

THE STATE HORSE RACING COMMISSION MEETING MINUTES

DECEMBER 14, 2021

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, December 14, 2021 at 1:00 P.M.

Commissioners in attendance: Chairperson Cook, Darryl Breniser, Dr. John Egloff, Thomas Ellis, Russell Jones, Robert Lark, C. Edward Rogers, Michele Ruddy and Dr. Corinne Sweeney. Also present were Commission Counsel Jorge Augusto and Marija Kuren. Salvatore DeBunda was not in attendance.

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.) MINUTES OF THE October 26, 2021 Meeting as emailed to the Commissioners for their review in advance of the meeting.

Motion By: Commissioner Lark

Second By: Commissioner Ellis

Decision: Passed by unanimous vote as amended by Commissioner Lark.

PRESENTATIONS

2.) RACING FUND NOVEMBER FINANCIAL REPORT – presented by Tracee Gotwalt. Ms. Gotwalt provided a detailed financial analysis of the State Racing Fund, Commission and Testing Revenues and Expenses, Promotional Expenditures, a Comparative to FY 20/21 and an overview of the Breed-specific funds for the month of November.

3.) PHBA 2022 Budget Presentation- presented by Brian Sanfratello. Mr. Sanfratello provided a review of the 2021 estimated statement of finances and the proposed 2022 operating budget. He reviewed the two sources of income and categorized the two types of expenses, indirect and direct expenses. The 2022 proposed budget reflects a decrease of 8.43 percent or \$100,960 compared to 2021. It is important to note that the 2021 expenditures contained the \$150,000 research to UPENN. The 2022 budget has no research grant funding. Mr. Sanfratello highlighted key areas in the proposed budget.

LICENSING

4.) Motion to temporarily extend Presque Isle Downs three-year license to conduct a racehorse meeting issued on October 30,2018 until such time as the Commission issues a subsequent order in this matter.

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

5.) Motion to temporarily extend Presque Isle Downs 2021 Electronic Wagering license until such time that the Commission issues a subsequent order in this matter.

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

6.) Motion to temporarily extend CDTIC (d/b/a Twin Spires) 2021 Racing Vendor license until such time as the Commission issues a subsequent order in this matter.

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

ADMINISTRATIVE ACTIONS

7.) Motion to approve the 2022 PHBA Budget.

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

8.) Motion to approve the Simulcast Calendars for January 2022 for Harrah's Philadelphia, Mohegan Sun at Pocono Downs and The Meadows.

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

9.) Motion to approve the Simulcast Calendars for January 2022 for Parx, Penn National and Presque Isle Downs.

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

10.) Motion to approve the Meadows request to amend the live race dates for 2022 from 183 days to 184 days.

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

11.) Motion to approve Parx request to amend the live race dates to add six Saturday programs and cancel six Wednesday race cards. (See attached).

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

12.) Motion to ratify Harrah's Philadelphia's request to cancel and reschedule Wednesday December 8th, December 15th and December 22nd live race program and conduct live racing on December 29th, December 30th and December 31st. Post time on December 31st to be changed from 12:30 p.m. to 2:30 p.m.

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

13.) Motion to approve Operational Matters for Licensed Racing Entity:

Operational Approvals for Presque Isle Downs:

- i. Requests approval on 100 Live Race Days in 2022 as submitted and filed with the Commission office.**
- ii. Requests approval on Officials for 2022 as submitted and filed with the Commission office.**
- iii. Requests approval on Take out Rates for 2022 as submitted and filed with the Commission office.**
- iv. Requests approval on Wagering Format for 2022 as submitted and filed with the Commission office.**
- v. Requests approval on Simulcast In for 2022 as submitted and filed with the commission office.**
- vi. Requests approval on Simulcast Out for 2022 as submitted and filed with the Commission office.**

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

ADJUDICATIONS

14.) Motion to affirm the Stewards ruling in the matter of Silvio Martin, Appeal No. 21069PP.

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

INDUSTRY REPORTS

15.) General Reports

Director Salerno indicated Director Chuckas has two items to address.

Director Chuckas acknowledged Mike Ballezzi, PTHA Executive Secretary, was retiring at the end of the year. On behalf of the Commission and the industry, the Director thanked Mike for his 25 years of service to the industry. Mr. Ballezzi made major contributions to racing and its participants. Some major accomplishments were his efforts to pass the gaming act; his advocacy for equine aftercare (Turning for Home) program; and all the programs that he ushered forward at Parx to benefit the horsemen. The Commission and industry wish Mike continued success in his future endeavors.

The second issue concerns the Fatality Working Group and their thoughts and recommendations formulated to address the equine health and welfare issue. The Commission is currently reviewing these items.

Director Salerno recognized the following Industry participants for their reports:

- Scott Lishia, Meadows, updated the Commission on the plan to modify post time in an effort to increase handle.
- Mike Zullinger, Mohegan Sun Pocono Downs, wished all a happy holiday.
- David Osojnak, Parx, thanked the Commission for approving the 2022 dates. On behalf of Parx, Mr. Osojnak expressed his sincere gratitude to Mike Ballezzi for his years of service. A true friend of racing. He provided an overview of Parx last week of racing.
- Barry Brown, Harrah's Philadelphia, thanked the PHHA for all their support for a great year.
- Eric Johnston, Penn National, reported Penn has experienced a very solid last month and is optimistic it will continue into the new year.
- Mike Harant, PHHA, wished all a happy holiday and advised the Commission that 9 days remained in this year's meet. It has been a successful meet.
- Chris McErlean, Penn National, provided an update on the opening of Penn National's second Cat 4 casino in Morgantown. The facility will include pari-mutuel wagering with additional forms of gaming. The facility will feature self-service wagering machines, a bar with televisions. He extended an invitation to the Commission to attend the opening.
- Brian Sanfratello, PHBA, advised the 2022 Stallion Farm Directory has been completed and will be sent out to all the breeders soon. He informed the Commission that the 12th stallion season auction will be held January 15th-January 22nd. Brian thanked Mike Ballezzi for his years of service.

PUBLIC COMMENT

Dr. Langlois applauded Penn National for the house rule stating that, beginning in 2022, any 5 year-old horse that has not made a start yet, with the exception of horses already training, will not be allowed on the grounds or allowed to race.

ANNOUNCEMENTS

Chairperson Cook announced that the next meeting will be held on Tuesday, January 25, 2022. The Meeting location is to be determined.

- Executive Session 11:00 A.M.
- Regular Session 1:00 P.M.

ADJOURNMENT

The meeting was adjourned at 1:41 P.M.

Respectfully submitted,

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

Anthony Salerno
Bureau Director
Bureau of Standardbred Racing