

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Friday, June 12, 2015 - 11:00 a.m.
Santa Anita**

MINUTES

Directors Present: Nick Alexander, Ron Ellis (by phone), Mike Harrington, Terry Lovingier, Ed Moger, Billy Morey (by phone), Jack Owens (by phone), Mike Pegram, Kathy Walsh, and Mike Wellman

Directors Absent: Bob Baffert, Jim Cahill, Mark Dedomenico, Bill Strauss, and George Todaro.

Staff Present: Joe Morris, Mary Forney, Jennifer Saavedra, and Richard Scheidt.

I. Call to Order

Mr. Morris called the meeting to order at 11:02 a.m.

II. Approval of Minutes

On a motion by Mr. Wellman, seconded by Mr. Alexander, the minutes of May 8, 2015 were unanimously approved.

III. CARMA Presentation

Mr. Koch and Ms. Mandella of CARMA joined to make a presentation. They wanted to make the board members aware of their annual fundraiser, a poker tournament in Del Mar. They asked for support in getting the word out as well as considering possible sponsorships.

IV. Executive Session

The board then adjourned to Executive Session.

V. President's Report

A. Industry Update / Horse Count / Stabling

Mr. Morris informed the board that the election returns have been quite strong so far, and the postmark deadline is Monday, June 15.

Mr. Morris then reported on his recent horse count, and copies of the counts for both North and South were included in the board packet.

Mr. Morris then asked for the board's opinion on the new riding crops rule that is effective July 1. There has been further discussion about carding two-year-old races without crops. Mr. Owens suggested this was primarily a trainer/jockey issue, and we should be careful not to overstep our

boundaries. Mr. Pegram recommended that TOC support the CTT opinion. A brief discussion ensued.

B. 2016 Dates Discussion North/South

Mr. Morris will develop a schedule for both the north and south in conjunction with CTT. It will also be sent to Santa Anita in an attempt to get them on board with it. He noted that Mr. Korby has already presented a schedule to his board as well as to Mr. Benito of the CHRB. He stressed the importance of our Northern California board members attending the June 26 meeting with some of the CARF board members on June 26.

C. Santa Anita/Los Alamitos Long Term Agreements

Covered in Executive Session.

D. CTT Meeting Update

Mr. Morris reported that the recent meeting with CTT went well, and it was agreed that we should work together on any common issues. Mr. Morris also noted that he has good communication with Mr. Balch.

E. Legal Update

Mr. Morris reported that there will be additional insurance payments received. He spoke to the insurance company this morning, and another \$17,000 will be coming back to us thanks to the work of Mr. Unick. In addition, the defamation suit was thrown out, and court awarded TOC \$62,000. TOC will have Mr. Jamgotchian deposed in September, and Mr. Owens indicated that it is important that that transcript of that deposition not be sealed. The summary judgment hearing is scheduled for Nov. 5.

VI. ADW/Simulcast Committee

A. Review of Cordere Signal

Mr. Morris provided a brief update on the experiment TOC approved a few months ago for Monarch with Cordere in Mexico and Spain. The waging has had a very slow start, but they have provided numbers and there is gradual growth.

B. OTB Update

Mr. Morris reported that the mini-satellite in San Diego is under construction now, and we hope to have it open for Breeders' Cup. Norco is also under construction. There have been discussions about the Commerce Casino, as they would like to move across the street, where they would have 14,000 square feet. Los Alamitos could block that because it's within the 20-mile radius.

C. Industry ADW Update

Discussions are ongoing with Churchill, and they are dealing directly with Mr. Couto, our attorney. Mr. Morris believes we will get them to arbitration. There was a brief discussion about the television coverage of Golden Gate.

VII. Finance Committee

A. Financial Update

Mr. Alexander gave a brief financial update. In response to a question by Mr. Owens, Mr. Alexander said we are working on a budget for the July meeting. Mr. Morris briefly reviewed economic indicators for month- and year-to-date.

VIII. Owner Relations Committee

Mr. Wellman reminded the board of the Racing Office seminar scheduled for tomorrow morning at Santa Anita, as well as the Open Forum on June 27 at Pleasanton. Messrs. Pegram, Owens, and Alexander indicated they would be able to attend the Pleasanton Open Forum.

Mr. Wellman then brought up the Santa Anita box seat issue and distributed Santa Anita's recent letters to box seat holders. A brief discussion ensued. It was suggested that we attempt to get Mr. Brackpool to speak at a TOC board meeting.

IX. Racing Affairs Committee

Mr. Scheidt provided a brief Racing Affairs update. He received the Golden Gate Fields summer proposals yesterday and will schedule a Northern California Racing Affairs meeting soon. Mr. Wellman added that a topic at the CMC meeting yesterday was making sure we protect graded races.

X. Medication Committee

Mr. Morris noted a recent BloodHorse story in which Gulfstream Park announced they would run some two-year-old races with no Lasix. The article portrayed the Florida horsemen's group as being in favor, but Mr. Morris contacted the horsemen's group and they said they are opposed and that it is in violation of their contract.

XI. Legislative Committee

A. NTRA Efforts re: IRS and Treasury

Mr. Morris reported that the NTRA ended up with over 12,500 comments to IRS and Treasury, and we hope to hear something in the near future.

B. I-Poker Update

There has been no change since the last board meeting.

C. Thoroughbred Horse Anti-Doping Act of 2015 Update

Mr. Morris said we are strongly against this legislation. Meetings are scheduled in Washington next week, and the THA representatives will be there.

XII. Race Meet Reports

Mr. Scheidt provided brief race meet reports for Golden Gate Fields and Santa Anita.

XIII. Next Meeting

The next meeting will be Friday, July 10, 2015, 11:00 a.m. at Los Alamitos

XIV. Adjournment

Mr. Morris adjourned the meeting at 1:21 p.m.