

UNAPPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF

COMMISSION MEETING

JUNE 15, 2005

STATE CORPORATION COMMISSION
TYLER BUILDING, COURTROOM B
1300 EAST MAIN STREET
RICHMOND, VIRGINIA

In Attendance

Commission Members:

Anne D. W. Poulson, Chairman
Peter C. Burnett, Vice Chairman
Mark T. Brown
David C. Reynolds
Dr. George W. Rimler

Commission Staff:

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

Attorney General's Office:

Teresa Griggs

At 9:39 a.m., Chairman Poulson called the meeting to order.

The minutes of the April 25, 2005 meeting were approved.

Approval of the May 25, 2005 minutes was deferred until the July 2005 meeting.

In her Chairman's Report, Chairman Poulson reported that the Commission made a site visit to Scott County last month and based on the application and information received, the license for a new satellite wagering facility was granted. The number of satellite wagering facilities has increased from four (4) to nine (9). She also mentioned that she had attended the Belmont and the horsemen there are looking forward to our upcoming race meet.

Commissioner Rimler, Chairman of the Marketing and Economic Development committee stated that since it would be a couple of months before a fulltime marketing person could be hired by the Commission, that consideration should be given to hiring one or two people for the summer to do some surveying on how the Commission's marketing dollars should be spent. It was moved, seconded and approved to have Mr. Bowker explore hiring of two individuals to conduct surveys and do other networking this summer and to report back to the Commission at its July 15 meeting with specific roles of those individuals.

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

Mr. Bowker also reported that he had developed a position description for the Public Relations/Marketing position. He informed the commissioners that there are three (3) vacant positions on the Commission staff--one in Permitting and two Stewards. He suggested that the marketing position could replace one of the Steward positions. He also described the hiring procedures for the marketing position to the Commissioners.

Commissioner Reynolds said he would like more emphasis on marketing in the position description and provided suggested language.

Mr. Bowker provided a comparison of pari-mutuel handle and attendance numbers at the satellite facilities for Belmont Stakes day. He said the numbers were down considerably from 2004, which is a strong indication of the value of having a horse trying to win the Triple Crown like Smarty Jones in 2004 and Funny Cide in 2003.

Mr. Bowker reported that advance deposit account wagering for May totaled \$366,503 for Colonial Downs PhoneBet, \$442,521 for TVG and \$404,165 for XpressBet.

Mr. Bowker also reported representatives of Colonial Downs, VHBPA, VHHA, Jockeys Guild and the Maryland-Virginia Racing Circuit and the Commission met with the Chairman of the Workers Comp Commission to begin discussions about workers comp insurance for jockeys and drivers.

Reporting for the Virginia Thoroughbred Association, President Donna Dennehy and Executive Director Glenn Petty provided an overview of the role of the VTA and its activities administering the Thoroughbred Breeders Fund on behalf of the Racing Commission.

Reporting for Colonial Downs, Mr. Weinberg said that construction is underway on two of the three (3) new satellite wagering facility sites and construction should begin soon in Scott County. It is expected that all three sites will be open before the end of the year.

Mr. Weinberg also stated that expected mediation with AmericaTab and YouBet would be scheduled by late August.

Revisions in Chapter 70 of the Commission's Regulations were reviewed and with minor revisions were approved. Since the regulations are exempt from the Administrative Process Act, the revisions will be in effect prior to the opening of the Thoroughbred meet on Friday, June 17, 2005.

Chairman Poulson then opened a public hearing on changes in 11 VAC 10-20-240 of the Commission's regulations that deal with the transfer or acquisition of interest in owner's, owner-operators or operator's licenses. Lane Kneedler, counsel for the Maryland-Virginia Racing Circuit, asked that it be tabled until the next meeting so that he could take a final look at it. The Commission approved his request.

The next Commission meeting is scheduled for July 15, 2005 at 1:30 p.m. in the New Kent County Administration Building.

There being no further business before the Commission, the meeting adjourned at 1:09 p.m.