



**Board of Trustees Meeting  
Zoom Video Conference**

**March 18, 2020  
Albuquerque, NM**

**PRESENT**

**President Tom Goncharoff & 1st Vice President Mike Logan and 2<sup>nd</sup> Vice President Jay L. Taylor and board members Norma Alvarez, Mark Brown, Warren Franklin, Miguel Gallegos, Debra Laney, Annette McCloy, Mac Murray, Verner Query and Nancy Summers.**

**ABSENT**

**None**

**QUORUM**

**President Goncharoff acknowledged a quorum present.**

**MINUTE APPROVAL**

**Mark Brown clarified what he had reported concerning the AQHA policy about eligibility for end of year awards.**

**Verner Query mad a motion to accept the amended minutes, seconded by Debra Laney. Motion carried 11:0.**

**WELCOME AND OVERVIEW OF ASSOCIATION**

**CODE OF CONDUCT & NMHBA GUIDELINES FOR THE NEW BOARD MEMBERS**

**Mary Barber had sent the Code of Conduct & NMHBA Guidelines to the new Trustees and verified that they had read them. She will have them sign a copy of each when we can have our meetings in person again. A signed copy is already on file for each of the other Trustees.**

**Jay L. Taylor thinks we have a problem on the NMHBA Guidelines. He thinks that where it has that the President will not be allowed to vote accept to break a tie, it should say Past President. After discussion, it was determined that it is the current President cannot vote except to break a tie. Jay Taylor feels that we need to change this because there are six**

Thoroughbred Trustees and six Quarter Horse Trustees so whatever breed the President is would be shorted a vote. The person who should break the tie is the Past President. Debra Laney asked what if the Past President and the current President is the same person like it is now. Tom Goncharoff asked what if the Past President is not at the meeting. Jay Taylor stated that he just wanted to bring it up and thinks it needs to be changed. Mary Barber will check the by-laws, but she believes this would take a membership vote to change.

### **EXECUTIVE DIRECTOR REPORT**

#### **MEMBERSHIP REQUIREMENTS FOR OWNER AWARDS**

Mary Barber reported that every time a horse runs 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> and the owner of that horse is not a current member, the office is sending them a letter explaining they are required to be a member to receive awards along with a membership application. This process is causing the office to get really bogged down and at times we are getting behind. She would like to stop the letters but continue to put an advertisement in the programs at the racetracks and make this requirement a part of that advertisement. We will also continue to remind people by putting this requirement on the overnights and in our magazine, newsletter, website and Facebook.

After discussion, Jay L. Taylor made a motion to discontinue the letters on June 1<sup>st</sup> of this year, seconded by Miguel Gallegos and the vote was split.

Jay L. Taylor amended his motion to discontinue the letters on June 14<sup>th</sup>, seconded by Nancy Summers. There was further discussion about new owners may never see advertisements. Annette McCloy, Jay Taylor, Miguel Gallegos and Nancy Summers are in favor and Mike Logan, Norma Alvarez, Debra Laney, Verner Query and Mark Brown are against. Motion failed.

A second motion was made by Mark Brown to only send one letter per person and eliminate duplicate letters and to also include this information in the sale packet, seconded by Norma Alvarez. Motion carried 10:1 with Jay L. Taylor against.

(Mac Murray had left the meeting due to a bad connection)

### **ANNUAL MEETING REPORT**

Mary Barber briefly went over the expense sheet for the Annual Meeting. Although it is not complete since the 2019 comparison included the Zia Awards Banquet, she wanted to show what was spent so far. We will add to this report when we have the figures after Zia Festival.

### **TROPHY FROM JEFF TRUE**

Mary Barber showed the Trustees a trophy that Jeff True had brought to her at the last Commission meeting to see if we would be interested in buying them for our Zia Awards Banquet. He had stated that he could get them for us for about \$35.00 or \$40.00 each. We could get twenty-four of these for the owners and breeders. Norma Alvarez stated that we

need a different trophy for the breeders. That they should not be the same and asked if there were any other trophies? Mary Barber said that this was the only trophy that Jeff had brought her and thought maybe we could buy twelve for the owners and then possibly have Andy Golden make the rest of the trophies. Tom Goncharoff also wanted to make sure the Trustees knew that this trophy was not a bronze and that they are made with resin.

Mike Logan made a motion that we should purchase twelve trophies, seconded by Norma. Motion carried 10:0.

### **RACE DATES DISCUSSION**

Tom Goncharoff stated that there really is not a lot to report on race dates yet. There has only been one short meeting on this. Commissioner Buffington did want all the separate entities to get together to try to come to an agreement. Mary Barber reported that there had not been any movement on that but had been told by the Commission that they wanted everyone's written proposal on this on April 1<sup>st</sup>. She is not sure that since the racetracks had to shut down and that we have bigger issues, if we will be even discussing race dates for now. Mary Barber suggested that we be united with the horsemen but that she does not think they have come up with a proposal yet.

Jay L. Taylor mentioned that something that did come out of that meeting was that a joint video that could be shown at the racetracks was discussed. President Goncharoff will get in contact with the others on that subject.

Mary Barber asked if anyone had a problem with us being united with the horsemen on race dates or if anyone had any ideas? When we go to vote we are representing the Association and we need to know how everyone feels so that we can represent your wishes. Debra Laney doesn't feel that we are going into these meetings with enough information. We need to look at historical data first. President Goncharoff stated that the racetracks give statistics that cannot be verified. Miguel Gallegos feels that the trainers should get information together on what and how many horses they plan to have. Are we losing horses to Texas? It would be good if the trainers can get that information together. Nancy Summer thinks that with what is going on, race dates will not be a priority during this time.

President Goncharoff would like to have an email chain with the Trustees ideas on race dates. Then we can go from there. We know the tracks are going to want to reduce days other than Ruidoso. Mary Barber needs to contact the NMRC and recommend that the April 1<sup>st</sup> deadline for proposals be postponed. Norma Alvarez wants to know what the horsemen's proposal will be before we agree to go in united with them.

### **LETTER FROM TOM MCKENNA**

President Goncharoff asked the Trustees if they all had had a chance to read Tom McKenna's letter and everyone had. Miguel Gallegos thinks that there is validity to the

issues in the letter. He tries to stay pretty quiet when the board is discussing Quarter Horse issues. Miguel Gallegos feels we are not addressing a lot of the Thoroughbred issues.

President Goncharoff suggested that we reply to Mr. McKenna and let him know that we think there is validity to his issues and that the Board will continue to discuss these issues further.

Jay Taylor thinks that the way to do this is for the Quarter Horse and Thoroughbred Trustees have separate meetings before the full Trustee meeting to discuss their separate issues. We would still have to have all twelve Trustees to make final votes. Just have QH & TB committee meetings.

Debra Laney feels that we are the New Mexico Horse Breeders and not the Thoroughbred or Quarter Horse association. What would we gain from having separate meetings if we still need the full board to vote? Miguel Gallegos feels that this would be a good idea for each breed to discuss their individual issues before presenting to the full board. It would be much more precise and time saving. He would like to make a motion to form a committee for the Thoroughbred Trustees.

Mike Logan thinks we should have two committees. One for each breed. We are a dual organization. We could add the QH & TB concerns to the committee assignments. Let's try that first.

Jay Taylor reported that we register both breeds and that is how the awards are paid out. We cannot split the organization. He agrees that each breed could have their own meetings, but it has to be brought back to the full board.

President Goncharoff thinks we should reply to Mr. McKenna that we are considering his recommendations.

Norma Alvarez feels that the Quarter Horse Trustees were behind him on his work for the Thoroughbred Triple Crown. Miguel Gallegos felt that the Quarter Horse people are who voted down his ideas.

Miguel Gallegos made a motion to start a Thoroughbred committee to discuss issues and report to the board, seconded by Jay Taylor. Motion failed.

(Miguel Gallegos left the meeting.)

Mark Brown feels we need to look at these issues and as Trustees it is our responsibility to look at the whole picture and do what is best for the sport.

Warren Franklin stated that it behooves us to help each other. If we start battling each other, we will have no power as a board. We need each other.

President Goncharoff proposed that we let Mr. McKenna know that we received his letter and will continue to discuss these issues. We will work on a letter. Debra Laney suggested we invite Tom McKenna to our next meeting.

(It was discovered that Mac Murray was no longer in the meeting.)

### **BUDGET STATUS REPORT & NEW BUDGET**

Jay L. Taylor went over the budget status report. It shows that at the end of February 2020, we have \$292,000 in the General Account which is more than last year. At one time we discussed investing another \$50,000. He is glad we hadn't done that now. We do need to ride this out, but it may take a while for the stock market to get back to normal.

Jay L. Taylor also went over the 2020 Budget and explained that he and Mary Barber sat down and went over each item. We had forecasted more income since we now have more members. What this shutdown will do to our Export Broodmare Program and registrations are yet to be seen and we came up with this budget before this happened. We may have to make some adjustments. We are projecting spending less than we make for 2020. We did add more for the marketing and the publication. We need to make sure we use the same amount for Thoroughbreds and Quarter Horses.

Before starting the Stakes Committee Report, Mike Logan pointed out that we had not approved the 2020 Budget and made the motion to do so, seconded by Annette McCloy. Motion carried 9:0.

### **AQHA AFFILIATE**

President Goncharoff stated that he had gone over the AQHA Affiliate agreement and felt it was pretty standard. We are members and, in the agreement, it states that we are to publicize meetings and act with integrity as an association. President Goncharoff asked Mark Brown if he had anything to add and he agreed it is pretty standard and hasn't really changed much.

Jay L. Taylor thinks that we may have a problem with the language in #3. It states that we would abide by the terms and conditions of the AQHA Official Handbook of Rules & Regulations which may go against our by-laws. President Goncharoff stated that our by-laws would take precedence. Mark Brown stated that AQHA understands that they cannot overstep what each state's rules are. Jay L. Taylor said that #3 has that we agree to go by the AQHA's rules. He also stated that #7 has that if the Affiliate does not represent the racing, showing and non-competitive / recreational interests of Affiliate's state/province, AQHA reserves the right to designate another affiliate in the state/province to represent the interest not served or represented by the Affiliate. Mark Brown explained that New Mexico is unique since we represent both breeds and AQHA does understand that. He will look into this with the lawyer.

### **STAKES COMMITTEE**

### **ZIA PARK NEW MEXICO BRED STAKES SCHEDULE**

Mike Logan reported that he had gone and visited with Mike Shamburg at Zia Park. We are really one sided on Quarter Horses stakes versus Thoroughbred stakes and especially concerning the money. He visited with Penn National multiple times and what he came up with is the chart that shows all the NM Bred stakes at Zia Park, our contribution and the total purse. On the first five races we contribute \$75,000 and the total purse is \$145,000. Then you come to the NM Classic Cup Sprint and the Peppers Pride where we add \$90,000 and then the Rocky Gulch, we add \$95,000. The Quarter Horse race Namehimastreaker is also \$90,000. What we came up with is that we would make all the current races be \$75,000 rather than \$90,000 or \$95,000 and this would free up \$130,000. We could build a stand-alone Juvenile for the NM Classic Futurity; we could build a Sophomore for the NM Classic Derby and then we would have \$30,000 left over. We have had trainers express a need for a race for older four-year old's and up for Quarter Horses. That would cover the \$130,000. They have changed the distances on the Futurity & Derby and Zia Park did that on their own. They thought this might help get more interest. What we need is our Board approval on realigning these stakes races where they are all \$145,000. No one knows why some of the races have more on them. This change would give us some parity.

Jay L. Taylor asked if the races being reduced are all Quarter Horse races and he was told that three of them are Thoroughbred and one is a Quarter Horse race. They are all three-Quarter Horse races the funds would be going to. Nancy Summers stated that she had wondered why some of the purses were higher than the others. She feels that if we make them all the same amount and add some Quarter Horse races would be the fair thing to do.

Mike Logan reported that this new format would make 9 Thoroughbred races and 8 Quarter Horse races instead of 9 and 5.

President Goncharoff asked if the horsemen are in agreement with this and Mike Logan explained that it is the racetrack management who he has negotiated this with. They are the ones who administer the horsemen's purse fund.

Jay L. Taylor asked about the percentage breakdown for the funds between Thoroughbreds and Quarter Horses. This is going to throw those out of whack. The percentages are going to be 60% TB & 40% QH. Jay L. Taylor stated that this will make it closer to 50/50 and he has a problem with that.

Ralph Vincent had entered the meeting and said that it was in writing that we should have a 60 / 40 split.

Jay L. Taylor feels it is not right to take money away from the Thoroughbreds to give to the Quarter Horses. We should add any extra funds we have to the Quarter Horses in the future instead of taking current funds away from the Thoroughbreds.

After much more discussion, Debra J. Laney made the motion to accept the changes to the Zia Park Stakes schedule, seconded by Norma Alvarez. Motion carried 6:3 with Jay L. Taylor against and Nancy Summers and Warren Franklin abstained.

President Goncharoff suggested that we set up another meeting to discuss this issue only. We can meet as soon as next week and do another Zoom meeting. Warren Franklin feels that we should not cut the Thoroughbred races since there are not as many early closing races.

Mike Logan stated that we are not trying to slight the Thoroughbreds. We are trying to get some parity and to be fair.

Debra J. Laney stated that from a procedural standpoint, we had a motion, a second and a vote. She thinks if we have a subsequent meeting, we can have another vote at the next meeting.

President Goncharoff instructed Mary Barber to set up the meeting for just this subject for one week from today.

Jay L. Taylor mentioned that if Miguel Gallegos is not there to vote and Tom Goncharoff cannot vote as the President, it isn't fair because it would be only 4 Thoroughbred Trustees and six Quarter Horse Trustees. This is not a fair setup.

Debra J. Laney would like to find out how many horses are nominated in these futurities and derbies. Sometimes there are six horse fields. She has always tried to be fair to everybody. President Goncharoff thinks we are all trying to do that. Mike Logan stated he is disappointed. He is only trying to have some parity.

Ralph Vincent commented that he really does have to agree with Jay & Warren to a certain extent. Wouldn't want to hurt the Thoroughbreds but there should be some parity.

(Jay L. Taylor left the meeting.)

### NEW MEXICO MILLION

Verner Query reported that there was some discussion following the Annual Meeting about breaking this into two races. One for each sex that would be \$500,000 each. He has updated the nomination blank that shows that there would be a Derby & an Oaks. The basis for this whole thing is to raise interest in breeding Thoroughbreds in New Mexico. This is probably the fourth version he has come up with. The Quarter Horse people are more willing to put up their own funding. He thinks that if we have a big enough purse to run at, more people will want to breed and raise Thoroughbreds and pay into these races.

Verner Query asked the rest of the Trustees to look over the new nomination blank before the next meeting so they can make suggestions. He then went over the nomination blank and what the fees would be. The breeder could make these foals eligible to these races and that would make them more attractive at the sale.

He thinks these races should be run in February at Sunland Park and the winners would then get a birth into the Sunland Park Derby & Sunland Park Oaks. If they win that race,

they could go to the Kentucky Derby & Kentucky Oaks. He is trying to get national and international attention for the breeds from our state.

He had planned to present this to the management at Sunland Park but with everything that has happened he doesn't know when that will be.

(Verner Query got disconnected from the meeting)

Debra J. Laney reported that at the Sunland Park horsemen's committee they were talking about eliminating the Copper Top. She thinks it was Flaco Cappellucci who had asked Dustin Dix if the funds for that race could be used for the New Mexico Million race and at that time he was told yes. At the next meeting it was discussed again, and Dustin said no. She doesn't know if it is worth pursuing. We need to have negotiating tools. She thinks if we get rid of that race it should be an easy thing to take that money and put it on this race. Tom Goncharoff asked what would the added money have been for the Copper Top? Mary Barber reported that it is \$130,000 added with \$70,000 from the breeders. Debra Laney feels that even if management says no, since the money comes from the breeders and the horsemen, we can try to get that money put into this million-dollar race so that the purse money is there to begin with.

Nancy Summers feels that it would be hard to eliminate the Copper Top. She doesn't run her horses in there because she feels it is too early, but a lot of people want to run in it. It would be hard to change the mindset of a lot of those people. Debra J. Laney explained that she is not trying to change the mindset of people, Dustin already said he is eliminating the race. President Goncharoff stated that the Mountain Top would be the first opportunity for these horses. He also stated that we had we had discussed running that race at another time. Mary Barber interjected that they had planned to move the Copper Top to the beginning of the meet and make it a derby.

Mike Logan stated that he had been working with Verner on this race. They had picked Sunland Park because they were wanting to eliminate some of the New Mexico Bred races including the Copper Top. If they are not interested in this race, probably our next option would be Albuquerque. They are wanting to cut down on some of the Thoroughbred races at Sunland and we thought this would really work well there. He is concerned that Thoroughbred people are not used to paying into races like Quarter Horse people do.

Debra J. Laney thinks that if they eliminated a race, we could have them roll those funds into Verner's race and it would make the inaugural race a bigger purse and maybe people would not have to pay as much into it.

Norma Alvarez thinks that we need to see if the Thoroughbred people are interested in participating in this and asked what has been done to find out. Mike Logan stated that it was discussed at the Annual Meeting and we got a positive response from the members. He thinks we could do some kind of a poll.

Warren Franklin is not sure that the mare owners would be willing to pay \$500 a pop for a race that is three years down the road. Verner Query had come back into the meeting and

explained that if a stallion owner did not want to nominate to this, an owner could nominate the foal as a weanling and put the mare in the program. President Goncharoff stated that if either the stallion or the mare is not in it, you could nominate the foal for \$300.00. Verner Query verified that is correct.

Norma Alvarez commented that in the sale futurities they have big fees for the stallions to get in every year. The stallion owners do benefit because it is a million-dollar purse.

Nancy Summers stated that the NM State Fair futurity doesn't get a lot of numbers and that is a \$200,000 race. She thinks that for the broodmares there should just be a one-time fee instead of yearly. Verner Query lost internet again and was not logged into the meeting. President Goncharoff stated he thinks this was in order to generate the funds to make the purses total a million dollars.

Mike Logan stated this idea was to hopefully cause some excitement in people to get them to want Thoroughbreds and run in New Mexico.

President Goncharoff feels that this is the same way the Breeders Cup started, and he thinks it is a worthy pursuit.

Mark Brown thinks it is a good idea but that the fee on the mare should be a lifetime fee instead of yearly. Warren Franklin thought we could raise the fee if it was a lifetime fee as well. Verner Query was able to get back in the meeting and thought that was something he could look at.

#### **MEET AND GREET WITH NEW MEXICO RACING COMMISSION**

President Goncharoff asked the Trustees to give this some thought and come up with some ideas. Beverly Bourguet came up with this and thought it would be a good thing to do.

#### **END OF YEAR AWARDS CRITERIA**

#### **AQHA GUIDELINES**

President Goncharoff stated that he had talked to Butch Wise about what Oklahoma is doing as far as their Quarter Horses go. What we are concerned about is how we handle some of these horses and people that have questionable issues. He asked Mark Brown to comment on what the AQHA is doing on this subject.

Mark Brown reported that if a horse gets a bad test, he is no longer eligible for an award. The trainer that is responsible is not eligible and any other horse he trains are not eligible for year-end awards. There are some loopholes because we cannot take into account the hair testing because the states are not doing anything other than making the horse stop racing for a short time. The owners have 30 days to move their horse out of a trainer's barn that has a bad test. Some trainers didn't even get on the bad boy list because they got stays and it went into the next year. The AQHA is going to look into that. Mark also stated that some horses are running for a lot of money in the undercard races and not even being hair tested. They only hair test the horses in some of the stakes races.

President Goncharoff asked the Trustees to look at the list of our year end awards that have had some kind of bad test in 2019. He asked if any of the horses had bad tests other than hair tests and Mary Barber stated that they had not. The only horse that had a positive test was Ryansmanonthemoon but that it was a hair test. Several of the trainers did have bad test ranging from a high Bute up to a couple with some major drugs. Mark Brown explained that therapeutic drugs are not included, only class A & B drugs are in question.

Debra J. Laney asked that didn't we just look at the horses in the past? Mary Barber stated that we had never looked at trainers before and had actually never looked at positive tests at all in the past. Debra feels that we can't hold it against the horse if they never had a bad test. President Goncharoff stated he would have to agree.

Norma Alvarez asked if we would do the same as the AQHA and throw out those horses and trainers who get bad urine or blood tests on the really bad drugs and President Goncharoff thought that would be correct. Mary Barber asked if this would start with the 2019 champions or the 2020 champions and start advertising that we now follow the AQHA policy. Debra J. Laney thinks it should start with the 2020 champions.

Debra J. Laney made a motion that since none of the year end champions had positive tests other than the one that had an out of completion test, we will start going by the AQHA rules in 2020 and start advertising that to our members, seconded by Norma Alvarez. Motion carried 8:0.

Mark Brown stated that there will be more changes to the AQHA Awards & Media Policy so we need to wait to advertise them until we can get the updated information.

### **COMMITTEE ASSIGNMENTS**

President Goncharoff reported that the Marketing Committee had already been assigned to Norma Alvarez and Debra J. Laney.

President Goncharoff asked who would like to work on the Summer Party & Awards Banquet. Annette McCloy stated that she enjoyed working on this last year and would like to volunteer to do it again this year.

President Goncharoff asked who would like to work on the Silent Auction. It was decided it should just be a group effort. Mary Barber reported that we had talked about having the Silent Auction either at the Summer Party or during the New Mexico Bred Sale in the big hallway at the Sale Pavilion. We would also need people to man it as well. If we are not going to have the Stallion Auction during the Sale so it can just be a part of the Silent Auction. President Goncharoff thought we might want to have the Silent Auction at both events. The Summer Party and the New Mexico Bred Sale. Norma Alvarez thinks that we should include the information for the Silent Auction on the save the date cards and the invitations to the Summer Party.

President Goncharoff stated that he is on the Rules & Medications Committee and asked if there was anyone else that would like to serve on it? Mary Barber explained that it had been Tom Goncharoff, Mindy McArthur & herself but now that Mindy is no longer on the board, we need a third person. Norma Alvarez volunteered & so did Mark Brown. It was decided that Mark Brown will be on the Rules & Medications Committee.

### **MEETING SCHEDULE**

Mary Barber went over the meeting schedule through July.

Our next three meetings will be on:

Wednesday, April 22<sup>nd</sup>

Wednesday, June 17<sup>th</sup>

Saturday, July 25<sup>th</sup> in Ruidoso

### **TRUSTEE TELEPHONE, EMAIL & ADDRESS DIRECTORY**

Mary Barber had sent this out to all the trustees and asked them to look it over and check to make sure she had all their information correct.

### **OPEN DISCUSSION**

President Goncharoff asked Mary Barber where we are at on the new website. Mary Barber stated that we had planned to have the new website up and running by now but that the programmers had gotten stalled on the horse searches that will be a new item. You will be able to look up a racehorse, broodmare or stallion to see if they are registered with us. There are a lot of new items and lots of room to add whatever we want to. She was hoping it would be up and running before today's meeting so everyone could go and look at it. As soon as it is up Mary will email the board.

Norma Alvarez would like to propose that we raise the stallion owner awards to 10%. This would be comparable to Louisiana. Oklahoma is at 16%. She thinks this would attract new stallions with different bloodlines to New Mexico. President Goncharoff asked Mary if this is something that would need to be voted on at the Annual Meeting and Mary thought that this would be a statute change. Ralph Vincent stated that he did not think that was right. This is in the statute as far as the funds from racing is concerned but not from the gaming funds. He thinks that this could be done through the New Mexico Racing Commission. Norma Alvarez had spoken to Candy Ezzell who is also frustrated that we don't have that many different bloodlines to work with. Ralph Vincent explained that the percentages are in statute but when gaming came along, we just adopted the same percentages for those funds. As you know the gaming revenues come to a lot more than what we receive from racing. The Commission may not want to do it without changing the statute, but he thinks it could be done. Mary Barber stated that the funds spent for New Mexico Bred's running in open overnight races comes from only the gaming portion of our funding and that is how they were able to do that without going to the legislature and

**changing the statute that states funds can only be used for races restricted to New Mexico Bred horses.**

**President Goncharoff asked Ralph Vincent what he thinks we should do. Ralph Vincent explained that Candy Ezzell was on board to help get this changed in the Legislature until someone changed her mind. We may be able to get her to help in the future. It takes a lot to get a statute changed. Norma Alvarez will reach out to Candy again but thinks we should look into just using the gaming portion of the funds if that is possible. She will also get on the phone with the Commissioners she knows as well.**

**Norma Alvarez made a motion to adjourn the meeting, seconded by Mark Brown. Motion carried 8:0.**

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**Tom Goncharoff  
NMHBA President**

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**Mary M. Barber  
Attest**