

National HBPA, Inc./NHAC/NHBPA Foundation
Full Board Meeting Minutes
2014 Summer Convention – Oklahoma City, OK
Sunday, August 17, 2014

The National HBPA, Inc. and the National Horsemen's Administration Corporation 2014 Summer Convention were brought to order by National HBPA President & Chair Robin Richards. Laura Plato took attendance and the following people were present:

Voting Members:

Robin Richards – National HBPA
Randy Funkhouser – Eastern VP/Charles Town HBPA
Rick Hiles - Southern VP/Kentucky HBPA
Ron Maus – Western VP/Washington HBPA
Jon Moss – Central VP/Iowa HBPA *per proxy*
Tom Metzen, Sr. – Arizona HBPA *per proxy*
Linda Gaston – Arkansas HBPA
Dr. David Harrington – Alabama HBPA
Richard Yates – Canada HBPA *per proxy*
Austin Reed - Finger Lakes HBPA *per proxy*
Phil Combest – Florida HBPA
Michael Brown – Indiana HBPA *per proxy*
Benard Chatters - Louisiana HBPA
Tom Metzen, Sr. – Minnesota HBPA
Robert Bedner – Mountaineer HBPA *per proxy*
Dave Basler – Ohio HBPA *per proxy*
David Faulkner – Oklahoma HBPA
Dennis Sweigart - Pennsylvania HBPA *per proxy*
Bob Jeffries – Tampa Bay HBPA
Frank Petramalo – Virginia HBPA *per proxy*

Also in Attendance:

Phil Hanrahan - National HBPA, CEO
Laura Plato – National HBPA, Ops Director
Denis Blake – *The Horsemen's Journal*
Robert Scott, National HBPA, Accountant
Peter Ecabert – National HBPA, Counsel
Loretta Brennan – Arkansas HBPA
Kent Stirling – Florida HBPA
Marty Maline - Kentucky HBPA
R. Keith Gee – Louisiana HBPA
Jana Tetrault – Mountaineer Park HBPA
Ken Bowman – Pennsylvania HBPA
MaryAnn O'Connell – Washington HBPA

Dr. Reid McLellan – The Elite Program
Richard Riedel- KY Health & Welfare Fund

Not in Attendance:

Jennifer Allen – *The Horsemen's Journal*
Nancy Delony – Alabama HBPA
J. Lloyd Yother – Arizona HBPA
David Milburn – Canada HBPA
Maria Catignani – Charles Town HBPA
Mark McGregor – Colorado Horsemen's Association
David Brown – Finger Lakes HBPA
Mark Buckley – Idaho HBPA
Brian LaMew – Illinois HBPA
Lanny Brooks – Illinois HBPA
Joe Davis – Indiana HBPA
Ed Fenasci - Louisiana HBPA
George Kutlenios – Michigan HBPA
Gary Tinkle – Michigan HBPA
Patrice Underwood – Minnesota HBPA
R.C. 'Dick' Forster – Montana HBPA
John Baird – Mountaineer Park HBPA
Todd Veerhusen – Nebraska HBPA
Lynne Schuller - Nebraska HBPA
Anthony Spadea, Jr. – New England HBPA
Tim Hamm – Ohio HBPA
Danielle Barber – Oklahoma HBPA
Sue Leslie – Ontario HBPA
Ron Sutton – Oregon HBPA
Randy Evers – Oregon HBPA
Tim Shea - Pennsylvania HBPA
Todd Mostoller- Pennsylvania HBPA
Jan Haynes– Texas Horsemen's Partnership
David Ross – Virginia HBPA

President's Report – Robin Richards

- Thanks to our great NHBPA staff
- Thanks to National HBPA Sponsors
- Thanks to Oklahoma HBPA & Remington Park racetrack

CEO's Report – Phil Hanrahan

Immigration Update – Will Velie, Horseman Labor Solutions

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1. **Motion** to ratify the minutes of the 2014 NHBPA Winter Full Board meeting held in Pasadena, CA Sunday, January 26, 2014.

Motioned by Ron Maus.
Seconded by Jon Moss.
Motion Passed Unanimously.

2013 NHBPA Industry Service Award Presentation to David Basler, Ohio HBPA

----- **BEGIN EXECUTIVE SESSION** -----

Secretary/Treasurer's Report – Ron Maus

2. **Motion** to accept the recommendation of the Dues Reduction Sub-Committee denying the requested dues reductions for 2014 by Charles Town HBPA & Mountaineer Park HBPA but to consider them for the 2015 Affiliate Dues allocation process.

Motioned by Tom Metzen, Sr.
Seconded by David Faulkner.
Motion Passed Unanimously.

3. **Motion** to approve the 2013 Audited Financial Statements completed by Charles Krblich.

Motioned by Bob Jeffries.
Seconded by Phil Combest.
Motion Passed Unanimously.

4. **Motion** to approve Phil Hanrahan & Robert Scott signing the auditor's management representative letters.

Motioned by Frank Petramalo.
Seconded by Rick Hiles.
Motion Passed Unanimously.

Legal Report – Peter Ecabert, Counsel, NHBPA

5. **Motion** that the Full Board of Directors authorizes the President/Chair to select a sub-committee of at least three (3) individuals to review the final documentation from the Wyoming applicant. If the sub-committee determines that the documentation demonstrates that the applicant is the "representative horsemen's group" for Wyoming and the applicant has met all other requirements for membership, then the Board provides its authorization for Wyoming to become a new Affiliate of the National HBPA.

Motioned by Jon Moss.
Seconded by Phil Combest.
Motion Passed Unanimously.

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Insurance Committee Report, Director & Officer Group Insurance – Phil Hanrahan presented an overview of the D&O Anti-Trust Reserve history and current status and the reasoning behind creating a fully-funded Reserve. The Reserve Concept involves two parts. The first part (Part 1) was presented and discussed and is set forth below.

Part 1 - Recategorize the “leftover” \$20,000 in the Legislative Affairs Bank Account into the D&O reserve; (B) in 2015 “earmark” \$22,000 from the legal expense budget line (currently anticipated to be \$37,000 in the 2015 Budget, which is the amount it has been for the last two years, and which includes \$15,000 that the NHBPA pays for legal services on an annual basis) into the D&O reserve; and (C) assuming no unusual legal expenses in the remainder of 2014, move \$5,000 from the legal reserve, which should be \$55,000 on December 31, 2014 into the D&O reserve. (\$20,000 + \$22,000 + 5,000=\$47,000) This option only works if the NHBPA has no unusual legal expenses in 2014 and 2015. The D&O insurance participants would continue to pay their annual 10% D&O reserve funding charge in 2015 (approximately a total of \$8,000) as a precautionary additional funding mechanism.

6. Motion to approve Part 1 of the D&O insurance funding plan.

Motioned by Tom Metzen, Sr.
Seconded by Frank Petramalo.
Motion Passed Unanimously.

Subsequently there was discussion regarding the Part 2 D&O proposal which related to how any shortage in the \$75,000 anti-trust deductible would be paid in the event of a shortage.

Part 2 - In the event we have a lawsuit where the NHBPA is required to pay the \$75,000 anti-trust deductible before December 31, 2015 when the D&O deductible would be fully funded as set forth above, then any shortage would be assessed pro-rata against each Affiliate in the same proportion as that Affiliate's dues are to the total dues amount. For example, assume an anti-trust lawsuit is filed, the NHBPA has to pay the \$75,000 deductible and the NHBPA only has \$55,000 in the D&O deductible reserve, leaving a shortage of \$20,000. If an Affiliate's annual dues are \$47,000 and the total dues of the NHBPA are \$480,000, that particular Affiliate would be assessed \$1,960 (\$47,000 divided by \$480,000 equals 9.8%; and 9.80% of \$20,000 equals \$1,960).

7. Motion to approve Part 2 of the D&O insurance funding plan.

Motioned by Phil Combest.
Seconded by Bob Jeffries.
Additional Discussion.
Abstain: Arkansas, Louisiana & Ohio.
Motion Passed.

The Horsemen's Journal Committee Report – Marty Maline, Chair

8. Motion to approve the 2015 *Horsemen's Journal* budget, as submitted by the Committee.

Motioned by Rick Hiles.
Seconded by David Faulkner.
Motion Passed Unanimously.

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----- **END EXECUTIVE SESSION** -----

Public Relations Committee – Jon Moss, Chair

9. Motion to approve the attached Mission Statement for the National HBPA.

Motioned by Ron Maus.

Seconded by Frank Petramalo.

Motion Passed Unanimously.

Benefit Providers Report – Richard Riedel, co-chair, *verbal*

Budget, Dues & Investment Committee Report – Ron Maus, Chair

Covered by Secretary/Treasurer's report

Medication Committee Report - Kent Stirling, Chair, *verbal*

- a) Working on Lasix press release
- b) Sensational Medication Workshop
- c) Need honorarium support and travel expenses for guest speakers
- d) Support Dr. Tobin's research, he's 501(c)3

Model Rules Committee Report – Dave Basler, Chair

Dave Basler provided verbal report regarding the activities of the Committee since the last Board Meeting including events at the recent RCI meeting. The Model Rules Committee met during the Convention and had two proposed Model Rules for the Board to consider. The first proposed Model Rule relates to “protecting” a horse from being claimed after an extended layoff. The Committee discussed this proposed Model Rule and had two recommended changes as set forth below.

CLAIMING RACING – ARCI CHAPTER 9

New Provision (3) added to ARCI-009-015 Claiming of Horses

(3) Notwithstanding any other provision of this Chapter, in claiming races, a horse is not subject to claim if:

- (a) The horse has not started at any racetrack within 180 days of its last start; and,
 - (i) The horse's last race was one a claiming race ~~[what if the last race was an optional claimer for some other type of race where claiming was optional]~~ in which the horse was entered to be claimed; and
 - (ii) The horse is entered for a claiming price at least equal to the claiming price for which the horse last started.
- (b) For the first race following the period specified in Section 3(a) of this rule, the horse must be declared ineligible to be claimed at the time of entry, which declaration shall be clearly stated in the program; and
- (c) Ineligibility to be claimed shall only apply to the horse's first start as an official starter following each such 180 day or longer layoff; ~~and~~
- (d) ~~Any win by a horse ineligible to be claimed under this rule in this jurisdiction, or any other, shall be treated as an allowance win for determination of the horse's eligibility and allowances for every race at the meet, unless the conditions of the race specify otherwise.~~

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- 10. Motion** to accept the proposed changes as set forth in the above Claiming Race Rule: Sections 3(a)(i) and Section 3(d).

Motioned by Jon Moss.

Seconded by Phil Combest.

Motion Approved Unanimously.

Thereafter there was discussion by Phil Hanrahan regarding the following proposed anti-discrimination Model Rule:

No licensee or permit holder shall discriminate or retaliate in any manner against another licensee or permit holder because of the latter's activities on behalf of an official horsemen's organization recognized by the Commission or other appropriate authority.

- 11. Motion** to propose the anti-discrimination Model Rule to the RCI:

Motioned by Bob Jeffries.

Seconded by Linda Gaston.

Motion Approved Unanimously.

National Assistance Committee Report – Tom Metzen, Sr., Chair

- 12. Motion** to approve the actions outlined in the 5/21/14 minutes of the Assistance Committee.

Motioned by Ron Maus.

Seconded by Rick Hiles.

Motion Approved Unanimously.

2014 Claiming Crown Report – Kent Stirling & Phil Hanrahan

- Date: Saturday, December 6, 2014, opening day
- New race, "The Canterbury", \$110k, claiming \$25k, 5f/turf 3-yr-olds & up.; named to honor and recognize the Sampson Family and Tom Metzen and the role Canterbury played in developing the Claiming Crown concept
- Changed the "Glass Slipper" from \$16,000 to \$12,500 and from 7f to a one-turn mile
- One Million dollars in purse money
- Thanks to Kent & Phil, Florida HBPA
- Thanks to Gulfstream Park staff

New Business

- 2014 NHBPA Fall Executive Committee Meeting: Oct. 21-22, Hyatt, Lexington, KY
- 2015 Winter Convention - Phoenix-area - dates to TBA

Affiliate Updates

- Alabama HBPA
- Virginia HBPA

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- 13. Motion** to approve the press release on Lasix support, as read to the Full Board.

Motioned by Rick Hiles.
Seconded by Michael Brown.
Motion Approved Unanimously.

- 14. Motion** to adjourn the NHBPA.

Motioned by Ron Maus.
Seconded by Phil Combest.
Motion Passed Unanimously.

*****National Horsemen's Administrative Corporation*****

CEO Phil Hanrahan brought the meeting to order and waived roll call.

- 1. Motion** to ratify the minutes of the 2014 NHBPA Winter Full Board meeting held in Pasadena, CA Sunday, January 26, 2014.

Motioned by Ron Maus.
Seconded by Jon Moss.
Motion Passed Unanimously.

- **The Horsemen's Journal Committee Report** – Marty Maline, Chair
Covered by his report to the NHBPA Board.
- **Budget, Dues & Investment Committee Report** – Ron Maus, Chair
Covered by Secretary/Treasurer's report

New/Old Business - none

- 2. Motion** to adjourn the NHAC.

Motioned by Ron Maus.
Seconded by Michael Brown.
Motion Passed Unanimously.

Minutes prepared by Laura Plato and presented to President Robin Richards on September 9, 2014.

Signed by:

Robin Richards

September 9, 2014.

Robin Richards
President & Chair
National HBPA, Inc. and
The National Horsemen's Administration Corporation