



MONTANA BOARD OF HORSE RACING

Minutes of Board Meeting: CONFERENCE CALL – April 28, 2020 – 10:00 a.m.
Conference Call

MEMBERS ON PHONE:

Chairman: John Hayes, Great Falls
Vice Chairman: Dale Mahlum, Missoula
Member: Shawn Real Bird, Hardin
Member: Ralph Young, Columbus
Member: Gary Koeplin, Florence
Member: Barry Stang, Helena
Member: Jody Smith, Miles City
Executive Secretary: Tom Tucker, Corvallis

MEMBERS ABSENT:

None

PUBLIC ON PHONE:

Dan Fuchs, K-Heart Veterinarian Service, John Iverson John Iverson, Sparky Kottke, Diane Kottke, Angela Nunn, Neil Peterson, Raleigh Swensrud, Ronda Wiggers

CALLED TO ORDER:

Chairman John Hayes called the meeting to order at 10:03 a.m. He welcomed all those on the phone line. The Chairman then asked for a roll call. All board members were on the call. Vice-Chairman Dale Mahlum moved to accept the minutes from the February 2020 conference call and Member Koeplin seconded the motion. Motion passed.

Executive Secretary Tom Tucker reviewed the financials. The cash position of the board is \$500,000. In a breakdown of the individual revenues, Fantasy Sports income was just about the same as the previous year. The simulcasting network closed on December 31, 2019, and therefore, there wasn't any simulcast numbers to report. Tucker did mention that the Great Falls Turf Club continues to look at trying to reopen the simulcast network, but with the Covid-19 situation, that action has been put on hold. Advance Deposit wagering showed an increase of 60% due to the closure of the simulcast network and the 'stay-at-home' orders from the state government. The board of horse racing is also debt free. Vice-Chairman Mahlum congratulated Tucker and the board for getting to this position. Member Ralph Young moved to accept the financial report with Member Koeplin seconding the motion. Motion passed.

Item 4 on the agenda was for public comment. With no public comment, Chairman Hayes moved on to agenda item 5.

Agenda item 5 was discussion of the management contract with IMS Consulting Group, Inc. and extending it to the end of the year. Member Mahlum suggested the contract compensation be raised. Tucker mentioned he appreciated it but thought they needed to wait to see what the financial picture looks like in the fall. Member Koeplin moved to extend the contract to the end of the year and Member Mahlum seconded the motion. Motion passed.

Tucker then discussed agenda item 6, the historical horse racing presentation that he will be giving to the Economic Affairs Interim Committee on Thursday April 30. The committee has 10-15 minutes set aside for the board of horse racing to do an update on racing in Montana as well as a presentation on potential legislation dealing with historical horse racing machines. Tucker hopes that input from the gaming industry along with legislators will give the board some guidance in development of possible legislation for the gaming machines and additional revenues for the horse racing industry. Tucker explained the 11-page document was longer than he wanted, but included important statistics. Member Koeplin thought it contained some very useful information. Chairman Hayes asked for other comments. Neil Peterson & Ronda Wiggers both stated they had passed it along to their board members for reading and comments at a later time. Member Mahlum commented on the size of the gaming numbers and expressed his support going forward. Member Young stated that the historical horse racing gaming machines were making a large impact in Wyoming. They have seen a substantial increase in breeding stock (500+ mares) and the economics behind this agricultural industry is very significant to the state of Wyoming.

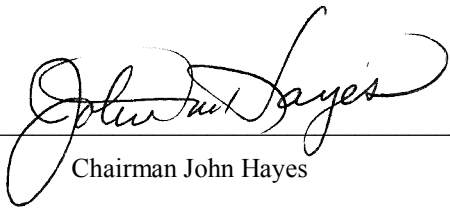
Chairman Hayes then went on to agenda item 7. Tucker talked about some of the racing closures in other states. Most states close to Montana are still in a wait and see mode until their Governors come out with specific plans. Small meets have been closed in Washington but they are waiting on directions for Emerald Downs. Member Young went through a list of states that he had information on. Utah plans to still race in the middle of May while Idaho has suspended their racing. Wyoming meets are looking at the possibility of racing at Wyoming Downs (privately owned race track). Fonner Park in Nebraska has experienced some of their best handles as they are able to simulcast their signal when other major tracks are closed down. They are racing without crowds. Iowa is delaying their race dates at Prairie Meadows. Remington Park in Oklahoma is racing without crowds as well as Los Alamitos in California.

Agenda item 8 was public comment. No public comment was given.

Agenda item 9 was old business. No old business was heard.

Agenda item 10 was new business. Tucker discussed the use of 'Zoom' for conference calling and that the Department of Commerce is looking at the software. There is a cost of \$20 a month to use the professional version of the software and Tucker will look into having something in place for the next conference call meeting. The second new business item was application for the Cares Act (Covid-19 relief funding package). Chairman Hayes and Tucker worked on the document and submitted suggestions for some of the available funds and the use in the horse racing industry. The board of horse racing applied for \$750,000 in Cares Act money to help with (a) replacement of equipment at the race tracks, (b) funds to help revive the simulcasting network, (c) funds to help the tracks start back up in 2021 after cancelling all horse racing days in 2020. Member Real Bird mentioned he was on a conference call the day before dealing with the Cares Act funding and suggested that the board should be prepared to provide additional documentation to the government to qualify for portion of these relief funds.

Tucker explained that the next conference call meeting should be scheduled after the July meeting with the Gaming Advisory Council in Helena. Chairman Hayes and the other members agreed. Vice-Chairman Mahlum moved to adjourn the conference call. Member Koepplin seconded the motion. Motion passed at 10:41 a.m.


Chairman John Hayes

August 31, 2020

Date

