

THE STATE HORSE RACING COMMISSION MEETING MINUTES

October 10, 2023

A Special Public Budget Meeting/Administrative Action Session of The State Horse Racing Commission was held at the following date, place, and time: In-Person, PDA Room 202 and Via Microsoft Teams on Tuesday, October 10, 2023, at 2:00 P.M.

Commissioners in attendance: Chairperson Redding, Darryl Breniser, Michele Ruddy, and Ed Rogers were present in Room 202. Salvatore DeBunda, Dr. John Egloff, Robert Lark, Thomas Ellis, and Dr. Corinne Sweeney were present via Microsoft Teams. Also present were Standardbred Bureau Director Anthony Salerno, Thoroughbred Bureau Director Thomas Chuckas and Commission Counsel Jorge Augusto.

ANNOUNCEMENTS

A quorum of the Commission being present, Chairperson Redding called the meeting to order. Chairperson Redding noted that the meeting was properly advertised in accordance with the Sunshine Law.

Chairperson Redding welcomed everyone and noted that the Commission held a public work session earlier in the morning to review and discuss the FY 24/25 proposed Commission budget. No administrative action was taken at that meeting.

The sole purpose of this meeting is to answer any follow-up questions the Commissioner's may have and to vote on the proposed budget.

PUBLIC MEETING:

PRESENTATION

1.) FY 2024/25 PROPOSED BUDGET

Thoroughbred Bureau Director Thomas Chuckas gave a brief review of the proposed budget discussions that occurred in the 10:00 a.m. meeting. The FY 24/25 State Horse Racing Commission budget request is \$7,680,000. The key parts of the request are \$6 million in personnel services, which is about a \$650,000 increase over last year. Also, the subtotal for operations was \$1,091,000 which is an increase of \$314,000 from a year ago. The main increase was in IT, which was \$175,000 greater than in FY 23/24. The total for FY 24/25 versus FY 23/24 is an increase of about \$930,000.

The request for Testing is \$14,845,000; a key component was \$5 million for personnel services, which is about a \$628,000 increase from last year, as a result of the Commonwealth's contract agreement with the Union (AFSCME). The other components were UPENN requested \$7.5 million, which is about a \$1.6 million dollar increase. Dr. Robinson explained that the increase is due to having to hire 6 additional staff, increased cost in both supplies and operations due to HISA and

HIWU requirements. The total testing budget is approximately \$2.8 million more than FY 23/24. Director Chuckas explained that it was “spending authority” that the Commission is seeking.

Commissioner DeBunda asked Dr. Robinson if the lab is testing any samples from other jurisdictions and if so, how many and who pays for those tests. Dr. Robinson responded that the number of outside tests are very minimal, maybe 3 or 4 per month and that the cost will be worked out between the Commission and HIWU, when they reconcile at the end of the year.

Chairperson Redding stated that the record will show that a very active conversation took place this morning between Dr. Robinson, the Commission, Tracee Gotwalt, as well as the stakeholders in the industry, that as the HISA and HIWU costs continue to reveal themselves, we are challenged to try to understand and project what the real cost to operate the Commission will be.

While we are proud of the work that we have been doing, the challenge has been to anticipate what the HISA and HIWU cost might be, as those costs have continued to escalate and deviate from what was envisioned originally when this arrangement was structured. That is 100 percent a product of HISA and HIWU and has nothing to do with the Commission or the staff or stakeholders. We are simply the recipients of these changes in costs.

At the end of the day, this is the budget that will hopefully be included in the Governor’s proposed budget. That process will reveal the need for an increase in spending authority, as well as an increase in the transfer of funds to cover those obligations.

ADMINISTRATIVE ACTION

2.) Motion to consider the FY 24/25 proposed budget.

Motion By: Commissioner Rogers made a motion to approve the FY 24/25 budget request. Keeping in mind, that while we have sufficient funding to cover the current fiscal year, the Commission believes there will be a need for additional funding for the fiscal year FY 24/25.

Second By: Commissioner DeBunda, with the same understanding as Commissioner Rogers.

Decision: Passed by unanimous vote.

No other Commission matters were on the agenda.

ADJOURNMENT

The meeting was adjourned at 2:15 P.M.

Respectfully submitted,

Thomas F. Chuckas Jr. Bureau Director
Bureau of Thoroughbred Horse Racing

Anthony Salerno Bureau Director
Bureau of Standardbred Racing