



MINNESOTA RACING COMMISSION **BIENNIAL REPORT**



2019 & 2020





TABLE OF CONTENTS

INTRODUCTION

A Message from Our Chairman	4
A Message from Our Executive Director	5

AT A GLANCE

Our Vision and Mission	6
What we Do	7
Our Commissioners	8
Our Staff	9
Our Accomplishments	10

STRATEGY

COVID-19 Safety and Response	12
-------------------------------------	----

FINANCIAL

Advance Deposit Wagering	14
Running the MRC By the Numbers	16

DEVELOPMENT

Breeders' Fund	18
Commission Grants	22
Canterbury Park	24
Running Aces	26
Partnerships	28

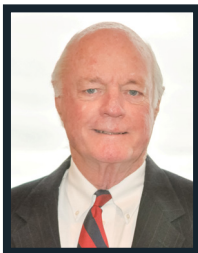
ACKNOWLEDGMENT

The Minnesota Racing Commission would like to thank Alex Burcum, Canterbury Park, Coady Photography, Dee Leftwich, Sarah Bernier and Taro Ito (CEO of Running Aces Casino, Hotel and Racetrack) for their outstanding photography and contributions to our Biennial Report.

This biennial report is being submitted to the governor and 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 costs \$2,500 to prepare this report.

A MESSAGE FROM OUR CHAIRMAN

James S. Lane III



To Governor Tim Walz and Members of the Minnesota State Legislature:

Greetings from the Minnesota Racing Commission. The powers and duties of the Minnesota Racing Commission are set forth in Minnesota Statutes, Chapter 240. In 2019 the legislature changed the commission reporting cycle from an annual to a biennial report, so this is the commission's first biennial report, covering fiscal years 2019 and 2020.

The two reporting years could not have been more different. 2019 was "business as usual" for the commission, marked by profitable business at both licensed racetracks; safe, competitive horse racing with strong purses; and commendable safety and regulatory compliance by licensees and racing and gaming participants. However, the COVID-19 pandemic rendered 2020 a notably different year for the commission, licensees, and other racing and gaming industry stakeholders, just as it was for the nation and the world. The remainder of this report provides more details, including specifics on the use of amounts appropriated to the commission by statute that reaffirms that the work of the commission is financed by industry participants, principally by license fees and payments to the state that are allocated to a special revenue fund and appropriated to the commission to offset costs of regulating horse racing and pari-mutuel wagering. Similarly, costs of regulating card clubs are reimbursed by the tracks themselves. No portion of commission revenues in 2019 or 2020 were derived from the state's general fund, and in 2020 the commission was able to achieve significant cost reductions, primarily the result of reduced business activity that was pandemic related.

The remainder of this report describes recent commission activities in greater detail, but before turning the page on the current reporting period, we invite your attention to several important matters that will deserve both your attention and ours in the coming months and years. They include:

Federal regulation of racing. Shift from traditional state regulation of horse racing to a hybrid regulatory model that involves federal oversight of racetrack safety and medication and drug testing by the United States Anti-Doping Agency (USADA) and rulemaking and rule enforcement by the Federal Trade Commission. The new federal-state regulatory framework will become effective not later than July 1, 2022. The costs of federal oversight will be assessed to the several states, but the means of financing will be determined by state racing commissions and their respective state legislatures.

Sports betting. As we noted in our 2018 annual report, sports betting is both a threat and an opportunity for the future of pari-mutuel wagering on horse racing in Minnesota. It is essential that the pari-mutuel sector, including racetracks and horsepersons' organizations, be represented when sports betting comes on for policy and legislative consideration, as it already has in several other racing jurisdictions.

Gap between state regulation of card club gaming and emergent technology. The worldwide gaming industry is supported and serviced by wide arrays of sophisticated consultants and gaming innovators. By contrast, the commission's regulatory capacity to keep pace with new casino games or technological enhancements of existing games, has been stretched in recent years and will continue to be challenged. Stated differently, electronic gaming technology is outrunning existing regulatory capacity, and new legislative guidelines and rules may soon be needed.

A handwritten signature in black ink, appearing to read "James S. Lane III". Below the signature, the name "JAMES S. LANE III" is printed in a small, black, sans-serif font.

Chair, Minnesota Racing Commission

A MESSAGE FROM **OUR EXECUTIVE DIRECTOR**

Steve May



The Minnesota Racing Commission is honored to provide this biennial report to the Minnesota Legislature and to Governor Tim Walz. The past biennium has provided vastly different environments for horse racing in Minnesota, resulting in a report that shows a great contrast between the past two years and exemplifies how the racing industry looks to the future with great optimism.

While 2019 saw hundreds of thousands of racing fans enjoy the thrill of live horse racing in Minnesota, 2020 saw these numbers drastically cut in an effort to provide a safe atmosphere for everyone involved. Both pari-mutuel racetracks offered an amended racing schedule in 2020, but live horse racing was able to be conducted without any major outbreaks of the COVID-19 virus due to the strong mitigation efforts by both racetracks and everyone involved.

Adaptation was key to both racetracks in 2020. Canterbury Park offered racing on what most consider “non-traditional” weekdays, and Running Aces offered racing most afternoons. These changes helped bring new fans to the racetrack and new wagering dollars from around the country, resulting in record-setting wagering dollars on Minnesota races.

The card casino areas of both of Minnesota’s racetracks have also thrived over the past biennium, although these areas were hit especially hard due to the mandatory shutdowns and significant reduction in admissions related to the COVID-19 pandemic. Both card casinos have persevered, though, and have worked hard to provide an enjoyable yet safe environment for all involved.

2020 saw legislative responses to the COVID-19 pandemic that impacted both pari-mutuel racetracks drastically. One of these changes was an increase in regulatory fees paid to regulate live racing and simulcasting by the advance deposit wagering licensees, all of which are based outside of Minnesota. The racing industry also looks forward to legislative changes that could provide the possibility of sports wagering in Minnesota. The Commission is well-prepared to regulate this industry based on our extensive experience in regulating racing and account wagering operations.

The past biennium was important for pari-mutuel horse racing in Minnesota from a rulemaking standpoint. The Minnesota Racing Commission approved rule changes that have strengthened the medication and testing programs for the equine athlete and enhanced the penalties for rules violators participating in the sport. The Commission also amended the breeders’ fund rules to make it easier for those that choose to breed their horses in the state, which provides a major economic boost to Minnesota.

The Minnesota Racing Commission underwent several key changes from a commission and staff level over the past biennium. The end of 2019 saw the retirement of Commissioner Jerry Bell, who had served the Commission for 4 years. Commissioner Julie Idelkope was appointed to the Commission in November 2019, bringing a vast amount of experience in Public Affairs. 2020 also saw the retirement of Executive Director Tom DiPasquale, who tirelessly served the Commission since 2013, and I was fortunate enough to join the team in April 2020.

The Minnesota Racing Commission is proud of the work performed by the regulatory team to provide quality racing with the highest standards. The work done by past leaders in the Minnesota racing industry will put the industry well ahead of future changes brought forth by the passage of the Horseracing Integrity and Safety Act of 2020, and the Commission is making plans to adapt to the important changes in the federal legislation.

The Minnesota Racing Commission truly appreciates the support provided by Governor Walz and the Minnesota Legislature, and we look forward to continuing our work with both the governor and the legislature to continue to make this industry thrive well into the future.

A stylized, handwritten signature in black ink, appearing to read 'Steve May'.

STEVE MAY

Executive Director, Minnesota Racing Commission



OUR VISION & MISSION

VISION

The Minnesota Racing 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.

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.

OUR DUTIES

The Commission's powers and duties are outlined in MS Chapter 240.03 and summarized to the right. The dedication to executing our duties allows horse racing and card playing to operate with the public trust and benefit the State of Minnesota.

- 1 Regulate horse racing and card playing at Minnesota racetracks to ensure that they are conducted in the public interest
- 2 Issue licenses
- 3 Enforce all laws and rules governing horse racing and card playing
- 4 Collect and distribute all taxes under MS Chapter 240
- 5 Conduct investigations necessary to carry out its duties
- 6 Supervise the conduct of pari-mutuel betting on horse racing and card playing
- 7 Employ and supervise personnel under MS Chapter 240
- 8 Determine the number of racing days to be held in the state and at each licensed racetrack
- 9 Take all necessary steps to ensure the integrity of racing and card playing in Minnesota
- 10 Impose fees on the racing and card playing industries sufficient to recover the operating costs of the Commission



WHAT WE DO

Issue Licenses

The Minnesota Racing Commission issues licenses for a variety of positions at both racetracks. License types range from horse farriers to concessions vendors. If a person is working on the grounds of either track in any capacity, they must be licensed.

5,399 Licenses were issued in 2019.

4,415 Licenses were issued in 2020.

Promote Racing and Breeding

The Minnesota Racing Commission actively promotes racing and breeding in Minnesota in a number of ways. News releases are shared with the turf press and are sent to local and national media organizations to announce Commission business, organizational changes, race day requests or any other racing news. Print and digital advertisements are also placed in regional and national publications.

Enforce Rules

159 Rulings were issued by MRC Stewards and Judges during the 2019 racing season.

207 Rulings were issued during the 2020 racing season.

Protect Safety and Welfare

4,784 pre-race equine examinations were conducted and **4,600** equine drug tests were sent for analysis during the 2019 racing season.

3,764 pre-race equine examinations were conducted and **3,919** equine drug tests were sent for analysis during the 2020 racing season.



OUR COMMISSIONERS

Diverse, Engaged, Accomplished Leadership



**Chairman
James S. Lane III**

Year Appointed: 2009
Term Expires: 2021
Committees:
Administration Com-
mittee, Compliance
and Racing



**Commissioner
Barbara Colombo**

Year Appointed: 2015
Term Expires: 2021
Committees: Racing
and Racehorse
Aftercare



**Commissioner
Dan Erhart**

Year Appointed: 2012
Term Expires: 2023
Committee:
Finance



**Commissioner
Alan Gingold**

Year Appointed: 2014
Term Expires: 2025
Committees:
Compliance and
Finance (Chair)



**Commissioner
Lisa Goodman**

Year Appointed: 2014
Term Expires: 2025
Committees:
Administration,
Compliance,
Racehorse
Aftercare (Chair)



**Commissioner
Julie Idelkope**

Year Appointed: 2019
Term Expires: 2025
Committee:
Administration
(Chair)



**Commissioner
Roy Johnson**

Year Appointed: 2017
Term Expires: 2023
Committee:
Racehorse
Aftercare



**Commissioner
Dr. Camille McArdle**

Year Appointed: 1993
Term Expires: 2023
Committees:
Compliance and
Racing (Chair)



Jerry Bell retired in December 2019 after serving on the commission since 2015. During his time with the commission, he served on the Administrative Affairs Committee.

OUR STAFF



Steve May
Executive Director



Robert Schiewe
Deputy Director



E. Joseph Newton
General Counsel



Kevin Hoese
Staff Auditor



Stephanie Jenson
Senior Program, Project
and Field Safety
Coordinator



Colleen Marquardt
State Program
Administrator and
Licensing Coordinator



Nick Cummins
Investigative Specialist



John Flynn
Investigative Specialist



Nicole Edstrom
Breeders' Fund
Coordinator and
Licensing Specialist



Rebecca Roush
Communications
Coordinator and
Licensing Specialist

NOT PICTURED

Executive Staff

Patricia Sifferle - General Counsel until 2019

Investigative Staff

Linda Hilligoss - Investigative Specialist

Andrew Still - Investigative Specialist

Licensing Staff

Megan Lindstrom - Licensing Specialist until 2020



2019 Seasonal Staff

Nicole Boentgen - Test Barn Coordinator
Susan Hibbard - Test Barn Coordinator
Jeanne French - Test Barn Coordinator
Brittany Newby - Veterinary Office Assistant
Tricia Stobbs - Veterinary Office Assistant
Clara Quade - Assistant to the Board of Stewards

Lynn Hovda, DVM - Chief Commission Veterinarian
Richard Bowman, DVM - Commission Veterinarian
Christy Klatt, DVM - Commission Veterinarian
David Radechel, DVM - Commission Veterinarian

David Hooper - Chief Racing Steward
Stanley Bowker - Racing Steward
David Smith - Racing Steward
Renee Sheward - Presiding Racing Judge
Michael Sorentino - Racing Judge
Richard Williams - Racing Judge



2020 Seasonal Staff

Nicole Boentgen - Test Barn Coordinator
Jeanne French - Test Barn Coordinator
Jaimie Klohn - Test Barn Coordinator
Mitchell Kottke - Veterinary Office Assistant
Brittany Newby - Veterinary Office Assistant
Denae Rothmeier - Assistant to the Board of Stewards

Lynn Hovda, DVM - Chief Commission Veterinarian
Richard Bowman, DVM - Commission Veterinarian
Christy Klatt, DVM - Commission Veterinarian
David Radechel, DVM - Commission Veterinarian

David Hooper - Chief Racing Steward
Stanley Bowker - Racing Steward
David Smith - Racing Steward
Robert Corey - Presiding Racing Judge
Steven Carpenito - Racing Judge
Peter Hanley - Racing Judge

OUR ACCOMPLISHMENTS



Mr. David Hooper, Chief Racing Steward for the Minnesota Racing Commission, announced his retirement in September 2020 and concluded his 60-year career in horse racing at Canterbury Park.

The Minnesota Racing Commission saw great change to its organizational structure in 2019 and 2020.

Deputy Director, Joseph Scurto retired from the Commission in 2019. He was succeeded by Deputy Director Bob Schiewe in June, 2019.

The Commission welcomed E. Joseph Newton as General Counsel to its team in 2019 after the departure of General Counsel Patricia Sifferle.

Executive Director, Tom DiPasquale, retired in February 2020, after serving six years in that role, and he was succeeded in April 2020 by current Executive Director, Steve May.

Notable Achievements

Colleen Marquardt, State Program Administrator and Licensing Coordinator, celebrated her 25th year with the Minnesota Racing Commission.

Stephanie Jensen was given the Minnesota Racing Commission's new title of Senior Program, Project and Field Safety Coordinator. Jensen began working for the Commission more than eight years ago as a Law Compliance Representative and has taken the lead on many crucial projects since.



Exceptional Care for Exceptional Athletes

The Minnesota Racing Commission strives to ensure the safety and welfare of the racing industry's human and equine participants. This is achieved in a number of ways. This begins with the veterinary team, which is comprised of world class practitioners who hold industry participants to the highest standards.



Since 1994, Lynn Hovda, RPH, DVM, MS has served as the MRC's Chief Commission Veterinarian. She advises the MRC and racing participants on proposed rule changes regarding medications and the health and welfare of horses, develops training manuals and operating procedures, supervises the MRC detention barns, examines horses, assists with research, and oversees all veterinarians between the tracks. When she is not at the track, Dr. Hovda is an Adjunct Assistant Professor, University of Minnesota School of Veterinary Medicine. She is also the Director of Veterinary Medicine at SafetyCall International and Pet Poison Helpline. When she is not busy with all of these duties, she finds time to participate in field research, edit publications and conduct professional presentations.



Richard Bowman, DVM, MRC Commission Veterinarian, has found new homes for retired racehorses since the late 1990's. He established and since 1998 had operated Bowman Second Chance Thoroughbred Adoption. His initiative works tirelessly to feed, care for and work with the horses before transitioning them into their second career.

In Remembrance



Curtis Sampson, Chairman Emeritus of Canterbury Park Holding Corporation, passed away in July of 2020 at the age of 87. He played an instrumental role for the horse racing industry in Minnesota when he reopened Canterbury Park in 1994. Mr. Sampson had become involved in racehorse breeding in the 1980s and raced horses with his family at what was then Canterbury Downs. He now leaves behind a legacy of dedication to horse racing and all of its participants. Mr. Sampson's son Randy Sampson continues his legacy as Chairman and CEO of Canterbury Park.

COVID-19 SAFETY AND RESPONSE

The COVID-19 pandemic brought much uncertainty and worry to many industries across the world, and the horse racing industry was no exception. The Minnesota Racing Commission, working with horsepersons groups and associations, made the health and safety of all participants our number one priority and responded to the needs of the industry in a number of ways.



RESPONSE FROM THE MRC

The MRC worked closely with representatives from both racetracks and the state's three horsepersons groups to establish new health and safety protocol and mandated the use of face masks on racetrack properties, conducted daily temperature and symptom checks indicated by color-coded wristbands, and enforced social distancing of at least six feet in areas of congregation.



"The 2020 racing season was made a reality through the determination, collaboration and adaptability of Canterbury Park staff, the Minnesota Racing Commission and Minnesota horsepersons working as a team to overcome the challenges presented by the COVID-19 pandemic."

- Andrew Offerman, Vice President of Racing Operations at Canterbury Park



RESPONSE FROM THE TRACKS

Both Canterbury Park and Running Aces introduced new health and safety measures. These included, but were not limited to: temperature screening stations, hand sanitizer fixtures, proper signage for social distancing and mask use, and protective barriers in between betting machines and card table seats.



IN IT TOGETHER

Throughout the 2020 racing season, the horse racing industry had to adapt and change how business was conducted. What has been a tight-knit community, became a socially distanced and cautious group of passionate horse trainers, grooms, drivers, jockeys and other backstretch personnel. With many routine plans put on hold in 2020, horsepersons found ways to make the most of their time at our Minnesota racetracks and provide the best care possible for the horses.

Photo Pictured Right:

Jockey Ry Eikleberry entering the winner's circle aboard Lothenbach Stable Inc.'s Raging Gold Digger on September 16, 2020.

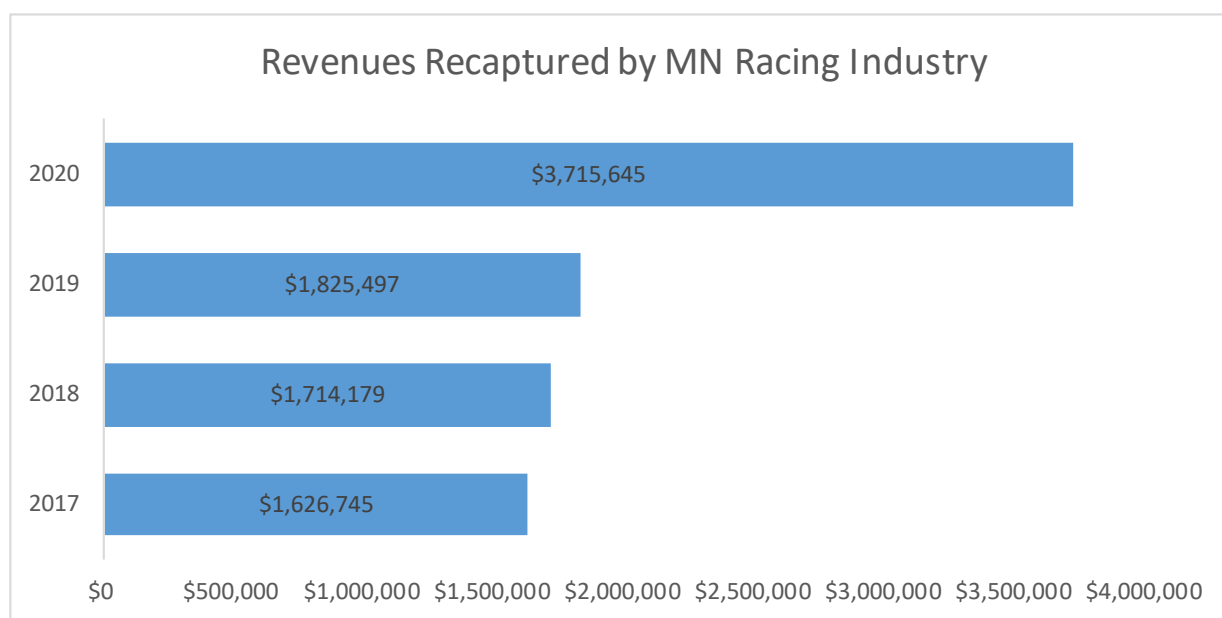
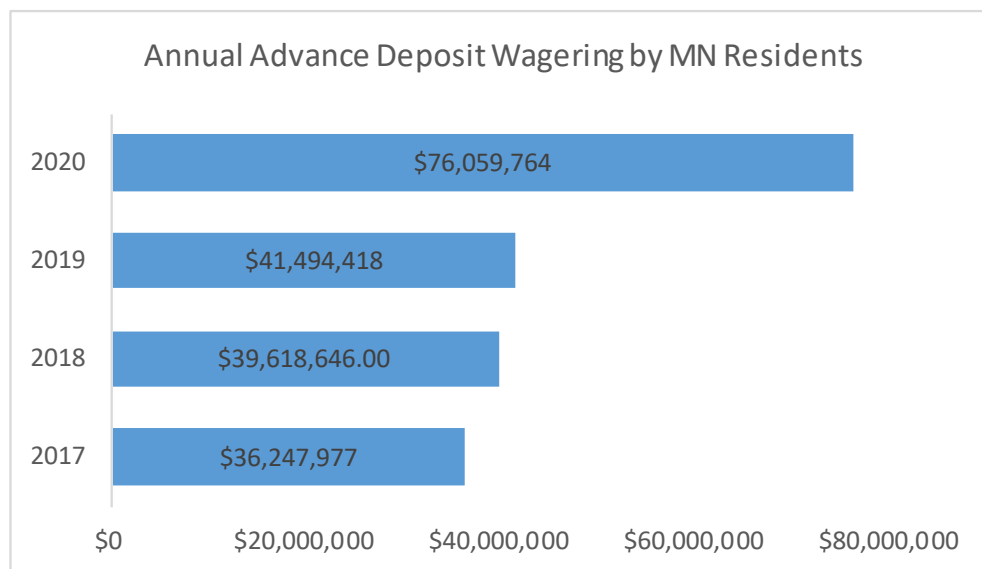
Masks or face shield devices were required to be worn by all participants throughout the 2020 racing season.



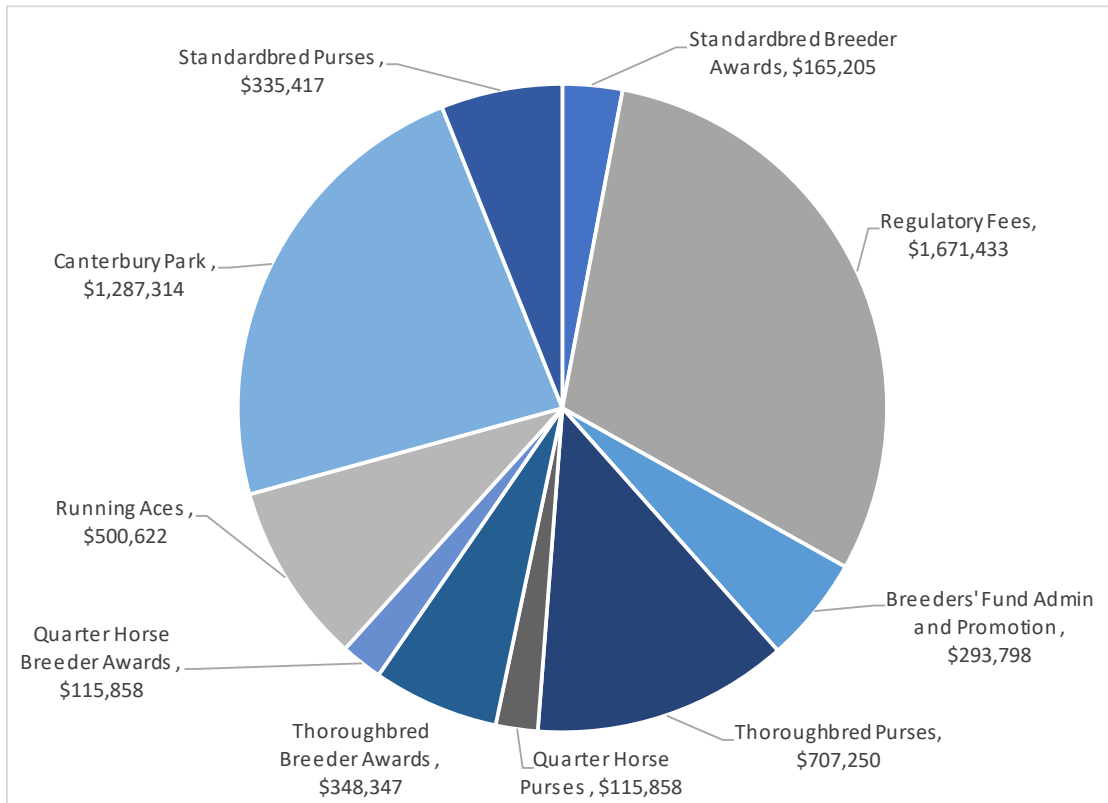
ADVANCE DEPOSIT WAGERING ADW



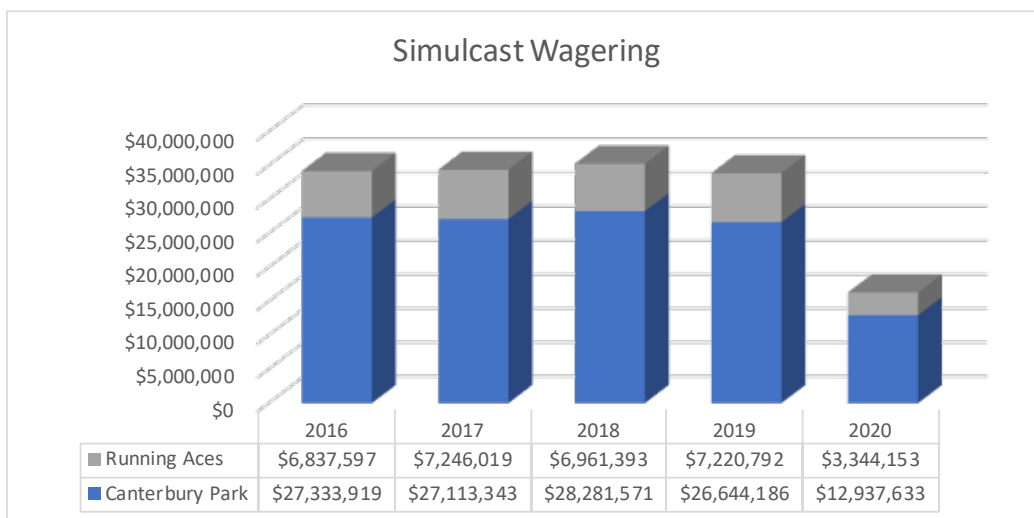
In 2016, the Minnesota legislature authorized advance deposit wagering (ADW), which allows Minnesota residents to place pari-mutuel wagers on live races conducted in other states via the Internet or mobile device by funding personal wagering accounts.



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 2019 and 2020, seven ADW operators were licensed by the MRC and since 2016, \$8,960,680 million has been recaptured by the racing industry thanks to this legislation.



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, stakeholders were able to reinvest these funds into growing the industry.

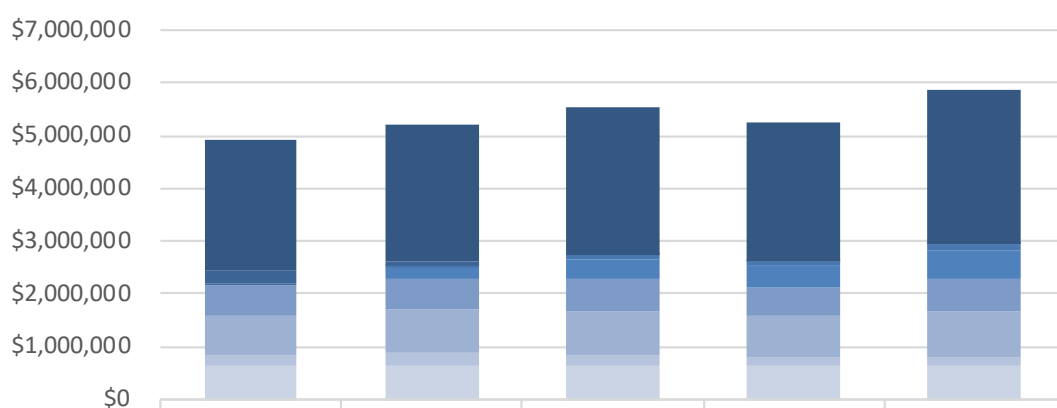


RUNNING THE MRC BY THE NUMBERS

Regulation Funded by the Industry

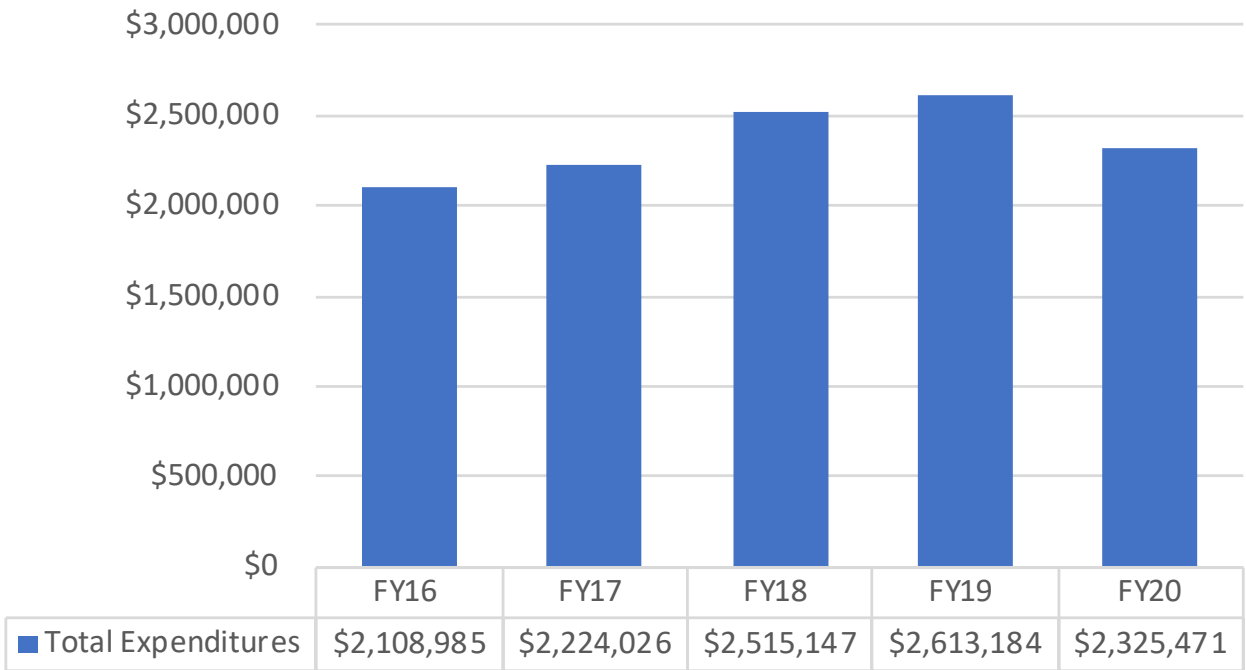
The Minnesota Racing Commission is funded through a number of sources per MS Chapter 240. The Racing Commission's basic operations are currently financed entirely by the industry it regulates. Below are the funding categories by source for fiscal years 2016-2020.

MRC Sources of Funds by Category FY16-FY20

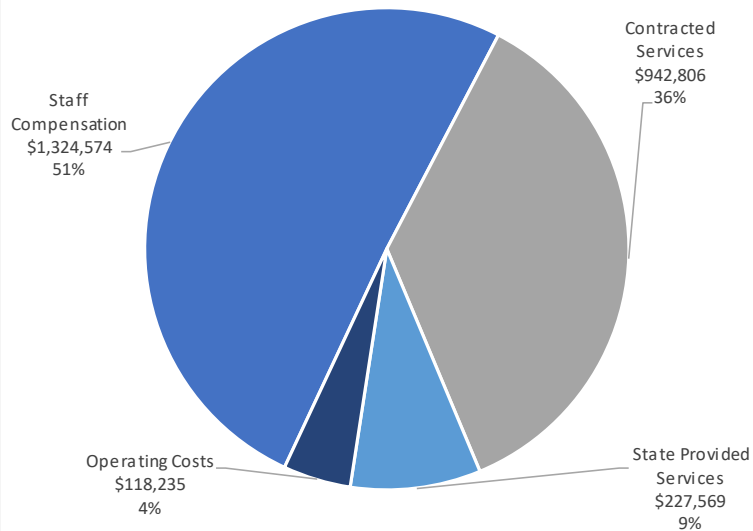


	FY16	FY17	FY18	FY19	FY20
■ TOTAL FUNDING	\$2,454,411	\$2,611,080	\$2,759,204	\$2,629,159	\$2,940,631
■ General Fund Appropriation	\$269,000	\$72,000	\$0	\$0	\$0
■ Breeders Fund Admin Reimbursements	\$30,425	\$10,485	\$8,050	\$9,780	\$6,314
■ ADW Breeders Fund Fees		\$50,800	\$95,639	\$98,197	\$133,337
■ ADW Regulatory Fees		\$203,199	\$382,576	\$392,787	\$534,157
■ Running Aces Reimbursements	\$585,448	\$558,133	\$609,943	\$561,190	\$616,724
■ Canterbury Park Reimbursements	\$740,885	\$818,438	\$830,892	\$741,931	\$836,409
■ Class C Licensing	\$188,453	\$258,225	\$194,004	\$185,575	\$175,990
■ Class A and B Licensing	\$640,200	\$639,800	\$638,100	\$639,700	\$637,700

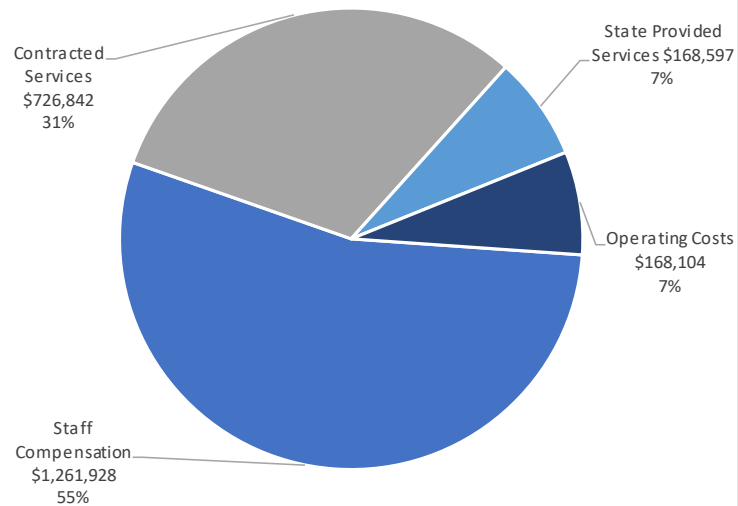
Total MRC Expenditures By Fiscal Year



2019 Uses of Funds



2020 Uses of Funds



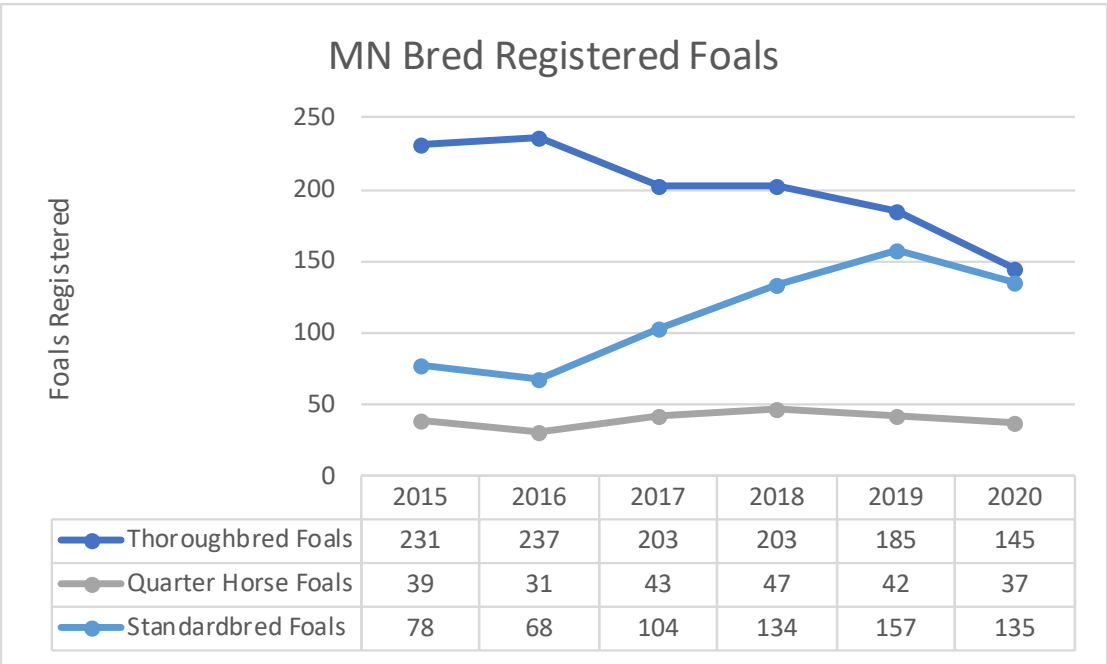
MINNESOTA BREEDERS' FUND



Purpose

The primary purpose of the Minnesota Breeders' Fund is to encourage the breeding and racing of quality racehorses in the state.

In addition, the Breeder's Fund provides money for in-state, postsecondary quine research and related educational programs in the form of grants, contracts, and other expenditures.

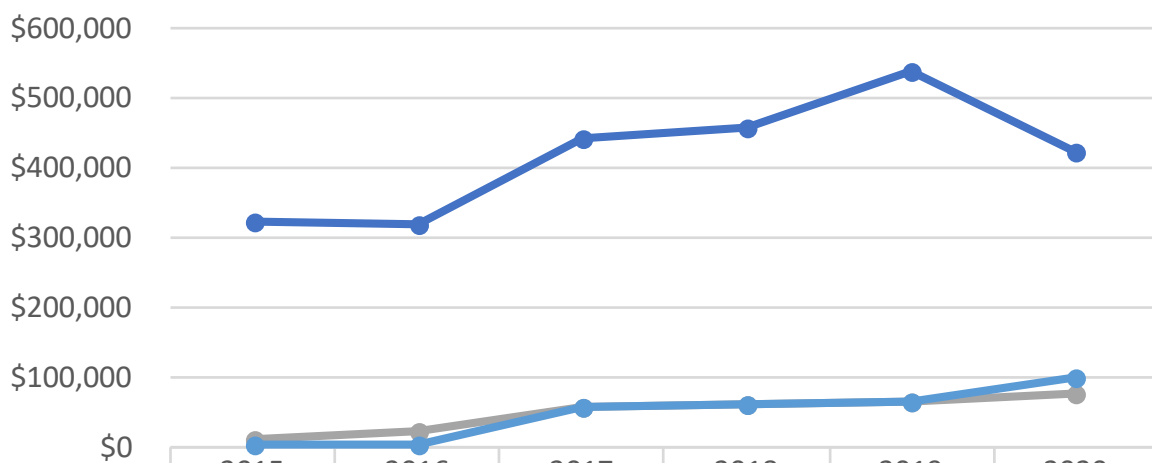


The MRC works with the Breeders' Fund Advisory Committees and with industry stakeholders to create incentives to increase the quantity and quality of Minnesota-bred and owned racehorses.

Racehorse breeding across the nation is challenged by the economics of equine breeding, and Minnesota is no exception. The MRC works closely with industry stakeholders to provide support and to discover new solutions to these challenges.



Breeders' Awards Earned



	2015	2016	2017	2018	2019	2020
Thoroughbreds	\$325,323	\$322,610	\$442,505	\$460,565	\$540,169	\$425,930
Quarter Horses	\$15,000	\$22,979	\$59,320	\$63,282	\$66,888	\$77,377
Standardbreds	\$3,980	\$5,364	\$59,625	\$63,254	\$66,375	\$100,172

In 2019 \$673,431 was shared in breeders' awards and in 2020, \$603,479 was shared among participants.

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. This amount includes both breeders' awards and purse supplements.

IT PAYS TO BREED

The Minnesota Breeders' Fund provides incentives to expand breeding and racing in the state. In addition, both Canterbury Park and Running Aces provide good opportunities to Minnesota bred racehorses throughout their race meets.

\$100,000 Championship races are offered at Canterbury Park with nomination payments at a max of \$350 that are often due only upon entry.

There are no nomination or entry fees for Minnesota bred pacing and trotting championship races at Running Aces.



Dame Plata
Final Bid \$30,000
Current Earnings \$236,536



Ready to Runaway
Final Bid \$4,000
Current Earnings \$250,780

IN MINNESOTA



Fridaynitestar
Final Bid \$4,100
Current Earnings \$183,136



Ari Gia
Final Bid \$5,000
Current Earnings \$245,017

The pride and excitement of buying a horse at auction that wins a major stakes race can be the dream of a lifetime.

As you can see from these pages, Minnesota bred horses can provide a substantial return on investment to owners. These success stories continue to elevate the Minnesota breeding and racing programs and show us that it does pay to breed in Minnesota!

COMMISSION GRANTS

Since 2016, fines imposed by the Commission are paid into a special revenue fund to be used for the purpose of racehorse retirement and repurposing. The MRC works with several quality organizations that do important work to ensure our equine athletes have a life away from the racetrack that is useful and worthy.

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.

2019 Grant Recipients

A total of \$52,000 was awarded in 2019.

Bowman Second Chance Thoroughbred Adoption (BSCTA) received \$40,000 for hay, feed, veterinary care and farrier expenses for the 117 retired racehorses in their care.

This Old Horse received \$12,000 for hay and other expenses relative to their care of 15 retired racehorses.

2020 Grant Recipients

A total of \$45,000 was awarded in 2020.

BSCTA received \$7,000 in emergency funding to purchase hay during the COVID-19 crisis.

BSCTA received \$30,000 for feed and other expenses.

This Old Horse received \$8,000 for help with re-training costs of 9 retired racehorses.

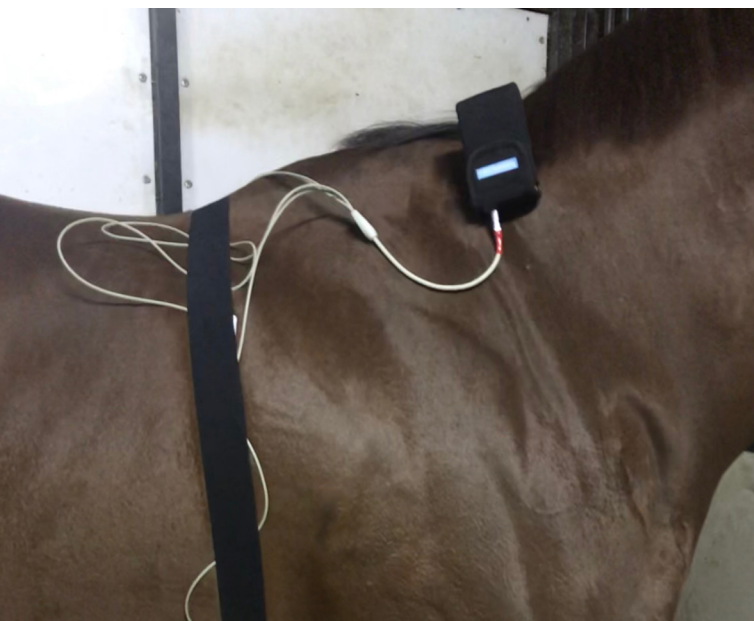
\$35,000 in Funding Dedicated to Research on Sudden Death in Racehorses Caused by Cardiac Arrhythmias

In 2020, The Minnesota Racing Commission announced its dedication to help fund research on cardiac arrhythmias — or, irregular heartbeats in racehorses. A motion to approve funding of \$35,000 from the Minnesota Racing Commission's Breeders' Fund for a two-year University of Minnesota equine research project entitled "Cardiac Arrhythmias in Thoroughbred Racehorses" was passed at the April 2020 commission meeting.

Molly McCue, DVM, MS, PhD, DACVIM, associate dean of research at the University of Minnesota College of Veterinary Medicine and principal investigator on a forthcoming paper on the subject as well as Sian Durward-Akhurst, BVMS, MS, DACVIM, PhD are observing similarities and differences between how human athletes and racehorses experience cardiac arrhythmia.

Dr. McCue and Dr. Durward-Akhurst, worked with researchers to collect data at both of Minnesota's racetracks during the 2020 racing season.

The goal of this research is to both better prepare breeders and trainers for the screening of risk and to protect more horses and people from atrial fibrillation. Dr. Durward-Akhurst and Dr. McCue's research has also been funded by the American Association of Equine Practitioners, American Quarterhorse Foundation, CVM, Morris Animal Foundation, and the United States Department of Agriculture National Institute of Food and Agriculture.



A horse is pictured above being tested with an Electrocardiogram machine.



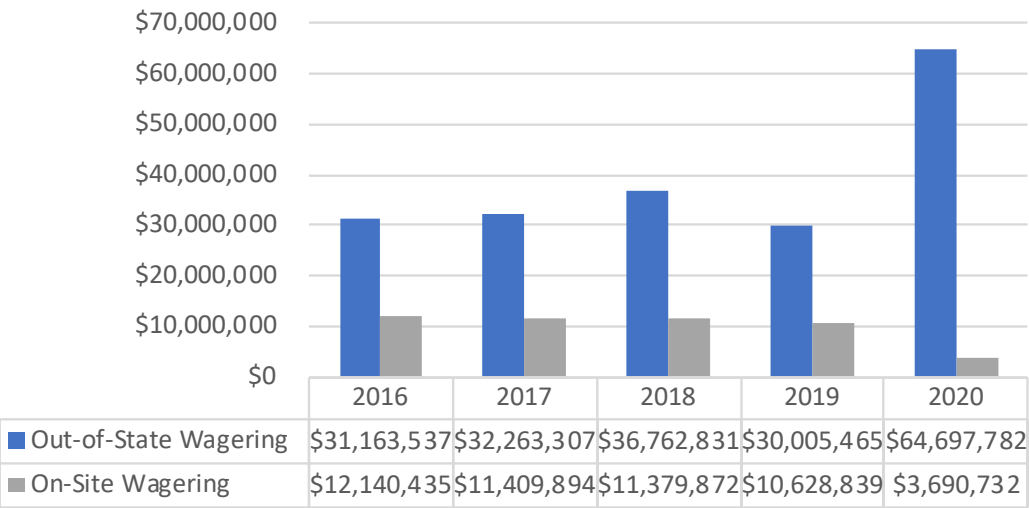
CANTERBURY PARK

2019 & 2020



Located in Shakopee, Canterbury Park has been Minnesota’s home for Thoroughbred and Quarter Horse racing since reopening in 1995, after Canterbury Downs had closed in 1993. The racetrack conducts live horse racing from May to September, and offers patrons full card simulcasting, card casino gaming and hosts multiple special events year round.

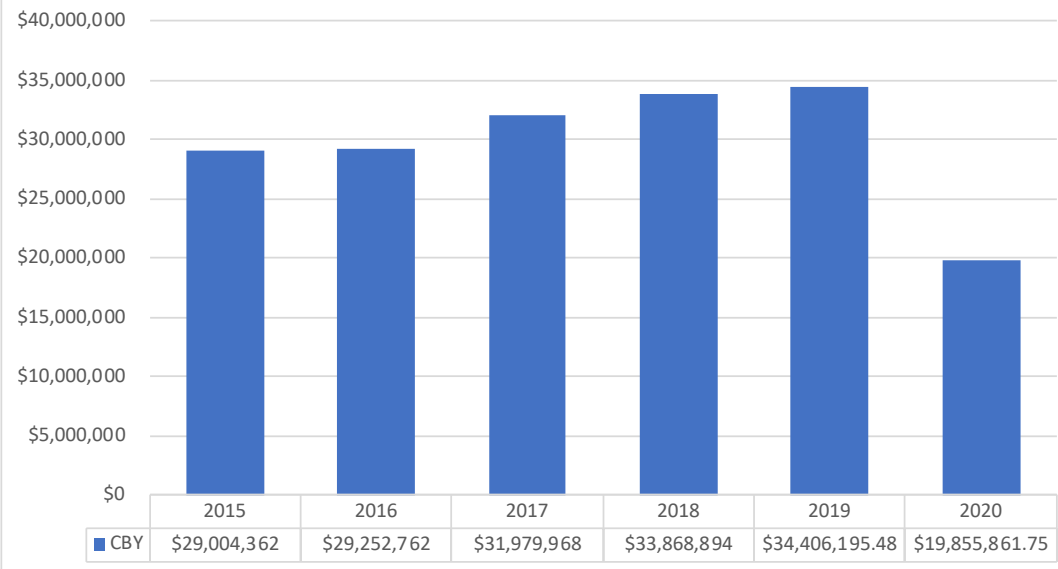
Pari-Mutuel Wagering on Live Racing at Canterbury Park



"Canterbury Park attracted a record handle of more than \$68 million, easily eclipsing the previous record of \$48 million. Although the substantial increase in off-track handle didn't fully offset our losses in admissions, food and beverage and on-track handle revenues, and limited attendance significantly impacted our ability to recall team members and generate economic benefit throughout the community, the increase in exposure of our racing product and the national acceptance of it were encouraging."

- Andrew Offerman, Vice President of Racing Operations at Canterbury Park

Canterbury Park Card Room Revenue



Capital Improvements



The Canterbury Park Card Casino was renovated and expanded to its existing layout in the Spring of 2019. In addition, Canterbury Park has completed numerous upgrades and improvements throughout the clubhouse and grandstand since 2018.



The Triple Crown Residences, the initial phase of the \$400 million Canterbury Commons project, began leasing. In 2020, with two city streets and needed infrastructure newly completed, Canterbury announced a 14-acre land sales agreement with Pulte Homes and Lifestyle Communities to construct 160 residential units, as well as a joint venture with Greystone Construction to develop a 13-acre land parcel.

2019 Season Champions



Mac Robertson
Thoroughbred Trainer



Jason Olmstead
Quarter Horse Trainer



Francisco Arrieta
Thoroughbred Jockey



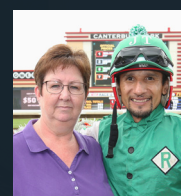
Jorge Torres
Quarter Horse Jockey



Joe Novogratz
Thoroughbred Owner



Jason & Angela
Bullard of Empire Racing
Thoroughbred Owners



Brenda Reising
Quarter Horse Owner



Joel Berndt
Thoroughbred Trainer



Jason Olmstead
Quarter Horse Trainer



Ry Eikleberry
Thoroughbred Jockey



Nik Goodwin
Quarter Horse Jockey



Bob Lothenbach
Thoroughbred Owner



Corey Wilmes
Quarter Horse Owner

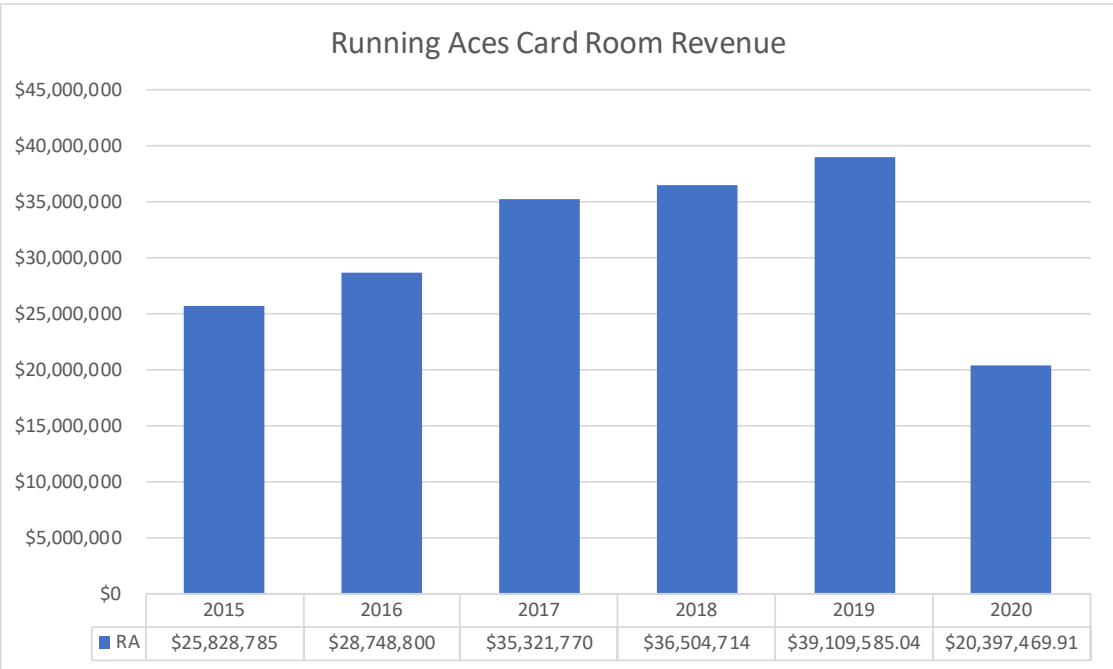
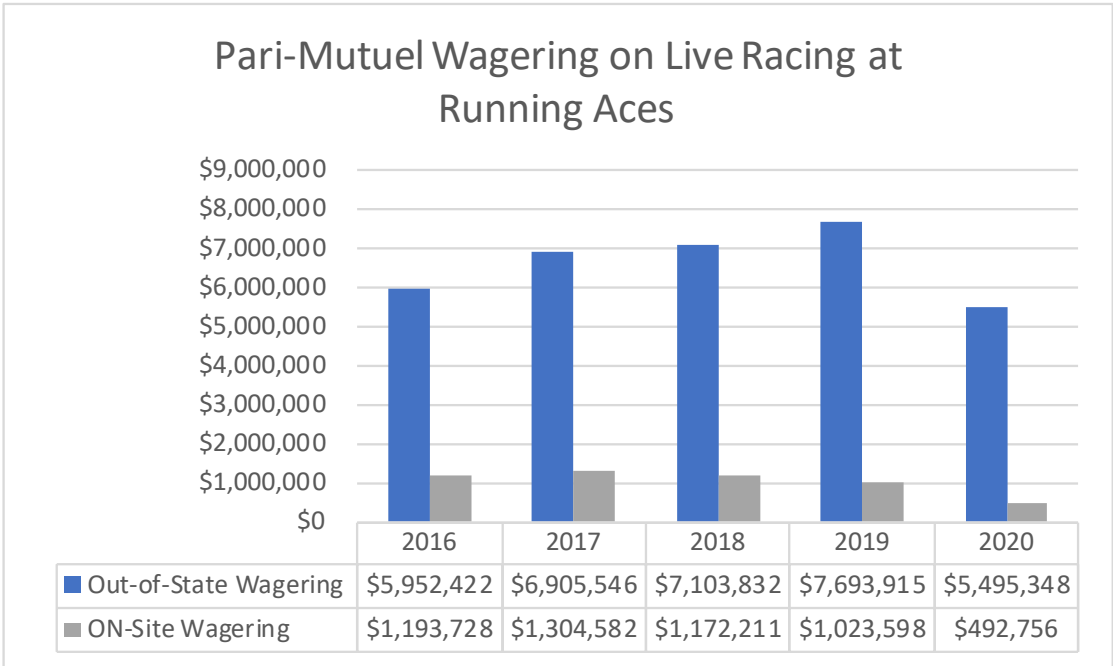
2020 Season Champions

RUNNING ACES

2019 & 2020



Running Aces Casino, Hotel and Racetrack is located on I-35 in Columbus, Minnesota, 20 minutes north of downtown Minneapolis and St. Paul. The facility is open 24 hours a day, seven days a week and features live Standardbred horse racing, year-round simulcast wagering, a card club and a newly built full-service hotel.





2019 Season Champions



*Kathy Plested
Standardbred Trainer*



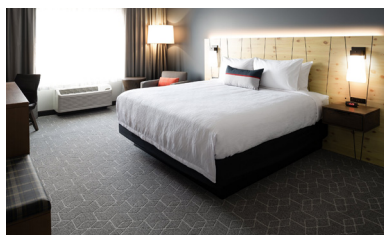
*Dean Magee
Standardbred Driver*



*Jessica Johnson & Nick Roland
Standardbred Trainer and Driver*

2020 Season Champions

Capital Improvements



Since opening in 2008, Running Aces has continued to grow and expand its operations. Running Aces welcomed guests to its newly built hotel in March of 2020. After just five days of operation, the hotel was temporarily closed due to COVID-19 state restrictions. It has since reopened with various health and safety measures enacted.

"What started as a year of anticipation for the opening of our hotel, turned to one met with many challenges. Although unable to realize the full potential of the hotel and it's impact on our operations, it is clear that this will become a significant asset, key to our continued growth. We also learned that even in tough times, with flexibility and the commitment to do the 'right thing' we can offer a fun and safe environment for our employees and guests."



*- Taro Ito, President and CEO
of Running Aces*

PARTNERSHIPS

In Minnesota, purses are enhanced at Canterbury Park through a unique 11-year cooperative marketing agreement with the Shakopee Mdewakanton Sioux Community which provides more than \$70 million for purses. The agreement, which runs through 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.



The Minnesota Racehorse Engagement Project (MNREP) is an organization founded in 2019 and supported by the Minnesota Thoroughbred racing industry to provide opportunities for individuals to connect with Thoroughbred racehorses both active and retired. Through strategic partnerships and events designed to offer people Thoroughbred racehorse ownership and/or adoption opportunities, MNREP provides unique and memorable experiences to individuals while in turn supporting the industry.



The University of Minnesota Crookston Equine Science program began foaling mares during Spring Semester 2019. The program saw enough success that it gave owners the option to foal again at their facilities in 2020, making the foals eligible for Minnesota Breeders' Fund awards. More than ten Equine Science students participated in pre-and-post foaling procedures as part of the school's Equine Reproduction Techniques course.



HORSEPERSON ORGANIZATIONS



Minnesota HBPA
www.mnhbpa.com



Minnesota Thoroughbred Association
www.minnesotabred.com



Minnesota Quarter Horse Racing Association
www.mqhra.com



Minnesota Harness Racing Inc.
www.mnharness.com



RACETRACKS & CARD ROOMS



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



**Running Aces Casino,
Hotel and Racetrack**
15201 Running Aces Blvd.
Columbus, MN 55025
651.925.4600
www.runaces.com



**Canterbury Park Location
Thoroughbred and
Quarter Horse Racing**

1100 Canterbury Road, Ste. 100
Shakopee, MN 55379
(952) 496-7950



**Running Aces Location
Standardbred Racing**

15201 Zurich Street NE, Ste. 212
Columbus, MN 55025
(651) 925-3951