

# BOARD OF DIRECTORS MEETING

## MINUTES

SEP 13, 2011

10:30 AM

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| MEETING CALLED TO ORDER BY                    | Stanley Seelig   |
| TYPE OF MEETING                               | Board of Directors   |
| PLACE   | LAHBPA Main Office   |
| MEETING SECRETARY                             | Sandy Ray  |
| ROLL CALLED BY ED FENASCI AND QUORUM DECLARED | Tom Abbott, Sam Breau, Bobby Dupre, Christine Early, Marcia Lamarche, Arthur Morrell, Patrick Mouton, Kenneth Roberts, Don Stemmans <b>Absent: Terry Vance</b>                           |
| PRAYER LEAD BY                                | Chrisie Early  |
| OTHERS IN ATTENDANCE                          | Phil Ziegler, Terry McWilliams, Tony Cormier, Scott Sherwood, Marty Garry, Julie Pizzatola, Larry Hamburger, Mike Fenasci, John O'Brien, Chris Gallego, Charlie Caldwell, Tyler Caldwell |

### THE PRESIDENT CALLED THE MEETING TO ORDER

#### SENATE COMMERCE COMMITTEE

STANLEY SEELIG

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| DISCUSSION | Stanley Seelig was pleased with the turnout by horsemen and the nine state legislators who showed up, for the meeting at Evangeline Downs on Friday. |
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#### PRESENTATION BY COUSHATTA/SPORTECH

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| DISCUSSION | Phil Ziegler, Terry McWilliams and Tony Cormier reviewed their proposal to the LAHBPA  |
| MOTION     | Motion to give Stanley Seelig and Ed Fenasci the authority to negotiate with Coughatta and report the numbers, information, etc. to the Board for a decision to be made.<br>Motion by: Marcia Lamarche<br>Second by: Arthur Morrell<br>Motion passed unanimously |

#### PRESENTATION BY CYPRESS BAYOU

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| DISCUSSION | Scott Sherwood reviewed his proposal to the LAHBPA   |
| MOTION     | Motion to give Stanley Seelig and Ed Fenasci the authority to negotiate with Cypress Bayou and report the numbers, information, etc. to the Board for a decision to be made.<br>Motion by: Marcia Lamarche<br>Second by: Chrisie Early<br>Motion passed unanimously  |
| DISCUSSION | Stanley Seelig said he is in favor of anything that will help promote horseracing in the state. If Coughatta and Cypress are going to put money into advertising to promote our product, that is a plus. However, on out-of state, One is proposing 1% and the other is proposing 2% and we are currently getting 6%-7% from the OTBs. The in state is comparable. Our concern should be the precedent we are setting. If we agree to this deal getting 1%-2% on the out of state piece, what's to stop the people we are currently working with from saying they want the same deal. We could be getting less money from our established business. It will be very important to review the numbers Ed is going to run before making a decision. |

#### NHBPA DONATION REQUEST

STANLEY SEELIG

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| DISCUSSION | The National HBPA is requesting donations for the Medication Honorarium Fund.  |
| MOTION     | Motion to donate \$1,000 to National HBPA for the Medication Honorarium Fund.<br>Motion by: Sam Breau<br>Second by: Chrisie Early<br>Motion passed unanimously   |
| MOTION     | Motion to allow Stanley Seelig and Ed Fenasci to make donations up to \$500 with notification to the Board.<br>Motion by: Chrisie Early<br>Second by: Bobby Dupre<br>Motion passed 8-1 NAY: Tom Abbott |

**TRUEBALLOT INVOICE****STANLEY SEELIG**

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| <b>DISCUSSION</b> | TrueBallot quoted a price of \$16,500 to handle our election. After the election, we received an additional bill in the amount of \$7,639.60 for expenses not covered under the initial contract. Additional mailings, layout of bios, opening post office box, etc. |
| <b>MOTION</b>     | Motion to pay the invoice for additional charges from TruBallot<br>Motion by: Don Stemmans<br>Second by: Bobby Dupre<br>Motion passed unanimously  |

**BREAK FOR LUNCH****FINANCIAL UPDATES****LARRY**

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| <b>DISCUSSION</b> | Larry Hamburger explained the summary of changes in net assets followed by a detailed statement, where dedicated revenues come from, purse analysis to date and projection through December, checking account balances in fixed assets, etc. |
| <b>MOTION</b>     | Motion to enter Executive Session<br>Motion by: Bobby Dupre<br>Second by: Chrisie Early<br>Motion passed unanimously   |

**RETURN FROM EXECUTIVE SESSION**

Pat Mouton did not return to the conference call and Arthur Morrell has not yet returned to the meeting.

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| <b>MOTION</b>     | Motion to exit Executive Session<br>Motion by: Sam Breaux<br>Second by: Marcia Lamarche<br>Motion passed unanimously (7-0)   |
| <b>DISCUSSION</b> | John O'Brien introduced Charlie Caldwell, President of Midlands Management Company, the company that saved our workers' comp program. Mr. Caldwell was in town on other business and just wanted to stop by to introduce himself to the Board.<br><b>Arthur Morrell has returned to the BOD Meeting.</b> |

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| <b>DISCUSSION</b> | Stanley Seelig and John O'Brien introduced Chris Gallego from Artex to explain the proposal for the risk management program. Artex proposes to design, and manage a risk management program for the Workers Comp Trust. Artex would train field staff, design and provide training manuals, identify risks, develop a rating system for underwriting, etc. Procedures must be in place first before we deal with abusers of the program. |
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| <b>MOTION</b> | Motion to enter Executive Session<br>Motion by: Chrisie Early<br>Second by: Arthur Morrell<br>Motion passed unanimously (8-0) |
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**RETURN FROM EXECUTIVE SESSION**

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|---------------|--|
| <b>MOTION</b> | Motion to exit into Executive Session<br>Motion by: Marcia Lamarche<br>Second by: Sam Breaux<br>Motion passed unanimously (8-0)  |
| <b>MOTION</b> | Motion to authorize Stanley Seelig to negotiate the contract with Artex up to \$219,000 and then come back to the Workers Comp Trust and the HIA Trust for approval.<br>Motion by: Chrisie Early<br>Second by: Don Stemmans<br>Motion passed unanimously (8-0) |

**MAKE PAYMENT TOWARD 1993, INC.'S DEBT TO MEDICAL BENEFIT TRUST**


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| <b>DISCUSSION</b> | Ed Fenasci asks the Board's permission to make a payment toward 1993 Inc.'s debt to Medical Benefit Trust with funds due from Workers' Comp as they become available               |
| <b>MOTION</b>     | Motion to make a payment from 1993 Inc. to Medical Benefit Trust as funds become available.<br>Motion by: Chrisie Early<br>Second by: Marcia Lamarche<br>Motion passed unanimously |

**PREVIOUS AGREEMENT TO HAVE \$80 PAYDOWN 6<sup>TH</sup> - LAST PLACE**

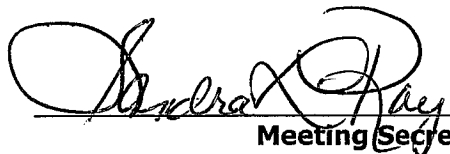
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| <b>DISCUSSION</b> | Fair Grounds has indicated that they do not want to do this paydown for the thoroughbred meet. Since there isn't a signed contract yet, if Fair Grounds doesn't want to sign the contract because of the paydown, how far do we want to push the issue? It was decided to let Fair Grounds refuse to sign the contract first, and then come back to the Board for direction. |
| <b>MOTION</b>     | Motion to leave the \$80 paydown out of the contract if Fair Grounds refuses to sign the contract<br>Motion by: Chrisie Early<br>Second by: Sam Breau<br>Motion passed unanimously<br><b>WITHDRAWN</b>   |
| <b>MOTION</b>     | Motion to do away with the \$80 paydown at all tracks for quarter horses only for new meets only.<br>Motion by: Kenny Roberts<br>Second by: Chrisie Early<br>Motion passed 5-3 NAY: Tom Abbott, Arthur Morrell, Don Stemmans   |

**MOTION TO ADJOURN**

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| <b>MOTION</b> | Motion to Adjourn.<br>Motion by: Bobby Dupre<br>Second by: Chrisie Early<br>Motion passed unanimously |
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**STANLEY SEELIG, President**

4-3-12

**DATE****Meeting Secretary**

4-3-12

**DATE**