

North Dakota Racing Commission Meeting
State Capitol Building, Peace Garden Room
600 East Boulevard Avenue, Bismarck, ND
Thursday, September 19, 2024 – 10:30 a.m., Central Time
(701) 328-7850 Meeting ID: 16120915#

Minutes

Call to Order: Chairman Tracy Hanson called the meeting to order at 10:35 a.m.

Present: Chairman Tracy Hanson, Commissioner Richard LaFromboise, Commissioner Mike Schmitz, Executive Director Bruce Johnson, Administrative Officer Gail Allensworth, and Legal Counsel Steve Hanson

On the Phone: Commissioner Jessica Benson

Others Present: Robbie Wilson, Leigh Backhaus, Scott Horst, and Leon Glasser

Others on the Phone: Hugh Drexler, and James Pettie

AGENDA

1. **Approval of Minutes** – May 31, 2024, Meeting
2. **Fiscal Year Report 2023-2024** – Review of Funds
 - a. General Fund
 - b. Breeders Fund
 - c. Purse Fund
 - d. Promotion Fund
3. **2023 Breed Fund Audit Report**
4. **Breed Fund Database & Reports Update**
 - a. Knowledge Transfer & Final Testing Phase
 - b. Project Cost
 - c. Monthly Maintenance

5. Director's 2024 Race Meet Reports

- a. Chippewa Downs/ND Horse Park
 - i. Attendance
 - ii. Horsemen
 - iii. Live Racing
 - iv. Pari-Mutuel Handle
- b. Key Positions Review
 - i. Stewards
 - ii. Security
 - iii. Others

6. Internship Program Update

- a. Participation
- b. Achievements
- c. Future of Program

7. Grant Recipient Reports

- a. Horse Race North Dakota (HRND) – Hugh Drexler
 - i. Promotion Fund
 - ii. Purse Fund
 - iii. Pari-Mutuel Wagering
 - iv. General Overview
- b. Outdoor Recreation and Development Association (ORDA) – Robbie Wilson
 - i. Promotion Fund
 - ii. Purse Fund
 - iii. Pari-Mutuel Wagering
 - iv. General Overview
- c. North Dakota Thoroughbred Association (NDTA) – Scott Horst
 - i. Banquet

8. Historical Horse Racing – What the Future Holds

9. Horsemen's Advisory Council – Meeting Location and Date

10. Next Meeting Date – November 14

11. Any other business which may properly come before the Commission

12. Adjournment

1. Approval of Minutes – May 31, 2024, Meeting

Previously, all Commissioners had received a copy of the minutes to review.

Chairman Hanson asked if there were any additions or corrections to the minutes of May 31, 2024, as presented. Hearing none, Chairman Hanson called for a vote. All Commissioners voted aye and hearing no negative vote, the minutes were approved.

2. Fiscal Year Report 2023-2024

- a. General Fund
- b. Breeders Fund
- c. Purse Fund
- d. Promotion Fund

Executive Director Johnson provided the Commissioners with an update on the General, Breeders, Purse, and Promotion Funds. There was discussion regarding the balances of the funds, and questions were asked by the Commissioners which Executive Director Johnson answered.

No motions needed.

3. 2023 Breed Fund Audit Report

Executive Director Johnson reported that Debbie Eisenhauer completed the audit of the 2023 Breed Fund for the in- and out-of-state awards. During the audit it was discovered that three individuals were overpaid. All three individuals earned breed fund points this year and their overpayments will be deducted from their 2024 in-state breed fund awards. All other individuals were paid properly.

Executive Director Johnson recommended that the Commissioners approve the Audit.

A motion was made by Commissioner Schmitz and seconded by Commissioner LaFromboise to approve the 2023 Breed Fund Audit. Schmitz – Y, LaFromboise – Y, Hanson – Y, and Benson – Y. Motion passed.

4. Breed Fund Database & Reports Update

- a. Knowledge Transfer & Final Testing Phase
- b. Project Cost
- c. Monthly Maintenance

Executive Director Johnson advised the Commissioners that NDIT was nearing completion on the new Breed Fund database & report system. However, additional funding was needed to finish the project. The total amount needed was \$5,554.26. Executive Director Johnson recommended that the Commissioners approve the additional funding and reminded the Commissioners that the monthly maintenance fee for the new database starts at \$638 and will likely be going up in the new biennium.

A motion was made by Commissioner Schmitz and seconded by Commissioner LaFromboise to approve \$5,554.26 from the Breeders Fund, to NDIT to complete the breed fund database and report system. Schmitz – Y, LaFromboise – Y, Hanson – Y, and Benson – Y. Motion passed.

- 5. Director's 2024 Race Meet Reports**
 - a. Chippewa Downs/ND Horse Park
 - i. Attendance
 - ii. Horsemen
 - iii. Live Racing
 - iv. Pari-Mutuel Handle
 - b. Key Positions Review
 - i. Stewards
 - ii. Security
 - iii. Others

Executive Director Johnson shared with the Commissioners what he has learned from working at Chippewa Downs and the North Dakota Horse Park for the past two years, including the areas where he feels improvement is needed; the things that he feels are working well, and some ideas for change.

No motions needed.

- 6. Internship Program Update**
 - a. Participation
 - b. Achievements
 - c. Future of Program

Executive Director Johnson updated the Commissioners on how the Internship Program went this summer. The Interns for the Racing Commission were Lukas Fleming and Jevlyn Medina. They both worked in the licensing office and when the licensing office closed for the day, they assisted in other areas of the racetrack. Lukas helped the State Veterinarian at both tracks, and Jevlyn worked in communications and videography at both tracks.

Executive Director Johnson stated that the program is very important for the Racing Commission and to him personally, and that he wants to continue the program. He stated that only two Interns are needed, and that no Safety Steward is needed at the Racing Commission.

No motions needed.

- 7. Grant Recipient Reports**
 - a. Horse Race North Dakota (HRND) – Hugh Drexler
 - i. Promotion Fund
 - ii. Purse Fund
 - iii. Pari-Mutuel Wagering
 - iv. General Overview

Executive Director Johnson introduced Hugh Drexler, General Manager of Horse Race North Dakota (HRND), who provided an overview of their 2024 race meet.

Mr. Drexler provided some of the positives of the meet: 1) Attendance was up; 2) Purses were up significantly; 3) There weren't any fatalities on the track; 4) the water truck was fixed & the starting gate was repaired; 5) they hired a gaming manager.

Mr. Drexler provided some items that were less than ideal: 1) Staffing is a significant cost; 2) Handle was down a bit; 3) FastBet Mobile did not make any money; 4) It cost \$100,000 for the extra weekend.

- b. Outdoor Recreation and Development Association (ORDA) – Robbie Wilson
 - i. Promotion Fund
 - ii. Purse Fund
 - iii. Pari-Mutuel Wagering
 - iv. General Overview

Executive Director Johnson introduced Robbie Wilson, Chairman of Outdoor Recreation and Development Association (ORDA), who provided an overview of their 2024 race meet.

Mr. Wilson provided some of the positives of the meet: 1) they had \$342,800 in purse money; 2) the Horsemen's Incentive – Robbie went to Nebraska & Montana (\$2,400 returned to Racing Commission); 3) 145 Horses on the ground – up from 96; 4) The Tribe provided a new water truck, new tractor, & new security system.

- c. North Dakota Thoroughbred Association (NDTA) – Scott Horst
 - i. Banquet

Executive Director Johnson introduced Scott Horst, President of the North Dakota Thoroughbred Association, who provided an update on how the grant funds were utilized for a Horsemen's Appreciation Banquet in Belcourt.

No motions needed.

8. Historical Horse Racing – What the Future Holds

Executive Director Johnson provided his perspective on historical horse racing to the Commissioners and how it relates to the Racing Commission and horse racing in North Dakota.

No motions needed.

9. Horsemen's Advisory Council - Meeting Location and Date

Executive Director Johnson said that the meeting will be held on October 17 at the State Capitol with a meeting room to be determined. He will send out the details soon.

10. Next Meeting Date - November 14 in Bismarck

11. Any other business which may properly come before the Commission

- Leigh Backhaus asked that the racetracks offer two races a day for ND-bred horses.
- Chairman Hanson suggested that it be brought up at the Horsemen's Advisory Meeting.
- Leigh Backhaus asked about security in the Jockey's Quarters.
- Scott Horst stated that the NDTA has a meeting on Sept. 28, and he will bring information from the NDTA members from that meeting to the Horsemen's Advisory Council Meeting.
- Jim Pettie extended a thank you to: Peggy Johnson, Robbie Wilson at ORDA, Commissioner Schmitz, Bob Jeanotte, Steve Herman Jr., Intern Lukas Fleming, Executive Director Johnson, and the horsemen for their assistance at the racetracks this summer.
- Executive Director Johnson mentioned that there are two shows coming up and that if he would need to go to either or both, he would need authorization to travel from the Commissioners. The two events are the Global Gaming Expo in Las Vegas, October 7-10 & the Global Symposium on Racing in Tucson, December 9-11.

A motion was made by Commissioner Schmitz and seconded by Commissioner Benson to authorize Executive Director Johnson to travel to Tucson for the Global Symposium on Racing. Schmitz – Y, Benson – Y, Hanson – Y, and LaFromboise – Y. Motion passed.

12. Adjournment

A motion was made by Commissioner Schmitz and seconded by Commissioner LaFromboise to adjourn the meeting. All voted aye and hearing no negative vote the motion passed.

Meeting was adjourned at 12:35 p.m.