

**Minutes**  
**WV Racing Commission**  
**Tuesday, June 18, 2013**  
**WV Lottery Conference Room**

The WV Racing Commission met on June 18, 2013 to conduct business and consider administrative matters. Roll call was taken and present were Chairman Jack Rossi and Commissioner Bill Phillips, with Commissioner Greg McDermott attending by phone.

**Approval of May 21, 2013 minutes**

**Executive Director's Report**

Jon Amores – Technology issues: the agency recently was approved to have a network set up between each of the tracks. This is a huge upgrade in the ability to link the databases of each track. Being able to confirm permit holders at another track will enhance the state's enforcement as it relates to licensing, as well as have more accurate addresses in the Thoroughbred and Greyhound Development Fund databases when making distributions. The knowledge transfer process continues to be underway. This consists of two steps, Larry delivering to OT a written set of protocols and procedures and secondly training OT staff on our systems.

Enclosed materials include a copy of the proposed capital improvement policy with suggested changes from Commissioner Phillips that upon completion of a project, a certification letter be received by the requester stating that the project has been completed and is ready to be reviewed for reimbursement. The goal is to turn the policy into an interpretive rule, have public comment and implement it as a clear practice for capital improvement requests.

Proposed interpretive rules are in the binder and the public hearing has been set for June 25<sup>th</sup>. Commissioner Phillips has agreed to be present at the public hearing. The interpretive rules give clear guidelines pertaining to appropriate residency information and when such information should be provided to the Racing Commission to qualify to various distributions.

**Auditor's Report**

Joe Moore – Staff update, the License Clerks are now working on the renewals of permits that will expire in August of 2013. The Dev. Fund clerks at each track are entering the daily race results and we project to conduct the first Thoroughbred Dev. Fund verification mailing late July or early August for the February 2014 payments. Three mailings were conducted for the 2013 payments and we hope to do the same for the 2014 payment.

There were a couple of capital improvement reimbursements submitted in May: Mountaineer Park reimbursement for \$817.23 and Charles Town for \$224,950.13.

The 14-day letters requesting appropriate residency information for Supplemental Purse Awards are being mailed today with 1QFY13 payments being made in early July.

**Accountant's Report**

Joe Moore – the Financial Summary report as a snapshot of racing for May as well as the general fund 7305 revenues and expenses for May. Live racing up 14% compared to April 2013, down nearly 12% compared to May 2012. Simulcast handle up nearly 65% compared to April 2013, down nearly 4%

compared to May 2012. State revenue increase of 35% compared to April 2013 as a result of the increase in racing handle.

Suttle & Stalnaker will be conducting the FY13 annual audit and are schedule to being field work the week of July 8<sup>th</sup>. Final field work is tentatively schedule for the week of August 26<sup>th</sup>. Draft financials are due to FARS on September 15<sup>th</sup> with final financials due October 15<sup>th</sup>.

### **Legal Update, Attorney General's Office**

Kelli Talbott – Thoroughbred Rules, 2015 rules: there was a meeting of the Mid Atlantic Racing Regulators group early this month and the topic of discussion was a points system for medication rule violators that would be attached to the racing rule. It would result in enhanced penalty to repeat violators. It is hoped that RCI will adopt a model rule at the next meeting, but it will be too late for our current rule. All states are moving forward with the rule changes for 2014. The Commission voted at the last meeting to put the 2014 rule changes out for public comment. We are awaiting the secretary's signature to file for public comments. Counsel delivered the rule May 21<sup>st</sup>. The 2013 rule amendments have been filed with the SOS Office and will be effective August 14<sup>th</sup>. Several pending cases will come before the Commission in the next several months. The Commission was served with a lawsuit from Dr. Dibbern, the previous state vet. Commissioner McDermott requested Kelli advised everyone of the status of the Jarvis case. Kelli stated that a hearing was scheduled for July 1<sup>st</sup> before the Mountaineer stewards on the matter. An investigation has been conducted and the stewards will hear the evidence and determine if action will be taken against her.

### **Mardi Gras Racetrack, update on leadout shortage**

Mike Staats, Mardi Gras, stated that staffing levels were currently very good. The day that was cancelled after the second race was an unusual chain of events leading to the cancellation, two leadout injuries and an illness caused the cancellation that night.

### **Wheeling Island Racetrack, update on new maintenance manager**

Jane Horvath – An individual has been hired, he was a prior employee named Justin Lennox. He has been training at sister tracks, and should join the track soon.

### **Wheeling Island Racetrack, request to add 300-yard distance race**

Wheeling has been working with the kennel owners for about a year on this. This is a shorted distance that hasn't been run since 1990. It is felt that it is another avenue for dogs to run who may not have the distance for other races. The schooling distance would be adjusted to 3/16 for the dogs' safety. May have to mix grades at first has it may be hard to get shorter distance dogs since that distance hasn't been run in over 20 years. Steve Sarus, Wheeling kennel owner, stated that this would prolong a greyhound's career. The only concern would be to qualify a greyhound running 330 for an extended period of time to run a longer race. Commissioner McDermott moved to approve the request, Commissioner Phillips seconded, motion carried.

### **Mountaineer Racetrack, request to conduct a Handicapping Contest on Sunday, September 15, 2013.**

Rose Mary Williams – Request to conduct a handicapping contest in conjunction with the daily racing forum and NTRA. The winner would win a seat in the national handicapping contest. Fee would

be \$100 for wagers, \$50 entrance fee to include buffet. We think it will grow handle on that day. Commissioner Phillips asked if patrons of Mountaineer asked to have this done. Rose Mary stated that Mountaineer had been working with NTRA and DRF, but it cannot be advertised until approved by the Commission as well as the NTRA and DRF. Commissioner Phillips moved to approve the requisition, Commissioner McDermott seconded, motion carried.

#### **Occupational Permit Application – Brandon Jones**

Jon Amores – Mr. Jones seeks permit, served 34 months in prison, was on supervised released that was finished in 2010. No other items on his record. Completed drug abuse program and has received a recommendation from the CT Board of Stewards. Commissioner Phillips asked about a policy for prohibiting the permitting of individuals who are currently on probation. Jon Amores stated that it has been decided not to have a hard rule on not permitting individuals on probation, but rather have the completion of probation be a factor in the Commission determining if a permit would be granted. Mr. Jones stated that he was available for any questions. Commissioner McDermott moved that the permit be granted, Commissioner Phillips seconded, motion carried.

#### **Occupational Permit Application – Manuel Chapman**

Jon Amores – Mr. Chapman is applying for a permit as exercise rider. He has a letter of support from the Stewards. He is currently attending an AA program and there is a background check on file. The background check lists a number of arrests and convictions. There are letters of support from owners at Charles Town. The Board of Stewards support letter suggests a conditional approval restricted to no violations of the rules. Commissioner McDermott stated that he had concerns with this request. The executive director's memo states that "his record indicates that he is a habitual criminal." The only way he could consider approving this request would be if it was done similar to the "zero tolerance" orders constructed last month. Mr. Chapman stated that all the bad things in the past were because he was trying to make a living for his family. He stated that he would do anything the Commission asks and everything in his power to make a living the right way. Commissioner McDermott made a motion to approve the permit subject to conditions set forth in an order prepared by Racing Commission attorney, Commissioner Phillips seconded, motion carried.

#### **Items 12 – 19 Mountaineer Park Capital Improvement Request**

Chairman Rossi stated that amendments were made to item 17, Clubhouse flooring replacement to be \$57,657.75 and item 18, Clubhouse administrative carpet replacement to be \$41,241.92. Joe Moore stated that all the items had been reviewed and determined to be racing related and that funding was available for all items. Commissioner Phillips made a motion to approve all the request items, Commissioner McDermott seconded, motion carried.

#### **Charles Town Racetrack, Capital Improvement Request, \$142,112.15 for LED lighting in Terrace Dining Room and Grandstand**

Joe Moore – The request has been reviewed for compliance and funding is available. Commissioner Phillips moved to approve the request, Commissioner McDermott seconded, motion carried.

## **Inter-Agency Agreement**

Chairman Rossi stated it was an agreement with the Lottery to provide assistance from personnel. Commissioner McDermott moved to approve the agreement in its most recent form. He feels it gives the Commission access to needed resources with sufficient cost efficiencies. Modifications have been made since the first agreement and it gives Racing the opportunity to maintain independence. Commissioner Phillips stated that he has learned something similar was executed a few years ago and worked well. The agreement is written in a way that the Lottery will only provide assistance when the Commission asks for it. Commissioner Phillips seconded the motion. Randy Funkhouser stated the current agreement sounds better than they had been told about the original agreement. The concern is that the Lottery Commission will control the racing commission. Chairman Rossi stated that Mr. Hammer was provided information on the agreement through a FOIA. Only minor changes have been made to the document. Motion to approve the MOU carried.

## **HBPA and Greyhound Breeders Association – Impact Study**

Chairman Rossi stated that the information regarding the impact study had just been handled out before the meeting and there wasn't sufficient time for review. Commissioner Phillips and Commissioner McDermott agreed. Commissioner Phillips moved to defer the matter to the next meeting, Commissioner McDermott seconded, motion carried. Sam Burdette stated that the late submission was due to scheduling with WVU. He pointed out that the information discussed a timetable, methodology, and that previous clients have included the WV DOR. Chairman Rossi stated that a meeting by the Legislature would be discussing some of these issues and would need to be looked at it very closely. Chairman Rossi also asked if the study does anything to help promote racing at the tracks. Mr. Funkhouser stated that they had been thinking outside the box to increase revenue from greyhound and thoroughbred racing and provide more revenue to all interested parties.

## **Public Comments**

Recognition was given to Sherry Dorsey by the Greyhound Breeders Association, along with the CT HBPA & MP HBPA in honor of all her help and guidance while working for the Racing Commission.

Recognition was also given to Sherry from the West Virginia Racing Commission Commissioners and staff.

## **Adjournment**