

NORTH DAKOTA RACING COMMISSION

Live and Telephone Meeting
500 North 9th Street, Bismarck, ND
Thursday, April 5, 2007
10:30 a.m. (central time)

AGENDA

1. **Approval of Minutes**
2. **Live Race Track Reports for 2006**
 - ORDA - Belcourt
 - Horse Race North Dakota – Fargo
3. **Purse/Breeders' Fund Requests** **Total requests = \$691,200**

a. ORDA –		\$ 115,200
	6 days of racing – average purse \$2,400	
	\$115,200 – Purse	
b. Horse Race North Dakota		\$ 561,000
	26 days of racing	
	(Including 6 Harness Meet days)	
	\$411,000 – Purse	
	\$150,000 – Breeders	
c. ND Grass Roots Stallion Stakes		\$ 5,000
	\$ 2,500 – Futurity	
	\$ 2,500 – Derby	
d. ND Quarter Horse Racing Association		\$ 10,000
	\$ 5,000 – 2009 Stallion Stakes	
	\$ 5,000 – 2010 Derby	
TOTAL		<u>\$ 691,200</u>
4. **Promotion Fund Requests** **Total Requests \$ 499,700**

a. ORDA		\$ 120,000
	\$100,000 – Operating	
	\$ 20,000 – Track Improvement	
b. Horse Race North Dakota		\$ 350,000
c. Horse Race North Dakota		\$ 8,200
	Jockey Incentive Program	

d. ND Quarter Horse Racing Association	\$ 5,000
Stallion Season Service Auction	
e. ND Thoroughbred Association	\$ 5,000
Stallion Season Auction	
f. Development Homes Inc.	\$ 5,000
g. Williston Convention and Visitors Bureau	\$ 4,000
h. Personal Management Services Inc	\$ 2,500
Annual Horsemen's Awards Banquet	

TOTAL \$ 499,700

5. **Scott Horst's request for discussion on division of Breeders Fund**
6. **2007 Race Season**
 - a. Authority to the Director to appoint the veterinarians and stewards
 - b. Licensing staff for 2007 meets
 - c. Variances
 - d. Video of mutuels at Chippewa Downs – horsemen's bookkeeping system compatible with Horse Race North Dakota (for tracking of certified ND Bred runners).
7. **2007 Legislative Actions**
8. **Any other business which may PROPERLY come before the commission**
9. **Adjournment**

NORTH DAKOTA RACING COMMISSION
Live and Telephone Meeting
500 North 9th Street, Bismarck, ND
Thursday April 5, 2007
10:40 a.m. (central time)

Chairman Arthaud called the meeting to order at 10:40 a.m. central time and asked the temporary Office Assistant Valentin to take the roll:

Chairman Arthaud	-	Here
Commissioner Clement	-	Here
Commissioner Secret	-	Here
Commissioner Pladson	-	Here (by phone)
Commissioner Frederick	-	Here

PRESENT:

Chairman Jim Arthaud, Commissioners Jim Clement, Clarence Frederick, DeAnn Pladson, Tom Secret, Legal Counsel Bill Peterson, Director Randy Blaseg and temporary Office Assistant Loretta Valentin.

ABSENT: Helen Tessmann, Administrative Staff Officer

OTHERS PRESENT:

Leslie Schmidt, Representative Randy Boehning, Representative Kathy Hawken, Blaine DeCoteau, Lance Hagen, Representative Shirley Meyer, Representative Lois Delmore, Senator Richard Marcellais, Representative Tracy Boe, George Frederick, Doug DeMontigny, Mike Cichy, John Bubel, Jim Tilton, Mona Hurt, Tracy Fugere, Jim Hughes, Brenda Hughes, Blaine Malaterre, Richard Nevins, Leon Glasser, and Janell Cole.

1. Approval of Minutes

The copies of the minutes for the previous meeting, March 14, 2007, had been previously provided to the commissioners for their review.

Commissioner Secret made the motion to approve the minutes of March 14, 2007. Commissioner Clement seconded the motion. Director Blaseg wanted to include discussion on Item #13 involving account wagering rules and a clarification of that is included verbatim to be included in the minutes. Chairman Arthaud asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Secret	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes
Commissioner Pladson	-	Yes

The motion carried.

2. Live Race Track Reports for 2006

Doug DeMontigny reported on the ORDA live track 2006 season in Belcourt.
Jim Tilton reported on the Horse Race North Dakota live track 2006 season in Fargo.

3. Purse/Breeders' Fund Request - Total requests \$691,200

a. ORDA – 6 days of racing – average purse \$2,400
\$ 65,000 - Purse
\$ 50,000 – Breeders' Fund
\$115,000

Doug DeMontigny on behalf of ORDA, made the request of \$115,000 for three weekends of racing versus four weekends the previous year. Chairman Arthaud made the recommendation to grant ORDA \$65,000 out of the Purse Fund and \$50,000 out of the Breeders' Fund.

Chairman Arthaud reported the fund totals were as follows: Purse Fund balance was \$1,365,658, Breeders' Fund balance of \$1,178,928 and the Promotion Fund balance of \$904,585 with the Promotion Fund being the most likely fund to deplete at a faster rate than the other two funds.

Commissioner Secrest made the motion to grant ORDA \$65,000 from the Purse Fund and \$50,000 from the Breeders' Fund for a total of \$115,000. Commissioner Frederick seconded the motion. Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes
Commissioner Pladson	-	Yes
Commissioner Secrest	-	Yes

The motion passed.

b. Horse Race North Dakota

26 days of racing (including 6 Harness Meet days)

\$ 411,000 – Purse Fund

\$ 150,000 – Breeders' Fund plus late additional request of \$150,000

\$ 561,000

Jim Tilton on behalf of Horse Race North Dakota, stated the request included 26 days of racing, extending the racing schedule by three days for harness racing. (Horse Race North Dakota's additional request for \$150,000 was a late request arriving shortly before the commission meeting. Horse Race North Dakota had anticipated the passage of historic racing but that effort failed in the 2007 Legislative Session.)

Commissioner Secrest requested an explanation for the late request. Leslie Schmidt, Track Manager, stated the additional \$150,000 request was to increase the purses for races of North Dakota bred horses.

Representative Shirley Meyer was opposed to the granting of the additional \$150,000 and Representative Randy Boehning took no stance. Leon Glasser, President North Dakota Quarter Horse Racing Association, stated he was opposed to additional funds being granted to Horse Race North Dakota.

Commissioner Secrest strongly supported making live racing successful in North Dakota and an increase in purses for North Dakota breds would or should increase participation in those races. Commissioner Secrest said he was in support of the extra \$150,000 for the reason that he thinks it will promote live racing in North Dakota and it has a good chance of success for live racing.

Commissioner Secrest made the motion to grant Horse Race North Dakota \$411,000 from Purse Fund and \$300,000 from Breeders' Fund for a total of \$711,000. Commissioner Pladson seconded the motion. Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Secrest	-	Yes
Commissioner Pladson	-	Yes
Commissioner Frederick	-	No
Commissioner Clement	-	No

The motion passed.

c. ND Grass Roots Stallion Stakes

\$2,500 – Futurity

\$2,500 – Derby

Doug DeMontigny on behalf of ND Grass Roots Stallion Stakes for stallion incentives in North Dakota requested the amount of \$2,500 for the Futurity and \$2,500 for the Derby for a total of \$5,000. Commissioner Frederick recommended granting the amount as they are the two big races that are run at ORDA.

Commissioner Frederick made the motion to approve the \$5,000 from the Breeders' Fund for the ND Grass Roots Stallion Stakes. Commissioner Clement seconded the motion.

Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Pladson	-	Yes
Commissioner Clement	-	Yes
Commissioner Secret	-	Yes
Commissioner Frederick	-	Yes

The motion passed.

d. ND Quarter Horse Racing Association

\$5,000 - 2009 Stallion Stakes

\$5,000 – 2010 Derby

Leon Glasser on behalf of ND Quarter Horse Racing Association made the request for \$5,000 for the Stallion Stakes and \$ 5,000 for the Derby.

Commissioner Frederick made the motion to approve \$5,000 from the Purse Fund for the ND Quarter Horse Racing Association. Commissioner Clement seconded the motion.

Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Clement	-	Yes
Commissioner Frederick	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes

The motion passed.

4. Promotion Fund Requests - Total requests \$ 499,700

Chairman Arthaud suggested granting the same dollars from the Promotion Fund as in 2006.

a. ORDA – \$ 120,000

\$100,000 – Operating

\$ 20,000 – Track Improvement

Commissioner Frederick made the motion to grant \$65,000 from the Promotion Fund to ORDA. Commissioner Secret seconded the motion. Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Pladson	-	Yes
Commissioner Clement	-	Yes
Commissioner Frederick	-	Yes
Commissioner Secret	-	Yes

The motion passed.

b. Horse Race North Dakota

\$350,000

Commissioner Secret made the motion to grant \$350,000 from the Promotion Fund to Horse Race North Dakota. Commissioner Pladson seconded the motion. After no

discussion, the Chairman asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes

The motion passed.

c. Horse Race North Dakota
\$8,200 – Jockey Incentive

Commissioner Secret made the motion to grant \$4,100 from the Promotion to Horse Race North Dakota for Jockey Incentive Program. Commissioner Pladson seconded the motion.

After no discussion, the Chairman asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes

The motion passed.

d. ND Quarter Horse Racing Association
\$5,000 Stallion Season Service Auction

Commissioner Secret made the motion to deny granting funds from the Promotion Fund to ND Quarter Horse Racing Association. Commissioner Frederick seconded the motion.

After no discussion, the Chairman asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes

The motion passed.

e. ND Thoroughbred Association
\$5,000 Stallion Season Auction

Commissioner Secret made the motion to deny granting funds from the Promotion Fund to ND Thoroughbred Association. Commissioner Clement seconded the motion. After no

discussion, the Chairman asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes

The motion passed.

Director Blaseg recommended granting funds from the Promotion Fund to Development Homes and Williston Convention and Visitors Bureau.

f. Development Homes Inc.
\$5,000

Commissioner Secret made the motion to granting \$4,000 from the Promotion Fund to Development Homes. Chairman Arthaud seconded the motion. Discussion was held regarding using the money for advertising and improvements. Chairman Arthaud asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes
Commissioner Frederick	-	No
Commissioner Clement	-	No

The motion passed.

g. Williston Convention and Visitors Bureau
\$4,000

Commissioner Secret made the motion to grant \$4,000 from the Promotion Fund to Williston Convention and Visitors Bureau. Commissioner Pladson seconded the motion.

With no discussion, the Chairman asked the Director to take the roll:

Chairman Arthaud	-	Yes
Commissioner Frederick	-	No
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes
Commissioner Clement	-	No

The motion passed.

h. Personal Management Services Inc.
\$2,500 Annual Horsemen's Awards Banquet

Commissioner Secret made the motion to deny granting funding from the Promotion Fund to Personal Management Services Inc. Commissioner Frederick seconded the motion. Chairman Arthaud asked the Director to call the roll and made clear that a yes vote would be to deny granting funds:

Chairman Arthaud	-	No
Commissioner Frederick	-	Yes
Commissioner Pladson	-	Yes
Commissioner Clement	-	No
Commissioner Secret	-	Yes

The motion passed.

5. Scott Horst's request for discussion on division of Breeders' Fund.

Commissioner Frederick made the motion to leave the Breeders' Fund as is (meaning one fund). Commissioner Secret seconded the motion. Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Frederick	-	Yes
Commissioner Secret	-	Yes
Commissioner Clement	-	Yes
Commissioner Pladson	-	Yes

The motion passed.

6. 2007 Race Season

a. Authority for Director to appoint the veterinarians and stewards

Commissioner Secret made the motion to authorize the Director to hire the veterinarians and stewards for the 2007 racing season. Commissioner Clement seconded the motion.

With no discussion the Chairman asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Clement	-	Yes
Commissioner Frederick	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes

The motion carried.

b. Licensing staff for 2007 meets

Commissioner Frederick made the motion to authorize the Director to hire the licensing staff for the 2007 racing season. Commissioner Secret seconded the motion. With no discussion the Chairman asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes
Commissioner Pladson	-	Yes
Commissioner Secret	-	Yes

The motion carried.

c. Variances

Commissioner Secret made the motion to adopt the variances with amendments. Commissioner Pladson seconded the motion. Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Secret	-	Yes
Commissioner Pladson	-	Yes
Commissioner Clement	-	Yes
Commissioner Frederick	-	Yes

The motion carried.

d. Video of mutuels at Chippewa Downs and Horsemen's bookkeeping system compatible with Horse Race North Dakota (for tracking of certified ND bred runners).

Commissioner Secret made the motion to require Chippewa Downs to have continuous recorded video surveillance of the mutual betting lines during each race day. Commissioner Frederick seconded the motion. Chairman Arthaud asked the Director to call the roll:

Chairman Arthaud	-	Yes
Commissioner Secret	-	Yes
Commissioner Frederick	-	Yes
Commissioner Clement	-	Yes
Commissioner Pladson	-	Yes

The motion passed.

Doug DeMontingy stated that ORDA's bookkeeping system was compatible with that of Horse Race North Dakota in that it could track certified ND bred runners and their placings independently.

7. 2007 Legislative Action

Chairman Arthaud tabled this item until after the Legislative Session is closed.

8. Any other business which may PROPERLY come before the commission

9. Adjournment

Commissioner Secret made the motion to adjourn the meeting. Commissioner Frederick seconded the motion. By voice vote all said aye. **Motion carried.**

Meeting adjourned at 12:55 p.m.