen in Kentucky.

The Kentucky Harness Horsemen's Association has worked diligently through many years to provide sole representation for this group. However, in recent times the industry has become much more diverse in the population base of standardbred owners and breeders in Kentucky and could thus benefit from having additional representation to ensure that the voices of all these groups are heard. This precedent and its benefits are evident in the Thoroughbred industry, where multiple groups are compelled to work together in support of and for the benefit of the industry. Therefore, the Red Mile is in support of this request.

We stand prepared to support and encourage cooperation among the various horsemen's groups, the racetracks, and the commission as the Standardbred industry in Kentucky continues to grow.

If you have further questions, please feel free to contact me. Thank you for your consideration in this matter.

Sincerely,



Shannon M. Cobb  
Chief Operating and Financial Officer

Cc: Joe Costa



## 2019 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
19-0101	10/20/2019	10/18/2019	Irada Ortiz, Jr.	Careless riding		Suspended 3 days (October 27, October 30 and October 31,2019)		Suspension served
19-0102	10/26/2019	10/24/2019	Declan Cannon	Careless riding		Suspended 3 days (October 31 through November 2,2019 inclusive)		APPEALED
19-0103	10/31/2019	10/27/2019	Gabriel Saez	Careless riding		Suspended 3 days (November 3, November 6 and November 7,2019)		Suspension served
19-0104	11/2/2019	10/3/219	Chris M. Landeros	Careless riding		Suspended 3 days (November 9, November 10 and November 13,2019)		APPEALED
19-0105	11/6/2019	4/4/2019	Jacob J. Radosevich	Falsified license application as to arrest record and current pending criminal charges		Suspended pending appearance before Board of Stewards		Current suspension
19-0106	11/7/219	11/6/2019	Edgard Morales	Careless riding		Suspended 3 days (November 13 through November 15,2019 inclusive)		Suspension served
19-0107	11/20/2019	7/28/2019	Paul Holthus	Violated regulation that governs fraudulent activity related to the claim of Carolina Beach at Ellis Park on July 28, 2019		Fined	\$ 2,000	Not Paid

## 2019 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
19-0108	11/20/2019	7/28/2019	Joe A. Ragsdale	Violated regulation that governs fraudulent activity related to the claim of Carolina Beach at Ellis Park on July 28, 2019		Fined	\$ 2,000	Not Paid
19-0109	11/20/2019	7/28/2019	Gary K. Tussey	Violated regulation that governs fraudulent activity related to the claim of Carolina Beach at Ellis Park on July 28, 2019		Fined	\$ 1,000	Paid
19-0110	11/20/2019	1/27/2018	Trainer Mark Hubley and Owner Lawrence P. Doyle	Pursuant to the Agreed Order of Disposition in the case of Lawrence P. Doyle and Mark Hubley vs. KHRC (Administrative Action #KHRC-18-TB-005),		Hubley suspended 15 days (December 1 through December 15 (inclusive) and UNCATCHABLE DQ'd	\$ 500	Current Suspension - Fine Paid DQ and purse redistribution complete
19-0111	11/20/2019	5/16/2019	Brian A. Lynch	Gabapentin #E313614	B	Suspended 30 days, 15 to be served December 15 through December 29, 2019. (Remaining 15 days stayed pending no further medication violation in 365 days)	\$ 500	Suspension to begin December 15, 2019 Fine not paid

## 2019 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
19-0112	11/20/2019	5/16/2019	Susan Hill and Jim Hill (owners)	Gabapentin #E313614	B	INTO A HOT SPOT disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed
19-0113	11/24/2019	11/23/2019	Norman J. McKnight	Violated regulation that governs scratches		Fined	\$ 250	Not Paid
19-0114	11/29/2019	11/27/2019	Tyler S. Gaffalione	Careless riding		Suspended 3 days (December 11 through December 13, 2019 inclusive)		APPEALED
19-0115	11/29/2019	11/17/2019	Salvador Guerrero	Phenylbutazone # E356893	NSAID	Warning letter issued		1st offense NSAID violation - no fine imposed
19-0116	11/30/2019	11/14/2019	Lucas E. Stritsman	Claim voided per 810 KAR 4:050 Section 1, subsection (18)(b), having tested positive for a Class C drug		Voided claim of CHIEF KNOW IT ALL and approved reimbursement of expenses to claimant Kory Kuhlman		Transactions completed
19-0117	11/30/2019	11/29/2019	Chris M. Landeros	Careless riding		Suspended 3 days (December 4 through December 6, 2019 inclusive)		Suspension served
19-0118	11/30/2019	6/27/2019	Anthony T. Quartarolo	Gabapentin #E312812	B	Suspended 30 days, 15 to be served December 15 through December 29, 2019. (Remaining 15 days stayed pending no further medication violation in 365 days)	\$ 500	Suspension to begin December 15, 2019 Fine not paid

## 2019 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
19-0119	11/30/2019	6/27/2019	Ronald J. Paolucci (owner)	Gabapentin #E312812	B	NATIVE WAHOO disqualified and purse redistributed. All purse monies must be returned to the association.		
19-0120	11/30/2019	6/28/2018	Steven M. Asmussen	Acepromazine metabolite HEPS #114464	B	Suspended 30 days, December 20, 2019 through January 18, 2020 (suspension to run concurrent with ruling #19-0122)	\$ 1,000	
19-0121	11/30/2019	6/28/2018	Lee Levinson (owner)	Acepromazine metabolite HEPS #114464	B	THOUSAND PERCENT disqualified and purse redistributed. All purse monies must be returned to the association.		
19-0122	11/30/2019	10/25/2018	Steven M. Asmussen	Acepromazine metabolite HEPS #117884	B	Suspended 60 days, 30 to be served December 20, 2019 through January 18, 2020 (suspension to run concurrent with ruling #19-0120) (Remaining 30 days stayed pending no further medication violation in 365 days)	\$ 2,500	
19-0123	11/30/2019	10/25/2018	Ed and Susie Orr (owners)	Acepromazine metabolite HEPS #117884	B	BOLDOR disqualified and purse redistributed. All purse monies must be returned to the association.		

**2019 TB RULINGS LIST BY CATEGORY ( Through December 2, 2019 )**

**MEDICATION VIOLATIONS**

<u>Medication Class</u>	<u>Total</u>	<u>Fines</u>	<u>Suspensions</u>	<u>Disqualifications</u>	<u>Appeals</u>	<u>Explanations</u>
Class A	2	0	0	2	0	Dextromethamphetamine
Class B	8	8	8	8	3	Carbazochrome (3 cases same trainer - APPEALED), Clenbuterol, Gabapentin, Acepromazine metabolite HEPS
Class C	8	8	4	8	2	Triamcinolone acetonide, Methylprednisolone, Dexamethasone, Ibuprofen and Naproxen (in same sample), Diclofenac (APPEALED)
Class D	4	4	0	0	0	Omeprazole
NSAIDS	4	3	0	0	0	Phenylbutazone, 1st offense NSAID warning letter
Multiple NSAIDS	1	1	0	0	0	Phenylbutazone and Flunixin - both below the primary level
TCO2	0	0	0	0	0	
Subtotal	27	(total \$20,500)				

**NON-MEDICATION VIOLATIONS**

**Jockey Violations**

Careless Riding	19	0	19	0	2	Routine riding offenses
Overly Aggressive Riding	1	0	1	0	1	Failure to control mount and maintain a straight course
Other Disciplinary Violations	8	7	1	0	0	Failure to fulfill riding engagements, falsification of license application, failure to be present to review race replays, improper use of riding crop, disorderly conduct (use of offensive and profane language)
Subtotal	28	(total \$2,000)				

**Other Licensee Violations**

Misc. violations by licensees	6	6	0	0	0	Violated regulation that governs scratches, fraudulent claim
Post-race Voided Claims	10					Claims voided post-race per 810 KAR 4:050, Section 1, subsection (12), Claimant elected to void claim due to Class C medication violation.
Disorderly conduct and formal ejections	15	4	11	0	1	Display of temper and profane language, threatening a racing official, possession of contraband, drug possession, falsification, neglect, assumed responsibility for horses trained by ineligible person, pending criminal charges
Non-payment of fines or return of purse money	3	0	3	0	2	
Subtotal	34	(total \$6,850)				

<b>Other Rulings Issued</b>	34	0	0	0	0	The remaining 34 rulings that have been issued in 2019 are for information only and include purse redistributions, license rescinded without prejudice and licensee restored to good standing, penalty applied after withdrawal of appeal, Agreed Final Order of KHRC
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<b>TOTAL 2019 RULINGS</b>	<u>123</u>	<u>\$29,350</u>				
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## 2019 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2019-001	7/7/2019	7/5/2019	Dakota A Jackson	Misuse of whip			Suspended drivers license		Suspended indefinitely	Allowed owner / trainer license
J2019-002	7/7/2019	7/6/2019	Jamaal D Denson	Misuse of whip		\$200		10/17/2019		paid
J2019-003	7/7/2019	7/6/2019	Michael Lynn Riley	Careless/Unsafe/Improper Driving			Suspended		7/9/19 - 7/15/19	
J2019-004	7/6/2019	9/30/2018	Charles A Sylvester	Medication /Drug Violation - Betamethasone	C	\$500		10/3/2019		paid
J2019-005	7/12/2019	6/30/2019	John R Guthrie	Conduct Detrimental to Racing			Suspended		7/12/19 - 12/31/19	
J2019-006	7/13/2019	6/16/2019	Calvin L Harris	Medication/Drug Violation - Methylprednisolone	C	\$250				not paid
J2019-007	7/13/2019	6/15/2019	Mitchell D Harris	Medication/Drug Violation - Carbazochrome	B	\$250	Suspended		7/15/19 - 7/29/19	not paid
J2019-008	7/17/2019	6/22/2019	Calvin L Harris	Medication/Drug Violation - Methylprednisolone	C	forfeit purse				
J2019-009	7/27/2019	6/16/2019	David L Brown	Medication/Drug Violation - Phenylbutazone	C	\$250		9/20/2019		paid
J2019-010	8/1/2019	7/25/2019	Luke Hanners	Misuse of whip		\$100		9/12/2019		paid
J2019-011	8/1/2019	7/25/2019	Trent E Tharps Jr	Misuse of whip		\$100		8/3/2019		paid
J2019-012	8/1/2019	7/27/2019	Matthew W Krueger	Misuse of whip		\$300		8/3/2019		paid
J2019-013	8/1/2019	7/27/2019	Matthew W Krueger	Misuse of whip		\$100		8/3/2019		paid
J2019-014	8/9/2019	7/2/2019	Harley Emerson	Medication /Drug Violation - Flunixin	C	\$1,500	Suspended		8/19/19 -8/28/19	not paid
J2019-015	8/14/2019	8/4/2019	Tyler G Shehan	Misuse of whip		\$300		10/17/2019		paid
J2019-016	8/14/2019	7/27/2019	Jamaal D Denson	Misuse of whip		\$300		10/17/2019		paid
J2019-017	8/14/2019	8/11/2019	Andrew Monti	Kicking horse after the 3/4 pole		\$100		8/17/2019		paid
J2019-018	8/16/2019	7/2/2019	Harley Emerson	Medication /Drug Violation - Flunixin	C	\$2,500	Suspended		8/29/19 - 9/27/19	not paid
J2019-019	8/17/2019	8/11/2019	Tyler G Shehan	Misuse of whip		\$500	Probation for the remainder of 2019			Fine suspended pending no further whip violations
J2019-020	8/22/2019	8/18/2019	Chris L Page	removed foot from stirrup and tapped horse on the hocks		\$100		8/22/2019		paid
J2019-021	8/29/2019	8/24/2019	Randy D Crisler	Misuse of whip		\$100		9/19/2019		paid
J2019-022	8/29/2019	8/18/2019	James Edward Stiltner II	Misuse of whip		\$100		9/5/2019		paid
J2019-023	9/8/2019	8/3/2019	Douglas L Hunt	Medication /Drug violation - Dexamethasone	C	\$250		9/29/2019		paid
J2019-024	9/19/2019	9/8/2019	Dewayne S Minor	Misuse of whip		\$100		10/5/2019		paid
J2019-025	9/14/2019	8/24/2019	David R Phillips Jr	Medication / Drug Violation - Ranitidine		Written warning				
J2019-026	9/19/2019	9/14/2019	Josert J Fonseca	Misuse of whip		\$300				paid
J2019-027	9/19/2019	9/12/2019	Deshawn L Minor	Misuse of whip		\$100		10/5/2019		paid
J2019-028	9/9/2019	8/3/2019	David R Phillips Jr	Medication / Drug Violation - Ranitidine	D	Written warning				
J2019-029	9/19/2019	9/14/2019	Jamaal D Denson	Misuse of whip		\$500	Probation for the remainder of 2019			Fine suspended pending no further whip violations
J2019-030	10/1/2019	9/22/2019	Austin B Hanners	Misuse of whip		\$100				not paid
J2019-031	8/29/2019	9/6/2018	Dexter J Dunn	reversal of ruling J2018-031						written in error
J2019-032	10/1/2019	10/1/2019	Jamaal D Denson	Failure to pay fines			Suspended		Suspended indefinitely	
J2019-033	10/1/2019	10/1/2019	Calvin L Harris	Failure to pay fines			Suspended		Suspended indefinitely	
J2019-034	10/1/2019	10/1/2019	Tyler G Shehan	Failure to pay fines			Suspended		Suspended indefinitely	
J2019-035	9/28/2019	10/6/2019	David S Miller	Misuse of whip		\$500		10/6/2019		paid
J2019-036	10/5/2019	10/4/2019	Brian J Sears	Failure to honor declaration / engagement		\$400				not paid
J2019-037	10/5/2019	10/4/2019	Chris L Page	Failure to honor declaration / engagement		\$100				not paid
J2019-038	10/6/2019	10/5/2019	Simon Allard	Failure to come up in position		\$100		10/17/2019		paid
J2019-039	11/7/2019	7/28/2019	Gary R Campbell	Medication / Drug Violation - Cobalt	B	\$1000 & purse redistribution	Suspended		11/11/19 - 1/9/20	
J2019-040	10/20/2019	10/18/2019	Jamaal D Denson	Restored to good standing - fines paid						
J2019-041	10/20/2019	10/18/2019	Tyler G Shehan	Restored to good standing - fines paid						
J2019-042	10/23/2019	10/19/2019	Jamaal D Denson	Careless/Unsafe/Improper Driving			Suspended		10/24/19 - 10/28/19	
J2019-044	11/8/2019	9/12/2019	Bill Cottongim	Medication / Drug Violation - Gabapentin	B	forfeit purse	Suspended		11/15/19 - 11/29/19	
J2019-045	11/10/2019	11/9/2019	Jamaica M Patton	Misuse of whip		\$100		11/10/2019		paid
J2019-046	11/10/2019	11/9/2019	Ridge J Warren	Misuse of whip		\$100				not paid

# KHRC Veterinary Report

## Churchill Downs November 2019

**Total Starts** 2255

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Post Race Samples 681  
tCO<sub>2</sub> 259

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**Veterinary Scratches** 20

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Pre-Race 12  
On-Track 8  
    Soundness related 5  
    Gate/paddock Injury 3

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**KHRC Veterinary List** 33

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Scratches 20  
Race Injuries/post race lame/test barn lame 11  
EIPH 2  
Heat distress 0

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**Claimed horses** 228

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**Voided Claims** 4

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**Ambulance Runs** 9

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**Racing Fatalities** 2

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    musculo-skeletal 2

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**Training Fatalities** 1

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    musculo-skeletal 1

# KHRC Veterinary Report

Keeneland Fall 2019

**Total Starts** 1527

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Post Race Samples 355

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tCO<sub>2</sub> 254

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**Veterinary Scratches** 14

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Pre-Race 9

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On-Track 5

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Soundness related 2

---

Gate/paddock Injury 3

---

**KHRC Veterinary List** 19

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Scratches 14

---

Race Injuries/post r t race lame/test barn lame 3

---

EIPH 2

---

Heat distress 0

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**Ambulance Runs** 10

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**Racing Fatalities** 5

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musculo-skeletal 5

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**Training Fatalities** 0

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musculo-skeletal 0

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## Occurrence of Thoroughbred race-related fatalities in Kentucky 2007 to present

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
2007	Musculoskeletal	2	1	5	2	4	3	4	2	2	3	4	5	37	23,180	1.60
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.04
	<b>TOTAL</b>	2	1	5	2	4	3	4	2	2	4	4	5	38		<b>1.64</b>
2008	Musculoskeletal	3	0	4	2	3	2	2	2	3	2	4	8	35	22,278	1.57
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	3	0	4	2	3	2	2	2	3	2	4	8	35		<b>1.57</b>
2009	Musculoskeletal	3	5	1	2	4	1	2	4	3	3	2	3	33	20,142	1.64
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	3	5	1	2	4	1	2	4	3	3	2	3	33		<b>1.64</b>
2010	Musculoskeletal	2	1	2	0	0	2	4	2	1	3	7	1	25	18,167	1.38
	Non-musculoskeletal	0	0	1	1	0	0	0	0	0	0	0	0	2		0.11
	<b>TOTAL</b>	2	1	3	1	0	2	4	2	1	3	7	1	27		<b>1.49</b>
2011	Musculoskeletal	2	2	1	1	2	5	1	3	2	5	3	1	28	18,258	1.53
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.05
	<b>TOTAL</b>	2	2	1	1	2	5	1	3	3	5	3	1	29		<b>1.59</b>
2012	Musculoskeletal	0	0	1	2	9	2	0	2	0	3	5	3	27	17,513	1.54
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	1	0	0	1		0.06
	<b>TOTAL</b>	0	0	1	2	9	2	0	2	0	4	5	3	28		<b>1.60</b>

Year	Category Non-musculoskeletal: EIPH, Sudden Death, Racing Accident	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Starts (Equibase)	Fatalities per 1,000 starts
2013	Musculoskeletal	2	2	0	0	1	2	2	5	3	1	1	3	22	16,242	1.35
	Non-musculoskeletal	0	0	0	0	0	0	0	0	1	0	0	0	1		0.06
	<b>TOTAL</b>	2	2	0	0	1	2	1	5	4	1	1	3	23		<b>1.42</b>
2014	Musculoskeletal	2	2	0	0	3	0	1	1	1	3	3	0	16	14,460	1.11
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0.00
	<b>TOTAL</b>	2	2	0	0	3	0	1	1	1	3	3	0	16		<b>1.11</b>
2015	Musculoskeletal	3	1	1	0	3	2	1	1	3	3	2	1	21	15,514	1.35
	Non-musculoskeletal	0	0	0	0	0	1	0	1	0	0	0	2	0.13		
	<b>TOTAL</b>	3	1	1	0	3	3	1	2	3	3	3	1	23		<b>1.48</b>
2016	Musculoskeletal	0	2	0	4	4	3	1	0	1	2	5	1	23	16,495	1.39
	Non-musculoskeletal	0	0	0	0	0	2	1	0	0	0	0	0	3		0.18
	<b>TOTAL</b>	0	2	0	4	4	5	2	0	1	2	5	1	26		<b>1.58</b>
2017	Musculoskeletal	1	2	1	2	1	3	0	1	2	3	2	0	18	15,032	1.20
	Non-musculoskeletal	0	0	0	0	0	2	0	0	0	0	0	0	2		0.13
	<b>TOTAL</b>	1	2	1	2	1	5	0	1	2	3	2	0	20		<b>1.33</b>
2018	Musculoskeletal	2	1	0	4	3	1	6	0	7	1	3	4	32	15,049	2.13
	Non-musculoskeletal	0	0	1	0	1	0	0	1	0	0	1	0	4		0.27
	<b>TOTAL</b>	2	1	1	4	4	1	6	1	7	1	4	4	36		<b>2.39</b>
2019	Musculoskeletal	0	1	1	4	1	0	0	1	1	5	2		16	14,081	1.14
	Non-musculoskeletal	0	0	0	0	0	2	0	1	0	0	0		3		0.21
	<b>TOTAL</b>	0	1	1	4	1	2	0	2	1	5	2	0	19		<b>1.35</b>

# Kentucky Pari-Mutuel Excise Tax and BIF by Source, FY 2020 (Through October 31, 2019)

Racetrack/ADW	Thoroughbred Development Fund		Standardbred Development Fund		QH/Other Development Fund		Equine Industry Program		Equine Drug Research		Higher Education Fund		Backside Improvement Fund		ADW Host Track Allocation		ADW Purse Allocation		Kentucky General Fund		Total Excise Tax FY-19	
	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	% of Fund Total	FY-19	Total Excise Tax
<b>Live</b>	\$204,399	2.9%	\$15,782	2.1%			\$57,032	7.9%	\$28,516	7.4%	\$28,516	7.4%	\$136,266	100.0%					\$96,649	1.7%	\$567,160	3.6%
Blue Grass Downs			\$74	0.0%			\$12	0.0%	\$6	0.0%	\$6	0.0%							\$6	0.0%	\$104	0.0%
Churchill Downs	\$32,645	0.5%					\$8,705	1.2%	\$4,353	1.1%	\$4,353	1.1%	\$21,764	16.0%					\$15,235	0.3%	\$87,054	0.6%
Ellis Park	\$29,592	0.4%					\$7,891	1.1%	\$3,946	1.0%	\$3,946	1.0%	\$19,728	14.5%					\$13,810	0.2%	\$78,912	0.5%
Keeneland	\$129,906	1.8%					\$34,642	4.8%	\$17,321	4.5%	\$17,321	4.5%	\$86,604	63.6%					\$60,623	1.1%	\$346,417	2.2%
Kentucky Downs	\$12,256	0.2%					\$3,268	0.5%	\$1,634	0.4%	\$1,634	0.4%	\$8,170	6.0%					\$5,719	0.1%	\$32,681	0.2%
Oak Grove Racing			\$273	0.0%			\$44	0.0%	\$22	0.0%	\$22	0.0%							\$22	0.0%	\$383	0.0%
The Red Mile			\$15,435	2.0%			\$2,470	0.3%	\$1,235	0.3%	\$1,235	0.3%							\$1,235	0.0%	\$21,609	0.1%
Turfway Park																						
<b>Simulcast</b>	\$693,801	9.7%	\$16,665	2.2%	\$3,809	100.0%	\$17,857	2.5%	\$35,714	9.3%	\$35,714	9.3%							\$267,853	4.6%	\$1,071,412	6.8%
Blue Grass Downs			\$940	0.1%	\$1,352	35.5%	\$5,002	0.7%	\$10,003	2.6%	\$10,003	2.6%							\$75,026	1.3%	\$300,105	1.9%
Churchill Downs	\$197,778	2.8%					\$2,482	0.3%	\$4,965	1.3%	\$4,965	1.3%							\$37,235	0.6%	\$148,940	1.0%
Ellis Park	\$91,522	1.3%	\$7,768	1.0%	\$3	0.1%	\$5,911	0.8%	\$11,822	3.1%	\$11,822	3.1%							\$88,669	1.5%	\$354,675	2.3%
Keeneland	\$235,968	3.3%					\$2,051	0.3%	\$4,103	1.1%	\$4,103	1.1%							\$30,772	0.5%	\$123,090	0.8%
Kentucky Downs	\$75,748	1.1%	\$4,805	0.6%	\$1,507	39.6%																
Oak Grove Racing																						
The Red Mile																						
Turfway Park	\$92,785	1.3%	\$3,152	0.4%	\$466	12.2%	\$2,410	0.3%	\$4,820	1.3%	\$4,820	1.3%							\$36,151	0.6%	\$144,603	0.9%
<b>ADW</b>															\$171,864	100.0%	\$171,864	100.0%	\$60,658	1.1%	\$404,386	2.6%
AmWest Entertainment															\$746	0.4%	\$746	0.4%	\$263	0.0%	\$1,754	0.0%
eBet Technologies																						
Lien Games															\$131	0.1%	\$131	0.1%	\$46	0.0%	\$308	0.0%
NYRA Bets																						
TVG															\$55,947	32.6%	\$55,947	32.6%	\$19,746	0.3%	\$131,641	0.8%
TwinSpires															\$88,606	51.6%	\$88,606	51.6%	\$31,273	0.5%	\$208,484	1.3%
Watch And Wager															\$374	0.2%	\$374	0.2%	\$132	0.0%	\$880	0.0%
XpressBet															\$21,247	12.4%	\$21,247	12.4%	\$7,499	0.1%	\$49,993	0.3%
<b>HHR</b>	\$6,269,512	87.5%	\$728,920	95.7%			\$650,000	89.7%	\$320,000	83.3%	\$320,000	83.3%							\$5,343,972	92.6%	\$13,632,404	87.0%
Derby City Gaming	\$2,855,530	39.8%					\$271,057	37.4%	\$133,443	34.7%	\$133,443	34.7%							\$2,317,587	40.2%	\$5,711,061	36.4%
Ellis Park	\$282,783	3.9%					\$28,250	3.9%	\$13,908	3.6%	\$13,908	3.6%							\$226,718	3.9%	\$565,566	3.6%
Keeneland/Red Mile	\$546,690	7.6%	\$728,920	95.7%			\$93,004	12.8%	\$45,787	11.9%	\$45,787	11.9%							\$726,572	12.6%	\$2,186,759	14.0%
Kentucky Downs	\$2,584,509	36.1%					\$257,689	35.5%	\$126,862	33.0%	\$126,862	33.0%							\$2,073,095	35.9%	\$5,169,018	33.0%
<b>Grand Total</b>	<b>\$7,167,712</b>	<b>100.0%</b>	<b>\$761,367</b>	<b>100.0%</b>	<b>\$3,809</b>	<b>100.0%</b>	<b>\$724,888</b>	<b>100.0%</b>	<b>\$384,230</b>	<b>100.0%</b>	<b>\$384,230</b>	<b>100.0%</b>	<b>\$136,266</b>	<b>100.0%</b>	<b>\$171,864</b>	<b>100.0%</b>	<b>\$171,864</b>	<b>100.0%</b>	<b>\$5,769,132</b>	<b>100.0%</b>	<b>\$15,675,362</b>	<b>100.0%</b>



## Kentucky Handle and Excise Tax Report for October, 2019

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Live Racing Dates	29	23	26.1%	108	99	9.1%
On-Track Live Handle	\$ 18,306,794	\$ 17,424,554	5.1%	\$ 28,515,807	\$ 27,084,354	5.3%
On-Track Simulcast Handle	\$ 10,542,878	\$ 11,727,309	-10.1%	\$ 43,956,696	\$ 45,279,424	-2.9%
Kentucky Resident ADW Handle	\$ 21,125,203	\$ 18,986,695	11.3%	\$ 80,877,191	\$ 74,137,058	9.1%
Historical Horse Racing Handle	\$ 227,687,297	\$ 140,644,329	61.9%	\$ 908,826,915	\$ 471,486,374	92.8%
<b>Total Taxable Handle</b>	<b>\$ 277,662,172</b>	<b>\$ 188,782,888</b>	<b>47.1%</b>	<b>\$ 1,062,176,609</b>	<b>\$ 617,987,210</b>	<b>71.9%</b>
TB Development Fund	\$ 1,860,182	\$ 1,285,328	44.7%	\$ 7,167,712	\$ 4,096,656	75.0%
SB Development Fund	\$ 212,656	\$ 127,399	66.9%	\$ 761,367	\$ 502,138	51.6%
QH/Arabian Development Fund	\$ 897	\$ 1,328	-32.4%	\$ 3,809	\$ 6,358	-40.1%
Backside Improvement Fund	\$ 89,799	\$ 85,037	5.6%	\$ 136,266	\$ 128,477	6.1%
Equine Industry Program	\$ 41,012	\$ 39,778	3.1%	\$ 724,888	\$ 722,736	0.3%
Equine Drug Research	\$ 27,104	\$ 27,281	-0.7%	\$ 384,230	\$ 384,219	0.0%
Higher Education Fund	\$ 27,104	\$ 27,281	-0.7%	\$ 384,230	\$ 384,219	0.0%
ADW Host Track Allocation (Note 1)	\$ 44,891	\$ 40,347	11.3%	\$ 171,864	\$ 157,541	9.1%
ADW Purse Allocation (Note 1)	\$ 44,891	\$ 40,347	11.3%	\$ 171,864	\$ 157,541	9.1%
KY General Fund	\$ 1,801,581	\$ 1,173,629	53.5%	\$ 5,769,132	\$ 2,555,360	125.8%
<b>Total KY Excise Tax</b>	<b>\$ 4,150,118</b>	<b>\$ 2,847,754</b>	<b>45.7%</b>	<b>\$ 15,675,362</b>	<b>\$ 9,095,246</b>	<b>72.3%</b>



Note 1 - As per KRS 138.530

## Kentucky Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates	29	23	26.1%	108	99	9.1%
<b>On-Track Handle on All Kentucky Races (OTH)</b>	\$ 18,306,794	\$ 17,424,554	5.1%	\$ 28,515,807	\$ 27,084,354	5.3%
Less: Return to Public	\$ 14,821,551	\$ 14,083,572		\$ 22,974,373	\$ 21,770,775	
Less: Breakage	\$ 113,137	\$ 109,424		\$ 177,505	\$ 177,572	
<b>Gross Commission</b>	<u>\$ 3,372,106</u>	<u>\$ 3,231,558</u>	4.3%	<u>\$ 5,363,930</u>	<u>\$ 5,136,006</u>	4.4%
TB Development Fund (0.75% of On-Track TB Handle)	\$ 134,699	\$ 127,555	5.6%	\$ 204,399	\$ 192,715	6.1%
SB Development Fund (1.25% of On-Track SB Handle)	\$ 4,337	\$ 5,215	-16.8%	\$ 15,782	\$ 17,362	-9.1%
Equine Industry Program (0.2% of OTH)	\$ 36,614	\$ 34,849	5.1%	\$ 57,032	\$ 54,169	5.3%
Equine Drug Research (0.1% of OTH)	\$ 18,307	\$ 17,425	5.1%	\$ 28,516	\$ 27,084	5.3%
Higher Education Fund (0.1% of OTH)	\$ 18,307	\$ 17,425	5.1%	\$ 28,516	\$ 27,084	5.3%
KY General Fund (0.35% of OTH TB, 0.1% OTH SB)	\$ 63,206	\$ 59,943	5.4%	\$ 96,649	\$ 91,323	5.8%
<b>Total KY Excise Tax (1.5% of OTH TB, 1.75% of OTH SB)</b>	<u>\$ 275,469</u>	<u>\$ 262,411</u>	5.0%	<u>\$ 430,894</u>	<u>\$ 409,738</u>	5.2%
<b>% of Gross Commission</b>	8.17%	8.12%		8.03%	7.98%	
Backside Improvement Fund (0.5% of Total OTH at TB Tracks)	\$ 89,799	\$ 85,037	5.6%	\$ 136,266	\$ 128,477	6.1%
<b>Net Commission</b>	\$ 3,006,837	\$ 2,884,109	4.3%	\$ 4,796,770	\$ 4,597,792	4.3%
% of On-Track Handle	16.42%	16.55%		16.82%	16.98%	
<b>Off-Track Handle on All Kentucky Races From</b>						
Other KY Tracks	\$ 1,513,797	\$ 2,420,144	-37.5%	\$ 4,242,017	\$ 5,482,705	-22.6%
Kentucky Licensed ADW's	\$ 11,088,505	\$ 9,717,884	14.1%	\$ 19,345,048	\$ 16,477,418	17.4%
Other Sources	\$ 144,197,678	\$ 127,338,615	13.2%	\$ 269,483,647	\$ 235,358,148	14.5%
<b>All Sources Handle on Live Racing</b>	<u>\$ 175,106,774</u>	<u>\$ 156,901,196</u>	11.6%	<u>\$ 321,586,520</u>	<u>\$ 284,402,625</u>	13.1%
Average Daily Handle - On Track	\$ 631,269	\$ 757,589	-16.7%	\$ 264,035	\$ 273,579	-3.5%
Average Daily Handle - All Sources	\$ 6,038,165	\$ 6,821,791	-11.5%	\$ 2,977,653	\$ 2,872,754	3.7%

### Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)

<b>Handle by Breed</b>						
Thoroughbred Simulcast Handle (TBSH)	\$ 8,556,756	\$ 9,840,653	-13.0%	\$ 35,329,612	\$ 37,071,222	-4.7%
Standardbred Simulcast Handle (SBSH)	\$ 1,931,673	\$ 1,804,355	7.1%	\$ 8,393,291	\$ 7,818,140	7.4%
Quarter Horse/Arabian/Paint/Mule Simulcast Handle (QHSH)	\$ 54,449	\$ 82,302	-33.8%	\$ 233,793	\$ 390,062	-40.1%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 10,542,878</u>	<u>\$ 11,727,309</u>	-10.1%	<u>\$ 43,956,696</u>	<u>\$ 45,279,424</u>	-2.9%
TB Development Fund (2% of TBSH at TB Tracks)	\$ 171,135	\$ 190,882	-10.3%	\$ 693,801	\$ 716,472	-3.2%
SB Development Fund (2% of SBSH at TB Tracks)	\$ 3,910	\$ 4,929	-20.7%	\$ 16,665	\$ 19,870	-16.1%
QH/Arabian Development Fund (2% of QHSH at TB Tracks)	\$ 897	\$ 1,328	-32.4%	\$ 3,809	\$ 6,358	-40.1%
Equine Industry Program (0.05% of TSH at TB Tracks)	\$ 4,399	\$ 4,928	-10.8%	\$ 17,857	\$ 18,568	-3.8%
Equine Drug Research (0.1% of TSH at TB Tracks)	\$ 8,797	\$ 9,857	-10.8%	\$ 35,714	\$ 37,135	-3.8%
Higher Education Fund (0.1% of TSH at TB Tracks)	\$ 8,797	\$ 9,857	-10.8%	\$ 35,714	\$ 37,135	-3.8%
KY General Fund (0.75% of TSH at TB Tracks)	\$ 65,978	\$ 73,927	-10.8%	\$ 267,853	\$ 278,513	-3.8%
<b>Total KY Excise Tax (3% of TSH at TB Tracks)</b>	<u>\$ 263,914</u>	<u>\$ 295,707</u>	-10.8%	<u>\$ 1,071,412</u>	<u>\$ 1,114,051</u>	-3.8%

## Blue Grass Downs Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates				6		
<b>On-Track Handle (OTH)</b>				\$ 5,930		
Less: Return to Public				\$ 4,659		
Less: Breakage				\$ 43		
<b>Gross Commission</b>				\$ 1,228		
SB Development Fund (1.25% of OTH)				\$ 74		
Equine Industry Program (0.2% of OTH)				\$ 12		
Equine Drug Research (0.1% of OTH)				\$ 6		
Higher Education Fund (0.1% of OTH)				\$ 6		
KY General Fund (0.1% of OTH)				\$ 6		
<b>Total KY Excise Tax (1.75% of OTH)</b>				\$ 104		
% of Gross Commission				8.45%		
<b>Net Commission</b>				\$ 1,124		
% of On-Track Handle				18.96%		
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks						
Kentucky Licensed ADW's						
Other Sources						
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				\$ 5,930		
Average Daily Handle - On Track				\$ 988		
Average Daily Handle - All Sources				\$ 988		

### Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)		\$ 296,566	-100.0%	\$ 639,580	\$ 1,247,604	-48.7%
Standardbred Simulcast Handle (SBSH)		\$ 10,518	-100.0%	\$ 24,049	\$ 44,739	-46.2%
Quarter Horse/Other Simulcast Handle (QSHS)		\$ 570	-100.0%	\$ 1,243	\$ 3,946	-68.5%
<b>All-Breed Total Simulcast Handle (TSH)</b>		\$ 307,653	-100.0%	\$ 664,872	\$ 1,296,289	-48.7%

## Churchill Downs Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates	3	2	50.0%	14	13	7.7%
<b>On-Track Handle (OTH)</b>	\$ 639,013	\$ 587,516	8.8%	\$ 4,352,719	\$ 4,026,732	8.1%
Less: Return to Public	\$ 508,375	\$ 468,015		\$ 3,476,097	\$ 3,208,438	
Less: Breakage	\$ 4,418	\$ 2,656		\$ 27,332	\$ 26,959	
<b>Gross Commission</b>	<u>\$ 126,221</u>	<u>\$ 116,845</u>	8.0%	<u>\$ 849,290</u>	<u>\$ 791,334</u>	7.3%
TB Development Fund (0.75% of OTH)	\$ 4,793	\$ 4,406	8.8%	\$ 32,645	\$ 30,200	8.1%
Equine Industry Program (0.2% of OTH)	\$ 1,278	\$ 1,175	8.8%	\$ 8,705	\$ 8,053	8.1%
Equine Drug Research (0.1% of OTH)	\$ 639	\$ 588	8.8%	\$ 4,353	\$ 4,027	8.1%
Higher Education Fund (0.1% of OTH)	\$ 639	\$ 588	8.8%	\$ 4,353	\$ 4,027	8.1%
KY General Fund (0.35% of OTH)	\$ 2,237	\$ 2,056	8.8%	\$ 15,235	\$ 14,094	8.1%
<b>Total KY Excise Tax (1.5% of OTH)</b>	<u>\$ 9,585</u>	<u>\$ 8,813</u>	8.8%	<u>\$ 65,291</u>	<u>\$ 60,401</u>	8.1%
% of Gross Commission	7.59%	7.54%		7.69%	7.63%	
Backside Improvement Fund (0.5% of OTH)	\$ 3,195	\$ 2,938	8.8%	\$ 21,764	\$ 20,134	8.1%
<b>Net Commission</b>	\$ 113,440	\$ 105,095	7.9%	\$ 762,235	\$ 710,800	7.2%
% of On-Track Handle	17.75%	17.89%		17.51%	17.65%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks	\$ 142,335	\$ 164,370	-13.4%	\$ 833,206	\$ 912,241	-8.7%
Kentucky Licensed ADW's	\$ 946,023	\$ 744,052	27.1%	\$ 4,578,620	\$ 3,533,557	29.6%
Other Sources	\$ 11,298,617	\$ 9,157,635	23.4%	\$ 56,672,973	\$ 47,594,198	19.1%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>	<u>\$ 13,025,988</u>	<u>\$ 10,653,573</u>	22.3%	<u>\$ 66,437,517</u>	<u>\$ 56,066,727</u>	18.5%
Average Daily Handle - On Track	\$ 213,004	\$ 293,758	-27.5%	\$ 310,908	\$ 309,749	0.4%
Average Daily Handle - All Sources	\$ 4,341,996	\$ 5,326,786	-18.5%	\$ 4,745,537	\$ 4,312,825	10.0%

### Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 2,384,777	\$ 2,819,992	-15.4%	\$ 9,888,893	\$ 10,281,854	-3.8%
Standardbred Simulcast Handle (SBSH)	\$ 14,516	\$ 20,569	-29.4%	\$ 47,012	\$ 55,006	-14.5%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 8,872	\$ 16,685	-46.8%	\$ 67,587	\$ 146,733	-53.9%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 2,408,165</u>	<u>\$ 2,857,245</u>	-15.7%	<u>\$ 10,003,492</u>	<u>\$ 10,483,593</u>	-4.6%
TB Development Fund (2% of TBSH)	\$ 47,696	\$ 56,400	-15.4%	\$ 197,778	\$ 205,637	-3.8%
SB Development Fund (2% of SBSH)	\$ 290	\$ 411	-29.4%	\$ 940	\$ 1,100	-14.5%
QH/Other Development Fund (2% of QSHS)	\$ 177	\$ 334	-46.8%	\$ 1,352	\$ 2,935	-53.9%
Equine Industry Program (0.05% of TSH)	\$ 1,204	\$ 1,429	-15.7%	\$ 5,002	\$ 5,242	-4.6%
Equine Drug Research (0.1% of TSH)	\$ 2,408	\$ 2,857	-15.7%	\$ 10,003	\$ 10,484	-4.6%
Higher Education Fund (0.1% of TSH)	\$ 2,408	\$ 2,857	-15.7%	\$ 10,003	\$ 10,484	-4.6%
KY General Fund (0.75% of TSH)	\$ 18,061	\$ 21,429	-15.7%	\$ 75,026	\$ 78,627	-4.6%
<b>Total KY Excise Tax (3% of TSH)</b>	<u>\$ 72,245</u>	<u>\$ 85,717</u>	-15.7%	<u>\$ 300,105</u>	<u>\$ 314,508</u>	-4.6%

**Ellis Park Live and Simulcast Wagering Report for October, 2019**  
**Live Racing**

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates				26	29	-10.3%
<b>On-Track Handle (OTH)</b>				\$ 3,945,581	\$ 4,130,485	-4.5%
Less: Return to Public				\$ 3,137,478	\$ 3,283,472	
Less: Breakage				\$ 30,804	\$ 32,897	
<b>Gross Commission</b>				\$ 777,300	\$ 814,116	-4.5%
TB Development Fund (0.75% of OTH)				\$ 29,592	\$ 30,979	-4.5%
Equine Industry Program (0.2% of OTH)				\$ 7,891	\$ 8,261	-4.5%
Equine Drug Research (0.1% of OTH)				\$ 3,946	\$ 4,130	-4.5%
Higher Education Fund (0.1% of OTH)				\$ 3,946	\$ 4,130	-4.5%
KY General Fund (0.35% of OTH)				\$ 13,810	\$ 14,457	-4.5%
<b>Total KY Excise Tax (1.5% of OTH)</b>				\$ 59,184	\$ 61,957	-4.5%
% of Gross Commission				7.61%	7.61%	
Backside Improvement Fund (0.5% of OTH)				\$ 19,728	\$ 20,652	-4.5%
<b>Net Commission</b>				\$ 698,388	\$ 731,506	-4.5%
% of On-Track Handle				17.70%	17.71%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 1,357,160	\$ 1,593,040	-14.8%
Kentucky Licensed ADW's				\$ 2,641,941	\$ 2,231,809	18.4%
Other Sources				\$ 37,917,649	\$ 31,118,533	21.8%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				\$ 45,862,331	\$ 39,073,868	17.4%
Average Daily Handle - On Track				\$ 151,753	\$ 142,431	6.5%
Average Daily Handle - All Sources				\$ 1,763,936	\$ 1,347,375	30.9%

**Simulcast Wagering on Other Tracks**

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 1,071,294	\$ 1,232,088	-13.1%	\$ 4,576,116	\$ 5,163,992	-11.4%
Standardbred Simulcast Handle (SBSH)	\$ 88,803	\$ 111,080	-20.1%	\$ 388,420	\$ 479,012	-18.9%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 23			\$ 141	\$ 2,394	-94.1%
<b>All-Breed Total Simulcast Handle (TSH)</b>	\$ 1,160,121	\$ 1,343,168	-13.6%	\$ 4,964,676	\$ 5,645,398	-12.1%
TB Development Fund (2% of TBSH)	\$ 21,426	\$ 24,642	-13.1%	\$ 91,522	\$ 103,280	-11.4%
SB Development Fund (2% of SBSH)	\$ 1,776	\$ 2,222	-20.1%	\$ 7,768	\$ 9,580	-18.9%
QH/Other Development Fund (2% of QSHS)	\$ 0			\$ 3	\$ 48	-94.1%
Equine Industry Program (0.05% of TSH)	\$ 580	\$ 672	-13.6%	\$ 2,482	\$ 2,823	-12.1%
Equine Drug Research (0.1% of TSH)	\$ 1,160	\$ 1,343	-13.6%	\$ 4,965	\$ 5,645	-12.1%
Higher Education Fund (0.1% of TSH)	\$ 1,160	\$ 1,343	-13.6%	\$ 4,965	\$ 5,645	-12.1%
KY General Fund (0.75% of TSH)	\$ 8,701	\$ 10,074	-13.6%	\$ 37,235	\$ 42,340	-12.1%
<b>Total KY Excise Tax (3% of TSH)</b>	\$ 34,804	\$ 40,295	-13.6%	\$ 148,940	\$ 169,362	-12.1%

## Keeneland Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates	17	17		17	17	
<b>On-Track Handle (OTH)</b>	\$ 17,320,852	\$ 16,419,870	5.5%	\$ 17,320,852	\$ 16,419,870	5.5%
Less: Return to Public	\$ 14,044,361	\$ 13,294,951		\$ 14,044,361	\$ 13,294,951	
Less: Breakage	\$ 108,172	\$ 104,472		\$ 108,172	\$ 104,472	
<b>Gross Commission</b>	<u>\$ 3,168,320</u>	<u>\$ 3,020,447</u>	4.9%	<u>\$ 3,168,320</u>	<u>\$ 3,020,447</u>	4.9%
TB Development Fund (0.75% of OTH)	\$ 129,906	\$ 123,149	5.5%	\$ 129,906	\$ 123,149	5.5%
Equine Industry Program (0.2% of OTH)	\$ 34,642	\$ 32,840	5.5%	\$ 34,642	\$ 32,840	5.5%
Equine Drug Research (0.1% of OTH)	\$ 17,321	\$ 16,420	5.5%	\$ 17,321	\$ 16,420	5.5%
Higher Education Fund (0.1% of OTH)	\$ 17,321	\$ 16,420	5.5%	\$ 17,321	\$ 16,420	5.5%
KY General Fund (0.35% of OTH)	\$ 60,623	\$ 57,470	5.5%	\$ 60,623	\$ 57,470	5.5%
<b>Total KY Excise Tax (1.5% of OTH)</b>	<u>\$ 259,813</u>	<u>\$ 246,298</u>	5.5%	<u>\$ 259,813</u>	<u>\$ 246,298</u>	5.5%
% of Gross Commission	8.20%	8.15%		8.20%	8.15%	
Backside Improvement Fund (0.5% of OTH)	\$ 86,604	\$ 82,099	5.5%	\$ 86,604	\$ 82,099	5.5%
<b>Net Commission</b>	\$ 2,821,903	\$ 2,692,050	4.8%	\$ 2,821,903	\$ 2,692,050	4.8%
% of On-Track Handle	16.29%	16.40%		16.29%	16.40%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks	\$ 1,361,340	\$ 2,237,530	-39.2%	\$ 1,361,340	\$ 2,237,530	-39.2%
Kentucky Licensed ADW's	\$ 10,108,626	\$ 8,950,097	12.9%	\$ 10,108,626	\$ 8,950,097	12.9%
Other Sources	\$ 131,417,098	\$ 116,703,614	12.6%	\$ 131,417,098	\$ 116,703,614	12.6%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>	<u>\$ 160,207,916</u>	<u>\$ 144,311,112</u>	11.0%	<u>\$ 160,207,916</u>	<u>\$ 144,311,112</u>	11.0%
Average Daily Handle - On Track	\$ 1,018,874	\$ 965,875	5.5%	\$ 1,018,874	\$ 965,875	5.5%
Average Daily Handle - All Sources	\$ 9,423,995	\$ 8,488,889	11.0%	\$ 9,423,995	\$ 8,488,889	11.0%

### Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 3,172,958	\$ 3,282,218	-3.3%	\$ 11,798,400	\$ 11,476,238	2.8%
Standardbred Simulcast Handle (SBSH)						
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 176	\$ 8,165	-97.8%	\$ 24,091	\$ 48,055	-49.9%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 3,173,134</u>	<u>\$ 3,290,383</u>	-3.6%	<u>\$ 11,822,490</u>	<u>\$ 11,524,293</u>	2.6%
TB Development Fund (2% of TBSH)	\$ 63,459	\$ 65,644	-3.3%	\$ 235,968	\$ 229,525	2.8%
SB Development Fund (2% of SBSH)						
QH/Other Development Fund (2% of QSHS)	\$ 4	\$ 163	-97.8%	\$ 482	\$ 961	-49.9%
Equine Industry Program (0.05% of TSH)	\$ 1,587	\$ 1,645	-3.6%	\$ 5,911	\$ 5,762	2.6%
Equine Drug Research (0.1% of TSH)	\$ 3,173	\$ 3,290	-3.6%	\$ 11,822	\$ 11,524	2.6%
Higher Education Fund (0.1% of TSH)	\$ 3,173	\$ 3,290	-3.6%	\$ 11,822	\$ 11,524	2.6%
KY General Fund (0.75% of TSH)	\$ 23,799	\$ 24,678	-3.6%	\$ 88,669	\$ 86,432	2.6%
<b>Total KY Excise Tax (3% of TSH)</b>	<u>\$ 95,194</u>	<u>\$ 98,711</u>	-3.6%	<u>\$ 354,675</u>	<u>\$ 345,729</u>	2.6%

## Kentucky Downs Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates				5	5	
<b>On-Track Handle (OTH)</b>				\$ 1,634,072	\$ 1,118,276	46.1%
Less: Return to Public				\$ 1,342,662	\$ 918,080	
Less: Breakage				\$ 9,723	\$ 7,285	
<b>Gross Commission</b>				<u>\$ 281,688</u>	<u>\$ 192,912</u>	46.0%
TB Development Fund (0.75% of OTH)				\$ 12,256	\$ 8,387	46.1%
Equine Industry Program (0.2% of OTH)				\$ 3,268	\$ 2,237	46.1%
Equine Drug Research (0.1% of OTH)				\$ 1,634	\$ 1,118	46.1%
Higher Education Fund (0.1% of OTH)				\$ 1,634	\$ 1,118	46.1%
KY General Fund (0.35% of OTH)				\$ 5,719	\$ 3,914	46.1%
<b>Total KY Excise Tax (1.5% of OTH)</b>				<u>\$ 24,511</u>	<u>\$ 16,774</u>	46.1%
% of Gross Commission				8.70%	8.70%	
Backside Improvement Fund (0.5% of OTH)				\$ 8,170	\$ 5,591	46.1%
<b>Net Commission</b>				\$ 249,006	\$ 170,547	46.0%
% of On-Track Handle				15.24%	15.25%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks				\$ 639,152	\$ 654,322	-2.3%
Kentucky Licensed ADW's				\$ 1,843,304	\$ 1,577,862	16.8%
Other Sources				\$ 37,123,080	\$ 33,084,045	12.2%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>				<u>\$ 41,239,607</u>	<u>\$ 36,434,505</u>	13.2%
Average Daily Handle - On Track				\$ 326,814	\$ 223,655	46.1%
Average Daily Handle - All Sources				\$ 8,247,921	\$ 7,286,901	13.2%

### Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 757,917	\$ 715,131	6.0%	\$ 3,787,398	\$ 3,401,043	11.4%
Standardbred Simulcast Handle (SBSH)	\$ 59,570	\$ 61,469	-3.1%	\$ 240,225	\$ 271,078	-11.4%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 28,135	\$ 33,847	-16.9%	\$ 75,369	\$ 90,625	-16.8%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 845,622</u>	<u>\$ 810,446</u>	4.3%	<u>\$ 4,102,993</u>	<u>\$ 3,762,745</u>	9.0%
TB Development Fund (2% of TBSH)	\$ 15,158	\$ 14,303	6.0%	\$ 75,748	\$ 68,021	11.4%
SB Development Fund (2% of SBSH)	\$ 1,191	\$ 1,229	-3.1%	\$ 4,805	\$ 5,422	-11.4%
QH/Other Development Fund (2% of QSHS)	\$ 563	\$ 677	-16.9%	\$ 1,507	\$ 1,813	-16.8%
Equine Industry Program (0.05% of TSH)	\$ 423	\$ 405	4.3%	\$ 2,051	\$ 1,881	9.0%
Equine Drug Research (0.1% of TSH)	\$ 846	\$ 810	4.3%	\$ 4,103	\$ 3,763	9.0%
Higher Education Fund (0.1% of TSH)	\$ 846	\$ 810	4.3%	\$ 4,103	\$ 3,763	9.0%
KY General Fund (0.75% of TSH)	\$ 6,342	\$ 6,078	4.3%	\$ 30,772	\$ 28,221	9.0%
<b>Total KY Excise Tax (3% of TSH)</b>	<u>\$ 25,369</u>	<u>\$ 24,313</u>	4.3%	<u>\$ 123,090</u>	<u>\$ 112,882</u>	9.0%



## The Red Mile Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates	4	4		35	35	
<b>On-Track Handle (OTH)</b>	\$ 325,058	\$ 417,167	-22.1%	\$ 1,234,783	\$ 1,388,990	-11.1%
Less: Return to Public	\$ 251,676	\$ 320,606		\$ 951,978	\$ 1,065,834	
Less: Breakage	\$ 330	\$ 2,296		\$ 1,215	\$ 5,960	
<b>Gross Commission</b>	<u>\$ 73,051</u>	<u>\$ 94,265</u>	-22.5%	<u>\$ 281,590</u>	<u>\$ 317,197</u>	-11.2%
SB Development Fund (1.25% of OTH)	\$ 4,063	\$ 5,215	-22.1%	\$ 15,435	\$ 17,362	-11.1%
Equine Industry Program (0.2% of OTH)	\$ 650	\$ 834	-22.1%	\$ 2,470	\$ 2,778	-11.1%
Equine Drug Research (0.1% of OTH)	\$ 325	\$ 417	-22.1%	\$ 1,235	\$ 1,389	-11.1%
Higher Education Fund (0.1% of OTH)	\$ 325	\$ 417	-22.1%	\$ 1,235	\$ 1,389	-11.1%
KY General Fund (0.1% of OTH)	\$ 325	\$ 417	-22.1%	\$ 1,235	\$ 1,389	-11.1%
<b>Total KY Excise Tax (1.75% of OTH)</b>	<u>\$ 5,689</u>	<u>\$ 7,300</u>	-22.1%	<u>\$ 21,609</u>	<u>\$ 24,307</u>	-11.1%
% of Gross Commission	7.79%	7.74%		7.67%	7.66%	
<b>Net Commission</b>	\$ 67,362	\$ 86,965	-22.5%	\$ 259,982	\$ 292,889	-11.2%
% of On-Track Handle	20.72%	20.85%		21.05%	21.09%	
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks	\$ 8,717	\$ 18,244	-52.2%	\$ 49,755	\$ 85,572	-41.9%
Kentucky Licensed ADW's	\$ 29,959	\$ 23,735	26.2%	\$ 168,660	\$ 184,092	-8.4%
Other Sources	\$ 1,472,207	\$ 1,477,365	-0.3%	\$ 6,343,091	\$ 6,857,759	-7.5%
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>	<u>\$ 1,835,941</u>	<u>\$ 1,936,512</u>	-5.2%	<u>\$ 7,796,289</u>	<u>\$ 8,516,413</u>	-8.5%
Average Daily Handle - On Track	\$ 81,264	\$ 104,292	-22.1%	\$ 35,280	\$ 39,685	-11.1%
Average Daily Handle - All Sources	\$ 458,985	\$ 484,128	-5.2%	\$ 222,751	\$ 243,326	-8.5%

### Simulcast Wagering on Other Tracks (Note: Standardbred Facilities Only Taxed on Live Racing)

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)						
Standardbred Simulcast Handle (SBSH)	\$ 1,736,160	\$ 1,547,402	12.2%	\$ 7,536,004	\$ 6,779,914	11.2%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 9,588	\$ 15,342	-37.5%	\$ 42,079	\$ 68,193	-38.3%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<u>\$ 1,745,749</u>	<u>\$ 1,562,744</u>	11.7%	<u>\$ 7,578,083</u>	<u>\$ 6,848,108</u>	10.7%

## Turfway Park Live and Simulcast Wagering Report for October, 2019

### Live Racing

	October-19	October-18	% Change	FYTD - 2020	FYTD - 2019	% Change
Race Dates						
<b>On-Track Handle (OTH)</b>						
Less: Return to Public						
Less: Breakage						
<b>Gross Commission</b>						
TB Development Fund (0.75% of OTH)						
Equine Industry Program (0.2% of OTH)						
Equine Drug Research (0.1% of OTH)						
Higher Education Fund (0.1% of OTH)						
KY General Fund (0.35% of OTH)						
<b>Total KY Excise Tax (1.5% of OTH)</b>						
% of Gross Commission						
Backside Improvement Fund (0.5% of OTH)						
<b>Net Commission</b>						
% of On-Track Handle						
<b>Off-Track Handle on Kentucky Races From</b>						
Other KY Tracks						
Kentucky Licensed ADW's						
Other Sources						
<b>All Sources Handle on Live Racing (On- and Off-Track)</b>						
Average Daily Handle - On Track						
Average Daily Handle - All Sources						

### Simulcast Wagering on Other Tracks

Handle by Breed						
Thoroughbred Simulcast Handle (TBSH)	\$ 1,169,810	\$ 1,494,659	-21.7%	\$ 4,639,225	\$ 5,500,493	-15.7%
Standardbred Simulcast Handle (SBSH)	\$ 32,624	\$ 53,317	-38.8%	\$ 157,581	\$ 188,392	-16.4%
Quarter Horse/Other Simulcast Handle (QSHS)	\$ 7,654	\$ 7,694	-0.5%	\$ 23,283	\$ 30,115	-22.7%
<b>All-Breed Total Simulcast Handle (TSH)</b>	<b>\$ 1,210,087</b>	<b>\$ 1,555,670</b>	<b>-22.2%</b>	<b>\$ 4,820,089</b>	<b>\$ 5,719,000</b>	<b>-15.7%</b>
TB Development Fund (2% of TBSH)	\$ 23,396	\$ 29,893	-21.7%	\$ 92,785	\$ 110,010	-15.7%
SB Development Fund (2% of SBSH)	\$ 652	\$ 1,066	-38.8%	\$ 3,152	\$ 3,768	-16.4%
QH/Other Development Fund (2% of QSHS)	\$ 153	\$ 154	-0.5%	\$ 466	\$ 602	-22.7%
Equine Industry Program (0.05% of TSH)	\$ 605	\$ 778	-22.2%	\$ 2,410	\$ 2,859	-15.7%
Equine Drug Research (0.1% of TSH)	\$ 1,210	\$ 1,556	-22.2%	\$ 4,820	\$ 5,719	-15.7%
Higher Education Fund (0.1% of TSH)	\$ 1,210	\$ 1,556	-22.2%	\$ 4,820	\$ 5,719	-15.7%
KY General Fund (0.75% of TSH)	\$ 9,076	\$ 11,668	-22.2%	\$ 36,151	\$ 42,892	-15.7%
<b>Total KY Excise Tax (3% of TSH)</b>	<b>\$ 36,303</b>	<b>\$ 46,670</b>	<b>-22.2%</b>	<b>\$ 144,603</b>	<b>\$ 171,570</b>	<b>-15.7%</b>

## Kentucky Resident Advance Deposit Wagering Report for October, 2019

	Oct-19	Oct-18	% Change	FYTD-2020	FYTD-2019	% Change
Total In-State Handle	\$ 11,088,397	\$ 9,717,798	14.1%	\$ 19,344,940	\$ 16,477,332	17.4%
Total Out-of-State Handle	\$ 10,036,807	\$ 9,268,897	8.3%	\$ 61,532,944	\$ 57,659,727	6.7%
<b>Total ADW Handle (TAH)</b>	<b>\$ 21,125,203</b>	<b>\$ 18,986,695</b>	<b>11.3%</b>	<b>\$ 80,877,884</b>	<b>\$ 74,137,058</b>	<b>9.1%</b>
Host Track (42.5% Allocation)	\$ 44,891	\$ 40,347	11.3%	\$ 171,866	\$ 157,541	9.1%
Purse (42.5% Allocation)	\$ 44,891	\$ 40,347	11.3%	\$ 171,866	\$ 157,541	9.1%
KY General Fund (15% Allocation)	\$ 15,844	\$ 14,240	11.3%	\$ 60,658	\$ 55,603	9.1%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>\$ 105,626</b>	<b>\$ 94,933</b>	<b>11.3%</b>	<b>\$ 404,389</b>	<b>\$ 370,685</b>	<b>9.1%</b>



Source - Kentucky Department of Revenue Weekly Tax Filings

## Kentucky Resident Advance Deposit Wagering Report for October, 2019

<b>AmWest Entertainment</b>	% of Total	Oct-19	Oct-18	% Change	% of Total	FYTD-2020	FYTD-2019	% Change
Total In-State Handle	0.70%	\$ 78,115	\$ 25,986	200.6%	0.53%	\$ 103,002	\$ 34,046	202.5%
Total Out-of-State Handle	0.36%	\$ 36,362	\$ 13,755	164.4%	0.40%	\$ 248,524	\$ 130,306	90.7%
<b>Total Handle</b>	<b>0.54%</b>	<b>\$ 114,477</b>	<b>\$ 39,740</b>	<b>188.1%</b>	<b>0.43%</b>	<b>\$ 351,526</b>	<b>\$ 164,351</b>	<b>113.9%</b>
Host Track (42.5% Allocation)	0.54%	\$ 243	\$ 84	188.1%	0.43%	\$ 747	\$ 349	113.9%
Purse (42.5% Allocation)	0.54%	\$ 243	\$ 84	188.1%	0.43%	\$ 747	\$ 349	113.9%
KY General Fund (15% Allocation)	0.54%	\$ 86	\$ 30	188.1%	0.43%	\$ 264	\$ 123	113.9%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.54%</b>	<b>\$ 572</b>	<b>\$ 199</b>	<b>188.1%</b>	<b>0.43%</b>	<b>\$ 1,758</b>	<b>\$ 822</b>	<b>113.9%</b>

<b>eBet</b>	% of Total	Oct-19	Oct-18	% Change	% of Total	FYTD-2020	FYTD-2019	% Change
Total In-State Handle	0.09%	\$ 10,489	\$ 17,309	-39.4%	0.10%	\$ 20,058	\$ 34,675	-42.2%
Total Out-of-State Handle	0.44%	\$ 44,501	\$ 67,370	-33.9%	0.44%	\$ 268,513	\$ 376,166	-28.6%
<b>Total Handle</b>	<b>0.26%</b>	<b>\$ 54,990</b>	<b>\$ 84,678</b>	<b>-35.1%</b>	<b>0.36%</b>	<b>\$ 288,571</b>	<b>\$ 410,842</b>	<b>-29.8%</b>
Host Track (42.5% Allocation)	0.26%	\$ 117	\$ 180	-35.1%	0.36%	\$ 613	\$ 873	-29.8%
Purse (42.5% Allocation)	0.26%	\$ 117	\$ 180	-35.1%	0.36%	\$ 613	\$ 873	-29.8%
KY General Fund (15% Allocation)	0.26%	\$ 41	\$ 64	-35.1%	0.36%	\$ 216	\$ 308	-29.8%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.26%</b>	<b>\$ 275</b>	<b>\$ 423</b>	<b>-35.1%</b>	<b>0.36%</b>	<b>\$ 1,443</b>	<b>\$ 2,054</b>	<b>-29.8%</b>

<b>Horse Races Now</b>	% of Total	Oct-19	Oct-18	% Change	% of Total	FYTD-2020	FYTD-2019	% Change
Total In-State Handle							\$ 1,127	
Total Out-of-State Handle							\$ 3,699	
<b>Total Handle</b>							<b>\$ 4,826</b>	
Host Track (42.5% Allocation)							\$ 10	
Purse (42.5% Allocation)							\$ 10	
KY General Fund (15% Allocation)							\$ 4	
<b>Total KY Excise Tax (0.5% of TAH)</b>							<b>\$ 24</b>	

## Kentucky Resident Advance Deposit Wagering Report for October, 2019 (Cont)

<b>Lien Games</b>	% of Total	Oct-19	Oct-18	% Change	% of Total	FYTD-2020	FYTD-2019	% Change
Total In-State Handle	0.04%	\$ 4,691	\$ 3,091	51.7%	0.03%	\$ 5,929	\$ 4,265	39.0%
Total Out-of-State Handle	0.08%	\$ 8,189	\$ 15,775	-48.1%	0.09%	\$ 55,600	\$ 58,434	-4.9%
<b>Total Handle</b>	<b>0.06%</b>	<b>\$ 12,879</b>	<b>\$ 18,866</b>	<b>-31.7%</b>	<b>0.08%</b>	<b>\$ 61,529</b>	<b>\$ 62,699</b>	<b>-1.9%</b>
Host Track (42.5% Allocation)	0.06%	\$ 27	\$ 40	-31.7%	0.08%	\$ 131	\$ 133	-1.9%
Purse (42.5% Allocation)	0.06%	\$ 27	\$ 40	-31.7%	0.08%	\$ 131	\$ 133	-1.9%
KY General Fund (15% Allocation)	0.06%	\$ 10	\$ 14	-31.7%	0.08%	\$ 46	\$ 47	-1.9%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.06%</b>	<b>\$ 64</b>	<b>\$ 94</b>	<b>-31.7%</b>	<b>0.08%</b>	<b>\$ 308</b>	<b>\$ 313</b>	<b>-1.9%</b>

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<b>NYRabets</b>	% of Total	Oct-19	Oct-18	% Change	% of Total	FYTD-2020	FYTD-2019	% Change
Total In-State Handle	1.54%	\$ 170,656	\$ 107,593	58.6%	1.72%	\$ 333,290	\$ 177,533	87.7%
Total Out-of-State Handle	1.45%	\$ 145,576	\$ 124,521	16.9%	2.67%	\$ 1,643,348	\$ 1,324,066	24.1%
<b>Total Handle</b>	<b>1.50%</b>	<b>\$ 316,232</b>	<b>\$ 232,114</b>	<b>36.2%</b>	<b>2.44%</b>	<b>\$ 1,976,638</b>	<b>\$ 1,501,599</b>	<b>31.6%</b>
Host Track (42.5% Allocation)	1.50%	\$ 672	\$ 493	36.2%	2.44%	\$ 4,200	\$ 3,191	31.6%
Purse (42.5% Allocation)	1.50%	\$ 672	\$ 493	36.2%	2.44%	\$ 4,200	\$ 3,191	31.6%
KY General Fund (15% Allocation)	1.50%	\$ 237	\$ 174	36.2%	2.44%	\$ 1,482	\$ 1,126	31.6%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>1.50%</b>	<b>\$ 1,581</b>	<b>\$ 1,161</b>	<b>36.2%</b>	<b>2.44%</b>	<b>\$ 9,883</b>	<b>\$ 7,508</b>	<b>31.6%</b>

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<b>TVG</b>	% of Total	Oct-19	Oct-18	% Change	% of Total	FYTD-2020	FYTD-2019	% Change
Total In-State Handle	28.21%	\$ 3,128,322	\$ 2,603,268	20.2%	26.95%	\$ 5,214,187	\$ 4,185,986	24.6%
Total Out-of-State Handle	39.25%	\$ 3,939,669	\$ 3,583,563	9.9%	34.31%	\$ 21,113,943	\$ 18,679,928	13.0%
<b>Total Handle</b>	<b>33.46%</b>	<b>\$ 7,067,991</b>	<b>\$ 6,186,831</b>	<b>14.2%</b>	<b>32.55%</b>	<b>\$ 26,328,130</b>	<b>\$ 22,865,914</b>	<b>15.1%</b>
Host Track (42.5% Allocation)	33.46%	\$ 15,019	\$ 13,147	14.2%	32.55%	\$ 55,947	\$ 48,590	15.1%
Purse (42.5% Allocation)	33.46%	\$ 15,019	\$ 13,147	14.2%	32.55%	\$ 55,947	\$ 48,590	15.1%
KY General Fund (15% Allocation)	33.46%	\$ 5,301	\$ 4,640	14.2%	32.55%	\$ 19,746	\$ 17,149	15.1%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>33.46%</b>	<b>\$ 35,340</b>	<b>\$ 30,934</b>	<b>14.2%</b>	<b>32.55%</b>	<b>\$ 131,641</b>	<b>\$ 114,330</b>	<b>15.1%</b>

## Kentucky Resident Advance Deposit Wagering Report for October, 2019 (Cont)

<b>TwinSpires</b>	<b>% of Total</b>	<b>Oct-19</b>	<b>Oct-18</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2020</b>	<b>FYTD-2019</b>	<b>% Change</b>
Total In-State Handle	55.67%	\$ 6,173,029	\$ 5,444,438	13.4%	56.58%	\$ 10,944,944	\$ 9,332,739	17.3%
Total Out-of-State Handle	48.92%	\$ 4,910,392	\$ 4,621,753	6.2%	49.98%	\$ 30,751,863	\$ 29,074,021	5.8%
<b>Total Handle</b>	<b>52.47%</b>	<b>\$ 11,083,421</b>	<b>\$ 10,066,191</b>	<b>10.1%</b>	<b>51.56%</b>	<b>\$ 41,696,807</b>	<b>\$ 38,406,760</b>	<b>8.6%</b>
Host Track (42.5% Allocation)	52.47%	\$ 23,552	\$ 21,391	10.1%	51.56%	\$ 88,606	\$ 81,614	8.6%
Purse (42.5% Allocation)	52.47%	\$ 23,552	\$ 21,391	10.1%	51.56%	\$ 88,606	\$ 81,614	8.6%
KY General Fund (15% Allocation)	52.47%	\$ 8,313	\$ 7,550	10.1%	51.56%	\$ 31,273	\$ 28,805	8.6%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>52.47%</b>	<b>\$ 55,417</b>	<b>\$ 50,331</b>	<b>10.1%</b>	<b>51.56%</b>	<b>\$ 208,484</b>	<b>\$ 192,034</b>	<b>8.6%</b>

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<b>Watch and Wager</b>	<b>% of Total</b>	<b>Oct-19</b>	<b>Oct-18</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2020</b>	<b>FYTD-2019</b>	<b>% Change</b>
Total In-State Handle	0.12%	\$ 13,289	\$ 12,742	4.3%	0.16%	\$ 31,165	\$ 18,220	71.0%
Total Out-of-State Handle	0.16%	\$ 16,069	\$ 16,136	-0.4%	0.24%	\$ 144,913	\$ 65,216	122.2%
<b>Total Handle</b>	<b>0.14%</b>	<b>\$ 29,358</b>	<b>\$ 28,878</b>	<b>1.7%</b>	<b>0.22%</b>	<b>\$ 176,078</b>	<b>\$ 83,436</b>	<b>111.0%</b>
Host Track (42.5% Allocation)	0.14%	\$ 62	\$ 61	1.7%	0.22%	\$ 374	\$ 177	111.0%
Purse (42.5% Allocation)	0.14%	\$ 62	\$ 61	1.7%	0.22%	\$ 374	\$ 177	111.0%
KY General Fund (15% Allocation)	0.14%	\$ 22	\$ 22	1.7%	0.22%	\$ 132	\$ 63	111.0%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>0.14%</b>	<b>\$ 147</b>	<b>\$ 144</b>	<b>1.7%</b>	<b>0.22%</b>	<b>\$ 880</b>	<b>\$ 417</b>	<b>111.0%</b>

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<b>Xpressbet</b>	<b>% of Total</b>	<b>Oct-19</b>	<b>Oct-18</b>	<b>% Change</b>	<b>% of Total</b>	<b>FYTD-2020</b>	<b>FYTD-2019</b>	<b>% Change</b>
Total In-State Handle	13.62%	\$ 1,509,806	\$ 1,503,372	0.4%	13.92%	\$ 2,692,366	\$ 2,688,740	0.1%
Total Out-of-State Handle	9.33%	\$ 936,050	\$ 826,025	13.3%	11.87%	\$ 7,306,239	\$ 7,947,893	-8.1%
<b>Total Handle</b>	<b>11.58%</b>	<b>\$ 2,445,856</b>	<b>\$ 2,329,397</b>	<b>5.0%</b>	<b>12.36%</b>	<b>\$ 9,998,605</b>	<b>\$ 10,636,633</b>	<b>-6.0%</b>
Host Track (42.5% Allocation)	11.58%	\$ 5,197	\$ 4,950	5.0%	12.36%	\$ 21,247	\$ 22,603	-6.0%
Purse (42.5% Allocation)	11.58%	\$ 5,197	\$ 4,950	5.0%	12.36%	\$ 21,247	\$ 22,603	-6.0%
KY General Fund (15% Allocation)	11.58%	\$ 1,834	\$ 1,747	5.0%	12.36%	\$ 7,499	\$ 7,977	-6.0%
<b>Total KY Excise Tax (0.5% of TAH)</b>	<b>11.58%</b>	<b>\$ 12,229</b>	<b>\$ 11,647</b>	<b>5.0%</b>	<b>12.36%</b>	<b>\$ 49,993</b>	<b>\$ 53,183</b>	<b>-6.0%</b>

# Kentucky Historical Horse Racing Report for October, 2019

	October-19	October-18	% Change	FYTD-2020	FYTD-2019	% Change
<b>Total Handle</b>	\$ 227,687,297	\$ 140,644,329	61.9%	\$ 908,826,915	\$ 471,486,374	92.8%
Less: Returned to Public	\$ 208,228,610	\$ 128,642,106	61.9%	\$ 831,791,133	\$ 432,448,803	92.3%
Less: Breakage	\$ 96,648	\$ 71,405		\$ 388,116	\$ 288,897	
Less: Settlement	\$ 290,501	\$ 79,418		\$ 741,450	\$ 498,281	
<b>Gross Commission</b>	<u>\$ 19,071,538</u>	<u>\$ 11,851,400</u>	60.9%	<u>\$ 75,906,216</u>	<u>\$ 38,250,392</u>	98.4%
TB Development Fund (See Note 1)	\$ 1,554,348	\$ 966,891	60.8%	\$ 6,269,512	\$ 3,187,469	96.7%
SB Development Fund (See Note 2)	\$ 204,409	\$ 117,255	74.3%	\$ 728,920	\$ 464,906	56.8%
Equine Industry Program (See Note 3)	\$ -	\$ -	-	\$ 650,000	\$ 650,000	0.0%
Equine Drug Research (See Note 4)	\$ -	\$ -	-	\$ 320,000	\$ 320,000	0.0%
Higher Education Fund (See Note 4)	\$ -	\$ -	-	\$ 320,000	\$ 320,000	0.0%
Kentucky General Fund (Note 5)	\$ 1,656,552	\$ 1,025,519	61.5%	\$ 5,343,972	\$ 2,129,921	150.9%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 3,415,309</u>	<u>\$ 2,109,665</u>	61.9%	<u>\$ 13,632,404</u>	<u>\$ 7,072,296</u>	92.8%
% of Gross Commission	17.9%	17.8%		18.0%	18.5%	
<b>Net Commission + Breakage</b>	\$ 15,752,876	\$ 9,813,140	60.5%	\$ 62,661,928	\$ 31,466,995	99.1%
% of Total Handle	6.92%	6.98%		6.89%	6.67%	
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Number of HHR Terminals	2,870	2,734	5.0%	2,870	2,734	5.0%
Average Daily Handle	\$ 7,344,752	\$ 4,536,914	61.9%	\$ 7,388,837	\$ 4,501,063	64.2%
Handle / Day / Machine	\$ 2,559	\$ 1,659	54.2%	\$ 2,575	\$ 1,646	56.4%
Gross Commission / Day / Machine	\$ 214	\$ 140	53.3%	\$ 215	\$ 134	61.0%

	October-19	Sep-19	% Change	Total Handle	Total Kentucky Excise Tax	Total KY General Fund
Total Handle	\$ 227,687,297	\$ 226,089,266	0.7%	\$6,687,829,592		
Total Kentucky Excise Tax	\$ 3,415,309	\$ 3,391,339	0.7%		\$100,317,444	
Average Daily Handle	\$ 7,344,752	\$ 7,536,309	-2.5%			\$38,031,319

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Derby City Gaming Historical Horse Racing Report for October, 2019

	October-19	October-18	% Change	FYTD-2020	FYTD-2019	% Change
<b>Total Handle</b>	\$ 96,876,926	\$ 44,827,715	116.1%	\$ 380,737,395	\$ 71,730,857	430.8%
Less: Returned to Public	\$ 87,968,255	\$ 40,281,001	118.4%	\$ 345,720,247	\$ 64,350,935	437.2%
Less: Breakage	\$ 0	\$ 0		\$ 0	\$ 0	100.0%
Less: Settlement	\$ 42,454	\$ 170,115		\$ 85,840	\$ 386,229	-77.8%
<b>Gross Commission</b>	<u>\$ 8,866,217</u>	<u>\$ 4,376,599</u>	102.6%	<u>\$ 34,931,309</u>	<u>\$ 6,993,693</u>	399.5%
TB Development Fund (See Note 1)	\$ 726,577	\$ 336,208	116.1%	\$ 2,855,530	\$ 537,981	430.8%
SB Development Fund (See Note 2)	-	\$ -	-	\$ -	\$ -	-
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 271,057	\$ 52,856	412.8%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 133,443	\$ 26,021	412.8%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 133,443	\$ 26,022	412.8%
Kentucky General Fund (Note 5)	<u>\$ 726,577</u>	<u>\$ 336,208</u>	116.1%	<u>\$ 2,317,587</u>	<u>\$ 433,082</u>	435.1%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 1,453,154</u>	<u>\$ 672,416</u>	116.1%	<u>\$ 5,711,061</u>	<u>\$ 1,075,963</u>	430.8%
% of Gross Commission	16.4%	15.4%		16.3%	15.4%	
<b>Net Commission + Breakage</b>	\$ 7,413,063	\$ 3,704,183	100.1%	\$ 29,220,248	\$ 5,917,730	393.8%
% of Total Handle	7.65%	8.26%		7.67%	8.25%	
Number of HHR Terminals	1000	900	11.1%	1000	900	11.1%
Average Daily Handle	\$ 3,125,062	\$ 1,446,055	116.1%	\$ 3,095,426	\$ 1,406,487	120.1%
Handle / Day / Machine	\$ 3,125	\$ 1,607	94.5%	\$ 3,095	\$ 1,563	98.1%
Gross Commission / Day / Machine	\$ 286	\$ 157	82.3%	\$ 284	\$ 152	86.4%

	October-19	Sep-19	% Change	Since Inception (September 10, 2018)	
Total Handle	\$ 96,876,926	\$ 94,367,969	2.7%	Total Handle	\$1,051,032,668
Total Kentucky Excise Tax	\$ 1,453,154	\$ 1,415,520	2.7%	Total Kentucky Excise Tax	\$15,765,490
Average Daily Handle	\$ 3,125,062	\$ 3,145,599	-0.7%	Total KY General Fund	\$7,239,902

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Ellis Park Historical Horse Racing Report for October, 2019

	October-19	October-18	% Change	FYTD-2020	FYTD-2019	% Change
<b>Total Handle</b>	\$ 9,538,623	\$ 6,819,700	39.9%	\$ 37,704,428	\$ 29,786,723	26.6%
Less: Returned to Public	\$ 8,766,791	\$ 6,211,739	41.1%	\$ 34,608,150	\$ 27,401,885	26.3%
Less: Breakage	\$ 591	\$ 384		\$ 2,882	\$ 2,381	21.0%
Less: Settlement	\$ 13,097	\$ 67,064		\$ 91,122	\$ 11,721	677.4%
<b>Gross Commission</b>	<u>\$ 758,144</u>	<u>\$ 540,513</u>	40.3%	<u>\$ 3,002,275</u>	<u>\$ 2,370,737</u>	26.6%
TB Development Fund (See Note 1)	\$ 71,540	\$ 51,148	39.9%	\$ 282,783	\$ 223,400	26.6%
SB Development Fund (See Note 2)	-	\$ -	-	\$ -	\$ -	-
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 28,250	\$ 45,123	-37.4%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 13,908	\$ 22,214	-37.4%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 13,908	\$ 22,214	-37.4%
Kentucky General Fund (Note 5)	<u>\$ 71,540</u>	<u>\$ 51,148</u>	39.9%	<u>\$ 226,718</u>	<u>\$ 133,849</u>	69.4%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 143,079</u>	<u>\$ 102,295</u>	39.9%	<u>\$ 565,566</u>	<u>\$ 446,801</u>	26.6%
% of Gross Commission	18.9%	18.9%		18.8%	18.8%	
<b>Net Commission + Breakage</b>	\$ 615,655	\$ 438,601	40.4%	\$ 2,439,590	\$ 1,926,316	26.6%
% of Total Handle	6.45%	6.43%		6.47%	6.47%	
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Number of HHR Terminals	179	179	0.0%	179	179	0.0%
Average Daily Handle	\$ 307,698	\$ 219,990	39.9%	\$ 306,540	\$ 244,153	25.6%
Handle / Day / Machine	\$ 1,719	\$ 1,229	39.9%	\$ 1,713	\$ 1,364	25.6%
Gross Commission / Day / Machine	\$ 137	\$ 97	40.3%	\$ 136	\$ 109	25.6%
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	October-19	Sep-19	% Change	Since Inception (August 31, 2012)		
Total Handle	\$ 9,538,623	\$ 8,705,486	9.6%	Total Handle		\$467,198,245
Total Kentucky Excise Tax	\$ 143,079	\$ 130,582	9.6%	Total Kentucky Excise Tax		\$7,007,974
Average Daily Handle	\$ 307,698	\$ 290,183	6.0%	Total KY General Fund		\$2,584,787

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Keeneland/Red Mile Historical Horse Racing Report for October, 2019

	October-19	October-18	% Change	FYTD-2020	FYTD-2019	% Change
<b>Total Handle</b>	\$ 40,881,799	\$ 23,451,077	74.3%	\$ 145,783,912	\$ 92,981,105	56.8%
Less: Returned to Public	\$ 37,359,803	\$ 21,507,249	73.7%	\$ 133,831,705	\$ 85,106,686	57.3%
Less: Breakage	\$ 81,939	\$ 62,624		\$ 330,682	\$ 247,026	33.9%
Less: Settlement	\$ 321,986	\$ 134,329		\$ 701,113	\$ 685,501	2.3%
<b>Gross Commission</b>	<u>\$ 3,118,071</u>	<u>\$ 1,746,876</u>	78.5%	<u>\$ 10,920,411</u>	<u>\$ 6,941,892</u>	57.3%
TB Development Fund (See Note 1)	\$ 153,307	\$ 87,942	74.3%	\$ 546,690	\$ 348,679	56.8%
SB Development Fund (See Note 2)	\$ 204,409	\$ 117,255	74.3%	\$ 728,920	\$ 464,906	56.8%
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 93,004	\$ 136,605	-31.9%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 45,787	\$ 67,251	-31.9%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 45,787	\$ 67,251	-31.9%
Kentucky General Fund (Note 5)	\$ 255,511	\$ 146,569	74.3%	\$ 726,572	\$ 310,024	134.4%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 613,227</u>	<u>\$ 351,766</u>	74.3%	<u>\$ 2,186,759</u>	<u>\$ 1,394,717</u>	56.8%
% of Gross Commission	19.7%	20.1%		20.0%	20.1%	
<b>Net Commission + Breakage</b>	\$ 2,586,783	\$ 1,457,733	77.5%	\$ 9,064,336	\$ 5,794,202	56.4%
% of Total Handle	6.33%	6.22%		6.22%	6.23%	
Number of HHR Terminals	938	902	4.0%	938	902	4.0%
Average Daily Handle	\$ 1,318,768	\$ 756,486	74.3%	\$ 1,185,235	\$ 755,944	56.8%
Handle / Day / Machine	\$ 1,406	\$ 839	67.6%	\$ 1,264	\$ 838	50.8%
Gross Commission / Day / Machine	\$ 107	\$ 62	71.6%	\$ 95	\$ 63	51.3%

	October-19	Sep-19	% Change	Since Inception (September 8, 2015)	
Total Handle	\$ 40,881,799	\$ 38,048,449	7.4%	Total Handle	\$1,191,892,392
Total Kentucky Excise Tax	\$ 613,227	\$ 570,727	7.4%	Total Kentucky Excise Tax	\$17,878,386
Average Daily Handle	\$ 1,318,768	\$ 1,268,282	4.0%	Total KY General Fund	\$6,024,919

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.

# Kentucky Downs Historical Horse Racing Report for October, 2019

	October-19	October-18	% Change	FYTD-2020	FYTD-2019	% Change
<b>Total Handle</b>	\$ 80,389,950	\$ 65,545,837	22.6%	\$ 344,601,179	\$ 276,987,688	24.4%
Less: Returned to Public	\$ 74,133,762	\$ 60,642,117	22.2%	\$ 317,631,032	\$ 255,589,297	24.3%
Less: Breakage	\$ 14,118	\$ 8,398		\$ 54,552	\$ 39,491	38.1%
Less: Settlement	\$ (87,037)	\$ (292,090)		\$ (136,625)	\$ (585,170)	-76.7%
<b>Gross Commission</b>	<u>\$ 6,329,106</u>	<u>\$ 5,187,412</u>	22.0%	<u>\$ 27,052,221</u>	<u>\$ 21,944,071</u>	23.3%
TB Development Fund (See Note 1)	\$ 602,925	\$ 491,594	22.6%	\$ 2,584,509	\$ 2,077,408	24.4%
SB Development Fund (See Note 2)	-	\$ -	-	\$ -	\$ -	-
Equine Industry Program (See Note 3)	-	\$ -	-	\$ 257,689	\$ 415,416	-38.0%
Equine Drug Research (See Note 4)	-	\$ -	-	\$ 126,862	\$ 204,513	-38.0%
Higher Education Fund (See Note 4)	-	\$ -	-	\$ 126,862	\$ 204,513	-38.0%
Kentucky General Fund (Note 5)	<u>\$ 602,925</u>	<u>\$ 491,594</u>	22.6%	<u>\$ 2,073,095</u>	<u>\$ 1,252,966</u>	65.5%
<b>Total KY Excise Tax (1.5% of Total Handle)</b>	<u>\$ 1,205,849</u>	<u>\$ 983,188</u>	22.6%	<u>\$ 5,169,018</u>	<u>\$ 4,154,815</u>	24.4%
% of Gross Commission	19.1%	19.0%		19.1%	18.9%	
<b>Net Commission + Breakage</b>	\$ 5,137,375	\$ 4,212,623	22.0%	\$ 21,937,755	\$ 17,828,747	23.0%
% of Total Handle	6.39%	6.43%		6.37%	6.44%	

	October-19	Sep-19	% Change	Since Inception (September 1, 2011)	
Total Handle	\$ 80,389,950	\$ 84,967,363	-5.4%	Total Handle	\$3,977,706,287
Total Kentucky Excise Tax	\$ 1,205,849	\$ 1,274,510	-5.4%	Total Kentucky Excise Tax	\$59,665,594
Average Daily Handle	\$ 2,593,224	\$ 2,832,245	-8.4%	Total KY General Fund	\$22,181,712

Note 1: Thoroughbred Development Fund receives .75% of Total Handle at Kentucky Downs and Ellis Park. The rate applies to half of the Total Handle at KRM.

Note 2: The Standardbred Development Fund receives 1.0% of half of the Total Handle at KRM.

Note 3: EIP receives .2% of TH with a fiscal year cap of \$650,000.

Note 4: EDR and HEF each receive .1% of TH with a fiscal year cap of \$320,000.

Note 5: Kentucky General Fund receives 1.5% of TH less Notes 1, 2, 3 and 4.