

MINUTES OF THE MEETING
of
THE BOARD OF DIRECTORS
of
THE NEW YORK RACING ASSOCIATION, INC.

April 22, 2015 at 3:00 p.m.

A regular meeting of the Board of Directors (the "Board") of The New York Racing Association, Inc. ("NYRA") was conducted on April 22, 2015, at 3:00 p.m. in the 37th Floor Conference Room of the Office of the NYS Empire State Development Corporation, located in New York, New York pursuant to notice duly given.

The following Directors and Special Advisors were present (either in person or via teleconference):

Anthony J. Bonomo, *Chairman*
Michael J. Del Giudice
Michael Dubb
C. Steven Duncker
Marc Holliday
Stuart S. Janney, III
Earle Mack
Robert Megna
Barry Ostrager
Leonard Riggio
Joseph Spinelli
Stuart Subotnick
Vincent Tese

Chester Broman, *ex officio*
Richard A. Violette, Jr., *ex officio*

John Hendrickson, Special Advisor for Saratoga
Michael Kotlikoff, Special Advisor for Equine Health and Safety

The following Directors were not present:

Robert Flay

Also present were Christopher Kay, CEO and President; Joseph J. Lambert, Senior Vice President, General Counsel, and Corporate Secretary; Susanne Stover, Senior Vice President and Chief Financial Officer; George C. Venizelos, Vice President of Security; and John Durso, Jr., Director of Communications and Media Relations.

Mr. Bonomo called the meeting to order. Mr. Lambert recorded the minutes. A roll call of the Directors and Special Advisors was conducted.

Confirmation of Chairman and Vice Chairman of the Board of Directors

Mr. Lambert advised that the Governor of New York nominated Mr. Bonomo to succeed Dr. Skorton as Chair of the Board of Directors of NYRA and further advised that such nomination is subject to confirmation by the Board. Upon motion duly made and seconded, the Board unanimously confirmed Mr. Bonomo as Chair of the Board.

Mr. Lambert next advised that the Board must annually designate a member of the Board to serve as Vice Chair. The Board discussed the recommendation that Mr. Del Giudice serve as Vice Chair. Upon motion duly made and seconded, the Board unanimously approved the appointment of Mr. Del Giudice as Vice Chair of the Board.

Approval of December 3, 2014 Minutes

The Board discussed the minutes of the December 3, 2014 meeting of the Board. Mr. Spinelli moved, seconded by Mr. Del Giudice, to approve the minutes of the Board's December 3, 2014 meeting. The Board unanimously approved the resolution to approve the minutes of the December 3, 2014 meeting, without dissent or abstentions, and directed that the minutes be added to the permanent records of the corporation. A copy of the resolution is attached hereto as *Exhibit 1*.

Report of the CEO and President

Mr. Kay described plans for Belmont Stakes Day and the expanded three day racing festival. He provided a recap of Belmont Stakes Day 2014 and detailed the steps taken by NYRA management over the past year to improve the guest experience for this year's event.

Mr. Kay then introduced NYRA's new Vice President of Security, George Venizelos. Mr. Venizelos briefly addressed the Board and expressed his commitment to ensuring the safety of NYRA's guests, employees, and others involved in the industry.

Mr. Kay reported on NYRA's reorganization efforts, noting an operating surplus for 2014 and KPMG's clean audits of NYRA's financial statements for 2012, 2013, and 2014. Mr. Kay described NYRA's commitment to generating jobs and tourism in the State of New York and, in particular, pointed out the significant economic impact of the Saratoga Race Meet. In conclusion, Mr. Kay remarked on NYRA's progress in its reorganization efforts and expressed his commitment to working with the State toward presenting a successful Reorganization Plan in April 2016.

Report of the CFO

Ms. Stover provided the financial update, reporting on the full year 2014 financial results and the completion of KPMG's audit, which resulted in an unqualified audit opinion for the year. Ms. Stover also reported on the first quarter 2015 unaudited financial results. Ms. Stover noted race cancellations due to weather conditions during the quarter and described

efforts to mitigate the impact of such cancellations. The Board discussed Ms. Stover's report, including weather related cancellations, field size, operating revenue and expenses, and non-operating revenue and expenses.

Committee Reports

a. Finance Committee

Mr. Subotnick provided the report of the Finance Committee. Mr. Subotnick reported that the Committee met to discuss the full year 2014 financial results as well as the first quarter 2015 unaudited financial results. Mr. Subotnick informed the Board that the Committee reviewed capital expenditures for full year 2014 and first quarter 2015, the status of construction of new dorms at Belmont and Saratoga, the treasury report on restricted and unrestricted cash, and NYRA's investment policies and options. Mr. Subotnick further informed the Board that the Committee examined the purchasing report regarding single and sole source exceptions for full year 2014 and found nothing unusual to report.

b. Audit & Compliance Committee

Mr. Spinelli provided the report of the Audit and Compliance Committee. Mr. Spinelli reported that the Committee met to review the full year 2014 financial results as well as the first quarter 2015 unaudited financial results. Mr. Spinelli informed the Board that the Committee received audit updates from KPMG, discussed pension liability and differences between GASB and FASB accounting standards, and reviewed the treasury reports on restricted and unrestricted cash as well as NYRA's investment policies. Mr. Spinelli further informed the Board that the Committee reviewed the purchasing report on single and sole source exceptions and had found nothing unusual to report. Mr. Spinelli reported that KPMG's audit of NYRA's full year 2014 financial statements had found no significant findings or issues.

c. Nominations & Governance Committee

Mr. Del Giudice provided the report of the Nominations and Governance Committee. Mr. Del Giudice remarked on the recent resignation of Charles Wait from the Board and expressed his appreciation for Mr. Wait's service. Upon motion duly made and seconded, the Board unanimously resolved to extend its appreciation to Mr. Wait for the conscientious performance of his duties and his dedicated years of service. A copy of the resolution is attached hereto as *Exhibit 2*.

Mr. Del Giudice reported that the Committee is currently working with the remaining Class A Board members and the Governor's office to develop recommendations to fill the open seats on the Board and he invited the Board to provide him or Mr. Janney with suggestions on potential Board members. Mr. Del Giudice next presented and recommended approval of a revised Committee List prepared by the Nominations & Governance Committee. Upon motion duly made and seconded, the Board unanimously approved the revised Committee List. A copy of the resolution is attached hereto as *Exhibit 3*.

d. Racing Committee

Mr. Riggio provided the report of the Racing Committee. Mr. Riggio remarked on the three New York State bred thoroughbreds expected to race in this year's Kentucky Derby and recognized the efforts of the State and NYRA management in supporting the New York Breeding Program. Mr. Riggio next informed the Board that the Committee approved the racing schedule through the Belmont Fall Meet and discussed dates for the Aqueduct Winter Meet. In addition, the Committee discussed issues of weather conditions and field size. Mr. Riggio further informed the Board that the Committee received a report on equine safety issues, including new initiatives being implemented to avoid catastrophic racing injuries at Aqueduct, and had approved its findings.

e. Compensation Committee

Mr. Tese provided the report of the Compensation Committee. Mr. Tese reported that the Committee received an update on the recruitment of a new head of Human Resources. In addition, the Committee discussed various development issues, including a new training program for employees, enhanced annual reviews, and an employee recognition program. Mr. Tese informed the Board of the Committee's top priorities for 2015, including supporting NYRA management in developing department specific training programs and providing incentives and growth opportunities for top performers.

New Business

Mr. Del Giudice recognized Mr. Holliday as the new Chairman of the Equine Safety Committee. Mr. Del Giudice thanked Mr. Holliday for taking on the role and continuing the important work of the Committee.

Adjournment

The Chairman called for additional business. There being no further business to come before the Board, the meeting was concluded at 4:13 p.m.



Joseph J. Lambert

Exhibit 1

DECEMBER 3, 2014 BOARD OF DIRECTORS MINUTES RESOLUTION

IT IS HEREBY RESOLVED, that the NYRA Board of Directors, having had full opportunity to inquire, consider, and understand, does hereby approve the minutes of the regular December 3, 2014 Board meeting and the minutes are ordered to be added to the permanent records of the corporation.

Exhibit 2

CHARLES WAIT APPRECIATION OF SERVICE RESOLUTION

IT IS HEREBY RESOLVED, that, whereas Charles Wait has provided outstanding leadership and guidance while he faithfully and with honor, integrity and great distinction served as Director of the New York Racing Association, Inc. for over 25 years, the NYRA Board of Directors hereby formally acknowledges and extends its profound appreciation to Charles Wait for his many years of service to NYRA and to the sport of thoroughbred horse racing.

Exhibit 3

NYRA BOARD OF DIRECTORS COMMITTEE LIST RESOLUTION

IT IS HEREBY RESOLVED, that upon the recommendation of the Nominations and Governance Committee, the NYRA Board of Directors, having had full opportunity to inquire, consider, and understand, does hereby approve the NYRA Board of Directors Committee list.