



Agriculture & NYS Horse Breeding Development Fund

MINUTES

Agriculture and NYS Horse Breeding Development Fund
Board of Trustees Meeting Via Video Conference
May 13, 2021

A meeting of the Agriculture and NYS Horse Breeding Development Fund was conducted in Schenectady, Albany and Goshen on May 13, 2021 via Video Conference.

Present: Barry Sample, Trustee, Agriculture and NYS Horse Breeding Development Fund and Chair of the New York State Gaming Commission; Richard Ball, Trustee and Commissioner of the NYS Department of Agriculture and Markets; Steve Jones – Trustee, Agriculture and NYS Horse Breeding Development Fund; Kelly Young, Executive Director of the Agriculture & NYS Horse Breeding Development Fund; Dawn Bennett, Agriculture & NYS Horse Breeding Development Fund – Office Manager; Connie Richardson, Agriculture & NYS Horse Breeding Development Fund – Executive Assistant; Melanie LaCour, NYS Gaming Commission Assistant Counsel Melanie LaCour serving as Fund Counsel; Vendor representatives: Sarah Quinn, Capitol Hill Management Services, and Eliza Bianco and Jason Politi, Baker Public Relations; Jackie Czub – Deputy Commissioner, NYS Department of Agriculture and Markets; Ron Ochrym, Director of the Division of Horse Racing at the NYS Gaming Commission; and Brad Maione, PIO, New York State Gaming Commission

AGENDA ITEM 1 - Call to Order and Establishment of Quorum: A virtual meeting was held under the Governor’s Executive Order 202.107 which temporarily suspended the requirement of in-person meetings during the state declared emergency created by the pandemic. Commissioner of the NYS Department of Agriculture and Markets Richard Ball noted the members present (Barry Sample, Chairman of the NYS Gaming Commission and Steve Jones, Trustee) and that there was a sufficient number of Trustees establishing a quorum for the meeting to be called to order which occurred at approximately 1:00 pm.

AGENDA ITEM 2 - Designate a Board Member as Presiding Officer: A motion was made by Trustee Sample to designate Trustee Ball as Presiding Officer of the meeting which was seconded by Trustee Jones.

ON A MOTION BY: Trustee Sample - APPROVED: 3-0

Before going to the agenda, President Officer Ball welcomed new member Steve Jones to the Board of Trustees. He noted that Mr. Jones owns Cameo Hills Farm and that he and his family own and operate a Standardbred breeding farm. The farm is in Orange County and Mr. Jones has bred some of the top Stakes winners in New York. He is also a member of the Harness Racing Museum and Hall of Fame, as well as a long time Board Member of Historic Track currently

serving as President. Trustee Jones noted he was delighted to be on the Fund Board and looked forward to working with the Trustees.

Trustee Sample noted that with Mr. Jones on the Board, he wanted to thank former Trustee Peter Arrigenna for his service and dedication to Standardbred racing and his substantial contributions to the industry, including expanded drug testing, while serving as a Trustee. Ms. Young also offered words of thanks to Mr. Arrigenna. Trustee Ball concluded that he appreciated the vast knowledge that Mr. Arrigenna offered while serving on the Fund Board.

Presiding Officer Ball also noted that Melanie LaCour, of the New York State Gaming Commission, was also present serving as Counsel to the Fund.

Presiding Officer Ball asked Executive Director Young if there were any public comments received. Ms. Young indicated that there were two comments. She noted that one comment was received from George Miller, a NYS Breeder, noting that the “state of affairs” of New York State horses has “never been worse” adding that neighboring states are “eating our lunch.” His second comment addressed the “breeders’ awards” and why they were not paid in the year in which they were earned. The Members discussed the comments noting that the pandemic has had a significant affect on the operations of the Fund.

AGENDA ITEM 3 – Minutes of December 30, 2019: The Fund considered previously circulated draft minutes of the Meeting conducted on December 30, 2019.

ON A MOTION BY: Trustee Sample - APPROVED: 3-0

AGENDA ITEM 4 – Executive Session: A motion was made pursuant to the Public Officer Law Section 105.1 to enter Executive Session.

ON A MOTION BY: Trustee Jones - APPROVED: 3-0

The Members conducted and concluded the Executive Session noting personnel and adjudication matters were discussed. The Meeting was reconvened.

AGENDA ITEM 5 - Ratification of Decisions Made Outside of Meeting Per By-Laws: For Fund consideration are the following items which were previously discussed and approved, pursuant to Executive Order allowing for such decisions during the pandemic, that are required to be ratified by the Fund Board at the next public meeting. The Fund Board considered all seven items collectively in one motion:

- a. Revised Budget for 2020
 - b. Stallion Eligibility Requirements for 2021 Breeding Season
 - c. NYSS and Excelsior Racing Schedule for 2021
 - d. Excelsior Conditions for 2021
 - e. County Fair Conditions for 2021
 - f. Sire Stakes Conditions for Foals of 2020
 - g. Extension of Marketing Services Contract
- ON A MOTION BY: Trustee Jones - APPROVED: 3-0

AGENDA ITEM 6 – Consideration of 2021 County Fair Requests and Racing Schedule:

For Fund discussion were three items to allow County Fairs to conduct fair racing either not on their fair grounds or before the actual fairs begin as noted below. The Fund currently has authority under the County Fair conditions to allow counties that do not have a racetrack at their fair grounds to race county fair races at a horse track that is in the county. Such county fair organizations must request such off-site racing by petitioning the Sire Stakes program before April 1, 2021 stating the unavailability of a track at their fairgrounds and providing a plan for the Sire States program will be addressed at such off-site location.

- a. Genesee County to race at Batavia Downs
- b. Madison County to race at Morrisville College

For additional discussion and consideration by the Trustees are guidelines for those counties that wish not to conduct fair racing concurrently with their actual fair dates. Three counties had noted such consideration:

- c. Franklin, Clinton & Owego Counties to race before fair starts

The item was offered for discussion and a motion was made to adopt the guidelines that would allow the Executive Director, upon request of a county fair association, to review and decide on the request to not hold racing concurrently with the fair based on its merits, especially the ability of the fair to continue to provide a public attraction that highlights harness racing.

ON A MOTION BY: Trustee Jones - APPROVED: 3-0

AGENDA ITEM 7 - Consideration of 2021 Sire Stakes Purses: The 2021 Sire Stakes Purse schedules were presented to the Members.

ON A MOTION BY: Trustee Sample - APPROVED: 3-0

AGENDA ITEM 8 - Consideration of 2020 Breeders Awards: For Fund consideration were the 2020 Breeders Awards. Trustee Jones recused himself from both the discussion and vote. The 2020 Breeders Awards were set at \$500,000 as a place holder given the impact of the pandemic on the finances of the Fund. Ms. Young, upon a question by Trustee Sample, noted that the awards for 2020 should go out “as soon as possible.”

ON A MOTION BY: Trustee Sample - APPROVED: 2-0 (Jones – Abstained)

AGENDA ITEM 9 - Consideration of 2021 Breeders Awards: For Fund consideration were the 2021 Breeders Awards. Trustee Jones recused himself from both the discussion and vote. The 2021 Breeders Awards were set at \$750,000 as a place holder given the impact of the pandemic on the finances of the Fund. Ms. Young, upon a question by Trustee Sample, noted that the awards for 2021 would go out in late October – early November 2021.

ON A MOTION BY: Trustee Sample - APPROVED: 2-0 (Jones – Abstained)

AGENDA ITEM 10 - Consideration of Grant Applications in 2021: For consideration was the discussion of grant applications for 2021. Discussion concerns establishing a budget for program and establishing a deadline. Grant approval would be based on Fund policies which require review of applications be based on strength of the application, availability of Fund

resources and meeting the mandates for grants under both statute and Fund policies. Staff will review each grant and report to the Member at a future fund meeting which is expected to be held in June. The Presiding officer suggested an initial budget of \$100,000 with a deadline of June 10 for acceptance of such proposals to be considered by the Fund.

ON A MOTION BY: Trustee Sample - APPROVED: 3-0

AGENDA ITEM 11 - Consideration of 2021 Budget: The Fund's 2021 proposed budget is presented with projected revenue of \$15.5 million (up from \$6.6 million from last year) and anticipated expenditures of \$12.5 million. A couple of things to note – County Fairs has increased to \$870,000 up from \$700,000. Breeder Awards provides \$1.25 million paid out for this year for both 2020 and 2021. Equine Drug Testing will be budgeted at \$45,000 and promotion and marketing will be returned to pre-2020 levels. Ms. Young noted that staff worked hard in putting this budget together in light of the pandemic and its impact on racing. Trustee Jones inquired about the Zweig funding which is based on the amount of revenue received by the Fund. Given the pandemic, payment to Zweig was reduced due to lower revenues. In a normal year, the Fund pays approximately \$300,000 to Zweig.

ON A MOTION BY: Sample - APPROVED: 3-0

AGENDA ITEM 12 - Consideration of Single Source Designation for Drug Lab: The Fund considered a single source designation for drug testing. In the past, the Fund has designated the New York Drug Testing Program, under SUNY Morrisville and located in Ithaca, as the single source vendor to perform drug testing at a cost not exceeding \$45,000 to ensure the integrity of harness racing in New York State. If approved by the Fund Board, the Executive Director will be given authority to enter into discussion with the Drug Lab to provide for such testing to the Fund.

ON A MOTION BY: Sample - APPROVED: 3-0

AGENDA ITEM 13 - Update on Zweig Memorial Fund for Equine Research: Presiding Officer Ball noted that the Zweig Fund receives 2% of the budgets of both the New York Thoroughbred Breeding & Development Fund, and the Agriculture and New York State Horse Breeding Development Fund (Standardbred). These monies are derived from a small percentage of on-track handle and VLT revenue. The Zweig Committee was established for the purpose of administering the significant funds for equine research. It is composed of individuals in specified state agencies and equine industry positions and others who represent equine breeders, owners, trainers, and veterinarians. Ms. Young provided a summary of projects approved and the amount funded by the Zweig Committee for 2020.

AGENDA ITEM 14 - New/Old Business: No new or old business was considered. Next meeting date was raised by Trustee Sample with Ms. Young noting that she anticipates a June 10 meeting.

AGENDA ITEM 15 – Adjourn - Presiding Officer Ball thanked everyone for attending the meeting and requested a motion to adjourn.

ON A MOTION BY: Sample - APPROVED: 3-0

Presiding Officer Ball declared the meeting adjourned at approximately 2:00pm.