



Ohio State Racing Commission
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Mike DeWine
Governor

Scott Borgemenke
Chairman

Minutes of the Ohio State Racing Commission Meeting held on Wednesday, September 13, 2023

- 1) The Ohio State Racing Commission ("OSRC") held its monthly meeting at 10:00 a.m. on September 13, 2023, at the Verne Riffe Center, Room 1948, 19th floor, 77 S High Street, Columbus, OH 43215.
- 2) Call to Order and Roll Call: The Commission Chairman called the meeting to order. Chairman Scott Borgemenke, Commissioners Beth Hansen, Greg Simpson, Tom Winters, and Dan McCarthy were present.
- 3) Commissioner Simpson moved to approve the July 12, 2023, Commission meeting minutes. Commissioner Hanson seconded the motion. The motion was unanimously approved by roll call vote.
- 4) Executive Director Dragone discussed the Executive Director's approvals. Commissioner Hanson motioned to approve the Executive Director approvals, and Commissioner Simpson seconded the motion. Executive Director Dragone reported on the allegations made at the last commission meeting regarding the Presiding Judge at Scioto. After a full investigation, the allegations had no factual basis, were unwarranted, non-existent, and were summarily dismissed. Chairman Borgemenke mentioned the Commission is going to review the use of fine money and anything that is in the pipeline will be approved. The Commission will put a hold on the rest and will have a public discussion on the fine money. The motion was unanimously approved by roll call vote.
- 5) Executive Director's Reports:
 - a. Mahoning 2023 Meet Request: Commissioner Simpson motioned to approve the 2023 Mahoning Meet request, and Commissioner Hansen seconded the motion. The officials were approved, and it was noted full approval was conditioned on Mahoning submitting the Fire Marshal's report to the OSRC. The motion was unanimously approved by roll call vote.
 - b. Dayton 2023 Meet Request: Commissioner Winters motioned to approve the 2023 Dayton Meet request and Commissioner Simpson seconded the motion. The officials were approved, and it was noted full approval was conditioned on Dayton submitting the Fire Marshal's report to the OSRC. When asked by the Chairman, the OHHA said they had approved the export signals. The motion was unanimously approved by roll call vote.
- 6) Update on Horse Fatalities: Dr. James Robertson updated the Commission on horse fatalities in Ohio. 2023 has a total of 28 Equine deaths which includes racing, training, and sudden deaths. There have been 27 Thoroughbreds and 1 Standardbred. Chairman

Borgemenke asked about sudden deaths, whether there had been an increase in sudden deaths. Dr. Robertson reported that the numbers can vary, but there has not been a statistically significant increase in the past 7 years. Dr. Robertson said that many times it is difficult to know exactly what the cause of death was. There was one sudden death that was caused by exercise induced pulmonary hemorrhage, but most of the time there is no cause of death.

- 7) Monthly Financial Report: Fiscal Officer Sherry White said compared to the last fiscal year, the Commission is down approximately \$23,000. In addition, revenues and expenses decreased by 20%. This is due to HISA taking over the testing for the Thoroughbred side. The Commission has over two million in the operating fund. The Chairman noted that licensing and fingerprinting are revenue-neutral, and it is the intention of the OSRC for those to remain revenue neutral. We do operate the Commission and full-time employees are down approximately 50%. The wagering tax has been declining, but this has been stabilized by the casino revenues that had been increasing. This substitution has now been changed as wagering taxes are declining and casino revenues are now flat. The Commission does have the ability to increase the casino's revenues from the 5% that we currently receive to the 10% which is allowed by statute. The Chairman mentioned it has not been the intention of the Commission to change the 5%, but the Commission cannot run structurally operating deficits. The revenues received need to equal our revenues out. The Commission surplus funds for one-time money cannot be used for an ongoing expense. As the Commission goes through budgetary reviews, there may potentially be an increase of the rate that the Commission receives from the casino revenue. Any discussion on an increase will be completely transparent, with ample notice and in conjunction with stakeholders.
- 8) Update on HISA: this was removed from the agenda.
- 9) Committee Reports:
 - a. Medication – There was no report.
 - b. Safety – There was no report.
 - c. Standardbred – Ohio Super Night at Scioto was a success. There was a good crowd, and it was a good night of racing. The Standardbreds raised a concern about the rules definitions that had been submitted to JCARR. The Chairman noted these combinations are being done to comply with a legislative mandate, SB 9. Commission staff and the OHHA are going to get together and find common ground and where they can't find common ground, the Chair will decide. In addition, the Chairman mentioned that Robert Schmitz, a former Executive Director of the OSRC has the respect of the Commission and the industry for all the work he has done. Commissioner Winters noted Schmitz was going to be inducted into the Little Brown Jug Hall of Fame. It is a wonderful recognition and the Commission members are very proud of him.
- 10) Adjudications: The Chairman reminded everyone that for adjudications there has been a hearing at the Judges/Stewards level, and another hearing with a hearing officer. The Commissioners vote whether or not to approve the hearing officer's report and recommendation.

- a. Lanny E. Merriman – Lanny Merriman did not appear, nor did he submit an objection to the hearing officer's report. Yosef Schiff, AAAG, summarized the hearing officer's report and recommendation and requested the Commission adopt the hearing officer's report upholding the Judges' ruling. Commissioner Winters moved to approve the hearing officer's R&R, and Commissioner Simpson seconded the motion. After due consideration, the Commissioners voted unanimously by roll call vote to approve the hearing officer's R&R.
- b. John D. Perrin – Commissioner Winters moved to approve the hearing officer's report and recommendation and Commissioner Simpson seconded the motion. John Perrin did not appear, nor did he submit an objection to the hearing officer's report. Todd DeBoe, AAG summarized the report and recommendation and requested the Commission to adopt the hearing officer's recommendation upholding the Judges' ruling. Commissioner Hansen asked to clarify the timeline. After due consideration, the Commissioners voted unanimously by roll call vote to approve the hearing officer's R&R.

11) Commissioners Comments: The Chairman commented that it is non-negotiable that Miami Valley must have their ponds fenced in prior to the approval of dates. He also referred to licensing fees, noting they have not increased in the past 15-20 years and our license fees are reasonable. However, technology costs are increasing and revenue out must equal revenue in. He noted the commission will not be making money nor operating on licensing fees. The Commission is looking into a new licensing system which will incur a capital expenditure for the Commission.

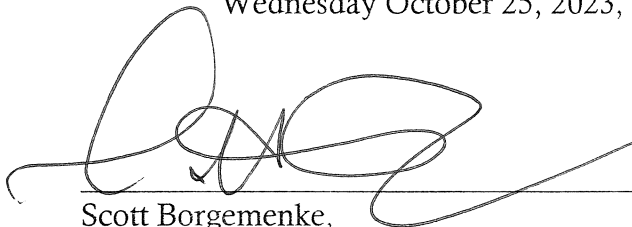
12) Public Comments: There were no public comments.

13) Executive Session: Commissioner Winters moved to go into executive session to discuss staffing issues and pending court cases.

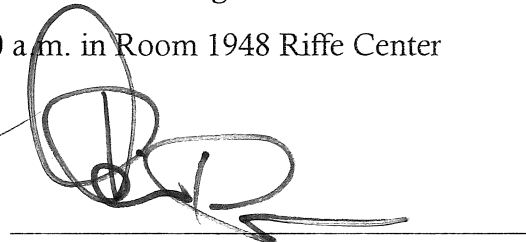
14) Adjournment: The Commission meeting was adjourned at 10:45 a.m.

Date, Time, and Place of Next Meeting

Wednesday October 25, 2023, at 10:00 a.m. in Room 1948 Riffe Center



Scott Borgemenke,
Chairman
Ohio State Racing Commission



Christopher Dragone
Executive Director
Ohio State Racing Commission