



**Delaware Thoroughbred Racing Commission
Minutes of Meeting Held On
April 18, 2018**

The Delaware Thoroughbred Racing Commission held a meeting on Wednesday, April 18, 2018 at 9:30 A.M. The Commission convened the meeting, then conducted a 30 minute Executive Session, followed by a Public Session at 10:05 A.M., in the Horsemen’s Office Delaware Park, 777 Delaware Park Blvd, Wilmington, DE 19804.

The following Commission members were present:

W. Duncan Patterson, Jr., Chairman
Edward J. Stegemeier, Secretary-Commissioner
Henry J. Decker, Commissioner
Debra M. Killeen, Commissioner

The following individuals also were present:

Andrew G. Kerber, Esq., Deputy Attorney General, Commission Counsel
John F. Wayne, DTRC Executive Director
James A. Lages, DTRC, Chief State Steward
Frederick L. Burkhardt, DTRC, Steward
Robert Colton, DTRC, Safety Steward
Teena Appleby, DTRC, Chief Investigator
William Fasy, Delaware Park, President
Kevin DeLucia, Sr. Vice President & CFO, Racing-Administration, Delaware Park
Nancy Myshko, Delaware Park, HR, Senior Vice President
Chris Sobocinski, Racing Information Coordinator, Delaware Park
Jeff Ganc, Assistant Director of Security, Delaware Park
David Scott Peck, President, DTHA
Bessie Gruwell, Executive Director, DTHA
Lynda Furlong, Programs Manager, DHAF
Molly Church, DTRC, Administrative Asst. (recording minutes)

1. CALL TO ORDER (OPEN TO PUBLIC)

At approximately 9:33 A.M., Chairman Duncan Patterson called the meeting to order.

2. EXECUTIVE SESSION (CLOSED TO PUBLIC)

Upon a motion duly made (Killeen) and seconded (Stegemeier), public session was adjourned to Executive Session, at which discussion of personnel matters took place.

3. WELCOME AND APPROVAL OF MINUTES (MARCH 8, 2018)

At approximately 10:13 A.M., Chairman Patterson called the meeting back to public session.

Upon a motion duly made (Decker) and seconded (Killeen), the minutes from the March 8, 2018 DTRC meeting were approved.

4. OLD BUSINESS

A. ARCI Model Rules Discussion

Chairman Patterson started by saying that the first rule amendment that the Commission will be focusing on is ARCI-011-022, which defines who is the responsible person for an adverse finding in an out-of-competition test. This mostly relates to testing that is done at farms or training centers. The Commission conducts minimal out-of-competition testing on these sites. Most testing takes place on-site, which eliminates the doubt that the trainer is the one to be held responsible.

Chairman Patterson then summarized rule amendment ARCI-008-020, which requires trainers to keep up-to-date records of all medications and treatments which are administered to horses in their care. This is a best practices requirement, practiced by some trainers already. ARCI-008-020 also requires trainers to maintain 30-day records documenting all corticosteroid or other intra-articular injections for horses under their care. The 30-day records must be provided to the new trainer if a horse is claimed. Chairman Patterson feels strongly about this rule because corticosteroids are believed to be the prevalent cause of catastrophic injuries.

Rule amendment ARCI-011-010 requires any veterinarian who treats a horse on association grounds to submit a Veterinarian's Medication Report to the Official Veterinarian or other regulatory authority designee. Dr. Botts stated that the Commission currently does this anyway.

Deputy Attorney General Andrew Kerber said that he will format a proposal for the next meeting for the adoption of these rules, which will then go through the publication requirement process.

Commissioner Henry Decker asked about ARCI-009-010, which provides conditions for which a claim shall be voided- most prominently, the death of the horse on the track – and provides conditions under which the new owner can have the claim voided within an hour after the race. Chairman Patterson said that currently in our jurisdiction, if a horse is euthanized on the track, the claim is voided. If a horse tests positive for a prohibited drug or exceeds threshold levels of therapeutic medication, the claim may also be voided for that reason as well.

Secretary-Commissioner Stegemeier expressed that the Commission does not want to put the responsibility of making decisions that could impact a claim on the veterinarians. Dr. Botts said that she is comfortable with Delaware's current claim voiding procedure.

Chief State Steward James Lages referred to the ROAP seminar that took place the day prior, where Dr. Jennifer Durenberger discussed the responsibility of the veterinarians to stabilize a horse for which they can foresee a euthanasia. Perhaps the horse could be taken into a van and euthanized off track rather than in front of the public on the track with the curtain up. If Dr. Botts agrees, Mr. Lages suggested that perhaps language could be added that says that a horse could be transported off track, and then the claim could be voided. Chairman Patterson noted that this is a very valid point, and it would be up to the judgment of the veterinarians to decide whether a horse can be stabilized because injuries have varying levels of severity. Some trainers may choose to euthanize and some may not. Chairman Patterson said that the claiming amendment can be revisited at a later time. Commissioner Decker agreed. Ms. Bessie Gruwell said that she would like to see this issue revisited as well and that she can also provide the Commission with a list of jurisdictions' policies regarding voiding claims. These policies were discussed at the quarterly THA meeting. She expressed that uniformity should be reached among all the regional jurisdictions.

Ms. Gruwell also asked if the amendments would be published by the time that the racing meet begins, because the DTHA is holding a "Welcome Back" meeting with the trainers and the DTHA would like to go over the rules with them. Chairman Patterson said that they will most likely not be

ready just then, but they should be published shortly thereafter. Mr. Kerber said that the next meeting is May 16th. The proposal must always be ready by the 15th to be published the following month. There also must be a 30-day comment period and then the Commissioners must vote again. Mr. Kerber said he could draft the proposal to adopt the provisions. At the July meeting it could be presented to be approved as final, and, if approved, it would be published August 1st and go into effect on August 11th.

B. INTERSTATE ANTI-DOPING AND DRUG TESTING STANDARDS COMPACT DISCUSSION

At this time, Chairman Patterson announced that Alan Foreman made a presentation at the ARCI Meeting. Maryland has approved the compact and there are other states around the country that are considering approving it. At the ARCI Meeting, James Gagliano made a presentation on the legislation for this compact that has been introduced to Congress. Chairman Patterson noted that the consensus of the meeting was that people are much more in favor of the compact than any other federal legislation.

Mr. Kerber has been in contact with Mr. Foreman. Mr. Kerber has been working on converting Mr. Foreman's Maryland bill to a Delaware bill proposal. However, Delaware has both a Harness and a Thoroughbred Racing Commission, which complicates the language of the bill. Mr. Kerber said that the bill needs to be reformatted, but it is otherwise done. It does need a sponsor and to be run through legislature. Secretary Scuse asked for a copy of it and he will be the one to get the sponsors. Chairman Patterson asked if we could have the approval done by the end of June. Mr. Kerber answered that there should be no problem with that.

5. NEW BUSINESS

A. APPROVAL OF RACING OFFICIALS FOR THE 2018 RACING SEASON

Mr. Wayne provided a list of Delaware Park's Racing Officials for the 2018 racing season. They are as follows:

Jerome Doro – Racing Secretary	Glenn Reeder – Asst. Racing Secretary
Lenny Rera – Stakes Coordinator	Sharon Gunther – Horse I.D.
Robert Sydnor – Starter	Margie Stallings – Stall Superintendent
James Houghton – Clerk of Scales	George Cary – Racing Official
Roxanne Estrin – Racing Official	Mandy Green – Program Coordinator/Racing Official
Phil Wasiluk – Paddock Judge	Bonnie Foster – Racing Exec. Assistant
Beverly Fowler – Lasix/Test Barn Supervisor	Cindy Houghton - Horsemens' Bookkeeper
Doug Ruccio – Clocker	Michael Piecuch – Clocker
Lance Parrot – Outrider	Christina Wingate – Outrider
Carl Kloentrup – Track Superintendent	

Upon a motion duly made (Stegemeier) and seconded (Decker), the list of Racing Officials for the 2018 racing season was approved. The vote was unanimous. Mr. Wayne noted that all of the listed individuals have been run through the database and there was no derogatory information found.

B. ENGINEER'S REPORT FOR THE 2018 RACING SEASON

At this time, Chairman Patterson presented Delaware Park's Engineer's Report for the 2018 racing season. According to Mr. Kevin DeLucia, an initial inspection took place on Delaware Park's stables, and repairs were recommended. Delaware Park then made the recommended changes and passed a final inspection. Upon a motion duly made (Killeen) and seconded (Stegemeier), the Engineer Report for the 2018 racing season was approved. The vote was unanimous.

Mr. Wayne also provided a Certificate of Liability Insurance for Delaware Park Management Company, LLC from Lowe-Tillson Insurance & Associates. Commissioner Decker made a motion to note that Delaware Park presented the Commission with a certificate of insurance. Commissioner Killeen seconded. The vote was unanimous.

Summary of Activities Report for March 2018

Mr. Wayne noted that he will combine the March and April 2018 Summary of Activities reports.

Other Statistics during March

ARCI National Surveys answered	7
Contacts from Police Agencies	10
Contacts from Video Lottery Enforcement	4
Freedom of Information Act Request for Info	0
National Racing Compact Reviews	1
National Racing Compact Applications Rec'd	5
Contacts from Racing Industry Groups	21
Contacts from other Racing Commissions	25
Contacts from other Race Associations	11
Contacts from the General Public	7
Contacts from Horsemen	23
Media Contacts	16
Contacts from Racing Officials Accreditation Program (ROAP)	31

At the National Racing Compact Meeting in Hot Springs, as the chairman of the review committee, Mr. Wayne noted that there were 28 National Racing Compact applications that were not processed or that the applicants had to amend. At the Mid-Atlantic meeting in March, Mr. Wayne discovered that many people do not know about the National Racing Compact, which has been referred to as "Racing's EZ-Pass." Delaware was the 4th state to join the National Racing Compact, which ratified the Compact's existence. An applicant has to fill out an application and get fingerprinted just once, and those fingerprints and the accompanying application get sent out to all member jurisdictions. Ms. Gruwell stated that she will mention the Compact at the trainer's meeting before the meet starts.

At the ARCI Meeting in Hot Springs, Chairman Patterson moderated a panel discussion about emerging threats from a drug use standpoint in the industry. The panel consisted of Dr. Rick Sams from LGC Labs in Kentucky, Dr. Dionne Benson of RMTTC, Petra Hartmann from Industrial Labs in Colorado, and Dr. Cooper, who oversees drug testing in Canada. Chairman Patterson noted that Dr. Sams's presentation was very sobering, focusing on the fact that medications can be bought over-the-counter from websites by virtually anyone, giving people the ability to develop their own undetectable drugs. Dr. Benson gave an update about what the RMTTC is doing to identify these medications. Petra Hartmann went through the process of how the labs go through the drug testing process. Dr. Cooper gave an analysis of what the drug testing process is in Canada. There is one single lab that performs all testing in Canada, which would be ideal for the U.S. as well, though the U.S. has made great progress, with all but one jurisdiction using an accredited laboratory for testing. Ms. Gruwell asked what that one jurisdiction was. Mr. Wayne answered that it is Louisiana.

Chairman Patterson also discussed the threat of bisphosphonates, which are medications that are being utilized in the sales to develop the joints in younger horses. Bisphosphonates are very effective for older horses, but can lead to future problems or breakdowns for younger horses. Commissions are hoping to ban these medications, but the

Commission has no jurisdictions over sales companies and what medications they use. Mr. Wayne noted that The British Horse Racing Authority banned the use of bisphosphonates on horses that are 3 ½ or younger. The medication has been known to decrease bone density and can lead to osteoporosis. Commissioner-Secretary Stegemeier asked if use can be detected easily. Chairman Patterson said that it can easily be detected, but as Racing Commissioners, they cannot control what the sales companies use. Chairman Stegemeier asked if use can be detected later on in a horse's life if the drug was administered to a young horse, and Chairman Patterson said that to his knowledge, it cannot. Ms. Gruwell agreed that this is a problem.

Mr. Wayne said that last year, the Stewards went through all medication reports, and there was no indication of bisphosphonates being used by any practicing veterinarians at Delaware Park. However, during a mock workshop exercise with Dr. Anderson, she identified some of the bisphosphonates she sometimes uses. Chairman Patterson reiterated that these medications can be therapeutic for older horses, but can be easily abused in young horses.

Mr. Wayne said that the Commission is very interested in who is buying horses from sales because buyers may have connections to organized crime or cartels. Mexican and South American cartels are currently laundering money in quarter horses and thoroughbreds, which creates many challenges for the industry.

The Drug Testing Standards and Practices Committee, which Chairman Patterson also chairs, is currently reviewing therapeutic medications and drug policies. At the last meeting, a bifurcation was approved for these policies, introducing separate sections for therapeutic medication use and prohibited substance use and each of their respective penalties. This will help ease public discomfort about drug positives, helping differentiate cases of therapeutic medication overages (caused by mismanagement or mistakes) and abuse. Chairman Patterson said that this whole process will be long, and that he does not foresee a resolution to it until the December meeting at the earliest.

At the ARCI meeting, a model rule was approved which states that racetracks must suspend racing operations if there is thunder or lightning within 8 miles of the track. Both Chairman Patterson and Maryland Racing Commission Executive Director Mike Hopkins voted against this model rule. Chairman Patterson believes that this decision should be up to track management. Mr. Wayne said there are lightning indicators on the golf course and weather is monitored closely. Safety Steward Robert Colton recalled a story when, as an apprentice rider in Denver, there were 2 horses in the gate when it was struck by lightning and knocked the riders off.

6. REPORT FROM DTRC CHIEF COMMISSION VETERINARIAN-HEALTH REPORT AND INFORMATION

Dr. Botts had no information to report for this period.

7. REPORT FROM DELAWARE THOROUGHBRED HORSEMEN'S ASSOCIATION

A. Delaware Certified Thoroughbred Program's Report

At this time, Ms. Gruwell presented the Delaware Certified Thoroughbred Program's Report. 16 horses were introduced to the program so far in 2018. The

balance of the special account is \$1,482,258.64. In the MATCH series, the breeders have gotten together and added a new incentive. The division leader at the end of the series will get a \$5,000 bonus. Maryland breds, New Jersey breds, Pennsylvania breds, and Delaware certified horses are all eligible. A press release will be coming out in regards to this. Commissioner-Secretary Stegemeier asked if the Program anticipates another surplus at the end of the meet. Ms. Gruwell stated that 250 2-year-olds will be eligible to race. The 2-year-olds coming into the program helps pay out the bonuses. More incentives have been added this year to pay out more money, bringing in more eligible horses at the end of 2017. It is hard to project exactly how much will be paid out each year, but the bonuses are there and the incentives made available.

8. PUBLIC COMMENT

Mr. DeLucia said there are 257 horses on the grounds. Stall applications were due on the previous Sunday and another 350 are on stall applications. Mr. John Mooney communicated concerns that numbers may be down from previous years. Commissioner Killeen asked how many horses were on the grounds this time last year. Mr. DeLucia said he does not know the number at this time, but Mr. Wayne answered that as of the May 2017 meeting, there were about 900, with 1,100 expected. Mr. DeLucia said there are a number of factors contributing to the lower numbers. He said there are more incentives for horsemen to race at other jurisdictions, such as richer purses in New York and Monmouth Park paying for Workers' Compensation in New Jersey.

9. EXECUTIVE SESSION

Upon a motion duly made (Stegemeier) and seconded (Killeen), public session was moved to executive session at the upper floor of the Horsemen's Office at approximately 12:37 pm. Executive session adjourned at 12:40 pm.

10. ADJOURNMENT

Upon a motion duly made (Stegemeier) and seconded (Killeen), public session was moved back to order and adjourned at 12:41 pm.

Bessie's DCTP Report April 1, 2018
Yearly Stats and Amounts

2018	DCTP Applications	Weanlings	Yearlings	Total
	Jan - Mar	0	14	14
	Apr - Jun		2	2
	July - Sept			
	Oct - Dec			
	Total Applications			16

2017	DCTP Applications	Weanlings	Yearlings	Total
	Jan - Mar	0	22	22
	Apr - Jun	1	30	31
	July - Sept	4	47	51
	Oct - Dec	41	95	136
	Total Applications	46	194	240

* late mail

2016	DCTP Applications	Weanlings	Yearlings	Total
	Jan - Mar	1	20	21
	Apr - Jun	2	24	26
	July - Sept	14	33	47
	Oct - Dec	38	93	131
	Total Applications	55	170	225

2015	DCTP Applications	Weanlings	Yearlings	Totals
	Jan - Mar	0	15	15
	Apr - Jun	0	28	28
	Jul - Sept	14	40	54
	Oct - Dec	33	65	98
	Total Applications	47	148	195

2017	Certifier Bonus	Owner Bonus	Total for Month
June	\$ 57,465.00	\$ 57,465.00	\$ 114,930.00
July	\$ 79,765.00	\$ 79,765.00	\$ 159,530.00
August	\$ 82,122.50	\$ 82,122.50	\$ 164,245.00
Sept	\$ 157,630.00	\$ 78,005.00	\$ 235,635.00
Oct	\$ 52,745.00	\$ 52,745.00	\$ 105,490.00
Dec (Correction)	\$ 1,400.00	\$ 1,400.00	\$ 2,800.00
	<u>\$ 431,127.50</u>	<u>\$ 351,502.50</u>	
		Total	<u>\$ 782,630.00</u>

Bessie's DCTP Report April 1, 2018
Yearly Stats and Amounts

2016	Certifier Bonus	Owner Bonus	Total for Month
May	\$ 30,335.00	\$ 30,335.00	\$ 60,670.00
June	\$ 63,418.75	\$ 63,418.75	\$ 126,837.50
July	\$ 63,065.00	\$ 63,065.00	\$ 126,130.00
August	\$ 76,995.00	\$ 76,995.00	\$ 153,990.00
Sept	\$ 100,686.87	\$ 47,436.87	\$ 148,123.74
Oct	\$ 40,597.50	\$ 40,597.50	\$ 81,195.00
Dec (Correction)	\$ 935.00	\$ 935.00	\$ 1,870.00
	\$ 376,033.12	\$ 322,783.12	\$ 698,816.24
		Total	

Special Acct - Monthly	Balance - 2018	
January	\$ 1,000,000.00	\$ 1,529,627.87
January - 5%	\$ (50,000.00)	\$ 1,479,627.87
January Interest	\$811.27	\$ 1,480,439.14
February Interest	\$848.82	\$ 1,481,287.96
March Interest	970.68	\$ 1,482,258.64

Special Acct - Monthly Balance - 2017

January	\$ 1,000,000.00	\$ 1,358,904.73
January -5%	\$ (50,000.00)	\$ 1,308,904.73
January Interest	\$ 195.55	\$ 1,309,100.28
February Interest	\$ 300.86	\$ 1,309,401.14
March Interest	\$ 354.67	\$ 1,309,755.81
April Interest	\$ 301.00	\$ 1,310,056.81
May interest	\$ 333.34	\$ 1,310,390.15
June interest	\$ 334.18	\$ 1,310,734.33
June Bonus	\$ (114,930.00)	\$ 1,195,804.33
July Bonus	\$ (159,530.00)	\$ 1,036,274.33
July Interest	\$ 301.61	\$ 1,036,575.94
August Bonus	\$ (164,245.00)	\$ 872,330.94
August Interest	\$ 299.11	\$ 872,630.05
Sept Bonus	\$ (235,635.00)	\$ 636,995.05
Sept Interest	\$ 240.91	\$ 637,235.96
Oct Bonus	\$ (105,490.00)	\$ 531,745.96
Oct Interest	\$ 203.33	\$ 531,949.29
Nov Interest	\$ 141.38	\$ 532,090.67
Dec Bonus	\$ (2,800.00)	\$ 529,290.67
Dec Interest	\$ 337.20	\$ 529,627.87

Year	# of Starters	# of Starts	1st	2nd	3rd	25% Cert	25% Owner	Totals
2017	229	625	87	71	89	\$ 431,127.50	\$ 351,502.50	\$ 782,630.00
2016	204	631	73	86	93	\$ 376,033.12	\$ 322,783.12	\$ 698,816.24
2015	240	709	97	106	115	\$ 446,250.00	\$ 499,500.00	\$ 945,750.00
2014	271	779	105	105	112	\$ 478,120.75	\$ 531,371.57	\$ 1,009,492.32
2013	270	713	97	99	102	\$ 416,504.00	\$ 470,722.00	\$ 887,226.00
2012	318	943	138	140	146	\$ 437,340.00	\$ 409,503.00	\$ 846,843.00
2011	414	1331	166	189	181	\$ 715,099.86	\$ 773,251.86	\$ 1,488,351.72
2010	364	1150	142	180	146	\$ 705,631.25	\$ 778,203.75	\$ 1,483,835.00
2009	287	922	105	120	121	\$ 511,810.00	\$ 584,382.50	\$ 1,096,192.50
2008	210	690	94	82	109	\$ 367,963.60	\$ 433,265.20	\$ 801,228.80
2007	271	608	90	87	102	\$ 331,809.00	\$ 355,609.00	\$ 687,418.00
2006	139	476	68	61	72	\$ 201,286.80	\$ 214,936.80	\$ 416,223.60
2005	99	366	52	49	53	\$ 179,690.00	\$ 193,340.00	\$ 373,030.00
2004	56	134	20	19	19	\$ 44,947.00	\$ 44,947.00	\$ 89,894.00
2003	9	17	7	3	2	\$ 13,505.00	\$ 13,505.00	\$ 27,010.00

\$ 11,633,941.18