

# ARIZONA DEPARTMENT OF GAMING RACING DIVISION



A statistical look at Arizona's

## Horse Race Industry

- Commercial Race Tracks
- County Fair Race Tracks

## Dog Race Industry

- American Greyhound Racing
- Tucson Greyhound Park

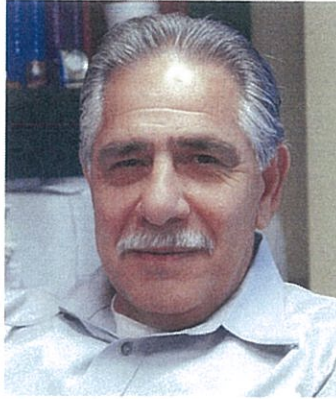
## Advanced Deposit Wagering

- Twinspires
- TVG
- TurfBet
- Xpressbet

## Boxing and Mixed Martial Arts

**ANNUAL REPORT**  
**FY-2016**

## MEET THE RACING DIVISION DIRECTOR: RUDY J. CASILLAS



Mr. Casillas is responsible for the regulation of pari-mutuel horse and greyhound racing in Arizona.

A law enforcement veteran of more than 40 years, Mr. Casillas brings extensive and valuable knowledge to the Racing Division.

Mr. Casillas has been with the Department of Gaming since 1995, serving in various positions from special agent to his current role as deputy director. In this capacity, Mr. Casillas is responsible for overseeing various branches of the department, including Investigations & Inspections, Intelligence, Vendor Certification, Employee Certification, Games & Systems, Compliance Audit, Information Technology and Records. Mr. Casillas previously was with the Phoenix Police Department, where he began his law enforcement career in 1974.

## ARIZONA RACING COMMISSION

The Arizona Racing Commission was established in 1949 by the Arizona Legislature. The Racing Commission is responsible for issuing racing dates; preparing and adopting rules to govern racing meetings as may be required to protect and promote the safety and welfare of the animals participating in racing meetings; protecting and promoting public health, safety and the proper conduct of racing and pari-mutuel wagering; conducting hearings on applications for racing permits; and hearings and other legal procedures on matters relating to racing licensees and the racing industry.

Arizona Revised Statutes § 5-102 authorizes a five-member Racing Commission appointed by the Governor pursuant to A.R.S. § 38-211. All appointments are five year terms. The following Commissioners were serving on the Racing Commission during FY 2016.

### Rory S. Goreé Chair



Mr. Goreé was honorably discharged from the United States Navy in 1993 and has been involved in several capacities and positions working with the Greyhound Racing Industry and greyhound adoption causes. Mr. Goreé is often invited to speak at greyhound adoption events as well as university, veterinarian and racing symposiums across the country including both the American Greyhound Track Operators Association and the Association of Racing Commissioners International conferences. He served on the Arizona Department of Racing's committee to review and recommend greyhound racing welfare related rules. When not involved with greyhounds, Mr. Goreé works as an Information Security Analyst specializing in SAP.

### William "Bill" Feldmeier Vice-Chair



An Arizona native, Mr. Feldmeier, received his bachelor's degree from Arizona State University and his master's from Prescott College. A licensed contractor and a Yavapai County resident, Mr. Feldmeier was a County Supervisor for 11 years and served on former Governor Jane D. Hull's staff. He is the owner of rental properties and has been involved in the public policy process for a number of years. He also served as Interim Director for State Parks and as a member of the State Transportation Board.

**Tom Lawless**  
**Racing Commissioner**



Mr. Lawless is a shareholder in the Phoenix law firm of Milligan Lawless PC, specializing in estate planning and corporate law. He graduated magna cum laude from the University of Santa Clara Law School in 1982 and holds a Master's Degree in Accounting from the University of Denver as well as a Bachelor's Degree from Santa Clara University. An enthusiastic fan of thoroughbred racing, Mr. Lawless is also a life member of the Phoenix Thunderbirds.

**David Heiple**  
**Racing Commissioner**



Mr. Heiple was born and raised in Phoenix, Arizona and is the President of Heiple Travers Realty, a boutique commercial real estate firm. Mr. Heiple has volunteered and served on numerous boards, committees and civic organizations including the YMCA, Special Olympics, Phoenix Country Club, The Thunderbirds, St. Francis Baseball Association and the Andre House. An avid horse racing fan for more than 25 years, Mr. Heiple has owned partial interest in 15 different thoroughbreds racing under Arizona/Kentucky Stables and 2020 Stables.

**Jay C. McClintock**  
**Racing Commissioner**



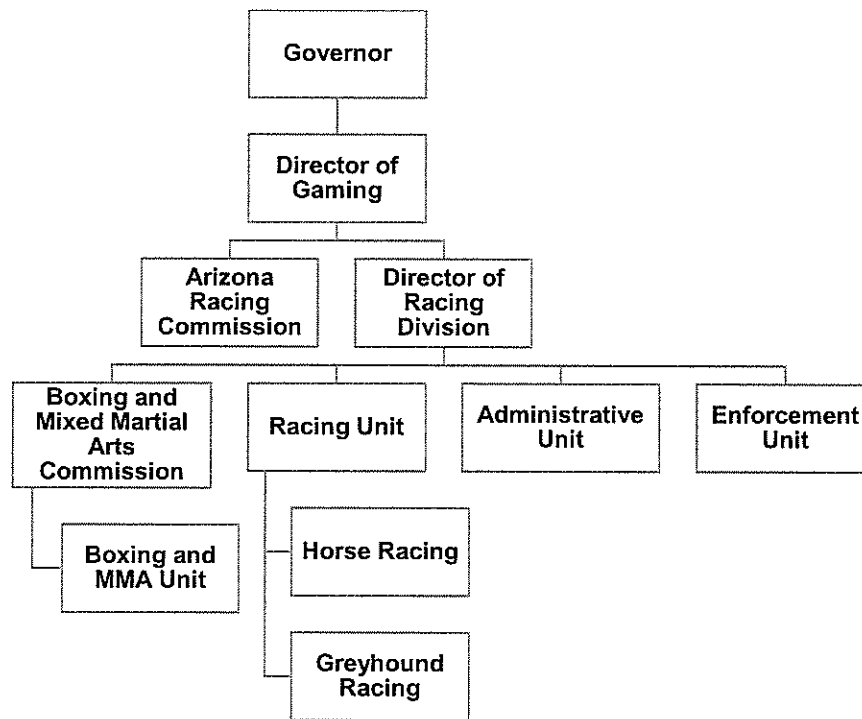
Mr. McClintock has worked as a financial advisor for Moran Financial Services since 2001 helping clients plan for investment and insurance needs to prepare for retirement, estate and complete financial planning. Mr. McClintock was a thoroughbred owner in Arizona, California, and Kentucky for over 15 years.

The following are the terms of the current Commission members:

<b><u>Name</u></b>	<b><u>Member Designation</u></b>	<b><u>Expiration Date</u></b>
Rory S. Goreé	Greyhound Racing Industry	01/16/2017
William "Bill" Feldmeier	Public	01/15/2018
Tom Lawless	Public	01/21/2019
David C. Heiple	Horse/Harness Racing Industry	01/20/2020
Jay C. McClintock	Public	01/18/2021

# Arizona Department of Gaming

The primary mission of the Department of Gaming, Racing Division is to regulate and supervise pari-mutuel horse and greyhound racing and the wagering conducted in Arizona in order to protect racing participants and the public. In addition, the Division regulates and supervises boxing and mixed martial arts events conducted in Arizona to protect participants in these events.



# **Racing Regulation Summary**

## **Commercial Horse, Greyhound & County Fair Racing**

## Racing Regulation Summary

The Department of Gaming, Racing Division's regulatory responsibilities ensure that all participants and permittees involved in commercial horse racing, greyhound racing and county fair horse racing operate and perform in compliance with applicable Arizona statutes, rules and regulations. This is accomplished through the investigation and licensing activities of the Division.

### Investigations

The Division of Racing investigates all possible violations of racing laws and rules. Numbers listed below reflect the total number of investigations conducted for every incident, inspection, and background investigation, which includes processing of fingerprints and any resulting false applications. A background investigation is conducted for each license applicant who submits fingerprints as required by Division policy.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of incident investigations	246	201	337
Number of background investigations	2,202	2,027	1490
Total number of investigations conducted	2,448	2,228	1827

### Types of Investigations

<u>Offenses</u>	<u>Total</u>	<u>Referred</u>	<u>No Violation</u>
False application	1	0	0
Disorderly conduct/assault	1	0	0
Human drug-testing	2	0	0
Kennel inspections	288	0	0
Whelping inspection	0	0	0
Vehicle inspection	18	0	0
License denial/ineligible	1	1	0
Information only	26	0	0
Total	337	0	0

### Licensing

The Division of Racing processes and investigates all license applications in a timely manner while ensuring only those eligible receive licenses.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of licenses issued	2,202	3,034	2125
Number of licenses denied	4	2	0
Number of licenses revoked	5	0	3

## Racing Regulation

### Stewards

The Board of Stewards is present on the permittee grounds each day entries are taken and each day racing is conducted. The Stewards represent the Division in all matters pertaining to the enforcement and interpretation of the rules adopted by the Division and may impose civil penalties up to \$2,500, license suspensions up to 6 months, rule off a licensee violating Arizona statutes or rules and refer matters to the Director with recommendations of further action, including license revocation.

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Total rulings issued	211	157	149
Total Stewards Rulings Appealed	9	9	3
Percentage of rulings upheld on appeal to the Director	89%	100%	100%

### Director

The Director may conduct hearings on appeals of Stewards' referrals or may assign a case that has been appealed or referred to the Arizona Office of Administrative Hearings. The Administrative Law Judge provides the Director findings of fact, conclusions of law and a proposed order. The Director may accept or modify any decision proposed by the Judge. The table below summarizes hearings and cases by the Director, the Office of Administrative Hearings and the Racing Commission.

<u>Summary of Hearings and Orders</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Director's hearings	18	12	4
Administrative Law Judge hearings	2	1	1
Racing Commission hearings	2	0	1
Total number of Director's orders*	20	13	3
Percentage upheld on appeal to the Commission**	100%	100%	N/A

\*Does not include orders for action taken such as stays, reinstatements, cases dismissed, etc.

\*\*Includes orders that were modified

### Teletracking

The Division has the authority to approve applications for teletracking (off-track betting) permits, and license teletracking personnel while monitoring compliance for both operational and technical requirements. Turf Paradise Racing, L.L.P., American Greyhound Racing, Inc. and Tucson Greyhound Park each held teletracking permits approved by the Arizona Racing Commission to operate off-track wagering sites in FY 2016. A total of 63 off-track-betting sites were authorized to support both greyhound and horse racing in Arizona.

The total handle generated by commercial and county fair racing for teletracking was \$114 million. This included \$96 million for horse racing and \$18 million for greyhound racing. The State of Arizona received \$66,948 in revenue from the teletracking handle, all of which was generated from the Turf Paradise handle at off-track sites.

The handle at teletracking facilities decreased 6.71% during FY 2016 when compared to the prior year.



## Racing Regulation

### Horse & Dog Drug Testing

The Division contracts with independent laboratories for the analysis of horse urine and blood samples and dog urine samples. This analysis is required to enforce the rules of racing that prohibit animals from racing while under the influence of foreign substances.

<b><u>Testing Summary</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>
Horse Drug Testing			
Number total equine drug tests	1910	2071	1968
Number positive equine drug tests	28	25	26
Percent positive equine drug tests	1.47%	1.2%	1.32%
Dog Drug Testing			
Number total canine drug tests	2624	2419	1866
Number positive canine drug tests	2	2	4
Percent positive canine drug tests	0.08%	0.08%	0.21%
Totals			
Total drug tests	4534	4490	3834
Number total positive drug tests	30	27	30
Percent total positive drug tests	0.66%	0.60%	0.78%

### Drug/Alcohol Testing

The Division is authorized to require persons licensed to submit to testing when there is reason to believe they may be under the influence of or unlawfully in possession of any prohibited substance regulated by Title 13, Chapter 34, or has consumed alcohol in violation of the rules.

<b><u>Testing Summary</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>
Human Drug Tests	5	4	2
Positive Drug Tests	1	1	1
Licensee Refused to Test	1	2	0
Percent Positive	20%	25%	50%
Breath/Alcohol Tests	0	0	1
Positive Breath/Alcohol Tests	0	0	1
Percent Positive	0%	0%	100%

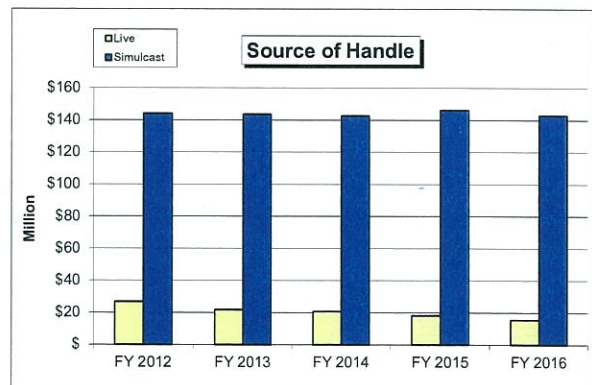
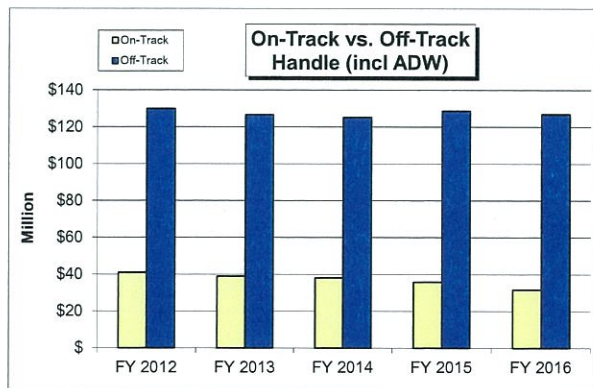
**LICENSES BY CATEGORY**

CATEGORY	HORSES				GREYHOUNDS			GRAND TOTAL
	COUNTY FAIR	RILLITO PARK	TURF PARADISE	TOTAL	AMERICAN GREYHOUND	TUCSON GREYHOUND	TOTAL	
APPRENTICE JOCKEY			4	4			0	4
ASSISTANT STARTER/VALET	2	2	3	7			0	7
ASSISTANT TRAINER			5	5		1	1	6
AUTHORIZED AGENT-FULL				0		1	1	1
AUTHORIZED AGENT-PARTIAL			26	26		2	2	28
COMBINATION RBO (RACING & BREEDING)				0			0	0
COOLOUT				0		12	12	12
COUNTY FAIR MGR, TREASURER	5			5			0	5
DUPLICATE LICENSE	4	25	60	89			0	89
EXERCISE RIDER		1	63	64			0	64
GREYHOUND HAULER				0			0	0
GROOM	5	23	223	251			0	251
HAULER						1		1
JOCKEY	2	1	42	45			0	45
JOCKEY AGENT			5	5			0	5
KENNEL						5	5	5
LEADOUTS						35	35	35
MUTUEL (INCLUDING OTB)		15	156	171		94	94	265
OCCUPATIONAL	42	57	63	162		30	30	192
OFFICIAL	2		1	3		23	23	26
OTB (OWNERS, MANAGERS)			94	94		98	98	192
OUTRIDER			1	1			0	1
OWNER	12	43	432	487		44	44	531
OWNER-TRAINER	1	1	62	64		3	3	67
Paddock EMPLOYEE				0			0	0
PLATER/FARRIER		1	12	13			0	13
PONY PERSON	1	3	36	40			0	40
RBO (KENNEL/RACING OR BREEDING)				0		5	5	5
SECURITY EMPLOYEE	5	4	7	16	4	14	18	34
STABLE		2	39	41			0	41
TEMPORARY CLAIM TO OWNER			14	14			0	14
TRACK (LIVE RACING)			1	1		1	1	2
TRACK (NO LIVE RACING)	3			3			0	3
TRACK GM, ASST GM, CFO		4	2	6	1	1	2	8
TRACK OWNER (10% + OWNER)			2	2			0	2
TRAINER	1	6	33	40		5	5	45
VENDOR-TOTE COMPANY			2	2		1	1	3
VENDOR EMPLOYEES	6	1	16	23		19	19	42
VENDOR - ALL OTHERS	1		31	32			0	32
VETERINARIAN		1	8	9			0	9
<b>LICENSES ISSUED</b>	<b>92</b>	<b>190</b>	<b>1,443</b>	<b>1,725</b>	<b>5</b>	<b>395</b>	<b>400</b>	<b>2,125</b>
<b>FINGERPRINTS TAKEN</b>	<b>76</b>	<b>131</b>	<b>968</b>	<b>1,175</b>	<b>5</b>	<b>310</b>	<b>315</b>	<b>1,490</b>
<b>LICENSING FEES</b>	<b>\$5,638</b>	<b>\$10,864</b>	<b>\$120,745</b>	<b>\$137,247</b>	<b>\$210</b>	<b>\$21,670</b>	<b>\$21,880</b>	<b>159,127</b>
<b>FINGERPRINT FEES</b>	<b>\$1,672</b>	<b>\$2,882</b>	<b>\$21,296</b>	<b>\$25,850</b>	<b>\$110</b>	<b>\$6,974</b>	<b>\$7,084</b>	<b>32,934</b>
<b>TOTAL FEES</b>	<b>\$7,310</b>	<b>\$13,746</b>	<b>\$142,041</b>	<b>\$163,097</b>	<b>\$320</b>	<b>\$28,644</b>	<b>\$28,964</b>	<b>192,061</b>

**COMMERCIAL RACING , COUNTY FAIR RACING AND ADVANCE DEPOSIT WAGERING**  
 Commercial Horse, Greyhound, County Fair Racing and Advance Deposit Wagering

<u>RACING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Race Days/Performances (including 4 Charity Days)</u></b>					
Live Race Days	478	425	374	369	357
Dark Day-Simulcast only	629	680	730	1,084	1,679
<b>Total Race Days</b>	<b>1,107</b>	<b>1,105</b>	<b>1,104</b>	<b>1,453</b>	<b>2,036</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>478</b>	<b>425</b>	<b>374</b>	<b>369</b>	<b>357</b>
<b><u>Number of Races</u></b>					
Live Races	5,770	4,996	4,469	4,792	4,526
Simulcast Races	184,589	186,129	187,482	459,104	756,102
<b>Total Number of Races</b>	<b>190,359</b>	<b>191,125</b>	<b>191,951</b>	<b>463,896</b>	<b>760,628</b>
<b><u>Attendance</u></b>					
On-Track	461,642	426,430	443,432	419,216	393,338
Off-Track	714,776	698,093	693,322	708,929	701,265
<b>Total Attendance</b>	<b>1,176,418</b>	<b>1,124,523</b>	<b>1,136,754</b>	<b>1,128,145</b>	<b>1,094,603</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day	\$154,199	\$149,687	\$147,753	\$113,104	\$77,780
Breakdown by location					
On-Track Handle	\$40,907,185	\$38,841,584	\$37,984,955	\$35,782,554	\$31,599,685
Off-Track Handle	\$129,790,965	\$126,562,871	\$125,134,535	\$128,557,635	\$126,761,411
Breakdown by source					
Live Races	\$26,758,799	\$21,817,939	\$20,584,372	\$18,239,307	\$15,461,107
Simulcast Races	143,939,351	143,586,516	142,535,118	146,100,882	142,899,989
<b>Total Pari-Mutuel Handle</b>	<b>\$170,698,149</b>	<b>\$165,404,455</b>	<b>\$163,119,490</b>	<b>\$164,340,189</b>	<b>\$158,361,096</b>
<b><u>DISTRIBUTION OF REVENUES</u></b>					
<b>Returned to Wagering Public</b>	<b>\$128,888,265</b>	<b>\$124,798,503</b>	<b>\$122,832,588</b>	<b>\$123,439,815</b>	<b>\$118,286,982</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$254,801</b>	<b>\$234,628</b>	<b>\$215,525</b>	<b>\$185,892</b>	<b>\$158,085</b>
<b><u>Track Mutuel Revenues</u></b>					
Track/ADW Commission	\$35,622,231	\$34,600,729	\$34,217,106	\$34,383,802	\$33,010,274
Capital Improvement Rebate	0	0	0	0	0
Capital Improvement AGP Non-Taxable	0	0	0	0	0
Charity Days-Revenues Withheld	7,413	5,452	7,594	6,427	10,089
County Fair-Revenues Withheld					62,710
Hardship Tax Credit	507,099	339,038	304,483	268,705	192,137
AGP-Hardship Tax (Transferred to PGP)	0	0	0	0	0
Breakage	706,906	657,480	666,705	673,825	632,691
<b>Total Track/ ADW Revenues</b>	<b>\$36,843,649</b>	<b>\$35,602,699</b>	<b>\$35,195,888</b>	<b>\$35,332,759</b>	<b>\$33,907,900</b>
<b>Purses</b>	<b>\$13,251,803</b>	<b>\$12,696,055</b>	<b>\$11,725,018</b>	<b>\$11,876,185</b>	<b>\$11,014,953</b>

**Trends at a Glance**



# **Advance Deposit Wagering**

**COMMERCIAL RACING, COUNTY FAIR RACING AND ADVANCE DEPOSIT WAGERING**  
**Distribution of Revenue Fiscal Year 2016**

**REVENUE STATISTICS**

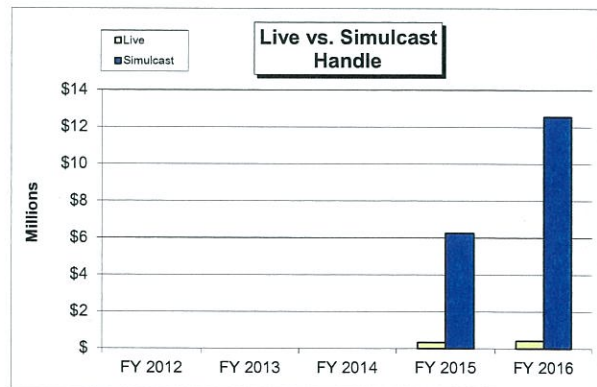
<b><u>Total Pari-Mutuel Handle</u></b>		<b>\$158,361,096</b>
State Tax/ Commission deducted from handle	(\$423,020)	
State Tax/ Commission returned to tracks under various statutes:		
Capital Improvement Rebate	0	
Capital Improvement AGP Non-Taxable	0	
Charity Days-Revenues Withheld	10,089	
County Fair-Revenues Withheld	62,710	
Hardship Tax Credit	192,137	
AGP-Hardship Tax (Transferred to PGP)	<u>0</u>	
<b><u>State Pari-Mutuel Commission Revenues</u></b>		(\$158,085)
Track Commission deducted from handle	(\$33,010,274)	
State Tax/ Commission returned to tracks:		
Capital Improvement Rebate	0	
Capital Improvement AGP Non-Taxable	0	
Charity Days-Revenues Withheld	(10,089)	
County Fair-Revenues Withheld	(62,710)	
Hardship Tax Credit	(192,137)	
AGP-Hardship Tax (Transferred to PGP)	<u>0</u>	
<b><u>Track/ ADW Pari-Mutuel Commission Revenues</u></b>		(\$33,275,210)
<b><u>State and Track/ ADW Pari-Mutuel Commission Revenues deducted from Handle</u></b>		<b>(\$33,433,294)</b>
<b><u>Breakage</u></b>		<b>(\$632,691)</b>
<b><u>Returned to Wagering Public in Arizona</u></b>		<b>(\$118,286,982)</b>
<b><u>Returned to Wagering Pubic Outside Arizona and Pool Adjustments</u></b>		<b><u>(\$6,008,129.11)</u></b>
		<b>\$0.00</b>

**ADVANCE DEPOSIT WAGERING - TURF PARADISE**  
Turf Paradise Bet, TVG Network, TwinSpire, Xpressbet

<u>WAGERING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Wagering Days/Performances</u></b>					
Live Race Days				264	540
Dark Day-Simulcast only				334	923
<b>Total Wagering Days</b>				<b>598</b>	<b>1,463</b>
<b>Total Live Performances</b>				<b>264</b>	<b>540</b>
<b><u>Number of Races</u></b>					
Live Arizona Races				2,112	4,354
Simulcast Races*				274,396	578,341
<b>Total Number of Races</b>				<b>276,508</b>	<b>582,695</b>
<b><u>Arizona Patron Accounts Wagering</u></b>					
On Live Aizona Races				7,306	8,363
On Simulcast Races				33,608	67,125
<b>Total Accounts</b>				<b>40,914</b>	<b>75,488</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day				\$11,005	\$8,865
Breakdown by source					
Live Races				\$327,177	\$417,266
Simulcast Races				6,253,963	12,551,830
<b>Total Pari-Mutuel Handle</b>				<b>\$6,581,140</b>	<b>\$12,969,095</b>
 <b><u>DISTRIBUTION OF REVENUES</u></b>					
<b><u>Returned to Wagering Public</u></b>				<b>\$4,950,573</b>	<b>\$9,938,965</b>
<b><u>State Pari-Mutuel Revenues</u></b>				<b>\$5,384</b>	<b>\$7,223</b>
<b><u>ADW Mutuel Revenues</u></b>					
ADW Commission				1,296,401	\$2,546,636
Charity Days-Revenues Withheld				0	120
County Fair-Revenues Withheld					1,120
Breakage				38,340	56,032
<b>Total ADW Revenues</b>				<b>\$1,335,267</b>	<b>\$2,603,908</b>

\* These races were offered for wagering by the ADW operator and may or may not have been offered in Arizona.

**ADW Trends at a Glance**



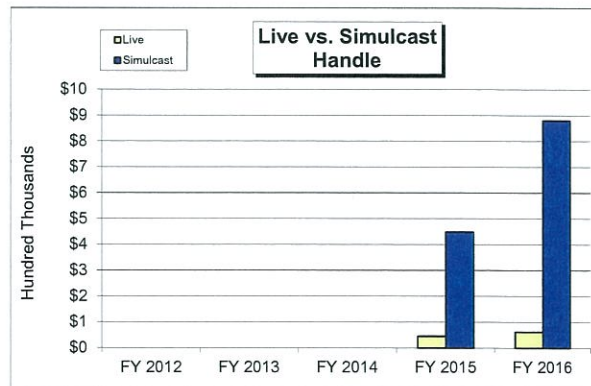
**TURF PARADISE BET**  
TP Racing, L.L.L.P.

FY 2016 Racing Dates:  
July 1, 2015 - June 30, 2016

<u>WAGERING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Wagering Days/Performances</u></b>					
Live Race Days				65	135
Dark Day-Simulcast only				83	231
<b>Total Wagering Days</b>				<b>148</b>	<b>366</b>
<b>Total Live Performances</b>				<b>65</b>	<b>135</b>
<b><u>Number of Races</u></b>					
Live Arizona Races				520	1,093
Simulcast Races*				82,349	184,494
<b>Total Number of Races</b>				<b>82,869</b>	<b>185,587</b>
<b><u>Arizona Patron Accounts Wagering</u></b>					
On Live Arizona Races				1,137	1,401
On Simulcast Races				3,752	7,523
<b>Total Accounts</b>				<b>4,889</b>	<b>8,924</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day				\$3,335	\$2,571
Breakdown by source					
Live Races				\$44,829	\$61,693
Simulcast Races				448,760	879,202
<b>Total Pari-Mutuel Handle</b>				<b>\$493,589</b>	<b>\$940,895</b>
 <b><u>DISTRIBUTION OF REVENUES</u></b>					
<b><u>Returned to Wagering Public</u></b>				<b>\$374,913</b>	<b>\$717,770</b>
<b><u>State Pari-Mutuel Revenues</u></b>				<b>\$683</b>	<b>\$1,024</b>
<b><u>ADW Mutuel Revenues</u></b>					
ADW Commission				\$99,129	\$186,937
Charity Days-Revenues Withheld				0	24
County Fair-Revenues Withheld					210
Breakage				3,850	5,399
<b>Total ADW Revenues</b>				<b>\$103,193</b>	<b>\$192,570</b>

\* These races were offered for wagering by the ADW operator and may or may not have been offered in Arizona.

**ADW Trends at a Glance**



**TVG NETWORK**  
ODS Technologies, L.P.

FY 2016 Racing Dates:  
July 1, 2015 - June 30, 2016

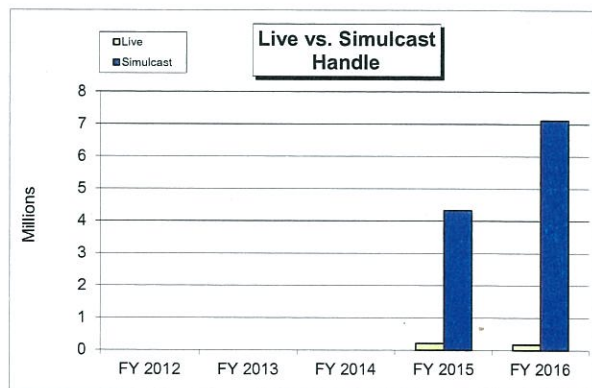
<u>WAGERING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Wagering Days/Performances</u></b>					
Live Race Days				67	136
Dark Day-Simulcast only				84	229
<b>Total Wagering Days</b>				<b>151</b>	<b>365</b>
<b>Total Live Performances</b>				<b>67</b>	<b>136</b>
<b><u>Number of Races</u></b>					
Live Arizona Races				536	1,092
Simulcast Races*				21,247	49,805
<b>Total Number of Races</b>				<b>21,783</b>	<b>50,897</b>
<b><u>Arizona Patron Accounts Wagering</u></b>					
On Live Aizona Races				4,483	3,899
On Simulcast Races				18,966	31,886
<b>Total Accounts</b>				<b>23,449</b>	<b>35,785</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day				\$30,033	\$19,954
Breakdown by source					
Live Races				\$208,607	\$171,835
Simulcast Races				4,326,446	7,111,524
<b>Total Pari-Mutuel Handle</b>				<b>\$4,535,053</b>	<b>\$7,283,359</b>

**DISTRIBUTION OF REVENUES**

<b><u>Returned to Wagering Public</u></b>	<b>\$3,380,565</b>	<b>\$5,528,684</b>
<b><u>State Pari-Mutuel Revenues</u></b>	<b>\$3,539</b>	<b>\$3,055</b>
<b><u>ADW Mutuel Revenues</u></b>		
ADW Commission	885,987	\$1,411,850
Charity Days-Revenues Withheld	0	31
County Fair-Revenues Withheld		378
Breakage	27,564	40,057
<b>Total ADW Revenues</b>	<b>\$913,551</b>	<b>\$1,452,317</b>

\* These races were offered for wagering by the ADW operator and may or may not have been offered in Arizona.

**ADW Trends at a Glance**





**TwinSpires**  
Churchill Downs Technology Initiatives Company

FY 2016 Racing Dates:  
July 1, 2015 - June 30, 2016

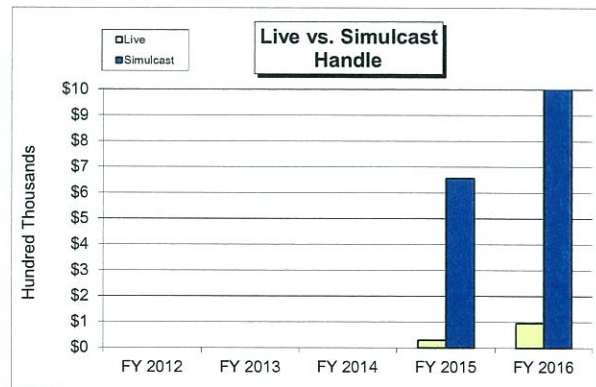
<u>WAGERING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Wagering Days/Performances</u></b>					
Live Race Days				67	134
Dark Day-Simulcast only				84	232
<b>Total Wagering Days</b>				<b>151</b>	<b>366</b>
<b>Total Live Performances</b>				<b>67</b>	<b>134</b>
<b><u>Number of Races</u></b>					
Live Arizona Races				536	1,076
Simulcast Races*				93,709	159,915
<b>Total Number of Races</b>				<b>94,245</b>	<b>160,991</b>
<b><u>Arizona Patron Accounts Wagering</u></b>					
On Live Arizona Races				658	1,052
On Simulcast Races				4,646	10,911
<b>Total Accounts</b>				<b>5,304</b>	<b>11,963</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day				\$4,539	\$5,222
Breakdown by source					
Live Races				\$29,623	\$95,213
Simulcast Races				655,822	1,816,145
<b>Total Pari-Mutuel Handle</b>				<b>\$685,445</b>	<b>\$1,911,358</b>

**DISTRIBUTION OF REVENUES**

<b><u>Returned to Wagering Public</u></b>	<b>\$543,147</b>	<b>\$1,469,524</b>
<b><u>State Pari-Mutuel Revenues</u></b>	<b>\$472</b>	<b>\$1,572</b>
<b><u>ADW Mutuel Revenues</u></b>		
ADW Commission	135,889	\$384,980
Charity Days-Revenues Withheld	0	42
County Fair-Revenues Withheld		332
Breakage	3,303	5,558
<b>Total ADW Revenues</b>	<b>\$139,313</b>	<b>\$390,913</b>

\* These races were offered for wagering by the ADW operator and may or may not have been offered in Arizona.

**ADW Trends at a Glance**



**XPRESSBET**  
Xpressbet, LLC

FY 2016 Racing Dates:  
July 1, 2015 - June 30, 2016

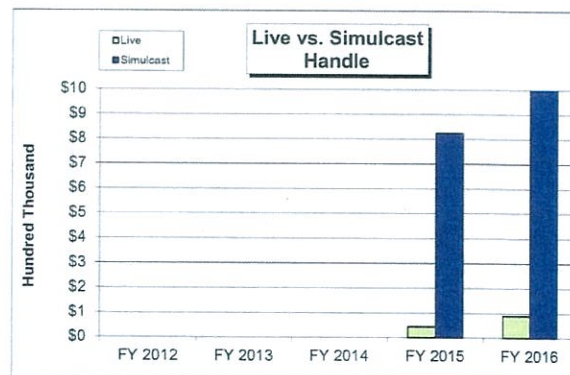
<u>WAGERING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Wagering Days/Performances</u></b>					
Live Race Days				65	135
Dark Day-Simulcast only				83	231
<b>Total Wagering Days</b>				<b>148</b>	<b>366</b>
<b>Total Live Performances</b>				<b>65</b>	<b>135</b>
<b><u>Number of Races</u></b>					
Live Arizona Races				520	1,093
Simulcast Races *				77,091	184,127
<b>Total Number of Races</b>				<b>77,611</b>	<b>185,220</b>
<b><u>Arizona Patron Accounts Wagering</u></b>					
On Live Arizona Races				1,028	2,011
On Simulcast Races				6,244	16,805
<b>Total Accounts</b>				<b>7,272</b>	<b>18,816</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day				\$5,858	\$7,742
Breakdown by source					
Live Races				\$44,118	\$88,524
Simulcast Races				822,935	2,744,959
<b>Total Pari-Mutuel Handle</b>				<b>\$867,053</b>	<b>\$2,833,483</b>

**DISTRIBUTION OF REVENUES**

<b><u>Returned to Wagering Public</u></b>	<b>\$651,949</b>	<b>\$2,222,987</b>
<b><u>State Pari-Mutuel Revenues</u></b>	<b>\$691</b>	<b>\$1,572</b>
<b><u>ADW Mutuel Revenues</u></b>		
ADW Commission	175,395	\$562,869
Charity Days-Revenues Withheld	0	23
County Fair-Revenues Withheld		199
Breakage	3,624	5,018
<b>Total ADW Revenues</b>	<b>\$179,210</b>	<b>\$568,108</b>

\* These races were offered for wagering by the ADW operator and may or may not have been offered in Arizona.

**ADW Trends at a Glance**



# Commercial Racing

## Commercial Racing

The Department of Gaming Racing Division regulates and supervises all commercial horse and greyhound racing meetings and pari-mutuel wagering conducted on- and off-track in Arizona in order to enforce laws and regulations and to protect racing participants and the wagering public.

### **FY 2016 Activity:**

- A three-year permit for Commercial Racing, Teletrack and Advance Deposit Wagering for TP Racing, L.L.L.P. *(Nov. 2015)*
- A three-year Advance Deposit Wagering Permit for Xpressbet, LLC. *(Feb. 2016)*
- A three-year Advance Deposit Wagering Permit for ODS Technologies *(TVG Network)*. *(Feb. 2016)*
- A three-year Advance Deposit Wagering Permit for Churchill Downs Technology Initiatives Company *(TwinSpires, Inc.)*. *(April 2016)*
- A three-year Commercial Racing Permit for Rillito Racing/Rillito Park Foundation *(June 2016)*

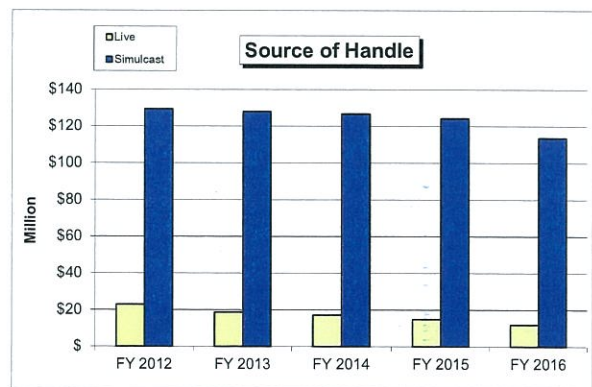
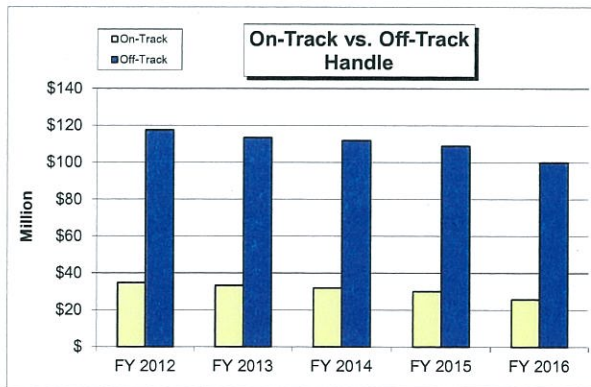
### Commercial Racing Permittees, Tracks and Permit Terms

<u>Permittee</u>	<u>Track</u>	<u>Permit Term</u>
American Greyhound Racing, Inc.	Apache Greyhound Park	1/01/14 - 12/31/16
American Greyhound Racing, Inc.	Phoenix Greyhound Park	1/01/14 - 12/31/16
Rillito Racing/Rillito Park Foundation	Rillito Race Track	1/01/15 - 12/31/17
Tucson Greyhound Park, Inc.	Tucson Greyhound Park	1/01/14 - 12/31/16
TP Racing, L.L.L.P.	Turf Paradise Race Course	6/01/15 - 5/31/18

**COMMERCIAL TRACKS**  
Commercial Horse and Greyhound Racing

<b>RACING STATISTICS</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b><u>Race Days/Performances (including 4 Charity Days)</u></b>					
Live Race Days	448	398	344	340	324
Dark Day-Simulcast only	629	678	730	749	755
<b>Total Race Days</b>	<b>1,077</b>	<b>1,076</b>	<b>1,074</b>	<b>1,089</b>	<b>1,079</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>448</b>	<b>398</b>	<b>344</b>	<b>340</b>	<b>324</b>
<b><u>Number of Races</u></b>					
Live Races	5,512	4,759	4,226	4,560	4,261
Simulcast Races	179,763	181,282	182,528	179,918	172,610
<b>Total Number of Races</b>	<b>185,275</b>	<b>186,041</b>	<b>186,754</b>	<b>184,478</b>	<b>176,871</b>
<b><u>Attendance</u></b>					
On-Track	365,423	347,458	343,789	319,566	296,056
Off-Track	649,698	628,781	623,252	599,549	552,494
<b>Total Attendance</b>	<b>1,015,121</b>	<b>976,239</b>	<b>967,041</b>	<b>919,115</b>	<b>848,550</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day	\$141,289	\$136,290	\$133,861	\$127,596	\$116,383
Breakdown by location					
On-Track Handle	\$34,743,092	\$33,255,930	\$31,946,632	\$29,992,225	\$25,712,500
Off-Track Handle	\$117,425,663	\$113,392,414	\$111,820,247	\$108,959,873	\$99,864,710
Breakdown by source					
Live Races	\$22,919,478	\$18,716,705	\$17,114,223	\$14,816,619	\$11,964,416
Simulcast Races	129,249,277	127,931,639	126,652,656	124,135,479	113,612,794
<b>Total Pari-Mutuel Handle</b>	<b>\$152,168,755</b>	<b>\$146,648,344</b>	<b>\$143,766,879</b>	<b>\$138,952,098</b>	<b>\$125,577,209</b>
<b><u>DISTRIBUTION OF REVENUES</u></b>					
<b>Returned to Wagering Public</b>	<b>\$114,479,892</b>	<b>\$110,854,929</b>	<b>\$108,069,762</b>	<b>\$104,263,439</b>	<b>\$93,323,919</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$254,801</b>	<b>\$234,628</b>	<b>\$215,525</b>	<b>\$180,508</b>	<b>\$150,861</b>
<b><u>Track Mutuel Revenues</u></b>					
Track Commission	\$31,871,941	\$30,808,789	\$30,239,114	\$29,230,247	\$26,416,467
Capital Improvement Rebate	0	0	0	0	0
Capital Improvement AGP Non-Taxable	0	0	0	0	0
Charity Days-Revenues Withheld	7,413	5,452	7,594	6,427	9,969
County Fair-Revenues Withheld					0
Hardship Tax Credit	507,099	339,038	304,483	268,705	192,137
AGP-Hardship Tax (Transferred to PGP)	0	0	0	0	0
Breakage	614,212	577,807	565,990	542,928	477,304
<b>Total Track Revenues</b>	<b>\$33,000,664</b>	<b>\$31,731,085</b>	<b>\$31,117,181</b>	<b>\$30,048,307</b>	<b>\$27,095,876</b>
<b>Purses</b>	<b>\$11,675,994</b>	<b>\$11,125,099</b>	<b>\$10,139,454</b>	<b>\$10,372,312</b>	<b>\$9,409,618</b>

**Racetrack Trends at a Glance**



# **Commercial Horse Racing**

## Commercial Horse Racing

The Department of Gaming Racing Division is responsible for regulating and supervising all commercial horse racing meetings, conducting investigations, issuing licenses, conducting equine and human drug testing, overseeing wagering, hearing appeals of decisions, conducting hearings on investigation referrals and race incidents, collecting revenues for the State and distributing awards to program recipients.

### Investigations

Investigation numbers listed below reflect the total number of investigations conducted for every incident and background investigation, which includes processing of fingerprints and any resulting false applications.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of incident investigations	170	22	16
Number of background investigations	1325	1836	1099
Total number of investigations conducted	1495	1858	1115

### Licensing

The Division issues licenses to participate in racing to those who are qualified and eligible.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of licenses issued	1325	2760	1633
Number of licenses denied	4	1	0
Number of licenses revoked	1	0	1

### Stewards

The Board of Stewards is present on the permittee grounds each day entries are being taken or racing is being conducted and represents the Division in all matters pertaining to the enforcement and interpretation of the rules adopted by the Division. All races are observed and supervised to ensure that all participants comply with the rules of racing.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of rulings issued	184	116	115
Total steward rulings appealed	8	5	2
Percentage of rulings upheld on appeal to the Director	88%	100%	100%
<u>Rulings by Track*</u>			
Rillito Park	14	29	20
Turf Paradise	170	87	95

\*Yavapai Downs has been removed from reporting due to not operating since 2009.

## Commercial Horse Racing

### Director

The Director of the Racing Division is required by statute to review all rulings issued by the Stewards. Individual licensees may also appeal a Stewards' ruling to the Director, and if not satisfied with the Director's order, to the Racing Commission. The Office of Administrative Hearings also hears matters referred by the Director.

<b><u>Performance Measures</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>
Number of Director's hearings	9	4	1
Number of Administrative Law Judge hearings	2	1	1
Number of Racing Commission hearings	2	0	1
Total number of Director's orders*	11	7	1
Percentage of orders upheld on appeal to the Commission	100%	N/A	100%
<b><u>Orders by Track**</u></b>			
Rillito Park	0	0	0
Turf Paradise	11	7	1

\*Does not include orders for action such as stays, reinstatements, cases dismissed, etc.

\*\*Yavapai Downs has been removed from reporting due to not operating since 2009.

### **Breeders Awards**

When monies are available, the Department promotes horse breeding in Arizona through the administration and distribution of funds available through the Breeders' Award Program. While no general fund money was appropriated in FY 2016, awards amounts shown for that year are the result of the ADW payment as mandated by A.R.S. § 5-112 (O) (7).

<b><u>Performance Measures</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>
Amount of awards	\$208,700	\$209,400	\$37,642
Number of active breeders	169	171	99
Percentage of breeders winning awards	28%	34%	73%
Number of registered horses	3,313	3,450	3,571

### **Racehorse Adoption**

The Department provides grants to non-profit organizations to promote the adoption of retired racehorses in Arizona. The funds for this program are generated from a surcharge against all civil penalties assessed in connection with horseracing in Arizona. The program went into effect in 2005 and the first award was made in 2006.

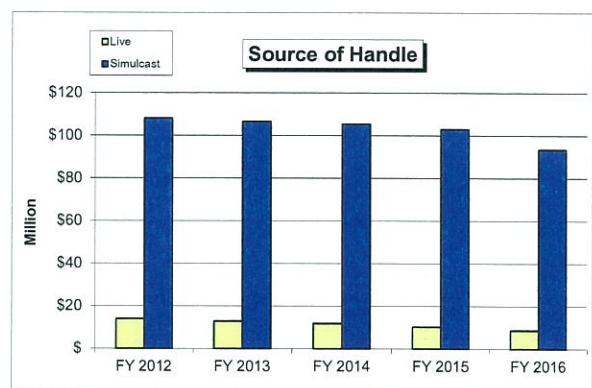
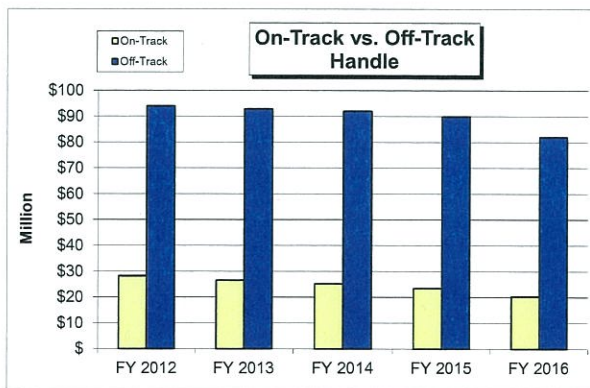
<b><u>Performance Measures</u></b>	<b><u>FY 2014</u></b>	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>
Number of grants awarded	2	1	1
Amount of grants awarded	\$1,955	\$1,659	\$2,011



**COMMERCIAL HORSE TRACKS**  
Rillito Park, Turf Paradise

<b>RACING STATISTICS</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>Race Days/Performances (including 3 Charity Days)</b>					
Live Race Days	142	140	137	134	119
Dark Day-Simulcast only	208	211	212	231	232
<b>Total Race Days</b>	<b>350</b>	<b>351</b>	<b>349</b>	<b>365</b>	<b>351</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>142</b>	<b>140</b>	<b>137</b>	<b>134</b>	<b>119</b>
<b>Number of Races</b>					
Live Races	1,268	1,247	1,185	1,069	966
Simulcast Races	52,344	52,321	52,500	50,982	47,667
<b>Total Number of Races</b>	<b>53,612</b>	<b>53,568</b>	<b>53,685</b>	<b>52,051</b>	<b>48,633</b>
<b>Attendance</b>					
On-Track	293,403	287,831	276,531	255,431	239,567
Off-Track	494,570	488,245	484,234	473,090	431,452
<b>Total Attendance</b>	<b>787,973</b>	<b>776,076</b>	<b>760,765</b>	<b>728,521</b>	<b>671,019</b>
<b>Pari-Mutuel Handle</b>					
Average Handle per Race Day	\$349,028	\$339,886	\$335,987	\$310,469	\$291,219
Breakdown by location					
On-Track Handle	\$28,181,407	\$26,531,355	\$25,215,613	\$23,441,101	\$20,236,251
Off-Track Handle	\$93,978,514	\$92,768,573	\$92,043,783	\$89,880,232	\$81,981,518
Breakdown by source					
Live Races	\$14,036,164	\$12,865,955	\$11,819,635	\$10,266,132	\$8,716,648
Simulcast Races	108,123,757	106,433,974	105,439,761	103,055,202	93,501,121
<b>Total Pari-Mutuel Handle</b>	<b>\$122,159,921</b>	<b>\$119,299,928</b>	<b>\$117,259,396</b>	<b>\$113,321,333</b>	<b>\$102,217,769</b>
<b>DISTRIBUTION OF REVENUES</b>					
<b>Returned to Wagering Public</b>	<b>\$91,407,944</b>	<b>\$89,887,194</b>	<b>\$87,719,084</b>	<b>\$84,278,980</b>	<b>\$75,451,640</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$254,801</b>	<b>\$234,628</b>	<b>\$215,525</b>	<b>\$180,508</b>	<b>\$150,861</b>
<b>Track Mutuel Revenues</b>					
Track Commission	\$25,325,994	\$24,757,266	\$24,369,222	\$23,525,644	\$21,176,093
Capital Improvement Rebate	0	0	0	0	0
Charity Days-Revenues Withheld	7,413	5,452	7,594	6,427	9,969
County Fair-Revenues Withheld					0
Hardship Tax Credit	18,516	17,246	13,280	18,428	13,509
Breakage	549,871	521,354	511,011	498,296	433,383
<b>Total Track Revenues</b>	<b>\$25,901,795</b>	<b>\$25,301,318</b>	<b>\$24,901,107</b>	<b>\$24,048,795</b>	<b>\$21,632,954</b>
<b>Purses</b>	<b>\$10,676,484</b>	<b>\$10,306,289</b>	<b>\$9,359,342</b>	<b>\$9,621,460</b>	<b>\$8,791,037</b>

**Racetrack Trends at a Glance**



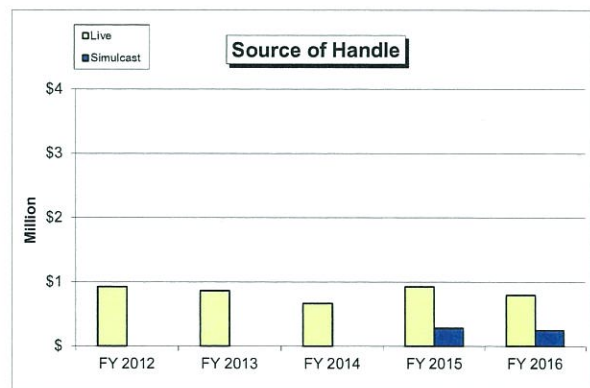
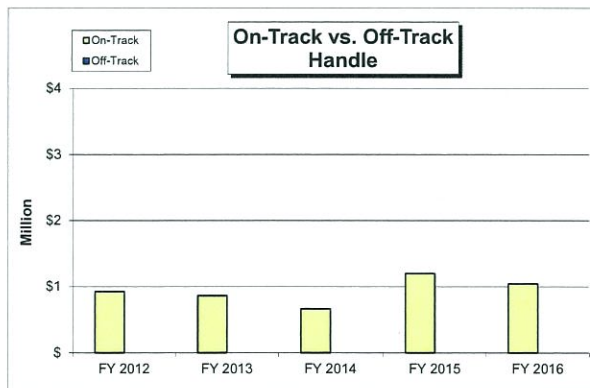
## RILLITO PARK

4502 North First Avenue  
Tucson, Arizona 85728

FY 2016 Racing Dates:  
February 13, 2016 - June 10, 2016

<u>RACING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Race Days/Performances</u></b>					
Live Race Days	12	12	10	14	12
Dark Day-Simulcast Only	-	-	-	12	3
<b>Total Race Days</b>	<b>12</b>	<b>12</b>	<b>10</b>	<b>26</b>	<b>15</b>
<b>Total Live Performances</b>	<b>12</b>	<b>12</b>	<b>10</b>	<b>14</b>	<b>12</b>
<b><u>Number of Races</u></b>					
Live Races	99	98	73	114	99
Simulcast Races	-	-	-	1,631	1,015
<b>Total Number of Races</b>	<b>99</b>	<b>98</b>	<b>73</b>	<b>1,745</b>	<b>1,114</b>
<b><u>Attendance</u></b>					
On-Track	42,685	45,899	37,124	31,126	38,813
Off-Track	-	-	-	-	-
<b>Total Attendance</b>	<b>42,685</b>	<b>45,899</b>	<b>37,124</b>	<b>31,126</b>	<b>38,813</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day	\$77,151	\$71,860	\$66,402	\$46,063	\$69,529
Breakdown by location					
On-Track Handle	\$925,817	\$862,314	\$664,023	\$1,197,642	\$1,042,933
Off-Track Handle	\$0	\$0	\$0	\$0	\$0
Breakdown by source					
Live Races	\$925,817	\$862,314	\$664,023	\$921,402	\$795,773
Simulcast Races	0	0	0	276,240	247,160
<b>Total Pari-Mutuel Handle</b>	<b>\$925,817</b>	<b>\$862,314</b>	<b>\$664,023</b>	<b>\$1,197,642</b>	<b>\$1,042,933</b>
<b><u>DISTRIBUTION OF REVENUES</u></b>					
<b>Returned to Wagering Public</b>	<b>\$698,817</b>	<b>\$651,013</b>	<b>\$497,140</b>	<b>\$869,644</b>	<b>\$765,824</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Track Mutuel Revenues</u></b>					
Track Commission	\$200,925	\$186,959	\$148,212	\$261,085	\$224,934
Capital Improvement Rebate	0	0	0	0	0
Charity Days-Revenues Withheld	0	0	0	0	2,406
County Fair-Revenues Withheld	-	-	-	-	0
Hardship Tax Credit	18,516	17,246	13,280	18,428	13,509
Breakage	7,559	7,096	5,390	9,597	9,354
<b>Total Track Revenues</b>	<b>\$227,000</b>	<b>\$211,301</b>	<b>\$166,883</b>	<b>\$289,111</b>	<b>\$250,204</b>
<b>Purses</b>	<b>\$104,242</b>	<b>\$97,027</b>	<b>\$75,370</b>	<b>\$124,815</b>	<b>\$115,811</b>

### Racetrack Trends at a Glance



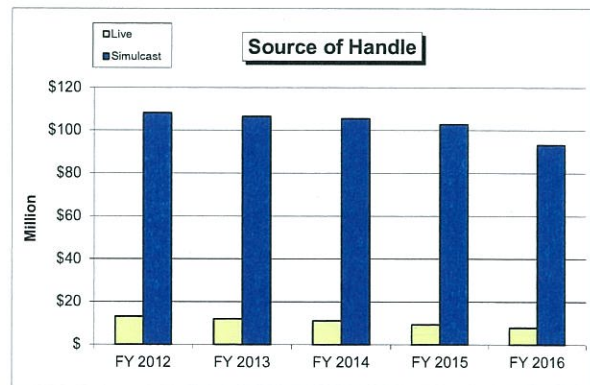
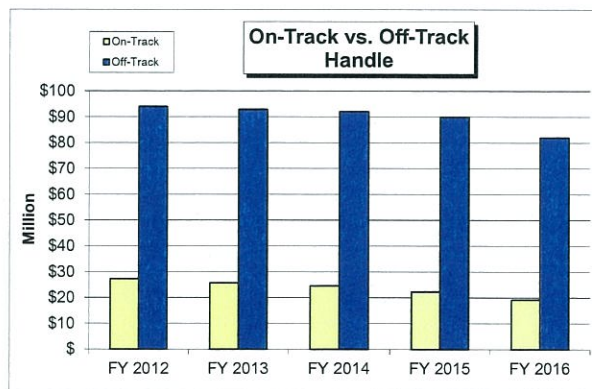
1501 West Bell Road  
Phoenix, Arizona 85023

**TURF PARADISE**  
TP Racing, L.L.P.

FY 2016 Racing Dates:  
July 1, 2015 - June 30, 2016

<u>RACING STATISTICS</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>
<b><u>Race Days/Performances (including 3 Charity Days)</u></b>					
Live Race Days	130	128	127	120	107
Dark Day-Simulcast only	208	211	212	219	229
<b>Total Race Days</b>	<b>338</b>	<b>339</b>	<b>339</b>	<b>339</b>	<b>336</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>130</b>	<b>128</b>	<b>127</b>	<b>120</b>	<b>107</b>
<b><u>Number of Races</u></b>					
Live Races	1,169	1,149	1,112	955	867
Simulcast Races	52,344	52,321	52,500	49,351	46,652
<b>Total Number of Races</b>	<b>53,513</b>	<b>53,470</b>	<b>53,612</b>	<b>50,306</b>	<b>47,519</b>
<b><u>Attendance</u></b>					
On-Track	250,718	241,932	239,407	224,305	200,754
Off-Track	494,570	488,245	484,234	473,090	431,452
<b>Total Attendance</b>	<b>745,288</b>	<b>730,177</b>	<b>723,641</b>	<b>697,395</b>	<b>632,206</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day	\$358,681	\$349,373	\$343,939	\$330,748	\$301,116
Breakdown by location					
On-Track Handle	\$27,255,590	\$25,669,041	\$24,551,590	\$22,243,460	\$19,193,318
Off-Track Handle	\$93,978,514	\$92,768,573	\$92,043,783	\$89,880,232	\$81,981,518
Breakdown by source					
Live Races	\$13,110,347	\$12,003,641	\$11,155,612	\$9,344,730	\$7,920,875
Simulcast Races	108,123,757	106,433,974	105,439,761	102,778,962	93,253,961
<b>Total Pari-Mutuel Handle</b>	<b>\$121,234,104</b>	<b>\$118,437,614</b>	<b>\$116,595,373</b>	<b>\$112,123,692</b>	<b>\$101,174,836</b>
<b><u>DISTRIBUTION OF REVENUES</u></b>					
<b><u>Returned to Wagering Public</u></b>	<b>\$90,709,127</b>	<b>\$89,236,181</b>	<b>\$87,221,944</b>	<b>\$83,409,336</b>	<b>\$74,685,815</b>
<b><u>State Pari-Mutuel Revenues</u></b>	<b>\$254,801</b>	<b>\$234,628</b>	<b>\$215,525</b>	<b>\$180,508</b>	<b>\$150,861</b>
<b><u>Track Mutuel Revenues</u></b>					
Track Commission	\$25,125,069	\$24,570,307	\$24,221,010	\$23,264,558	\$20,951,158
Capital Improvement Rebate	0	0	0	0	0
Charity Days-Revenues Withheld	7,413	5,452	7,594	6,427	7,563
County Fair-Revenues Withheld					0
Hardship Tax Credit	0	0	0	0	0
Breakage	542,313	514,258	505,620	488,699	424,029
<b>Total Track Revenues</b>	<b>\$25,674,795</b>	<b>\$25,090,017</b>	<b>\$24,734,225</b>	<b>\$23,759,684</b>	<b>\$21,382,750</b>
<b><u>Purses</u></b>	<b>\$10,572,243</b>	<b>\$10,209,261</b>	<b>\$9,283,972</b>	<b>\$9,496,644</b>	<b>\$8,675,226</b>

Racetrack Trends at a Glance



## County Fair Racing

The Department of Gaming Racing Division is responsible for regulating and supervising all county fair horse race meetings, providing staff to issue licenses, oversee wagering, conduct investigations, equine and human drug testing, and hearings on investigation referrals, in addition to collecting revenues for the State.

When funding is available, County Fair Racing receives funding from the County Fair Racing Fund and the County Fair Racing Betterment Fund. However, no monies have been appropriated for these funds since FY 2010. In FY2016, ten county fairs conducted live racing: seven contracted with existing commercial race tracks and three (Cochise, Graham, and Santa Cruz) conducted live racing at their non-commercial tracks.

### Investigations

Investigation numbers listed below reflect the total number of investigations conducted for every incident and background investigation, which includes processing of fingerprints and any resulting false applications.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of incident investigations	14	1	2
Number of background investigations	176	8	76
Total number of investigations conducted	190	9	78

### Licensing

The Department issues licenses to participate in racing to those who are qualified and eligible.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of licenses issued	176	10	92
Number of licenses denied	0	1	0
Number of licenses revoked	0	0	0

### Stewards

The Board of Stewards is present on the permittee grounds on each day entries are being taken or racing is conducted and represents the Department in all matters pertaining to the enforcement and interpretation of the rules adopted by the Department. All races are observed and supervised to ensure that all participants comply with the rules of racing.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of Stewards' rulings issued	0	1	2
Total Stewards' rulings appealed	1	1	0
Percentage of rulings upheld on appeal to the Director	100%	100%	100%

#### Rulings by Track

Central Arizona Fair Assoc./Pinal County	0	0	0
Cochise County Fair, Douglas*	0	0	1
Coconino County Parks & Recreation Flagstaff	0	0	0
Gila County Racing Commission, Globe**	0	0	N/A
Graham County Fair & Racing Assoc., Safford*	0	0	0
Greenlee County Fair & Racing Assoc., Duncan	0	0	0
La Paz County Fair Assoc.	0	0	0
Maricopa County Fair, Inc.	0	0	0
Mohave County Fair, Assoc., Kingman**	0	0	N/A
Navajo County Fair, Inc.	0	0	0
Pima County Fair Horse Racing Comm., Rillito Park in Tucson**	0	0	N/A
Santa Cruz County Fair & Rodeo Assoc., Sonoita*	0	1	1
Yuma County Fair, Assoc.	0	1	0

\*These counties ran live race dates in FY15-16. All others ran their dates at Turf Paradise. \*\*Mohave, Pima and Gila Counties did not race in FY15-16

## County Fair Racing

### Director

The Director of the Racing Division is required by statute to review all rulings issued by the Stewards. Individual licensees may also appeal a Stewards' ruling to the Director and, if not satisfied with the Director's order, to the Racing Commission. The Office of Administrative Hearings also hears matters referred by the Director.

<b><u>Performance Measures</u></b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Number of Director's hearings	2	0	0
Number of Administrative Law Judge hearings	0	0	0
Number of Racing Commission hearings	0	0	0
Total number of Director's orders*	2	0	0
Percentage of orders upheld on appeal to the Commission	N/A	N/A	N/A
<b><u>Orders by Track</u></b>			
Central Arizona Fair Association/Pinal County	0	0	0
Cochise County Fair, Douglas*	0	0	1
Coconino County Parks & Recreation, Flagstaff	0	0	0
Gila County Racing Commission, Globe**	0	0	N/A
Graham County Fair & Racing Assoc., Safford	0	0	0
Greenlee County Fair & Racing Assoc., Duncan	0	0	0
La Paz County Fair Assoc.	0	0	0
Maricopa County Fair, Inc.	0	0	0
Mohave County Fair Assoc., Kingman**	0	0	N/A
Navajo County Fair, Inc.	0	0	0
Pima County Fair Horse Racing Comm., Rillito Park in Tucson**	2	0	N/A
Santa Cruz County Fair & Rodeo Assoc., Sonoita	0	0	1
Yuma County Fair, Assoc., Yuma	0	0	0

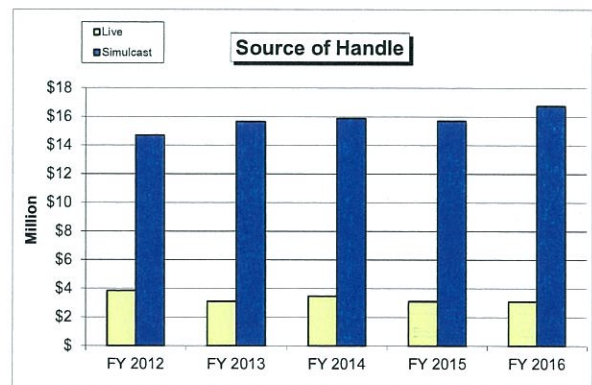
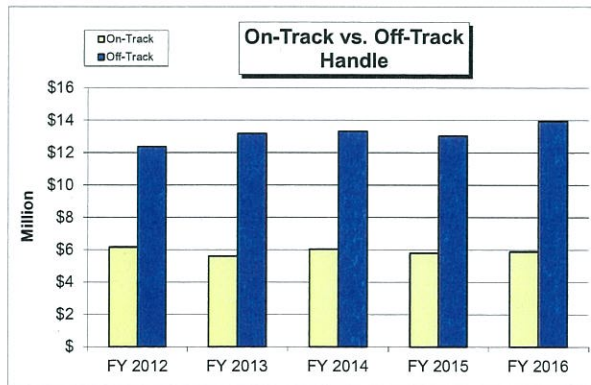
\*Does not include orders such as stays, reinstatements, cases dismissed, etc.

\*\*Mohave, Pima and Gila County Fairs did not race in FY15-16

**COUNTY FAIR TRACKS**  
County Fair Racing at Fairs and Commercial Tracks

<b>RACING STATISTICS</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b><u>Race Days/Performances</u></b>					
Live Race Days	30	27	30	29	33
Dark Day-Simulcast Only	-	2	-	1	1
<b>Total Race Days</b>	<b>30</b>	<b>29</b>	<b>30</b>	<b>30</b>	<b>34</b>
<b>Total Live Performances</b>	<b>30</b>	<b>27</b>	<b>30</b>	<b>29</b>	<b>33</b>
<b><u>Number of Races</u></b>					
Live Races	258	237	243	232	265
Simulcast Races	4,826	4,847	4,954	4,790	5,151
<b>Total Number of Races</b>	<b>5,084</b>	<b>5,084</b>	<b>5,197</b>	<b>5,022</b>	<b>5,416</b>
<b><u>Attendance</u></b>					
On-Track	96,219	78,972	99,643	99,650	97,282
Off-Track	65,078	69,312	70,070	68,466	73,283
<b>Total Attendance</b>	<b>161,297</b>	<b>148,284</b>	<b>169,713</b>	<b>168,116</b>	<b>170,565</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day	\$617,646	\$694,671	\$645,087	\$626,898	\$582,788
Breakdown by location					
On-Track Handle	\$6,164,093	\$5,585,654	\$6,038,323	\$5,790,329	\$5,887,186
Off-Track Handle	\$12,365,302	\$13,170,457	\$13,314,289	\$13,016,622	\$13,927,606
Breakdown by source					
Live Races	\$3,839,321	\$3,101,234	\$3,470,149	\$3,095,511	\$3,079,426
Simulcast Races	14,690,073	15,654,878	15,882,463	15,711,440	16,735,366
<b>Total Pari-Mutuel Handle</b>	<b>\$18,529,394</b>	<b>\$18,756,111</b>	<b>\$19,352,612</b>	<b>\$18,806,951</b>	<b>\$19,814,791</b>
<b><u>DISTRIBUTION OF REVENUES</u></b>					
<b>Returned to Wagering Public</b>	<b>\$14,408,373</b>	<b>\$13,943,574</b>	<b>\$14,762,826</b>	<b>\$14,225,803</b>	<b>\$15,024,098</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Track Mutuel Revenues</u></b>					
Track Commission	\$3,750,291	\$3,791,940	\$3,977,992	\$3,857,155	\$4,047,171
County Fair-Revenues Withheld					61,590
Breakage	92,694	79,673	100,716	92,557	99,355
<b>Total Track Revenues</b>	<b>\$3,842,985</b>	<b>\$3,871,613</b>	<b>\$4,078,707</b>	<b>\$3,949,711</b>	<b>\$4,208,116</b>
<b>Purses</b>	<b>\$1,575,809</b>	<b>\$1,570,956</b>	<b>\$1,585,563</b>	<b>\$1,503,874</b>	<b>\$1,605,336</b>

**Racetrack Trends at a Glance**



**COUNTY FAIR RACING**  
Schedule and Statistics  
FY 2016

	<u>Race Days</u>	<u>Live Races</u>	<u>Simulcast Races</u>	<u>Total Handle</u>	<u>Simulcast Handle</u>	<u>Attendance</u>	<u>Returned to Public</u>	<u>Track Commission</u>	<u>Breakage to Track</u>	<u>Purses</u>
<b>Fairs at Non-Commercial Tracks</b>										
Graham County Fair & Racing Assoc. @ Safford April 23, 24, 2016	2	16	-	\$ 62,657	\$ -	1,730	\$ 47,347	\$ 13,460	\$ 597	\$ 6,730
Santa Cruz County Fair & Rodeo Assoc. @ Sonoita May 7, 8, 2016	2	16	-	\$ 60,553	\$ -	4,250	\$ 45,978	\$ 12,845	\$ 519	\$ 6,422
Cochise County Fair at Douglas May 21, 22, 2016	2	16	-	\$ 63,124	\$ -	4,176	\$ 47,820	\$ 13,447	\$ 594	\$ 6,724
<b>Subtotal - Fairs at Non-Commercial Tracks</b>	<b>6</b>	<b>48</b>	<b>-</b>	<b>\$ 186,334</b>	<b>\$ -</b>	<b>10,156</b>	<b>\$ 141,145</b>	<b>\$ 39,752</b>	<b>\$ 1,710</b>	<b>\$ 19,876</b>
<b>Fairs at Commercial Tracks</b>										
Maricopa County Fair, Inc. at Phoenix (Turf Paradise) January 2, 3, 9, 10 2016	4	32	565	\$ 1,814,968	\$ 1,519,148	14,773	\$ 1,350,487	\$ 375,786	\$ 7,768	\$ 163,753
La Paz County Fair Assoc. at Phoenix (Turf Paradise) January 23, 24, 30, 31, 2016	4	32	565	\$ 2,099,404	\$ 1,732,553	18,394	\$ 1,549,741	\$ 432,282	\$ 8,867	\$ 184,061
Central AZ Fair Assoc./Pinal County at Phoenix (Turf Paradise) February 6, 13, 14, 20 2016	4	32	678	\$ 2,666,486	\$ 2,145,047	21,718	\$ 2,082,063	\$ 546,252	\$ 12,913	\$ 233,121
Navajo County Fair, Inc. at Phoenix (Turf Paradise) March 5, 6, 12, 13, 2016	4	32	678	\$ 2,548,257	\$ 2,047,143	26,122	\$ 1,954,609	\$ 523,098	\$ 12,617	\$ 222,176
Yuma County Fair Assoc. at Phoenix (Turf Paradise) March 19, 20, 26, April 2, 2016	4	32	749	\$ 3,086,327	\$ 2,578,529	27,863	\$ 2,357,910	\$ 627,532	\$ 15,868	\$ 256,481
Greenlee County Fair at Phoenix (Turf Paradise) April 9, 10, 2016	2	17	398	\$ 1,239,778	\$ 1,060,798	10,453	\$ 952,106	\$ 247,973	\$ 5,948	\$ 98,763
Santa Cruz County Fair & Rodeo Assoc. at Phoenix (Turf Pa April 23, 24, 2016	2	17	456	\$ 1,059,807	\$ 877,192	8,031	\$ 803,837	\$ 212,646	\$ 5,659	\$ 90,071
Coconino County Parks & Rec. at Phoenix (Turf Paradise) April 29, 30, May 6, 7, 2016	4	23	1,062	\$ 5,113,431	\$ 4,774,954	33,055	\$ 3,832,200	\$ 1,041,852	\$ 28,005	\$ 337,035
<b>Total - All County Fair Racing</b>	<b>28</b>	<b>217</b>	<b>5,151</b>	<b>\$ 19,628,457</b>	<b>\$ 16,735,366</b>	<b>160,409</b>	<b>\$ 14,882,953</b>	<b>\$ 4,007,419</b>	<b>\$ 97,645</b>	<b>\$ 1,585,460</b>
	<b>34</b>	<b>265</b>	<b>5,151</b>	<b>\$ 19,814,791</b>	<b>\$ 16,735,366</b>	<b>170,565</b>	<b>\$ 15,024,098</b>	<b>\$ 4,047,171</b>	<b>\$ 99,355</b>	<b>\$ 1,605,336</b>

# **Commercial Greyhound Racing**



## Commercial Greyhound Racing

The Department of Gaming Racing Division is responsible for regulating and supervising all commercial greyhound race meetings. The Division conducts investigations, post-race canine drug testing, issues licenses and oversees wagering to protect the greyhounds and the public who wager on the races. The Division adjudicates appeals of stewards' decisions and conducts hearings on investigation referrals and other race incidents. In addition to collecting revenues for the State, the Division also distributes awards to adoption program recipients.

### Investigations

Investigation numbers listed below reflect the total number of investigations conducted for every incident, inspection and background investigation, which includes processing of fingerprints and any resulting false applications.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of incident investigations	62	178	11
Number of background investigations	701	183	315
Total number of investigations conducted	763	361	326

### Licensing

The Division issues licenses to participate in racing to those who are qualified and eligible.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of licenses issued	701	264	399
Number of licenses denied	0	0	0
Number of licenses revoked	4	0	1

### Stewards

The Board of Stewards is present on the permittee grounds on each day entries are taken or live racing is conducted and represents the Division in all matters pertaining to the enforcement and interpretation of the rules adopted by the Division. All races are observed and supervised to ensure that all participants comply with the rules of racing.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of Stewards' rulings issued	27	40	36
Total Stewards' rulings appealed	0	3	1
Percentage of Stewards' rulings upheld on appeal to the Director	n/a	100%	100%
<b><u>Rulings by Track</u></b>			
American Greyhound Racing* (PGP and AGP)	N/A	N/A	N/A
Tucson Greyhound Park	27	40	36

\*Phoenix Greyhound Park's last day of live racing was December 19, 2009. American Greyhound Park (AGP) and PGP operate as simulcast facilities only.

## Commercial Greyhound Racing

### Director

The Director is required by statute to review all rulings issued by the Stewards. Individual licensees may also appeal a ruling to the Director and, if not satisfied with the Director's ruling, to the Racing Commission. The Office of Administrative Hearings also hears matters referred by the Director.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of Director's hearings	7	8	2
Number of Administrative Law Judge hearings	0	0	0
Number of Racing Commission hearings	0	0	0
Total number of Director's orders*	7	6	2
Percentage of orders upheld on appeal to the Commission	N/A	N/A	N/A

#### Orders by Track

American Greyhound Racing** (PGP and AGP)	N/A	N/A	N/A
Tucson Greyhound Park	7	6	2

\*Does not include orders for action such as stays, reinstatements, cases dismissed, etc. \*\* Phoenix Greyhound Park's ended live racing On Dec.19, 2009. American Greyhound Park (AGP) and PGP operate as simulcast facilities only.

### Inspections

The Division inspects greyhound farms, kennels and vehicles to ensure compliance.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of facility licenses issued	0	7	7
Number of inspections conducted at facilities	24	169	288*
Percentage of inspections resulting in violations and disciplinary action	0%	0%	0%
Number of whelping inspections	0	0	0
Number of vehicle inspections	11	2	18

\*Additional inspections were needed as a result of Tucson Greyhound Park closing June 25, 2016.

### Breeders' Awards

When monies are available, the Division promotes greyhound breeding in Arizona through the administration and distribution of funds available through the Breeders' Awards Program.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Amount of awards	\$41,300	\$40,600	N/A
Number of active breeders	3	3	N/A
Percentage of breeders winning awards	60%	60%	N/A
Number of registered greyhounds	644	644	N/A

### Greyhound Adoption

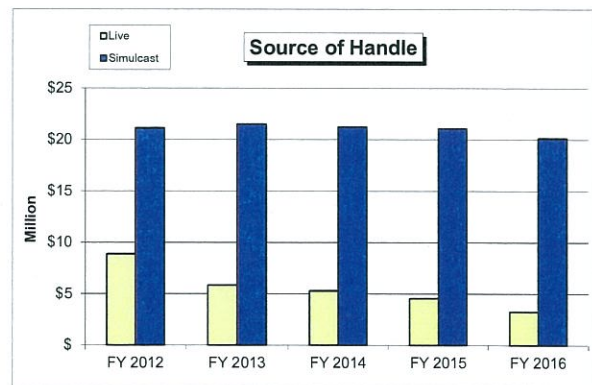
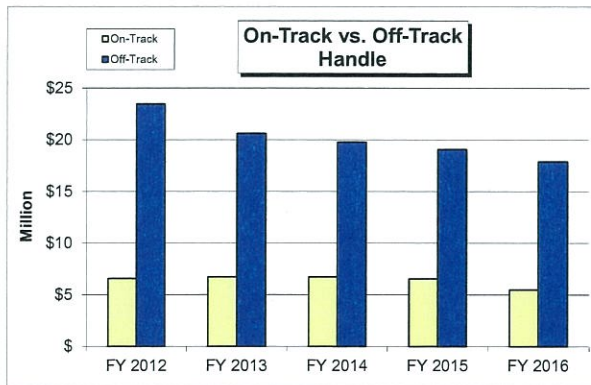
The Division provides grants to non-profit organizations to promote the adoption of retired racing greyhounds. A portion of the fees collected from licensing greyhound racing kennels, breeding farms and other operations where greyhounds are raised for racing purposes funds this grant.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of grants awarded	1	1	1
Amount of grants awarded	\$1,350	\$600	\$735

**COMMERCIAL GREYHOUND TRACKS**  
Apache Greyhound, Tucson Greyhound

<b>RACING STATISTICS</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b><u>Race Days/Performances</u></b>					
Live Race Days	306	258	207	206	205
Dark Day-Simulcast only	421	467	518	518	523
<b>Total Race Days</b>	<b>727</b>	<b>725</b>	<b>725</b>	<b>724</b>	<b>728</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>306</b>	<b>258</b>	<b>207</b>	<b>206</b>	<b>205</b>
<b><u>Number of Races</u></b>					
Live Races	4,244	3,512	3,041	3,491	3,295
Simulcast Races	127,419	128,961	130,028	128,936	124,943
<b>Total Number of Races</b>	<b>131,663</b>	<b>132,473</b>	<b>133,069</b>	<b>132,427</b>	<b>128,238</b>
<b><u>Attendance</u></b>					
On-Track	72,020	59,627	67,258	64,135	56,489
Off-Track	155,128	140,536	139,018	126,459	121,042
<b>Total Attendance</b>	<b>227,148</b>	<b>200,163</b>	<b>206,276</b>	<b>190,594</b>	<b>177,531</b>
<b><u>Pari-Mutuel Handle</u></b>					
Average Handle per Race Day	\$41,278	\$37,722	\$36,562	\$35,402	\$32,087
Breakdown by location					
On-Track Handle	\$6,561,685	\$6,724,575	\$6,731,019	\$6,551,124	\$5,476,249
Off-Track Handle	\$23,447,149	\$20,623,841	\$19,776,463	\$19,079,641	\$17,883,192
Breakdown by source					
Live Races	\$8,883,314	\$5,850,750	\$5,294,588	\$4,550,487	\$3,247,768
Simulcast Races	21,125,521	21,497,665	21,212,894	21,080,278	20,111,672
<b>Total Pari-Mutuel Handle</b>	<b>\$30,008,835</b>	<b>\$27,348,415</b>	<b>\$26,507,482</b>	<b>\$25,630,765</b>	<b>\$23,359,440</b>
<b><u>DISTRIBUTION OF REVENUES</u></b>					
<b>Returned to Wagering Public</b>	<b>\$23,071,947</b>	<b>\$20,967,735</b>	<b>\$20,350,678</b>	<b>\$19,984,459</b>	<b>\$17,872,279</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Track Mutuel Revenues</u></b>					
Track Commission	\$6,545,947	\$6,051,523	\$5,869,892	\$5,704,603	\$5,240,374
Capital Improvement Rebate	0	0	0	0	0
Capital Improvement AGP Non-Taxable	0	0	0	0	0
Charity Days-Revenues Withheld	0	0	0	0	0
County Fair-Revenues Withheld					0
Hardship Tax Credit	488,582	321,791	291,202	250,277	178,627
AGP-Hardship Tax (Transferred to PGP)	0	0	0	0	0
Breakage	64,341	56,453	54,979	44,632	43,920
<b>Total Track Revenues</b>	<b>\$7,098,870</b>	<b>\$6,429,767</b>	<b>\$6,216,074</b>	<b>\$5,999,512</b>	<b>\$5,462,921</b>
<b>Purses</b>	<b>\$999,509</b>	<b>\$818,810</b>	<b>\$780,113</b>	<b>\$750,852</b>	<b>\$618,581</b>

**Racetrack Trends at a Glance**



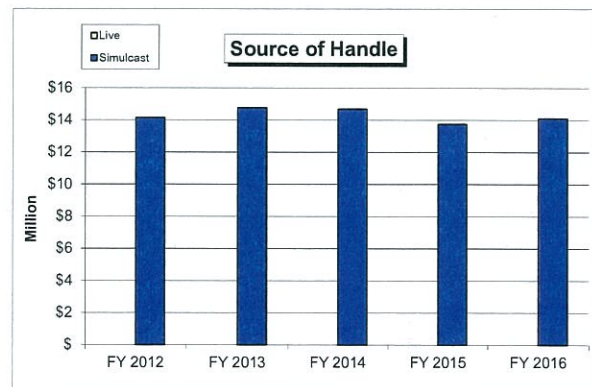
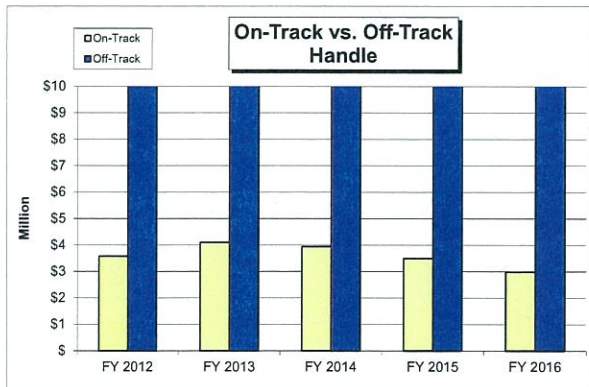
2551 West Apache Trail  
 Apache Junction, Arizona 85220

**APACHE GREYHOUND PARK**  
 American Greyhound Racing, Inc.

FY 2016 Racing Dates:  
 July 1, 2015 - June 30, 2016

<b>RACING STATISTICS</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>Race Days/Performances</b>					
Live Race Days	-	-	-	-	-
Dark Day-Simulcast only	363	362	362	362	363
<b>Total Race Days</b>	<b>363</b>	<b>362</b>	<b>362</b>	<b>362</b>	<b>363</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Number of Races</b>					
Live Races	-	-	-	-	-
Simulcast Races	65,975	66,696	68,712	68,940	63,611
<b>Total Number of Races</b>	<b>65,975</b>	<b>66,696</b>	<b>68,712</b>	<b>68,940</b>	<b>63,611</b>
<b>Attendance</b>					
On-Track	41,147	23,995	22,746	22,435	22,272
Off-Track	72,155	58,845	55,878	45,512	47,238
<b>Total Attendance</b>	<b>113,302</b>	<b>82,840</b>	<b>78,624</b>	<b>67,947</b>	<b>69,510</b>
<b>Pari-Mutuel Handle</b>					
Average Handle per Race Day	\$38,963	\$40,783	\$40,551	\$37,953	\$38,845
Breakdown by location					
On-Track Handle	\$3,574,994	\$4,105,563	\$3,943,379	\$3,487,079	\$2,989,029
Off-Track Handle	\$10,568,497	\$10,657,984	\$10,736,137	\$10,251,982	\$11,111,768
Breakdown by source					
Live Races	\$0	\$0	\$0	\$0	\$0
Simulcast Races	14,143,491	14,763,547	14,679,516	13,739,061	14,100,797
<b>Total Pari-Mutuel Handle</b>	<b>\$14,143,491</b>	<b>\$14,763,547</b>	<b>\$14,679,516</b>	<b>\$13,739,061</b>	<b>\$14,100,797</b>
<b>DISTRIBUTION OF REVENUES</b>					
<b>Returned to Wagering Public</b>	<b>\$10,686,939</b>	<b>\$11,252,847</b>	<b>\$11,063,497</b>	<b>\$10,518,583</b>	<b>\$10,706,556</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Track Mutuel Revenues</b>					
Track Commission	\$3,295,119	\$3,408,467	\$3,379,557	\$3,163,922	\$3,257,038
Capital Improvement Rebate	0	0	0	0	0
Capital Improvement AGP Non-Taxable	0	0	0	0	0
Charity Days-Revenues Withheld	0	0	0	0	0
County Fair-Revenues Withheld	0	0	0	0	0
Hardship Tax Credit	0	0	0	0	0
AGP-Hardship Tax (Transferred to PGP)	0	0	0	0	0
Breakage	31,016	30,525	31,685	24,165	24,959
<b>Total Track Revenues</b>	<b>\$3,326,135</b>	<b>\$3,438,993</b>	<b>\$3,411,242</b>	<b>\$3,188,088</b>	<b>\$3,281,997</b>
<b>Purses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Racetrack Trends at a Glance



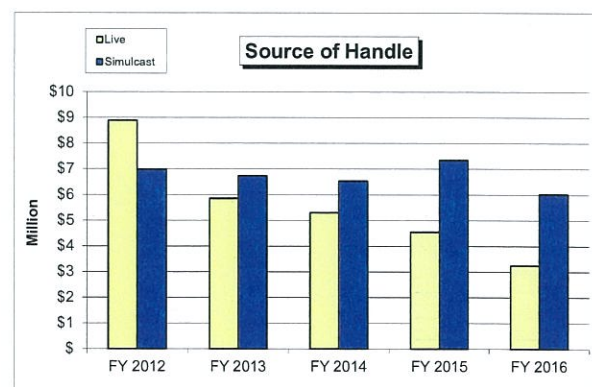
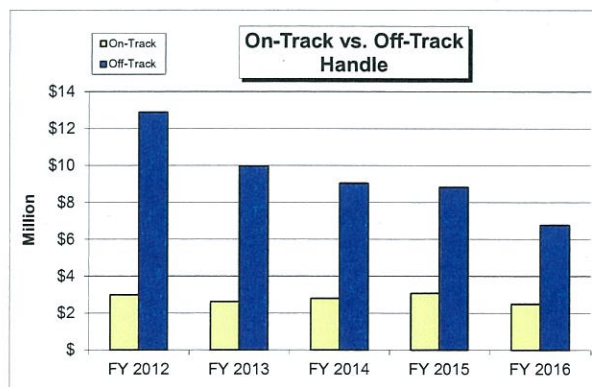
2601 South Third Avenue  
Tucson, Arizona 85713

**TUCSON GREYHOUND PARK**  
Tucson Greyhound Park, Inc.

FY 2016 Racing Dates:  
July 1, 2015 - June 30, 2016

<b>RACING STATISTICS</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>
<b>Race Days/Performances</b>					
Live Race Days	306	258	207	206	205
Dark Day-Simulcast only	58	105	156	156	160
<b>Total Race Days</b>	<b>364</b>	<b>363</b>	<b>363</b>	<b>362</b>	<b>365</b>
<b>Total Live Performances (Matinee &amp; Evening)</b>	<b>306</b>	<b>258</b>	<b>207</b>	<b>206</b>	<b>205</b>
<b>Number of Races</b>					
Live Races	4,244	3,512	3,041	3,491	3,295
Simulcast Races	61,444	62,265	61,316	59,996	61,332
<b>Total Number of Races</b>	<b>65,688</b>	<b>65,777</b>	<b>64,357</b>	<b>63,487</b>	<b>64,627</b>
<b>Attendance</b>					
On-Track	30,873	35,632	44,512	41,700	34,217
Off-Track	82,973	81,691	83,140	80,947	73,804
<b>Total Attendance</b>	<b>113,846</b>	<b>117,323</b>	<b>127,652</b>	<b>122,647</b>	<b>108,021</b>
<b>Pari-Mutuel Handle</b>					
Average Handle per Race Day	\$43,586	\$34,669	\$32,584	\$32,850	\$25,366
Breakdown by location					
On-Track Handle	\$2,986,691	\$2,619,012	\$2,787,641	\$3,064,045	\$2,487,220
Off-Track Handle	\$12,878,652	\$9,965,856	\$9,040,326	\$8,827,658	\$6,771,423
Breakdown by source					
Live Races	\$8,883,314	\$5,850,750	\$5,294,588	\$4,550,487	\$3,247,768
Simulcast Races	6,982,030	6,734,118	6,533,379	7,341,216	6,010,875
<b>Total Pari-Mutuel Handle</b>	<b>\$15,865,343</b>	<b>\$12,584,868</b>	<b>\$11,827,967</b>	<b>\$11,891,703</b>	<b>\$9,258,643</b>
<b>DISTRIBUTION OF REVENUES</b>					
<b>Returned to Wagering Public</b>	<b>\$12,385,008</b>	<b>\$9,714,888</b>	<b>\$9,287,181</b>	<b>\$9,465,876</b>	<b>\$7,165,723</b>
<b>State Pari-Mutuel Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Track Mutuel Revenues</b>					
Track Commission	\$3,250,828	\$2,643,056	\$2,490,335	\$2,540,681	\$1,983,336
Capital Improvement Rebate	0	0	0	0	0
Capital Improvement Non-Taxable	0	0	0	0	0
Charity Days-Revenues Withheld	0	0	0	0	0
County Fair-Revenues Withheld					0
Hardship Tax Credit	488,582	321,791	291,202	250,277	178,627
Breakage	33,325	25,928	23,294	20,467	18,961
<b>Total Track Revenues</b>	<b>\$3,772,735</b>	<b>\$2,990,775</b>	<b>\$2,804,832</b>	<b>\$2,811,424</b>	<b>\$2,180,924</b>
<b>Purses</b>	<b>\$999,509</b>	<b>\$818,810</b>	<b>\$780,113</b>	<b>\$750,852</b>	<b>\$618,581</b>

**Racetrack Trends at a Glance**



# **Arizona Boxing & Mixed Martial Arts Commission**

# ARIZONA BOXING and MMA COMMISSION

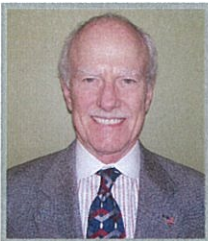
## COMMISSIONERS



**SCOTT B. FLETCHER** – Mr. Fletcher was appointed to the Arizona Boxing and MMA Commission by Governor Jan Brewer in February 2011. He was Commission Chairman from January 2012 to January 2014. He was reappointed in 2014 by Governor Brewer to a second term which ends January 16, 2017.



**SCOTT PETERS** – A former NFL football player and competitive martial artist, Scott Peters is an advocate for concussion testing. Peters was appointed to the Commission on January 19, 2015 by Governor Doug Ducey. His current term expires on January 15, 2018.



**JOE PENNINGTON** – Mr. Pennington is a veteran of the Commission first serving in 2001 with his appointment by Governor Jane Dee Hull. He chaired the Commission from 2002 to 2004. After a brief hiatus, Pennington returned to the Commission in January 2010 by appointment of Governor Jan Brewer and subsequently was reappointed in early 2013. Governor Doug Ducey reappointed Pennington in early 2016 to a third term that expires on January 21, 2019.

## EXECUTIVE DIRECTOR



**MATTHEW VALENZUELA** – Mr. Valenzuela trained and competed as an amateur boxer until 1998. He's held several positions with the Arizona Boxing Commission including inspector and assistant to the Executive Director. In January 2014, he was appointed as the Arizona Boxing and MMA Commission Program Executive Director. Since his appointment, the state has hosted the most Boxing and MMA events since the Commission's origin. Mr. Valenzuela also secured the very first UFC and World Series of Fighting title bouts in Arizona.

## Boxing and Mixed Martial Arts Regulation

The Arizona Boxing and MMA Commission regulates and supervises boxing and mixed martial arts events conducted to protect the participants and ensure compliance with applicable laws and regulations.

In 1992, the Arizona Department of Gaming Racing Division assumed responsibility for the financial administration of the Arizona State Boxing Commission. *(Note: In July 2010 the name was changed to the Arizona Boxing and MMA Commission).* In this capacity, the Department collects and deposits State receipts associated with the sport and collects a fee of four percent of gross receipts after deduction of any federal, state, and local taxes generated from regulated events held on non-tribal land.

Additionally, the Arizona Boxing and MMA Commission enters into intergovernmental agreements (IGAs) with certain Tribal organizations to supervise events conducted on Tribal land. The Arizona Boxing and MMA Commission receives an average of \$2,000 per event subject to these agreements. During FY 2016, the Arizona Boxing and MMA Commission regulated eight IGA events and collected \$16,000 for regulation. The revenues collected for taxes were deposited into the General Fund while revenues from IGA fees went into the Boxing and MMA fund.

### Sanctioned Events

The Arizona Boxing and MMA Commission ensures that all events under Commission jurisdiction held in the State are sanctioned and that all participants are duly licensed.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Percent of bouts without serious injury to contestants	100%	100%	100%
Number of events sanctioned	29	37	39
Number of bouts	290	328	307

### Licensing

The Arizona Boxing and MMA Commission issues licenses to contestants, officials, cornermen, promoters, managers and trainers who are qualified and eligible. Licenses are denied for those who do not meet applicable requirements or are statutorily prohibited from participating.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of licenses issued	995	1294	1119
Percent of licenses issued for all applications	98%	98%	97%
<b><u>Revenue Summary</u></b>			
Taxes	\$11,400	\$73,000	\$29,000
License Fees	28,500	39,500	32,000
Fines	1,350	2,250	100
Unarmed Combat Fees	24,000	27,500	23,000
Other (Tribal Agreements)	24,000	14,000	16,000
Total Revenue Collected	\$89,250	\$156,250	\$100,100

### Investigations

The Arizona Boxing and MMA Commission investigates all allegations of statutory and rule violations that may harm the athlete or the public.

<u>Performance Measures</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
Number of investigations conducted	1	0	0
Percent of investigations resulting in disciplinary action*	N/A	N/A	N/A

\*Does not include investigations that did not rise to Commission level.



# **Financial Information**

## Racing Division Budget

The Division of Racing has an appropriation of \$2.9 million with the majority provided from the Racing Wagering Assessment (RWA). Other contributions to the Division's budget come from licensing fees, pari-mutuel taxes, dark day assessments and Advanced Deposit Wagering Assessments (ADWA). As of 2013, the day-to-day operations of the Division are funded entirely through the racing industry and the Division only receives two General Fund appropriations for specific purposes: the County Fairs Livestock and Agriculture Promotion Fund and the Arizona Breeders' Award Governor's Office.

In FY 2016, the Division received \$1,779,500 in General Fund appropriations that it passed through to the County Fairs Livestock and Agriculture Promotion Fund administered by the Governor's Office. In FY 2016, the General Fund did not appropriate any funds to the Arizona Breeders' Award. In FY 2016 the Arizona Breeders' Award was funded by a 5% assessment on the source market fees from ADWs. In FY 2017, the General Fund has resumed funding for the Breeders' Award in the amount of \$200,000.

Expenditures for the last three fiscal years and the Division's projected expenditures for FY 2017 appropriations are shown in the table below.

### OPERATING BUDGET

	<u>Actual Exp FY 2014</u>	<u>Actual Exp FY 2015</u>	<u>Actual Exp FY 2016</u>	<u>Appropriation FY 2017</u>
Full Time Equivalent Positions (FTE)	40.5	40.5	40.5	40.5
Personal Services	1,489,700	1,476,212	1,289,777	1,556,800
Employee Related Expenses	604,000	616,414	529,511	599,000
Professional & Outside Services	420,800	474,139	431,911	546,100
Travel - In State	54,600	52,273	31,456	52,200
Travel - Out of State	15,200	6,459	5,188	4,000
Other Operating Expenditures	216,400	217,367	204,090	136,100
Equipment	12,000	5,233	4,349	0
Transfer Out	0	0	270	0
Operating Budget Subtotal	<b>\$2,812,700</b>	<b>\$2,848,097</b>	<b>\$2,496,552</b>	<b>\$2,894,200</b>

### SPECIAL LINE ITEMS

Arizona Breeders' Award Governor's Office	250,000	250,000	-	200,000
Arizona Breeders' Award	-	-	37,642	
County Fairs Livestock and Agricultural Promotion	1,779,500	1,779,500	1,779,500	1,779,500
Special Line Items Subtotal	<b>2,029,500</b>	<b>2,029,500</b>	<b>1,817,142</b>	<b>1,979,500</b>

### **AGENCY TOTAL**

<b>\$4,842,200</b>	<b>\$4,877,597</b>	<b>\$4,313,695</b>	<b>\$4,873,700</b>
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### FUND SOURCES

#### Appropriated Funds

General Fund	2,029,500	2,029,500	1,779,500	1,979,500
Racing Regulation Fund	2,812,700	2,848,097	2,894,200	2,894,200

### **AGENCY TOTAL**

<b>\$4,842,200</b>	<b>\$4,877,597</b>	<b>\$4,673,700</b>	<b>\$4,873,700</b>
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## Hardship Tax Credit

The Department of Gaming/Racing Division determines the amount, if any, of a Hardship Tax Credit available to the commercial horse and greyhound permittees.

### Determination of the FY 2017 Hardship Tax Credit Based on the FY 2016 Dollars Wagered

TRACK	BASE YEAR	BASE YEAR AMOUNT	FY2016 AMOUNT WAGERED	FY2016 % DECREASE	FY2016 PARI-MUTUEL TAX DUE	TAX DUE BASED ON % DECREASE	FY2017 HARDSHIP TAX CREDIT	CARRYOVER FROM FY2016 HARDSHIP TAX CREDIT	FY2017 TAX CREDIT WITH FY2016 CARRYOVER
<b>HORSE TRACKS:</b>									
Fort Tuthill Downs	FY 1994	\$ 798,671	\$ -	-100.00%	\$ -	\$ -	\$ -	\$ 7,320	\$ 7,320
Rillito Park	FY 1990	\$ 3,887,981	\$ 1,042,933	-73.18%	\$ 15,915	\$ 11,647	\$ 34,941	\$ 292,724	\$ 327,665
Turf Paradise	FY 1994	\$ 101,467,993	\$ 101,174,836	-0.29%	\$ 158,417	\$ 459	\$ 1,378	\$ 14,564	\$ 15,942
Yavapai Downs	FY 1994	\$ 17,490,826	\$ -	-100.00%	\$ -	\$ -	\$ -	\$ 3,598	\$ 3,598
<b>GREYHOUND TRACKS:</b>									
Apache Greyhound Park	FY 1990	\$ 12,262,396	\$ 14,100,797	14.99%	\$ -	\$ -	\$ -	\$ 360,850	\$ 360,850
Phoenix Greyhound Park	FY 1990	\$ 49,391,582	\$ -	-100.00%	\$ -	\$ -	\$ -	\$ 7,712,376	\$ 7,712,376
	FY 1994	\$ 46,293,967							
Tucson Greyhound Park	FY 1990	\$ 38,110,346	\$ 9,258,643	-75.71%	\$ 178,627	\$ 135,239	\$405,716	\$ 4,621,843	\$ 5,027,559

### Racing Division Pari-Mutuel Tax Revenue - FY 2016

TRACK	ALLOWABLE HARDSHIP CREDITS FY2016	FY2016 HANDLE	FY2016 PARI-MUTUEL TAX DUE	FY2016 CAPITAL IMPROVEMENT WITHHOLDINGS	FY2016 HARDSHIP TAX CREDIT	FY2016 COUNTY FAIR CREDITS	FY2016 CHARITY DAYS	FY2016 PARI-MUTUEL TAX REVENUE
<b>HORSE TRACKS:</b>								
Rillito Park	\$ 306,234	\$ 1,042,933	\$ 15,915	\$ -	\$ 13,509	\$ -	\$ 2,406	\$ -
Turf Paradise	14,564	101,174,836	158,417	-	-	-	7,563	150,855
Yavapai Downs	3,598	-	-	-	-	-	-	-
Subtotal Horse Tracks	\$ 324,396	\$ 102,217,769	\$ 174,333	\$ -	\$ 13,509	\$ -	\$ 9,969	\$ 150,855
<b>GREYHOUND TRACKS:</b>								
Apache Greyhound Park	\$ 360,850	\$ 14,100,797	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Phoenix Greyhound Park	7,712,376	-	-	-	-	-	-	-
Tucson Greyhound Park	4,800,470	9,258,643	178,627	-	178,627	-	-	-
Subtotal Greyhound Tracks	\$ 12,873,697	\$ 23,359,440	\$ 178,627	\$ -	\$ 178,627	\$ -	\$ -	\$ -
<b>GRAND TOTAL</b>	<b>\$ 13,198,092</b>	<b>\$ 125,577,209</b>	<b>\$ 352,960</b>	<b>\$ -</b>	<b>\$ 192,137</b>	<b>\$ -</b>	<b>\$ 9,969</b>	<b>\$ 150,855</b>

## Track Capital Improvements

Capital Improvement tax breaks were first introduced into law in 1978 to encourage the improvement of racing facilities for the benefit of the public, breeders and owners, and to increase revenues to the State from the expected increase in pari-mutuel wagering resulting from the improvements. All Capital Improvement projects required approval from the Arizona Racing Commission. The percentages paid the State by the permittee was reduced by 1% of the total amount wagered in counties with a population over 500,000 and 2% in all other counties.

New Capital Improvement projects can no longer be submitted. This provision expired on June 30, 1992 for counties with populations of 500,000 or more and on June 30, 1999 for counties with populations of less than 500,000 according to the previous United States decennial census. The capital improvement dollars for projects approved before the expiration date may continue to be deducted from the pari-mutuel tax due until exhausted. The following table show dollars deducted by all racetracks during FY 2016. The only racetrack which has not exhausted the dollars approved is Yavapai Downs.

Permittee	Project Description	Improvement Dollars Approved	Dollars Deducted FY 2016	Cumulative Dollars Deducted	Remaining Dollars Approved
Prescott Downs (Yavapai Downs)	Grandstand & Clubhouse Structure, etc.	\$52,196,636	\$0	\$866,507	\$51,330,129
Other Permittees		\$0	\$0	\$0	\$0