

**Louisiana Thoroughbred Breeders Association
Board of Directors Meeting
October 10, 2017
Prejeans Restaurant
Carencro LA**

Directors Present:

Jay Adcock
Brett Brinkman
Charlotte Clavier
Jake Delhomme
Tom Early
Warren J. Harang III
Danny Guidry
Michelle LaVoice
Neal McFadden
Jim Montgomery
Michele Rodriguez

Directors Absent:

Nathan Granger
Val Murrell

Others Present:

Eddie Delahoussaye
Chrissie Early
Roger Heitzmann
Linda McLellan
Allan Peltier
Lora Pitre
Pam Stephenson

Warren J Harang III called the meeting to order and asked Jake Delhomme to lead us in prayer.

Jake Delhomme led us in prayer.

Warren asked Roger Heitzmann to call the roll. Nathan Granger and Val Murrell were absent. A quorum was present and the meeting was ready to proceed with business.

Warren requested from the board if there was any changes to be made in their conflict policies.

Roger Heitzmann read the following:

1. Jake Delhomme – is Chairman of the Board of Mid South Bank. He is on the Advisory Board of LHM Medical Group. He also owns stallions' with Jay Adcock. Neal McFadden and Nathan Granger. He owns shares in stallions Songandaprayer as well as Redding Colliery and Calibrochea. Jake also states he is a partnership with Nathan Granger in the ownership of broodmares.
2. Michele Rodriguez – she owns shares in Equine Sales Of Louisiana Sale Company; breeds mares to stallions owned by other members of the board; she owns stallions with other members of the board as well. She is the Director of Louisiana Horse Rescue. She also states that she does business with many members of the LTBA as does her son who operates a public racing stable as a trainer.
3. Jim Montgomery – is a shareholder in Equine Sales of Louisiana; he a member of the board of Equine Sales; owns stallions as well as mares in partnership with Red River Farm (Jay Adcock).

4. Linda McLellan – Occasionally does freelance photography and design work for clients in the thoroughbred industry including past and present board members.
5. Roger Heitzmann – his brother Eric trains a public stable. His wife Kelly owns a few racing thoroughbreds and Roger is a partner in breeding and selling mares and foals in KY.
6. Therese Arroyo – is the Treasurer as well as one of the directors of the LHRA.
7. Loretta Romero – co-owner of Romero Farm which does business with members of the association. She is an owner-breeder of Louisiana Breds and is the Vice President of the Backstretch Benevolent Fund
8. Michelle Salvino – works part time as a clocker at the Fair Grounds.
9. Rachel Gandy – has no conflicts to report
10. Beverly Mayard – is in a relationship with one of the Stewards at the Fair Grounds.

With the completion of stating possible conflicts Warren moved to the presentation of the 990 Tax Return.

The board noted that everyone had a draft copy of the 990 tax return. Roger Heitzmann then proceeded to go over the return pointing out some of the numbers they might be interested in. Upon completion Charlotte motioned that the Board of Directors accept the 990 Tax Return as presented. The motion was seconded by Jake Delhomme, which was voted on and passed unanimously.

Committee appointments were mailed to the board with the ten day notice. Warren requested that any board member who wished for a change whether it be an addition or subtraction of themselves to or from a committee to please make him aware.

Warren then asked the Board if they were in favor of the minutes from the August 5, 2017 meeting. Tom Early made a motion to approve the minutes. Brett Brinkman seconded the motion which was voted on and passed unanimously.

Warren then requested committee reports.

Committee Reports:

By-Law: Val Murrell – Chairman

Val was absent and sent no report for this meeting

Finance and Audit: Tom Early – Chairman

Tom indicated that we covered that subject earlier in the meeting with the 990 Tax Return

Government Affairs: Jake Delhomme – Chairman

Jake had no report for this meeting

Grievance Committee: Michelle LaVoice - Chairperson

Michelle had no report for this meeting

LTBA/HBPA Liaison Committee: Val Murrell – Chairman

Michelle LaVoice had no report from Val. Charlotte Clavier expressed her concern of the paperwork required by the LTBA being delayed with the addition of micro-chipping horses. Discussion then took place on the entire micro-chipping process and possible effects on the industry, both good and bad.

LTBA/LSRC Liaison Committee: Jake Delhomme – Chairman

Discussion took place on race dates for Louisiana Downs for 2018 as well as the turf course at Evangeline Downs.

Warren informed the board on the condition of our building at Louisiana Downs and the possibility of replacing it next year. Discussion followed.

Membership & Nominating: Charlotte Clavier – Chairperson

Charlotte informed the Board that at the next Board meeting she will have a list of members as of a date prior to the meeting for the board to inspect if they feel the need to do so.

Warren opens the floor to our guests. Alan Peltier asked if there was any movement here in Louisiana following the case in New Jersey to bring in sports betting to the racetracks. He felt the down side to us would be if other states received it could hinder our program.

Charlotte responded that sports' betting is not legal in the State of Louisiana. It would have to be legalized in the state before we could move forward to get it at the racetracks. Roger informed the board and the guests at the meeting that the Governor is a friend of the horsemen and is aware that we would like to be a part of new gaming in the state if allowed. He understands that new gaming would affect the industry.

The new claiming rule in Louisiana was discussed.

Michele Rodriguez asked about the possibility of new members named by the Governor to the Racing Commission have some horse racing background. Brett Brinkman expressed we also look into the gaming board and if we could have a word in that area as well. Discussion took place.

Pam Stephenson asked if there would be any additional cuts to breeders in the near future. Roger Heitzmann explained the financial status we are in and he does not foresee any to changes to the payment of breeders awards in the near future. He explained the difficulty of the projection with the uncertainty of the race dates at Louisiana Downs. He feels certain that adjustments made by the board are helping us greatly and that we have a couple of other possible cuts that they can make before we would move back to breeders awards. He expressed that finishing in the black would not be a bad thing. We haven't been in the black in many years.

Brett Brinkman asked about the status of Video Poker money. Roger with the help of Tom Early explained the old method of calculating and making payments to the tracks and the new method forced on by the state to which we operate now. Racetracks are now being paid in arrears which makes it difficult on them. We will continue to make the process easier that what it now has come to.

Roger informed the Board of the estimated percentage to be paid on out of state awards and stating that the slight drop is due to more Louisiana Breds winning out of state.

Jake Delhomme stated that he really didn't see a big difference from the time that we paid 22% to the 18% we now pay due to the number of starts you can now receive. With a smaller number of horses we are making more starts and not waiting on races as often.

Warren explained to the board a meeting he had with the Louisiana Quarter Horse Breeders Association and the possibility to propose table gaming. Warren informed the board that if we pursued this road the LQBA would be asking for 50% of any horsemen's take. He informed the board that he would not be

happy with that outcome. Nothing was decided but that we are willing to listen. Discussion then took place on our position with new gaming and the possibility of risking what we have.

Tom Early called for an Executive Session. Jake Delhomme seconded the motion, which was voted on and passed unanimously.

Michele made a motion to exit Executive Session. Charlotte Clavier seconded the motion, which was voted on and passed unanimously.

While in Executive Session, Charlotte Clavier made a motion that the 2016 foal out of the mare Tessitura by the stallion Astrology not be listed as an accredited Louisiana bred due to rule violation. This motion was seconded by Tom Early, which was voted on and passed. Eddie Guidry and Michele Rodriguez voted in opposition.

Warren stated that the other two matters concerning accreditation will be tabled to the next meeting. Roger was instructed to forward letters to Andre Delahoussaye, Curtis Clark, and Israel Flores requesting their presence at the next Board Meeting to offer information on their requests.

Jake Delhomme made a motion to adjourn. This motion was seconded by Charlotte Clavier, which was voted on and passed unanimously.

Date, Time, Place of the next Board of Directors Meeting:

Friday December 8, 2017, at Landry's Seafood Lakefront, New Orleans at 12:00 noon