

**THOROUGHBRED OWNERS OF CALIFORNIA  
BOARD OF DIRECTORS MEETING  
Thursday, March 17 – 11:00 a.m.  
Santa Anita**

**MINUTES**

Directors Attending: Allen Aldrich (by phone), Nick Alexander, Bob Baffert, Mike Harrington, Terry Lovingier, Ed Moger, Jack Owens (by phone), Mike Pegram (by phone), Samantha Siegel, Kathy Walsh (by phone), and Mike Wellman

Directors Absent: Mark Dedomenico, Ron Ellis, Billy Morey and Bill Strauss.

Staff Attending: Nick Coukos, Greg Avioli, Mary Forney, Richard Scheidt, and Jennifer Saavedra.

I. Call to Order

Mr. Coukos called the meeting to order at 11:05 a.m.

II. Approval of Minutes

On a motion by Mr. Harrington, seconded by Mr. Wellman, the minutes of February 19, 2016 were unanimously approved.

III. Executive Session

The board adjourned to Executive Session. On a motion by Mr. Harrington, seconded by Mr. Wellman, the board approved bonus levels for 2016 and 2017 for staff.

Mr. Avioli provided Legislative and ADW updates.

Mr. Lovingier provided a briefing on the future of horse sales in California.

IV. President's Report

A. Industry Update / Northern & Southern California Horse Counts

Mr. Coukos called the board's attention to a personal letter from Senator Hernandez thanking us for hosting him and his wife on Cal Cup Day. He then reported that starting today, Golden Gate Fields will broadcast their races in HD. Golden Gate will also feature three new cameras, and they have installed 500 new HD televisions on the turf club tables. Mr. Scheidt was asked to follow up on those improvements to make sure all are being done.

Mr. Coukos pointed out that NYRA has reported a 3% increase in wagering on New York races in 2015. At his request, Mr. Scheidt put together some comparison numbers on California racing, which showed a 1.3% increase over the previous year and indicating we are on par with New York for average daily numbers for Santa Anita and Del Mar.

Mr. Coukos reviewed the Northern and Southern California horse counts and provided an overview of his site visits to San Luis Rey Downs, Galway and Los Alamitos.

B. Stabling & Vanning Legislation Update  
Discussed in Executive Session.

C. Golden Gate Fields Turf Festival

Mr. Coukos informed the board of a proposal received from Golden Gate Fields, which has been reviewed by the Racing Affairs committee. During the Los Alamitos spring meet Golden Gate has decided to hold a turf festival and pay for vanning from the South. They have also proposed increases in the turf race purses during this period. Mr. Coukos gave a brief overview of the current status of the purse account. Golden Gate proposes spending \$116,000 in additional purse money for the festival, estimating a \$26,000 overpayment at meet end in June. Allowance and maiden special race purses will be increased by \$4,000 each; and the bottom claiming level will be increased by \$3,000 (27%). This proposal was received late Monday night. Following a brief discussion, Mr. Alexander made a motion to accept Golden Gate Fields' proposal, which was seconded by Ms. Siegel and passed unanimously.

D. CMC

Mr. Coukos provided a brief overview regarding a recent CMC meeting and the current effectiveness of that organization. He also reviewed a current proposal from Santa Anita for use of their CMC allocated funds, which was discussed at Executive Committee and referred to the full board for input. Mr. Wellman provided additional information about Santa Anita's proposal, and a discussion ensued. It was agreed that Messrs. Coukos and Wellman would go back to CMC and convey that the TOC does not support the Santa Anita proposal.

E. CHRB Meeting Updates

Mr. Coukos reported on the CHRB Medication & Track Safety meeting he attended yesterday, where it was proposed to form a task force including TOC, CTT and CHRB to further discuss the issue of mandatory release of veterinary records when a horse is sold. Ms. Siegel made a motion that we participate in the task force discussions but that we are against any mandatory releasing of vet records, which was seconded by Mr. Wellman. Following further discussion, Mr. Coukos restated the motion to simply state that we agree to participate with the task force, and he called for a vote. The motion carried with seven yeses (Moger, Harrington, Lovingier, Alexander, Baffert, Wellman, and Siegel) and four no's (Pegram, Owens, Aldrich and Walsh).

Mr. Coukos then reviewed the agenda for the upcoming CHRB board meeting.

F. Santa Anita Turf Update

Mr. Coukos informed the board that Santa Anita has asked us to consider reducing the bottom level for claiming races during the final three weeks of their meet to \$6,250 and reducing maiden race levels to \$10,000-\$12,500. Their rationale for the request is that they are concerned they may not otherwise be able to fill races. Following a lengthy discussion, Mr. Alexander moved that we turn down Santa Anita's request, which was seconded by Mr. Wellman. Following additional discussion, Mr. Coukos called for a vote, and the motion carried with eight yeases (Pegram, Aldrich, Moger, Wellman, Siegel, Alexander, Baffert and Owens) and two abstentions (Harrington and Lovingier).

G. Board Election Update

Mr. Coukos reviewed the board election update. Mr. Wellman announced his withdrawal from the election, adding that he will serve out his term. Mr. Pegram thanked Mr. Wellman for his support through the years.

V. ADW/Simulcast Committee  
Discussed in Executive Session.

VI. Finance Committee

Mr. Alexander provided a brief financial report, noting a year-to-date surplus of \$241,000, which well exceeds projections. Revenues are up 2-1/2%, and expenses are down 17%.

VII. Owner Relations Committee

A. Rookie of the Year Award Vote

Mr. Wellman reported that the Owner Relations Committee has recommended three owners as nominees for Rookie of the Year, and he made a motion that the board support the nomination of David Greco, Patrick Grohl and Brent Malmstrom. Ms. Siegel seconded the motion, and it was unanimously approved.

B. Chairman's Award Suggestions

The Owner Relations Committee recommended Bob Baffert, Victor Espinoza and Trevor Denman for Mr. Pegram's consideration for the Chairman's Award.

C. TOC Open Forum April 23 at Los Alamitos

Mr. Wellman reminded board members of the upcoming TOC open forum.

VIII. Racing Affairs Committee

A. Del Mar Summer Proposals

Mr. Scheidt reported that the Racing Affairs Committee met yesterday and discussed Del Mar's proposals, which he then presented to the board. Mr. Coukos provided a recent update to the Del Mar proposal following this morning's discussions with Del Mar representatives. He further noted that the Del Mar proposal was conditioned on Del Mar running the Bayakoa in the Fall and conditioned on Del Mar running eight races every Friday during the Summer

meet. A motion to accept the Del Mar proposal was made by Mr. Alexander, seconded by Harrington, and passed with one no (Baffert).

B. Los Alamitos Fall and Winter

Mr. Scheidt provided a brief report on the status of a Los Alamitos proposal to combine purse accounts from the two Los Al Thoroughbred meets and the LACF in 2016. The Racing Affairs Committee recommended that the board approve the proposal to combine projected underpayments from their 2016 meets in order to run the two Grade I races during their 2016 winter meet. Mr. Harrington made a motion to approve the proposal, which was seconded by Mr. Moger and passed unanimously.

C. CARF Race Meet Proposal Report

Mr. Scheidt reported on a Racing Affairs Committee meeting with CARF last week and the approval of their 2016 stakes and overnights. He requested board input on CARF's pending request to CHRB to move six race dates from Stockton to Pleasanton. Mr. Coukos added that he met with Mr. Chillingworth of Oak Tree, who said he has a meeting with Pleasanton officials in the next couple of weeks and they are still pursuing possible participation. Discussion ensued. Mr. Scheidt agreed to take the pending CARF request to Northern California Racing Affairs as well as Golden Gate Fields before the next TOC Board meeting on April 7.

D. Santa Anita Spring Meet Stakes

Mr. Scheidt reviewed the Santa Anita meet stakes schedule.

IX. Medication Committee

Discussed in President's Report.

X. Legislative Committee

Discussed in Executive Session.

XI. Race Meet Reports

Mr. Scheidt provided race meet reports for Santa Anita and Golden Gate Fields to date. Mr. Wellman reviewed some data regarding California wagering on the Gulfstream Park product, and a brief discussion ensued.

XII. Next Meeting

The next meeting will be Thursday, April 7, 2016, 11:00 a.m. at Santa Anita.

XIII. Adjournment

On a motion by Mr. Baffert, seconded by Mr. Alexander, the board voted unanimously to adjourn the meeting at 1:45 p.m.