



Fresh Leadership  
**Focused Plans**  
National Involvement  
**Innovation**



# ANNUAL REPORT 2014



Benefiting  
all of Minnesota



**Minnesota Racing Commission**

## Table of Contents

A Letter from the Chair.....	
Diverse, Engaged, Accomplished Leadership.....	1
Our Mission.....	2
Executive Director's Message.....	3-4
The Year in Review.....	5
Horse Racing Benefits All of Minnesota.....	6
Reinvesting in the Future.....	7
Economic Horsepower.....	8
Best of the Best.....	9
Grant Payments and Charitable Giving.....	10
All in a Day's Work.....	11
Minnesota Breeders' Fund.....	12

Dear Governor Dayton and Members of the Legislature:

I am pleased to report the significant progress made by the Minnesota Racing Commission during 2014. As noted last year, the Commission was in transition at both the staff and Commissioner levels. Since my report to you last year, we have added Deputy Director Joe Scurto, who brought extensive industry and operational experience to the Commission. Together with Executive Director Tom DiPasquale, they have provided leadership to a very committed staff and support for the Commission. Also since our last report we have added two new Commissioners: Lisa Goodman, member of the Minneapolis City Council and long-time advocate for humane treatment of animals, and Alan Gingold, who brings financial and business acumen to the Commission. We look forward to welcoming new Commissioner appointees later this year and, in particular, want to thank Mark Urista for his years of service.

In 2014, the Commission resolved, with support from the Office of Legislative Auditor, a purse dispute between Running Aces and its horsepersons that had simmered far too long. We restored cross breed simulcasting to allow patrons at our tracks a full menu of wagering options on Minnesota races. We strengthened our internal controls and accounting procedures, which were judged by the OLA's 2014 audit to be compliant with applicable laws and standards. We developed a legislative agenda that is responsive to the dual needs of industry growth and regulatory oversight. At the national level, we increased our participation in efforts to bring uniformity and needed reform to the racing industry. Finally, we continue to assure compliance with rules relating to therapeutic and prohibited medications to help assure the safety of participants and the integrity of pari-mutuel wagering.

Although regulatory compliance is the Commission's principal responsibility, we are also mindful that we need to be supportive of efforts that will promote industry growth and enhance opportunities for those who participate in and benefit, both directly and indirectly, from Minnesota racing. In addition to the thousands of jobs that radiate from the core activities of racing, breeding and card playing--there were more than 5,000 licensees and more than 2,000 horses that participated in racing last year--there are a myriad of agribusiness, leisure and entertainment, professional and technical services, construction and other interests that benefit from Minnesota racing.

The Commission believes there are untapped opportunities to enhance the economic benefits to the industry and the State. We look forward to exploring those opportunities with government leaders, racing industry participants and interested parties from the private sector.

Finally, we wish to express our appreciation for your recognition of the funding required for the Commission to maintain and enhance its operations. Our Executive and Deputy Directors and the staff have identified numerous opportunities to do so. These will require enhancements to the Commission's IT platform to improve our licensing and pari-mutuel auditing functions. It will also require a license fee structure that more accurately reflects the true costs of ensuring the integrity of racing and the protection of public health, welfare and safety.

The balance of this report provides additional detail on Commission activities. I, personally, have appreciated the opportunity to serve as the Chairman since July of 2013 and look forward to continued collaboration with your office and the Legislature in accomplishing the objectives of the Commission.

Regards,



Ralph Strangis  
Chairman  
MN Racing Commission

# The Racing Commission is comprised of nine members appointed by the Governor and confirmed by the Senate for six-year terms.



## Commissioner Dan Erhart

Dan Erhart was appointed to the MRC in 2012, and also serves on the Commission's Finance Committee. A graduate of the University of Minnesota with a bachelor of science degree, Mr. Erhart has served 30 years as an Anoka County commissioner, serving as chair for 18 of those years. A small business owner and previous employment in various management positions in the area of finance, production, and government relations, brings a wealth of experience to the MRC.



## Commissioner Alan Gingold

Alan Gingold became a member of the MRC in March, 2014 and also serves on the Commission's Finance Committee. Mr. Gingold has a master of science degree in finance and is a chartered financial analyst. He is the chief financial officer and a shareholder of Lorenz Bus Service which he and another shareholder acquired in 1994. Since the early 1970's until 1994 Mr. Gingold was an investment banker, principally with Piper, Jaffray & Hopwood, and a private investor.



## Commissioner Lisa Goodman

Lisa Goodman was appointed to the Minnesota Racing Commission in March, 2014 and also serves on the Racing Committee. She is a native of Chicago, Illinois, and graduated from the University of Wisconsin-Madison with a degree in political science and labor relations. Ms. Goodman is currently a member of the Minneapolis City Council, representing the 7th ward, and is the chairperson of the City Council's Community Development Committee. She serves on the board of directors of the Family Housing Fund, Animal Humane Society, Midwest Legacy Fund, and Dog Grounds LLC which she founded to build three dog parks in downtown Minneapolis.



## Commissioner Jim Lane

Jim Lane was appointed to the MRC in 2009 and also serves on the Administrative Affairs, Compliance, and Racing Committees. He was the first active horseperson appointed to the Commission. Mr. Lane is a graduate of The Blake School, Princeton University (B.A.), and William Mitchell College of Law (J.D.). He served two years as president of the Minnesota Horse Council in the 1970's. For the past 19 years he has maintained a general law practice in Minneapolis. Mr. Lane is a member of the board of directors of the Animal Humane Society, and was a founding member of the Minnesota Horse Welfare Coalition in 2008.



## Chairman Ralph Strangis

Ralph Strangis, returned to the MRC as Chairman in 2013. Mr. Strangis previously served as Chairman from 1989-1992. He attended the University of Minnesota where he received a BSL degree, a doctorate in law (J.D.) (magna cum laude), was an editor of the Law Review and was awarded the Order of the Coif. Mr. Strangis has been frequently invited as a lecturer of law throughout his career, and has served as a member of the Minnesota Secretary of State's advisory task force on corporate law matters.



## Commissioner Dr. Camille McArdle

Dr. Camille McArdle was originally appointed to the MRC in 1993 and currently serves on the Racing and Compliance Committees. She began her involvement with the racing industry by grooming and exercising horses at south Florida tracks. Dr. McArdle earned her doctorate in veterinary medicine in 1982 from Ohio State University. Following graduation, she served as the official regulatory veterinarian at Hialeah, Calder, and Gulfstream Park, as well as at the Pompano harness meet. In 1985, Dr. McArdle was recruited for the position of chief commission veterinarian for the MRC to help get pari-mutuel racing started in this state. Dr. McArdle is presently involved with the education of veterinary technicians.



## Commissioner Dave Roe

Dave Roe was appointed to the MRC in 2011 and also serves on the Administrative Affairs Committee. He is a Navy veteran and longtime union leader who became the president of the State Building Trade Council in 1957 and was elected president of the Minnesota AFL-CIO in 1966 and served in that post until 1985. Mr. Roe served on the Board of Regents of the University of Minnesota for almost 12 years. In 2009, he led the effort for the creation of The Minnesota Workers Memorial Garden on the State Capitol, the first and only one of its kind in the United States.



## Commissioner Kristine Sundberg

Kristine Sundberg was originally appointed to the MRC in 2003 and continues to serve on the Administrative Affairs Committee. Ms. Sundberg received her bachelor's degree from St. Cloud State University and master's degree from the University of Illinois - Springfield. Before establishing her public affairs and communications firm, The Links Group, Ms. Sundberg served as a corporate officer and vice president at several companies including Supervalu, Inc.. She has also been active as a private citizen having been appointed to the Minnesota Environmental Protection Agency Citizen Advisory Committee. Ms. Sundberg was appointed by Hennepin County and the Minnetonka mayor to serve on two watershed organizations. Additionally, Ms. Sundberg is an elected council member for her city.



## Commissioner Mark Urista

Mark Urista was appointed to the MRC in 2010 and also serves on the Finance and Compliance Committees. Mr. Urista has been in real estate for 30 years. He and his wife Deb have owned Coldwell Banker Vision in Elk River, Minnesota for the past 20 years. Mr. Urista has been the president of the local realtor association and was the president of the Minnesota State Association of Realtors in 2006. Mark is currently the chair of the Elk River Area Chamber of Commerce and the president of Lord of Life Church. Mr. Urista and his family have owned horses for 35 years and have been members of many various associations.

# *Our* Mission



The Minnesota Racing Commission operates in the public interest to ensure the integrity of horse racing and card playing, oversee the proper distribution of funds back into the industry, and provide for the safety and welfare of the human and equine participants.

Additionally, the Commission works to promote the horse racing and breeding industry in Minnesota in order to provide economic stimulus, offer residents and visitors an exciting entertainment option, and support agriculture and rural agribusiness.

# A Message from Executive Director Tom DiPasquale

## *Challenges and Opportunities for a Changing Industry*



Minnesota horse racing and card playing at Canterbury Park and Running Aces are enjoyed by many thousands of state and regional residents every year. Not only are the races, card playing and other events exciting entertainment for adults and families, they are significant contributors to the state economy. The two

tracks employ over 2,000 people and require a wide range of goods and services from vendors throughout the entire state. Both tracks continue to make substantial investments in their venues and marketing programs, however, the challenges to keeping this industry a healthy contributor to the state are multiplying.

Many of the challenges facing the Minnesota horse racing industry and the Commission are the same as those facing the industry at large--the declines in on-track wagering in favor of wagering from venues outside the track enclosure; the dramatic drop in foal production with its attendant drop in field size and pari-mutuel handle; and misperceptions about the way the sport is regulated and the equine athletes are treated to name just a few.

In some respects, the Minnesota racing industry has risen above these challenges and "outperformed" the industry as a whole. In other respects, we're losing ground by not responding to a changing landscape in ways that support our own home-grown industry.

A significant challenge and opportunity concerns the dramatic shift in how people bet on horse races. In 2013, \$1.2 billion was wagered on thoroughbred races by patrons at our nation's race tracks; \$9.7 billion was wagered from locations outside the tracks through simulcast outlets, off-track betting sites (OTBs) and advance deposit wagering (ADW)

providers. In other words, of the almost \$11 billion wagered on thoroughbred racing, 88% was wagered by fans who were not present at the track.

**In other words, of the almost \$11 billion wagered, 88% was wagered by fans who were not present at the track.**

Advance deposit wagering exists in the majority of states. ADW providers flourish due to their convenience (wagering from any location by any mobile device), low overhead costs, and minimal (or no) regulation. This competitive advantage has helped make advance deposit wagering the largest growth segment in the industry. In Minnesota, over 55% of handle (the total amount wagered) comes from ADW providers operating outside the state.

Currently, ADW providers need not be licensed in Minnesota although many of them accept wagers from Minnesota residents on virtually all tracks. However, current law does not allow ADW providers to accept wagers from Minnesota residents on Minnesota races. The net result is that the Minnesota racing industry and the state have lost revenue and a significant portion of pari-mutuel wagering is conducted outside the Commission's regulatory oversight. The failure to capture revenue from this rapidly growing segment is shortchanging Minnesota's racing industry. The Commission plans to address this issue by proposing legislation to license and regulate ADWs and

**The failure to capture revenue from this rapidly growing segment is shortchanging Minnesota owners and breeders, the race tracks and the State.**

re-direct revenues back into Minnesota racing. Other opportunities for growth are emerging in the racing and card playing industries. The Commission is following these developments and will support any initiative that is consistent with its enabling

statute and the state's economic interests.

The dramatic drop in foal production is another challenge facing the racing industry. The projected national foal crop in 2015 is 22,000, down from an all-time high of 51,296 foals in 1986. Minnesota's foal crop for all breeds has gone from its peak in 1989 of 1015 to 359 in 2014. Declining foal crops affect field size and decreasing field size in turn negatively affects handle. There simply are not enough foals born each year to support the number of race days and races being offered across the country. The Commission is in dialogue with Minnesota breeders to address this challenge and we look forward to finding ways to attract new owners to support Minnesota's breeding industry. However, the economic benefits must justify the expenses of these operations and that means more revenue, and more revenue sources such as ADW, must be infused into the industry to allow it to reach its potential.

Finally, for racing to succeed in Minnesota and elsewhere it must meet the public's expectations for safety and integrity. This is our principal responsibility. Through its involvement in national organizations such as the Association of Racing Commissioners International and the Racing and Medication Testing Consortium, Minnesota is in the vanguard of shaping uniform national rules for racing regulation.

**Finally, for racing to succeed in Minnesota and elsewhere it must meet the public's expectations for safety and integrity. For the Minnesota Racing Commission, this is our principal responsibility.**

The Commission's team of veterinarians, led by Dr. Lynn Hovda, the Commission's Chief veterinarian, is helping to lead the way on safety, integrity and after care for retired race horses. Through their involvement with the State's Boards of Animal Health, Veterinary Medicine, and Pharmacy and the University of Minnesota College of Veterinary Medicine, Minnesota's equine health and safety practices are recognized throughout the industry.

Dr. Richard Bowman, a longtime Commission veterinarian, is a nationally recognized leader in the placement of retired race horses with many of them finding a "retirement home" on his own ranch or in new occupations. The Commission also works with many others to transition race horses to a secure future.

Finally, Canterbury Park is one of 23 facilities fully accredited by the National Thoroughbred Racing Association's Safety and Integrity Alliance. The Alliance's Code of Standards is continuously raising the bar for accreditation, compliance with safety and integrity protocols and excellence in racing. Canterbury Park was re-accredited in 2014 following a two-week review of its operations and of Commission oversight.

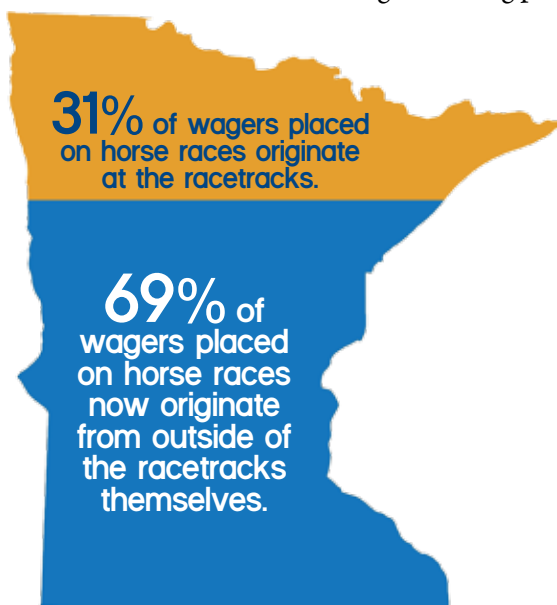
In summary, the Commission is poised to continue its leadership role in meeting the challenges of a dynamic industry. We will continue to work together with all our constituents--from Capitol policy makers to grooms who take care of the horses on the backside--to meet the challenges and seize the opportunities to grow a healthy, well-regulated industry.

# The Year In Review

Minnesota horse racing has had some bright spots within a challenged industry. National trends have shown continued erosion of handle and card club revenue due to the expansion of racinos (racetracks with slot machine operations), advance deposit wagering activity (ADW), and other forms of social gaming.

Over 69% of wagers placed on horse races run at Canterbury Park and Running Aces now originate from outside of the racetracks themselves. These statistics demonstrate the complete transition of the pari-mutuel industry from 30 years ago when wagering was primarily done at the racetracks where the actual racing was taking place.

**In 2014, 82% of the money wagered on harness races at Running Aces came from somewhere other than Running Aces.**



The results coming from the wagering that was taking place at the two Minnesota racing venues was mixed as Canterbury Park saw on track wagering fall 7.5% from a strong 2013 season, while Running Aces experienced a gain of 2.5%. Wagering coming from locations outside of Minnesota on live racing conducted at Canterbury Park was up by 1% while Running Aces saw a decline of 8%.



Wagering activity on races simulcast into Canterbury Park and Running Aces fell another 5.4% in 2014, continuing the downward trend that has seen annual simulcast wagering drop to over just over \$30 million since 2004. The rapid growth of ADW activity, due to horseplayers' desire for convenience and the advancement of streaming mobile video, will negatively impact Minnesota racetracks. (See Table on page A-6)

Activity in the card clubs is also a story of two tales as Canterbury Park saw revenues grow 5.8% and Running Aces experienced a 7.9% decline. A strong movement away from poker at Running Aces saw revenues from this segment drop almost 22% in 2014.



The Minnesota racing industry has a far reaching positive impact on the entire State of Minnesota. The impact is more than just horses and farms, it's also all the people behind the scenes that put on the show all year round. Canterbury Park and Running Aces employ over 2,000 people from card dealers and mutuel clerks to security staff and track maintenance crews. These hard working people don't just live in Shakopee and Columbus; they come from all over the state. These two venues provide great opportunities for younger people just entering the workforce, as well as highly skilled technical professionals.

Employees are just one slice of what the industry brings to Minnesota. Product and service providers from all over the state play a pivotal role in supplying not only horse farms, but also Canterbury Park's and Running Aces' overall operation. Their products, services and employees come from across the state to help serve the tens of thousands of customers that visit each year. The industry's use of local vendors helps to ensure a healthy Minnesota economy, while promoting the

Employees



Breeders



## A STATEWIDE INDUSTRY

Businesses



Racing Occupations



Owners



value of "Made in Minnesota" products to out of state visitors. Minnesota companies gain additional benefit from the spring to fall boom of Minnesota horse racing. Local feed suppliers, veterinarians, tack shops, hotels, and other area attractions all benefit when the hooves hit the dirt each year.

The unique ingredient for any horse racing facility are the owners, trainers, grooms, jockeys and drivers of these powerful animals. Both Running Aces Harness Park and Canterbury Park draw hundreds of these industry professionals from across the country into the state each and every year. These people not only bring their staff and steeds, but more importantly, their dollars to our state.

# Reinvesting in the Future

Canterbury Park and Running Aces continued to work toward the future in 2014 by investing into their venues, people, and the industry.

In 2014 Canterbury Park added a new Expo Center as an additional space for various events and trade shows. A \$1 million remodeling and upgrade project at Canterbury also began in 2014 and will be complete by the start of the 2015 racing season. The remodeling will enhance the visitor's entertainment experience and provide more space for group and corporate events.

The purpose behind all the horse racing and card playing is to create monies to be distributed back into the industry via purses paid to the owners who invest in the horses that race. It can average \$25,000 to \$40,000 a year to keep a race horse in training, so having enough purse money to compete for is vital.

A portion of every wager placed on a horse race or at a card table not only goes into purses, but also into the breeding industry via the Minnesota Breeders' Fund. These dollars are used to provide purse money restricted to Minnesota bred horses, monetary incentives to the breeders who produce race horses, and funding for equine research and promotion of the industry.



In 2014 Running Aces made a significant investment in its long term success with the change in its top management. Peter Frank was named as the new chairman and Taro Ito as President/CEO. *(pictured)*

Equine  
Research and  
Promotion

**\$21,325**



Minnesota  
Breeders' Awards

**\$434,360**



Purses paid by  
Running Aces  
**\$2,978,525**



Purses paid by  
Canterbury Park  
**\$13,120,706**



# Minnesota's Play Destinations

Canterbury Park and Running Aces Harness Park have both live and simulcast horse racing as well as card rooms offering excitement and entertainment opportunities for Minnesotans and visitors from around the world.

From concerts to snocross and car shows, Canterbury Park and Running Aces are venues for a variety of entertainment and leisure activities. Both racetracks continue to market

aggressively to attract more people to their venues and the State of Minnesota. In 2014, the two racetracks invested over \$4 million dollars combined in marketing horse racing, poker tournaments, and special events. Additionally, Canterbury Park has become a major partner in the "River South – Land of Big Fun" cooperative, developed to promote tourism to this growing entertainment district.

LOCATED IN:  
**RiverSouth**  
- LAND OF BIG FUN -



## 2014 Champion Horsepersons



**Top Thoroughbred Owners**  
Albert & Bill Ulwelling



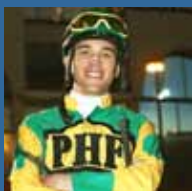
**Top Quarter Horse Owners**  
Julie and Robert Peterson



**Top Thoroughbred Trainer**  
Robertino Diodoro



**Top Quarter Horse Trainer**  
Ed Hardy



**Top Thoroughbred Jockey**  
Ry Eikleberry



**Top Quarter Horse Jockey**  
Stormy Smith



**Top Standardbred Trainer**  
Tim Maier



**Top Standardbred Driver**  
Jason Ryan

## 2014 Top Breeders

**Thoroughbred Breeder** Scott Rake

**Thoroughbred Stallion Owner** Eugene Boehlke

**Quarter Horse Breeder** Lowell Schrupp

**Quarter Horse Stallion Owner** Nathan Sommer

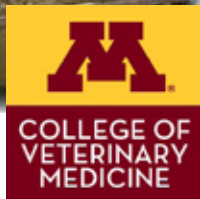
**Standardbred Breeder** Alvin Martin

# Grant Payments and Charitable Giving

Pursuant to statute, the Minnesota Racing Commission awarded the following grants in 2014:

The University Of Minnesota College Of Veterinary Medicine, in the amount of \$11,000, to fund three separate studies:

- To determine if there are abnormalities in specific structural proteins in the muscle of Warmblood horses with a form of exertional muscle diseases.
- To determine normal concentration of direct and indirect biomarkers of osteoarthritis in commonly affected equine joints.
- To determine the genetic basis for Shivers, a chronic neurodegenerative disease that affects Thoroughbreds, Warmbloods and Draft horses.



## Industry charities and associations benefit from Canterbury's and Running Aces' charitable work.

Canterbury Park gives 5% of pretax profits to charity and community programs annually through their relationship with the Minnesota Community Foundation.

The Canterbury Park Minnesota Fund provides large grants to Minnesota charitable organizations such as the American Cancer Society and Special Olympics.



Hay Bank



Permanently Disabled Jockeys Fund



Special Olympics



Canterbury Park distributed over \$45,000 of in-kind donations to non-profit (501c3) organizations for various fundraising events. A banner race day at Canterbury Park known as Fillies Race for Hope celebrates the survivors and loved ones affected by breast cancer. A gift matching program encourages employees to make a difference through charitable giving.

Running Aces operates lawful (charitable) gaming on behalf of Lakes Area Youth Service Bureau ("LAYSBS") generating gross revenues of over \$100,000 in 2014. LAYSBS provides healthy, meaningful and relevant alternatives for at-risk youth who are making bad choices or struggling with life issues.



Running Aces has made charitable donations, sponsorships and dues to organizations in excess of \$40,000 for charities such as Make-A-Wish and the Special Olympics as well as in-kind donations to local charities for events and fundraisers.



## Licensing



As a regulated industry, knowing who works, operates, sells to, or oversees operations is of vital importance to maintaining the integrity of the industry. All individuals who are employed or conduct business at a racetrack/card room in Minnesota must be licensed. Applicants are

screened to determine competency, reputation and law abidance, plus demonstrated ability to operate in the best interest of the industry. Once applicants meet these and other criteria outlined in statute, they receive a license.

**5,513 Class C occupational licenses were issued by the MRC in 2014. This number reflected a 5.5% increase vs. 2013, and was the largest number of licenses issued in the last ten years. Of this total, 2,330 were issued to Minnesota residents.**

## Integrity Protecting the Public

The key role for any regulatory agency is to protect the public and insure the integrity of the activities being presented. The MRC is no different. A highly experienced team of stewards, judges, investigators and veterinarians use a number of methods including, drug testing, video surveillance, personal observation and detailed investigations to make sure every horse race is conducted fairly and within MRC rules.



The card rooms present a unique set of integrity challenges to protect both the players as well as the association. MRC staff insures that all the card games are operated in compliance with card club plans of operation and Minnesota law. Investigators work closely with surveillance and security teams at both Canterbury Park and Running Aces to monitor card room activities and protect the public and venues from illicit activities.



## Safety and Welfare of Participants Both Human and Equine

Whenever people are working with 1,200 lb equine athletes who are capable of traveling over 30 mph, every precaution must be taken to make sure all get back to their stalls and homes safely. MRC staff is responsible for holding the racetracks to a high standard of safety by reviewing inspections that cover everything from the racing surface to the track restaurants. Veterinary staff is constantly inspecting the equine athletes before they race, as they prepare to race, and after they race to preclude any serious or preventable injuries to the horse and the people who ride and drive them.

## Auditing

Keeping track of the movement of \$50 million dollars each year and auditing the reporting of the racetracks to make sure all monies are being apportioned properly is another responsibility of the MRC. From a wager on a horse race half way across the country to a simple \$5 bet on a blackjack table, every dollar must be accounted for and documented. This work is done while also keeping the MRC's own operations up to the State's standards.



## Breeders' Fund Administration

The MRC also administers the Minnesota Breeders' Fund which takes in over \$1.1 million annually and properly distributes said monies to 300+ participants in the program. These funds are used to provide monetary incentives to enhance the horse racing industry in the State of Minnesota and to encourage Minnesotans to participate in the racing and breeding industry. Hundreds of stallions, mares, and foals are registered each year. Additionally, inspections are conducted verifying program eligibility for these horses at breeding farms across the state.



# 2014 Minnesota Breeders' Fund Highlights

## THOROUGHBREDS

**\$3,262,435** in purses were earned by Minnesota bred Thoroughbreds at Canterbury Park

**\$356,921** was earned by breeders of Minnesota bred Thoroughbreds

**\$90,978** was earned by stallion owners of Minnesota sired Thoroughbreds

**\$17,171** was the average amount earned at Canterbury by MN bred racehorses

## STANDARDBREDS

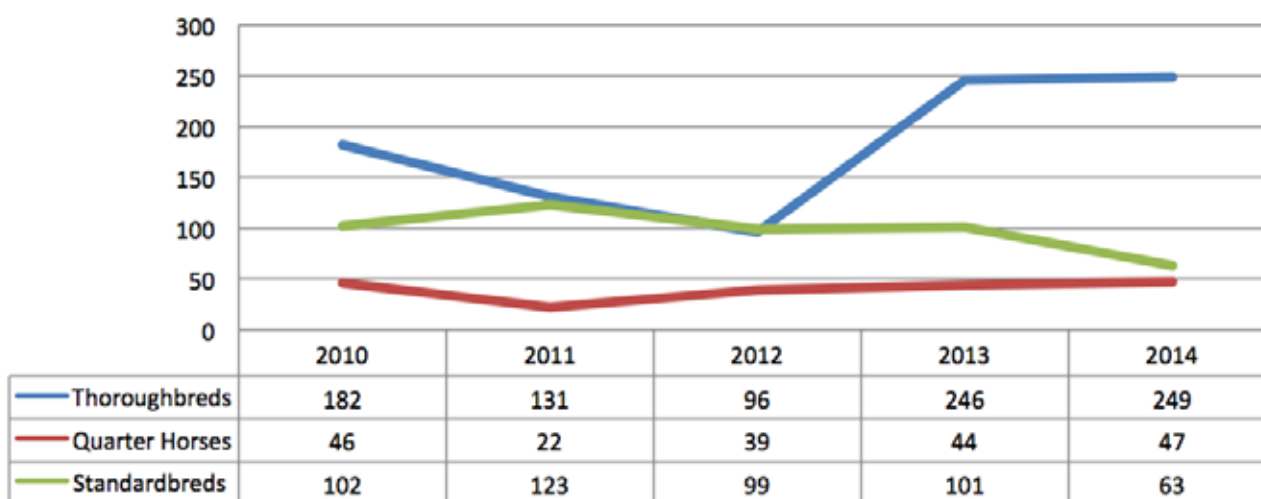
**\$1,290,965** in purses were earned by Minnesota bred Standardbreds at Running Aces and county fairs

## QUARTER HORSES

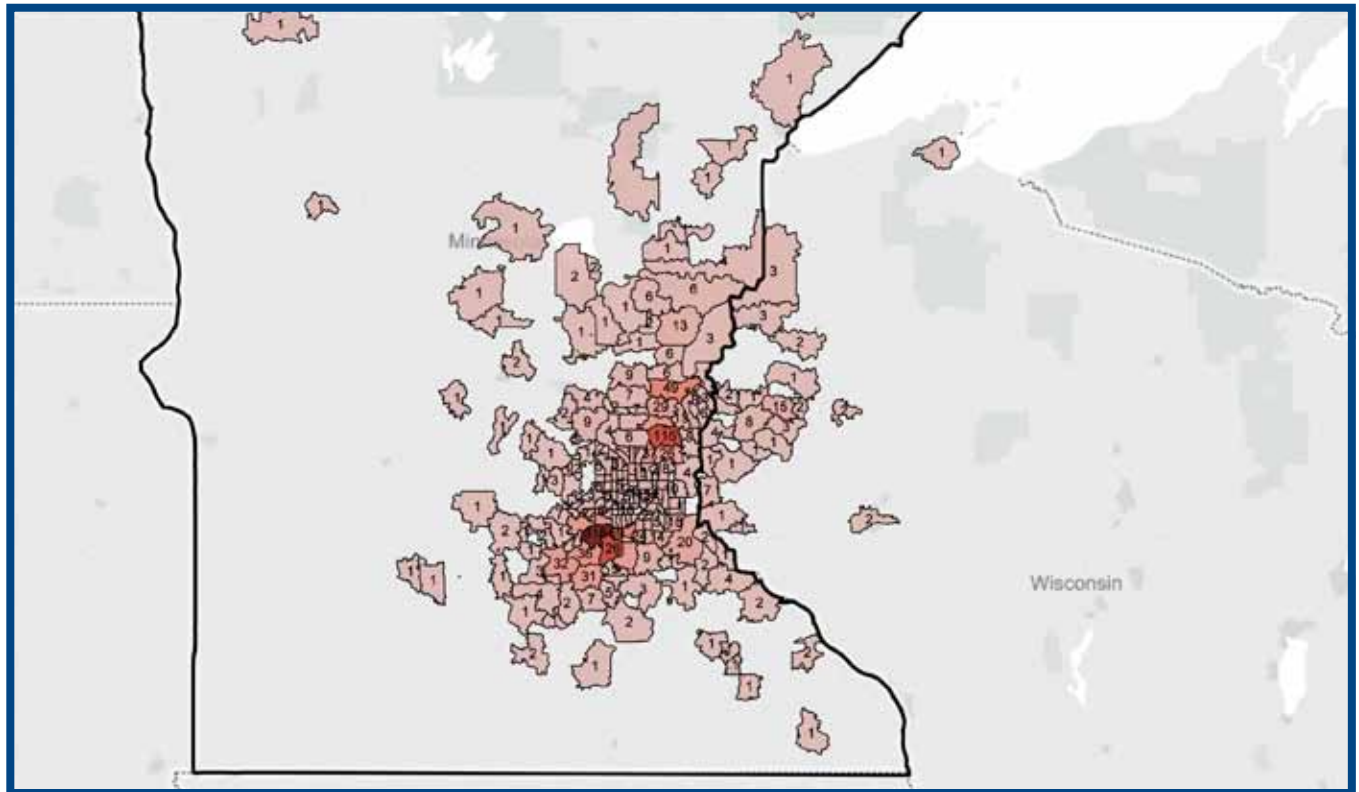
**\$65,603** in purses were earned by Minnesota bred and sired Quarter Horses at Canterbury Park

**\$15,000** was earned by breeders of Minnesota bred Quarter Horses

### Minnesota Bred Registered Foals



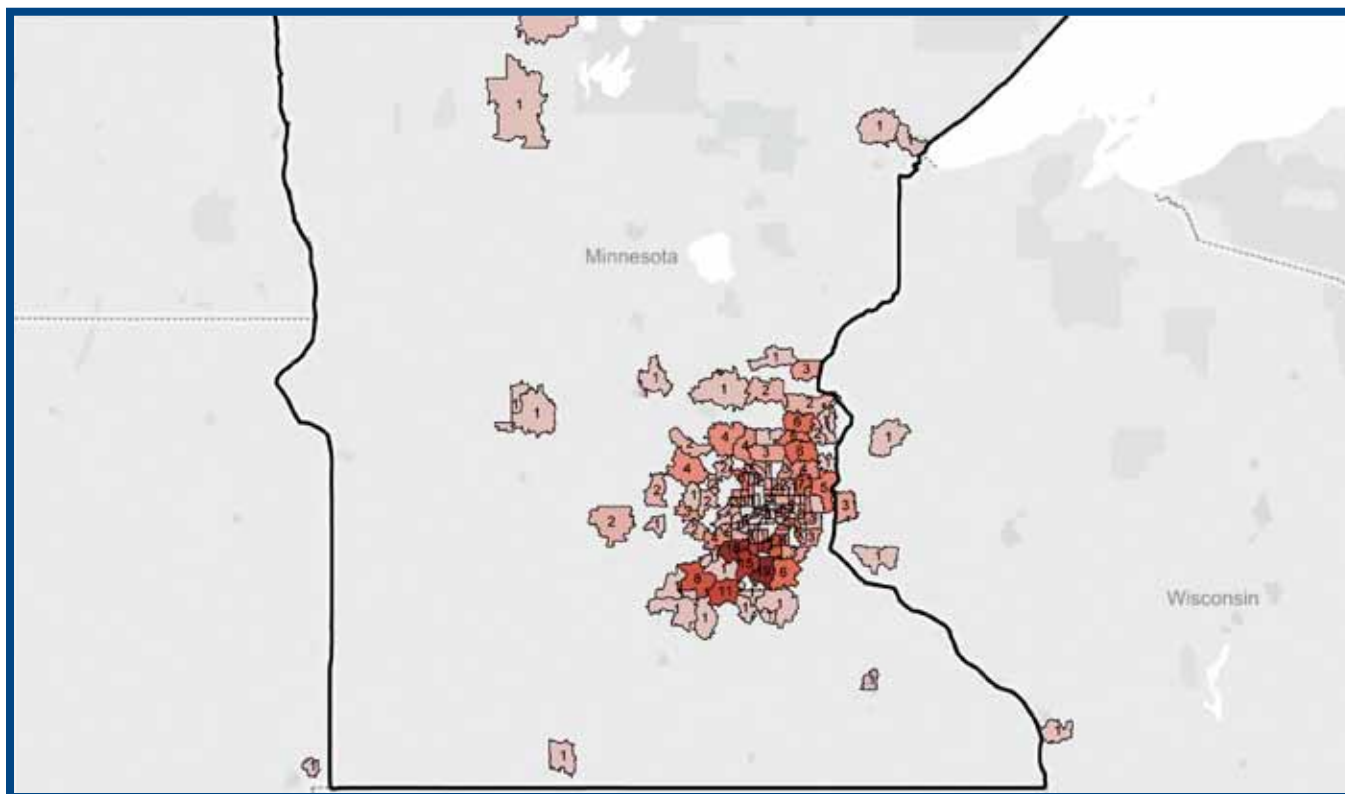
# Map of Association Employees



Number  
1 315

Employees for both Canterbury Park and Running Aces come from throughout the State of Minnesota as this map indicates. As the industry grows, more and more employees will be needed to fill all classifications of jobs from entry level to professional.

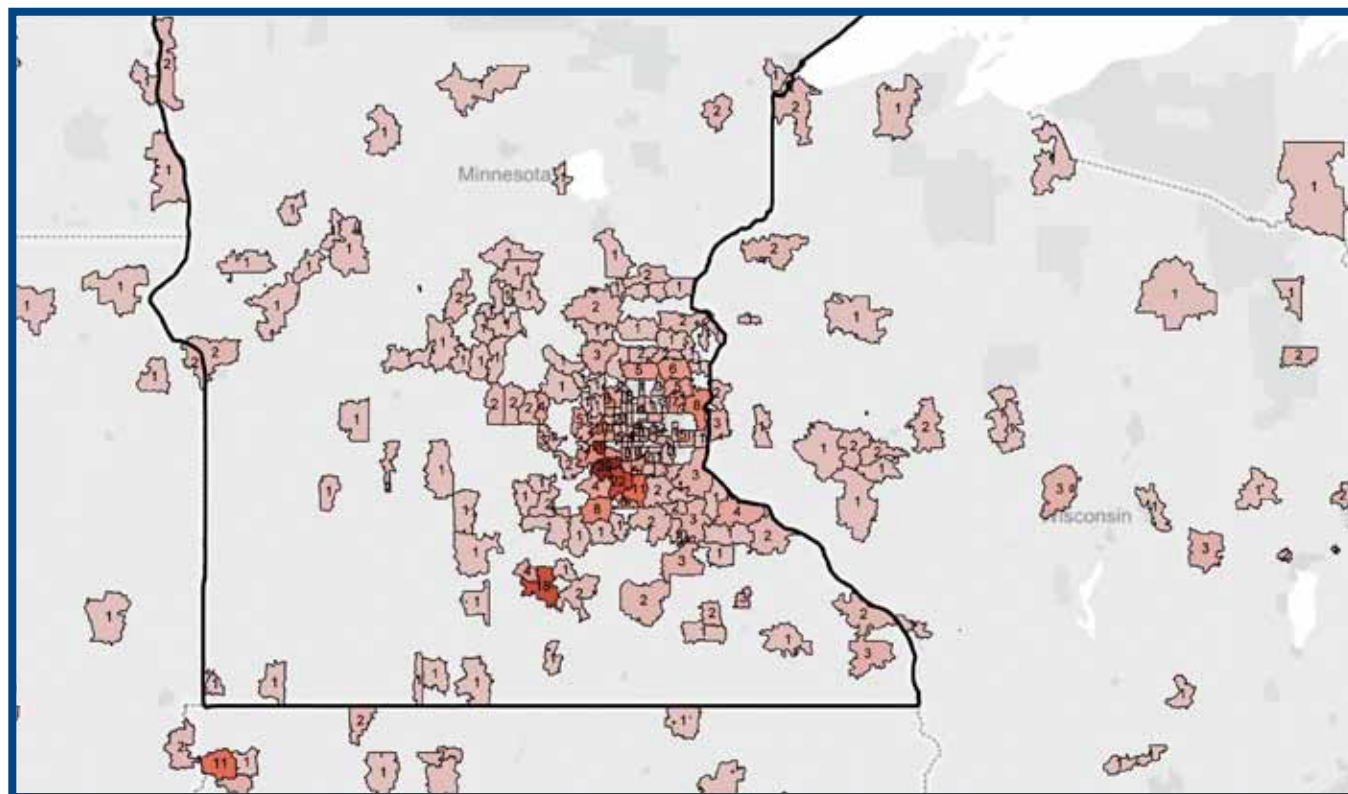
# Map of Licensed Association Vendors



Number  
1 19

Vendors and suppliers, as well as their employees, derive financial benefits from the horse racing industry. This map shows where these businesses operate and where their employees live.

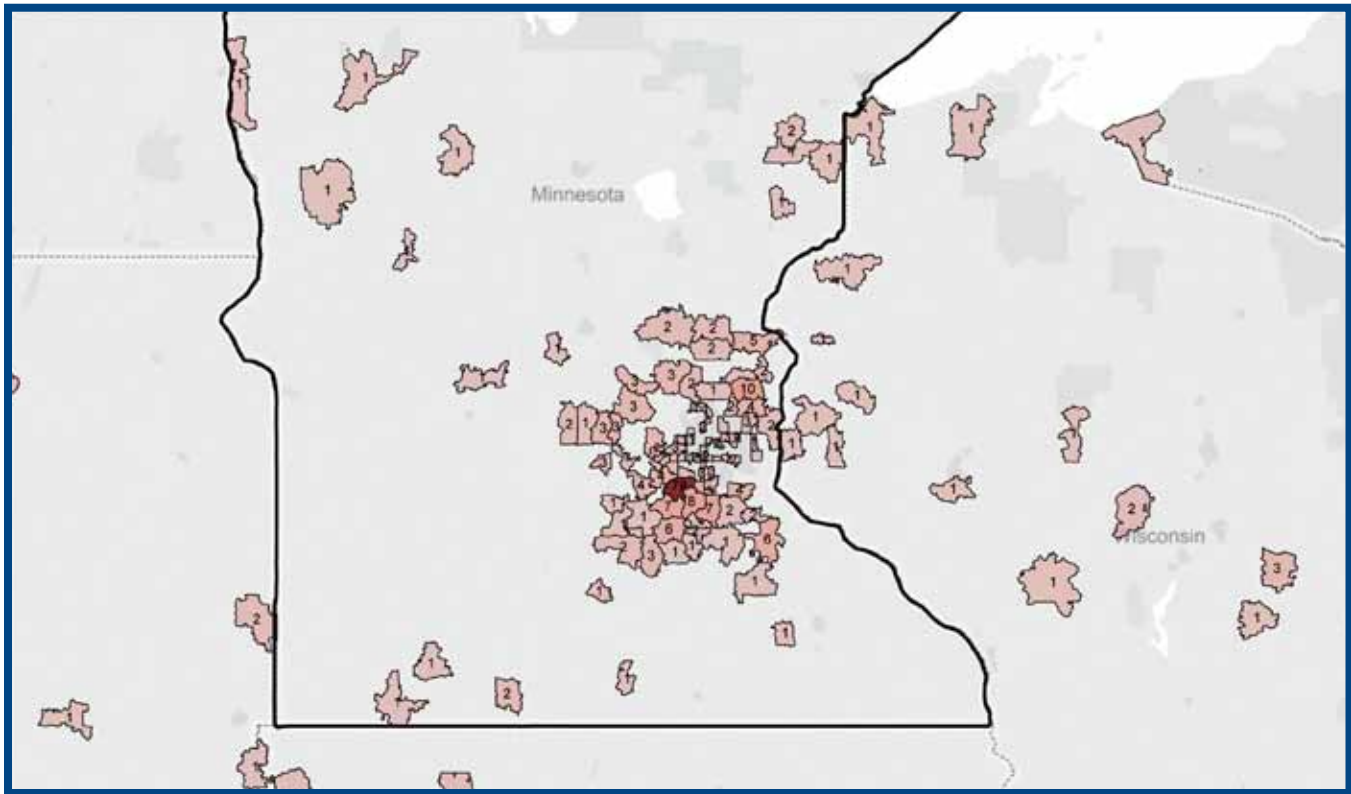
# Map of Horse Owners



Number  
1 39

Owners of racehorses that compete at Minnesota racetracks come from all over the Midwest, with a vast majority residing right here in the Land of 10,000 Lakes. The purse money earned from horse racing spreads out across the state and most owners reinvest these dollars right back into the industry.

# Map of Horse Racing Occupations

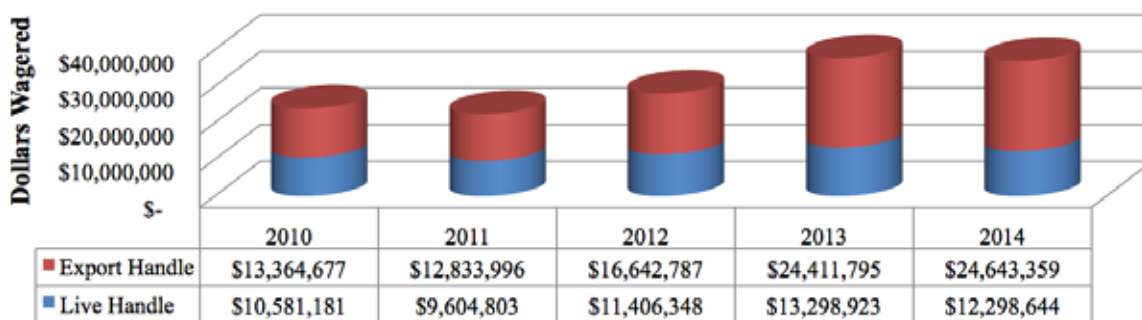


Number  
1 78

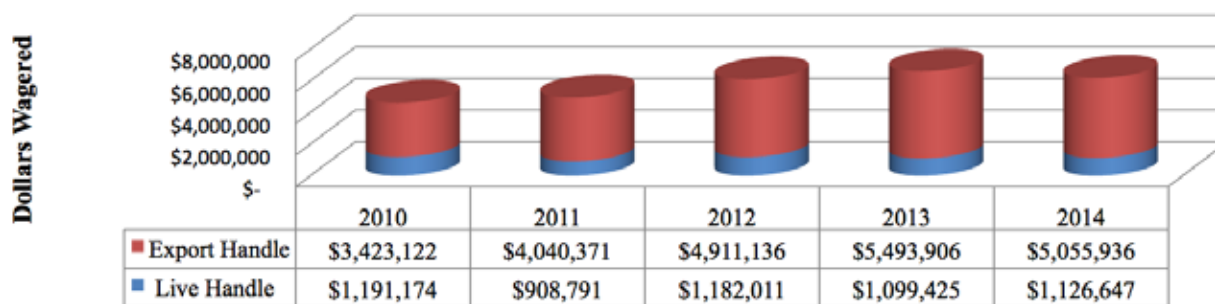
Many diligent and talented people come from around the world to work with the horses that race each year. This map depicts the districts of those that live in the communities in and around the State of Minnesota. This seasonal labor force brings together people from every socio-economic group to present what the public enjoys on the racetrack itself.

# Live Racing Handle

## Canterbury Park Live Racing Handle



## Running Aces Live Racing Handle

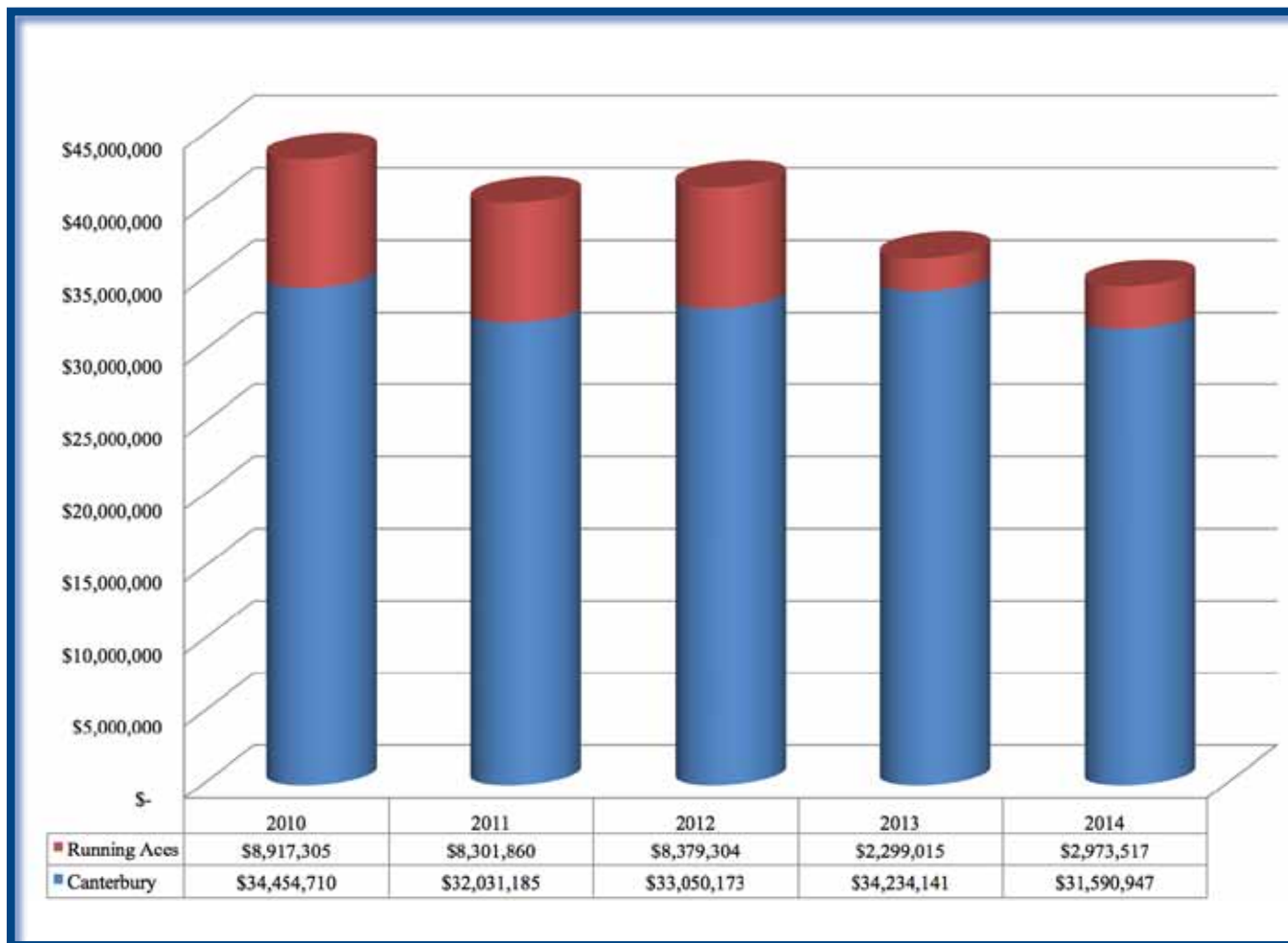


**Live Handle** = Dollars wagered on live racing at the racetrack

**Export Handle** = Dollars wagered at all other outlets outside of the racetrack

**FACTOID:**  
Over 69% of the dollars wagered on Minnesota horse racing is now placed outside the racetrack itself.

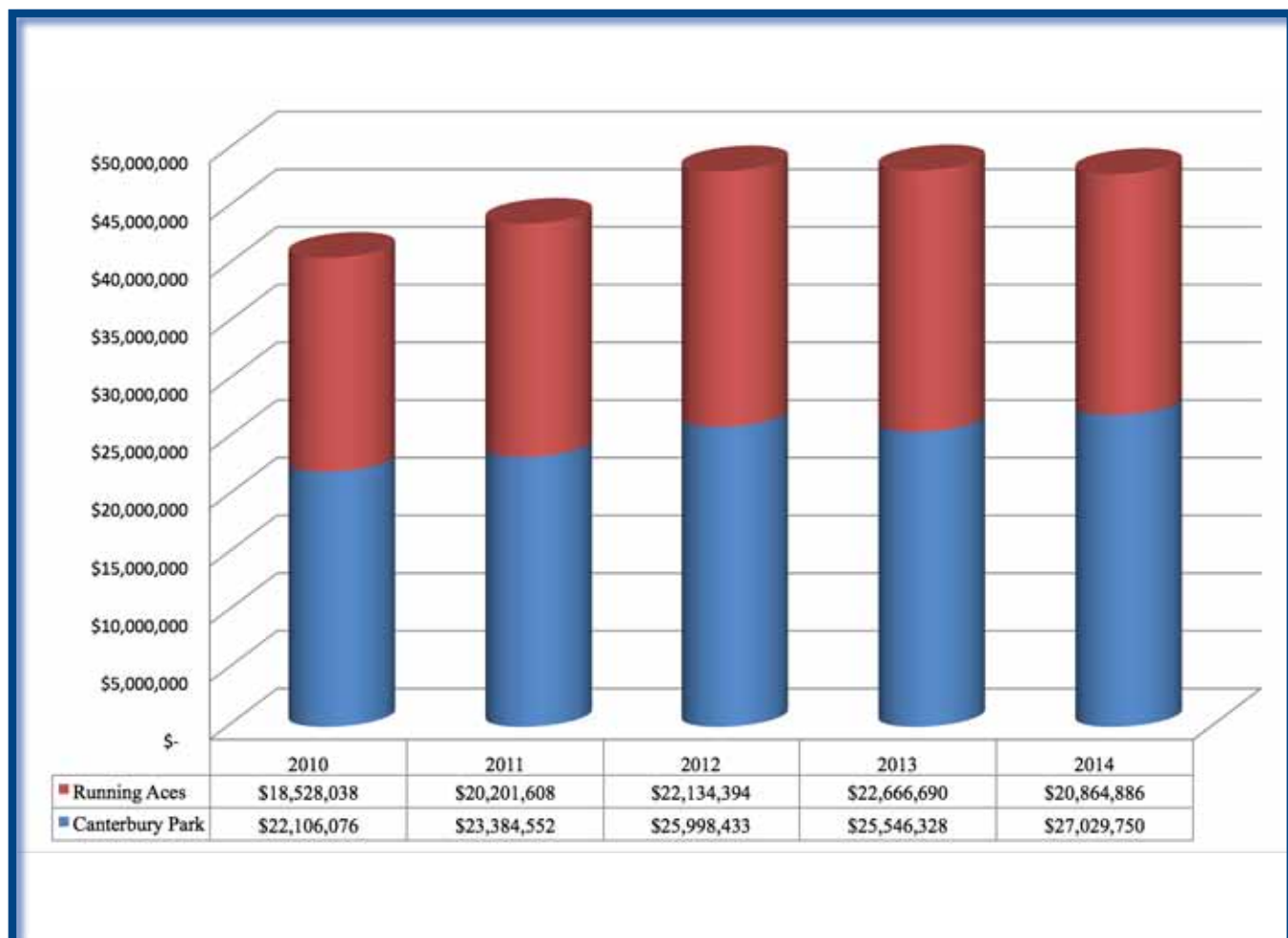
# Simulcast Wagering in Minnesota 2010 - 2014



The downward trend of wagering on simulcast horse racing at Canterbury Park and Running Aces is accelerating due in large part to the proliferation of ADW.

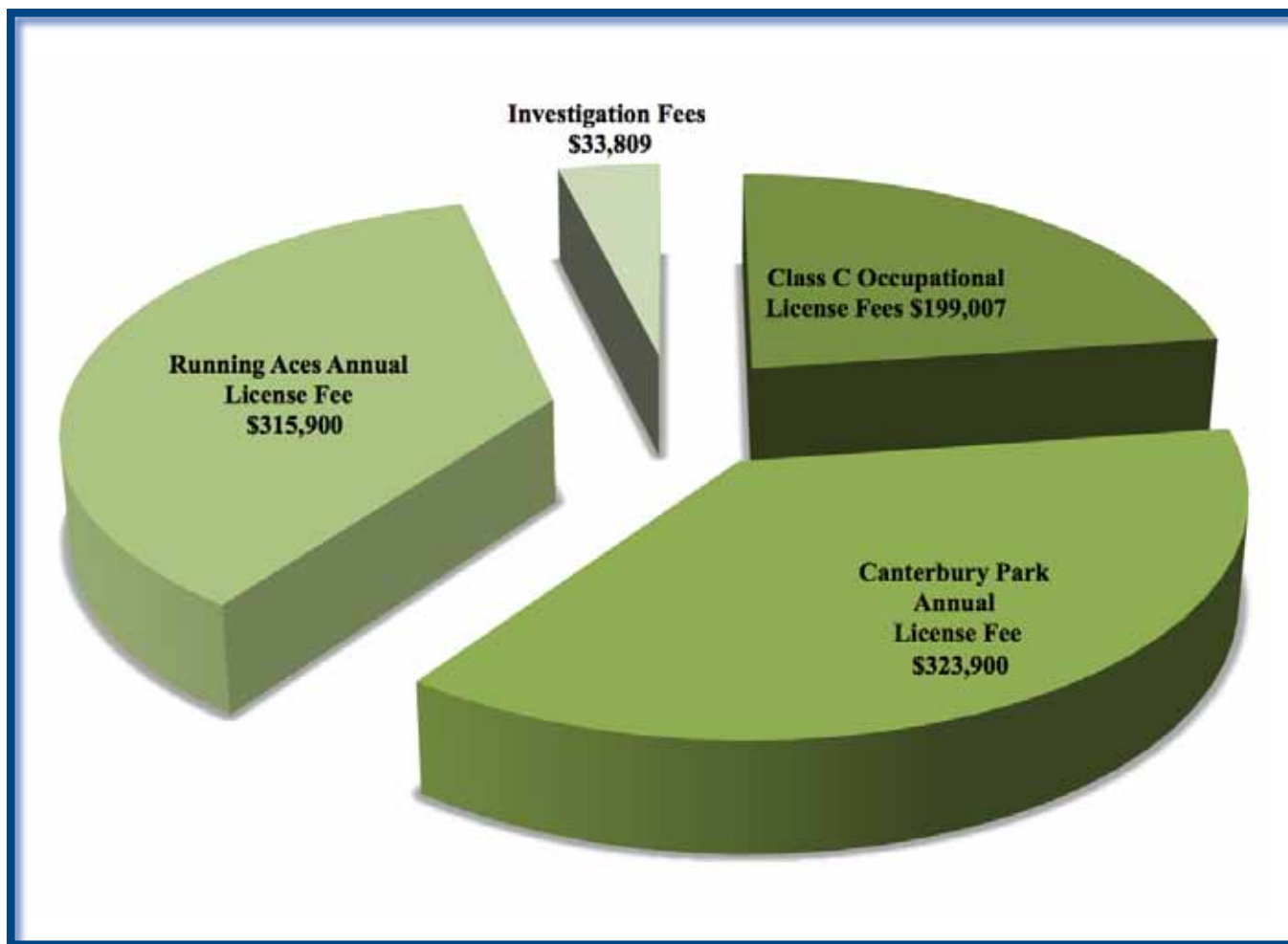
This chart shows the recent declines which are projected to be almost 25% from 5 years ago by the end of 2015.

# Card Room Revenues



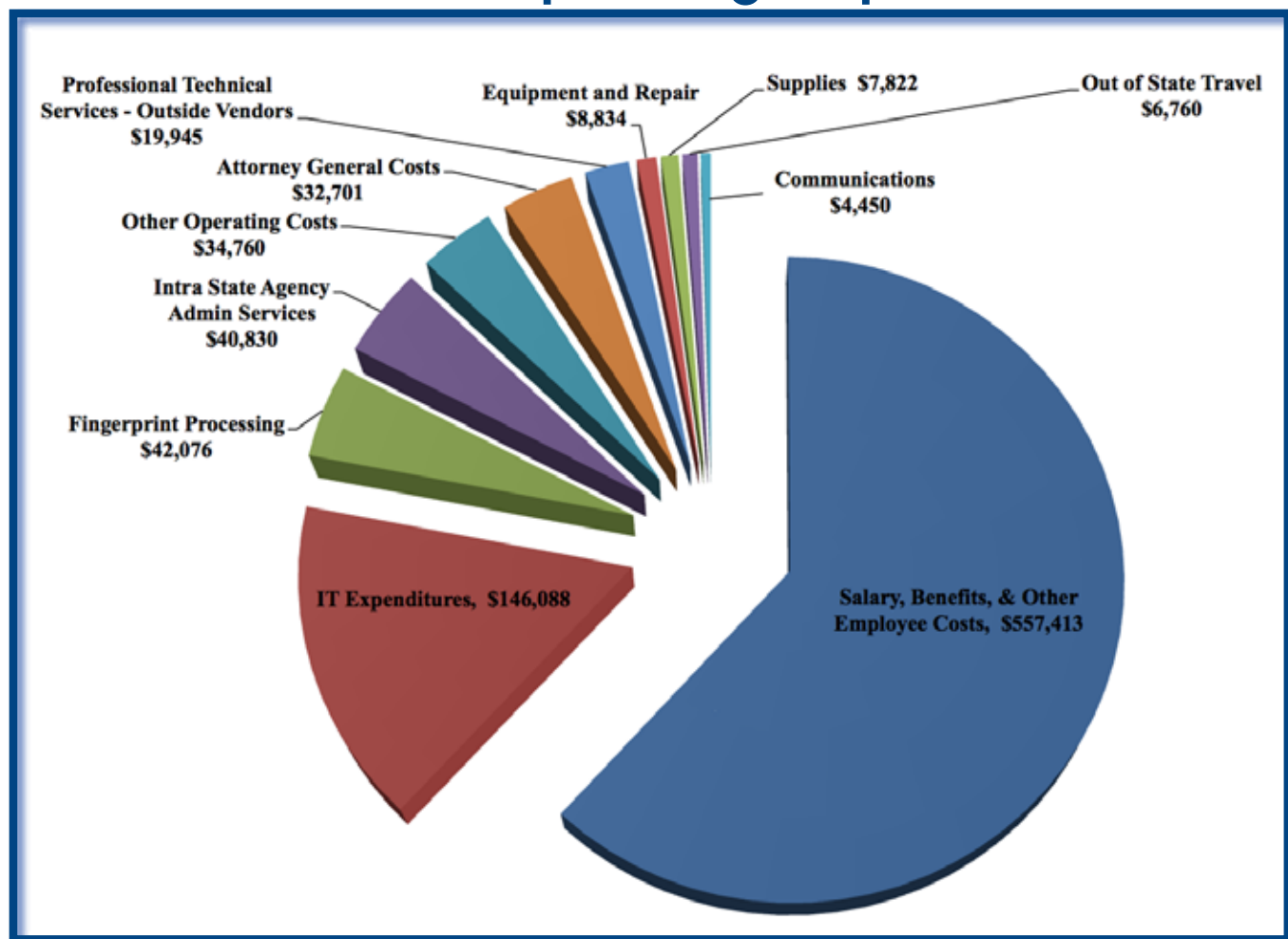
Card room revenues are the key to fueling purses for horse racing and the industry as a whole. This chart shows a steady flow of revenues over the last three years. Declining poker revenues have been offset by other card game revenue increases.

# Minnesota Racing Commission FY 2014 Annual Receipts



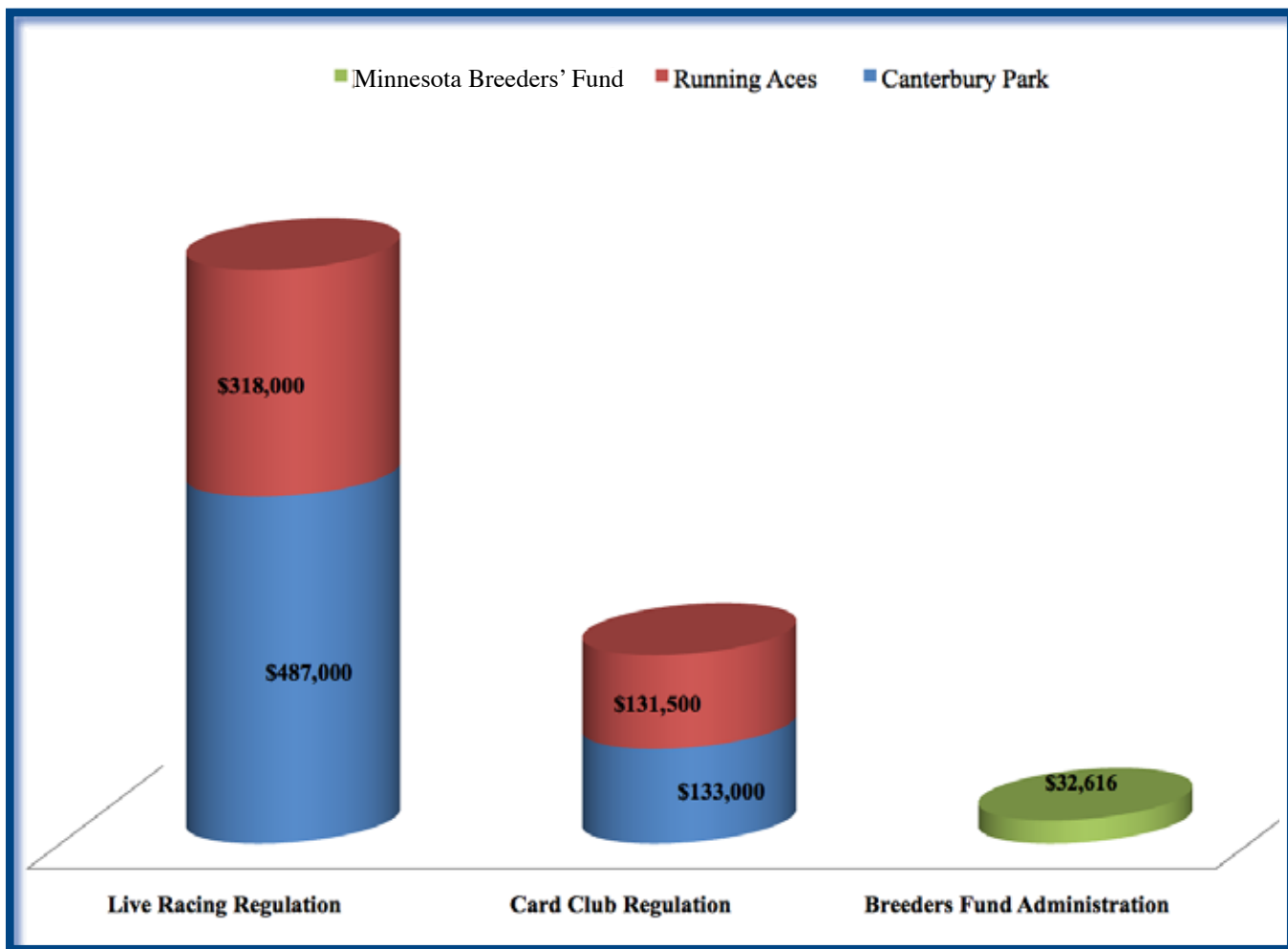
Racing Commission receipts are derived from annual license fees paid by the racetracks and Class C occupational license holders. This chart highlights the fact that the racetracks currently provide over 75% of all receipts brought into the MRC operational budget each year.

## Minnesota Racing Commission FY 2014 Operating Expenses



As with most small agencies within the government, the MRC's employee costs make up the vast majority of the operating budget. IT expenditures remain disproportionately high based on overall expenditures, but measures have been taken to reduce this percentage for FY15.

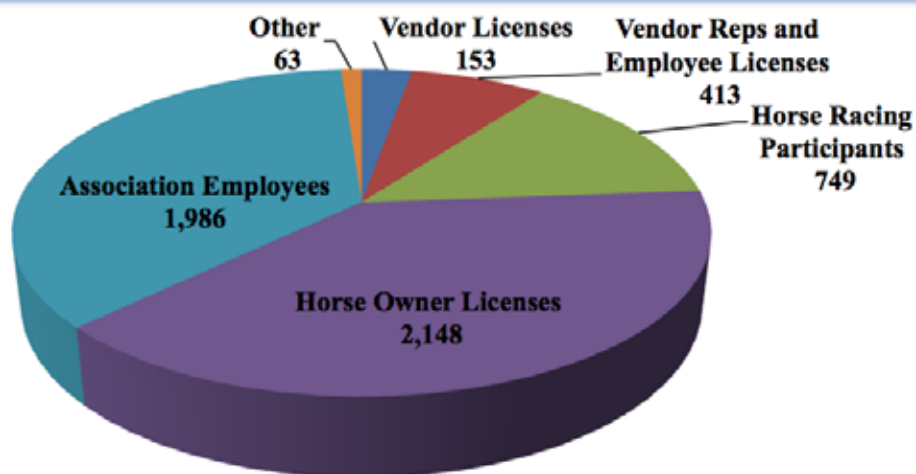
## Paid By Racetracks & Breeders' Fund - FY2014



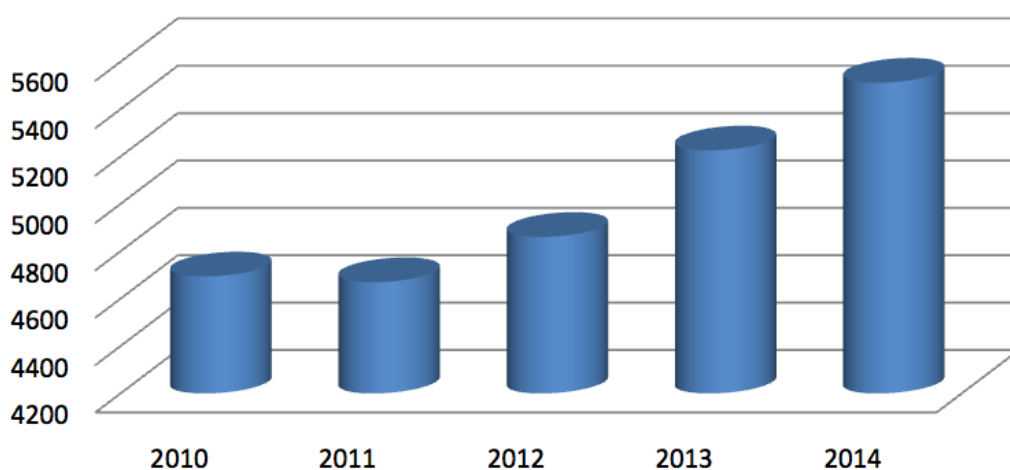
Under MS. Chap. 240, the racetracks are obligated to reimburse the Racing Commission for certain direct costs related to horse racing and card room oversight. Costs associated with the administration of the Minnesota Breeders' Fund are also reimbursed through specific revenues flowing into the fund each year.

# Class C Licenses

**Categories of  
Class C  
Licenses**



**Class C Occupational Licenses Issued**



The total number of licenses applied for, investigated, and issued has continued to climb since 2011. The costs associated with this process have also continued to climb. Most of the Class C licenses issued are to horse owners and employees of both Canterbury Park and Running Aces.

# Horseperson Organizations



## Minnesota Thoroughbred Association

1100 Canterbury Road  
Shakopee, MN 55379  
952-233-4802  
[www.minnesotabred.com](http://www.minnesotabred.com)



## Minnesota Harness Racing, Inc.

414-379-2494  
[www.mnharness.com](http://www.mnharness.com)



## Minnesota HBPA

1100 Canterbury Road  
Shakopee, MN 55379  
952-496-6442  
[www.mnhbpa.com](http://www.mnhbpa.com)



## Minnesota Quarter Horse Racing Association

[www.mqhra.com](http://www.mqhra.com)

# Racetracks/Card Rooms



## Canterbury Park

1100 Canterbury Road  
Shakopee, MN 55379  
952-445-7223  
[www.canterburypark.com](http://www.canterburypark.com)



## Running Aces Harness Park

15201 Zurich Street  
Columbus, MN 55025  
651-925-4600  
[www.runningacesharness.com](http://www.runningacesharness.com)



# Minnesota Racing Commission

[www.mrc.state.mn.us](http://www.mrc.state.mn.us)

**Canterbury Park Location**  
**Thoroughbred &  
Quarter Horse Racing**  
1100 Canterbury Road  
Shakopee, MN 55379  
952-496-7950

**Running Aces Location**  
**Standardbred Racing**  
15201 Zurich Street, Ste. 212  
Columbus, MN 55025  
651-925-3951