



MINUTES

Oregon Racing Commission

November 21, 2013

Meeting Detail

The Oregon Racing Commission (ORC) met on Thursday, November 21, 2013 in Room 1E of the Portland State Office Building located at 800 NE Oregon Street, Portland, Oregon

Call to Order

Commission Chair, Chris Dudley, called the meeting to order at 1:30pm

In Attendance

Commissioners: Chair Chris Dudley, Vice-Chair Charles Williamson, Commissioner Jan Palmer, DVM, Commissioner Michael Huber, DVM and Commissioner Angel Baez

Staff

Jack McGrail, Executive Director and Kelly Gabliks, Assistant Attorney General

AGENDA ITEMS

Approvals:

November 21, 2013 Meeting Agenda

Action: Motion to approve the agenda as submitted with the addition of executive session after public comment prior to adjournment.

Moved by: Commission Vice-Chair Charles Williamson

Seconded: Commissioner Baez

Vote: Chair Dudley took roll and the results were unanimous with 5 Ayes, 0 Nays

October 17, 2013 Meeting Minutes

Action: Motion to approve the October 21, 2013 Commission meeting minutes as submitted.

Moved by: Commissioner Vice-Chair Charles Williamson

Seconded: Commissioner Palmer

Vote: Chair Dudley took roll and the results were unanimous 5 Ayes, 0 Nays

Old Business:

Sub-Committee Update Reports:

a. Advanced Deposit Wagering (ADW) and Multi-jurisdictional Hubs

Commission Vice-Chair Williamson stated that the sub-committee had met prior to the ORC meeting and that Nelson Clemens from Twin Spires along with BJ Cosson and Roger Nyquist from TVG all attended. He stated that they brought forth some matters that will be discussed during executive session.

b. Best Practices

No Report

c. Budget and Hub Funds

No Report

d. Medication and Horse Welfare

Commissioner Huber stated that the sub-committee met prior to the ORC meeting and that Dr. Katler was in attendance by phone. He stated that the group discussed the industry wide effort to pass uniform national medication testing and laboratory accreditation reforms. The group will review the information that has been distributed to them over the next one to two months and then will meet again to discuss its content and make any recommendations.

Commissioner Huber stated that the second thing the group reviewed was catastrophic injuries. He stated that currently as of November 13, 2013 there have been three injuries in 2168 starts which calculate at 1.38 injuries per 1000 starters. This is less than the bench mark set by the legislature of 1.5.

e. Executive Director's Report

Executive Director Jack McGrail congratulated Portland Meadows (PM) and the horsemen on the success of Championship Day. There were some outstanding racing performances and several of the ORC Commissioners also attended the event. He stated that there was a great spectator turn-out.

Director McGrail stated that the matter of instant racing is a prominent issue for the ORC. Hopefully the meetings that were held a few weeks ago helped to resolve some of the issues that were raised. He stated that the ORC is ready to expedite rule making as soon as the appropriate legislation and/or agreements are filed with the Commission.

Director McGrail thanked the medication and horse safety sub-committee members and the ADW sub-committee members for their participation on those committees. He stated that the discussions were thoughtful and carefully conducted.

Director McGrail reported that he and the ORC's ADW Manager, Jill Miller will be attending the Global Symposium on racing and gaming in Tucson, Arizona in December. He stated that because of the current condition of the racing industry, it is important that the ORC is in attendance at these conferences.

f. Future of Racing in Oregon Group (FROG) update

Commissioner Palmer stated that FROG met last week and it was a good turn-out. The fairs were well represented with Don Slone, Dean Noyes and Don Averil all present. There was good discussion on a variety of subjects. The group is still working on the starting gate project. Pro-West attended the meeting to give a presentation on their screens and what it would cost to provide that service to all the fairs. Commissioner Palmer stated that there will be more to come at later date.

g. Portland Meadows Report (PM)

Will Alempijevic General Manager of PM was present to give the PM report. He stated that Championship Day was a great day. The on track handle was almost 100% greater than it's been on any other average race day.

Mr. Alempijevic reported that since the beginning of this race meet PM has run 30 race days thru Sunday, November 17, 2013. During the comparative period last year, PM had run 50 race days including two partial cancelations. There have been 292 races this year with 2233 starters for an average runner per race of 7.65 versus 6.73 last year.

Mr. Alempijevic reported that average daily purses are \$55,915.00 this year versus \$39,996.00 last year. This is an increase of more than 40% year over year. With regards to handle PM is averaging \$38,000.00 every live race day versus \$28,000.00 last year. This is an average increase of 33% year over year.

Mr. Alempijevic stated that the in-state off track betting handle on PM races is \$5100.00 this year versus \$4200.00 last year. The total in-state wager is \$43,500.00 every race day this year versus \$33,000.00 last year. This is an increase of 31.74%.

Mr. Alempijevic stated that export sales are strong. Average exports this year are \$388,390.00 versus \$251,238.00 last year which is an increase of over 55% year over year.

Mr. Alempijevic reported that during 2012 wagering in Oregon had more live race days scheduled than what is scheduled this year and there were more OTBs open last year than what PM has open this year. He stated that within the state of Oregon this year PM has processed \$27,200,000.00 in wagers versus last year's wagers of \$29,800,000.00 this is a drop of 8.56%.

Mr. Alempijevic stated that PM's marketing program is still in effect and will continue thru the rest of the meet.

h. OHBPA

OHBPA Executive Director Randy Evers stated that the OHBPA is still working on ways to help support the race meet. He stated that the Owner's Incentive Program paid out approximately \$87,000.00 to owners that participated in it. He stated that the OHBPA also committed to pay up to \$400,000.00 of the associations reserves to support the purse account in order to bump up bottom purses. It appears this will be the amount that the OHBPA will be writing a check for to cover that commitment. The OHBPA believes these are the main reason for the increased field size.

Director Evers reported that the board met and decided to do an additional program that it has done in the past called the losing jock mount program. The OHBPA will pay \$50.00 losing jock mount to anyone running 6th, 7th or 8th place.

Director Evers stated that the OHBPA has invested about half of their savings to help support this race meet. He stated that unfortunately this is not a sustainable solution. Director Evers stated that the OHBPA supports the instant racing concept and anything they can do to help move it forward will be considered. He stated that the horseman will have a completed agreement for PMs review regarding instant racing in coming weeks.

New Business:

Discussion and Possible Approval of 2014 ORC Meeting Dates:

Action: Motion to approve the 2014 ORC meeting dates as submitted with staff to select September meeting date to be held at the Harney County Fair race meet in Burns, OR.

Moved by: Commissioner Vice-Chair Charles Williamson

Seconded: Commissioner Huber

Vote: Chair Dudley took roll and the results were 5 Ayes, 0 Nays

December Meeting Discussion:

Commission Vice-Chair Williamson stated that he would like to table the discussion whether to cancel or conduct the December 2013 ORC meeting until after executive session. All were in agreement.

Information, Materials and Approvals:

None

Contested Cases:

None

Other Business As May Properly Come Before the Commission:

None

Public Comment:

OTOBA:

Lynnelle Fox-Smith Executive Director for the OTOBA stated that Championship Day was a great day. She reported that there was a huge crowd and many good races. She thanked PM on behalf of the board of directors of the OTOBA for all the promotion they did and all the support they give the OTOBA. She reported that they did have some trouble filling races for the day. The "Hers" race did not fill and there were shorter fields overall. She stated that the OTOBA held seminars to educate new owners and breeders as to how they can get into the breeding industry. Director Smith stated that the OTOBA will have an exhibit marching in the Macy's Parade the day after Thanksgiving in effort to help increase the awareness of racing in Oregon.

Commissioner Huber asked Director Smith if she had information regarding actual numbers of mares bred from the last breeding season. She stated that the number of

mares bred in 2013 in Oregon was 131. Of that 131 about 20% will result in foals that will make it to the track.

Executive Session:

At 2:15pm Commission Chair Dudley stated that the ORC will now going into executive session to consider information or records exempt from disclosure pursuant to ORS 192.501(2) regarding trade secrets.

Executive Session adjourned at 2:58pm and public session reopened at 2:59pm

Confirmation of the Next Commission Meeting:

The next ORC meeting will be Thursday, December 19, 2013, at 1:30pm in Room 1A of the Portland State Office Building located at 800 NE Oregon Street, Portland, OR 97232

Adjournment:

Action: There being no further business, the meeting was adjourned at 3:02pm

Moved by: Vice-Chair Williamson

Seconded: Commissioner Huber

Vote: Chair Dudley took roll and the results were unanimous with 5 Ayes, 0 Nays