

UNAPPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF THE

COMMISSION MEETING

September 19, 2007

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

In Attendance

Commission Members

Peter C. Burnett, Chairman
Mark Brown, Vice Chairman
William H. (Trip) Ferguson
I. Clinton Miller
David C. Reynolds

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
C. Richard Harden, DVM, Commission Veterinarian
Marvin A. Sniegon, Director of Finance & Planning

Attorney General's Office:

Amy K. Dilworth

At 9:37 a.m., Chairman Burnett called the regular monthly meeting to order.

The minutes of the August 15, 2007 meeting were approved.

During commissioners' comments, Chairman Burnett briefly discussed the meeting in Lexington, KY of a number of national industry leaders to discuss the expansion of enforcement of medication violations.

Commissioner Brown commented on the successful opening of the 2007 harness meet in conjunction with the New Kent County Fair.

Commissioner Reynolds, Chairman of the Marketing and Promotion Committee, introduced Amy Kaloski of CRT/tanaka who provided an update on the marketing activities to date. She also provided a media report that is being compiled on a weekly basis to track the media value of coverage of the Colonial Downs race meets. She added there are a number of equine-related activities scheduled this fall throughout the state.

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

Acting on the written request from The Elkstone Group LLC, by Managing Member Stuart M. Grant, for Rehearing In the Matter of Trainer Lacey Gaudet and Siena Racing Stable involving the claim of "Gold Point Gal", the Commission voted unanimously to deny the request for a rehearing.

The Commission authorized \$10,000 for the sponsorship of four races for the fall steeplechase season in Virginia. Commissioner Reynolds and Mr. Bowker were authorized to review and approve the submission provided by Frank Petramalo in the next couple of days.

Mr. Bowker reported that because of revenue shortfalls, all state agencies have been asked to review their budgets. In the meantime the state has put a freeze on filling positions and out-of-state travel.

Iain Woolnough, Vice President and General Manager of Colonial Downs, provided an update on the first four days of the harness meet that opened last Saturday (Sept. 15). Opening day drew 4,379 people in conjunction with the New Kent County Fair. Another 1,500 attended the Sunday fair and harness racing program.

Mr. Woolnough stated that Colonial Downs has the best group of drivers since the opening year and well over 500 horses are expected.

During public participation, Greg Scoggins provided an update on Magna Entertainment. He explained that Frank Stronach is buying \$20 million of additional stock plus the company is the recipient of an \$80 million bridge loan as it seeks to sell certain underperforming assets in an effort to eliminate debt by the end of 2008.

In lieu of the November 21st Commission meeting, a working session will be held on November 14, 2007. Race dates for 2007 and long-range plans for the Thoroughbred Breeders' Fund are two items that will be discussed.

There being no further business before the Commission, the meeting adjourned at 10:55 a.m.