

Annual Report



1992

TOPEKA OFFICE

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3400 S. W. Van Buren
Topeka, Kansas 66611-2228
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c/o The Woodlands
P. O. Box 12306
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c/o Wichita Greyhound Park
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STATE OF KANSAS



KANSAS RACING COMMISSION

3400 Van Buren
Topeka, Kansas 66611-2228
(913) 296-5800
FAX (913) 296-0900

March 2, 1993

RE: Kansas Racing Commission Annual Report 1992

Dear Recipient:

The Kansas Racing Commission is pleased to forward a copy of its 1992 Annual Report.

This report is a narrative summary of the regulatory responsibilities of the commission and a statistical summary of the racing activities in the state of Kansas. A one page executive summary may be found on page 4.

If you have questions or would like us to forward additional copies, please feel free to contact the Topeka office at (913) 296-5800.

Respectfully,

A handwritten signature in cursive script that reads "Janet A. Chubb".

Janet A. Chubb
Executive Director

Enclosure

JAC:kab
KAB9318

STATE OF KANSAS



KANSAS RACING COMMISSION

3400 Van Buren
Topeka, Kansas 66611-2228
(913) 296-5800
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February 12, 1993

The Honorable Joan Finney
Governor
State of Kansas
State Capitol - Second Floor
Topeka, Kansas 66612-1590

Dear Governor Finney:

On behalf of the Kansas Racing Commission, I am pleased to present to you the 1992 Annual Report of the Kansas Racing Commission.

The report is a narrative and statistical summary of the regulatory responsibilities of the commission for calendar year 1992.

The parimutuel racing industry in Kansas represents a very important segment of the state's economy, not only as reflected by the operations of the racing facilities themselves, including those projected at the future planned Frontenac greyhound track and the desired development of a county fair type racing program in other parts of the state, but also through the economic activity represented by the breeding, development and related support activities for the racing animals throughout the state. The industry faces great challenges and the commission will do all that is possible, within its authority, to assist, and will continue to assure the integrity of parimutuel racing in Kansas.

The commission looks forward to working with you and your staff, and the legislative branch of government, in carrying out its responsibilities in this important area.

Respectfully,

A handwritten signature in cursive script that reads "Robert C. Londerholm, Sr.".

Robert C. Londerholm, Sr., Chairman
Kansas Racing Commission

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Executive Summary

- ***Organizational Structure***

The Kansas Racing Commission is a five-member board, appointed by the governor. The commission appoints an executive director, who serves at the pleasure of the commission, administering its policies and enforcing its regulations. A staff of 41.5 full-time employees served the commission at its Topeka office and racetrack field offices in 1992.

- ***Parimutuel Revenues***

In calendar year 1992 almost \$240,000,000 was wagered at the Kansas racetrack facilities in Kansas City and Wichita.

- ***Receipt and Disbursement of Racing Funds***

In calendar year 1992 over 8.3 million dollars generated by parimutuel racing was deposited into the state racing fund.

- ***Kansas Horse and Greyhound Breeding Development Funds***

The Kansas horse and greyhound breeding development funds are established by the racing act to provide financial incentives for persons participating in the horse and greyhound racing and breeding industries in Kansas. In 1992 \$1,052,922 was paid to the breeding development funds.

- ***Greyhound and Horse Research Grants***

Since the advent of parimutuel racing, the Kansas Racing Commission has awarded research money for the prevention of injuries and diseases of greyhounds and horses in the amount of \$857,482. In 1992 grants totaled \$305,598 for greyhound research projects.

- ***Charitable Contributions***

Kansas nonprofit organizations and associations received \$983,052 in charitable contributions from organization licensees TRAK East and Wichita Greyhound Charities, Inc.

- ***Legislative Amendments***

The Kansas parimutuel racing act was amended in 1992 to permit the simulcasting of horse and greyhound races at Kansas racetrack facilities. One-third of the parimutuel taxes from the simulcast races is to be paid to the newly-created county fair horse racing benefit fund.

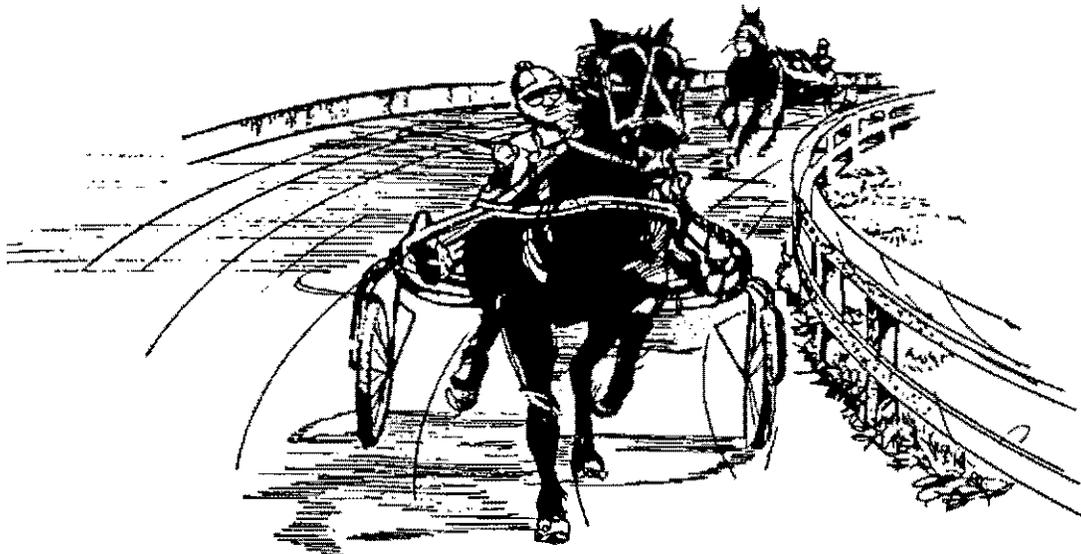
History

On November 4, 1986, Kansas voters approved a constitutional amendment permitting the regulation, licensing and taxing of parimutuel horse and greyhound racing to be conducted by bona fide nonprofit organizations. The constitutional language states a minimum tax of not less than 3% nor more than 6% of all money wagered. Finally, it specifically prohibits off-track betting. In May, 1987, the Kansas legislature enacted the Kansas parimutuel racing act, which may be found at K.S.A. 74-8801 et seq.

Among other duties, the racing act charges the five-member Kansas Racing Commission with:

- implementing and enforcing regulations to ensure the integrity of racing and wagering and to provide for the humane treatment of racing animals.
- granting organization, facility owner and facility manager licenses for the construction and operation of Kansas racetracks.
- granting concessionaire, totalisator and occupation licenses for the conduct of such businesses at Kansas racetracks.
- granting simulcasting licenses for the displaying of simulcast horse and greyhound races at Kansas racetracks.

***Rooks County Free Fair
Harness Horse Racing
First Parimutuel Race in Kansas
Monday, August 15, 1988***



Commission Members



(Left to Right) - O. H. Peltzer, R.C. Londerholm, Sr., Dr. D.E. Kobuszewski, H.P. Martin, P.Coder

Commission members are appointed by the governor. Each serves a three-year term. The current commissioners and their respective terms are:

Robert C. Londerholm, Sr., Chairman
Olathe, Kansas
Term expires: June 30, 1995

Peggy Coder, Vice-Chairman
Independence, Kansas
Term expires: June 30, 1993

Dr. Denise E. Kobuszewski, Secretary
Valley Falls, Kansas
Term expires: June 30, 1995

H. Philip Martin, Member
Larned, Kansas
Term expires: June 30, 1993

Oscar H. Peltzer, Member
Wichita, Kansas
Term expires: June 30, 1994

Commission Meetings

During 1992, the commission met bi-weekly for regular sessions in various locations throughout the state. There were 25 regular sessions held at the Topeka office or at the racetrack facilities. In addition to the regular sessions, meetings were held to conduct hearings and informal inquiries. The commission's meetings are conducted in accordance with the Kansas open meetings act K.S.A. 75-4317 *et seq.* Between meetings commission members are kept informed through mailings and telephone communication with staff.

Commission Membership to ARCI

In 1992, the Kansas Racing Commission gained additional insight through participation in the Association of Racing Commissioners International (ARCI). Focus areas included consideration of uniform rules, licensing reciprocity, impact of expanded gaming on parimutuel racing and policy issues facing regulators. ARCI is a nonprofit corporation established to encourage regulation of North American racing and wagering.

Commission Chairman Robert C. Londerholm, Sr. addressed the annual meeting of ARCI by providing an overview of Indian gaming activities and legal ramifications under federal and state laws and regulations. Observations were also made as to the need for expanded communications between federal and state agencies. Commissioner Londerholm serves on the Indian Gaming Committee of ARCI.

Commissioner H. Philip Martin was elected to the board of directors of ARCI to represent region 6, central area. Membership on the board will provide a means for the Kansas commission to keep abreast of changes in parimutuel racing nationally and internationally and should further serve as an avenue for positive suggestions on programs implemented in Kansas.

The Quality Assurance Program of ARCI underwent significant structural changes in 1992 to assure that ARCI was the appropriate organization, as regulator, to set standards for drug testing in the racing industry. The committee is dedicated to provide assistance to racing jurisdictions and laboratories that provide testing to assure that regulations prohibiting use of performance altering drugs will not be permissible in horse and greyhound racing. Specific procedures are being formulated with the assistance of a recognized resource laboratory so there may be uniformity throughout the country. Commissioner Martin is a member of the ARCI Drug Testing and Quality Assurance Committee.

Executive Director Dana Nelson, Vice-Chairperson of the Uniform Rules Committee of ARCI, assisted at the annual meeting in the presentation of recommendations to adopt uniform regulations to assure consistency among the states while maintaining integrity.

The commissioners serve on several other committees of ARCI:

- H. Philip Martin Constitution and Bylaws
- Peggy Coder Quarter Horse Racing, Totalisator Standards
- Robert C. Londerholm, Sr. Judiciary and Legislative

Commission Staff

Fiscal Years 1990 - 1991 1991 - 1992 1992-1993

Full Time Employees

Topeka Office

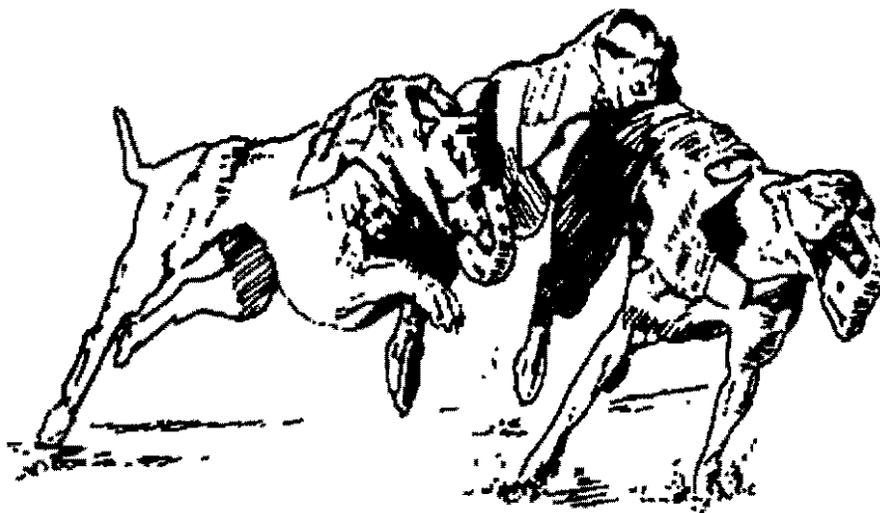
Unclassified	6.0	6.0	6.0
Classified	<u>14.0</u>	<u>14.0</u>	<u>15.5</u>
Total	<u>20.0</u>	<u>20.0</u>	<u>21.5</u>

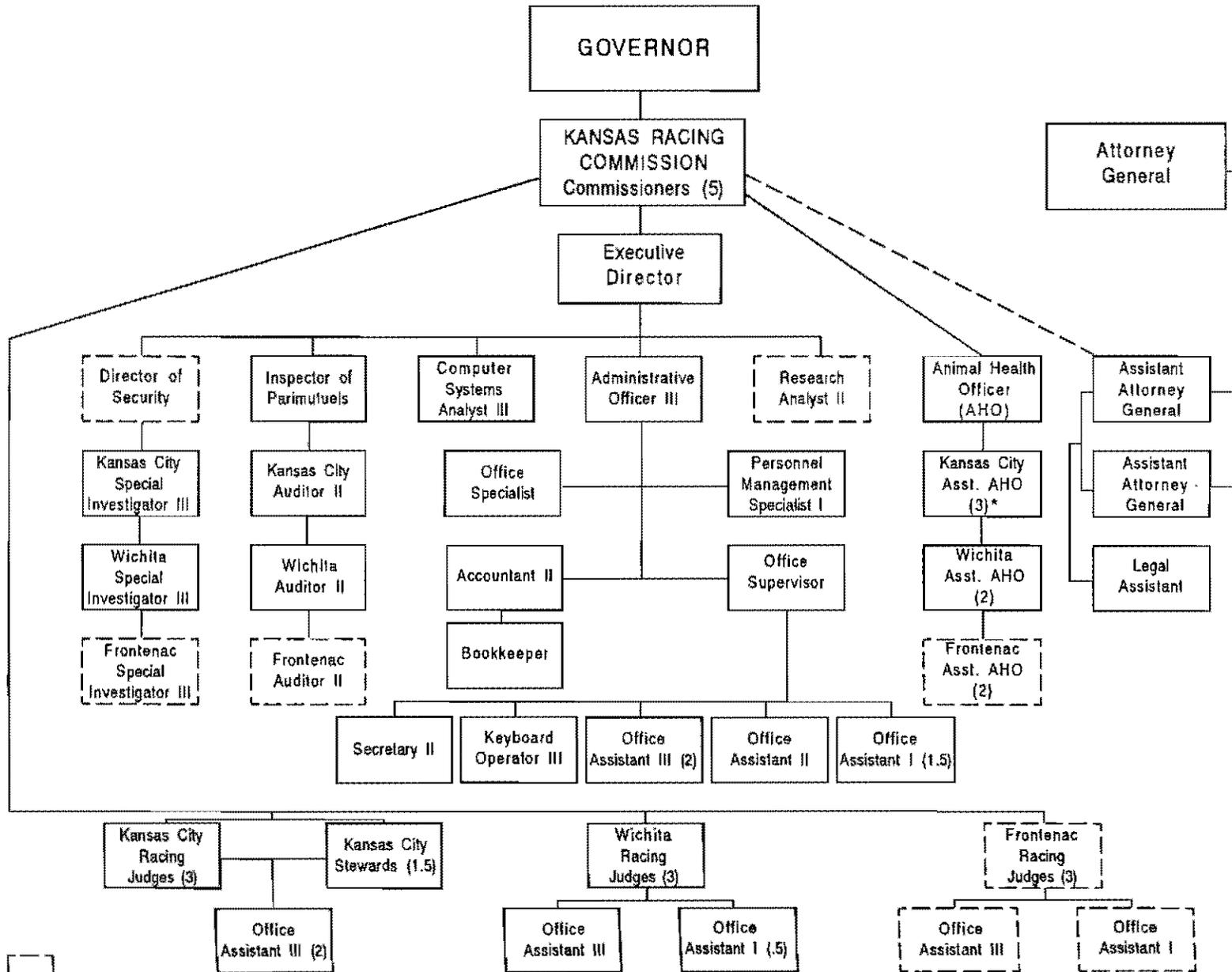
Field Offices

Unclassified	6.0	5.0	7.0
Classified	6.0	8.0	11.5
Judges	6.0	0.0	9.0
Stewards	<u>1.5</u>	<u>0.0</u>	<u>1.5</u>
Total	<u>12.0</u>	<u>20.5</u>	<u>29.0</u>

Total FTE 32.0 40.5 50.5¹

¹NOTE: 9 FTE vacant until racetrack facility opens at Frontenac.





Indicates vacant position
 50.5 Total FTE
 * One Kansas City animal health officer position vacant

6

1992 In Review

Kansas has long been a leader for the breeding of racing greyhounds. There are farms, owners, and trainers from Kansas with Kansas facilities leading the nation in greyhound farms and facilities. A survey conducted last year by the ARCI established beyond doubt that Kansas is also the leader nationwide in both the number of ongoing greyhound research projects, and many times over the leader in money expended for greyhound research. This fund was established by legislation and has been implemented every year by the Kansas Racing Commission.

Early in 1992 there was a respiratory epidemic that occurred on the east coast which resulted in greyhound race cancellations, many sick dogs and a few deaths. Kansas tracks, in consultation with veterinarians, quarantined their facilities in an attempt to prevent the spread of this disease into Kansas. Despite preventive measures taken, the disease did involve both tracks before the summer was over. Death loss among the greyhounds was minimal, but the mortality forced many scratches and cancellations.

After a comprehensive investigation and licensing hearing, the commission granted a facility owner and facility manager license to Camptown Greyhound Racing, Inc. The group is to construct, own and operate a greyhound racetrack for organization licensee TRAK Southeast at Frontenac, Kansas. Currently the group is completing financial arrangements for the commission's approval. TRAK Southeast's proposal for a racetrack in southeast Kansas was first presented to the commission in 1988.

There has been a move nationwide to adopt licensing reciprocity. The commission implemented a limited fingerprint reciprocal program during the horse racing season in 1992. Kansas reciprocated with four states by recognizing that the applicant had submitted to fingerprinting in another state. This was attested to on a fingerprint affidavit form submitted with the occupation license application. The commission is aware there were some problems experienced during implementation of the limited reciprocal program and will continue to evaluate this program before further implementation.

In February 1992 the Kansas Racing Commission hosted the first annual parimutuel auditor's conference in Kansas City. Sixty-three participants from twenty-four states plus Canada and Jamaica attended the two-day conference. In addition, the commission's inspector of parimutuels was one of four auditors on the ARCI national audit team. The team provided audit oversight for the electronic transfer of multi-state wagering into one common pool for the four National Pick-6 wagers and the Pick-7 wager on the Breeders' Cup races.

In July 1992 a casetracking program was implemented. This program provides the ability to track all administrative hearings conducted by judges, stewards or commission appointed hearing officers. The data in casetracking is accessible to all commission staff through the AS400 computer system and sometime in the future will provide the ability to cross-reference data between occupation licensing and casetracking programs. A majority of the administrative hearings pertain to racing violations committed by licensees and require the tracking of rulings such as suspensions or fine payments and their current license status. A total of 166 case files were established in casetracking between July 15 and December 31, 1992.

	STATE RACING FUND	COUNTY FAIR HORSE RACING FUND	HORSE BREEDING DEVELP. FUND	RACING INVESTIGATIVE EXPENSE FUND	GREYHOUND BREEDING DEVELP. FUND	RACING REIMBURSABLE EXPENSE FUND	RACING APPLICANT DEPOSIT FUND	TOTAL
BEGINNING BALANCE (1-1-92)	1,162,727	--	334,993	14,837	425,208	244,123	545,531	2,727,419
<u>RECEIPTS</u>								
REVENUE	8,386,309	211,146	204,280	24,329	848,642	600,194	20,886	10,295,786
SECRETARY OF STATE TRANSFER ¹	13,361	--	--	--	--	--	--	13,361
<u>DISBURSEMENTS</u>								
OPERATING EXPENDITURES	(1,683,708)	--	(338,040)	(19,355)	(584,025)	(617,939)	--	(3,243,067)
GAMING FUND TRANSFER ²	(6,870,720)	--	--	--	--	--	--	(6,870,720)
GREYHOUND TOURISM FUND TRANSFER ³	--	--	--	--	(113,262)	--	--	(113,262)
KANSAS BUREAU OF INVESTIGATION TRANSFER ⁴	(301,257)	--	--	--	--	--	--	(301,257)
ENDING BALANCE (12-31-92)	<u>706,712</u>	<u>211,146</u>	<u>201,233</u>	<u>19,811</u>	<u>576,563</u>	<u>226,378</u>	<u>566,417</u>	<u>2,508,260</u>

¹Reimbursement for a portion of the cost of software that was transferred to the Secretary of State.

²Transfer to the State Gaming Fund per K.S.A. 74-8826(c).

³Transfer to the Greyhound Tourism Fund per K.S.A. 74-8831(c).

⁴Transfer to the Kansas Bureau of Investigation for the purpose of financing a portion of the cost of operation and general expense of the Kansas Bureau of Investigation gaming unit.

Parimutuel Revenues and Wagering Dollar

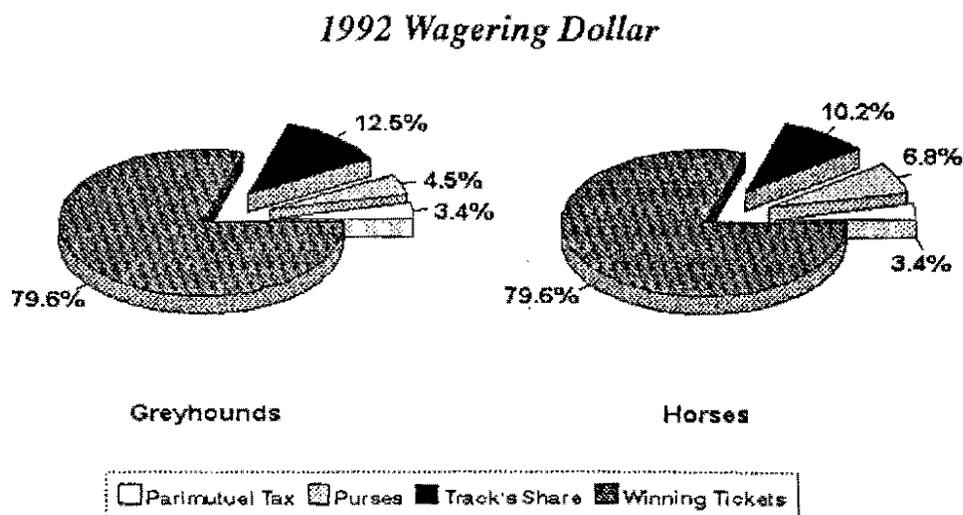
To safeguard the interest of the wagering public and the state, the commission employs a full-time auditing staff consisting of an inspector of parimutuels and two auditors. The inspector of parimutuels is housed at the Topeka office and oversees the auditors located at each racetrack facility.

The auditing staff is responsible for carrying out and monitoring a variety of duties, including:

- totalisator system's software and manual operations
- the processing of all parimutuel wagering
- purse payments to horse and greyhound owners
- admissions tax collection
- processing unclaimed winning tickets
- program information release
- Kansas breed development programs fund
- review of licensee's financial statements

The completion of these tasks assists in assuring the wagering public and state that the correct amount of dollars are being distributed as described in the parimutuel racing act.

Following is a series of charts and tables providing the results of revenue generated by parimutuel wagering.



State Racing Fund Collections

Calendar Year 1992

	<u>Kansas City</u>		<u>Wichita</u>	<u>Total</u>
	<u>Horse</u>	<u>Greyhound</u>	<u>Greyhound</u>	
Handle				
Live	\$11,695,835	\$133,833,288	\$68,706,091	\$214,235,214
Simulcast-Horse	4,418,390	14,037,040	38,298	18,493,728
Simulcast-Dog	6,013,219	59,843	903,139	6,976,201
Total Handle	\$22,127,444	\$147,930,171	\$69,647,528	\$239,705,143
Attendance	177,471	1,171,236	629,216	1,977,923
Race Days	63	240	308	611
Performances	63	357	435	855
Revenue				
Parimutuel Tax:				
Live	\$ 388,908	\$ 4,550,095	\$ 2,436,558	\$ 7,375,561
Simulcast	229,692	341,662	21,354	592,708
Total Tax	\$ 618,600	\$ 4,891,757	\$ 2,457,912	\$ 7,968,269
Other Revenue:				
Admissions Tax	\$ 15,658	\$ 121,663	\$ 85,276	\$ 222,597
License Fees	14,495	20,109	13,955	48,559
Fines Paid	6,250	6,850	7,585	20,685
Daily License Fee	25,400	97,600	0 ¹	123,000
Total Other Rev.	\$ 61,803	\$ 246,222	\$ 106,816	\$ 414,841
Total Revenue	\$ 680,403	\$ 5,137,979	\$ 2,564,728	\$ 8,383,110²
Averages				
Revenue per performance	\$10,800	\$14,392	\$5,896	\$9,805
Handle per performance	\$351,229	\$414,370	\$160,109	\$280,357
Attendance per performance	2,817	3,281	1,446	2,313

¹Collected after January 1, 1993.

²Does not include concessionaire and totalisator license applications fees of \$2,700 and miscellaneous revenue of \$499.

Breeding Development Funds

Kansas Horse Breeding Development Fund

In 1992 a total of \$204,280 was collected for this fund and \$338,040 was dispersed from the Kansas Horse Breeding Development Fund. The chart below shows how the funds were distributed.

	<u>Woodlands</u>	<u>Wichita</u>	<u>State Total</u>
Revenue			
Breakage	\$203,964	\$316	\$204,280
¹ Unclaimed Winning Tickets	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	<u><u>\$203,964</u></u>	<u><u>\$316</u></u>	<u><u>\$204,280</u></u>
Expenditures			
Purse Supplements	\$305,427	N/A	\$305,427
Stakes Race Supplements	15,000	N/A	15,000
Research Grants	<u>17,613</u>	<u>N/A</u>	<u>17,613</u>
Total Expenditures	<u><u>\$338,040</u></u>	<u><u>N/A</u></u>	<u><u>\$338,040</u></u>

¹Unclaimed winning tickets are collected sixty days following the end of season.

Greyhound Breeding Development Fund

In 1992 a total of \$848,642 was collected for this fund and \$692,287 was dispersed from the Kansas Greyhound Breeding Development Fund. The chart below shows how the funds were distributed.

Actual Revenue	<u>State Total</u>
Unclaimed winning tickets	<u><u>\$848,642</u></u>
Total Revenue	\$848,642
Actual Expenditures	
Breed Stakes Race Awards	\$145,000
Research Grants	<u>439,025</u>
Greyhound Tourism Fund	<u>113,262</u>
Total Actual Expenditures	<u><u>\$697,287</u></u>

Note: Breakage revenue collected by the greyhound tracks amounted to \$613,752. This was expended one-half for Kansas breed purse supplements and one-half for open stakes race awards.

Distribution of Handle

Calendar Year 1992

Woodlands - Horse

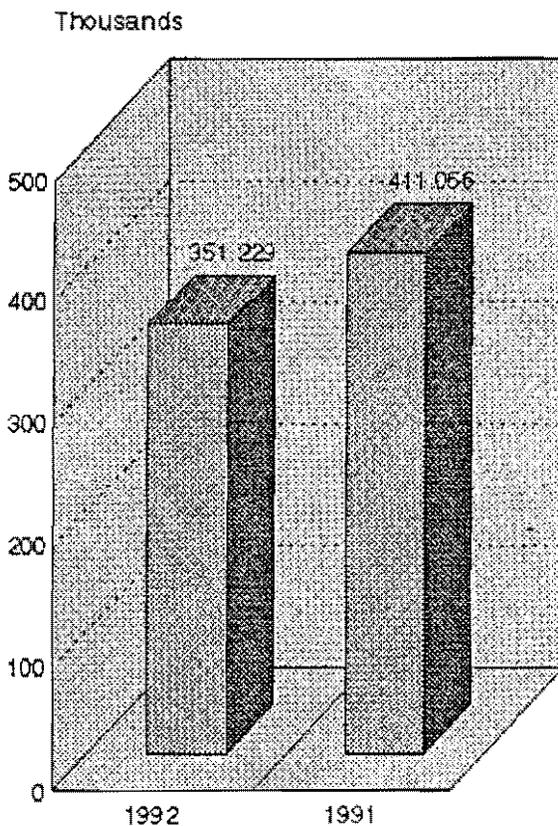
Handle			\$ 22,127,444
Takeout			
	Parimutuel Tax	\$ 618,600	
	Purses ¹	1,420,013	
	Track Commission	<u>2,251,984</u>	
Total Takeout			<u>4,290,597</u>
	Return to Wagering Public ²		<u>\$ 17,836,847</u>

¹Does not include additional money added by the track or stakes awards - only minimum purse contribution from the parimutuel handle required by statute.

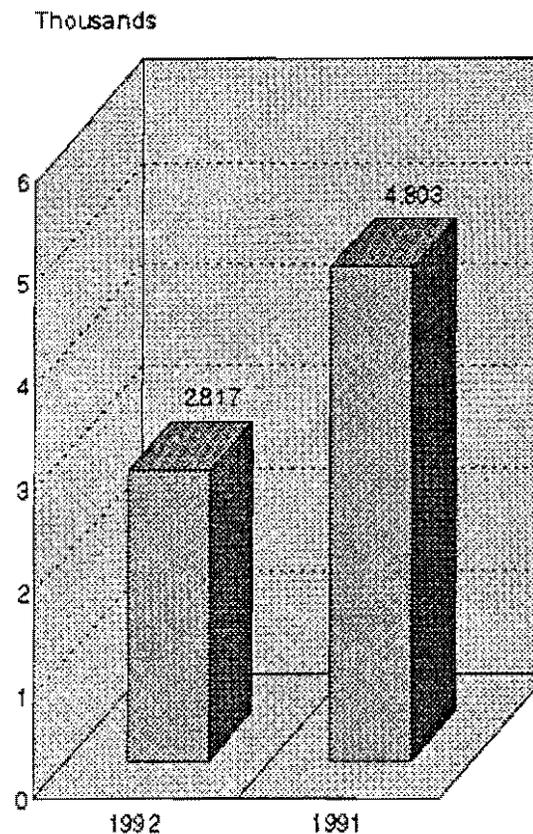
²Includes winning ticket money that was never claimed.

Note: Breakage amounted to \$138,315. This is the odd cents by which the amount payable on each dollar wagered in a parimutuel pool exceeds a multiple of ten cents.

Average Handle



Average Attendance



Calendar Year 1992

Woodlands - Greyhound

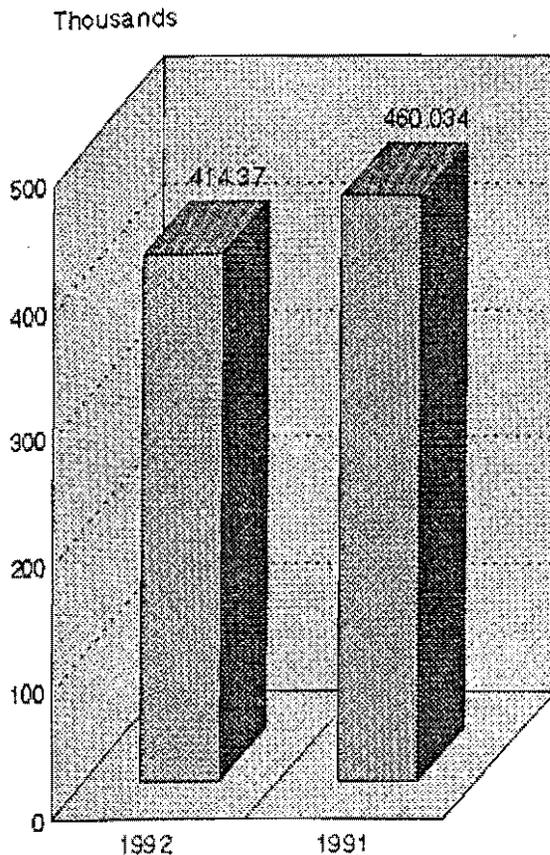
Handle			\$147,930,171
Takeout	Parimutuel Tax	\$ 4,891,757	
	Purses ¹	6,946,799	
	Track Commission	<u>18,175,837</u>	
Total Takeout			<u>30,014,393</u>
	Return to Wagering Public ²		<u>\$117,915,778</u>

¹Does not include additional money added by the track or stakes awards - only minimum purse contribution from the parimutuel handle required by statute.

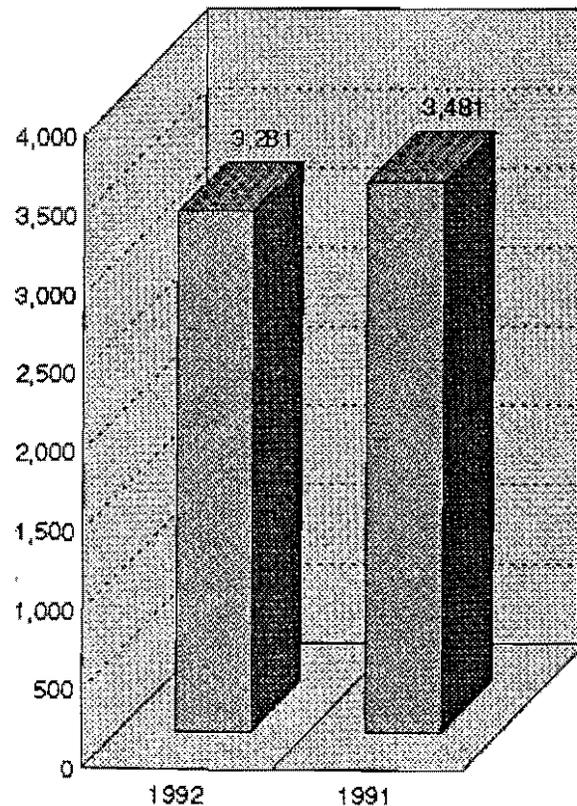
²Includes winning ticket money that was never claimed.

Note: Breakage amounted to \$527,321. This is the odd cents by which the amount payable on each dollar wagered in a parimutuel pool exceeds a multiple of ten cents.

Average Handle



Average Attendance



Calendar Year 1992

Wichita Greyhound Park

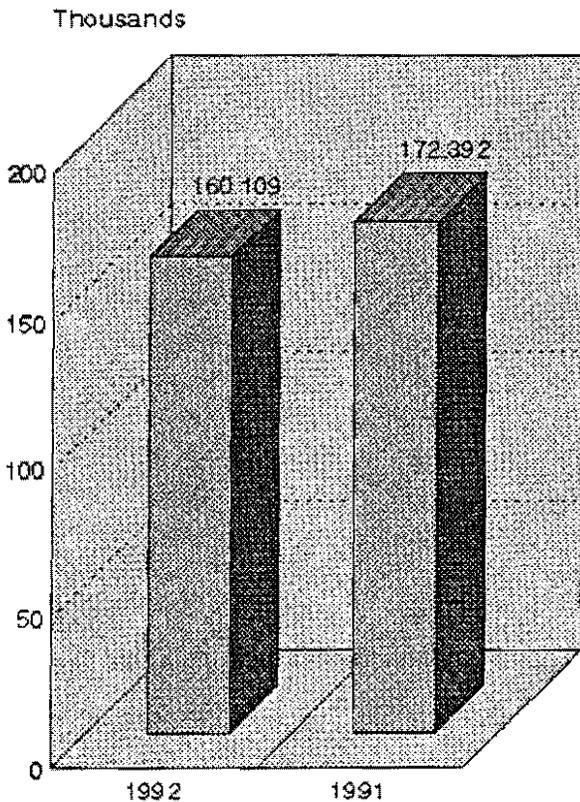
Handle			\$ 69,647,528
Takeout			
	Parimutuel Tax	\$2,457,912	
	Purses ¹	3,272,191	
	Track Commission	<u>8,193,230</u>	
Total Takeout			<u>13,923,333</u>
	Return to Wagering Public ²		<u>\$ 55,724,195</u>

¹Does not include additional money added by the track or stakes awards - only minimum purse contribution from the parimutuel handle required by statute.

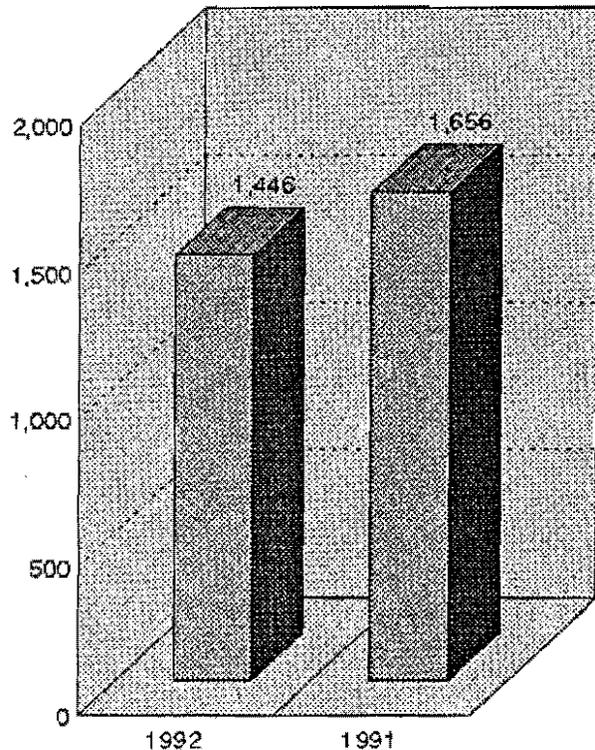
²Includes winning ticket money that was never claimed.

Note: Breakage amounted to \$167,338. This is the odd cents by which the amount payable on each dollar wagered in a parimutuel pool exceeds a multiple of ten cents.

Average Handle



Average Attendance



Organization Licensees

At this time, two separate organizations and their not-for-profit entities, the Woodlands and Wichita Greyhound Park operate live parimutuel races in the state.

The Woodlands, Kansas City

On July 23, 1988, a dual racetrack facility license was granted to Sunflower Racing, Inc., and The Racing Association of Kansas East (TRAK East). The facility, known as the Woodlands, is the first dual racetrack facility built in the United States.

The Woodlands' 1992 race dates for the greyhounds ran from January through August and November through December, with 357 performances. The race dates for the horses began August 14 and ended November 1, with 63 performances.

The Woodlands sponsored the Sunflower Stakes Race during the 1992 season, and paid out a total of \$150,000. This is the largest stakes race sponsored by a single track in the country.



Wichita Greyhound Park, Wichita

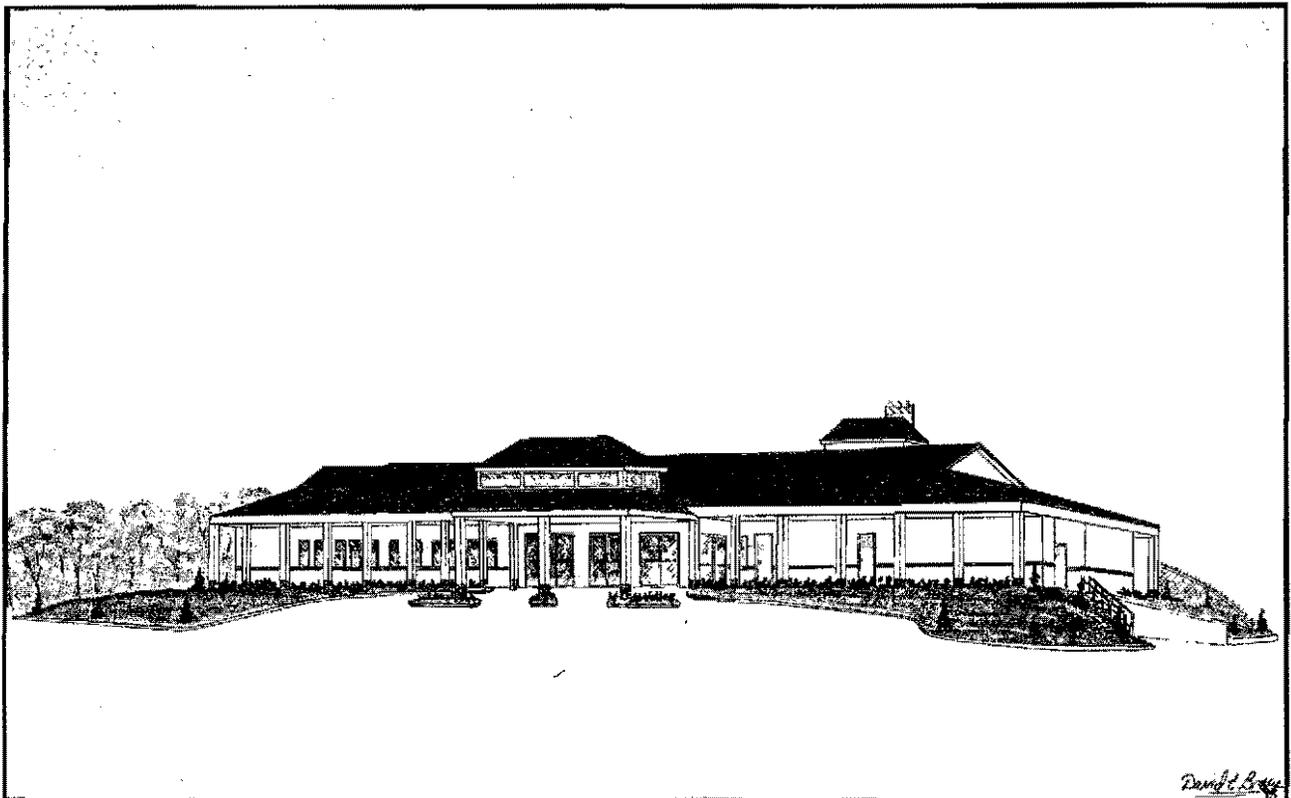
Wichita Greyhound Park, Inc. and Wichita Greyhound Charities, Inc. were granted a license to build and operate a greyhound racetrack facility on September 23, 1988. During the 1992 racing season the facility conducted 435 performances. The greyhound season runs from January 1 through December 31 annually.

Wichita Greyhound Park sponsored the third Great Kansas Shoot Out. The race paid out a total of \$80,000. The Great Kansas Shoot Out was among the top major stakes races held nationally in 1992.



Camptown Greyhound Racing, Frontenac

Camptown Greyhound Racing, Inc. was granted a facility owner and facility manager license to construct, own and operate a greyhound racetrack for organization licensee TRAK Southeast. On the date of this annual report, Camptown is completing financial arrangements so that they may be submitted to the commission for final approval.



Licensing

The licensing program serves the public, racetrack personnel and racing industry personnel and ensures the integrity of the racing industry in Kansas by licensing individuals who work at the racetrack facility. Licenses are also granted to nonprofit organizations, facility owners, facility managers, totalisators, concessionaires and simulcasting entities. Shareholders and principals are subject to a background investigation before they are licensed by commission. In addition, all entities who own racing animals are required to register with the commission annually.

Occupation Licenses

Occupation licenses are issued for a period of one year to individuals who work at the racetrack facility. A total of 5,629 occupation licenses were issued for 1992 beginning on December 1, 1991 through November 30, 1992 (see following chart for more detail). An occupation license is evidenced by a licensee wearing a photo identification badge bearing the licensee's name and the occupation category. All badges are color coded and validated for the appropriate track for security reasons. Each new applicant is fingerprinted for purpose of a background check. A total of 1,371 sets of fingerprints were submitted to the Kansas Bureau of Investigation in 1992, and 457 licensees participated in the commission's fingerprint reciprocal program during the horse racing season.

Registrations

The commission requires the registration of all corporations, partnerships, syndicates or other associations or entities who are the legal owner of a horse or greyhound and further requires that each shareholder shall be licensed as an owner. Stable names and kennel names used must also register with the commission. There were over 580 registrations received during the 1992 calendar year.

Concessionaire Licenses

A concessionaire license is required before any entity may sell goods at a racetrack facility. In 1992 there were 14 concessionaire licenses approved for the purpose of selling goods at the racetrack facility. These goods included food and beverages for patrons, tack and equipment for racing animals, feed for racing animals and tip sheets.

Totalisator Licenses

Statutory authority was established in 1992 mandating the licensing of totalisator companies who provide services to Kansas racetrack facilities. In December, 1992 the commission received one application for a totalisator license. This application is being reviewed by staff before granting a totalisator license.

1992 Occupation Licenses and Fees

Occupation License Category	The Woodlands	Wichita Greyhound	Topeka	Total Licenses	Fee	Total Fees
Administration****(7)	27	34	2	63	\$20	\$1,190
Administrative Support	91	21	0	112	5	560
Admissions/Parking Attd.	74	67	0	141	5	705
Announcer	1	3	0	4	5	20
Apprentice Jockey	11	0	0	11	10	110
Assistant Racing Secretary	1	3	0	4	10	40
Assistant Starter	16	11	0	27	5	135
Assistant Trainer	93	65	0	158	10	1580
Authorized Agent	6	1	0	7	10	70
Blacksmith/Plater/Farrier	13	1	0	14	10	140
Brakeman	5	5	0	10	10	100
Breed Registry	0	0	0	0	10	0
Chart Writer	3	3	0	6	10	60
Clerk of Scales	4	5	0	9	10	90
Clocker/Assistant Clocker	2	0	0	2	10	20
Colors Attendant	1	0	0	1	5	5
Concession Employee*(1)	411	235	0	646	5	3,255
Concession Operator**(1)	7	1	0	8	10	75
Director of Racing	1	1	0	2	20	40
Director of Security	1	1	0	2	20	40
Emergency Med. Technician	0	4	0	4	5	20
Exercise Person	43	0	0	43	5	215
Gen. Mgr./Asst. Gen. Mgr	0	0	0	0	20	0
Groom/Hot Walker	179	0	0	179	5	895
Horseman/Kennel Rep.*(1)	2	0	0	2	10	10
Horseman's Bookkeeper	0	0	0	0	10	0
Identifier	1	0	0	1	10	10
Jockey	87	0	0	87	10	870
Jockey Agent	15	0	0	15	10	150
Jockey Guild Manager/Rep.	0	0	0	0	10	0
Jockey Room Attendant	0	0	0	0	5	0
Kennel Helper	41	28	0	69	5	345
Kennel Master	0	0	0	0	20	0
Kennel Owner****(7)	42	27	1	70	20	1,330
Lead Out	53	93	0	146	5	730
Lure Operator	4	3	0	7	10	70
Maintenance	87	99	0	186	5	930

Note: Data reflects licenses issued for 1992.

* Licenses issued at no charge.

** License issued at \$5.00 as additional.

***Total of owner licenses include converted temporary licenses made permanent where no fee was charged.

****Additional at \$10.00.

Occupation License Category	The Woodlands	Wichita Greyhound	Topeka	Total Licenses	Fee	Total Fees
Medical Attendant	15	0	0	15	\$ 5	75
Mutuel Employee*(1)	260	120	0	380	5	1,895
Mutuel Manager	0	0	0	0	10	0
Official	1	0	0	1	10	10
Outrider	2	0	0	2	10	20
Owner*(2) ***(9)	1,498	447	35	1,980	10	19,690
Owner /Asst. Trainer****(7)	22	7	0	29	20	510
Owner By Open Claim	0	0	0	0	10	0
Owner /Trainer****(14)	255	12	13	280	20	5,460
Paddock Attendant	0	0	0	0	5	0
Paddock Judge	3	3	0	6	10	60
Patrol Judge	4	12	0	16	10	160
Photo Finish Operator	2	3	0	5	10	50
Pony Person	32	0	0	32	5	160
Practicing Veterinarian	12	1	1	14	10	140
Practicing Asst. Vet.	3	0	0	3	5	15
Program Manager	0	0	0	0	20	0
Promotion Manager	1	0	0	1	20	20
Racing Judge	5	4	0	9	0	0
Racing Secretary****(1)	3	2	0	5	20	90
Security	79	70	0	149	5	745
Service Provider	69	71	0	140	5	700
Starter	5	2	0	7	10	70
Steward	4	0	0	4	0	0
Supervisor of Mutuels	1	0	0	1	20	20
Testing Technician	8	7	0	15	5	75
Timer	0	0	0	0	10	0
Selection Sheet Operator	9	0	0	9	10	90
Totalisator Employee	15	6	0	21	5	105
Track Superintendent	2	0	0	2	10	20
Trainer	135	42	1	178	10	1,780
Valet	4	0	0	4	5	20
Video Operator	11	2	0	13	10	130
Temporary Horse Owner	9	0	0	9	100	900
Duplicate Badges	130	133	0	263	10	2,630
TOTALS	3,921	1,655	53	5,629		\$49,420.00

Note: Data reflects licenses issued for 1992.

* Licenses issued at no charge.

** License issued at \$5.00 as additional.

***Total of owner licenses include converted temporary licenses made permanent where no fee was charged.

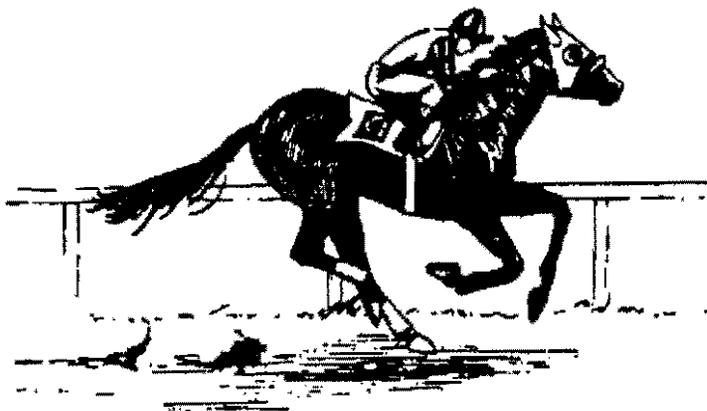
****Addittonals at \$10.00.

Legal

Two assistant attorneys general and one legal assistant office with commission staff and assist the commission in all legal matters, including the enforcement of the Kansas parimutuel racing act and racing regulations. Their daily responsibilities include prosecution of legal matters pending before the commission, the board of stewards and racing judges, the district and appellate courts and other state agencies. They monitor agency compliance with the Kansas open meetings and open records acts, review licensee contracts and agreements, review licensee compliance with racing laws and research legal issues referred by the commission.

Administrative hearings of importance to the commission in 1992 covered diverse legal and racing issues. The commission concluded a comprehensive investigation and hearing in the matter of Camptown Greyhound Racing's application for a facility owner and facility manager license in Crawford County, Kansas. The final order details the corporate reorganization of the Camptown group and authorizes it to construct and operate a greyhound racetrack for the organization licensee TRAK Southeast. The commission completed annual reviews for the Woodlands racetrack at Kansas City and Wichita Greyhound Park at Wichita. The case tracking computer system, now on-line at the commission's Topeka and racetrack offices, records that the commission, its appointed hearing officers, stewards and racing judges have considered 166 administrative matters between July 15 and December 31, 1992.

The racing act and commission regulations undergo constant review and amendment as the state's experience with parimutuel racing and wagering grows. During 1992



the commission formally adopted regulations that provide simplified and less costly procedures and requirements for county fair associations and horsemen's nonprofit groups to conduct race meetings. The racing act was amended during the 1992 legislative session so that some monies generated by simulcasting would be paid to a newly-created county fair

horse racing benefit fund. Now in its sixth year, Kansas racing law continues to mature in response to a diverse racing industry.

Security

The parimutuel racing act requires the Kansas Racing Commission to employ security personnel to help regulate parimutuel racing. The security division was established to enforce state laws and to ensure licensees comply with the provisions of the parimutuel act and rules and regulations of the commission.

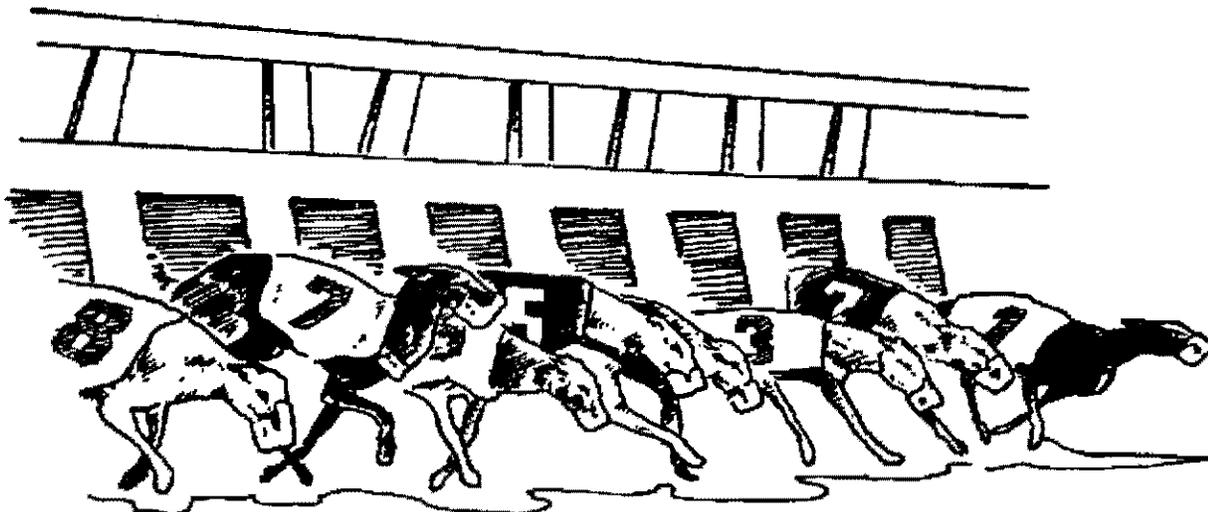
Presently the security division consists of a director, one law enforcement person at Wichita and one law enforcement person at Kansas City.

Allowing only qualified persons to participate in parimutuel racing in Kansas is one of the most important objectives of the commission. To obtain that goal, the security division must carry out several key assignments.

Security personnel are responsible for investigating, examining and reviewing backgrounds of commission employees, license applicants and licensees as assigned. Records from federal, state and local law enforcement agencies, as well as the ARCI, are checked for discrepancies in license applications.

The security division provided twelve background investigations in 1992, and reviewed several hundred license applications. The security division has the overall responsibility of safeguarding the interest and welfare for the racing commission and public.

Each licensed track must provide security for racing at it's particular location. The commission's security division monitors track-hired security and their activities. They verify the security officers' qualifications and evaluate the track's security plan, manpower needs and provide direction on improvement. The security division also assists other racing commission staff when inspecting kennels, stables and jockey quarters.



Animal Health

The Kansas parimutuel racing act provides that there be licensed veterinarians serving the commission as advisors in matters of veterinary medicine. At all times commission veterinarians are to serve and protect the health and well being of the racing animals. A veterinarian serves the commission staff in Topeka, and two veterinarians serve as animal health officers at each racetrack.



The animal health officers are responsible for conducting veterinary services for racing animals. This includes physical examinations prior to racing, observation for lameness, illness, or any other condition which would prevent the animal from racing to its potential. The official veterinarians are also responsible for treating emergencies of a veterinary nature encountered during the running of the race. In consultation with the judges or stewards, they are allowed to determine which animals may be scratched from racing due to injury, disease or disability.

Racing animals are subject to drug testing to deter the use of drugs to influence the outcome of a race. The animal health officer at each track is charged with obtaining blood and/or urine samples to be submitted to a racing chemistry drug testing laboratory. A concerted effort is made to obtain the desired specimens from the animals and deliver them to the laboratory under strict chain of custody procedures, so that a given specimen is unadulterated and from the chosen animal.

The contracts to do the drug testing for the racing animals in Kansas are subject to the bidding process under administrative procedures in Kansas. Iowa State University provided laboratory services until August 1992. The results of its testing are listed on the next page. The Center for Tox Services secured the contract for greyhound testing starting in August 1992 and Harris Laboratories secured the contract for horse testing in August 1992.

1992 Summary of Horse Testing

Analysis and Reporting by Harris Laboratories, Phoenix, Arizona

	Urine	Blood
Total Samples Tested	1,170	119
Total Positive Tests	5	10

Phenylbutzone and Oxyphenbutazone were the drugs reported as overages. Other positives include flunixin and dexamethasone.

1992 Summary of Greyhound Testing

	Urine
Total Samples Tested	9,727
Total Positive Tests	131

Analysis and Reporting by Racing Chemistry, Iowa State University January 1, 1992 through August 13, 1992

Detected Drugs	Positive Tests
Azobenzene	6
DMSO	3
Butazolidin	6
PEG*	5
Procaine*	16
Sulfa Drug*	28
Timethoprim*	5

Analysis and Reporting by Center for Tox Services, Tempe, Arizona August 17, 1992 through December 31, 1992

Detected Drugs	Positive Tests
DMSO	30
Procaine*	35
Hydrocortisone	5
Flunixin	1
Procaine > 4.6 ug/ml.	1

* In greyhound racing these drugs are deemed to be detected as part of the food chain.

The total laboratory fees for 1992 were \$303,165.

Research Grants Awarded in 1992

Kansas is on the cutting edge in providing funds for greyhound and horse research. Each year revenues derived from unclaimed wagering tickets are distributed to designated researchers. The parimutuel racing act states that 35% of the unclaimed tickets fund is allocated to research for greyhound injuries and diseases and 5% is allocated to equine research.

In 1990 and 1991 a total of \$551,884 was awarded for greyhound and equine research projects. Since the time the first parimutuel race took place in Kansas nearly three years ago, the Kansas Racing Commission has awarded \$857,482 to greyhound and equine research projects. The following projects are those which received funding in 1992:

Greyhound Research Projects

- \$51,083 (001) The development and validation of a track surface instrument to monitor track safety. Dr. Robert L. Gillette, Carol J. Zebas, P.E.D., the University of Kansas.
- \$75,000 (006) The use of acid-stable interferon to augment the immune system of racing greyhounds. Dr. Deborah Briggs, Dr. Scott McVey, Dr. Robert M. Phillips, Dr. Tandall J. Basaraba, Dr. Kristina J. Hennessy, Kansas State University.
- \$ 8,000 (007) Clinical, histomorphometric, and mechanical effects of therapeutic ultrasound on healing of a collagenase - induced tendon injury in the greyhound. Dr. James Roush, Dr. Earl Gaughan, Dr. Cynthia P. Godshalk, Kansas State University.
- \$10,000 (008) Biomechanical Strength and Healing of Transected Common Digital Extensor Tendons in the Greyhound After Repair Tendon Plating or Three-Loop Pulley. Dr. James Roush, Kansas State University.
- \$20,000 (011) Scintigraphic Evaluation of Synovitis in the Greyhound. Dr. James J. Hoskinson, Dr. Earl M. Gaughan, Dr. Ron M. McLaughlin, Dr. Derek Mosier, Kansas State University.
- \$13,015 (012) The Role of Computerized Force Plate Gait Analysis in Improving Greyhound Racing. Dr. Ron McLaughlin, Dr. Earl Gaughan, Kansas State University.
- \$35,000 (015) Babesiosis in Kansas Greyhounds. Dr. Michael Dryden, Dr. Polly Schoning, Dr. Laine Cowan, Dr. Nathan Gabbert, Kansas State University.
- \$23,500 (016) Bald Thigh Syndrome in Greyhounds. Dr. Polly Schoning, Dr. Laine Cowan, Dr. Nathan Gabbert, Kansas State University.
- \$10,000 (017) Greyhound Racetrack Deaths. Dr. Polly Schoning, Kansas State University.
- \$60,000 (018) Vaccine Development for Prevention of Salmonellosis in Greyhounds. Dr. Scott McVey, Dr. M.M. Chengappa, Dr. Derek Mosier, Dr. Nathan Gabbert, Kansas State University.

Charitable Contributions

The racing act directs that each organization licensee must distribute net earnings to 501(c)(3) nonprofits who are domiciled in and who will expend the monies in Kansas. In 1992 alone, TRAK East, associated with the Woodlands Race Course and Woodlands Kennel Club, distributed \$333,052 to 49 nonprofit organizations, and Wichita Greyhound Charities, Inc., associated with Wichita Greyhound Park, distributed \$650,000 to 111 nonprofit organizations. The following reflects how these charitable distributions improve the quality of life for Kansans:

TRAK East

Alliance Against Family Violence, Inc.	\$ 5,000
Associated Youth Services	6,000
Bert Nash Community Mental Health Center, Inc., The	3,000
Big Brothers/Sisters of Manhattan	5,000
Big Brothers/Sisters of Topeka Inc.	4,000
Bourbon County CASA of the Sixth Judicial District, Inc.	4,000
Boys and Girls Club of Lawrence	2,353
Casa of Riley County, Inc.	4,000
Cedar House, Inc.	1,500
Chelsea Coalition, Inc.	6,000
Clinicare Family Health Services, Inc.	20,000
Community Child Care Center and Preschool, Inc.	2,000
Domestic Violence Emergency Services	5,000
Emmaus House	4,000
Family Life Center of Butler County, The	4,200
Geary Community Healthcare Foundation, The	400
Greyhound Hall of Fame, Inc.	1,000
Head Injury Assoc. of KS and Greater Kansas City	7,000
Homecare	4,000
Hospice Care in Douglas Co.	7,000
K.C.K. Huggers, Inc.	1,000
Kansas Alliance for the Mentally Ill	10,200
Kansas Children's Service League	16,000
Kansas City, Kansas School Foundation for Excellence, Inc.	4,000
Kansas City, Kansas Alcohol Safety Action Project	2,500
Kansas City, Kansas, Neighborhood Housing Services	12,000
Kansas City, Kansas Spanish Speaking Office, Inc.	3,504
Kansas Council Race Track Chaplaincy of America	4,000
Kansas Jaycees Cerebral Palsy Foundation, The	5,000
Kansas Specialty Dog Service, Inc.	15,000
Kaw Valley Center	20,000
Leavenworth Road Association	5,000
Manhattan Emergency Shelter, Inc.	4,000

Martin Luther King Urban Center, Inc.	\$15,000
McPherson Health Care Foundation, Inc.	5,000
Midwest Cancer Foundation	2,500
National Agricultural Center and Hall of Fame, The	5,000
Old Olathe Naval Air Museum, Inc.	4,000
Operation Wildlife, Inc.	6,000
Safehome, Inc.	7,500
Southview Hospice	15,000
Southwest Boulevard Family Health Care	12,000
St. Joseph Care Center	17,500
Temporary Lodging for Children	5,000
University of Kansas Medical Center Auxiliary, Inc.	6,800
Vernon Multipurpose Center	10,000
Visions of Hope, Inc./CASA	2,153
Washburn Endowment Association	5,000
Young Men's Christian Association of Kansas City, Kansas	16,942

Wichita Greyhound Charities Inc.

Accent on Kids, Inc. - Ronald McDonald Houses	4,000
Adult Day Health Care Center	2,000
Alliance for the Mentally Ill in Sedgwick County	1,200
American Diabetes Association	1,000
American Red Cross, Midway Kansas Chapter	5,000
Ark City Arts Council	2,400
Arts Council of Dickinson County	2,500
Assistance League of Wichita	4,700
Association of Community Arts Agencies of Kansas	2,100
Association for Retarded Citizens of Sedgwick County	2,000
Augusta Arts Council	3,000
Augusta Historical Society	3,800
Big Brothers & Sisters of Sedgwick County	3,000
Big Brutus	1,000
Botanica - The Wichita Gardens	3,000
Boy Scouts of America - Kanza Council	1,000
Boys & Girls Clubs of Wichita, Inc.	4,000
Butler County Historical Society	2,000
Care and Share.	1,000
Cherokee Strip Land Rush Museum	4,000
Children's Museum of Wichita	25,000
Civic Enterprises Foundation	5,000
Decatur Area Theatre Association	5,000
Dodge City Area Arts Council	1,400
Donald J. Allen Memorial Huntington's Disease Clinic	1,900
Dyck Arboretum of the Plains	6,500

Elm Acres Youth Home, Inc.	\$ 5,000
Family Crisis Center	3,000
Four Winds Girl Scout Council	1,000
Fresh Start Shelter	4,000
Friends of Wichita Art Museum	8,500
General Federation of Women's Clubs of Kansas	3,000
Gerard House, Incorporated	5,000
Goodwill Industries/Easter Seal Society of Kansas	10,000
Greenwood County Child Care Center	3,000
Greyhound Hall of Fame, Inc.	12,500
Harvey County Historical Society	1,500
Historic Mldtown Citizens Association	7,500
Historical Museum of Anthony, Inc.	6,000
Hunter Health Clinic	12,300
Hutchinson Symphony Association	6,000
Hutchinson Theatre Guild, Inc.	1,000
Institute of Logopedics	10,500
Jolly Junction Child Care Center, Inc.	1,000
Kansas Bluegrass Association	1,500
Kansas Child Abuse Prevention Council	4,000
Kansas Children's Service League.....	4,000
Kansas Cosmosphere and Space Center	25,000
Kansas Elks Training Center	10,000
Kansas Foodbank Warehouse.....	13,500
Kansas Jaycees Cerebral Palsy Foundation	3,500
Kansas Public Telecommunications Service, Inc.	10,000
Kansas Shrine Bowl	5,000
Kansas Special Olympics	10,000
Kansas Specialty Dog Service	10,000
Kansas Watercolor Society	1,300
Kiowa Historical Society	1,000
Literacy Volunteers of America - Wichita Area	9,000
Lutheran Social Service	7,000
Make-A-Wish Foundation of Kansas	8,500
Maude Carpenter Children's Center	7,500
Medical Service Bureau, Inc.	3,000
Mental Health Association - Residential Care	2,000
Mental Health Association of South Central Kansas	2,700
Mental Health Association in Reno County	1,500
Metropolitan Ballet of Topeka	10,000
Metropolitan Ballet of Wichita	8,000
Mid-America All Indian Center, Inc.	5,000
Mid-Kansas Community Action Program	5,000
Music Theatre for Young People.....	5,000
Music Theatre of Wichita, Inc.	20,000

Neodesha Arts Association	\$ 1,200
Neurofibromatosis, Kansas Inc.	700
Newton Meals on Wheels	3,000
Northwest Kansas Family Shelter, Inc.	3,000
Occupational Center of Central Kansas, Inc.	3,000
Old Cowtown Museum	14,500
Old Cowtown Museum (Emergency Relief)	8,500
Opera Kansas Society, The	2,000
Parkside Homes, Inc.	15,000
Peabody Historical Society	3,000
Professional Care	5,000
Project Awareness for Major Mental Illness	7,200
Radio Kansas	5,800
Salina Arts and Humanities Commission	2,000
Salina Emergency Aid/Food Bank, Inc.	2,500
Sedgwick County Zoo and Botanical Gardens	40,000
Senior Services, Inc.	4,000
Spina Bifida Association of Kansas	2,000
Topeka Civic Theatre	1,500
United Cerebral Palsy of Kansas	5,000
United Methodist Youthville	5,000
Warren Hall Coutts III (Memorial Museum of Art).....	3,000
Wichita Area Girl Scouts	4,000
Wichita Area Sexual Assault Center	5,000
Wichita Asian Association	1,000
Wichita Chamber Chorale, Inc.	2,000
Wichita Children's Home	8,000
Wichita Children's Theatre and Dance Center	3,000
Wichita Council for the Preschool Blind, The	3,500
Wichita Crime Stoppers, Inc.	2,500
Wichita Jazz Festival Council, Inc.	5,000
Wichita Park Alliance	15,000
Wichita Public Library Foundation	1,800
Wichita Symphony Society, Inc.	20,000
Wichita-Sedgwick County Arts and Humanities Council	2,000
Wichita-Sedgwick County Cities in Schools, Inc.	15,000
Wichita-Sedgwick County Regional Prevention Center.....	3,500
Wichita-Sedgwick County Regional Prevention Center.....	1,000
Winfield Arts and Humanities Council	1,500
YWCA of Wichita	14,000