MINNESOTA RACING COMMISSION

ANNUAL REPORT

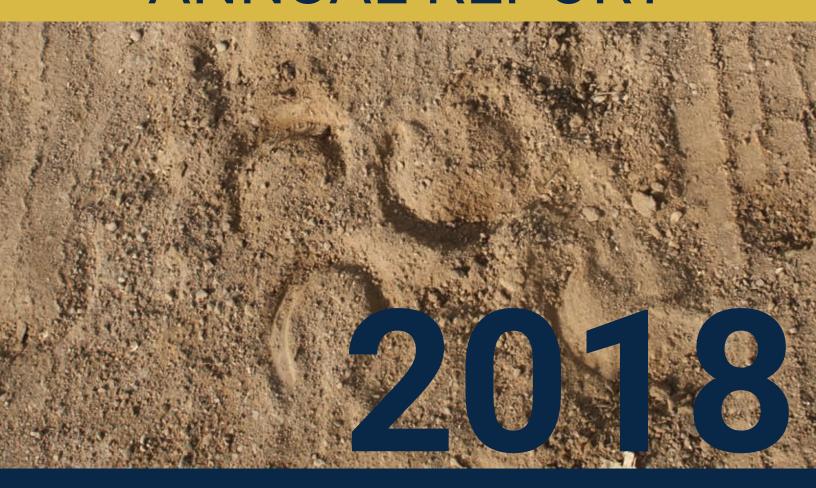


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Acknowledgement

The Minnesota Racing Commission would like to thank Coady Photography and Dee Leftwich Photography for their outstanding photography and contributions to our Annual Report.

This annual report is being submitted to the Governor and the Legislature pursuant to Minnesota Statute §240.02, Subd. 6 and to the Secretary of Senate, the Chief Clerk of the House of Representatives and the Legislative Reference Library pursuant to Minnesota Statute §3.195. In compliance with the Laws of 1994, Chapter 559, Section 1, it is estimated that it cost \$2,500 to prepare this report.

Our Commissioners

Diverse, Engaged, Accomplished Leadership





Acting Chair - Jim Lane

Minneapolis for 20 years... board member of Minn. Horse Council Foundation... past board member of Animal Humane Society... played polo for 20 years.



Second Chair -**Barbara Colombo**

Professor and Director, Health Care Compliance Certification Program, Mitchell Hamline University School of Law, St. Paul ... honors graduate, William Mitchell College of Law ... practiced law at Robins, Kaplan, Miller & Ciresi ... served as Asst. Commissioner, Minn. Department of Health ... former member of Animal Humane Society focusing on equine matters ... past president, Minn. Horse Welfare Coalition ... co-founder, Minnesota Hay Bank.



Served as chair of the Executive Board and President of Minnesota Twins, including during 1987 and 1991 World Championships ... oversaw design and construction of Target Field ... former Exec. Director of Metropolitan Sports Facilities Commission ... member of Rochester Destination Medical Center Economic Development Agency Board.



Dan Erhart

Joined MRC in 2012, member of Finance Committee ... U of M graduate ... 30-year Anoka County Commissioner, including 18 years as chair ... business owner with management experience in finance, production and governmental relations.



Joined MRC in 2014 and chairs the Finance Committee ... holds Master of Science degree in finance and is a chartered financial analyst ... CFO and co-owner of Lorenz Bus Service since 1994 ... Served as investment banker, principally with Piper, Jaffray & Hopwood for more than 20 years, and also spent time as a private investor.



Lisa Goodman

Joined MRC in 2014, member of Administrative Affairs Committee ... has Political Science and Labor Relations degree from UW-Madison ... member of Minneapolis City Council, serves on its Community Development and Regulatory Services Committee ... serves on boards of directors of Family Housing Fund, Meet Minneapolis, Midwest Legacy Fund, and Dog Grounds LLC.



Joined MRC in 2017 ... responsible for development of horse feeds and farm products for Cargill Feed and Nutrition, his employer since 1993. He helps create education, management and support materials used by equine consultants worldwide ... served as assistant professor at U of M-Waseca for 17 years, teaching equine management, training and nutrition ... has been a licensed show horse judge for 39 years.



Dr. Camille McArdle

Serves on MRC Racing and Compliance Committees ... earned Doctorate in Veterinary Medicine from The Ohio State University ... served as official regulatory veterinarian at Hialeah, Calder and Gulfstream race tracks and at the Pompano harness meet ... served as Chief Commission Veterinarian for MRC from 1985 until being appointed as MRC commissioner in 1993 ... currently serves as a shelter veterinarian.

Dear Governor Walz and Members of the Minnesota Legislature:

We are pleased to provide you with the Minnesota Racing Commission's (MRC) 2018 annual report.

MRC's authority derives from Minnesota Statutes, Chapter 240 and our implementing rules. In broad terms, the MRC's roles are to ensure the integrity of horse racing and card playing, to oversee the proper distribution of funds back into the industry through administration of the Breeders' Fund and state-bred awards, and to provide for the safety and welfare of human and equine participants.

The MRC is comprised of nine commissioners appointed by the Governor who serve for six-year terms and a staff of twelve full-time employees. Over the last few years, MRC staffing levels have remained virtually unchanged, but newly-created positions such as a general counsel, staff auditor, compliance administrator and an additional investigator have better matched our human resources to the evolving challenges of regulating racing and card playing. The MRC staff expands during the racing season to include seasonal contractors and staff who provide veterinary, medication testing and racing official services.

The MRC regulates horse racing and card rooms at the State's two licensed racetracks - Canterbury Park in Shakopee and Running Aces in Columbus. We issue over 5,000 occupational licenses annually to industry participants. The MRC's operations are financed primarily through license fees. MRC does not receive general revenue appropriations. The regulation of racing in Minnesota is paid for by the industry participants themselves. Notably, however, some states are spurring industry growth

through legalized sports betting, expanded casino gaming, and, in the case of New Jersey, a \$100-million appropriation to enhance purses and promote the state's breeding industry. These revenue-enhancing initiatives create jobs, attract new participants, and allow the particular state to compete more favorably with neighboring states.

The Minnesota racing industry has enjoyed positive trends in recent years with respect to fan attendance, purses, field size, and Minnesota-bred foals. However, the industry faces significant challenges. In local media coverage, horse racing is underexposed in the crowded and soon-to-be expanded Twin Cities sports market. With major league soccer and a PGA tour stop being added to the summer sports calendar, racing faces keen competition to maintain market share in a crowded field of sports entertainment options. The potential lapse in 2022 of the purse enhancement and cooperative marketing agreement between Canterbury Park and the Mdewakanton Sioux community also hangs over the breeding industry as breeders decide whether to invest despite the uncertainty of return on their investment if purses decline. Discussions are taking place to extend the agreement.

"The Minnesota racing industry has enjoyed positive trends in recent years with respect to fan attendance, purses, field size, and Minnesota-bred foals."

There are questions concerning the potential legalization of sports betting in Minnesota. The May 2018 U.S. Supreme Court opinion which struck down the Professional and Amateur Sports Protection Act (PASPA) cleared the way for states to legalize sports betting and, as of the end of 2018, eight states have done so, including New Jersey, Delaware, Mississippi, Nevada, Rhode Island, Pennsylvania, New York and West Virginia.

Other states, including several Midwestern states such as Missouri, Iowa, Kansas, Illinois and Indiana, may follow in short order.

The racing industry looks upon sports betting with a combination of worry and hope. If legalized sports wagering in Minnesota were to exclude the racing industry, it would pose an existential threat to this important, homegrown \$400-million industry. As noted in this report, the racetracks are making significant investments in the future. The State has promoted the interests of racing since voters approved the constitutional amendment authorizing pari-mutuel wagering in 1983. As seen in other states, there are many stakeholders around the questions of who gets licensed to operate sports betting activities, whether the operators are land-based or mobile or both, how sports betting should be regulated and taxed, and who should share in resulting revenues. The racing industry is one of those stakeholders.

> "The racing industry looks upon sports betting with a combination of worry and hope."

The MRC convened a working group comprised of Minnesota tracks, breeders, owners and other racing participants to understand their views on sports betting. The industry views sports betting through the lens of history. In each prior instance where a new form of gambling was introduced in Minnesota, the impact on racing was substantial and direct, ranging from a decline in foal crops and purses to a shutdown of racing in 1992-93. Many industry participants have told us it will be important for them to have a seat at the table in any discussion of legalized sports betting.

To date, in each horse racing state that has introduced legalized sports betting, the racing industry has either shared in revenues or

received a license to operate at racetrack venues. At the same time, the industry understands that despite estimates for illegal sports betting that range as high as \$150 billion annually, gross gaming revenue is only 3-5% of that total. So while the amounts wagered are large, the economics of sports betting makes it a relatively low margin business that requires knowledgeable operators and avoidance of a "layering on" of excessive fees, taxes, and other costs. Absent that, consumers will stay with their illegal offshore accounts that offer mobile, product-rich wagering options despite the absence of consumer protections.

Finally, we end this letter on a sad note. Racing suffered great losses this year with the passing of two legendary leaders - Ralph Strangis, the Chair of the MRC, and Jack Walsh, the President of the Minnesota Horsemen's Benevolent and Protective Association. We are grateful for their many years of service to the racing industry and their contributions to Minnesota in general. We have included tributes to Ralph and Jack in this report.

We hope you find this annual report informative. We look forward to continuing the positive relationship we have enjoyed with the Governor's office and the Legislature. And of course, you have an open invitation to visit the MRC at either of our two offices to see live racing action.







James S. Lane Acting Chair

In Memoriam

Ralph Strangis - Chairman, Minnesota Racing Commission



Ralph was appointed by Minnesota Governor Mark Dayton as Chair of the commission in 2013. He had served on the commission previously in the early days of Minnesota racing and returned to serve as Chair more recently. He led renewed efforts to work with industry members to promote the interests of racing, protect the safety and welfare of its human and equine participants, and strengthen judicious regulation. Those who knew and worked with Ralph were well aware of his commitment to the racing industry in all its dimensions, from development of and improvements to track properties (which he strongly supported) to those who toiled on the backside and were in need of support services.



Jack was an equine law instructor at UW-River Falls, farmer and horseman. In the early years, he owned and cared for a herd that grew to over eighty quarter horses. With the opening of Canterbury Downs in 1985, he switched to Thoroughbreds. He contributed to the racing industry for over 30 years as an owner, breeder, and representative of the horsemen both individually and as a Board Member and President of the HBPA. For these contributions he was inducted into the Canterbury Park Hall of Fame in 2018.

History

1989

Out-of-season simulcasting legalized; track ownership files for bankruptcy; track put up for sale

1990

Track bought by
Detroit investors,
who enter into a
partnership with
Ladbroke
International to
manage the track;
winter
simulcasting
begins

1993

Without
simulcasting days
approved,
Canterbury Downs
closes for the year.
Irwin Jacobs buys
track, but quickly
puts it back up for
sale. Curt and
Randy Sampson
lead ownership
group buying track.



1983

Legislature
approves
pari-mutuel
betting, enabling
legislation and
creates
Minnesota Racing
Commission

1982

Legislature
passes bill to put
pari-mutuel
betting
amendment on
the ballot; voters
approve in
November



1985

Canterbury

Downs opens in

Shakopee for

first season of

racing

2008

Running Aces
Harness Park
opens for harness
racing in
Columbus, MN on
April 14; Card Club
opens June 30,
after a
state-mandated
50 days of live
horse racing

1999

Legislature authorizes Card Club for Canterbury Park

2000

Card Club opens at Canterbury Park

2011

Minnesota State government shutdown forces Canterbury Park and Running Aces Harness Park to halt racing from July 1 to July 20

ANTERBURY PARK

1995

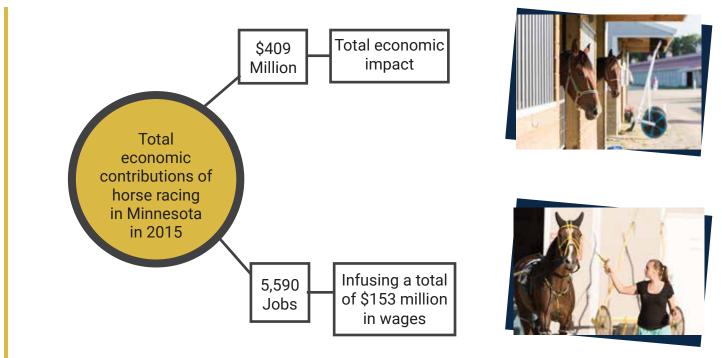
Canterbury
Downs, renamed
Canterbury Park,
reopens with
live racing
season of 51
days

2012

Mystic Lake agrees to pay Canterbury \$75 million over the next decade to increase race purses and joint marketing efforts

Economic Contribution of Minnesota's Horse Racing Industry

A 2017 University of Minnesota study quantified the horse racing industry's importance to the Minnesota economy. Researchers from the University's Extension Center for Community Vitality studied the industry's 2015 operating financial results and determined that "the industry's total annual economic contribution significantly impacts the state." They estimated that horse racing generated more than \$409 million and supported 5,590 Minnesota jobs.

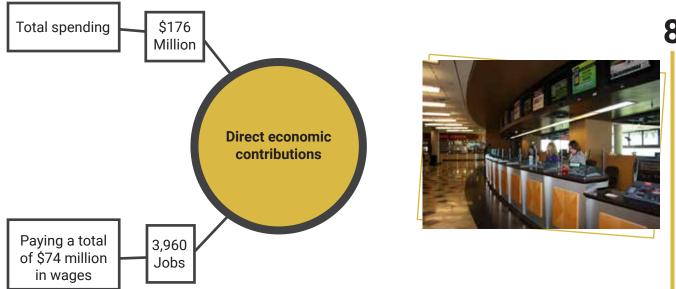


The researchers segmented the contributions into "direct" and "secondary" economic effects. Direct activity is spending by industry participants -- owners, breeders, trainers, tracks and regulators. The researchers found that the industry directly spent \$176 million in 2015, \$74 million of which was paid to 3,960 employees.

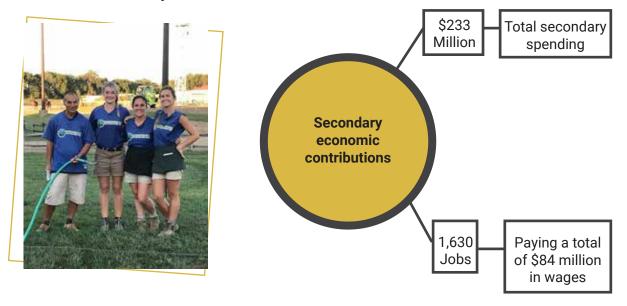








The researchers segmented the secondary spending into "indirect" and "induced" impacts. "Indirect" impacts were defined as spending by the racing industry's suppliers for goods and services that are being sold to the industry. "Induced" impacts were defined as spending by the people whose wages come directly and indirectly from the horse industry, such as earnings of accountants hired by horse owners.



The researchers emphasized that horse racing's mix of indirect and induced secondary economic effects were significant. They found that 70% of racing's secondary effects were from indirect spending, which is more than 55% higher than any other entertainment businesses that they have studied. "This means an expansion in the horse racing industry will create higher impacts on Minnesota businesses in the supply chain than expansions in other entertainment activities."

> Horse racing generated 2% of Minnesota's 2015 leisure/hospitality economic activity

Our Mission

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

5,450*

Licenses were issued in 2018

*Due to a change in licensing systems, a full license count will be available after an internal audit.



MRC Horse
Racing
Stewards and
Judges issued
171
rulings
during the
2018 racing
season



4,754
Equine Drug Tests (both urine and blood)
were sent for analysis

5,275

Pre-Race equine examinations were conducted by MRC Veterinary staff



WHAT WE DO:

Issue Licenses Initiate legislation, write rules

Officiate Horse Racing Conduct Financial and Operational Audits

Enforce MRC Statute and Rules Protect the Safety and Welfare of Humans/ Equines

Conduct Investigations and Background Checks

Administer Breeders' Fund Revenues and Payments



Our Staff

Lexie Morrison Communications & Licensing

Nick Cummins Investigator Specialist

Thomas DiPasquale

Executive Director

Colleen Hurlbert

State Program Administrator

NIcole Edstrom Breeders' Fund & Licensing

Kevin Hoese

Staff

Auditor

Director of Security

John Flynn

LInda Hilligoss Investigator

Specialist

Stephanie Neises Breeders' Fund & Compliance Administrator

> Jennifer Bauer Licensina Clerk

Joseph **Scurto** Deputy

Director

Sifferle General

Patricia Counsel

Seasonal Staff

Nicole Boentgen-Animal Health Specialist Susan Hibbard-Animal Health Specialist Tricia Stobbs-Office & Admin. Specialist Brittany Newby-Office & Admin. Specialist

Andrew Still Investigator Specialist

2018 Seasonal Racing **Contractors**

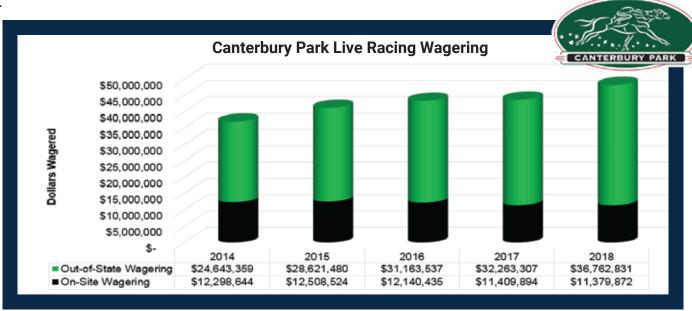
Lynn Hovda, DVM-Chief Veterinarian Richard Bowman, DVM-Commission Veterinarian Christy Klatt, DVM-Commission Veterinarian David Radechel, DVM-Commission Veterinarian **David Hooper-Chief Steward** Michael Peterson-Judge Samantha Randazzo-Steward Renee Sheward-Presiding Judge **David Smith-Steward** Rich Williams-Judge

Canterbury Park & Running Aces Horse Racing

Demand continues to grow for Minnesota horse racing all across North America and beyond. Over \$43 million was wagered on Canterbury Park and Running Aces races by horseplayers outside of Minnesota. This unique export product delivers pari-mutuel revenue into the State's economy and reflects the quality of Minnesota horse racing.



Canterbury Park battled with Mother Nature early in the 2018 race season with high temps approaching 100 degrees over Memorial Day weekend, capping a month that saw a 12% decline in on-site wagering. The remainder of the season was much better and closed strongly to show only a minor decline in total handle year over year. The inclement weather resulted in a couple of race days being cut short, which contributed to the average daily handle declining 3.2% vs. 2017 by season's end.



Running Aces' handle trend continues to be positive, in spite of a 10% drop in live wagering vs. 2017. Road construction on I-35 was a major factor in reducing attendance and live handle due to traffic delays and few alternate routes. This construction, along with bridge construction which has already begun, will continue to impact wagering in 2019.







Attracting racehorses to Minnesota and maintaining field sizes for horseplayers continues to be a challenge at both racetracks. The correlation between the number of horses running in a race and money wagered on a race is significant. With shrinking foal crops nationally and competing states adding new revenue streams to their purse structure, maintaining and growing handle in Minnesota will be a challenge. The Racing Commission will work with industry members and the State to attract racehorses from other states and energize our State's breeding program.

RECORD purses paid to horse owners in 2018 at Canterbury Park:

\$15,054,485



RECORD purses paid to horse owners in 2018 at Running Aces:

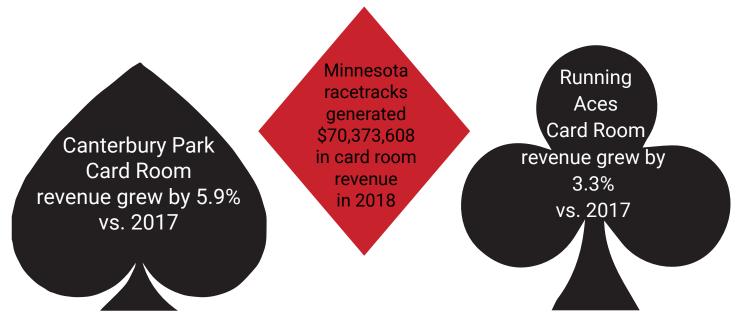
\$4,186,137

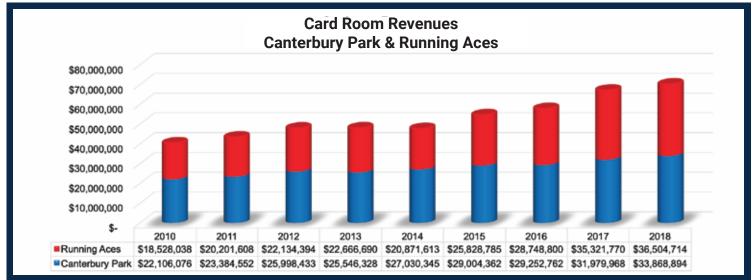
Canterbury Park & Running Aces Card Rooms

Racetrack Card Room Revenues Continue Upward Trend in 2018

When card room legislation was passed in 1999, the State of Minnesota provided an opportunity for Minnesota racetracks to develop a new source of revenue to improve the horse racing industry by increasing purses paid to horse owners.

In 2018, the State's two racetracks reported record card room revenues which generated \$9.4 million in purses, almost half of the total purses paid out in 2018.







The Card Rooms at both Canterbury Park and Running Aces offer two categories of games – Poker and Table Games. Table Games include blackjack, pai gow, baccarat, three card poker, and similar approved games played with a deck of cards.

Record Participation at Canterbury



The Mid-States Poker Tour (MSPT) Season 9 Finale at Canterbury Park drew 977 entries and a \$977,000 total prize pool, which made it by far the largest major poker tournament in Minnesota history. In the end, it was Andy Rubinberg coming out on top to win a \$179,776 first-place prize and his second MSPT title.

Winning Big at Running Aces in 2018

Running Aces paid out a hefty \$1.6 million in cardroom progressive jackpots in 2018, including one of the largest poker jackpots the State of Minnesota has ever seen when one lucky player took home a \$200,000 jackpot.



Capital Investments: Running Aces

Large-scale construction projects underway at both Minnesota racetracks

Apart from the economic benefits that derive from horse racing itself, both tracks have poured significant resources into capital improvements in recent years to enhance the attractiveness of their facilities in a competitive entertainment environment. Clubhouse renovations, improvements to concession areas, technology upgrades such as HD infield video display and tote boards, state-of-the-art track maintenance practices and equipment, card room expansion and modernization, and newly renovated restaurants and customer suites—these are just some of the features and amenities that make Canterbury Park and Running Aces among the most attractive, fan-friendly racing and entertainment venues in the United States.



Running Aces signed an exclusivity agreement with GrandStay Hospitality, LLC to build a 116-room hotel to open on the property in December 2019.

Running Aces had an exciting year of growth including the addition of multiple entertainment options. We increased the public space for live racing which provided the opportunity to integrate gaming/racing and live entertainment. The biggest step, however was the ground breaking in November on our exciting new hotel set to open in December 2019. This step will allow us to become a full service racetrack, hotel and casino to our local patrons, while drawing from a larger radius of travelers.



-Taro Ito, President and CEO of Running Aces



Running Aces is working with architectural firm The Cuningham Group and Truline Construction on the development of the new hotel.

The new hotel at Running Aces will be a fabulous addition to GrandStay's growing family of hotels. Our proprietary global reservation system complements the dynamic appeal of the Running Aces entertainment complex. As a Minnesota-based brand, we are ecstatic to offer our unique services to this new venture.



- Jon Kennedy, GrandStay Hospitality President

Capital Investments: Canterbury Park

Canterbury Card Club to receive major facelift

- Total remodeling project budget is \$2 million
- Project is slated to be completed by the beginning of April 2019







Continuing to invest in the facility, improving and adding amenities for our guests, is a priority. Most recently we performed \$2.2 million in renovations to the Canterbury card room. This project had a definite culinary emphasis with the creation of a bistro and full-service restaurant. We also added a new and inviting entrance providing easier access from the grandstand to the gaming floor, bistro, and restaurant." -Curt Hoeppner, Purchasing Manager, Canterbury Park



Canterbury Park breaks ground on \$400 million Canterbury **Commons Project**

Canterbury Commons is a \$400 million development that will sit on 130 acres adjacent to Canterbury Park in Shakopee. Plans include a \$100 million multi-family residential complex called the Triple Crown, upscale townhomes, senior housing, hotels, a potential water park,

office space, new restaurants, family entertainment venues and more. Once completed, Canterbury Commons will be the largest mixed-use development in the southwestern suburb's history. It will be co-owned by the racetrack and Doran Companies Commons development.

This is ten years in the making. It's great to see the project underway. It's going to be a major benefit to the city as well as Canterbury."



-Randy Sampson, President and CEO of Canterbury Park



"This public-private partnership will transform the area and bring high-quality housing, exceptional high-paying jobs, and greatly expanded retail, restaurant and entertainment venues," said Shakopee Councilor Mike Luce.

photo courtesy of Southwest News Media

Advance Deposit Wagering in Minnesota

In 2016, the Minnesota legislature authorized advance deposit wagering (ADW), which allows Minnesota residents to place pari-mutuel wagers on live races conducted in other states via the internet or mobile device by funding personal wagering accounts. The purpose of this legislation was to recapture revenues lost to out-of-state ADW providers and regulate a system of wagering that had been operating in a gray area for almost a decade. In 2018, seven ADW operators were licensed by the MRC and since 2016, \$3.4 million has been recaptured by the racing industry via the recent legislation.

Annual Advance Deposit Wagering by Minnesota Residents

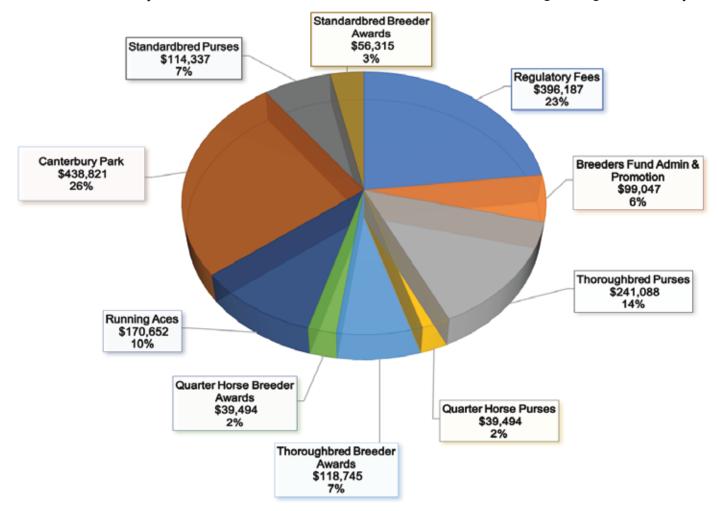


Revenues Recaptured by Minnesota Racing Industry

	,	•	
2016	\$78,614*		
2017			\$1,626,745
2018	7	Up 5.4% vs. 2017	\$1,714,179
tial year	*part		



ADW legislation was intentionally crafted to benefit the entire horse racing industry. By directing revenues to breeders' awards, purses, the racetracks, the MRC, and for the promotion of breeding in Minnesota, most major stakeholders were able to reinvest these funds into growing the industry.





Simulcast Wagering at Racetracks Hold Steady

With the advent of authorized ADW, it was feared that there might be a dramatic drop in simulcast wagering by patrons at Minnesota racetracks.

However, simulcast wagering levels have remained fairly constant even as ADW wagering has grown.

Minnesota Breeders' Fund "Stars of the North"

As authorized under MS 240.18, the Minnesota Racing Commission administers the collection and distribution of over \$1.4 million annually to owners of Minnesota registered mares, stallions, and racehorses.

Breeding a racehorse can be an economically challenging pursuit, but the pride and excitement of breeding a horse that sells for six figures or wins a major stakes race can be the dream of a lifetime. The state's breeders' award program can help provide incentives to expand breeding operations. In 2018, there were 208 individuals or groups that registered their mares with the Minnesota Breeders Fund and shared \$587,000 in breeders' awards. This is only a fraction of what these breeders invested in stud fees, veterinarian care, boarding, and transportation, but every dollar helps.

Minnesota-bred Thoroughbreds gaining national attention

Discreet Cat Gelding Tops Minnesota Yearling Sale: A gelded son of Discreet Cat was purchased by Novogratz Racing Stables for a sale-record \$100,000 to top the Minnesota Thoroughbred Association Yearling Sale Aug. 19 at Canterbury Park in Shakopee, Minnesota.





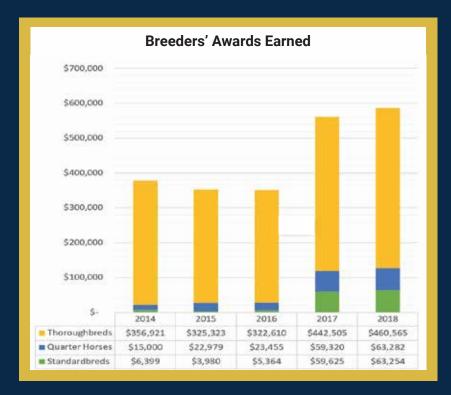
A Minnesota First:

A colt by Triple Crown champion American Pharoah out of One More Strike was born at Wood-Mere Farm, just outside of the Twin Cities. The promising colt, owned by Paul and Suzanne Hanifl, will be part of the Minnesota breeding program.



New ADW legislation and continued growth in card club activity have led to strong increases in breeders' awards for all racing breeds in Minnesota. These increases have led to additional breeding activity in the State that will pay dividends at our racetracks in a few years.





Minnesota Racing Commission launches **NEW** Breeders' Fund website in 2018: www.mnbreedersfund.com



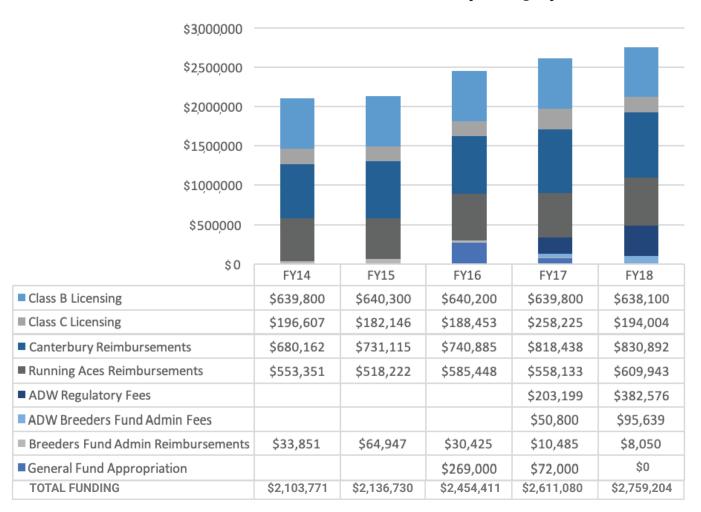
Running the MRC By the Numbers

Regulation Funded by the Industry

The Minnesota Racing Commission is funded through a number of sources per MS Chapter 240. Below are the funding categories by source for fiscal years 2014–2018.

As the chart indicates, funding has grown over the last three fiscal years via a one-time general fund appropriation and, beginning in 2017, a new advance deposit wagering law which once again returned the commission to being 100% funded by the industry it regulates.

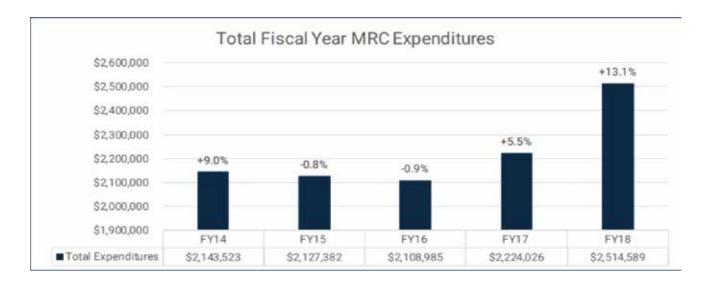
MRC Sources of Funds by Category FY14-FY18

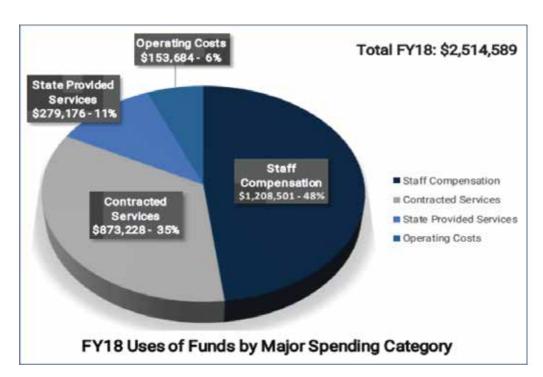


Strengthening the Agency while Staying Within Budget

Due to a strong financial position, the MRC was able to add resources to better fulfill our mission. Over the last two fiscal years, the MRC hired an investigator specialist and a staff auditor. These new hires have fortified our ability to maintain a high standard of integrity for horse racing and card playing and to put in place tighter fiscal controls and reporting documentation.

Though spending increased 13% in FY18, the MRC was 5.4% under budget. The MRC has stayed within its budget for five consecutive years. Staff continues to seek ways to reduce operating costs and focus our funding on initiatives that will strengthen the industry while maintaining strong regulatory oversight.



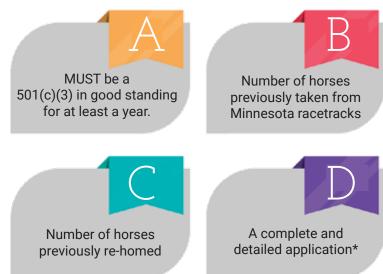


Racehorse Retirement and Grants

Since 2016, fines imposed on licensees are paid into a special revenue fund to be used for the express purpose of racehorse retirement and repurposing. There are a number of quality organizations doing important work to ensure our equine athletes have a life away from the racetrack that is useful and worthy of these wonderful animals.

Decision-Making Criteria:

*How the funds will be used - Preference is given to requests for hay, grain and veterinary care - Second tier preference is given to requests that directly benefit horses, such as shelter, fencing and other capital needs.



2018 Funding Recipients

A total of \$49,000 was dispersed to three organizations in 2018.

- Bowman Second Chance Thoroughbred Adoption received \$33,000 to aid in covering hay expenses, fencing and care for the 100 retired racehorses in their care.
- This Old Horse received \$12,500 to build lean-to shelters and re-fence a new property that will be used for their Standardbred Racehorse Retirement facility.
- CANTER Minnesota received \$3,500 to support the veterinary care for the 5 retired racehorses in their care.

Breeders' Fund Equine Research Grants

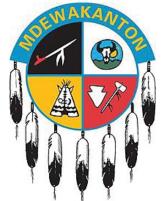
A portion of Breeders' Fund money is dedicated to equine research. This year, the MRC awarded \$5,000 to the University of Minnesota, College of Veterinary Medicine for a student scholar research project.

Research Project details:

- •The students worked with Dr. Molly McCue in her lab for three months.
- •The grant allowed students to do research on a muscle condition known as "recurrent exertional rhabdomyolysis", or commonly called typing-up, in Thoroughbred and Standardbred racehorses.
- •Tying-up causes painful muscle cramping and cell damage in some horses after they have exercised.
- •The research identified genetic markers that may predispose some horses to the condition so as to decrease the likelihood of transmission to future generations.

The information obtained from this research will benefit racehorse trainers, owners, breeders, and the industry for years to come by providing a better understanding related to the care of racehorses.

Building Relationships and a Stronger Industry



In Minnesota, purses are enhanced at Canterbury Park through a rather unique 11-year cooperative marketing agreement with the Shakopee Mdewakanton Sioux Community which provides more than \$70 million for purses. The agreement, which expires in 2022, is crucial to maintaining a competitive purse structure, which in turn, attracts quality racing and an attractive export product to wagering venues all over North America.

River South is a joint public-private collaboration of the premier entertainment opportunities in the Southwest Twin Cities that attracts more than ten million visitors each year. It's where four of Minnesota's largest entertainment destinations are located within just four miles of each other; Canterbury Park, Mystic Lake Casino and Hotel, Valleyfair and the Renaissance Festival.





The University of Minnesota Crookston Equine Science program has announced that it will have openings to foal out mares for Spring Semester 2019. This will give owners another option to foal mares out in Minnesota, making the foals eligible for Minnesota Breeders' Fund awards. More than ten Equine Science students will participate in pre-and-post foaling procedures as part of the school's Equine Reproduction Techniques course.

"This hands-on experience not only gets our students more involved in the field, but also gets them interested in the Minnesota horse racing industry," commented Nicky Overgaard, University of Minnesota Crookston Equine Science Instructor.

"To have the University of Minnesota Crookston support the breeding program in Minnesota adds great value to our racing community. The Equine Science Program is becoming more involved with the Breeders' Fund, which will only make the program stronger."



-Joe Scurto, Minnesota Racing Commission Deputy Director

2018 Champions



Leading Quarter Horse Owner: Thomas Schekel



Leading Standardbred Driver: Steve Wiseman





Leading Quarter Horse Trainer: Jason Olmstead



Leading Thoroughbred Trainers: Mac Robertson Robertino Diodoro



Leading Quarter Horse Jockey: Cristian Esqueda



Leading Thoroughbred Jockey: Ry Eikleberry

RACETRACKS/CARD ROOMS



Canterbury Park

1100 Canterbury Road Shakopee, MN 55379 952.445.7223 www.canterburypark.com



Running Aces Casino and Racetrack

15201 Zurich Street Columbus, MN 55025 651.925.4600 www.runaces.com

HORSEPERSON ORGANIZATIONS



Minnesota Thoroughbred Association 1100 Canterbury Road Shakopee, MN 55379 952.233.4802 www.minnesotabred.com



Minnesota Quarter
Horse Racing Association
www.mqhra.com



Minnesota HBPA 1100 Canterbury Road Shakopee, MN 55379 952.496.6442 www.mnhbpa.com



Minnesota Harness Racing Inc. 414.379.2494 www.mnharness.com



Website: www.mrc.state.mn.us



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