

TTA Board of Directors Meeting
February 16, 2013 10:00 a.m.

The meeting was called to order by President Gearald Farris and the roll was called with the following directors present: Adger, Carson, Farris, Few, Hartis, Jordan, Leckinger, Lovell, Martinez, Rich and Wiggins. Directors Cook, Maikranz, Shifflett, Stephens and Witt participated via conference call. Directors Allen, Asmussen, Bradfield, Hessee and Milligan were absent. Executive Director Mary Ruyle and Accreditation/Racing Manager Jennifer Gibbs were also in attendance.

President Farris welcomed new board member Eileen Hartis.

Director Adger made a motion to approve the minutes from the October 4, 2012 Board Meeting, the October 18, 2012 ATB Breeding and Racing Committee Conference Call, the Board Conference Calls of October 23, December 14 and January 24, 2013, the November 13, 2012 Executive Committee Conference Call, the December 11, 2012 Budget Oversight Committee Conference Call, and the Board Resolution in Regard to the Runoff Election. Director Lovell seconded and the motion carried unanimously among those participating.

Director Carson made a motion to ratify the 2012 actions taken by the TTA Executive Committee on behalf of the Board. Director Jordan seconded and the motion carried unanimously among those participating.

Ruyle reviewed the results from the TTA Board of Directors election, stating that the Board should consider making provision in the Bylaws for handling a tie vote among candidates.

Director Maikranz gave the Membership Committee report, stating that Director Bradfield had volunteered to contact people on a list provided by the TTA office whose memberships had lapsed in an effort to get them to renew.

Ruyle gave an update on the Texas Thoroughbred Educational Fund.

At 10:30, representatives of the Class 1 tracks joined the meeting. Eric Johnston and Andrea Young presented a report on Sam Houston Race Park, stating that:

- Live wagering is on target with projections.
- Simulcast wagering is slightly less than anticipated.
- Texas Champions Weekend was very successful.
- Packaging the inaugural \$400,000 Houston Ladies Classic with the Connally Stakes was beneficial in attracting quality horses, although the fields were smaller than anticipated. The track plans to renew the Ladies Classic next year.
- Mobile wagering is a work in progress, due to technical challenges.
- There are 6 concerts scheduled during the Quarter Horse Meet and 8 – 10 other events throughout the calendar year.
- Small fields in the Texas Stallion Stakes are of concern.

- A letter has been submitted to the TRC to request elimination of two Sundays (March 10 and 17) and add two Mondays (March 11 and 18) to the March 2013 racing schedule.

Bryan Brown reported that the recently concluded Thoroughbred meet was very successful, with large wagering gains on the outbound signal and the introduction of the Wounded Warrior Mile Stakes, which was a wonderful community event.

On January 29th, the sale was closed by which Pinnacle Gaming acquired 75.5% ownership of the license and debt and also acquired the management and concessions contract. Chris Corrado will soon become the new track general manager, while Brown moves into the role of legislative liaison, working out of an office in Austin four days per week. He stressed the importance of TTA members visiting their legislators, before and after a planned Horsemen's Day at the Capitol.

Drew Shubeck stated that 2012 was the first full year for ownership by Global Gaming, with many capital improvement projects completed or underway, including complete renovation of the Bar and Book simulcast pavilion, grandstand areas, barns and dormitories, as well as complete renovation of the dirt track. LSP's 50-day Thoroughbred meeting begins April 11, with expected average daily purses of \$143,000. The track will open March 11 to receive horses and training may commence on March 13.

Representing Saddle Brook Park, Corey Johnsen reported that the Saddle Brook Jockey Club simulcast facility opened on December 14 and business levels have been improving every week. He thanked the TTA and Texas horsemen in general for their support.

Track representatives were excused and after a short break, TTA accountant Cheri Grant, Kenneth Foshee and Robin Demel of the audit firm of Erickson Demel and Co., P.C. joined the conference call. Foshee and Demel reviewed the audit report, stating that it was a clean audit with no difficulties and all proper procedures had been followed by staff. They further stated that staff had done a masterful job in containing expenses and TTA is in a good cash position.

Director Adger made a motion to approve the audit report. Director Wiggins seconded and the motion carried unanimously among those participating.

Ruyle presented her Executive Director's report, stating:

- After a major crash in December, the TTA website has been rebuilt by Denis Blake and additional pages and sections are being added.
- Tim Boyce with Fasig-Tipton Texas, Lynn Reardon with LOPE and Donna Keen with Remember Me Rescue have been contacted to solicit stories to be posted on the website and Facebook pages.
- Weekly congratulations to Accredited Texas-bred winners at Texas tracks and their connections are posted to the Facebook page and will soon be posted to the website as well.
- Press releases are now being submitted to the hometown newspapers of the connections of Texas-bred stakes winners.

- A section will soon be available on the website to accommodate horse health articles.
- The Paddock Foundation website page is now in place and will be re-organized to present information, stories and photos in a more pleasing format.
- New and renewing members are recognized on the Facebook page and will soon be recognized in the Member Communications section of the website.
- Donors to the TTEF and Paddock Foundation are recognized on the Facebook pages and on the website.
- Jennifer Gibbs is requesting copies of Jockey Club Certificates and Transfers of Accreditation on a weekly basis in order to have as much paperwork completed as possible prior to the payout of ATB Awards for each meet.
- A part-time employee is performing ongoing scanning of ATB horse records and accounting records, which enables daily backups of information, eliminates paper files and allows records to be easily retrieved for on-screen review or printing.
- The TTA office lease will be up on August 31st, so she will be obtaining a bid to renew the present lease as well as researching other properties, including the second floor of the TQHA office building.
- The Paddock Foundation has signed on as a sponsor for Remember Me Rescue's Battle of the X's to take place in April at Will Rogers Equestrian Center.
- The deadline for receipt of scholarship applications was February 15th. Three of the current recipients will soon be graduating and three new applications were received before staff departed Austin to travel to Houston; there may be additional applications in delivered mail.
- Two bills affecting the Texas Racing Commission have been filed by Senfronia Thompson (HD 141, Democrat) – HB 1186 relating to the Texas Racing Commission's ability to share investigatory information with other state regulatory agencies, and HB 1187 Relating to the power of stewards or judges to impose penalties under the Texas Racing Act; providing penalties.
- The next TRC meeting is scheduled for Tuesday, February 19th.

Corey Johnsen rejoined the meeting to further discuss the concept of seeking legislation to approve racetrack simulcast extensions or “access points”.

Ruyle, Rich and Farris reported on recent meetings to discuss possible legislative initiatives.

Director Martinez made a motion to approve spending up to \$5,000 from the PAC fund to pursue filing legislation to seek approval of racetrack simulcast extensions or access points. Director Lovell seconded and the motion carried unanimously among those participating.

President Farris reported on a recent conversation with the new executive director of the Thoroughbred Racing Association of Oklahoma, Danielle Barber, to discuss a race challenge between Texas and Oklahoma. Barber will present the concept to her board during their March 5 meeting.

Farris also stated that Jim Shearer of Capital Consultants has related that legislators can receive industry presentations in the interim periods between legislative sessions, and he would be happy to assist horsemen in scheduling those meetings.

Director Carson reported that The Paddock Foundation Board of Directors will meet soon to plan activity for the year.

Jennifer Gibbs stated that over 120 horses have been consigned to the Fasig-Tipton Texas 2-Year-Olds In Training Sale scheduled for April 3, and that some horses of racing age will be added to the sale. Once catalogs are printed, all other horses consigned will be added to the online catalog.

Director Leckinger presented the Publications report, stating that Southern Racehorse has been well received and Denis Blake is interested in discussing renewing his agreement with TTA.

Ruyle and Gibbs reviewed the number of nominations to the TTA Sales Futurity and Texas Stallion Stakes.

Ruyle then presented two scenarios of source funding for Texas Stallion Stakes Races and Gillespie County Fair Grounds Thoroughbred stakes races in 2013 – one utilizing \$114,000 in funds from greyhound sources and the other utilizing \$144,000.

Director Martinez made a motion to approve the source funding plan totaling \$144,000. Director Carson seconded and the motion carried unanimously among those participating.

Ruyle reported that there is a balance in excess of \$18,000 in the Political Action Committee account.

Director Rich presented an update on behalf of Texas HORSE, stating that the Texas Veterinary Association will hold their “Day at the Capitol” on February 26th and will carry a message in support of the Texas horse industry. Also, at the Texas Quarter Horse Annual Meeting on February 8th, the Texas Farm Bureau publicly announced their support of horsemen’s legislative efforts.

The date and location of the next regular board meeting is to be determined.

With no further business, the meeting adjourned at 2:00 p.m.