

KENTUCKY HORSE RACING AND GAMING CORPORATION
MINUTES OF THE REGULAR MEETING

Date: August 20, 2024, at 1:30 p.m.

Place: Kentucky Horse Racing and Gaming Corporation Conference Room, 4047 Iron Works Parkway, Lexington, Kentucky 40511

Board Members Present: Chair Jonathan Rabinowitz, Mike Berry, Dr. Tiffany Daniels, Michael F. Dudgeon, Terry Finley, Frank Shoop, Kerry Harvey, Lesley Howard, William L.S. Landes, Catherine Parke, James E. Worley

Ex-officio Members Present: Jacob Walbourn for Secretary Ray Perry, Jansen Hammock for Secretary Jeff Noel and Mona Juett for Secretary Lindy Casebier

AGENDA ITEM	TRANSCRIPT PAGE NUMBER(S)	DISCUSSION / CONCLUSIONS / RECOMMENDATIONS	ACTION TAKEN
I. Call to Order and Roll Call	4 - 5	Chair Rabinowitz called the meeting of the Kentucky Horse Racing and Gaming Corporation (KHRGC) to order and performed the roll call. A quorum was recognized.	No action taken.
II. New Business Tab 1: Approve Minutes of the July 1 and July 30, 2024 Kentucky Horse Racing and Gaming Corporation Special Meetings	5 - 18 5 - 7	<p>Chair Rabinowitz requested a motion from the Board to approve minutes of the July 1 and July 30, 2024, Kentucky Horse Racing and Gaming Corporation Special Meetings. Motion by Mr. Landes and second by Ms. Howard.</p> <p>KHRGC President & CEO Jamie Eads was assigned the floor and explained that the minutes from the July 1 and July 30 meetings were located behind the first tab of the materials. KHRGC staff recommended approval.</p> <p>Chair Rabinowitz announced that the new COO Susan Speckert is present today and KHRGC President & CEO Jamie Eads introduced her.</p>	Chair Rabinowitz called for a vote to approve minutes of the July 1 and July 30, 2024, Kentucky Horse Racing and Gaming Corporation Special Meetings. Motion carried with no objections or abstentions.

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<p>Tab 2: Set Corporation President's Compensation Pursuant to KRS 230.230(2)</p>	<p>7 - 9</p>	<p>Chair Rabinowitz requested a motion from the Board to approve and adopt the KHRGC President & CEO's compensation recommended by the hiring and compensation committee. Motion by Mr. Worley and second by Mr. Shoop.</p> <p>KHRGC Hiring and Compensation Committee Chairman, Kerry Harvey, was assigned the floor and explained that this compensation is in the range they are targeting for other jobs, such as the COO. He reminded everyone that these are public dollars and that it is still a public agency. Circumstances will be reviewed annually, and adjustments can be made.</p>	<p>Chair Rabinowitz called for a vote to approve and adopt KHRGC president's compensation recommended by the hiring and compensation committee. Motion carried with no objections or abstentions.</p>
<p>Tab 3: Churchill Downs Racetrack, LLC's Backside Improvement Fund Request</p>	<p>10 - 11</p>	<p>Chair Rabinowitz requested a motion from the Board to approve Churchill Downs Racetrack, LLC's Backside Improvement Fund Request. Motion by Mr. Landes and second by Ms. Parke.</p> <p>KHRGC Incentives and Development Director, Drew Conners, was assigned the floor and explained that correspondence was received from Churchill Downs seeking permission to use backside improvement funds for painting and asphalt repairs. The total cost is estimated to be \$40,476. KHRGC staff confirmed that this project meets the statutory requirements and that the funding is available. The Kentucky HBPA and the KTA-KTOB recommended approval along with the KHRGC staff.</p>	<p>Chair Rabinowitz called for a vote to approve Churchill Downs Racetrack, LLC's Backside Improvement Fund Request. Motion carried with no objections or abstentions.</p>
<p>Tab 4: 2024 KTDF Allotment Requests as Submitted to and Approved by the KTDF Advisory Committee on 7/31/2024</p>	<p>11 - 14</p>	<p>Chair Rabinowitz requested a motion from the Commission to approve 2024 KTDF allotment requests as submitted to and approved by the KTDF advisory committee on 7/31/2024. Motion by Mr. Landes and second by Ms. Howard.</p>	<p>Chair Rabinowitz called for a vote to approve 2024 KTDF allotment requests as submitted to and approved by the KTDF advisory</p>

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		<p>KHRGC Incentives and Development Director, Drew Conners, was assigned the floor and explained that the KTDF allotment requests will be grouped together. Kentucky Downs is seeking final approval to increase their KTDF allotment request from \$14.3 to \$15.1 million to a total of \$17 million. These additional funds will be used for stakes races only and they are seeking to transfer \$1.2 million to Keeneland for their upcoming fall meet. Churchill Downs is seeking final approval of KTDF purses in the range of \$3.5 to \$4.4 million and Keeneland is seeking final approval of KTDF purse allotments in the range of \$5.5 to \$5.8 million. This request also includes the KTDF transfer from Kentucky Downs of \$1.25 million and the use of \$122,380 to promote the race meet in accordance with KRS 230.400. Churchill Downs is also seeking final approval of their allotments for their fall meet in the range of \$6.3 to \$7.6 million. KTA-KTOB and the KTDF advisory committee recommend approval along with KHRGC staff.</p>	<p>committee on 7/31/2024. Motion carried with no objections or abstentions.</p>
<p>Tab 5: Keeneland Association, Inc.'s Proposed 2024 Fall Race Meet Officials and Date Preference System</p>	<p>14 - 15</p>	<p>Chair Rabinowitz requested a motion from the Board to approve Keeneland Association, Inc.'s Proposed 2024 fall race meet officials and date preference system. Motion by Mr. Worley and second by Mr. Shoop.</p> <p>KHRGC Chief State Steward Barbara Borden was assigned the floor and explained that Keeneland has requested approval of the roster of officials and date preference system. The officials have all previously performed the duties and are currently licensed; the stewards are ROAP accredited and there is no change to their date preference system. Approval was recommended by staff.</p>	<p>Chair Rabinowitz called for a vote to approve Keeneland Association, Inc.'s Proposed 2024 fall race meet officials and date preference system. Motion carried with no objections or abstentions.</p>

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Tab 6: Churchill Downs Racetrack, LLC's Proposed 2024 Fall Race Meet Officials and Date Preference System	15 - 17	<p>Chair Rabinowitz requested a motion from the Board to approve Churchill Downs Racetrack, LLC's proposed 2024 fall race meet officials and date preference system. Motion by Mr. Shoop and second by Ms. Parke.</p> <p>KHRGC Chief State Steward Barbara Borden was assigned the floor and explained that Churchill Downs sent a request for racing officials that are all licensed and have worked those jobs previously. The stewards are ROAP accredited and there is no change to their date preference system. Staff recommended approval.</p>	<p>Chair Rabinowitz called for a vote to approve Churchill Downs Racetrack, LLC's proposed 2024 fall race meet officials and date preference system. Motion carried with no objections or abstentions.</p>
Tab 7: ECL Corbin, LLC's Proposed 2024 Cumberland Run Race Meet Officials and Date Preference System	17 - 18	<p>Chair Rabinowitz requested a motion from the Board to approve ECL Corbin, LLC's Proposed 2024 Cumberland Run Race Meet Officials and Date Preference System. Motion by Ms. Parke and second by Mr. Landes.</p> <p>KHRGC Chief State Steward Barbara Borden was assigned the floor and explained that ECL Corbin requested a roster of race meet officials and their date preference system for the 2024 Cumberland Run race meet. The judges are ROAP accredited. Staff recommended approval.</p>	<p>Chair Rabinowitz called for a vote to approve ECL Corbin, LLC's Proposed 2024 Cumberland Run Race Meet Officials and Date Preference System. Motion carried with no objections or abstentions.</p>
Division Reports a. Thoroughbred Rulings b. Veterinary Division	18 – 24 18 – 19 19 - 21	<p>Chief State Steward Barbara Borden presented the Thoroughbred Rulings that consisted of running totals from January 1st through August 11th and the second page is of rulings since the last meeting on July 1st.</p> <p>Dr. Smith presented the Oak Grove standardbred report for their 2024 meet; there were 3,558 total starts. 521 of those were post-</p>	<p>No action taken. Informational purposes only.</p>

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<p>c. Pari-Mutuel Report</p>	<p>21 – 22</p>	<p>race tested, 488 tCO2 tests performed for the meet and 5 veterinary scratches. There were 18 post-race injuries or lame in the test barn; no EIPH, no bleeders and no physical distress treatment. 3 horses had cardiac arrhythmia. A total of 13 horses were claimed. There were no ambulance runs or fatalities. Dr. Smith additionally shared the thoroughbred fatalities in Kentucky from 2007 to present.</p> <p>Pari-Mutuel Wagering and Compliance Director, Andy Conway, shared a supplement to his report for a correction to the account for the KTDF cap being met in the middle of June. The report shows the KTDF totals for the month of June and the fiscal year 2024. June saw \$5.7 million wagered on track at Kentucky tracks, representing a \$2.4 million increase from June of last year. Kentucky tracks saw \$7.2 million in simulcast wagers in June, up from \$6 million in June of last year and over \$94 million in simulcast wagers over the fiscal year.</p> <p>July historical horse race wagers were at \$837 million this year and last year they were at \$784 million.</p>	
<p>d. Sports Wagering</p>	<p>22 - 24</p>	<p>Sports Wagering Director, Hannah Simms, presented the report for Sports Wagering by sharing that at this time of the year, it is the renewal period for sports wagering licenses. Service provider license renewals are due September 1st and then all occupational licenses are due November 1st. For the fiscal year of sports wagering, there was a total of \$2 billion in online sports betting and over \$78.9 million in retail betting which resulted in total Kentucky excise tax of over \$34.6 million.</p>	

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IV. Adjournment	24 - 25	With no other business, Chair Rabinowitz requested a motion from the Board to adjourn the August 20, 2024 special meeting. Motion by Mr. Berry and second by Ms. Parke. Meeting adjourned.	Chair Rabinowitz called for a vote to adjourn. Motion carried with no objections or abstentions.

NOTE: The meeting materials and any amendments and/or supplements thereto, subject to any applicable exemptions, and the official Transcript are incorporated by reference as if set forth fully herein.