

**Cloverleaf Standardbred Owners' Association, Inc.**

**June 24, 2009 Minutes**

**Ocean Downs**

Present:	President	Thomas Cooke	
	2 <sup>nd</sup> VP	Jerry Nock	
	Secretary	William Long	
	Treasurer	Dan Myer	
	Executive VP	Sharon Roberts	
Directors:	Daniel Bittle	Betsy Brown	Gary Ewing
	Ralph Hayward	Tammy Lafferty	Don Milby
	Kenneth Schlotzhauer	Eli Solomon	William Spicer
	Judy Welty	Gary White	
Absent:	Gerald Brittingham	Wm "Bib" Roberts	Tom Winebrenner

President Cooke called the meeting to order at 3:26 p.m.

Charlie Johnson has been diagnosis with stage 4 cancer. He has requested that we let everyone know. Please keep Charlie Johnson in your thoughts and your prayers, this is a very difficult time.

**May Meeting** - There was not enough directors present for a quorum in May, therefore there was no May meeting.

**Approval of Minutes** -

**Motion 1** - A motion was made by Eli Solomon, seconded by Jerry Nock to approve the April 22, 2009 minutes. The vote was unanimous. The motion carried.

**CEI Update** – President Cooke recapped the following events:

MRC Meeting in May – The MRC Commissioners voted to cut off the thoroughbred signals being sent to Rosecroft. The motion was approved.

State TRO in Prince Georges County Court

Federal TRO in Beltsville

Kentucky Derby Day Recap

Preakness Day Recap

Belmont Day

Bankruptcy Court

July 8, 2009 – deadline for proposals to purchase Rosecroft.

**Kelley Rogers** – Updated the Board and members on CEI and Bankruptcy.

There is one proposal to purchase RCR to bring forth on July 8<sup>th</sup> to the stockholders and members.

July 23 – filing On Going 90 day Bankruptcy Plan with harness signals, a few thoroughbred and quarter horse signals, only Penn National and Indiana thoroughbred tracks.

Reductions have been made in staff and operations.

Backstretch closes on September 30<sup>th</sup>.

Consolidated the facility and staff.

**Issues -**

1. PNC has been very difficult has been a difficult partner
2. Lack of Thoroughbred signals
3. Appraisal does not cover the mortgage amount on the property
4. Pursuing a series of lawsuits and other related parties.
5. Engaged competent legal counsel
6. Qualifiers and Sires Stakes will continue through Sept 30
7. Checks that were returned have been re issued with PNC's approval.
8. We are disadvantaged with the MRC (D. Clogg was not re appointed to the MRC)
9. The Stockholders meeting is scheduled for July 8, 2009
10. The Northfield Park issue has been resolved. About \$4,000 was owed and they turned the signal off, on about \$2,000 of outstanding payments. We agreed to pay weekly. Previous CEO let the payment go to at least 120 days. We were within 30 to 45 days.
11. RCR has continued to receive thoroughbred signals from Penn National, Louisiana Downs and Charles Town.

**Motion 3** - A Motion was made by Eli Solomon, seconded by Tammy Lafferty to send a letter to the Ohio Horsemen Association on our disappointment. The vote was unanimous. The motion carried.

**Motion 4** - A Motion was made by Eli Solomon, seconded by Bill Spicer to send letters of appreciation to tracks that have supported RCR. The vote was unanimous. The motion carried.

It has been confirmed that previous management at Rosecroft is current management at Northfield.

**Barn Area –**

Mr. Lisi is concerned that the barn area is going to be closed and the cost of the backstretch is not what has been stated.

Mr. Lisi stated we all should live or die as one group. It's not right that part of the track should shut down and not the whole facility.

Mr. Cooke stated that if there is no plant (RCR) there is no future. If there is no plant there is no slot revenue coming in. There are legal issues, civil lawsuits. Prince Georges' County has inspected the backstretch, dorms and trailer park. Prince Georges County is coming back with decision.

Purpose of the notice was to give everyone 90 day notice. So the bankruptcy court could not make us close the backstretch immediately.

Robert Swaine, a friend of the Nancy Lisi, asked to be provided the correct numbers for the backstretch.

What is the correct numbers on the costs of the backstretch 175,000 or \$225,000 a year?

Peter Szymanski stated that it costs \$400,000 to keep the Ocean Downs backstretch open.

The cost for the backstretch at Pimlico was \$2M a year.

There are on going environmental issues and bankruptcy issues,

**MSS & MRF Update** - Cheri Stambaugh – Stake races for 2009 are as scheduled at this point. We went to the MRC for Emergency regulations and they are in place if needed. The regulations were made generic. There will be No trailers at Ocean Downs.

Qualifiers are in place for every Saturday except July 4<sup>th</sup> through September (the last MSS & MRF race dates). There will be additional qualifiers if people are willing to bear the expenses for additional qualifiers.

Breaking rule will include that an “interference break” will not be held against you. This won’t start until next year.

At RCR all starting fees will be made payable to the MSRF. The Purses paid and MRF checks will be cut through the MRF account. At Ocean Downs “checks” will still go to Ocean Downs.

All horsemen participating in the MSS & MRF will have to complete a new W9 for accounting.

MRC is providing Judges and the State Vet, but no other employees.

Preliminary Races will be \$2,500 and the Finals will be \$20,000 and \$25,000. The MRF Purses will be \$10,000 to \$14,000. Starting fees have been reduced, because the purse money has reduced.

**Ocean Downs** - Thomas Cooke thanked Peter Szymanski for hosting the CSOA meeting today. Peter Szymanski updated the Board that betting is up. Off Track numbers are off slightly. Horse numbers are low. Should be OK going forward. MD Races for older horses filled. There are 13 Pacing Mares in the MD Races. On July 15<sup>th</sup> Ocean Downs is hosting the Maryland Video Lottery Commission. They will be looking at the facility for slots in the future. Derby Day and Preakness Day were up and Belmont Day was down.

**Breeders Percentage Request** - The Board passed on Breeders Percentage Request.

**MRC Commissioners** - MRC Commissioners Chuck Tildon and Mary Louise Perez has asked to be kept advised.

**Adjournment** - A motion was made by Tammy Lafferty, seconded by Don Milby to adjourn the meeting. The vote was unanimous. The meeting adjourned the meeting at 5:05 p.m.

Respectfully submitted by,

Sharon L. Roberts

Executive VP