



**Board of Trustees Meeting
Zoom Video Conference**

June 23, 2021

PRESENT

President Tom Goncharoff, 1st Vice President Mike Logan, 2nd Vice President Verner R. Query and Trustees Vanessa Alexander, Norma Alvarez, Mark Brown, C. Warren Franklin (late arrival), Annette McCloy, Mac Murray, Helen Nave, and Susie Prather.

ABSENT

Nancy Summers.

QUORUM

President Goncharoff acknowledged a quorum present.

MINUTE APPROVAL

Verner Query made a motion to accept the minutes of April 28, 2021, as written, seconded by Helen Nave. Motion carried 9:0.

ACTION ITEMS

MARKETING COMMITTEE

PROMOTIONAL ITEMS

Norma Alvarez and Mary Barber had discussed what promotional items we should purchase for our upcoming events. Mary Barber recommended that we get some sticky notes and pens with our logo and phone number. We would be ordering about 1,500 of each item but we will see what the cost would be and plan to spend no more than \$1,000.00.

(Warren Franklin joined the meeting)

Annette McCloy made a motion to approve the plan for promotional items, seconded by Susie Prather. Motion carried 10:0.

PROPOSED AWARD CATEGORY CHANGE FOR 2022

Mary Barber had sent a chart of the award distribution categories for the incentive awards as well as a chart of the award distribution categories with the proposed changes to the Trustees to look over. She is asking the Trustees to consider changing the Maiden Special Weight and Trial races to a class B award instead of a class A award. This change would not go into effect until the 2022 awards.

Also included was the current award count report for 2021 showing that there are a lot more class A awards than the other categories and that there are very few class B awards. Mary Barber feels that horses running in a Maiden Special Weight or Trial race are not of the same caliber as a horse running in an Allowance or Stakes race.

After some discussion, Norma Alvarez made a motion to change the category for Maiden Special Weight races from a class A to a class B, seconded by Susie Prather. Motion carried 10:0.

FUTURE MEETINGS

The Trustees were asked if we should resume meeting in person or carry on using Zoom? Or a mixture of the two?

Annette McCloy feels that we react better when we are all together around one table. It is a long drive, but she feels it is better in person.

Vanessa Alexander asked if someone could not make it to the meeting in person, would it be possible to still attend by Zoom? Mary Barber commented that we had a Trustee who would attend by phone. One of the other Trustees would have her on their speaker phone and that seemed to work okay. We do not have a monitor in the Board Room, but we could have someone attend by Zoom on one of our cell phones also.

Norma Alvarez commented that if something comes up where we have to have a special meeting with short notice, we could use Zoom.

Norma Alvarez made a motion to meet in person for our regular meetings and to meet by Zoom for any special meetings that come up, seconded by Mike Logan. Mark Brown wanted to know if people could still join by Zoom or Phone if you could not be there in person and was told yes. Motion carried 10:0.

TOWN HALL DISCUSSION ITEMS

Mike Logan thinks we should have some stakes review to discuss our new QH race and pending TB races. He also thinks we should go over our changes to our Export Broodmare rules. Norma Alvarez thinks we could mention that there were no breakdowns at SunRay Park this year. Maybe have a report from the Commission and it was decided that Izzy Trejo should be invited to the Town Hall Discussion.

Mike Logan also thinks a good topic to discuss is our advertisement on the Cowboy Channel. Norma Alvarez will see if we can set up a monitor so that we can show the advertisement to our members during the meeting.

Mary Barber reported that the meeting will be on January 31st in the Horse Sale Pavilion and will start at 9:00 a.m. The open portion for the members will start at 10:00 a.m.

Mike Logan asked if we could get a group photo? Mary Barber stated that if all the Trustees show up, we can certainly do that. We have never met in person since the last election, so we have individual photos of each of the Trustees on our website and in our magazine.

Mark Brown thinks we should discuss possible legislation and ask the members their opinion on issues.

DISCUSSION ITEMS

STAKES REPORT

Mike Logan reported that Zia Park has submitted their stakes races proposal to Mary, and we are reviewing it. It looks like it should work well. They did not delete any races and they have gone up on their contribution to the NM Bred stakes from last year. Mary Barber commented that they had us adding \$65,000 to each of the overnight stakes and she thinks that we may be able to add \$45,000 at the most for those races. She reminded Chris McErlean that only 1/3 of the funds we receive goes on stakes. She thinks he thought we add 1/2 of those funds. Chris is planning on having a meeting with the horsemen and the breeders to go over his proposed schedule.

President Goncharoff asked what Zia Park's gaming revenues look like. Mary Barber reported that she has been looking at the numbers and Zia Park is not doing as much as they did compared to 2019. We were making between \$20,000 and \$24,000 per week for stakes and this year so far, we are only bringing in maybe \$18,000. They have only been open at a reduced capacity and should be allowed to go to 100% capacity starting in July.

Mary lost internet.

Mike Logan feels that once the meet starts, we will have considerably more funds coming in at Zia Park. We can always raise these contributions and get it approved by the Commission.

Mike Logan spoke with Dustin Dix at Sunland Park, and they are working on getting a meeting together with us to discuss their stakes schedule for 2022. It looked like they should be able to run all their Thoroughbred stakes races, but he wants to visit with us on the Quarter Horse races. Mike Logan is concerned that they may not be on board on the two large Thoroughbred races they have been discussion. President Goncharoff hopes we can get an answer before sale time.

Mary then rejoined the meeting.

Mark Brown asked if they indicated the number of dates, they are going to ask for next year. Rumor is that they are really going to cut back on their dates significantly. Mike Logan thinks they plan to have March 27th or so as their closing date.

Verner Query asked if Sunland Park's casino is doing well? Mary Barber reported that the funds we have for them is quite a bit and growing. She does not know what they have in their purse account. Mike Logan thinks they are doing well and will most likely be raising their contribution to the stakes.

Mike Logan will update everyone once he has the final information.

The Downs at Albuquerque raised their share of the stakes purse contributions to match the New Mexico Horse Breeders. In the past, the breeders have put up more than the racetrack. Don Cook plans to come to the New Mexico Bred sale to promote the NMSF QH Futurity.

President Goncharoff thanked Mike Logan for all the work he has put into this. We are really seeing some positive changes that have come out of it.

UPDATE ON ASSOCIATION COMMERCIAL

Norma Alvarez reported that our total bill was \$14,400.00 plus the \$700.00 for Tom Dawson who put the advertisement together. The \$14,400.00 was for the commercial to be played on the Cowboy Channel during certain events. We have paid \$7,200.00 of this so far as well as the \$700.00 to Tom Dawson. She contacted Don Cook and asked if they could pay \$7,000.00 and Don said yes and that he would give the bill to Paul Blanchard. That will be a big help for us.

Norma Alvarez went over the advertisement she had Speedhorse put in our magazine. There was an excerpt that Speedhorse added about the million dollar QH Futurity and when the first payment is due. It also thanked Mary Barber, Mike Logan, Paul Blanchard, & Don Cook for their work on putting the race together. This advertisement will also be in the sale catalog. She was able to get Lowell Neumayer to agree to make it a color ad in the New Mexico Bred sale but black and white in the Select sale.

Mark Brown thinks we need to thank Track Magazine for supplying the photos for the commercial. We should put a link on our website to their magazine. Norma Alvarez thought we could run an advertisement and thank them on it. President Goncharoff suggested Norma contact them to see what they could do. We could include a thank you at that time.

Mike Logan asked if we are doing anything to promote our Futurities and Derbies in the sale packet. Mary Barber explained that we do not have much information, but we can put together a list of stakes that are usually run at each racetrack. This will give purchasers an idea of what is available.

LEGISLATIVE OUTREACH

Annette McCloy reported that she had talked to Tim Keithly of Ruidoso Downs recently and that nothing has changed. He did want her to ask Ethan what questions he might like the legislators asked. She thinks we should ask questions about what we need to do to keep racing going. We also need to explain that ADW is not a form of gambling that would attract children.

President Goncharoff asked if this is going to be a panel discussion? Annette McCloy approached Ralph Vincent about being the moderator. We could have different talking points like the Summit that Sam Bregman had put on. Everyone had a chance to talk, and it was very friendly. It is really Ruidoso Downs' deal. We just want to participate and help organize.

Norma Alvarez said at a previous get together, everyone just told their story. This is an opportunity to educate the legislators about us. Most of them do not know what we do and how our communities are positively affected by us. She talked about how she hires college kids to do internships at her farm.

President Goncharoff feels that we really need to keep everything positive. At the last get together, the past Executive Director of the horsemen's association had mentioned several grievances they had, and this is not the time to do that.

Annette McCloy mentioned that she thinks Ralph Vincent would be a great person to have there because he knows about the legislature, and he knows about horseracing. He would be a great representative on our behalf. By August Ethan Linder will also have a summer of racing behind him and may have a better idea of what he would like to talk about.

The format depends on how many people show up, but we would need to provide a lite lunch and then watch a few the races. They can then go to the Billy The Kid restaurant to have a discussion. The Chile The Kid event starts at 5:00 p.m. If we want to provide for some motel rooms, he can get us a deal. It just depends on how many might come. We have permission to use Scott Bryant's suite if it is a small group. There will be an email invitation that will be sent out by Ruidoso Downs.

Norma Alvarez mentioned that we may want to reach out to some Democrats since we are mainly Republicans. We need to reach across the aisle. Annette had mentioned that to Sam Bregman, and he said he can get some people to go to the event. She had also tried to get a hold of Mr. Egoff and he has not responded. She will have a meeting with him in July and she will ask him to come and bring some of his buddies.

The event is on August 6th and will start around noon with lunch before the races start. Mark Brown thinks it would be great to have a couple of horses, even pony horses, to see and even pet. Tell them a story about them. Annette McCloy even suggested they go to the winners circle, and we could even get a blanket for the race. Mary Barber suggested that we could put the photo in our magazine. President Goncharoff thought it would be a great idea to take them to the chapel and meet Darrell Winter. He would be a great person for

them to meet. Annette McCloy thought maybe they could meet at 11:00 a.m. and start at the chapel.

Annette McCloy asked what our association could pay for. We need to pay for the lunch, but do we want to buy rooms? She could pay for some but not twenty. Norma Alvarez said that she would match Annette. President Goncharoff thinks we could have the association pay for them, but we would need to put a cap on the amount we can spend.

Mike Logan asked if we might do a blanket race that day? Annette thinks we would need to order a blanket now in order to have it ready. We may just want to name a race and have them get their photo taken. It needs to be a New Mexico Bred race.

Mike Logan also mentioned that he is a little concerned and would like to make sure nothing gets out of hand. Would the questions be predetermined? Would people just be allowed to go up with their own question? President Goncharoff said that at the last one, there were panelist, and the moderator would call on them. We really need to keep things positive so the moderator could control the tone of the meeting.

SUMMIT RECAP

Mary Barber mentioned that several of us were there from the breeders. There had been an agenda that she had sent out to the Trustees.

Izzy Trejo spoke about testing and how we are having a lot fewer positive tests now. He also spoke about HISA and some big changes that are coming up.

Mike Logan spoke about the work that he is doing on these big races coming and other positive things we are doing in an effort to promote horseracing. President Goncharoff asked about the sixth racing license and was told by Mr. Bregman that we are not going to discuss that topic right now.

Don Cook would like to go to a straight Thoroughbred meet. He could have done it this year but decided to start next year in 2022. Nobody objected but Mary Barber assumes he would have to get Commission approval in order to do that.

Sunland Park also spoke about going to a straight Thoroughbred meet however Rick Baugh did state that there would need to be another meet for Quarter Horses going on at the same time in order for it to work. Rick Baugh also discussed that they had issues with horsemen on the backside. He spoke about the new system they have implemented where you have to scan your NMRC license in order to get on the backside, so they know who is back there at all times. They also had a problem with a lot of grooms getting owners licenses in order to be allowed in the barn area. Rick also spoke about a fight that had happened in their barn area and how it cost Sunland Park a lot in legal fees.

Bill Belcher of Zia Park also spoke about problems they had on the backside. A lot of people had left trash and dirty stalls when they left. That was pretty much all he talked about.

Ethan Linder of Ruidoso Downs mainly talked about the difficult time they are having getting people to come work. They had wonderful crowds but not enough workers to handle all the fans.

President Goncharoff mentioned that we did get some discussion concerning the sixth license from the other racetracks. It looks like there is a good chance we will have a sixth license in order for their plans to work.

Mary Barber had forgot to mention SunRay Park! Brad Bohem had brought up the 10% Track Breeder Awards and how he we should get rid of them. We were not going to reply to his suggestion, but Mary Barber stated that she just could not help herself. Brad explained that if there were no 10% Awards, we could have a lot more restricted New Mexico Bred races. Maybe as many as five or so as long as they filled with a full field of course. Rick Baugh interjected that instead of having New Mexico Breds in open overnight races, we should have open horses allowed to complete New Mexico Bred races. If you filled a New Mexico Bred race with, say eight head, two open horses would be allowed to go in. Of course, they would not be eligible for the breed money. Mary Barber disagreed and explained that if you let an open horse into a race, it can no longer be considered a New Mexico Bred race and she would have to treat it like an open race.

President Goncharoff stated that Billy Smith & Sam Bregman commented after the meeting that we should not worry about the 10% Breeder Awards. They were not very happy that it was brought up during the meeting. Hopefully, we will not have to worry about that. Mary Barber commented that we were the most positive people in the room.

Norma Alvarez explained that we have been around for a long time and know the history of horseracing in New Mexico. We know how we came to have the casinos at the racetracks. Some of these new people come in and they do not understand why this is so vital to people.

President Goncharoff mentioned that Conda Maze was at the meeting from the NMHA. He did not speak but was invited to attend the Summit.

NEW MEXICO HORSEMEN'S MEETING RECAP

Mary Barber reported that she goes to all of the horsemen's state board meetings and gives her reports on New Mexico Bred races. She also makes announcements on anything coming up with the breeders. She then asks if there are any questions for her from the board members.

At the last meeting she was asked by President Manfredi to give them a recap of the Summit meeting the Commission put on. After giving the recap, President Manfredi stated that he was going to take a vote of the state board members to ask the breeders to not attend their meetings anymore. Mary Barber feels that this is because the breeders did not go in on the lawsuit the horsemen have against the Commission and that some of our breeders have spoken out against the lawsuit. She explained to the state board that the only thing the breeders did as an organization was to send them a letter asking them to

consider dropping the lawsuit and going through mediation. Any other comments made were individuals who have their own opinions. After Mary's comments and a few questions from board members, President Manfredi withdrew his suggestion to have the board members vote to exclude the breeders from their meetings.

President Goncharoff added that usually Mary gets an invitation to the horsemen's meetings but this time she did not get one. Mary had seen the agenda on the SunRay Park Bulletin Board on Facebook and her breeders report was on the agenda, so she submitted her reports and showed up to the meeting. She had been forgotten before so she thought it may have been an oversight. When they got to that item on their agenda, they did allow her to give her reports.

Mary Barber remarked that in the past we have had a wonderful relationship with the horsemen. We have worked together on several issues and even submitted joint race dates proposals to the Commission. We have had a great friendship and she hates to see that change.

INSURANCE COVERAGE FOR TRUSTEES

President Goncharoff had asked Mary Barber to look into the policy concerning the coverage for the Trustees in case we should ever get sued and or the Trustees be named individually.

She had sent out an email to the Trustees to look over the policy and also a statement from Shane Mouth, our insurance agent saying that although it depends on the circumstances, we do have pretty good coverage for the association Trustees in case of a lawsuit.

Vanessa Alexander stated that even if someone is named in a lawsuit, it does not mean that they are necessarily being sued themselves. For instance, if an inmate wanted to sue, they would name all the officers on duty and all of the supervisors as well. She thinks we should pursue clarity on that just so that we are not misinformed.

Norma Alvarez had served on a Commission, and they were sued and sued individually as well. She is glad to hear that we have insurance. It is not fun to get sued.

TROPHY PRESENTERS DURING AWARD CEREMONY

Mary Barber stated that we have thirty trophies for the upcoming award ceremony. They have arrived at the office and are all in one piece. We will need the Trustees to present the trophies and there are six Quarter Horses with owners and breeders as well as six Thoroughbreds with owners and breeders. There are also two stallions, two broodmares, and two freshman sires.

Mary Barber asked the Trustees if they would sign up to be presenters. President Goncharoff said first we should ask to see how many of the Trustees plan to attend the party / awards ceremony. The meeting and Town Hall Discussion starts at 9:00 a.m. in the Horse Sale Pavilion, we will then have a booth during the races. There will be a cocktail hour in the hall of fame room around 6:30 p.m. and then dinner will start in the Turf Club

at 7:00 or 7:15. After dinner at about 8:00 p.m. we will do the awards ceremony. The Zia Festival races will be on both Saturday, July 31st and Sunday, August 1st. President Goncharoff stated that it is really a fun event.

Annette McCloy suggested that we sign up that morning so that we will know who is coming for sure. Norma Alvarez volunteered to help out in any way she can. Verner Query volunteered to do the Thoroughbred side if he can make it.

OPEN DISCUSSION

Vanessa Alexander asked if anyone had read the horseracing integrity safety act. She said you have to look at the entire bill to find the sixty some odd pages. She is going to put it together so that she can send it to the other Trustees. This will go into effect in July of next year and there are going to be some major changes coming. This will create the horseracing safety and integrity authority which is going to directly affects us all. A covered horse is subject to this act and will include the breeders organization. The Commission can opt in the Quarter Horses. She thinks this is going to have the racetracks pushing for straight meets. The funding for this Federal agency, the state of New Mexico will have to pay for it's portion of the pie. The Commission funds may be used for this, but she does not see Governor Grisham doing that. She highly doubts the Governor will use funds from the budget. The racetracks and horsemen may be forced to cover the fees through starter fees and other fees as well. Once she has it organized, she will send the Trustees a copy of the pertinent information.

Mark Brown asked if the Commission has said if the Quarter Horse will be opted in or are they going to allow them to stay out. Vanessa Alexander responded that she had a conversation with Izzy Trejo from the Commission, and he believes that yes, the Quarter Horses will be opted in. Mark Brown stated that the AQHA is working on this, and Quarter Horses have to be allowed to have Lasix here. Vanessa said that there are provisions for this. Most of the people on the authority will have no background with horses.

President Goncharoff believes there is a lawsuit concerning this bill. The AQHA may have joined in with the HPBA on this suit. There are still a lot of loose ends. The state racing Commissions may have to take a back seat.

Verner Query brought up that we have two breeds in our association and a New Mexico Bred Quarter Horses is a major force in the Quarter Horse industry. We will have a million dollar race here in Albuquerque. He would like to work on getting the same attitude for the Thoroughbred side of our association. He was wondering if our sale is going to be opened up to open Thoroughbreds. Norma Alvarez stated that there are three open thoroughbreds in the sale. Verner Query thinks we should advertise in the Blood-Horse in order to promote our Thoroughbred babies. Norma Alvarez spoke about how we used to advertise in the Blood-Horse, but it is very expensive and that was back when we had more money. We did include the Thoroughbreds in our commercial. President Goncharoff said that the Cowboy Channel covers all breeds and show horses and what not.

There are Thoroughbred people who watch that channel as well. They reach 42 million households and are growing.

Mark Brown said that they cover the top TB races of the week in their weekly show. Thoroughbred people are a different group of people, and you cannot get them to spend the money the Quarter Horse people do. He feels that Verner's plan would be easy to sell to the Quarter Horse people but it would be a struggle to get the Thoroughbred people to participate.

Verner Query thinks the Cowboy Channel does a great job and he is glad we are working with them. He would very much like some input on how we can improve our Thoroughbreds in New Mexico. That was his goal with his race plan.

President Goncharoff thinks this would be a good topic for our Town Hall Discussion. He shares Verner's frustration. He thinks what Mike is working on looks great, but we will have to see if the Thoroughbred people will even nominate.

Norma Alvarez said that if we could get a track on board with Mike Logan's races, we can tweak our commercial to include that information as well.

President Goncharoff has done a preliminary outreach to the Pollock Report to see what it would cost for us to advertise with them. He is waiting to see if these races come to fruition. This will fit into our marketing budget since it is reasonable, and it reaches so many people.

Mark Brown has no problem spending the breeders money on advertising this. We need to promote both the Thoroughbred and Quarter Horses as well.

President Goncharoff is pretty proud of our accomplishments and that is a credit to everyone that is on this board. We have been proactive and did not just sit around and hope things get better.

Mary Barber reported that she had mailed the Trustees a copy of the Audit Review. It went very well. They did not find any mistakes. President Goncharoff congratulated Mary on the audit. That is a pretty big deal.

Mary Barber also reported that Commissioner Buffington contacted her about race dates. He wants to have a meeting with us and the racetracks very soon. He wants to get together before the next Commission meeting. President Goncharoff reported that Mike Logan, Mary Barber, and Tom Goncharoff are on the race dates committee. He thinks we will be in another battle over race dates but maybe we can reach an agreement that everyone can live with.

There being no further business, the meeting was adjourned.

Tom Goncharoff
NMHBA President

Mary M. Barber
Attest