

**THE HORSEMEN'S BENEVOLENT AND PROTECTIVE ASSOCIATION  
OF BRITISH COLUMBIA**

**MINUTES OF THE ANNUAL GENERAL MEETING**

**HELD in the George Royal Room, Hastings Racecourse at 12:00 noon on April 20, 2024**

HBPA BC President David Milburn, serving as the Chair, called the meeting to order at 12:05 PM

Items 1

- a) Officers of the Association  
David Milburn---President  
Steve Henson---Vice-President  
Gary Johnson---Vice-President (absent with reason)  
Neil Stajkowski---Secretary-Treasurer
- b) Directors of the Association
- |                                  |                                 |              |
|----------------------------------|---------------------------------|--------------|
| Denise Prail                     | Don Danard (absent with reason) | Nigel Reid   |
| Richard Hamel                    | Mel Snow                        | Patty Leaney |
| Tara Neigel (absent with reason) |                                 |              |
- c) More than a quorum (25 required) of HBPA members were present.

After calling the meeting to order the President Milburn advised that proper Notice had been placed in the as required by the HBPA constitution and bylaws and observed that since there were more than enough members present for a quorum (25), the meeting was properly constituted.

The Chair then introduced the invited guests and speakers, BC Racebook Chief Operating Officer Matthew Ruhlman and Dawn Lupul, Manager of Racing Communications as a combined TBC/GCGC role and Ole Nielsen as President of BCTOBA and the industry representative on finances. He introduced the HBPA Board of Directors, who were in attendance, and Neil Stajkowski, the Secretary-Treasurer.

David then reported generally on the 2023 meet with average field size down, too many 5 horse and less fields and while purse levels where restored, there is concern as to if that can be retained in the current meet.

He added that the delay in the AGM was to allow for as much industry related information to be shared with the membership that was not available in the fall.

Item 2

President Milburn then made a series of announcements relating to the agenda, and the documents attached to it, that the membership had been provided. He then noted that the

minutes for the 2022 Annual General Meeting have been made available to the members present and asked that they be reviewed. He then called for errors and omissions, and none came forth. The following motion was then passed by the membership:

**MOTION: To approve the minutes of the 2022 Annual General Meeting held on October 20, 2022, as circulated.**

**The motion was moved and seconded (Steve Henson/Demetris Topouzis) and approved.**

Item 3

The Chair then introduced Neil Stajkowski (Secretary-Treasurer) to speak to the March 31, 2023, Annual Financials for those in attendance. Steve Henson, Chair of the Finance Committee and Mel Snow, Director responsible for feed store matters were on hand to answer any questions.

Neil reported on the status of the benevolent and dental programs as well as the scholarship and status of the Learning Centre. He said that the Learning Centre is ran inside the grandstand and its location away from the backstretch has impacted attendance.

A call for questions resulted in some related to the lack of backstretch food services and if the HBPA would be getting more involved. Neil reported on the status and asked if there was anyone in the industry who knew of someone interested in providing the services onsite to contact him. He added that while there has been interest, the volume of clients seems to make the economics of a full-time service not operationally feasible.

Neil also raised a recent letter received from Racing Forensics related to Lasix injections. The rate will be increasing by \$3 per injection. He reiterated that beginning two seasons ago, the HBPA no longer earned \$2 per injection, only the direct cost is passed on to each stable.

The Chair called for a motion to approve the annual financials as presented and one was made and seconded, and without dissent the following was passed:

**MOTION: To approve the 2022-2023 Annual Financial Statements as presented.**

**The motion was moved and seconded (Gary Johnson/Steve Henson) and approved.**

Following a call by the Chair for discussion of the appointment of the reviewer for the next year, the following motion was made, seconded, and passed without dissent:

**MOTION: To appoint Beauchamp & Company LLP to conduct the review of the HBPA financials for the next fiscal year running from April 1, 2023, to March 31, 2024.**

**The motion was moved and seconded (Steve Henson/Gary Johnson) and approved without dissent.**

#### Item 4 – Industry Report

The Chair introduced Ole Nielson, as the representative of the Horse Racing Industry Management Committee, to report on industry financial matters.

Ole summarized the funding of the industry in terms of the regular sources (Casino Slots, BC Racebook) and that information on these sources would be reported by those organizations. He added that BC Racebook now runs both racetrack race books directly with support and co-operation with GCE (Great Canadian Entertainment). The total revenue is split between the track operator (Hastings and Fraser Downs), HRBC and Thoroughbred racing under the agreement to split made years earlier. He said that this split is under review by Thoroughbred and HRBC and will be the subject of future negotiations shortly. The split is 33.65% to Thoroughbreds, 23.2% to Standardbreds and the balance, 43.15% to the operators of each track (Great Canadian). He said that Breeders receive 10% off the top of net revenue to support BC breeding in addition to the BC bred bonus provided based on race results. This agreement on BC Bred bonus is in place until midway in the 2025 race meet. There have been discussions at the recently formed Thoroughbred Racing BC group to reduce or eliminate this bonus to reduce the draw down of the purse pool.

He reported that the HRIMC has used a 'float' each year to provide funding to programs like fresh horse and wintering as the season gets going with training and without racing revenue. That float has been eliminated with reduced revenues in the 2023 calendar year. This has made the determination of purse levels and stake funding a significant item to manage with uncertainty in funding. All racing organizations have made long term sustainable funding a priority with discussions with the operator and government.

The wintering program provided wintering money for over 100 horses last season and due to funding matters, was reduced by \$500 for the off season just passed. The fresh horse program brought in 42 horses. However, funding for these programs is becoming more difficult with reduced revenues.

The Chair continued that 45 race days are planned for 2024 that will start the week before the Kentucky Derby and include many more Friday nights. With the help of TBC, working to increase handle, it was decided that Friday night and Saturday will be our regular running days with a few exceptions for holidays on a Monday. Also, there will be only one race day during the PNE which will run the CTHS sales stake, the Cup is also planned again for July 20 and there will only be one race day that weekend.

There was general discussion from the floor related to the lack of interest the PNE has in supporting racing and related agriculture with the use of the infield for car parking and the blocking off of easy access to the track from the fairgrounds.

#### Item 5

The Chair then introduced the BC Racebook (formerly Teletheatre BC) Chief Operating Officer, Matthew Ruhlman who briefed the meeting on TBC operations.

Matthew reported on TBC results and that TBC contributed over \$11.7 million (\$9M in 2022) to the industry based on an increased handle of about \$20M to \$109.5M. He said simulcast revenue is growing and is expected to continue through the year.

BC Racebook has continued to maintain an operational role with the two casino race books as well as more marketing and promotional work. He continues to work and try to manage the impact HPI (out of Toronto) has on our online betting in BC and how the app called Dark Horse has been successful. (Dark Horse is a simplified racing app that works very well for new bettors and bettors who come for large events like the Cup at Hastings)

On the marketing side, BC Racebook has developed and posted online many new videos supporting live racing at both tracks. On track handle is important as it is worth roughly 6x a simulcast bet on average. This makes track attendance an important goal for the industry and operator. With the move to the digital display platforms at each track, there will be new graphics for races that will enhance viewer experience online.

He also said that the BC Racebook newsletter has been very well received with Greg Douglas providing content for distribution. Dr. Sport, being a well-known sport and racing advocate, adds to BC Racebook's credibility.

Overall, wagering at Hastings in 2023 was down 2.1% from 2022 numbers. There was one less race day (smoke cancellation) Field size is an issue as 8 is the ideal and 2023 saw the average drop to 5.7 down from 6.1. On track betting is very important as the return is 18% of bet amounts versus 3% for outside of BC. If you use your phone at the track on the Hastings website, the return is 15% and in race books in BC the return is 12%.

Rob Gilker raised the issue of poor Wi-Fi and Matthew commented that it has been raised, however the cost is prohibitive according to the operator (more than \$100K to get high speed access due to poor area infrastructure).

He commented on the move to more Friday nights and the importance of staggering races and using slight delays (minutes) in start times. He said that has added a huge amount of money to pools both at Hastings and Fraser Downs. He said that BC Racebook will continue to have a presence on live racing days at both tracks with a tent trackside with betting information, app support and other giveaways.

He said that BC Racebook will continue to drive the message that Hastings is a key sports entity in Vancouver and should be considered a sport destination.

The Chair thanked Matthew for his work and for sharing with the members.

#### Item 6 Track Operations

President Milburn then introduced Dawn Lupul, Manager of Racing Communications, in a co-share position with TBC and Great Canadian. Dawn began her role in the fall of 2023 and has much track experience in Ontario and AB and has a role to improve the relationship between the horsemen and operations of the track along with general improved communications with the public and media.

Dawn spoke on her role communicating with the staff in the race offices, TBC operations and GCGC operations. She is developing a program for media communication related to breakdowns, needed especially because of the unfortunate events on Cup Day 2023.

## Item 7 Presidents Report

President Milburn then provided a general report, summarizing some of the issues raised throughout the meeting.

Regarding food services, he said the building (Trackers) has been condemned and cannot be used at all, food trucks did not work as there is not enough traffic and their pricing didn't fit many backstretch budgets. While the industry subsidized the cafeteria, there is no reasonable model that will work right now for food services without the operator stepping up with a structure and that does not appear to be in their plans. He added that the 25% discount in Jerome's and at the Paddock Grill for licensees has real value.

The purse account is very tight. Many meetings and hours are spent trying to find the best solution that will benefit the industry and its participants. Depending on how the year continues regarding revenue, purse adjustments may be necessary before the end of the meet but as of now, they are only slightly changed down from 2023 for the 2024 meet. Purse stakes are basically unchanged, and we are heading for a year that will end with little or no float come October which is a concern.

Government lobbying is in full swing using the lobby group that helped get the \$3M for the industry two years ago. The industry is looking for sustainable funding. Gary Johnson is our lead on that and reports out to industry stakeholders regularly.

He praised the rank-and-file horsepersons for their work and efforts to keep a strong group of runners and produce a very competitive and entertaining product for the operator in what is difficult times. Hopefully purse levels can be improved to the benefit of all in the not too distant future.

## Item 8 – Other Business

Craig MacPherson raised the issue of the Skybox lounge being closed – a recent announcement. This was new information and outside HBPA influence.

The Racing Surface was raised by members and Mel was asked to speak to it. The track committee chair, Mel Snow, reported on steps taken to maintain the track for the safety of horses. He said the surface will be screened and the mixture may be changed to include more loam. Stabilizer will be sourced and added in increments during the meet.

The issue of the dark day was raised as to why not Sunday. It has been kept on Monday to allow those who need it to be an open business day to attend to appointments and such and it is a less busy day activity wise for those who do other things like golf.

There was discussion about the waiver claim rules in the fresh horse program (one waiver claim) that the horsemen generally did not like, and they said the 90-day rule should be enough. David said he would take that under advisement when the fresh horse program is considered in the fall of 2024, but nothing can be changed with the current program.

The meeting was adjourned, and members were invited to the lunch provided by the HBPABC in the foyer.

Adjournment time 1:30 pm