

BOARD OF DIRECTORS MEETING

MINUTES

April 3, 2014 11:00AM

Meeting Called to Order By	Stanley Seelig
Type of Meeting	Board of Directors
Place	LAHBPA Main Office
Meeting Secretary	Ed Fenasci
Roll called by Ed Fenasci and Quorum Declared	Stanley Seelig, Tom Abbott, Judy Behler, Bret Calhoun, Sturges Ducoing, Bobby Dupre, Christine Early, Keith Hernandez, Eddie Johnston, Arthru Morrell, Don Stemmans
Prayer Lead By	Chrisie Early
Other in Attendance	PJ Stakelum, Keith Gee, Ed Fenasci, Larry Hamburger, Mike Fenasci, Marcia LaMarche, Sam Breau, John Duvieilh

The President called the meeting to order

Oath of Office

PJ Stakelum

Oath of Office	Board members Tom Abbott, Judy, Behler, Bret Calhoun, Bobby Dupre, Cristine Early, Keith Hernandez, Edward Johnston, Arthur Morrell, and Don Stemmans took an oath to serve as Board Members.
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PJ Stakelum

Presentation	PJ Stakelum explained that each Director owes a fiduciary duty to the organization. He also explained that they have a duty of care, which means that they must have a reasonable basis for the actions that they take. He also explained that they have a duty of loyalty which means that they must act in the best interest of the organization and cannot put their own best interest before the organization. He explained the structure of our organization and our affiliated entities. Keith explained that the Pony Lead fee is actually a per start administrative fee and that we have been advised not to change the name until it is changed in the statute. PJ asked that the Directors sign a conflict of interest statement and explained the statement. He informed the Directors that we have an expense reimbursement policy and that some of our funds are considered public funds that carry restrictions. PJ suggested that the board may want to consider adjusting some of the limits in the policy since they are from 3 years prior.
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Motion	Motion to Waive 10 Day Notice Motion by: Tom Abbott Second by: Christine Early Motion passed unanimously (10-0)
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Larry Hamburger

Financial Presentation	Stanley explained the Management fee structure between 1993 inc and the Medical, Pension, and Worker's Comp trusts. Keith and Ed explained how the management fees are calculated. Stanley explained where each entity earns revenue. Larry presented the unaudited financials for 1993 inc, Medical Trust, Pension Trust, and Worker's Compensation Trust. Larry explained that as the organization reduces costs, the management fee is reduced to Medical, Pension and WC trusts. Stanley explained that the WC program was originally a Captive Insurance structure and was changed to the current Trust structure in 2011.
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Medical Trust Presentation	<p>Marcia LaMarche thanked her fellow Medical Trustees for their efforts on behalf of Medical Trust. She cited successful efforts to eliminate fraudulent activity, efforts to improve the prescription card program, and improve internal controls. Marcia explained that the job of verifying eligibility is a complex task since someone's eligibility can change on a daily basis. Marcia informed the board that the Medical Trust computer system is obsolete, and the support person has a debilitating illness. She expressed that her and the Medical Trustees recommend that the Medical Trust should proceed with replacing the system. Keith explained the process that Troy, our IT person, has followed to find a company willing to work with us to develop a new system. Troy attempted to have several other companies submit proposals but was unable to find any other companies willing to work on this relatively small project. Marcia explained that New Era had made a presentation to the Medical Trust and she feels the additional functionality would help improve the program in many ways. Marcia reported that New Era quoted the system would cost approximately \$189,000. Stanley suggested that New Era should attend the next meeting to make a presentation. PJ recommend that the organization get a written contract prior to committing. Larry explained that our cash has increased for all entities in the last year except for the runoff of the captive insurance program.</p>
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Break for Lunch

Return from Lunch

Keith Gee

Introduction of Staff	Keith introduced the office staff to the Board and explained their duties.
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Ed Fenasci

Handle Presentation	<p>Ed Fenasci reviewed the Slot purse earning for 2012 and 2013 indicating an increase at Delta(+1.4%) and decreases at EVD(-5.5%), FG(-1.2%), and LAD(-9.4%). Arthur Morrell explained that FG is not allowed to operate the slots 24 hours a day. Stanley explained that FG turns off the slot machines during Jazz Fest. Video Poker purse earnings were down 6.7% at EVD and up 1.5% at FG. Pari-Mutuel TB purses were down 7.8% and Pari-Mutuel QH purses were up 6.7%. Ed explained how the Slot and Video Poker numbers are verified with state reports and that the Pari-Mutuel purses are not audited. He explained that we compare the Pari-Mutuel purses with handle figures for reasonableness. Ed explained that Fair Grounds processes Louisiana residents as FG account wagers.</p>
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Motion	<p>Motion to enter Executive Session</p> <p>Motion by: Tom Abbott Second by: Arthur Morrell Motion passed unanimously (10-0)</p>
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Motion	<p>Motion to exit Executive Session</p> <p>Motion by: Christine Early Second by: Bobby Dupre Motion passed unanimously (10-0)</p>
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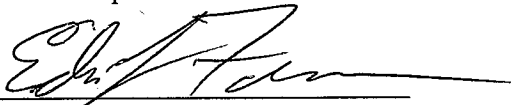
Track Reports	Sam Breaux suggests that we get additional training days at the end of the next Delta Downs TB meet. He reported that Evangeline Downs has put up signs that prohibit anyone under the age of 12 from entering the backside. Stanley noted for the record that the EVD backside committee is Sturges Ducoing, Terry Vance, Bret Brinkmann, and Alvin Sider. Sam asked about the gate crew at EVD. Ed reported that Chris Warren has stated that they will have two in the back and one for every horse. Sam reported that the EVD turf course has been mowed and looks good and green. Stanley noted that the LAD backside committee is Judy Behler, Pat Mouton, and James Hodges. Stanley expressed concern regarding possible EPA requirements at the Evangeline Training Center. He is worried that they may have to close. Stanley expressed concern that LAD may decide it is in its best interest to
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Ed Fenasci

Election Update	Ed Fenasci reported that True Ballot will mail the runoff ballots on April 8, 2014 and must be returned by April 28, 2014. Judy Behler asked how many ballots were mailed in the March election and Ed reported 5,162 and received 604 back. Stanley recommends that the Board consider moving the election either forward or back 2 to 3 weeks.
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Motion	Motion to Adjourn Motion by: Christine Early Second by: Tom Abbott Motion passed unanimously (10-0)
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Minutes adopted on 6/24/14


Edwin J. Fenasci
Meeting Secretary