

Strategic Plan  
(2012-2014 Version 1)

Virginia Racing Commission (405)  
Agency Plan

Mission Statement

The Virginia Racing Commission promotes, sustains, grows and controls the native horse racing industry with pari-mutuel wagering by prescribing regulations and conditions that command and promote excellence, honesty and integrity in racing and wagering.

Vision Statement

We envision the Virginia Racing Commission (VRC) to be a model to which other racing commissions aspire, with a history of excellence and integrity. Participants will find our processing systems to be one of the most efficient and innovative in the industry. Regulations will be easily understood and applied to enable horseracing and wagering at the highest standard of integrity and fairness.

Information Technology

**Current Operational IT Investments**

VRC uses the software program, TRACs V, which was purchased from the Texas Racing Commission. It is utilized for permitting, tracking pari-mutuel handle, computing and auditing the revenue to localities and the Commonwealth, generating veterinarian reports, and recording historical records of steward's rulings. VRC also uses a 10-print, live scan system for fingerprints used in completing criminal background checks, and ID Works for printing photo identification badges.

VRC's website provides information on live race dates, VRC meetings and minutes, rules and regulations, and frequently asked questions. The website also enables the downloading of permit applications. VRC has no technology staff and is completely reliant on the Virginia Information Technologies Agency (VITA) for its technology needs. During live race meets, VITA staff is on-call in case a problem occurs.

**Factors Impacting the Current Agency IT**

An increase in the number of live race days may require the agency to increase the availability of VITA staff during critical times, especially on weekends and during evening hours.

VRC's licensing application (TracsV) is not supported and the state requirement that social security numbers be removed from state applications, necessitates that alternative solutions be considered. The current TracsV application also fails to meet Security Standard SEC 501-01 Sections 5.3.2.3, 5.3.2.8, and 5.3.2.10. A new web-based application would meet all of these requirements, as well as give participants the option of viewing their license status and complete online licensing.

**Proposed IT Solutions**

VRC is looking to change from the unsupported TracsV licensing application to a turnkey stand alone web based service solution. The current TracsV application does not meet requirements in Sections 5.3.2.3, 5.3.2.8, and 5.3.2.10 of the Commonwealth of Virginia Information Technology Resource Management SEC 501-01 Security Standard. The entire TracsV application operates using Social Security Numbers. The current 8i version of TracsV used by the VRC does not allow for administrative changes by VRC staff. The new stand alone system will allow for Administrator rights, as well as citizen access to view their license status. It will also allow for on line applications. The new application is a non-major IT investment that should reduce costs to VRC in the 2012-2014 biennium.

Financial Overview

All of VRC's funding comes from non general funds, which are generated by a tax on pari-mutuel wagering that takes place in Virginia.

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	3,310,644	0	3,310,644
Changes to Base	0	107,082	0	107,082
<b>Total</b>	<b>0</b>	<b>3,417,726</b>	<b>0</b>	<b>3,417,726</b>

Agency Goals

- Maintain horse racing in the Commonwealth of Virginia of the highest quality, free of corrupt, incompetent, dishonest or unprincipled practices thereby maintaining honesty and integrity in racing.

*Goal Summary and Alignment*

Ensuring that pari-mutuel wagering and racing are free of any illegal activities is essential to the horseracing industry. This goal directly aligns to VRC's mission to prescribe regulations and conditions that command and promote excellence and honesty and integrity in racing and wagering.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

Be recognized as the best-managed state in the nation.

- Assist in the growth of the pari-mutuel horse racing industry in Virginia.

*Goal Summary and Alignment*

VRC takes every legally permissible action to assist Colonial Downs in obtaining approvals to advance the growth of satellite wagering facilities, which may maintain and possibly increase the number of live race days. The amount paid in purses and the number of live race days is dependent on wagering revenue from the racetrack, the satellite wagering facilities, and advanced deposit wagering. This goal aligns with VRC's mission to grow the native horse racing industry with pari-mutuel wagering.

*Long Term Goal*

- Be a national leader in the preservation and enhancement of our economy.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

- Provide financial incentives to owners and breeders of Virginia-Bred horses.

*Goal Summary and Alignment*

This goal provides financial incentives to breeders and owners of Virginia-bred horses and is intended to increase the number of racehorses foaled and raised in Virginia. This goal aligns with VRC's mission to grow the native horse racing industry.

*Long Term Goal*

- Be a national leader in the preservation and enhancement of our economy.
- Protect, conserve and wisely develop our natural, historical and cultural resources.

Programs and Service Areas for Agency

- 53411: Financial Assistance to the Horse Breeding Industry
- 55801: License and Regulate Horse Racing and Pari-mutuel Wagering
- 55802: Promote the Horse Industry

Customers

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Taxpayer	Horsemen and other participants	3,700	3,700	Stable
Local or Regional Government Authorities	Governments (state and local)	10	10	Stable
Taxpayer	Racetrack owners and operators	1	1	Stable

Key Risk Factors

Limited Number of Employees

VRC currently has a staff of only 6 full-time employees. Cross-training opportunities exist; however, career advancement possibilities are limited within the agency given its size.

Agency Results Dependent on Performance of Licensee

Colonial Downs is currently the only licensed racetrack operating in Virginia. Their performance and management decisions can directly affect how successfully VRC accomplishes some of its goals and objectives.

Difficulty Securing Qualified Veterinarians

It may be difficult for VRC to secure sufficient Associate Commission Veterinarians for future live race seasons. The Equine Medical Director is responsible for recruiting an adequate number of associate veterinarians to work the live race season at Colonial Downs. It is difficult for the Equine Medical Director to find veterinarians with horse experience that are available to work nights and weekends for the brevity of the racing season. We have been very fortunate the last several years to employ veterinarians currently between other full-time assignments and hopefully we can continue this method.

Products and Services

VRC provides many important services related to horse racing with pari-mutuel wagering in Virginia. First, VRC is responsible for the issuance of licenses to own and operate a racetrack or satellite wagering facilities and conducts public hearings, facility inspections, and background investigations of all applicants. Second, VRC monitors deposits to the Breeders Fund and the license tax to the Commonwealth and certain localities to assure compliance with the Code of Virginia. VRC also issues permits to the participants of horse racing as well as to the employees of Colonial Downs and provides Stewards/Judges that officiate the races and enforce the regulations. In addition, VRC collects blood and urine samples from selected horses to test for any prohibited or foreign substances that may affect their performance or the outcome of a race. Lastly, VRC provides financial incentives to the owners and breeders of Virginia-bred horses in an effort to increase the horse breeding industry in Virginia.

Trends

## Rankings & Customer Trends

Little change is anticipated in our customer base regarding racetrack ownership and operation. Colonial Downs is the only racetrack that functions with a 20-year unlimited license in the Commonwealth. VRC continues to encourage interested parties to open new racing facilities. The number of horsemen and other participants have decreased steadily since 2005 primarily due to a reduction in the number of live race days in Virginia. VRC anticipates the number of horsemen and other participants should remain constant going forward unless there is a further reduction in the number of live race days. Colonial Downs currently operates nine satellite wagering facilities in Virginia. The Code of Virginia currently limits the holder of an unlimited license to operate 10 satellite wagering facilities. Should the General Assembly decide to amend the limitation of satellite wagering facilities, a greater number could result in increased business opportunities. In recent years, advanced deposit account wagering has accounted for a larger percentage of the total dollars wagered on horse racing in Virginia. Advanced deposit wagering enables the citizens of Virginia the option of betting from home, by phone or through a computer. Advanced deposit wagering accounted for approximately 43% of the total amount wagered by Virginia residents in 2012 and should be even higher for 2013 (results measured on a calendar year basis and not yet available).

Trend Name	Trend Area
Horses Drug Tested	Increase
Breeders Fund Awards	Increase

## Performance Highlights: Service Performance & Productivity Initiatives

Growing the breeding industry in Virginia is of critical importance to Virginia's horse racing industry. Financial incentives to owners and breeders of Virginia-bred horses are paid to encourage more horse owners and breeders to locate and remain in the Commonwealth. The amount distributed to the owners and breeders as well as the number of awards increased slightly in calendar year 2012. Public protection and safety of horses is a high priority. Those directly involved in racing who can affect the outcome of an event are tested randomly for alcohol and drugs. VRC also collects samples from selected horses for drug testing. The number of tests performed on horses increased in calendar year 2012. The Commonwealth and its localities hosting satellite wagering facilities and a racetrack currently share in the tax revenue derived from pari-mutuel wagering. By growing the industry, more revenue will be available to the Commonwealth and local governments. Unfortunately, the amount of tax revenue declined over the past five years mainly due to the economy. The cost of each permit issued decreased for fiscal year 2013 as VRC has made reductions to its full-time and part-time permitting staff with little or no negative affect on productivity.

## Management Discussion & Analysis

### Future Direction, Expectations, and Priorities

VRC's future direction is to continue performing the agency's services in an efficient and cost-effective manner. Currently, staff positions are sufficiently filled. With anticipation of Colonial Downs' growth, it may be necessary to hire additional employees to fill business needs demanded by an increased workload in the future.

**53411: Financial Assistance to the Horse Breeding Industry**

**Description**

This service area provides financial incentives to the breeders and owners of Virginia-bred horses.

**Mission Alignment and Authority**

This service area directly aligns to the Virginia Racing Commission's (VRC) mission to grow the native horse racing industry with pari-mutuel wagering in Virginia.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

The number of horse breeders and owners in Virginia may decrease due to wagering competition from surrounding states. For example, Delaware, West Virginia, Maryland, and Pennsylvania all have slot machines at their racetracks. The revenue raised by these additional wagering options enables these states to pay much larger prize money to the horses competing and breeders' awards and as a result, attract horses away from Virginia. Most recently, Delaware passed legislation allowing sports betting and table games, which will further increase the purses offered by this nearby state.

The total amount paid to owners and breeders in Virginia is directly affected by wagering at the racetrack, at satellite wagering facilities, and from advanced deposit wagering by Virginia residents. Any change in the amount wagered will directly impact the amount available which the Virginia Breeders' Fund can distribute in awards.

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Taxpayer	Horse Owners and Breeders	600	800	Increase

**Partners for this Service Area**

Partner	Description
No partners currently entered in plan	

**Products and Services**

**Factors Impacting the Products and/or Services**

The growth or decline of pari-mutuel wagering will impact the number and amount of awards issued to Virginia-bred horse owners and breeders, thus impacting the horse breeding industry.

**Anticipated Changes to the Products and/or Services**

The funds available for breeder and owner awards will be affected by the amount wagered at the racetrack, at satellite wagering facilities (SWFs), and through advanced deposit wagering (ADW) by Virginia residents. VRC anticipates the funds available will increase slightly in the future from an increase in advanced deposit wagering.

**Listing of Products and / or Services**

Awards – Bonus checks that are issued to owners and breeders of Virginia-bred horses.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	1,400,000	0	1,400,000
Changes to Base	0	100,000	0	100,000
<b>Total</b>	<b>0</b>	<b>1,500,000</b>	<b>0</b>	<b>1,500,000</b>

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Increase and sustain the horse breeding industry in Virginia by awarding financial incentives to owners and breeders of Virginia-bred horses.

*Description*

Growing the breeding industry in Virginia is of critical importance to the horse racing industry in Virginia. Financial incentives to owners and breeders of Virginia - bred horses should encourage more horse owners and breeders to locate and remain in the Commonwealth.

*Objective Strategies*

- Ensure that the Virginia Thoroughbred Association and the Virginia Harness Horsemen Association meet the obligations of their contracts to promote and market their respective breeds, and that awards from the Breeders' Fund are determined fairly and paid promptly.

*Alignment to Agency Goals*

- Provide financial incentives to owners and breeders of Virginia-Bred horses.

*Measures*

- Number of awards to Virginia horse breeders and owners

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Data is collected from the Colonial Downs horsemen's bookkeeper and the Virginia Thoroughbred and Harness Associations on the number of awards issued to owners and breeders of Virginia-bred horses based on their horses performance during the year. Comparisons are made to the annual changes in the number of awards issued.

- Dollar amount of awards given to Virginia horse breeders and owners

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Data is collected from the Colonial Downs horsemen's bookkeeper and the Virginia Thoroughbred and Harness Associations on the dollar amount of awards issued to owners and breeders of Virginia-bred horses based on their horses performance during the year.

**55801: License and Regulate Horse Racing and Pari-mutuel Wagering**

**Description**

This service area regulates and oversees all aspects of pari-mutuel wagering and live horse racing. The Virginia Racing Commission (VRC) conducts proceedings for the issuing of licenses to racetracks, wagering facilities, and advanced deposit wagering providers. Additionally, VRC issues permits to all participants of live horse racing and employees at racetracks and wagering facilities.

**Mission Alignment and Authority**

This service area directly aligns to VRC's mission to prescribe regulations and conditions that command and promote excellence and honesty and integrity in racing and wagering.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

It is anticipated that the number of racetracks and satellite wagering facilities will remain constant. Colonial Downs, Virginia's only operating racetrack, has an unlimited license to have both Thoroughbred and Standardbred racing with pari-mutuel wagering. The number of satellite wagering facilities (SWFs) has increased to ten in accordance with the statutory limitation of permitted SWFs.

It is anticipated the pari-mutuel tax paid to the Commonwealth and revenue to local governments that host wagering facilities and racetracks will decrease as total wagering decreases. Without additional satellite wagering facilities, revenue may become flat or even show a downward trend in the future. However, if account wagering increases, some of these effects may be mitigated.

The number of horse breeders and owners in Virginia may decrease resulting from competition in surrounding states. Delaware, West Virginia, Pennsylvania and Maryland have slot machines, enabling these states to pay much larger purses and breeders' awards attracting horses from Virginia.

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Taxpayer	Racetrack owners and operators	1	1	Increase
Taxpayer	Horsemen and other participants	3,700	3,700	Increase
Taxpayer	Governments (state and local)	11	11	Increase

**Partners for this Service Area**

Partner	Description
No partners currently entered in plan	

**Products and Services**

**Factors Impacting the Products and/or Services**

An increased number of live race days would increase the workload of VRC's staff to provide products and services. The costs of drug testing, officiating, and security would all increase.

With more localities offering wagering facilities, additional fiscal oversight is required to ensure that revenue to the state and localities is properly accounted for and distributed. As the number of facilities increase, bi-monthly inspections performed by VRC staff proportionally increase.

**Anticipated Changes to the Products and/or Services**

If the number of live race days increases, so will the workload of the VRC staff as well as number of drug samples submitted to the laboratory for testing.

**Listing of Products and / or Services**

License Racetracks and Wagering Facilities – VRC conducts public hearings, facility inspections and background investigations on all license applications to own and operate a pari-mutuel wagering facility.

Officiating – Stewards/Judges appointed by VRC oversee and officiate live racing, certify the results of all races, conduct hearings, and issue rulings when disputes or violations occur. The stewards also ensure that those individuals participating in horseracing obey the rules and regulations of VRC.

Regulations – Regulations are enforced, developed, and amended to ensure the highest standards of racing and wagering that are consistent with the racing industry in the United States.

Drug Testing – VRC veterinarians collect blood and urine samples from selected horses. Samples are submitted to the approved laboratory for testing by a chief racing chemist for any prohibited or foreign substances that may affect the performance of a horse and/or the outcome of a race.

Permitting - All persons who participate in racing, including employees at the track and satellite wagering facilities, must complete a VRC application requiring pertinent information about themselves in addition to any criminal history. Fingerprints are taken for each applicant every five years and submitted to the Virginia State Police and

the Federal Bureau of Investigation for criminal histories. VRC issues a photo identification badge to the individual allowing them to access the premises and to participate in racing.

Safety and Security – VRC ensures that sufficient staff are available to provide a secure and safe environment for horses and participants in racing and wagering, including the general public. Security staff also perform drug testing on specific participants in horseracing. During live race season, there is surveillance of the grounds and activities involving horse racing.

Monitor deposits of the license tax to the Commonwealth and localities –VRC staff ensure that deposits are made in a timely manner and in the correct amount as required by the Code of Virginia.

Economic Development - Increase the number of breeding farms in Virginia by providing financial incentives to the owners and breeders of Virginia-bred horses. This should benefit the local economy by providing additional employment opportunities and assist the growth of the agriculture industry in Virginia.

Financial Overview

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	1,910,644	0	1,910,644
Changes to Base	0	7,082	0	7,082
<b>Total</b>	<b>0</b>	<b>1,917,726</b>	<b>0</b>	<b>1,917,726</b>

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Ensure that all participants in horse racing with pari-mutuel wagering have legal, up-to-date permits issued by the Virginia Racing Commission.

*Description*

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of horse racing permits issued and renewed

Measure Class **Agency Key** Measure Type **Outcome** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

Data is collected from the TRAC's V database, the Virginia Racing Commission's internal permitting system. When an individual applies for a permit, this information is entered into the TRACs V system. This system automatically calculates the number and types of permits issued as well as the total fees paid.

- Cost of each horse racing permit issued or renewed

Measure Class **Productivity** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

A cost analysis is performed to determine the total of all costs that are associated with the Virginia Racing Commission's (VRC) permitting department. The analysis includes costs such as labor, materials, and equipment. The total costs will then be divided by the number of permits processed for each calendar year to yield the cost of each permit issued or renewed by VRC.

**Objective**

Maintain the number of live race days.

*Description*

An expansion of both the satellite wagering facility network and also the amount wagered through account wagering by Virginia residents is needed to produce additional live race days. When appropriate, VRC will support legislation favorable to racing that will assist in removing obstacles that obstruct the advancement of horse racing.

*Objective Strategies*

- An expansion of both the satellite wagering facility network and also the amount wagered through account wagering by Virginia residents is needed to produce additional live race days. When appropriate, VRC will support legislation favorable to racing that will assist in removing obstacles that obstruct the advancement of horse racing.

*Alignment to Agency Goals*

- Assist in the growth of the pari-mutuel horse racing industry in Virginia.

*Measures*

- Number of samples taken from horses competing submitted to the laboratory for analysis

Measure Class **Other Agency** Measure Type **Output** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

The state veterinarian and his assistant maintain a log of all samples submitted to a laboratory for analysis. In order to calculate the total number of samples for a given year, the number of blood and TCO2 samples from the Thoroughbred races are added to the number of blood and TCO2 samples from the Standardbred races which take place during each calendar year.

**Objective**

Ensure that all participants in horse racing, especially those directly involved in the sport, are free of prohibited substances and intoxicants.

*Description*

Public protection and safety of horses is of critical importance. Those directly involved in racing who can affect the outcome of an event are tested randomly for alcohol and drugs. VRC also performs drug and alcohol tests on other individuals during live horse racing meets.

*Objective Strategies*

- To perform random alcohol tests on individuals who are directly involved in racing, in addition to individuals who could possibly affect the outcome of a race. VRC will also perform drug tests on other individuals as warranted.

*Alignment to Agency Goals*

- Maintain horse racing in the Commonwealth of Virginia of the highest quality, free of corrupt, incompetent, dishonest or unprincipled practices thereby maintaining honesty and integrity in racing.

*Measures*

- Number of alcohol and random drug tests performed on individuals during live horse racing meets

Measure Class **Other Agency** Measure Type **Outcome** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

The Virginia Racing Commission conducts random drug tests on certain participants such as Jockeys, Drivers, Trainers, etc. In addition, all Drivers of Standardbred horses are tested for alcohol on a daily basis and the Jockeys of Thoroughbred horses are tested for alcohol on a random basis as needed. An intoxilyzer data bank collects the information from the alcohol tests that is downloaded into the Enforcement Director's personal computer. Spreadsheets are created to record and number of and results of the drug and alcohol tests and are maintained for three years.

**Objective**

Maintain the number of live race days.

*Description*

An expansion of both the satellite wagering facility network and also the amount wagered through account wagering by Virginia residents is needed to produce additional live race days. When appropriate, VRC will support legislation favorable to racing that will assist in removing obstacles that obstruct the advancement of horse racing.

*Objective Strategies*

- An expansion of both the satellite wagering facility network and also the amount wagered through account wagering by Virginia residents is needed to produce additional live race days. When appropriate, VRC will support legislation favorable to racing that will assist in removing obstacles that obstruct the advancement of horse racing.

*Alignment to Agency Goals*

- Assist in the growth of the pari-mutuel horse racing industry in Virginia.

**Objective**

Increase the tax revenue to the Commonwealth and local governments from pari-mutuel wagering.

*Description*

The Commonwealth and its localities hosting satellite wagering facilities and the racetrack currently share in the tax revenue derived from pari-mutuel wagering. By growing the industry, more revenue will be available to the Commonwealth and local governments.

*Objective Strategies*

- VRC encourages legal entrepreneurial endeavors related to pari-mutuel wagering. Wagers made during live racing, in satellite facilities, and through advanced deposit wagering featuring Colonial Downs and other simulcast signals result in increased tax revenue for the Commonwealth and the localities hosting wagering facilities.

*Alignment to Agency Goals*

- Assist in the growth of the pari-mutuel horse racing industry in Virginia.

*Measures*

- Amount of pari-mutuel tax revenue received by the Commonwealth and localities

Measure Class **Agency Key** Measure Type **Outcome** Preferred Trend **Stable** Frequency **Annually**

Data Source and Calculation

Data is collected from the TRAC's database, the Virginia Racing Commission's (VRC) internal system. The system automatically audits and calculates the

tax revenue to be distributed to the Commonwealth and localities where wagering takes place. The data is submitted to VRC by current racetrack owners and operators. These revenues are dependant upon the amounts of wagers placed at wagering locations in Virginia, which include Colonial Downs Racetrack and its ten Satellite Wagering Facilities.

**Objective**

Ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

*Description*

To insure that all administrative functions are in compliance with all state policies and regulations to include state and federal laws.

*Objective Strategies*

- VRC will continue to following all administrative policies and procedures of the Commonwealth of Virginia to include state and federal laws.

*Alignment to Agency Goals*

- Maintain horse racing in the Commonwealth of Virginia of the highest quality, free of corrupt, incompetent, dishonest or unprincipled practices thereby maintaining honesty and integrity in racing.

*Measures*

- Number of audit findings against the Virginia Racing Commission by the Auditor of Public Accounts

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

The Virginia Racing Commission is audited each year by the Auditor of Public Accounts. The number of audit findings will be counted and recorded.

**55802: Promote the Horse Industry**

**Description**

A marketing committee was established for the purpose of awarding contracts and distributing grants to qualified equine related entities to promote the Virginia horse industry. The committee is responsible for leading a statewide marketing initiative and forming a network for marketing and promoting Virginia's horse racing and breeding industry. The committee seeks to maximize the full marketing and economic development potential of all the stakeholders in Virginia's horse industry. It establishes priorities and recommends proposals for the marketing and promotion of Virginia's horse industry. Unfortunately, this program has been discontinued due to lack of funding. The last of the funds for this program were expended in calendar year 2009.

**Mission Alignment and Authority**

This service area directly aligns to VRC's mission to grow the native horse racing industry with pari-mutuel wagering in Virginia.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

It is envisioned that this service area will increase attendance at the racetrack and the satellite wagering facilities. It will also help with the economic growth and development of the horse racing and breeding industry, as well as tourism and horse-related agricultural activities.

*Current Customer Base*

Pre-Defined Customer Group	User Specified Customer Group	Customers Served Annually	Potential Annual Customers	Projected Trend in # of Customers
Local or Regional Government Authorities	Governments (state and local)	10	11	Increase
Consumer	Horsemen and other participants	4,900	5,200	Increase
Employer/ Business Owner	Racetrack Owners and Operators	1	2	Increase

**Partners for this Service Area**

Partner	Description
<i>No partners currently entered in plan</i>	

**Products and Services**

**Factors Impacting the Products and/or Services**

Funding for this service area is dependent upon VRC being able to transfer the amount specified in the Appropriations Act to the general fund at the end of the fiscal year. If VRC incurs expenditures that reduce this balance, then the amount of funds available for marketing will also be reduced.

**Anticipated Changes to the Products and/or Services**

It is difficult to anticipate any changes to the products and services as funding for this area depends entirely on the wagering activity in Virginia.

**Listing of Products and / or Services**

Grants – The marketing committee will award grants and contracts to worthy entities for marketing and promoting the horse industry in Virginia.

**Financial Overview**

Budget Component	2013 GF	2013 NGF	2014 GF	2014 NGF
Base	0	0	0	0
Changes to Base	0	0	0	0
<b>Total</b>	0	0	0	0

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Make grants available to qualified equine related entities that will grow the Virginia horse industry.

*Description*

This objective is intended to make the public more aware of the horse industry in Virginia by funding marketing and promotional activities. Unfortunately, this program has been suspended due to lack of funding. The last of the funds for this program were expended in calendar year 2009.

*Objective Strategies*

- VRC will promote the horse racing and breeding industries in Virginia by increasing the visibility and the economic impact of the equine industry using innovative and effective tools, activities, and programs,

*Alignment to Agency Goals*

- Assist in the growth of the pari-mutuel horse racing industry in Virginia.

*Measures*

- The total amount of funds distributed to individuals and organizations for the promotion of the horse industry in Virginia

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Data will be collected by VRC staff on the number and dollar amounts of the grants issued and contracts awarded.