

BOARD OF DIRECTORS MEETING

MINUTES

OCTOBER 2, 2012

11:00 AM

MEETING CALLED TO ORDER BY	Stanley Seelig
TYPE OF MEETING	Board of Directors
PLACE	Prejean's Restaurant in Lafayette, Louisiana
MEETING SECRETARY	Ed Fenasci/Sandy Ray
ROLL CALLED BY ED FENASCI AND QUORUM DECLARED	Stanley Seelig, Tom Abbott, Sam Breaux, Bobby Dupre, Christine Early, Marcia Lamarche, Pat Mouton, Kenneth Roberts, Don Stemmans, Terry Vance <i>Absent: Arthur Morrell</i>
PRAYER LEAD BY	Chrisie Early
OTHERS IN ATTENDANCE	Keith Gee, Ed Fenasci, P.J. Stakelum, Larry Hamburger, Mike Fenasci, Tammy Broussard

DISCUSSION	Request by board members of HIA, HAH, and HA (PAC) for indemnification for exposure caused by a deficiency or lack of D & O insurance. Sufficient D & O Insurance coverage was not able to be secured for these board members from any insurance company.
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MOTION	Motion to provide indemnification to the board members of HIA and HAH by amending the bylaws as per attached resolution. Motion by: Christine Early Second by: Don Stemmans Motion passed unanimously (9-0) <i>Resolution is attached and made a part of these minutes.</i>
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MOTION	Motion to provide indemnification to the board members of HA PAC by amending the bylaws as per attached resolution. Motion by: Christine Early Second by: Sam Breaux Motion passed unanimously (9-0) <i>Resolution is attached and made a part of these minutes.</i>
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DISCUSSION	The board discussed various issues regarding check cashing and possible changes to and implementation of check cashing policies. The board decided that further discussions are necessary. Areas to be examined are fees for NSF checks and limits on the amounts that can be cashed.
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DISCUSSION	Larry Hamburger reviewed the YTD 8/31/12 finances of LHBPA 1993, Inc., the worker's compensation program, Medical Trust, and Pension Trust. He also reviewed the Cash and Investment Balances, Dedicated Revenue Earnings, and the overall financial positions of the various affiliated entities as of 8/31/12. Also discussed was Management Fee calculations and the effect on LHBPA 1993, Inc. cash flow.
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DISCUSSION	Ed Fenasci reviewed the status of the loss funds on deposit with Wells Fargo bank for HIA to pay worker's compensation claims for the first five years of the program. He also reviewed the current request from Chartis for payment into the loss fund, taxes, and additional insurance coverage and expenses.
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MOTION	<p>Motion to remit payment to Chartis for the Arthur J. Gallagher invoice in the amount of \$651,261.00.</p> <p>Motion by: Bobby Dupre Second by: Christine Early Motion passed unanimously (9-0)</p>
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DISCUSSION	Ed Fenasci presented an update regarding immigration relief referred to as the Dream Act and the availability of assistance from Horseman Labor Solutions, a consultant of National HBPA.
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DISCUSSION	Ed presented a summary of Cypress Bayou race sponsorship funds in the amount of \$22,638.31.
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MOTION	<p>Motion to offer Cypress Bayou race sponsorship funds to:</p> <p>One third to EVD for the 2012 QH meet, One third to Delta for the 2012-13 TB meet, One third to FG for the 2012-13 TB meet, To supplement each of 7 Louisiana Special Maiden Weight races. If EVD refuses the funds, LAD to be offered same.</p> <p>Motion by: Marcia Lamarche Second by: Pat Mouton Motion passes unanimously (9-0)</p>
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DISCUSSION	Stanley gave a report regarding House Bill 1111 that was passed in the 2012 Legislative session and was signed into law by the Governor. The Bill clarifies "Medical Benefits" and provides for benevolence payments in LA R.S. 4:183 as well as providing for a death benefit.
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DISCUSSION	Stanley gave a report regarding funds received by HBPA 1993 Inc. from Traveler's Insurance and the settlement of various lawsuits. He recommended that HBPA 1993 Inc. remit the funds to the Medical Trust to accelerate the repayment of monies owed.
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MOTION	<p>Pay to the Medical Trust \$329,830, the amount equal to funds received from Traveler's Insurance.</p> <p>Motion by: Terry Vance Second by: Pat Mouton Motion passes unanimously (9-0)</p>
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DISCUSSION	Legal update to be discussed in Executive Session.
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MOTION	<p>Motion to go into Executive Session.</p> <p>Motion by: Christine Early Second by : Don Stemmans Motion passes unanimously (9-0)</p>
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MOTION	<p>Motion to exit Executive Session.</p> <p>Motion by: Sam Breaux Second by: Christine Early Motion passes unanimously (9-0)</p>
DISCUSSION	<p>A discussion was had concerning the retainer fee paid to Chehardy Sherman for Legal Counsel services. PJ Stakelum explained that the amount of work done varies each month and agreed that he will give the Board of Directors the total time expended and a summary of the work he performs in order to assess the correct amount for the retainer. It was agreed that the retainer be authorized at the current level (\$6,000 per month) to the end of the year. The amount would be revisited at that time.</p>
DISCUSSION	<p>A discussion was had concerning Dermorphin and the LSRC rulings regarding positive Dermorphin tests. Concern was expressed that while the announcement of the positive tests did get coverage, there was a lack of reporting of these rulings, particularly in the Lafayette area. Keith Gee reported that the rulings did receive national coverage, including the Paulick Report and the Daily Racing Form.</p>
DISCUSSION	<p>A discussion was had concerning the Piroplasmosis tests. Stanley Seelig reported that the LSRC is monitoring the situation and would discontinue the test when it is appropriate to do so.</p>
DISCUSSION	<p>Kenny Roberts requested that the Board consider compensation for the Horsemen that were forced to evacuate from Fair Grounds because of Hurricane Issac. Stanley Seelig reported that he requested that Fair Grounds help these Horsemen with the cost of the evacuation and that they have not agreed to do so at this time.</p>
MOTION	<p>Motion to adjourn.</p> <p>Motion by: Tom Abbott Second by: Marcia Lamarche Motion passed unanimously (9-0)</p>



STANLEY SEELIG, President

12-14-12

DATE



Meeting Secretary

12-14-12

DATE