

FY17

Revised with Addendum – 11/16/2018

Arizona Department of Gaming-Racing Division



Annual Report

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This Fiscal Year 2017 Annual Report was revised on November 16, 2018 to include an Addendum provided at Appendix A. Amounts reported in the Addendum supersede previously reported data for FY17 and are consistent with FY18 Annual Report data.

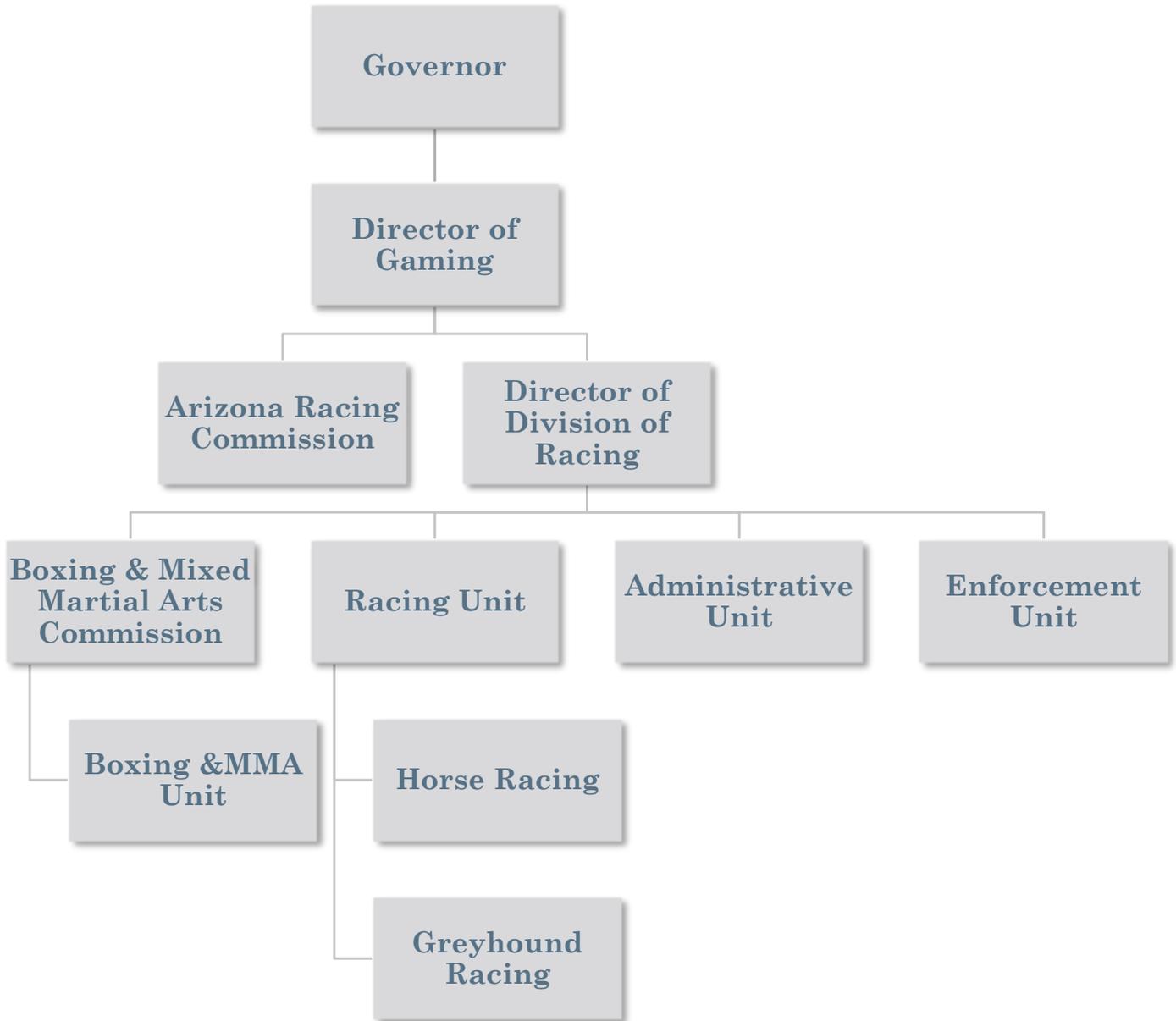
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APPENDIX A | FY17 Addendum

In accordance with A.R.S. § 5-104(P), the Arizona Department of Gaming – Division of Racing/Racing Commission (“the Division”) submits this annual report for Fiscal Year 2017 (“FY17”). Pursuant to this statute, Racing shall distribute the report to the Governor, the President of the Senate, Speaker of the House of Representatives, as well as the Arizona State Library, Archives and Public Records, and will also be made available online for public access at racing.az.gov.

FY17 Annual Report/Org. Chart

The primary mission of the Department of Gaming – Division of Racing is to regulate and supervise pari-mutuel racing and wagering conducted in Arizona, in order to protect racing participants and the wagering public.



FY17 State Revenues

	ADW	Commercial Horse	Commercial Dog	County Fair	FY17	FY16
Race Days/Performances						
Live Race Days/Performances*	507	104	0	38	649	357
Dark Day – Simulcast Only	1,456	341	725	38	2,560	1,679
Total Race Days	1,963	445	725	76	3,209	2,036
Number of Races						
Live AZ Races*	4,320	857	0	293	5,470	4,526
Simulcast Races	498,677	50,175	74,672	5,885	629,409	756,102
Total Number of Races	502,997	51,032	74,672	6,178	634,879	760,628
Attendance						
On-Track	8,372	246,994	24,448	105,649	385,463	393,338
Off-Track	74,831	458,273	55,814	76,579	665,497	701,628
Total Attendance	83,203	705,267	80,262	182,228	1,050,960	1,094,603
Pari-Mutuel Handle						
Handle Breakdown by Source						
Live Races* - Taxable	\$403,637	\$7,321,689	-	\$3,541,057	\$11,266,383	\$15,461,107
Simulcast Races – Non-Taxable	\$13,970,236	\$87,081,601	\$19,940,710	\$17,455,436	\$138,447,983	\$142,899,989
TGP Horse Handle	-	-	\$5,119,976	-	\$5,119,976	-
Total Arizona Pari-Mutuel Handle	\$14,373,873	\$94,403,290	\$25,060,686	\$20,996,493	\$154,834,341	\$158,361,096
Handle Breakdown by Location						
On-Track Handle	-	\$18,135,923	\$4,842,929	\$6,442,075	\$29,420,927	\$31,599,685
Off-Track Handle	-	\$76,267,367	\$15,097,782	\$14,554,418	\$105,919,566	\$126,761,411
Average Handle Per Race Day	\$7,322	\$212,142	\$34,566	\$63,998	\$318,030	\$77,780
Commingled (Export out of AZ)	-	\$105,983,161	-	\$21,324,934	\$127,308,094	\$157,765,523
Distribution of Revenues						
State Pari-Mutuel Revenue	\$6,580	\$127,773	-	-	\$134,353	\$158,085
Regulatory Wagering Assessment (RWA)	\$120,214	\$1,680,435	\$166,227	\$348,857	\$2,315,733	\$2,361,177
Commission/State Tax						
Track Commission	\$2,828,653	\$19,539,438	\$4,544,332	\$4,267,563	\$31,179,986	\$33,238,550
State Tax	\$8,063	\$146,439	-	\$70,823	\$225,325	\$432,133
Total Track Commission	\$2,836,716	\$19,685,878	\$4,544,332	\$4,338,386	\$31,405,311	\$33,670,683
Returned to Wagering Public	\$11,079,611	\$69,863,788	\$15,331,614	\$15,622,458	\$111,897,470	\$118,286,982
Settlement to/from Host	\$425,767	\$4,508,686	\$30,924	\$971,469	\$5,936,847	\$6,016,155
Track Mutuel Revenue						
Total Track/ADW Commission	\$2,836,716	\$19,685,878	\$4,544,332	\$4,338,386	\$31,405,311	\$33,670,683
Breakage	31,778	\$321,315	\$33,842	\$87,804	\$474,738	\$621,341
Total TGP Horse Commission	-	-	\$269,534	-	\$269,534	-
Capital Improvement Rebate	-	-	-	-	-	-
Capital Improvement AGP Non-Taxable	-	-	-	-	-	-
Revenue Withheld – Charity Days	\$95	\$7,446	-	-	\$7,541	\$10,089
Revenue Withheld – County Fair	\$1,388	-	-	\$70,823	\$72,211	\$58,983
Hardship Tax Credit+	-	\$11,220	-	-	\$11,220	\$192,137
Total Track Revenue	\$2,869,977	\$20,025,858	\$4,847,707	\$4,497,012	\$32,240,555	\$34,553,233
Purses*	-	\$7,905,529	-	\$1,700,657	\$9,607,186	\$10,995,077

* A.R.S. Title 5, 5-110(H) – Notwithstanding any other law, live dog racing shall not be conducted in this state after December 31, 2016.

* Any differences with Total AZ Pari-Mutuel Handle for Commercial Horse Track and County Fair is due to "Pool Adjustment." All Pool Adjustments net \$0.00 at the end of the year.

+As of May 13, 2016, "Laws 2016, Chapter 247 eliminates the hardship tax credit, which is used to offset the amount of pari-mutuel tax owed by greyhound and horse racing tracks. Credits awarded prior to Chapter 247 may still be used by horse racing tracks to offset pari-mutuel tax in future years. Greyhound tracks will be unable to use previously-acrued credits due to the elimination of live dog racing by Laws 2016, Chapter 246." – FY17 Appropriations Report – Department of Gaming.

Commercial Horse Track	Rillito Park	Turf Paradise	FY17	FY16
Race Days/Performances				
Live Race Days/Performances	10	94	104	114
Dark Day – Simulcast Only	11	330	341	378
Total Race Days	21	424	445	492
Number of Races				
Live AZ Races	79	778	857	966
Simulcast Races	751	49,424	50,175	47,667
Total Number of Races	830	50,202	51,032	48,633
Attendance				
On-Track	20,819	226,175	246,994	239,567
Off-Track	0	458,273	458,273	431,452
Total Attendance	20,819	684,448	705,267	671,019
Pari-Mutuel Handle				
Handle Breakdown by Source				
Live Races* - Taxable	\$561,008	\$6,760,681	\$7,321,689	\$7,920,875
Simulcast Races – Non-Taxable	\$131,245	\$86,950,355	\$87,081,601	\$93,253,961
Total Arizona Pari-Mutuel Handle	\$692,253	\$93,711,036	\$94,403,290	\$101,174,836
Handle Breakdown by Location				
On-Track Handle	\$692,253	\$17,443,669	\$18,135,923	\$20,236,251
Off-Track Handle	-	\$76,267,367	\$76,267,367	\$93,501,121
Total by Location	\$692,253	\$93,711,036	\$94,403,290	\$113,737,373
Average Handle Per Race Day	\$32,964	\$221,017	\$212,142	\$205,640
Commingled (Export out of AZ)	\$508,943	\$105,474,217	\$105,983,161	\$123,732,323
Distribution of Revenues				
State Pari-Mutuel Revenue	-	\$127,773	\$127,773	\$150,861
Regulatory Wagering Assessment (RWA)	\$10,178	\$1,670,258	\$1,680,435	\$1,633,981
Commission/State Tax				
Track Commission	\$151,715	\$19,387,723	\$19,539,438	\$21,176,093
State Tax	\$11,220	\$135,219	\$146,439	\$174,340
Total Track Commission	\$162,935	\$19,522,943	\$19,685,878	\$21,350,432
Returned to Wagering Public	\$466,414	\$69,397,374	\$69,863,788	\$75,451,640
Settlement to/from Host	\$58,566	\$4,450,120	\$4,508,686	\$4,942,890
Track Mutuel Revenue				
Total Track Commission	\$162,935	\$19,522,943	\$19,685,878	\$21,350,432
Breakage	\$4,339	\$316,976	\$321,315	\$433,383
Capital Improvement Rebate	-	-	-	-
Revenue Withheld – Charity Days	-	\$7,446	\$7,446	\$9,969
Revenue Withheld – County Fair	-	-	-	-
Hardship Tax Credit+	\$11,220	-	\$11,220	\$13,509
Total Track Revenue	\$178,494	\$19,847,364	\$20,025,858	\$21,807,294
Purses	\$80,572	\$7,825,957	\$7,906,529	\$10,376,497

* Any differences with Total AZ Pari-Mutuel Handle for Commercial Horse Track and County Fair is due to "Pool Adjustment." All Pool Adjustments net \$0.00 at the end of the year.

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Commercial Greyhound Track	AGP	TGP	FY17	FY16
Race Days/Performances				
Live Race Days/Performances*	0	0	0	205
Dark Day – Simulcast Only	362	363	725	160
Total Race Days	362	363	725	365
Number of Races				
Live AZ Races*	0	0	0	3,295
Simulcast Races	63,283	11,389	74,672	61,332
Total Number of Races	63,283	11,389	74,672	64,627
Attendance				
On-Track	18,659	5,789	24,448	34,217
Off-Track	41,329	14,485	55,814	73,804
Total Attendance	59,988	20,274	80,262	108,021
Pari-Mutuel Handle				
Handle Breakdown by Source				
Live Races* - Taxable	-	-	-	\$3,247,768
Simulcast Races – Non-Taxable	\$13,891,345	\$6,049,366	\$19,940,710	\$20,111,672
TGP Horse Handle	-	\$5,119,976	\$5,119,976	-
Total Arizona Pari-Mutuel Handle	\$13,891,345	\$11,169,341	\$25,060,686	\$23,359,440
Handle Breakdown by Location				
On-Track Handle	\$2,951,833	\$1,891,096	\$4,842,929	\$2,487,220
Off-Track Handle	\$10,939,512	\$4,158,270	\$15,097,782	\$6,771,423
Average Handle Per Race Day	\$38,374	\$30,770	\$34,566	\$63,998
Commingled (Export out of AZ)	-	-	-	\$12,708,267
Distribution of Revenues				
State Pari-Mutuel Revenue	-	-	-	-
Regulatory Wagering Assessment (RWA)	\$115,829	\$50,398	\$166,227	\$277,393
Commission/State Tax				
Track Commission	\$3,196,714	\$1,347,618	\$4,544,332	\$5,240,374
State Tax	-	-	-	\$178,627
Total Track Commission	\$3,196,714	\$1,347,618	\$4,544,332	\$5,419,001
Returned to Wagering Public	\$10,505,801	\$4,825,812	\$15,331,614	\$17,872,279
Settlement to/from Host	\$165,407	(\$134,484)	\$30,924	\$30,634
Track Mutuel Revenue				
Total Track Commission	\$3,196,714	\$1,347,618	\$4,544,332	\$5,419,001
Breakage	\$23,422	\$10,419	\$33,842	\$43,920
Total TGP Horse Commission	-	\$269,534	\$269,534	-
Capital Improvement Rebate	-	-	-	-
Capital Improvement AGP Non-Taxable	-	-	-	-
Revenue Withheld – Charity Days	-	-	-	-
Revenue Withheld – County Fair	-	-	-	-
Hardship Tax Credit+	-	-	\$11,220	\$178,627
Total Track Revenue	\$3,220,136	\$1,627,571	\$4,847,707	\$5,641,549
Purses*	-	-	-	\$618,581

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Breakage	\$4,339	\$316,976	\$321,315	\$433,383
Capital Improvement Rebate	-	-	-	-
Revenue Withheld – Charity Days	-	\$7,446	\$7,446	\$9,969
Revenue Withheld – County Fair	-	-	-	-
Hardship Tax Credit+	\$11,220	-	\$11,220	\$13,509
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Fair Meet	Santa Cruz County Fair & Rodeo Association	Total Fairs at Non-Commercial Tracks	Martinez County Fair, Inc.	La Paz County Fair Association	Central AZ Fair Association - Pinal County	Pima County Fair Horse Racing Commission	Cochise County Fair	Navajo County Fair, Inc.	Yuma County Fair Association	Greenlee County Fair	Cocoonino County Parks & Rec.	Total Fairs at Commercial Tracks	FY17 Total - All County Fair Racing	FY16 Total - All County Fair Racing
Race Days/Performances														
Live Race Days/Performances	2	2	4	4	4	4	4	4	4	4	4	36	38	33
Dark Day - Simulcast Only	2	2	4	4	4	4	4	4	4	4	4	36	38	1
Total Race Days	4	4	8	8	8	8	8	8	8	8	8	72	76	34
Number of Races														
Live AZ Races	15	15	32	32	32	33	24	32	32	37	24	278	293	217
Simulcast Races	1	1	547	623	672	283	507	687	655	847	1,063	5,884	5,885	5,071
Total Number of Races	16	16	579	655	704	316	531	719	687	884	1,087	6,162	6,178	5,288
Attendance														
On-Track	1,750	1,750	10,862	10,510	11,684	11,177	9,177	14,662	14,554	9,457	11,816	103,899	105,649	5,228
Off-Track	0	0	6,418	7,803	9,291	0	6,250	9,131	7,232	9,735	20,619	76,579	76,579	160,409
Total Attendance	1,750	1,750	17,280	18,413	20,975	11,177	15,427	23,793	21,786	19,192	32,435	180,478	182,228	165,637
Par-Mutuel Handle														
Handle Breakdown by Source														
Live Races - Taxable	\$52,309	\$52,309	\$404,096	\$307,735	\$488,664	\$287,219	\$291,675	\$479,123	\$441,195	\$438,346	\$350,696	\$3,488,748	\$3,541,057	\$3,079,426
Simulcast Races - Non-Taxable	\$25,479	\$25,479	\$1,414,512	\$1,771,216	\$2,095,605	\$36,344	\$1,429,305	\$2,034,881	\$1,722,150	\$2,250,031	\$4,675,914	\$17,429,957	\$17,455,436	\$16,735,366
Total Arizona Par-Mutuel Handle	\$77,788	\$77,788	\$1,818,608	\$2,078,950	\$2,584,269	\$323,563	\$1,720,980	\$2,514,004	\$2,163,345	\$2,688,377	\$5,026,610	\$20,918,705	\$20,996,493	\$19,814,792
Handle Breakdown by Location														
On-Track Handle	\$77,788	\$77,788	\$599,205	\$573,726	\$818,832	\$323,563	\$553,444	\$778,984	\$789,200	\$838,733	\$1,108,601	\$6,364,287	\$6,442,075	\$5,887,186
Off-Track Handle	-	-	\$1,219,403	\$1,505,225	\$1,765,437	-	\$1,167,536	\$1,735,020	\$1,374,145	\$1,849,644	\$3,918,009	\$14,554,418	\$14,554,418	\$13,927,606
Total by Location	\$77,788	\$77,788	\$1,818,608	\$2,078,950	\$2,584,269	\$323,563	\$1,720,980	\$2,514,004	\$2,163,345	\$2,688,377	\$5,026,610	\$20,918,705	\$20,996,493	\$19,814,791
Average Handle Per Race Day	\$19,447	\$19,447	\$227,326	\$259,669	\$323,034	\$40,445	\$215,122	\$314,250	\$270,418	\$336,047	\$628,326	\$2,614,838	\$276,270	\$582,788
Commingled (Export out of AZ)	-	-	\$3,299,984	\$2,860,108	\$2,936,838	\$218,355	\$2,258,023	\$2,903,941	\$2,859,199	\$2,421,235	\$1,567,152	\$21,324,934	\$21,324,934	\$18,373,245
Distribution of Revenues														
State Par-Mutuel Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory Wagering Assessment (RWA)	-	-	\$43,432	\$41,920	\$46,834	-	\$33,769	\$45,968	\$42,611	\$43,354	\$50,970	\$348,857	\$348,857	\$285,144
Commission/State Tax														
Track Commission	\$16,093	\$16,093	\$374,448	\$424,526	\$524,986	\$71,370	\$350,872	\$510,687	\$440,058	\$535,756	\$1,018,768	\$4,251,470	\$4,267,563	\$4,047,171
State Tax	\$1,046	\$1,046	\$8,082	\$6,155	\$9,774	\$5,744	\$5,834	\$9,583	\$8,824	\$8,767	\$7,014	\$69,777	\$70,823	\$61,590
Total Track Commission	\$17,139	\$17,139	\$382,530	\$430,681	\$534,759	\$77,114	\$356,706	\$520,270	\$448,882	\$544,523	\$1,025,782	\$4,321,247	\$4,338,386	\$4,108,761
Returned to Wagering Public	\$64,368	\$64,368	\$1,369,005	\$1,551,090	\$1,883,983	\$226,857	\$1,280,110	\$1,880,541	\$1,618,388	\$1,981,290	\$3,756,825	\$15,558,090	\$15,622,458	\$15,024,098
Settlement to/from Host	(\$4,327)	(\$4,327)	\$56,240	\$87,475	\$137,909	\$17,230	\$80,458	\$99,646	\$124,797	\$157,154	\$214,888	\$97,796	\$97,149	\$622,001
Track Mutuel Revenue														
Total Track Commission	\$17,139	\$17,139	\$382,530	\$430,681	\$534,759	\$77,114	\$356,706	\$520,270	\$448,882	\$544,523	\$1,025,782	\$4,321,247	\$4,338,386	\$4,108,761
Breakage	\$608	\$608	\$7,073	\$9,734	\$12,553	\$2,362	\$8,131	\$8,939	\$11,426	\$6,507	\$20,471	\$87,196	\$87,804	\$99,355
Capital Improvement Rebate	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Withheld - Charity Days	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Withheld - County Fair	\$1,406	\$1,406	\$8,082	\$6,155	\$9,774	\$5,744	\$5,834	\$9,583	\$8,824	\$8,767	\$7,017	\$69,777	\$70,823	\$61,590
Handship Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Track Revenue	\$18,793	\$18,793	\$397,685	\$446,569	\$557,085	\$85,220	\$370,671	\$538,792	\$469,132	\$559,797	\$1,053,268	\$4,478,219	\$4,497,012	\$4,269,706
Purses	\$8,046	\$8,046	\$170,647	\$178,372	\$220,145	\$36,657	\$146,215	\$213,440	\$191,021	\$214,824	\$321,289	\$1,692,610	\$1,700,657	\$1,605,336

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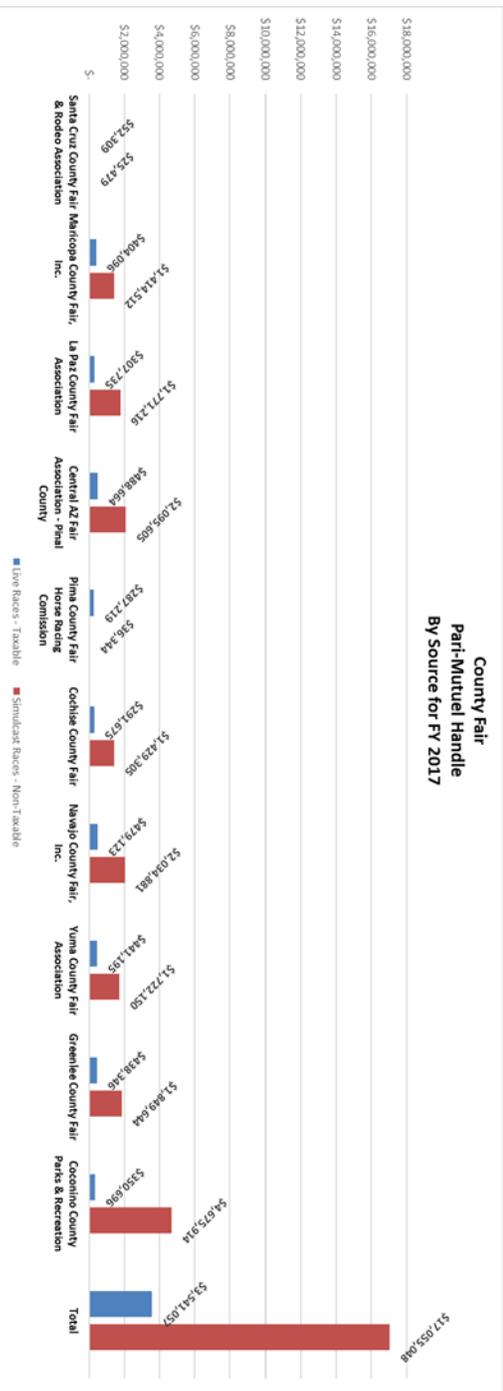
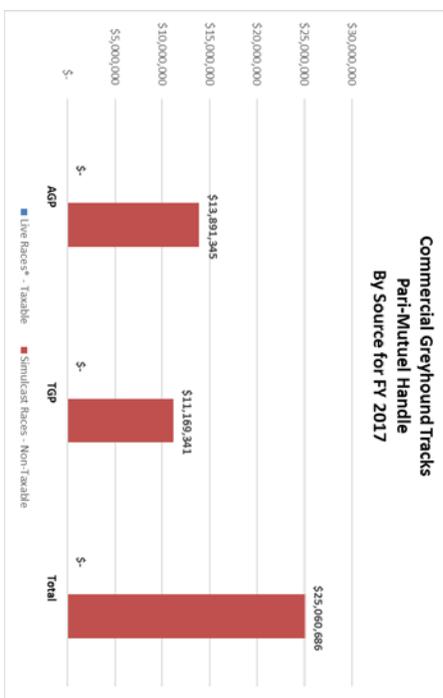
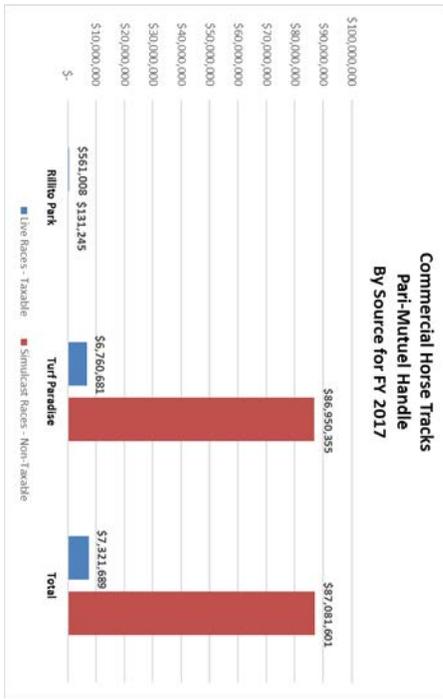
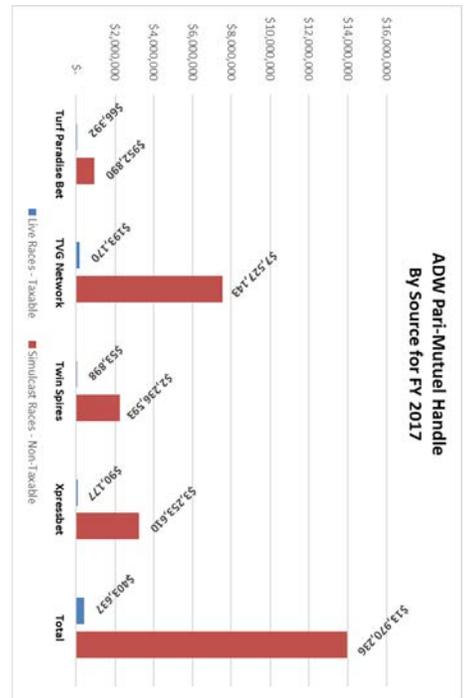
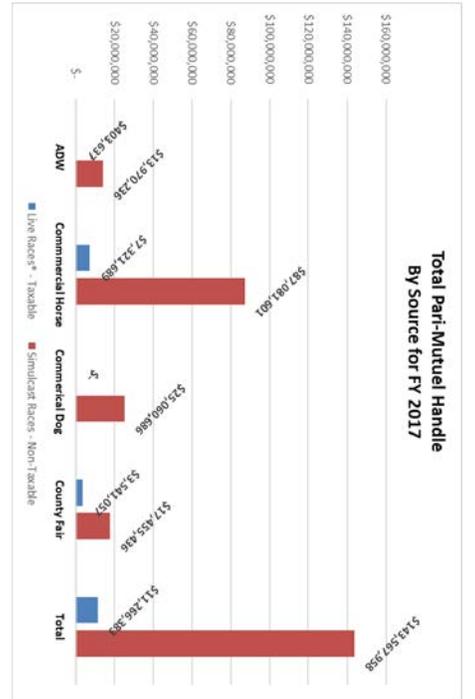
	Turf Paradise Bet	TVG Network	Twin Spires	XpressBet	FY17	FY16
Wagering Days/Performances						
Live Race Days/Performances*	126	129	126	126	507	540
Dark Day – Simulcast Only	364	364	364	364	1,456	923
Total Wagering Days	490	493	490	490	1,963	1,463
Number of Races						
Live AZ Races*	1,250	1,044	1,020	1,006	4,320	4,354
Simulcast Races	158,935	51,488	128,792	159,462	498,677	578,341
Total Number of Races	160,185	52,532	129,812	160,468	502,997	582,695
AZ Patron Accounts Wagering						
On Live AZ Races	1,313	3,998	1,216	1,845	8,732	8,363
On Simulcast Races	7,181	35,455	14,222	17,973	74,831	67,125
Total Accounts Wagering	8,494	39,453	15,438	19,818	83,203	75,488
Pari-Mutuel Handle						
Handle Breakdown by Source						
Live Races - Taxable	\$66,392	\$193,170	\$53,898	\$90,177	\$403,637	\$417,266
Simulcast Races – Non-Taxable	\$952,890	\$7,527,143	\$2,236,593	\$3,253,610	\$13,970,236	\$12,551,830
Total Arizona Pari-Mutuel Handle	\$1,019,282	\$7,720,312	\$2,290,491	\$3,343,787	\$14,373,873	\$12,969,096
Average Handle Per Race Day	\$2,080	\$15,660	\$4,674	\$6,824	\$7,322	\$8,865
Distribution of Revenues						
State Pari-Mutuel Revenue	\$1,014	\$3,158	\$875	\$1,533	\$6,580	\$7,223
Regulatory Wagering Assessment (RWA)	\$8,431	\$64,370	\$19,534	\$27,880	\$120,214	\$100,946
Commission/State Tax						
Track Commission	\$202,732	\$1,492,389	\$465,850	\$667,682	\$2,828,653	\$2,554,521
State Tax	\$1,328	\$3,863	\$1,069	\$1,804	\$8,063	\$8,343
Total Track Commission	\$204,059	\$1,496,252	\$466,920	\$669,485	\$2,836,716	\$2,562,864
Returned to Wagering Public	\$771,387	\$5,837,535	\$1,740,279	\$2,730,411	\$11,079,611	\$9,938,965
Settlement to/from Host	\$38,700	\$375,802	\$75,947	\$(64,682)	\$425,767	\$420,630
ADW Mutuel Revenue						
Total ADW Commission	\$204,059	\$1,496,252	\$465,850	\$669,485	\$2,836,716	\$2,562,864
Breakage	\$5,137	\$10,724	\$7,345	\$8,573	\$31,778	\$56,233
Revenue Withheld – Charity Days	\$25	\$45	\$5	\$20	\$95	\$120
Revenue Withheld – County Fair	\$289	\$659	\$189	\$250	\$1,388	\$1,120
Total ADW Revenue	\$209,510	\$1,507,680	\$474,458	\$678,328	\$2,869,977	\$2,620,337

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

In FY17, the Division issued 2782 licenses, which generated an additional \$254,905 for Arizona's General Fund. It also assessed \$47,555 in penalties to licensees/permittees for various infractions.

	Horses	Greyhounds	FY17 Total
Additional Revenue Source			
Licensing Fees Assessed	\$250,625	\$4,280	\$254,905
Monetary Penalties Assessed	\$47,555	-*	\$47,555
Total Revenues	\$298,180	\$4,280	\$298,180

* A.R.S. Title 5, 5-110(H) – Notwithstanding any other law, live dog racing shall not be conducted in this state after December 31, 2016.



Capital Improvement Funds

A.R.S. 5-111.02 permits a permittee to retain a percentage typically paid by the permittee to the State, as provided in A.R.S. 5-111, as a means of encouraging the improvement of racing facilities for the benefit of the public, breeders, and horse owners, and to increase revenue to the State from the increase in pari-mutuel wagering resulting from capital improvements.

In FY17, no capital improvement funds were used pursuant to A.R.S. 5-11.02 that would otherwise be State revenues.

Hardship Tax Credit

Laws 2016, Chapter 247 eliminated the hardship tax credit, which is used to offset the amount of pari-mutuel tax owed by horse and greyhound racing tracks. Credits awarded prior to Chapter 247 may still be used by horse racing tracks to offset pari-mutuel tax in future years. Greyhound tracks are unable to use previously-accrued credits, due to the elimination of live dog racing, by laws 2016, Chapter 246.

	(As of 7/1/16) Allowable Hardship Tax Credit	FY17 Hardship Used or Transferred	Balance of Hardship Tax Credit (As of 6/30/17)
Horse Track			
Rillito Park	\$306,234	\$11,220	\$295,014
Turf Paradise	\$14,564	-	\$14,564

Regulation

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

Licensing/Permitting

The Division processes and investigates all license applications in a timely manner, while ensuring only eligible applicants receive licenses. In FY17, the Division saw an increase in the total number of licenses and permits issued or renewed, in comparison to FY16.

Performance Measures	FY17
Number of Licenses/Permits Issued/Renewed	2782
Number of Licenses/Permits Denied	2
Number of Licenses/Permits Revoked	1

License Type	Horses				Greyhounds			FY17 Total	FY16 Total
	County Fair	Rillito Park	Turf Paradise	Total	Apache Greyhound	Tucson Greyhound	Total	Licenses Issued	Licenses Issued
ADWP	0	0	4	4	0	0	0	4	0
ADWP Employee	0	0	5	5	0	0	0	5	0
All Other Vendors	0	0	8	8	0	0	0	8	0
Apprentice Jockey	0	0	7	7	0	0	0	7	4
Assistant Starter	0	0	0	0	0	0	0	0	7
Assistant Trainer	0	0	0	0	0	0	0	0	6
Authorized Agent	1	5	28	34	0	0	0	34	0
Authorized Agent - Partial	0	0	41	41	0	0	0	41	28
Authorized Agent - Full	0	0	5	5	0	0	0	5	1
Chief Financial Officer	0	0	1	1	0	0	0	1	0
Coolout	0	0	0	0	0	0	0	0	12
County Fair Manager	4	0	0	4	0	0	0	4	5
County Fair Permit	6	0	0	6	0	0	0	6	3
Duplicate License	0	1	73	74	0	0	0	74	89
Exercise Rider	0	3	144	147	0	0	0	147	64
Groom	0	67	373	440	0	0	0	440	251
Hauler	0	0	0	0	0	0	0	0	1
Jockey	0	2	61	63	0	0	0	63	45
Jockey Agent	0	0	9	9	0	0	0	9	5
Kennel	0	0	0	0	0	0	0	0	5
Mutuel (Owner/Manager)	0	19	62	81	9	21	30	111	265
Occupational	4	104	144	252	2	1	3	255	192
Official	0	8	20	28	1	4	5	33	26
OTB (Owner/Manager)	0	0	61	61	5	8	13	74	192
Outrider	0	1	6	7	0	0	0	7	1
Owner	2	49	778	829	0	2	2	831	531
Owner/Assistant Trainer	0	0	1	1	0	0	0	1	0
Owner/Trainer	0	16	182	198	0	0	0	198	67
Permittee/Board	0	1	1	2	3	0	3	5	5
Plater/Farrier	0	0	19	19	0	0	0	19	13
Pony Person	0	16	96	112	0	0	0	112	40
RBO (Kennel/Racing or Breeding)	0	0	0	0	0	0	0	0	5
Security Employee	0	9	16	25	1	5	6	31	34
Stable	0	2	89	91	0	0	0	91	41
Temporary Claim to Owner	0	0	29	29	0	0	0	29	14
Tote Company	0	0	2	2	1	0	1	3	3
Tote Employee	0	0	12	12	11	6	17	29	32
Track GM	0	0	0	0	0	1	1	1	4
Trainer	0	3	66	69	0	0	0	69	45
Valet	0	1	7	8	0	0	0	8	0
Vendor Employee	0	0	18	18	0	0	0	18	23
Veterinarian	0	0	9	9	0	0	0	9	9
Total Licenses Issued	17	307	2377	2701	33	48	81	2782	2068
Total Licensing Fees				\$250,625.00			\$4,280.00	\$254,905.00	\$165,641.00

Investigations

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

Performance Measures	FY17
Number of Incident Investigations	33
Number of Background Investigations	2782
Total Number of Investigations Conducted	2815

Division of Racing Budget

The Division has an annual appropriation of \$2.9 million, with funds being predominantly provided through the Regulatory Wagering Assessment (RWA). Other contributions to the Division's budget come from licensing fees, pari-mutuel taxes, dark day assessments, and Advanced Deposit Wagering Assessments (ADWA)s. Day-to-day operations of the Division are funded entirely through the racing industry, with the the Division only receiving a General Fund appropriation for the Arizona Breeders' Awards, which was funded at \$200,000 for FY17, and an appropriation of \$1,779,500, that it passes through to the County Fairs Livestock and Agriculture Promotion Fund administered by the Governor's Office.

Expenditures for the immediately preceding three fiscal years and the Division's projected expenditures for FY18 are shown in the table below.

OPERATING BUDGET	Actual Expenditures FY15	Actual Expenditures FY16	Actual Expenditures FY17	Expend. Plan FY18
Full Time Equivalent Positions (FTE)	40.5	40.5	30	30
Personal Services	1,476,212	1,289,777	1,154,900	854,300
Employee-Related Expenses	616,414	529,511	398,500	340,800
Professional & Outside Services	474,139	431,911	226,900	325,600
Travel – In-State	52,273	31,456	20,300	9,300
Travel – Out-of-State	6,459	5,188	4,800	4,000
Other Operating Expenditures	217,367	204,090	146,900	116,900
Equipment	5,233	4,349	98,600	0
Transfer Out	0	270	17,000	267,000
Operating Budget Subtotal	\$2,848,097	\$2,496,552	\$2,067,900	\$1,917,900
SPECIAL LINE ITEMS				
Arizona’s Breeders’ Award – Governor’s Office	250,000	-	200,000	-
Arizona Breeders Award	-	37,642	36,500	280,000
County Fairs Livestock and Agricultural Promotion	1,779,500	1,779,500	1,779,500	1,779,500
Special Line Item Subtotal	2,029,500	1,817,142	\$2,016,000	\$2,059,500
AGENCY TOTAL	\$4,877,597	\$4,313,695	\$4,083,900	\$3,977,400
FUND SOURCES				
General Fund	2,029,500	1,779,500	1,979,500	1,779,500
Racing Regulation Fund	2,848,097	2,894,200	2,104,400	2,197,900
AGENCY TOTAL	\$4,877,597	\$4,673,700	\$4,083,900	\$3,977,400

Employee Status	FY15*	FY16	FY17	FY18
FTEs	-	40.5	30	30
Full-Time Equivalent (FTE) - Avg.	-	15.7	12.67	-
Part-Time - Avg.	-	4	3.17	-
Temporary/Seasonal - Avg.	-	2	1.17	-
Contracted	-	5	12	-
Total Employees	-	26.7	29.01	-

*The Department of Racing is now the Division of Racing within the Department of Gaming.

A.R.S. 5-106 requires the [Division of Racing] to appoint:

1. A supervisor of Mutuels;
2. Security Personnel (establish a Security Section); and
3. As many other employees as may be necessary for the enforcement of the laws of this state and the rules relating to racing.

5-106 also requires the [Division of Racing] to employ **two (2)** persons qualified as stewards for all races, and **three (3)** persons qualified as stewards for races conducted by a county fair racing association.

In late FY17, in an attempt to ensure efficient regulation of the racing industry in Arizona, the Division reduced its staffing levels and shifted some employees to seasonal/temporary employment.

Recommendations

The Division is currently researching but has no recommendations for increasing State revenues at this time.

APPENDIX A | FY17 Addendum

Figures reported in this Addendum supersede previously reported data for FY17 and are consistent with FY18 Annual Report data.



Fiscal Year 2017 State Revenues

ADVANCED DEPOSIT WAGERING, COMMERCIAL RACING, and COUNTY FAIR RACING FYE 06/30/2017

	ADW	Commercial Horse	Commercial Dog	County Fair	FY 2017	FY 2016
Race Days / Performances¹						
AZ Live Race Days / Performances	507	106	0	36	649	892
Dark Day - Simulcast Only	947	238	725	0	1,910	1,723
Total Race Days	1,454	344	725	36	2,559	2,615
Number of Races						
Live AZ Races ²	4,076	847	0	293	5,216	8,789
Simulcast Races	498,090	47,135	123,542	5,678	674,445	756,022
Total Number of Races	502,166	47,982	123,542	5,971	679,661	764,811
Attendance/Patron Accounts						
On Track	0	194,764	42,927	105,302	342,993	393,338
Off Track	0	405,263	108,535	72,789	586,587	625,777
Total Attendance	0	600,027	151,462	178,091	929,580	1,019,115
Pari-Mutuel Handle						
Handle Breakdown by Source						
¹ Live Races - Taxable	\$ 403,592	\$ 7,321,689	\$ -	\$ 3,541,057	\$ 11,266,338	\$ 15,461,108
Simulcast Races - Non-Taxable	\$ 13,974,731	\$ 87,927,015	\$ 19,940,710	\$ 16,610,022	\$ 138,452,478	\$ 142,899,989
Total Arizona Pari-Mutuel Handle³	\$ 14,378,323	\$ 95,248,704	\$ 19,940,710	\$ 20,151,079	\$ 149,718,816	\$ 158,361,097
Handle Breakdown by Location						
On Track Handle	\$ -	\$ 18,261,239	\$ 4,842,929	\$ 6,316,759	\$ 29,420,927	\$ 31,599,686
Off Track Handle	\$ 14,378,323	\$ 76,987,465	\$ 15,097,782	\$ 13,834,320	\$ 120,297,889	\$ 126,761,411
Total Arizona Pari-Mutuel Handle³	\$ 14,378,323	\$ 95,248,704	\$ 19,940,710	\$ 20,151,079	\$ 149,718,816	\$ 158,361,097
Average Handle Per Race Day						
	\$ 9,889	\$ 276,886	\$ 27,504	\$ 559,752	\$ 58,507	\$ 60,559
Commingled (Export out of AZ)						
	\$ -	\$ 105,983,161	\$ -	\$ 21,324,934	\$ 127,308,094	\$ 157,987,841
State Revenues						
Regulatory Wagering Assessment (RWA)	\$ 119,504	\$ 1,687,621	\$ 166,197	\$ 341,671	\$ 2,314,993	\$ 2,363,326
Gross 2% Live Pari-Mutuel State Tax ⁴	\$ 8,072	\$ 146,439	\$ -	\$ 70,823	\$ 225,334	\$ 432,133
Returned to Wagering Public	\$ 11,102,150	\$ 70,512,005	\$ 15,331,614	\$ 14,974,240	\$ 111,920,910	\$ 118,286,982
Settlement to/from Host	\$ 410,171	\$ 4,529,093	\$ 30,924	\$ 951,063	\$ 5,921,250	\$ 6,016,155
Track Mutuel Revenue						
Track/ADW Commission	\$ 2,826,336	\$ 19,712,598	\$ 4,544,332	\$ 4,094,403	\$ 31,177,669	\$ 33,073,734
Breakage	\$ 31,594	\$ 324,945	\$ 33,842	\$ 84,174	\$ 474,554	\$ 617,711
Capital Improvement Rebate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvement AGP Non-Taxable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Withheld - Charity Days	\$ 95	\$ 7,446	\$ -	\$ -	\$ 7,541	\$ 10,089
Revenue Withheld - County Fair	\$ 1,388	\$ -	\$ -	\$ 70,823	\$ 72,211	\$ 62,710
Hardship Tax Credit ⁵	\$ -	\$ 11,220	\$ -	\$ -	\$ 11,220	\$ 192,137
Total Track/ADW Revenue	\$ 2,859,413	\$ 20,056,209	\$ 4,578,173	\$ 4,249,400	\$ 31,743,195	\$ 33,956,380
Purses¹						
	\$ -	\$ 7,958,314	\$ -	\$ 1,648,871	\$ 9,607,186	\$ 10,995,077

¹ A.R.S. Title 5, 5-110 (H) - Notwithstanding any other law, live dog racing shall not be conducted in this state after December 31, 2016.

² ADW Race Days show days with AZ live race betting and days with only simulcast betting.

³ Any differences with Total AZ Pari-Mutuel Handle is due to "Pool Adjustment." All Pool Adjustments Net \$0.00 at the end of the year.

⁴ Total 2% Live Pari-Mutuel State Tax paid to the State is Gross 2% Live Pari-Mutuel State Tax less Tax Credits. Tax Credits: Charity Days, County Fairs, and Hardship Tax Credit.

⁵ As of May 13, 2016, "Laws 2016, Chapter 247 eliminates the hardship tax credit which is used to offset the amount of pari-mutuel tax owed by greyhound and horse racing tracks. Credits awarded prior to Chapter 247 may still be used by horse racing tracks to offset pari-mutuel tax in future years. Greyhound tracks will be unable to use previously accrued credits due to the elimination of live dog racing by Laws 2016, Chapter 246." - FY 2017 Appropriations Report - Department of Gaming

⁶ FY2016 Revised numbers

**ADVANCE DEPOSIT WAGERING
FYE 06/30/2017**

	Turf Paradise Bet	TVG Network	Twin Spires	Xpressbet	FY 2017	FY 2016 ²
Race Days / Performances¹						
AZ Live Race Days / Performances	126	129	126	126	507	540
Dark Day - Simulcast Only	238	234	238	237	947	923
Total Wagering Days	364	363	364	363	1,454	1,463
Number of Races						
Live AZ Races	1,006	1,044	1,020	1,006	4,076	4,354
Simulcast Races	158,935	51,429	128,792	158,934	498,090	578,341
Total Number of Races	159,941	52,473	129,812	159,940	502,166	582,695
Pari-Mutuel Handle						
Handle Breakdown by Source						
Live Races - <u>Taxable</u>	\$ 66,392	\$ 193,125	\$ 53,898	\$ 90,177	\$ 403,592	\$ 417,266
Simulcast Races - <u>Non-Taxable</u>	\$ 952,894	\$ 7,520,877	\$ 2,236,593	\$ 3,264,368	\$ 13,974,731	\$ 12,551,830
Total Arizona Pari-Mutuel Handle	\$ 1,019,286	\$ 7,714,001	\$ 2,290,491	\$ 3,354,545	\$ 14,378,323	\$ 12,969,096
Average Handle Per Race Day	\$ 2,800.24	\$ 21,251	\$ 6,293	\$ 9,241	\$ 9,889	\$ 8,865
State Revenues						
Regulatory Wagering Assessment (RWA)	\$ 8,431	\$ 64,177	\$ 18,925	\$ 27,971	\$ 119,504	\$ 100,946
Gross 2% Live Pari-Mutuel State Tax ³	\$ 1,328	\$ 3,863	\$ 1,078	\$ 1,804	\$ 8,072	\$ 8,343
Returned to Wagering Public	\$ 771,387	\$ 5,837,490	\$ 1,740,279	\$ 2,752,995	\$ 11,102,150	\$ 9,938,965
Settlement to/from Host	\$ 38,703	\$ 374,078	\$ 75,947	\$ (78,557)	\$ 410,171	\$ 420,630
ADW Mutuel Revenue						
ADW Commission	\$ 202,732	\$ 1,487,968	\$ 465,841	\$ 669,794	\$ 2,826,336	\$ 2,562,864
Breakage	\$ 5,137	\$ 10,603	\$ 7,345	\$ 8,510	\$ 31,594	\$ 56,233
Revenue Withheld - Charity Days	\$ 25	\$ 45	\$ 5	\$ 20	\$ 95	\$ 120
Revenue Withheld - County Fair	\$ 289	\$ 659	\$ 189	\$ 250	\$ 1,388	\$ 1,120
Total ADW Revenue	\$ 208,183	\$ 1,499,276	\$ 473,380	\$ 678,574	\$ 2,859,413	\$ 2,620,337

¹ Race Days show days with AZ live race betting and days with only simulcast betting

² FY2016 Revised numbers

³ Total 2% Live Pari-Mutuel State Tax paid to the State is Gross 2% Live Pari-Mutuel State Tax less Tax Credits. Tax Credits: Charity Days, County Fairs, and Hardship Tax Credit.

COMMERCIAL HORSE TRACKS
FYE 06/30/2017

	Rillito Park	Turf Paradise	FY 2017	FY 2016 ⁵
Race Days / Performances¹				
Live Race Days / Performances	10	96	106	114
Dark Day - Simulcast Only	1	237	238	276
Total Race Days	11	333	344	390
Number of Races				
Live AZ Races	79	768	847	966
Simulcast Races	751	46,384	47,135	47,667
Total Number of Races	830	47,152	47,982	48,633
Attendance				
On Track	20,819	173,945	194,764	239,567
Off Track	0	405,263	405,263	431,452
Total Attendance	20,819	579,208	600,027	671,019
Pari-Mutuel Handle				
Handle Breakdown by Source				
Live Races - <u>Taxable</u>	\$ 561,008	\$ 6,760,681	\$ 7,321,689	\$ 8,716,648
Simulcast Races - <u>Non-Taxable</u>	\$ 131,245	\$ 87,795,769	\$ 87,927,015	\$ 93,501,121
Total Arizona Pari-Mutuel Handle²	\$ 692,253	\$ 94,556,450	\$ 95,248,704	\$ 102,217,769
Handle Breakdown by Location				
On Track Handle	\$ 692,253	\$ 17,568,985	\$ 18,261,239	\$ 20,236,251
Off Track Handle	\$ -	\$ 76,987,465	\$ 76,987,465	\$ 81,981,518
Total Arizona Pari-Mutuel Handle²	\$ 692,253	\$ 94,556,450	\$ 95,248,704	\$ 102,217,769
Average Handle Per Race Day				
	\$ 62,932	\$ 283,953	\$ 276,886	\$ 262,097
Commingled (Export out of AZ)				
	\$ 508,943	\$ 105,474,217	\$ 105,983,161	\$ 123,954,641
State Revenues				
Regulatory Wagering Assessment (RWA)	\$ 10,178	\$ 1,677,444	\$ 1,687,621	\$ 1,643,316
Gross 2% Live Pari-Mutuel State Tax ³	\$ 11,220	\$ 135,219	\$ 146,439	\$ 174,340
Returned to Wagering Public				
	\$ 466,414	\$ 70,045,592	\$ 70,512,005	\$ 75,451,640
Settlement to/from Host				
	\$ 58,566	\$ 4,470,527	\$ 4,529,093	\$ 4,942,890
Track Mutuel Revenue				
Track Commission	\$ 151,715	\$ 19,560,883	\$ 19,712,598	\$ 21,176,093
Breakage	\$ 4,339	\$ 320,606	\$ 324,945	\$ 433,383
Capital Improvement Rebate	\$ -	\$ -	\$ -	\$ -
Revenue Withheld - Charity Days	\$ -	\$ 7,446	\$ 7,446	\$ 9,969
Revenue Withheld - County Fair	\$ -	\$ -	\$ -	\$ -
Hardship Tax Credit ⁴	\$ 11,220	\$ -	\$ 11,220	\$ 13,509
Total Track Revenue	\$ 167,274	\$ 19,888,935	\$ 20,056,209	\$ 21,632,954
Purses				
	\$ 80,572	\$ 7,877,742	\$ 7,958,314	\$ 8,791,037

¹ Race Days do not include County Fair Dates

² Any differences with Total AZ Pari-Mutuel Handle is due to "Pool Adjustment." All Pool Adjustments Net \$0.00 at the end of the year.

³ Total 2% Live Pari-Mutuel State Tax paid to the State is Gross 2% Live Pari-Mutuel State Tax less Tax Credits. Tax Credits: Charity Days, County Fairs, and Hardship Tax Credit.

⁴ As of May 13, 2016, "Credits awarded prior to Chapter 247 may still be used by horse racing tracks to offset pari-mutuel tax in future years." - FY 2017 Appropriations Report - Department of Gaming

⁵ FY2016 Revised numbers

COMMERCIAL GREYHOUND TRACKS
Apache Greyhound Park and Tucson Greyhound Park
FY 06/30/2017

	AGP	TGP	FY 2017	FY 2016
Race Days / Performances¹				
Live Race Days / Performances	0	0	0	205
Dark Day - Simulcast Only	362	363	725	523
Total Race Days	362	363	725	728
Number of Races				
Live AZ Races ¹	0	0	0	3,204
Simulcast Races	63,283	60,259	123,542	124,943
Total Number of Races	63,283	60,259	123,542	128,147
Attendance				
On Track	18,659	24,268	42,927	56,489
Off Track	41,329	67,206	108,535	121,042
Total Attendance	59,988	91,474	151,462	177,531
Pari-Mutuel Handle				
Handle Breakdown by Source				
Live Races ¹ - <u>Taxable</u>	\$ -	\$ -	\$ -	\$ 3,247,768
Simulcast Races - Greyhounds - <u>Non-Taxable</u>	\$ 13,891,345	\$ 6,049,366	\$ 19,940,711	\$ 20,111,672
Total Arizona Pari-Mutuel Handle³	\$ 13,891,345	\$ 6,049,366	\$ 19,940,711	\$ 23,359,440
Handle Breakdown by Location				
On Track Handle	\$ 2,951,833	\$ 1,891,096	\$ 4,842,929	\$ 5,476,249
Off Track Handle	\$ 10,939,512	\$ 4,158,270	\$ 15,097,782	\$ 17,883,192
Total Arizona Pari-Mutuel Handle³	\$ 13,891,345	\$ 6,049,366	\$ 19,940,711	\$ 23,359,441
Average Handle Per Race Day	\$ 38,374	\$ 16,665	\$ 27,504	\$ 32,087
Commingled (Export out of AZ)	\$ -	\$ -	\$ -	\$ 12,708,267
State Revenues				
Regulatory Wagering Assessment (RWA)	\$ 115,799	\$ 50,398	\$ 166,197	\$ 277,393
Gross 2% Live Pari-Mutuel State Tax ⁴	\$ -	\$ -	\$ -	\$ 178,627
Returned to Wagering Public	\$ 10,505,801	\$ 4,825,812	\$ 15,331,614	\$ 17,872,279
Settlement to/from Host	\$ 165,407	\$ (134,484)	\$ 30,924	\$ 30,634
Track Mutuel Revenue				
Track Commission	\$ 3,196,714	\$ 1,347,618	\$ 4,544,332	\$ 5,240,374
Breakage	\$ 23,422	\$ 10,419	\$ 33,842	\$ 43,920
Capital Improvement Rebate	\$ -	\$ -	\$ -	\$ -
Capital Improvement AGP Non-Taxable	\$ -	\$ -	\$ -	\$ -
Revenue Withheld - Charity Days	\$ -	\$ -	\$ -	\$ -
Revenue Withheld - County Fair	\$ -	\$ -	\$ -	\$ -
Hardship Tax Credit ⁵	\$ -	\$ -	\$ -	\$ 178,627
Total Track Revenue	\$ 3,220,136	\$ 1,358,037	\$ 4,578,173	\$ 5,462,921
Purses¹	\$ -	\$ -	\$ -	\$ 618,581

¹ A.R.S. Title 5, 5-110 (H) - Notwithstanding any other law, live dog racing shall not be conducted in this state after December 31, 2016.

² Previous annual reports did not break this line item out.

³ Any differences with Total AZ Pari-Mutuel Handle is due to "Pool Adjustment."

⁴ Total 2% Live Pari-Mutuel State Tax paid to the State is Gross 2% Live Pari-Mutuel State Tax less Tax Credits. Tax Credits: Charity Days, County Fairs, and Hardship Tax Credit.

⁵ As of May 13, 2016, "Greyhound tracks are unable to use previously accrued credits to the elimination of live dog racing by Laws 2016, Chapter 246." - FY 2017 Appropriations Report - Department of Gaming

**COUNTY FAIR RACES
FYE 06/30/2017**

	Santa Cruz County Fair & Rodeo Association	Maricopa County Fair, Inc.	La Paz County Fair Association	Central AZ Fair Association - Pinal County	Pima County Fair Horse Racing Commission	Cochise County Fair	Navajo County Fair, Inc.	Yuma County Fair Association	Greenlee County Fair	Coconino County Parks & Recreation	FY 2017 Total - All County Fair Racing	FY 2016 Total - All County Fair Racing
Race Days / Performances												
Live Race Days / Performances	2	4	4	4	4	3	4	4	4	3	36	33
Dark Day - Simulcast Only	0	0	0	0	0	0	0	0	0	0	0	1
Total Race Days	2	4	4	4	4	3	4	4	4	3	36	34
Number of Races												
Live AZ Races	15	32	32	32	33	24	32	32	37	24	293	265
Simulcast Races	142	547	623	672	283	391	687	655	847	831	5,678	5,071
Total Number of Races	157	579	655	704	316	415	719	687	884	855	5,971	5,336
Attendance												
On Track	1,750	10,862	10,510	11,684	11,177	9,030	14,662	14,554	9,457	11,616	105,302	97,282
Off Track	0	6,418	7,903	9,291	0	4,554	9,131	7,232	9,735	18,525	72,789	73,283
Total Attendance	1,750	17,280	18,413	20,975	11,177	13,584	23,793	21,786	19,192	30,141	178,091	170,565
Pari-Mutuel Handle												
Handle Breakdown by Source												
Live Races - Taxable	\$ 52,309	\$ 404,096	\$ 307,735	\$ 488,664	\$ 287,219	\$ 291,675	\$ 479,123	\$ 441,195	\$ 438,346	\$ 350,696	\$ 3,541,057	\$ 3,079,426
Simulcast Races - Non-Taxable	\$ 25,479	\$ 1,414,512	\$ 1,771,216	\$ 2,095,605	\$ 36,344	\$ 1,036,239	\$ 2,034,881	\$ 1,722,150	\$ 2,250,031	\$ 4,223,565	\$ 16,610,022	\$ 16,735,366
Total Arizona Pari-Mutuel Handle¹	\$ 77,788	\$ 1,818,608	\$ 2,078,950	\$ 2,584,269	\$ 323,563	\$ 1,327,914	\$ 2,514,004	\$ 2,163,345	\$ 2,688,377	\$ 4,574,261	\$ 20,151,079	\$ 19,814,792
Handle Breakdown by Location												
On Track Handle	\$ 77,788	\$ 599,205	\$ 573,726	\$ 818,832	\$ 323,563	\$ 462,639	\$ 778,984	\$ 789,200	\$ 838,733	\$ 1,054,090	\$ 6,316,759	\$ 5,887,186
Off Track Handle	\$ -	\$ 1,219,403	\$ 1,505,225	\$ 1,765,437	\$ -	\$ 865,275	\$ 1,735,020	\$ 1,374,145	\$ 1,849,644	\$ 3,520,172	\$ 13,834,320	\$ 13,927,606
Total By Location	\$ 77,788	\$ 1,818,608	\$ 2,078,950	\$ 2,584,269	\$ 323,563	\$ 1,327,914	\$ 2,514,004	\$ 2,163,345	\$ 2,688,377	\$ 4,574,261	\$ 20,151,079	\$ 19,814,792
Average Handle Per Race Day	\$ 38,894	\$ 454,652	\$ 519,738	\$ 646,067	\$ 80,891	\$ 442,638	\$ 628,501	\$ 540,836	\$ 672,094	\$ 1,524,754	\$ 559,752	\$ 582,788
Commingled (Export out of AZ)	\$ -	\$ 3,299,984	\$ 2,860,108	\$ 2,936,938	\$ 218,355	\$ 2,258,023	\$ 2,903,941	\$ 2,859,199	\$ 2,421,235	\$ 1,567,152	\$ 21,324,934	\$ 18,373,245
State Revenues												
Regulatory Wagering Assessment (RWA)	\$ -	\$ 43,432	\$ 41,920	\$ 46,834	\$ -	\$ 30,427	\$ 45,968	\$ 42,611	\$ 43,354	\$ 47,125	\$ 341,671	\$ 285,144
Gross 2% Live Pari-Mutuel State Tax ³	\$ 1,046	\$ 8,082	\$ 6,155	\$ 9,774	\$ 5,744	\$ 5,834	\$ 9,583	\$ 8,824	\$ 8,767	\$ 7,014	\$ 70,823	\$ 61,590
Returned to Wagering Public	\$ 64,368	\$ 1,369,005	\$ 1,551,090	\$ 1,893,983	\$ 226,857	\$ 968,766	\$ 1,880,541	\$ 1,618,388	\$ 1,981,290	\$ 3,419,951	\$ 14,974,240	\$ 15,024,098
Settlement to/from Host	\$ (4,327)	\$ 56,240	\$ 87,475	\$ 137,909	\$ 17,230	\$ 81,343	\$ 99,646	\$ 124,797	\$ 157,154	\$ 193,597	\$ 951,063	\$ 622,001
Track Mutuel Revenue												
Track Commission	\$ 16,093	\$ 374,448	\$ 424,526	\$ 524,986	\$ 71,370	\$ 269,876	\$ 510,687	\$ 440,058	\$ 535,756	\$ 926,605	\$ 4,094,403	\$ 4,047,171
Breakage	\$ 608	\$ 7,073	\$ 9,734	\$ 12,553	\$ 2,362	\$ 6,522	\$ 8,939	\$ 11,426	\$ 6,507	\$ 18,450	\$ 84,174	\$ 99,355
Capital Improvement Rebate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Withheld - Charity Days	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Withheld - County Fair	\$ 1,046	\$ 8,082	\$ 6,155	\$ 9,774	\$ 5,744	\$ 5,834	\$ 9,583	\$ 8,824	\$ 8,767	\$ 7,014	\$ 70,823	\$ 61,590
Hardship Tax Credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Track Revenue	\$ 17,747	\$ 389,603	\$ 440,415	\$ 547,312	\$ 79,476	\$ 282,231	\$ 529,209	\$ 460,308	\$ 551,030	\$ 952,070	\$ 4,249,400	\$ 4,208,116
Purses	\$ 8,046	\$ 170,647	\$ 178,372	\$ 220,145	\$ 36,657	\$ 122,556	\$ 213,440	\$ 191,021	\$ 214,824	\$ 293,163	\$ 1,648,871	\$ 1,605,336

¹ Any differences with Total AZ Pari-Mutuel Handle is due to "Pool Adjustment." All Pool Adjustments Net \$0.00 at the end of the year.

² Cochise County: Cancelled 02/19/17. Coconino County: No Live Races on 04/28/17.

³ Total 2% Live Pari-Mutuel State Tax paid to the State is Gross 2% Live Pari-Mutuel State Tax less Tax Credits. Tax Credits: Charity Days, County Fairs, and Hardship Tax Credit.

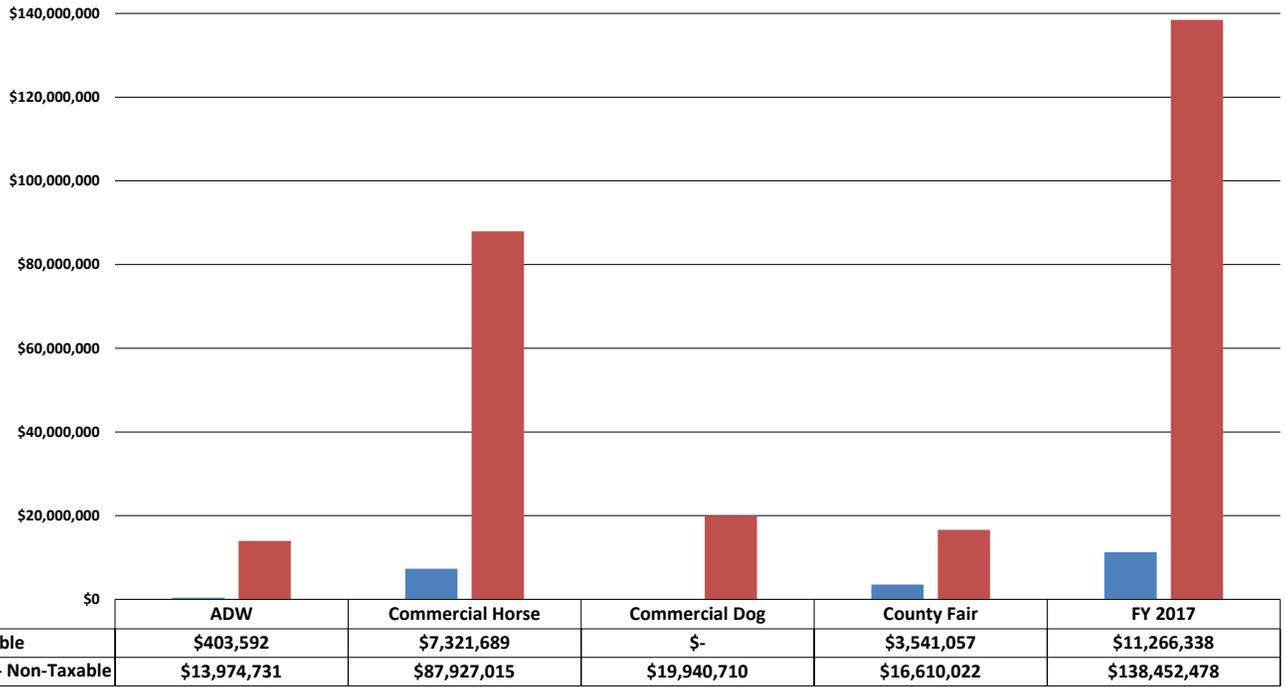
Hardship Credit

As of May 13, 2016, "Laws 2016, Chapter 247 eliminates the hardship tax credit which is used to offset the amount of pari-mutuel tax owed by greyhound and horse racing tracks. Credits awarded prior to Chapter 247 may still be used by horse racing tracks to offset pari-mutuel tax in future years. Greyhound tracks will be unable to use previously accrued credits due to the elimination of live dog racing by Laws 2016, Chapter 246." - FY 2017 Appropriations Report - Department of Gaming

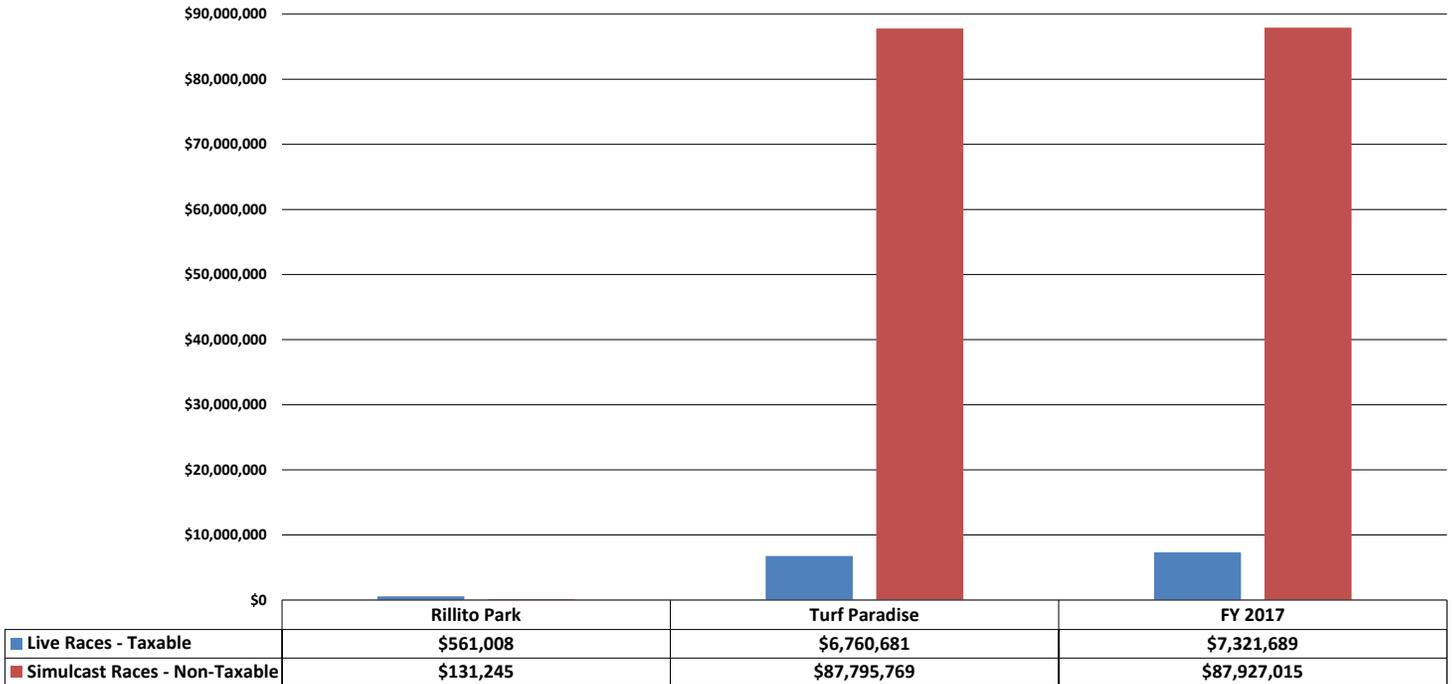
	As of 07/01/16 Allowable Hardship Tax Credit	FY 2017 Hardship Used or Transferred	As of 06/30/17 Balance of Hardship Tax Credit
Horse Track			
Rillito Park	\$ 306,234	\$ 11,220	\$ 295,014
Turf Paradise	\$ 14,564	\$ -	\$ 14,564

FY 2017 Pari-Mutuel Handle

Total Pari-Mutuel Handle

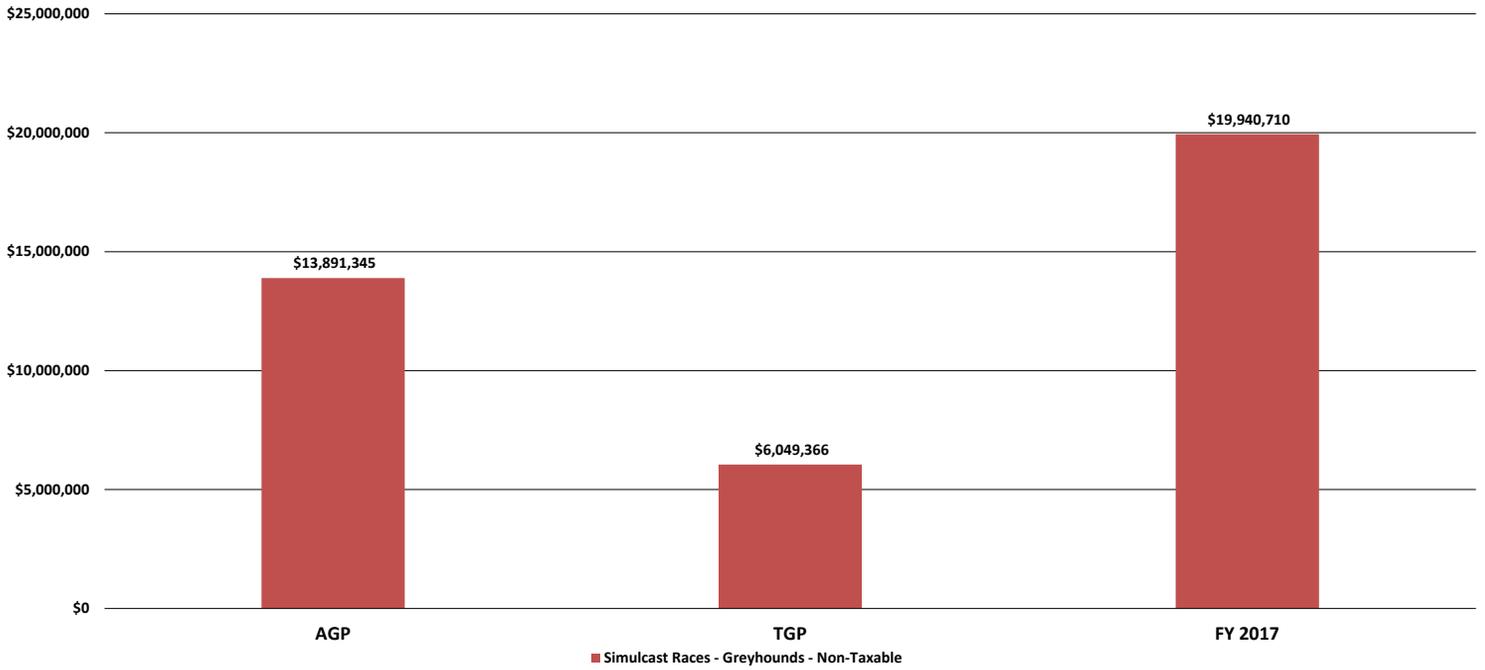


Commercial Horse Tracks

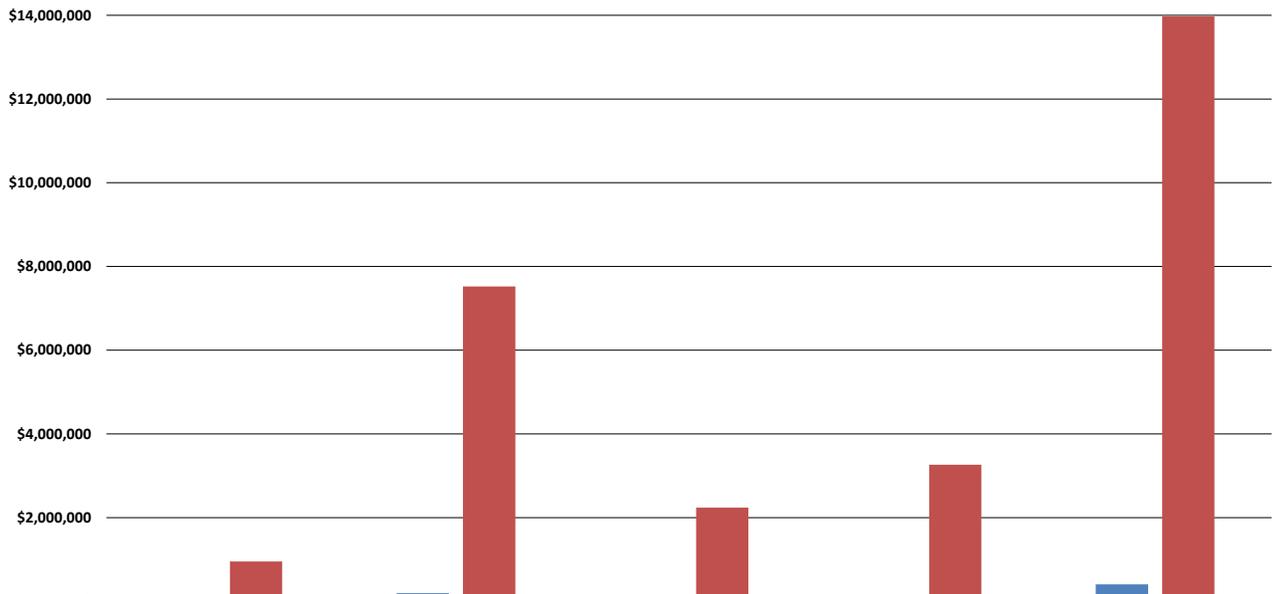


FY 2017 Pari-Mutuel Handle

Commercial Greyhound Tracks



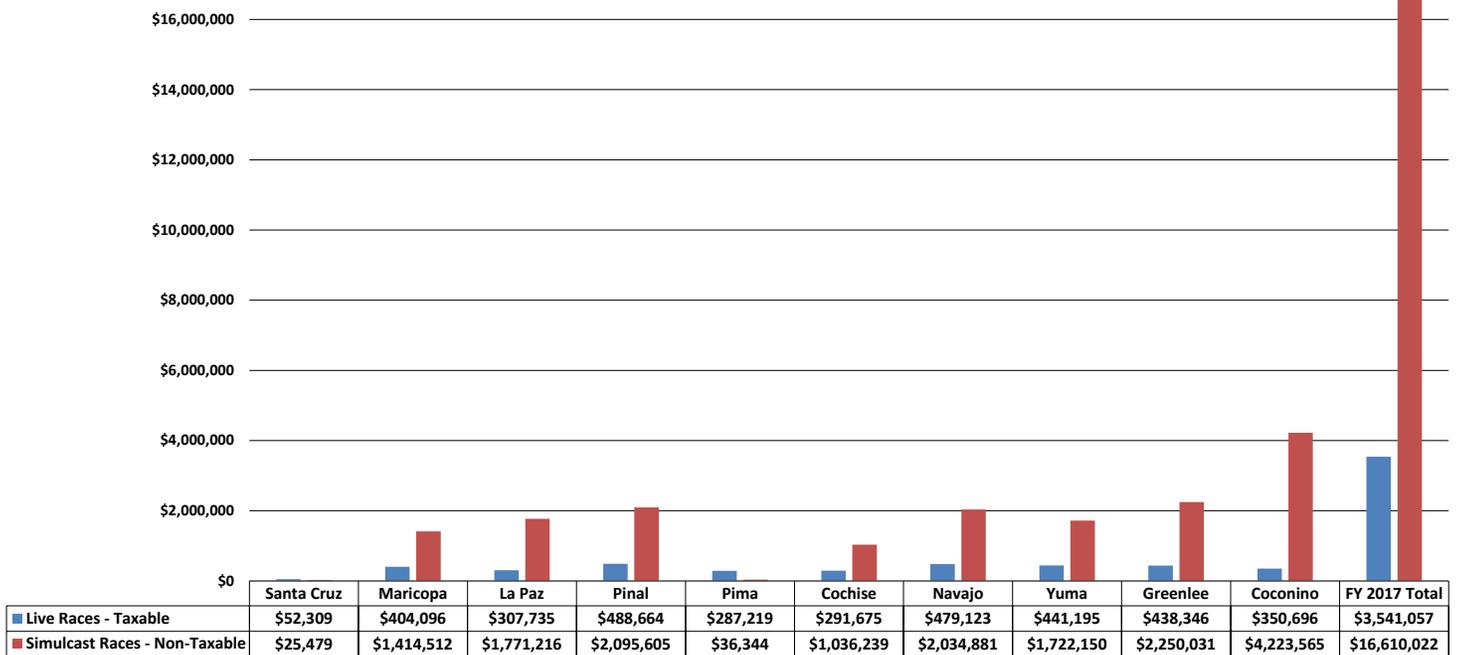
Advance Deposit Wagering



	Turf Paradise Bet	TVG Network	Twin Spires	Xpressbet	FY 2017
Live Races - Taxable	\$66,392	\$193,125	\$53,898	\$90,177	\$403,592
Simulcast Races - Non-Taxable	\$952,894	\$7,520,877	\$2,236,593	\$3,264,368	\$13,974,731

FY 2017 Pari-Mutuel Handle

County Fairs



Total Pari-Mutuel Handle FY2017 vs FY2016

