

MINUTES
WV RACING COMMISSION
Tuesday, August 30th, 2022
WV Racing Commission Conference Room

The WV Racing Commission met on August 30, 2022, to conduct business and consider administrative matters. Roll call was taken, and present were Chairman Ken Lowe Jr., and Commissioner JB Akers. Counsel was represented by Anthony Eates.

Agenda Item #1 – Approval of April 26, 2022

Motion to approve April 26th minutes made by Commissioner JB Akers, seconded by Commissioner Ken Lowe. Motion passed.

Agenda Item #2 – Executive Director's Report

Director Joe Moore – Our outside auditors were in the office conducting the annual financial audits. I don't see any issues in having those drafts completed and submitted by the September 15th deadline as well as having the final financial statements submitted for the October 15th deadline. We are in the process of preparing the FY24 financial budgets to be submitted to the Legislative Budget Office this week in preparation for the 2023 regular session of the WV Legislature. Once those figures are finalized and submitted to the Budget Office, I will forward them to you for your records. At the next meeting the Commission will discuss and likely must vote on the use of the medical expense account that is currently being used for the funding of the necropsy program. HISA's racetrack safety program has a necropsy rule in it. Currently we are sending horses off for necropsy if euthanized during any racing or training activities. HISA's rule calls for any horse on the grounds that is euthanized or dies on racetrack property be sent for necropsy. The funding source for that will likely be expended before January 1st, at that point the administration of that rule will fall back on the racetracks. While the Commission is still collecting fund monies based on post-race testing, the Commission will need to use its discretion on whether it is able to use those monies collected in the previous fiscal year to continue our program through January the 1st. That conversation will take place at the September meeting.

Commissioner JB Akers – Are there any other significant changes to your proposed budget to the legislature based upon HISA's requirements that you can tell us about today?

Director Joe Moore – There are not. We haven't received an assessment from HISA for calendar year 2023, that assessment by statute is due October 1st. Based on the Commission opting out of paying the assessment related to the racetrack safety program for this past calendar year, the Commission will probably also opt out of paying the much larger assessment that is going to include the anti-doping regulation. If we are opting out of paying those items, then the HISA regulation really has minimal effect on our budget other than its necropsy program.

Commissioner JB Akers – Do you anticipate significant financial impact on the stakeholders in the state?

Director Joe Moore – I anticipate a significant financial burden placed on the stakeholders of this state including the racetracks and all permit holders that are covered persons under the HISA regulation, because the assessment in October will be about three times that of which they got in July, which was around \$800,000. The bulk of our revenue is generated from the two thoroughbred tracks off live race days. There will be a loss of permit revenue but not significant amounts.

Commissioner JB Akers – Operating in a multi-jurisdictional fashion, will our stakeholders concentrate their racing on other states outside of West Virginia?

Director Joe Moore – Most of your racing jurisdictions have opted out of those assessments and passed them down to their racetracks, so if they are going to operate anywhere (other than maybe the state of Ohio) there will be HISA's rules in place.

Agenda Item #3 – Legal Update

Anthony Eates – No update on the two federal suits that you are a party too, I talked to Michael this morning and there is nothing new on either of those. Your last meeting you adopted Jeff Blade's recommended decision for the Gina Baxter case, so we issued a final order that was consistent with what he decided, and Ms. Baxter recently has filed an appeal.

Agenda Item #4 – MP Requests Approval of Capital Improvement Project - Groom's Dorm Roof

Director Joe Moore – Mountaineer Park requests approval of the capital improvement project for replacement of the groom's dorm roof with a total amount of \$37,708.94. I sent you the project for your review along with their letter of request. The money is available for the project, and I would recommend it for approval.

*Motion to approve made by Commissioner JB Akers, seconded by Commissioner Ken Lowe.
Motion passed.*

Agenda Item #5 – CT Requests Approval of additional Stakes Race on Breeders' Classics card

Director Joe Moore – Charles Town requests approval of additional stakes race for the Breeders Classic Card. It will be a \$50,000 stake that is not going to be a Breeders Classic race, therefore the \$50,000 does not come out of the statutory amount given to the Breeders Classic Card, it will come out of the general purse fund. It is my understanding that the Charles Town HBPA has agreed to the addition of this stake race and payment of \$50,000. If there are not any questions, I'd recommend it for approval.

*Motion to approve made by Commissioner JB Akers, seconded by Commissioner Ken Lowe.
Motion passed.*

Agenda Item #6 – HISA Discussion

Director Joe Moore – The Commission will be asked, once again, to enter into an agreement with HISA to continue carrying out the racetrack safety program as we did in late June, as well as carrying out the anti-doping medication program. We have had several discussions pertaining to the racetrack safety piece, where the bulk of your veterinarian duties are now solely related to the HISA regulation. Your two test barns will also be under HISA regulation if the Commission decides to enter into such agreement. If you chose not to enter such agreement, you are looking at about four full time positions and four or five per diem or contract personnel, to carry out the duties of those test barns. HISA or the racetrack would have to hire staff to conduct those duties under the anti-doping program. I believe there has been one state who has successfully negotiated reimbursement of costs associated with the racetrack safety program. For the most part HISA has been reluctant to do any sort of reimbursements for the services provided by the state. It would possibly lower the assessment that is put upon the industry, should the Commission choose to continue carrying out the duties related to the anti-doping, medication and racetrack safety program, and carrying the costs associated with that. Those assessments are do statutorily by August 1st. By January 1st the Commission will have to vote on whether we want to enter into an agreement to carry out those functions.

Agenda Item #7 – Employment Matter - Approval to hire Charles Town Auditor

Director Joe Moore – Sandra Childers has a multitude of racing experience as well as an accounting background. I think she will be a valued member of our team at Charles Town and will improve a lot of our auditing procedures and duties there as well. With that I would request your approval for this hire.

*Motion to approve made by Commissioner JB Akers, seconded by Commissioner Ken Lowe.
Motion passed.*

Agenda Item #8 – Public Comments

No Public Comments

Agenda Item #9 – Adjournment

*Motion to adjourn made by Commissioner JB Akers, seconded by Commissioner Ken Lowe.
Motion passes.*