



**Board of Trustees Meeting
Zoom Video Conference**

**July 22, 2020
Albuquerque, NM**

PRESENT

President Tom Goncharoff, Vice Presidents Mike Logan & Jay L. Taylor, and board members Norma Alvarez, Mark Brown, Warren Franklin, Debra Laney, Annette McCloy, Mac Murray, Verner Query and Nancy Summers.

ABSENT

Miguel Gallegos

QUORUM

President Goncharoff acknowledged a quorum present.

MINUTE APPROVAL

Verner Query made a motion to accept the minutes of June 17, 2020, seconded by Norma Alvarez. Motion carried 10:0.

Mike Logan made a motion to accept the minutes of June 30, 2020, seconded by Jay L. Taylor. Motion carried 10:0.

NMHA REPORT

Richard Erhard, Executive Director of the New Mexico Horsemen's Association reported that first off, he would really like to thank the NMHBA for their support on the Purse Tax Agreement. Unfortunately, we were unsuccessful in making any changes after the New Mexico State Fair dates were cancelled.

Ruidoso Downs has worked very hard to get their meet up and running. It is greatly appreciated. There was a third party track inspector brought in named Kevin Seymour who is the racetrack supervisor from Oaklawn Park. There were some concerns early in the meet. Mr. Seymour will be providing us a report along with an analysis of the soil samples.

Ruidoso Downs has made a great effort to follow COVID-19 protocols.

The Downs At Albuquerque would not compromise on their proposal to run 27 days and the horsemen felt it was more important to get to run there than risk the meet be cancelled all together.

Richard reported that a lot of people have been worried that Zia Park will not open. He had a conversation with Chris McErlean and Zia Park is preparing to open but are certainly going to have to look at what is happening with the closure of their casino.

President Goncharoff asked about future race dates. Richard Erhard commented that the meetings that had been scheduled had been cancelled and we are waiting for Commissioner Buffington to set up a new meeting. President Goncharoff thinks that the racetracks may want to cut the dates due to the situation. Richard stated that we really need to be working together to come up with a solution. Jay L. Taylor felt that once this is over and we are back running and the casinos are open full time, we should try to get the racetracks back to the dates they proposed to run when they were granted a license. We should not have to negotiate every year. They should not be allowed to break that contract.

Mary M. Barber asked Richard Erhard about their recent election of officers. Richard reported that Roy Manfredi is the new President, Jay Rader is the Vice President, and the Secretary Treasurer remains as Jill Giles.

President Goncharoff thanked Richard Erhard for his report and Richard left the meeting.

BUDGET

Jay L. Taylor reported that he and Mary Barber had a meeting with Adrian McCallon of BOK Financial to go over our investments. His concerns were that a lot of our investments are tied up in stocks. With the virus and the election coming up, it could affect the stock market. Adrian felt that if it were him, he would let it ride for now. The upcoming election in November could affect the stock market.

Jay L. Taylor and Mary Barber reviewed our forecast earnings for 2020 and feel that we may not be able to reach those goals. We had forecasted earning \$491,000 and we may not get there. We may earn around \$20,000 to \$30,000 less. The good news is that we are not spending what we had forecasted. The Awards Banquet and Summer Party were cancelled. We are saving on the publication. If we do another online magazine and then a regular big one at the end of the year, we could save quite a bit there. Advertising we have only spent \$400.00 so far. We may save on the website. The computer expense is still going on. Ralph Vincent is helping with that. Travel & Lodging is down since we are locked down. The savings total up about \$40,000. This may offset the loss of funds.

President Goncharoff asked how 2019 compared to 2018. Jay L. Taylor stated that we were up in 2019. The big things that helped to contribute is the Silent Auctions and the Export Broodmare Program. President Goncharoff added that the membership requirement is helping as well. Jay Taylor reported that if you add up all the investments and what is in our general fund, we have about \$588,000.

Mike Logan asked if we should leave our funds in the stock market. Jay L. Taylor felt we should leave it alone for now but need to keep an eye on it.

Norma Alvarez felt that we do not reach very many members when we send our magazine online and thinks we should go back to paper issues. She feels that it is really important because we only have emails for 70% of our membership and when we send things out online, only 30% of those open the email. Everyone gets the printed magazine and it is a great way to communicate with our members. Norma Alvarez also stated that she is so glad we did not spend any money on marketing this year, as far as advertising. Ruidoso does a great job of advertising our sales. We did not have a lot of time to react to the changes. We lucked out not spending our limited funds just to have the rug ripped out from under us.

Debra Laney mentioned that the online sale is going to include broodmares and other horses. Originally there was a minimum of 60 horses and now it has been lowered to 50. President Goncharoff stated that he is impressed with Tim Jennings and feels he does a really good job. Nancy Summers feels that the online auctions have done very well. Debra Laney is afraid that they may not get enough horses. We need to make sure that these people selling their horses off the farm are aware of this online sale option. When is the cutoff to consign to this sale? We need to find out and let people know. Mary Barber was instructed to find out what the deadline to consign is and to get that information out. Jay L. Taylor was concerned that he had paid the fees to the Ruidoso Horse Sale and now he will have to pay more fees to get into the online sale. There was discussion that the Ruidoso Horse Sale may refund half of the fees they collected.

Norma Alvarez called the Ruidoso Horse Sale Company and found out that they are giving consideration to giving some refunds, but it has not been officially decided yet. They will come up with a figure and let everyone know.

MAIL IN BALLOTS

Mary Barber went over the examples of Mail In Ballots that she was able to get from other organizations. She also went over the Sample Mail In Ballot that she had included a copy of. Mary explained that our program is already set up to include the name and address for each member and a signature line. This is what we used to print the proxies and all we would need to do is move it down on the page so that it prints at the bottom of the ballot.

Debra Laney thinks we have some work to do on how to get the nominations. She went over the Instruction For Nomination Ballot page. She suggests we get three nominations for each breed in addition to the current Trustees that are willing to serve again. She would like the members to be allowed to weigh in and send in their nominations by mail. Debra Laney also went over the Preliminary Ballot and asked for questions. Mary Barber feels that the nominees would need to provide their photo and bio's to the office. Debra Laney also explained that we would need to contact the people who get the most

nominations to see if they will accept the nomination and if they are willing, ask for the photo and bio information that will be included with the Mail In Ballot at that time.

Mary Barber pointed out that on the Instruction For Nomination Ballot has that the term is for two year and ends on December 31st of the second year, but they will actually serve through the Annual Meeting that is held in January. This will need to be corrected on the form.

President Goncharoff asked about the policy that you may be removed if you miss three or more meetings and this language needs to be added to this form.

Jay L. Taylor feels that you should have to vote for three trustees on whatever side you are. So, if you are a Thoroughbred person, you would not have to vote for people on the Quarter Horse side and vice versa. You cannot vote for only one person on a side. If you do not vote for three people, the ballot will be voided. After more discussion, it was decided that you should have to vote for three people on both sides. This would also include the Trustees that are up for re-election. Norma Alvarez stated that we need to make sure that write in votes should count. Debra Laney feels that we would not need write in nominations if we are sending out the forms to all our members. Norma Alvarez feels that we need to have write in nominations. President Goncharoff stated that this would take the place of having nominations from the floor. Debra Laney felt that we would not know if the person whose name was written in wants to be nominated. Norma Alvarez felt that they could get up at the meeting and either say they do not want to be on the Board, or they can talk about why they want to be on the Board.

Mary Barber asked about people who may have a bad test. Norma Alvarez pointed out that on the page titled Vote by Mail Procedure Suggestions, under item number three it states that we would exclude anyone who has had a bad test or other serious infraction that has resulted in fines / suspension of horse, trainer or themselves in the past 12 months. She feels that we should have this printed in the rules. Jay L. Taylor pointed that under Rules of Conduct in the back of the by-laws booklet covers this issue. We need to say that in order to be nominated you have to be a member in good standing. Debra Laney will clean up the language. Mike Logan asked if we have a Trustee whose trainer gets a positive test, does that count against that Trustee? After discussion, it was determined that as long as it is not that owners horse, it does not count against that owner. Mike Logan asked if this does happen to someone who is already on the Board, then what do we do? Mark Brown explained that the owner does get a free ride for the first time or two but then if they do not change trainers, then they are held responsible. Jay L. Taylor read from the by-laws booklet under Section 7-Removal: Any Trustee may be removed by a majority vote at any properly convened regular or special meeting of the members. Any elected Trustee who fails to attend three meetings may be removed and a replacement appointment made by majority vote of the Board of Trustees. He also read #7 Denial of Privileges from the Rules of Conduct at the back of the by-laws booklet.

Mike Logan asked about the Sample Mail In Ballot. It would only require a person's signature. What will we do if a second ballot shows up for someone? Mary Barber explained that we will only mail out one ballot for each member. If more than one ballot is returned, they will both be voided. Mark Brown suggested sending them out on colored paper as well. Mary Barber also commented that we have an embossed seal that we could put on each ballot so they could not be duplicated. This would be time consuming but is an option. President Goncharoff said that TOBA also handles their ballots that way as well. Mike Logan also asked if someone sends in their ballot late, can they still come to the Annual Meeting and vote? Mary Barber felt that they could do that. Jay L. Taylor felt that if someone's ballot shows up after the deadline, it should be thrown away. Any ballot that shows up after the meeting will not be counted. Debra Laney feels that we have to go by the postmark. We need to make the postmark like two weeks before we have to have them. That way we should have all of them within a week before the meeting. Debra Laney feels we should keep late ballots but not open them. Norma Alvarez asked if someone could come to the office and vote? Mary Barber felt that would be acceptable as long as it is under the deadline. The one thing that concerns Mary is that sometimes you mail something by the postmark deadline but does not get delivered until after it is too late. That is just something we cannot control.

President Goncharoff asked Debra Laney if she had given any thought to who should count the ballots? Debra Laney thinks we should have an auditing firm count them. We need to get a 3rd party that is not involved. Mark Brown feels that we have all the ballots to prove the count so why have the added expense? President Goncharoff thinks we need to give this some thought.

The Sample Ballot needs to be updated to say you must vote for three QH & three TB Trustees. Debra J. Laney suggested that the ballots not be opened until the day of the Annual Meeting. This way everything is counted at one time. Mark Brown feels that we need to check them off of the membership list as they come in or we will have a big mess at the meeting. Norma Alvarez thinks this needs to be done before the meeting because it would take too much time. Debra Laney would like the office to keep an excel file with all the members that were mailed a ballot so they can be marked off as received on time, received after the deadline, or not received and then can be sorted by that information.

Mike Logan asked if we just used the staff and one TB and one QH Trustee to count and then also have an accountant there to verify the numbers and sign off on it.

Debra Laney will work more on this and then email it out to everyone.

NAME CHANGE

Norma Alvarez would like to take a poll today on how the board feels about this but would like to vote on changing the Mission Statement by adding the words ethical treatment to the first sentence of it. This would give us some protection against groups like PETA. She

would like us to vote on this. Mike Logan stated that we abide by Roberts Rules of Order and this is not on the agenda. Name Change is on the agenda but not changing the Mission Statement. President Goncharoff suggested we wait to vote on this during the open discussion at the end of the meeting.

Norma Alvarez wants to poll the Trustees to see if they want to proceed with changing the name of the Association. President Goncharoff stated that the new name would be the New Mexico Horse Breeders & Owners Association. Jay L. Taylor declared that he is opposed to this. He does not see any benefit to changing our name. He thinks it may cause a rift between the horsemen and the breeders and is an unnecessary cost. Debra J. Laney is for it because we now require owners to be members to get their awards. She does not feel the horsemen support the owners and they need to have a place to belong and be supported. The horsemen mainly support the trainers. Nancy Summers brought up that most trainers are owners as well. After more discussion, it was determined that most owners do not realize that they can opt out of being a member of the NMHA. Some owners do not even realize they are members of the horsemen's association. This association accepts anyone as a member. You do not have to have a horse or breed one, you just need to have an interest. This is an opportunity to recognize the people that have been brought into our organization. Annette McCloy does not think it would be worth what it would take to change the name. Debra Laney feels that owners need an association where they can be heard and have influence. Mac Murray said there is some conversation that there is a group that is trying to start an owner's association. He feels we should table it for now.

It was decided to poll the Trustees at this time.

Mike Logan – Neutral

Norma Alvarez – For

Annette McCloy – Against

Mark Brown – Neutral

Mac Murray – Neutral

Jay L. Taylor – Against

Warren Franklin- For

Verner Query – Against

Debra J. Laney - For

Nancy Summers – Not Available at time of poll

HORSE SALE

President Goncharoff stated that the Hubbard Sale will have the Quarter Horses sell at Lazy E and the Thoroughbreds will be in an online sale. We are waiting on the Sale Company to hear about refunds.

Mary Barber reported that the office is trying to help people advertise their horses for sale. Because of the hard times, we are not charging for this. We are putting the information on our website, Facebook, Instagram, and our newsletter.

MAGAZINE

Mary Barber reported that Speedhorse had sent us some information on how our digital magazine did. According to Speedhorse, it did very well, and they included a report to show us the results (copy incorporated into the record).

Paulette Taylor, our part time employee, does most of the work on the magazine from our end and she had to do just as much work on this issue as usual. It really is quite a bit of work. Norma Alvarez feels that a paper issue is so much better because everyone looks at it and the digital issue is not even opened by a lot of people. This did save us a lot of money. Speedhorse will be charging us a flat fee of \$1,500.00 and there were three races at Ruidoso Downs that Michael Cusortelli wrote stories on that we will need to pay for but that is a huge savings for the association. Paulette Taylor has suggested that we do another digital issue if Speedhorse is willing to do this again. Norma Alvarez stated that Speedhorse will not be interested in doing this again. This was a one time deal. She will talk to John Bachelor again to see if he will change his mind.

The cost of stories by Diane Carlioni, Pete Herrera, and the medical articles is quite expensive. Pete Herrera will travel to interview people and that pushes up the cost.

Norma Alvarez would like to have Pete Herrera write a story on our legislators like Candy Ezzell and Mary Kay Papen. All of our legislators get the magazine so this would be a good time to do that. We need to give credit and thank these ladies who have helped our industry. It was decided that Mary Barber will contact Pete Herrera and ask him to do the story and also, we need to tell him to do it over the phone.

WEBSITE ADVERTISEMENTS

Debra J. Laney stated that she had sent out the ad rates she had come up with and did not hear back from anyone. She went over the rates she came up. She suggested that we add this rate chart to the website where we have the space "Place Your Ad Here". President Goncharoff asked how the rates sound to some of the Trustees who place advertisements and was told they look good. Debra J. Laney added that these advertisements need to be camera ready. President Goncharoff entertained a motion to accept the ad rates as presented, Norma Alvarez so moved, seconded by Annette McCloy. Motion carried 10:1.

WEBSITE SILENT AUCTION

Mary Barber reported that we were able to find some software for a Silent Auction and install it on our website. What we currently have on the website is free but has the option to be upgraded for a fee. Mary Barber bid on the one item as a test. She received an email that she had bid on the item and then a second email was received later showing she had won the bid and to contact the office to make arrangements for payment and delivery of the item.

Debra J. Laney asked if it tells you when someone else has bid or if you have lost the item? Mary Barber will test the site further to see what happens when there are other bidders on an item. Debra J. Laney also asked if you could put in your maximum bid? That way if it goes past that you would receive an email that you have been outbid.

Jay L. Taylor asked if it has the ability for it to keep going at the end of the auction if there are people bidding against each other?

It was decided that Mary Barber will test the site further and report on it at the next meeting.

OPEN DISCUSSION

Norma Alvarez made a motion to change the wording on the Mission Statement to add the words ethical treatment to the first sentence, seconded by Annette McCloy. Motion carried 10:1.

Mary Barber reported that Crystal, who is the new assistant to Jeff True at Ruidoso Downs had contacted her to see if any of our Trustees would like to present trophies for the Zia Festival races.

Annette McCloy, Mark Brown, & Nancy Summers agreed to present trophies. Mary Barber will contact Crystal to let her know what Trustees had volunteered and for what race.

Mary Barber reminded everyone that the next meeting is scheduled for October 21st. If anything comes up, we can schedule a special meeting or poll the Trustees through email.

Jay L. Taylor made a motion to adjourn the meeting, seconded by Mike Logan. Motion carried 10:0.

**Tom Goncharoff
NMHBA President**

**Mary M. Barber
Attest**