



**Agriculture and New York State Horse Breeding Development Fund  
Minutes – November 27, 2023**

**ITEM 1: CALL TO ORDER** – Chairman Brian O’Dwyer called the meeting to order at approximately 11:07 a.m. Establishment of a quorum was noted by Chairman O’Dwyer. In attendance were Fund Board Members Richard Ball, Commissioner of the Department of Agriculture and Markets and Steve Jones.

**ITEM 2: OPENING REMARKS BY CHAIRMAN O’DWYER** – Chairman O’Dwyer thanked the Museum’s President Max Hempt and Executive Director Janet Terhune (TERHUNE) for providing the venue for the meeting. He noted the tragedy that took place on November 9, 2023, at Tioga Downs. He expressed his condolences to all those who were impacted.

**ITEM 3: CONSIDERATION OF MINUTES OF MAY 24, 2023** – The Fund considered previously circulated draft minutes of the meeting conducted on May 24, 2023. The minutes were accepted as circulated.

**ITEM 4: BREEDERS AWARDS UPDATE** – Chairman O’Dwyer noted that on October 5th, the 2023 Breeders Awards were posted on the Fund’s website, totaling \$1,000,000. He congratulated all of the Breeders who received awards this year and thanked them for their participation in the program.

**ITEM 5: LEGISLATIVE UPDATE** – Executive Director Ralph Scunziano stated that Governor Kathy Hochul signed Assembly Bill A10028 (Pretlow) into law on September 29, 2023. He then read Governor Hochul’s Approval Memo. He noted the Fund will continue to monitor any further legislative changes this upcoming session and will make adjustments to the program accordingly.

**ITEM 6: CONSIDERATION OF RACING CONDITIONS FOR 2023** – Executive Director Scunziano noted the proposed New York Sire Stakes – Number 65 - Conditions, for the foals of 2023, contain changes which include allowing one trailer to be permitted when total entries equal 9, 17, or 18 for ½ mile tracks, which will help avoid the issue of having 4 horse fields. He noted the only other changes concern the payment changes approved at the Fund’s February 9, 2023 Meeting.

Executive Director Scunziano noted the proposed Conditions for the 2024 New York Excelsior Series contained no changes other than the payment changes approved at the Fund’s February 9, 2023 Meeting.

Executive Director Scunziano noted the proposed 2024 County Fair Conditions removed the requirement for the County Fair Finals to be held at a pari-mutuel track per the request of the Members at the Fund’s May 24, 2023 Meeting.

Member Jones proposed removing the Nomination Fees for the County Fair Races. Chairman O'Dwyer stated that he was disappointed in the number of County Fairs that participate in the Racing Series and would like to see more involvement. Commissioner Ball agreed.

The Racing Conditions were approved.

**ON A MOTION BY: Commissioner Ball - APPROVED: 3-0**

Executive Director Scunziano stated that in past County Fair Races, whenever there was a split field (more than 6 entries), the purses have been split. Going forward, he stated that the Fund would like to be able to guarantee the purses (\$4k for 3-yr-olds and \$3,500 for 2-yr-olds). This would cost the Fund approximately \$165,000 per year.

Approval was received to guarantee the County Fair purses.

**ON A MOTION BY: Member Jones - APPROVED: 3-0**

Executive Director Scunziano discussed the issue of improving track safety at the County Fair Races. He stated that more funding is necessary. Pursuant to Racing, Pari-Mutuel Wagering and Breeding Law § 332(2)(b), upon proper request made by a duly qualifying agricultural society, the Fund can disburse up to \$15,000 annually for capital construction of the grounds, building or equipment, of each requesting society. Executive Director Scunziano suggested that authorization of up to \$90,000 for 2024 would allow the Fund to disburse moneys for capital improvements at County Fair Tracks. The Members discussed authorizing more funding for 2024. The Members decided to table this issue until after discussion of the 2024 Budget.

**ITEM 7: REVIEW OF 2024 BUDGET AND FINANCIAL UPDATE** – Jill LaBoissiere from Capitol Hill Management Services presented the proposed 2024 Budget for the Fund and provided an update on the Fund's 2023 year-to-date financials. The 2024 Budget provides for an estimated revenue of \$17.6 million and expenses of \$16.1 million.

Jill LaBoissiere stated there is a projected \$1.5 million surplus. Commissioner Ball asked if there would be enough money to implement changes in the future. Jill LaBoissiere stated there is room in the Budget to increase funding towards programs in 2024 and future years. Jill LaBoissiere noted that the numbers in the Budget are conservative.

The Members approved the 2024 Budget.

**ON A MOTION BY: Member Jones - APPROVED: 3-0**

Chairman O'Dwyer returned the discussion of capital improvements at County Fair Tracks. Commissioner Ball inquired about the proposed process of ensuring the work is completed by the County Fairs. Executive Director Scunziano described the process of submission of proposed work, and inspection by the Fund of completed work. Chairman O'Dwyer requested that Executive Director Scunziano prepare a memorandum for the Members outlining the

proposed process of approving, disbursing, and inspecting the capital improvement funds to the County Fairs.

The Members approved up to \$300,000 for capital improvements at County Fair Tracks in 2024  
**ON A MOTION BY: Member Jones - APPROVED: 3-0**

Jill LaBoissiere then provided a year-to-date financial update. She noted the aging summary and pointed to the outstanding balances owed to the Fund. Executive Director Scunziano provided a status update regarding money owed to the Fund by Resorts World Catskills. He stated that a review of the Fund's finances determined Resorts World Catskills failed to make any payments for the period of January 2019 through December 2022. Pursuant to N.Y. Racing, Pari-Mutuel Wagering and Breeding Law § 1355, a statutory condition of licensure as a gaming facility is to make applicable racing support payments. Resorts World Catskills has proposed to pay its current obligations, while making annual of payments of 25% of the outstanding balance each April of the next four years. Resorts World Catskills has offered 6% interest per annum starting January 1, 2024, on any overdue unpaid balances. Chairman O'Dwyer stated that with settlement agreements, in general, a payment is made at the time of the agreement or soon thereafter. He suggested that the Fund should receive an initial payment before the Board would approve the proposed arrangement. Executive Director Scunziano stated he would report back on the progress at the Fund's next meeting.

**ITEM 8: SELECTION OF FIRM FOR 2023 AUDIT:** Executive Director Scunziano noted an advertisement was posted on New York State's Contract Reporter and outreach was conducted requesting quotations for Auding Services for 2023. The Fund received four proposals. After a review of the proposals submitted, staff recommended utilizing UHY for the 2023 Financial Audit. Executive Director Scunziano stated that UHY's proposal was extremely impressive, demonstrating a wealth of industry experience. The Members had a chance to review the quotations before the meeting. Commissioner Ball asked Jill LaBoissiere what she thought about UHY. She stated that their proposal was strong and is confident that, with their industry experience, they will be extremely capable of providing Auditing services for 2023.

The Members approved UHY to conduct the 2023 Financial Audit.

**ON A MOTION BY: Commissioner Ball - APPROVED: 3-0**

**ITEM 9: ZWEIG FUND MEETING UPDATE** – Executive Director Scunziano noted the Fund provides 2% of its revenue to the Zweig Fund. The Zweig Fund Committee considered 13 grant proposals this year and is in the process of notifying the Awardees. The details of the proposals have not yet been released. Executive Director Scunziano noted he will provide an overview of the funded proposals when the information is made public.

**ITEM 10: SHARED SERVICE AGREEMENT UPDATE** – Executive Director Scunziano noted Pursuant to Racing, Pari-Mutuel Wagering and Breeding Law § 330(2), the Fund shall use, pursuant to a contract or memorandum of understanding approved by the director of the budget, the service employees of the NYS Gaming Commission. The current Shared Service Agreement

is set to expire on 12/31/2023. The terms of the new agreement will be the same as the existing one.

The Members approved the Shared Service Agreement.

**ON A MOTION BY: Commissioner Ball-APPROVED: 2-0 (Chairman O’Dwyer-Abstained)**

**ITEM 11: NEW/OLD BUSINESS** – Executive Director Scunziano mentioned that he received calls expressing concerns regarding the recent legislation related to out-of-state mares potentially attempting to receive Breeders Awards. Member Jones discussed the current mechanisms in place to determine a mare’s residency and stated that he did not share the same concerns.

Chairman O’Dwyer returned to the discussion of the Breeders Awards at the amount of \$1,310,000. He noted that Trustee Jones wanted to recuse himself from that vote.

The Members approved the Breeder’s Awards for 2024 in the amount of \$1,310,000.

**ON A MOTION BY: Commissioner Ball - APPROVED: 2-0 (Trustee Jones – Abstained)**

Member Jones discussed the issue of the Stallion Directory not being printed. Executive Director Scunziano noted the Fund has stopped printing these Directories and they are only available in digital form. Member Jones discussed the Fund’s distribution of Award Blankets to winners of races. He noted that this long-standing tradition no longer serves a useful purpose. He noted that alternative options should be explored. Chairman O’Dwyer suggested that Member Jones propose some alternatives at the Fund’s next meeting.

**ITEM 12: ADJOURNMENT: On a motion by Commissioner Ball, APPROVED: 3-0**

Chairman O’Dwyer declared the meeting adjourned at approximately 12:09 p.m.