

**NEW YORK STATE THOROUGHBRED BREEDING AND
DEVELOPMENT FUND CORPORATION
MINUTES OF THE MEETING OF THE BOARD OF
DIRECTORS HELD AUGUST 4, 2020**

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 August 4, 2020 via video conference using Zoom technology as permitted pursuant to Governor Cuomo’s Executive Order 202.1.

Present

John Poklemba	Chairman
Barry Sample	Chairman, NYS Gaming Commission
William Wilmot, DVM	Member
Jeff Cannizzo	NYTB, Executive Director
Richard Ball	Commissioner, Agriculture and Markets
Howard Nolan	Member
Joseph McMahon	Member
John Graziano	Member
Philip Birsh	Member
Jackie Moody-Czub	Guest
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 by stating that the meeting is being conducted in accordance with Governor Cuomo’s Executive Order 202.1 authorizing the holding of public meetings telephonically.

As the first order of business, the Board considered the Minutes of the June 2020 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 Fund Comptroller Jill LaBoissiere to review with the Board the Fund’s financials through June 2020. Ms. LaBoissiere began by noting that the financials have been adjusted to reflect the substantial changes to the budget and revenue expectations that the Board had approved in April and then proceeded to discuss all of the relevant data points on the report. Ms. LaBoissiere reported that even though the Fund is only

one month into the new budget, the actual results appear to be in line with the adjusted projections, but said that this will need to be monitored very closely.

A motion to accept the June 2020 Financial Report was duly made, seconded and approved by the Board.

As the next order of business, Chairman Poklemba asked Ms. LaBoissiere to discuss a proposed budget for 2021. She noted that the Fund is required to file a proposed budget with the New York State Authorities Office for the following year by September 30 of each year. Since there are so many unknowns at the present in light of the pandemic, the Fund, in consultation with the Audit Committee, decided that it would be prudent to do the 2021 budget as if it will be typical year. She noted that the budget could always be amended as new information becomes available. She then proceeded to review the draft 2021 budget and the rationale behind the projections contained in that budget. A discussion ensued concerning the nature of the handle revenue that the Fund is receiving despite the track shutdowns and the fact that the Fund does not participate in its major revenue streams regarding on-track handle and VLT monies.

A motion to accept the proposed 2021 Budget was duly made, seconded and approved by the Board.

As the next order of business, Chairman Poklemba asked Ms. Egan to discuss the potential reinstatement of the Fund's field inspection team. Ms. Egan stated that it was decided at the last meeting that the field inspection team employees would be furloughed until further notice from the Fund. She noted that the Fund would like to bring them back now and allow them to continue their field work with appropriate personal protective equipment and with social distancing protocols. It was noted that the Fund has the revenue to cover their salaries and other compensation from a budgeting perspective.

A motion to reinstate the field team employees was duly made, seconded and approved by the Board.

As the next order of business, Ms. LaBoissiere was asked to discuss the Audit Committee's recommendation to extend the Fund's contract with Marvin & Company for one additional year. Ms. LaBoissiere stated that the Fund originally had a three year arrangement with this auditing firm and that that arrangement had been extended by a year in 2019. She said that in light of the pandemic and restrictions related to it, doing an additional one year extension with no increase seems advisable. She stated that the Audit Committee supports extending this contract by one year.

A motion to extend the Marvin & Company agreement by one year was duly made, seconded and approved by the Board.

Chairman Poklemba noted that it appears that progress has been made on the Fund's proposed rulemaking concerning mares purchased at public auction and asked Fund counsel to provide an update to the Board. Mr. Flaherty stated that the Fund's proposed rule has now been approved by the State's Regulatory Review Unit for publication. He then described the process and timing by which the proposed rule would be published for public comment and noted that if the public comments do not warrant a reconsideration of amendment to the proposed rule, it may become

final in or about November. The Fund's Executive Director Tracy Egan noted that the formal approval of the rule would be required at the end of the 60 day public comment period, which she believes would be in late October or early November.

As the next order of business, the Chairman asked if there was any new business. Ms. Egan provided a brief update on the weanling registrations in 2020, which is an increase from the number of such registrations last year.

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