

THE STATE HORSE RACING COMMISSION MEETING MINUTES

NOVEMBER 28, 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, November 28, 2023 at 1:00 P.M.

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

PUBLIC MEETING

1.) MINUTES OF THE October 31, 2023, Meeting:

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

PRESENTATIONS

2.) RACING FUND OCTOBER FINANCIAL REPORT – presented by Jason Dunsavage. Mr. Dunsavage stated that the Racing Fund beginning balance for October was \$6,596,000, Revenue was \$738,00. Expenditures were \$1,519,000. Bringing the balance as of October 31st to \$5,816,309.

Revenue and expenditures for the Commission: revenues for the month were \$738,000. Personnel expenditures were \$481,338. Operating expenditures were \$82,000. Bringing the total expenditures for the month to \$564,000.

For Testing, there were still no transfers from the RHDTF, due to the lack of a Fiscal Code. Personnel expenditures were \$416,000, operating was \$516,000 with total expenditures for the month at \$932,000.

Moving on to the comparative for Testing and the Commission combined, there was a \$3.4 million decrease in revenue, again due to the lack of RHDTF transfers. Personnel expenditures were up \$93,000, operating expenditures were up \$700,000. Total

expenditures year-to-date were \$7.006 million compared to \$6.2 million last year during the same time period.

3.) PHRA Marketing Report – presented by Ashley Eisenbeil and Pete Peterson. They were also joined by Jaylin McManus and Dawnelle Mock. Mr. Peterson thanked his staff for all their hard work and dedication to the racing industry as year after year they have taken on more and more responsibilities, coordinating activities, media buying, creating engaging social media content, targeted postal mailings, developing creative assets and maintaining the digital marketing campaigns. PHRA launched the Caretakers Appreciation Day to recognize grooms and exercise riders. The team is currently working on a new podcast to engage even more racing fans. Ms. McManus stated that the website has seen a 5% increase in visits and page views increased 8%. The highest viewed website page was the foal cams with a 178% increase over last year.

We did see an 18% increase on our Spanish webpages which we expect to grow in 2024. Moving on to our paid social media campaign, we spent roughly \$26,000 and we had a reach of over 1.5 million. We have also engaged in Google Ads, to place ads on streaming channels such as Hulu as well as Comcast, Audacy and Radio ads, as well as Direct Mailers and Digital billboards. Looking forward to 2024, we plan to expand on our social media campaigns with a heavy emphasis on our live events throughout the racing season, such as Sun Stakes at Pocono, the Adios at the Meadows, PA Derby at Parx, and the Penn Mile at Penn National. PHRA will also be expanding its presences at Farm Show this year as well as a brand-new podcast hosted by Ashley and Dawnelle.

4.) PHBA Marketing Report - presented by Brian Sanfratello and Stu Kirshenbaum. Mr. Sanfratello reported that the 3 main areas of marketing for the PHBA are Thoroughbred Daily News, Steve Byk Sirius Radio Show and Fanduel. The TDN has 600,000 monthly active users and are the most read publication covering thoroughbred industry. TDN also features an active news site and a podcast. They're read in over 180 countries around the world and reach 3.5 million users, 45% of the people that access this are female, 55% are male. We are trying to target a younger group, with 27% are between 18 and 24, 33% are between the ages of 25 and 34, and 15% are between 35 and 44. We advertise heavily on these pages, and it gets us a tremendous amount of exposure.

Mr. Kirshenbaum showed the Commission the most recent video commercials that Keystone Films has put together to promote racing in PA. They produced a brand new 30-second clip about the PA Stallion Series that aired on TVG, TVG Two and FanDuel Racing and had more than 600 showings on national television. We have several other 30-second clips pertaining to PA bred horses that have been running on FanDuel. The PHBA has also been running those clips on the "At the Races Show with Steve Byk" and SiriusXM. We have also dedicated a lot of time and effort to help promote PA bred horses at the sales and that has shown positive increases in what PA Breds are averaging now as to what they were averaging several years ago.

5.) HISA Update - presented by Thoroughbred Bureau Director Tom Chuckas. Mr. Chuckas reported that on October 31st, HISA distributed the 2024 assessment for Pennsylvania. The assessment is a little over \$7 million with possible credits worth 4.9 million. Also, in their letter they notified us that PA would have to either opt in or out by November 17. Mr. Chuckas notified HISA that the Commission could not meet that deadline. The staff will

continue to negotiate with HISA and HIWU to hopefully reach an agreement. The staff will provide the Commission with an update at the December 19th meeting.

ADMINISTRATIVE ACTIONS

6.) Motion to Approve the 2024 Commission Meeting Schedule.

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

7.) Motion to approve the Simulcast Calendars for December 2023 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.

8.) Motion to approve the Simulcast Calendars for December 2023 for Parx, Penn National and Presque Isle Downs.

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

MOTION TO APPROVE OPERATIONAL MATTERS FOR LICENSED RACING ENTITIES:

9.) Operational Approvals for Penn National:

- i. Requests approval on 115 Live Race Days in 2024 as submitted and filed with the Commission office.
- ii. Requests approval on Officials for 2024 as submitted and filed with the Commission office.
- iii. Requests approval on Take out Rates for 2024 as submitted and filed with the Commission office.
- iv. Requests approval on Wagering Format for 2024 as submitted and filed with the Commission office.
- v. Requests approval on Simulcast In for 2024 as submitted and filed with the commission office.
- vi. Requests approval on Simulcast Out for 2024 as submitted and filed with the Commission office.

Motion By: Commissioner Sweeney
Second By: Commissioner Rogers
Decision: Passed by unanimous vote

10.) Operational Approvals for Presque Isle Downs:

- i. Requests approval for 80 Live Race Dates for 2024 as submitted and filed with the Commission office.

- ii. Requests approval for Officials for 2024 as submitted and filed with the Commission office.
- iii. Requests approval for Take Out Rates for 2024 as submitted and filed with the Commission office.
- iv. Requests approval for Wagering Format for 2024 as submitted and filed with the Commission office.
- v. Requests approval for Simulcast In for 2024 as submitted and filed with the Commission office.
- vi. Requests approval for Simulcast Out for 2024 as submitted and filed with the Commission office.

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

11.) Operational Approvals for Parx:

- i. Requests approval on 155 Live Race Dates for 2024 as submitted and filed with the Commission office.
- ii. Requests approval on Officials for 2024 as submitted and filed with the Commission office.
- iii. Requests approval on Take out Rates for 2024 as submitted and filed with the Commission office.
- iv. Requests approval on Wagering Format for 2024 as submitted and filed with the Commission office.
- v. Requests approval on Simulcast In for 2024 as submitted and filed with the Commission office.
- vi. Requests approval on Simulcast Out for 2024 as submitted and file with the Commission office.

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

12.) Operational Approvals for The Meadows:

- i. Requests approval on 170 Live Race Dates for 2024 as submitted and filed with the Commission office.
- ii. Requests approval on Officials for 2024 as submitted and filed with the Commission office.
- iii. Requests approval on Take Out Rates for 2024 as submitted and filed with the Commission office.
- iv. Requests approval on Wagering Format for 2024 as submitted and filed with the Commission office.
- v. Requests approval on Simulcast In for 2024 as submitted and filed with the Commission office.
- vi. Request approval on Simulcast Out for the 2024 as submitted and filed with the Commission office.

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

13.) Operational Approvals for Mohegan Sun at Pocono Downs:

- i. Requests approval on 130 Live Race Dates for 2024 as submitted and filed with the Commission office.
- ii. Requests approval on Officials for 2024 as submitted and filed with the Commission office.
- iii. Requests approval on Take Out Rates for 2024 as submitted and filed with the Commission office.
- iv. Requests approval on Wagering Format for 2024 as submitted and filed with the Commission office.
- v. Requests approval on Simulcast In for 2024 as submitted and filed with the Commission office.
- vi. Requests approval on Simulcast Out for 2024 as submitted and filed with the Commission office.

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

14.) Operational Approvals for Harrah's Philadelphia:

- i. Requests approval on 115 Live Racing Dates for 2024 as submitted and filed with the Commission office.
- ii. Requests approval on Officials for 2024 as submitted and filed with the Commission office.
- iii. Requests approval on Take Out Rates for 2024 as submitted and filed with the Commission office.
- iv. Requests approval on Wagering Format for 2024 as submitted and filed with the Commission office.
- v. Requests approval on Simulcast In for 2024 as submitted and filed with the Commission office.
- vi. Requests approval on Simulcast Out for 2024 as submitted and filed with the Commission office.

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

LICENSING

15.) SPMO Applications:

- AM West Entertainment, Docket No. 2023-39 (SPMO License Renewal)

Attorney Augusto recommended a motion to table the AM West Entertainment's License Renewal. Additional supporting documentation is required.

Motion By: Commissioner Rogers
Second BY: Commissioner DeBunda
Decision: Tabled by unanimous vote.

16.) Electronic Wagering Petitions:

Motion to approve the Electronic Wagering Petitions for 2024 for the following racing entities:

- Chester Down and Marina, LLC (d/b/a Harrah's Philadelphia Casino & Racetrack) Docket No. 2023-28
- Downs Racing, LP (d/b/a Mohegan Sun Pocono) Docket No.2023-28
- Mountain Laurel Racing, Inc. and Washington Trotting Association, LLC (d/b/a The Meadows Racetrack & Casino) Docket No. 2023-30
- Bensalem Racing Association, Inc. & Keystone Turf Club, Inc. (d/b/a Parx Racetrack & Casino) Docket No. 2023-27
- Mountainview Thoroughbred Racing Association, LLC & Penn National Turf Club, LLC Docket No. 2023-29
- PID, LLC (d/b/a Presque Isle Downs & Casino) Docket No. 2023-31

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

INDUSTRY REPORTS

17.) General Reports.

Director Salerno recognized the following Industry participants for their reports:

- Scott Lishia, Meadows, thanked the Commission for today's approvals. The Meadows hosted the USTA Officials continuing education program, which was well attended.
- Mike Zullinger, Mohegan Sun Pocono Downs, thanked the Commission for their approvals for the 2024 season. Pocono has a successful 2023 and looking forward to 2024.
- Matt Ennis, Presque Isle Downs, thanked the Commission for approving PID's 2024 race dates. He also reported that handle for the just concluded 2023 season was up approximately 8 percent.
- Joe Wilson, Parx, thanked the Commission not only for today's approvals but it's continued support. He noted that the Pennsylvania Nursery, a \$100,000 Stakes Race for PA Bred 2-year-olds was being run today.

- Barry Brown, Harrah's Philadelphia, thanked the Commission for Harrah's approvals for 2024. He advised that the meet has 11 days remaining and concluding on December 31st.
- Eric Johnston, Penn National, reported that the Wednesday night program before Thanksgiving was a huge success, which featured the Shamrock Rose for PA Bred 2-year-olds. The handle was \$1.6 million, which was about twice the average for the last couple weeks. He also reported a case of "Strangles" in the barn area, but due to a quick and very efficient response by the track, vets, Commission staff and horsemen, the affected horse was isolated and so far, no other horses are showing any signs of Strangles. He also thanked the Commission for the approvals for the 2024.
- Jeff Matty, PTHA, reported that they are gearing up for Caretakers Day at Parx, which is December 6th and looking forward to showcasing all the hard-working backside personnel both in person and on social media. Mr. Matty also invited everyone to the PTHA Christmas party to be held on December 13th. He also announced that the PTHA has accepted their 4,000th horse into the Turning for Home Program.
- Brian Sanfratello, PHBA, congratulated the ownership of "Uptowncharliebrown" for his success in the PA Breeding program. He has surpassed the old record for breeder's award, which was held by "Northview", He emphasized how viable the PA breeding program is and that they are adding 5 new sires in 2024.
- James Simpson, PA Standardbred Breeders thanked everyone who participated in the just concluded Harrisburg Sale.
- Sam Beegle, President of the PHHA had no report this month.
- Todd Mostoller, PAHBPA had no report this month.
- Kim Hankins, Executive Director reported that the MSOA will conduct their annual meeting this weekend followed by the charity auction. In the past, we have raised nearly \$35,000 for charities and we are looking forward to another great evening.

PUBLIC COMMENT

No public comment.

APPLICATION NOTICE-INTERVENTION

- American Teletimer Corporation, Docket No. 2023-11 (Vendor Renewal)

Attorney Augusto announced that the Commission had received the vendor renewal application for American Teletimer Corporation. Under the Commission's regulations, whenever the Commission receives a license application for vendors, we are required to publish that in Pennsylvania bulletin or announce it in public to allow individuals to intervene.

ANNOUNCEMENTS

Chairperson Cook announced that the next meeting will be held on Tuesday, December 20, 2022. The Meeting location is PDA Room 309 and Teams.

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

ADJOURNMENT

Motion By: Commissioner Sweeney

Second By: Commissioner Rogers

Decision: Passed by unanimous vote.

The meeting was adjourned at 2:20 P.M.

Respectfully submitted,

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

Anthony Salerno
Bureau Director
Bureau of Standardbred Racing