

THE STATE HORSE RACING COMMISSION MEETING MINUTES

August 29, 2023

A public business meeting of The State Horse Racing Commission was held at the following date, place and time: In-Person PDA Room 309 and Via Telephonic Conference Call on Tuesday, August 29, 2023, at 1:00 P.M.

Commissioners in attendance: Chairperson Cook, Darryl Breniser, Russell Jones, Ed Rogers, Michele Ruddy, Dr. Corinne Sweeney, also joining on Teams were Commissioners, Dr John Egloff, Salvatore DeBunda, Thomas Ellis, and Robert Lark. Also present was Commission Counsel Jorge Augusto, Standardbred Bureau Director Anthony Salerno, and Thoroughbred Bureau Director Thomas Chuckas.

ANNOUNCEMENTS

A quorum of the Commission being present, Chairperson Cook called the meeting to order. Chairperson Cook noted that the meeting was properly advertised in accordance with the Sunshine Law. By way of notice, the Commission conducted an executive session to engage in quasi-judicial deliberation to be adjudicated at the public meeting and engaged in attorney client privilege communication.

Chairperson Cook welcomed everyone to the meeting.

PUBLIC MEETING

1.) APPROVAL OF THE JUNE 27, 2023, MEETING MINUTES:

Motion By: Commissioner Lark
Second By: Commissioner Rogers
Decision: Passed by unanimous vote.

2.) APPROVAL OF THE JULY 25, 2023, MEETING MINUTES:

Motion By: Commissioner Jones
Second By: Commissioner Ruddy
Decision: Passed by unanimous vote.

PRESENTATIONS

3.) Racing Fund July Financial Report – Presented by Jason Dunsavage. Mr. Dunsavage provided a detailed financial analysis of the State Racing Fund showing a starting cash balance of \$7.5 million. Revenue for July was \$870,000; expenditures were \$991,000 bringing the ending cash balance to \$7.4 million. The Horse Racing Commission revenue was \$870,000. Personnel expenses was \$440,000; Operating expenditures were \$90,000 bringing the total expenditures for the month to \$530,708. Shifting to Testing, without the Fiscal Code, there were no Racehorse Development Trust Fund Transfers. Personnel costs

were \$385,000. Operating expenditures were \$63,000. Total expenditures from July for Testing were \$440,852.

Again, due to the lack of the Fiscal Code being in place, there is no Racehorse Development Trust Funds being transferred to Promotions.

The remaining financial statements represent the activities in Racing's other 3 Restricted Accounts.

4.) BETMAKERS – Presented by Joe Wilson and Chris McErlean. They advised the Commission that both entities entered into agreements with Bet Makers regarding fixed odds wagering offered in New Jersey. Mr. Wilson explained that fixed odds wagering is the odds posted on the horse at the time a wager is placed. If the customer placed a wager at 5 minutes to post at 5 to 1 odds and by post time the horse goes off at 2 to 1, the customer will receive payment calculated on the 5 to 1 odds.

Fixed Odds wagering is currently only available at Monmouth Park in New Jersey. It is not available in Pennsylvania. In order to make a Fixed Odds wager the person must physically be at Monmouth Park. The agreement between PARX, Penn National and Bet Makers allows for races from PARX and Penn National to be wagered on at Monmouth Park as Fixed Odds wagers. The revenues derived from fixed odds wagering are allocated between the horsemen and track per agreement.

ADMINISTRATIVE ACTIONS

5.) Motion to approve Simulcast Calendars for September 2023, for Harrah's Philadelphia, Mohegan Sun at Pocono Downs, and the Meadows.

Motion By: Commissioner Sweeney
Second By: Commissioner Breniser
Decision: Passed by unanimous vote.

6.) Motion to approve the Simulcast Calendars for September 2023 for PARX, Penn National and Presque Isle.

Motion By: Commissioner DeBunda
Second By: Commissioner Jones
Decision: Passed by unanimous vote.

7.) Motion to ratify the Thoroughbred Bureau Director's approval for Presque Isle Downs to cancel live race days on August 24th, August 31st, September 7th and September 14th and add live racing dates on October 23rd, 24th, 25th and 26th.

Motion By: Commissioner Jones
Second By: Commissioner DeBunda
Decision: Passed by unanimous vote.

8.) Motion to ratify the Standardbred Bureau Director's approval for the Meadows to move it's post time to 5:10 p.m. on Friday October 13, 2023.

Motion By: Commissioner Ruddy
Second By: Commissioner Jones
Decision: Passed by unanimous vote.

LICENSING

9.) Motion to approve the joint petition and change of Ownership: FBG Enterprises Opco, LLC ("Fanatics") to purchase existing SPMO license Points Bet Racing (d/b/a Premier Turf Club. LLC)

Motion By: Commissioner Debunda
Second By: Commissioner Jones
Abstaining: Commissioner Ellis
Decision: Passed by majority vote.

AJUDICATION

10.) Ralph Riviezzo, (Appeal of Ruling No.22238PP) Docket No. RACING-2022-M-29

Attorney Augusto read the following order which was taken as a motion:

And now, this 29th day of August 2023 upon consideration of the testimony and exhibits of record, it is hereby ordered that the decision of the PARX Board of Stewards ruling number 22238PP dated September 5, 2022, which imposed a total 180-day suspension and a total fine of \$7500.00 for violation of 7 PA Code §§ 185.2 and 401.2 is hereby affirmed.

Motion By: Commissioner Jones
Second By: Commissioner Ruddy
Opposed: Commissioner Rogers
Abstaining: Commissioner DeBunda
Decision: Passed by majority vote.

INDUSTRY REPORTS

11.) General Reports

Director Salerno recognized the following Industry participants:

- Scott Lishia, Director of Racing at the Meadows, updated the Commission on the Crossbreed Pick 4 between the Meadows and Penn National. He stated that this trial experiment was over a 4-week period and while there were some logistic and timing issues, he felt that it was a good starting point and hoped that they can bring it back again at some point and try to expand on it.
- Mike Zullinger, Director of Racing Mohegan Sun Pocono Downs, reported that Sun Stakes Day was a huge success. Handle was up about 11 percent. Ashley Eisenbeil and the PHRA staff kept the crowd busy with plenty of activities on

the apron. Mike reminded everyone of the schedule change for September when the live racing switches to Saturday, Monday, Tuesday, and Wednesday.

- Barry Brown, Director of Racing Harrah's Philadelphia, reported that the Sires Stakes finals would be held Sunday September 3rd and Harrah's schedule will change in September to Thursday, Friday and Sunday and remain that way until the end of the meet.
- Joe Wilson, Director of Racing for Parx, stated that Parx is just coming back from their summer break with the PA Day at the Races highlighting Smarty Jones and other Stakes races. A couple of great days of racing and we're gearing up for Pennsylvania Derby, which is September 23.
- Eric Johnston, Director of Racing for Penn National thanked the Commission for the approval of the post time change to 4:00. Penn National had a strong night with the change, and we are looking forward to seeing what happens on September 15 with another 4:00p.m. post time. We may be coming back to the Commission to request additional dates with a 4:00p.m post time. We will be on a hiatus for about four weeks, shutting down the last week of September and starting back up the last week of October.
- Sam Beegle, President of the PHHA, thanked Mike Zullinger and his staff for putting on such a great day of racing on Sun Stakes Day at Pocono.
- Jeff Matty, Executive Director PTHA, updated the commission on the events that took place on PA Day at the races including the Captain Sophia race, the Smarty Jones as well as the Salvatore DeBunda Stakes. He also invited all the Commissioners to the Pennsylvania Derby cocktail party to be held on September 22. Commissioner Jones complimented the Breeders for having bred enough horses to fill all the PA bred races.
- Kim Hankins, Executive Director of MSOA, had no report this month.
- Matt Ennis, Director of Racing Presque Isle Downs, thanked the Commission for approving the change in race days, He stated that they are 60 percent through their season and so far, our export handle is up 7.5 million through 47 days of racing. September 18 will be our biggest day of racing when we hold the \$300,000 Masters, Ashley and her staff have been advertising the days events and expect a great day of racing.
- Todd Mostoller, Executive Director of HBPA, had no report this month.
- Mike Simpson, Standardbred Breeders, had no report this month.
- Brian Sanfratello, President PHBA reported to the Commission that Pennsylvania Day at the races was a very successful event, with full fields. Over a million dollars in PA Bred purses were paid out and the days handle topping 4 million. Mr. Sanfratello thanked Joe Wilson and his staff as well as Ashley Eisenbeil and her staff. He also reiterated what Commissioner Jones had said earlier about the PA Breeders commitment to the Pennsylvania Breeders Program.

PUBLIC COMMENT – No Public Comment**ANNOUNCEMENTS**

Chairperson Cook announced that the next meeting will be held on Tuesday September 26, 2023, at 1:00 pm. The Meeting location will be Room 309 and on Teams.

- Executive Session 10:30 a.m.
- Regular Session 1:00 P.M.

ADJOURNMENT

MOTION BY: Commissioner Sweeney

SECOND BY: Commissioner Ruddy

DECISION: Passed by Unanimous vote

The meeting was adjourned at 1:49 P.M.

Respectfully submitted,

Thomas F. Chuckas Jr.
Bureau Director
Bureau of Thoroughbred Horse Racing

Anthony Salerno
Bureau Director
Bureau of Standardbred Racing