

**Louisiana Thoroughbred Breeders Association
Board of Directors Meeting
August 6, 2016
Holiday Inn Express
Bossier City, Louisiana**

Directors Present:

Jay Adcock
Brett Brinkman
Charlotte Clavier
Jake Delhomme
Bobby Duhon
Thomas B Early
Warren J. Harang III
Neal McFadden
Michelle LaVoice
Jim Montgomery
Val Murrell

Directors Absent:

Nathan Granger
Michele Rodriguez

Others Present:

Therese Arroyo
Carl Calhoun
Roger Heitzmann III
Linda McLellan
Ray Spencer
Mike Whitley
Chad White
Dr. Fred Willis
Emmit Pickett

Tom Early called the meeting to order and asked Roger Heitzmann to call the roll. A quorum was present and the meeting was ready to proceed with business.

Jake Delhomme led us in prayer.

Tom Early notified the Board that the next item on the agenda was the election of officers for the 2016-2017 year. He stated that he had enjoyed his time as President, however he has decided to step down to allow someone else to serve. With that being said Tom nominated Warren Harang to the seat of President. Bobby Duhon seconded the nomination.

Tom opened the floor to receive additional nominations. Hearing no other nominations Warren was elected President unopposed.

Warren took his seat as the new President and opened the floor to hear nominations for 1st Vice President. Val Murrell nominated Jake Delhomme to remain in the seat that he currently holds. Hearing no further nominations Jake Delhomme remains 1st Vice President.

The floor was then opened for nominations for 2nd Vice President. Bobby Duhon nominated Brett Brinkman to remain as the 2nd Vice President. This nomination was seconded by Jake Delhomme. With no additional nominations Brett Brinkman accepted the position as 2nd Vice President.

Charlotte Clavier made a motion to accept the minutes of the May 31, 2016 Board of Directors Meeting as presented. This motion was seconded by Tom, which was voted on and passed unanimously.

Warren requested that the visitors in the room introduce themselves. While this was happening, Warren asked that the members of the board pass their Conflict of Interest Policies to Jake so that they could be read into the minutes.

After the introductions, Jake Delhomme read the following into the record;

1. Charlotte Clavier is the President of Stemmans, Inc., supplying merchandise to horsemen who are members of the board, of the association and non members as well. She is also the President of Traders Rest Farm, a commercial breeding, training, and boarding facility that does business with members of the board, the association, and non members of the Louisiana Thoroughbred Breeders Association (LTBA). She is noted as the President of Stemmans Inc. Horse Sales; however the sale company hasn't held a sale in several years. Her final notice is that she is the Treasurer of the non-profit Racetrack Employee Assistance Program (REAP).
2. Neal McFadden is retired from his previously listed business with the exception to the following. Neal owns in partnership with, and boards mares with Jay Adcock's Red River Farm. He is also in stallion partnerships with board members Nathan Granger and Jim Montgomery. Neal also owns shares in Equine Sales Company.
3. Val Murrell is the President of Clear Creek Stud. Clear Creek Stud is a commercial breeding, boarding, breaking, training and foaling facility that does business with board members, association members and non members of the LTBA. His daughter and farm manager, Michele LaVoice also serves on the board of the LTBA. Clear Creek also owns horses that participate in racing at Louisiana tracks.
4. Jay Adcock is the owner/operator of Red River Farm. Red River Farm is a commercial breeding farm in Louisiana that breeds mares for many different people and entities of which some are LTBA members. Red River farm also sells thoroughbreds commercially at public sales in Louisiana as well as other states. Jay revealed that board members who own shares in stallions at Red River include, Neal McFadden, Jim Montgomery, Nathan Granger and Jake Delhomme. He is also a shareholder in Equine Sales Company.
5. Bobby Duhon notified that fellow board member Brett Brinkman was his trainer and they were partners in several horses. He also indicated that he was half breeder with Clear Creek Stud (Val Murrell) on a Custom For Carlos baby.
6. Brett Brinkman informed the board that he was the owner/operator of La Mesa Stallions, a commercial breeding, boarding, foaling, and etc. operation. He is the trainer of a public stable in which he trains for many members of the association. He also has family members in the association as well as on the board (Charlotte Clavier) through marriage.
7. Michele LaVoice is the daughter of fellow board member Val Murrell. She is also employed as his farm manager and participates in the breeding industry.
8. Jim Montgomery with his wife Natalie is the owner of Montgomery Equine. Montgomery Equine is a complete commercial facility participating in all facets of the industry. He owns a share in Equine Sales Company, and participates in the breeding of thoroughbreds in partnership with Jay Adcock as both stallion owners and mare owners. He also has a share in the stallion Behindatthebar who stands at LeMesa Stallions.
9. Tom Early is a breeder of thoroughbreds participating in the LTBA program. His daughter Pamela Settoon is a part-time employee of the association and he owns a share in the stallion Custom For Carlos who stands at Clear Creek Stud.
10. Jake Delhomme informed the board that he owns stallion shares in partnership with Jay Adcock, Nathan Granger and Neal McFadden. He is in partnership with Nathan Granger in the owning of thoroughbreds and he breeds mares at Clear Creek Stud.
11. Warren Harang III has no conflicts listed.

12. Roger Heitzmann is the Executive Director of the Association. His wife Kelly owns a Louisiana bred that is trained by his brother Eric, and he receives breeders awards for horses he has bred.
13. Michelle Salvino, an employee of the association, is employed as a clocker at the Fair Grounds on her days off from the association.
14. Beverly Mayard works full time for the association and is in a relationship with David Wedlake, a steward at the Fair Grounds.
15. Rachel Gandy has reported no possible conflicts.
16. Therese Arroyo also serves as the treasurer of Louisiana Horse rescue.
17. Board Member was not at the meeting; however she did return her Conflict/Disclosure policy. Michele notified that she was the owner/operator Elite Thoroughbreds, a complete care thoroughbred farm who does business with members and non-members alike. She is a member of the board and share holder in Equine Sales Company. She does business in stallion and mare partnerships including board member Tom Early.

Following the reading of the Conflict/Disclosure Policies Warren asked for the meeting to proceed, moving on to the Committee Reports.

Committee Reports:

By-Law: Val Murrell – Chairman

Val had nothing to report at this meeting

Events: Michele Rodriguez – Chairperson

Michele was not in attendance. Roger Heitzmann informed the board of the events for the day. Roger also notified the Board that he has had discussions with the chair of the Events Committee and she suggested that we do away with the Champions Day party as a form of cost cutting. We also discussed the upcoming Equine Sale Company Yearling Sale.

Finance & Audit: Charlotte Clavier – Chairperson

Charlotte went over the revenue and expense report. She believes that some of the down fall was due to the closing of the interstate during the flood. We discussed some of the malfunctions currently at the racetracks that could be affecting both slots and handle. The loss of revenue for the first six months of the year was discussed by the board as well.

Charlotte pointed out that the cost of payments for out of state stakes are much higher than this time last year due to the fact that we are seeing the results of our own success of breeding better thoroughbreds that compete well out of state.

Charlotte then asked Therese Arroyo to continue work on the depreciation schedule.

Tom Early requested that the financials ending on June 30, 2016 be approved. This motion was seconded by Val Murrell, which was voted on and passed unanimously.

Charlotte then brought to the board that we need to continue discussions and come to a conclusion on a more beneficial way to calculate and pay breeders awards. We continue to pay more than what we are taking in and we need to make an adjustment. She pointed out that we need to look at out of state races, out of state stakes, and worldwide breeders awards as well. Charlotte, Brett and Jake noted that we needed a more consistent payout based on something that the breeders would have control of. They spoke of bringing an analysis to the next meeting.

Government Affairs: Jake Delhomme – Chairman

Jake notified the board that all seemed well in Baton Rouge. He applauded the lobbyist on the work that they had done and how well they keep Roger notified and involved through the process of the three sessions.

Charlotte requested that we give weekly legislative reports to the board during session. She also requested that the board receive a list of the members of the racing commission.

Grievance: Jim Montgomery – Chairman

Jim had no report for this meeting

Inspection: Empty Chair

Mike Whitler gave a brief on the inspections he was following up at this time

Membership & Nominating: Jim Montgomery – Chairman

A lengthy discussion of the board took place concerning the continued fall in the number of memberships we have and how we can increase interest in our industry. Incentives for members were discussed.

Old Business: Jake Delhomme – Chairman

Jake had no report for this meeting. A brief discussion was held in regards to the number of mares bred and number of foals.

Salary & Benefits: Charlotte Clavier – Chairperson

Charlotte requested that this be moved to the end of the meeting and discussed in executive session.

Technology: Michelle LaVoice – Chairperson

Michelle had no report for this meeting

New Business:

Roger notified the board that Triple Crown monies were down this year. We continue to have funds that we can funnel to Louisiana Champions Day but he wanted to make the board aware of the decline.

Brett Brinkman and Jake Delhomme brought up the lack of advertising by the racetracks is hurting our industry more than anything. This was followed by discussion of the board and members in attendance regarding a seeming lack of interest by the racetracks of providing for the fan attending the races.

Roger Heitzmann notified the board that Stallion Awards were mailed the day prior to the meeting.

Roger provided the board the slot reports for the year showing the decline in slots, therefore a decline in the amount we receive for awards and purses. A discussion followed.

Roger informed the board that Warren would be naming committees and members of these committees. Warren then informed the members of the board to notify of committees they wished to serve on and he would do his best to accommodate them.

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

October 11, 2016, in the Opelousas area, at a time and place to be determined.

Warren then addressed the members in attendance if they had any additional input. Carl Calhoun addressed the board and requested that the association converse with the HBPA about the workmen's compensation offered and how we can make it better for the persons moving to the state after the first of the year. Charlotte Clavier informed Carl that she would speak with her father who sits on the Workmen's Compensation Committee of the HBPA.

Mr. Emmit Pickett asked Roger about the breeders award from the Super Derby of 2014. Roger informed the board that the race is still unofficial due to an objection that is currently in the courts. Until the race has been declared official we could not pay the breeders award.

Charlotte Clavier requested Executive Session. Jake Delhomme seconded the motion which was voted on and passed unanimously.

Charlotte Clavier made a motion to end Executive Session. Jake Delhomme seconded the motion which was voted on and passed unanimously.

Neal McFadden made a motion that Loretta Romero be reimbursed for a cut in pay that was implemented and then readjusted by the Board of Directors. This reimbursement is for a four week period in which she paid at a lower salary then the board intended. The intention was that the salary be lowered but not in the manner in which it was. This motion was seconded by Tom Early, which was voted on and passed unanimously.

Charlotte made a motion for the meeting to adjourn. This motion was seconded by Brett Brinkman and the meeting was adjourned.

Respectfully submitted,

Roger A. Heitzmann III