

**KENTUCKY HORSE RACING COMMISSION**  
**December 13, 2022**  
**AGENDA**

**Location: American Saddlebred Museum**  
**4083 Iron Works Parkway**  
**Lexington, KY 40511**

**Time: 1:30 pm**

**I. Call to Order and Roll Call**

**II. New Business**

1. Meeting Minutes from October 31, 2022
2. 2023 Meeting Schedule
3. Transfer of Funds to the Kentucky Racing Health & Welfare Fund
4. Kentucky Proud Series (Harness Racing at County Fairs): Release of Uncashed Ticket Money for Purse Distributions
5. Backside Improvement Fund Request – Churchill Downs Racetrack
6. Requested Approval of Totalizator Licenses and Conditions for 2023
7. Requested Approval of Advance Deposit Account Wagering Licenses and Conditions for 2023
8. License for a Simulcast Facility
9. Ratification of ECL Corbin, LLC’s Request to Amend Its Race Dates
10. Reports
  - a. Thoroughbred Rulings
  - b. Standardbred Rulings
  - c. Veterinary Division
  - d. Pari-Mutuel Wagering Division
11. Asmussen v. KHRC Oral Arguments on Motion to Strike – Informational Only

**III. Executive Session**

During the meeting on December 13, 2022, the Commission will go into closed session pursuant to KRS 61.810(1) (c) to discuss pending litigation (CONFIDENTIAL)

**IV. Other Business**

**V. Adjournment**

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

Date: October 31, 2022 at 10:00 AM

Place: Via video conference from the Rolex Tower, 4089 Iron Works Parkway Lexington, Kentucky 40511

Members Present: Chairman Jonathan Rabinowitz; Vice-Chairman Frank Jones, Jr.; Commissioner Naveed Chowhan M.D.; Commissioner Tiffany Daniels, D.C.; Commissioner Michael F. Dudgeon; Commissioner Greg Harbut; Commissioner Lesley Howard; Commissioner William L.S. Landes; Commissioner William H. May; Commissioner Charles O'Connor; Commissioner Catherine Parke; Commissioner Tom Riddle, D.V.M.; Commissioner C. Frank Shoop; and Commissioner James Edwin Worley

Ex-officio Members Present: Secretary Ray Perry, Public Protection Cabinet; Secretary Mike Berry, Tourism, Arts & Heritage Cabinet; Angelica Vega on behalf of Secretary, Jeff Noel, Cabinet for Economic Development

KHRC Staff Participating/Present: Jamie Eads, Interim Executive Director; Waqas Ahmed, Interim Deputy Executive Director; Shan Dutta, Deputy General Counsel; Drew Conners, Incentives and Development Director; Barbara Borden, Chief State Steward; Bruce Howard, DVM, Equine Medical Director; Andy Conway, Assistant Director of Pari-Mutuel Wagering and Compliance, Joanna Ricci, Executive Administrative Secretary

<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>	4 – 5	Chairman Rabinowitz called the meeting of the Kentucky Horse Racing Commission (KHRC) to order and performed the roll call. A quorum was recognized.	No action taken.

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<p><b>II. New Business</b></p> <p><b>Tab 1 Meeting Minutes from August 16, 2022 and September 20, 2022</b></p>	<p>5 – 48 5 – 6</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the request submitted by the KHRC staff to approve the proposed minutes of the KHRC meeting of August 16, 2022 and KHRC special meeting of September 20, 2022. Motion by Commissioner Worley. Second by Commissioner O’Connor.</p> <p>Commissioner Landes made an amendment to page 5, line 2 of the August 16, 2022 Minutes. It should have read, additional funding to support up to 8 races on the undercard.</p> <p>Ms. Eads presented the proposed minutes, as outlined in the meeting materials and with the amendment from Commissioner Landes. Approval of the proposed minutes was recommended by KHRC staff.</p> <p>Chairman Rabinowitz inquired if there were any other additions or corrections.</p>	<p>Chairman Rabinowitz called for a vote to approve the proposed minutes of the August 16, 2022 and September 20, 2022 KHRC special meeting as presented. Motion carried with no objections or abstentions.</p>
<p><b>Tab 2 Ratification of Interim Executive Director’s Conditional Approval of KTDF Purse Structure – Churchill Downs’ 2022 Fall Meet</b></p>	<p>6 – 9</p>	<p>Chairman Rabinowitz requested a motion from the Commission to ratify Interim Executive Director Jamie Eads’ conditional approval of Churchill Downs’ KTDF purse structure for its 2022 fall meet as set forth in the meeting materials. Motion by Commissioner Harbut. Second by Commissioner Worley.</p> <p>Mr. Conners presented Churchill Downs’ request dated September 23, 2022, as outlined in the meeting materials. Churchill Downs proposed KTDF purses in the range of \$4.1 - \$4.9 million to be distributed during their meet October 30 – November 27 with 19 total racing dates. The projections were based on an estimated \$2.8</p>	<p>Chairman Rabinowitz called for a vote to ratify Interim Executive Director Jamie Eads’ conditional approval of Churchill Downs’ KTDF purse structure in their 2022 fall meet. Motion carried with no objections or abstentions.</p>

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		<p>million audited carryover from their September race meet along with additional projected earnings of \$2.4 million at the end of their November meet. To encourage participation during the meet, Churchill Downs would payout KTDF purses through last place to all KTDF eligible horses. KHRC Interim Executive Director Ms. Jamie Eads granted conditional approval on October 19 of this purse structure for Churchill Downs. The request was supported by the KyHBPA and the KTA-KTOB.</p> <p>Ratification of Interim Executive Director Jamie Eads' conditional approval was recommended by KHRC Staff and KTDF Advisory Committee.</p>	
<p><b>Tab 3 KTDF Purse Structure – Turfway Park 2022 Holiday Meet and 2023 Winter Spring/Meet</b></p>	<p>9 – 11</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Thoroughbred Development Fund (KTDF) Advisory Committee to approve the proposed KTDF purse structure for Turfway Park's 2022 Holiday Meet and 2023 Winter/Spring race meet as set forth in the meeting materials. Motion by Commissioner Shoop. Second by Commissioner Howard.</p> <p>Mr. Connors presented Turfway Park's request dated September 28, 2022, as outlined in the meeting materials. Turfway Park proposed KTDF purses in the range of \$9.5 - \$10 million. Their race meets would consist of 67 total race days. Nineteen (19) of those would be run during the 2022 holiday meet and 48 days would be run during the 2023 Winter/Spring meet. To encourage participation during the meet, Turfway Park would payout KTDF purses through last place to all KTDF eligible horses.</p> <p>The request was supported by the KyHBPA and the KTA-KTOB.</p>	<p>Chairman Rabinowitz called for a vote to approve the recommendation of the KTDF Advisory Committee to approve the proposed KTDF purse allotment request for Turfway Park's 2022 Holiday Meet and 2023 Winter/Spring Meet. Motion carried with no objections or abstentions.</p>

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		Approval was recommended by KHRC Staff and KTDF Advisory Committee.	
<b>Tab 4 Backside Improvement Fund – Churchill Downs Racetrack</b>	11 – 12	<p>Chairman Rabinowitz requested a motion from the Commission to address Churchill Downs Racetrack’s backside improvement request. Motion by Vice-Chairman Jones. Second by Commissioner Shoop.</p> <p>Mr. Connors presented Churchill Downs Racetrack LLC’s request dated October 19, 2022, as outlined in the meeting materials. The backside improvement request was for a total of \$8,137.50 to be used for the installation of wifi equipment and enable horsemen to have access to the internet on the trackside.</p> <p>Approval was recommended by KHRC Staff.</p>	Chairman Rabinowitz called for a vote to approve Churchill Downs Racetrack’s backside improvement fund request. Motion carried with no objections or abstentions.
<b>Tab 5 Request for an Exemption from the Prohibition of the Use of Furosemide (Lasix) in Covered Horseraces Other than Two-Year-Old Covered Horses and Stakes Races</b>	12 – 15	<p>Chairman Rabinowitz requested a motion from the Commission to address the request for an exemption from the prohibition of the use of furosemide (Lasix) in covered horseraces other than two-year-old covered horses and stakes races as set forth in your meeting materials. Motion by Commissioner Landes. Second by Commissioner O’Connor.</p> <p>Dr. Howard presented the request for exemption from prohibiting the use of Lasix in covered race horses other than 2-year-old covered horses and stakes races. Under the Horseracing Integrity and Safety Act of 2020, 15 USC 3055(d), all horses would be prohibited from the use of Furosemide during a three-year period, starting on January 1, 2023. During the three-year period, HISA would be charged with collecting data and determining if the restriction on the use of furosemide would have a negative impact on the health and welfare of race horses, as well as whether such a restriction would be in the</p>	Chairman Rabinowitz called for a vote to approve the request for an exemption from the prohibition of the use of Furosemide (Lasix) in covered horseraces other than two-year-old covered horses and stakes races. Motion carried with no objections or abstentions.

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		<p>best interests of racing and promote public confidence in racing. It is the opinion of the KHRC staff that further restricting the use of Furosemide prior to this data being gathered would be unfair to the horses and horsemen racing in Kentucky and may have a detrimental impact on horse health.</p> <p>The request was supported by the KyHBPA and the KTA-KTOB.</p> <p>Approval was recommended by KHRC Staff.</p>	
<p><b>Tab 6 Funding of a study entitled “Tackling Emerging Threats to the Kentucky Racing Industry by Development of an Equine Gene Doping Program” by Dr. Scott Stanley, PhD and Dr. Cecily Wood, PhD.</b></p>	<p>15 – 19</p>	<p>Chairman Rabinowitz requested a motion from the Commission to approve the Equine Drug Research Council’s recommendation to fund a study titled Tackling Emerging Threats to the Kentucky Racing Industry by Development of an Equine Gene Doping Program by Dr. Scott Stanley and Dr. Cecily Wood, as set forth in the meeting materials. Motion by Commissioner Landes. Second by Commissioner Parke.</p> <p>Dr. Howard presented Dr. Stanley and Dr. Wood’s research proposal to identify genetic alterations and differentiate acceptable treatments from those which would constitute professional misconduct.</p> <p>The Equine Drug Research Council (EDRC), at its October 21, 2022 meeting discussed this matter and voted to fund the first year of this study at \$241,000. There will be reporting at the end of fiscal year 2023 to determine progress and to consider funding for the second year of this project.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the EDRC’s recommendation to fund a study entitled, “Tackling Emerging Threats to the Kentucky Racing Industry by Development of an Equine Gene Doping Program” by Dr. Scott Stanley and Dr. Cecily Wood. Motion carried with no objections or abstentions.</p>

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<p><b>Tab 7 Funding of a study entitled “Identifying the few racehorses in danger of catastrophic injury from within a larger group classified as being at-risk through the analysis of motion sensor data collected during a race” by Dr. Warwick Bayly and Dr. David Lambert</b></p>	<p>19 – 22</p>	<p>Chairman Rabinowitz requested a motion from the Commission to approve the Equine Drug Research Council’s recommendation to fund a study titled identifying the few racehorses in danger of catastrophic injury from within a larger group classified as at-risk through analysis of motion sensor data collected during a race, by Dr. Warwick Bayly and Dr. David Lambert, as set forth in the meeting materials. Motion by Commissioner Shoop. Second by Commissioner Worley and Commissioner Howard.</p> <p>Dr. Howard presented Dr. Bayly and Dr. Lambert’s research proposal to identify racehorses in danger of catastrophic injury through the analysis of motion sensor data.</p> <p>The Equine Drug Research Council (EDRC), at its October 21, 2022 meeting discussed this matter and voted to fund this project at \$128,723.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the EDRC’s recommendation to fund a study entitled, “identifying the few racehorses in danger of catastrophic injury from within a larger group classified as at-risk through analysis of motion sensor data collected during a race”, by Dr. Warwick Bayly and Dr. David Lambert. Motion carried with no objections or abstentions.</p>
<p><b>Tab 8 Ratification of Interim Executive Director Jamie Eads’ Conditional Approval of Kentucky Downs LLC’s Request to Amend Section R of its 2022 Application to Amend Race Dates/Times</b></p>	<p>22 – 24</p>	<p>Chairman Rabinowitz requested a motion from the Commission to ratify Interim Executive Director Jamie Eads’ conditional approval of Kentucky Downs LLC’s amendment to Section R of its 2022 renewal application, as set forth in the meeting materials. Motion by Vice Chairman Jones. Second by Commissioner Shoop.</p> <p>Mr. Dutta presented Kentucky Downs’ requests dated September 3, 2022 and September 12, 2022, as outlined in the meeting materials. Due to inclement weather and rainstorms, Kentucky Downs LLC lost two (2) racing dates. To make up for the lost dates, Kentucky Downs LLC requested to move its entire Sunday, September 4, 2022 card to Monday, September 5, 2022, and to move its remaining 9 races on</p>	<p>Chairman Rabinowitz called for a vote to ratify Interim Executive Director Jamie Eads’ conditional approval of Kentucky Downs LLC’s request to amend section R of its 2022 application to amend race dates/times. Motion carried with no objections or abstentions.</p>

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		<p>Sunday, September 12, 2022 card to Monday, September 13, 2022. Post time remained the same for both requests.</p> <p>The proposed amendment was supported by the KTOB and KyHBPA.</p> <p>Ratification of Interim Executive Director Jamie Eads' conditional approval was recommended by KHRC Staff.</p>	
<p><b>Tab 9 Change of Control for ECL Corbin, LLC</b></p>	<p>23 – 26</p>	<p>Chairman Rabinowitz requested a motion from the Commission to approve the change of control for ECL Corbin, LLC as set forth in your meeting materials. Motion by Commissioner Shoop. Second by Commissioner O'Connor.</p> <p>Mr. Ahmed presented the change of control for ECL Corbin, LLC noting that approval would be contingent upon three conditions.</p> <ol style="list-style-type: none"> <li>1. The applicant must continue to provide the KHRC with any future requests for information that may arise in relation to this change of control;</li> <li>2. The licensee must amend its application to conduct live racing, simulcast and pari-mutuel wagering for calendar year 2023, should it learn of any changes to the information provided because of this transfer; and,</li> <li>3. The applicant must provide proper notice and request advance approval, as appropriate.</li> </ol> <p>The KHRC maintains authority to amend or supplement the above conditions at any time.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve the change of control for ECL Corbin, LLC. Motion carried with no objections or abstentions.</p>

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<p><b>Tab 10 Change of Control for Revolutionary Racing Kentucky, LLC</b></p>	<p>26 – 31</p>	<p>Chairman Rabinowitz requested a motion from the Commission to approve the change of control for Revolutionary Racing Kentucky, LLC as set forth in your meeting materials. Motion by Commissioner Shoop. Second by Commissioner O'Connor.</p> <p>Mr. Dutta presented the change of control for Revolutionary Racing Kentucky, LLC noting that approval would be contingent upon three conditions.</p> <ol style="list-style-type: none"> <li>1. Any future transfers of ownership shall be performed as set forth in 810 KAR 3:010;</li> <li>2. Provide the KHRC with copies of the documents and agreements submitted in relation to these changes of control within 24-hours of execution by all parties;</li> <li>3. Provide the KHRC with a detailed summary and current events surround the development of facilities, the race meet and operations proposed on a monthly basis, beginning December 1, 2022.</li> </ol> <p>The KHRC maintains authority to amend or supplement the above conditions at any time.</p> <p>Approval was recommended by KHRC staff.</p> <p>Commissioner Riddle expressed concern regarding AQHA recognizing Revolutionary Racing as an AQHA sanctioned track.</p> <p>Ms. Eads and Mr. Ahmed addressed Commissioner Riddle's concern, stating that the KHRC received a letter of support from Ms. VanBebber at AQHA. In the letter it stated that the AQHA was</p>	<p>Chairman Rabinowitz called for a vote to approve the change of control for Revolutionary Racing Kentucky, LLC. Commissioner Bill May and Commissioner James Edwin Worley recused themselves due to perceived conflict of interest with Revolutionary Racing Kentucky, LLC. Motion carried with no objections.</p>

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		working with Revolutionary Racing and the Red Mile to make sure that the track is ready to run these races.	
<p><b>Tab 11 Licenses to Conduct Live Horse Racing, Simulcasting, and Pari-Mutuel Wagering for 2023</b></p>	31 – 41	<p>Chairman Rabinowitz requested a motion from the Commission to address the requests submitted by the racing associations to approve the proposed applications for licenses to conduct live horse racing, simulcasting, and pari-mutuel wagering, including race dates for 2023. Motion by Commissioner Worley. Second by Commissioner Dudgeon.</p> <p>Mr. Ahmed presented the materials that outline the licenses to conduct live horse racing, simulcasting, and/or pari-mutuel wagering for the calendar year 2023. The KHRC is permitted to license nine (9) racetracks. KHRC Chairman Jonathan Rabinowitz, Vice-Chairman Frank Jones, Jr., Commissioner William S. Landes and staff reviewed nine (9) applications under KRS Chapter 230 and Title 810 of Kentucky Administrative Regulations.</p> <p>Approval was recommended by KHRC staff.</p> <p>Vice-Chairman Jones had an inquiry regarding how and when optional days were awarded.</p> <p>Mr. Ahmed and Ms. Eads responded, clarifying the purpose of optional days and the circumstances in which they would be utilized.</p> <p>Commissioner Landes had an inquiry on why Turfway Park utilized its optional days in December.</p> <p>Ms. Eads provided clarification. The fire marshal would not allow for that space to be broken down and re-set up in the same day. In order</p>	<p>Chairman Rabinowitz called for a vote to approve the proposed applications for licenses to conduct live horse racing, simulcasting and pari-mutuel wagering, including race dates for 2023 for Churchill Downs Racetrack LLC, ECL Corbin LLC d/b/a Cumberland Run, Ellis Entertainment LLC, Keeneland Association, Inc. Kentucky Downs LLC, Lexington Trots Breeders Association LLC d/b/a Red Mile, Turfway Park LLC, Western Kentucky Development LLC d/b/a Oak Grove Racing and Revolutionary Racing Kentucky LLC. Motion carried with no objections or abstentions.</p>

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		<p>to accommodate both events, the Saturday card was moved to their Wednesday optional date that was approved last October by the Commission. Sunday dates had not been successful for Turfway Park, so they moved the remaining Sundays to their optional Wednesdays.</p> <p>Commissioner Landes had further questions regarding a possible race day conflict on April 1, 2023. Stating that there were two flat racing entities running on the same day.</p> <p>Mr. Ahmed and Ms. Eads addressed the concern. Since they are two (2) different breeds and outside the minimum radius, it would not present a conflict. Ms. Eads also noted that they would need to hire interim employees to work the quarter horse meet.</p> <p>Commissioner Landes asked racetrack representatives from Turfway and Revolutionary Racing, what their post times would be.</p> <p>Mr. Palmisano from Turfway Park replied that Saturday post times would be 12:45PM and the other race dates would be scheduled for 6:15PM.</p> <p>A representative from Revolutionary Racing said that they are working with The Red Mile to determine what would work best for them, since they are hosting Revolutionary Racing.</p> <p>Commissioner Parke questioned how Dr. Howard would logistically cover both race meets.</p>	

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		Ms. Eads explained that the veterinary staff would be split up to cover both meets. Ms. Eads made note that this occurs year around at the KHRC.	
<b>Tab 12 The Kentucky Sire Stakes, Commonwealth, Goldenrod and Mini-Series 2023</b>	42 - 43	<p>Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Standardbred Development Fund (KSDF) and Kentucky Standardbred Breeders' Incentive Fund (KSBIF) advisory committee's 2023 purse distributions for the Kentucky Sire Stakes, Commonwealth, Goldenrod and Mini-Series as set forth in the meeting materials. Motion by Commissioner Worley. Second by Commissioner Harbut.</p> <p>Mr. Conners presented the request as outlined in the meeting materials. The KSDF and KSBIF advisory panel met on October 18, 2022 and requested approval of the 2023 purse distributions along with the corresponding race dates found within the materials.</p> <p>Approval was recommended by KHRC staff.</p>	Chairman Rabinowitz called for a vote to approve the recommendation of the Kentucky Standardbred Development Fund (KSDF) and Kentucky Standardbred Breeders' Incentive Fund (KSBIF) advisory committees, Kentucky Sire Stakes, Commonwealth, Goldenrod, and Mini-Series 2023 purse distributions. Motion carried with no objections or abstentions.
<b>Tab 13 The Kentucky Proud Series</b>	43 – 45	Chairman Rabinowitz requested a motion from the Commission to address the recommendation of the Kentucky Standardbred Development Fund (KSDF) and Kentucky Standardbred Breeders' Incentive Fund (KSBIF) advisory committee's 2023 Kentucky Proud Series purse distribution dates and conditions as set forth in the meeting materials. Motion by Commissioner Worley. Second by Commissioner Daniels.	Chairman Rabinowitz called for a vote to approve the recommendation of the Kentucky Standardbred Development Fund (KSDF) and Kentucky Standardbred Breeders' Incentive Fund (KSBIF)

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		<p>Mr. Conners presented the request as outlined in the meeting materials. The KSDF and KSBIF advisory panel met on October 18, 2022 and requested approval of the 2023 purse distributions along with the corresponding race dates found within the materials. The committee recommends continuing the support of harness racing at the Kentucky county fairs through the Kentucky Proud Series. It will consist of eight (8) events including a final to be held at the Red Mile on July 23, 2023.</p> <p>Approval was recommended by KHRC staff.</p>	<p>advisory committee's 2023 Kentucky Proud Series purse distributions, dates and conditions. Motion carried with no objections or abstentions.</p>
<p><b>Tab 14 Ratification of Interim Executive Director Jamie Eads' Approval of ECL Corbin's 2022 Race Meet Officials</b></p>	<p>45 – 47</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address Interim Executive Director Jamie Eads' conditional approval of ECL Corbin LLC's 2022 race meet officials as set forth in the meeting materials. Motion by Commissioner Shoop. Second by Commissioner O'Connor.</p> <p>Ms. Ricci presented ECL Corbin's initial request dated September 30, 2022 to amend their 2022 race meet officials. By letter sent October 3, 2022, Ted Nicholson, Vice President of Racing at ECL Corbin, submitted another request to amend their 2022 race meet officials. The amendment was verbally approved by Interim Executive Director Jamie Eads. Presiding Judge Tim Schmitz reviewed the officials and approved the changes.</p> <p>All judges had been accredited by ROAP (Racing Officials Accreditation Program) and all officials would be licensed by the meet opening.</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to ratify Interim Executive Director Jamie Eads' conditional approval of ECL Corbin's 2022 race meet officials. Motion carried with no objections or abstentions.</p>

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<p><b>Tab 15 Turfway Park's 2022 Holiday Meet &amp; 2023 Winter/Spring Meet Race Officials and Date Preference System</b></p>	<p>47 – 48</p>	<p>Chairman Rabinowitz requested a motion from the Commission to address Interim Executive Director Jamie Eads' recommendation of approval of Turfway Park's 2022 Holiday Meet and 2023 Winter/Spring Meet race officials and date preference system. Motion by Commissioner O'Connor. Second by Commissioner Howard.</p> <p>Ms. Eads presented a letter dated October 14, 2022 from Tyler Picklesimer, the Director of Racing at Turfway Park, requesting approval of the roster of racing officials and the date preference system for their 2022 Holiday Meet and 2023 Winter/Spring Meet.</p> <p>All Stewards have been accredited and all officials will be licensed prior to the meet opening</p> <p>Approval was recommended by KHRC staff.</p>	<p>Chairman Rabinowitz called for a vote to approve Interim Executive Director Jamie Eads' recommendation of approval of Turfway Park's 2022 Holiday Meet and 2023 Winter/Spring Meet race officials and date preference system. Motion carried with no objections or abstentions.</p>
<p><b>Tab 16 Reports</b></p> <p><b>a. Thoroughbred Rulings</b></p> <p><b>b. Standardbred Ruling Report</b></p> <p><b>c. Veterinary Division Report</b></p>	<p>48 – 56</p> <p>48 – 49</p> <p>49</p> <p>49 – 53</p>	<p>a. Ms. Eads presented the thoroughbred rulings reports as outlined in the meeting materials.</p> <p>b. Ms. Eads presented the standardbred rulings report as outlined in the meeting materials.</p> <p>c. Dr. Howard presented the veterinary reports for Ellis Park's Summer Meet 2022, Arlington Million Day at Churchill Downs 2022, Kentucky Downs' Meet 2022, and Churchill Downs' September Meet 2022, as outlined in the meeting materials.</p> <p>Dr. Howard presented the fatalities report 2007 to present as outlined in the meeting materials.</p>	<p>No action taken. Informational items only.</p>

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<p><b>d. Pari-Mutuel Wagering Division Report</b></p> <p><b>e. Litigation</b> <i>(Informational only)</i></p>	53 – 55	<p>Commissioner Parke inquired about a fatality on Arlington Million Day and wanted to know if it occurred on the turf course.</p> <p>Dr. Howard responded that it did not occur on the turf course. It was in the first race of the day.</p> <p>d. Mr. Conway presented the pari-mutuel wagering division reports as outlined in the meeting materials.</p> <p>e. Litigation and Regulation report is for informational purposes only.</p>	
<p><b>III. Executive Session</b></p> <p><b>During the meeting on October 31, 2022, the Commission will go into closed session pursuant to KRS 61.810(1)(c) to discuss pending litigation (CONFIDENTIAL)</b></p>	56  56 – 57	<p>Chairman Rabinowitz requested a motion from the Commission to convene in closed session to discuss proposed or pending litigation against or on behalf of the agency, as permitted by KRS Chapter 61.810(1)(c). Motion by Commissioner May. Second by Commissioner O’Connor.</p> <p style="text-align: center;"><b><u>EXECUTIVE SESSION</u></b></p> <p>Chairman Rabinowitz requested a motion from the Commission to reconvene in open session. Motion by Commissioner O’Connor. Second by Commissioner Daniels.</p> <p style="text-align: center;"><b><u>RECONVENED TO OPEN SESSION</u></b></p>	<p>Chairman Rabinowitz called for a vote for the Commission to convene in closed session. Motion carried with no objections or abstentions.</p> <p>Chairman Rabinowitz called for a vote for the Commission to reconvene in open session. Motion carried with no objections or abstentions.</p>

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<b>IV. Other Business</b>	57 – 58	Chairman Rabinowitz requested a motion from the Commission to address the recommended order of dismissal and KHRC final order in the KRS 13B Administrative Action Gutierrez versus KHRC, Administrative Action No. KHRC-22-TB-007. Motion by Commissioner Shoop. Second by Commissioner O'Connor.	Chairman Rabinowitz called for a vote to approve the recommended order of dismissal in KHRC final order in the KRS 13B Administrative Action No. KHRC-22-TB-007. Motion carried with no objections or abstentions.
<b>V. Adjournment</b>	58 – 59	With no other business, Chairman Rabinowitz requested a motion to adjourn the October 31, 2022 Special Meeting. Motion by Commissioner Worley. Second by Commissioner O'Connor.  Meeting adjourned.	Chairman Rabinowitz called for a vote to adjourn. Motion carried with no objections or abstentions.

**NOTE:** The meeting 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.



**Andy Beshear**  
GOVERNOR  
**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

## PUBLIC PROTECTION CABINET

**Kentucky Horse Racing Commission**  
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Phone: (859) 246-2040  
Fax: (859) 246-2039

**Ray A. Perry**  
SECRETARY  
**Jamie Eads**  
INTERIM EXECUTIVE DIRECTOR  
**Jonathan Rabinowitz**  
CHAIRMAN

### 2023 MEETING SCHEDULE OF THE KENTUCKY HORSE RACING COMMISSION

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Day:	Date:	Time:	Location:
Tuesday	February 21, 2023	1:30pm	To Be Determined
Tuesday	April 18, 2023	1:30pm	To Be Determined
Tuesday	June 20, 2023	1:30pm	To Be Determined
Tuesday	August 15, 2023	1:30pm	To Be Determined
Tuesday	October 17, 2023	1:30pm	To Be Determined
Tuesday	December 12, 2023	1:30pm	To Be Determined



## PUBLIC PROTECTION CABINET

**Andy Beshear**  
GOVERNOR

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Fax: (859) 246-2039

**Ray A. Perry**  
SECRETARY

**Jamie Eads**  
INTERIM EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

**TO: ALL COMMISSION MEMBERS**

**FROM:** Drew J. Conners III, Incentives & Development Director, KHRC

**DATE:** 11/28/2022

**SUBJECT: Kentucky Racing Health & 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. The total amount is \$995,538.17 less any additional claims and/or advertising in accordance with KRS 230.372.

The following documents are enclosed:

- 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; and
- Copy of the Kentucky Racing Health and Welfare Fund audit report for 2021 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 ticket(s) 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, 2020, and June 30, 2021, and were still unclaimed a year (or more) later on July 1, 2022. 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



**PUBLIC PROTECTION CABINET**

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**Jonathan Rabinowitz**  
CHAIRMAN

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.

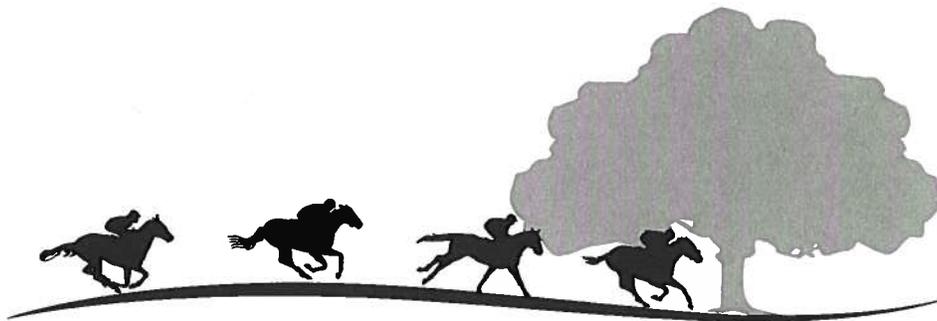
Approval is recommended.

**COMMISSION ACTION**

\_\_\_\_\_ Approve

\_\_\_\_\_ Defer

\_\_\_\_\_ Deny



## Kentucky Racing Health & Welfare Fund

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

November 1, 2022

Kentucky Horse Racing Commission  
Attn: Drew Conners, Director of  
Incentives and Development  
4063 Iron Works Pike, Building B  
Lexington, KY 40511

Dear Drew:

Please place our request for the transfer of funds due to the Kentucky Racing Health and Welfare Fund on December 31, 2022 on the agenda of the Commission's December 2022 meeting.

I have enclosed our 2021 Audit Report and the 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

Enc.



## Unclaimed Pari-Mutuel Tickets for 2022

Kentucky Racing Health & Welfare Fund

Attn. Richard Riedel

422 Heywood Ave.

Louisville, KY 40208-1324

<b>Racing Facility</b>	<b>Amount</b>	<b>Amount Claimed</b>	<b>Check Received</b>	<b>Advertising Paid</b>	<b>Total to Fund</b>
<b>Churchill Downs</b>	\$ 424,672.81	\$ 2,586.95	\$ 422,085.86	\$ 813.24	\$421,272.62
<b>Ellis Park</b>	\$ 118,916.60	\$ -	\$ 118,916.60	\$ 33.04	\$118,883.56
<b>Keeneland</b>	\$ 317,778.64	\$ 912.65	\$ 316,865.99	\$ 160.64	\$316,705.35
<b>Kentucky Downs</b>	\$ 94,445.48	\$ -	\$ 94,445.48	\$ -	\$ 94,445.48
<b>Turfway Park</b>	\$ 46,511.00	\$ 2,279.84	\$ 44,231.16	\$ -	\$ 44,231.16
<b>Total</b>	<b>\$ 1,002,324.53</b>	<b>\$ 5,779.44</b>	<b>\$ 996,545.09</b>	<b>\$ 1,006.92</b>	<b>\$995,538.17</b>

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

Fiscal Year	Issued Date	Vendor Legal Name	Posting Amount	Cleared Date
2007	4/2/2007	KENTUCKY RACING HEALTH AND	\$ 2,329,197.66	4/9/2007
2008	12/28/2007	KENTUCKY RACING HEALTH AND	\$ 2,140,152.42	1/7/2008
2008	2/21/2008	KENTUCKY RACING HEALTH AND	\$ 224,601.18	2/27/2008
2009	1/23/2009	KENTUCKY RACING HEALTH AND	\$ 1,513,433.43	1/29/2009
2009	3/2/2009	KENTUCKY RACING HEALTH AND	\$ 889,767.51	3/6/2009
2009	3/12/2009	KENTUCKY RACING HEALTH AND	\$ 182,665.46	3/18/2009
2010	12/28/2009	KENTUCKY RACING HEALTH AND	\$ 1,300,000.00	1/6/2010
2010	2/15/2010	KENTUCKY RACING HEALTH AND	\$ 965,859.01	2/22/2010
2010	4/19/2010	KENTUCKY RACING HEALTH AND	\$ 322,016.10	4/26/2010
2010	6/4/2010	KENTUCKY RACING HEALTH AND	\$ 10,541.30	6/10/2010
2011	12/21/2010	KENTUCKY RACING HEALTH AND	\$ 2,294,541.92	1/5/2011
2012	1/23/2012	KENTUCKY RACING HEALTH AND	\$ 2,111,476.93	1/27/2012
2012	4/6/2012	KENTUCKY RACING HEALTH AND	\$ 182,019.00	4/9/2012
2013	1/25/2013	KENTUCKY RACING HEALTH AND	\$ 1,965,047.22	1/30/2013
2013	2/20/2013	KENTUCKY RACING HEALTH AND	\$ 226,757.39	2/25/2013
2014	1/8/2014	KENTUCKY RACING HEALTH AND	\$ 2,153,777.97	1/13/2014
2014	3/17/2014	KENTUCKY RACING HEALTH AND	\$ 97,950.65	3/21/2014
2015	12/30/2014	KENTUCKY RACING HEALTH AND	\$ 1,544,850.14	1/5/2015
2015	12/31/2014	KENTUCKY RACING HEALTH AND	\$ 604,802.76	1/7/2015
2016	12/4/2015	KENTUCKY RACING HEALTH AND	\$ 1,946,275.49	12/10/2015
2017	12/21/2016	KENTUCKY RACING HEALTH AND	\$ 2,030,904.28	12/30/2016
2017	2/8/2017	KENTUCKY RACING HEALTH AND	\$ 4,400.96	2/14/2017
2018	12/13/2017	KENTUCKY RACING HEALTH AND	\$ 2,220,796.20	12/21/2017
2018	4/12/2018	KENTUCKY RACING HEALTH AND	\$ 152,916.71	4/24/2018
2019	12/14/2018	KENTUCKY RACING HEALTH AND	\$ 1,934,121.71	12/24/2018
2020	1/2/2020	KENTUCKY RACING HEALTH AND	\$ 1,795,191.24	1/9/2020
2020	2/14/2020	KENTUCKY RACING HEALTH AND	\$ 85,109.48	2/28/2020
2021	1/7/2021	KENTUCKY RACING HEALTH AND	\$ 1,831,575.72	1/21/2021
2021	1/21/2021	KENTUCKY RACING HEALTH AND	\$ 126,409.29	2/3/2021
2022	1/13/2022	KENTUCKY RACING HEALTH AND	\$ 706,979.67	1/26/2022
2022	3/21/2022	KENTUCKY RACING HEALTH AND	\$ 2,417.37	3/31/2022



MIKE HARMON  
AUDITOR OF PUBLIC ACCOUNTS

July 18, 2022

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 June 30, 2022 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 FY 21 Fund financial statement audit report performed by Monroe Shine, which you provided to us, as well as a copy of the Fund's 2022 budget as approved February 23, 2022.

Based on our review of the documents provided, our office is satisfied that the Fund is being operated for the 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.

Sincerely,

Farrah Petter, CPA  
Assistant Auditor of Public Accounts

c: Mike Harmon, Auditor of Public Accounts  
Sara Beth Gregory, APA Chief of Staff





# MONROE SHINE

KNOWLEDGE FOR TODAY . . . VISION FOR TOMORROW

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

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED  
DECEMBER 31, 2021 AND 2020**

MONROE SHINE

KNOWLEDGE FOR TODAY . . . VISION FOR TOMORROW

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

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# MONROE SHINE

KNOWLEDGE FOR TODAY . . . VISION FOR TOMORROW

500 NORTH HURSTBOURNE PARKWAY, SUITE 150, LOUISVILLE, KENTUCKY 40222 • PHONE: 502.423.0311 • FAX: 502.339.7103

## Independent Auditor's Report

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

### Opinion

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, 2021 and 2020, and the related statements of revenues, expenses and other changes in net assets – modified cash basis and functional expenses – modified cash basis for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and its revenues, expenses and other changes in net assets for the years then ended in accordance with the basis of accounting described in Note 1.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Kentucky Racing Health and Welfare Fund, Inc.**, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 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.

### Responsibilities of Management 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 described in Note 1; and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for 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 Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 **Kentucky Racing Health and Welfare Fund, Inc.**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Kentucky Racing Health and Welfare Fund, Inc.**'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Monroe Shine*

Louisville, Kentucky

May 12, 2022

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**STATEMENTS OF NET ASSETS - MODIFIED CASH BASIS**  
**DECEMBER 31, 2021 AND 2020**

**ASSETS**

	<u>2021</u>	<u>2020</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents:		
Checking and petty cash	\$ 171,312	\$ 98,776
PNC operating cash	780,384	684,507
PNC operating reserve cash	191,287	189,667
Total cash and equivalents	1,142,983	972,950
Marketable securities	6,587,984	6,220,546
<b>Total Current Assets</b>	7,730,967	7,193,496
<b>OTHER ASSETS</b>		
Notes receivable and advances	1,910,321	1,904,821
Land	126,435	126,435
<b>Total Other Assets</b>	2,036,756	2,031,256
<b>Total Assets</b>	\$ 9,767,723	\$ 9,224,752

**LIABILITIES**

<b>CURRENT LIABILITIES</b>		
Paycheck Protection Program Loan	\$ -	\$ 71,000
<b>Total Current Liabilities</b>	-	71,000

**NET ASSETS**

Without donor restrictions	9,761,995	9,145,825
With donor restrictions	5,728	7,927
<b>Total Net Assets</b>	9,767,723	9,153,752
<b>Total Liabilities and Net Assets</b>	\$ 9,767,723	\$ 9,224,752

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**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>REVENUE</b>		
KRS 230.374 grant	\$ 1,957,985	\$ 1,880,301
Net realized investment income	550,313	136,600
Unrealized investment income (loss)	(187,819)	333,836
KRHSC Co-Pay	7,935	705
Sublease rental income	3,250	2,925
Paycheck Protection Program loan forgiveness	71,000	-
Other income	1,240	250
<b>Total Revenue</b>	<u>2,403,904</u>	<u>2,354,617</u>
<b>EXPENSES</b>		
Claims paid:		
Hospitals - approved gross billings	493,107	470,579
Negotiated credit	(400,557)	(373,149)
Doctors - approved gross billings	864,277	774,894
Negotiated credit	(596,807)	(547,574)
Dentists	156,898	166,518
Orthodontia	7,380	22,304
Vision	35,279	30,004
Prescription	122,015	115,426
Periodontia	6,171	5,130
Chiropractors	4,991	20,090
Ambulance and transportation	2,931	3,814
Financial aid	15,120	11,615
Funeral expenses	15,002	27,373
Hearing aids	3,400	15,800
Mental health	-	1,218
Acupuncture	1,680	1,615
Diagnostic Center	38,499	39,992
Health fair marketing	1,059	1,287
Surgery Center	16,688	943
Physical Therapy	22,829	26,563
Covid Churchill Downs reimbursement	-	159,710
Kentucky Racing Health Services Center - Louisville	271,020	283,360
Horsemen's Wellness Center - Turfway Park	7,232	9,646
Bereavement and disability expense	2,628	1,894
Administrative	627,752	660,545
Vacant lot maintenance	900	1,400
Kentucky Race Track Retirement Plan	70,439	71,333
<b>Total Expenses</b>	<u>1,789,933</u>	<u>2,002,330</u>
Increase in Net Assets	613,971	352,287
<b>Net Assets, Beginning of Year</b>	<u>9,153,752</u>	<u>8,801,465</u>
<b>Net Assets, End of Year</b>	<u>\$ 9,767,723</u>	<u>\$ 9,153,752</u>
Designated operating reserve account	\$ 6,779,271	\$ 6,410,213
Restricted bereavement and disability	5,728	7,927
All other assets	2,982,724	2,735,612
<b>Net Assets, End of Year</b>	<u>\$ 9,767,723</u>	<u>\$ 9,153,752</u>

See notes to financial statements.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021			2020		
	<u>Program</u> <u>Services</u>	<u>Management</u> <u>And General</u>	<u>Total</u>	<u>Program</u> <u>Services</u>	<u>Management</u> <u>And General</u>	<u>Total</u>
Claims paid	\$ 809,963	\$ -	\$ 809,963	\$ 813,155	\$ -	\$ 813,155
Grants and contributions	270,114	-	270,114	278,851	-	278,851
Salaries	303,078	33,675	336,753	296,804	32,979	329,783
Payroll taxes	22,808	2,534	25,342	22,518	2,502	25,020
Lab fees	20,079	-	20,079	18,090	-	18,090
Employee retirement plan	18,468	2,052	20,520	18,265	2,030	20,295
Health insurance	60,306	6,700	67,006	65,264	7,251	72,515
Travel	4,193	363	4,556	3,516	-	3,516
Meetings	1,999	-	1,999	327	-	327
Accounting	-	8,945	8,945	-	8,800	8,800
Audit	-	12,940	12,940	-	12,720	12,720
Legal	4,466	40,193	44,659	6,187	55,681	61,868
General insurance	18,529	2,059	20,588	18,856	2,095	20,951
Kentucky thoroughbred racing record	-	61	61	-	61	61
Telephone	17,743	1,972	19,715	13,237	1,318	14,555
Postage	2,332	195	2,527	2,950	240	3,190
Office supplies	6,485	485	6,970	11,281	527	11,808
Computer and office equipment	2,384	265	2,649	3,338	371	3,709
Printing and publications	4,801	-	4,801	6,192	-	6,192
Service contracts	1,065	9,586	10,651	1,012	9,106	10,118
Office cleaning and storage	2,107	210	2,317	2,844	260	3,104
Office site improvement	-	-	-	20,677	2,296	22,973
Miscellaneous	8,885	3,355	12,240	13,240	3,540	16,780
Rent	68,124	3,586	71,710	68,124	3,586	71,710
Utilities	9,451	464	9,915	7,902	507	8,409
Promotional expense	-	-	-	1,287	-	1,287
Covid Churchill Downs reimbursement	-	-	-	159,710	-	159,710
Website hosting and publishing	404	45	449	347	38	385
Payroll processing	2,217	247	2,464	2,203	245	2,448
	<u>\$ 1,660,001</u>	<u>\$ 129,932</u>	<u>\$ 1,789,933</u>	<u>\$ 1,856,177</u>	<u>\$ 146,153</u>	<u>\$ 2,002,330</u>

See notes to financial statements.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS**  
**DECEMBER 31, 2021 AND 2020**

**(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, 2021 AND 2020**

(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.

**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, 2021 AND 2020**

(1 – continued)

**Expense Allocation**

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

**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, 2021, 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. 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>2021</u>	<u>2020</u>
Cash	\$ 1,142,983	\$ 972,950
Marketable securities	6,587,984	6,220,546
	7,730,967	7,193,496
Less net assets with donor restrictions	(5,728)	(7,927)
	\$ 7,725,239	\$ 7,185,569

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, 2021 AND 2020**

**(3) INVESTMENT IN MARKETABLE SECURITIES**

The following is a summary of the fair value of the Fund's investment, by classification, in a designated reserve account as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Mutual funds – fixed income	\$ 3,931,033	\$ 3,626,856
Mutual funds – equity	537,886	1,329,305
Exchange traded funds – fixed income	668,868	612,210
Exchange traded funds – equity	732,857	652,175
Equities	717,340	-
	<u>\$ 6,587,984</u>	<u>\$ 6,220,546</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:

- 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.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2021 AND 2020**

(4 – continued)

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, 2021 and 2020.

	<b>Carrying Value</b>			<b><u>Total</u></b>
	<b><u>Level 1</u></b>	<b><u>Level 2</u></b>	<b><u>Level 3</u></b>	
<b>December 31, 2021:</b>				
<i>Assets Measured on a Recurring Basis</i>				
Marketable Securities				
Mutual funds – fixed income	\$3,931,033	\$ -	\$ -	\$3,931,033
Mutual funds – equity	537,886	-	-	537,886
Exchange traded funds –				
fixed income	668,868	-	-	668,868
Exchange traded funds – equity	732,857	-	-	732,857
Equities	717,340	-	-	717,340
<b>December 31, 2020:</b>				
<i>Assets Measured on a Recurring Basis</i>				
Marketable Securities				
Mutual funds – fixed income	\$3,626,856	\$ -	\$ -	\$3,626,856
Mutual funds – equity	1,329,305	-	-	1,329,305
Exchange traded funds –				
fixed income	612,210	-	-	612,210
Exchange traded funds – equity	652,175	-	-	652,175

*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.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2021 AND 2020**

(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. At December 31, 2021 and 2020, unpaid advances to The Old School, LLC amounted to \$1,889,546. At December 31, 2021 and 2020, unpaid advances to Back Track, Inc. amounted to \$15,275.

In 2021, the Fund advanced cash to Kentucky Race Track Retirement Plan. This entity is a related party with members common to both boards of directors. The advance was for the payment of professional fees. At December 31, 2021, unpaid advances to Kentucky Race Track Retirement Plan amounted to \$5,500.

The Fund has non-interest bearing mortgage notes receivable from The Old School, LLC at December 31, 2021 and 2020 as follows:

	2021	2020
Non-interest bearing note to the Fund, due November 1, 2032, secured by a 2 <sup>nd</sup> real estate mortgage	\$ 1,218,931	\$ 1,218,931
Non-interest bearing note to the Fund, due November 1, 2032, secured by a 3 <sup>rd</sup> real estate mortgage	285,538	285,538
Non-interest bearing note to the Fund, due November 1, 2032, secured by a 4 <sup>th</sup> real estate mortgage	173,429	173,429
Non-interest bearing note to the Fund, due November 1, 2032, unsecured	211,648	211,648
	211,648	211,648
Total mortgage notes receivable	\$ 1,889,546	\$ 1,889,546

(6) **OPERATING LEASE AND SUBLEASE**

The Fund leases office space from The Old School, LLC. The initial term of the lease expired during 2019 and was extended through October 1, 2020 with fourteen additional one year renewal options.

Rent paid under the lease amounted to \$5,976 per month during the years ended December 31, 2021 and 2020. The lease agreement also contains a provision which requires the Fund to reimburse The Old School, LLC for its share of certain expenses. Total rent expense for the years ended December 31, 2021 and 2020 was \$71,710. For the years ended December 31, 2021 and 2020, \$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. Rent received under this sublease for the years ended December 31, 2021 and 2020 was \$3,250 and \$2,925, respectively.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2021 AND 2020**

(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 \$62,500 and \$62,500 for the years ended December 31, 2021 and 2020, respectively. The Fund also paid related administration expenses for the Plan of \$7,939 and \$8,833 for the years ended December 31, 2021 and 2020, 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 \$20,520 and \$20,295 for the years ended December 31, 2021 and 2020, 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 November 1, 2032 with interest.

(10) **PAYCHECK PROTECTION PROGRAM LOAN**

The Fund received \$71,000 in funding through a loan under the Small Business Administration's Paycheck Protection Program in April 2020. This unsecured loan had a maturity of two years and an interest rate of 1%. The Fund accounted for the amount as income when it was formally forgiven on March 16, 2021.

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**NOTES TO FINANCIAL STATEMENTS - MODIFIED CASH BASIS - CONTINUED**  
**DECEMBER 31, 2021 AND 2020**

(11) **SUBSEQUENT EVENTS**

In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure in the accompanying financial statements and related notes thereto have taken place through May 12, 2022.

The Fund received grants of uncashed pari-mutuel tickets totaling \$709,397 in January of 2022.



# MONROE SHINE

KNOWLEDGE FOR TODAY . . . VISION FOR TOMORROW

500 NORTH HURSTBOURNE PARKWAY, SUITE 150, LOUISVILLE, KENTUCKY 40222 • PHONE: 502.423.0311 • FAX: 502.339.7103

## 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, 2021 and 2020, and our report thereon dated May 12, 2022, 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 17 and 18 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  
May 12, 2022

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**ADMINISTRATIVE EXPENSES**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
Salaries	\$ 336,753	\$ 329,783
Payroll taxes	25,342	25,020
Employee retirement plan	20,520	20,295
Health insurance	67,006	72,515
Travel	3,157	3,350
Meetings	1,999	327
Accounting	3,275	3,180
Audit	12,940	12,720
Legal	44,659	61,868
General insurance	20,588	20,951
Kentucky thoroughbred racing record	61	61
Telephone	19,715	13,182
Postage	1,942	2,409
Office supplies	4,848	5,276
Computer and office equipment	2,649	3,709
Printing and publications	4,164	3,795
Service contracts	10,651	10,118
Office cleaning and storage	2,100	2,598
Office site improvement	-	22,973
Miscellaneous	1,966	2,657
Rent	35,855	35,855
Utilities	4,649	5,070
Website hosting & publishing	449	385
Payroll processing	2,464	2,448
	<hr/>	<hr/>
<b>Total Administrative Expenses</b>	<b>\$ 627,752</b>	<b>\$ 660,545</b>
	<hr/> <hr/>	<hr/> <hr/>

**KENTUCKY RACING HEALTH AND WELFARE FUND, INC.**  
**RETIREMENT PLAN**  
**YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>		<u>2020</u>
Retirement plan contributions	\$ 62,500	\$	62,500
Professional fees	5,670		5,620
Office supplies	734		931
Printing and publications	499		2,116
Travel expense	1,036		166
	<hr/>		
<b>Total Retirement Plan</b>	<b>\$ 70,439</b>	<b>\$</b>	<b>71,333</b>
	<hr/> <hr/>		



**PUBLIC PROTECTION CABINET**

**Andy Beshear**  
GOVERNOR

**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Fax: (859) 246-2039

**Ray A. Perry**  
SECRETARY

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

**Jamie Eads**  
INTERIM EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

**TO: ALL COMMISSION MEMBERS**  
**FROM: Drew J. Conners III, Incentives & Development Director, KHRC**  
**DATE: 11/28/2022**  
**SUBJECT: KY Proud Series – Release of Unclaimed Pari-Mutuel Tickets**

---

Pursuant to KRS 230.398, any uncashed standardbred ticket money shall be used for purses regarding harness racing at county fairs. At this time, staff confirms \$51,894.90 has been collected in 2021 uncashed tickets. In accordance with KRS 230.372 this amount will decrease pending any additional advertising or claims.

Racing Facility	Amount	Amount Claimed	Check Received	Advertising Paid	Total to Fund
ECL Corbin	\$ -	\$ -	\$ -	\$ -	\$ -
LTBA (Red Mile)	\$ 13,635.52	\$ -	\$ 13,635.52	\$ 164.85	\$ 13,470.67
Oak Grove	\$ 38,424.23	\$ -	\$ 38,424.23	\$ -	\$ 38,424.23
<b>Total</b>	<b>\$ 52,059.75</b>	<b>\$ -</b>	<b>\$ 52,059.75</b>	<b>\$ 164.85</b>	<b>\$ 51,894.90</b>

Staff Recommends Approval.

**COMMISSION ACTION**

\_\_\_\_\_ Approve

\_\_\_\_\_ Defer

\_\_\_\_\_ Deny



**PUBLIC PROTECTION CABINET**

**Andy Beshear**  
GOVERNOR

**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Fax: (859) 246-2039

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LIEUTENANT GOVERNOR

**Jamie Eads**  
INTERIM EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

**TO: ALL COMMISSION MEMBERS**  
**FROM: Drew J. Conners III, Incentives & Development Director, KHRC**  
**DATE: 11/28/2022**  
**SUBJECT: Backside Improvement Fund Request – Churchill Downs Racetrack**

---

On November 25, 2022, the KHRC received the following Backside Improvement Fund Request from Churchill Downs Racetrack:

1. (\$76,500) Installation of (51) dry systems to barn buildings on the Backside.
2. (\$15,500) Repair & Replacement of fire sprinkler systems in the barn and dorm areas on the Backside.
3. (\$4,850) Repair & Replacement of fire sprinkler systems in the Trackside Barns.
4. (\$3,000) Fire Hydrant Repairs on the Backside.
5. (\$2,300) Repair & Replacement of (15) fire extinguishers on the Backside
6. (\$1,100) Repair & Replacement of (11) fire extinguishers at Trackside

Total for Proposals: \$103,250

KHRC staff confirms the project meets the statutory and regulatory requirements of KRS 230.3615 & 810 KAR 7:010. Funding is available. KHRC staff will inspect the installation once the project is complete. All invoices, photographs and communication will remain on file at the KHRC Offices for Commission review.

Staff Recommends Approval.

**COMMISSION ACTION**

\_\_\_\_\_ Approve

\_\_\_\_\_ Defer

\_\_\_\_\_ Deny



November 25, 2022

Ms. Jamie Eads  
Interim Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511  
Jamie.eads@khrc.ky.gov  
(859) 246-2040

Re: **Application for Approval of Backside Improvement Fund Project**

Dear Ms. Eads,

Churchill Downs Racetrack (CDRT) is requesting to use Backside Improvement Funds for fire and safety improvements uncovered during inspections in both the Churchill Downs and Trackside stable areas. The estimated cost of the improvements is \$103,250. A breakdown of costs are as follows:

- \$76,500- Installation of (51) dry systems on barn buildings to ensure automatic operation of the air compressors
- \$15,500- Repair and replacement of fire sprinkler systems in the barn and dorm areas
- \$4,850- Repair and replacement of fire sprinkler systems in the Trackside barns
- \$3,000- Fire hydrant repairs on the Backside
- \$2,300- Repair and replacement of (15) fire extinguishers on the Backside
- \$1,100- Repair and replacement of (11) fire extinguishers at Trackside

Defined project scope, parts list, and cost provided by Ryan Fire protection, Inc, our contracted fire protection and service provider, is attached.

If approved, CDRT will submit the invoices to the Kentucky Horse Racing Commission for reimbursement after the work has been completed.

Regards,

Mike Ziegler  
General Manager & Senior Vice President  
Churchill Downs Racetrack  
700 Central Ave.  
Louisville, KY 40208  
Office: (502) 394-1137

Enclosure: Quote Nos. 2015851, 2015839, 2015831, 2015894, 2015835, and 2015826



**From** Ryan Fireprotection  
450 Downes Terrace  
Louisville KY 40214  
502-367-7384

**Quote No.** 2015851  
Type Inspection Repair  
Prepared By Jen Peterson  
Created On 04/07/2022  
Valid Until 05/27/2022

**Quote For** Churchill Downs  
Churchill Downs - Backside  
700 Central Avenue  
Louisville KY 40215

## Description of Work

### Scope: Installation of air maintenance devices

1. During the most recent inspection on the dry systems on the barns, it was discovered that there are no air maintenance devices installed.

- Install air maintenance devices on all fifty-one (51) dry systems on the barn buildings to ensure automatic operation of the air compressors.

### General Conditions:

- This proposal is based on normal working hours, M-F, 7:00am-3:30pm.
- This proposal includes all necessary design, preparation, fabrication, delivery to site, installation, and material required to complete this scope of work, within a reasonable distance of this work area.

### Exclusions:

- Overtime, Painting, Wiring, Monitoring, Extinguishers, Labels/Tags
- Ceiling cutting, removal, or replacement
- Earthquake Bracing
- Relocation of Existing Sprinkler Pipe (except as noted)

## Services to be completed

### [Dry Sprinkler] Location - Building

Add air maintenance devices to dry systems

Parts, labor, and fees	Quantity	Unit Price	Total
Air maintenance devices	51	\$1,500.00	\$76,500.00
<b>GRAND TOTAL</b>			<b>\$76,500.00</b>

## Terms and Conditions

1. Payment is due upon receipt of invoice. Ryan Fireprotection, Inc. ("Seller") reserves the right to assess an interest charge of 1.5% per month or the maximum permitted by law, whichever is less, on accounts overdue. Customer agrees to pay all taxes including state and local taxes or excise taxes however designated, levied or based on the service charges pursuant to this Agreement. If Buyer fails to pay any monies when due hereunder, or otherwise fails to perform any act or covenant herein, such failure shall constitute a default of this agreement and shall entitle Seller to terminate this agreement upon five (5) days written notice to Buyer. Upon any event of Buyer's default, Seller shall be entitled to exercise all rights and pursue all remedies available under this agreement or otherwise pursuant to applicable law. Additionally, Seller shall be entitled to recover its reasonable attorneys' fees and costs incurred due to Buyer's default.
2. The Buyer shall furnish sufficient space on the premises for material and proper facilities for execution of the work, including watchman, water, lighting, heating, telephone, and elevator service, when available at Buyer's expense.

3. It is agreed the Seller assumes no responsibility for any personal injury or property damage arising directly or indirectly out of work covered by this order, including any loss or damage resulting from the testing, flushing, remodeling, or use of reworked or used material, unless due to the sole negligence of the Seller. It is understood that it is impossible to predetermine whether a system will stand testing for flushing pressures without resulting in water or other damage. The Buyer agrees to pay for any additional labor or material made necessary from the use of reworked or used material.
4. The Seller retains title to all material and equipment furnished, whether or not attached to the real estate (it being agreed that same, however attached, is to be deemed personal property), until full payment is made, and shall have the right in case of default by the Buyer hereunder to enter the premises and remove such material and equipment or any part thereof, whether or not attached to the real estate.
5. The Seller shall be under no obligation to the Buyer other than as expressed herein. The terms herein supersede any and all written and/or verbal agreements of any terms and conditions between Seller and Buyer governing the matters set forth herein.
6. In recognition of the relative risks and benefits of the Project to both the Buyer and the Seller, the risks have been allocated such that the Buyer agrees, to the fullest extent permitted by law, to limit the liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants shall not exceed \$5,000.00, or the Sellers total fee for services rendered on this Project, whichever is lesser. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
7. Buyer agrees and understands that water based fire protection system equipment shall be maintained in accordance of NFPA 25 Standard for Inspection, Testing and Maintenance of Water Based Fire Protection Systems and is the sole responsibility of the buyer.
8. Buyer agrees and understands that low point origins are their sole responsibility and shall be maintained in accordance of NFPA 25.
9. Buyer agrees and understands that fire alarm system equipment shall be maintained in accordance of NFPA72 National Fire Alarm and Signaling Code and is the sole responsibility of the buyer.
10. Buyer agrees and understands that clean agent fire extinguishing system equipment shall be maintained in accordance of NFPA2001 Standard for Clean Agent Fire Extinguishing Systems and is the sole responsibility of the buyer.
11. Buyer agrees and understands that portable fire extinguisher shall be maintenance in accordance of NFPA10 Standard for Portable Fire Extinguishers and is the sole responsibility of the buyer.
12. Buyer warrants and represents that the person signing this Agreement on its behalf is fully authorized to sign on behalf of Buyer, and that Buyer shall be bound hereby.
13. Any revision, modification or alteration to these Terms and Conditions must be mutually agreed to by both parties, and must be evidenced by written notations on these Terms and Conditions that are initialed by both parties, otherwise no such revision, modification or alteration shall be valid.
14. Buyer warrants and represents that it has read and understood all of the terms set forth herein and that Buyer voluntarily agrees to be bound by this Agreement.

By my signature below, I authorize work to begin and agree to pay the Grand Total according to the terms and conditions of this agreement.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**From** Ryan Fireprotection  
450 Downes Terrace  
Louisville KY 40214  
502-367-7384

**Quote No.** 2015839  
Type Inspection Repair  
Prepared By Jen Peterson  
Created On 04/06/2022  
Valid Until 05/20/2022

**Quote For** Churchill Downs  
Churchill Downs - Backside  
700 Central Avenue  
Louisville KY 40215

## Description of Work

### Scope: Inspection Deficiency Repairs

1. During the most recent backflow inspection it was determined two (2) devices are due for the following services:
  - Install a new rubber repair kit in two (2) 1.5" Watts RPZ backflow devices with serial #071032 and serial #071024.
  - The installation of a new rubber repair kit and/or check valves may not guarantee the device will pass inspection if there is additional damage to the seats or the device itself.
2. Loaded sprinkler heads were discovered at the apartment entrance.
  - Ryan FP to investigate the quantity, make, and model of the sprinkler heads to determine how many need to be replaced.
  - A separate quote will follow with the price for this work.
3. Perform a 5-Year Internal Inspection on both the wet and dry sprinkler systems in the apartments, as required by NFPA 25. A 5-Year Internal Inspection includes the following:
  - Replace (3) water gauges and (1) air gauge that have surpassed their five-year calibration or replacement date.
  - Conduct an internal inspection of the check valves. Verify that all components operate correctly, move freely and are in good condition.
  - Conduct an internal pipe investigation on the sprinkler systems. Check main piping at the end of a flushing connection and remove one (1) sprinkler head toward the end of a branch line of each system in order to inspect for the presence of foreign organic and inorganic material.
4. The pony barn and Barn #41 were found to be missing the proper system gauges.
  - Install (1) water gauge and (1) air gauge on each of these systems.
5. Spare sprinkler heads and sprinkler wrenches were missing from numerous barn locations.
  - Ryan FP to provide proper spare heads in Barns 7, 10, 11, 28, 29, 35, 38, 41, 44, 45, and 48
  - Ryan FP to provide sprinkler wrenches in pony barn and Barns 1, 15, 33, 45, and 48
6. Water flow switches on both wet and dry systems at the apartments came in as tamper signals instead of alarm signals.
  - Ryan FP to investigate the wiring to determine what repairs need to be made to correct this.
  - If necessary, a separate quote will follow.
7. Fast Response Sprinkler heads that have been in service for 20 years shall be replaced or representative samples shall be removed and tested. A representative sample for testing shall consist of a minimum of not less than four sprinkler heads or 1% of the number of sprinkler heads per individual sprinkler sample, whichever is greater. The sample shall be submitted to a recognized testing laboratory. This process consists of the following:
  - Identify and remove the four (4) samples of sprinkler heads to be tested.
  - Install new sprinkler heads in place of the samples removed for testing.
  - Ship the field sample sprinkler heads to an approved laboratory for testing. Please allow 4-6 weeks for results.
8. A painted sprinkler head was discovered in Barn 29
  - Remove and replace the painted sprinkler head with new.

9. Fire Department Connections on Quarantine Barns 1 and 2 and the Equine Medical Barn are missing their caps

- Ryan FP to provide and install breakaway caps on all three (3) of these FDCs.

10. Dry sprinkler heads that have been in service for 10 years shall be replaced or representative samples shall be removed and tested. A representative sample for testing shall consist of a minimum of not less than four sprinkler heads or 1% of the number of sprinkler heads per individual sprinkler sample, whichever is greater. The sample shall be submitted to a recognized testing laboratory.

**This process will require two site visits:**

***1st Site Visit***

- Identify and measure four (4) samples of sprinkler heads to be tested.
- Order the new replacement dry type sprinkler heads. Dry type sprinkler heads are a custom made sprinkler head, please allow 2-3 weeks for fabrication and delivery.

***2nd Site Visit***

- Remove the sample of dry type sprinkler heads to be tested.
- Install new sprinkler heads in place of the samples removed for testing.
- Ship the field sample sprinkler heads to an approved laboratory for testing. Please allow 4-6 weeks for results

11. There are (15) corroded sprinkler heads in the kitchen area.

- Remove and replace corroded sprinkler heads with new sprinkler heads.

12. During the inspection, the water motor gongs on the apartment wet system, apartment dry system, building 35 and barn 26 all failed to operate.

- Ryan FP to clean out the water motor gongs of clogs and debris to try to get the devices functioning.
- If this does not remedy the issue, new devices may be necessary. If this is the case, a separate quote will follow.

**General Conditions:**

- This proposal is based on normal working hours, M-F, 7:00 am-3:30 pm.
- This proposal includes all necessary preparation, delivery to site, installation, and material required to complete this scope of work, within a reasonable distance of this work area.
- Does not include a new check valve if needed. If a new check valve is needed, an additional quote will be provided.
- Repairs on domestic backflows are in assumption the upstream valve will hold tight.

**Exclusions:**

- Overtime, Painting, Wiring, Monitoring
- Ceiling cutting, removal, or replacement
- Relocation of Existing Sprinkler Pipe (except as noted)

## **Services to be completed**

**[Backflow] Location - Building**

Backflow Rebuilds

**[Sprinkler] Location - Building**

Loaded heads at apartment entrance - repair

**[Sprinkler] Location - Building**

5yr Internal and gauges on Wet and Dry systems at apartments - repair

**[Alarm Systems] Location - Building**

Flow switch signals - repair

**[Sprinkler] Location - Building**

New gauges at pony barn and barn #41 - repair

**[Sprinkler] Location - Building**

Head wrenches and spare heads - repair

**[Sprinkler] Location - Building**

Replace (1) painted head in barn 29 - repair

**[Sprinkler] Location - Building**

FDC caps - Quarantine and Equine Bldgs - repair

**[Sprinkler] Location - Building**

QR head sampling on apartment wet and dry systems - repair

**[Sprinkler] Location - Building**

Dry head sampling in maintenance area, freezer and barn 48 - repair

**[Sprinkler] Location - Building**

Replace (15) corroded heads in kitchen - repair

**[Sprinkler] Location - Building**

Water motor gongs - repair

**[Sprinkler] Location - Building**

Add air maintenance devices to all (51) dry systems at the barns - repair

<b>Parts, labor, and fees</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Total</b>
Backflow rebuild	1	\$2,500.00	\$2,500.00
Loaded heads at apt.	1	\$850.00	\$850.00
5yr internals and gauges at apts	1	\$3,000.00	\$3,000.00
Missing gauges	1	\$550.00	\$550.00
Head wrenches and spare heads	1	\$800.00	\$800.00
Flow switch signals	1	\$600.00	\$600.00
QR head sampling	1	\$1,650.00	\$1,650.00
Painted head	1	\$850.00	\$850.00
FDC caps	1	\$650.00	\$650.00
Dry head sampling	1	\$1,800.00	\$1,800.00
Replace corroded kitchen heads	1	\$1,500.00	\$1,500.00
Water motor gong repairs	1	\$750.00	\$750.00
		<b>GRAND TOTAL</b>	<b>\$15,500.00</b>

**Terms and Conditions**

1. Payment is due upon receipt of invoice. Ryan Fireprotection, Inc. ("Seller") reserves the right to assess an interest charge of 1.5% per month or the maximum permitted by law, whichever is less, on accounts overdue. Customer agrees to pay all taxes including state and local taxes or excise taxes however designated, levied or based on the service charges pursuant to this Agreement. If Buyer fails to pay any monies when due hereunder, or otherwise fails to perform any act or covenant herein, such failure shall constitute a default of this agreement and shall entitle Seller to terminate this agreement upon five (5) days written notice to Buyer. Upon any event of Buyer's default, Seller shall be entitled to exercise all rights and pursue all remedies available under this agreement or otherwise pursuant to applicable law. Additionally, Seller shall be entitled to recover its reasonable attorneys' fees and costs incurred due to Buyer's default.
2. The Buyer shall furnish sufficient space on the premises for material and proper facilities for execution of the work, including watchman, water, lighting, heating, telephone, and elevator service, when available at Buyer's expense.
3. It is agreed the Seller assumes no responsibility for any personal injury or property damage arising directly or indirectly out of work covered by this order, including any loss or damage resulting from the testing, flushing, remodeling, or use of reworked or used material, unless due to the sole negligence of the Seller. It is understood that it is impossible to predetermine whether a system will stand testing for flushing pressures without resulting in water or other damage. The Buyer agrees to pay for any additional labor or material made necessary from the use of reworked or used material.
4. The Seller retains title to all material and equipment furnished, whether or not attached to the real estate (it being agreed that same, however attached, is to be deemed personal property), until full payment is made, and shall have the right in case of default by the Buyer hereunder to enter the premises and remove such material and equipment or any part thereof, whether or not attached to the real estate.
5. The Seller shall be under no obligation to the Buyer other than as expressed herein. The terms herein supersede any and all written and/or verbal agreements of any terms and conditions between Seller and Buyer governing the matters set forth herein.

6. In recognition of the relative risks and benefits of the Project to both the Buyer and the Seller, the risks have been allocated such that the Buyer agrees, to the fullest extent permitted by law, to limit the liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants shall not exceed \$5,000.00, or the Sellers total fee for services rendered on this Project, whichever is lesser. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
7. Buyer agrees and understands that water based fire protection system equipment shall be maintained in accordance of NFPA 25 Standard for Inspection, Testing and Maintenance of Water Based Fire Protection Systems and is the sole responsibility of the buyer.
8. Buyer agrees and understands that low point origins are their sole responsibility and shall be maintained in accordance of NFPA 25.
9. Buyer agrees and understands that fire alarm system equipment shall be maintained in accordance of NFPA72 National Fire Alarm and Signaling Code and is the sole responsibility of the buyer.
10. Buyer agrees and understands that clean agent fire extinguishing system equipment shall be maintained in accordance of NFPA2001 Standard for Clean Agent Fire Extinguishing Systems and is the sole responsibility of the buyer.
11. Buyer agrees and understands that portable fire extinguisher shall be maintenance in accordance of NFPA10 Standard for Portable Fire Extinguishers and is the sole responsibility of the buyer.
12. Buyer warrants and represents that the person signing this Agreement on its behalf is fully authorized to sign on behalf of Buyer, and that Buyer shall be bound hereby.
13. Any revision, modification or alteration to these Terms and Conditions must be mutually agreed to by both parties, and must be evidenced by written notations on these Terms and Conditions that are initialed by both parties, otherwise no such revision, modification or alteration shall be valid.
14. Buyer warrants and represents that it has read and understood all of the terms set forth herein and that Buyer voluntarily agrees to be bound by this Agreement.

By my signature below, I authorize work to begin and agree to pay the Grand Total according to the terms and conditions of this agreement.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**From** Ryan Fireprotection  
450 Downes Terrace  
Louisville KY 40214  
502-367-7384

**Quote No.** 2015831  
Type Inspection Repair  
Prepared By Jen Peterson  
Created On 04/06/2022  
Valid Until 05/27/2022

**Quote For** Churchill Downs  
Churchill Downs - Trackside  
4250 Poplar Level Road  
Louisville KY 40213

## Description of Work

### Scope: Fire Sprinkler Inspection Deficiency Repairs

1. During the most recent backflow inspection it was determined (2) devices are due for the following services:
  - Install a new rubber repair kit in the 1" Wilkins 975XL RPZ backflow device with serial #1583388
  - It was found that the 2" Conbraco M6555 RPZ is inoperable and has been leaking since 2018. This entire device needs to be replaced by a licensed plumber.
2. Fire Department Connection is missing its cap on the dry system.
  - Install new breakaway FDC caps
3. Barn A, near room H, has a sprinkler with a severely bent deflector.
  - Replace sprinkler head with bent deflector with new.
4. Fire hydrants on the backside of Barn B, behind Barn A, and near Barn M all have caps that would not come off with the use of the regular fire hydrant wrench and as such could not be tested.
  - Ryan FP to use excessive force to attempt to get the caps removed for testing.
  - Should the hydrants become damaged beyond repair during investigation using excessive force, or should new hydrants be needed, a separate quote will follow.
5. Spare head wrenches are missing from Barn C and Barn D. Spare sprinkler heads are missing from Barns A, C, D, E, F, G, H, J, L and M.
  - Provide proper spare head wrenches and spare sprinkler heads in the spare head boxes.

### General Conditions:

- This proposal is based on normal working hours, M-F, 7:00am-3:30pm.
- The installation of a new rubber repair kit and/or check valves may not guarantee the device will pass inspection if there is additional damage to the seats or the device itself.
- Repairs on domestic backflows are in assumption the upstream valve will hold tight.

### Exclusions:

- Overtime, Painting, Wiring, Monitoring
- Ceiling cutting, removal, or replacement
- Relocation of Existing Sprinkler Pipe (except as noted)
- Additional repairs beyond the above scope of work

## Services to be completed

### [Backflow] Location - Building

Backflow rebuild

### [Fire Department Connection] Location - Building

FDC caps

**[Sprinkler] Location - Building**

Replace bent sprinkler in Barn A - repair

**[Fire Hydrant] Location - Building**

Hydrant caps - repair

**[Sprinkler] Location - Building**

Spare heads and wrenches - repair

<b>Parts, labor, and fees</b>	<b>Quantity</b>	<b>Unit Price</b>	<b>Total</b>
Backflow rebuil	1	\$1,800.00	\$1,800.00
FDC caps	1	\$250.00	\$250.00
Replace bent sprinkler	1	\$500.00	\$500.00
Hydrant caps	1	\$1,500.00	\$1,500.00
Spare heads and wrenches	1	\$800.00	\$800.00
		<b>GRAND TOTAL</b>	<b>\$4,850.00</b>

**Terms and Conditions**

1. Payment is due upon receipt of invoice. Ryan Fireprotection, Inc. ("Seller") reserves the right to assess an interest charge of 1.5% per month or the maximum permitted by law, whichever is less, on accounts overdue. Customer agrees to pay all taxes including state and local taxes or excise taxes however designated, levied or based on the service charges pursuant to this Agreement. If Buyer fails to pay any monies when due hereunder, or otherwise fails to perform any act or covenant herein, such failure shall constitute a default of this agreement and shall entitle Seller to terminate this agreement upon five (5) days written notice to Buyer. Upon any event of Buyer's default, Seller shall be entitled to exercise all rights and pursue all remedies available under this agreement or otherwise pursuant to applicable law. Additionally, Seller shall be entitled to recover its reasonable attorneys' fees and costs incurred due to Buyer's default.
2. The Buyer shall furnish sufficient space on the premises for material and proper facilities for execution of the work, including watchman, water, lighting, heating, telephone, and elevator service, when available at Buyer's expense.
3. It is agreed the Seller assumes no responsibility for any personal injury or property damage arising directly or indirectly out of work covered by this order, including any loss or damage resulting from the testing, flushing, remodeling, or use of reworked or used material, unless due to the sole negligence of the Seller. It is understood that it is impossible to predetermine whether a system will stand testing for flushing pressures without resulting in water or other damage. The Buyer agrees to pay for any additional labor or material made necessary from the use of reworked or used material.
4. The Seller retains title to all material and equipment furnished, whether or not attached to the real estate (it being agreed that same, however attached, is to be deemed personal property), until full payment is made, and shall have the right in case of default by the Buyer hereunder to enter the premises and remove such material and equipment or any part thereof, whether or not attached to the real estate.
5. The Seller shall be under no obligation to the Buyer other than as expressed herein. The terms herein supersede any and all written and/or verbal agreements of any terms and conditions between Seller and Buyer governing the matters set forth herein.
6. In recognition of the relative risks and benefits of the Project to both the Buyer and the Seller, the risks have been allocated such that the Buyer agrees, to the fullest extent permitted by law, to limit the liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants shall not exceed \$5,000.00, or the Sellers total fee for services rendered on this Project, whichever is lesser. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
7. Buyer agrees and understands that water based fire protection system equipment shall be maintained in accordance of NFPA 25 Standard for Inspection, Testing and Maintenance of Water Based Fire Protection Systems and is the sole responsibility of the buyer.
8. Buyer agrees and understands that low point origins are their sole responsibility and shall be maintained in accordance of NFPA 25.
9. Buyer agrees and understands that fire alarm system equipment shall be maintained in accordance of NFPA72 National Fire Alarm and Signaling Code and is the sole responsibility of the buyer.
10. Buyer agrees and understands that clean agent fire extinguishing system equipment shall be maintained in accordance of NFPA2001 Standard for Clean Agent Fire Extinguishing Systems and is the sole responsibility of the buyer.
11. Buyer agrees and understands that portable fire extinguisher shall be maintenance in accordance of NFPA10 Standard for Portable Fire Extinguishers and is the sole responsibility of the buyer.

12. Buyer warrants and represents that the person signing this Agreement on its behalf is fully authorized to sign on behalf of Buyer, and that Buyer shall be bound hereby.
13. Any revision, modification or alteration to these Terms and Conditions must be mutually agreed to by both parties, and must be evidenced by written notations on these Terms and Conditions that are initialed by both parties, otherwise no such revision, modification or alteration shall be valid.
14. Buyer warrants and represents that it has read and understood all of the terms set forth herein and that Buyer voluntarily agrees to be bound by this Agreement.

By my signature below, I authorize work to begin and agree to pay the Grand Total according to the terms and conditions of this agreement.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**From** | **Ryan Fireprotection**  
 450 Downes Terrace  
 Louisville KY 40214  
 502-367-7384

**Quote No.** | **2015894**  
 Type | Inspection Repair  
 Prepared By | Jen Peterson  
 Created On | 04/08/2022  
 Valid Until | 05/27/2022

**Quote For** | **Churchill Downs**  
 Churchill Downs - Backside  
 700 Central Avenue  
 Louisville KY 40215

## Description of Work

### Scope: Fire Hydrant Inspection Deficiency Repairs

- During the most recent fire hydrant inspection, it was found that the hydrant near Barn #1 would not get to pressure and the operating nut is extremely hard to operate.
  - Ryan FP to investigate further why the hydrant does not come to full pressure.
- Hydrant #4 near the tunnel would not close all the way and the inspection could not be completed.
  - Replace the main valve seat and rubber gaskets on the fire hydrant.
  - If new gaskets and repair kit is unsuccessful; additional quote will follow for full replacement.

### General Conditions:

- This proposal is based on normal working hours, M-F, 7:00am-3:30pm.
- This proposal includes all necessary design, preparation, fabrication, delivery to site, installation, and material required to complete this scope of work, within a reasonable distance of this work area.

### Exclusions:

- Overtime, Painting, Wiring, Monitoring, Extinguishers, Labels/Tags
- Ceiling cutting, removal, or replacement
- Earthquake Bracing

## Services to be completed

### [Fire Hydrant] Location - Building

Fire Hydrant repairs

Parts, labor, and fees	Quantity	Unit Price	Total
Fire Hydrant repairs	1	\$3,000.00	\$3,000.00
<b>GRAND TOTAL</b>			<b>\$3,000.00</b>

## Terms and Conditions

- Payment is due upon receipt of invoice. Ryan Fireprotection, Inc. ("Seller") reserves the right to assess an interest charge of 1.5% per month or the maximum permitted by law, whichever is less, on accounts overdue. Customer agrees to pay all taxes including state and local taxes or excise taxes however designated, levied or based on the service charges pursuant to this Agreement. If Buyer fails to pay any monies when due hereunder, or otherwise fails to perform any act or covenant herein, such failure shall constitute a default of this agreement and shall entitle Seller to terminate this agreement upon five (5) days written notice to Buyer. Upon any event of Buyer's default, Seller shall be entitled to exercise all rights and pursue all remedies available under this agreement or otherwise pursuant to applicable law. Additionally, Seller shall be entitled to recover its reasonable attorneys' fees and costs incurred due to Buyer's default.
- The Buyer shall furnish sufficient space on the premises for material and proper facilities for execution of the work, including watchman, water, lighting,

heating, telephone, and elevator service, when available at Buyer's expense.

3. It is agreed the Seller assumes no responsibility for any personal injury or property damage arising directly or indirectly out of work covered by this order, including any loss or damage resulting from the testing, flushing, remodeling, or use of reworked or used material, unless due to the sole negligence of the Seller. It is understood that it is impossible to predetermine whether a system will stand testing for flushing pressures without resulting in water or other damage. The Buyer agrees to pay for any additional labor or material made necessary from the use of reworked or used material.
4. The Seller retains title to all material and equipment furnished, whether or not attached to the real estate (it being agreed that same, however attached, is to be deemed personal property), until full payment is made, and shall have the right in case of default by the Buyer hereunder to enter the premises and remove such material and equipment or any part thereof, whether or not attached to the real estate.
5. The Seller shall be under no obligation to the Buyer other than as expressed herein. The terms herein supersede any and all written and/or verbal agreements of any terms and conditions between Seller and Buyer governing the matters set forth herein.
6. In recognition of the relative risks and benefits of the Project to both the Buyer and the Seller, the risks have been allocated such that the Buyer agrees, to the fullest extent permitted by law, to limit the liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants shall not exceed \$5,000.00, or the Sellers total fee for services rendered on this Project, whichever is lesser. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
7. Buyer agrees and understands that water based fire protection system equipment shall be maintained in accordance of NFPA 25 Standard for Inspection, Testing and Maintenance of Water Based Fire Protection Systems and is the sole responsibility of the buyer.
8. Buyer agrees and understands that low point origins are their sole responsibility and shall be maintained in accordance of NFPA 25.
9. Buyer agrees and understands that fire alarm system equipment shall be maintained in accordance of NFPA72 National Fire Alarm and Signaling Code and is the sole responsibility of the buyer.
10. Buyer agrees and understands that clean agent fire extinguishing system equipment shall be maintained in accordance of NFPA2001 Standard for Clean Agent Fire Extinguishing Systems and is the sole responsibility of the buyer.
11. Buyer agrees and understands that portable fire extinguisher shall be maintenance in accordance of NFPA10 Standard for Portable Fire Extinguishers and is the sole responsibility of the buyer.
12. Buyer warrants and represents that the person signing this Agreement on its behalf is fully authorized to sign on behalf of Buyer, and that Buyer shall be bound hereby.
13. Any revision, modification or alteration to these Terms and Conditions must be mutually agreed to by both parties, and must be evidenced by written notations on these Terms and Conditions that are initialed by both parties, otherwise no such revision, modification or alteration shall be valid.
14. Buyer warrants and represents that it has read and understood all of the terms set forth herein and that Buyer voluntarily agrees to be bound by this Agreement.

By my signature below, I authorize work to begin and agree to pay the Grand Total according to the terms and conditions of this agreement.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**From** | **Ryan Fireprotection**  
 450 Downes Terrace  
 Louisville KY 40214  
 502-367-7384

**Quote No.** | **2015835**  
 Type | Inspection Repair  
 Prepared By | Jen Peterson  
 Created On | 04/06/2022  
 Valid Until | 05/27/2022

**Quote For** | **Churchill Downs**  
 Churchill Downs - Backside  
 700 Central Avenue  
 Louisville KY 40215

## Description of Work

### Scope: Fire extinguisher inspection deficiencies

1. During the most recent extinguisher inspection it was determined fifteen (15) units are due for the following services:

- Perform 6-Year Service on (2) 10# ABC extinguishers.
- Perform Hydro Service on (9) 10# ABC extinguishers.
- Perform Hydro Service on (1) 6L type K extinguisher.
- Recharge (1) 10# ABC extinguisher
- Replace (1) 10# ABC extinguisher that is missing.
- Rehang (1) 10# ABC extinguisher.

### General Conditions:

- This proposal is based on normal working hours, M-F 7:00am-3:30pm.
- This proposal includes all necessary valve stems and o-rings, truck charge and labor to perform the maintenance

### Exclusions:

- Overtime.
- Additional tagging beyond the scope of work.

## Services to be completed

### [Portable Extinguishers] Location - Building

Fire extinguisher service

Parts, labor, and fees	Quantity	Unit Price	Total
FE Service	1	\$2,300.00	\$2,300.00
<b>GRAND TOTAL</b>			<b>\$2,300.00</b>

## Terms and Conditions

1. Payment is due upon receipt of invoice. Ryan Fireprotection, Inc. ("Seller") reserves the right to assess an interest charge of 1.5% per month or the maximum permitted by law, whichever is less, on accounts overdue. Customer agrees to pay all taxes including state and local taxes or excise taxes however designated, levied or based on the service charges pursuant to this Agreement. If Buyer fails to pay any monies when due hereunder, or otherwise fails to perform any act or covenant herein, such failure shall constitute a default of this agreement and shall entitle Seller to terminate this agreement upon five (5) days written notice to Buyer. Upon any event of Buyer's default, Seller shall be entitled to exercise all rights and pursue all remedies available under this agreement or otherwise pursuant to applicable law. Additionally, Seller shall be entitled to recover its reasonable attorneys' fees and costs incurred due to Buyer's default.
2. The Buyer shall furnish sufficient space on the premises for material and proper facilities for execution of the work, including watchman, water, lighting, heating, telephone, and elevator service, when available at Buyer's expense.

3. It is agreed the Seller assumes no responsibility for any personal injury or property damage arising directly or indirectly out of work covered by this order, including any loss or damage resulting from the testing, flushing, remodeling, or use of reworked or used material, unless due to the sole negligence of the Seller. It is understood that it is impossible to predetermine whether a system will stand testing for flushing pressures without resulting in water or other damage. The Buyer agrees to pay for any additional labor or material made necessary from the use of reworked or used material.
4. The Seller retains title to all material and equipment furnished, whether or not attached to the real estate (it being agreed that same, however attached, is to be deemed personal property), until full payment is made, and shall have the right in case of default by the Buyer hereunder to enter the premises and remove such material and equipment or any part thereof, whether or not attached to the real estate.
5. The Seller shall be under no obligation to the Buyer other than as expressed herein. The terms herein supersede any and all written and/or verbal agreements of any terms and conditions between Seller and Buyer governing the matters set forth herein.
6. In recognition of the relative risks and benefits of the Project to both the Buyer and the Seller, the risks have been allocated such that the Buyer agrees, to the fullest extent permitted by law, to limit the liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants shall not exceed \$5,000.00, or the Sellers total fee for services rendered on this Project, whichever is lesser. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
7. Buyer agrees and understands that water based fire protection system equipment shall be maintained in accordance of NFPA 25 Standard for Inspection, Testing and Maintenance of Water Based Fire Protection Systems and is the sole responsibility of the buyer.
8. Buyer agrees and understands that low point origins are their sole responsibility and shall be maintained in accordance of NFPA 25.
9. Buyer agrees and understands that fire alarm system equipment shall be maintained in accordance of NFPA72 National Fire Alarm and Signaling Code and is the sole responsibility of the buyer.
10. Buyer agrees and understands that clean agent fire extinguishing system equipment shall be maintained in accordance of NFPA2001 Standard for Clean Agent Fire Extinguishing Systems and is the sole responsibility of the buyer.
11. Buyer agrees and understands that portable fire extinguisher shall be maintenance in accordance of NFPA10 Standard for Portable Fire Extinguishers and is the sole responsibility of the buyer.
12. Buyer warrants and represents that the person signing this Agreement on its behalf is fully authorized to sign on behalf of Buyer, and that Buyer shall be bound hereby.
13. Any revision, modification or alteration to these Terms and Conditions must be mutually agreed to by both parties, and must be evidenced by written notations on these Terms and Conditions that are initialed by both parties, otherwise no such revision, modification or alteration shall be valid.
14. Buyer warrants and represents that it has read and understood all of the terms set forth herein and that Buyer voluntarily agrees to be bound by this Agreement.

By my signature below, I authorize work to begin and agree to pay the Grand Total according to the terms and conditions of this agreement.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**From** | **Ryan Fireprotection**  
 450 Downes Terrace  
 Louisville KY 40214  
 502-367-7384

**Quote No.** | **2015826**  
 Type | Inspection Repair  
 Prepared By | Jen Peterson  
 Created On | 04/06/2022

**Quote For** | **Churchill Downs**  
 Churchill Downs - Trackside  
 4250 Poplar Level Road  
 Louisville KY 40213

## Description of Work

### Scope

1. During the most recent extinguisher inspection it was determined eleven (11) units are due for the following services:

- Perform 6-Year Service on (7) 10# ABC extinguishers.
- Perform Hydro Service on (4) 10# ABC extinguishers

### General Conditions:

- This proposal is based on normal working hours, M-F 7:00am-3:30pm.
- This proposal includes all necessary valve stems and o-rings, truck charge and labor to perform the maintenance

### Exclusions:

- Overtime.
- Additional tagging beyond the scope of work.

## Services to be completed

[Portable Extinguishers] Location - Building  
 Fire Extinguisher service

Parts, labor, and fees	Quantity	Unit Price	Total
FE Service	1	\$1,100.00	\$1,100.00
<b>GRAND TOTAL</b>			<b>\$1,100.00</b>

## Terms and Conditions

1. Payment is due upon receipt of invoice. Ryan Fireprotection, Inc. ("Seller") reserves the right to assess an interest charge of 1.5% per month or the maximum permitted by law, whichever is less, on accounts overdue. Customer agrees to pay all taxes including state and local taxes or excise taxes however designated, levied or based on the service charges pursuant to this Agreement. If Buyer fails to pay any monies when due hereunder, or otherwise fails to perform any act or covenant herein, such failure shall constitute a default of this agreement and shall entitle Seller to terminate this agreement upon five (5) days written notice to Buyer. Upon any event of Buyer's default, Seller shall be entitled to exercise all rights and pursue all remedies available under this agreement or otherwise pursuant to applicable law. Additionally, Seller shall be entitled to recover its reasonable attorneys' fees and costs incurred due to Buyer's default.
2. The Buyer shall furnish sufficient space on the premises for material and proper facilities for execution of the work, including watchman, water, lighting, heating, telephone, and elevator service, when available at Buyer's expense.
3. It is agreed the Seller assumes no responsibility for any personal injury or property damage arising directly or indirectly out of work covered by this order, including any loss or damage resulting from the testing, flushing, remodeling, or use of reworked or used material, unless due to the sole negligence of the Seller. It is understood that it is impossible to predetermine whether a system will stand testing for flushing pressures without resulting in water or other damage. The Buyer agrees to pay for any additional labor or material made necessary from the use of reworked or used material.
4. The Seller retains title to all material and equipment furnished, whether or not attached to the real estate (it being agreed that same, however attached,

is to be deemed personal property), until full payment is made, and shall have the right in case of default by the Buyer hereunder to enter the premises and remove such material and equipment or any part thereof, whether or not attached to the real estate.

5. The Seller shall be under no obligation to the Buyer other than as expressed herein. The terms herein supersede any and all written and/or verbal agreements of any terms and conditions between Seller and Buyer governing the matters set forth herein.
6. In recognition of the relative risks and benefits of the Project to both the Buyer and the Seller, the risks have been allocated such that the Buyer agrees, to the fullest extent permitted by law, to limit the liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert-witness fees and costs, so that the total aggregate liability of the Seller and the Seller's officers, directors, partners, employees, shareholders, owners and sub consultants shall not exceed \$5,000.00, or the Sellers total fee for services rendered on this Project, whichever is lesser. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.
7. Buyer agrees and understands that water based fire protection system equipment shall be maintained in accordance of NFPA 25 Standard for Inspection, Testing and Maintenance of Water Based Fire Protection Systems and is the sole responsibility of the buyer.
8. Buyer agrees and understands that low point origins are their sole responsibility and shall be maintained in accordance of NFPA 25.
9. Buyer agrees and understands that fire alarm system equipment shall be maintained in accordance of NFPA72 National Fire Alarm and Signaling Code and is the sole responsibility of the buyer.
10. Buyer agrees and understands that clean agent fire extinguishing system equipment shall be maintained in accordance of NFPA2001 Standard for Clean Agent Fire Extinguishing Systems and is the sole responsibility of the buyer.
11. Buyer agrees and understands that portable fire extinguisher shall be maintenance in accordance of NFPA10 Standard for Portable Fire Extinguishers and is the sole responsibility of the buyer.
12. Buyer warrants and represents that the person signing this Agreement on its behalf is fully authorized to sign on behalf of Buyer, and that Buyer shall be bound hereby.
13. Any revision, modification or alteration to these Terms and Conditions must be mutually agreed to by both parties, and must be evidenced by written notations on these Terms and Conditions that are initialed by both parties, otherwise no such revision, modification or alteration shall be valid.
14. Buyer warrants and represents that it has read and understood all of the terms set forth herein and that Buyer voluntarily agrees to be bound by this Agreement.

By my signature below, I authorize work to begin and agree to pay the Grand Total according to the terms and conditions of this agreement.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_



**PUBLIC PROTECTION CABINET**

**Andy Beshear**  
GOVERNOR

**Kentucky Horse Racing Commission**  
4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Fax: (859) 246-2039

**Ray A. Perry**  
SECRETARY

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

**Jamie Eads**  
INTERIM EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

December 13, 2022

To: Kentucky Horse Racing Commission  
From: Andy Conway Assistant Director of Pari-Mutuel Wagering and Compliance  
Re: Licenses to Provide Totalizator Services for 2023

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Three (3) entities have applied for a license to provide totalizator services to Kentucky licensed associations for the calendar year 2023. Form KHRC 3-030-01, the totalizator services application, was completed by all applicants for 2023 and submitted to the KHRC prior to August 1, 2022. In addition, information regarding applicant background and totalizator services was provided by each applicant. This information is required by 810 KAR 3:030 and allows the KHRC staff to investigate the scope of services offered by applicants. Applicant information including systems and organizational controls reports, financials, organization compliance with totalizator standards, and additional documentation are reviewed when determining suitability for the approval of applications.

The KHRC staff reviewed all submitted materials and made necessary requests for supplemental information. Due to the timely nature of the license approval process, the KHRC staff will review all information provided in response to these requests as the information is made available and, if warranted, recommend any conditions during the year for particular totalizator licenses.

Each application is available for review and a digital version can be provided by the KHRC staff upon request. The KHRC staff recommends approval of a renewal license to provide totalizator services for the calendar year 2023 for the following applicants:

- 1. Amtote International, Inc.
- 2. Global Tote US, LLC f/k/a Sportech Racing, LLC
- 3. United Tote Company

**COMMISSION ACTION**

\_\_\_\_\_ APPROVE

\_\_\_\_\_ DENY

\_\_\_\_\_ DEFER



**PUBLIC PROTECTION CABINET**

**Andy Beshear**  
GOVERNOR

**Kentucky Horse Racing  
Commission**

**Ray A. Perry**  
SECRETARY

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

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**Jamie Eads**  
INTERIM EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

December 13, 2022

To: Kentucky Horse Racing Commission  
From: Andy Conway Assistant Director of Pari-Mutuel Wagering and Compliance  
Re: Licenses to Conduct Advance Deposit Account Wagering for 2023

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Eight (8) applicants plan to offer advance deposit account wagering (“ADW”) services to Kentucky residents for the calendar year 2023. Form KHRC 3-040-1, the ADW application, was completed by all applicants for 2023 and submitted to the KHRC prior to September 1, 2022. Information regarding applicant background and ADW operations was provided by each applicant. This information is required by 810 KAR 3:040 and allows the KHRC staff to investigate the scope of services offered by applicants in addition to suitability with the Kentucky horse racing industry. Each ADW is bonded or has secured funding for handle and player account balance liabilities and has submitted a certified statement ensuring the non-commingling of any player deposits. The KHRC staff reviewed all submitted material and made necessary requests for supplemental information. Due to the timely nature of the license approval process, the KHRC staff will review all information provided in response to these requests and, if warranted, recommend any conditions during the year for particular ADW licenses.

Each application is available for review and a digital version can be provided by the KHRC staff upon request. The KHRC staff recommends approval of a renewal license to conduct advance deposit account wagering for the calendar year 2023 for the following applicants, conditioned upon sufficient response to the requests for information made for applicable entities:

1. AmWest Entertainment, LLC
2. eBet Technologies, Inc.
3. Lien Games Racing, LLC
4. NYRAbets, LLC
5. ODS Technologies, L.P. d/b/a TVG Network
6. Churchill Downs Technology Initiatives Company
7. WatchandWager.com, LLC
8. Xpressbet, LLC

**COMMISSION ACTION**

\_\_\_\_\_ APPROVE

\_\_\_\_\_ DENY

\_\_\_\_\_ DEFER



**PUBLIC PROTECTION CABINET**

**Andy Beshear**  
GOVERNOR

**Kentucky Horse Racing  
Commission**

**Ray A. Perry**  
SECRETARY

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Fax: (859) 246-2039

**Jamie Eads**  
EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

TO: Kentucky Horse Racing Commission  
FROM: Waqas Ahmed, Interim Deputy Executive Director  
DATE: December 2, 2022  
  
RE: Renewal of Churchill Downs Racetrack, LLC’s License for a Simulcast Facility

Pursuant to 810 KAR 3:050, Churchill Downs Racetrack, LLC (“Churchill Downs”) has submitted information to request renewal of its license for a simulcast facility. On October 20, 2020, the Kentucky Horse Racing Commission (“KHRC”) voted unanimously to approve Churchill Downs’ request to establish a simulcast facility. This facility was launched in Fall 2020. Churchill Downs will continue to operate the facility at the Louisville Thoroughbred Society.

Keeneland Association, Inc.(“Keeneland”) is a thoroughbred racetrack within 75 miles of the facility. Pursuant to 810 KAR 3:050, Keeneland endorsed this renewal and provides consent to Churchill Downs to operate the simulcast facility. Simulcast offerings at the facility will be identical to those approved for Churchill Downs in its renewal application to conduct live horse racing, simulcasting and pari-mutuel wagering for 2023.

KHRC staff has reviewed the information submitted by Churchill Downs and believes it satisfies the suitability requirements per 810 KAR 3:050. KHRC staff recommends renewal of Churchill Downs’ license for a simulcast facility.

**COMMISSION ACTION**

\_\_\_\_\_ Approve  
\_\_\_\_\_ Defer  
\_\_\_\_\_ Deny



**PUBLIC PROTECTION CABINET**

**Andy Beshear**  
GOVERNOR

**Kentucky Horse Racing  
Commission**

**Ray A. Perry**  
SECRETARY

**Jacqueline Coleman**  
LIEUTENANT GOVERNOR

4063 Iron Works Parkway, Building B  
Lexington, KY 40511  
Phone: (859) 246-2040  
Fax: (859) 246-2039

**Jamie Eads**  
EXECUTIVE DIRECTOR

**Jonathan Rabinowitz**  
CHAIRMAN

TO: Kentucky Horse Racing Commission  
FROM: Waqas Ahmed, Interim Deputy Executive Director  
DATE: December 5, 2022  
  
RE: Ratification of ECL Corbin, LLC’s Request to Amend Its Race Dates

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ECL Corbin, LLC (“Cumberland Run”) contacted Executive Director Jamie Eads on November 2, 2022, to request to combine two race dates. This was requested due to limited participation anticipated on November 7 and 8, 2022. This combination represents 8.3% of ECL Corbin’s total awarded dates for the year. The Kentucky Harness Horsemen’s Association (“KHHA”) supported this request.

Due to the immediate nature of the request, Executive Director Eads conditionally approved the request to combine the aforementioned race dates awarded to Cumberland Run for 2022, pursuant to KRS 230.215 and the best interests of horse racing. Cumberland Run conducted the race date on November 7, 2022. The KHRC staff recommends ratification of Executive Director Eads’ approval of Cumberland Run’s request.

**COMMISSION ACTION**

\_\_\_\_\_ Approve  
\_\_\_\_\_ Defer  
\_\_\_\_\_ Deny

# ECL-CORBIN

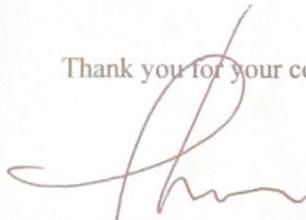
November 3, 2022

Jamie Eads, Executive Director  
Kentucky Horse Racing Commission  
4063 Ironworks Parkway, Building B  
Lexington, KY 40511

Dear Jamie,

Per our conversation yesterday, due to a limited number of horses left on the grounds at the Red Mile, we are requesting to run 13 races on Monday November 7<sup>th</sup>, and cancelling the races on Tuesday November 8<sup>th</sup>.

Thank you for your consideration,



Ted Nicholson  
Vice-President of Racing

5629 Nashville Rd. Franklin, Kentucky

## 2022 THOROUGHBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG CLASS	PENALTY OR ACTION	FINE	STATUS
22-0132	10/30/2022	7/17/2022	Reyluis Gutierrez	Withdrew appeal of ruling #22-0117 issued July 17, 2022		Suspended 5 days November 6 and November 9 through November 12, 2022 (inclusive)		Suspension served
22-0133	11/3/2022	10/30/2022	Ricardo Santana, Jr.	careless riding		Suspended 5 days November 6 and November 9 through November 12, 2022 (inclusive)		Suspension served
22-0134	11/19/2022	11/19/2022	Christian J. Lopez	unqualified to perform duties of exercise rider		Exercise Rider license rescinded		Completed
22-0135	11/20/2022	6/4/2022	Claude R. McGaughey III	HEPS #R020613	B	Suspended 30 days, 15 to be served December 5 through December 19, 2022 (inclusive). (Remaining 15 days stayed pending no further medication violation in 365 days)	\$ 500	Current Suspension Fine Not Paid
22-0136	11/20/2022	6/4/2022	Estate of Thomas Ryan Diana L. Ryan, extx (owner)	HEPS #R020613	B	Smokin T disqualified and purse redistributed. All purse monies must be returned to the association.		DQ and purse redistribution completed

**2022 TB RULINGS LIST BY CATEGORY ( Through December 2, 2022)**

**MEDICATION VIOLATIONS**

<b><u>Medication Class</u></b>	<b><u>Total</u></b>	<b><u>Fines</u></b>	<b><u>Suspensions</u></b>	<b><u>Disqualifications</u></b>	<b><u>Appeals</u></b>	<b><u>Explanations</u></b>
Class A	2	2	2	2	0	Venlafaxine, D-Methamphetamine
Class B	4	4	4	4	0	Metformin, Gabapentin, HEPS
Class C	2	2	1	2	1	Betamethasone, Dexamethasone
Class D	0	0	0	0	0	
NSAIDS	2	2	1	2	0	Phenylbutazone (suspension for 2nd offense)
Multiple NSAIDS	0	0	0	0	0	
TCO2	<u>0</u>	0	0	0	0	
Subtotal	10	\$13,000				

**NON-MEDICATION VIOLATIONS**

**Jockey Violations**

Careless Riding	9	0	9	0	1	Routine riding offense
Crop Violations	82	60	22	0	0	1st offense given choice of fine or suspension
Other Disciplinary Violations	5	4	1	0	0	Failed to report to race review, Eased up without adequate cause, foul riding
Subtotal	<u>96</u>	\$32,300				

**Other Licensee Violations**

Misc. violations by licensees	5	5	0	0	0	Jockey agent failed to honor calls, Improper signature on claim slip, improper scratch, prohibited electronic treatment
Disorderly conduct and formal ejections	7	0	7	0	0	Revoked (2) - suspended in another jurisdiction, failed to report arrest history, SPA - formal ejection from Keeneland, criminal charges, failed to cooperate during OOC testing, terroristic threatening, failed human drug test
Suspended for non payment of fines	0	0	0	0	0	
Subtotal	<u>12</u>	\$2,400				

<b>Other Rulings Issued</b>	<u>18</u>	0	0	0	0	The remaining 18 rulings that have been issued in 2022 are for information only and include previously assessed penalties vacated and purse redistribution, claim voided, purse redistribution, withdrawal of appeal, denial of formal protest, license type change, licensee not qualified to perform duties (license rescinded)
<b>TOTAL 2022 RULINGS</b>	<u><u>136</u></u>	\$47,700				

## 2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-001	05/16/22	05/09/22	Archie N Buford	Unsatisfactory drive - Lack of effort		\$500		Paid	8 days (05/17/2022 - 05/24/2022)	
J2022-002	05/16/22	05/08/22	Kevin W Wallis	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-003	05/22/22	05/16/22	Alessandro Spano	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-004	05/22/22	05/16/22	Tyler G Shehan	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-005	05/23/22	05/22/22	Todd E Warren	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-006	05/23/22	05/22/22	Derrick J Flowers	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-007	05/29/22	05/28/22	Charles M Conrad	Brutal use of whip		\$500		Paid	5 days (05/31/2022 - 06/04/2022)	
J2022-008	05/29/22	05/23/22	Richard S Finn	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-009	05/30/22	05/28/22	Tyler G Shehan	Offensive/Profane language		\$100		Paid		
J2022-010	05/30/22	05/23/22	Alessandro Spano	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-011	06/06/22	05/30/22	Kevin W Wallis	Failure to set and maintain a proper pace		\$100		Paid		
J2022-012	06/06/22	06/05/22	Clifton A Bell	Excessive or indiscriminate use of whip		\$200		Paid		

## 2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-013	06/06/22	05/30/22	Don R Cromer	Interference/causing another horse to make a break		\$500	Withdrew Appeal: Final Ruling Issued	Paid	30 days (06/11/2022 - 07/10/2022)	
J2022-014	06/08/22	02/21/22	Dean M Eckley	Other			License Denied			KHRC License Review Committee denied the 2022 license application of Dean Eckley. Eligible to reapply in 2023.
J2022-015	07/03/22	06/29/22	S Bernard Demars	Excessive or indiscriminate use of whip		\$100		Paid		
J2022-016	07/10/22	05/22/22	Derrick J Flowers	Failure to pay fine(s)				Paid	Until fine is paid	
J2022-017	07/10/22	06/27/22	Nicolas Roussel	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-018	07/12/22	03/02/22	Lefredrick Cole	Falsification of license application			License Revoked			
J2022-019	07/18/22	06/27/22	Kevin W Wallis	Kicking a horse		\$100		Paid		
J2022-020	08/02/22	05/28/22	Donald C Coy	Excessive or indiscriminate use of whip		\$500		Paid	5 days (08/03/2022 - 08/07/2022)	
J2022-021	08/07/22	08/02/22	Peter M Wrenn	Inside the euro rail / pylon violation		\$200		Unpaid		
J2022-022	08/16/22	08/07/22	Dexter J Dunn	Talking on the racetrack		\$100		Paid		
J2022-023	08/22/22	08/07/22	Yannick Gingras	Talking on the racetrack		\$100		Paid		
J2022-024	08/22/22	08/15/22	Devon J Tharps	Laying back in sulky		\$100		Paid		
J2022-025	09/11/22	08/07/22	Myron Bell	Conduct detrimental to the best interest of horse racing		\$1,000	Placed on probation for remainder of 2022 through and including 2023.	Paid		

## 2022 STANDARD BRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-026	09/19/22	06/08/22	Dean Eckley	Ruling J2022-014 is recinded. Allowed to withdraw 2022 license application, therefore the application is no longer denied.						
J2022-027	09/27/22	09/12/22	Jamaal D Denson	Excessive or indiscriminate use of whip		\$200		Unpaid		
J2022-028	09/27/22	09/19/22	Andy Ray Miller	Excessive or indiscriminate use of whip		\$200		Paid		
J2022-029	09/27/22	09/06/22	Devon J Tharps	Kicking a horse		\$100		Paid		
J2022-030	10/31/22	09/19/22	Patricia Brewer	Blood sample R003519 collected from "Oberlin" on 09/19/22 in Race 11 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 39.45ml/l.	Class 3	\$1,500		Unpaid	90 days 11/07/2022 - 02/04/2023	Purse money won or \$624.00 is hereby ordered forfeited, returned and redistributed in the following manner, Oberlin finished 4th placed unplaced-- Big John Houn finished 5th placed 4th, Single Girl finished 6th placed 5th.
J2022-031	10/04/22	09/30/22	Andy Ray Miller	Second offense: Using other than wrist and elbow movement while whipping		\$500		Paid		
J2022-032	10/04/22	10/01/22	Joseph R Bongiorno	Taking hold while backing into position on pylons interfering with a trailing horse. Finished 4th placed 5th.		\$500		Paid		

## 2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-033	10/31/22	09/19/22	Patricia Brewer	Blood sample R003520 collected from "Big John Houn" on 09/19/22 in Race 11 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 40.25 ml/l.	Class 3	\$1,500		Unpaid	90 days 02/05/2022 - 05/05/2022	Purse money won or \$390.00 is hereby ordered forfeited, returned and redistributed as follows: Big John Houn finished 5th was placed 4th through previous disqualification and is now unplaced. Single Girl finished 6th was placed 5th is placed 4th.
J2022-034	10/31/2022	9/29/2022	Patricia Brewer	Blood sample R003536 collected from "Tobie Lou" on 09/29/22 in Race 5 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 39.05 ml/l.	Class 3					Tobie Lou raced prior to Patricia Brewer receiving notice from the testing laboratory of a previous TCO2 violation, and not obtaining purse money in this race, no further penalty will be assessed.
J2022-035	11/1/2022	10/30/2022	David S Miller	Using the whip in an unconventional manner		\$200		Paid		
J2022-036	11/2/2022	9/29/2022	Patricia Brewer	Blood sample R003539 collected from "Skyway Trooper" on 09/29/22 in Race 8 at the Red Mile Racetrack, revealed the presence of TCO2 registering a level of 38.05 ml/l.	Class 3					Skyway Trooper raced prior to Patricia Brewer receiving notice from the testing laboratory of a previous TCO2 violation, no further penalty will be assessed. However, Skyway Trooper who finished 5th is disqualified and placed last. The purse money of \$425.00 is forfeited, returned and redistributed to "Danish Diligence" who finished 6th and placed 5th.

## 2022 STANDARDBRED RULINGS

RULING NUMBER	RULING DATE	INFRACTION DATE	ISSUED TO	DETERMINATION	DRUG PENALTY CLASS	FINE OR WRITTEN WARNING	STATUS	PAID	Suspension (days)	COMMENTS
J2022-037	11/8/2022	10/18/2022	Leslie Burton	Blood sample R007688 collected from "Acoustic" on 10/18/22 in Race 8 at ECL Corbin at the Red Mile Racetrack, revealed the presence Dexamethasone in an amount exceeding that allowed by the KHRC.	Class 4	\$500		Paid		Purse money won or \$3900.00 is hereby ordered returned, forfeited and redistributed in the following manner. "Acoustic" finished 1st and is placed last. "Hello Rooster" finished 2nd and is placed 1st. "Best Bolt" finished 3rd and is placed 2nd. "Master Splinter" finished 4th and is placed 3rd. "So I Like It Dirty" finished 5th and is placed 4th. "Pick A Rock" finished 6th and is placed 5th.

# KHRC Veterinary Report

## Keeneland Fall Meet 2022

<b>Total Starts</b>	1482
-----	-----
Post Race Samples	437
tCO <sub>2</sub>	274
-----	-----
<b>Veterinary Scratches</b>	30
-----	-----
Pre-Race	20
On-Track	10
Soundness related	4
Gate/paddock Injury	6
-----	-----
<b>KHRC Veterinary List</b>	48
-----	-----
Scratches	30
Race Injuries/post race lame/test barn lame	18
EIPH	0
Heat Distress	0
-----	-----
<b>Claimed horses</b>	142
-----	-----
<b>Voided Claims</b>	9
-----	-----
<b>Ambulance Runs</b>	8
-----	-----
<b>Racing Fatalities</b>	0
-----	-----
<b>Training Fatalities</b>	1
-----	-----
Musculo-skeletal	1
-----	-----

# KHRC Veterinary Report

## Breeders Cup at Keeneland 2022

<b>Total Starts</b>	243
-----	-----
Post Race Samples	79
tCO <sub>2</sub>	180
-----	-----
<b>Veterinary Scratches</b>	6
-----	-----
Pre-Race	6
On-Track	0
-----	-----
Soundness related	6
Gate/paddock Injury	0
-----	-----
<b>KHRC Veterinary List</b>	11
-----	-----
Scratches	6
Race Injuries/post race lame/test barn lame	3
EIPH	2
Heat Distress	0
-----	-----
<b>Claimed horses</b>	0
-----	-----
<b>Voided Claims</b>	0
-----	-----
<b>Ambulance Runs</b>	4
-----	-----
<b>Racing Fatalities</b>	0
-----	-----
<b>Training Fatalities</b>	0
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# KHRC Veterinary Report

## Churchill Downs Fall Meet 2022

<b>Total Starts</b>	1633
Post Race Samples	519
tCO <sub>2</sub>	241
<b>Veterinary Scratches</b>	17
Pre-Race	14
On-Track	3
Soundness related	1
Gate/paddock Injury	2
<b>KHRC Veterinary List</b>	35
Scratches	17
Race Injuries/post race lame/test barn lame	15
EIPH	3
Heat Distress	0
<b>Claimed horses</b>	220
<b>Voided Claims</b>	7
<b>Ambulance Runs</b>	13
<b>Racing Fatalities</b>	3
Musculo-skeletal	3
<b>Training Fatalities</b>	1
Musculo-skeletal	1

## 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	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	3	19	15,456	1.23
	Non-musculoskeletal	0	0	0	0	0	2	0	1	0	0	0	0	3		0.19
	<b>TOTAL</b>	0	1	1	4	1	2	0	2	1	5	2	3	22		<b>1.42</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
2020	Musculoskeletal	1	0	1	0	1	0	0	3	4	1	4	1	16	13,872	1.15
	Non-musculoskeletal	0	0	3	0	0	0	0	0	0	0	0	0	3		0.22
	<b>TOTAL</b>	1	0	4	0	1	0	0	3	4	1	4	1	19		1.37
2021	Musculoskeletal	2	1	0	0	1	2	1	1	4	3	2	2	19	14,676	1.29
	Non-musculoskeletal	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	<b>TOTAL</b>	2	1	0	0	1	2	1	1	4	3	2	2	19		1.29
2022	Musculoskeletal	0	1	0	1	2	1	2	2	0	1	3		13	14,201	0.92
	Non-Musculoskeletal	0	1	0	0	0	1	0	0	0	0	0		2		0.14
	<b>TOTAL</b>	0	2	0	1	2	2	2	2	0	1	3		15		1.06

### Pari-Mutuel Wagering for October 2022

Select Period: October 2022

THE FOLLOWING REPORTING IS FOR ILLUSTRATIVE PURPOSES ONLY AND MAY BE AMENDED AS DEEMED SUITABLE BY THE KENTUCKY HORSE RACING COMMISSION. THE DISTRIBUTIONS FROM THE EXCISE TAX HAVE BEEN CALCULATED PURSUANT TO KRS 138 AND GUIDANCE FROM THE DEPARTMENT OF REVENUE.

#### On-Track Wagers on Live Horse Racing

	Licensee / Facility								Grand Total	
	Churchill Downs Racetrack, LLC		ECL Corbin, LLC	Ellis Entertainment, LLC	Keeneland Association, Inc.	Kentucky Downs, LLC	Lexington Trots Breeders Association, LLC	Turfway Park, LLC		WKY Development, LLC
	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	
Race Dates	3	0	11	0	17	0	4	0	0	35
On-Track Handle	\$836,325		\$66,445	\$0	\$15,351,232	\$0	\$284,838	\$0	\$0	\$16,538,840
Return to Public	\$682,426		\$47,871	\$0	\$11,378,722	\$0	\$232,351	\$0	\$0	\$12,341,369
Commission	\$160,328		\$15,239	\$0	\$2,764,186	\$0	\$61,631	\$0	\$0	\$3,001,384
Settlement	(\$6,971)		\$4,293	\$0	\$1,199,152	\$0	(\$4,002)	\$0	\$0	\$1,192,472
Breakage	\$588		\$55	\$0	\$10,805	\$0	\$177	\$0	\$0	\$11,625
Minus Pools	(\$46)		(\$1,013)	\$0	(\$1,632)	\$0	(\$5,319)	\$0	\$0	(\$8,010)
Daily Average Live Handle	\$278,775		\$6,040	\$0	\$903,014	\$0	\$71,210	\$0	\$0	\$472,538
Backside Improvement Fund	\$4,182		\$997	\$0	\$307,025	\$0	\$0	\$0	\$0	\$312,203
Excise Tax	\$12,545		\$997	\$0	\$230,268	\$0	\$4,273	\$0	\$0	\$248,083
Thoroughbred Developmen..	\$6,272	\$0	\$0	\$0	\$115,134	\$0	\$0	\$0	\$0	\$121,407
Standardbred Development..	\$0		\$664	\$0	\$0	\$0	\$2,848	\$0	\$0	\$3,513
Equine Drug Research	\$836		\$66	\$0	\$15,351	\$0	\$285	\$0	\$0	\$16,539
Higher Ed Equine Trust	\$836		\$66	\$0	\$15,351	\$0	\$285	\$0	\$0	\$16,539
Equine Industry Programs	\$1,673		\$133	\$0	\$30,702	\$0	\$570	\$0	\$0	\$33,078
General Fund	\$2,927		\$66	\$0	\$53,729	\$0	\$285	\$0	\$0	\$57,008

#### Simulcast Wagers on Interstate and Intertrack Live Horse Racing

	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	Grand Total
Off-Track Handle (Simulcast)	\$1,900,293	\$8,185	\$68,848	\$946,442	\$2,471,085	\$1,124,639	\$1,484,025	\$826,352	\$121,871	\$8,951,741
Thoroughbred	\$1,880,064	\$7,418	\$65,815	\$881,333	\$2,465,489	\$1,036,415	\$280	\$802,681	\$101,366	\$7,240,860
Standardbred	\$16,062	\$60	\$1,885	\$62,581	\$0	\$65,359	\$1,467,333	\$15,161	\$18,331	\$1,646,772
Other Breeds	\$4,167	\$707	\$1,149	\$2,529	\$5,596	\$22,866	\$16,412	\$8,510	\$2,174	\$64,108
Excise Tax - Simulcast	\$28,504	\$0	\$0	\$14,197	\$37,066	\$16,870	\$0	\$12,395	\$0	\$109,032
Thoroughbred Developmen..	\$18,801	\$0	\$0	\$8,813	\$24,655	\$10,364	\$0	\$8,027	\$0	\$70,660
Standardbred Development..	\$161	\$0	\$0	\$626	\$0	\$654	\$0	\$152	\$0	\$1,592
Quarter Horse Developmen..	\$42	\$0	\$0	\$25	\$56	\$229	\$0	\$85	\$0	\$437
Equine Drug Research	\$950	\$0	\$0	\$473	\$1,236	\$562	\$0	\$413	\$0	\$3,634
Higher Education Equine Tr..	\$950	\$0	\$0	\$473	\$1,236	\$562	\$0	\$413	\$0	\$3,634
Equine Industry Programs	\$475	\$0	\$0	\$237	\$618	\$281	\$0	\$207	\$0	\$1,817
General Fund	\$7,126	\$0	\$0	\$3,549	\$9,267	\$4,217	\$0	\$3,099	\$0	\$27,258

### Pari-Mutuel Wagering for October 2022

Month, ... October 2022

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#### On-Track Wagers on Historical Horse Racing

	Licensee / Facility									Grand Total
	Churchill Downs Racetrack, LLC	ECL Corbin, LLC	Ellis Entertainment, LLC	Kentucky Downs, LLC		Lexington Trots Breeders Associati..	Turfway Park, LLC		WKY Development, LLC	
	Derby City Gaming	Williamsburg	Henderson	Bowling Green	Franklin	Red Mile	Newport	Turfway Park	Oak Grove	
On-Track Handle	\$174,711,783	\$28,307,609	\$17,368,131	\$35,319,728	\$143,956,268	\$71,127,795	\$23,261,705	\$31,817,404	\$133,586,427	\$659,456,851
Return to Public	\$158,647,872	\$25,153,511	\$15,807,837	\$31,810,361	\$131,026,414	\$65,373,079	\$20,965,068	\$28,395,259	\$121,836,092	\$599,015,493
Pool Growth	\$404,487	\$340,504	\$63,124	\$226,305	\$506,027	(\$215,047)	\$112,779	\$353,726	\$72,839	\$1,864,745
Breakage	\$0	\$561	\$2,133	\$332	\$5,167	\$9,239	\$0	\$0	\$0	\$17,432
Gross Commission - Win	\$15,659,424	\$2,813,032	\$1,495,037	\$3,282,731	\$12,418,661	\$5,960,525	\$2,183,858	\$3,068,419	\$11,677,496	\$58,559,183
Excise Tax - HHR	\$2,620,677	\$424,614	\$260,522	\$529,796	\$2,159,344	\$1,066,917	\$348,926	\$477,261	\$2,003,796	\$9,891,853
Standardbred Development..	\$0	\$283,076	\$0	\$0	\$0	\$355,639	\$0	\$0	\$667,932	\$1,306,647
Thoroughbred Developmen..	\$1,310,338	\$0	\$130,261	\$264,898	\$1,079,672	\$266,729	\$174,463	\$238,631	\$500,949	\$3,965,941
General Fund and Other	\$1,310,338	\$141,538	\$130,261	\$264,898	\$1,079,672	\$444,549	\$174,463	\$238,631	\$834,915	\$4,619,265
Adjusted Commission - Win	\$13,038,747	\$2,388,418	\$1,234,515	\$2,752,935	\$10,259,317	\$4,893,608	\$1,834,932	\$2,591,158	\$9,673,700	\$48,667,330
Average Terminal Count	1,101	445	318	448	1,047	847	455	839	1,362	6,862
Adj. Commission-Win/Unit	\$11,847	\$5,370	\$3,877	\$6,147	\$9,799	\$5,777	\$4,033	\$3,088	\$7,102	\$7,092

#### Advance Deposit Account Wagering

	Licensee								Grand Total
	AmWest Entertainment	eBet Technologies	Lien Games Racing	NYRABets	TVG	Twinspires	WatchandWager.c..	Xpressbet	
Total Handle	\$301,542	\$35,048	\$105,639	\$795,776	\$9,560,603	\$18,437,974	\$14,356	\$3,203,312	\$32,454,251
In-State Races	\$61,853	\$13,570	\$23,765	\$382,834	\$4,302,789	\$10,129,611	\$7,946	\$1,920,616	\$16,842,983
Out-of-State Races	\$239,689	\$21,478	\$81,874	\$412,942	\$5,257,814	\$8,308,363	\$6,411	\$1,282,697	\$15,611,268
Excise Tax - ADW	\$4,523	\$526	\$1,585	\$11,937	\$143,409	\$276,570	\$215	\$48,050	\$486,814
Host Track - Purses	\$1,922	\$223	\$673	\$5,073	\$60,949	\$117,542	\$92	\$20,421	\$206,896
Host Tracks	\$1,922	\$223	\$673	\$5,073	\$60,949	\$117,542	\$92	\$20,421	\$206,896
General Fund	\$678	\$79	\$238	\$1,790	\$21,511	\$41,485	\$32	\$7,207	\$73,022

#### Total Distributions by Account

The General Fund line includes amounts that are deposited to various accounts. These caps are calculated from deposits resulting from the excise tax for conducting pari-mutuel wagering on historical horse racing. Since these amounts are calculated as a whole and not per licensee, a one-time transfer will be made once the caps are met within the fiscal year. At the end of the fiscal year, approximately \$2M must be deducted from this line in order to determine the actual amount retained by the General Fund. Please contact the Department of Revenue with any questions regarding these transfers.

Total Excise Tax	\$10,735,781
Equine Drug Research	\$20,173
Equine Industry Program	\$34,895
Higher Education Program	\$20,173
K. Standardbred Development Fund	\$1,311,752
K. Thoroughbred Development Fund	\$4,158,007
K. Quarter Horse Development Fund	\$437
Host Track - Purses	\$206,896
Host Tracks	\$206,896
General Fund (See Note on Caps)	\$4,776,552
Backside Improvement Fund	\$312,203

**Pari-Mutuel Wagering for FY 2023 (YTD)**

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**On-Track Wagers on Live Horse Racing**

	Licensee / Facility								Grand Total	
	Churchill Downs Racetrack, LLC		ECL Corbin, LLC	Ellis Entertainment, LLC	Keeneland Association, Inc.	Kentucky Downs, LLC	Lexington Trots Breeders Association, LLC	Turfway Park, LLC		WKY Development, LLC
	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	
Race Dates	21	0	11	23	17	8	29	0	8	117
On-Track Handle	\$6,069,793		\$66,445	\$2,606,060	\$15,351,232	\$1,530,499	\$1,049,495	\$0	\$44,229	\$26,717,753
Return to Public	\$4,591,337		\$47,871	\$1,937,371	\$11,378,722	\$1,246,116	\$896,387	\$0	\$34,068	\$20,131,870
Commission	\$1,165,972		\$15,239	\$505,474	\$2,764,186	\$261,371	\$235,866	\$0	\$9,668	\$4,957,776
Settlement	\$299,709		\$4,293	\$158,430	\$1,199,152	\$22,328	(\$71,815)	\$0	\$241	\$1,612,338
Breakage	\$13,680		\$55	\$5,449	\$10,805	\$1,283	\$664	\$0	\$302	\$32,236
Minus Pools	(\$905)		(\$1,013)	(\$664)	(\$1,632)	(\$598)	(\$11,606)	\$0	(\$49)	(\$16,467)
Daily Average Live Handle	\$289,038		\$6,040	\$113,307	\$903,014	\$191,312	\$36,189		\$5,529	\$228,357
Backside Improvement Fund	\$30,349		\$997	\$39,091	\$307,025	\$45,915		\$0		\$423,376
Excise Tax	\$91,047		\$997	\$39,091	\$230,268	\$22,957	\$15,742	\$0	\$663	\$400,766
Thoroughbred Developmen..	\$45,523	\$0	\$0	\$19,545	\$115,134	\$11,479	\$0	\$0	\$0	\$191,682
Standardbred Development..	\$0		\$664	\$0	\$0	\$0	\$10,495	\$0	\$442	\$11,602
Equine Drug Research	\$6,070		\$66	\$2,606	\$15,351	\$1,530	\$1,049	\$0	\$44	\$26,718
Higher Ed Equine Trust	\$6,070		\$66	\$2,606	\$15,351	\$1,530	\$1,049	\$0	\$44	\$26,718
Equine Industry Programs	\$12,140		\$133	\$5,212	\$30,702	\$3,061	\$2,099	\$0	\$88	\$53,436
General Fund	\$21,244		\$66	\$9,121	\$53,729	\$5,357	\$1,049	\$0	\$44	\$90,612

**Simulcast Wagers on Interstate and Intertrack Live Horse Racing**

	Churchill Downs Racetrack	Louisville Thoroughbred Society	Cumberland Run Racetrack	Ellis Park Racetrack	Keeneland Racetrack	Kentucky Downs Racetrack	Red Mile Racetrack	Turfway Park Racetrack	Oak Grove Racetrack	Grand Total
Off-Track Handle (Simulc..	\$7,552,589	\$47,899	\$76,544	\$3,916,174	\$9,260,137	\$4,685,075	\$7,100,098	\$2,493,316	\$579,648	\$35,711,479
Thoroughbred	\$7,383,088	\$45,749	\$73,331	\$3,582,891	\$9,221,354	\$4,295,658	\$384	\$2,402,943	\$452,313	\$27,457,712
Standardbred	\$127,542	\$838	\$2,048	\$320,643	\$0	\$321,796	\$7,057,770	\$64,968	\$117,463	\$8,013,067
Other Breeds	\$41,959	\$1,311	\$1,166	\$12,641	\$38,782	\$67,620	\$41,944	\$25,405	\$9,872	\$240,700
Excise Tax - Simulcast	\$144,673	\$0	\$0	\$74,752	\$175,368	\$92,374	\$0	\$45,416	\$0	\$532,583
Thoroughbred Develop..	\$94,181	\$0	\$0	\$45,504	\$116,418	\$56,583	\$0	\$29,150	\$0	\$341,837
Standardbred Develop..	\$1,743	\$0	\$0	\$4,183	\$0	\$4,177	\$0	\$810	\$0	\$10,913
Quarter Horse Develop..	\$525	\$0	\$0	\$147	\$493	\$823	\$0	\$317	\$0	\$2,306
Equine Drug Research	\$4,822	\$0	\$0	\$2,492	\$5,846	\$3,079	\$0	\$1,514	\$0	\$17,753
Higher Education Equin..	\$4,822	\$0	\$0	\$2,492	\$5,846	\$3,079	\$0	\$1,514	\$0	\$17,753
Equine Industry Progra..	\$2,411	\$0	\$0	\$1,246	\$2,923	\$1,540	\$0	\$757	\$0	\$8,876
General Fund	\$36,168	\$0	\$0	\$18,688	\$43,842	\$23,093	\$0	\$11,354	\$0	\$133,146

**Pari-Mutuel Wagering for FY 2023 (YTD)**

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**On-Track Wagers on Historical Horse Racing**

	Licensee / Facility									Grand Total
	Churchill Downs Racetrack, LLC	ECL Corbin, LLC	Ellis Entertainment, LLC	Kentucky Downs, LLC		Lexington Trots Breeders Associa..	Turfway Park, LLC		WKY Development, LLC	
	Derby City Gaming	Williamsburg	Henderson	Bowling Green	Franklin	Red Mile	Newport	Turfway Park	Oak Grove	
On-Track Handle	\$685,899,786	\$55,229,320	\$71,668,212	\$144,668,966	\$620,755,509	\$267,500,084	\$111,450,002	\$66,409,147	\$525,828,488	\$2,549,409,515
Return to Public	\$623,409,291	\$49,027,707	\$65,447,943	\$130,537,194	\$567,589,527	\$244,916,304	\$100,664,885	\$59,285,364	\$479,130,856	\$2,320,009,071
Pool Growth	\$969,910	\$714,958	\$7,831	\$610,328	\$570,669	(\$45,347)	\$342,485	\$694,254	\$620,202	\$4,485,289
Breakage	\$0	\$1,051	\$9,632	\$1,815	\$25,480	\$52,659	\$0	\$0	\$0	\$90,636
Gross Commission - Win	\$61,520,585	\$5,485,604	\$6,202,806	\$13,519,630	\$52,569,834	\$22,576,473	\$10,442,632	\$6,429,529	\$46,077,431	\$224,824,524
Excise Tax - HHR	\$10,288,497	\$828,440	\$1,075,023	\$2,170,034	\$9,311,333	\$4,012,501	\$1,671,750	\$996,137	\$7,887,427	\$38,241,143
Standardbred Development..	\$0	\$552,293	\$0	\$0	\$0	\$1,337,500	\$0	\$0	\$2,629,142	\$4,518,936
Thoroughbred Developmen..	\$5,144,248	\$0	\$537,512	\$1,085,017	\$4,655,666	\$1,003,125	\$835,875	\$498,069	\$1,971,857	\$15,731,369
General Fund and Other	\$5,144,248	\$276,147	\$537,512	\$1,085,017	\$4,655,666	\$1,671,876	\$835,875	\$498,069	\$3,286,428	\$17,990,837
Adjusted Commission - Win	\$51,232,089	\$4,657,165	\$5,127,783	\$11,349,595	\$43,258,502	\$18,563,971	\$8,770,882	\$5,433,392	\$38,190,004	\$186,583,382
Average Terminal Count	4,406	905	1,261	1,789	4,191	3,421	1,819	1,607	5,448	24,847
Adj. Commission-Win/Unit	\$11,627	\$5,146	\$4,067	\$6,345	\$10,321	\$5,426	\$4,822	\$3,381	\$7,010	\$7,509

**Advance Deposit Account Wagering**

	Licensee								Grand Total
	AmWest Entertainment	eBet Technologies	Lien Games Racing	NYRABets	TVG	Twinspires	WatchandWager.com	Xpressbet	
Total Handle	\$969,480	\$162,834	\$380,125	\$4,334,377	\$37,427,031	\$70,068,965	\$175,397	\$12,876,471	\$126,394,679
In-State Races	\$108,116	\$24,577	\$32,733	\$807,372	\$8,259,813	\$20,080,066	\$31,150	\$4,064,476	\$33,408,303
Out-of-State Races	\$861,363	\$138,257	\$347,392	\$3,527,005	\$29,167,218	\$49,988,899	\$144,247	\$8,811,996	\$92,986,377
Excise Tax - ADW	\$12,395	\$1,860	\$4,432	\$51,435	\$460,694	\$866,317	\$2,081	\$160,333	\$1,559,548
Host Track - Purses	\$5,268	\$791	\$1,884	\$21,860	\$195,795	\$368,185	\$884	\$68,142	\$662,808
Host Tracks	\$5,268	\$791	\$1,884	\$21,860	\$195,795	\$368,185	\$884	\$68,142	\$662,808
General Fund	\$1,859	\$279	\$665	\$7,715	\$69,104	\$129,948	\$312	\$24,050	\$233,932

**Total Distributions by Account**

The General Fund line includes amounts that are deposited to various accounts. These caps are calculated from deposits resulting from the excise tax for conducting pari-mutuel wagering on historical horse racing. Since these amounts are calculated as a whole and not per licensee, a one-time transfer will be made once the caps are met within the fiscal year. At the end of the fiscal year, approximately \$2M must be deducted from this line in order to determine the actual amount retained by the General Fund. Please contact the Department of Revenue with any questions regarding these transfers.

<b>Total Excise Tax</b>	\$40,734,040
<b>Equine Drug Research</b>	\$44,471
<b>Equine Industry Program</b>	\$62,312
<b>Higher Education Program</b>	\$44,471
<b>K. Standardbred Development Fund</b>	\$4,541,451
<b>K. Thoroughbred Development Fund</b>	\$16,264,888
<b>K. Quarter Horse Development Fund</b>	\$2,306
<b>Host Track - Purses</b>	\$662,808
<b>Host Tracks</b>	\$662,808
<b>General Fund (See Note on Caps)</b>	\$18,448,527
<b>Backside Improvement Fund</b>	\$423,376