

**THOROUGHBRED OWNERS OF CALIFORNIA
BOARD OF DIRECTORS MEETING
Friday, February 12, 2021 – 11:00 a.m.
BY TELECONFERENCE**

MINUTES

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

Directors Absent: Mike Harrington.

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

Others Attending: Josh Rubinstein, Tom Robbins, David Jerkins, and Mike Ernst.

I. Approval of Minutes

On a motion by Mr. Rosenberg, seconded by Mr. Bloom, the minutes of January 15, 2020 were unanimously approved.

II. Approval of 2021 Board Officers and Committees

Mr. Alexander announced he is stepping down as chairman and thanked the board for their hard work and service during his tenure. Mr. Strauss made a motion to nominate Gary Fenton as chair, which was seconded by Mr. Lovingier. No other nominations being put forth, the board unanimously approved the appointment of Mr. Fenton.

Mr. Avioli reviewed the list of proposed 2021 board committees, which was emailed to the board. On a motion by Mr. Fenton, seconded by Mr. Alexander, the board unanimously approved the proposed committees.

III. Del Mar Presentation – 2021 Purse Proposals

Messrs. Rubinstein, Robbins, Jerkins, and Ernst from Del Mar joined the call to review the Del Mar 2021 purse proposals, which were presented to the TOC Racing Affairs Committee a few days ago. Copies of the proposed overnight and stakes schedules were provided to the board. They then answered questions from the board before leaving the meeting.

IV. Churchill Downs TCI Hub Fee Negotiations

Mr. Avioli updated the board on the ADW negotiations, including objections that were raised by CTT and Los Alamitos. Copies of letters from CTT and Los Alamitos were provided to the board. A discussion ensued. Mr. Fenton updated the board on his productive call with Mr. Liebau of Los Alamitos this week.

Mr. Avioli updated the board on the negotiations and pending federal lawsuit by Churchill Downs. He noted that arbitration is proceeding. He added that he is looking into our insurance covering legal fees above our deductible, and he noted he has also had discussions with CHRB regarding their position in defending the lawsuit. A discussion ensued.

V. NOTWINC Update

Mr. Hasson provided a summary of NOTWINC financials and reviewed the most recent budget, which was provided to the board. He also updated the board on the PPP loan received by NOTWINC and its beneficial impact.

VI. SCOTWINC Update

Mr. Avioli reviewed the list of SCOTWINC sites now open for operation, a copy of which was provided to the board.

VII. CA Marketing Co-Op Update

Ms. Forney and Mr. Avioli reviewed the proposed 2021 budget for the CA Marketing Co-op, which was provided to the board, and described in further detail the programs supported by the co-op. On a motion by Mr. Fenton, seconded by Mr. Rosenberg, the board unanimously approved TOC's participation in the 2021 Co Op Marketing program.

VIII. CTBL/CHSA Update

Mr. Avioli updated the board on the background and status of captive workers' comp funds held by Chartis/AIG on behalf of the CTBL. AIG has agreed to release \$250,000 to CTBL as an interim payment, not representing a closeout payment. He reviewed the emails detailing the process, which were provided to the board.

IX. Stabling & Vanning Update

Mr. Strauss updated the board on the latest developments with regard to stabling and vanning, including discussions with the 22nd Ag District in Del Mar about possible year-round training.

X. CHRB Update

A. Dr. Blea New EMD

An announcement from the CHRB regarding the appointment of Dr. Blea as the new equine medical director was provided to the board.

B. Board Meeting Agenda

A copy of the February CHRB board meeting agenda was provided to the board.

XI. NTRA Advantage Program Update

A memo regarding TOC's participation in the NTRA Advantage program was provided to the board and was reviewed by Ms. Forney and Mr. Avioli.

XII. Legislative Report

A. Sports Wagering / TOC Public Position

Mr. Liewald updated the board on developments regarding sports wagering, including the first draft of a report we commissioned this year. He added that we expect to start sending out RFPs in the next month. Mr. Avioli reviewed a position statement we were asked to provide to the LA Times, which was provided to the board.

XIII. Racing Affairs

A. Santa Anita and Golden Gate Fields Updates

Mr. Avioli reviewed the purse reports for Santa Anita and Golden Gate Fields, which were provided to the board, both of which show projections of significant underpayments by the end of the meet. Mr. Atwell updated the board on the re-opening of Golden Gate Fields for owners.

B. Horse Counts

Mr. Avioli reviewed the horse counts for northern and southern California, which were provided to the board.

XIV. Financial Report

Ms. Chinnici provided a financial report for January and year to date, as well as an update on TOC investments and the PPP loan application.

XV. Adjournment – The meeting was adjourned at 12:36 p.m.