

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Thursday, February 14, 2019 - 11:30 a.m.
Santa Anita**

MINUTES

In Attendance: Allen Aldrich, Nick Alexander, Joe Ciaglia, Gary Fenton, Rick Gold, Mike Harrington (by phone), Bob Liewald (by phone), Ed Moger (by phone), Jack Owens (by phone), Samantha Siegel (by phone), Bill Strauss (by phone), Greg Avioli, Mary Forney, Patricia Chinnici (by phone), Elizabeth Morey, and Joe Hasson.

I. Approval of Minutes

On a motion by Mr. Ciaglia, seconded by Mr. Lovingier, the minutes of January 17, 2019 were unanimously approved.

II. Santa Anita Racing Office Presentation (Steve Lym/P.J. Campo)

Mr. Avioli introduced Messrs. Lym and Campo, who joined the meeting. Mr. Lym addressed the changes to the condition book with regard to the elimination of substitute races and discussed the changes to the “free” scratch policy. He then reviewed Santa Anita’s new policy regarding entries for main track vs. turf races. In a turf allowance race, additional horses can now be entered by the same trainer as Main Track Only with the option to scratch unless the race is moved to the dirt. Mr. Campo updated the board regarding recent discussions about the two-year-old program, adding that the first 2-year-old races would be April 15. He added that Santa Anita is working with Del Mar so that two year olds will have preference at the Del Mar meet. Discussion ensued, with Messrs. Lym and Campo answering questions from the board.

Mr. Avioli asked for an update on the construction of the 850 stalls at Santa Anita. Mr. Campo said progress is going forward but he was not in a position to confirm any specific timeline. Mr. Avioli also asked about the elimination of race day trophies, explained they were considered a meaningful benefit by most winning owners and inquired whether they could be re-instituted for this meet. Mr. Campo said they had not ordered them for 2019, so that was not possible.

III. Joint Marketing Programs / The Stronach Group & Del Mar

Mr. Avioli updated the board on the proposed joint marketing programs between the tracks and TOC replacing the CMC program, which expired Dec. 31, 2018. The board reviewed proposals from Del Mar and The Stronach Group. On a motion by Mr. Fenton, seconded by Mr. Alexander, the proposals were unanimously approved.

IV. Stabling & Vanning

Mr. Avioli informed the board that the Stabling & Vanning Committee will be meeting at the end of this month to consider options for stabling post 2019. Additionally, Stabling & Vanning has appointed a subcommittee to work on developing actionable items to reduce training/workers’ comp injuries.

V. NOTWINC/ SCOTWINC Lawsuit Settlement Update

Mr. Avioli announced that SCOTWINC board had approved a settlement of a class action lawsuit with the pari-mutuel tellers for \$1.4 million.

- VI. CARF Mini-Satellite Request
Ms. Morey updated the board on the request from CARF for two new traditional mini-satellite locations, which was provided to the board. She noted she will be meeting with Mr. Swartzlander to discuss further.
- VII. CHRB Agenda
Mr. Avioli reviewed the CHRB February agenda, most of which will be devoted to the extension of the ADW contracts.
- VIII. RMTC Update
Mr. Avioli noted that Ms. Morey was recently named to the executive committee of the RMTC. Ms. Morey reviewed a summary of the recent RMTC meeting, which was provided in the board packet.
- IX. TOC Board Election Update
Mr. Avioli provided an election update, noting that Mr. Bloom has decided not to run. Mr. Bloom did indicate that he would welcome an appointment to the board in the future. Mr. Owens suggested that he be asked to serve on a board committee.
- X. NTRA/TOC Advantage Update
Mr. Avioli summarized the memorandum provided by Ms. Peron on the TOC Advantage program, which has been extended through 2019.
- XI. Legislation
Mr. Avioli updated the board on what we are doing in Sacramento with regard to sports wagering, as well as progress to date on forming a coalition with other industry members.
- XII. Racing Affairs
Ms. Morey provided an update on the Cal-Bred condition eligibility language, which has been agreed upon by TOC, Santa Anita and the CHRB. She also noted that Del Mar has made some changes to the stakes program for Pacific Classic Day and will be sending out a press release.

Ms. Morey then reviewed updates to the Santa Anita winter/spring stakes schedule, including those made by the graded stakes committee.
- XIII. Finance Committee
Ms. Chinnici provided a report on financials for January and year to date. A draft of the 2017-18 audit was also provided to the board.

Mr. Avioli and Ms. Morey reviewed the "Big Budget," which provided as a handout.
- XIV. Race Meet Reports
Ms. Morey gave a brief update on the status of the purse accounts for Santa Anita and Golden Gate Fields to date. She also reviewed the January horse counts for Northern and Southern California, which were provided to the board.
- XV. Executive Session
The board adjourned to Executive Session at 1:26 p.m.