

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Friday, October 18, 2013 – 1:00 p.m.
Golden Gate Fields**

MINUTES

Directors Present: Nick Alexander, Madeline Auerbach, Ron Ellis (by phone), Mike Harrington (by phone), Ed Moger, Billy Morey, Jack Owens, Mike Pegram, George Todaro, Kathy Walsh (by phone), and Mike Wellman (by phone).

Directors Absent: Bob Baffert, Dennis Cardoza, Mark Dedomenico, and Pablo Suarez.

Staff Present: Joe Morris, Kellee Breen, Mary Forney, and Richard Scheidt.

I. Call to Order

The meeting was called to order by Mr. Morris at 1:03 p.m.

II. Approval of Minutes

Billy Morey asked that the minutes be corrected to reflect that he was present by phone. On a motion by Mr. Morey, seconded by Dr. Todaro, the minutes of the September 13, 2013 meeting were unanimously approved as corrected.

III. President's Report

A. Industry Update

Mr. Morris informed the board that beginning next week TOC will take control of the Stabling & Vanning auxiliary stabling agreements, which will go into the race meet applications beginning with Santa Anita.

B. Position on Participation Fees

Mr. Pegram suggested the Racing Affairs committee consider participation fees and possible redistribution of purses as separate issues and asked for board opinion at this time. A general discussion ensued, with each of the board members present weighing in with their opinions. The matter was sent back to the Racing Affairs Committee with a request to come back to the board at the November meeting with a presentation of various possible scenarios.

C. Australia Simulcast

Mr. Morris provided a brief background on status of Monarch's negotiations. For the simulcast of the California signal to Australia for wagering purposes, they would like to pay 3.5% rather than 4.0% as TOC previously requested. Considering the 6:00 a.m. post time, Mr. Morris recommended a six-month trial at 3.5%. Following further discussion, a motion was made by Dr. Todaro, seconded by Mr. Morey, to approve the six-month trial at 3.5% for the Santa Anita and Hollywood Park signals, and 3.0% for the Golden Gate Fields signal. The motion passed unanimously.

D. Northern California Race Schedules

Mr. Morris recapped meetings with Golden Gate Fields, Humboldt Fair and CARF this past week regarding host status during the overlap. At the request of the CHRB, a week has been taken from Santa Rosa and given to Cal Expo at Sacramento; and

TOC has gone on record as opposing that. Following discussion, Mr. Owens made a motion to support the 2013 racing schedule for the north for 2014. The motion was seconded by Ms. Auerbach and passed unanimously.

IV. ADW/Simulcast Committee

A. Mini-Satellite Development / Sportech Negotiations

Mr. Morris reported on the current status. The contract process with Sportech for Southern California mini-satellites has been completed, and negotiations are in progress for Northern California.

V. Finance Committee

A. Financial Update and Audit Results

Ms. Breen provided a brief financial update. The audit is complete, and copies were provided to board members. The tax return will be done within the next few days. Mr. Alexander made a motion to approve the audited financial report, which was seconded by Ms. Auerbach and approved unanimously. The audited financial statement will be put online.

VI. Racing Affairs Committee

A. Policy on Splitting Stakes Races

Mr. Scheidt provided a brief review of current contract language and options. Discussion ensued. It was the general opinion of the board to leave contract language as is, with the option to change it with TOC board approval. No further action was deemed to be required.

B. Del Mar Ship N Win Recap

Mr. Scheidt reviewed results from this year's Del Mar Ship 'N' Win program. Mr. Pegram recommended further analysis of the results to determine whether it was profitable for purses. Mr. Scheidt will prepare an in-depth report for February.

C. Del Mar Pick-6 Promotion Recap

Tabled until November meeting to allow additional time for analysis by Mr. Scheidt.

D. Golden Gate and Santa Anita Winter-Spring Agreements

Mr. Scheidt recapped status of the Golden Gate Fields purse agreement, which he expects will be completed by next week. He recommended waiting on a purse schedule for Golden Gate until next month, after the Santa Anita schedule is complete. There was a brief discussion regarding the year-round stakes schedule.

VII. Owner Relations/Marketing Committee

Mr. Wellman reviewed several items planned for TOC promotion during Breeders' Cup week, including TOC water bottles and pens. Additionally, TOC will have a presence at Clockers' Corner the week of Breeders' Cup. TOC is also co-sponsoring an open house with CTBA on Wednesday of Breeders' Cup week after training hours.

VIII. Medication Committee

In the absence of Dr. Dedomenico, Mr. Morris provided a brief report. Dr. Dedomenico and Mr. Cardoza were in Washington DC to attempt to get research funding.

IX. Legislative Committee
Mr. Morris provided a brief legislative update in Mr. Cardoza's absence.

X. Race Meet Reports
Mr. Scheidt provided race reports for Southern and Northern California.

There was a discussion of Fair meet placement on the racing calendar for 2014, with the suggestion that Mr. Morris reach out to CTT and CTBA for consensus prior to next week's CHRB meeting.

XI. Other Business
Mr. Morris said CTBA has requested that TOC email to our distribution list a link to their online magazine; in return, TOC would like to send our newsletter to their list. On a motion by Mr. Alexander, seconded by Dr. Todaro, the Board unanimously approved the arrangement.

XII. Executive Session

XIII. Next Meeting – Friday, November 15, 2013 at Hollywood Park

XIV. Adjournment