



MONTANA BOARD OF HORSE RACING

Minutes of Board Meeting: November 13, 2019 - 10:00 a.m.

Department of Commerce - Helena, MT

301 South Park Avenue - Helena, MT

MEMBERS IN ATTENDANCE:

Chairman: John Hayes, Great Falls
Member: Shawn Real Bird, Hardin
Member: Ralph Young, Columbus
Member: Gary Koeplin, Florence
Member: Barry Stang, Helena
Executive Secretary: Tom Tucker, Corvallis

MEMBERS ON PHONE:

Vice Chairman: Dale Mahlum, Missoula
Member: Jody Smith, Miles City

MEMBERS ABSENT:

None

PUBLIC IN ATTENDANCE:

Robert Tooke, Justin McPherson, Dan Fuchs, John Iverson, Melissa Frazee, Sparky Kottke, Diane Kottke, Neil Peterson, Ronda Wiggers, Don Richard

PUBLIC ON PHONE:

K-Heart Veterinarian Clinic, Taylor Alonzo, Adam Schafer, 1-unknown phone number

CALLED TO ORDER:

Chairman John Hayes called the meeting to order at 10:00 a.m. He welcomed those at the meeting. The Chairman then asked for a roll call. Board members present were John Hayes, Shawn Real Bird, Barry Stang, Gary Koeplin, and Ralph Young. Vice Chairman Dale Mahlum and Member Jody Smith were on the phone. Chairman Hayes then asked for a motion to approve the minutes from the July meeting. Member Koeplin moved to approve the minutes, Member Young seconded the motion. Motion passed.

Executive Secretary Tom Tucker reviewed the financials. In 2019 the board experienced an increase in revenues from Advance Deposit Wagering while the simulcasting dropped about \$42,000 due mainly to only 3 locations. Board expenses for meetings jumped to \$7,000 as the members are now being reimbursed for travel and meals. The board also made two payments in this fiscal period in an attempt to retire the debt to the Department of Administration. Fantasy Sports revenues remain within \$3,000 of the previous year. After some discussion, Member Koeplin moved to accept the financials. Member Stang seconded the motion. Motion passed.

With the cash in the bank, Member Young moved to make the last payment on the \$628,427 debt started in 2012. This is 3 years ahead of the deadline. Member Koeplin seconded the motion. Motion passed.

Chairman Hayes asked for public comment. Hearing none, he asked Tucker to move on to agenda item 5. Tucker then reviewed the expenses for both Great Falls and Miles City race meets. With the limited number of days and the travel of the officials, the board experiences high costs. Net loss to the board for Miles City this year was \$17,077.63. Miles City canceling their last weekend added to these costs as all the officials were already in place. Great Falls cost the board \$17,204.83. Normally this is a little lower but the handle in Great Falls was down from previous years.

Discussion was then opened on a letter the board received from Denise Linford. Two points were primarily discussed. The need for vets to come work the tracks without always relying on the state vet. Over the last 4-5 years, vets in Miles City have become reluctant to come to the track due to: (a) lack of work and (b) problems being paid. Member Young stated the problem exists more in Miles City than Great Falls. Member Smith felt she might be able to talk with some vets and see if something can't be done in Miles City. Member Real Bird mentioned his concerns of the State Veterinarian working on the backside since no other vets are around. Chairman Hayes added that trainers need to work on securing services. Miles City Director of Racing, Don Richard said he has tried to talk with two vets in Miles City and Forsyth and they just don't want to come to the track. Member Smith from Miles City said she will try and talk to some for the 2020 racing. The other issue was with lasix and by Montana rules, you need permission from the State Veterinarian to run on lasix. Montana accepts other jurisdictions lasix lists, but without other vets at the track, to get a horse on lasix can be an issue. Tucker mentioned the lasix rules need to be reviewed and he hoped to have some more information by the February conference call to add to the discussion and possible rule changes.

Executive Secretary Tom Tucker then went through a document that was given to board members to review in regards to historical horse racing gaming machines. It was a first draft for a presentation that will be given to the Economic Affairs Interim Committee Hearing in Helena at the end of April. The board is looking at proposing legislation for the 2020-2021 session dealing with historical horse racing gaming machines. Tucker went through the items and asked the board members to review the document and give him suggestions on how it might be improved. He also promised to email it to gaming industry leaders that were present at the board meeting as well as any other

people that are interested. The document reviews the state of the horse racing industry and the need for financial support; support that could come from implementing HHR machines similar to Wyoming. A general discussion then took place. Neil Peterson reviewed what was going on in Wyoming and handed out charts of information. Ronda Wiggers stated there could be an issue with the difference of parimutuel and the current win/payout structure of the keno/poker machines. John Iverson questioned the number of machines and if they would be grouped like they are in Wyoming; caps on wagers and payouts? All of the questions will need to be addressed in the development of any legislation. Dan Fuchs made some comments on bringing in new players with higher payouts. Will it develop new players or move them around, was another question by Mr. Peterson.

Tucker then talked about "Outs" tickets: Miles City-\$1,285.20. Great Falls-\$6,124.40. Great Falls wants to spend their money on betting windows and Miles City will improve their stewards stand. Member Koeplin moved to accept these projects for use with the "Outs" tickets money. Member Real Bird seconded the motion. Motion passed.

Item 9 was discussion on helping Dr. Manzer attend a Veterinarians Continuing Education conference in California in March. Board members agreed this was important and would like to have a single page report when Dr. Manzer returns. It was moved by Member Koeplin to contribute \$1,000 to her travel, lodging and registration. Member Real Bird seconded the motion. Motion passed.

Tucker discussed the micro-chipping of horses and that in 2020, the TRPB will no longer be tattooing horses. The AQHA and other breeds will still be tattooing. This means the board will need to purchase some equipment. A duplicate set of equipment will be about \$1,200 (\$600 each).

Item 11, Tucker talked about the use of the InCompass race office system to disseminate vet information about horses moving from state to state. In 2020, Tucker will have the race offices log onto the system and use it instead of relying on other states to send this information.

Tucker then went through the list of proposed rule changes and comments followed. It was moved and seconded to accept the following rule changes and have them noticed for the public:

1. Replace Department of Livestock with Department of Commerce in rules: **8.22.2301 (1)**, **8.22.2401(1)** and **8.22.3901(5)**.
2. Add "unless that single entry is an 'in-today' horse" at the end of rule **8.22.3001 (35)**
3. Add new rule: **8.22.2813(5)** - Assistant Starters - requiring them to wear safety helmet and vest while working around the horses.
4. Change the racing colors to match the standard racing colors around the country. The following post position colors will change to: #5: Green, #6: Black, #7: Orange, #8: Pink, #9: Turquoise, #10: Purple

Rules regarding lasix and its implementation were tabled to allow Tucker to get more information together.

No public comment was heard. Nothing was presented under Old Business.

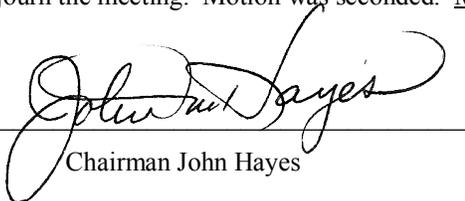
Under New Business Tucker presented a letter from Cathy Moser requesting written support and financial support of her book writing project. The board decided not to support it financially.

Member Real Bird stated its important to send people to conferences around the country. Member Koeplin moved to have Tucker look into a conference that he or a board member could attend. Member Real Bird seconded the motion. Motion passed.

It was moved and seconded to adjourn the regular meeting and take ten minutes before moving into the 2020 date hearing. Motion passed. After the break, Chairman Hayes opened the date hearing. Tucker went through the date applications and pointed out the check-list of items that each track needed to submit. Without any date conflicts, it was a matter of deciding how much each track would get for financial support from the board. Member Young moved that Great Falls received \$100,000 and Miles City \$50,000. Member Koeplin seconded the motion. Motion passed.

A discussion then developed in which a little extra support should go to each track to help them with equipment purchases to better maintain their race tracks. Member Real Bird mentioned that both tracks should watch for bankruptcy and sheriff sales at other tracks as well as farm & ranch facilities as some of this equipment is very reasonable. Member Koeplin moved to set aside \$4,000 for each track to help purchase equipment. Member Young seconded the motion. Motion passed.

It was decided to have the next meeting as a conference call on Tuesday February 11, 2020 at 10:00 AM. Member Koeplin moved to adjourn the meeting. Motion was seconded. Motion passed at 1:00 PM.


Chairman John Hayes

February 11, 2020

Date

