

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Friday, October 23, 2020 – 11:00 a.m.
BY TELECONFERENCE**

MINUTES

Directors Attending: Nick Alexander, Bob Baffert, Jeff Bloom, Joe Ciaglia, Gary Fenton, Rick Gold, Mike Harrington, Stephanie Hronis, Bob Liewald, Terry Lovingier, Ed Moger, Jack Owens, Richard Rosenberg, Samantha Siegel, and Bill Strauss.

Directors Absent: None.

Staff Attending: Greg Avioli, Mary Forney, Joe Hasson, Wayne Atwell, Patricia Chinnici, Elizabeth Morey, and Elsa Peron.

- I. Approval of Minutes
On a motion by Ms. Siegel, seconded by Mr. Alexander, the minutes of September 18, 2020 were unanimously approved.
- II. New CDPH Guidelines
Mr. Avioli reviewed the most recent guidelines received from the State of California pertaining to opening sporting events, which were provided to the board.
- III. CHRB Board & Medication Committee Meetings
Mr. Avioli reviewed the CHRB meetings held this week, noting that that board approved the 2021 Southern California racing calendar, which was basically the same as that proposed by TOC.
- IV. Breeders Cup ADW Host Fee
Mr. Avioli reviewed some materials included in the board packet regarding the Breeders' Cup request to raise their host fee for this year due to reduced revenues as a result of COVID-19. On a motion by Ms. Siegel, seconded by Mr. Bloom, the board unanimously approved the request.
- V. Stabling & Vanning Update
Mr. Avioli reviewed the most recent financial reports for the Stabling and Vanning fund, which were provided to the board. He noted that the fund is projecting approximately a \$3 million deficit this year and has been exploring options for keeping all auxiliary training facilities open. TOC has proposed that each of the auxiliary facilities take a 30% reduction in fees, and discussions are continuing. The S & V Committee must submit a 2021 plan to the CHRB on Nov. 1. Mr. Alexander updated the board on a meeting he and Mr. Avioli attended with Messrs. Liebau and Allred of Los Alamitos.
- VI. SCOTWINC / NOTWINC Update
Mr. Avioli updated the board on Mr. Hasson's expanded role for SCOTWINC and NOTWINC, and Mr. Hasson then provided a report on planned re-openings of the

satellite wagering sites, projections for the network for the coming year, and plans for outdoor wagering at the sites. A discussion ensued.

VII. Selection of HISA Board

Mr. Avioli updated the board on the most recent information received from HISA nominating committee, which was provided to the board. He reminded the board to let him know if they have any recommendations for that board.

VIII. Arizona Simulcast Dispute Resolution

Mr. Avioli updated the board on the most recent meeting between our Wagering Committee and Scott Daruty of Monarch regarding the Arizona simulcast dispute. It appears that the dispute has been resolved, with the CA signal going back to Turf Paradise and its OTBs with separate pool wagering.

IX. Wagering Rights Valuation / Dennis Drazin

Mr. Liewald, who heads the TOC sports wagering subcommittee, updated the board on recent industry discussions regarding valuation of California sports wagering rights. He noted that we have been speaking to people in New Jersey, where sports wagering has been implemented, including Dennis Drazin, to help determine what steps we need to take.

Mr. Avioli added that the Wagering Committee has also been considering the upcoming renewals of ADW hub agreements in California. The tracks and CARF have agreed to allow TOC to negotiate the hub agreements. Mr. Avioli would like to begin the negotiations by asking the ADW companies to reduce their fee from 5% to 3% or 4%, in a letter to go out to all ADWs on Monday. It is then likely that it would go to arbitration. Following discussion, a motion was made by Mr. Bloom to direct Mr. Avioli to send a letter asking for a 3% rate going forward (two year agreement), plus a 1% rebate for this year. The board unanimously approved the motion. Mr. Avioli cautioned the board to keep this confidential.

X. CJWC Update

Ms. Forney provided an update on the CJWC, noting that we received the good news that the renewal rate for jockey health insurance would not be raised for 2021 by Aetna.

XI. Legislative Report

A. Political Donation to Support Oscar de la Torre's Campaign

Mr. Avioli updated the board on the fundraising efforts of Oscar de la Torre, who is running for city council in his hometown of Santa Monica. The California racing industry raised approximately \$5,000 in support of Mr. de la Torre's campaign.

XII. Racing Affairs

A. Santa Anita and Golden Gate Purse Reports

Ms. Morey provided an update on the purse reports for Santa Anita and Golden Gate Fields. Mr. Fenton updated the board on Santa Anita's plan to conduct a Ship and Win program during its Winter-Spring meet.

B. Los Alamitos Winter Purse Proposals

Mr. Fenton reviewed the Los Alamitos winter meet stakes and overnight race proposals, which were approved by the Racing Affairs committee earlier this

week, and which were provided to the board.

C. Horse Counts

Mr. Avioli reviewed the horse counts, which were provided to the board.

XIII. Financial Report

Ms. Chinnici provided a financial report for September and year to date.

XIV. Northern CA Membership Meeting Conference Call Tomorrow

Ms. Forney noted that the northern California annual meeting webinar takes place tomorrow at 10:00 a.m. and encouraged all board members to participate if possible.

XV. Adjournment

The meeting adjourned at 12:15 p.m.