

Minutes of the LAHBPA Board of Directors Meeting

Date of Meeting	December 29, 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 Ed Fenasci Quorum Declared	Benard Chatters Bobby Dupre Keith Hernandez Charlotte Stemmans Clavier Christine D. Early Bret Calhoun Ron Faucheux Don Stemmans Edward Johnston Kenneth L. Roberts
Board Members Not Present	Andy Leggio, Jr.
Others in Attendance	Ed Fenasci, Larry Hamburger, Mike Fenasci, John Duvieilh <i>(Vickie not in attendance – on vacation)</i>
<i>The President called the meeting to order</i>	<i>At around 10am.</i>
Prayer Lead by	Christine Early
Motion Re Adopt Minutes	Motion made to adopt the minutes from the meetings held on January 21, 2020, July 27, 2020, September 8, 2020, September 16, 2020, and September 28, 2020. Motion by: Christine Early Second by: Charlotte Stemmans Clavier Motion Unanimously Passed
Discussion Re Jazz Fest Moved to October <i>(some of tape inaudible)</i>	Benard started a discussion regarding their meetings with Quint Davis and others regarding Jazz Fest being moved to October. He further explained the lights at DED are being repaired, but the timing could be an issue with QH night racing, but they are working to resolved this. He added they are also working to expand FG's slots hours, which would help offset the handle loss due to Jazz Fest moving to October.
Further Discussion Re Jazz Fest Moved to October <i>(some of tape inaudible)</i>	Members questioned if there would be compensation for the impact it would have on the FG meet. Benard indicated that long term, the expanded casino hours would be a big plus. Members felt no concessions were being made to reimburse horsemen for the losses they will suffer due to moving Jazz Fest. John indicated

Minutes of the LAHBPA Board of Directors Meeting

	<p>that Churchill Downs may start the meet in December and run through April, at least allowing a full meet. Brett felt they needed to make financial concessions for the losses to racing opportunities, purse structures and stables. John said EVD would run through the 2nd or 3rd week of September, DED would start around October 10-12, and FG could start in December and run through 1st week of April. Brett stated it was a major problem that horsemen would have nowhere to stable if they do not run until December. Ron suggested they stay at EVD until they ship into FG. The 2021 QH meet cannot be at the FG because they will be setting up at that time for Jazz Fest. Ron suggested that the QH meet be moved to DED; stating it was what they want and what we want. Brett felt concessions were needed. John stated it appeared they would push the meet back a week, but training would not start until around November 20th. Brett felt we needed to confer what concessions were needed for it to work out for everyone. John stated the FG QH meet would be added on to the QH meet at EVD. <i>(many members talking)</i> John added the biggest issue is moving the TBs into the FG to begin training. Brett added when we agreed not to have the QH meet last year, it allowed FG to disallow us entrance when they moved that meet. Brett said Ron was always opposed to it, and he was right. In hindsight, John did not disagree, but it is their meet, and they do not have to allow anyone in until 30 days before.</p>
<p>Further Discussion Re Jazz Fest Moved to October <i>(some of tape inaudible)</i></p>	<p>Ron indicated we would need Equine Sales, and Ed explained that the additional financial requests he received from Equine had no detailed documentation. Murray asked Equine for the documentation, but they ignored his requests. Benard added that the horseman cleaned the barns thoroughly prior to leaving. LHBPA paid the funds agreed upon - \$250/day to Copper Crown, \$81K for stall rent to Equine Sales. Ed asked Equine for the porta-potty bills. Ed received line items for things like electricity and repairs, which seem out of line. We asked for detail regarding the repairs made and have not received a response.</p>
<p>Further Discussion Re Jazz Fest Moved to October</p>	<p>Chrisie stated she agreed with Brett that we should be compensated if they move the meet and destroy the turf course. Ron stated if they open the casino 24 hours/day, it will be a huge help in the long term. Benard agreed that with political help, expanded casino hours is a huge plus for us. Churchill estimated it would be an additional million per year in purse money. Ron said we should push to have the casino open during Jazz Fest as a compromise. Brett felt that both Jazz Fest and Churchill should make some concessions if they wish to move it.</p>
<p>Further Discussion Re Jazz Fest Moved to October</p>	<p>John suggested we consider that Sports Gaming is coming up in this Legislative Session, and we will be fighting for a percentage for purses. <i>(many members talking)</i> Brett added he has seen</p>

Minutes of the LAHBPA Board of Directors Meeting

	<p>instances where Sports Gaming is just a lure. John added that you can ask for a percentage of every dollar bet in the State and felt we should agree on Jazz Fest. Brett understood there are things in the works, but still felt we should ask for concessions, and that if we cannot save the turf course, you cannot save the meet. John added he would not count on having the turf course; it would be ready in March or maybe February, if the weather is good. Ed said they asked for direct money for purses to make up for lost revenue. That ran into a brick wall. Brett felt this would be a tremendous hit and felt horsemen would go to Turfway Park because of the turf course and stronger purses. He felt the hit would be an immense loss for a long time and concerned that some may never come back.</p>
<p>Further Discussion Re Jazz Fest Moved to October</p>	<p>Ron asked for further explanation regarding the lights repairs at DED. Benard explained that a plan was in place for the lights to be repaired, but when the Governor stepped in regarding Jazz Fest, the meet dates had to be rearranged. Due to this, the lights will be repaired and ready for the following year. Boyd is attempting to come up with a secondary plan for the lights. Ed stated that QH members want night racing back.</p>
<p>Further Discussion Re Jazz Fest Moved to October</p>	<p>Ron asked again what would have to happen to have the casino open during Jazz Fest. John replied that a public access with no charge to the casino would be required. John stated the slots open at 7pm. Jazz Fest will be six days. Slots do better business late at night. Ron agreed with Brett that not having a turf course would impact FG racing for years, and that Turfway would take a lot of good horsemen from us. Bernard stated Pedro felt the turf course would be ready in two months. Ron responded that he felt, as with the 76 days, Churchill will continuously use situations such as this to push for less than 80 race days. Bernard did not disagree but stated we would oppose it.</p>
<p>Financial Update Re 2019 Audit Presentation by Todd Tournillon</p>	<p>Ed introduced Todd to provide the audit update. Todd Tournillon is with Richard CPA. They perform the external financial audits for 1993, Inc. and Bookkeeper. The 1993, Inc. 2019 audit reports were submitted to the legislative auditor. They were clean, unmodified opinions. The numbers within the audit are materially correct and in accord with reporting standards. The audits had a common footnote this year that is in most audits today regarding the impact of Covid 19. The typical logistical processes used to conduct the audit were impacted by Covid. To limit in person interactions, the bulk of the work was done remotely, with some on site reviews, as needed.</p>

Minutes of the LAHBPA Board of Directors Meeting

<p>Financial Update Re 2020 Audit Presentation by Todd Tournillon</p>	<p>Todd then discussed the March 31, 2020 year end Bookkeeper audit. The report was submitted to the legislative auditor. It was clean and unmodified and had the Covid 19 disclosures. The 2020 audit and the 2021 Bookkeeper audit will have the Covid 19 disclosures, as needed. Reasonably, there were certain agreed upon procedures reports, that were deferred this year. They are not aware of any audit procedures that will impact the 2020 audit or reporting requirements. There may be some new note disclosures on revenue recognition that they are reviewing to determine the impact on non-profit organizations. Todd stated he would answer any questions and thanked the members and HBPA team for the opportunity. Ed stated he would send out and post copies of the 1993, Inc. and Bookkeeper audits once the legislative auditor has accepted the Bookkeeper audit, and Ed and Benard thanked Todd.</p>
<p>Legal Update Re QH lawsuit by John Duvieilh</p>	<p>John stated they went to trial and present the case to the Court. The Court accepted our documents. There were 7 or 8 objectors. Arthur Morrell, Ed, Kenny Roberts, Jason Boulet, and others testified. It went well, and the Court asked for briefs which were done. They expect a decision in the 2nd or 3rd week in January.</p>
<p>Purse Updates By Ed Fenasci DED TB meet</p>	<p>Ed emailed purse projections to the Board for the DED TB meet, the LAD QH meet, and the FG TB meet. He is typically confident in his projections, but given 2020's volatile nature, these are his best guesses. He spoke with Chris Warren at DED. Ed has it as underpaid by about 1M. Chris has it underpaid by a 1/2M and intends to announce a purse increase soon. The average is \$173K per overnight through December 23 at DED. He needs a bit of an increase on that one.</p>
<p>Purse Updates By Ed Fenasci FG TB meet</p>	<p>He spoke with Scott Jones and Jason Boulet, and inexplicably, their financial team is not projecting the pari-mutuel to be up yet. They are running 35% up year to date on the meet handle. There is some mitigation to that 35%, because there is little handle on site, which is why he is only projecting a 15% increase. He is light on that and is projecting 2.3M underpaid. He believes they will be announcing purse increasing with every book. However, given the current uncertainties, they will not allow it to be increased all at once. He sees continual purse increases through the meet.</p>
<p>Purse Updates By Ed Fenasci LAD QH meet</p>	<p>At LAD QH meet, what has been down as slots has been mitigated because they ended the meet a few days early. The RC ruled that the \$200K be rolled over and paid out this meet. He projected a 10% decrease. The QH meet should be in the \$50K/day range. Benard thanked Ed for his projections.</p>
<p>Discussion Re Election Issues</p>	<p>Ed reported that two issues arose out of nomination acceptances. A candidate needed a notarized affidavit sent to Kaleb by the</p>

Minutes of the LAHBPA Board of Directors Meeting

By Ed Fenasci	deadline date. The candidate completed the affidavit and communicated it to Kaleb, but due to a positive Covid test, could not have it notarized. The election committee recommended that we waive the notarization requirement and allow the candidate to run. The candidate has more than enough starts to qualify for the position. John said yes, we take a vote on the 2 issues.
Motion Re Election Committee	<p>Motion made to accept the recommendation of the election committee and allow the candidate to run.</p> <p>Motion by: Charlotte Stemmans Clavier Second by: Brett Calhoun Motion Unanimously Passed</p>
Discussion Re Election Issues By Ed Fenasci	The second election issue is that a candidate properly completed and notarized the acceptance form and mailed it with return receipt and in sufficient time. It arrived at the local post office of the election committee well before the deadline, but that post office did not deliver it. The election committee, given the upheaval of the post office currently due to Covid and other issues, felt the candidate clearly followed all the recommendations and should be allowed to run.
Motion Re Election Committee	<p>Motion made to accept the recommendation of the election committee and allow the candidate to run.</p> <p>Motion by: Don Stemmans Second by: Charlotte Stemmans Clavier Motion Unanimously Passed</p>
Discussion continued re Election	Ed will prepare a list of the candidates that accepted and will send it out to the Board shortly. We have two presidential candidates, 14 owners, and 10 trainers. <i>Note: Bernard asked the Zoom host to allow Ron back on the call as he was cut off. Troy allowed Ron back on. Ed stated that Ron was the individual we voted on, so he must have excused himself from the discussion.</i> Ed reminded board member/candidates that they have until January 20 to submit their picture and bio.
Track Reports	<p><i>Some of the recording was inaudible @1:10. The conversation was cutting in and out... and someone was typing on keyboard (unmuted) further muffling the conversation.</i></p> <p>DED: Benard reported things are going well, with no real complaints. They got us in on time, and they are steadily working on the facility.</p> <p>EVD: Kenny Roberts... they are working with us on...</p>

Minutes of the LAHBPA Board of Directors Meeting

	<p>FG: No report.</p> <p>LAD: Benard stated the QH meet about to start... Kenny reported they could go in on Saturday, the 2nd.</p>
Pension Report	<p>Ed reported that Pension is well-positioned to meet its obligations for the future.</p>
Medical Report	<p>Christine Early stated as Todd reported the audit was clean, unmodified, and issued timely. Gave compliments to Larry for being on time. Christine Early reported that as of October 2020 we have 1.4M in the bank. Last October, we had 2.4M, but paid a lot out for Hurricane Laura. Dental benefits were reduced. Ed reported that we continue to pay full benefits, when we had interruption of revenue due to Covid, which was more of an impact than the hurricane. We are still well-positioned with reserves.</p>
HWCIT Report	<p>Mike reported that things were progressing as normal. We are providing information for the DOI audit and have given about 75%. It has been delayed due to Covid. We are where we need to be this time of year with the number of trainers signed up. Since the beginning of Covid, claims have been down, and we are back to normal now with average losses.</p>
New Business	<p>None.</p>
Old Business	<p>The General Membership meeting begins in about a ½ hour. Ed will email the ID and passcodes after this meeting is over. Troy stated the number and ID are also on our website.</p>
Motion to Adjourn	<p>Motion made to adjourn the meeting.</p> <p>Motion by: Charlotte Stemmans Clavier Second by: Christine Early Motion Unanimously Passed</p>
Ratification	<p><i>Minutes adopted on: 03-09, 2021.</i></p> <hr/> <p><i>Vickie Lory (not in attendance; transcribed from tape)</i></p>