

Agriculture and NYS Horse Breeding Development Fund
Board of Trustees Meeting
NYS Gaming Commission
One Broadway Center
Schenectady, NY
October 14, 2014

Present; Agriculture and Markets commissioner Richard Ball designee Jacqueline Czub; Trustees: Peter Arrigenna & Mike Kimelman; NYS Gaming Commission Chairman Mark Gearan designee, Ron Ochrym; Also attending: NYS Gaming Commission Office of Racing Promotion and Development, Charlie Diamond; Agriculture & New York State Horse Breeding Development Executive Assistant, Connie Richardson; Audience included: NYS Gaming Commission Director of Communications; Lee Park; NYS Gaming Commission Assistant Counsel Mark Stuart; NYS Gaming Commission Senior Accountant Brian Squadere; Harness Horse Breeders of New York State, Executive Director Betty Holt;

A quorum was present

Agenda Item # 1 Designate a Board Member as Temporary Presiding Officer:

A motion was made to designate Agriculture and Markets Deputy Commissioner Jackie Czub, a Board Member, as Temporary Presiding Officer of the meeting by Trustee Peter Arrigenna, seconded by Trustee Kimelman. All in favor.

The meeting was called to order at 11:10 a.m. by Agriculture and Markets Deputy Commissioner Jacqueline Czub.

Approval of minutes of last meeting of February 27, 2014:

A motion to accept minutes of February 27, 2014 was made by Trustee Arrigenna, seconded by Trustee Kimelman.

All in favor.

Agenda Item # 2 Approve Grant Request:

As prescribed by Section 332 of the NYS Racing, Pari-Mutuel Wagering and Breeding Law: the fund is authorized to dispose of and distribute monies received by it pursuant to the provisions of this chapter for the following purpose:

The New York State 4-H Horse Foundation, Inc. requested a grant for 2014 for the amount of \$76,835.00 to support the statewide 4-H Youth Development Horse Program. A motion to approve the New York State 4-H grant was made by Trustee Ochrym, seconded by Trustee Czub. All in favor.

Harness Racing Museum and Hall of Fame in Goshen, New York requested a grant for 2014 in the amount of \$50,000.00 to support the youth activities and equine education program of the Museum. A motion to approve the 4-H Horse Foundation grant was made by Trustee Kimelman, seconded by Trustee Arrigenna. All in favor.

Agenda Item # 3 Single Source Provider Resolution:

The Single Source Provider Resolution indicate that the Board of Trustees of the Fund has historically recognized and continues to recognize, that the Harness Horse Breeders of New York State, Inc. (“HHBNYS”) is a single source vendor with respect to the effective and efficient promotion of the Standardbred industry as contemplated by the Racing Law. The Board recognizes that: 1. the mission of HHBNYS is substantially aligned with the mission of the Fund and 2.

HHBNYS is the statewide Standardbred Breeders Association representing the majority of the breeders of registered Standardbreds throughout New York State.

A motion to adopt the resolution was made by Trustee Kimelman, seconded by Trustee Arrigenna.

The resolution was approved.

Discussion Items:

2015 New York Sire Stakes Schedule:

Agriculture and Markets Deputy Commissioner Jacqueline Czub recognized and thanked Trustee Arrigenna for his hard work regarding the Sire Stakes schedule and purse allocation structure. Deputy Commissioner Czub asked Trustee Arrigenna to give the Board details of the New York Sire Stakes schedule.

Proposed Schedule Changes:

- There was a discussion to have more time between the 2 year old races, and to lengthen the racing schedule. Instead of having the Night of Champions where all divisions of 2 year old and 3 year old horses compete on one night. The schedule should be separated and the 3year olds race earlier in September and the 2 year olds race later in September or August once the schedule is reviewed.
- Bring back the Fall Harvest, but have it as a consolation, which will be a little different from the previous Fall Harvests. Everyone who raced in a 3 year olds New York Sire Stakes program will be dropped into the finals. The first 8 point leaders, will go to the New York Sire Stakes Finals, and the next 8 will go to the Consolations. There will be a stipulation stating: “there will be no consolations if there is a field of less than 6 horses.”
- HHBNYS proposed the Excelsior “A” division purses be \$15,000 guaranteed (with the \$300.00 starting fees included).

New York Sire Stakes Purse Allocation:

There is a little over \$14 Million to allocate to the Sire Stakes, breeders awards, and to the county fairs. Everything else will remain the same unless the Consolation races are added. The breeder's awards will remain the same as last year. There is time to decide how the \$14 Million will be disbursed, which should be decided at the December meeting.

Changes of Conditions for 2015:

New York Sire Stake #56:

4. All owner entries will be split into different divisions for all Sire Stakes, if possible.

17. Trotting hobbles will be treated as a piece of equipment and may be added or subtracted like any other piece of equipment.

There is an address change for HHB:

- Harness Horse Breeders of New York State
12 Avis Drive, Suite 1
Latham, New York 12110

New York Excelsior Series (revised 10/02/14)

The purse for all Excelsior "A" Series Races will be \$15,000 guaranteed.

Declaration fee: The declaration fee is \$300 for Excelsior A and \$100 for Excelsior "B". All declaration fees for Excelsior "B" will be added to the event to which declared.

3. All owner entries must be split into different divisions, if possible, as per NYGC Rule # 4111.15.

17. Trotting hobbles will be treated as a piece of equipment and may be added or subtracted like any other piece of equipment.

There is an address change for HHB:

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New York Sire Stakes County Fair Races (revised 10/02/14)

Should there not be enough entries in the box with at least four starts to fill the race, the highest point earner which has entered with three starts shall be selected, etc. until there are enough entries to fill the first tier.

27. Trotting hobbles will be treated as a piece of equipment and may be added or subtracted like any other piece of equipment.

The conditions will also be an Action Item for the Board's consideration at the December meeting.

Revised Stallion Eligibility Application 2015, Rules of Eligibility of Yearlings and Stallions and NYS Mare Residency Forms 2015:

The New York Sire Stakes forms have been revised, and updated by Harness Horse Breeders of New York State. Acting Presiding Officer Czub thanked Betty Holt for her attention and effort to this matter.

- The changes made to the 2015 forms are as follows:
- The residency forms are labeled A and B to make it easier to determine which forms breeders have filed or still need to file. These forms have almost the same information as the previous forms with the exception of the NYS permanent resident mare section. This section confused people and made them think that they did not need to file any other forms.
- The location of the mare while she is being bred will be added to better track her physical location for inspections.

How long forms may be accepted after residency requirements are met. It is not known if any formal Trustee vote was ever taken on this matter. Currently the forms read no later than 14 days after the beginning or ending of residency requirements being completed. If we maintain that amount of time we will have a large number of breeders not getting awards when we go to 100% residency. It is suggested 60 days or at the very least 30 days. The next question is can only the 180 day form be filed if we can verify the mare was in fact in the state in that time frame.

- The 2015 stallion registration form follows the new one year lease stature change.
- The Trustees are asked to review the forms with the changes and give approval for them to be mailed out on the regular schedule of November 1st, as well as be placed on the nysirestakes.com website.

2015 Agriculture and New York State Horse Breeding Development Fund Proposed Budget:

Agenda Item #6 Approval of the NYSS Budget:

The 2014 revenue budget was \$16.665 million compared to the 2013 budget of \$13.550 million. The 2014 expense budget was \$16.665 million compared to the 2013 budget of \$20.082 million. The 2014 administrative budget was \$918,027 compared to \$894,622 of 2013 actual administrative costs.

Financials for 2013 resulted in a \$1.5 million loss for the year.

2014 Budget forecasts revenues equal to expenses.

All revenue received by the Fund after June 30th will be retained for the 2015 purses.

A motion was made to break for Executive Session to discuss a personnel related item by Trustee Ochrym, seconded by Trustee Arrigenna. Everyone was asked to leave the room except the Board members, NYS Gaming Commission Office of

Racing Promotion and Development Charlie Diamond, and Gaming Commission Senior Accountant Brian Squadere.

The Board reconvened from Executive Session at 12.30 p.m. Trustee Czub requested Agriculture & New York State Horse Breeding Development Fund, Executive Assistant, Connie Richardson send a meeting notice to the Board Members requesting available dates for a December meeting during the week of the 16th.

A motion to adjourn was made by Trustee Arrigenna, seconded by Trustee Kimelman. All in favor.

Meeting adjourned at 12:35 PM.