

AMENDED MINUTES
NEW YORK STATE RACING AND WAGERING BOARD
MEETING OF AUGUST 21, 2003

A meeting of the New York State Racing and Wagering Board was held on Thursday, August 21, 2003 at 11:00 a.m. in the Gideon Putnam Room located on the 1st Floor in the Administration Building at the NYS Office of Parks, Recreation and Historic Preservation in Saratoga Springs.

The meeting was called to order at 11:00 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Cheryl Buley, Member

Edward Martin, Executive Director

Sheila Osterhout, Secretary to the Board

Robert Feuerstein, General Counsel

Thomas Casaregola, Director of Audits & Investigations

Joseph Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Stacy Clifford, NYSR&WB

Francesca Pizzimenti, NYSR&WB

Elizabeth Benjamin, Times Union

Mark Johnson, AP

Brian Poulter, Department of Budget

Shirin Parsavand, Daily Gazette

Bill Crowell, Hinman Straub

Heather Mowat, NYS Senate Finance

OPEN COMMENT PERIOD: None

A. The Board approved the minutes of the Board meeting held on July 16, 2003.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on July 17, 2003, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation with the approval of an addendum to an existing two-year contract with the Atlantic City Casino Association. This addendum enables the export of the Monticello Raceway simulcast signal to the contiguous state of New Jersey to The Borgata Hotel, Casino and Spa.

This approval is effective immediately.

* For entry into the minutes, on July 18, 2003, approval was granted for the request by Monticello Raceway for the addition of the Border Town OTB as an addendum to the Choctaw Racing Services, LLC of Durant, Oklahoma agreement.

* For entry into the minutes, on August 4, 2003, approval was granted for the request by Monticello Raceway to amend its plan of operation enabling the import of simulcasts from the thoroughbred racetrack known as the Del Mar Race Course in California.

This approval is effective during the Del Mar Summer year 2003 annual race meeting. This simulcast may be taken whenever in accordance with the Racing Law.

* For entry into the minutes, on August 4, 2003, approval was granted for the request by Monticello Raceway to amend its plan of operation enabling the import of simulcasts from Northville Downs in Michigan during the remainder of its year 2003 race meeting.

This simulcast may be taken whenever in accordance with the Racing Law.

* For entry into the minutes, on August 4, 2003, approval was granted for the request by Monticello Raceway to amend its plan of operation enabling the export of its simulcast signal to Euro Off-Track. This approval is conditioned with the provision that residents of New York State not be able to wager on these simulcasts with this out-of-state entity as outlined in Condition "7" of the contract.

Also approved was an addendum to a contract with the New Jersey Sports and Exhibition Authority relative to simulcast wagering pools on the Monticello simulcasts wagered upon at the Meadowlands and Monmouth Park. By contract addendum, the New Jersey Sports and Exhibition Authority has the right to cancel wagering at these two New Jersey racetracks on certain pari-mutuel pools on Monticello simulcast races by which the New Jersey management anticipates a possible "minus pool".

2. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on July 17, 2003, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from the thoroughbred tracks known as Thistledown in Cranwood, Ohio; Retama Park in Selma, Texas; and Louisiana Downs in Bossier City, Louisiana.

This approval further extends to Suffolk Regional OTB. This simulcast may be imported and utilized for wagering whenever in accordance with the Racing Law.

* For entry into the minutes, on July 17, 2003, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from The Red Mile in Lexington, Kentucky during their 2003 Fall Grand Circuit meeting that begins on September 1st and concludes on October 4th.

This approval further extends to Suffolk Regional OTB. The Red Mile simulcasts may be imported and utilized for wagering whenever in accordance with the Racing Law.

* For entry into the minutes, on July 25, 2003, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling wagering on the year 2003 Breeders' Cup future wagers during the three designated time periods as detailed on the submitted contract with the Oak Tree Association at Santa Anita.

This approval also extends to the Suffolk Regional OTB and can continue when in compliance with the Racing Law.

* For entry into the minutes, on August 4, 2003, approval was granted for the request by Nassau Regional OTB, dated July 23, 2003, for an addendum to an existing simulcast contract with The Charles Town Races in West Virginia.

This addendum will enable the addition of the regional New York State OTB corporations of Capital, Catskill and Western. All simulcasts from The Charles Town Races can be utilized by the New York State regional off-track betting corporations whenever in compliance with the Racing Law.

3. FINGER LAKES REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on July 18, 2003, approval was granted for the request by Finger Lakes for the addition of the Border Town OTB as an

addendum to the Choctaw Racing Services, LLC of Durant, Oklahoma agreement.

4. NYRA REQUEST FOR ADDENDUM TO EXISTING CONTRACT - CHOCTAW

For entry into the minutes, on July 18, 2003, approval was granted for the request by the New York Racing Association for the addition of the Border Town OTB as an addendum to the Choctaw Racing Services, LLC of Durant, Oklahoma agreement.

5. NYRA REQUEST TO OFFER PROMOTION

For entry into the minutes, on July 18, 2003, approval was granted for the request by the New York Racing Association to amend its plan of operation enabling the implementation of a ten dollar (\$10.00) cash incentive to all new NYRA-One account holders that open an account for fifty dollars (\$50.00) or more through Monday, September 1, 2003.

6. NYRA REQUEST TO OFFER PROMOTION - TRAVERS

For entry into the minutes, on July 18, 2003, approval was granted for the request by the New York Racing Association to amend its plan of operation enabling the implementation of the request to offer a guaranteed \$500,000 pool for the Pick Four wager on each of the Saturdays of July 26th, August 2nd, August 9th, and August 30th during the year 2003 Saratoga Race Course meeting.

Further approved is the offering of a guaranteed \$1 million Pick Four wager on August 23rd, Travers Day.

7. CATSKILL OTB REQUEST TO RELOCATE BRANCH - NYACK

For entry into the minutes, on July 21, 2003, approval was granted for the request for relocation of the Catskill Regional Off-Track simulcast branch currently located on Route 59 in Nyack to a new location within the Hub Shopping Center, which is located at 306 Route 59 in the Town of Clarkstown.

Before opening this relocated branch within the Hub Shopping Center, the temporary certificate of occupancy must be filed with the Board.

8. CAPITAL OTB REQUEST TO OFFER PROMOTIONS

For entry into the minutes, on July 23, 2003, approval was granted for the request by Capital District Regional OTB, dated July 7, 2003, to distribute to the first 100/200 customers (depending on the location) entering the listed simulcast branches, a free two-dollar (\$2) betting voucher along with other OTB related items.

Although specific Board permission is not required, the Board acknowledges the fact that Capital OTB will be charging a fifty-cent admission fee to its

Teletheater in Albany on all live Saratoga Race Course days during NYRA's 2003 Saratoga race meeting.

The Racing & Wagering Board reserves the right to audit the results of all vouchers or other corporation provided wagering promotions conducted by its licensees.

9. NASSAU OTB REQUEST TO OFFER PROMOTIONS

For entry into the minutes, July 23, 2003, approval was granted for the request by Nassau Regional OTB to conduct the "Welcome To Our Web Site" sweepstakes contest per the submitted rules. This contest is in conjunction with the opening of the new Nassau Downs OTB web site.

The Racing & Wagering Board reserves the right to audit the results of all vouchers or other corporation provided wagering promotions conducted by its licensees.

10. WESTERN OTB REQUEST TO CONDUCT PROMOTIONS 7/26/03 (BATAVIA DOWNS)

For entry into the minutes, on July 25, 2003, approval was granted for the request by Batavia Downs for the "ZIPPY CHIPPY" promotion per the submitted rules and prize list.

The Racing & Wagering Board reserves the right to audit the results of all vouchers or other corporation provided wagering promotions conducted by its licensees.

11. SARATOGA HARNESS REQUEST TO OFFER PROMOTION ON WEBSITE

For entry into the minutes, on July 25, 2003, approval was granted for the request by Saratoga Harness to conduct the "Sudden Death Online Contest" between August 12th and September 27, 2003 via the official Saratoga Raceway website.

This handicapping challenge will be conducted per all rules submitted to the Board with the "Saratoga Raceway Sudden Death Online Contest" promotional application.

The Racing & Wagering Board reserves the right to audit the results of all vouchers or other corporation provided wagering promotions conducted by its licensees.

12. VERNON DOWNS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on July 25, 2003, approval was granted for the request by Vernon Downs to amend its simulcast plan of operation enabling the import of harness simulcasts from Indiana Downs in Indiana and Ocean Downs in Maryland during their 2003 live racing season.

Also approved was the agreement with Suffolk Downs in Massachusetts for the remainder of the year 2003. All simulcasts may be taken whenever in accordance with the Racing Law.

* For entry into the minutes, on August 13, 2003, approval was granted for the request by Vernon Downs to amend its simulcast plan of operation enabling the import of simulcasts from the Plainridge Raceway in Massachusetts during the remainder of the calendar year 2003, effective immediately.

This simulcast may be imported and utilized whenever in accordance with the Racing Law.

13. CAPITAL OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on July 25, 2003, approval was granted for the request by Capital District Regional OTB to amend the simulcast plan of operation enabling wagering on the year 2003 Breeders' Cup future wagers during the three designated time periods as detailed on the submitted contract with the Oak Tree Association at Santa Anita.

This request was made on the behalf of Catskill Regional OTB, Western Regional OTB as well as Capital District Regional OTB.

14. CATSKILL OTB REQUEST TO SIMULCAST INDIANA DOWNS

For entry into the minutes, on July 25, 2003, approval was granted for the request by Catskill Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Indiana Downs in Indiana.

This approval is effective immediately and can continue when in compliance with the Racing Law through the end of the year 2003.

15. NEW YORK CITY OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on July 25, 2003, approval was granted for the request by New York City OTB to amend its simulcast plan of operation enabling the wagering on the year 2003 Breeders' Cup future wagers during the three designated time periods as detailed on the submitted contract with the Oak Tree Association at Santa Anita.

* For entry into the minutes, on July 25, 2003, approval was granted for the request by New York City OTB to amend its simulcast plan of operation enabling the import of simulcasts from the year 2003 harness race meeting conducted at Freehold Raceway in New Jersey and from the thoroughbred racetrack in Texas known as Retama Park.

The approved simulcasts may be imported whenever permitted under the Racing Law.

16. NYRA REQUEST TO FOR NEW EXPORT SIMULCAST

For entry into the minutes, on August 4, 2003, approval was granted for the request by NYRA for the addition of a simulcast site in Australia known as Capital Sports PTY Limited, which operates from the Thoroughbred Park at Canberra Racecourse.

This approval is effective immediately.

17. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on August 4, 2003, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the import of simulcasts from the thoroughbred racetrack in California known as the Del Mar Racecourse and from Retama Park, a thoroughbred racetrack in Texas.

Also approved are the agreements with the harness tracks known as Ocean Downs in Maryland and Plainridge Race Course in Massachusetts for the year 2003 simulcasts. These imported simulcast signals may be used whenever permitted under the Racing Law.

For entry into the minutes, on August 4, 2003, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the export of simulcasts to YouBet, effective immediately. This approval is valid for the entire year 2003 Saratoga Raceway racing season.

Also approved are the agreements with Great Lakes Downs (Michigan), Evangeline Downs (Louisiana) and with Indiana Downs (Indiana) for the remainder of their 2003 racing season. All simulcasts may be used whenever permitted under the Racing Law.

18. VERNON DOWNS REQUEST TO CANCEL RACE DAYS

For entry into the minutes, on August 4, 2003, approval was granted for the request by Vernon Downs for the cancellation of the scheduled live racing dates of August 16th and 20th.

Also approved is the addition of live racing dates on the Saturdays of August 30th and November 22nd during the current year 2003 racing season.

19. NYRA REQUEST FOR PROMOTIONS AT BELMONT

For entry into the minutes, on August 11, 2003, approval was granted for the request by NYRA, dated August 7, 2003, to issue approximately 45,500 wagering vouchers for each of two Saturdays of September 6th and Breeder's Cup Day, October 25th per the agreed NYS Racing and Wagering Board-NYRA guidelines. These mystery vouchers would be redeemable only on the date as printed on the face of the voucher and only at Belmont Park.

A patron with a mystery voucher may be escorted to and from designated windows to redeem that voucher, and do so without paying admission or parking fees. Furthermore, should anyone desire a list of winners, it may be

obtained from NYRA by mail request including a self addressed stamped envelope.

As with all previous voucher distributions, the Board reserves the right to audit results of this voucher promotion. For the pair of Belmont Park Fall 2003 voucher promotions, this approval is conditioned upon NYRA issuing the Board a report within 14 days after the conclusion of each promotion as outlined in the agreed guideline #12 of the "Standard Operating Procedures" for mystery voucher promotions. Included would be the activity detail over a consecutive three-day period beginning with the day prior to the public redemption of the mystery voucher.

20. BATAVIA DOWNS REQUEST TO ADD SUPERFECTA WAGERS

For entry into the minutes, on August 13, 2003, approval was granted for the request for an amendment to the Batavia Downs plan of operation enabling the implementation of two superfecta wagers on each daily racing program, one on race five (5) and one on race ten (10).

21. FINGER LAKES REQUEST TO CANCEL DATES - SEPTEMBER

For entry into the minutes, on August 13, 2003, approval was granted for the request by Finger Lakes to amend its plan of operation enabling the cancellation of the scheduled and approved racing dates of Wednesday, September 3rd and Thursday, September 4, 2003.

22. NYRA REQUEST TO OFFER PROMOTION - SHOWDOWN

For entry into the minutes, on August 13, 2003, approval was granted for the request by NYRA to conduct the Fall 2003 Belmont Park ShowDown internet handicapping contest throughout the year 2003 Fall Belmont Park race meeting with the condition of a ten dollar entry fee per contestant and all paid entry fees returned to the winners as outlined in the rules.

23. NYRA REQUEST TO OFFER PICK 4

For entry into the minutes, on August 13, 2003, approval was granted for the request by NYRA, dated August 3, 2003, to amend its plan of operation with the guaranteed amount of \$500,000 in the daily pick four pari-mutuel pools at Belmont Park on Saturdays September 6th, 27th, October 4th and 18th during the upcoming Belmont Park Fall Championship meeting.

24. VERNON DOWNS REQUEST TO CHANGE POST TIMES

For entry into the minutes, on August 13, 2003, approval was granted for the request by Vernon Downs to amend its plan of operation with a new first post time of 7:10 p.m. on each of the two racing programs of Thursday, August 14th and Friday, August 15, 2003.

25. YONKERS RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2003

For entry into the minutes, on August 13, 2003, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of simulcasts from the thoroughbred racetrack known as Evangeline Downs located in Lafayette, Louisiana.

This simulcast may be imported and utilized whenever in accordance with the Racing Law.

C. ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE BOARD

1. IN THE MATTER OF JERRY CONRAD

For entry into the minutes, on July 15, 2003, approval was granted for the request to summarily suspend the thoroughbred starter/groom license of Jerry Conrad upon a finding that the public safety and welfare imperatively require this emergency action. The suspension will remain in effect pending further disposition by the Board after a hearing.

2. NYRA REQUEST FOR ADDITIONAL ANNEXED PROPERTIES AT SARATOGA

For entry into the minutes, on July 21, 2003, approval was granted for the request by NYRA for the annexation of a seventh property to the NYRA grounds in compliance with Board rules addressing the administration of furosemide only on the grounds of a licensed or franchised racing association or corporation during the time period from 4 to 4 ½ hours before the scheduled post time of the race in which the horse is to compete. NYRA is to provide security during the time periods encompassing the furosemide administration until the horse leaves the property to race.

This seventh approval is for the Payson II property located at 357 Caroline Street in Saratoga Springs.

3. NEW YORK CITY OTB REQUEST FOR NEW SIMULCAST FACILITY SIDETRACKS

For entry into the minutes, on July 25, 2003, approval was granted for the request by New York City OTB to amend its plan of operation with the establishment of a "mini-branch within the confines of the Sidetracks Restaurant. The restaurant is located at 45-08 Queens Boulevard in Sunnyside, New York.

This approval is conditioned upon Section 1008 (2)(c)(ii) as stated in the request letter. This approval is effective immediately.

4. EMERGENCY RULEMAKING THOROUGHBRED TRIFECTA RULE 4011.22

For entry into the minutes, on August 1, 2003, the Board approved an emergency rule adoption governing the required number of betting entries for the conduct of trifecta wagering in thoroughbred racing. The existing

provision provided that no trifecta wagering shall be conducted unless there are at least six betting entries.

Paragraph (i) of Rule 4011.22 was amended to provide for the conduct of trifecta wagering on Graded Stakes races provided there are at least five betting entries

5. RULE AMENDMENT □ FOUL RIDING PENALIZED - 4035.2(b)

For entry into the minutes, on August 4, 2003, the Board approved the recommended text change to the proposed amendment to Title 9E NYCRR Section 4035(b), "Foul Riding Penalized", which was submitted to the Governor's Office of Regulatory Reform (GORR) for approval. On July 14, 2003, GORR requested that one minor text change be made, deleting the word "other" from the fifth sentence of paragraph "b".

6. NYRA REQUEST FOR ADDITIONAL ANNEXED PROPERTIES AT SARATOGA

For entry into the minutes, on August 4, 2003, approval was granted for the request for the annexation of an eighth property to the NYRA grounds in compliance with Board rules addressing the administration of furosemide only on the grounds of a licensed or franchised racing association or corporation during the time period from 4 to 4 ½ hours before the scheduled post time of the race in which the horse is to compete. NYRA is to provide security during the time periods encompassing the furosemide administration until the horse leaves the property to race.

This eighth approval is for the Pregman Racing Stable (Trainer □ John Pregman) which is located at 49 Gridley Street in Saratoga Springs.

This approval is effective immediately.

7. NEW YORK CITY OTB REQUEST TO AMEND PLAN OF OPERATION

For entry into the minutes, on August 4, 2003, approval was granted for the request by New York City Off-Track Betting Corporation to amend its plan of operation enabling the installation of snack and non-alcoholic beverage vending machines in the New York City OTB branches listed in the July 28th request letter.

8. VERNON DOWNS REQUEST FOR APPROVAL OF PLANS FOR VIDEO LOTTERY FACILITY

For entry into the minutes, on August 12, 2003, approval was granted pursuant to Section 322 of the NYS Racing, Pari-Mutuel Wagering and Breeding Law for the request by Vernon Downs for the proposed structure to house the Video Lottery Terminals.

This structure will be located between the hotel and the grandstand and will provide 30,000 square feet of gaming room housing 1,108 terminals. Vernon Downs is planning for a November 2003 opening.

9. EMERGENCY RULEMAKING □ VOLUNTARY SELF-EXCLUSION □ PARTS 4044, 4123, 4237 & 5212

For entry into the minutes, on August 19, 2003, the Board approved an emergency rule adoption for voluntary self exclusion (Parts 4044, 4123, 4237 & 5212). These rules enable persons to voluntarily exclude themselves from certain pari-mutuel wagering venues and allows persons to establish voluntary limits on telephone wagering amounts.

Further, these rules authorizes a procedure whereby persons may voluntarily exclude themselves from entering the premises of thoroughbred and harness racetracks, simulcast theaters and off-track betting simulcast facilities.

10. SARATOGA HARNESS REQUEST FOR APPROVAL OF VLT RELATED DEMOLITION

For entry into the minutes, on August 20, 2003, approval was granted pursuant to Section 322 of the NYS Racing, Pari-Mutuel Wagering and Breeding Law for the request by Saratoga Harness for demolition related to the proposed Video Lottery Terminals facilities.

The demolition approved is described in the August 20, 2003 letter request submitted by Saratoga Harness, together with the construction permit for demolition only. An additional approval of this Board will be required prior to initiation of the alteration/construction phase of the VLT project.

D. ITEMS TO BE APPROVED, DENIED OR DEFERRED BY THE BOARD

1. IN THE MATTER OF LEO BARRY

The Board approved Hearing Officer Baller's recommendation that the thoroughbred groom license of Leo Barry be revoked based upon the finding of the report of a positive result for the drug cocaine, which resulted from a sample collected from the licensee on June 24, 2003 at Finger Lakes Racetrack, in violation of Board Rule 4042.5 and the terms of the "Consent to Conditions for Reinstatement".

2. IN THE MATTER OF CARLOS BARRERA

The Board approved Hearing Officer Baller's recommendation that the thoroughbred exercise rider license of Carlos Barrera be revoked based upon a positive result for the drug marijuana, which resulted from a sample collected from the licensee on May 29, 2003 at Finger Lakes Race Track in violation of Board Rule 4042.5 and the terms of his "Consent to Conditions for Reinstatement".

3. IN THE MATTER OF MICHAEL HELD

The Board approved Hearing Officer Baller's recommendation that the harness racing groom licensee of Michael Held be revoked pursuant to Racing, Pari-Mutuel Wagering and Breeding Law Section 309(2) based upon conviction for a crime involving moral turpitude and the finding that Mr. Held's character and fitness are such that his participation in racing would not be consistent with the best interests of racing.

4. IN THE MATTER OF CLAUDE HUCKABONE, III

The Board approved Hearing Officer Baller's recommendation that the decision of the judges at Yonkers Raceway, which suspended Mr. Huckabone's license for eight (8) days for violation of Board Rule 4117.4(a) while driving the horse INCREDIBLE NATASHA in the third race on June 6, 2003 be upheld.

5. RULE MAKING PROPOSAL □ THOROUGHBRED RULES PARTS 4025, 4026 & 4034

The Board deferred consideration of recommended proposed amendments to thoroughbred rule Part 4025 (Entries), Part 4026 (Ownership Rules and Stable Names), Part 4034 (Starting) until the September Board meeting.

6. RULE MAKING PROPOSAL □ HARNESS RULES PARTS 4100, 4106, 4107, 4108, 4109 & 4110

The Board approved the amendments to harness rule Part 4100 (General Provisions), Part 4106 (Identification of Horses), Part 4107 (Racing, Farm or Stable Names), Part 4108 (Classification and Eligibility), Part 4109 (Claiming Races) and Part 4110 (Time and Records) as rule proposals. The Board also approved an amendment to Rule 4106.9 (Death of a Horse) in order that the text of this rule correspond with proposed amendments to thoroughbred counterpart.

7. FINGER LAKES REQUEST TO WITHDRAW FROM CIF - \$152,890.38

The Board approved the request by Finger Lakes to withdraw a total of \$152,890.38 from its Capital Improvement Fund for reimbursement of 2003 capital improvement expenditures.

Barns & Backstretch (61%)

Roof for Barn #20 \$ 44,800.00

Electrical Upgrade-Barns 1&2 38,750.00

Swim Belts-Swim Facility 132.59

Inner Rail- Training Track 882.75

Inner Rail- Training Track

- PVC Pipes 4,277.31

Inner Rail- Auger 176.55

Windows Racing Office 3,297.00

Containment Dike 642.00

Total Backstretch \$ 92,958.20

Other (39%)

Graphics System Package \$ 30,176.80

Sales Tax on Graphics System Package 2,112.38

Fence - Horsewalk 1,384.13

Roof Crow^s Nest 1,750.00

Two Door Refrigerator 2,031.17

Two Door Freezer 2,546.97

Pass- Thru Refrigerated Unit 1,502.41

JD 4030 Tractor Engine 11,082.76

Winch- Equine Ambulance 663.39

Battery Winch Equine Ambulance 74.88

Float/Harrow 16 Foot 976.91

Inside Rail Main Track Turf Project 1,834.20

Gun Cabinets 513.28

Rolling Hot Box 2,182.94

Mini Blinds- Fio Rito Room 535.00

Ceiling Tiles Paddock Room 564.96

Total Other \$ 59,932.18

8. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF PREVIOUS REQUESTS

The Board approved the request submitted in January 2003 (01/03-29-D) by Monticello Raceway to withdraw from the capital improvement fund for previously submitted items for reimbursement listed below.

* The Board approved Monticello Raceway's January 10, 2003 request to reconsider the withdrawal of \$9,148.87 from its Capital Improvement Fund for reimbursement of a telephone system. (05/01-12-D)

* The Board approved Monticello Raceway's request to withdraw a total of \$18,277.03 from its Capital Improvement Fund for reimbursement of 2001 advertising and promotional expenditures. (10/01-05-D)

Advertising and Promotional Expenditures

Amount

Fireworks from 2001 \$5,000.00

Print Advertising 8,697.95

Radio Advertising 4,498.00

Prizes & Promotions 81.08

Total Approved \$18,277.03

* The Board approved Monticello Raceway's request to withdraw \$3,232.50 from its Capital Improvement Fund for reimbursement of a multi-media website development project.

The Board also approved Monticello's request to withdraw \$416.23 for reimbursement of a typewriter for the Racing Secretary's office. (01/02-19-D)

* The Board approved Monticello Raceway's request to withdraw a total of \$24,293.49 from its Capital Improvement Fund for reimbursement of 2002 capital improvement expenditures. (04/02-08-D)

Backstretch (13%)

Royal Flush Valve for Groom's Building \$ 92.66

Repairs to Main Fence, Barns W & X

and Paddock Stalls 681.53

Two Color TV's in Driver's Lounge 384.90

Hot Water Heater for Barn M 238.41

Repairs to lines and speakers,

to Barns X & Y 590.00

Electrical repairs to:

Barn AA 333.51

Heaters in Grooms Bldg 497.47

Barn D 337.80

Total Backstretch Items \$ 3,156.28

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Other (87%)

Overhaul of Grandstand roof heaters \$ 2,823.16

1991 Ford F250 pickup truck with plow 6,000.00

Plow Blade for Mack Truck 804.38

Vacuum Cleaners 592.89

Electrical repairs to Grandstand, Infield 3,176.42

Material Spreader 6,414.65

New Simulcast Channel 517.88

Fax Machine in Accounting Dept. 218.08

New Teletimer 589.75

Total Other Items \$21,137.21

Total Approved \$24,293.49

9. MONTICELLO RACEWAY REQUEST TO WITHDRAW FROM CIF □ \$15,907.94

The Board approved Monticello Raceway's request to withdraw a total of \$15,789.94 from its Capital Improvement Fund for reimbursement of capital

improvement expenditures. The Board denied reimbursement for a duplicate claim of \$118.

Backstretch (77%)

Various Plumbing Repairs in Barn Area \$ 1,561.88

New Water Heater for Barn A

and Various Repairs 622.55

Stall & Roof Repairs for Barn Area 745.30

Stall & Door Repairs for Barn Area 1,901.72

Various Repairs to Barns and 5 new

Manure Bins 3,584.71

Repairs & Winterize Various Barns 3,084.43

Repair Broken Track Fence 657.52

Total Backstretch Items \$12,158.11

Other (23%)

New Control Unit on Boiler #1 2,500.00

Fire Edge Programmer 777.89

Repairs near Lab, Stalls & Door 353.94

Total Other Items \$ 3,631.83

Total Approved \$15,789.94

10. VERNON DOWNS REQUEST TO WITHDRAW FROM CIF \$27,624.85

The Board approved the request by Vernon Downs to withdraw \$27,624.85 from its Capital Improvement Fund for capital improvement expenditures.

<u>Backstretch and Paddock (100%)</u>	
Fencing □ Paddock Area and Perimeter	\$34,472.52
Total Approved	\$27,624.85

11. YONKERS RACEWAY REQUEST TO WITHDRAW FROM CIF □ \$400,000.00

The Board approved the request by Yonkers Raceway to withdraw \$400,000.00 from its Capital Improvement Fund.

Barns & Backstretch (3%)

Showers for Drivers □ Building \$3,046.00

Carpeting/Rubber Flooring for

Drivers □ Locker Room 5,217.65

Repair Rubber Tile Floor 3,250.00

Repairs Drivers □ Building 1,505.63

Showers for Drivers □ Building 369.33

Removal and Replacement of

Blck Pier/Barn Area 1,000.00

CCTV Installation/Paddock Area 11,311.04

Total Backstretch \$25,699.65

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Other (97%)

Removal of Underground Storage Tanks \$449,190.00

Removal of Underground Storage Tanks 19,606.11

Boiler Conversions 61,732.39

Track Resurfacing and Consulting Services 37,370.78

Boiler Conversions 34,323.00

Regrade Track 46,650.00

Survey Track/Re: Resurfacing and Regrading 1,500.00

Backhoe Rental 5,992.00

Installation of 80□ Wooden Poles 103,075.00

Boiler Conversions/

Boiler Room Rewiring 5,339.83

Removal of Underground Storage Tanks 1,550.00

Removal of Underground Storage Tanks 1,250.00

Total Other \$767,579.11

12. NASSAU DOWNS OTB REQUEST TO OPEN NEW BRANCH/RESTAURANT □ EAST MEADOW

The Board approved the request by Nassau Regional OTB to amend its plan of operation with the establishment of a "mini-branch" within the confines of the Potter□s Pub located at 2045 Hempstead Turnpike in East Meadow.

This approval is conditioned upon the satisfactory return of Michael Amitrano□s federal print submission.

13. NEW YORK CITY OTB REQUEST TO APPOINT NEW EXECUTIVE VICE PRESIDENT - ARANOW

The Board approved an amendment to the New York City Off-Track Betting Corporation plan of operation to reflect the appointment of Peter Aranow as the new Executive Vice-President and Chief Financial Officer.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. GAMES OF CHANCE □ BINGO REGISTRATION NUMBERS □ JULY/AUGUST □
08/03-26-E

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between July 2, 2003 □ August 11, 2003.

2. GAMES OF CHANCE □ BELL JAR TICKETS □ JULY/AUGUST □ 08/03-27-E

List of bell jar ticket authorized/denied by the Charitable Gaming Unit between

July 2,2003 □ August 11, 2003.

3. GAMES OF CHANCE LICENSED BINGO & GAMES OF CHANCE SUPPLIERS JULY/AUGUST - 08/03-25-E

List of manufacturers/suppliers licensed for 2003, by the Charitable Gaming Unit, between July 2, 2003 □ August 11, 2003.

4. INDIAN GAMING LICENSING STATISTICS □ JUNE/JULY 2003 - 07/03-08-E

Licensing statistics for June 1, 2003 through July 31, 2003. Also included are the certifications for Turning Stone, Akwesasne and Seneca Niagara.

5. LICENSING □ CURRENT RACING LICENSING COUNT AS OF AUGUST 2003 - 08/03-24-E

The current racing licensing counts as of August 12, 2003 are as follows: total receipts 9480 and total licenses 7151.

6. FINGER LAKES ANNUAL DESK REVIEW □ 08/03-04-E

The Board completed its annual desk review of Finger Lakes Racing Association's 2002 financial statements.

7. NYRA REQUEST TO CONDUCT RACE MEETING AT AQUEDUCT □ 08/03-01-D

Pursuant to Section 229(1)(e) of the Racing, Pari-Mutuel Wagering and Breeding Law, NYRA has informed the Board of its intention to conduct a pari-mutuel race meeting at Aqueduct Race Track in Ozone Park during the months of December, 2003, January, February, March and April 2004. This enables NYRA to have in effect the pari-mutuel tax rate authorized with the paragraph of the applicable subdivision of the Racing Law, Section 229 (1)(e).

8. CATSKILL OTB ANNUAL DESK REVIEW □ 07/03-34-E

The Board completed its annual desk review of the Catskill Regional Off-Track Betting Corporation's 2002 financial statements.

9. NASSAU OTB ENHANCEMENT TO TELEPHONE ACCOUNT WAGERING SYSTEM □
07/03-27-E

Nassau Regional OTB informed the Board of an additional security feature that has been added to the account wagering system in current operation at Nassau Downs OTB. This addition is a "natural language voice recognition system".

10. WESTERN OTB COPIES OF AGREEMENTS FOR GROOMING QUARTERS & CONCESSION □ 08/03-06-E

Western OTB provided copies of the agreements for its Grooming Quarters with Heveron's Towne Manor and its concession agreement with First Choice Catering at Batavia Downs.

The meeting was adjourned at 12:05 p.m.