

**NORTH DAKOTA RACING COMMISSION**  
**Live and Telephone Meeting**  
**Bismarck Public Library, 515 N 5<sup>th</sup> Street, Room A, Bismarck, ND**  
**Tuesday, July 12, 2011 – 10:30 a.m. (central time)**

**Call to Order:** Chairman Jim Ozbun called the meeting to order at 10:40 a.m.

**Present:** Chairman Jim Ozbun, Commissioner Andy Maragos and Commissioner Steve Hartman. Commissioner Tom Senftner was absent. In the near future, the Governor will appoint a new Commissioner to fill the vacant position which the term expired on June 30th. Also present were Director of Racing, Winston E. Satran, Legal Counsel, Bill Peterson and Administrative Staff Officer, Helen Tessmann.

**Others Present:** Dr. Allen C. Hoverson, John Ford, Debbie Eisenhauer, Ron Klein, LJ Harsche, Robert Wilson, John Bubel, Wes Heinert, Garry Saundh, David Bernsen, Mark Thurman, Christian Heap, and Gail Hrdlicka.

**AGENDA**

1. **Approval of Minutes** – May 17<sup>th</sup>, 2011 Meeting
2. **Appointment of NDRC Chairman as Ex-officio Member**
  - ND Horse Park Foundation Board
3. **Totalizator Providers**
  - a. AmTote International, Inc. - Final approval of change in ownership structure
  - b. Presentation by Tasmania Representative
4. **John Ford – White Label Presentation**
5. **Awarding of Contracts**
  - a. Breeders' Fund Registry Administrator
  - b. Account Deposit Wagering (ADW) Auditing Services
6. **Audit Report of 2010 Breeders' Fund Awards**
  - By Debbie Eisenhauer
7. **Director's Reports**
  - a. Administration Rules Approval
  - b. Future Administration Rules Revisions
  - c. ORDA - Chippewa Downs Race Meet, Belcourt, ND
    - Investigation into pre-race incident
    - Track Tattooer
  - d. New Wagers
  - e. Nominations for NDRC Commissioner
    - Seeking nomination from the Belcourt area.
8. **Adjournment**

**MINUTES**

1. **Approval of Minutes – May 17<sup>th</sup>, 2011 Meeting**

Previously all Commissioners received the May 17<sup>th</sup>, 2011 meeting minutes to review.

**A motion was made** by Commissioner Maragos and seconded by Commissioner Hartman to accept the minutes of May 17<sup>th</sup>, 2011 meeting as presented. All Commissioners voted aye and hearing no negative vote the motion passed.

**2. Appointment of NDRC Chairman as Ex-officio Member**

- ND Horse Park Foundation Board

Director Satran reported that Chairman Ozbun and Director Satran visited with the Horse Park Foundation in Fargo on May 9<sup>th</sup> and 10<sup>th</sup>, 2011. Director Satran recommended Chairman Ozbun serve as Ex-officio Member to the ND Horse Park Foundation Board.

Director Satran reported that Horse Race ND and the ND Horse Park Foundation are facing major financial obligations over 3M dollars, over the next 25 years, to the city of Fargo which must be paid.

**A motion was made** by Commissioner Hartman and seconded by Commissioner Maragos to approve ND Racing Commission's Chairman Jim Ozbun to serve on the ND Horse Park Foundation Board as an Ex-officio member. All Commissioners voted aye and hearing no negative vote the motion passed.

**3. Totalizator Providers**

- a. AmTote International, Inc. - Final approval of change in ownership structure

Director Satran recommended that the ownership changes submitted in writing by AmTote should be accepted by the Commission.

The ND Racing Commission office received a request from Typhoon Gaming Pty Ltd (Media & Gaming Inc.) to amend their license to their U.S. company, Typhoon Gaming, Inc. (A change to the original license application.)

All paperwork has been completed by both entities.

**A motion was made** by Commissioner Maragos and seconded by Commissioner Hartman to approve the changes made in management for AmTote International, Inc. and the amend the license name change for Typhoon Gaming Inc. Roll call was taken: Maragos-Y, Hartman-Y, and Ozbun-Y. Motion passed.

- b. Presentation by Tasmania Representative

Mr. Christian Heap with Tote Tasmania showed a power point presentation to the Commissioners on the history, location, growth and services of the company. Tote Tasmania is considering applying for a license with North Dakota Racing Commission as an Account Deposit Wagering provider.

**4. John Ford – White Label Presentation**

John Ford, President of BAM Software explained the purpose and legality of White Labeling. Mr. Ford reported that a product created by one company can be sold to another company for retail sales under their own label. This was Mr. Ford's second explanation of White Labeling to the Racing Commission.

**5. Awarding of Contracts**

- a. Breeders' Fund Registry Administrator

The contract for the ND Breeders' Fund Registry Administrator has been awarded to Management, Clerical and Consulting Services, LLC, Gail Hrdlicka, Owner.

- b. Account Deposit Wagering (ADW) Auditing Services

A Request for Proposal has been issued by the ND State Procurement Office announcing the opening for a new contract for the ADW Auditing Services. Proposals have been submitted and a determination of the new Auditor will be announced July 14<sup>th</sup>, 2011.

**6. Audit Report of 2010 Breeders' Fund Awards**

- By Debbie Eisenhauer

Debbie J. Eisenhauer, CPA, presented a report on the audit results of the 2010 Breeder's Fund Awards. After completion of the audit, a determination was made that all calculations, allocations and disbursements for the 2010 racing season were calculated correctly.

**A motion was made** by Commissioner Maragos and seconded by Commissioner Hartman to accept the audit report submitted for the 2010 Breeders' Fund Awards. All Commissioners voted aye and hearing no negative vote the motion passed.

**7. Director's Reports**

a. Administration Rules Approval

Director Satran reported that the Administrative Rule changes have been approved and are effective July 1, 2011.

b. Future Administration Rules Revisions

Director Satran requested approval from the Commission to draft revisions to the Administrative Rules for racing and begin the same process as was done in changing the Administrative Rules. After discussion with several individuals at the Belcourt Race Meet it has become necessary to make changes to rules that affect conduct and licensing. The current distribution of dollars to the Promotion Fund, Purse Fund and Breeders Fund also need to be reviewed.

**A motion was made** by Commissioner Maragos and seconded by Commissioner Hartman to authorize Director Satran to begin drafting proposed rule revisions that will enhance the racing climate in North Dakota. All Commissioners voted aye and hearing no negative vote the motion passed.

Commissioner Maragos stated that the Commission needs to prepare a legislative agenda for the 2013 session to establish NDRC's credibility and to explain what the Commission is trying to accomplish for horse racing in the State of North Dakota.

c. ORDA - Chippewa Downs Race Meet, Belcourt, ND

Director Satran pointed out some conflicts that occurred at the race meet which was another indication that the rules for racing must be revised and regulated.

- Investigation into pre-race incident

Dr. Allan Hoverson, Racing Commission Veterinarian, reported on incidences that occurred at the track where horses had died. The carcasses were transported to Fargo for testing. The test results showed no diseases and no other indication of toxins. Further investigation was done to determine cause of death. It was later found that a combination of vitamins was injected into the horses which caused an anaphylactic reaction. Dr. Hoverson provided the Commission with some recommendations that he would like to see initiated for future races.

- Track Tattooer

Director Satran reported that the race track did not have a designated track tattooer which caused problems in getting horses tattooed. A follow up with the proper organizations will have to be done to insure more consistent tattooing services.

d. New Wagers

The new wagers were also approved by the Legislative Committee and we will begin to implement the changes over the next year.

e. Nominations for NDRC Commissioner

- Seeking nomination from the Belcourt area.

Director Satran stated that nominations will be requested from the Belcourt area to fill the open NDRC Commissioner's position.

**8. Adjournment**

**A motion was made** by Commissioner Maragos and seconded by Commissioner Hartman to adjourn the meeting at 12:40 p.m. All Commissioners voted aye and hearing no negative vote the motion passed.