

BOARD OF DIRECTORS MEETING

MINUTES

MAY 31, 2011

10:30 AM

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| MEETING CALLED TO ORDER BY | Stanley Seelig |
| TYPE OF MEETING | Board of Directors |
| PLACE | Evangeline Downs, Prefunction Room |
| MEETING SECRETARY | Sandy Ray |
| ROLL CALLED BY ED FENASCI AND QUORUM DECLARED | Tom Abbott, Sam Breaux, Bobby Dupre, Christine Early, Marcia Lamarche, Arthur Morrell, Patrick Mouton, Kenneth Roberts, Don Stemmans, Terry Vance |
| PRAYER LEAD BY | Chrisie Early |

THE PRESIDENT CALLED THE MEETING TO ORDER

APPROVAL OF MINUTES: APRIL 8th, APRIL 26th, AND MAY 2nd, 2011

STANLEY SEELIG

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| DISCUSSION | ITEM 4 ON AGENDA Suggestions for legal counsel to represent the LAHBPA |
| MOTION | Motion to adopt the minutes. Motion by: Chrisie Early Second by: Sam Breaux Motion passed unanimously |

ENGAGEMENT LETTER - CHEHARDY SHERMAN

STANLEY SEELIG

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| DISCUSSION | Chrisie Early objected to the amount of retainer to be paid to Chehardy Sherman. Any Board member or even any member may see the bills from P. J. Stakelum and Chehardy Sherman by calling Ed Fenasci. |
| MOTION | Motion to accept the Engagement Letter from Chehardy Sherman. Motion by: Marcia Lamarche Second by: Tom Abbott Motion passed 9-1 Nay: Chrisie Early |

ENGAGEMENT LETTER - ERICKSEN KRENTEL

STANLEY SEELIG

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| DISCUSSION | Tom Abbott would like to have the Engagement Letter amended on Page 2, Paragraph 2 as follows: substitute "appropriate level of management" with Board of Directors. |
| MOTION | Motion to amend the Engagement Letter as follows: Page 2 Paragraph 2: substitute "appropriate level of management" with Board of Directors. Motion by: Tom Abbott Second by: Marcia Lamarche Motion passed unanimously |
| MOTION | Motion to accept the Engagement Letter from Ericksen Krentel with the above amendment Motion by: Marcia Lamarche Second by: Tom Abbott Motion passed unanimously |

CREDIT CARD AND TRAVEL POLICES

STANLEY SEELIG

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| DISCUSSION | The Credit card policy and travel Policy wasn't sent by email to the Board in advance of the meeting so these issues will be tabled. This is a requirement by the Legislative Auditor. The association does not have, at this time, any credit cards. We are going to get one but do not have any credit cards at this time. We will email these policies out within 24 hours and give everyone time to review them. We will table these issues until the next meeting. |
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FINANCE COMMITTEE NOMINATIONS**STANLEY SEELIG**

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| DISCUSSION | The Board must choose 3 Board members to serve on the Finance Committee. |
| MOTION | Motion to nominate Bobby Dupre. Motion by: Arthur Morrell Second by: Marcia Lamarche Motion passed |
| MOTION | Motion to nominate Marcia Lamarche. Motion by: Arthur Morrell Second by: Bobby Dupre Motion passed |
| MOTION | Motion to nominate Arthur Morrell. Motion by: Bobby Dupre Second by: Marcia Lamarche Motion passed |
| MOTION | Motion to nominate Sam Breaux. Motion by: Arthur Morrell Second by: Marcia Lamarche Motion passed |
| DISCUSSION | All those nominated were asked if elected, would they serve and all said yes. Since 4 persons were nominated a vote will be taken and the 3 with the highest number of votes will serve. Sam Breaux and Bobby Dupre won on the first vote. There was a runoff between Marcia Lamarche and Arthur Morrell and was won by Arthur Morrell. |

AMENDMENT TO BYLAWS**P. J. STAKELUM**

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| DISCUSSION | The proposed Bylaw amendment would give an option to shorten the time period for which notice is needed to hold board meetings. This proposed amendment would also allow for electronic notification such as email, facsimile and telephone or by hand in addition to certified mail and overnight mail such as FedEx or UPS. Bobby Dupre and Chrisie Early thought it was best to leave the period for giving notice at 10 days. Chrisie Early also suggested that since this proposed amendment was just presented today, that a 10-day notice should be waived for the Board to be able to vote on a proposed Bylaw amendment. |
| MOTION | Motion to waive the 10-day Notice so the Board can vote on a proposed Bylaw amendment. Motion by: Chrisie Early Second by: Bobby Dupre Motion passed unanimously |
| MOTION | Motion to continue giving a 10-day notice for board meetings. Motion by: Bobby Dupre Second by: Marcia Lamarche Motion passed unanimously |
| MOTION | Motion to accept the Bylaw amendment regarding delivery requirement for meeting notices. Motion by: Chrisie Early Second by: Marcia Lamarche Motion passed unanimously |

TECHNOLOGY CONSULTANT**STANLEY SEELIG**

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| DISCUSSION | Stanley Seelig would like to hire a technology consultant to look at all of our systems, functions, paperwork flow, etc. to tell us how we could do it better. We have an outdated computer system and we need someone to advise us on operating more efficiently. This process should be about a 30-40 hour job. Stanley Seelig will appoint a Technology Committee: Chrissie Early, Nick Leggio and Ed Fenasci. |
| MOTION | <p>Motion to authorize Stanley Seelig to search for a technology consulting firm with a \$5,000 cap to obtain the advice.</p> <p>Motion by: Bobby Dupre Second by: Tom Abbott / Chrissie Early Motion passed unanimously</p> |

OLD BUSINESS

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| DISCUSSION | <p>Tom Abbott inquired about the contracts that were discussed at the April 8th meeting. Ed Fenasci said that all issues with the Evangeline Downs contract have been settled and is in final legal review. Delta Downs is down to one issue: the number of days that horses will be allowed to remain at the track. Louisiana Downs has a draft of a contract that is very similar to their quarter horse contract and we anticipate that they should materially agree to that contract. Tom Abbott asked about the backside at Evangeline Downs. Terry Vance said that there was a security issue at the receiving barn but Richard Venable was rehired to be backside security and things are a lot better as far as security. Tom Abbott inquired about the issue of additional stalls at Evangeline Downs. Stanley Seelig is still hoping to get the minutes of the LSRC meeting when Evangeline Downs applied for their license. He has made several requests of Charlie Gardiner. Terry Vance said that there are at least 150-200 empty stalls probably due to the condition of the surface of the racetrack which isn't consistent from day to night. It may be that they need to water the track more. Stanley Seelig asked the Backside Committee to keep the Board informed on this issue. Oran Trahan asked about the 60-day gap between Evangeline Downs and Delta Downs. A meeting has been requested between the LSRC and all 4 race tracks to work out all race dates, move-in dates and move-out days. The Race Date Committee will be taking part in this as well.</p> |
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RECESS FOR LUNCH**WORKERS' COMP**

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| DISCUSSION | John O'Brien gave a presentation for workers' comp insurance from Arthur J. Gallagher. |
| DISCUSSION | John Unick and others from his firm gave a presentation for workers' comp insurance from MOC Insurance |

MARCIA LAMARCHE HAD TO LEAVE THE MEETING DUE TO AN EMERGENCY**EXECUTIVE SESSION**

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| MOTION | <p>Motion to go into Executive Session.</p> <p>Motion by: Bobby Dupre Second by: Terry Vance Motion passed unanimously</p> |
| MOTION | <p>Motion to exit Executive Session.</p> <p>Motion by: Bobby Dupre Second by: Pat Mouton Motion passed unanimously</p> |

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| DISCUSSION | This Board feels that it is prepared to go forward and recommend a rate for the following year. The Board encouraged both agents to work together to try to come up with a final number within the next week. |
| MOTION | <p>Motion to increase the workers' comp rate by \$10 to \$50 per start for in-state starts</p> <p>Motion by: Pat Mouton Second by: Sam Breaux</p> <p>ARTHUR MORRELL MADE A SUBSTITUTE MOTION:</p> <p>Motion to increase the workers' comp rate by \$15 to \$55 per start for in-state starts</p> <p>Motion by: Arthur Morrell Second by: Tom Abbott Motion Passed 6-3 Nay: Chrissie Early, Pat Mouton and Kenny Roberts</p> |

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| MOTION | <p>Motion to make the new rate effective July 1, 2011.</p> <p>Motion by: Terry Vance Second by: Bobby Dupre Motion passed unanimously</p> |
| MOTION | <p>Motion to increase the workers' comp rate by \$20 to \$75 per start for out-of-state starts and increase the workers' comp rate to \$90 per start for out-of-country starts.</p> <p>Motion by: Tom Abbott Second by: Terry Vance Motion passed unanimously</p> |
| MOTION | <p>Motion to leave the renewal rate at \$1,000. This covers \$18 starts.</p> <p>Motion by: Chrisie Early Second by: Bobby Dupre Motion passed unanimously</p> |

NEW BUSINESS

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| MOTION | <p>Motion To Amend The Agenda.</p> <p>Motion by: Tom Abbott Second by: Bobby Dupre Motion passed 8-1 Nay: Chrisie Early</p> |
| MOTION | <p>Motion to do a pay down of up to \$250 for horses 6th through 9th place in claiming races with purses of \$9,500 or more, effective July 1, 2011, excluding quarter horses, excluding La Supplement in open claiming races, excluding turf races. The pay down money up to \$1,000 comes off the total purse</p> <p>Motion by: Don Stemmans Second by: Tom Abbott Motion failed 5-4 Nay: Sam Breaux, Chrisie Early, Pat Mouton, Kenny Roberts and Terry Vance</p> |

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| DISCUSSION | <p>Chrisie Early would like a 30-minute presentation by Tommy Cormier of the Coughatta Casino on the Agenda for the next meeting.</p> |
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MOTION TO ADJOURN

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| MOTION | <p>Motion to adjourn.</p> <p>Motion by: Pat Mouton Second by: Chrisie Early Motion passed unanimously.</p> |
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Stanley Seelig

STANLEY SEELIG, President

11-15-11

DATE

Sandra Ray
Meeting Secretary

11/15/11

DATE

**RESOLUTIONS ADOPTED BY
THE BOARD OF DIRECTORS
OF
LOUISIANA HORSEMEN'S BENEVOLENT & PROTECTIVE ASSOCIATION, INC.**

I, Edwin Fenasci, the duly elected Secretary of the Louisiana Horsemen's Benevolent & Protective Association, Inc. (the "Association"), a Louisiana nonprofit corporation, do hereby certify that Stanley Seelig is the president of the Association and (i) the following resolutions were duly adopted by at least a two-thirds majority of the elected Boards of Directors of the Association at a meeting, duly called and at which a quorum was present, held on May 31, 2011, (ii) that such resolutions are in full force and effect as of the date of this certification, and (iii) that such resolutions have not been amended, modified, or rescinded since their adoption:

WHEREAS, the Board of Directors of the Association desires to reduce the costs and delays associated with its current procedures for delivering notices of meetings of the Association's Board of Directors and to otherwise enable the Board of Directors to swiftly call and convene its meetings as occasion may require; and

WHEREAS, pursuant to La. R.S. 12:224(E)(6) and Article II, Section IV of the Bylaws of the Association, (the "Bylaws"), the Board of Directors desires to conform and amend the current Bylaws to expressly provide for the Board's ability to deliver notices of its meetings via email, telephonic facsimile, U.S. Certified Mail, Federal Express or other common carrier or by hand, and to provide for other matters in connection therewith;

NOW THEREFORE BE IT RESOLVED, that the Bylaws are hereby amended to read as follows:

1. Article 1, Section 2 (I) is hereby amended in its entirety to read as follows:

"Reasonable Notice" shall mean, **except as otherwise provided herein**, a written notice sent in the manner permitted by these Bylaws at least ten (10) days in advance of the event to which the notice relates.

2. Article V, Section 1(B) is hereby amended by adding the following sentence immediately after the last sentence to said Section 1(B) of Article V, which additional sentence shall read as follows:

"Notice of any regular or special meeting of the Board of Directors may be given by email, telephonic facsimile, U.S. Certified Mail, Federal Express or other common carrier or by hand, at the pleasure of the President or Secretary at least ten (10) days in advance of said meeting. Such notice shall be effective upon transmittal to the director's most recent address of record for the mode of delivery chosen."

3. Except as otherwise amended above, the Bylaws of the Association are and shall remain in full force and effect.

FURTHER RESOLVED, that Stanley Seelig, President, and Edwin Fenasci, Secretary (each an "Agent"), be and they are hereby authorized to draft, execute and deliver for the Association the Bylaws as amended, and to take any and all other actions as the Agent deems appropriate to effectuate the purposes and intents of these resolutions and the amendments to the Bylaws contained herein, and any acts or things heretofore done to effectuate the purposes of these resolutions are hereby in all respects ratified, confirmed and approved as the act or acts of the Association; and be it

FURTHER RESOLVED, that the Secretary of the Association is hereby authorized to certify and deliver, to any person to whom such certification and delivery may be deemed necessary or desirable in the opinion of such Secretary a true copy of the foregoing resolutions of the Association; and be it

FURTHER RESOLVED, that any parties are hereby authorized to rely upon these resolutions unless and until it receives notice of revocation of these resolutions.



Edwin Fenasci, Secretary
Louisiana Horsemen's Benevolent
& Protective Association, Inc.
Date: May 31, 2011