



INDIANA HORSE RACING COMMISSION



Photo: Courtesy of Lawrence Van Garrett/coadyphoto.com



2012 ANNUAL REPORT

Photo: Courtesy of Dean Gillette

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Indiana Racetracks & OTB's



HOOSIER PARK RACING • CASINO

a Centaur Gaming Destination

Mailing Address

4500 Dan Patch Circle, Anderson, Indiana 46013
Telephone: 765-642-RACE (7223) Fax: 765-683-2599

Meet Period

March 27, 2011 - July 14, 2012 (Standardbred)
August 1, 2011 - October 27, 2012 (Thoroughbred/Quarter Horse)
(143 Racing Days - 63 Flat Racing; 80 Standardbred Racing)

Track Stats

Grandstand Seating Capacity: 1,750
Barn Area Stall Space: 980
Size of Track: Length: 7/8 mile, Width: 90 feet

Off Track Betting Parlor Locations

Ft Wayne OTB - 1820 West Washington Center Road; Phone: (260) 490-9006
Winner's Circle OTB - 110 West Washington St., Indianapolis; Phone: (317) 656-7223
Merrillville OTB - 7610 Broadway; (219)-755-0000



Mailing Address

4200 N Michigan Rd, Shelbyville, Indiana 46176
Telephone: 317-421-0000 Fax: 317-421-0100

Meet Period

April 16, 2012 - July 11, 2012 (Thoroughbred/Quarter Horse)
July 24, 2012 - November 7, 2012 (Standardbred)
(140 Racing Days - 60 Flat Racing; 80 Standardbred Racing)

Track Stats

Grandstand Seating Capacity: 800
Barn Area Stall Space: 644
Size of Track: Length: 1 mile, Width: 80 feet;
7 Furlong Turf Course, Width: 98 feet

Off Track Betting Parlor Locations

Clarksville OTB - 650 Eastern Blvd.; Phone: (812) 473-8910

Indiana Horse Racing Commission

Commissioners



William Diener
Chairman

William Diener Chairman
Steve Schaefer Vice Chairman
Doug Grimes Member
Jason Barclay Member
Greg Schenkel Member

Commission Senior Staff

Joe Gorajec Executive Director
Deena Pitman Assistant Executive Director
Lea Ellingwood General Counsel
Wendi Samuelson-Dull Controller
Terry Richwine Director of Security
Jessica Barnes Director of Racing & Breed Development
Angela Demaree, DVM Equine Medical Director
Holly Newell Deputy General Counsel



Joe Gorajec
Executive Director

Coordinating Support Staff

Donna Aitken Accountant
Kelly Peine Standardbred Breed Development Coordinator
Tabitha Saltzman TB and QH Breed Development Coordinator
Frankie Edmonds Standardbred Breed Development Clerk
Sarah Sobieski Breed Development Residency Coordinator

Race Track Staff

Al Simpson Investigator
Mike McKinley Investigator
Toni Lucente Investigator
Abi Meister Licensing Supervisor
Erin Hardebeck Indiana Downs Licensing Manager
Karen Osornio Hoosier Park Licensing Manager

Standardbred Judges

Timothy Schmitz, Presiding Judge
Richard (Dick) DiSantis, Associate Judge
Renee Sheward, Associate Judge

Thoroughbred Stewards

Stanley Bowker, Sr. State Steward
Tim Day, Associate Steward
William Troilo, Associate Steward

Commission Veterinarians

Katy Ivester, DVM
Rick Lyons, DVM
Angie Yates, DVM
Joan Norton, DVM
Anthony Dalessandro, DVM
Lani Gilliam, DVM

Veterinary Technicians

Stephanie Adams, RVT
Abigal Whitaker, RVT
Renee Knapp, RVT
Yvonne Stephens, RVT
Anne Tressler, RVT
Jill Wise, RVT

Laboratory Technicians

Lou Ann Barnett
Janet Curran
Jeff Pennington

Racing Inspectors

Karla Vaughn
Shelley McCracken-Rania

Live Racing at Tracks

Standardbred	Hoosier Park	Indiana Downs	Total
Number of Dates	80	78*	158
Total Handle	\$2,348,407	\$1,210,087	\$3,558,494
Average Daily Handle	\$29,355	\$15,514	\$44,869
Thoroughbred	Hoosier Park	Indiana Downs	Total
Number of Dates	60*	57*	117
Total Handle	\$1,691,235	\$1,778,865	\$3,470,100
Average Daily Handle	\$28,187	\$31,208	\$59,395
Quarter Horse	Hoosier Park	Indiana Downs	Total
Number of Races	99	98	197
Total Handle	\$271,481	\$302,219	\$573,700
Average <u>Per-Race</u> Handle	\$2,742	\$3,084	\$5,826
Total Live Handle	Hoosier Park	Indiana Downs	Total
	\$4,311,123	\$3,291,171	\$7,602,294

(*Loss of race dates due to inclement weather)

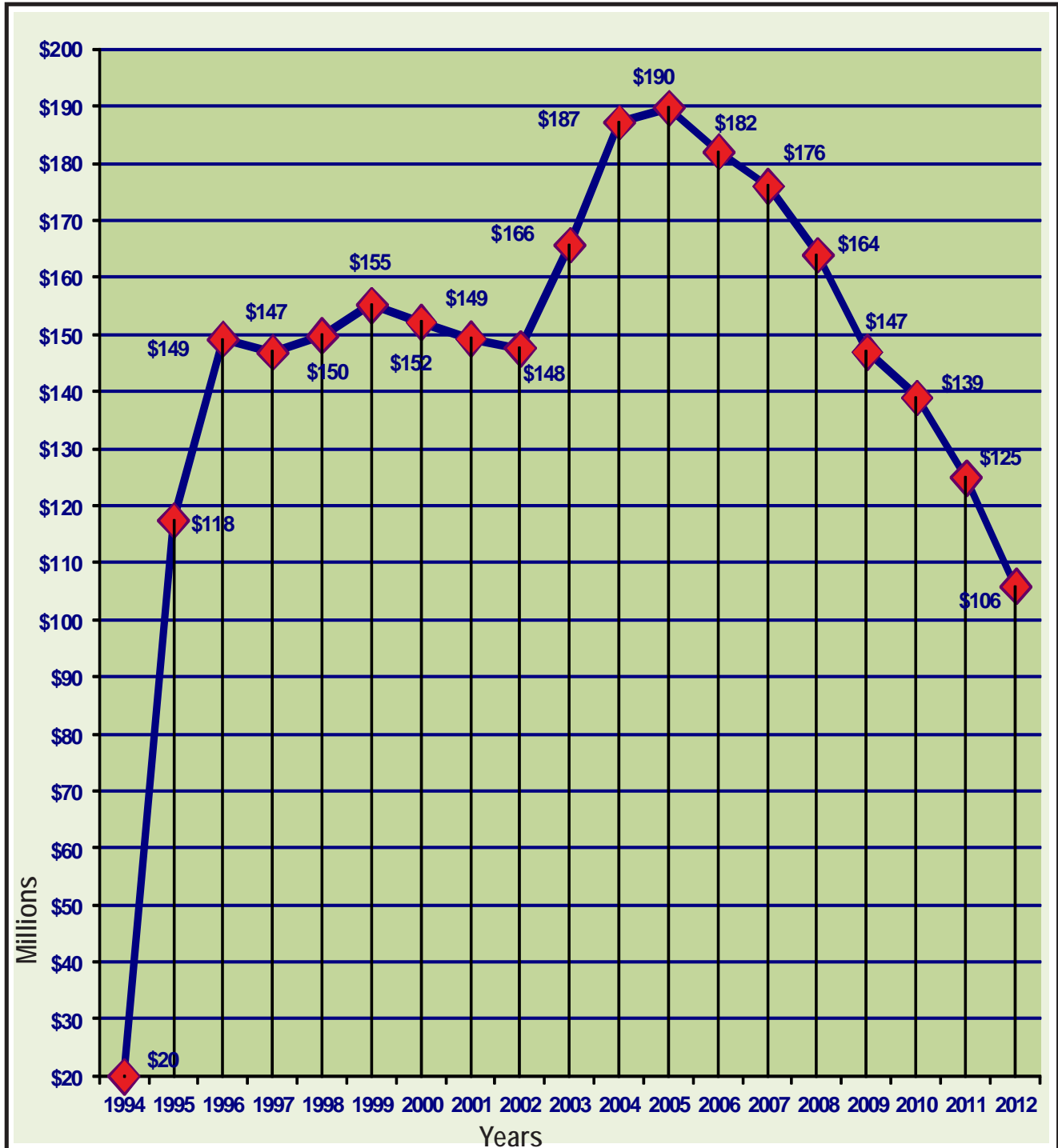
Simulcast Handle

Export Handle ⁽¹⁾	Hoosier Park	Indiana Downs	Total
Thoroughbred	\$40,415,179	\$52,452,659	\$92,867,838
Standardbred	31,670,198	27,721,753	59,391,951
Quarter Horse	3,110,865	3,831,230	6,942,095
Total Simulcast Handle	\$75,196,242	\$84,005,642	\$159,201,884
Average Daily Export Handle	Hoosier Park	Indiana Downs	Total
Thoroughbred	\$673,586	\$920,222	\$1,593,808
Standardbred	395,877	355,407	751,284
Quarter Horse *	31,423	39,094	<small>*Quarter Horse handle is calculated on a <u>per race</u> basis not daily.</small>
In-State Handle ⁽²⁾	Hoosier Park	Indiana Downs	Total
Thoroughbred/Quarter Horses	\$44,942,771	\$34,698,046	\$79,640,817
Standardbred	13,538,898	5,454,681	18,993,579
Total In-State Handle	\$58,481,669	\$40,152,727	\$98,634,396

(1) Hoosier Park wagered \$1,423,078 on Indiana Downs' simulcast signal (\$802,840 on standardbred and \$620,238 on thoroughbred + Quarter Horse). Indiana Downs wagered \$825,656 on Hoosier Park's simulcast signal (\$424,351 on thoroughbred + Quarter Horse and \$401,305 on standardbred). These handle numbers are included in the "**Export Handle**" above by source of signal and in "**In-State Handle**" by location of wager.

(2) Handle at Indiana OTB's on racing originating in-state is accounted for in "**In-State Handle**" source of wager (i.e. Hoosier Park's OTB handle on Hoosier Park's live racing is attributed to Hoosier Park).

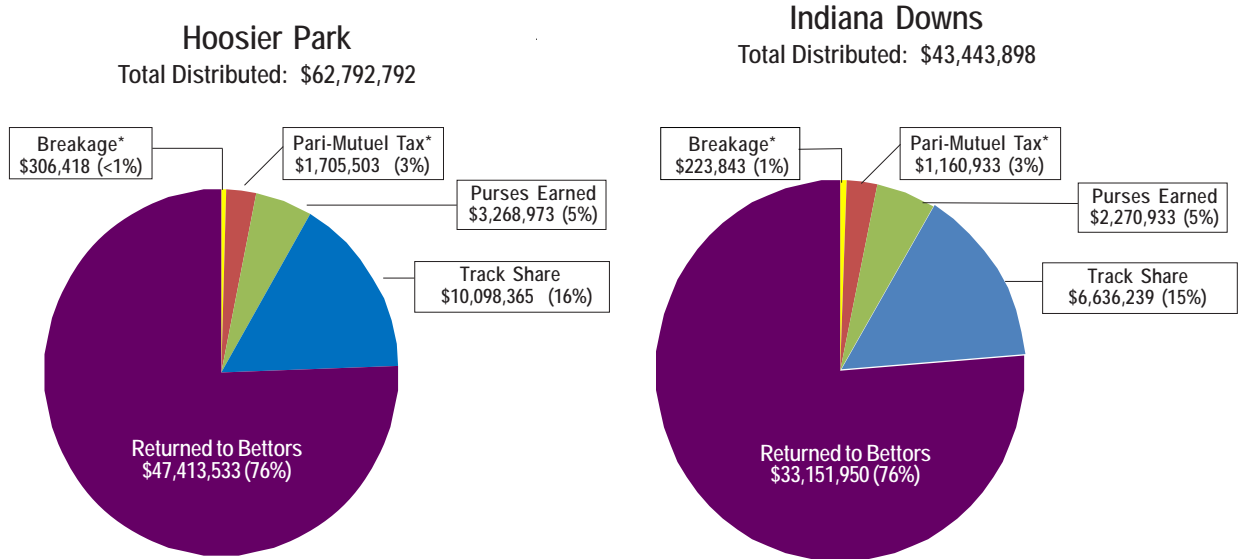
Total In-State Handle



(Handle - money wagered by the betting public on pari-mutuel races.)

Distribution of the Wagering Dollar

The following is a breakdown of the distribution of all monies wagered at both Hoosier Park and Indiana Downs and their satellite facilities:



*Pari-Mutuel Tax - includes satellite facility tax.

*Breakage - the difference in the rounding off of pari-mutuel payoffs.

State Revenues

The following revenue is collected in accordance with pari-mutuel statute IC 4-31, and is directed to the general fund unless otherwise noted:

Hoosier Park	
Pari-Mutuel Tax	\$1,480,679
Track Reimbursement for Officials	260,774
Occupational License Fees	118,515
Satellite Facility Tax* (1/2% on OTB handle)	224,823
*50% to livestock industry promotion and development fund and 50% to State Fair Commission	
Fines and Civil Penalties Paid	29,850
Track Permit and License Fees	8,000
Total	\$2,122,641

Indiana Downs	
Pari-Mutuel Tax	\$1,014,906
Track Reimbursement for Officials	227,248
Occupational License Fees	161,660
Satellite Facility Tax* (1/2% on OTB handle)	146,027
*50% to livestock industry promotion and development fund and 50% to State Fair Commission	
Fines and Civil Penalties Paid	32,000
Track Permit and License Fees	6,000
Total	\$1,587,841

Total State Revenue \$ 3,710,482

The direct revenue received by the State of Indiana exceeded the cost of regulation. Indiana Horse Racing Commission operating expenditures for calendar year 2012 were \$1,911,276.

Occupational Licensing

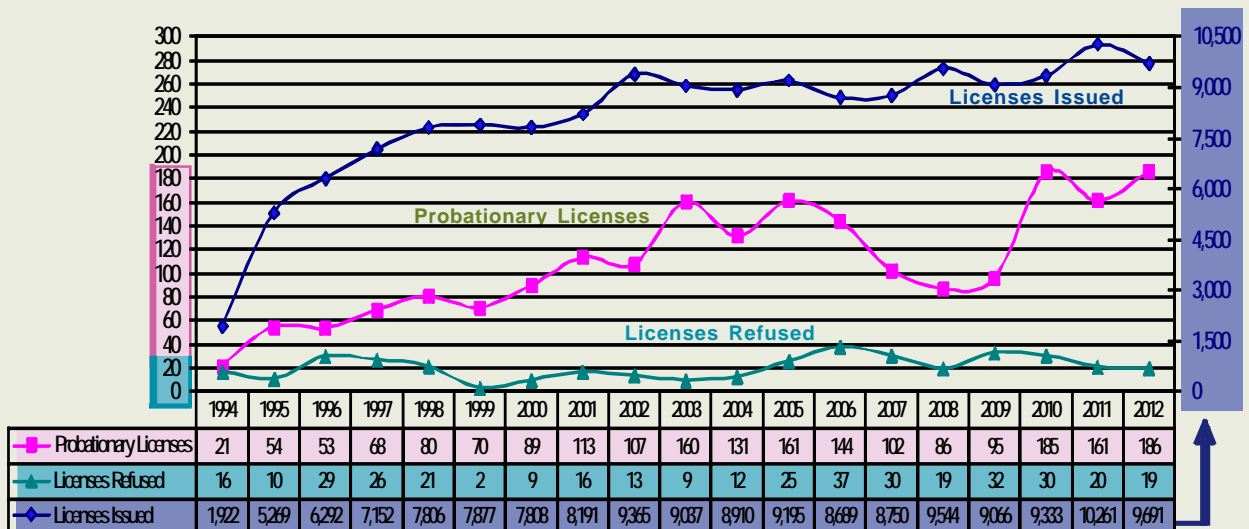
Pursuant to IC 4-31-6 and 71 IAC 5-1-1, all persons participating in pari-mutuel racing under the jurisdiction of the Commission are required to be licensed. The licensing process is the backbone of the Commission's regulatory efforts. Each prospective licensee is fingerprinted.

The Federal Bureau of Investigation (FBI) provides the Commission with criminal histories of all applicants. The Commission may refuse or deny the application for licensure of any person whose criminal or racing violation record is contrary to the public's best interest.

2012

Category	Count	Category	Count
Owner, Thoroughbred	1,800	Qualifying Driver	35
Owner, Standardbred	1,715	Racing Official	31
Groom	1,115	Owner/Trainer, Quarter Horse	30
Track Employee	990	Pony Rider	26
Stable Name	765	Gate Crew	26
Owner/Trainer, Thoroughbred	316	Farrier	24
Owner, Quarter Horse	308	Jockey Agent	22
Vendor Employee	298	Practicing Veterinarian	14
Owner/Trainer/Driver	253	Trainer, Quarter Horse	14
Track Security	249	Vet. Helper	14
Owner/Trainer, Standardbred	241	Trainer, TB/QH	13
Trainer, Thoroughbred	201	Authorized Agent, Thoroughbred	11
Pari-Mutuel Clerk	178	Valet	11
Trainer, Standardbred	137	Owner/Driver	10
Jockey	124	Apprentice Jockey	10
Asst. Trainer, Thoroughbred	109	Asst. Trainer, TB/QH	8
Driver/Trainer	100	Authorized Agent, Standardbred	9
Commission Staff	83	Asst. Trainer, Standardbred	7
Exercise Rider	71	Amateur Driver	5
Track Management	66	Track Veterinarian	4
Owner/Trainer, TB/QH	56	Outrider	4
Driver	49	Asst. Trainer, Quarter Horse	4
Vendor/Contractor	46	Horsemen's Bookkeeper	1
Owner, TB/QH	45	Farrier Assistant	1
Other	42		

Total Licenses Issued in 2012: 9,691



Equine Drug Testing

Pari-mutuel horse racing can succeed as a legitimate major league sport only if its races are perceived by the wagering public to be honest, competitive contests, free from manipulation by man or drugs. The Commission's drug detection program is one of the nation's most comprehensive and its laboratory, one of the most respected in the racing industry.

Breed	Race Dates	Urine	Blood	Positive Tests
Standardbred	157	1920	2250	7
Thoroughbred/Quarter Horse	117	1814	1911	16
Total	274	3734	4161	23

Truesdail Laboratory in Tustin, California, serves as the primary testing laboratory for the Indiana Horse Racing Commission. Truesdail Laboratory has been a leader in racing chemistry and drug-related research for over 50 years. For

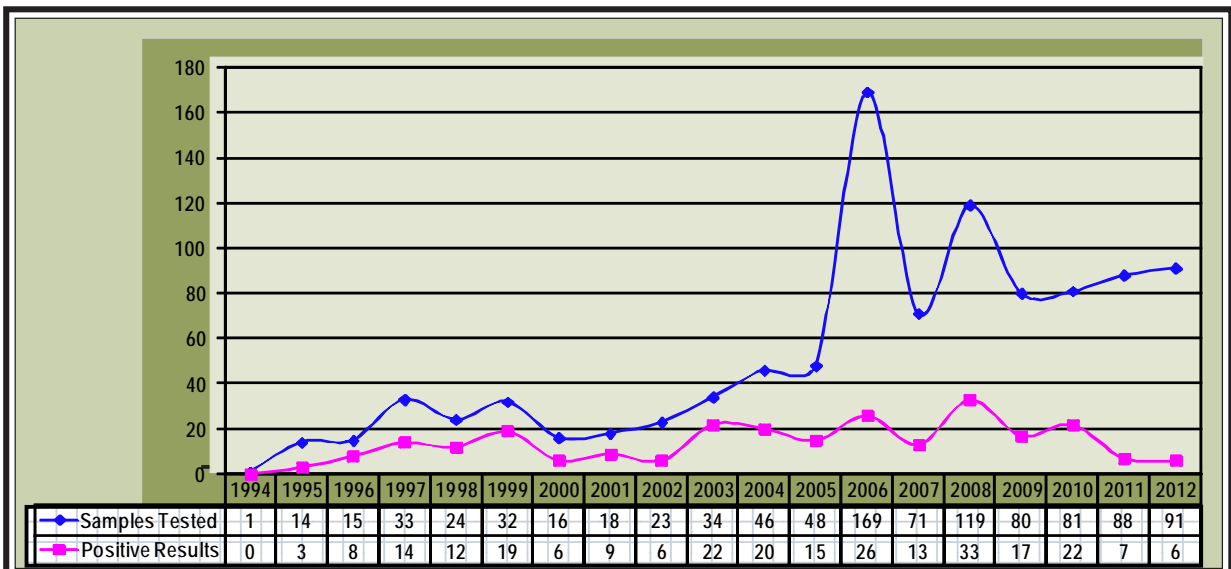
each positive test, the offending horse was disqualified and placed last. In accordance with the pari-mutuel statute, all purse money earned is ordered returned and redistributed.

The following table represents a further breakdown, by breed, of the name and types of drugs reported by the laboratory.

Number of Violations by Breed			ARCI Drug Classification	Drug Type
SB	TB	QH		
5	4		Bute (Overage)	nonsteroidal anti-inflammatory
2	2	1	Flunixin (Overage)	nonsteroidal anti-inflammatory
	1	1	Carbazochrome (Class 4)	antihemorrhagic
		3	Clenbuterol (Class 3)	bronchodilator
		1	Dexamethasone (Class 4)	corticosteroid
		1	Methocarbamol (Class 4)	muscle relaxant
		1	Pyrilamine (Class 3)	antihistamine
		1	Zilpaterol (Class 3)	beta 2- agonist

(SB = Standardbred; TB = Thoroughbred; QH = Quarter Horse)

Human Drug Testing



Breed Development

Overview

Pursuant to IC 4-31-11, breed development funds have been established to promote the breeding of horses while stimulating the agri-business sector of the state's economy.

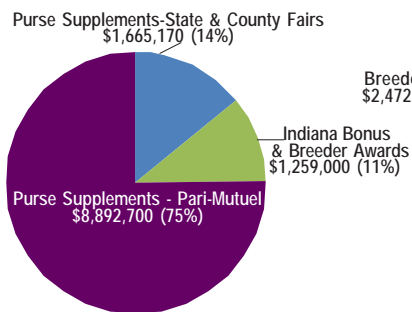
Historically, breed development funds have consisted of breakage (the difference in the rounding off of pari-mutuel payoffs), outs (all uncashed tickets), and riverboat admissions tax allocation. This same funding mechanism has been in place until racinos opened at Indiana's

two racetracks in June of 2008. At this time, riverboat allocation was replaced by an allocation from slot machine wagering at racinos in accordance with 71 IAC 4-35-7-12.

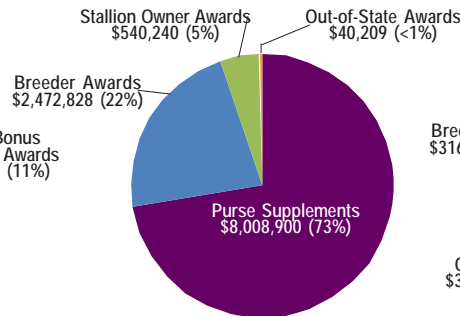
By visiting the commission website (www.in.gov/hrc), information can be obtained regarding eligibility requirements for racing awards such as those described in the charts below. There are detailed instructions on how to register a foal/horse, what applications to use and what type of deadlines apply.

2012 Award / Purse Distributions

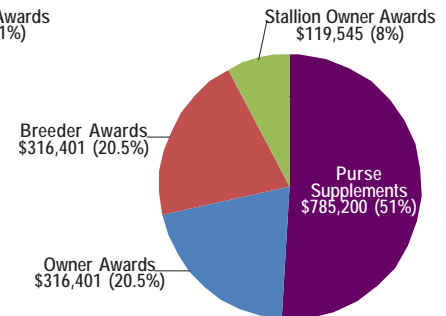
Standardbred Awards / Purses
Total Distributed: \$11,816,870



Thoroughbred Awards / Purses
Total Distributed: \$11,062,177



Quarter Horse Awards / Purses
Total Distributed: \$1,537,547



2012 Breed Development Fund Revenues

Breed	Breakage	Outstanding Tickets *	Slot Revenue	Total
Standardbred	254,526	304,844	11,698,985	12,258,355
Thoroughbred	254,526	304,844	9,859,188	10,418,558
Quarter Horse	21,209	25,404	1,285,981	1,332,594
Total	\$530,261	\$635,092	\$22,844,154	\$24,009,507

* Outstanding ticket revenue is based on tickets purchased in 2011 which expired in 2012.

2012 Breed Development Committee Members

Standardbred Breed Development Advisory Committee

Michael Christner, *Chair*
Don Eash
Scott Snyder

Standardbred Advisory Board

Dwayne Rhule, *Chair*
Tim Graber
Byron Hooley

Pam Cross
Faron Parr
Jessica Barnes, *ExOfficio Member*

Thoroughbred Breed Development Advisory Committee

Wendy Brown, *Chair*
Steve Stults
Paul Tinkle

Quarter Horse Breed Development Advisory Committee

Mike Gross, *Chair*
Randy Thompson

Racino Slot Revenue

The 2007 Indiana Legislature approved slot machine wagering at the State's two pari-mutuel racetracks in accordance with 71 IAC 4-35-7-12. Racino slot revenue began replacing riverboat revenue June, 2008. These funds are distributed to various segments of the racing industry in accordance with Commission rule IC 4-35-7-12. Detailed racino slot revenue distribution is noted in the chart below.

Racino Slot Revenue Allocation

Slot Revenue	2009	2010	2011	2012	Total
15% of AGR	\$63,015,093.08	\$59,928,951.47	\$69,280,802.87	\$70,150,763.86	\$262,375,611.28
Remaining distribution after funding the following: CAP, Tobacco Cessation Fund & Integrity Fund	\$62,515,093.08	\$59,428,951.47	\$56,463,010.88	\$55,239,737.68*	\$233,646,793.11
EQUINE PROMOTION/ WELFARE (.5%) TO	\$312,575.46	\$297,144.76	\$282,315.06	\$276,198.70	\$1,168,233.98
SB ASSN (46%)	\$143,784.71	\$136,686.59	\$129,864.93	\$127,051.40	\$537,387.63
TO HBPA (46%)	\$143,784.71	\$136,686.59	\$129,864.93	\$127,051.40	\$537,387.63
TO IQHRA (8%)	\$25,006.04	\$23,771.58	\$22,585.20	\$22,095.90	\$93,458.72
BACKSIDE BENEVOLENCE (2.5%) TO	\$1,562,877.33	\$1,485,723.78	\$1,411,575.28	\$1,380,993.44	\$5,841,169.83
SB ASSN (46%)	\$718,923.57	\$683,432.94	\$649,324.63	\$635,256.98	\$2,686,938.12
TO HBPA (46%)	\$718,923.57	\$683,432.94	\$649,324.63	\$635,256.98	\$2,686,938.12
TO IQHRA (8%)	\$125,030.19	\$118,857.90	\$112,926.02	\$110,479.48	\$467,293.59
97% TO RACING	\$60,639,640.29	\$57,646,082.93	\$54,769,120.55	\$53,582,545.55	\$226,637,389.32
THOROUGHBRED (46%)	\$27,894,234.54	\$26,517,198.14	\$25,193,795.46	\$24,647,970.95	\$104,253,199.09
OF 46%, 60% TO FOLLOWING:	\$16,736,540.73	\$15,910,318.88	\$15,116,277.27	\$14,788,782.57	\$62,551,919.45
TB PURSES (97%)	\$16,234,444.50	\$15,433,009.32	\$14,662,788.95	\$14,345,119.09	\$60,675,361.86
HBPA (2.4%)	\$401,676.98	\$381,847.65	\$362,790.65	\$354,930.78	\$1,501,246.06
OWN & THB ASSN (.6%)	\$100,419.24	\$95,461.91	\$90,697.66	\$88,732.70	\$375,311.51
TB BREED DEVELOPMENT- 40%	\$11,157,693.81	\$10,606,879.26	\$10,077,518.19	\$9,859,188.38	\$41,701,279.64
STANDARD BRED (46%)	\$27,894,234.53	\$26,517,198.16	\$25,193,795.46	\$24,647,970.95	\$104,253,199.11
(Minus State Fair Commission funding of \$1,250,000)					
OF 46%, 50% TO FOLLOWING:	\$13,947,117.27	\$13,258,599.08	\$12,221,897.72	\$11,698,985.48	\$51,126,599.55
SB PURSES (96.5%)	\$13,458,968.16	\$12,794,548.11	\$11,794,131.30	\$11,289,520.98	\$49,337,168.55
SB ASSN (3.5%)	\$488,149.10	\$464,050.97	\$427,766.42	\$409,464.49	\$1,789,430.98
SB BREED DEVELOPMENT- 50%	\$13,947,117.27	\$13,258,599.08	\$12,221,897.71	\$11,698,985.48	\$51,126,599.54
QUARTER HORSE (8%)	\$4,851,171.23	\$4,611,686.65	\$4,381,529.64	\$4,286,603.64	\$18,130,991.16
OF 8%, 70% TO FOLLOWING:	\$3,395,819.86	\$3,228,180.65	\$3,067,070.76	\$3,000,622.55	\$12,691,693.82
QH PURSES (95%)	\$3,226,028.86	\$3,066,771.61	\$2,913,717.21	\$2,850,591.42	\$12,057,109.10
QHRA ASSN (5%)	\$169,790.99	\$161,409.04	\$153,353.55	\$150,031.13	\$634,584.71
QH BREED DEVELOPMENT- 30%	\$1,455,351.37	\$1,383,506.00	\$1,314,458.89	\$1,285,981.09	\$5,439,297.35
Total Slot Revenue Disbursed to Horse Racing in 2012					
Slot revenue to purses					\$28,485,231.49
Slot revenue to breed development					\$22,844,154.95
Slot revenue to horsemen's associations					\$2,660,351.23
* AGR total above includes \$1,250,000.00 State Fair Commission funding via Standardbred's 46% allotment from slots.					
Total 2012 Slot Funds Disbursed					\$53,989,737.67

Indianapolis Office

Indiana Horse Racing Commission
1302 N Meridian St., Suite 175
Indianapolis, IN 46202
Phone: (317) 233-3119
Fax: (317) 233-4470

www.in.gov/hrc

Field Offices

Indiana Horse Racing Commission
c/o Hoosier Park
4500 Dan Patch Circle
Anderson, IN 46013
Phone: (765) 609-4855
Fax: (765) 683-2568

Indiana Horse Racing Commission
c/o Indiana Downs
4425 N 200 W
Shelbyville, IN 46176
(317)-713-3350
(317)-713-3355