

**SARATOGA GAMING AND RACEWAY FOUNDATION, INC.
BOARD OF DIRECTORS**

MINUTES

September 13, 2006 at 1:00 p.m.

PRESENT AT MEETING: Chairperson Thomas Wood, Town of Saratoga; Vice Chairperson George "Skip" Carlson, Saratoga Gaming and Raceway; Treasurer Joanne Yepsen, City of Saratoga Springs; Director Harry G. Gutheil, Jr., Chairman, Saratoga County Board of Supervisors and Mark Rider, Counsel to the Board

ABSENT FROM MEETING: Secretary George Karam, Saratoga Harness Horseperson's Association, Inc.

Mr. Wood called the meeting to order.

Motion made by Ms. Yepsen to accept the minutes of the August 7th meeting, seconded by Ms. Carlson was approved unanimously.

Mr. Wood stated that Ms. Yepsen has prepared a Treasurer's Report and put a budget together. Ms. Yepsen stated that the Foundation's account currently has \$14,873.81. Mr. Carlson stated that last year the Gaming and Raceway gave \$25,000, the Horsemen gave \$25,000 and we issued about \$35,000 in grants and might have had about \$500 in expenses. Mr. Carlson stated that going forward the Raceway is committed to give \$25,000 and hasn't been able to get a figure from Mr. Karam. He doesn't think the Horsemen are going to give \$25,000; he thinks they were going to give \$5,000 or \$10,000. Mr. Carlson stated that if they could give \$10,000, that would get us back to \$50,000. Ms. Yepsen asked if Mr. Carlson could tell her how much was awarded in grants last year. Mr. Carlson stated, about \$35,000 and around \$500 in expenses for the web site. Ms. Yepsen stated she would like to be able to pass out a budget at every meeting, and the beginning balance as of August 31, 2006 is \$14,873.81. The anticipated Gaming and Raceway contribution income for this year is \$25,000 and the Horsemen Association, Supervisor Yepsen did recall Mr. Carlson reporting at another meeting it for was for \$10,000. Ms. Yepsen asked if there were legal fees that established the Foundation as a 501C3. Mr. Carlson stated that fee was \$2,400 which his company will absorb, and he thinks that the Foundation should probably pick an independent accounting firm to do their taxes and any kind of work that we choose rather than to have the Saratoga Gaming and Raceway accountant do it. Mr. Gutheil asked Mr. Carlson where he was on the 501C3; do we have that status yet? Mr. Carlson stated that he thinks we still have work to do. Mr. Gutheil asked if we were going to be picking up finishing that. Mr. Carlson stated that he would finish it and get it all done. Mr. Gutheil stated that then we would have that status with the IRS. Mr. Gutheil stated that the Foundation should budget for legal and accounting. Ms. Yepsen stated that she would make two separate lines one for legal fees and one for accounting fees. Mr. Carlson asked how we would pick the legal and accounting firms. Mr. Wood asked if we could get someone to

do this gratis. Mr. Gutheil said that we should put about \$1,000 in the budget for legal and accounting fees.

Mr. Wood stated that the Spa.Net charge for adding the new domain name www.saratogagamingandracewayfoundation.org was \$25. For the 2007 year only, SPA.NET has added a pointer which will take people who only knew us by the old domain name automatically to the new domain name, the charge for that is \$50 and our old domain name expires in November of this year, and SPA.NET recommended that we ought to keep it just in case and that would be another \$25. Mr. Gutheil asked if there were any hits on the old site. After further discussion it was decided that we do not need the pointer and we can get rid of the old domain name. Mr. Wood stated that SPA.NET's other fee is \$65/hr. and was told that they would probably discount it to \$45/hr. because we are a public group. Mr. Wood stated that for budgeting purposes if we drop these two right here we shouldn't have that many hours of work required and he predicts that it might be \$250. Ms. Yepsen asked if anyone could think of any other expenses. Mr. Wood asked if there would be postage. Mr. Carlson stated that they have postage there. Mr. Rider stated that the applications would be duplicated at the County Attorney's Office. Mr. Wood suggested that we add \$100 for miscellaneous, if everyone is okay with this. Mr. Wood asked if we should add grant awards, we are showing all the income for the grants but we haven't shown what we are giving away. Mr. Carlson asked if for budgeting purposes we should say that we are going to give out \$40,000, last year we gave out \$35,000. What is the number that everybody is comfortable with? Mr. Gutheil asked what is the likeliness of continued revenue, are the Horsemen also going to be good for money every year. Mr. Carlson stated that he thinks the Horsemen should always give \$10,000. Mr. Carlson stated that we would give up to a maximum of \$40,000. Ms. Yepsen stated that a cushion is nice but what is the purpose of sustaining the account with \$10,000 in it. Mr. Carlson said that if we had an extremely worthwhile organization that needed money we would have that money there. Ms. Yepsen asked if that would be at a time when we are not accepting applications? Mr. Carlson said yes, he doesn't think there is anything in our By-laws that says we have to give all the money out at one time. Mr. Wood said that a year ago we had \$50,000 of new money and this year we are getting \$35,000 of new money so maybe next year instead of having a \$10,000 balance we go with a \$5,000 balance, in other words hold less of a fund balance and give out more just to kind of keep the total level of awards somewhat constant. Mr. Carlson stated that there is a possibility that we could get additional money from some other sources which is going to require some phone calls.

Mr. Gutheil stated that in his mind he would like to help problem gambling people. Ms. Yepsen said we could put in \$40,000 for grants awarded in 2006 and if a strikingly compelling application comes in we can amend that. Mr. Wood asked if everyone was okay with some of the adjustments that we were talking about? Mr. Wood said we could adopt the final form of the budget at our next meeting.

Income Tax Report

Mr. Carlson stated that the Income Taxes were filed by Alexander W. Cruden and Co. who do all the accounting work for Saratoga Gaming and Raceway. Mr. Karam signed the Income Taxes and all the gifts were listed that we gave out last year.

Grant Application Form

Mr. Wood said that revisions were made to the Grant Application Form and it is up on the web page now.

Mr. Wood referred to the Press Release. Ms. Yepsen thanked everyone for their comments and suggestions regarding the Press Release. She stated that a revised and updated revision went to the Saratogian, Post Star, Times Union, Daily Gazette and Saratoga Today. Mr. Gutheil suggested that one be sent to the Ballston Journal. Ms. Yepsen said that she will also send the Press Release to the Southern Chamber of Commerce and Northern Chamber of Commerce. Mr. Carlson said that he would put the Press Release in their program as well.

Web page

Mr. Wood handed out web page information and reviewed all the changes that were made. There has been a link for meeting minutes and Bylaws added.

Application Rating Sheet

Mr. Wood would like to get together a rubric where the Foundation would list a series of criteria that we are going to use as we evaluate each application such as the number of people served and how closely the organization addresses problem gamblers.

Mr. Carlson stated that last year we tried to spread it out to as many different organizations as possible. Some organizations asked for money for specific areas and we picked which area we wanted the money to go to. Mr. Gutheil asked if we followed up to see if the organizations did what they said they were going to do? Mr. Carlson said no. Ms. Yepsen said that most foundations asked for something in writing by a certain date regarding how the funds were used and how effective they were. Mr. Wood said that he would put a letter together regarding this. Mr. Rider asked if Mr. Wood was going to go back from last year and ask for that or simply require that for future ones. Mr. Gutheil said that we should ask now.

Mr. Wood said he would put some preliminary material together on the rating sheet and that there would need to be room in the rating for subjective views.

Center for Problem Gambling

Mr. Wood mentioned the post card he received from the Center for Problem Gambling, regarding their Open House on October 11th from 3:00 – 6:00.

The next meeting is scheduled for November 15th at 12:00 to discuss the Grant applications.

On a motion made by Mr. Wood to adjourn the meeting, seconded by Mr. Carlson the meeting was adjourned.