

APPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF

COMMISSION MEETING

OCTOBER 20, 2004

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
James G. Davis
Dr. George W. Rimler

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
Joseph M. Roney, Director of Operations and Enforcement
Marvin A. Sniegou, Director of Financial Management and Planning

Attorney General's Office:

Teresa C. Griggs

At 9:45 a.m., Chairman Poulson called the meeting to order.

The minutes of the September 22, 2004 meeting were approved.

Chairman Poulson reported there are a number of "good news" things happening in Virginia racing. First, the standardbred live meet is off to a good start with both

attendance and handle numbers showing good increases. Second, the new Vinton satellite wagering facility had a successful opening a little over a week ago. Third, positive reports are being received on Colonial Downs' efforts on five referenda.

Chairman Poulson also said she participated in a meeting of the Equine Forum and the various groups making up the Virginia equine industry are working on a number of initiatives.

Commissioner Rimler reported that the Marketing Committee held its first meeting and is in the process of working on prioritizing a number of recommendations the committee is considering. He said the committee was working toward completing those recommendations by the end of the year and then would start looking at initiatives to be supported by the Commission's marketing funds when they become available. A second meeting has been scheduled for October 26 at Colonial Downs.

Commissioner Burnett reported that the Security and Enforcement Committee met in Fredericksburg for about five hours. He said the committee is in the process of reviewing regulations and statutes involving the stewards and appeals to the Commission. He added the committee should have recommendations to bring to the Commission at the November meeting.

Commissioner Brown reported that the Standardbred Blue Ribbon Committee is exploring longer-term ideas to improve the harness racing and breeding industry in Virginia including ways to improve the sire stakes program. He said the next meeting will be held on October 25 at Colonial Downs.

Reporting for the Rules Committee, Chairman Poulson said emergency regulation 11 VAC 10-20-240 Transfer of Acquisition of Interest in Owner's, Owner-Operation's or Operator's license becomes effective July 25, 2005. Now the Commission needs to proceed with the permanent regulation. She said no changes have been made in the emergency regulation language and moved that the regulation be approved as final. The motion was approved.

Commissioners Burnett and Rimler attended the NAPRA Fall Conference in Jackson Hole, WY. Commissioner Burnett said about 100 people were in attendance and after hiring a new Executive Director the organization is refocusing its efforts on meeting the needs of its members. He said considerable discussion took place involving safety issues the Jockeys' Guild is raising.

Mr. Bowker reported a steeplechase event will take place at Oak Ridge on Sunday, October 24, 2004. Seven races have been carded.

Commissioner Davis provided an update on the budget for fiscal year ending next June 30. He reminded Commissioners that the General Assembly had added several expense items to be absorbed within the budget without approving additional spending. He said the budget will be monitored on a month-to-month basis.

Acting on the recommendation of Mr. Bowker, the Commission approved Colonial Downs' November simulcasting schedules for the satellite wagering facilities and the racetrack.

Acting on the recommendation of Mr. Bowker, the Commission approved the appointment of Joseph Roney as Director of Operations and Enforcement.

Mr. Bowker also reported that the Auditor of Public Accounts had completed the annual audit of the Commission's books that no deficiencies were cited, that internal controls were in order and no material weaknesses were noted.

During the Colonial Downs' report, John Mooney, reported that the Harness Meet was off to a good start. In addition to the increased attendance and handle, more horses are available than in prior years. Twelve races are being run daily with mostly 10-horse fields. He added a very successful Food Bank promotion was held last weekend and a big weekend is expected with Saturday's Breeders' Cup.

During the Colonial Downs' report, James Weinberg, counsel for Colonial Downs, said the new Vinton satellite facility should obtain its permanent occupancy permit within the next two weeks. He said the facility opened without an ABC license and a hearing on that application is scheduled for November 3.

Chris Bridge provided an update on Colonial Downs' efforts on the five referenda seeking approval for satellite wagering facilities. She said local concerns are being addressed and messages personalized for each community. She presented marketing tools that are being used.

Mr. Weinberg said that as soon as the November 2 election is over, Colonial Downs, Maryland-Virginia Racing Circuit and the horsemen will sit down and prepare the 2005 race days request.

The Conflict of Interest training will take place on December 14, 2004 at 3:00 p.m.

The next meeting was scheduled for November 12, 2004 at 10 a.m. at Colonial Downs.

There being no further business before the Commission, the meeting adjourned at 11:00 a.m.