

APPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF

COMMISSION MEETING

JUNE 23, 2004

NEW KENT COUNTY ADMINISTRATION BUILDING
BOARD ROOM
12007 COURTHOUSE CIRCLE
NEW KENT, VIRGINIA

In Attendance

Commission Members:

Anne D.W. Poulson, Chairman
Peter C. Burnett, Vice Chairman
Mark T. Brown
James G. Davis
Dr. George W. Rimler

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
Nick A. Christner, Director of Operations & Enforcement
David S. Lermond, Jr., Director of Pari-Mutuels
Marvin A. Sniegon, Director of Financial Management and Planning

Attorney General's Office:

Teresa C. Griggs

At 2:11 p.m., Chairman Poulson called the meeting to order.

The minutes of the May 19, 2004 meeting were approved.

Commissioner Brown reported that the Standardbred Blue Ribbon Committee had held its first meeting. A wide variety of issues were discussed and Mr. Brown said the committee would begin addressing many of the ideas put on the table at the first meeting. The next meeting will be held Tuesday, July 6 and that a first Tuesday of each month schedule for meetings had been established.

Reporting for the Rules Committee, Mr. Bowker stated the approval process for the advance deposit account wagering rules was well underway. There had been a slight delay in the fast-track version because the Governor was out of the country for about 10 days but both versions had been published and both are in the 60-day comment period.

Turning to the Executive Secretary's report, Mr. Bowker said he first wanted to recognize Nick Christner, the Commission's Director of Operations and Enforcement, who would be leaving the Commission's staff on June 30, 2004. Mr. Christner has been on the Commission staff since 1997 and has accepted a Deputy position in the Department of Professional & Occupation Regulation. Chairman Poulson thanked Mr. Christner for his services with the Commission and wished him well in his position.

Mr. Bowker asked for the Commission to ratify staff's approval of additional locations to receive Colonial Downs live thoroughbred signal. Commissioner Burnett said that while he did not object to this approval, he would like to see the Commission establish a policy on how to deal with secondary outlet. Staff's approval was ratified with instructions to begin a review process of secondary outlets.

Acting on the recommendation of Mr. Bowker, the Commission approved Colonial Downs' July simulcasting schedule.

Mr. Bowker reported that staff expected that approximately \$1.2 million would revert to the General Fund on June 30, 2004. He added that no budget changes affecting the Commission were included in the Governor's recommend budget changes for the Veto session of the General Assembly. He added \$10,755 in collected fines would be transferred to the Literary Fund as required by the Code of Virginia.

During the discussion of the Statistical Reviews Year To Date, Mr. Bowker said the business at the satellite facilities continues to be strong helped by the enthusiasm for the Triple Crown and Smarty Jones. He said the results of the first two weeks of racing have been mixed. The on-track attendance, live handle and simulcast handle have been up while the sale of signal has been down considerably. He said staff was analyzing the signal numbers to see if it could determine where the wagering has been down.

Mr. Bowker reported he has completed a review of the services provided by both the North American Pari-mutuel Regulators Association and the Association of Racing Commissioners International. He said he believes that RCI is now recognized by most of the industry organizations as the strongest of the pari-mutuel regulators association and the one they look to for advice and input. He said RCI has come a long way in

reorganizing its operation under new President Lonny Powell. He recommended that the Commission join RCI effective July 1, 2004. He added the Commission's NAPRA dues were paid through December 31, 2004 and we would be in both organizations for six months which would provide an opportunity for a comparison of benefits before making a final decision as to which organization to stay in. After considerable discussion, the Commission tabled the matter until the July meeting.

Mr. Bowker reported on the meeting of the national Stewards Accreditation Committee held in Lexington, KY. He said the accreditation program is being reviewed with ways to evaluate Stewards and annual film review for Stewards among the recommendations being considered.

John Money, President of the Maryland-Virginia Racing Circuit, presented an update on the live thoroughbred meet. He said he was very pleased on the number of horses stabled at Colonial Downs and that many more than in the past had come from outside of Maryland. He said he too is disappointed in the sale of the signal and his staff is analyzing the numbers very closely

During the Colonial Downs' report, James Weinberg, counsel for Colonial Downs, provided updates on the construction progress of the new Vinton satellite facility and efforts to begin offering advance deposit account wagering to Virginia residents.

Commission Rimler reminded Mr. Weinberg that the Commission was expecting there would be more than one account wagering licensee. He said he was disappointed in the progress being made with the other applicants and suggested that Colonial Downs make an effort to contact the other applicants. Mr. Weinberg said he would see that the effort is made.

The date for the next meeting was set for Tuesday, July 20, 2004. The meeting will be held at the New Kent County Administration Building. It will begin at 1:30 p.m. with two appeals followed by the regular monthly meeting.

Chairman Poulson stated, "In accordance with the provisions of Section 2.2-3711 (A)(1) of the Code of Virginia, I move that the Commission go into closed meeting for the purpose of discussion or consideration of the assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees of the Commission."

The motion was approved.

Returning from closed meeting, Chairman Poulson stated, "I move the adoption of the following resolution:

"Whereas, the Virginia Racing Commission has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

“Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by this Commission that such closed meeting was conducted in conformity with Virginia law;

“Now, therefore, be it resolved, that the Virginia Racing Commission certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Commission.”

The motion was approved with Mr. Brown, Vice Chairman Burnett, Mr. Rimler, and Chairman Poulson voting in favor of the motion.

There being no further business before the Commission, the meeting adjourned at 5:10 p.m.