

**THOROUGHBRED OWNERS OF CALIFORNIA  
BOARD OF DIRECTORS MEETING  
Friday, January 10, 2014 - 11:00 a.m.  
Santa Anita**

**MINUTES**

Directors Present: Nick Alexander, Bob Baffert, Mark Dedomenico (by phone), Ron Ellis, Mike Harrington, Ed Moger, Billy Morey (by phone), Jack Owens (by phone), Mike Pegram (by phone), Bill Strauss, George Todaro, and Kathy Walsh.

Directors Absent: Pablo Suarez and Mike Wellman.

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

Others Present: Madeline Auerbach, Robyn Black (by phone).

I. Call to Order 11:05

The meeting was called to order at 11:05 a.m. by Mr. Morris, who noted that today's meeting would be strictly an informational one with no items to be voted. He then welcomed new board member Bill Strauss and thanked Ms. Auerbach for her service on the board, presenting her with a Certificate of Appreciation and gift from the board. Ms. Auerbach remained for the duration of the meeting as a non-voting guest.

II. Approval of Minutes

Ms. Breen noted that in the financial report, the open-ended item was for the track surface study, not the CTT holiday party. On a motion by Ms. Walsh, seconded by Mr. Strauss, the minutes of December 16, 2013 were unanimously approved as corrected.

III. President's Report

A. Industry Update

Mr. Morris provided a brief update on current stabling counts and funding challenges for the Stabling & Vanning Fund. A brief discussion followed. In summary, he said that the process is costing us more than we would like, but we are working through it.

B. Workers' Comp Legislation Sunset

Mr. Morris updated the board on the recent issue that arose regarding the Workers' Comp bill, which was set to sunset on January 1. He is working with the CHRB, CTT and the tracks to correct the situation by putting a new bill through the Legislature (sponsored by Sen. Evans) without the sunset.

IV. ADW/Simulcast Committee

A. Hub Agreements

Mr. Morris reported that all 2014 hub agreements are in place.

B. OTB Update

Mr. Morris provided an update on recently opened OTB's including Oceans Eleven and Hollywood Park as well as potential future sites that may open this year.

C. On-track Wagers

Mr. Morris noted that he is working with SportTech, CHRIMS and the Santa Anita to implement the technology that would make ADW wagers made at the track count as on-track for purse purposes.

V. Finance Committee

A. Financial Update

Ms. Breen provided a brief financial report. She reported a \$183,000 year-to-date surplus. The budget is doing very well, with legal bills remaining low. She noted that she is being deposed on Jan. 29 at the Del Mar office by Mr. Jamgotchian's attorney.

VI. Racing Affairs Committee

Mr. Scheidt provided a brief report. A Racing Affairs committee meeting is scheduled with Santa Anita for Jan. 17<sup>th</sup>. Mr. Morris added that he would like to meet with Los Alamitos representatives following that meeting. Mr. Scheidt reported that Hollywood Park is currently projecting a \$550,000 to \$600,000 retro payment by May, and he will have a final number for a updated report hopefully at the March meeting.

VII. Owner Relations/Marketing Committee

Mr. Morris updated the board on planned 2014 TOC open forums. He also noted that the next two Saturdays the Chandelier Room will be open to owners. He also had conversations with Mr. Brackpool, who offered the Eddie Logan Suite for morning get-togethers for owners. There was a brief discussion about working to attract new owners from the Orange County demographic to Los Alamitos.

VIII. Legislative Committee

A. Legislative Update

Ms. Black called in with a brief legislative report. Mr. Morris added that we have invitations going out today on behalf of TOC, CTBA and Santa Anita to approximately 30 legislators for Sunshine Millions California Cup. Additionally, we will be looking at inviting a group of legislators to Golden Gate Fields for the El Camino Real.

IX. Race Meet Reports

Mr. Scheidt provided a brief update per the race meet reports included in the board packet, noting that Golden Gate Fields ended its Winter-Spring meet with an underpayment of approximately \$290,000.

Mr. Morris reported he would be at Golden Gate on Monday for the Northern California 2015 race dates discussions.

Mr. Morris said that, in light of Ms. Auerbach's resignation, he would like to schedule a board conference call at the end of January to fill her seat so that we will have that board member for the February meeting. With regard to the election, the Executive Committee is working on developing a list of nominations. He then noted that the TOC board had set some election guidelines in November 2012, specifically that there should be at least 10 people running for five open seats. Mr. Pegram clarified that the board's intention at that time was that it would be a goal rather than mandatory number.

X. Next Meeting

The next meeting will be Friday, February 14, 2014 at 11:00 a.m. at Santa Anita

XI. Adjournment

The meeting adjourned at 12:06 for lunch.