

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Friday, January 14, 2022 – 11:00 a.m.
Zoom Conference Call**

MINUTES

Directors Present: Nick Alexander, Joe Ciaglia, Gary Fenton, Rick Gold, Ryan Hanson, Mike Harrington, Stephanie Hronis, Lindsay LaRoche, Bob Liewald, Terry Lovingier, Ed Moger, Richard Rosenberg, Samantha Siegel, and Bill Strauss.

Directors Absent: Jack Owens.

Staff Present: Greg Avioli, Mary Forney, Wayne Atwell, Joe Hasson, and Patricia Chinnici.

I. Approval of Minutes

On a motion by Mr. Alexander, seconded by Mr. Lovingier, the minutes of November 19, 2021 were unanimously approved.

II. HISA Update / New CEO

Mr. Gold provided an update on HISA and reviewed several related documents, which were provided to the board. Mr. Avioli addressed the issue of expected cost from HISA to California owners.

III. CHRB

A. Board Meeting Agenda

Provided to board.

B. Dr. Blea Update

Mr. Avioli updated the board on the veterinary board investigation of Equine Medical Director Dr. Jeff Blea. He informed them of a meeting he recently attended with Santa Anita, Del Mar, and CHRB representatives and the Secretary of Department of Consumer Affairs which has direct oversight over both the California Veterinary Medical Board and the CHRB to discuss the situation in California. He indicated he did not expect a near term resolution.

IV. TVG/FanDuel – Stronach Group Rights Negotiations

Mr. Avioli provided an update on the status of negotiations, noting that he and Mr. Liewald had met with 1/st Racing's new head of content Gregg Colvin and TOC is working on a list of deal points that TOC would request be included in any media/wagering deal between Stronach Group and TVG/FanDuel as pertains to media, digital or wagering rights for Santa Anita or Golden Gate.

V. 2022 Supplemental ADW Purse Funding Update

Mr. Avioli informed the board that signed confirmation has been received from Santa Anita, completing the receipt of full ADW funding for 2022. He reviewed the breakdown of total funding and proposed allocations for 2022 based on 2021 allocations of supplemental purse funding. Mr. LaRoche asked for a further explanation of how the monies were allocated to the various racetracks in 2021, which

Mr. Avioli provided. Mr. Avioli noted management would bring back a formal proposal for 2022 funding after the CTBA Maiden Bonus issues were resolved.

VI. Sponsorship / Sentient Jet

Mr. Avioli reviewed the extension of the TOC- Sentient Jet agreement, which was unanimously approved by the board.

VII. Stabling & Vanning

Mr. Avioli informed the board that the Stabling & Vanning Committee met this morning and approved funding to keep the existing three Southern California training facilities open for 2022. Mr. Strauss updated the board on negotiations with Los Alamitos and SLRD for future stabling and training at those facilities beyond 2022.

VIII. Legislative Report/2022 Priority List

Mr. Avioli updated the board on TOC's legislative priorities for 2022.

IX. CTBA Maiden Bonus Funding Shortfall

Mr. Avioli updated the board on the background and facts of the CTBA maiden bonus program., reviewing charts and information which were provided to the board. Mr. Atwell reviewed the historical data on the Cal-bred bonus program, a copy of which was provided to the board.

A subcommittee will be formed to further study the current status of the program and provide a recommendation to the board within ten days, including a plan going forward. The subcommittee will include Messrs. Alexander, Fenton, LaRoche, Liewald, and Lovingier, and will be staffed by Mr. Hasson.

X. Racing Affairs

A. Santa Anita and Golden Gate Fields Meet Reports

Mr. Avioli reviewed the race meet purse reports to date for Santa Anita and Golden Gate Fields, which were provided to the board.

B. Horse Counts

Southern and Northern California horse counts as of Jan. 1 were provided to the board.

XI. Financial Report

Ms. Chinnici provided a financial report for the six months ended December 31, 2021 and projections for fiscal year end.

XII. TOC FY22 Objectives – Assessment

Mr. Avioli reviewed the assessment of 2021 / 2022 organizational goals, a copy of which was provided to the board.

XIII. Executive Session

The board then adjourned to executive session where it unanimously approved year end 2021 incentive compensation for management and staff as recommended by the Finance Committee.