

OKLAHOMA HBPA

SPRING EDITION 2008

THOROUGHBRED RACING ASSOCIATION OF OKLAHOMA

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The President's Report

By: Joe Lucas

President/Oklahoma HBPA/TRAO

Recently, erroneous statements have been circulating regarding the amount of revenue that will be contributed to the Oklahoma Bred program in 2008. In turn, this has caused some horsemen to question what to expect in the year ahead.

First of all, the amount of revenue going to the Oklahoma Bred program from gaming machines in 2008 is expected to be the same or better than in 2007 (which was a 60% increase from the previous year). The following information will attempt to explain the process used to fund the state breeder's awards.

In 2006, the OKHBPA/TRAO purse committee set the initial percent of gaming revenue going towards the state breeder fund at 10.5%. This percentage was to be used for all (3) racetracks and the Participating Tribal Funds (PTF) in an effort to fund the total amount of awards we had hoped our state breeder fund could offer during the 2007 race meets.

However, in July of 2007 the Oklahoma Horse Racing Commission notified horsemen that the Attorney General's office had determined the revenue being earned from the gaming machines located at participating tribal casinos in the Tulsa area (PTF) could not be used to fund breeder awards. Because of the AG's ruling, the OKHBPA/TRAO could no longer dedicate revenue to the breeder fund from the PTF account and additional revenue would be needed if we were to reach the level of breeder awards we had hoped to see in 2007. *The OKHBPA/TRAO, OTA and OQHRA have joined forces to pass legislation that will remove this restriction and expect that measure to be approved during the 2008 legislative session.*

This meant the OKHBPA/TRAO purse committee had to find a means to offset this reduction in breeder award revenue or risk a "forced" reduction in breeder awards during Remington Park's 2007 race meet. To accomplish this, the OKHBPA/TRAO instructed the OHRC to increase the 10.5% initially established to 33% until the end of 2007. When purse monies and breeder awards had actually been

distributed to all participating horsemen at RP in 2007, the OHRC indicated a balance of approximately \$314,000 remained available in the state breeder fund at RP. *This amount will be carried over to the 2008 RP race meet.*

In an attempt to sufficiently fund RP's 2008 breeder awards to the same level as 2007, the OKHBPA/TRAO conferred with the OTA, RP management and the OHRC staff. After evaluating the information they had obtained, the purse committee felt that 12% would accomplish this goal. This decision was based, in part, on the above mentioned carryover being available and because of the increase in simulcast revenue that Thoroughbred horsemen gained at RP in 2008 (from 80% to 90%). However, if 12% proves to be insufficient, **the OKHBPA/TRAO intends to adjust this percentage to maintain the same levels awarded during the 2007 race meet.**

To maintain the breeder awards at Will Rogers Downs in 2008, similar adjustments were also necessary. Once again, the loss of PTF revenue to fund the breeder awards at WRD played a large role in the decision to adjust the percentage the purse committee had previously chosen. To insure sufficient funding was available, the OKHBPA/TRAO notified the OHRC (in the fall of 2007) of its wish to increase the percentage going to the breeder fund at WRD from 10.5% to 20% until further notice. We anticipate this percentage will continue though the end of the 2008 race meet. Once the exact amounts of breeder awards at WRD have been distributed in 2008, the situation there will be re-evaluated and a percentage change may take place for the remainder of the year.

Fair Meadows has no gaming machines on site and must therefore rely on pari-mutuel wagering and/or PTF revenue to support its purse structure. As previously mentioned, state law no longer allows PTF revenue to be used to fund breeder awards. So for now, 100% of PTF revenue must go to the "purse

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*2007 was a
60% increase
from the pre-
vious year*

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MEDICATION DIRECTIVE CHANGE

Starting June 2, 2008 the maximum level of Banamine in Plasma will be 100 NG/MIL. This level indicates a reduction from the previous acceptable level of 250 NG/MIL.

STABLE EMPLOYEE OF THE WEEK

The OKHBPA/TRAO will sponsor Stable Employee of the Week.

The winner will receive \$50.

For nominations, please contact Danielle Barber or Justin Cassity at 405-427-8753.

TRAO RACE OF THE WEEK AT WRD

Every Tuesday at WRD the OKHBPA/TRAO will sponsor a blanket presentation for Race of the Week.

WRD CHAPLAINCY

Race Track Chaplaincy is provided by Carl Criswell every Sunday morning at 11 in the Horseshoe Room located at Will Rogers Grandstand.

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PRESIDENT'S REPORT FROM PAGE 1

account" at FMT and any breeder awards must be funded solely from pari-mutuel wagering. As at all Oklahoma racetracks, "uncashed tickets" and "breakage on wagers" still goes towards funding the state breeder program. *This was the only means breeder awards were funded prior to the passage of gaming legislation. Fortunately, Thoroughbreds now receive 80% of FMT's simulcast revenue to assist in partially offsetting this deficit for our participating horsemen at FMT.*

Just as Remington Park, the percent of revenue now being dedicated to the limited number of races offered to Thoroughbred horsemen at Blue Ribbon Downs remains at 12% for 2008. We will continue to monitor BRD's breeder account and make any necessary adjustments to ensure the breeder awards seen there in 2007 are realized again in 2008.

There are several unknown quantities used to establish the amount of revenue needed to fund the states breeder program and this process is obviously not an exact science. In addition to changing laws and fluctuating gaming revenues, the OHRC is

assigned the task of estimating the number of Oklahoma bred who might run 1st, 2nd and 3rd in "open races" and at what "level of competition" they will do so. This process takes place a year in advance and has proven to be most difficult to establish for many years now.

As such, until the available revenue streams become more predictable, we anticipate the actual "percentage figure" going to the breeder funds may be adjusted from time to time at each track. But again, **our goal is for the amount of revenue dedicated to the respective breeder award accounts to remain at the same levels in 2008 as they were in 2007.**

The OKHBPA/TRAO will continue to do everything in its power to ensure funding for the Oklahoma bred program continues to be competitive with other states in our region and will work closely with the OTA towards achieving this common goal.

Please feel free to contact our office if you have any questions regarding this matter.

Joe Lucas-President-OKHBPA/TRAO

2008 Track Reports



REMINGTON PARK

Remington Park (RP) has been awarded 67 Thoroughbred race days for 2008 (August 21st through December 14th). Live racing will be conducted Thursday through Sunday, except for an additional Labor Day card and no live racing on Thanksgiving Day.

After hearing evidence presented by the TRAO and OQHRA at the November Oklahoma Horse Racing Commission (OHRC) meeting, Thoroughbred horsemen were awarded a 90% share of Remington Park's simulcast-in revenue for 2008. This reflects a 10% increase for Thoroughbred's from years past and will add an estimated \$500,000 to Thoroughbred purses and breeder awards each year. The TRAO is expecting total Thoroughbred purse distributions at Remington Park to average \$220,000 per day during this fall's 2008 race meet.

As a result of prior negotiations between the TRAO and Magna Entertainment (MEC), Remington Park has begun the process of building (2) new barns. Construction is expected to be completed prior to the Thoroughbred horsemen's return in mid-July.

It's been widely publicized that Remington Park is for sale. However, this is not a situation where Oklahoma's premier racing facility is not proving to be cost effective for its owner — in fact, it is quite the opposite. MEC is attempting to liquidate one of its more lucrative properties (RP) to assist them in relieving a portion of debt the parent company has

accrued through unrelated investment ventures. At this time, it is not known who will operate the facility in 2008 but the TRAO anticipates having a favorable working relationship with whomever it might be to ensure successful and competitive Thoroughbred race meets continue to be offered at Remington Park.

The TRAO is confident the OHRC Board members and staff will do everything within their power to protect the interest of Oklahoma horsemen during any acquisition and/or licensing procedures that may take place in the event Remington Park is sold.

FAIR MEADOWS TULSA

Fair Meadows Tulsa (FMT) has been awarded 32 race days for 2008 (June 5th through July 26th). Live racing will be offered Thursday through Sunday nights, except for certain "mixed breed" trial days.

The TRAO once again lobbied for Thoroughbred horsemen to receive an 80% share of FMT's simulcast-in revenue. The OQHRA had requested the 50/50 split used in 2006 to be reinstated. After both organizations presented their arguments, the Commission voted for the 80/20 split, implemented in 2007, to remain in place for 2008. As such, the TRAO anticipates Thoroughbred purses to average \$75,000 per day, based on the (5) daily Thoroughbred races FMT will average conducting during its 2008 race meet.

LEADING OWNERS at REMINGTON PARK, 2007

Owner	No. Starts	Total Purses	Rank Order	Owner	No. Starts	No. Wins
Kindred Thoroughbreds	8	\$212,696	1	Heflin Driver Racing	54	12
Richter Family Trust	28	\$197,931	2	Gary Owens	85	12
Heflin Driver Racing	54	\$166,142	3	Black Hawk Stable	45	10
Cathy & Bob Zollars	12	\$165,935	4	Pamela Halter	37	9
Tom R. Durant	29	\$158,170	5	TBD Owners	50	8
Merle Medcalf	44	\$150,137	6	Poindexter Thoroughbreds	82	8
Pamela Halter	37	\$146,004	7	BSB Racing	19	7
Poindexter Thoroughbreds	82	\$127,488	8	Don S. Nutt	29	7
Barbara Rehbein	32	\$121,739	9	Barbara Rehbein	32	7
Dream Walkin Farms	30	\$117,992	10	James W. Hatcher, Jr.	40	7
C. R. Trout	28	\$115,258	11	Tom R. Durant	29	6
Millard R. Seldin Trust	14	\$113,569	12	Stonestreet Stables	9	5
Don S. Nutt	29	\$111,505	13	Padua Stables	10	5
TBD Owners	50	\$108,436	14	Edward L. McAlvain	12	5
Black Hawk Stable	45	\$108,352	15	Steven M. Asmussen	16	5
Gary Owens	85	\$107,525	16	Adam R. Lewis	22	5
Millenium Farms	12	\$106,246	17	Richter Family Trust	28	5
Wayne Sanders & Larry Hirsch	28	\$100,605	18	C. R. Trout	28	5
Paul J. Varni	3	\$ 99,284	19	Gary Johnson & Ancel Fry	5	4
Van & Margie French	11	\$ 95,869	20	Debbie & Skipper Hamilton	11	4

Top 20 Owners Averaged Earning \$3,980 per Start and Winning 21% of Starts

LEADING TRAINERS at REMINGTON PARK, 2007

Trainer	No. Starts	Total Purses	Rank Order	Trainer	No. Wins	Win %
Donnie K. Von Hemel	83	\$ 1,035,103	1	Steven M. Asmussen	48	25.8%
Steven M. Asmussen	186	\$ 983,603	2	John G. Locke	32	18.5%
John G. Locke	173	\$ 570,862	3	W. Bret Calhoun	28	19.3%
W. Bret Calhoun	145	\$ 534,810	4	Donnie K. Von Hemel	27	14.8%
Joe Petalino	110	\$ 426,072	5	Cody Autrey	24	28.6%
Cody Autrey	84	\$ 327,311	6	Chris A. Hartman	21	20.8%
Chris A. Hartman	101	\$ 322,785	7	Joe Petalino	19	17.3%
Joe S. Offolter	138	\$ 306,257	8	Roger F. Engel	17	23.9%
Bruce L. Jackson	42	\$ 280,234	9	Martin Lozano	17	14.3%
Kenny P. Smith	83	\$ 231,834	10	Randy Oberlander	13	27.1%
Robert L. Listen	64	\$ 222,481	11	Randy L. Morse	12	13.6%
Roger F. Engel	71	\$ 218,532	12	Bruce L. Jackson	10	23.8%
Ricky J. Gustafson	70	\$ 208,956	13	Bernell B. Rhone	10	21.3%
Lynn Chleborad	116	\$ 208,379	14	Tim P. Padilla	10	16.1%
Kenneth Nolen	74	\$ 201,325	15	Ricky J. Gustafson	10	14.3%
Joe Lucas	100	\$ 185,864	16	Kenny P. Smith	10	12.0%
Martin Lozano	119	\$ 181,403	17	Lynn Chleborad	10	8.6%
Jack A. Bruner	35	\$ 178,980	18	Michael E. Biehler	9	14.8%
Randy L. Morse	88	\$ 176,032	19	Tim Gleason	9	13.6%
Randy Oberlander	48	\$ 174,706	20	Kenneth Nolen	9	12.2%

Top 20 Trainers Averaged Earning \$3,436 per Start and Winning 17% of Starts

WILL ROGERS DOWNS

Will Rogers Downs (WRD) has been awarded 44 race days for 2008 (February 23rd through May 27th) with live racing on Saturday, Monday, and Tuesday, with (8) Thoroughbred races scheduled each day. There will also be two Sunday cards held on March 23rd and May 11th.

Even though the division of simulcast-in revenue at WRD remains at 45% to Thoroughbreds and 55% to "mixed breeds" in 2008, the purse structure for the WRD spring meet reflects a substantial increase from 2007 as total daily purse distribution for Thoroughbreds is expected to reach \$120,000 by meet end. The meet will feature (2) \$50,000 Thoroughbred stakes races and (2) \$35,000 "Classic Preps" for both males and females. Purse increases at WRD was made possible, in part, because of the TRAO's success in gaining a more favorable percentage of simulcast revenue for Thoroughbred horsemen at Remington Park and Fair Meadows. Besides the obvious benefits horsemen competing at

those two tracks will realize, the additional simulcast revenue gained at RP and FMT allowed for a larger portion of the Participating Tribal Funds (PTF) to remain available for the Thoroughbred industry to utilize. This will hopefully provide a means for the TRAO to increase purses to more competitive levels at all racetracks in the state.

Since the 2007 race meet ended, Will Rogers Downs removed, mixed, and screened its track cushion. In addition, the limestone base was tested for density and repairs were made where needed. Afterwards, it was re-tested and given a stamp of approval by an engineering firm before the refurbished sub-base and cushion were re-applied. Additional "containment boards" and silt screens have been placed under the inside rail which should reduce wash-outs during heavy rains. Horsemen began training on the new surface in December with favorable reviews about the new surface.

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BENEVOLENCE
PROVIDED 2007

Benevolence 2007

Medical: **\$51,038**

Optical: **\$15,502**

Dental: **\$13,010**

Funeral: **\$2,706**

Chaplain: **\$10,000**

Walk. Rent: **\$2,247**

Backside: **\$3,040**

*Includes Test Barn Supplies

Awards: **\$4,340**

RX: **\$6,171**

Donat/Misc: **\$9,164**

Total: \$117,218

•2007 Benevolence
was an 11% increase
over 2006•

**TRACK
COMMITTEE
AT WRD**

The OKHBPA/
TRAO will have the
following track
committee members
for the 2008 race
meet at Will Rogers
Downs. The members
are as follows:

**Zach Armstrong
Boyd Caster
Kari Craddock
Kenny Nolen
John Wartchow**

The track committee
will meet every other
Friday at noon.

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RACE DATES

Get ready to race at
Fair Meadows at
Tulsa June 5
through July 26,
2008.

Racing for
Thoroughbreds at
Remington Park
starts August 21,
2008

"HORSEMEN
HELPING
HORSEMEN"

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TRACK REPORT FROM PAGE 3

Extensive landscaping projects have also taken place on the backside and infield in hopes of improving various drainage issues of the past.

An area of concern for horsemen at WRD has been the lack of sleeping quarters for our labor force. That concern was somewhat lessened in 2008 as WRD constructed a (26) room dormitory during the off season. Additional dorm rooms, showers, and other backside conveniences are still needed but the addition of (26) rooms were greatly appreciated by participating horsemen.

BLUE RIBBON DOWNS

In addition to a three day meet restricted to "mixed breeds" in March, Blue Ribbon Downs (BRD) has also been awarded 67 race days from August 1st through November 30th that will offer 134 Thoroughbred races. Live racing will be held on Friday, Saturday, and Sunday's in August, with Monday's being added to the schedule from September through the end of the meet.

The division of simulcast-in revenue at BRD will remain at 45% to Thoroughbreds and 55% to "mixed breeds" in 2008. The TRAO is estimating an average purse distribution of \$9,000 per race for the limited number of Thoroughbred races BRD will offer during its fall meet (average 2 per day). The proposed purse increase at BRD was made possible because of the additional PTF revenue the TRAO anticipates to be available to transfer there. Once again, the ripple effect of the Thoroughbred industry receiving a larger share

of simulcast revenue at RP and FMT will be felt by Thoroughbred horsemen who compete at all racetracks in our state.

Obviously, competition from various tribal casinos in the area, who are able to offer their patrons more machines and a variety of card games, has had a negative effect on BRD's ability to reach its projected gaming revenue levels. This, combined with competition from the Choctaw's Pocola OTB for area horse players, has lessened the chances of BRD becoming the facility horsemen had hoped for when gaming legislation was approved. On the surface, it appears BRD may also be less than profitable for its owner, Backstretch LLC, who purchased the facility just prior to the gaming measure's passage in 2004.

Not surprisingly, BRD has been listed for sale by Backstretch LLC, which is owned by the Choctaw Nation. However, at a recent OHRC meeting, BRD General Manager Blaine Story, assured horsemen and the Commission that the race days allotted in 2008 will be conducted as scheduled if the facility is not sold. At this time, it is not certain if potential buyers exist or what the future might hold for the historical facility.

The TRAO remains optimistic "something" can and will be done with BRD that benefits the horsemen of this state, as well as its owner. Regardless who operates the facility in the future, the TRAO is hopeful their management team will be able to increase the revenue its gaming machines are currently generating.



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