

An Honest Accounting

By Barry Meadow

From an Internet horse racing forum:

Poster 1: “My experience tells me that the vast majority of horseplayers use a very peculiar form of record keeping to track their gambling performance.”

Poster 2: “It’s called fiction.”

The creator of the ill-fated racing drama, *Luck*, David Milch, apparently didn’t have much of it when it came to gambling on real-life thoroughbreds. A Los Angeles Superior Court lawsuit indicates he lost at least \$23 million from gambling between 2000 and 2011 alone. That figure included only checks that Milch had cashed at racetracks during that time—not other cash draws, and not money he lost before and after those years, which appears to be considerable.

A four-time Emmy-winning writer-producer who earned an estimated \$100 million from his work on such classic series as *Hill Street Blues*, *NYPD Blue*, and *Deadwood*, Milch is reported to be \$17 million in debt, including some \$10 million in mortgages and \$5 million in unpaid taxes and penalties. He once owned mansions in California and Massachusetts, but now lives in an 1,800 square-foot rental. Yet in a detailed article in the *Hollywood Reporter*, two racetrackers familiar with Milch’s gambling described him as “a creative wizard at the track” and “really good at handicapping.”

Imagine if he were not so good at it.

Which brings us to this month’s question—how are you really doing at the track? Not what you tell your buddies or folks on the Internet or your wife. For real.

In all the years I gambled, at the end of each day I would enter in my computer the amounts bet and collected for each type of bet, at each track I played. I could easily tell how I was doing. Even now, years after I’ve retired, if I want to check how I did on place bets at Santa Anita in 1995, I just have to click a few keystrokes. In fact, after

typing this sentence, I discovered I bet \$27,530 and collected \$30,487 for a net profit of \$2,957. Finding this out took me less than thirty seconds.

If you play at an ADW, you should be able to quickly determine your true results just as quickly—a few keystrokes, and all your totals should be available. If you use several ADW's, it may take a little extra time. If you bet at the track or at a simulcast center, keep a running tally to add to your ADW totals.

Few players, though, bother to check how they're doing. It might be because most players lose, and who wants to face that? Most of us like to think we're just a little superior to most other people in the planet—we're smarter, or our kids are more talented, or our grandkids are cuter. Evidence to the contrary? Not interested.

Others figure that whatever they play is simply an entertainment expense; if they don't track how much they spend annually on concert tickets, why should they worry about the tedium of racetrack accounting?

One reason to embrace the tedium is for protection in case you hit something big. Let's say you're bumping along losing maybe \$8,000 for the year when in late December you hit a pick 5 for \$7,000 to wind up just below even. Depending on your state, the government withholds somewhere around \$1,750. Wouldn't it be nice to be able to deduct all your previous losses against that signer? Sure you could *say* you lost \$8,000, but if you get audited, a full record figures to be much more effective than just your word.

Another reason is to analyze exactly where your wins and losses are coming from. Maybe you would have wound up ahead had you skipped the high takeout superfectas and pick 6's. Or maybe you did great on turf routes and not so great on cheap claiming sprints. The more detailed your records and the more bets you've made, the more you can create a new plan for next year (though if you've only made 200 bets for the year, it's hard to conclude much of anything).

A third reason is to help you assess where your horse-racing gambling figures into your life. If you go to the track once a week and bet \$300 per racing day, your total annual handle is north of \$15,000; if you're a typical player at this level, your hobby is costing you \$3,000 a year. Once you know this, you can decide that (a) it's my hobby, and I'd spend more than that if I played golf every weekend (b) I can lose less by betting

less or even (c) I can increase my adrenaline rush by betting more because, heck, I can easily afford it. Without records, it's hard to draw any conclusions.

None of this helps you if you, like David Milch, are a gambling addict. When he was riding high, he was a prominent horse owner; two of his horses were Breeders Cup winners. But even after he disposed of his stock, Milch kept gambling. And gambling. And gambling.

It really doesn't matter much what you tell your buddies. Or some anonymous Internet degenerates. Or maybe even your wife, though lying probably doesn't improve a relationship. But lying to yourself? What's the point?

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