

MINUTES
WV RACING COMMISSION
Tuesday, March 29th, 2022
WV Racing Commission Conference Room

The WV Racing Commission met on March 29, 2022, to conduct business and consider administrative matters. Roll call was taken, and present were Chairman Ken Lowe Jr., Commissioner Figaretti, and Commissioner JB Akers. Counsel was represented by Anthony Eates.

Agenda Item #1 – Approval of the November 30th minutes

Motions to approve November 30th minutes made by Commissioner JB Akers, seconded by Commissioner Figaretti. Motions were passed.

Agenda Item #2 – Executive Director's Report

Director Joe Moore – Our thoroughbred racing rule and parimutuel rule that was before the legislature this year passed and has an effective date of July 1st, 2022. Requested by Chairman Lowe, I did a five-year distribution comparison of variance from 2021 to 2017. I've provided each of the tracks live simulcasted export handle variances, as well as the state share variance, and you'll see that all four tracks live, and simulcast wagering is down in 2021 compared to 2017. That is your patrons on site wagering on racing that's taking place, or races in another jurisdiction. Export wager is up, we are doing 2 million a weekend at Charles Town. The dog tracks are doing well, their handles are up due to live export. Live export at each of your four racetracks is up compared to that of five years ago. I did a five-year variance on the actual distribution of that handle and what it means to various parties. At Charles Town, compared to five years ago your live handles are down a little over 2.7 million, with commissions on that down roughly 550,000. The formula for funding the thoroughbred tracks is per live race day, it has nothing to do with the handle, so that's why you see an increase in the state. Five years ago, we ran 170 days, last year we ran 179, so that is your \$9000 variance to the state. Your other 4 entities lost revenue on live racing as a result of the decrease in handle. The county of Jefferson lost nearly \$3000 compared to five years ago. The decrease at Mountaineer Park is similar since in large part it has the same distribution chain, with the difference being that it's handle does not contribute to the thoroughbred development fund. The dog tracks are different, their live handle goes to support the county, the municipality, and the greyhound development fund. A portion of that handle goes to capital reinvestment and advertising, then the purse and the track split. As I mentioned you'll see on all four sheets that your live handle is down. Simulcast and instant simulcast are down on all four tracks. Those are the three areas that generate distributions and supporting dollars to the counties, the municipalities, and the development funds. Export handle is up across the board at all four tracks. At the thoroughbred tracks, a portion of that handle goes into the employee pension fund, so it supports all employees of the racetrack. At Charles Town, a portion of it goes to the development fund (at Mountaineer it does not), and then the track and the purse funds split the remainder. If we look at Charles Town in total for the five-year variance, you see a total handle that is up over \$122 million. The bulk of that again is export and is split between the purse and the association. The state is down \$34,000. The pension fund is up due to our export wagering contribution, and again the county is down nearly \$5000 because their portion comes from live

and simulcast handle. For the most part you can flip over to Mountaineer Park and see the same results. Their association and purse fund are down nearly \$13,000 compared to five years ago, everything else it is relatively flat. Similar results in your greyhound tracks, because of the closing of tracks in other jurisdictions, wagering in other jurisdictions is all on your West Virginia track. So that live export is up, and you'll see the association is the large benefactor of that live export wager. The state is down nearly \$100,000 compared to five years ago for our state share at Wheeling, and nearly \$77,000 compared to five years ago for our state share at Mardi Gras. The downward trend of live and simulcast racing has greatly affected the handle distribution, while the tracks and the purse funds have benefited from the increase in export wager.

Agenda Item #3 – Legal Update

Anthony Eates – Nothing new to report on the HISA lawsuit. I did do an appeal hearing on your behalf, on March 21st in Charles Town, for the stewards ruling number five. I can't get into details about that since it is still pending, but I wanted you to know that hearing took place before your hearing examiner. I think you should expect the recommended decision probably in the middle of May.

Agenda Item #4 – Mountaineer Park Requests approval of Capital Improvement – Ticket Cashing Terminals

Director Joe Moore – Mountaineer Park request approval for capital improvement ticket cashing terminals. These terminals, that they have bid on from United Toats, would read the United tickets, and cash those out in any amount that is not subject to a 1099 (any amount under \$600). Those machines would be available for patrons to use rather than going to a mutual clerk, or if the mutual's office is already closed, they could cash their tickets from those machines. It is a benefit to racing patrons and can be found at other racetracks. Mountaineer Park currently does not have any and they are looking to purchase two. I would consider this a benefit to the racing public and therefore would recommend it for approval.

Motion to approve request made by Commissioner Figaretti, seconded by Commissioner JB Akers. Motion passes.

Agenda Item #5 – Post–COVID Status of Track Operations

Director Joe Moore – Post COVID status of the tracks' operations. The commission had asked that each racetrack provide a plan of how they would reopen and operate post the COVID pandemic. We are looking for something between a summary and a detailed explanation of what property amenities are currently open, and for those that are not open, what the projection of when they will be, and any roadblocks or shortfalls.

Motion to make April 29, 2022, the due date for this request made by Commissioner Figaretti, seconded by Commissioner JB Akers. Motion passes.

Agenda Item #6 – Approval to hire Charles Town Steward

Director Joe Moore – Approval to hire a steward in Charles Town. We have been in search for a second steward at Charles Town to more solidify our operations, to have another full-time state employee in the stand, and to assure coverage if others are ill or on vacation. It would be my recommendation, unless there are any questions or concerns, that the commission proceed in hiring Mr. Lenny Rera as our second steward at Charles Town.

Motion to approve request made by Commissioner Figaretti, seconded by Commissioner JB Akers. Motion passes.

Agenda Item #7 – Public Comments

No Public Comments

Agenda Item #8 – Adjournment

Motion to adjourn made by Commissioner JB Akers, seconded by Commissioner Figaretti.
Motion passes.