

Minutes of the LAHBPA Board of Directors Meeting

Date of Meeting	July 27, 2020
Meeting called to Order by	Benard Chatters
Type of Meeting	Board of Directors
Place	LAHBPA Main Office
Meeting Secretary	Vickie Lory
Roll called by Larry and Quorum Declared	Bobby Dupre Keith Hernandez Any Leggio, Jr. Charlotte Stemmans Clavier Christine D. Early (<i>phone</i>) Bret Calhoun Ron Faucheux Don Stemmans Edward Johnston Kenneth L. Roberts
Board Members Not Present	Benard Chatters
Others in Attendance	Ed Fenasci, Kristie Piglia (<i>for LH</i>), Mike Fenasci, John Duvieilh, Vickie Lory (<i>phone</i>)
<i>Charlotte called the meeting to order</i>	<i>Time: 10:31am</i>
Prayer Lead by	Christine Early
Discussion	Error noted for the record regarding the meeting notice – it should be July, not March. Meeting held on July 27, 2020.
Discussion Fairgrounds Denied September Stabling Request	Ed stated that the FG denied their early stabling request. (<i>Keith enters via phone</i>). Ed emailed the FG requesting they reconsider early stabling. The FGs President, Doug Shipley, again denied the request. Board members voiced their concerns of where the horses would go and the financial hardships for horsemen that the situation is creating. Members asked why this was not in the contract between FG and DED to move the QH meet. Ed stated we were not involved in any aspect of the contract. FG never indicated that they would not allow us to move in for early stabling of TBs.
Discussion Letter to LSRC – Racing Reforms re #1	Charlotte opened the discussion regarding the FG's 12-page letter to the LSRC regarding racing reforms. Ed asked if anyone was against the Lab becoming accredited and a motion was made. (<i>see handout: #1 of FG's letter; p1</i>)

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<p>Motion Letter to LSRC – Racing Reforms re #1</p>	<p>Motion made that the LHBPA is in favor of the LA Drug Testing lab becoming accredited. <i>(see handout: #1 of FG's letter; p1)</i></p> <p>Motion by: Bret Calhoun Second by: Bobby Dupre Motion Unanimously Passed</p>
<p>Discussion Letter to LSRC – Racing Reforms re #1</p>	<p>Further discussion was had that the RC wants us to use LSU's lab, but they have reported for years that LSU's lab needs to become accredited. Members felt we should request in our letter what accreditation procedures are needed, and if LSU cannot get accredited, we need to be able to use an OOS lab. Ed stated that it was a national accreditation standard. <i>(see handout: #1 of FG's letter; p1)</i></p>
<p>Discussion Letter to LSRC – Racing Reforms re #2</p>	<p>The letter indicates the LSRC references an outdated schedule <i>(Jan/2019)</i> regarding the controlled therapeutic medical schedule referenced in Title 35. Ed reported Charlie stated the LA schedule does not update when National's updates, further stating that a rule making procedure is needed to update LA's schedule. Adversely, the FG is stating the rule should change when National changes it. <i>(Dec/2019)</i> Ed stated in the Dec/2019 schedule, the withdrawal times would change. NSAIDs would go to 48 hours, and cortico-steroids would go out to 14 days. It was believed the Jan/2019 schedule 24 hours and 7 days, respectively. Essentially, doubling the cut-off period for those drugs. <i>(see handout: #2 of FG's letter; p1)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #2</p>	<p>Motion was made that the Board takes the position that any changes would have to go through the proper guidelines and rule-making procedures with the LSRC. <i>(see handout: #2 of FG's letter; p1)</i></p> <p>Motion by: Bret Calhoun Second by: Christine Early Motion Unanimously Passed</p>
<p>Discussion Letter to LSRC – Racing Reforms re #3</p>	<p>A suggestion was offered that the Board wait to take a position until the LSRC follows the proper rule-making procedures regarding this practice. #3 proposes that LA adopt the prohibited practices concerning Extracorporeal Shock Wave Therapy and Bisphosphonates. <i>(see handout: #3 of FG's letter; p2)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #3</p>	<p>Motion was made that the Board takes the position that any changes would have to go through the proper guidelines and rule-making procedures with the LSRC. <i>(see handout: #3 of FG's letter; p2)</i></p> <p>Motion by: Don Stemmans Second by: Eddie Johnston Motion Unanimously Passed</p>

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<p>Discussion Letter to LSRC – Racing Reforms re #4</p>	<p>A discussion took place, and a proposal was offered that the Board again wait to take a position until the LSRC follows the proper rule-making procedures regarding this practice. #4 proposes that LA adopt the section of the model rule regarding voided claims concerning catastrophic breakdowns. <i>(see handout: #4 of FG's letter; p3)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #4</p>	<p>Motion was made that the Board takes the position that any changes would have to go through the proper guidelines and rule-making procedures with the LSRC. <i>(see handout: #4 of FG's letter; p3)</i></p> <p>Motion by: Ron Faucheux Second by: Keith Hernandez Motion Unanimously Passed</p>
<p>Discussion Letter to LSRC – Racing Reforms re #5 (Lasix)</p>	<p>A discussion took place regarding the letter's proposal regarding the third-party administration of Lasix. Again, it was proposed that the Board wait to take a position until the LSRC follows the proper rule-making procedures regarding this practice. #5 proposes that LA adopt the section of the model rule regarding the use of the adjunct bleeder medications allowed in Title 35. <i>(see handout: #5 of FG's letter; p3)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #5</p>	<p>Motion was made that the Board takes the position that any changes would have to go through the proper guidelines and rule-making procedures with the LSRC. <i>(see handout: #5 of FG's letter; p3)</i></p> <p>Motion by: Bret Calhoun Second by: Kenneth Roberts Motion Unanimously Passed</p>
<p>Discussion Letter to LSRC – Racing Reforms re #6 (Lasix)</p>	<p>A discussion took place regarding the FG's proposal in its letter regarding the elimination of Lasix in 2-year old races. Ed stated that Kentucky wrote prohibitions on the conditions of 2-year old races prohibiting Lasix. Bret felt the Board should make a bold statement that we are opposed. Ed proposed that we refer to National's language regarding the use of Lasix as a proven therapeutic medication. <i>(see handout: #6 of FG's letter; p5)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #6</p>	<p>Motion was made that the LHBPA is against Churchill Downs, Inc. making any unilateral changes regarding the condition books and the use of Lasix and would refer to NHBPA's language on the issue. <i>(see handout: #6 of FG's letter; p5)</i></p> <p>Motion by: Ron Faucheux Second by: Christine Early Motion Unanimously Passed</p>

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<p>Discussion Letter to LSRC – Racing Reforms re #7</p>	<p>A discussion was held regarding their proposal to adopt the model rule re Out-of-Competition Testing. A proposal was made that the Board, again move that any changes would have to go through the normal rule-making procedures with the LSRC. <i>(see handout: #7 of FG's letter; p6)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #7</p>	<p>Motion was made that the Board takes the position that any changes would have to go through the proper guidelines and rule-making procedures with the LSRC. <i>(see handout: #7 of FG's letter; p6)</i></p> <p>Motion by: Bret Calhoun Second by: Ron Faucheux Motion Unanimously Passed</p>
<p>Motion Letter to LSRC – Racing Reforms re #5 <i>(amendment)</i></p>	<p>Ron proposed the Board go back and look at Motion made for #5 again, stating we should oppose the prohibition of adjunct (<i>Lasix</i>). Ron felt the Board should make it clear that adjunct is a good medicine and is needed in LA due to the local climate and made a motion regarding same.</p>
<p>Motion Letter to LSRC – Racing Reforms re #5 <i>(amendment)</i></p>	<p>An amendment to the prior motion regarding #5 was made that adjunct (<i>Lasix</i>) is a good medication and it works well given the local climate. <i>(see handout: #5 of FG's letter; p3)</i></p> <p>Motion by: Ron Faucheux Second by: Don Stemmans Motion Unanimously Passed</p>
<p>Discussion Letter to LSRC – Racing Reforms re #8</p>	<p>A discussion was held regarding their proposal to mandate veterinary reporting. A proposal was made that the Board simply state that the current procedures, as written, work well, and a motion was made. <i>(see handout: #8 of FG's letter; p10)</i></p>
<p>Motion Letter to LSRC – Racing Reforms re #8</p>	<p>Motion was made that the current procedures (as written) work well and the information is available, as needed. The change would be time-consuming and expensive. <i>(see handout: #8 of FG's letter; p10)</i></p> <p>Motion by: Don Stemmans Second by: Bobby Dupre Motion Unanimously Passed</p>
<p>Discussion Letter to LSRC – Racing Reforms re #9</p>	<p>A discussion was held regarding their proposal to adopt minimum workout and eligibility requirements for horses to race. Bret indicated it was very expensive and costs are passed on to the owners, and he was not in agreement with this. Charlotte felt a trainer is a professional should know. A proposal was made that the Board simply state that the current procedures work well, and we should rely on the trainer's professional knowledge. <i>(see handout: #9 of FG's letter; p10)</i></p>

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<p>Motion Letter to LSRC – Racing Reforms re #9</p>	<p>Motion was made that the LHBPA believes the current procedures work well and we should rely upon the trainer’s professional knowledge. The change would be unnecessary, time-consuming, and expensive. <i>(see handout: #9 of FG’s letter; p10)</i></p> <p>Motion by: Bret Calhoun Second by: Ron Faucheux Motion Unanimously Passed</p>
<p>Financial Update <i>(by EF for LH)</i></p>	<p>Ed presented the financial report, stating that 1993, Inc. had 2.3M in assets. Medical had 1.4M; Pension 3M; WC at under 900K. A total of 8M in assets. Net Gain/Loss at 900K for first six months <i>(with 2 months missing revenue)</i>. We received a payroll protection loan of 317K, which is not yet reflected in revenue, but is reflected in liabilities <i>(due to the pending decision of the loan’s forgivability)</i>. Medical benefits were still being paid during the pandemic. The Medical Trust is well-positioned to weather the lost revenue, and we are back to getting revenue now. <i>(see handout showing 1st 6 months of the year)</i></p>
<p>Legal Update Re QH lawsuit</p>	<p>John stated they went to court on the QH lawsuit to deal with exemptions. The new Texas lawyers requested to reopen the class, but the judge denied what they sought, so they filed a writ with the 4th Circuit, which should be ruled on within the next month. he was optimistic the 4th Circuit will deny the writ. A Fairness Hearing is set for the 1st week in October to determine if the settlement is fair and equitable. The legislation associated with the settlement has been approved. Out of 3050 potential claimants, there are 7 or 8 that objected. Those 7 or 8 can speak up and state their objections. There was 1 op-out, and that person can pursue their own claim. John felt comfortable about both. There is a potential for Covid to affect court appearances. He is hopeful the Fairness Hearing will be done by October or November.</p>
<p>Legal Update (and long discussion) Re Stabling Issues and Reduced Race Dates</p>	<p>John opened a lengthy discussion regarding the current stabling situation, adding that the FG tried to pull out at the 9th hour, they agreed to allow the meet to be moved. At all times, FG communicated they would remember that the LAHBPA helped them. The inference was that FG pushed to reduce stall rent, most likely acting without authority, and was later told no. FG pushed hard to allow the stabling at the FG. John believed it was a corporate decision. FG inferred they would apply for as low as 72 race dates, but it looks like it will be 76. John requested the Board to give guidance on their position regarding the reduced race dates. John stated the message is that since we worked with the FG on their EPA issues, and if the FG does not work with us on stabling, why should we work with them to reduce races dates, especially since the purse may be greater than last year. The FG has not submitted a request for dates, but it should be soon, and an emergency meeting will likely occur to decide on dates. For EVD and LAD, the RC asked for objections, and they approved the dates as requested by the racetrack. Ed stated HBPA affirmed/supported the date requests when asked by the RC, and the RC will ask again when the FG applies for its race dates.</p>

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	<p>Further discussion ensued among members regarding the current stabling conditions and the economic impact moving horses has upon owners/trainers. Members voiced opinions regarding the need for an alternate plan, adding that the current stabling plan would be disastrous. John added the initial plan was to have QHs remain at DED and TB at EVD until the FG opened. Ed added the Board fully supported that idea and fully communicated it, but Boyd said no, and the RC would not require them to do it. Ed added they pleaded with the FG, but the FG refused if it would cost them anything. John met with the RC's legal department but found no legal basis that would require a track open more than 30 days prior to their first race. John stated reduced race dates could be a consideration, but the FG was not offering that. If the FG does not request their race dates until September, the requested move-in date would be moot. John added the FG is required to run a full complement of days, barring a force majeure event that is unique for that racing year. The discussion continued, and Keith suggested, and members agreed, that asking Boyd to reconsider keeping QHs at DED would be the best solution. Keith added the EVD/FG circuit has had a detrimental economic impact on horsemen for 25 years and felt horsemen should not be paying stall rent. Keith stated that insufficient stalls is the problem. The last day at LAD is late September but horsemen should be able to continue stabling at LAD. Ed stated they will make that request to LAD. Ed added that the FG is not allowing horses in when they are due to vacate LAD. Keith added that the new LAD ownership, may have the position to disallow stabling post-meet. Keith added the goal is to get LA tracks to operate as training centers and to be governed by need. Kenny indicated the QH meet is still scheduled for the FG next year. John stated the only way the QH meet can be moved from the FG, is upon approval by the HBPA. Ed stated he explained this to Doug, and it had no effect. Ed explained to Doug that future movement of meets would be hard to approve if that movement negatively impacts horsemen. John added that when the FG requests dates, the RC meeting will occur quickly.</p>
<p>Purse Update By Ed Fenasci</p>	<p>Ed reported on the purse projections for DED, FG and LAD. DED was impacted for two months of slot money and projected they will be down about 15% on overnights for the meet, and down about 2.5M on purses. LAD cut off the last week of the meet. They are down 127K on slot money. Had 200K left over from last meet. May be down 5-6% on overnights. FG had about 2.8M left over when the meet was cut short (<i>FG has not confirmed this</i>). They are up about 8% on overnight money. Projections could be higher depending on parimutuels. Barring additional shutdowns, Ed projected the FG to have at least as much if not more purse money. Ed stated we know the 2.8M is there.</p>
<p>Discussion Re early opening of FG</p>	<p>Ron and other members liked the idea of requesting FG to open the meet in early November instead of Thanksgiving and run a few days each week prior to Thanksgiving. However, John stated the RC pushed hard not to have overlapping dates between the DED and FG. They agreed to</p>

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	<p>allow DED to run October through most of November, and to allow the FG to run by itself for the month of March. John stated if the Board takes that position, the RC is likely to question the overlapping dates. After further discussion, Ed stated he would request it, but felt the RC would be resistant. The FG voiced concerns about having a Covid outbreak on the backside. Members felt we could still propose the idea to the RC and a motion was made and seconded to do so.</p>
Motion	<p>Motion was made the Board send a letter to the FG requesting the FG meet begins in the first week of November 2020.</p> <p>Motion by: Ron Faucheux Second by: Don Stemmans Motion Unanimously Passed</p>
Discussion Re Executive Director Employment Contract	<p>Ed stated that his contract expired in May 2020. John offered that under our bylaws and rules, the laws state that the longest Ed's contract can be extended is one year past the date of the election of the next Board to be put in office. Therefore, Ed's extension, if approved, would go through March 2022.</p>
Motion Re Executive Director Contract extension	<p>Motion was made to extend the Executive Director's contract to the end of March 2022.</p> <p>Motion by: Ron Faucheux Second by: Don Stemmans Motion Unanimously Passed</p>
Discussion Re Election Timeline	<p>The next item on the agenda is to adopt a timeline for the Election. Ed stated that the photo deadline date is Martin Luther King Day, and there is no mail delivery, and requested it be changed to the 20th instead of the 19th. With that one change, Ed proposed this as the timeline for the election. <i>(see handout)</i> Ed has contacted Caleb and he is formulating a proposal for the election. Another vendor will make a bid. However, Ed felt it would be difficult to recommend someone over Caleb. Ed stated an election committee needs to be appointed, and it needs to be three members of the organization that are not running for the Board or presidency. Charlotte directed members to call Ed if they wish to suggest someone for the Election Committee.</p>
Motion Re Election Timeline	<p>Motion was made to adopt the election timeline presented.</p> <p>Motion by: Christine Early Second by: Bobby Dupre Motion Unanimously Passed</p>
Discussion Re Resolution to amend term from 4 to 3 years	<p>Ed Johnston stated he would like to make a motion to reduce the term for President and Board from 4 to 3 years for people that want to run that may be up in age. The extra year seems to make them hesitate to run. Ed Fenasci stated this would include an amendment to the bylaws, and</p>

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	<p>we amend the bylaws to change the term of service for both the President and the Board of Directors from 4 to 3 years, and to clean up the bylaws, as needed, and John added to become effective in 2022. Ed Fenasci stated they would change the terms and then come back to the Board regarding the needed cleanup.</p>
<p>Motion Resolution</p>	<p>Motion made to reduce the term from 4 years back to 3 years, and to amend the bylaws, and cleanup the bylaws, as needed, to become effective in 2021.</p> <p>Motion by: Ed Johnston Second by: Christine Early Motion Unanimously Passed</p>
<p>Track Reports DED (issues)</p>	<p>Kenny Roberts stated DED is doing better. They hired someone to pick up the trash. He was told they are going to put rubber in all the stalls. Kenny reported there is no <u>horseshoer</u> in the paddock. Insurance requirements have prevented them from being able to hire someone. Members felt the RC should deal with this because having a shoer was a requirement. Ed stated the RC was notified; they emailed Chris Warren and Charlie Gardner. Ed located language in the Rules of Racing that refers to a plater. His argument was that you provided it for over 20 years, and why do you think suddenly it's okay not to provide it. After a few weeks, they renewed efforts to the RC to require they have a blacksmith. They wanted WC to cover the insurance on the blacksmith, but John confirmed there is no employee/employer relationship. Chris Warren confirmed they would resolve it this week. Charlotte requested a backup plater be available and that details needed to be in the contract. Ed stated he urged they do all that, but they sat on their hands for two weeks. Charlotte stated we need to ensure it is taken care of for the future. Kenny added there was no <u>silk superintendent</u> at DED, which then causes issues with numbering and saddling your horse. Ed asked that they notify him of any issues. Ed asked Charlie Gardner to share his emails/letter with each commissioner, which seems to help get things addressed. Requirements are in the Rules of Racing, but they are not being enforced. EF stated the Rules of Racing do not specially state the need to have a blacksmith. The Paddock Judge is supposed to ensure the plater checks each horse's shoes, but it does not say they have to hire the plater. The next sentence says, if the plater is not there it is the steward's responsibility to ensure each horse has a horseshoe. Ed is documenting the issues to get them addressed with the Legislature, and they are notifying the RC of the issues identified.</p>
<p>Track Report EVD</p>	<p>Keith stated that there is no silk superintendent at EVD.</p>
<p>Track Report FG</p>	<p>Charlotte asked if there was anything else on the FG other than the fact they will not allow us to rent stalls.</p>

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Track Report LAD	Ed stated they sent a letter to the new GM requesting he address the following issues at LAD: 1). Grass maintenance; 2). Manure removal; and 3). Water removal from horse pass (<i>cc to the RC</i>). Catherine Jenkins is no longer the GM. They appointed the man who was the GM of the Eldorado Boat. John opened the discussion regarding the merger. The merger has been approved. A presentation was made to the RC regarding the proposed sale of LAD. They are moving forward with that with an expected sale during the first quarter of 2021. (<i>barring Covid interferences</i>) Eldorado owns it currently, and it will be sold to someone else next year. Ed stated they still own the Horseshoe and LAD at this time; they sold Eldorado.
Pension Report	The monthly benefits have been paid without interruption. We lost 2 months of revenue, but we are positioned well going into the future.
Medical Report	Christine stated they had nothing to report. Ed stated Medical was positioned to have a year of reserves, two months of that was used to pay benefits while not receiving revenue. They are monitoring benefits vs. revenue closely. Medical is well-positioned to continue.
HWCIT Report	Mike reported we have signed 435 trainers, which is right for this time of year, and we typically get a second wave during the FG meet. Given the virus, it went as smooth as can be expected. Farms are the same as last year.
New Business Re Covid	Ed reported a staff member at the Main Office tested positive for Covid. To minimize interaction among staff, we staggered employees to work in-office and from home. It appears that no one else has been infected. The physician assistant at DED also tested positive, so they shut down the DED office for 14 days, scheduled to reopen Wednesday. A trainer also tested positive that was in the DED office, and we've become a little more restrictive, canceling in-person doctor days, but the doctor is available by phone to the backside members for prescription refills or for specific concerns. Our current disaster plan was designed for hurricanes, but it has worked well with Covid, allowing us to operate without interruption.
Old Business	None
Motion to Adjourn	Motion made to adjourn the meeting at 12:21pm. Motion by: Christine Early Second by: Bret Calhoun Motion Unanimously Passed
Ratification	Minutes adopted on: <u>12-29</u> , 2020 Larry Hamburger 