



MINUTES

Oregon Racing Commission July 22, 2010

Meeting Detail

The Oregon Racing Commission met on Thursday, July 22, 2010 in Room 1B of the Portland State Office Building located at 800 NE Oregon Street, Portland, Oregon.

In Attendance

Commissioners: Chair Stan Robson, Vice Chair Chris Dudley, Michael Huber, DVM, Kerry Johnson and Charles Williamson.

Staff: Randy Evers (Executive Director), Kelly Gabliks (Assistant Attorney General)

As noticed, the meeting commenced at 12:00 pm and the Commission immediately went into executive session pursuant to ORS 192.660(2) (f); ORS 192.660(2) (h); and/or ORS 192.690(1). The executive session ended at 1:26pm.

Call to Order

Commission Chairman Stan Robson called Public session to order at 1:34 pm.

Agenda Items

1. July 22, 2010 Meeting Agenda

Action: Motion to approve the agenda with two changes to remove Harney County Fair for approval of race officials, take out and medications. And add Roger Nyquist to New Business.

Moved by: Johnson

Seconded: Dudley

Vote: 5 Ayes, 0 nays

2. June 25, 2010 Meeting Minutes

Commissioner Dudley stated he would like to see a correction to the minutes that reflect which Commissioner voted with an "aye" or "nay" when there is split vote.

Action: Motion to approve the meeting minutes for June 25, 2010 with a correction to reflect each Commissioner's vote on the motions made to approve Oregon Racing, Inc. (Portland Meadows) license renewal.

Moved by: Johnson

Seconded: Dudley

Vote: 5 Ayes, 0 nays

June 30, 2010 Special Teleconference Meeting Minutes

Action: Motion to approve the minutes from June 30, 2010 Special teleconference meeting with a correction to the vote to approve the Agenda to 4 ayes, 0 nays.

Moved by: Dudley

Seconded: Johnson

Vote: 5 Ayes, 0 nays

Commissioner Dudley apologized to the Commissioners for not being available at the June 30, 2010 teleconference meeting.

3. Subcommittee Update Reports

a. Advanced deposit wagering and Multi-jurisdictional Hubs

Commissioner Johnson stated that there was nothing to report this month, but they have a meeting scheduled at 10:30 on August 19, 2010.

b. Best Practices

Commission Vice Chair Chris Dudley stated that he had distributed the best practices performance score card to all the Commissioners earlier in the month for scoring.

All score cards had been completed and returned. Eleven of the fifteen best practice score's were at one-hundred percent compliance, three of them were at eighty percent compliance and one was at sixty percent compliance.

Commissioner Dudley reported that the Executive Director's performance review was the practice with a sixty percent score and this is due to the review being in process but unfinished due to the time line.

He stated that the Executive Director's review would be completed and he would have the score at the August meeting and that the overall scores should look better at that time.

Commissioner Dudley stated that the practice of continued education for Commissioners was another area that needed improvement. He stated that there had not really been much continued education that the Commissioners had attended.

Commission Chair Stan Robson stated that he had been to a continued education class and that it was very beneficial. Commissioner Robson provided copies of the handout from his class for the other Commissioners to review. Commissioner Dudley suggested that the Commissioners attend a training session that is coming up in the fall.

c. **Budget and Hub Funds**

Commissioner Robson stated that Commissioner Johnson, Executive Director Randy Evers and himself had met that morning ahead of the Commission meeting regarding the budget. He asked Director Evers to give the overview of where the budget is for the next biennium.

Director Evers stated that the 2011-2013 budget begins review in July of 2010 and is projected out to June 2013. When they began, it looked like the budget would end June 2013 about \$250,000 short which is not acceptable in state government.

With the participation of Commissioner Robson, Johnson and Nancy Artmann, Program and Administrative Coordinator some changes have been made in order for the Commission to be put into a positive cash flow position. On the expenditure side approximately \$300,000 has been cut from the budget.

The Commission is not filling the Licensing position instead that work will now be done partly by our Investigators and partly by the Totalizator Auditor. We have had a reduction in our appeals which is a savings of approximately \$40,000 in our Attorney General expenses from the last biennium.

There is about \$140,000 savings in two accounts one called "services and supplies" and another called "other services and supplies" this is approximately \$300,000 reduction in expenditures.

On the Revenue side, we are going to put together some marketing strategies to attract new ADW's that may not be licensed in the State of Oregon currently. This should generate about \$290,000.

There is a legislative concept in legislature right now that will allow us to raise license fees for our stakeholders, owners, trainers, jockeys ect. This increase is estimated to generate approximately \$50,000 in new revenue.

With \$300,000 in reduction of expenditures, \$350,000 potential increase to revenue, that would put us in the position of having approximately \$400,000 cash in the bank at the end of the next biennium. The legislative fiscal analyst wants us to have three to four months operating capitol. Our expenses are about \$140,000 per month so that gives us around three months of working capital at the end of June 2013.

Commissioner Robson stated that the Commissioners made some changes to the text in the budget report. Commissioner Johnson stated what wording changes are being made.

Action: Motion to approve the proposed budget with noted changes for submission to the legislature for final budget approval.

Moved by: Commissioner Robson

Seconded by: Commissioner Dudley

Vote: 5 ayes, 0 nays

d. **Medication and Horse Welfare**

Nothing to Report – Commissioner Huber stated the subcommittee would be meeting later this month and would have something to report next month.

4. Roger Nyquist came to speak on behalf of TVG. Roger stated that he came to talk about an operational issue TVG and possibly other ADW's are experiencing in requiring their customers to provide a social security card or number when being asked for it at the time of opening a player account. Roger stated that at the advent of the ADW this rule was a safe and proper requirement.

However in today's world it has become an unsafe practice to give out one's social security number with identity theft and fraud so prevalent. With the ability to verify identification in other ways he would like to see this requirement changed. A player would still need to provide a social security number to report winnings to the Internal Revenue Service just as they are currently doing and in the same way a lottery winner does. Roger proposed that this requirement change be included in the rule changes for this year. Directors Evers commended Mr. Nyquist for bringing this up and stated that the social security number requirement is one of rule changes on the list.

Action: Motion to proceed with rule making and issuing notice.

Moved by: Commissioner Williamson

Seconded by: Commissioner Johnson

Vote: 5 ayes, 0 nays

Other Business As May Properly Come Before the Commission:

NONE

Public Comment:

NONE

There being no further business, the meeting was adjourned at 3:00.