#### **AMENDED** AGENDA

### (Amended Items in Bold)

### KANSAS RACING AND GAMING COMMISSION 10:00 a.m., Friday, May 9, 2008

# AUDITORIUM A Dwight D. Eisenhower State Office Building 700 SW Harrison, Suite 450 Topeka, Kansas

- A. CALL TO ORDER
- B. APPROVAL OF THE AGENDA
- C. APPROVAL OF MINUTES
  - 1. <u>Minutes of April 4, 2008</u>

### D. CONSENT AGENDA

Items listed on the consent agenda are a variety of contracts and matters that are routine in nature. If requested by a commissioner, an item may be removed from the consent agenda and placed under Commission Items for further discussion and consideration.

- 1. TRAK East review and approve simulcast contracts
  - a. <u>Delaware Racing Association (incoming)</u>, *Delaware Park Delaware*; April 19, 2008 through November 11, 2008
  - b. <u>Fairmont Park, Inc. (incoming)</u>, *Fairmont Park Race Track Illinois;* April 18, 2008, through September 1, 2008
  - c. <u>Indiana Downs (incoming)</u>, *Indiana Downs Indiana*; April 25, 2008 through July 8, 2008; and July 16, 2880 through November 8, 2008
  - d. <u>Prairie Meadows Racetrack and Casino, Inc. (incoming)</u>, *Prairie Meadows Racetrack Iowa*; April 18, 2008 through July 5, 2008
  - e. <u>Retama Development Corporation (incoming)</u>, *Retama Park Texas*; April 25, 2008 through June 22, 2008; and August 29, 2008 through November 15, 2008
  - f. River Downs Jockey Club, Inc. (incoming), River Downs Ohio; April 11, 2008 through September 1, 2008
  - g. <u>TrakNet Media Group, LLC (incoming)</u>, *Arlington Park Illinois*; May 2, 2008 through September 21, 2008
  - h. <u>TrakNet Media Group, LLC (incoming)</u>, *Calder Race Course Florida;* January 9, 2009 through January 2, 2009 (approval contingent upon approval of 2009 license and recognized group approval)
  - i. <u>TrakNet Media Group, LLC (incoming)</u>, *Churchill Downs Kentucky*; April 26, 2008 through July 6, 2008 and October 20, 2008 through November 29, 2008
  - j. <u>TrackNet Media Group, LLC (incoming)</u>, *Ellis Park Kentucky;* July 2, 2008 through September 1, 2008
  - k. <u>TrackNet Media Group, LLC (incoming)</u>, *Golden Gate Fields California;* May 14, 2008 through June 22, 2008 and September 17, 2008 through December 21, 2008

- 1. <u>TrackNet Media Group, LLC (incoming)</u>, *Hollywood Park California*; April 23, 1008 through July 13, 2008
- m. <u>TrackNet Media Group, LLC (incoming)</u>, *Hoosier Park Indiana*; April 5, 2008 through July 12, 2008 and August 29, 2008 through November 23, 2008
- n. <u>TrackNet Media Group, LLC (incoming)</u>, *Laurel Park Maryland*; April 2, 2008 through December 31, 2008
- o. <u>TrackNet Media Group, LLC (incoming)</u>, *Lone Star Park Texas;* April 10, 2008 through July 27, 2008 and September 26, 2008 through November 29, 2008
- p. <u>TrackNet Media Group, LLC (incoming)</u>, *The Meadows Pennsylvania*; April 2, 2008 through December 31, 2008
- q. <u>TrackNet Media Group, LLC (incoming)</u>, *Pimlico Race Course Maryland;* April 17, 2008 through June 7, 2008
- r. <u>TrakNet Media Group, LLC (incoming)</u>, *Remington Park Oklahoma*; August 21, 2008 through December 14, 2008
- s. <u>TrakNet Media Group, LLC (incoming)</u>, *Thistledown Ohio*; May 1, 2008 through October 25, 2008
- t. Wonderland Greyhound Park, Inc. (incoming), Wonderland Greyhound Park Massachusetts; April 26, 2008 September 12, 2008
- u. <u>Canterbury Park (incoming)</u>, *Canterbury Park MN*; May 3, 2008 through September 1, 2008
- v. Nebraska State Fair (incoming), Nebraska; May 9, 2008 through July 13, 2008
- w. Racing Associates of Colorado (incoming), Arapahoe Park CO; May 24, 2008 through August 10, 2008
- 2. Kansas Racing LLC review and approve contracts
  - a. NetSuite, San Mateo, CA, Accounting Program
  - b. Porlier Outdoor Advertising, Foristell, MO, Outdoor Advertising
- 3. Eureka Downs review and approve contracts
  - a. Copper Kettle Restaurant, Eureka, KS, Concessions
  - b. Greenwood County, Eureka, KS, Equipment rental
  - c. Richard Nye, Claremore, OK, Track Consultant
- 4. TRAK East review and approve contracts
  - a. <u>American Greyhound Track Operators Association</u>, West Palm Beach, FL, Annual Dues
- 5. The Anthony Fair Association review and approve contracts
  - a. Gene Wilson & Associates, Pond Creek, OK, Photofinish and video
  - b. Brad Broyles, Eureka, KS, Assistant horse race starter
  - c. Rita Osborn, Eureka, KS, Program production and results reporting
  - d. MOC Insurance Services, San Francisco, CA, Jockey insurance

### E. FACILITY REPORTS/ITEMS

- 1. Executive Session Attorney-client communication
- 2. TRAK East
  - a. Handle & Attendance Report
  - b. Status Report
- 3. Kansas Racing LLC (KRLLC)
  - a. Status Report
  - b. Construction Update
- 4. Eureka Downs (KQHRA/GCFA)
  - a. Status Report
- 5. TRAK Southeast (TRAK SE)
  - a. Status Report
- 6. Camptown Greyhound Park Inc.
  - a. Status Report
  - b. Construction Update

#### F. COMMISSION ITEMS

1. Extension on the TRAK East/Kansas Racing, LLC Management Contract

Commission Action: Discussion, consideration and possible action
Staff Presentation: Patrick D. Martin, Assistant Attorney General

Staff Recommendation: None

- a. Staff Memo
- b. Extension of Modified Lease Agreement
- 2. Credit for Woodlands Overpayment of Daily License Fees

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Charles LaBoy, Director of Audit and Electronic Security

Staff Recommendation: Review and approval

- a. Staff Memo
- b. Letter from the Woodlands
- 3. KHA Distribution of Breeding Development Fund Money for 2008

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Neysa Thomas, Chief Fiscal Officer

Staff Recommendation: Review and approval

- a. Staff Memo
- b. KHA Proposal on Distribution
- c. Fund Review

4. Consideration of Invoiced Expenses for KHA Mediation

Commission Action: Discussion, consideration, and possible action
Staff Presentation: Patrick D. Martin, Assistant Attorney General

Staff Recommendation: Review and approval

- a. Staff Memo
- b. KHA Request for Approval
- c. Mediation Invoice
- d. KRGC Mediation Order
- 5. Annual Audited Financial Statements of Wichita Greyhound Charities for 2007

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Charles LaBoy, Director of Audit and Electronic Security

Staff Recommendation: Review and approval

- a. Staff Memo
- b. Audit Report
- c. Financial Statements
- d. Communications to the Board of Directors
- 6. Annual Audited Financial Statements of Wichita Greyhound Park, Inc. for 2007

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Charles LaBoy, Director of Audit and Electronic Security

Staff Recommendation: Review and approval

- a. Staff Memo
- b. Audit Report
- c. Financial Statements
- d. Communications to the Board of Directors
- 7. Approval of Racing Officials for Eureka Downs

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Frances Snell, Director of Racing

Staff Recommendation: Review and approval

Lee Smith, General Manager

Rita Osborn, Racing Secretary and Horsemen's Bookkeeper

Tara Osborn, Back up Horsemen's Bookkeeper

Alton Hoover, Back up Racing Secretary

Angie Lowe, Mutuel Manager

Tim Mitchell, Starter, Identifier, Paddock Judge

a. Staff Memo

8. Request for Fingerprint Waiver at Eureka Downs and Anthony Downs

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Kit Bostrom, Director of Licensing

Don Brownlee, Director of Security

Other Presenters: Lee Smith, General Manager Eureka Downs

**Dan Bird, General Manager Anthony Downs** 

Staff Recommendation: Review and approval

a. Staff Memo

b. Eureka Waiver Request

c. KRGC Policy 4-02 Fingerprinting for Licensure

d. Anthony Waiver Request

9. Approval of 2008 Anthony Downs Fair Race Dates

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Frances Snell, Director of Racing

Staff Recommendation: Review and approval

a. Staff Memo

10. Approval of 2008 Wagering Format for Anthony Downs

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Charles LaBoy, Director of Audit and Electronic Security

Staff Recommendation: Review and approval

a. Staff Memo

b. Wagering Format

11. 2008 Surety Bond Amount for Anthony Downs

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Charles LaBoy, Director of Audit and Electronic Security

Staff Recommendation: Review and approval

a. Staff Memo

b. Surety Bond Calculation

12. Anthony Downs 2008 Condition Book

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Frances Snell, Director of Racing

Staff Recommendation: Review and approval

a. Staff Memo

b. Condition book

13. Future Meeting Dates for the Racing and Gaming Commission

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Stephen Martino, Executive Director Staff Recommendation: Review, discussion and approval

a. Staff Memo

### G. PUBLIC COMMENTS

### H. STAFF REPORTS

- 1. Executive Director
- 2. Chief Gaming Officer
- 3. Assistant Attorneys General
- 4. Animal Health Officer
  - a. Woodlands Injury Report March, 2008
- 5. Calendar Review
  - a. Commission Meeting Calendar
  - b. Staff Calendar

### I. EXECUTIVE SESSION

- 1. Background Reports
- 2. Attorney-client communication

### J. FURTHER COMMISSION ACTION

1. Background Reports

Commission Action: Discussion, consideration, and possible action

- a. Richard Allen
- b. Charles Alstrom
- c. Daniel Bird
- d. John Blevins
- e. Kenneth Boulware
- f. Thomas A. Burlingham
- g. Michael George
- h. Aurby Herridge
- i. Zachary Kimsey
- j. Jayme LaRocca
- k. Judy Laster
- l. Martin Miller
- m. Philip Morrell, Jr.
- n. Fashad Rezvani
- o. Jeanette Smillie
- p. Robert Thomas Richard Morgan
- q. Timothy Tkacik
- r. Martin Vanderwerff
- s. Jennifer Wesco
- t. Ronald Moorhouse

- u. Mark Probst
- v. Bill Hunt
- w. Breanna Colbert
- 2. Approval of Racing Officials for The Woodlands

Commission Action: Discussion, consideration, and possible action

Staff Presentation: Frances Snell, Director of Racing

Staff Recommendation: Staff recommends approval

a. Staff Memo

b. Judges Recommendation

Jayme LaRocca; General Manager, The Woodlands

Zachary Kimsey, Starter, The Woodlands

### Breanna Colbert, Clerk of Scales, The Woodlands

3. Approval of Positions

Commission Action: Discussion, consideration, and possible action

- a. Richard Allen: State Auditor III. KRGC
- b. Charles Alstrom; TRAK-East Board of Director's Member
- c. John Blevins; Director of Security, Anthony Downs
- d. Kenneth Boulware; Security Guard, The Woodlands
- e. Thomas A. Burlingham; State Auditor III, KRGC
- f. Michael George; Security Guard, The Woodlands
- g. Aurby Herridge; Unclassified Temporary Enforcement Agent, KRGC
- h. Judy Laster; Backup Money Room Manager, the Woodlands
- i. Martin Miller; Tote Operator, United Tote Portland Hub
- j. Philip Morrell, Jr.; Public Service Executive II, KRGC Topeka Office
- k. Fashad Rezvani; Director of Food and Beverage, The Woodlands
- 1. Jeanette Smillie; Tote Operator, United Tote Portland Hub
- m. Robert Thomas; Vice President, General Manager, and Concession Manager,
  Anthony Downs-Richard Morgan, Assistant General Manager, the Woodlands
- n. Timothy Tkacik; Tote Manager, United Tote Portland Hub
- o. Martin Vanderwerff; Assistant Tote Manager, United Tote Portland Hub
- p. Jennifer Wesco; Board Member, Camptown
- q. Ronald Moorhouse, Tote Operator, United Tote Portland Hub
- r. Mark Probst, Tote Operator, United Tote Portland Hub
- s. Bill Hunt, Tote Operator, United Tote at Kansas tracks

#### K. ADJOURNMENT

### MINUTES – APRIL 4, 2008

CALL TO ORDER: (A.)

Chair Sader called the April 4, 2008, meeting to order at 10:14 am at 700 SW Harrison, Auditorium A, Suite 450, Topeka, Kansas. Commissioners Sader, Braun, Falstad, McKechnie, and Schwan were present at the meeting. Others present included Executive Director Stephen Martino; Chief Gaming Officer Robert Krehbiel; Director of Racing Frances Snell; Assistant Attorneys General Patrick Martin and Teri Canfield-Eye; Director of Audit/Electronic Security Charles LaBoy; Director of Security Don Brownlee; Director of Communications/Responsible Gaming Mike Deines; Director of Licensing Kit Bostrom; Director of Administration Don Cawby; Animal Health Officer D. Bryce Peckham, DVM; Commission Recording Secretary Linda Pendarvis and other staff.

MOTION, APPROVE AGENDA: (B.)

Commissioner Braun (McKechnie) moved to approve the agenda as amended. Motion passed unanimously.

MOTION, APPROVE MARCH 7, 2008, MEETING MINUTES: (C.1.)

Commissioner Falstad (McKechnie) moved to approve the minutes of the March 7, 2008, commission meeting as submitted April 3. Motion passed unanimously.

MOTION, APPROVE CONSENT AGENDA: (D.)

Commissioner Schwan (Falstad) moved to approve the consent agenda as follows:

- 1. TRAK East review and approve simulcast contracts
  - a. Keeneland Association, Inc. (incoming), *Keenland Kentucky*; April 4, 2008 through April 25, 2008
  - b. Old Evangeline Downs, LLC (incoming), Evangeline Downs Louisiana; April 9, 2008, through September 1, 2008
- 2. Kansas Racing LLC review and approve contracts
  - a. The Twenty Five to One Fund d/b/a Great American Barbecue, *Olathe, Kansas*, Parking Lot Rental
- 3. Eureka Downs review and approve contracts
  - a. Diamond S. Welding and Machine Shop, *Eureka*, *Kansas*, Welding and repairs
  - b. Eastside Service, *Eureka, Kansas*, Fuel supply and service

- c. Frakes Enterprise, Eureka, Kansas, Track re-surfacing
- d. Frank Bills Trucking, *Severy, Kansas*, Hauling sand for track re-surfacing
- e. Hilb Rogal & Hobbs, Wichita, Kansas, Insurance
- f. Jim's Repair Service, *Eureka, Kansas*, Repairs to tractors, loader, trucks, & equipment
- g. Prairie Pots, El Dorado, Kansas, Portable toilets
- h. United Tote, Woodland Hills, California, Totalisator equipment and services
- 4. Camptown Greyhound Park
  - a. Ruffin Gaming, *Wichita, Kansas*, Labor for loading equipment from New Frontier Casino in Las Vegas onto trucks to go to Camptown Greyhound Park
- 5. Wichita Greyhound Park, Inc.
  - a. Greyhound Support, *Kansas City, Kansas*, Hauling adoption dogs from Wichita Greyhound Park

Motion passed unanimously.

FACILITY REPORT, TRAK EAST: (E.1.a. and b.) The commission heard the TRAK East facility report, given by Mr. Will Gardiner, Administrative Director.

FACILITY ITEMS, TRAK EAST: (E.1.c.) Presentation of The Woodlands/United Tote hub project specifications was given by Mr. LaBoy with input from Mr. Gardiner and Mr. Jayme LaRocca, Woodlands General Manager.

MOTION, PRELIMINARY APPROVAL OF HUB OPERATIONS: (E.1.c.) Commissioner Falstad (Braun) moved to indicate the commission's initial support for the hub operations as described. Motion passed unanimously.

FACILITY ITEMS, TRAK EAST: (E.1.d.) An amendment to the TRAK East/Kansas Racing LLC 2008 simulcast application was presented by Mr. LaBoy with input from Mr. Gardiner and Mr. LaRocca.

MOTION, APPROVAL OF SIMULCAST APPLICATION: (E.1.d.) Commissioner McKechnie (Braun) moved to retroactively approve the 2008 simulcast application as amended. Motion passed unanimously.

FACILITY REPORT, KRLLC: (E.2.a. and b.)

The commission heard the Kansas Racing LLC (KRLLC) facility report from Mr. LaRocca. Mr. LaRocca also provided a construction update with input from Mr. Larry Seckington.

April 4, 2008 Page 3

FACILITY REPORT, TRAK SOUTHEAST:

(E.3.)

There was no facility report from TRAK SE.

FACILITY REPORT, CAMPTOWN GREYHOUND PARK,

INC.: (E.4.) The commission heard the Camptown Greyhound Park facility report from Mr. Kevin Allis, General Manager-Parimutuel.

MOTION, EXECUTIVE SESSION: (F.1.)

Commissioner Falstad (Schwan) moved that the commission go into a 40-minute executive session at 10:50 am for the purpose of attorney-client communication, to resume at 11:30 am. In addition to the commissioners, others participating in the executive session were Mr. Martino, Mr. Martin, Ms. Canfield-Eye, and Mr. Krehbiel. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as a part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. Motion passed unanimously.

RECONVENE:

The commission meeting reconvened at 11:32 am with all members present as previously noted.

KHA REQUEST FOR REIMBURSEMENT OF EXPENSES:

(G.1.)

The commission heard the Kansas Horsemen's Association (KHA) request for reimbursement from the Kansas Bred Program for expenses for the months of January and February 2008.

MOTION, APPROVE KHA REQUEST FOR REIMBURSEMENT OF EXPENSES: (G.1.) Commissioner McKechnie (Braun) moved to approve the KHA request for reimbursement from the Kansas Bred Program for the months of January and February 2008, contingent upon availability of funds. Motion passed unanimously.

DISCUSSION, REQUEST FOR APPROVAL OF INSPECTOR: (G.2.) The commission heard Mr. LaBoy and Doug Lawrence, Executive Director of the Kansas Greyhound Association, discuss the requested approval of Robert M. Childs to serve as inspector for the Kansas Greyhound Registry.

MOTION, APPROVE INSPECTOR:

(G.2.)

Commissioner Schwan (McKechnie) moved to approve Robert M. Childs as inspector for the Kansas Greyhound Registry. Motion passed unanimously.

April 4, 2008 Page 4

DISCUSSION, USE OF CONSULTANTS FOR CONTRACT REVIEW: (G.3.)

Mr. Martino presented a preliminary discussion for the commission's consideration on the possible use of consultants for contract review. No action requested at this time.

DISCUSSION, CANCELLATION OF APRIL 17 MEETING: (G.4.) Mr. Martino proposed the cancellation of the commission meeting scheduled for April 17, 2008. The next regularly-scheduled meeting would be on May 9.

MOTION, CANCEL APRIL 17 MEETING: (G.4.) Commissioner Braun (Falstad) moved to cancel the April 17 meeting, making the next regularly-scheduled meeting May 9, 2008. Motion passed unanimously.

CALL FOR PUBLIC COMMENTS: (H.)

Chair Sader called for public comments. There were none.

STAFF REPORT, EXECUTIVE

The commission heard a staff report from Mr. Martino.

DIRECTOR: (I.1.)

STAFF REPORT, CHIEF GAMING The commission heard a staff report from Mr. Krehbiel.

OFFICER: (I.2.)

STAFF REPORT, ASSISTANT ATTORNEYS GENERAL: (I.3.) The commission heard a staff report from Mr. Martin. He asked for commission ratification of a consent order for case No. 206-163.

MOTION, APPROVE CONSENT ORDER: (I.3.)

Commissioner Braun (Falstad) moved for ratification of the consent order as presented. Motion passed unanimously.

STAFF REPORT, ANIMAL HEALTH OFFICER: (I.4.) The commission heard a staff report from Dr. Peckham including a synopsis of the research grants currently being funded by the Kansas Racing and Gaming Commission.

April 4, 2008 Page 5

MOTION, APPROVE GRANT RECOMMENDATIONS: (I.4.) Commissioner Falstad (Schwan) moved to accept the grant recommendations as presented with the added qualification that the commission would like to receive six-month and twelve-month progress reports. Motion passed unanimously.

STAFF REPORT, DIRECTOR OF ADMINISTRATION: (I.5.a.) The commissioners heard a staff report from Mr. Cawby.

MOTION, EXECUTIVE SESSION: (J.1.)

Commissioner Braun (Falstad) moved that the commission go into a 25-minute executive session at 1:20 pm for the purpose of reviewing nine background reports, to resume at 1:45 pm. Those included in the session were the commission, Mr. Martino, Mr. Martino, Ms. Canfield-Eye, Mr. Brownlee, and other investigative personnel. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as a part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. Motion passed unanimously.

RECONVENE:

The commission meeting reconvened at 1:45 pm with all members present as previously noted.

MOTION, APPROVAL OF BACKGROUND REPORTS: (J.1.) Commissioner Falstad (Braun) moved to approve the following background reports: Leslie Bohrer, Richard Estes, Gregory Huckins, David Kile, Dominique Lopez, Timothy Mitchell, Rita Osborn, and John J. Swanson, Jr. Motion passed unanimously.

MOTION, TABLE BACKGROUND REPORT: (J.1.) Commissioner Braun (Schwan) moved to table the background approval of Judy Laster, pending completion of background investigation. Motion passed unanimously.

MOTION, APPROVAL OF POSITIONS: (J.2.)

Commissioner Braun (Schwan) moved to approve the following positions:

- Leslie A. Bohrer, Deputy Director of Security, The Woodlands
- Richard Estes, Security Shift Commander, The Woodlands
- Gregory E. Huckins, Kansas Quarter Horse Racing Association Board of Directors
- David Kile, Kansas Quarter Horse Racing Association Board of Directors
- Dominique Lopez, Enforcement Agent, KRGC Topeka office
- John J. Swanson, Jr., TRAK-East Board of Directors Member

Kansas Racing and Gaming Commission April 4, 2008 Page 6

ADJOURN: Commissioner Braun (Schwan) moved to adjourn at 1:49 pm.

Motion passed unanimously.

SUBMITTED BY:

William Falstad Secretary

APPROVED BY:

Carol H. Sader Chair

KATHLEEN SEBELIUS, GOVERNOR

April 10, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Delaware Racing Association (incoming) Delaware Park - Delaware

April 19, 2008- November 11, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0027)

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KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 10, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Fairmont Park, Inc. (incoming)
Fairmont Park Race Track - Illinois
April 18, 2008 - September 1, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0030)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 10, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Indiana Downs (incoming)
Indiana Downs - Indiana
April 25, 2008 - July 8, 2008
July 16, 2008 - November 8, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KRGC Auditor

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0028)

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Prairie Meadows Racetrack and Casino, Inc. (incoming) Prairie Meadows Racetrack - Iowa April 18, 2008 - July 5, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0024)

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e-mail: krac@ksracing.org

KATHLEEN SEBELIUS, GOVERNOR

April 10, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Retama Development Corporation (incoming)

Retama Park - Texas

April 25, 2008 - June 22, 2008

August 29, 2008 - November 15, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0029)

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KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

River Downs Jockey Club, Inc. (incoming)

River Downs - Ohio

April 11, 2008 - September 1, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray / KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0025)

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming) Arlington Park - Illinois

May 2, 2008 - September 21, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

700 SW Harrison, Suite 420, Topeka, KS 66603-3754 http://kansas.gov/krc Fax (785) 296-0900 Phone (785) 296-5800

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)
Calder Race Course - Florida

April 21, 2008 - January 2, 2009

(January 1, 2009 - January 2, 2009 approval contingent upon approval of 2009 license

and recognized group approval)

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

700 SW Harrison, Suite 420, Topeka, KS 66603-3754 Phone (785) 296-5800 Fax (785) 296-0900 http://kansas.gov/krc

e-mail: krgc@ksracing.org

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Churchill Downs - Kentucky April 26, 2008 - July 6, 2008

October 20, 2008 - November 29, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Ellis Park - Kentucky

July 2, 2008 - September 1, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

700 SW Harrison, Suite 420, Topeka, KS 66603-3754 http://kansas.gov/krc Fax (785) 296-0900 Phone (785) 296-5800

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Golden Gate Fields - California May 14, 2008 - June 22, 2008

September 17, 2008 – December 21, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

700 SW Harrison, Suite 420, Topeka, KS 66603-3754 http://kansas.gov/krc 

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Hollywood Park - California April 23, 2008 - July 13, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming) Hoosier Park - Indiana April 5, 2008 - July 12, 2008 August 29, 2008 – November 23, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

700 SW Harrison, Suite 420, Topeka, KS 66603-3754 Fax (785) 296-0900 http://kansas.gov/krc Phone (785) 296-5800

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re.

TrackNet Media Group, LLC (incoming)

Laurel Park - Maryland

April 2, 2008 - December 31, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

**KRGC** Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

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KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Lone Star Park - Texas

April 10, 2008 - July 27, 2008

September 26, 2008 - November 29, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

The Meadows - Pennsylvania April 2, 2008 - December 31, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

**KRGC** Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming) Pimlico Race Course - Maryland April 17, 2008 - June 7, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

**KRGC** Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

700 SW Harrison, Suite 420, Topeka, KS 66603-3754 http://kansas.gov/krc Fax (785) 296-0900 Phone (785) 296-5800

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Remington Park - Oklahoma

August 21, 2008 - December 14, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 2, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

TrackNet Media Group, LLC (incoming)

Thistledown - Ohio

May 1, 2008 - October 25, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

/Jan Murray KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0026)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

April 23, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Wonderland Greyhound Park, Inc. (incoming) Wonderland Greyhound Park - Massachusetts April 26, 2008 - September 12, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

**KRGC** Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0031)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

May 1, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Canterbury Park Holding Corporation (incoming)

Canterbury Park - Minnesota May 3, 2008 - September 1, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc;

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0033)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

May 1, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

The Nebraska State Fair Board (incoming)

Nebraska State Fair - Nebraska May 9, 2008 - July 13, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0034)

KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

May 1, 2008

Mr. William Gardiner Administrative Director, TRAK East P.O. Box 12036 Kansas City, KS 66112-2036

Re:

Racing Associates of Colorado, LTD (incoming)

Arapahoe Park - Colorado May 24, 2008 - August 10, 2008

Dear Mr. Gardiner:

Kansas Racing, LLC/The Racing Association of Kansas East (d/b/a The Woodlands) is hereby given conditional approval to conduct the simulcast wagering on incoming signals in accordance with the terms and conditions of the above-referenced simulcast contract.

This approval is conditioned upon satisfactory completion of the scheduled tote test and upon ratification by the Kansas Racing and Gaming Commission at its next regular meeting.

Very truly yours,

KANSAS RACING AND GAMING COMMISSION CAROL H. SADER, CHAIR

Jan Murray

KRGC Auditor

cc:

Debbie Frost, Mutuel Manager, Woodlands Kevin King, Simulcast Coordinator, Woodlands Jayme LaRocca, General Manager, Woodlands David Schultz, Chief Audit Officer, KRGC Linda Pendarvis, KRGC / Agenda Packet Contract File (WDS08/0032)

Contract Title:	NetSuite Subscription Services Agreement	
Licensee:	Kansas Racing, LLC	
Name/Address of	NetSuite	
Other Party(s):	2955 Campus Drive, Suite 100	
	San Mateo, CA 94403	,
Subject Matter:	Accounting Program	
Contract Date:	April 14, 2008	<del>, de de la constanta</del>
Duration:	04/14/08-04/13/09	
Renewall same		
Changes:	Yes (See Attached) = No Changes	
Modification of Existing Agreement	Yes (See Below) Profession of the Second Sec	
Executed By:	Larry Seckington and Craig West	
		,
Payment Terms/Changes:	\$19,046.40	N
	·	<del> </del>
Date Submitted:	April 18, 2008	
Submitted By:	Larry Seckington Larry Slekington	

69/2506

Contract Title:	Porlier Outdoor Advertising
Licensee:	Kansas Racing, LLC
Name/Address of	Porlier Outdoor Advertising
Other Party(s):	1027 North Service Road West
e de la companya del companya de la companya del companya de la co	Foristell, MO 63348
Subject Matter:	Outdoor Advertising
Contract Date:	September 28, 2007
Duration:	18 Months
Renewal:	Yes
Changes:	Yes (See Attached) No Changes
Modification of Existing Agreement:	Yes (See Below)
Executed By:	Joseph Wilson/Jayme LaRocca
Payment Terms/Changes:	\$1,700.00 per month
Date Submitted:	April 15, 2008
Submitted By:	Jayme LaRocca

Contract Review Cover She	Sheet	Cover	Review	Contract
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Contract Title:	Comessions hease
Licensee:	Eureka Downs/KOHRAlone
Name/Address of	Copper Kette Kestaurant
Other Party(ies):	815 E. KIUPT Cureka, La 67045
Subject Matter:	Concessions
Contract Date/ Duration:	Racino Season (six days)
Renewal	To Yes
Changes:	Yes (see this chair shanges).
Modification of Existing Agreements	Yes (see attached)
Executed By:	hee A. Smith
	Art Teichgraeber + Manungement Committee
Payment Terms:	Coppel Kettle to pay 200
Date Submitted:	-per any 4-24-08
Submitted By:	Ma Amitta

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8/328

Contract Title:	Equipment Trental
Licensee:	Eyrcka Downs
Name/Address of	Greenwood County
Other Party(ies):	Eureka, Xs 67045
Subject Matter:	rent of Grader + Bomas
Contract Date/	Nov. 12 07
Duration:	NOU- MAY '08
Renewal. Changes	Yes (See attached changes).  No Changes
Modification of Existing Agreement:	Yes (nec attached)
Executed By:	Lee Smith
Payment Terms:	As billed \$50.00 per hour
Date Submitted:	4-11-08/
Submitted By:	All h. Smith

C:\My Documents\FORMS\contrvw.wpd-md

3 2 V<sub>D.3.b</sub>

Contract	Rev	riew (	Cover	Sheet
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Contract Title:	Richard (Moe) Nye
Licensee:	Eureka Dours
Name/Address of	Richard (Moe) Nye
Other Party(ies):	Claremore, OKla
Subject Matter:	Track Consultant
Contract Date/	NOV. 107
Duration:	1400.07 - May '08
Renewal: Changes:	Yes (See affaithed alonges): No Changes
Modification of Existing Agreements	$\widetilde{\Sigma}_{ ext{es}}$ (see attached)
Executed By:	Lee Smith
Payment Terms:	As billed \$350 per visiT (fees + wileage)
Date Submitted:	4-11-08
Submitted By:	All a Smark

C:\My Documents\FORMS\contrvw wpd-md

Contract Title:	American Greyhound Track Operators Association
Licensee:	TRAK East
Name/Address of Other Party(s):	American Greyhound Track Operators Association  1111 N. Congress Ave.
Subject Matter:	West Palm Beach, FL 33409  Annual Dues for 2003/2009
Contract Date: Duration:	N/A 2008/2009
Renewals	X Yes No
Changes:	Yes (See Attached) No Changes
Modification of Existing Agreement:	Yes (See Below)
Executed By:	N/A
	-
Payment Terms/Changes:	\$2,250.00
Date Submitted:	April 10, 2008
Submitted By:	Jayme LaRocca

D.4.a 2505

Contract Title:	Video and Photo Services Agreement
Licensee:	The Anthony Fair Association
Name/Address of	Gene Wilson & Associates, Inc., P.O. Box 417, Pond Creek,
Other Party(ies):	Oklahoma, 73766
Other Farty (108).	Oklanoma, 15100
Subject Matter:	Photofinish and video
Contract Date/	March 31, 2008
Duration:	July 11 to July 20, 2008
Renewal:	□ Yes
Changes:	☐ Yes (see attached changes) ☐ No Changes
Modification of	
Existing Agreement:	☐ Yes (see attached)
Executed By:	Harvey Phelps and Dan Bird
D	\$1105 man and day when \$2.75 man act (12" 10" & 20") man man day \$4.75 man
Payment Terms:	\$1195 per race day, plus \$3.75 per set (13", 19" & 20") per race day, \$4.75 per set (26") per race day, \$.80 per set per race day for operating cleaning, \$10 per
	race day for optional black and white camera, \$40 per hour plus travel for video
	design engineer or field supervisor, \$22 per hour plus travel expenses for
,	engineering technician, \$22 per hour for system supervisor and \$15 per hour for
	camera operator. \$75.00 per day for electronic imaging photofinish operator.
Date Submitted:	April 23, 2008
Submitted By:	John M. Gaffney

5/198 D.5.a

Contract Title:	Contract for parimutuel facing services
Licensee:	The Anthony Fair Association
Name/Address of	Brad Broyles, 1253 T Road, Eureka, KS 67045
Other Party(ies):	
Subject Matter:	Assistant horse racing starter
Contract Date/	April 22, 2008
Duration:	July 11 to July 20, 2008, plus additional time necessary to properly
	perform service
Renewal: Changes:	☐ Yes ☐ No ☐ Yes (see attached changes) ☐ No Changes
Modification of  Existing Agreement:	Yes (see attached)
Executed By:	Brad Broyles and Dan Bird
Payment Terms:	\$690 payable one-half on July 13, 2008 and one-half on July 20, 2008, plus two nights, per weekend of motel room cost reimbursement upon presentation of statement.
Date Submitted:	April 24, 2008
0 1 14 170	Tohn M. Coffnoy

Contract Title:	Contract for parimutuel racing services
Licensee:	The Anthony Fair Association
Name/Address of Other Party(ies):	Rita Osborn, Post Office Box 66, Eureka, Kansas 67045
Subject Matter:	Horse racing program production and race results reporting services
Contract Date/	March 24, 2008
Duration:	July 11 to July 20, 2008, plus additional time necessary to properly
	perform service
Renewal:	□ Yes □ No
Changes:	☐ Yes (see attached changes) ☐ No Changes
Modification of  Existing Agreement:	□ Yes (see attached)
######################################	
Executed By:	Rita Osborn and Dan Bird
Payment Terms:	\$1,800 payable one-half on July 13, 2008 and one-half on July 20, 2008, plus
	motel room cost reimbursement upon presentation of statement.
Date Submitted:	April 23, 2008
Submitted By:	John M. Gaffney

5/196

Contract Title:	Certificate of Insurance		
Licensee:	The Anthony Fair Association		
Name/Address of	MOC Insurance Services, 44 Montgo	omery Street, 17 <sup>th</sup> Floor, San Francisco,	, CA
Other Party(ies):	54104		
Subject Matter:	Jockey insurance package		
Contract Date/	April 10, 2008		
Duration:	April 10, 2008 to April 10, 2009		
Renewal:	XYes	$\mathbb{N}_{0}$	
Changes:	☐ Yes (see attached changes)	☐ No Changes	
Modification of  Existing Agreement	☐ Yes (see attached)		
Executed By:	Dan Bird		
Payment Terms:	\$11,826 (based on six race days @\$	1,971 per day)	
Date Submitted:	April 23, 2008		-
Submitted By:	John M. Gaffney		

5//83 D.5.d



# WOODLANDS HANDLE AND ATTENDANCE FIGURES (THROUGH MAY 5, 2008)

	<u>2008</u>	<u>2007</u>	% Change
On Track Greyhound Handle	\$3,155,288.40	\$3,256,124.30	-3.10%
Off Track Greyhound Handle	\$3,177,033.30	\$2,999,236.20	5.93%
<b>Total Live GH Handle</b>	\$6,332,321.70	\$6,255,360.50	1.23%
Simulcast Greyhound Handle	\$3,461,255.60	\$3,602,454.60	-3.92%
Simulcast Horse Handle	\$10,063,305.80	\$10,106,011.80	-0.42%
<b>Total Simulcast Handle</b>	\$13,524,561.40	\$13,708,466.40	-1.34%
Total All Handles	\$19,856,883.10	\$19,963,826.90	-0.54%
Attendance	96,440	101,825	-5.29%

Greyhound Active list is 572 (-4.5% from April 4, 2008)

#### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Extension of the TRAK East / KRLLC Management Contract

**PRESENTER**: Patrick D. Martin, Assistant Attorney General.

**ISSUE SUMMARY:** Mr. Seckington has requested that the Commission grant TRAK East and Kansas Racing, LLC permission to extend their existing Facility and Management Agreement's term until "sixty days from the date Kansas Racing LLC reaches a Racetrack Gaming Facility Management agreement with the Kansas Lottery Commission or six months from May 1, 2008, whichever comes first."

The Commission has previously granted TRAK East and Kansas Racing, LLC two extensions. The first extended the Management Agreement's term until February 29, 2008, and the second extended the term until April 30, 2008.

**COMMISSION ACTION REQUIRED/REQUESTED**: Consider TRAK East and Kansas Racing, LLC's request for an extension on their existing Facility and Management Agreement's term until "sixty days from the date Kansas Racing LLC reaches a Racetrack Gaming Facility Management agreement with the Kansas Lottery Commission or six months from May 1, 2008, whichever comes first."

**STAFF RECOMMENDATIONS:** None.

## EXTENSION OF MODIFIED LEASE FOR FACILITY AND MANAGEMENT AGREEMENT

This Extension Agreement entered into this <u>17</u> day of April, 2008 by and between KANSAS RACING, L.L.C. and THE RACING ASSOCIATION OF KANSAS EAST as follows:

The parties have heretofore entered into one certain modification of Lease for Facility and Management Agreement effective December 31, 2005 and desire to extend that Agreement from its original expiration date December 31, 2007 and with the subsequent extensions to April 30, 2008, for a period of sixty days from the date that Kansas Racing, L.L.C. reaches a Racetrack Gaming Facility Management agreement with the Kansas Lottery Commission or six months from May 1, 2008, whichever comes first.

#### Therefore the parties agree:

1. The Modification of Lease for Facility and Management Agreement is hereby extended to a period of sixty days from the date Kansas Racing, L.L.C. reaches a Racetrack Gaming Facility Management agreement with the Kansas Lottery Commission or six months from May 1, 2008, whichever comes first.

Kansas Racing, L.L.C.

The Racing Association of Kansas East

PRUCESSED
2008 APR IT P R: 4%
XXRS RECEIVED

### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Credit for Overpayment of Fees at Woodlands

**PRESENTER**: Charles LaBoy, Director of Audit and Electronic Security

**ISSUE SUMMARY:** Woodlands made a prepayment of \$6,000 for April 2008 daily license fees based on a 30 day racing schedule. The revised racing schedule eliminated Tuesday simulcasts resulting in an overpayment of \$1,000. Woodlands is seeking a credit against future license fee payments to recoup this overpayment.

K.S.A. 74-8813(g) authorizes the Commission to approve the refund of any fees paid for any racing day which was canceled.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval.

**STAFF RECOMMENDATIONS:** Staff recommends approval of this reimbursement request.



PROCESSED

2008 APR -4 A 9: 26

RECEIVED KANSES RACING AND TAMPS COMMISSION

April 1, 2008

Mr. Charles LaBoy
Director of Audit & Electronic Gaming Security
Kansas Racing & Gaming Commission
700 SW Harrison, Suite 420
Toucka, KS 66603-6754

Dear Mr LaBoy,

On March 24<sup>th</sup>, 2008, TRAK East paid daily license fees for the month of April in the amount of \$6,000.00. This was based on a 30 day racing schedule. This schedule included live racing on Monday, Wednesday, Thursday, Friday, Saturday, Sunday and simulcast only on Tuesdays in April A revised racing schedule was submitted and approved which changed Tuesdays from simulcast only to dark. This change equates to 25 race days instead of 30, resulting in an overpayment of \$1,000 for April daily license fees

With your permission, I am requesting we reduce the payment for May's daily license fees by \$1,000.00. If you have any questions, please feel free to call me at (913) 299-9797 ext 210.

Sincerely,

Wendy Malouté / Assistant Controller

Ce: Jan Murray, KRGC Auditor

Larry Seckington Jayme Larocca Rick Morgan Chuck Wheeler Will Gardiner

### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: KHA Distribution of Breeding Development Funds for 2008

**PRESENTER**: KHA representative

Neysa Thomas, Chief Fiscal Officer

**ISSUE SUMMARY:** The Kansas Horsemen's Association is proposing the distribution of the Kansas Horse Breeding Development Fund money for the 2008 horse meets as detailed in the information they will provide prior to the May 9, 2008 meeting.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and possible action on the proposed distribution of Kansas Bred money for the Quarter horse and Thoroughbred racing for 2008.

**STAFF RECOMMENDATIONS:** Staff recommends approval of the distribution, subject to the availability of funds.

PROCESSED

7008 APR 24 P 12: 20

RECEIVED KANSAS RADING AND AMING COMMISSION

APRIL 24, 2008

NEYSA THOMAS KANSAS RACING COMMISSION 700 SW HARRISON TOPEKA, KS 66603

DEAR MS. THOMAS,

THE KANSAS HORSEMEN'S ASSOCIATION BY TELEPHONE VOTE, ON APRIL 24, 2008, APPROVED THE KANSAS BRED MONIES FOR THE QUARTERHORSE AND THE THOROUGHBRED RACING FOR 2008.

THE QUARTERHORSE PROPOSAL IS TO ADD \$22,500.00 TO THE 2008 KANSAS BRED FUTURITY AND \$10,000.00 KANSAS BRED MONEY TO THE 2008 KANSAS BRED DERBY TO BE RUN AT EUREKA DOWNS. THEY ALSO PROPOSED THAT \$5,000.00 BE ADDED TO THE JAYHAWK STAKES RACE TO BE RUN AT THE WOODLANDS. ALL KANSAS BRED RACES, OVERNIGHT RACES AND TRIALS WOULD HAVE \$400.00 PER RACE ADDED AT EURKEA DOWNS, ANTHONY AND WOODLANDS.

THE THOROUGHBRED PROPOSAL WAS TO ADD \$1,000.00 PER TB RACE AT EUREKA DOWNS AND ANTHONY WITH A CAP OF \$15,000.00 AT EACH TRACK. THEY WOULD APPROVE FOR \$2500.00 TO BE USED FOR A STAKE RACE IF THE TRACK WILL MATCH THE FUNDS.

THE PROPOSAL FOR THE WOODLANDS WILL BE DECIDED AT A LATER DATE.

SINCERELY, Jague Belley

JOYCE BILLINGS

KANSAS HORSEMEN'S ASSOCIATION

KS Racing and Gaming Commission Attn: Neysa Thomas 700 SW Harrison ST., Suite 420 Topeka, KS 66603-3754

RE: Amended Proposal

Dear Ms. Thomas:

The Kansas Quarter Horse Racing Association requests that the Kansas Bred purse supplements for 2008 be as follows:

EUREKA DOWNS: Kansas Bred Futurity \$22,500; Kansas Bred Derby \$10,000; All QH overnite races and the trial races for the KS Jackpot Prep Stakes races will have \$200 available to KS Bred Quarter Horses. There will be <u>no</u> KBDF money for the KS Bred Futurity and Derby Trials

ANTHONY DOWNS: All QH races will have \$200 each available to KS Bred Horses.

THE WOODLANDS: All QH overnite races including the stakes trials will have \$200 available to KS Bred Quarter Horses. There will also be \$2,500 KBDF added to the Kansas Jayhawk Stakes. There will be <u>no</u> KBDF money for the KANSAS Futurity and Derby Finals. There will be <u>no</u> KBDF money for the KANSAS JACKPOT Futurity and Derby Finals.

These changes are being requested to bring projected expenditures for 2008 in line with projected revenue for 2008. Thank you for your consideration.

Joyce Billings KANSAS HORSEMEN'S ASSOCIATION April 24, 2008

PROCESSED

Kansas Horseman's Association Joyce Billings 400 E 137<sup>th</sup> Carbondale, KS 66414 2008 APR 24 P 12: 20

RECEIVED MANSAS RACING AND AFING COMMISSION

Dear Joyce,

The Board of Directors of the Kansas Quarter Horse Racing Association in a meeting March 12, 2008 voted to add \$22,500 KBDF money to the 2008 Kansas Bred Futurity and \$10,000 KBDF money to the 2008 Kansas Bred Derby to run at Eureka Downs and \$5,000 KBDF money to the Jayhawk to run at the Woodlands.

The Board of Directors of the Kansas Quarter Horse Racing Association has voted to set the KBDF added Purse Money for 2008 as follows; All Kansas Bred races, overnight races and trials add \$400 per race at Eureka Downs, Anthony and the Woodlands.

Please acquire approval of your board and the Kansas Racing and Gaming Commission.

Thanks,

Garry Stwalley President Kansas Quarter Horse Racing Association

RJ



President David Assmann 913-441-0148

Vice President Dwight Daniels 785-738-3749 PROCESSED

2008 APR 24 P 12: 20

RECEIVED KANSAS RACING AND LIMING COMMISSION

April 14, 2008

Dear Joyce:

Yesterday, at the KTA board meeting the money distribution for Thoroughbred purse supplements was decided.

Eureka Downs and Anthony Downs be given \$1000. / Thoroughbred race and \$2500. for stakes races if the track will match the funds.

If you have any questions please call me.

Sincerely,

Pam Davis

#### Kansas Racing and Gaming Commission Horse Breeding Development Fund Review - 2007/2008

Revenue Estimates	Actual Jan-Mar 2007	Actual Jan-Mar 2008		Actual Apr/Dec 2007	Estimated Apr/Dec 2008		Actual Jan-Dec 2007	Estimated Jan-Dec 2008
Breakage Horse Outs	28,432.34 37,434.24	25,329.20 49,139.28	-11% 31%	101,721.36 135,086.77	90,619.37 135,086.77	-11% 0%	130,153.70 172,521.01	115,948.57 184,226.05
Distribution		Jan-Mar 2008						Jan-Dec 2008
Breakakge Purse Supplements	50%	12,664.60			45,309.68		65,076.85	57,974.28
Breed Awards Total Breakage	50%	12,664.60 25,329.20		_	45,309.68 90,619.37	_	65,076.85 130,153.70	57,974.28 115,948.57
Outs								
Research Grants Purse Supplements	5% 45%	2,456.96 22,112.68			6,754.34 60,789.05		8,626.05 77,634.45	9,211.30 82,901.72
Breed Awards	50%	24,569.64			67,543.39		86,260.51	92,113.03
Total Outs		49,139.28			135,086.77	_	172,521.01	184,226.05
Breakage + Outs					. ==			
Research Grants		2,456.96			6,754.34		8,626.05	9,211.30
Purse Supplements Breed Awards		34,777.28 37,234.24			106,098.73 112,853.07		142,711.30 151,337.36	141,715.00 150,087.31
Breed Splits		2008						Jan-Dec 2008
Quarter Horse	32.19%	2006						2000
Purse Supplements		11,194.80			34,153.15			45,618.02
Breed Awards		11,985.69			36,327.37			48,313.07
Thoroughbreds	67.43%							
Purse Supplements		23,451.39			71,545.66			95,562.81
Breed Awards		25,108.20			76,100.32			101,208.52
Carry Forward from 2007 Revenue from 2008 Pay out at Eureka Pay out at Anthony		(2,706.73) 45,618.02 (33,876.00) (1,805.56)			47,348.20 95,562.81 (15,000.00) (15,000.00)			
Pay out at WDS	_	(7,176.00)		_	-			
Amount Available for 2009 Mee	et	53.73			112,911.01			
	Offered	Est. Payout		Offered	Est. Payout			
Eureka Downs Kansas Bred Stakes	32,500	32,500		2,500	2,500			
Open races	3,200	1,376	43%	12,500	12,500	100%		
Open stakes races	-	-	#DIV/0!	-	-	#DIV/0!		
Total at Eureka Downs Actual Results	35,700	33,876 -	95%	15,000	15,000 -	100%		
Anthony Downs								
Kansas Bred Stakes	-	-	000/	2,500	2,500	100%		
Open races Open stakes races	5,000	1,806	36%	12,500	12,500	100% #DIV/0!		
Total at Anthony Downs Actual Results	5,000	1,806	36%	15,000	15,000	100%		
Woodlands								
Kansas Bred Stakes	1,200	1,200	100%	-	-	100%		
Open races	19,200	5,376	28.0%	-	-	#DIV/0!		
Kansas bred stakes rac	5,000	600 _ 7.176	12%	-	-	#DIV/0!		
Total at Woodlands Actual Results	25,400	7,176 -	28%	-	-	#DIV/0!		
Overall Total	66,100	42,858		30,000	30,000			

Bold = estimates

#### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Consideration of Invoiced Expenses for KHA Mediation

**PRESENTER**: Patrick D. Martin, Assistant Attorney General.

**ISSUE SUMMARY:** The KRGC ordered the Kansas Horsemen's Association (KHA) to mediate their internally differing recommendations on statutorily required regulations. The KRGC ordered states that "any reasonable and necessary fees, costs and expenses" of the mediator, Mr. Jerry Palmer, "as determined by the Commission's Executive Director, will be paid by the KHA, including an initial payment of \$3,500. Mr. Palmer's fee will be \$350.00 per hour."

Mr. Palmer has now submitted an invoice to the KHA for his fees, totaling \$4,900. Those fees include 14 hours of preliminary communications, mediation, and reporting to the KRGC staff.

**COMMISSION ACTION REQUIRED/REQUESTED**: Review, consideration, and approval of the fees and invoice.

**STAFF RECOMMENDATIONS:** Staff recommends approval of Mr. Palmer's invoiced fees as reasonable and necessary for conducting the mediation.

PROCESSED

APRIL 30, 2008

MR. STEPHEN MARTINO KANSAS RACING COMMISSION 700 SW HARRISON ST TOPEKA, KANSAS 66703

DEAR MR. MARTINO,

2008 APR 30 P 3: 41

REGEIVED KANSAS RACING AND AMING COMMISSION

PLEASE FIND A COPY OF THE INVOICE FROM JERRY PALMER CONCERNING THE COST OF THE MEDIATION REQUIRED BY THE KRGC. WE WOULD LIKE FOR THIS ITEM TO BE PLACED ON THE MAY 9TH AGENDA FOR APPROVAL AND PAYMENT.

SINCERELY, oyes Belling

JOYCE BILLINGS

KANSAS HORSEMEN'S ASSOCIATION

p.2

Apr 30 08 03:40p Apr 30 00 02:24p

> Jerry R. Palmer\* LJ Leatherman



Gary D. White Jr. Meaghan M. Dalton

March 24, 2008

Invoice No. 576

@4 000 nm

Scott Beeler Lathrop & Gage LC (OP) 10851 Mastin Blvd Overland Park KS 66210-1669

Re: Mediation of Kansas Horse Association

Scheduling of mediation; Six telephone conferences with counsel, individually or jointly; Request for submissions; Two telephone conferences, Mr. Martino; Report to Mr. Martino; Review of submissions, both sides with appended materials; Telephone or Email request for additional materials and review of those; Mediation on March 20, 2008 from 10:00 am to 6:30 pm.

A BACK AAR

14 Hours @ \$350.00/hour	\$4,900.00
Expenses	
Mileage	0.00
Turnpike	0.00
TOTAL TIME AND EXPENSES	\$4.900.00

Tax ID No. 48-1108885

www.jpalmerlaw.com

Before the KANSAS RACING AND GAMING COMMISSION 700 SW Harrison, Suite 420 Topeka, Kansas 66603-3754 785/296-5800

In the matter of:

#### The KANSAS HORSEMEN'S ASSOCIATION

#### MEDIATION ORDER

Through its executive director, the Kansas Racing and Gaming Commission hereby orders the members of the Kansas Horsemen's Association (KHA) listed below to mediation within 30 days of this Order. The Commission further orders:

- 1. That Dave Assmann, Dwight Daniels, Jerry Johnson, Gene Ralston, Robert Rodgers, Jeff Rutland, Dave Sirucek, Gary Smith, Lee Smith, and Garry Stwalley ("the parties") attend the mediation in person.
- 2. That Jerry R. Palmer of Topeka is the mediator. That Mr. Palmer will designate the mediation site. All costs associated with securing and use of the site will be paid by the KHA.
- 3. That any reasonable and necessary fees, costs and expenses of Mr. Palmer, as determined by the Commission's executive director, will be paid by the KHA, including an initial payment of \$3,500. Mr. Palmer's fee will be \$350 per hour.
- 4. Mr. Stwalley is appointed, as president of the Kansas Quarter Horse Racing Association, to coordinate schedules of the KHA's quarter horse representatives. Mr. Assmann is appointed, as president of the Kansas Thoroughbred Association, to coordinate schedules of the KHA's thoroughbred representatives. Mr. Stwalley and Mr.

Assmann will confer and present mutually agreeable dates to Mr. Palmer for the mediation. Such consultation and date selection should be done by January 31, 2008.

- 5. That the only issue to be mediated is the requirement that the KHA recommend to the Commission regulations for the distribution of the "live horse race purse supplemental fund" pursuant to New Section 36(a)(3) of the Expanded Lottery Act.
- 6. That the parties shall submit any written proposals impacting on the mediation issue to Mr. Palmer at least 7 days in advance of the mediation, and that those submissions shall be in accordance with Mr. Palmer's directions.
  - 7. That the parties shall proceed in good faith to resolve the mediation issue.
- 8. That Mr. Palmer shall provide a report to the Commission's executive director about the resolution of the mediation issues. The mediator may report to the executive director regarding any observations and recommendations from the mediation, and that report shall not be disclosed to the parties.

Stephen L. Martino Executive Director Nate

### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Annual Audited Financial Statements of Wichita Greyhound

Charities, Inc. for 2007.

**PRESENTER**: Charles LaBoy, Director of Audit and Electronic Security

**ISSUE SUMMARY:** Wichita Greyhound Charities have submitted copies of their 2007 audited financial statements to the Commission for review and approval. Staff review is complete and is included in the agenda material.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval of the audit report.

**STAFF RECOMMENDATIONS:** Staff recommends approval.

# Memo

To: Charles LaBoy, Director of Audit & Electronic Security

From: David J. Schultz, Chief Audit Officer

CC:

Date: 4/29/2008

Re: Wichita Greyhound Charities, Inc. – 2007 Audit

I have reviewed the audited financial statements of Wichita Greyhound Charities, Inc. for the year ended December 31, 2007

Piercy Bowler Taylor & Kern ("PBTK") has issued an unqualified opinion on the financial statements of Wichita Greyhound Charities, Inc. ("Charities") for the year ended December 31, 2007. An unqualified independent auditors report means that all required statements are included in the report, auditing standards were followed during the engagement, sufficient evidence has been accumulated and the financial statements are presented in accordance with generally accepted accounting principles. The audit report noted that there is a substantial doubt as to Charities ability to continue as a going concern.

<u>Balance Sheet:</u> The balance sheet reflects a significant reduction in virtually every account balance due to the cessation of operations on October 6, 2007. Assets of \$59,000 consist of cash and accounts receivable while liabilities of \$144,000 consist of accounts payable, due to affiliate and customer deposits.

<u>Due to Wichita Greyhound Park:</u> A payable to WGP of \$21,516 is shown on the balance sheet of Charities. There are currently no plans to make a payment to WGP to extinguish this payable.

<u>Customer deposits:</u> Customer deposits payable of approximately \$68,000 is a liability that has grown over an extended period of years and is the unredeemed betting vouchers that patron's hold and have not presented to the betting window for liquidation or to place a bet. The identity of the patrons holding these vouchers is unknown and with the cessation of operations at the track, it is unlikely this payable will have to be paid off.

<u>Statement of Operations:</u> Charities incurred a net loss of \$19,800 in 2007. Substantially all components of revenue and expenses were lower in 2007 due to the ten month period the track operated in 2007 vs. a full year of operations in 2006.

Required Communications to the Board of Directors: Independent auditing firms are required to communicate certain matters to the Board of Directors in connection with the examination of the entity's financial statements. I have reviewed these written communications and management's response, and there is nothing of any significance in these two documents to report to you.

### PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

WICHITA GREYHOUND CHARITIES, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2007 AND 2006

6109 ELTON AVENUE, SIE. 1000, LAS VEGAS, NEVADA 89107-0123 702-384-1120 fax 702-870-2474 pbtk.com

# WICHITA GREYHOUND CHARITIES, INC. DECEMBER 31, 2007 AND 2006

### CONTENTS

	Page
Independent auditors' report	1
Financial statements	
Balance sheets	2
Statements of operations and deficit	.3
Statements of cash flows	4
Notes to financial statements	5 - 7

PBTK

#### PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

#### INDEPENDENT AUDITORS' REPORT

Board of Directors Wichita Greyhound Charities, Inc. Wichita, Kansas

We have audited the accompanying balance sheets of Wichita Greyhound Charities, Inc. (Charities) as of December 31, 2007 and 2006, and the related statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of Charities' management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wichita Greyhound Charities, Inc. as of December 31, 2007 and 2006, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

The accompanying consolidated financial statements have been prepared assuming Wichita Greyhound Charities, Inc. will continue as a going concern. As discussed in Note 5d, Wichita Greyhound Park, Inc. which managed and operated the facility from which Charities has historically derived all of its revenues, has suspended operations indefinitely effective October 6, 2007 This matter raises substantial doubt as to Wichita Greyhound Charities, Inc.'s ability to continue as a going concern. Management's plans regarding these matters are also discussed in Note 5d. The financial statements do not include any adjustments that might result from the outcome of this uncertainty

Prong Bowler Jaylor; Ken

702-384-1120 fax 702-870-2474 pbtk.com

### WICHITA GREYHOUND CHARITIES, INC. BALANCE SHEETS DECEMBER 31, 2007 AND 2006

	<b>2007</b> 2006		2006	
ASSETS				
Current assets				
Cash	\$	33,836	\$	474,758
Accounts receivable		24,996		106,977
Due from Wichita Greyhound Park, Inc	***************************************	, , , , , , , , , , , , , , , , , , ,	•	131,999
		58,832		713,734
Property and equipment, net of accumulated depreciation		346	*******	2,687
	\$ <u></u>	<u>59,178</u>	\$	716,421
LIABILITIES AND DEFICIT				
Current liabilities				
Accounts payable and accrued expenses	\$	54,673	\$	530,115
Due to Wichita Greyhound Park, Inc		21,516		
Unpaid winning tickets				183,640
Customer deposits	*******	68,061	<u></u>	. 67,980
		144,250		781,735
Deficit		(85,072)	<b></b>	(65,314)
	\$	59,178	\$	716,421

### WICHITA GREYHOUND CHARITIES, INC. STATEMENTS OF OPERATIONS AND DEFICIT YEARS ENDED DECEMBER 31, 2007 and 2006

		2007		2006
Parimutuel revenues				
Live racing	\$	755,446	\$	1,195,601
Dog simulcast		2,041,017		2,538,930
Horse simulcast		1,763,334		2,391,707
		4,559,797	····	6,126,238
Parimutuel costs and expenses, excluding payroll and related		٠.		
Taxes		750,540		1,007,417
Purses		1,137,764		1,530,051
Management fees/rent		2,578,310		3,491,796
Industry development assessments	street,	51,432		74,801
		4,518,046		6,104,065
Excess of selected parimutuel costs and expenses over revenues		41,751		22,173
Reimbursed costs and expenses		599,689		763,073
Racing and mutuel payroll and related		(505,022)		(647,488
General and administrative		(113,004)	·	(106,110
Charitable distributions		(43,499)		(24,496
Other	banapan,	327		403
Net income (loss)	\$	(19,758)	\$	7,555
Deficit, beginning of year	s ·	(65,314)	\$	(72,869
Net income (loss)	-	(19,758)		7,555
Deficit, end of year	\$	(85,072)	\$	(65,314

### WICHITA GREYHOUND CHARITIES, INC. STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2007 and 2006

		2007		2006
Operating activities				
Net cash used in operating activities	\$	(440,922)	\$	(5,348)
Purchase of property and equipment		·		(1,277)
Net decrease in cash		(440,922)		(6,625)
Cash, beginning of year	Administra	474,758		481,383
Cash, end of year	\$	33,836	\$	474,758
Reconciliation of net income (loss) to net cash used in operating activities  Net income (loss)  Depreciation	\$	(19,758) 2,341	\$	7,555 1,802
Increase in operating (assets) liabilities				-,
Accounts receivable		81,981		(21,515)
Due from Wichita Greyhound Park, Inc		131,999		94,544
Accounts payable and accrued expenses		(475,442)		(74,647)
Due to Wichita Greyhound Park, Inc.		21,516		
Unpaid winning tickets		(183,640)		(20,512)
Customer deposits		. 81	******	7,425
Net cash used in operating activities	\$	(440,922)	\$	(5,348)

#### WICHITA GREYHOUND CHARITIES, INC. NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2007 AND 2006

### 1. Nature of operations and background information:

Business activities. Wichita Greyhound Charities, Inc. (Charities), is licensed by the State of Kansas Racing and Gaming Commission (KRGC) to conduct greyhound and horse races on which parimutuel wagering is permitted.

Management agreement. Charities operated under a management agreement with Wichita Greyhound Park, Inc (WGP), a KRGC licensed facility and manager, to maintain, improve, repair, manage, and operate Wichita Greyhound Park (the Facility), in which WGP holds long-term leasehold rights as a greyhound race track, including simulcast racing Charities retained 1% of the daily wagers ("handle") on live races and up to 7% on simulcast races and pays the balance as winning parimutuel tickets, purses, taxes, breakage, and a fee to WGP. The fees to WGP are, therefore, in substance, a combination of both management fees and contingent rent for use of the facility, but they cannot practicably be separated. By virtue of the management agreement, WGP is a related party

Under the terms of its management agreement, Charities was reimbursed by Park for salaries and related expenses of the race and mutuel operations, plus \$100,000 per year (pro rated for periods of operation) for administrative expenses and wages to employ an executive director and staff, and up to a maximum of \$10,000 annually for the cost of any annual audit Park also provides accounting services for Charities at no charge.

The management agreement continues concurrently with the terms of the respective licenses granted by KRGC to Charities and WGP, and both have agreed to seek renewals of their respective licenses. However, under certain circumstances, the management agreement may be terminated by either party with a 30- or 45-day notice depending on the circumstance.

Concentrations. Because Charities operates exclusively in the Wichita, Kansas, metropolitan area, realization of its receivables and its future operations could be affected by adverse economic conditions in the area and nationwide in areas where the inbound simulcast tracks are located.

Charities manages its concentrations of credit risk by evaluating the credit worthiness of other racing tracks from which simulcast races are broadcast before entering into simulcast agreements and extending credit and monitoring it thereafter. The maximum losses that Charities would incur if a track failed to pay amounts would be limited to the carrying value after any allowances provided

The United States is involved in a war on terrorism that is likely to continue to have far-reaching effects on economic activity in the country for an indeterminate period. The long-term impact on the regional and national economies and Charities' operations cannot be predicted at this time but may be substantial

#### 2. Summary of significant accounting policies:

Basis of presentation. Although organized under state law as a nonprofit corporation, for financial reporting purposes, Charities does not qualify as a not-for-profit organization as defined by the Financial Accounting Standards Board and, therefore, presents its financial statements in a format appropriate for a business enterprise

Use of estimates Timely preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect reported amounts, which estimates may require revision in future periods

Accounts receivable. Accounts receivable are carried, net of an appropriate allowance, if any, at their estimated collectible value. Since credit is generally extended on a short-term basis, accounts receivable do not bear interest, although interest may be applied to accounts more than 90 Accounts receivable are periodically days past due evaluated for collectibility, and an allowance for doubtful accounts is provided based primarily on the other tracks' past credit history and current financial condition, its relationship with the other track, the relative strength of Charities' legal position, the related cost of any proceedings, and general economic conditions Accounts for which no payments have been received for 90 days are considered delinquent, and customary collection efforts are initiated Accounts for which no payments have been received for 24 months are written-off

Property and equipment. Property and equipment (Note 4) is stated at cost. Depreciation is computed using the straight-line and declining balance methods over the estimated useful lives of the assets

Revenues, costs and expenses. Parimutuel revenue is the commission from parimutuel wagering activities known as the "takeout" and ranges from 18 to 25% of the total parimutuel handle. Parimutuel costs and expenses other than payroll and related include taxes, purses, management fees, rent and industry development assessments paid or payable to others as required by state regulations and its management agreement.

## WICHITA GREYHOUND CHARITIES, INC. NOTES TO FINANCIAL STATEMENTS (Continued) YEARS ENDED DECEMBER 31, 2007 AND 2006

All costs and expenses reimbursed by Park are shown gross pursuant to Emerging Issues Task Force Issue No 01-14, Income Statement Characterization of Reimbursements Received for "Out-of-Pocket" Expenses Incurred.

Legal defense costs. Charities does not accrue for estimated future legal and related defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather records such as period costs when the related services are rendered.

Although organized as a nonprofit Income taxes. corporation under state law, Charities was denied exemption from federal income tax by the Internal Revenue Service (IRS). Accordingly, there are no invested capital accounts, and it is technically subject to both federal and state income taxes Although it has accumulated net operating loss carryforwards of approximately \$50,000 that expire through 2024, as a result of the state law requiring distributions to qualified charitable organizations (Note 5), it is unlikely that Charities will ever have taxable income in material amounts Accordingly, a 100% allowance has been effectively provided for the unrealized tax benefit of the accumulated net operating losses

Financial Accounting Standards Board Interpretation (FIN) 48, Accounting for Uncertainty in Income Taxes, will be effective for Charities in 2008. Charities has not yet determined the effect on the financial statements, if any, of adopting FIN 48 in 2008.

## 3. Due (to) from Wichita Greyhound Park, Inc.:

Amounts due (to) from WGP and its wholly-owned subsidiary, as of the balance sheet dates presented, are summarized as follows:

		2007	•	2006
Balance, beginning of year	\$	131,999	\$	226,543
Management fees/rent		(2,578,310)		(3,491,796)
Racing and mutuel payroll and related		(505,022)		(647,488)
General and administrative		(15,657)		(15,585)
Reimbursed costs and expenses		599,689		· 763,073
Cash payments	****	2,345,785	****	3,297,252
•	\$	(21,516)	\$	131,999

# 4. Property and equipment, less accumulated depreciation:

As of the balance sheet dates presented, property and equipment consists of the following:

	2007		2006	
Furniture and equipment	\$	6,376	\$	33,384
Software		2,554	į į	2,554
·		8,930	5	35,938
Less accumulated depreciation		(8,584)	***************************************	(33,251)
	S	346	\$	2,687

## 5. Commitments and contingencies:

a. Licensing conditions. Charities is required under state statute and the terms of its KRGC license to distribute all of its net earnings, as defined, if any, to qualified organizations domiciled in Kansas that use the money for charitable purposes within the state In addition, no more than 25% of the annual amounts distributed in any year may be distributed to any one such organization.

Charities is also required to remit unpaid winnings for the year to KRGC within 61 days of the earlier of year end or suspension of operations

- b. Miscellaneous legal matters. Charities is involved in various claims and legal actions that relate to routine matters incidental to its business. In the opinion of management, the ultimate disposition of these matters and minimum costs, if any, to be incurred, cannot be estimated; however, management believes they will not have a material adverse effect on Charities' future financial position, operations or cash flows. Accordingly, no estimated losses have been provided for in connection with these matters.
- c. Profit-sharing plan. Charities participates in a defined contribution plan qualified under IRS regulations sponsored by an entity also owned by the sole owner of Park. Participation in the plan is available to all eligible Charities employees Contributions to the plan are made annually at the discretion of management of WGP. For the operating period presented, contributions not reimbursed by WGP were not material

## WICHITA GREYHOUND CHARITIES, INC. NOTES TO FINANCIAL STATEMENTS (Continued) YEARS ENDED DECEMBER 31, 2007 AND 2006

d. Going concern uncertainty and managements' plans. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles that contemplate continuation of Charities as a going concern. However, WGP, which managed and operated the Facility from which Charities has historically derived all of its revenues, has suspended operations indefinitely on October 6, 2007. At this time, there are no plans to resume the racing operations without legislative and voter approval of re-opening the Facility with the addition of gaming devices

Accordingly, the continued management and operation of the Facility by WGP as a going concern could be dependent upon the success of management's plans as described below Management of both Charities and WGP plan, for the foreseeable future, to continue to support legislative and voter approval to operate gaming devices at the Facility, which has proven to generate additional revenues at similar facilities in locations that allow gaming devices. Unless expanded gaming is approved by the Kansas legislature and requisite others, management of WGP will likely suspend operations permanently.

PBTK

# PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

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COMMISSION

## WICHITA GREYHOUND CHARITIES, INC.

REQUIRED
COMMUNICATIONS
TO THE
BOARD OF DIRECTORS

**DECEMBER 31, 2007** 

# CONTENTS

	PAGE
Transmittal letter	1
Significant audit adjustments	2
Difficulties encountered in performing the audit	2
Matters involving internal control	2
Other governance matters	3

PBTK

# PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

CONFIDENTIAL

Board of Directors of Wichita Greyhound Charities, Inc Wichita, Kansas

RE: Required Communications

Ladies and gentlemen:

As part of our engagement to audit the financial statements of Wichita Greyhound Charities, Inc. (the Company) as of and for the year ended December 31, 2007, we are required under applicable auditing standards to communicate certain matters to the Audit Committee or others charged with governance responsibilities for the purpose of assisting them in meeting their responsibilities with regard to the financial reporting process. This report contains those required communications.

The matters reported herein were considered in forming our opinion on the Company's financial statements contained in our report dated April 2, 2008, and these matters do not change that report

This communication is intended solely for the confidential information and use of the Board of Directors of the Company, others charged with governance, senior management and the Kansas Racing and Gaming Commission. It is not intended to be and should not be used by anyone other than these specified parties.

Dienz Bowler Taylor i Kem April 2, 2008

6100 ELTON AVENUE, STE 1000, LAS VEGAS, NEVADA 89107-0123 702-384-1120 fax 702-870-2474 pbtk com

Wichita Greyhound Charities, Inc Required communications Page 2

## SIGNIFICANT AUDIT ADJUSTMENTS

Our audit resulted in no significant adjustments to the financial statements.

## DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

Management cooperated fully, and no significant difficulties were encountered in completing our audit.

Condition of accounting records and client assistance. Due to staff reductions, the accounting department was not adequately prepared with the requested documents during the course of fieldwork As a result, the audit procedures were delayed, as well as the preparation of the financial statements

## MATTERS INVOLVING INTERNAL CONTROL

In planning and performing our audit of the financial statements of Wichita Greyhound Charities, Inc. (the Company) as of and for the year ended December 31, 2007, in accordance with auditing standards generally accepted in the United States, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control Accordingly, we do not express an opinion on the effectiveness of the Company's internal control

## **Definitions**

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses

## **Findings**

We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above

Wichita Greyhound Charities, Inc. Required communications Page 3

## OTHER GOVERNANCE MATTERS

Auditors' responsibility under generally accepted auditing standards. As stated in the first paragraph of our report on the Company's financial statements, our responsibility as independent auditors, under generally accepted auditing standards, is to express an opinion, based on our audit, on the financial statements, which are the responsibility of its management. Our responsibilities, as contrasted with management's, are spelled out more fully in our letter of engagement dated January 3, 2008.

Despite any assistance we may have provided to management in its preparation, our responsibility for information accompanying the financial statements (for example, the "Management's Discussion and Analysis" and other statements included in the Company's annual reports to the SEC and its shareholders) is limited to (a) reading such information to ascertain that it is materially consistent with information presented in the Company's audited financial statements (b) considering whether any statements contained therein may appear to be materially misstated, and (c) assuring the satisfactory resolution of our concerns, if any In this instance, we performed the required procedures, and any changes requested by us in this process were satisfactorily made and all questions raised satisfactory resolved

In considering the matters reported herein, you should be cognizant of your responsibility for oversight of the financial reporting process and management's responsibilities for establishing and maintaining an effective internal control subject to regulatory and ownership approval, and for the financial statements

Significant accounting policies and management judgments and estimates. The significant accounting policies employed by the Company are disclosed in the notes to the financial statements and are essentially as prescribed, recommended or permitted under applicable authoritative literature for, or commonly used by, enterprises in your industry. The Company's accounting policies have been consistently applied and are not controversial.

Representations sought from management. Appended to this communication is a copy of the letter of representation executed by management with regard to our audit services



April 2, 2008

Piercy Bowler Taylor & Kern, Certified Public Accountants 6100 Biton Avenue, Suite 1000 Las Vegas, NV 89107

To the Firm:

In connection with your audits of the financial statements of Wichitz Greyhound Charities, Inc. (the Company) as of and for the years ended December 31, 2007 and 2006, a management-approved draft of which is appended to this letter, we represent that we have responded fully and truthfully to all inquiries previously made to us by you, acknowledge our responsibilities, and confirm to the best of our knowledge and belief, all other representations we previously made (or should have made) to you, including but not limited to the following.

We understand that your audits were made for the purpose of enabling you to express an opinion as to whether the financial statements are presented fairly, in all material respects, in conformity with generally accounting principles.

We agree to hold you harmless and indemnify you for any costs incurred as a result of your reliance on any false representations made to you by management personnel in connection with your audits.

Materiality threshold for this letter. Certain representations in this letter are described as referring or being limited to matters that are "material" to, or that could have a "material effect" on, the Company's financial statements or related disclosures. We understand that items are considered material, regardless of size, if they involve an omission or misstatement of information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. However, materiality considerations do not apply to those representations contained herein that are not directly related to amounts included in the financial statements. Otherwise, we understand that you consider material, for purposes of these representations, any matters having a possible effect, individually, or in the aggregate, on the Company's financial statements or related disclosures of \$20,000 or more.

Internal control matters. We acknowledge management's responsibility for establishing and maintaining effective internal control over financial reporting that provides reasonable assurance that the Company's financial statements are fairly presented, in conformity with generally accepted accounting principles, that its resources are adequately safeguarded, that it is in compliance with all applicable laws, regulations and contractual requirements, and of the detection and prevention of fraudulent and other illegal acts. We further acknowledge our responsibility for assessing the expected benefits and the related coasts of any recommended or alternative control procedures, and we represent that we have appropriately particles in the design and operation of relates.

understand that a marked deficiency exists when a second or operation of a combiliance in

1500 E. 77th St. North - Valley Center, KS 67147 · (316) 755-2381 · Fex: (316) 755-1465 · (316) 755-400

NO. 976773 P. 3

management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We represent that we have advised you of all known significant deficiencies, including material weaknesses, in the design or operation of our internal controls over financial reporting, which, in our financial data and related disclosures, including those required by regulatory authorities to be contained outside the financial statements in any disclosure documents in which such financial statements are included. There have been no significant changes in the Company's business activities, accounting practices or internal controls that might affect its financial statements or any accompanying disclosures except as set forth therein.

Fraudulent or other illegal acts. We hereby acknowledge management's responsibility for the design and implementation of programs and controls to prevent and detect fraud, including both fraudulent financial reporting and misappropriation of assets (possibly leading to financial statement misstatements). We are unaware of any fraud that is either material, probably material or that, although not material, involves senior management or management or other employees who have a significant role in the Company's internal control over financial reporting. There has been no communication from or actions by law enforcement or regulatory agencies concerning possible, alleged or suspected fraud, deficiencies in financial reporting practices or other noncompliance with laws, regulations or contractual requirements or any other illegal acts that we believe should be considered for disclosure or for recording a loss contingency.

Fair presentation in the financial statements. We acknowledge our responsibility for fair presentation, including adequate disclosure, in the Company's financial statements and represent our belief that such financial statements are fairly presented, in conformity with generally accepted accounting principles

Availability of financial records, minutes of meetings, etc. We have made available to you all financial records and related data that you requested, including but not limited to, minutes (or accurate and complete summaries) and related resolutions of meetings of the Company's stockholders, board of directors and of committees thereof selected by you through the date of this letter. We believe that such minutes include and fairly describe all decisions made and actions taken by the respective bodies that bear significantly on the Company's financial statements and related disclosures.

Accounting estimates. We have identified all accounting estimates that materially affect the Company's financial statements including, specifically, those that are susceptible to material revision as a result of an event or change in conditions that is reasonably possible of occurrence during the one year after the balance sheet date. We have informed you of the key factors and significant assumptions that we believe underlie those estimates. We acknowledge our responsibility for all recorded accounting estimates, including all asset valuation allowances, and believe they represent management's best estimates based on adequate consideration of all reasonably available facts, including our knowledge and experience about past and current events and circumstances, and our expected courses of action and, therefore, they are reasonable in the circumstances.

Unrecorded transactions and adjustments. We are unaware of any material transactions that have not been recorded in the Company's financial records underlying the financial statements and made evailable to you. We have evaluated and have recorded (or will record) in the books of account all financial statements identified by us, or identified by you and discussed with us during the course of

Related party and other significant, unusual transactions and balances. Except as disclosed in the financial statements or directly to you, there are no material related party transactions (including sales or purchases of goods or services, loans, transfets, leasing arrangements and guarantees) and related amounts receivable or payable. We believe all related party and other significant transactions outside the normal course of business entered into by the Company have a valid business purpose and rationale as explained to you, consistent with the best interests of the Company.

Concentrations. Except as disclosed in the financial statements or directly to you, there are no concentrations of credit or other business risks (customers, suppliers, lenders, products, services, sources of labor or materials, franchise or other licenses or rights, operating areas, markets, etc.) that make the Company vulnerable to a severe impact within one year from the balence sheet date.

Receivables. All material receivables recorded in the Company's financial statements represent valid claims against debtors arising as a result of sales, loans or advances or other transactions occurring or or before the balance sheet date and have been reduced to their estimated net realizable value by appropriate valuation allowances.

Financial instruments. Management has used the methods and assumptions disclosed in the financial statements, and taken all reasonable, appropriate and practical steps in the circumstances, to ascertain the appropriate accounting for and objectively estimate the fair value of material financial instruments reflected in the Company's balance sheet, if any, including instruments that do not have reasily determinable market values.

Title, carrying values and classification of assets. There are no management plans or intentions that may materially affect the carrying value or classification of any assets. We have satisfactory title to such assets and believe that all recorded carrying costs are recoverable, net of any impairment write-downs and other recorded valuation allowances and provisions, which we believe are adequate, and we are unaware of any other value impairment indications, including those relating to long-lived assets, lient, enoughrances or other title impairments at the balance sheet date.

Commitments, contingencies and accruable liabilities. Except as disclosed in the financial statements or directly to you, there are no matters of pending or threatened litigation, asserted or unasserted claims or assessments that our lawyers have advised are probable of assertion (or that we are otherwise aware of), convironmental remediation obligations, or other gain or loss contingencies that require recognition or disclosure in accordance with applicable accounting standards, guarantees (written or oral) or "in-substance" guarantees (including, for example, general partnership interests) of the obligations of other entities or individuals, warrantees or rights of return, arrangements with financial institutions involving compensating balances or other restrictions on cash balances, lines-of-credit or similar arrangements, unconditional promises to transfer cash or other assets, or material conditional promises that would require accrual or disclosure under applicable accounting standards, potential losses from unfavorable sales commitments, other commitments including for the issuance of capital stock or partnership or other equity units, asset repurchase agreements, capital stock reserved for options warrants, conversions or similar rights, or unrecorded liabilities, that could have a material effect on the Company's financial statements.

Going concern. All matters that we are aware of and believe are material and relevant to the Company's ability to continue as a going concern, and management's plans to address such matters are disclosed in the notes to the financial statements or otherwise have been disclosed directly to you for consideration. Nevertheless, we understand that, based on your professional judgment, you believe you are required to and, therefore, you intend to, express in your report substantial doubt as to our ability to continue as a

Travel and entertainment expenses. Management is familiar with the relevant Internal Ravenue Regulations that comprise the documentation standards for travel and entertainment deductions and acknowledges management's responsibility to maintain, and maintains, appropriate and necessary records

Subsequent events. There have been no significant events subsequent to the balance sheet date that in our judgment, would materially affect and, therefore, require adjustment to, or disclosure in, the Company's financial statements.

Very truly yours,

Wichita Greyhound Charities, Inc.

Ken Brasted, Chairman of the Board of Directors

# Kansas Racing and Gaming Commission

## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Annual Audited Financial Statements of Wichita Greyhound

Park, Inc. and Subsidiary for 2007.

**PRESENTER**: Charles LaBoy, Director of Audit and Electronic Security

**ISSUE SUMMARY:** Wichita Greyhound Park have submitted copies of their 2007 audited financial statements to the Commission for review and approval. Staff review is complete and a report is included in the agenda material.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval of the audit report.

**STAFF RECOMMENDATIONS:** Staff recommends approval.

# Kansas Racing and Gaming Commission

# Memo

To: Charles LaBoy, Director of Audit & Electronic Security

From: David J. Schultz, Chief Audit Officer

CC:

Date: 4/29/2008

Re: Wichita Greyhound Park, Inc. and Subsidiary – 2007 Audit

I have reviewed the audited financial statements of Wichita Greyhound Park, Inc. and Subsidiary for the year ended December 31, 2007.

Piercy Bowler Taylor & Kern ("PBTK") has issued an unqualified opinion on the financial statements of Wichita Greyhound Park, Inc. (WGP) and Subsidiary for the year ended December 31, 2007. An unqualified independent auditors report means that all required statements are included in the report, auditing standards were followed during the engagement, sufficient evidence has been accumulated and the financial statements are presented in accordance with generally accepted accounting principles. The audit report noted that there is a substantial doubt as to WGP's ability to continue as a going concern.

<u>Property and Equipment:</u> Property and equipment increased in 2007 by approximately \$7,040,000, with most of the increase attributable to the Construction in Progress at Camptown racetrack. The footnotes to the financial statements disclose the suspension of construction pending a mutually satisfactory agreement for the operation of gaming devices.

<u>Goodwill:</u> Generally accepted accounting principles require management to annually analyze the value of goodwill as recorded in the Company's financial statements and recognize any impairment to this intangible asset. Management wrote the entire balance off in 2007 after determining that the asset was essentially worthless. This write off of \$4,451,657 contributed to the \$6,600,000 loss shown on the income statement this year.

<u>Current portion of long term debt:</u> A bank note payable of approximately \$6,800,000 is shown in the 2007 financial statements as current. Unless this note can be renegotiated, the entire balance will be due and payable in 2008.

<u>Guarantor</u>: The footnotes to the financial statements disclose that WGP is contingently liable for an additional amount approximating \$10,000,000, as a guarantor of loans made to certain other affiliated companies by lending institutions.

<u>Accounts payable:</u> Accounts payable have increased approximately \$1,868,000 over the amount shown in 2006, and the increase is attributable to construction payables related to the Camptown racetrack work.

<u>Long term debt:</u> All of the long term debt of \$19,812,542 is due to the stockholder, is not collateralized and has no definite due date. The controller of the Company has represented to us that no payments will be demanded on this payable in 2008.

Required Communications to the Board of Directors: Independent auditing firms are required to communicate certain matters to the Board of Directors in connection with the examination of the entity's financial statements. I have reviewed these communications and management's response, and there is nothing of any significance in these two documents to report to you.

# PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2007 AND 2006

## CONTENTS

	Page
Independent auditors' report	1
Consolidated financial statements	
Balance sheets	2
Statements of operations and deficit	3
Statements of cash flows	4
Notes to consolidated financial statements	5 - 8
Supplemental consolidating schedules:	
Balance sheets	9 - 10
Statements of operations and retained earnings (deficit)	11 - 12

## PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

## INDEPENDENT AUDITORS' REPORT

Board of Directors Wichita Greyhound Park, Inc. and Subsidiary Valley Center, Kansas

We have audited the accompanying consolidated balance sheets of Wichita Greyhound Park, Inc. and Subsidiary (the Company) as of December 31, 2007 and 2006, and the related statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2007 and 2006, and the consolidated results of its activities and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 7e, the Company has suspended operations indefinitely effective October 6, 2007. This matters raises substantial doubt as to the Company's ability to continue as a going concern. Management's plans regarding these matters are also discussed in Note 7e. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Our audits were conducted for the purpose of forming an opinion of the basic 2007 and 2006 financial statements taken as a whole. The accompanying supplemental consolidating schedules are presented for the purposes of additional analysis, are not a required part of the basic financial statements and, in our opinion, are fairly stated in all material respects to the basic financial statements taken as a whole.

Rung Bowler Taylor & Lon April 2, 2008

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2007 AND 2006

		en e	
	20	<u>)7</u>	2006
ASSETS			
Current assets	e 1	23,006 \$	71,665
Cash	\$ 1	4,746	78,409
Accounts receivable		21,516	70,402
Due from Wichita Greyhound Charities, Inc. Inventories		2,501	33,874
Prepaid expenses	1	03,638	17,369
Prepard expenses			
	2	55,407	201,317
Property and equipment, net of accumulated depreciation and amortization	11,9	29,826	4,889,597
Other assets			
Goodwill			4,451,657
Deposits		2,000	895
2	\$ <u>12,1</u>	87 233	9,543,466
	Ψ. <del></del>	<u> </u>	
LIABILITIES AND STOCKHOLDER'S EQUITY DEFICIENCY			
Current liabilities	**		•
Current portion of long-term debt	\$ 6,7	99,984	
Accounts payable	2,4	141,951	575,414
Accrued expenses	2	88,716	370,248
Due to Wichita Greyhound Charities, Inc	***************************************		131,999
	9,5	30,651	1,502,665
Long-term debt, net of current portion	19,8	312,542	18,557,716
	29,3	343,193	20,060,381
Stockholder*s equity deficiency		,	
Common stock, \$1 par, 500,000 shares authorized, 250,000 shares issued and			
outstanding	2	250,000	250,000
Deficit	_(17,4	<u>105,960</u> )	(10,766,915)
	(17,	<u>(55,960</u> )	(10,516,915)
	\$ <u>12,</u> 1	187,233	\$ <u>9,543,466</u>
	· <del></del>		

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT YEARS ENDED DECEMBER 31, 2007 and 2006

	2007 20	006
Sales	\$ 548,211 \$	748,538
Food and beverage	,	137,343
Programs	58,323	67,228
Other		953,109
	701,502	<u>777,107</u>
Cost of sales	es C 000	CC0 770
Food and beverage	•	660,338
Programs	,	135,464
Other	9,252	12,451
		808,253
Gross profit	71,123	144,856
Parimutuel management fees/rent	2,578,310 3,	491,797
Other fees		49,787
	<b>2,649,433</b> 3.	686,440
Operating costs and expenses		
Cost and expense reimbursements	599,689	763,073
Other parimutuel costs and expenses	1,429,257	,753,137
Land rent	80,500	80,500
Other selling, general and administrative		,825,771
Goodwill impairment	4,451,657	
Depreciation and amortization	235,363	231,057
Doptools and and and	8,822,587 4	<u>,653,538</u>
Loss from operations		(967,098)
Other income (expense)	(466,369)	(499,453)
Interest expense	478	807
Other, net		
Net loss	\$ <u>(6,639,045</u> ) \$ <u>(1</u>	<u>,465,744</u> )
Deficit, beginning of year	\$ (10,766,915) \$ (9	,301,171)
Net loss	(6,639,045)	,465,744)
Deficit, end of year	\$ <u>(17,405,960</u> ) \$ <u>(1(</u>	),766,915)
morrord and as I am		•

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY CONSOLIDATED STATEMENTS OF CASH INFORMS YEARS ENDED DECEMBER 31, 2007 and 2006

	2007	2006
	2007	
Operating activities  Net cash used in operating activities	ş:: <u>(302:873</u> )	\$ <u>(1,221,561</u> )
Investing activities	(7,288,092)	(133,568)
Purchase of property and equipment  Proceeds from sale of property and equipment	12,500	(1027560)
Net cash used in investing activities	<u>(7.275,592)</u>	(133,568)
Financing activities Proceeds from borrowings	8,090,227	1,788,057
Repayment of borrowings	(460,421) 7,629,806	(416,590) 1,371,467
Net cash provided by financing activities  Net decrease in cash	51,341	16,338
Cash, beginning of year	<u>71,665</u>	55,327
Cash, end of year	\$123,006	\$ <u>71,665</u>

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2007 AND 2006

# 1. Nature of operations and background information:

Business activities. Wichita Greyhound Park, Inc. (WGP), a wholly-owned subsidiary of Ruffin Holdings, Inc. (RHI), is licensed by the State of Kansas Racing and Gaming Commission (KRGC) to operate racetrack facilities with parimutuel wagering. WGP and its wholly-owned subsidiary, WGP Concessions, Inc. (collectively, the Company) currently occupies two racetrack facilities in the State of Kansas: Camptown Greyhound Park (Camptown), owned fee simple and currently idle; and Wichita Greyhound Park (Park), through a long-term real estate lease (Note 7a), which suspended operations indefinitely on October 6, 2007. The Company is also licensed by KRGC to operate food and beverage activities at Park.

In 2007 subsequent to approval by the Kansas legislature and requisite others, the Company began renovations at Camptown to re-open the racetrack facility with gaming devices. However, the Company and the respective regulatory bodies have been unable to reach a mutually satisfactory agreement for the operation of gaming devices. Accordingly, the Company suspended renovations indefinitely in January 2008 pending a mutually satisfactory agreement for the operation of gaming devices.

At this time, there are no plans to resume racing operations at Park without legislative and voter approval of reopening the facility with the addition of gaming devices

WGP management agreements. WGP has a management agreement with Wichita Greyhound Charities, Inc, a Kansas not-for-profit corporation (Charities). By virtue of the management agreement, Charities is a related party. It is also licensed by the KRGC to conduct greyhound and horse races at Park with parimutuel wagering permitted, including the operation and conduct of simulcast racing. The fees from Charities are, in substance, a combination of both management fees and contingent rent for use of the facility, but they cannot be separated

Under terms of the management agreement, WGP reimbursed Charities for salaries and related expenses of the race and mutuel operations plus \$100,000 per year (pro rated for periods of operation) for administrative expenses and wages to employ an executive director and staff, and up to a maximum of \$10,000 annually for the cost of any annual audit WGP also provides accounting services for Charities at no charge

The management agreement continues concurrently with the terms of the respective licenses granted by the KRGC to WGP and Charities, both have agreed to seek renewals of their respective licenses. However, under certain circumstances, the management agreement may be terminated by either party with a 30- or 45- day notice depending on the circumstance.

WGP has also entered into a management agreement with The Racing Association of Kansas Southeast, a Kansas not-for-profit corporation (TSE), an organization licensee formerly licensed by the State of Kansas to conduct greyhound and horse races on which parimutuel wagering is permitted at Camptown as a greyhound race track, including the operation and conduct and of simulcast racing. The terms of the agreement are similar to the Charities agreement described above, but will not be effective until the Company and TSE are fully licensed and begin operations at the renovated Camptown facility.

Concentrations. Because the Company currently operates exclusively in Kansas, its future operations could be affected by adverse economic conditions in the area and nationwide in areas where the inbound simulcast tracks are located

The Company manages its concentrations of credit risk by evaluating the credit worthiness of customers and other racing tracks form which simulcast taces are broadcast before entering into simulcast agreements and extending credit, and monitoring it thereafter. The maximum losses that the Company would incur if a customer or track failed to pay amounts would be limited to the carrying value after any allowances provided.

The United States is involved in a war on terrorism that is likely to continue to have far-reaching effects on economic activity in the country for an indeterminate period. The long-term impact on the regional and national economies and the Company's operations cannot be predicted at this time but may be substantial.

## 2. Summary of significant accounting policies:

Basis of presentation. The consolidated financial statements include the accounts of the Company. All significant intercompany accounts and transactions have been eliminated in the consolidation

Use of estimates. Timely preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts, which estimates may require revision in future periods

Accounts receivable. Accounts receivable are carried, net of an appropriate allowance, if any, at their estimated collectible value. Since credit is generally extended on a short-term basis, accounts receivable do not bear interest,

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued) YEARS ENDED DECEMBER 31, 2007 AND 2006

although interest may be applied to accounts more than 90 days past due. Accounts are periodically evaluated for collectibility, and an allowance for doubtful accounts is provided based primarily on the customer or other tracks' past credit history and current financial condition, its relationship with the customer or other track, the relative strength of the Company's legal position, the related cost of any proceedings, and general economic conditions Accounts for which not payments have been received for 90 days are considered delinquent, and customary collection efforts are initiated. Accounts for which no payments have been received for 24 months are written-off.

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Inventory. Inventory, consisting principally of food and beverage, is valued at the lower of cost, determined using the first-in, first out, or market

Property and equipment. Property and equipment (Note 3) is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which for leasehold improvements is limited to the term of the lease, including renewal option periods so long as management intends to exercise them

In accordance with Statement of Financial Accounting Standards No. 144, Accounting for the Impairment or Disposal of Long-lived Assets, depreciation at the currently idle facilities continues even though operations have temporarily ceased.

Goodwill. Goodwill consists primarily of the excess of the purchase price over fair value of net assets acquired in connection with the acquisition of Park. Goodwill is not amortized for financial reporting but is evaluated annually for possible impairment

In 2007 and subsequent to suspending operations at Park, management evaluated the goodwill related to Park and concluded that the Park goodwill was impaired Accordingly, the total balance of Park goodwill or \$4,451,657 was charged to operations.

Sales and similar revenue-based taxes. Sales and similar revenue-based taxes collected from customers are excluded from revenue but rather are recorded as a liability payable to the appropriate taxing authority and included in accrued expenses.

Advertising. Advertising, \$4,302 and \$63,472 in 2007 and 2006, is expensed as incurred and is included in other selling, general and administrative expenses

Legal defense costs. The Company does not accrue for estimated future legal and related defense costs, if any, to be incurred in connection with outstanding or threatened

litigation and other disputed matters but rather records such as period costs when the related services are rendered

Income taxes. WGP and its subsidiary, with the consent of RHI, have elected under the Internal Revenue Code to be taxed as qualified subchapter "S" subsidiaries of RHI Accordingly, no provision or liability for federal income tax or benefit has been included in the accompanying financial statements

Financial Accounting Standards Board Interpretation (FIN) 48, Accounting for Uncertainty in Income Taxes, will be effective for the Company in 2008 The Company has not yet determined the effect on the financial statements, if any, of adopting FIN 48 in 2008

# 3. Property and equipment, less accumulated depreciation and amortization:

As of the balance sheet dates presented, property and equipment consists of the following:

	v	2007.	 2006
Land	\$	452,750	\$ 452,750
Land improvements and buildings		2,148,338	2 160,838
Leasehold improvements to land and buildings		3,032,107	2,998,835
Machinery and equipment		1,966,887	1,953,495
Furniture and fixtures		179,724	177,142
Computers and software		214,225	213,562
Construction in progress		7,229,032	 
		15,223,063	7.956,622
Less accumulated depreciation and amortization		(3,293,237)	 (3,067,026)
•	<b>S</b> _	11,929,826	\$ 4,889,596

## 4. Due (to) from Wichita Greyhound Charities, Inc.:

Amounts due (to) from Charities, as of the balance sheet dates presented, are summarized as follows:

	-,,	2007	 2006.
Balance, beginning of year	\$	(131,999)	\$ (226,543)
Management fees/rent		2,578,310	3,491.796
Racing and mutuel payroll and related		505,022	647,488
General and administrative		15,657	15,585
Reimbursed costs and expenses		(599,689)	(763,073)
Cash payments received		(2,345,785)	 (3,297,252)
Balance, end of year	\$	21,516	\$ (131,999)

## WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued) YEARS ENDED DECEMBER 31, 2007 AND 2006

## 5. Long-term debt, net of current portion:

Long-term debt consists of the following:

		2007	 2006
Bank note payable at LIBOR (5 33% at December 31, 2006) plus 1 35% collateralized by Park property and equipment, payable in monthly installments aggregating to \$425,004 annually, plus interest, through 2008	\$	6,799,984	\$ 7,260,405
Due to stockholder (Note 6)	****	19,812,542 26,612,526	 11,722,315 18,982,720
Less current portion	\$	(6,799,984) 19,812,542	\$ (425,004) 18,557,716

The bank note payable is associated with a credit agreement entered into between the bank and the sole stockholder of RHI under which the sole stockholder and two other commonly-owned companies not included in these financial statements have borrowings outstanding, all of which are guaranteed by each other. As a result, as of December 31, 2007, the Company is contingently liable as guarantor for the obligations of others approximating \$10,000,000

The Company also has a \$500,000 letter of credit issued by a bank for the benefit of the KRGC, which is unused and fully available as of the latest balance sheet date presented.

As of the latest balance sheet date presented, maturities of long-term debt are as follows:

2008	\$ 6,799,984
2009	19,812,542
	\$ 26,612,526

### 6. Due to stockholder:

Due to stockholder consists of the balance of non-interest bearing amounts advanced to the Company without collateral and without definite due date The stockholder has agreed, however, not to demand repayment during the next 12 months. Changes in this obligation for the operating periods presented are as follows:

		. 2007	*****	2006
Balance, beginning of year	\$	11,722,315	\$	9,961,261
Proceeds from new advances		8,090,227		1.788,057
Cash repayments	_		****	(27,003)
	S	19,812,542	\$	11,722,315

## 7. Commitments and contingencies:

a. Lease commitments. The Company has operating lease commitments with Sedgwick County, Kansas, for the land on which the Park racing facility is situated. The land lease's initial term ended September 2004, with seven automatic renewal options of five years, under the first of which it has been automatically renewed through September 2009. In addition, the Company has various long-term non-cancelable operating lease commitments for equipment and services that include both minimum and contingent rentals. Future minimum lease payments for operating leases with remaining terms in excess of one year is as follows:

2008	\$ 80 500
2009	60.375

Rent expense for all operating leases was approximately \$637,647 and \$776,796 during the operating periods presented, of which \$504,953 and \$633,392 were contingent rents

- b. Construction commitment. As of December 31, 2007, the Company has an outstanding construction commitment of approximately \$18.3 million in conjunction with renovations at Camptown As previously discussed, renovations have been suspended
- c. Miscellaneous legal matters. The Company is involved in various claims and legal actions that relate to routine matters incidental to its business. In the opinion of management, the ultimate disposition of these matters and minimum costs, if any, to be incurred, cannot be estimated; however, management believes they will not have a material adverse effect on the Company's future financial position, operations or cash flows. Accordingly, no estimated losses have been provided for in connection with these matters.
- d. Profit-sharing plan. The Company participates in a defined contribution plan qualified under IRS regulations sponsored by another company owned by its stockholder Participation in the plan is available to all eligible Company employees. Contributions to the plan are made annually at the discretion of management For the operating period presented, contributions were not material.
- e. Going concern uncertainty and management's plans. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles that contemplate continuation of the Company as a going concern However, the Company has suspended

7

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued) YEARS ENDED DECEMBER 31, 2007 AND 2006

Park operations indefinitely on October 6, 2007 At this time there are no plans to resume Park racing operations without legislative and voter approval of re-opening the facility with the addition of gaming devices. In addition, renovations at Camptown to re-open that racing facility with the addition of gaming devices have been suspended.

Accordingly, the continued management and operation of the Company as a going concern could be dependent upon the success of management's plans as described below Management plans, for the foreseeable future, to continue to fully support efforts to obtain legislative approval to operate gaming devices at Park and to reach a mutually satisfactory agreement for the operations of gaming devices at Camptown, which has proven to generate additional revenues at similar facilities in locations that allow gaming devices If expanded gaming activity is not approved by the Kansas legislature and requisite others and if a mutually satisfactory agreement for the operation of gaming devices is not reached, management will likely suspend operations at Park and/or Camptown permanently

#### 8. Supplemental cash flow information:

		2007		2006
Reconciliation of net loss to net cash used in operating activities:				
Net loss	\$	(6,639,045)	\$	(1 465,744)
Depreciation and amortization		235,363		231,057
Impairment of goodwill		4,451,657		
Bad debts		6,613		
Increase in operating assets (liabilities)				
Accounts receivable		67,050		(22,813)
Due from Wichita Greyhound Charities, Inc		(21,516)		
Inventories		31,373		(3,548)
Prepaid expenses		(86,269)		47,336
Deposits ·		(1,105)		(179)
Accounts payable		1,866,537		24,659
Accrued expenses		(81,532)		62,215
Due to Wichita Greyhound Charities, Inc	_	(131,999)		(94,544)
Net cash used in operating activities	\$_	(302,873)	\$_	(1,221,561)
Supplemental cash flow information:				
Cash paid for interest	\$_	486,228	\$	495,054

WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY CONSOLIDATING BALANCE SHEETS

**DECEMBER 31, 2007** 

Vel-transfer of the or	Wichita Grevhound Park, Inc.	nd Park, Inc.			
	Wichita Greyhound Park	Camptown Greyhound Park	WGP Concessions.		Consolidated
	Division	Division	Inc.	Elimmations	Totals
ASSETS					
Current assets Cash	\$ 119,794	\$	\$ 3,741	,	\$ 123,006
Accounts receivable  Due from Wichita Greyhound Charities, Inc.  Due from affiliates	21,516	46,336	484,290	\$ (530,626)	21,516
Inventories	856	102,680	1000		103,638
Prepaid expenses	147,014	148,487	490,532	(530,626)	255,407
Property and equipment, net of accumulated deprectation and amortization	2,437,385	9,492,441			11,929,826
	10,325	2,000		(10,325)	2,006
Deposits	1 11	16	.\$ 490,532	\$ (540,951)	\$ 12,187,233
LIABILITIES AND OWNERS' EQUITY DEFICIENCY					
Current liabilities Current portion of Jong-term debt Accounts payable	\$ 6,799,984 49,802 757,379	\$ 2,392,148			\$ 6,799,984 2,441,950 288,717
Accrued expenses Due to affiliates	485,023	45,603		\$ (530,626)	9,530,651
Long-term debt, net of current portion	9,642,032	10,170,510		(530,626)	19,812,542
Stockholder's equity (deficiency)	250,000		1,000	(000)()	250,000
Common stock Additional paid-in capital	(14 884 496)	(3.001,671)	9,325		(17,405,960)
Deficit	(14,634,496)	(3,001,671)	490,532	(10,325)	(17,155,960)

9

12,187,233

(540,951) \$

490,532 \$

9,642,928 \$.

2,594,724 \$

WICHTTA GREYHOUND PARK, INC. AND SUBSIDIARY CONSOLIDATING BALANCE SHEETS **DECEMBER 31, 2006** 

		Wichita Greyhound Park, Inc. Wichita Camptow Greyhound Greyhoun	Camptown Grevitound	WGP.		
	5 -	Park Division	Park Division	Concessions,	Eliminations	Consolidated Totals
ASSETS						
Current assets	₩	78,885 \$	(16,667)	\$ 9,447		\$ 71,665 78,409
Accounts receivable  Due from Wichita Greynound Charities, Inc.  Due from affiliates			28,937	24,699 512,677 33,874	\$ (24,699) (541,614)	33,874
Prepaid expenses		6,918	12,270	595,785	(566,313)	201,317
Property and equipment, net of accumulated depreciation and amortization		2,539,841	2,349,756			4,889,597
Other assets Goodwill		4,451,657		895	(10,325)	4,451,657
Deposits	643	7,161,398 \$	2,362,026	\$ 596,680	\$ (576,638)	\$ 9,543,466
LIABELITIES AND OWNERS' EQUITY DEFICIENCY						
Current liabilities Current portion of long-term debt	64			\$ 40.055		\$ 425,004
Accounts payable Acctued expenses		311,808		3	\$ (24,699)	370,248 131,999
Due to affiliates		1,923,040	45,603	72,567	(\$16,985)	1,502,665
		13 596 044	4.961.672			18,557,716
Long-term debt, net of current portion	***************************************	15,519,084	5,035,043	72,567	(566,313)	20,060,381
Stockholder's equity (deficiency)		250,000		000'1	(1,000)	250,000
Continuo social Additional paid-in capital		(8-617 686)	(2,673,017)	Ϋ́		(10,766,915)
Deficit		(8,357,686)	(2,673,017)		(10,325)	(10,516,915)
10	,		\$ 7.362.026	\$ 596,680	\$ (576,638)	\$ 9,543,466

CONSOLIDATING STATEMENTS OF OPERATIONS AND RETAINED EARNINGS (DEFICIT) WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY YEAR ENDED DECEMBER 31, 2007

	×	Wichita Greyhound Park, Inc.	d Park, Inc.				
	W	Wichita Grevhound	. Camptown Greyhound		WGP		•
	* <b>-</b>	Park	Park		Concessions,	ටී	Consolidated
	۵	Division	Division	***************************************	Inc.		Totals
Sales Food and beverage Programs Other	**	43,891.		₩	548,211 101,268 14,432 663,911	69	548,211 101,268 58,323 707,802
Cost of sales Foot and beverage Programs Other	MARIAN AND PROPERTY OF A SPECIAL PROPERTY OF	-			516,930 110,497 9,252 636,679	2 2 2	516,930 110,497 9,252 636,679
Gross profit		43,891			27,232	r.	71,123
Parimutuel management fees/rent		2,578,310			27,232	2	2,578,310
Other operating costs and expenses Cost and expense reimbursements Other parimutuel costs and expenses Land rent Other selling, general and administrative Goodwill impairment Depreciation and amortization		599,689 1,429,257 80,500 1,708,976 4,451,657 161,516 8,431,595		256,411 73,847 330,258	60,734	4 4	599,689 1,429,257 80,500 2,026,121 4,451,657 235,363 8,822,587
Income (loss) from operations		(5,809,394)	(33	(330,258)	(33,502)	2)	(6,173,154)
Other income (expense) Interest expense Other, net		(466.290)		1,604	0	(6L)	(466,369)
Net income (loss)		(6,276,810)	(32	(328,654)	(33,581)	(T	(6,639,045)
Retained earnings (deficit), beginning of year		(8,607,686)	(2,67	(2,673,017)	513,788	80	(10,766,915)
Retained earnings (deficit), end of year	<b>S</b>	(14,884,496) \$	www	(3,001,671) \$	480,207	\$ 2	(17,405,960)

CONSOLIDATING STATEMENTS OF OPERATIONS AND RETAINED EARNINGS (DEFICIT) WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY YEAR ENDED DECEMBER 31, 2006

		Wichita Greyhound Park, Inc.	Park, Inc.		
	3	Wichita Greybound	Camptown Greyhound	WGP	
	•	Park	Park	Concessions,	Consolidated
		Division	Division	Inc.	Lotais
Sales					
Fock and develope Programs				137,343	137,343
Other	<b>€</b> ⁄3	45,591		21,637	67,228
		45,591		907,518	953,109
Cost of sales					
Food and deverage				125 464	925 759
Chograms				123,464	12,451
		*		808,253	808,253
Gross profit		45,591		99,265	144,856
Parimutuel management fees/rent Other fees		3,491,797			3,491,797
		3,587,175		99,265	3,686,440
Other operating costs and expenses Cost and expense reimbursements Other nariminal costs and expenses		763,073	320		763,073
Land rent					80,500
Other selling, general and administrative Depreciation and amortization		1,701,424	66,059 74,062	58,288	1,825,771
		4,454,809	140,441	- 58,288	4,653,538
Income (loss) from operations		(867,634)	(140,441)	40,977	(860,198)
Other income (expense) Interest expense Other, net	and the second s	(499,453)	Anthonorman American	(22)	(499,453)
Net income (loss)		(1,366,258)	(140,441)	40,955	(1,465,744)
Retained earnings (deficit), beginning of year		(7,241,428)	(2,532,576)	472,833	(9,301,171)
Refained earnings (deficit), end of year	cs.	(8,607,686) \$	(2,673,017)	\$ 513,788	\$ (10,766,915)

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# PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

# WICHITA GREYHOUND PARK, INC. AND SUBSIDIARY

REQUIRED
COMMUNICATIONS
TO THE
BOARD OF DIRECTORS

**DECEMBER 31, 2007** 

6100 ELTON AVENUE, STE 1000. LAS VEGAS, NEVADA 89107-0123 702-384-1120 fax 702-870-2474 pbtk.com

# CONTENTS

	PAGE
Transmittal letter	1
Significant audit adjustments	2
Difficulties encountered in performing the audit	2
Matters involving internal control	. 2
Other governance matters	3

# PIERCY BOWLER TAYLOR & KERN

Certified Public Accountants • Business Advisors

CONFIDENTIAL

Board of Directors of Wichita Greyhound Park, Inc and Subsidiary Valley Center, Kansas

RE: Required Communications

Ladies and gentlemen:

As part of our engagement to audit the financial statements of Wichita Greyhound Park, Inc. and Subsidiary (the Company) as of and for the year ended December 31, 2007, we are required under applicable auditing standards to communicate certain matters to the Audit Committee or others charged with governance responsibilities for the purpose of assisting them in meeting their responsibilities with regard to the financial reporting process. This report contains those required communications

The matters reported herein were considered in forming our opinion on the Company's financial statements contained in our report dated April 2, 2008, and these matters do not change that report

This communication is intended solely for the confidential information and use of the Board of Directors of the Company, others charged with governance, senior management and the Kansas Racing and Gaming Commission It is not intended to be and should not be used by anyone other than these specified parties.

Herr Bowler Taylor i Kenn April 2, 2008

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Wichita Greyhound Park, Inc. and Subsidiary Required communications Page 2

# SIGNIFICANT AUDIT ADJUSTMENTS

Our audit resulted in no significant adjustments to the financial statements

Management cooperated fully, and no significant difficulties were encountered in completing our audit.

Condition of accounting records and client assistance. Due to staff reductions, the accounting department was not adequately prepared with the requested documents during the course of fieldwork. As a result, the audit procedures were delayed, as well as the preparation of the financial statements

# MATTERS INVOLVING INTERNAL CONTROL

In planning and performing our audit of the financial statements of Wichita Greyhound Park, Inc. and Subsidiary (the Company) as of and for the year ended December 31, 2007, in accordance with auditing standards generally accepted in the United States, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

#### Definitions

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

### **Findings**

We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above

Wichita Greyhound Park, Inc and Subsidiary Required communications Page 3

## OTHER GOVERNANCE MATTERS

Auditors' responsibility under generally accepted auditing standards. As stated in the first paragraph of our report on the Company's financial statements, our responsibility as independent auditors, under generally accepted auditing standards, is to express an opinion, based on our audit, on the financial statements, which are the responsibility of its management. Our responsibilities, as contrasted with management's, are spelled out more fully in our letter of engagement dated January 3, 2008.

Despite any assistance we may have provided to management in its preparation, our responsibility for information accompanying the financial statements (for example, the "Management's Discussion and Analysis" and other statements included in the Company's annual reports to the SEC and its shareholders) is limited to (a) reading such information to ascertain that it is materially consistent with information presented in the Company's audited financial statements (b) considering whether any statements contained therein may appear to be materially misstated, and (c) assuring the satisfactory resolution of our concerns, if any In this instance, we performed the required procedures, and any changes requested by us in this process were satisfactorily made and all questions raised satisfactory resolved

In considering the matters reported herein, you should be cognizant of your responsibility for oversight of the financial reporting process and management's responsibilities for establishing and maintaining an effective internal control subject to regulatory and ownership approval, and for the financial statements.

Significant accounting policies and management judgments and estimates. The significant accounting policies employed by the Company are disclosed in the notes to the financial statements and are essentially as prescribed, recommended or permitted under applicable authoritative literature for, or commonly used by, enterprises in your industry. The Company's accounting policies have been consistently applied and are not controversial

Representations sought from management. Appended to this communication is a copy of the letter of representation executed by management with regard to our audit services



April 2, 2008

Piercy Bowler Taylor & Kern, Certified Public Accountants 6100 Elton Avenue, Suite 1000 Las Vegas, NV 89107

### To the Firm:

In connection with your audit of the consolidated financial statements of Wichita Greyhound Park Inc. and Subsidiary (the Company), and related supplemental information presented, as of and for the years ended December 31, 2007 and 2006, a management-approved draft of which is appended to this letter, we represent that we have responded fully and truthfully to all inquiries previously made to us by you, acknowledge our responsibilities, and confirm to the best of our knowledge and belief, all other representations we previously made (or should have made) to you, including but not limited to following

We understand that your audit was made for the purpose of enabling you to express an opinion as to whether the consolidated financial statements are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and whether accompanying supplemental information is presented fairly, in all material respects, in relation to the basic financial statements taken as a whole,

We agree to hold you harmless and indemnify you for any costs incurred as a result of your reliance on any false representations made to you by management personnel in connection with your audit.

Materiality threshold for this letter. Certain representations in this letter are described as referring or being limited to matters that are "material" to, or that could have a "material effect" on, the Company's consolidated financial statements or related disclosures. We understand that items are considered material, regardless of size, if they involve an omission or misstatement of information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. However, materiality considerations do not apply to those representations contained herein that are not directly related to amounts included in the financial statements. Otherwise, we understand that you consider material, for purposes of these representations, any matters having a possible effect, individually, or in the aggregate, on the Company's consolidated financial statements or related disclosures of \$20,000 or more.

Internal control matters. We acknowledge management's responsibility for establishing and maintaining effective internal control over financial reporting that provides reasonable assurance that the Company's consolidated financial statements are fairly presented, in conformity with generally accepted accounting principles, that its resources are adequately safeguarded, that it is in compliance with all applicable laws, regulations and contractual requirements, and of the detection and prevention of fraudulent and other illegal acts. We further acknowledge our responsibility for assessing the expected benefits and the related costs of any recommended or alternative control procedures, and we represent that we have appropriately considered how each proposed audit adjustment (whether or not made) may have resulted, in whole or in part, from deficiencies in the design and operation of related internal controls.

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We understand that a control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of internal control would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We represent that we have advised you of all known significant deficiencies, including material weaknesses, in the design or operation of our internal controls over financial reporting, which, in our judgment, could adversely affect the Company's ability to record, process, summarize, and report financial data and related disclosures, including those required by regulatory authorities to be contained outside the financial statements in any disclosure documents in which such financial statements are included. There have been no significant changes in the Company's business activities, accounting practices or internal controls that might affect its financial statements or any accompanying disclosures except as set forth therein.

Fraudulent or other illegal acts. We hereby acknowledge management's responsibility for the design and implementation of programs and controls to prevent and detect fraud, including both fraudulent financial reporting and misappropriation of assets (possibly leading to financial statement misstatements). We are unaware of any fraud that is either material, probably material or that, although not material, involves senior management or management or other employees who have a significant role in the Company's internal control over financial reporting. There has been no communication from or actions by law enforcement or regulatory agencies concerning possible, alleged or suspected fraud, deficiencies in financial reporting practices or other noncompliance with laws, regulations or contractual requirements or any other illegal acts that we believe should be considered for disclosure or for recording a loss contingency.

Fair presentation in the financial statements. We acknowledge our responsibility for fair presentation, including adequate disclosure, in the Company's consolidated financial statements and represent our belief that such financial statements are fairly presented, in conformity with generally accepted accounting principles.

Availability of financial records, minutes of meetings, etc. We have made available to you all financial records and related data that you requested, including but not limited to, minutes (or accurate and complete summaries) and related resolutions of meetings of the Company's stockholders, board of directors and of committees thereof selected by you through the date of this letter. We believe that such minutes include and fairly describe all decisions made and actions taken by the respective bodies that bear significantly on the Company's consolidated financial statements and related disclosures.

Accounting estimates. We have identified all accounting estimates that materially affect the Company's consolidated financial statements including, specifically, those that are susceptible to material revision as a result of an event or change in conditions that is reasonably possible of occurrence during the one year after the balance sheet date. We have informed you of the key factors and significant assumptions that we believe underlie those estimates. We acknowledge our responsibility for all recorded accounting estimates, including all asset valuation allowances, and believe they represent management's

estimates based on adequate consideration of all reasonably available facts, including our knowledge and experience about past and current events and circumstances, and our expected courses of action and, therefore, they are reasonable in the circumstances.

Unrecorded transactions and adjustments. We are unaware of any material transactions that have not been recorded in the Company's financial records underlying the financial statements and made available to you. We have evaluated and have recorded (or will record) in the books of account all financial statement misstatements identified by us, or identified by you and discussed with us during the course of your audit.

Related party and other significant, unusual transactions and balances. Except as disclosed in the financial statements or directly to you, there are no material related party transactions (including sales or purchases of goods or services, loans, transfers, leasing arrangements and guarantees) and related amounts receivable or payable. We believe all related party and other significant transactions outside the normal course of business entered into by the Company have a valid business purpose and rationale, as explained to you, consistent with the best interests of the Company.

Concentrations. Except as disclosed in the financial statements or directly to you, there are no concentrations of credit or other business risks (customers, suppliers, lenders, products, services, sources of labor or materials, franchise or other licenses or rights, operating areas, markets, etc.) that make the Company vulnerable to a severe impact within one year from the balance sheet date.

Receivables. All material receivables recorded in the Company's consolidated financial statements represent valid claims against debtors arising as a result of sales, loans or advances or other transactions occurring on or before the balance sheet date and have been reduced to their estimated net realizable value by appropriate valuation allowances.

Financial instruments. Management has used the methods and assumptions disclosed in the financial statements, and taken all reasonable, appropriate and practical steps in the circumstances, to ascertain the appropriate accounting for and objectively estimate the fair value of material financial instruments reflected in the Company's consolidated balance sheet, if any, including instruments that do not have readily determinable market values.

Title, carrying values and classification of assets. There are no management plans or intentions that may materially affect the carrying value or classification of any assets. We have satisfactory title to such assets and believe that all recorded carrying costs are recoverable, net of any impairment write-downs and other recorded valuation allowances and provisions, which we believe are adequate, and we are unaware of any other value impairment indications, including those relating to long-lived assets, liens, encumbrances or other title impairments at the balance sheet date.

Commitments, contingencies and accruable liabilities. Except as disclosed in the financial statements or directly to you, there are no matters of pending or threatened litigation, asserted or unasserted claims or assessments that our lawyers have advised are probable of assertion (or that we are otherwise aware of), environmental remediation obligations, or other gain or loss contingencies that require recognition or disclosure in accordance with applicable accounting standards, guarantees (written or oral) or "in-substance" guarantees (including, for example, general partnership interests) of the obligations of other entities or individuals, warrantees or rights of return, arrangements with financial institutions involving compensating balances or other restrictions on cash balances, lines-of-credit or similar arrangements, unconditional promises to transfer each or other assets, or material conditional promises that would require accrual or disclosure under applicable accounting standards, potential losses from unfavorable sales commitments, other commitments including for the issuance of capital stock or

partnership or other equity units, asset repurchase agreements, capital stock reserved for options, warrants, conversions or similar rights, or unrecorded liabilities, that could have a material effect on the Company's consolidated financial statements.

Going concern. All matters that we are aware of and believe are material and relevant to the Company's ability to continue as a going concern, and management's plans to address such matters are disclosed in the notes to the financial statements or otherwise have been disclosed directly to you for consideration. Nevertheless, we understand that, based on your professional judgment, you believe you are required to and, therefore, you intend to, express in your report substantial doubt as to our ability to continue as a going concern.

Travel and entertainment expenses. Management is familiar with the relevant Internal Revenue Regulations that comprise the documentation standards for travel and entertainment deductions and acknowledges management's responsibility to maintain, and maintains, appropriate and necessary records to support income tax deductions for these expenses.

Subsequent events. There have been no significant events subsequent to the balance sheet date that, in our judgment, would materially affect and, therefore, require adjustment to, or disclosure in, the Company's consolidated financial statements.

Very truly yours,

Wichita Greyhound Park, Inc.

Phillip Ruffin L., Director of Operations

Michelle Ben

Michelle Beneke, Controller

#### **Kansas Racing and Gaming Commission**

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING**: May 9, 2008

AGENDA ITEM: 2008 Race Officials for Eureka Downs

**PRESENTER:** Frances Snell, Director of Racing

KQHRA/GCFA Representative

**ISSUE SUMMARY:** The Kansas Quarter Horse Racing Association (KQHRA)/Greenwood County Fair Association (GCFA) d/b/a Eureka Downs has submitted the following individuals for approval as race officials for the 2008 meet:

<u>Individual</u> <u>Position(s)</u>

Lee Smith General Manager

Rita Osborn Racing Secretary and Horsemen's Bookkeeper

Tara Osborn Back up Horsemen's Bookkeeper

Alton Hoover Back up Racing Secretary

Angie Lowe Mutuel Manager

Tim Mitchell Starter, Identifier, Paddock Judge

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval.

**STAFF RECOMMENDATIONS:** Staff recommends approval. The Director of Racing spoke to Robert Stovall, Chief Steward of the meet, regarding the proposed 2008 race officials.

#### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Waiver of Fingerprint Requirements for 2008 at Eureka

Downs and Anthony Downs race meets.

**PRESENTER**: Lee Smith, General Manager, Eureka Downs

Dan Bird, General Manager, Anthony Downs

Kit Bostrom, Director of Licensing Don Brownlee, Director of Security

**ISSUE SUMMARY:** Eureka Downs and Anthony Downs are requesting a waiver of the fingerprint requirements for employees licensed to work during the 2008 race meet. The current commission fingerprint policy, adopted in November 2007, requires employees licensed to work at Eureka Downs and Anthony Downs to have fingerprints on file with the Commission within the past five years. Most employees, unless recently backgrounded by the Commission, will have to submit fingerprints and pay the \$50.00 processing fee.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review, discussion and possible approval.

**STAFF RECOMMENDATIONS:** Staff recommends the commission waive the fingerprint requirement for employees licensed to work at Eureka Downs and Anthony Downs for the 2008 race meets, provided they are not required to undergo a background investigation.

April 29, 2008

PROCESSED

2000 APR 29 Р 4: 53

REGEIVED Kansas Pachic and Anna commission

Ms. Frances Snell
Director of Racing
Kansas Racing &n Gaming Commission
700 SW Harrison
Suite 420
Topeka, Kansas 66603-3754

Re: Fingerprinting

Dear Ms Snell:

I am writing to request a waiver of the fingerprinting of employees who are non-race officials Many of these individuals accept these positions to earn extra money for school or their families. Some of our employees who commute from Madison, Hamilton, Severy, Fall River, etc., have already expressed concern about the price of fuel and to add \$50.00 fingerprinting for six days of work for only 3-6 hours per day of work will be a hardship many of them won't be able to endure

Due to budget constraints we're not in a position to increase salaries enough to off-set this cost. For someone making \$6.00 per hour, working only four hours per day for six days or 24 hours would only make \$144.00. The \$50.00 fingerprinting fee would amount to more than a third of their wages. Even for those employees making \$9.00 per hour, who work four hours per day for six days, the fee represents nearly one fourth of their \$216.00 before deductions. In addition we also have situations where an employee cannot work every day and someone has to fill in for just a day or two. This would almost prevent us from being able to fill those vacancies. I am very concerned that if this request is not honored that it will have devastating effects beyond what the six day meet has had already in hiring part timers for the summer

We understand that those employees who are in positions that require background checks could not be considered under this request.

I plan to attend your meeting on May 9th if at all possible. Your consideration will be greatly appreciated.

Respectfully submitted,

Lee A. Smith, General Manager

Eureka Downs



KANSAS RACING AND GAMING COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

Subject					Number	Draft #
Fing	erprinting fo	r Lio	censure		4-02	(2007-011)
Adopted	Last Revision			Rescinds		
November 2, 2007				KRCPOL94	100005, KRC	CPOL9400006
				LIC960002,	LIC990002	,
Executive Director Authorization Commission Authorization						
		Signatur	es on file.			
Stephen L. Martino, Executive D	Director Dat	e	Carol H. Sader	. Chairperson, KR	AGC	Date

#### A. Purpose/Background

To ensure a thorough and objective background investigation is conducted of all applications for racing or gaming licenses, licensee applicants shall follow the following procedures when asked to provide completed fingerprint cards or meet fingerprint reciprocity requirements.

#### **B.** Definitions

- 1. Agency: The staff of the Kansas Racing and Gaming Commission.
- 2. Commission: The Kansas Racing and Gaming Commission (KRGC).
- 3. Corporate Applicant: An individual, company or corporation who desires to provide gaming supply or non-gaming supply services at a licensed gaming facility, or an individual, company or corporation seeking to obtain a facility, organization or gaming license for operating or associating with a gaming, pari-mutuel or county fair racing facility in the state of Kansas that is required to obtain a license before performing duties for which a license is required.
- 4. *Individual Applicant:* An individual who desires to work for or at a gaming facility, pari-mutuel racetrack, county fair race meet, or ancillary lottery gaming facility in the state of Kansas who is required to obtain a license before actually working at the facility, meet, racetrack or ancillary facility.
- 5. Reciprocating Jurisdiction: Other state gaming or racing agencies that process fingerprints through the Federal Bureau of Investigation (FBI) for licensure. Current states recognized by the KRGC as meeting this requirement are: California, Colorado, Illinois, Indiana, Iowa, Minnesota, Nebraska, New Mexico, Ohio, Oklahoma, Texas and Wisconsin.

#### C. Policy/Procedure

- 1. Fingerprint Processing Requirements.
  - a. The following individuals shall be required to submit fingerprints to the agency as outlined in this policy:

- i. An individual applicant for Level I, II or III gaming or pari-mutuel occupation license.
- ii. An individual required by the agency to submit to a background investigation as part of the license approval process for a corporate applicant.
- b. An applicant for a gaming occupation license must have provided within the past two years one of the following:
  - i. two blue and white applicant fingerprint cards and the \$50.00 processing fee; or
  - ii. digitally scanned fingerprints for processing and the \$50.00 processing fee.
- c. An individual required to submit to a background investigation as part of the license approval process for a corporate applicant for a gaming supplier, non-gaming supplier or gaming facility license must have provided within the past two years one of the following:
  - i. two blue and white applicant fingerprint cards and the \$50.00 processing fee; or
  - ii. digitally scanned fingerprints for processing and the \$50.00 processing fee.
- d. An individual applicant for a 2008 pari-mutuel license or an individual required to submit to a background investigation as part of the license approval process for a corporate applicant for a pari-mutuel license, except as provided in following subsection, must submit one of the following within the current year or the previous four years:
  - i. two blue and white applicant fingerprint cards and the \$50.00 processing fee; or
  - ii. digitally scanned fingerprints for processing and the \$50.00 processing fee.
- e. An applicant applying for the following 2008 occupational licenses—pari-mutuel owner, kennel owner, trainer or assistant trainer license—must submit one of the following within the current year or previous four calendar years:
  - i. two blue and white applicant fingerprint cards and remit the \$50.00 processing fee;
  - ii. digitally scanned fingerprints for processing and the \$50.00 processing fee; or
  - iii. provide the appropriate forms and documentation to receive reciprocal approval as follows:
    - 1. a completed Kansas Record Release Form;
    - 2. proof of fingerprints having been processed through the FBI by one of the commission approved reciprocating jurisdictions within the current calendar year or within the previous four years; and
    - 3. proof of a current license in the current year or previous two years in the same jurisdiction where fingerprints were processed.

#### 2. Processing Procedure.

a. When fingerprint cards or digitally scanned fingerprints are provided to the agency, the fingerprints are forwarded to the Kansas Bureau of Investigation (KBI) for processing. The KRGC expects that the KBI then will execute a background investigation and provide the fingerprints to the FBI for processing.

b. Where proof of fingerprinting in an approved reciprocating jurisdiction is provided, along with the required supplemental documentation, no further processing is required by the KBI.

#### 3. Submission Requirements.

- a. All fingerprints shall be provided on forms, or in a format, specified by the agency.
- b. All fingerprints shall be classifiable.
  - i. An applicant, whose fingerprints are determined to be unclassifiable, shall be sent a letter requesting them to re-submit fingerprint cards and, if necessary, the processing fee to maintain their current license status.
- c. If an applicant fails to submit the required documents or fee, he or she shall be placed on the KRGC Prohibit List, and a report of alleged violation shall be prepared and forwarded to legal staff.

#### D. Citations/References

K.S.A. 74-8816 Occupation Licenses and K.A.R. 112-4-1 Occupation and Concessionaire Licenses

#### E. Attachments

Kansas Record Release Form

#### F. Action

This policy supersedes all other existing Kansas Racing and Gaming policies on this topic and shall be implemented upon approval by the Commission.

#### KANSAS RECORD RELEASE FORM Office Use Only: **Kansas Racing and Gaming Commission** 700 SW Harrison, Suite 420 Topeka, KS 66603-3754 Phone: (785) 296-5800 \*\*\* Fax: (785) 296-0900 APPLICANT: Complete this form and submit with fingerprint reciprocity documentation required by the Kansas Racing and Gaming Commission (KRGC). Ι, born (print full name) hereby state that I have submitted to the Kansas Racing and Gaming Commission proof of fingerprinting this year or the previous four years and a license this year or the previous two years in: (Check box that corresponds with racing jurisdiction where fingerprinted) CALIFORNIA ☐ COLORADO ILLINOIS □ INDIANA □ IOWA ☐ MINNESOTA ☐ NEBRASKA ☐ NEW MEXICO OHIO OKLAHOMA TEXAS **WISCONSIN** $\Box$ for purposes of fingerprint reciprocity when applying for my Kansas occupation license. The fingerprint reciprocity information is for the purpose of checking any criminal history record which I may have that is maintained by the Federal Bureau of Investigation (FBI) or a state, county, or city criminal investigatory agency. I hereby grant permission to the KRGC Director of Security, or his designee, to request copies of records maintained by the racing jurisdiction indicated above or by any other means deemed necessary by the KRGC. I hereby authorize the release of any information in any agency's file, which pertains to any criminal history records obtained

Signature of Applicant Date

by submission of my fingerprint cards to the FBI or an equivalent criminal investigatory agency, to the KRGC Director of Security. I understand this release form is submitted as

part of my application for an occupation license.

#### ALBRIGHT & GAFFNEY, CHARTERED

A Legal Services Professional Corporation

JOHN M. GAFFNEY RONALD D. ALBRIGHT (1921-2005)

April 29, 2008

123 N. Bluff-P.O. Box 334 ANTHONY, KANSAS 67003 Telephone 620/842-5357 Fax 620/842-3792

via telefacsimile 785.296.0900

Mr. Stephen L. Martino, Executive Director Kansas Racing and Gaming Commission Dwight D. Eisenhower State Office Building 700 SW Harrison, Suite 420 Topeka, Kansas 66603

Re: Exception from Fingerprint Rules

Dear Mr. Martino:

As the lawyer for the Anthony Fair Association, I am requesting a waiver of the fingerprint rules set forth on the Commission's website, under the "Licensing" link. The Association was made aware of the fingerprint rules by an April 16, 2008 letter to Dan Bird from Kit Bostrom, which Mr. Bird received on April 17, 2008.

Specifically, the Association requests a waiver of the fingerprint rules on the Commission's website, which state, in pertinent part, as follows:

> "For all ... county fair licenses, the applicant must submit two fingerprint cards and the fingerprint processing fee (\$50.00) who have: never been licensed by the ... (KRGC); or not submitted fingerprint cards and the fingerprint processing fee for a period of five (5) hears to the KRGC."

The justifications for this request are as follows:

- 1. The actual cost per licensee to comply with this rule is not \$50.00. It is either \$55.00 or \$60.00, because of the \$5.00 or \$10.00 license fee.
- 2. The Association's limited funds are more limited this year because of the reduced simulcasting revenue.
- 3. If the Association covers the \$50.00 cost for each licensee's fingerprinting, the Association estimates that its total

620.842.3792

page 2. . Mr. Martino

costs will be at least \$3,000.00 (60 licensees x \$50.00), and could go as high as \$5,000.00 (100 licensees x \$50.00).

- 4. If the Association requires the licensee to pay the \$50.00 fingerprinting cost, the Association will have a hard time finding personnel to employ. The hourly wage paid by the Association for most such employment would require the licensee to work at least two days before earning enough money to cover the fingerprinting costs.
- 5. The Commission staff knew in November about the new fingerprinting costs, but the Association did not receive notice until April 17, 2008, which made it impossible for the Association to include these costs in its benefit fund distributon application.

Let me know if you have any questions or need any further information.

John M. Gaffney

JMG:mk

pc: Dan Bird, Association President

#### **Kansas Racing and Gaming Commission**

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: Approval of the 2008 fair race dates for Anthony Downs.

**PRESENTER:** Frances Snell, Director of Racing

Anthony Representative

**ISSUE SUMMARY:** The Anthony Fair Association d/b/a/ Anthony Downs requests approval of 2008 fair race dates. The request includes the following six dates for 2008: July 11, 12, 13, 18, 19 and 20.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval of dates.

**STAFF RECOMMENDATIONS:** Staff recommends approval.

#### **Kansas Racing and Gaming Commission**

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING**: May 9, 2008

AGENDA ITEM: 2008 wagering format for Anthony Downs

**PRESENTER:** Charles LaBoy, Director of Audit and Electronic Security

Anthony Representative

**ISSUE SUMMARY:** The Anthony Fair Association d/b/a/ Anthony Downs requests approval of the wagering format for 2008 races.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval.

**STAFF RECOMMENDATIONS:** Staff recommends approval.

uses and duties of each, and accounting procedures, stating any internal audit and supervisory controls;

Applicant has 24 betting windows in the administration building, each with a teller operated wagering terminal connected to the tote system computer.

Applicant requests commission approval of the following betting pools and takeouts: win/place/show, daily double (one early/one late), quiniela, exacta, trifecta and superfecta, with takeouts of 18% for win/place/show and 25% for the other pools.

The teller's duties will be to accept and verify the better's cash wager and pools selected, enter the information in the terminal, and dispense and verify the ticket issued by the terminal.

Periodically during each day of the race meet, each teller's cash receipts are taken to the money room for counting and tallying.

The tote system computer will provide the main accounting and internal audit controls; however, applicant's mutuel manager will maintain manual accounting and audit controls.

Regulatory oversight will be provided by Commission personnel and applicant's money room manager and assistant mutuel manager.

m. Describe the applicant's plan for concessions, including whether the licensee will operate the concessions and, if not, who will, to the extent known;

The concession stand will be operated by applicant. All food and supplies are purchased from local retailers and route salespersons, off the shelf at wholesale prices.

Beverages sell for \$1.00 and \$3.00 (projected).

Food items (candy, gum, chips, nachos, sandwiches) range in price from \$0.50 to \$5.00 (projected).

n. Describe the applicant's plan for training its personnel.

Applicant's personnel are experienced in conducting the race meet. The only instruction that will be necessary will be

#### **Kansas Racing and Gaming Commission**

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: 2008 Surety Bond Amount for Anthony Downs

**PRESENTER:** Charles LaBoy, Director of Audit and Electronic Security

Anthony Representative

**ISSUE SUMMARY:** The surety bond amount for Anthony Fair Association, d/b/a Anthony Downs had been calculated in accordance with K.S.A. 74-8813(e) the amount of the surety bond for the 2008 meet is \$34,433.

**COMMISSION ACTION REQUIRED/REQUESTED:** Commission review and approval.

**STAFF RECOMMENDATIONS:** Staff recommends approval.

### **Kansas Racing & Gaming Commission**

## Anthony Downs Surety Bond/Irrevocable Line of Credit Calculation 2008

The estimated bond requirements are made in accordance with K S.A. 74-8813(e)

Actual 2007 1,367	Estimate 2008 1,400
3,928	4,000
107,953	110,000
1,119	1,200
89,743	90,000
204,109	206,600
36,133	34,433
ter of Credit for	\$ 34,433
	2007 1,367 3,928 107,953 1,119 89,743 204,109

#### **Kansas Racing and Gaming Commission**

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

AGENDA ITEM: 2008 Condition Book for Anthony Downs

**PRESENTER:** Frances Snell, Director of Racing

**ISSUE SUMMARY:** The Anthony Fair Association d/b/a/ Anthony Downs requests approval of the condition book for the 2008 meet. The draft book was reviewed by the staff.

**COMMISSION ACTION REQUIRED/REQUESTED**: Commission review and approval.

**STAFF RECOMMENTDATIONS:** Staff recommends approval.

# ANTHONY DOWNS

### 2008 CONDITION BOOK

### SIX DAYS-

**JULY 11, 2008 THRU JULY 20, 2008** 

Racing Friday, Saturday and Sunday

Racing Under the Supervision of the State of Kansas

Honorable Kathleen Sebelius, Governor

#### **Kansas Racing & Gaming Commission**

Carol Sader - Chair
Glenn Braun, Vice - Chair
William Falstad, Secretary
Kristine McKechnie, Member
Barry Schwan, Member
Stephen Martino, Executive Director
Frances Snell, Director of Racing

#### Anthony Fair Association Directors

Dan Bird, President
Allen Thomas, Vice President
Connie Shellhammer, Secretary
Mel Kitts, Treasurer
John Gaffney, Legal Counsel

#### All Inquiries:

Norris E. Gwin, Racing Secretary
Anthony Downs • P.O. Box 444
Anthony, KS 67003 • 620-842-3600
or 620-842-3796 prior to Monday, July 7, 2008

**Note:** Conditions, Dates and Purse Money for all races are subject to change, availability of funds and the final approval of the Kansas Racing and Gaming Commission. This racemeet is funded, in part by the Kansas Horse Fair Racing Benefit Fund.

#### **GENERAL INFORMATION**

2008 Meeting: 6 Days

**RACING DATES:** July 11, 12, 13, 18, 19, 20

POST TIME: Friday - 5:30 p.m.; Sat. and Sun. - 2:00 p.m.

#### **RACING OFFICE HOURS:**

Tuesday

8:00 a.m.-5:00 p.m.

Wednesday Thursday 8:00 a.m. -5:00 p.m.

Friday

8:00 a.m.-5:00 p.m. 2:00 p.m.-Last Race

Saturday

11:00 a m -Last Race

Sunday

11:00 a m.-i ast Bace

ADDRESS: 523 E. Sherman, Anthony, Kansas

TELEPHONE: (620) 842-3600

FAX NUMBER: (620) 842-3692

**HORSEMAN'S BOOKKEEPER:** Prior to entry owners are required to have on deposit with the Horseman's Bookkeeper sufficient funds to cover the expenses of starting that horse. Owners are also required to furnish the Horseman's Bookkeeper with their social security number and current address.

**STABLE FACILITIES:** Stalls will be available for training beginning July 8, 2008. Only those horses approved will be accepted for stabling. HORSES THAT ARE STABLED BUT NOT ENTERED ARE SUBJECT TO A \$2.00 PER DAY CHARGE. Anthony Downs has the exclusive right, in the exercise of its own discretion, to revoke and cancel at any time the use of any or all of its stalls and stable facilities.

ENTRY HOURS: 8:00 a.m. until 11:00 a.m.

#### **ENTRY DAYS:**

Tuesday for Friday Wednesday for Saturday Thursday for Sunday

**NOMINATION AND STAKES:** The following rules and purse structure will be used in all Anhony Downs Nomination and Stakes Races except for those that specifically state otherwise.

1st 2nd 3rd 4th 5th 60% 20% 11% 6% 3%

Default in payment or late payment of any nominations or stake fee, or payment by insufficient check will cancel eligibility and there will be no return on any fees already paid. Anthony Downs reserves the right to cancel or postpone any nomination or stakes for any reason that deems good and sufficient

Overnight Purse Breakdown will be as tollows:

1st 2nd 3rd 4th 55% 20% 15% 10%

**Licensing:** All owners and trainers are to be properly licensed as required by the Kansas Racing and Gaming Commission.

**WORKER'S COMPENSATION:** K.A.R. 112-4-1 (c) provides: "Each applicant for an occupation license acting as an employer shall submit proof of compliance with the Worker's Compensation Act of the State of Kansas, K.S.A. 44-501 et seq."

Owners are responsible for Jock Mounts, and all other fees included.

BEFORE SUBMITTING STAKES NOMINATIONS READ AND BECOME FAMILIAR WITH ALL RULES AND REGULATIONS.

#### TRACK RULES AND REGULATIONS

Anthony Downs will operate under the laws of the State of Kansas, the rules and regulations of the Kansas Racing and Gaming Commission as defined in their Racing Handbook and the regulations as set forth by Anthony Downs. Anthony Downs rules and regulations will not supersede the rules and regulations set forth by the Kansas Racing and Gaming Commission. These rules apply for all racing dates. All dates described herein are subject to the approval of the Kansas Racing and Gaming Commission.

## STATEMENT OF TRACK POLICY AND DISCLAIMER OF LIABILITY:

The track management will use reasonable care to avoid accidents, incidents and malfunctions that might cause injury to persons or horses. It is recognized that horse racing is dangerous to both persons and horses and anyone participating in the sport is deemed to "ASSUME THE RISK." Neither the Anthony Fair Association nor Anthony Downs shall not be liable for any injury or death to any person or horse occurring on track property and premises.

UNDER KANSAS LAW, THERE IS NO LIABILITY FOR AN INJURY TO OR THE DEATH OF A PARTICIPANT IN DOMESTIC ANIMAL ACTIVITIES RESULTING FROM THE INHERENT RISKS OF DOMESTIC ANIMAL ACTIVITIES, PURSUANT TO K.S.A. 60-4001 THROUGH 60-4004. AS A PARTICIPANT, YOU ARE ASSUMING THE RISK OF PARTICIPATING IN THIS DOMESTIC ANIMAL ACTIVITY.

THE MANAGEMENT of Anthony Downs reserves the right to divide the Added Money in any Handicap or Stakes which may be run in more than one division. in Stakes and Handicaps, high weights will be preferred unless otherwise stated. Horses not drawing a starting position will receive a refund of all fees except service charge.

TRAINER RESPONSIBILITY:

All owners and trainers are to be properly licensed as required by the Kansas Racing & Gaming Commission. No entry will be received and no stabling will be permitted except upon conditions that all disputes, claims and objections arising out of racing or with respect to interpretations of any rules, conditions of races, or otherwise shall be decided by the Kansas Racing & Gaming Commission, the Stewards, or Anthony Downs, as the case may be, and such decisions upon all points shall be final. All horses, either by time or performance, that do not meet Anthony Downs Eligibility Rules will be ineligible for entry. Time and/or performance standards are to be set prior to the opening of each race meeting. (Certificates of Foal Registration must be on file with the Racing Secretary prior to starting. Only the trainer or his authorized designee can check out Certificates of Foal Registration). In all stakes and features races or trials for these races, entry must be made through the entry box by the usual time of closing. Being paid for such race does not guarantee entry. Refer to your condition book for entry times and dates.

### FINANCIAL OBLIGATIONS:

Prior to racing, owners are required to have on deposit with the horsemans bookkeeper the amount required to cover all costs of starting a horse. Owners are responsible for Jock Mounts and all other fees incurred. There will be a \$25.00 service charge on all worthless or returned checks for these items.

## TERMS AND CONDITIONS FOR TRIAL RACES: (Quarter Horses)

The procedure to select finalists will be on a time basis in increments of .01 seconds UNLESS OTHERWISE SPECIFIED IN THE CONDITIONS. Each Trial shall consist of not more than 8 horses. The trials shall be raced under the same conditions as the stakes. Times of horses in Trials will be determined by electronic timer. In the event that two or more time trial contestants have the same qualifying time and a tie exists, a draw by lot will be conducted to determine eligibility to compete in the final. (Except in the event that said entrants compete in the same trial race and no dead heat exists; the horse that finishes in the best position will automatically qualify). In the event that a horse is dis qualified during the running of a trial heat, said horse will be awarded the time of the horse that he/she places behind plus 1/100th of a second. No adjust

F.12.b (4 of 23)

ments will be made in recorded time of trials for head wind, trial wind, off track, etc. Should a mechanical failure occur within the electronic timer on any time trials, the winner from that trial will be selected by official hand timing. Times shall be assigned to the other horses in the race based on their relative position on the photo strip. If no photo strip is obtained, it can have no bearing as to not constituting a race. If there are more Trial heats than can be run in one program, they will be divided by draw and may run on two separate days. The fastest times of each division will be used to select finalists taking the five fastest from each division for the finals, the next five from each division for the First Consolation, etc. This will not be done unless it is absolutely necessary. This will be determined at the earliest possible date by track management and the stewards

#### (Thoroughbreds)

Thoroughbreds will be selected on order of finish in each trial race. Each trial race shall consist of not more than (8) eight horses. The trials shall be raced under the same conditions as the stakes. If a dead heat occurs and it is necessary to eliminate a horse, the stewards shall determine the winner by draw.

If the starting gate fails to open due to mechanical failure, or if a horse is inadvertently left behind the gate when the field is dispatched during the running of the Trials, such horse shall be declared a non-starter and all nominating, sustaing and entry fees shall be refunded from the purse to the owner of said horse. During the running of the finals or Consolation such horse shall be declared a non-starter and shall be classified as a scratched norse and shall be paid last place money in said race. In the event 8 or less horses are eligible in a race of 440 Yards or less or eight (8) or less horses are eligible in a race of more than 440 Yards to run in the Trials of a feature race, only finals may be run on the advertised date.

#### ALSO ELIGIBLE LIST:

There will be no "Also-Eligible List" for Triais, Consolation or Finals. An owner may nominate as many horses as desired, if one or more nominations are withdrawn before the race, be sure to specify which nomination(s) are so withdrawn when making payments. In order to present a full field to the wagering public, nominations or subscriptions to any Stakes or Feature Races may be refused, canceled or refunded without liability, at any time prior to the running thereof, except for the service charge deducted at the time of nomination. All payments must be postmarked no later than dates due and should be sent by registered or certified mail. THE SENDER'S RECEIPT MUST BE PRESENTED AS PROOF OF PAYMENT SHOULD ANY DISCREPANCY OCCUR. Any payments postmarked on or before dates due, but received later than ten (10) days from the date may not be accepted. Anthony Downs reserves the right to determine eligibility.

## CONSOLATION RACES MAY NOT RUN THE SAME DAY AS FINALS. NAMING OF RIDERS AND FEES:

Trainers should name a rider at time of entry, but no later than 8:00 a.m., the day after entry. If no rider has been named by 8:00 a.m. the day after entry, the

Stewards will name a rider and the trainer maybe subjected to a fine. Once a rider has been named by the Trainer that rider is obligated to ride the horse unless a double lock mount is paid.

In Thoroughbred races trainers must have an apprentice engaged before claiming apprentice allowance. When an apprentice rider has more than one mount in a specific race and the apprentice rider or their agent is not at the draw to make a first call/preference, that apprentice rider will be taken off of all mounts named on and the apprentice weight allowance (bug) will be lost on all the horses on which that apprentice rider was named. If the apprentice rider or their agent is at the draw to make a first call/preference, the remaining horses that the apprentice rider was named on will be left open until 9:00 a.m. the day after entry with the apprentice weight intact. However, another apprentice rider must be named no later than 9:00 a.m. the day after entry or the apprentice allowance (bug) will be waived and a journeyman rider will ride the horse.

When a rider has a spouse that is an owner/trainer, that rider must ride the spouses horse in that particular race or not participate. Each jockey mount fee for a horse in a race shall be on deposit with the horse-

mans bookkeeper before the time for weighing out. In the absence of a written contract or special agreement between the parties, the minimum jockey mount shall be \$45.00. All other fees shall follow the jockey mount tee table in the Kansas Racing & Gaming Commission Rules and Regulations.

#### SCRATCHES:

Scratches must be made by 9:00 a.m. the day following entries. A scratch of a norse from a Stakes or Nomination race may be made until one hour prior to post time for that race after which time the starting of such horse is obligatory.

#### **EQUIPMENT:**

Trainers must be consistent in the use of equipment. Permission to change equipment must be secured prior to entry with the Paddock Judge. Permission of the Starter is also required for any change in the use of blinkers or the use of a flipping halter.

#### BLEEDER:

A bleeder is placed on the Bleeder's/Veterinarian's List, according to the Kansas Racing & Gaming Commission rules and regulations, will be not permitted to race until such horse is removed from the Bleeder's/Veterinarian's List by the Animal Health Officer.

#### KANSAS BRED:

All horses entered as accredited Kansas-Bred in Kansas-Bred races must be registered in the Kansas-Bred Program and have foal registration papers stamped as such by the Kansas Bred registering agency.

### **HEADING OF HORSES:**

Except as provided by KRC rule, the responsibility to provide qualified individ-F.12.b (6 of 23)

uals to head and/or tail a horse in the starting gate shall rest with the trainer.

#### COGGINS BULE:

No person shall enter or start a horse in a race unless a certificate reflecting a negative Coggins Test, performed upon the horse within the immediate past 12 months is on file in the racing office.

#### 2008 JOCK MOUNT TABLE & FEES:

The Minimum Jock Mount fee for starting a horse at Anthony Downs will be \$45.00. This does not include a \$10.00 Misc. Starting Fee. Jock Mount money for KBDF funds added to a race are the responsibility of the owner and will not be paid by Anthony Downs.

#### ANTHONY DOWNS STABLE **ARFA RULES & REGULATIONS**

1. Admittance to Stable Area is restricted to current KRGC licensed owners. lockeys, racing officials, trainers and their employees. The employees of each stable must be licensed and all persons having business in the stable area must register at the Stable Gate, and be issued proper credentials. Trainers are required to file an Application for Stabling for other than overnight stalling.

2. All stables and working areas must be authorized and assigned by Anthony Downs before being occupied. Any person occupying stalls and working areas without the necessary permission is subject to eviction, fine, suspension, and/or

election by Anthony Downs or the Stewards.

3. Sleeping in stalls, feed rooms, tack rooms is strictly prohibited.

4. Trainers will be responsible for the conduct of their employees and the appearance of their stalls and working areas.

5. There shall be no heaters in the stables including the stalls, tack rooms, feed rooms or wash racks. 6. There shall be no hot plates, frying pans, or cooking utensils in the stables

including the stalls, tack rooms, feed rooms, or wash racks. (Microwave ovens are acceptable).

7. Smoking is not allowed in the stables including the stalls, tack rooms, feed

rooms, or wash racks.

- 8. The use of infrared heat lamps is prohibited unless such use is prescribed by a veterinarian. If prescribed, the lamp(s) must be attended by a competent individual throughout the use thereof. Evidence that the lamp(s) were prescribed by a veterinarian shall be upon request of any security, fire protection or track official.
- 9. Instant hot water heaters, consisting of a single or multiple electrodes that are placed in buckets of feed or water are prohibited.
- 10. The use of extension cords within the stables including the stalls, tack rooms, feed rooms or wash racks are prohibited.
- 11. Subject to KRGC rules and regulations, a licensed owner, trainer, jockey or veterinarian may register unlicensed guests with either the stable gate or at the office for admittance to the backside during restricted hours. The licensed owner, trainer, jockey or veterinarian will be held responsible for their conduct and safety in restricted areas. F.12.b (7 of 23)

- 12. No licensee shall have on their person or among their personal effects. while on the grounds of Anthony Downs, a hypodermic syringe or needle, or any medication or drugs prohibited under the Kansas Racing & Gaming Commis-
- sion rules. 13. No licensee shall have on their person or among their personal effects. while on the grounds of Anthony Downs, an electrical or mechanical device that may effect the normal performance of a horse.
- 14. No licensee or other person shall possess, carry or exhibit a deadly weapon except tor a duly authorized enforcement officer. No person shall disturb the
- peace on Anthony Downs grounds. 15. No licensee or other person shall have in their possession any narcotic or hallucinogenic drug, marijuana, or any other drug listed under drug laws of the States of Kansas.
- 16. No person shall use improper, profane or indecent language to any Anthony Downs or Kansas Racing & Gaming Commission representative while in the
- performance of their duty. 17. The speed limit within the stable area is no more than 5 MPH and limited to a speed safe for the persons and horses in that area.
- 18. Repairing and dismantling of motorized vehicles on Anthony Downs grounds is prohibited.
- 19. There will be no deliveries in the stable area between 6 a.m. and 10 a.m. (training hours).
- 20. Except tor greyhounds entered to race, no dogs will be permitted on Anthony Downs grounds.
- 21. Washers, ice machines or any mechanical devices will not be placed out-
- side of the stables. 22. Stall bedding will be restricted to wheat straw or saw dust unless designated otherwise by the general manager of Anthony Downs.
- 23. Race horses must be walked to and from the track. Do not gallop or jog hórses in the stable area. Lead ponies must be ridden with care at walk.
- 24. Horses are not to be tied to anything that is not designated for that purpose.

### FLIPPING HALTERS:

Flipping halters may be used at your own risk with the consent of the starter. If in the Stewards sole discretion, the late break of a horse is due to a flipping halter, there will be no recourse whatsoever including the refund of any fees.

Management reserves the right to change the rules and regulations of Anthon Downs at any time. Note: Conditions, dates and added money for all stakes races are subject to change, availability of funds and the approval of the Kansa: Racing & Gaming Commission.

### Preference Date System

All horses intended for racing at Anthony Downs will be assigned a preference dae. Dates assigned will be three types. All non Maiden races are winners pre ferred.

- O Date This date can only be attained if a horse's foal papers are submitted to the racing secretary at least the day before Tuesday, July 8, 2008 when entries are taken for the first day of the meeting.
- **E Date** This date will correspond to the day when a horse's foal papers are submitted to the racing secretary if after the deadline for the O Date.
- R Date This date will correspond to the day of a horse's most recent race (excluding Stakes and Trials) at Anthony Downs. An R Date will also be assigned to a horse which scratches or the day a horse comes off a list at Anthony Downs
- 1. Preference dates will not supersede the conditions of a race.
- 2. Preference shall be given in all races, except trials, handicaps and stakes, according to a horse's last previous race during the current meeting. The preference date on a horse that has drawn into a race and has been scratched is the date of the race from which the horse has been scratched.
- 3. Preterence dates are good for any type of race or distance with the exception of trials, stakes and handicaps.
- 4. Preference dates shall be claimed at time of entry. In all cases the best preference date shall be preferred.
- 5. In cases where entry (E) and running (R) dates are the same, the horse with the entry date will be preferred.
- 6. Horses which are drawn into the body of a race will receive a running date corresponding to the date on which they are to run and will lose all dates previously held.
- 7. Horses placed on the veterinarian's list, steward's list or starter's list lose any preference date. Horses on these lists shall be given a preference date corresponding to the date that they come off the list and are eligible for entry.
- 8. Preterence dates remain the same regardless of a change on the ownership or trainer.
- 9. Horses with established dates will lose that preterence if the papers are withdrawn from the Racing Office and must re-establish a date at this meeting. Should a horse's papers be withdrawn from the Racing Office for just cause (ie: change of ownership, corrections, etc.) the horse may not lose this date. The Racing Secretary may determine the status of any preference date established.
- 10. There are no special dates for Kansas Bred Horses.

- 11. Any discrepancy pertaining to preterence dates must be reported to th Racing Secretary.
- 12. In any matter of discretion, the steward's ruling is final.

#### Workout Rule (KRGC 112-7-23)

If a horse has not raced in 60 days it shall not start any race before it complete one workout. If a horse has never raced or has not raced within 12 months shall not start in any race until it has been approved to start by the Stewards ar starter and has completed one official workout, however the stewards or anim health officers shall have discretion to require additional workouts.

Any licensee intending to workout a horse shall identify the name of the hors and distance to be worked to the clocker.

Gates will be set Wednesday thru Sunday, weather permitting. Gate hours at 8:00 a.m. until 10:30 a.m. Clocker is available on Wednesday thru Sunday 7:0 a.m. until 11:00 a.m.

#### **Kansas Bred Horses**

In all races written for Registered Kansas Breds; if a sufficient number (5) Kansas Bred horses do not enter, the race will then be opened to Kansa owned horses, with Kansas Breds Preferred; however only Registered Kansa Bred horses will be eligible to receive Kansas Bred Supplement monies.

#### **Kansas Bred Overnight Race Supplements**

#### Quarter Horses:

Anthony Downs Estimates \$400 KBDF purse supplement (if avail.) for Clair ing races. Supplement to only Kansas Bred registered horses running first, se ond or third.

Anthony Downs Estimates \$400 KBDF purse supplement (if avail.) for Maide races. Supplement to only Kansas bred registered horses running first, secon or third.

Anthony Downs Estimates \$400 KBDF purse supplement (if avail.) for Stake Handicaps and Allowance races. Supplement to only Kansas bred registers horses running first, second or third.

#### Thoroughbreds:

Anthony Downs Estimates \$1,000 purse supplement (if avail.) for Claimir races. Supplement to only Kansas bred registered horses running first, secon or third.

Anthony Downs Estimates \$1,000 KBDF purse supplement (if avail.) for Maide races. Supplement to only Kansas bred registered horses running first, secon or third.

Anthony Downs Estimates \$1,000 KBDF purse supplement (if avail.) for Maide Claiming races. Supplement to only Kansas bred registered horses running first, second or third.

Anthony Downs Estimates \$1,000 KBDF purse supplement (if avail.) for Stake Handicaps and Allowance races. Supplement to only Kansas bred register horses running first, second or third.

F.12.b (10 of 23)

All KBFD purse supplements for overnight races to be distributed: 3rd - 15%

2nd - 25% 1st - 60%

NOTE: Conditions. Dates and Purse Money for all races are subject to change, availability of funds and the final approval of the Kansas Racing & Gaming Commission.

#### FFATURE RACES

#### HARPER COUNTY HANDICAP

Purse \$5,000 Guaranteed (Plus \$1,000 KBDG if available) for three years old and upward. Nominations close Tuesday, July 8, 2008. No nomination fee. \$100 to enter, weights Wednesday, July 9, 2008. (High weights preferred).

(To be run Sunday, July 13, 2008)

Five Furlongs +30 Yards

#### KANSAS BRED HANDICAP STAKE

Purse \$7,000 guaranteed. Includes \$3,500 from Kansas Bred Development Fund for Reg. Kansas Bred three year olds and upward. Nominations close Tuesday, July 15, 2008. No nomination fee. \$200 to enter. Weights Wednesday, July 16, 2008. (High weights preferred).

(To be run Saturday, July 19, 2008)

Five Furlongs +30 Yards

#### GENE FRANCIS & ASSOC. STAKE

Purse guaranteed \$6,000 (plus \$1,000 KBDF if available) for three years olds and upward. Nominations close Tuesday, July 16, 2008. (High weights preterred).

(To be run Saturday, July 19, 2008)

About 1 1/16 Mile

#### THE LAND OF OZ STAKE

Purse \$5,000 guaranteed (plus \$400 KBDF if available) for three year olds and upward.

Older .....124 lbs. Three Year Olds ......121 lbs. (No nomination fee - \$200 to enter) Winners preferred in 2007-2008. Order of preference, stakes, handicaps, allowance, claiming and maiden.

(To be run Sunday, July 20, 2008)

250 Yards

#### ANTHONY FAIR HANDICAP

Purse \$5,000 guaranteed (plus \$1,000 KBDF if available) for three years old and upward. Nominations close Tuesday, July 15, 2008. No nomination fee. \$100 to enter. Weights Wednesday, July 16, 2008 (high weights preferred). (To be run Sunday, July 20, 2008) About Six and One-Half Furlongs

# FIRST DAY - FRIDAY, JULY 11, 2008 (Entries Close on Tuesday, July 8, 2008)

(Entries Close of Tuesday, July 6, 2000)	
TIRST RACE PURSE \$1,800 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YUPWARD WHICH HAVE NEVER WON TWO RACES. Three Year Old	H CLAIMING YEAR OLDS AND124 lbs. 250 YARDS
2 SECOND RACE PURSE \$2,400 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE UPWARD. Three Year Old	
THIRD RACE  PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR REGISTED MAIDENS, THREE YEAR OLDS AND UPWARD.  Three Year Old	124 lbs. 250 YARDS
FOURTH RACE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE UPWARD WHICH HAVE NEVER WON THREE RACES IN 2007-Three Year Old	YEAR OLDS AND 2008. 124 lbs. 220 YARDS
DURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR MADOUTE STATE OF THE PROPERTY	ALLOWANCE AIDEN TWO YEAR T 4 1/2 FURLONGS
SIXTH RACE  PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR REG BRED THREE YEAR OLDS AND UPWARD WHICH HAVE NOT IN 2008. Three Year Old	ED CLAIMING BISTERED KANSAS WON TWO RACES124 lbs. E-HALF FURLONGS

# FIRST DAY - FRIDAY, JULY 11, 2008 (Entries Close on Tuesday, July 8, 2008).

\	
7 SEVENTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) UPWARD WHICH HAVE NEVER WON TWO RACES Three Year Old	124 lbs.
CLAIMING PRICE \$2,500	ABOUT 4 1/2 FURLONGS
8 EIGHTH RACE PURSE \$2,200 (PLUS \$1,000 KBDF IF AVAILABLE) UPWARD WHICH HAVE NEVER WON TWO RACES Three Year Old	FOR THREE YEAR OLDS AND  124 lbs. FIVE FURLONGS ALT. ABOUT 6 1/2 FURLONGS
9 NINTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) OLDS AND UPWARD Three Year Old121 lbs Older	MAIDEN ALLOWANCE (MAIDENS) FOR THREE YEAR 124 lbs. ABOUT 6 1/2 FURLONGS
TENTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILATION OF THE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILATION OF THE PURSE \$1,000 KBDF IF	MAIDEN/CLAIMING ABLE) FOR MAIDENS, THREE124 lbs. FIVE FURLONGS +30 YARDS
S1 RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILATED THREE YEAR OLDS AND UPWARD Three Year Old	CLAIMING ABLE) FOR MAIDENS, THREE124 lbs. R AND ONE-HALF FURLONGS)
S2 SUBSTITUTE RACE NO. 2 PURSE \$1,500 FOR THREE YEAR OLDS AND IN Three Year Old	MULE ALLOWANCE UPWARD124 lbs. 660 YARDS

CLOSING TODAY, TUES., JULY 8, HARPER COUNTY HANDICAP PURSE \$5,000 GUARANTEED (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARDS. NOMINATIONS CLOSE TUESDAY, JULY 8, 2008. NO NOMINA-TION FEE. \$100 TO ENTER. WEIGHTS WEDNESDAY, JULY 9, 2008. (HIGH WEIGHTS PREFERRED).

TO BE RUN SUNDAY, JULY 13, 2008.

**FIVE FURLONGS +30 YARDS** 

F.12.b (13 of 23)

# SECOND DAY - SATURDAY, JULY 12, 2008 (Entries Close on Tuesday, July 9, 2008)

(2.11.135 3.135 3.1
FIRST RACE  PURSE \$1,800 (PLUS \$400 KBDF IF AVAILABLE) FOR REGISTERED KANSAS BRED THREE YEAR OLDS AND UPWARD WHICH HAVE NOT WON A RACE IN 2008.
Three Year Old
2 SECOND RACE ALL BREED ALLOWANCE PURSE \$2,200 (PLUS \$400 KBDF IF AVAILABLE) FOR TWO YEAR OLDS WHICH HAVE NEVER WON TWO RACES. Weight
220 YARDS
THIRD RACE QH MAIDEN ALLOWANCE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR MAIDENS, TWO YEAR OLDS. Weight
220 YARDS
FOURTH RACE PURSE \$2,400 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD, NON-WINNERS OF A HOOK RACE IN 2008. Three Year Old
FIFTH RACE KANSAS BRED MAIDEN ALLOWANCE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR MAIDENS REGISTERED KANSAS BREDS, THREE YEAR OLDS AND UPWARD. Three Year Olds
6 SIXTH RACE KANSAS BRED MAIDEN ALLOWANCE PURSE \$2,500 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD. Three Year Old
ABOUT ONE MILE AND 1/16

# SECOND DAY - SATURDAY, JULY 12, 2008 (Entries Close on Tuesday, July 9, 2008)

(Entries Glose on Tuesday, July 3, 2000)
7 SEVENTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD WHICH HAVE NOT WON TWO RACES IN 2008. Three Year Old
8 EIGHTH RACE ALL BREED ALLOWANCE PURSE \$2,200 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD WHICH HAVE NEVER WON TWO RACES. Three Year Olds
PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEARS OLD AND UPWARD WHICH HAVE NOT WON TWO RACES IN 2007-2008. Three Year Old
TENTH RACE PURSE \$1,500 THREE YEAR OLDS AND UPWARD. Three Year Old121 lbs Older124 lbs. 1,000 YARDS (ALT. 660 YARDS)
PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD. NON WINNERS OF A RACE IN 2008. Three Year Olds
S2 SUBSTITUTE RACE NO 2 ALL BREED MAIDEN ALLOWANCE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS MAIDEN THREE YEAR OLDS AND UPWARD. Three Year Old

# THIRD DAY - SUNDAY, JULY 13, 2008 (Entries Close on Thursday, July 10, 2008)

(Entries Close on Thursday, July 10, 2000)
QH ALLOWANCE
FIRST RACE
UPWARD WHICH HAVE NOT WON TWO RACES.
Three Veer Old
Maidens3 lbs.
Maidens 250 YARD
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SECOND BACE ALL BREED ALLOWANCE
SECOND RACE  ALL BREED ALLOWAND  ALL BREED ALL
2 SECOND RACE PURSE \$2,400 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AN
PURSE \$2,400 (1 EGG 4408 1.52)
UPWARD. 124 lbs. Three Year Old
Three Year Old21 lbs. 250 YARI
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THIRD RACE  QH MAIDEN ALLOWANC  THIRD RACE  AND THE AVAILABLE FOR MAIDENS, THREE YEAR  OF THE AVAILABLE FOR MAIDEN
3 THIRD RACE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR MAIDENS, THREE YEA
O PURSE \$1,700 (FLOS PASSE)
OLDS AND UPWARD. Three Year Olds
Three Year Olds21 lbs. 250 YAR
A FOURTH RACE KANSAS BRED QH CLAIMIN
A FOURTH RACE KANSAS BRED ON CLAIMIN
UPWARD WHICH HAVE NOT WON A RACE IN 2008.
UPWARD WHICH HAVE NOT WON A RACE IN 2008.  Three Year Old
Three Year Old
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MAIDEN CLAIMIN
FIFTH RACE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR MAIDENS THREE YEAR
PURSE \$1,700 (PLOS \$400 KBB) II /WILL ID=2
OLD AND UPWARD.
OLD AND UPWARD. Three Year Olds
Three Year Olds
(ALILINO)
CI AIMI
OF THE PARTY OF TH
6 SIXTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS
PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THE EXAMPLE OPENED
PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) UPWARD WHICH HAVE NOT WON A RACE SINCE EUREKA OPENED.  124 lbs
UPWARD WHICH HAVE NOT WON A RACE SINCE ECHLINA 124 lbs. Three Year Old121 lbs. Older
Three Year Old
CLAIMING PRICE \$3,500  ALTERNATE FIVE FURLO
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# THIRD DAY - SUNDAY, JULY 13, 2008 (Entries Close on Thursday, July 10, 2008)

7 SEVENTH RACE KANSAS BRED CLAIMING PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR REGISTERED KANSAS BRED THREE YEAR OLDS AND UPWARD WHICH HAVE NOT WON TWO RACES IN 2007-2008. Three Year Old
8 EIGHTH RACE ALL BREED ALLOWANCE PURSE \$2,400 (PLUS \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS THREE YEARS OLD AND UPWARD. Three Year Olds
9 NINTH RACE HARPER COUNTY HANDICAP PURSE \$5,000 GUARANTEED (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEARS OLD AND UPWARD. NOMINATIONS CLOSE TUESDAY, JULY 8, 2008. NO NOMINATION FEE. \$100 TO ENTER. WEIGHTS WEDNESDAY, JULY 9, 2008. (HIGH WEIGHTS PREFERRED).  FIVE FURLONGS +30 YARDS
TENTH RACE MULE ALLOWANCE PURSE \$1,500 THREE YEAR OLDS AND UPWARD. Three Year Old
PURSE \$1,700 (PLUS \$400 KBDF OR \$1,000 KBDF IF AVAILABLE) FOR MAIDEN TWO YEAR OLDS. Weight
S2 SUBSTITUTE RACE NO 2 PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD. NON WINNERS OF A RACE IN 2008. Three Year Old

## FOURTH DAY - FRIDAY, JULY 18, 2008

(Entries Close on Tuesday, July 15, 2008)

**OH CLAIMING** FIRST RACE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD WHICH HAVE NEVER WON TWO RACES.

250 YARDS

(ALT. 660 YDS.)

KANSAS OH CLAIMING SECOND RACE

PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR REGISTERED KANSAS BREDS THREE YEARS OLD AND UPWARD WHICH HAVE NOT WON TWO RACES IN 2008 (CLAIMING RACES OF \$2,500 OR LESS NOT CONSIDERED IN ELIGIBILITY). **250 YARDS CLAIMING PRICE \$3.500** 

(OPEN DIVISION SAME PURSE)

ALL BREED MAIDEN ALW THIRD RACE PURSE \$1,700 (PLUS \$400 OR \$1,000 KBDF IF AVAILABLE) FOR FOR ALL BREEDS MAIDENS, THREE YEAR OLDS AND UPWARD.

Older.....124 lbs. Three Year Olds.....121 lbs. 220 YARDS ALT. 660 YARDS

**ALL BREED CLAIMING FOURTH RACE** PURSE \$1,700 (PLUS \$400 or \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS THREE YEARS OLD AND UPWARD WHICH HAVE NOT WON A RACE AT 770 YDS

OR OVER IN 2008. Three Year Old ......121 lbs Older.....124 lbs. 660 YARDS **CLAIMING PRICE \$3.500** 

MAIDEN CLAIMING FIFTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR MAIDENS, THREE YEARS OLD AND UPWARD

CLAIMING PRICE \$3,500 FIVE FURLONGS - ALT. SEVEN FURLONGS

CLAIMING SIXTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND

UPWARD WHICH HAVE NOT WON A RACE IN 2008. Three Year Old ......121 lbs. Older.....124 lbs.

ABOUT SIX AND ONE-HALF FURLONGS CLAIMING PRICE \$2,500

CLOSING TUESDAY, JULY 15 - GENE FRANCIS & ASSOC.

HANDICAP STAKE

ABOUT ONE MILE AND ONE-SIXTEENTH • PURSE \$6,000 GUARANTEED. CLOSING TODAY, TUES., JULY 15 · KANSAS BRED HANDICAP STAKE 5 FURLONGS +30 YARDS • PURSE \$7,000 GUARANTEED, INCLUDES \$3,500 FROM KBDF. BOTH HANDICAPS TO BE RUN SAT., JULY 19, 2008.

F.12,b (18 of 23)

# FOURTH DAY - FRIDAY, JULY 18, 2008 (Entries Close on Tuesday, July 15, 2008)

	OL AUSSINIC
7 SEVENTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE Y UPWARD WHICH HAVE NEVER WON TWO RACES.	
Three Year Old	124 lbs. 6 1/2 FURLONGS FIVE FURLONGS
	.,
PURSE \$2,200 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE	LLOWANCE YEAR OLDS AND
UPWARD WHICH HAVE NEVER WON TWO RACES.  Three Year Olds121 lbs. Older	124 lbs. FIVE FURLONGS
NINTH RACE	CLAIMING
PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE UPWARD WHICH HAVE NOT WON TWO RACES IN 2008. Three Year Olds	124 lbe
Three Year Olds121 lbs Older	FIVE FURLONGS
PURSE \$1,500 FOR THREE YEAR OLDS AND UPWARD W	ALLOWANCE HICH HAVE NOT
WON TWO RACES IN 2008. Three Year Old121 lbs Older	
	D CLAIMING
YEAR OLDS AND UPWARD WHICH HAVE NEVER WON TWO Three Year Olds	
CLAIMING PRICE \$5,000	250 YARDS
S2 SUBSTITUTE RACE NO 2 ALL BREED MAIL PURSE \$1,700 (PLUS \$400 OR \$1,000 KBDF IF AVAILABLE)	EN CLAIMING
THREE YEARS OLD AND UPWARD. Three Year Old121 lbs. Older	124 lbs. 250 YARDS
CLOSING TODAY, TUES., JULY 15 - ANTHONY FAIR PURSE \$5,000 GUARANTEED (PLUS \$1,000 KBDF) FOR THREE YE	AR OLDS AND UP

PURSE \$5,000 GUARANTEED (PLUS \$1,000 KBDF WARD. NOMINATIONS CLOSE TUESDAY, JULY 15, 2008. NO NOMINATION FEE. \$100 TO ENTER AND START. WEIGHTS WEDNESDAY, JULY 16, 2008. (HIGH WEIGHTS PRE-

ABOUT SIX AND ONE-HALF FURLONGS TO BE RÚN SUNDAY, JULY 20, 2008.

### FIFTH DAY - SATURDAY, JULY 19, 2008 (Entries Close on Wednesday, July 16, 2008)

**ALL BREED CLAIMING** FIRST BACF PURSE \$1,700 (PLUS \$400 OR \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS THREE YEARS OLD AND UPWARD WHICH HAVE NEVER WON THREE RACES. 220 VARDS CLAIMING PRICE \$3.500 **QH CLAIMING** SECOND RACE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UP-WARD WHICH HAVE NOT WON TWO RACES IN 2007-2008. 250 YARDS CLAIMING PRICE \$2.500 KANSAS QH MAIDEN ALLOWANCE THIRD RACE PURSE \$1,700 (PLUS \$400 KBDF IF AVAILABLE) FOR KANSAS BRED MAIDENS. TWO YEAR OLDS. Weight.....120 lbs. TWO YEAR OLDS. Older.....124 lbs. **220 YARDS** (OPEN DIVISION SAME PURSE) ALL BREED ALLOWANCE FOURTH RACE PURSE \$2,200 (PLUS \$400 or \$1,000 KBDF IF AVAILABLE) FOR TWO YEAR OLDS WHICH HAVE NEVER WON TWO RACES. Weight......120 lbs. **220 YARDS** MAIDEN ALLOWANCE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR MAIDENS, THREE YEARS OLD AND UPWARD FIVE FURLONGS +30 YARDS (ALTERNATE SEVEN FURLONGS KANSAS BRED CLAIMING SIXTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR REGISTERED KANSAS BRED THREE YEAR OLDS AND UPWARD WHICH HAVE NOT WON TWO RACE: IN 2007-2008. FIVE FURLONGS +30 YARD

(OPEN DIVISION SAME PURSE) (ALT. ABOUT FOUR AND A HALF FURLONGS

**CLAIMING PRICE \$2,500** 

## FIFTH DAY - SATURDAY, JULY 19, 2008

(Entries Close on Tuesday, July 16, 2008)

CL AIMING SEVENTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD WHICH HAVE NOT WON THREE BACES IN 2007-2008. Three Year Olds 121 lbs Older 124 lbs. FIVE FURLONGS +30 YARDS CLAIMING PRICE \$3,500 ALT SEVEN FURLONGS KANSAS BRED HANDICAP STAKE EIGHTH RACE PURSE \$7,000 GUARANTEED, INCLUDES \$3,500 FROM KS. BRED DEVELOP-MENT FUND FOR REG. KANSAS BRED THREE YEAR OLDS AND UPWARDS. NOMINATIONS CLOSE TUESDAY, JULY 15, 2008, NO NOMINATION FEE, \$200 TO ENTER, WEIGHTS WEDNESDAY, JULY 16, 2008, (HIGH WEIGHTS PREFERRED). FIVE FUBLONGS +30 YARDS **CLAIMING** NINTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR FILLIES AND MARES. THREE YEAR OLDS AND UPWARD WHICH HAVE NEVER WON THREE RACES. (OPEN COLTS AND GELDINGS IF LESS THAN 5 FILLIES AND MARES). **CLAIMING PRICE \$3,500 FIVE FURLONGS** TENTH RACE GENE FRANCIS & ASSOC. HANDICAP STAKE PURSE GUARANTEED \$6,000 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD, NOMINATIONS CLOSE TUESDAY, JULY 15, 2008. NO NOMINATION FEE. \$200 TO ENTER, WEIGHTS WEDNESDAY, JULY 16, 2008. (HIGH WEIGHTS PREFERRED). **ABOUT 1 1/16 MILE** SUBSTITUTE RACE NO. 1 PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD, NON WINNERS IN 2008. Three Year Olds......124 lbs. Older.....127 lbs. ABOUT FOUR AND ONE-HALF FURLONGS CLAIMING PRICE \$2,500 ALT ABOUT 1 1/16 MILE **MULE ALLOWANCE** SUBSTITUTE RACE NO 2 PURSE \$1,500 FOR THREE YEAR OLDS AND UPWARD. 660 YARDS ALL BREED CLAIMING SUBSTITUTE RACE NO 3 PURSE \$1,700 (PLUS \$400 OR \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS THREE YEARS OLD AND UPWARD WHICH HAVE NOT WON TWO RACES IN 2008. Three Year Old ......121 lbs. Older..... **ABOUT 1,000 YARDS CLAIMING PRICE \$3.500** ALT, 660 YARDS

F.12.b (21 of 23)

# SIXTH DAY - SUNDAY, JULY 20, 2008 (Entries Close on Thursday, July 17, 2008)

(Entries Close on Thursday, July 17, 2000)
FIRST RACE  PURSE \$2,200 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD WHICH HAVE NEVER WON TWO RACES. Three Year Old
2 SECOND RACE KANSAS ALL BREED ALLOWANCE PURSE \$2,400 (PLUS \$400 OR \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS 3 YEARS OLD AND UPWARD WHICH HAVE NOT WON TWO RACES IN 2008. Three Year Old
THIRD RACE PURSE \$1,700 (PLUS \$400 OR \$1,000 KBDF IF AVAILABLE) FOR ALL BREEDS MAIDENS, THREE YEAR OLDS AND UPWARD. Three Year Olds
FOURTH RACE THE LAND OF OZ STAKE PURSE \$5,000 (PLUS \$400 KBDF IF AVAILABLE) FOR THREE YEAR OLDS AND UPWARD. Three Year Olds
FIFTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAILABLE) FOR REGISTERED KANSAS BRED MAIDENS, THREE YEARS OLD AND UPWARD. Three Year Olds
6 SIXTH RACE MULE ALLOWANCE PURSE \$1,500. FOR THREE YEAR OLDS AND UPWARD. Three Year Old121 lbs. Older124 lbs. 250 YARD

# SIXTH DAY - SUNDAY, JULY 20, 2008 (Entries Close on Thursday, July 17, 2008)

7 SEVENTH RACE PURSE \$1,700 (PLUS \$1,000 KBDF IF AVAI UPWARD NON WINNERS OF TWO RACES Three Year Old121 lbs O CLAIMING PRICE \$3,500	IN 2008. Ider124 lbs. FIVE FURLONGS
	ALL BREED ALLOWANCE DF IF AVAILABLE). FOR ALL BREEDS Older
9 NINTH RACE PURSE \$2,200 (PLUS \$1,000 KBDF IF AVAIL HAVE NEVER WON TWO RACES. Weight120 lbs.	ALLOWANCE LABLE) FOR TWO YEAR OLDS WHICH Maidens Allowed 3 lbs. FIVE FURLONGS
PURSE GUARANTEED \$5,000 (PLUS \$1 YEAR OLDS AND UPWARD. NOMINATION NO NOMINATION FEE. \$100 TO ENTE 2008. (HIGH WEIGHTS PREFERRED).	ANTHONY FAIR HANDICAP ,000 KBDF IF AVAILABLE) FOR THREE DNS CLOSE TUESDAY, JULY 15, 2008.
S1 SUBSTITUTE RACE NO. 1 PURSE \$1,700 (PLUS \$1,000 KBDF IF AND UPWARD WHO HAVE NOT WON TO Three Year Olds	AVAILABLE) FOR THREE YEAR OLDS WO RACES IN 2007-2008.
S2 SUBSTITUTE RACE NO 2 PURSE \$1,700 (PLUS \$1,000 KBDF IF AND UPWARD WHICH HAVE NEVER W Three Year Old121 lbs. CLAIMING PRICE \$2,500 ABO	ON TWO RACES. Older124 lbs.

#### Kansas Racing and Gaming Commission

#### STAFF AGENDA MEMORANDUM

DATE OF MEETING: May 9, 2008

AGENDA ITEM: Future Commission Meeting Dates

PRESENTER: Stephen Martino, Executive Director

ISSUE SUMMARY: The Racing and Gaming Commission needs to establish future meeting dates. The following dates are available to meet after considering staff obligations and meeting dates of the Lottery Gaming Facility Review Board, which is attached to the Racing and Gaming Commission for administrative purposes:

Friday, May 30/ (already established)

Tuesday, June 17/Topeka (already established)

\*\*\*\*

June 23-28

June 30

July 1-3

July 7

July 14-16

July 21-22

July 28-29

August 4

August 11

August 18-19

September 4-6

September 8

September 10-13

September 15-16

September 22-26

COMMISSION ACTION REQUIRED/REQUESTED: Determine and approve meeting schedule.

### The Woodlands Monthly Injury Report March 2008

Total Number of Reports: 12 Reports from Veterinarian: 9 Reports from Trainérs: 3 Injuries for Week 1 (1-5): 2 Injuries for Week 2 (6-12): 4 Injuries for Week 3 (13-19): 0 Injuries for Week 4 (20-26): 3 Injuries for Week 5 (27-31): 3

Number of Official Starts: 3383 Number of Scratches: 15 Number of Schooling Starts: 397 Total Number of Starts: 3765

Number of Injuries/Performance: 0.44 Number of Tarsal Injuries/Performance: 0.19

Number of Double Performances: 5 Number of Single Performances: 17 Total Number of Performances: 27

Number of Injuries/1000 Starts: **3.19**Number of Tarsal Injuries/1000 Starts: **1.33** 

#### **INJURIES BY CATEGORY**

S	Α	В	С	D .	<b>E</b>	M	SCH	US	UNK
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PLACE ON TRACK	Chute	Front Stretch	First Turn	Second Turn	Back Stretch	Third Turn	Fourth Turn	Escape	Unk N/A
No. Injuries		2	1	2	1	1			5

TYPE OF INJURY	Carpus (ankle)	Cramp	Laceration	Long Bone Fracture	Metacarpus (fr quarterbone)	Metatarsus √(rr quarterbone)
No. Injuries	1					

TYPE OF INJURY	Muscle	Tarsus(hock)	Toe	Other
No. Injuries	2	5	2	2 :

Distance	3/16	5/16	3/8	7/16	UNK
No. Injuries	1	9	1		1

Days Rest	2	3	4	5	6	7	8+
No. Injuries	2		4	3	2		1

### May 2008 - April 2009

### Commission Planner

May 2008									
M.	T	W	T	F	S				
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 Jun 2008

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#### May

- 8 Commission Meeting TBD by Executive Director
- 9 Commission Meeting
- 29 Commission Meeting TBD by Executive Director
- 30 Commission Meeting

J	une

- 16 Commission Meeting TBD by Executive Director
- 17 Commission Meeting

Nov 2008									
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25	26	27	28	29	30	31			

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[	Jul 2008						
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#### STAFF CALENDAR

May 2008	
1	In-service Law Enforcement Training
22	In-service Law Enforcement Training
<u>June 2008</u>	
2-6	Security and Electronic Security staff attending Basic Gaming Course at Missouri Gaming Commission
3	LGFRB Meeting in Topeka (Ramada)
23-25	Audit Staff to ARCI Auditors Conference in Louisiana
<b>July 2008</b>	
9	LGFRB Meeting in Cherokee County
10	LGFRB Meeting in Sumner County
23-24	LGFRB Meeting in Topeka (Ramada)
31	LGFRB Meeting in Ford County
August 200	<u>08</u>
5	LGFRB Meeting (by phone) in Topeka
13-15	LGFRB Meeting in Wyandotte County
21-22	LGFRB Meeting in Topeka (Ramada)
<u>September</u>	· 2008
2-3	LGFRB Meeting in Topeka (Ramada)
9	LGFRB Meeting (by phone) in Topeka
18-19	LGFRB Meeting in Topeka (Ramada)

#### **Kansas Racing and Gaming Commission**

#### STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** May 9, 2008

**AGENDA ITEM:** Approval of Race Officials for Woodlands

**PRESENTER:** Frances Snell, Director of Racing

**ISSUE SUMMARY:** The following individuals have been submitted by the Woodlands for review and approval by the Commission. The Commission must decide if the individual, named should be permitted to act in the capacity requested.

Individual Position

Jayme LaRocca General Manager

Zachary Kimsey Starter

Breanna Colbert Clerk of Scales

**COMMISSION ACTION REQUIRED/REQUESTED**: Commission and judges review and approval.

**STAFF RECOMMENDATIONS:** Approve the race officials, subject to the judges approval.

**OTHER:** A written recommendation from the Woodlands judges is attached.

# MEMORANDUM

To:

Stephen Martino, KRGC Executive Director

CC:

Frances Snell, KRGC Director of Racing

From:

Board of Judges

Date:

April 30, 2008

Subject: Approval recommendations

The Board of Judges would like to recommend approval of Jayme LaRocca as The Woodlands General Manager. Mr. LaRocca is the current General Manager and has a good working relationship with all KRGC staff. He is very professional and has handled any issues directly and in a timely manner. If you have any further questions regarding Mr. LaRocca's job performance please contact us.

The Judges would also like to recommend approval of Zachary Kimsey as the Starter. Mr. Kimsey has been training for this position for about 3 weeks and we feel he is doing a very good job. We will be meeting with Mr. Kimsey to go over the rules that pertain to the Starter's position. If you have any questions about Mr. Kimsey's job performance please contact us.

### Kansas Racing & Gaming Commission

# Memo

To:

Stephen Martino, Executive Director

From:

Board of Judges, Kansas City

CC:

Frances Snell, KRGC Director of Racing

Rick Langdon, KRGC Enforcement Agent

Dater

April 13, 2008

Rei

Race Official Recommendation

The Board of Judges would like to recommend approval of Breanna Colbert for the race official position of Clerk of Scales. Ms. Colbert has completed her training satisfactorily and has met with the Judges for a review of that position's duties and responsibilities.

If you have any questions regarding Ms. Colbert's training performance please contact the Judges.

Robin V. Sellman

Erin K. Marshall

Brenda Street