

## **THE STATE HORSE RACING COMMISSION MEETING MINUTES**

**March 26, 2024**

*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, March 26, 2024, at 1:00 P.M.*

*Commissioners in attendance: Chairperson Cook, Darryl Breniser, Tom Ellis, Corinne Sweeney, C. Edward Rogers, and Michele Ruddy. Joining via Microsoft Teams were Salvatore DeBunda, Russell Jones, and Robert Lark. Also present were Standardbred Bureau Director Anthony Salerno, Thoroughbred Bureau Director Thomas Chuckas and Commission Counsel Jorge Augusto.*

### **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 February 27, 2024, MEETING WERE TABLED:**

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

### **PRESENTATIONS**

**2.) Racing Fund February Financial Report** – Presented by Jason Dunsavage, Mr. Dunsavage provided a detailed financial analysis of the State Racing Fund which had a beginning cash balance of \$4.8 million. There was a distribution of \$3.078 million from the Act 114 carryover. Revenue for the Commission and Testing was \$2.394 million, and expenditures were \$1,386 million, bringing the ending cash balance to \$2,740,598. The Race Commission Revenue for the month was \$597,000, personnel expenditures were \$374,000, operating expenditures were \$72,000 with total expenditures of \$445,000.

Testing's revenue for the month was \$1,797,500, personnel expenditures were \$310,000, and operating expenditures were \$509,000, with total expenditures of \$820,000. Moving to Marketing, there was 1 expenditure for \$112,000 bringing the total for the year to \$842,000. The comparative financial statements for February 2023 show that revenue was down 16 %, \$11,000,000 this year versus \$13,000,000 last year. The expenditures for personnel were up 7 percent, \$6.7 million this year compared to \$6.3 million last year. Operating expenditures were down \$7.1 million this year compared to \$7.4 million last year, but total expenditures were \$13.8 million this year compared to \$13.7 last year.

The remaining reports represent the 3 restricted Accounts.

Commissioner Rogers inquired whether the increase in Travel and Training in both the Testing and Commission statements were a result of HISA or HIWU. Mr. Chuckas responded that the increase was not related to HISA or HIWU, but that the staff has tried to be proactive in Conferences and Training seminars. For example, Parx recently hosted the Organization of Racing Investigators Conference. The Commission played a large role in creating and organizing that program. In addition, we have been attending more conferences on a national level, such as ARCI as well as the USTA.

**3.) HISA Assessment Process Review** - Director Chuckas updated the Commission on the latest HISA developments. He reminded everyone that in January, the Commission signed a 60-day extension to continue to work out the issues. In February, we signed another 60-day extension, which will terminate at the end of April.

Currently, there are two open items. The first is the true up from 2023 and the second is the credits for 2024. There have been multiple discussion and emails that have gone back between the Commission, HISA, and HIWU. We are making progress, hopefully within the next two weeks there will be a resolution. The goal of this Commission is obviously to continue program from last year and maintain continuity in racing.

### **ADMINISTRATIVE ACTIONS**

#### **4.) Motion to approve Simulcast Calendars for April 2024, for Harrah's Philadelphia, Mohegan Sun at Pocono Downs, and the Meadows.**

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

#### **5.) Motion to approve the Simulcast Calendars for April 2024, for PARX, Penn National and Presque Isle Downs.**

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

#### **6.) Motion to ratify the Standardbred Director's approval to modify the Meadows Pick 7 wager. The requested changes are as follows:**

1. Change the base wager to \$.50 cents.
2. Add a consolation payout for tickets containing the most number of winner's if no ticket has 7 winners.
3. In the event no ticket exists with any winning combinations for that day, 100% of that day's net pool wagered is carry-over and added to any previous carry over monies on the next live card where the wager is offered.
4. The effective date would be April 10, 2024.
5. The Meadows is requesting a mandatory payout of the current wager on Friday March 29, 2024.

**Motion By:** Commissioner Sweeney

**Second By:** Commissioner Ellis  
**Decision:** Passed by unanimous vote.

**7.) Motion to ratify the Standardbred Director's approval for Harrah's Philadelphia to modify its wagering format by eliminating all Pentafecta's and adding a Superfecta in all races.**

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

## **INDUSTRY REPORTS**

### **8.) General Reports**

Director Salerno recognized the following Industry participants:

- Scott Lishia, Director of Racing at the Meadows, thanked the Commission for their approval of the modifications to the Pick 7 wager. He also reported that during the 10-day break they will be doing track maintenance and racing surface reconditioning. The main project during the break will be the installation of a new Video board, a nearly \$400,000 investment which should enhance the betting public's viewing of the races as well as provide up to the minute updates.
- Mike Zullinger, Director of Racing Mohegan Sun Pocono Downs, reported that Pocono has raced 15 days so far and handle has remained strong.
- Barry Brown, Director of Racing Harrah's Philadelphia, reported that their first qualifier will be Friday April 5<sup>th</sup> with opening day on Friday April 12<sup>th</sup>.
- Joe Wilson, Director of Racing for Parx, reported that the weather has been tough for the month of March, but that the Track crew has done an excellent job in trying to maintain the racing surface.
- Eric Johnston, Director of Racing Penn National, reported that the winter meet just wrapped up last week and while Penn too had to deal with some rough weather and cancellations, but overall, were very happy with the field sizes and handle. Penn National's export handle is up approximately 20%. The track will take 5 weeks off and then live racing will return on May 2<sup>nd</sup> which will kick off our summer meet.
- Mike Harant, Executive Director PHHA, had no report.
- Jeff Matty, Executive Director PTHA, had no report.
- Kim Hankins, Executive Director of MSOA, echoed what Scott Lishia had said earlier, and everyone was looking forward to the short break.
- Matt Ennis, Director of Racing, Presque Isle, reported that stall Applications have been coming in steadily and looks very favorable for the upcoming

season. Our backside is opening April 22 and will begin training the next day. Everything looks great and we are prepping for an exciting 2024 season.

- Brian Sanfratello, Executive Director PHBA, reported that the Breeders fund revenues were down about \$440,000, again mainly due to the fiscal code delays but those revenues should catch up in the coming months. He updated the Commission on the 3 PA bred horses that are prepping and hoping to be Derby eligible, Uncle Heavy, Carmelina, and Maximum Radius. He also reminded everyone of the upcoming banquet which will be the 20<sup>th</sup> anniversary of Smarty Jones career.
- Mike Simpson, Standardbred Breeders, had no report.

### **PUBLIC COMMENT**

There was no public comment.

### **ANNOUNCEMENTS**

Chairperson Cook announced that the next meeting will be held on Tuesday April 30, 2024, at 1:00 pm. The Meeting location will be Room 309 and on Teams.

- Executive Session 11:00 a.m.
- Regular Session 1:00 P.M.

### **ADJOURNMENT**

**MOTION BY:** Commissioner Ellis  
**SECOND BY:** Commissioner Ruddy  
**DECISION:** Passed by Unanimous vote

The meeting was adjourned at 1:19 P.M.

Respectfully submitted,

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

Anthony Salerno  
Bureau Director  
Bureau of Standardbred Racing