

**NEW YORK STATE THOROUGHBRED BREEDING AND
DEVELOPMENT FUND CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF
DIRECTORS HELD JUNE 5, 2018**

A meeting of the Board of Directors of the New York State Thoroughbred Breeding and Development Fund Corporation (the "Fund") was held at 11:00 a.m. on June 5, 2018 at the Fasig-Tipton Pavilion in Saratoga Springs, New York.

Present

John Poklemba	Chairman
Barry Sample	Chairman, NYS Gaming Commission
Joseph McMahon	Member
William Wilmot, DVM	Member
Jeff Cannizzo	NYTB, Executive Director
Howard Nolan	Breeder
Jackie Moody-Czub	Deputy Commissioner, Agriculture and Markets
John Graziano	Member
Philip Birsh	Member
Tracy Egan	Executive Director
Jill LaBoissiere	Comptroller
Adam Lawrence	Registrar
Kyle Flaherty	Counsel

Chairman Poklemba opened the meeting by noting that there was a quorum and called the meeting to order.

As the first order of business, the Board considered the Minutes of the March 2018 meeting.

A motion to accept the Minutes was duly made, seconded and approved by the Board.

As the next order of business, Chairman Poklemba asked Jill LaBoissiere to review with the Board the Fund's April 2018 Year-to-Date Financials. Ms. LaBoissiere proceeded to review the financials with the Board.

A motion to accept the April 2018 Financial Statements was duly made, seconded and approved by the Board.

As the next order of business, Chairman Poklemba asked Ms. Egan to review NYRA's response to the Board's condition to provide purse enrichment to NYRA to enhance purses for NY-sired,

NY-bred winners. Ms. Egan explained that NYRA is interested in having a meeting with Fund representatives to discuss the purse conditions imposed by the Fund. She also explained that NYRA and the Fund are trying to find a mutually convenient date to meet.

As the next order of business, Chairman Poklemba asked Mr. Cannizzo to address the Board concerning FLRA purse enrichment issues. Mr. Cannizzo distributed a one page handout entitled "2017 Finger Lakes Racing Statistics" showing total handle and total purse distributions from Finger Lakes in 2017. He stated that Fund's purse enrichment committee has had several conversations with FLRA representatives about purse enrichment usage for 2018 and 2019, and he gave an overview of those discussions. Mr. Cannizzo stated that the purse enrichment committee intends to meet in advance of the Fund's August Board meeting to come up with recommendations on how FLRA should use its purse enrichment monies from the Fund in 2019 and beyond. It was noted that this matter will be discussed in further detail at the August meeting.

The next order of business was a report on feedback from New York State breeders and other interested parties regarding Fund awards and residency rules. Ms. Egan explained that the Fund had circulated a survey designed to capture information and opinions from industry participants on a variety of issues that are germane to the Breeding Fund's overall awards program. Ms. Egan circulated a 16-page document containing the results of that survey and proceeded to review those results with the Board generally. Several Board members asked questions regarding the process by which the survey was designed and administered, and Ms. Egan responded to each of the questions. The Board members then engaged in a lengthy and thorough discussion concerning the results of the survey and the need to utilize purse enrichment money in a manner that would encourage the breeding of New York sired thoroughbreds.

As the next order of business, Chairman Poklemba asked Ms. Egan to introduce the New York Thoroughbred Fellowship students. Ms. Egan reminded the Board members about the Breeding Fund's sponsorship of . Ms. Egan introduced Evan Anouna of Morrisville State College and Danielle Beiners and Gabrielle Tebo of Cazenovia College as the 2018 New York Thoroughbred Fellowship students. The Board members congratulated each of them for this achievement.

Under New Business, Dr. Wilmot stated that Tony Grey, a New York breeder, has requested that the Fund consider changing its policy regarding "one check" per award winner. Dr. Wilmot explained that the current practice makes it very difficult for co-breeders to collect their awards from their partners and/or consortiums, particularly in situations like bankruptcy, death or divorce. Dr. Wilmot asked the Board to consider adjusting its policy in this regard. A discussion ensued concerning the feasibility, cost and administrative burdens associated with altering the Fund's "one check" policy. It was further noted that the problems associated with these co-breeder issues could result in legal entanglements for the Fund in circumstances where the breeders have disputes with one another. It was agreed that if there is a desire to make a specific proposal for the Fund to re-consider its "one check" policy, that proposal could be raised at the August meeting.

With no further business pending before the Board, the meeting was adjourned.