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*Division of Racing*

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# 2018 ANNUAL REPORT

YEAR ENDING DECEMBER 31, 2018



# TABLE OF CONTENTS

**INTRODUCTION / MISSION STATEMENT** \_\_\_\_\_ **03**

**GAMING COMMISSIONERS** \_\_\_\_\_ **04**

**EXECUTIVE STAFF** \_\_\_\_\_ **08**

**DIVISION OF RACING** \_\_\_\_\_ **09**

**SUFFOLK DOWNS** \_\_\_\_\_ **10**

**PLAINRIDGE PARK CASINO** \_\_\_\_\_ **11**

**RAYNHAM & WONDERLAND GREYHOUND PARKS** \_\_\_\_\_ **12**

**LICENSING** \_\_\_\_\_ **13**

**MA STATE POLICE INVESTIGATIVE UNIT** \_\_\_\_\_ **15**

**VETERINARIANS** \_\_\_\_\_ **16**

**BOARD OF STEWARDS & JUDGES** \_\_\_\_\_ **18**

**ENFORCEMENT OF RULES & REGULATIONS** \_\_\_\_\_ **20**

**COMMISSION BUSINESS** \_\_\_\_\_ **21**

**FINANCIALS** \_\_\_\_\_ **23**

**RACING TERMINOLOGY** \_\_\_\_\_ **33**

# INTRODUCTION / MISSION STATEMENT

The mission of the Massachusetts Gaming Commission is to create and maintain a fair, transparent, and participatory process for implementing the expanded gaming law passed by the Legislature and signed by the Governor in November, 2011.

The Commission strives to ensure that its decision-making and regulatory systems engender the confidence of the public and participants, and that they provide the greatest possible economic development benefits and revenues to the people of the Commonwealth, reduce to the maximum extent possible the potentially negative or unintended consequences of expanded gaming, and allow an appropriate return on investment for gaming providers that assures the operation of casino-resorts of the highest quality.

The Massachusetts State Racing Commission (“SRC”) was a predecessor agency created by an act of the General Court in 1934. The State Racing Commission, pursuant to Chapter 4 of the Acts of 2009, was transferred to the Division of Professional Licensure (“DPL”), on January 1, 2010. Effective May 20, 2012, all State Racing Commission functions were further transferred to the Massachusetts Gaming Commission, pursuant to Section 89 of Chapter 194 of the Acts of 2011. DPL continued to manage all racing operations through an inter-agency service agreement through the end of calendar year 2012. The Division of Racing of the Massachusetts Gaming Commission assumed control of the fiscal and operational activities of the old State Racing Commission on January 1, 2013.

# GAMING COMMISSIONERS

## CATHY JUDD-STEIN CHAIR



Cathy Judd-Stein joined the Massachusetts Gaming Commission as Chair in February of 2019, after having served the Commonwealth as part of five successive gubernatorial administrations. Most recently, she served as Deputy Chief Legal Counsel for the Office of the Governor. In that role, she provided guidance to Governor Charlie Baker and Lieutenant Governor Karyn Polito on a broad array of legal issues. She has spent much of her career dedicated to public service, advising extensively on public ethics and the state conflict of interest law, governmental reforms, and education and human services. Ms. Judd-Stein served as an instructor of “Ethics and Public Policy” for UMass Boston’s John W. McCormack Graduate School of Policy and Global Studies from 2007-2015.

In 2000, Governor Paul Cellucci appointed Ms. Judd-Stein to serve as Deputy Legal Counsel and his ethics advisor. She remained in that same position for Governors Jane Swift, Mitt Romney and Deval Patrick (through his transition), and then served as Governor Patrick’s Executive Director of the Judicial Nominating Commission. From 2011-2013, she worked at the Massachusetts State Lottery as Assistant Executive Director, Director of Policy and Special Counsel and then was named General Counsel of the State Treasury by the State Treasurer and Receiver. She served in that capacity until her appointment by Governor Baker in 2015.

A graduate of Dartmouth College and Harvard Law School, Ms. Judd-Stein is a Trustee of St. Johnsbury Academy in St. Johnsbury, Vermont. She also is a member of the Women’s Health Advisory Board for the Brigham and Women’s Hospital in Boston. She is a member of the national Board of Directors for GLAAD and a former President of the Class Officers Association at Dartmouth College.

Ms. Judd-Stein lives in Winchester, Massachusetts and she and her husband are the parents of three adult children

## GAYLE CAMERON COMMISSIONER



Prior to her appointment to the Massachusetts Gaming Commission, Gayle Cameron worked as a public safety consultant after a distinguished career with the New Jersey State Police. She retired as a Deputy Superintendent, the second highest rank.

Prior to her retirement, Lieutenant Colonel Cameron commanded the Investigations Branch which had authority over the areas of: casino regulation, specialized investigations, intelligence gathering and analysis, and forensic sciences. In this position she held the agency's top security clearance and interacted on a regular basis with the US Attorney from the

District of NJ, the State's Governor, the NJ Attorney General and was the primary liaison with all federal law enforcement agencies.

The purview of this position included managing more than 900 detectives, analysts and scientists assigned to 57 different units with an annual budget of over seventy five million dollars. Incorporated within these entities were subordinate bureaus and offices responsible for casino gaming, counter terrorism, narcotics, organized crime, cyber technology, intelligence management, electronic surveillance, street gang investigations, homicide and violent crimes.

Cameron's gaming experience began as an undercover operative while conducting casino criminal and organized crime investigations. She also gained valuable expertise as a detective vetting individuals and companies during the application process for licensure to Atlantic City's casinos.

Prior to serving as the Deputy Superintendent, she held leadership positions as the Commanding Officer of the following sections: Administration, where she was responsible for the formulation and management of the Division's annual budget; Human Resources and Identification and Information Technology. Other positions held include: Bureau Chief of Command Operations, Station Commander, EEO/AA Investigations Unit leader, Executive Protection Squad Leader and road duty Trooper.

Lt. Colonel Cameron has been called upon to sit on numerous promotional boards both in the United States and abroad. Toward the end of her service she was appointed to serve as a Commissioner for the Commission on Accreditation for Law Enforcement Agencies (CALEA) which evaluates police agencies' best practices both nationally and internationally. She is a founding member of New Jersey Women in Law Enforcement and frequently serves as a panelist for the international association of Chiefs of Police and the National Center for Women and Policing.

Lt. Colonel Cameron holds an M.A. from Seton Hall University, a B.S. from Bridgewater State College, and is a graduate of the FBI Leadership Development School, the Northwestern University School of Staff and Command, and the International Chiefs of Police Leadership in Police Organizations certification.

## EILEEN O'BRIEN COMMISSIONER



Commissioner Eileen O'Brien was appointed to the Massachusetts Gaming Commission by Attorney General Maura Healey in March 2018. At the time of her appointment, AG Healey cited O'Brien's extensive experience in criminal investigations and enforcement.

Before joining the Commission, Eileen O'Brien served as Director of the Audit, Oversight and Investigations Division of the Inspector General's Office. Her role included overseeing investigations related to allegations of fraud, waste, and abuse of public funds.

Commissioner O'Brien spent five years as Senior Trial Counsel for the Criminal Bureau of the Massachusetts Attorney General's Office where she investigated and prosecuted cases of trafficking, embezzlement, and public corruption.

O'Brien also served in various positions within the Special Investigations and Narcotics Division at the AG's Office, including chief of the division from April 2004 to July 2008. Following law school, she was a law clerk at Massachusetts Superior Court and served as an assistant district attorney at the Middlesex District Attorney's Office.

In 2015, O'Brien received the Manuel Carballo Governor's Award for Excellence in Public Service along with the Inspector General's Westfield State University Investigation Team. She has also previously received a Special Achievement Award from the New England Narcotic Enforcement Officers' Association in 2004, and the Scott Harshbarger Award for Excellence in 2003.

O'Brien graduated from Northeastern University School of Law and Middlebury College.

## BRUCE STEBBINS COMMISSIONER



A native of Western Massachusetts, Bruce most recently served as Business Development Administrator for the city of Springfield. He also served two terms on the Springfield City Council from 2006 through the end of 2009. Prior to joining the city Economic Development office, Bruce served as Senior Regional Manager for the National Association of Manufacturers in the New England region from 1999 through 2010.

Earlier in his career, Bruce served in the administrations of Governors William Weld and Paul Cellucci eventually being promoted to head the Massachusetts Office of Business Development after serving as deputy director and regional director. His government experience included working in the Office of Political Affairs at the White House for President George H.W. Bush.

His commitment to his community has also included serving on the elected school committee in East Longmeadow for seven years and chairmanship of the Board of Trustees of Springfield Technical Community College as well as other non-profit community organizations. He is a graduate of George Washington University in Washington, D.C. where he received a Bachelor of Arts degree in Political Science.

## ENRIQUE ZUNIGA COMMISSIONER



Enrique recently served as the Executive Director of the Massachusetts Water Pollution Abatement Trust. The Trust is a \$5.2 billion state infrastructure bank that provides subsidized loans to Cities and Towns for clean water and drinking water projects. The Trust is a “State Revolving Fund” that accepts federal grants and issues municipal debt to fund the loans it provides to municipalities. Under his tenure the Trust re-procured all its advisors and service providers, issued a competitive short term financing of \$100 million, and prepared for the permanent financing of \$450 million of loans.

Prior to joining the Trust, Enrique was the director of Quality Assurance at the Massachusetts School Building Authority. Enrique’s duties cut across different areas of the Authority including the initial drafting of regulations, reimbursements to cities and towns during the design and construction project (progress payments), design and implementation of information systems, executive reporting, training and other special projects.

Prior to the MSBA, Enrique was a manager at Ernst & Young in the Real Estate and Construction Advisory Services Group, where he conducted a number of advisory, audits and risk assessments for corporate clients with large capital programs. Enrique came to New England in 1995 to obtain an MBA from the Yale School of Management, and prior to that he was a co-owner and director of a residential development and construction company in Monterrey Mexico. Enrique obtained a Civil Engineering degree in Mexico. In 1997 Enrique relocated to Massachusetts and since 2001 has resided in Jamaica Plain with his wife Ellen and two children.

**STEPHEN CROSBY FORMER CHAIRMAN, LEFT MGC IN SEPT 2018**

**LLOYD MACDONALD FORMER COMMISSIONER, LEFT MGC IN 2018**

# EXECUTIVE STAFF

EDWARD R. BEDROSIAN, JR. EXECUTIVE DIRECTOR

CATHERINE BLUE GENERAL COUNSEL

ELAINE DRISCOLL DIRECTOR OF COMMUNICATIONS

ALEXANDRA LIGHTBOWN, D.V.M. DIRECTOR OF RACING

JILL GRIFFIN DIRECTOR OF WORKFORCE, SUPPLIER, AND DIVERSITY

KAREN WELLS DIRECTOR OF INVESTIGATIONS AND ENFORCEMENT BUREAU

JOHN ZIEMBA OMBUDSMAN

MARK VANDER LINDEN DIRECTOR OF RESEARCH AND RESPONSIBLE GAMING



# DIVISION OF RACING

**ALEXANDRA LIGHTBOWN, D.V.M.**  
**DIRECTOR OF RACING | CHIEF COMMISSION VETERINARIAN**

**CHAD BOURQUE**  
**FINANCIAL ANALYST**



# SUFFOLK DOWNS



## MAILING ADDRESS

Sterling Suffolk Racecourse, LLC  
d/b/a Suffolk Downs  
525 McClellan Highway  
East Boston, MA 02128  
(617) 567-3900

## MEET PERIOD

July 08, 2018 through October 01, 2018

## 2018 RACING STATS

Number of race days:	8
Number of races:	98
Number of starts:	850
Average field size:	8.7
Total purse:	\$4,733,800
Average daily purse:	\$591,725

## TRACK STATS

Barn Area Stall Space:	1085
Horses on Grounds:	546

## MAIN TRACK

Homestretch:	90 ft. wide, backstretch 70 ft. wide
Turns:	Banked 4.5°; Straightaways 2.0°
Rail:	Fontana safety rail

## TURF COURSE

7 furlong oval comprised of perennial rye grass

## CHAPTER 10 OF THE ACTS OF 2015, SECTION 59.

The running race horse meeting licensee located in Suffolk county licensed to conduct live racing pursuant to chapter 128c in calendar year 2018 shall remain licensed as a running horse racing meeting licensee until July 31, 2018 and shall remain authorized to conduct simulcast wagering pursuant to said chapter 128c for the entirety of any year in which at least 1 day and not more than 50 days of live running horse racing is conducted at the licensee's facility.

# PLAINRIDGE PARK CASINO

## MAILING ADDRESS

Plainville Gaming and Redevelopment, LLC  
d/b/a Plainridge Park Casino  
301 Washington Street  
Plainville, MA 02762  
(508) 643-2500



PLAINRIDGE PARK  
CASINO

## MEET PERIOD

April 16, 2018 through November 29, 2018

## 2018 RACING STATS

Number of race days:	110
Number of races:	1,164
Overnights wager:	1,127
Overnights non-wager:	1
MA Sire Stakes wager:	29
MA Sire Stakes non-wager:	7
Overnights average field size:	7.57
MA Sire Stakes average field size:	5.92
Purse total:	\$10,932,409
Overnights purse:	\$9,155,607
MA Sire Stakes purse:	\$1,776,802
Overnights Average purse:	\$8,124
MA Sire Stake Average purse:	\$49,356

## TRACK STATS

Barn Area Stall Space:	180
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## RACE TRACK

5/8ths mile  
Pylons

## MASSACHUSETTS GENERAL LAWS ANNOTED CHAPTER 23K, SECTION 24.

An application for a gaming license who holds a live racing license under chapter 128A shall maintain an existing racing facility on the premises; provided, however, that the gaming licensee shall increase the number of live racing days to a minimum of 125 days according to the following schedule: (i) in the first calendar year of operation, a gaming license shall hold 105 racing days, (ii) in the second calendar year of operation 115 racing days; (iii) in the third and subsequent calendar year of operation 125 racing days.

# RAYNHAM GREYHOUND PARK

## MAILING ADDRESS

1958 Broadway  
Raynham, MA 02767  
(508) 824-4071



## SIMULCASTING

7 days a week

# WONDERLAND GREYHOUND PARK

## MAILING ADDRESS

d/b/a/ Sterling Suffolk LLC  
525 McClellan Highway  
East Boston, MA 02128  
(617) 567-3900



## SIMULCASTING

7 days a week

## CHAPTER 167 OF THE ACTS OF 2009

Chapter 167 of the Acts of 2009, and subsequently, Chapter 203 of the Acts of 2010

As a result of Chapter 388 of the Acts of 2008, the two greyhound racetracks located in the Commonwealth were precluded from conducting greyhound races effective January 1, 2010.

Chapter 167 of the Acts of 2009, and subsequently, Chapter 203 of the Acts of 2010 allowed these facilities to continue operations as simulcasting venues without conducting the minimum of 100 live racing performances mandated by Chapter 128C of the General Laws. These facilities offered pari-mutuel wagering on greyhound races conducted outside the Commonwealth as well as both in-state and out of state thoroughbred and harness races, with conditions.

Massasoit Greyhound Association and Taunton Greyhound, Inc. continued simulcasting operations throughout 2012 at Raynham/Taunton Greyhound Park.

Wonderland Greyhound Park continued simulcasting operations, at their facility, until August 18, 2010, when it closed down its racing activities. On June 2, 2011 Wonderland reopened its simulcast operations at Suffolk Downs.

# LICENSING

One of the Commission's foremost responsibilities is the issuance of occupational licenses to every person who participates in racing, and the issuance of licenses to associations who operate the Commonwealth's racetracks and simulcast facilities.

## **2,381 APPLICATIONS FOR LICENSURE PROCESSED IN 2018**

The licensing process requires that every person who participates in racing complete an application, and that all questions must be answered truthfully. The application is reviewed for completeness by licensing staff who then forward the application to the Massachusetts State Police Gaming Enforcement Unit, who conduct a background check of the applicant. Once the background check is completed, the application is sent to the Board of Stewards/Judges at each track. The Board reviews the application and may interview the applicant. The Stewards/Judges determine if the applicant has the required integrity, ability, and the eligibility for the license for which the applicant has applied. The Commission also has access to the Association of Racing Commissioners' International (ARCI) files in Lexington, Kentucky and the United States Trotting Association's (USTA) database for violations. These files maintain a record of every racing related offense attributed to an applicant anywhere in the country. The Commission provides reciprocity to other jurisdictions and their licensing decisions.

If the Stewards/Judges recommend licensing an applicant, the licensing staff collects the required fee and enters the appropriate information in the Commission's computer network. The applicant is issued a license card that entitles him to a photo identification badge. No person may enter any restricted area of a racetrack without a photo identification badge. During 2018, the Division of Racing issued 2,381 occupational licenses to persons participating in horse racing in the State. Occupations licensed include jockeys, drivers, trainers, assistant trainers, owners of racing animals, blacksmiths, racing officials, vendors, stable employees and pari-mutuel clerks. \$98,490 was collected in Occupational License Fees and Badge Fees and \$29,800 in Racing related fines. Occupational licenses expire annually on December 31.

# LICENSING STAFF

**BILL EGAN LICENSING COORDINATOR**

**GEORGE CARRIFIO CONTRACT LICENSING COORDINATOR**

**TANIA PEREZ CONTRACT LICENSING**

Licensing Coordinators supervise the operation of the Commission's field offices located at Suffolk Downs, Raynham Park, and Plainridge Park Casino. They work closely with stewards, judges, racing officials, track security, the State Police unit and the Gaming Commission to ensure that operations at each track are efficient and effective.



# MA STATE POLICE INVESTIGATIVE UNIT

**MARK TACCINI SERGEANT**

**ROBERT MILLER TROOPER**

**SCOTT WALKER TROOPER**

The Commission's goals of protecting racing participants and the wagering public as well as maintaining the public's confidence in pari-mutuel wagering are achieved through the Commission's licensing, revenue collection and investigative activities. The State Police Investigative Unit plays a vital role in achieving the goals of the Commission.

The Gaming Commission applies to the Department of Public Safety for an assignment of a complement of police officers. In the performance of their duties, the State Police Investigative Unit investigates violations of the rules of racing and the Massachusetts General Laws. The Investigative Unit's extensive responsibilities and activities have resulted in a major improvement in the Commission's regulatory/policing functions.

## STABLE INSPECTIONS

Stable inspections focus on the detection of safety violations, the presence of unlicensed persons in restricted areas and the possession of illegal medications, drugs and syringes. These inspections are conducted by officers assigned to the State Police Unit and aid in preserving the integrity of racing.

## EJECTIONS - INVESTIGATIONS - ARRESTS

In 2018, the State Police Investigative Unit conducted 21 investigations including hidden ownership of racehorses, larceny, and conduct detrimental to racing that resulted in 1 arrest and 2 ejections from Massachusetts racetracks.

## SPECIAL INVESTIGATIONS

The State Police Investigative Unit conducted investigations into the background of each individual who was a party to the application for a racetrack license in Massachusetts. The State Police Unit also conducted several special investigations with other agencies and units within the State Police concerning ten per center activity, identity investigations and drug activity.

## BACKGROUND INVESTIGATIONS

The State Police Investigative Unit conducted 1914 background investigations on Gaming Commission employees, racing officials and occupational licensees who participate at Massachusetts racetracks.

## THOROUGHBRED - STANDARD BRED RACING

The State Police Unit committed itself to maintain a constant presence at each racetrack, especially during live racing, working closely with the Stewards/Judges and other Commission and racing officials to help ensure that each track operated honestly and credibly.

# VETERINARIANS

**ALEXANDRA LIGHTBOWN, D.V.M.**  
**DIRECTOR OF RACING | CHIEF COMMISSION VETERINARIAN**

**RISE SHEEHAN, D.V.M. CONTRACT VETERINARIAN**

**RICHARD SHEEHAN, D.V.M. CONTRACT VETERINARIAN**

**KEVIN LIGHTBOWN D.V.M. CONTRACT VETERINARIAN**

The Commission Veterinarians play an indispensable function in ensuring that the quality and integrity of racing within the Commonwealth remains strong by protecting the health and welfare of the equine athletes in Massachusetts.

## **SUPERVISE EQUINE DRUG TESTING AREA**

A Commission Veterinarian supervises the testing areas in order to ensure proper collection and continuity of evidence for blood and urine samples collected from the racing animals.

## **TESTIFY AT COMMISSION HEARINGS/MEETINGS**

Commission Veterinarians testify at hearings on medication use, drug violations, animal care, new policies and procedures, etc.





# LABORATORY SERVICES

In 2016, Massachusetts changed its testing laboratory to Industrial Laboratory in Colorado. Industrial Laboratory is ISO 17025 and Racing Medication Testing and Medication Consortium accredited. They perform testing for several racing jurisdictions. Testing protects the health of the animals and the integrity of races and contests.

Industrial is committed to improving their ability to detect new drugs of abuse. They work closely with the Association of Official Racing Chemists (AORC), Association of Racing Commissioners International, Inc. (ARCI) and Racing Medication Testing Consortium (RMTTC). As a result, Industrial Laboratory is a driving force in the application of new technology for the drug testing industry.

In addition to testing urine and blood samples for the presence of drugs, Industrial analyzes syringes, vials, powders and a variety of materials seized as evidence. They also test for drugs in a variety of nutritional supplements.

## INTEGRITY OF SAMPLES ENSURED

Special precautions are taken at all Massachusetts racetracks when post-race blood and urine samples are collected to ensure that no tampering can take place. In order to assure the continuity of evidence, every winning horse and all designated horses are under the surveillance of a Gaming Commission employee from the finish of the race until the specimens are obtained.

## SAMPLES TAKEN AND ANALYZED

1336 Paired Urine/Blood, 1271 Blood Samples Analyzed, 2419 TCO2 Blood Samples Analyzed

Items confiscated in the course of investigations are also submitted for analysis. These items may include feed preparations, vitamins, liniments, antibiotics, other pharmaceuticals and medical devices such as needles and syringes.

2018 marked the sixth year that the Massachusetts Gaming Commission's Division of Racing participated in the Controlled Therapeutic Medication Program.

At Suffolk Downs, there was one medication overage for Betamethasone, one for Clenbuterol, one for Dexamethasone, one for Glycopyrrolate, one for Isoflupredone. These are all medications from the controlled Therapeutic Medication Program. There was a positive test for Naproxen.

At Plainridge Park Casino, there was one medication overage for Betamethasone, one for Dantrolene, two overages for Dexamethasone, one for Flunixin, one for Lidocaine, four for Methocarbamol, one overage for Phenylbutazone and one overage for Triamcinolone. These are all medications from the Controlled Therapeutic Medication Program. There were two positive tests for Altrenogest, one for Caffeine, and two TCO2 tests that were over the regulatory limit

# SUFFOLK DOWNS BOARD OF STEWARDS

## COMMISSION STEWARDS

SUSAN WALSH CHIEF COMMISSION STEWARD

DAVE ERNST ASSOCIATE COMMISSION STEWARD

## ASSOCIATION STWEWARD

JOHN MORRISSEY PRESIDING STEWARD

## ADMINISTRATIVE HEARINGS

The primary responsibility of the Stewards is to interpret and enforce the rules of racing as promulgated by the Commonwealth of Massachusetts. In carrying out this duty, the Judges issued 22 rulings in 2018 resulting in 16 fines and 3 suspensions.



# PLAINRIDGE PARK BOARD OF JUDGES

## COMMISSION JUDGES

**LOU HASKELL CHIEF COMMISSION JUDGE**

**SALVATORE PANZERA ASSOCIATE COMMISSION JUDGE**

**TAD STOCKMAN ASSOCIATE COMMISSION JUDGE**

**DAVID ERNST FILL-IN ASSOCIATE JUDGE**

**PETER TOMMILA FILL-IN ASSOCIATE JUDGE**

## ASSOCIATION JUDGE

**ANNMARIE MANCINI PRESIDING JUDGE**

## ADMINISTRATIVE HEARINGS

The primary responsibility of the Board of Judges is to interpret and enforce the rules of racing as promulgated by the Commonwealth of Massachusetts. In carrying out this duty, the Judges issued 114 rulings in 2018 resulting in 102 fines and 11 suspensions.



# ENFORCEMENT OF RULES & REGULATIONS

The most significant responsibility of the Commission is the enforcement of the rules and regulations of racing. It is only as a result of conscientious, consistent and aggressive enforcement of the rules and regulations that we are able to ensure honest racing.

Enforcement of the rules and regulations of racing begins with the investigation of complaints and prosecution of alleged violations by the Board of three Stewards / Judges at the racetrack. One Steward / Judge is appointed by the racetrack and must be approved by the Gaming Commission and licensed as a racing official. Two Stewards / Judges are appointed by the Gaming Commission. The duties of the Stewards / Judges are the same; however, in Thoroughbred racing they are called Stewards and in Harness Racing, they are known as Judges. Same job - different title.

## RESPONSIBILITIES

The Stewards and Judges are responsible for reviewing all occupational license applications and recommending or not recommending the applicant for a license. The Stewards and Judges are present at the racetrack each day on which there is live racing and they oversee everything from drawing of post positions to making official the results of every race. In addition, the Stewards / Judges preside over all hearings conducted at the track and report their rulings and findings to the Gaming Commission.

Before post time of the first race, the Stewards/Judges review the daily program of races to approve any changes or report errors. Changes are reported to each department that might be affected by the change (i.e., mutuels, paddock judges, patrol judges, starters, clerk of the course, clerk of scales, program director, TV department and announcer). All changes are also reported promptly to the wagering public.

After observing every live race, both live and on television monitors, the Stewards/Judges mark the order of finish as the horses cross the finish line. They give the first four unofficial finishers to the Mutuel Department, and when necessary, they post an inquiry, review an objection and request a photo finish. If there is an apparent violation of the rules, the Stewards/Judges review the videotape and then make a decision before making the results of the race official.

## 136 RULINGS

If a violation of the rules occurs, the Stewards/Judges notify all the parties involved in the violation. Sometimes only a warning will be issued but other times the offending horseman may be fined and/or suspended from participating in racing for a certain amount of time. If any party involved contests the decision of the Stewards/Judges, then a hearing will be scheduled. After conducting the hearing, the Stewards/Judges determine if any penalty such as a fine or suspension, purse redistribution, or other sanction should be imposed. Violators are advised of their right of appeal to the Gaming Commission. 136 separate rulings were written by the Boards of Stewards/Judges at Massachusetts racetracks in 2018.

## APPEALS

If any licensee disagrees with a decision of the Stewards/Judges, they may appeal to the Gaming Commission, through its designated hearing officer. The Commission affords appellants adjudicatory hearings on the merits of their appeals. If appellants are dissatisfied with the decision of the Gaming Commission, they may appeal to the Superior Court of the Commonwealth in accordance with Chapter 30A of the General Laws. In 2018, there were 4 appeals of Judges' Rulings. 1 appeal was denied, 1 withdrawal, and 1 ongoing and one waiver was granted.

# COMMISSION BUSINESS

## MEETINGS AND HEARINGS

As required by Chapter 128A of the Massachusetts General Laws, the Commission held public hearings in the fall of 2017 applications for 2 licenses to conduct running horse or harness racing meetings for calendar year 2018. The hearings were held in Boston and Plainville. The Commission approved applications for racing at Suffolk Downs to conduct Thoroughbred racing in 2018; and for Springfield Gaming and Redevelopment, to conduct harness horse racing in 2018 at Plainridge Park Casino.

## DECISIONS APPEALED TO THE DIVISION OF RACING

The Gaming Commission, sitting as a quasi-judicial body pursuant to the Massachusetts Administrative Procedures Act, adjudicated 4 appeals. 1 appeal was denied, 1 withdrawal, 1 ongoing and 1 waiver was granted. The Commission has taken extensive precautions to ensure licensees due process throughout the appeal process. The Commission has a Stay-of-Suspension process. This permits licensees suspended by the Stewards/Judges for a minor violation of the rules that does not compromise the integrity of racing to continue to participate in racing until the licensee has been provided a hearing by the Commission and a decision made. Procedural safeguards were adopted to prevent licensees from abusing the Stay privilege. Hearings are conducted as soon as practicable from the time of the granting of a Stay, thereby preventing a licensee from participating while on a Stay status for an extended period of time.

## DUE PROCESS AFFORDED ALL LICENSEES

Licensees charged with a violation of the rules that may result in the loss of a license are entitled to a hearing pursuant to the Administrative Procedures Act (APA). Formal disciplinary hearings held by the Racing Division follow the requirements established in the Massachusetts APA. These requirements include issuing timely notice of hearings, providing the opportunity for an appellant to confront witnesses and to be represented by counsel.

## COMMISSION DECISIONS APPEALED TO SUPERIOR COURT

In addition to hearing appeals, the Racing Division must prepare a complete record and legal decision for each case that is appealed to the Superior Court. When the record is completed and certified, it is forwarded to the Government Bureau of the Office of the Massachusetts Attorney General and is assigned to an Assistant Attorney General who defends the case in court. The Commission and the Attorney General work closely together to present the best possible case in Superior Court.

The Division of Racing takes this opportunity to thank the Office of the Massachusetts Attorney General for the diligent, professional and expert defense of Commission cases.

# AUDITING

## PARI-MUTUEL OPERATIONS: COMPLIANCE ENSURED

Responsibilities of the Commission's auditors include assessing liabilities owed to the Commission and overseeing the calculation of take-out from handle. The handle is the total amount of money wagered at each performance and the take-out percentage of handle is determined by statute. Proceeds from the handle are distributed to numerous stakeholders, as described by statute.

## SAFEGUARDS

All money wagered on a horse race goes through the equipment of one of the two Totalisator companies; namely, AmTote and Sportech. These are private companies who sell their services to racetracks. Both Suffolk Downs and Raynham Park use the services of AmTote whereas Plainridge is with Sportech. These companies provide the machines for wagering, those used by the tellers and the self-service terminals. The "tote" system (as it is referred to) accepts wagers and based on those wagers, it calculates the odds on each betting interest, displays them, produces and configures the payouts following the race and later cashes the tickets given to the bettor. This is all accomplished through very sophisticated computerized equipment that has the ability to combine all wagers placed, no matter where they are coming from, including those placed via computer, live at the track where the race is being conducted and at all guest sites that have contracted to wager with the host track. All these wagers go into a common pool. The term "host" is the track where the race is being run and the term "guest" means any other location where wagers are made on a live race.

Before the start of a race card, all tote companies at the sites that will take wagers on the live product, connect with the tote at the host site. At the start of each individual race, the Steward/Judge at the Host track presses a key/button that locks all the wagering machines. This stops any betting after the start of any race. At the conclusion of a race, the Stewards/Judges determine the order of finish and notify their mutuel department who is linked to the Tote system that the race is going "official" and the numbers of the first 4 finishers are posted along with the payouts for all the different wagers; i.e., win, place, show, daily double, exacta, trifecta, superfecta, or any wager that is offered on the race by the Host track.

Printouts from the tote system are audited by the Racing Commission Auditors for accuracy and compliance with current statutes.

## DAILY AUDIT

A summary sheet, detailing the breakdown of the statutory take-out is prepared by Commission Auditors for each individual racing performance. For live racing, the information is provided by the on-site tote system. For imported simulcast races, a report from the host track is faxed to the guest track. This report is used in conjunction with on-track reports to complete the summary sheet. This activity ensures that the public, the Commonwealth, purse accounts, and all designated trust funds are properly funded. The Commission Auditors prepare a handle reconciliation report on a daily, weekly and monthly basis. This report shows the handle broken down as to live, signal exported and signal imported. Further, the balance of all current unclaimed winning tickets and the liquidity of the mutuel department are audited by the Commission Auditors.

# DIVISION OF RACING FINANCIALS

2018 RECEIPTS		
0131	Commission	\$851,801
4800	Assessment	\$749,998
3003	Association License Fees	\$366,300
5009	Unclaimed Tickets	\$568,875
6900	Local Aid Appropriation	\$872,411
3004	Licensing	\$98,490
2700	Fines & Penalties	\$29,800
<b>TOTAL RECEIPTS</b>		<b>\$3,537,675</b>

2018 EXPENDITURES		
AA	Regular Employee Compensation	\$628,659
BB	Regular Employee Related Expenses	\$5,517
CC	Contractor Payroll	\$454,031
DD	Pension/Insurance, Related Expenses	\$230,150
EE	Administration Expenses	\$209,012
FF	Facility Operations	\$1,328
HH	Consultant Services	\$24,375
JJ	Operational Services	\$626,155
KK	Equipment Purchase	\$500
LL	Equipment Lease/Maintenance	\$116
MM	Purchased Programs Services	\$135,000
UU	Information Technology	\$12,582
<b>TOTAL EXPENDITURES</b>		<b>\$2,327,425</b>

## MASSACHUSETTS GENERAL LAWS CHAPTERS 128A and 128C

In addition to licensing racetracks and participants, the Racing Division of the MGC has a primary responsibility to collect revenue in accordance with Chapters 128A and 128C of the General Laws. Each licensed racetrack pays a commission as determined by law in addition to license fees and other assessments. Racing Division Inspectors collect occupational license fees, badge fees and fines. The Racing Division collected \$2,665,264 from Massachusetts racetracks in 2018. All Commission activities are revenue driven as Commission expenditures come from Commission revenue and are made in a priority order in accordance with Section 5(h) of Chapter 128A.

# PROGRAM REVENUE

2018 PROGRAM REVENUE	
Commission	\$851,801
Assessment	\$749,998
Association License Fee	\$366,300
Unclaimed Tickets	\$568,875
Local Aid	\$872,411
Licensing	\$98,490
Fines and Penalties	\$29,800
<b>TOTAL PROGRAM REVENUE</b>	<b>\$3,537,675</b>

2018 ADDITIONAL PROGRAM EXPENSES	
Local Aid distributed to Cities & Towns	(\$872,411)
Distribution of Unclaimed Tickets	(\$568,875)
Subtotal	(\$1,441,286)
Available for Racing Commission Operations	\$2,096,389
Total Racing Commission Operations	(\$2,327,425)
Available	(\$231,036)
*Costs included in operating expenditures (MM):	
Department of Public Health	\$70,000
Jockeys Guild	\$65,000

REVENUE VARIANCE	2017	2018	Variance	% Variance
Commissions	\$837,492	\$851,801	\$14,309	1.71%
Assessments	\$745,612	\$749,998	\$4,386	0.59%
Association License Fee	\$377,400	\$366,300	(\$11,100)	(2.94%)
Unclaimed Tickets	\$565,197	\$568,875	\$3,678	0.65%
Local Aid	\$721,350	\$872,411	\$151,061	20.94%
Licensing	\$87,250	\$98,490	\$11,240	12.88%
Fines & Penalties	\$33,650	\$29,800	(\$3,850)	(11.44%)
<b>TOTAL</b>	<b>\$3,367,951</b>	<b>\$3,537,675</b>	<b>\$169,724</b>	<b>5.04%</b>



# HANDLE

2018 HANDLE	2017	2018	Variance	% Variance
Live Performances	133	118	(15)	(11.28%)
Live Handle	3,347,129	3,299,722	(47,407)	(1.41%)
Simulcast Import	215,663,166	220,327,665	4,664,499	2.16%
Simulcast Export	23,830,433	21,738,097	(2,092,336)	(8.78%)
<b>TOTAL HANDLE</b>	<b>242,840,728</b>	<b>245,365,484</b>	<b>2,524,756</b>	<b>1.04%</b>

HANDLE BY TRACK	2017	2018	Variance	% Variance
<b>LIVE</b>				
Plainridge	1,660,794	1,601,454	(59,340)	(3.57%)
Suffolk	1,686,335	1,698,269	11,934	0.71%
<b>TOTAL</b>	<b>3,347,129</b>	<b>3,299,723</b>	<b>(47,406)</b>	<b>(2.86%)</b>
<b>IMPORT SIMULCAST</b>				
Plainridge	33,739,956	34,427,129	687,173	2.04%
Suffolk	152,120,072	159,957,813	7,837,741	5.15%
Raynham	28,060,703	25,056,183	(3,004,520)	(10.71%)
Wonderland	1,742,435	886,540	(855,895)	(49.12%)
<b>TOTAL</b>	<b>215,663,166</b>	<b>220,327,665</b>	<b>4,664,499</b>	<b>2.16%</b>
<b>EXPORT SIMULCAST</b>				
Plainridge	20,332,172	17,299,723	(3,032,449)	(14.91%)
Suffolk	3,498,261	4,438,374	940,113	26.87%
<b>TOTAL</b>	<b>23,830,433</b>	<b>21,738,097</b>	<b>(2,092,336)</b>	<b>(8.78%)</b>
<b>TOTAL HANDLE</b>	<b>242,840,728</b>	<b>245,365,485</b>	<b>2,524,756</b>	<b>1.04%</b>

# LICENSING AND FINES

2018 LICENSING & FINES	LICENSES	BADGES	FINES	TOTALS
Issued	2,381	1,038	118	3,537
Licensing & Fines	\$85,565	\$12,925	\$29,800	\$128,290

# PLAINRIDGE PARK CASINO

CATEGORY	2017	2018	Variance	% Variance
Commissions	\$138,981	\$141,112	\$2,131	1.53%
Assessments	\$128,023	\$124,582	(\$3,441)	(2.69%)
Association License Fee	\$108,900	\$107,700	(\$1,200)	(1.10%)
Unclaimed Tickets	\$158,702	\$186,705	\$28,003	17.64%
Licensing	\$51,350	\$56,385	\$5,035	9.80%
Fines & Penalties	\$29,150	\$16,700	(\$12,450)	(42.71%)
<b>TOTAL</b>	<b>\$615,106</b>	<b>\$633,184</b>	<b>\$18,078</b>	<b>2.94%</b>

HANDLE	2017	2018	Variance	% Variance
Live	1,660,794	1,601,454	(59,340)	(3.57%)
Import Simulcast	33,739,956	34,427,129	687,173	2.04%
Export Simulcast	20,332,172	17,299,723	(3,032,449)	(14.91%)
<b>TOTAL HANDLE</b>	<b>55,732,922</b>	<b>53,328,306</b>	<b>(2,404,616)</b>	<b>(4.31%)</b>

LICENSING & FINES	LICENSES	BADGES	FINES	TOTALS
Issued	1,074	485	102	1,661
Licensing & Fines	\$48,995	\$7,390	\$16,700	\$73,085

# SUFFOLK DOWNS

CATEGORY	2017	2018	Variance	% Variance
Commissions	\$586,747	\$613,403	\$26,656	4.54%
Assessments	\$493,091	\$512,183	\$19,092	3.87%
Association License Fee	\$80,700	\$80,700	\$0	0%
Unclaimed Tickets	\$267,353	\$224,045	(\$43,308)	(16.20%)
Licensing	\$35,900	\$42,105	\$6,205	17.28%
Fines & Penalties	\$4,500	\$13,100	\$8,600	191.11%
<b>TOTAL</b>	<b>\$1,468,291</b>	<b>\$1,485,536</b>	<b>\$17,245</b>	<b>1.17%</b>

HANDLE	2017	2018	Variance	% Variance
Live	1,686,335	1,698,269	11,934	0.71%
Import Simulcast	152,120,072	159,957,813	7,837,741	5.15%
Export Simulcast	3,498,261	4,438,374	(940,113)	(26.87%)
<b>TOTAL HANDLE</b>	<b>157,304,668</b>	<b>166,094,456</b>	<b>8,789,788</b>	<b>5.59%</b>

LICENSING & FINES	LICENSES	BADGES	FINES	TOTALS
Issued	1,307	553	16	1,876
Licensing & Fines	\$36,570	\$5,535	\$13,100	\$55,205

# RAYNHAM GREYHOUND PARK

CATEGORY	2017	2018	Variance	% Variance
Commissions	\$105,227	\$93,960	(\$11,267)	(10.71%)
Assessments	\$107,923	\$101,987	(\$5,936)	(5.50%)
Association License Fee	\$108,000	\$97,500	(\$10,500)	(9.72%)
Unclaimed Tickets	\$158,702	\$150,144	(\$8,558)	(5.39%)
<b>TOTAL</b>	<b>\$479,852</b>	<b>\$443,591</b>	<b>(36,261)</b>	<b>(7.56)%</b>

HANDLE	2017	2018	Variance	% Variance
Import Simulcast	28,060,703	25,056,183	(3,004,520)	(10.71%)

# WONDERLAND GREYHOUND PARK

CATEGORY	2017	2018	Variance	% Variance
Commissions	\$6,534	\$3,324	(\$3,210)	(49.13%)
Assessments	\$16,574	\$11,244	(\$5,330)	(32.16%)
Association License Fee	\$79,800	\$80,400	\$600	0.75%
Unclaimed Tickets	\$17,262	\$7,981	(\$9,281)	(53.76%)
<b>TOTAL</b>	<b>\$120,170</b>	<b>\$102,949</b>	<b>\$17,221</b>	<b>(14.33%)</b>

HANDLE	2017	2018	Variance	% Variance
Import Simulcast	1,742,435	886,540	(855,895)	(49.12%)

# PURSES

CATEGORY	PLAINRIDGE	SUFFOLK
Number of live performances 2017	125	8
Purses paid 2017	\$9,968,903	\$3,844,306
2017 Average purses per performance	\$79,751	\$480,538
Number of live performances <b>2018</b>	110	8
Purses paid <b>2018</b>	\$10,932,409	\$4,733,800
<b>2018</b> Average purses per performance	\$99,385	\$591,725
Increase (decrease) in purse <b>2018</b> compared to 2017	\$963,506	\$889,494
Average change per performance	\$19,634	\$111,187

# TRUST FUNDS

## STERLING SUFFOLK RACECOURSE, LLP (600177133) CAPITAL IMPROVEMENT TRUST FUND (1050 0022) STATEMENT OF ACTIVITIES CY2018

Fund balance, beginning of period	\$ 815,308
Program revenue	813,862
Funds available	1,629,170
Less expenditures - RFR Payment	112,099
Fund balance, end of period	1,517,071
Funds required for projects - RFC projects	0
	\$ 1,517,071
Excess / Deficit of funds available for approved projects	

## STERLING SUFFOLK RACECOURSE, LLP (600177133) PROMOTIONAL TRUST FUND (1050 0021) STATEMENT OF ACTIVITIES CY2018

Fund balance, beginning of period	\$52,405
Program revenue	\$215,922
Funds available	\$268,327
Less expenditures – RFR payment	\$185,220
Fund balance, end of period	\$83,107
Funds required for approved projects – RFC projects	\$521,208
Excess / Deficit of funds available for approved projects	(\$438,101)

**PLAINRIDGE PARK CASINO (0000120837)  
CAPITAL IMPROVEMENT TRUST FUND (1050 0013)  
STATEMENT OF ACTIVITIES CY2018**

Fund balance, beginning of period	\$185,220
Program revenue	\$175,983
Funds available	\$361,203
Less expenditures	\$0
Fund balance, end of period	\$361,203
Funds required approved projects	\$0
Excess or (deficit) of funds available for approved projects	\$361,203

**PLAINRIDGE PARK CASINO (0000120837)  
PROMOTIONAL TRUST FUND (1050 0012)  
STATEMENT OF ACTIVITIES CY2018**

Fund balance, beginning of period	\$21,313
Program revenue	\$55,994
Funds available	\$77,307
Less expenditures	\$0
Fund balance, end of period	\$77,307
Funds required for approved projects	\$0
Excess or (deficit) of funds available for approved projects	\$77,307

## RACE HORSE DEVELOPMENT FUND

**2018 RACE HORSE DEVELOPMENT FUND DISTRIBUTIONS**

Thoroughbred Accounts	\$6,016,974
Harness Accounts	\$10,333,126
<b>TOTAL DISTRIBUTIONS</b>	<b>\$16,350,100</b>

**MASSACHUSETTS GENERAL LAWS CHAPTER 23K SECTION 60.**

The Race Horse Development Fund shall consist of monies deposited under subsection (c) of section 55. The Commission shall make distributions from the Fund to each licensee under chapter 128A. Funds received shall be distributed between Thoroughbred and Standardbred accounts, as approved by the Commission. 2018 is the fourth calendar year that monies have been distributed from the Race Horse Development Fund accounts.



# RACING TERMINOLOGY

## OUTS

Outs are the unclaimed winning wagers at each horse track. If the tickets haven't been presented for payment by 90 days after 31 December of the year following the year of the actual wager, they will be distributed to the commission. Subject to the rules and regulations established by the Commission, the Commission shall deposit the unclaimed live wagers into the purse accounts of the racing meeting licensees (Suffolk and Plainridge) that generated those unclaimed live wagers. When the outs come from Wonderland and Raynham they go to the Racing Stabilization Fund.

## BREAKAGE

Breakage – the difference in the rounding off of the pari-mutuel payoffs. The difference in cents between the winning payouts and the nearest dime or nickel is called the Breakage. These breaks shall be paid to the commission on the day following each day of a racing meeting. The commission then dispenses the breaks as follows: The breaks from Suffolk and Plainridge go to their respective Capital Improvement Funds whereas the breaks from Wonderland and Raynham go to the Racing Stabilization Fund.

## PURSES

Purses are the monies that the horses earn for racing. Each race has a purse amount assigned to it before the race is run. How much each horse earns of that purse depends on where the horse finishes and the amount of the purse. The actual money wagered on the race does not have an immediate impact on the amount of the purse. However, a percentage of every dollar wagered makes its way into the purse account for races at a later date. The average daily purse is the amount of the total purses awarded during a race meet divided by the number of days of racing for that meet.

## SIMULCASTING

Simulcasting is when a racetrack sends a closed circuit transmission via satellite of its live racing to another location, either in the same state or out of state and sometimes out of the country. The track where the racing is being contested is called the Host and the location where it is viewed is called the Guest. People at the guest site bet on these races in real time. The Guest site customers receive the same payoffs as the customers at the Host track. All the money wagered by both the Host and Guest sites are merged and the odds are computed on the total amount of money wagered into these combined wagering pools. To view their races, the Host charges the Guest a certain percentage of the guest site's handle. This percentage is based on the quality of the racing and by agreement between the Host and Guest.

## HANDLE

Handle is the total amount of money wagered at a specific location, by individual race/ by day/by month or by year.

### Notation

In this 2018 Annual Report, the following terminology is used in reporting simulcast events: "Signal Received" is categorized as "Imported" as this signal is sent from a remote track being received locally.

"Signal Sent" is categorized as "Exported," as this is the local signal being sent to a remote track.

