



Agriculture & NYS Horse Breeding Development Fund

MINUTES

Agriculture and NYS Horse Breeding Development Fund
Board of Directors Meeting
Department of Agriculture and Markets, Albany, NY
September 7, 2018

Present: Trustee and New York State Department of Agriculture and Markets Commissioner Richard Ball; Trustee and Chairman of the New York State Gaming Commission Barry Sample; Trustee Peter Arrigenna; Agriculture and Markets Deputy Commissioner Jackie Czub; Executive Director of the Agriculture & NYS Horse Breeding Development Fund Kelly Young; Fund Office Manager Dawn Bennett and Executive Assistant Connie Richardson; and NYS Gaming Commission Associate Counsel Jessica Desany. Vendor representatives: Angie McGrath, Capital Hill Management Services, and Jason Politi, Baker Public Relations.

Agenda Item #1 – Establishment of Quorum: A quorum was present and the meeting of the Agriculture & New York State Horse Breeding Development Fund was called to order at 1:04 p.m.

Agenda Item # 2 - Designate a Board Member as Presiding Officer: A motion was made by Member Sample to designate Commissioner Ball, a Member, as Presiding Officer of the meeting and seconded by Member Arrigenna. All in favor.

Before going to the agenda, Presiding Officer Ball made a few remarks. He acknowledged that, Mike Kimelman had stepped down from his position on the board since the previous meeting and the public announcement was made in June. He noted Kimelman's contributions to the Fund and thanked him for his service on behalf of the trustees.

Presiding Officer Ball noted that in addition to the Members, the following staff were present: Kelly Young, the Executive Director of the Agriculture and New York State Horse Breeding Development Fund, and Dawn Bennett and Connie Richardson, who provide staff support to the Fund. Jessica Desany, Associate Counsel of the NYS Gaming Commission was providing legal counsel.

Presiding Officer Ball then asked the guests in the room to introduce themselves: Betty Holt, Harness Horse Breeders of New York State; Bob Miecuna and Cameron Haughton, Yonkers Raceway; Lisa Lee and Annette Almazan, Gaming Inspector General's Office. He then opened the meeting to Public Comment, but there were no speakers.

Agenda Item #3 – Consideration of Meeting Minutes for April 18, 2018: Minutes of the regular meeting of April 18, 2018 were presented for review and approval. A motion was made by Member Arrigenna to accept the Minutes as presented and seconded by Member Sample. All in favor.

Agenda Item #4 – Consideration to Enter into Executive Session: Presiding Officer Ball called for the members to consider a motion to enter into Executive Session, for the purpose of discussing a personnel

matter, pursuant to New York Public Officers Law Section 105.1. Member Sample made the motion, seconded by Member Arrigenna. All in favor. The members then convened into Executive Session.

Return from Executive Session: Upon returning from Executive Session, Presiding Officer Ball thanked everyone for their patience and explained that the Trustees discussed several personnel issues during Executive Session and moved to the next item on the agenda.

Agenda Item #5 – Consideration of Night of Champions Location Proposals for 2019: Presiding Officer Ball recounted that in the previous meeting in April, the Trustees approved a process and criteria to allow harness racetracks in the state to submit proposals to host the Night of Champions every third year. Proposals for the 2019 Night of Champions were accepted with a deadline of June 15.

He further explained that the Trustees expect a host racetrack to present a Night of Champions event in a manner that exemplifies the value and prestige of the New York Sire Stakes Program. At the same time, the host racetrack should provide a special experience to honor the owners and horsemen who have invested in the Program and whose horses have earned their way into the finals. Racetracks had to describe in their proposal how they would meet certain requirements, such as providing a 24-hour detention barn, collaborating on promotion of the event, and providing a fan experience that advances interest in the New York Sire Stakes.

He noted that the Trustees will evaluate the proposals based on the stated criteria and what they believe is in the best interest of the New York Sire Stakes Program at the time. The Fund received two proposals, one from Batavia Downs and one from Saratoga Casino Hotel.

Member Arrigenna summarized that the Night of Champions has been at Yonkers Raceway for seven straight years, with Saratoga Casino and Hotel last hosting it in 2011. Saratoga has hosted the event on three occasions and Vernon Downs once. He noted it has never been in Western New York. He also commented that the two candidates are both half-mile tracks, have good meeting and event facilities, and can accommodate a detention barn, making them very equal. Member Arrigenna commented that he was leaning toward Batavia Downs because it would allow a track that has never hosted the event before to do so and is in the spirit of moving the event around the state.

Deputy Commissioner Czub asked how the tracks compared in being able to accommodate the public. Member Arrigenna replied that both have a good dining area and food. He further noted that events hosted by the Fund draw large crowds at Batavia, such as the new owner seminar earlier in the year. The group discussed the Batavia facilities and Member Sample said he was interested in seeing the event in Western New York as well.

Member Arrigenna made a motion to hold the 2019 Night of Champions at Batavia Downs. Seconded by Member Sample. All in favor.

Agenda Item #6 – Consideration of Yearling and Stallion Eligibility Requirements for 2019:

Presiding Officer Ball stated that Trustees have changes with rationale in front of them to consider and asked Executive Director Young to go over the highlights. She noted several language changes to clarify the current rules. More significant proposed changes included: allowing dual-hemisphere stallions to leave before July 1 on a case-by-case basis approved by the Fund for reasons related to transportation and quarantine; permitting stallions to leave the state by payment of a fee (modeled after the dual-hemisphere provisions) to collect and freeze semen for export; and deleting the “re-entry” fee for stallions that return to the state.

Member Sample made a motion to accept the Yearling and Stallion Eligibility Requirements for 2019 with proposed changes. Seconded by Member Arrigenna. All in Favor

Agenda Item #7 – Consideration of Breeders Award Program Requirements: Presiding Officer Ball noted the Trustees are considering updates to the Breeders Award Program, which is completely based on mare residency in the state, as of 2018. In order to be eligible for an award, a breeder's mare must reside in New York for 180 consecutive days. He asked Executive Director Young to highlight the proposed changes. She noted that the Fund has previously offered these requirements in the form of guidelines and the Fund will now move toward approving rules for mare residency annually.

Young noted that some changes relate to housekeeping for the transition to a residency-only program, deleting all references to performance-based awards. Proposed changes include clarification of the 180-days of residency being inclusive of conception of the resulting foal; a new provision to allow the transfer of residency from a donor to a recipient mare in the case of an embryo transfer (requested by Harness Horse Breeders); and a new provision to provide for a leave of absence during the 180 days of a broodmare entered into a public auction, modeled after what the Thoroughbreds in New York allow (requested by Harness Horse Breeders).

Member Arrigenna made a motion to approve the Breeders Awards Program with changes as presented, seconded by Member Sample. All in favor.

Agenda Item #8 – Consideration of designee for Advisory Committee on the Future of Equine Drug Testing and Research: Presiding Officer Ball noted he Board received a request to appoint a representative to the Advisory Committee on Equine Drug Testing and Research, created in 2018-19 State Budget. He explained that because the designation of a representative was needed in advance of this meeting, the Trustees nominated and approved Kelly Young by ballot. This process is permitted by in By-Laws Article III, Section 4 (f), which states: Notwithstanding any provision herein to the contrary, the Board of Trustees may, in appropriate cases, act through mail ballot or by other reasonable method necessary to take action in lieu of a meeting, provided that such action is ratified by the Board of Trustees at the next regularly scheduled meeting.

Member Sample made a motion to ratify the designation of Kelly Young as the Fund representative to the Advisory Committee on Equine Drug Testing and Research. Seconded by Member Arrigenna. All in favor.

Agenda Item #9 – New/Old Business: Presiding Officer Ball brought up an item of new business, noting that during the Executive Session the Trustees discussed a personnel issue. As a result, he said the Fund will be handling Administrative Services in-house going forward. These services were being performed by Capital Hill Management Services under a contract that expires on Oct. 31, 2018. Beginning Nov. 1 of this year, the Fund office in Schenectady will retain this function. There was no other business.

Agenda Item #10 – Adjourn - Presiding Officer Ball thanked everyone for attending the meeting and asked for a motion to adjourn. Member Sample made the motion which was seconded by Member Arrigenna. The meeting was adjourned at 2:15 p.m.