

UNAPPROVED

VIRGINIA RACING COMMISSION

MINUTES

OF THE

COMMISSION MEETING

OCTOBER 19, 2005

STATE CORPORTATION COMMISSION
TYLER BUILDING, COURTROOM B
1300 EAST MAIN STREET
RICHMOND, VIRGINIA

In Attendance

Commission Members:

Anne D. W. Poulson, Chairman
Peter C. Burnett, Vice Chairman
Mark T. Brown
David C. Reynolds
Dr. George W. Rimler

Commission Staff:

Stanley K. Bowker, Executive Secretary
Kimberly M. Carter, Office Administrator
Dr. C. Richard Harden, Commission Veterinarian
David S. Lemond, Jr., Director of Pari-Mutuels
Marvin A. Sniegon, Director of Financial Management and Planning

Attorney General's Office:

Theresa Griggs

At 9:34 a.m., Chairman Poulson called the meeting to order.

Approval of the September 7, 2005 minutes was deferred until the November 2005 meeting.

The minutes of the September 28, 2005 meeting were approved as amended.

In her Chairman's Report, Chairman Poulson stated that the Standardbred meet is moving along well and the Commission is pleased with the success so far. She also thanked Commissioner Reynolds for his efforts on budget matters, Commissioner Brown for his work with the Standardbred Blue Ribbon Committee and Commissioner Burnett for his efforts in working out the NAPRA/RCI issues.

Commissioner Brown reported that a final report should be completed in November.

Commissioner Reynolds reported that he has been meeting with staff on the 2005-2006 budget. He stated that if the entire budget is spent, there would be only \$90,000 in additional marketing money. The request to approve the budget was moved, seconded and unanimously approved.

Following approval of the budget, the Commission unanimously amended the Commissioners' Expense Policy as follows:

Commissioners may request per diem payments and reimbursements of expenses pursuant to the Commonwealth's State Travel Regulations for attendance at all Commission meetings, Committee meetings, meetings with Administration officials or appearances before the General Assembly. For meetings of the Association of Racing Commissioners International and its committees, the North American Pari-mutuels Regulators Association and its committees, the National Racing Compact and its committees, the annual University of Arizona Symposium on Racing and other Commission-related business that may arise, prior approval of the Commission is required. In addition, the Commission may designate one person on a rotating basis to represent it at major racing events including the Kentucky Derby, Preakness Stakes, Belmont Stakes, Breeders Cup and Breeders Crown.

In addition, the Commissioners conditionally approved the participation of Chairman Poulson, Commissioners Burnett and Rimler and staff in the Symposium on Racing and the University of Arizona, December 6-8, 2005.

Acting on the recommendation from Mr. Bowker, the Commission approved Colonial Downs' November simulcasting schedule.

Mr. Bowker provided an update on the live harness meet and the opening of the new Chesapeake satellite wagering facility.

Reporting for Colonial Downs, President Ian Stewart said since Colonial Downs assumed the management of all operations from Maryland Jockey Club at the end of September, a review of the operations of all of the satellite facilities is underway and a number of changes have been instituted. They include:

1. Televised sports events have been added.

2. A World Series promotion was held in Richmond.
3. Discount, pre-pad tickets are being offered.
4. West Broad facility is being upgraded including new television sets in the bar.
5. A new non-smoking area is being added in Hampton.
6. Special promotions involving NASCA weekend are being planned at Martinsville along with additional billboards and other marketing is being planned for Greensboro, NC.

Iain Woolnough, Vice President and General Manager, reported the attendance and handle numbers for the live standardbred meet have picked up in the last week and Colonial is planning to go to 11 races on most days.

Mr. Woolnough also stated that Joe King and John Passero had been at Colonial last week and are looking at the material used on the main track during the thoroughbred meet. He said Colonial is planning a long-term relationship with both people who were responsible for the design and construction of the original track.

Jeanna Bouzek, Director of Satellite Wagering Facilities, add the opening of the new Chesapeake facility had been very successful and the business has continued strong. While there has been some cannibalization from the first Chesapeake facility as well as Hampton, they are seeing many new customers.

Mr. Stewart said Colonial has its application for 2006 thoroughbred live racing days ready and would be turning it into staff following the meeting. He said the scheduled would encompass 42 days beginning June 16 through August 12 with purses at \$200,000 per day.

Glenn Petty, Executive Director of the Virginia Thoroughbred Association, said the Breeders Fund Task Force had recommended last year that different fees be charged to register Virginia-breds for non-members verses what VTA members paid. He said the Commission counsel raised a legal question last year and the issue was never resolved. He said he would like the request to be considered again this year.

Teresa Griggs, the Commission's legal counsel said she would review the issue again and would report on it next month.

The next Commission meeting is scheduled for 1:00 p.m. on November 16, 2005, at The Meadow Manor House in Doswell.

Chairman Poulson stated, "In accordance with the provisions of Section 2.2-3711 (A)(1) of the Code of Virginia, I move that the Commission go into closed meeting for the purpose of discussion or consideration of the assignment, appointment, performance or salary of a specific public officer, appointee or employee of the Commission."

The motion was approved.

Returning from closed meeting, Chairman Poulson stated, "I move the adoption of the following resolution:

"Whereas, the Virginia Racing Commission has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

"Whereas, Section 2.2-3712 of the Code of Virginia requires a certification by this Commission that such closed meeting was conducted in conformity with Virginia law;

"Now, therefore, be it resolved, that the Virginia Racing Commission certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Commission in the closed meeting."

The motion was approved with Mr. Brown, Vice Chairman Burnett, Dr. Rimler, Mr. Reynolds and Chairman Poulson voting in favor of the motion.

There being no further business before the Commission, the meeting adjourned at 12:09 p.m.