

**MINUTES
WV RACING COMMISSION
Tuesday, December 15, 2015
Harry L. Buch Conference Room**

The WV Racing Commission met on December 15, 2015 to conduct business and consider administrative matters. Roll call was taken and present was Chairman Jack Rossi. Commissioner Bill Phillips was present via conference call. Counsel was represented by Kelli Talbott.

Mountaineer Park Capital Improvement Request – Kyocera TA 8001i Copier, \$10,751.58

Becky Carnefix stated this request is to purchase a new copier to be used in the Racing Office. The cost is \$10,751.58 and it will be used for a lot of the racing activities to make copies and it will also serve as a fax machine. She recommends it for approval. Motion was made by Mr. Phillips for approval, seconded by Mr. Rossi. Motion passed.

Hearing Examiner Recommended Decision – Anthony Farrior

Kelli Talbott stated this was an ejection appeal filed by Mr. Farrior. He was ejected for 6 months due to what was alleged intentionally bringing a horse onto the property for which he didn't have an in-slip. Mr. Blaydes found that it was a sloppy paperwork and it was not an intent to bring on a horse that he didn't have an in-slip for. Mr. Blaydes is recommending that Mr. Farrior be reinstated to the racetrack, effective today, on the Commission's vote. Motion was made by Mr. Phillips to accept the recommended decision, seconded by Mr. Rossi. Mr. Phillips asked who was responsible for the sloppy paperwork? Ms. Talbott replied she believes it was Mr. Farrior. Motion passed.

Charles Town request to reduce live race days to 179

Joe Moore stated at the November meeting, Charles Town had applied for the required 220 days and then requested that the Racing Commission start the process of reducing those race days to 170. At that time, during the objection period, we received an objection from the Charles Town horsemen to the 170 days. A hearing was scheduled in Charles Town. Before it became time to hold that hearing, the track and the horsemen came to an agreement on 179 days. What is before the Commission today is the agreed upon 179 days between Charles Town and the horsemen at Charles Town. Motion was made by Mr. Phillips to approve the request, seconded by Mr. Rossi. Mr. Phillips asked if the horsemen were the only ones to object to the reduction of days or were there other parties? Joe Moore replied Charles Town HBPA was the only objection received by the Racing Commission and that is why upon their agreement we were able to not hold the hearing. Motion passed.

Charles Town Stakes Program

Joe Moore stated this agenda item was held over from the November meeting at the request of Erich Zimny. The Stakes schedule for approval is the schedule to include the Charles Town Classics and a handful of other races. It is the 8% agreement between the

racetrack and the Charles Town horsemen that generates the purse funding for the schedule that is before the Commissioners today. Motion was made by Mr. Phillips to approve the request, seconded by Mr. Rossi.

Mr. Phillips stated he is interested in learning if the staff did any analysis related to single day handle or impact of this race? Mr. Moore replied he has, in the past, done an analysis on the day of the Charles Town Classics and that of course included the other races run that day as well, it wasn't specific to just that one particular race. At the time he prepared his analysis, he had not included the 2015 race data yet. In reference to the 2014 race data, it was a \$1.5 million race and the deposit out of the live handle and the export handle into the purse fund at the track was approximately \$77,000. That was the purse money generated from racing on that day out of live handle and export handle. Mr. Phillips asked if that was for the whole card? Mr. Moore replied yes. He added that didn't include any simulcasting because that isn't related to that particular live activity. The live handle for that entire day was approximately \$300,000 and that generated \$22,000 into the purse fund from live handle. The other \$55,000 that was generated into the purse fund was out of export handle.

Mr. Phillips stated the money for this \$1.25 million race this year comes directly out of the funds that are available for purses. Is that correct? Mr. Moore replied that is correct. Mr. Phillips stated the HBPA has agreed to this? Mr. Moore replied the HBPA has a letter and a contract agreement with the track that includes this 8% number that is used for the tracks use in stakes races and this Charles Town Classic is included in that stakes race program. Erich Zimny commented for that day, the impact does not end on that day. The bigger impact from this day is the branding it gives them for the rest of the year. Mr. Phillips asked if anyone from the HBPA wanted to speak about their feelings on the impact this race has on the rest of the year and the other race days. Joe Funkhouser commented they have a contract with management and in terms of their branding he thinks it's difficult to decipher but it does help with the branding but to what extent, objectively he can't say. Erich Zimny commented this is something they analyze to death and this is something they are a very strong believer in has a major impact on their program year round. It's what they are known for and the one positive that has come out of their program in the last half a decade. Taking that purse money and dividing it out over another 10 or 15 days doesn't do a lot and you're going to see this thing flat line pretty quickly. Mr. Phillips commented he sees the value of the branding side of it but he doesn't see where the WV horsemen are gaining a lot as a result of it since the money comes out of the purse fund. Al Britton stated one of the things that the Charles Town Classic has allowed them to do is gain TV coverage year round. The reason they have the TV contract they have is because of that Charles Town Classic that drew the interest and is part of the package and has to remain part of the package. He would say it has a major impact year round.

Mr. Phillips inquired if the conditions for this race have been written yet? Erich Zimny replied they have not. Mr. Phillips commented this is December and we're talking about April and he realizes this thing needs to move forward for promotional and branding purposes, but he's wondering since Mr. McDermott is not in attendance today and he's heard a couple things he hadn't thought about, if maybe this item should wait until January, only in regards to the Charles Town Classic and not the others? Mr. Britton commented the problem with delaying is that Erich and his staff have to go out and recruit this race and it is in April and the further they delay this the more difficulty there is in filling that race. It is part of the 8% stakes funding that is agreed to in the HBPA contract, it's not over and above, it's part of that 8% that has been agreed to. Charlie McIntosh stated he's already starting to get calls about this race and he just wants to reiterate that a race of this magnitude, you want to hit the ground running no later than mid-December. It's a hard sale and they really need to be recruiting this race right away and to wait until sometime in mid-January is really going to be next to impossible to put together any kind of quality field and it would be a huge disadvantage.

Chairman Rossi asked Mr. Phillips if his primary question is the amount of the purse? Mr. Phillips replied yes. Chairman Rossi asked if they could revise the motion to approve their proposal until they can get Commissioner McDermott present and get his input? He will hold a special meeting for this and not wait until mid-January. He would like to honor Mr. Phillips' proposal to table this, with the exception of approve the schedule as of the dates. Mr. Phillips stated he is ok with this and would suggest that the meeting be noticed today so the clock runs and this can get done.

Mr. Phillips withdrew his original motion. A new motion was then made by Mr. Phillips to approve the request made for the Stakes Schedule at Charles Town and approve the purse amounts, with the exception of the Charles Town Classic purse amount requested. Seconded by Mr. Rossi. Motion passed.

Chairman Rossi asked Mr. Moore if he could get the information for the 2015 race for them. He also asked Mr. Zimny if he could provide the Commissioner's with a little more information on the TV coverage and branding benefits of the race. The more information they can receive, the better.

Adjournment

Motion was made by Mr. Phillips to adjourn, seconded by Mr. Rossi. Meeting adjourned.