

58.500 Authority created to acquire Churchill Downs -- Appointment of members -- Terms of office -- Compensation -- Officers.

- (1) (a) A Churchill Downs authority is hereby created, initially consisting of three (3) prominent citizens and residents of Kentucky to be appointed by the Governor, one (1) of whom is an owner and breeder of Thoroughbred horses, and all of whom have no official connection with the government of the Commonwealth or Churchill Downs. The foregoing members shall serve as such until the acquisition of Churchill Downs, its real estate, franchises, rights, privileges and other properties by the authority as an agency of the Commonwealth.
- (b) Upon the completion of such acquisition, the then members of the authority shall be replaced by other members thereof as follows: nine (9) persons to be appointed by the Governor, who are residents or owners of real estate located in the Commonwealth and who are of outstanding character, business experience and at least six (6) of whom have knowledge of racing and the affairs of Churchill Downs, and not less than three (3) of whom shall be residents of Jefferson County. The Governor shall initially appoint nine (9) persons having such qualifications, two (2) each for staggered terms ranging from one (1) to four (4) years as he may designate and one (1) person for a term of four (4) years.
- (c) As such terms expire, the then remaining members of the authority, by majority vote, shall select and submit to the Governor for his consideration the names of three (3) qualified nominees to fill each vacancy, one (1) of whom may be a member whose term has expired, from which the Governor shall appoint, for a four (4) year term, a member to fill the vacancy.

After all members of the authority appointed as aforesaid have been appointed for a four (4) year term following the expiration of their initial staggered terms, the procedure outlined above shall be continued in filling vacancies of members of the authority as they occur through the expiration of terms.

- (d) When and if any member dies, resigns or becomes incapacitated, the then remaining members of the authority, by majority vote, shall select and submit to the Governor for his consideration the names of three (3) qualified nominees to fill such vacancy, from which the Governor shall appoint a member to fill the vacancy for the unexpired term.
 - (e) The members shall be a body corporate constituting a public corporation, governmental agency and instrumentality of the Commonwealth by the name of "The Churchill Downs Authority" (herein sometimes referred to as the "authority"), with the perpetual succession and with power in that name to contract and be contracted with, to acquire and convey property, sue and be sued, to have and use a corporate seal, and exercise, in addition to the powers and functions specifically stated in KRS 58.500 to 58.590, all of the usual powers of private corporations to the extent that the same are not inconsistent with specifically enumerated powers or limitations upon public corporations.
- (2) The members of the authority shall receive no compensation for their services in that capacity, but shall be entitled to reimbursement for all reasonable

expenses necessarily incurred in the performance of their duties.

- (3) A majority of the members of the authority shall constitute a quorum for the transaction of business, and in the absence of a quorum, one (1) or more members may adjourn from time to time until a quorum is convened.
- (4) From among its members, the authority shall annually elect a chairman and a vice chairman, each to serve for a term of one (1) year and until his successor is elected and accepts his election.
- (5) The authority shall elect a president, a secretary and a treasurer, each of whom shall serve for a term of years fixed by contract or an annual term, all terminable for cause deemed sufficient by the authority, and each of whom shall receive such compensation as may be determined by the authority. These officers shall not be members of the authority, but the president and the secretary shall attend all meetings of the authority. The treasurer shall give bond to the authority and the Commonwealth conditioned upon his faithful accounting for all funds coming into his custody from time to time, the same to be in such amount as the authority may prescribe, with corporate surety given by a surety company qualified to do business in the Commonwealth, the premium therefor to be paid by the authority. The authority shall establish and maintain an office at Churchill Downs, and the secretary of the authority shall at all times maintain therein complete records of all of the authority's actions and proceedings, which shall constitute public records open to inspection at reasonable times.

Effective: June 17, 1978

History: Created 1978 Ky. Acts ch. 111, sec. 1, effective June 17, 1978.