

adopted 10/18/22

Minutes of the LAHBPA Board of Directors Meeting

Date of Meeting	July 26, 2022
Location of Meeting	LHBPA Main Office
Meeting called to Order by	Benard Chatters
Type of Meeting	Board of Directors
Meeting Secretary	Vickie Lory
Roll called by Kristie and Quorum Declared	Benard Chatters Ronnie Ward Ron Faucheux Bret Calhoun Kenneth L. Roberts Don Stemmans Michele Rodriguez Keith Hernandez Charlotte Stemmans Clavier <i>Carol Castille (absent)</i> Kevin Delahoussaye
<i>Board Members Not Present</i>	Carol Castille
Others in Attendance	Ed Fenasci, Kristie Piglia, Mike Fenasci, John Duvieilh, Vickie Lory
<i>The President called the meeting to order</i>	<i>Time: 10:36 AM</i>
Prayer Led by	Benard Chatters
Motion	Motion made to adopt the minutes from the June 14, 2022, meeting. Motion by: Don Stemmans Second by: Ron Faucheux Motion Unanimously Passed
Discussion Re Audit Update	Ed reported that audits for Pension and HWCIT have been filed with the Legislative Auditor. An extension was approved for Medical and 1993, Inc.; the Medical audit will be filed shortly when final edits are completed. The 1993, Inc. audit is progressing.
Legislative Update	John reported that some groups in certain municipalities are trying to reduce the number of HHR machines.
Discussion Re HISA	John also reported that the HISA litigation will have an oral argument on August 30, at which time the 5 th Circuit will make a constitutional decision on the case before the end of the year. The

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	<p>6th Circuit case in Kentucky is on a slower track. Our reply brief was submitted last Thursday. The briefs are on our website. The Judge denied oral argument stating he would rely on the briefs for a decision. The Judge is cognizant that whatever the decision, it will be appealed. If he rules in our favor, <i>(there is no HISA)</i> and HISA will likely join and consolidate in the other case/s. If not in our favor, we will move to consolidate. He will likely rule this week. John explained that in the meantime HISA rulings and decisions are current law. Some jockeys have appealed fines received from HISA. Our Bookkeeping system is not involved with HISA fines. The Board considered the possibility of opting out, but the likely loss of a third of the purse was too adverse.</p>
<p>Discussion Re HHR Update and Purses</p>	<p>HHR machines are exceeding projections. Ed and the Board discussed EVD purse and HHR revenue projections for the new OTB locations. Sports Betting purse appropriations are held up at the State Legislative level concerning tax issues. Ed reported that EVD has increased marketing for video poker, so they may see an increase. Ed also reported that Breeders Awards will have an extra \$300K that was released from the budget process from video poker to start next year's meet. The Board agreed to write a letter to EVD to allow them to pay up to \$600K over for the meet <i>(rather than cut purses)</i>.</p> <p>Ed reported that LAD would likely need to cut purses due to funds being held for a pending legal dispute. Also, Ed reported they are pursuing whether LAD's new management <i>(still unconfirmed)</i> received from Caesar's the \$485K in the LTBA account <i>(for LA-Breds)</i>. HBPA received permission from the RC to use the funds, which was originally given to Caesar's by the RC. HBPA is collaborating with LAD to resolve the confusion. The Board approved Ed sending two letters to LAD: 1) Demanding LAD put the \$485K in the LTBA Video Poker account to be used; and 2) Recommending to LAD that they cut purses by \$7K/day. The Board also approved including in the letters to LAD that the Super Derby being advertised by LAD will be funded by LAD sponsors and not by the purse account. Finally, Ed reported a global gaming company seeking relationships for international Fixed-Odds rights is sending \$128K to LAD for the month of June purses. Ed is also pursuing a similar international offer for DED purses.</p>
<p>Legal Update</p>	<p>The Quarter Horse lawsuit is finalized, and the law went into effect on July 13, 2022. The associated \$1M payment will reduce Fair Grounds TB purses.</p>

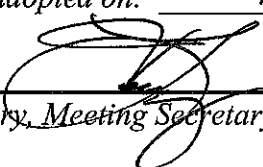
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<p>Discussion Re Update Bylaws Election Sections</p>	<p>Kevin recommended to the Board that Section 3 on pages 9 and 10 of the Election Section be removed from the Bylaws. It states, "No Activity commonly referred as "political activity" shall be allowed or engaged by a candidate for office or any member or person, etc." John asked if he wanted the whole Bylaws reviewed and looked at as a whole or just the Election part. Kevin stated just the Election part of the Bylaws. John stated he would show the Board the current Bylaws to comment on and recommend changes and put that together. Then get feedback from the Board regarding the recommended changes. Then the changes will be incorporated at the Board meeting. He will look at the Bylaws to see if anything else needs to be done.</p>
<p>Track Report FG</p>	<p>They are installing wash racks and EPA work; new pipes are being installed. The tote board has been installed.</p>
<p>Track Report All Tracks</p>	<p>Benard reported they will make recommendations to the RC for infrastructure improvements at all the tracks. John stated the next RC meeting is on August 23, and they requested the Board's position on policing the tracks, and the RC liked the idea of the Track Superintendents working together. A letter was sent to the RC suggesting the superintendents meet regularly and report back to the RC. The FG said Pedro could participate if his expenses and mileage are covered, along with a hold harmless. Benard suggested it was important the tracks hire a qualified person to be held responsible for the tracks instead of just using superintendents. Ed and Benard asked the Board to email their input, so they can start the list that will be given to the RC.</p>
<p>Medical Report</p>	<p>Ed reported that Medical was doing well with just under \$2M in total assets. The audit will be filed soon.</p>
<p>Pension Report</p>	<p>Ed reported that Pension did well last year. Charlotte reported they are in good shape but took a little hit since stocks are down.</p>
<p>HWCIT Report</p>	<p>Mike reported that renewals are proceeding as normal with similar numbers as in years past, and that since 20/20 we are renewing more trainers earlier in the year. Ed reported that our broker has secured a new broker for the OOS exposure. The General Liability policy will also renew in October.</p>
<p>Discussion Re HISA</p>	<p>Ronnie asked to return to the HISA discussion stating that members are calling him requesting that we vote to opt out of</p>

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	HISA if we do not win the lawsuit. John stated it will be discussed in Executive Session.
Discussion Re Allen Landry/Denise Schmidt	The Chaplin's trailer at DED needs a new A/C unit; Boyd provided an estimate of \$17K and will pay half. Members felt the estimate was extremely high. Benard did recommend getting another estimate. Boyd said they would pay for the flooring and half of the AC unit. Typically, the Medical Trust pays for the Chaplin's expenses.
New Business	None
Old Business	None
Motion Re Into Executive Session	Motion made to go into Executive Session. Motion by: Ronnie Ward Second by: Ron Faucheux Motion Unanimously Passed
Motion Re Out of Executive Session	Motion made to come out of Executive Session at 12:43 PM. Motion by: Don Stemmans Second by: Michele Rodriguez Motion Unanimously Passed
Motion Re Allen Landry and Denise Schmidt	Motion made to offer \$10K to Allen Landry and Denise Schmidt to resolve all issues associated with the fraudulent cashiers check and to get releases signed removing responsibility of the LHBPA. Motion by: Michele Rodriguez Second by: Ronnie Ward Motion Unanimously Passed
Motion Re Secretary/Treasurer	Motion was made that the Secretary/Treasurer be immediately placed on one year's probation (<i>any violation will lead to dismissal</i>). During this period, she is ineligible for supplemental wages, including raises or bonuses. Motion by: Michele Rodriguez Second by: Ronnie Ward Motion Unanimously Passed

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Discussion Re HISA	John reported the court ruled in our favor regarding HISA and a discussion followed. The decision stops HISA from being in effect towards the "plaintiffs." HISA has asked the Court to provide clarification regarding "all plaintiffs" as it regards the other states. The order of the USDC/Western District will stay in place until a decision is made on appeal.
Motion to Adjourn	Motion made to adjourn the meeting at 12:54 PM. Motion by: Ron Faucheux Second by: Ronnie Ward Motion Unanimously Passed
Ratification	<i>Minutes adopted on: 10/18/22, 2022.</i>  _____ <i>Vickie Lory, Meeting Secretary</i>