



WHRC Commission Meeting

- Location:** Emerald Downs, 2300 Ron Crockett Drive, Auburn WA 98001, 5th Floor Tribal Council Room and Zoom Video Conference
- Date:** September 8, 2023
- Call to Order:** 9:30 am (PT)
- Adjourned:** 10:08 pm (PT)
- Attendees:** Chair Robert Lopez, Commissioner Douglas Moore, Commissioner Dr. Claude Ragle, Ex Officio Representative Joe Schmick (via Zoom), WHRC Executive Secretary Amanda Benton, Deputy Secretary Ann-Kathrin Zemann, Confidential Secretary Melanie Bowdish

Agenda items

1. Approval of the Meeting Minutes of July 28, 2023

Commissioner Doug Moore moved to approve the Meeting Minutes of July 28, 2023. Commissioner Dr. Ragle seconded. It was moved and seconded that the commission approved the Meeting Minutes of July 28, 2023.

2. Commissioners' Reports

Chair Robert Lopez had nothing to report.

Commissioner Moore attended the Longacres Mile draw on August 9, 2023, with Chair Robert Lopez. He was also present on Championship Sunday at Emerald Downs where the 88th running of the Longacres Mile took place. Furthermore, Commissioner Moore also attended the WTBOA Summer Yearling and Mixed Sale on August 22, 2023. Commissioner Moore also reported on the townhall meeting that HISA organized. He was very disappointed in how that went. One was not able to see the attendees, and they would only take questions that one had to submit in writing

before the meeting. Commissioner Moore felt that the meeting was “orchestrated” and there were no controversial questions asked.

Commissioner Dr. Ragle had nothing to report.

3. Industry Reports

a) Emerald Downs

Phil Ziegler gave the industry report for Emerald Downs. There are four days to go in the 2023 live racing season at Emerald Downs. Generally speaking, the biggest concern according to Ziegler going forward is the instate handle, that appears to be going down nationwide. However, the live handle and the number of people attending the live races has been solid throughout the season and the promotions were popular. The coming Sunday admission to Emerald Downs is free for “Fan Appreciation Day”. There will also be three stakes races on closing day September 17, 2023: the 79th Muckleshoot Tribal Classic, the WA Cup Fillies and Mares Stakes and the 83rd running of the Gottstein Futurity. After the meet is concluded, Emerald Downs will have the proposed dates for next year’s live racing season.

b) WHBPA

WHBPA Executive Director MaryAnn O’Connell agreed with Commissioner Moore on his opinion about the HISA townhall meeting. None of O’Connell questions were answered. Horsemen nationwide are getting discouraged. Her biggest concern is horsemen giving up. The HBPA is running a lawsuit against HISA/HIWU this October. If the HBPA wins, so O’Connell, it might go to the superior court.

c) WTBOA

WTBOA President Dana Halvorson was reporting on the WTBOA Summer Yearling and Mixed Sale. The 58 yearlings sold for a \$730,200 total, a \$12,863 average (down 27.2 percent from 2022) and a \$6,500 median (down 45.8 percent from 2022). RNAs dropped to seven from nine when 76 yearlings sold in 2022. Halvorson assumes that it had a lot to do with the circumstances the last couple of months: closing of Golden Gate Fields, Turf Paradise not running a live race meet in 2023 and the situation with HISA/HIWU. However, the sale itself went well, according to Halvorson. The WTBOA staff did a great job before and during the sale. The next WTBOA sales meeting is in early October.

4. 23/25 Biennium Budget Submission/Financial Statement – Seth Flory – Senior Financial Consultant, Washington State Department of Enterprise Services

Seth Flory went over the budget submission and financial statement for 23/25 Biennium.
(Attached in meeting packet)

5. Little Creek Casino OTB Site

Great location, sportsbook area, large sports bar that can accommodate big parties. Little Creek is willing to help promote race days. Waiting for communication lines to be installed. Wayne Moenoa and Scott Keyport with Little Creek are on the Zoom call.

Bill Frasier- Hopeful that by the end of September the lines and TVs will be set up. There will be one terminal there to cash out and take wagers. Will be a shared area with sportsbook.

Mr. Lopez- This OTB is different than others because it is on tribal land, so our operations are different.

Wayne Moenoa- Still working on preparation for opening, date TBA

6. Hearing before the Commission

a. Silvio Amador – WHRC 2023-012

The appeal was withdrawn and the hearing was cancelled.

7. Executive Secretary's Report

On August 15th Thomas Cassidy of TVG submitted a letter to the Executive Secretary informing the commission that TVG will begin operating a secondary front-end site FanDuel Racing. Accounts applied for at the FanDuel Racing front-end site will be subject to the same procedures to establish an account as those currently applied for at the TVG site. The backend operations of TVG and all accounts will be the same regardless of which front-end site the customer uses. The FanDuel Racing front-end has its own TRA codes and wagers placed through the FanDuel Racing front-end will be subject to TVG's license agreement with Emerald Downs. This letter was for informational purposes only and does not require any action by the commission.

On August 31st, notification was received that the FBG Enterprises Opco, LLC "Fanatics" purchase of Premier Turf Club LLC was finalized. Based upon the commissioners vote at the July 28th meeting, the license order was prepared with the proper licensing dates for the commissioners' signatures.

a. Wagering Recap (July/August 2023) and

b. Monthly Financial Statement (June 2023)

In-state handle for July 2023 was down \$368,875.20 a decrease of 6.5% which combined with the decrease in pari-mutuel tax to 1.3% impacted revenue by \$38,143.12 for July. The in-state handle for August 2023 was down \$666,481.10 a decrease of 13.2% which combined with the decrease in pari-mutuel tax to 1.3% impacted revenue by \$43,001.89 in August. Advanced Deposit Wagering handle for July was down \$1,626,790.96 a decrease of 15.4% however, as of July 1st the commission is no longer collecting the 10% source market fee due to the appropriation from the legislature. For the month of July, this amount would have been \$63,867.60. Revenues for June came in \$3,995 less than expected while expenses were \$27,201 less than the budgeted amount. Overall, the commission recorded an operating loss of \$10,649 for June. The fund balance at the end of June was \$837,121. The July financial report was not received in time to be included in the packet due to the end of the fiscal year and close of the 2021-2023 biennium, it will be included in the October packet.

8. Approval of Travel (tentative) – December ARCI Model Rules and Board of Directors Meeting and RTIP Symposium

Travel cost pp would be around \$1900. \$550 less for alumni.

Mr. Moore, would lower cost slightly by flying in Monday morning.

Mr. Lopez- Move to approve, Dr. Ragle 2nd. Motion carries.

Mr. Moore- next weekend is closing weekend, motion to approve commissioners to attend. Dr. Ragle 2nd. Motion carries.

9. Discussion Items – Commissioners

10. Any other business that may be properly brought before the Commission

Nothing to report.

The next meeting of the Washington Horse Racing Commission will be held on October 13, 2023, at 9:30 am at Emerald Downs and via Zoom.



Amanda Benton, Executive Secretary