

**NEW YORK STATE THOROUGHBRED BREEDING AND  
DEVELOPMENT FUND CORPORATION  
MINUTES OF THE MEETING OF THE BOARD OF  
DIRECTORS HELD JUNE 2, 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 June 2, 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
Jackie Moody-Czub	Guest
Ronald Ochrym	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 March 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 April 2020. Ms. LaBoissiere proceeded to review the April 2020 report and noted that payments to the Fund have been significantly delayed due to the Covid-19 pandemic. She further stated that much has changed since April and that the Fund will need to make adjustments to its budget for 2020 to account for those

changes. She also noted the differences in April and May expenses that the Fund has experienced this year due to the pandemic.

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

As the next order of business, Chairman Poklemba asked John Graziano to provide an update from the Audit Committee on the Fund's budget for 2020 in light of the cancellation of races due to the pandemic. Mr. Graziano stated that in reviewing the budget, the Audit Committee looked at every possible expense item and cut as much as it possibly could in developing the Fund's Revised 2020 Budget. He added that there were multiple meetings leading up to the budget adjustments and explained that the Committee proposed many reductions in the Fund's promotional budget to the greatest extent possible. It was noted that the Fund's Revised 2020 Budget had been tentatively approved by the Board via email approvals and that the Audit Committee was seeking ratification by the Board at this meeting.

**A motion to ratify the Board's prior, written approval of the Revised 2020 Budget was duly made, seconded and approved by the Board.**

As the next order of business, the Chairman asked Tracy Egan to report on the Fund's software upgrade. Ms. Egan noted that the consensus by the Board appears to be to push this software upgrade into next year as this is an expense that need not be incurred in 2020. There was general agreement to put this issue off until 2021.

Chairman Poklemba then asked Fund counsel Kyle Flaherty and Ms. Egan to report on the issue of mare movement reporting. Mr. Flaherty noted that the Board has discussed in prior meetings a desire to enforce its mare movement requirements in a way that ensures that breeders will promptly and accurately report to the Fund's registry their mare movements in and out of New York State. He noted, however, that while the Fund's current mare movement requirements are set forth on the Fund's website, they were not created through a formal rulemaking process and are not part of the Fund's published Rules and Regulations. He explained that if it is the desire of the Board to create enforceable mare movement rules, the Board may wish to consider proposing a rule through a formalized rulemaking process. Ms. Egan noted that mare movement cards are very important to the Fund's inspection team because it provides them with important information that they use for farm visits. A lengthy discussion ensued concerning the genesis of the mare movement reporting requirements and why they are important in allowing the Fund to administer its program in a responsible manner. After further discussion, it was the consensus of the Board not to take any action to create a formal rule concerning the Fund registry's mare movement requirements.

As the next order of business, Jeff Cannizzo reported that purse enrichment for FLRA and NYRA has been adjusted under the Revised 2020 Budget and letters were sent to both racing associations notifying them of the adjustments necessary due to the pandemic. Mr. Cannizzo provided an overall report on how both FLRA and NYRA will use their purse enrichment from the Fund in 2020 based upon the information he has to date.

As the next order of business, the Chairman asked if there was any new business. Mr. Graziano noted that while this is not new business, he wanted to have confirmation on two items that were

part of the Revised 2020 Budget, i.e., that the contractual reductions for 2020 agreed to by NYTB and Bryan Cave were conditioned upon both entities have their contracts renewed for 2021 at their regular rates. Mr. Graziano stated that he wants to make sure that the full Board is aware of those conditions. Chairman Poklemba noted that this was his understanding and that he believes this is properly reflected on the motion that the Board ratified today.

As a separate matter, Dr. Wilmot noted that the Promotional Committee has approached NYRA about some television spots that will be broadcast nationally and noted that NYRA has agreed to produce those spots and will assume the cost of those productions for the Breeding Fund. Chairman Poklemba thanked Dr. Wilmot for the excellent work of the Promotional Committee on behalf of the Fund.

As a final matter, Ms. Egan stated that due to Covid-19 there is a strong likelihood that the foal crop numbers for 2021 will be extremely low. Ms. Egan noted that this dynamic highlights the critical importance of the pending proposed Fund rule concerning non-resident mares. Chairman Poklemba asked Ron Ochrym if he would express to the Governor's Office the importance of that pending proposed rule to see if it can be moved forward without further delay. Mr. Ochrym stated that he would do so.

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