



**Board of Trustees Meeting  
Zoom Video Conference**

**April 22, 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 (late arrival), Debra Laney, Annette McCloy, Mac Murray, Verner Query and Nancy Summers.**

**ABSENT**

**Miguel L. Gallegos.**

**QUORUM**

**President Goncharoff acknowledged a quorum present.**

**MINUTE APPROVAL**

**President Goncharoff pointed out the word parity had been misspelled throughout the minutes from March 18<sup>th</sup> and March 25<sup>th</sup>.**

**Norma Alvarez made a motion to accept the minutes as amended, seconded by Debra Laney. Motion carried 9:0.**

**PRESIDENT'S REPORT**

**President Goncharoff reported that he had attended the New Mexico Racing Commission meeting. After meeting with the racetracks during their closed session, the most significant item that the Commission decided on was that Sunland Park would not be running the remaining 21 days of their meet and the SunRay Park meet will be cancelled. The purse monies from those cancelled days at Sunland Park and SunRay Park would be redistributed between the remaining three racetracks. Mary Barber commented that she thought that the funds were to be divided proportionately between Ruidoso Downs, the Downs At Albuquerque / NMSF and Zia Park.**

**Jay L. Taylor asked why the funds would not be divided by all five racetracks since all five tracks have been hurt equally. He does not feel this is fair.**

Mac Murray stated that he thinks that all of the racetracks agreed to do this. This was purse money that was already appropriated for this year.

Verner Query asked why the New Mexico Horse Breeders and the New Mexico Horsemen's Association were not included in this discussion? Why didn't we have a seat at the table? Debra Laney stated that Richard Erhard did give a proposal on behalf of the horsemen before the Commissioners went into Executive Session. Mac Murray commented that the breeders agreed with the horsemen on their proposal. President Goncharoff explained that we only agreed to consider their proposal, but it was very vague.

(Warren Franklin joined the meeting)

## **EXECUTIVE DIRECTOR REPORT**

### **WEBSITE & NEW PROGRAM**

Mary Barber reported that the new website was up and running. She asked the Trustees if they had a chance to go and look at it because she had only received comments and questions from Debra J. Laney and a comment from Tom Goncharoff. Several of the Trustees said that they had looked at it and thought it was a big improvement. Mary Barber feels that our website is maybe even better than the Louisiana Breeders whose website had been considered number one as far as breeder organization websites go.

A new feature on our website is that you can now look up New Mexico Breds and Broodmares to see if they are in the registries. We had already had the Stallion registry on the old website. You can also look up people to see if they have a current membership. This is something that will help the racing offices on the weekends when we are not available to look horses up for them. The one thing that we will need to explain to people is that if you do not find a New Mexico Bred under their name, you can put in the broodmare's name and all of her registered New Mexico Bred foals will come up. A lot of times people will register their Thoroughbreds as unnamed and the way to find them is by their dam.

Some other new features are that we have menu items for the Export Broodmare Program, Magazines, Horse Sale items, Board Meeting Agendas and Minutes, and there is unlimited space for announcements and news. Debra J. Laney asked about the menu item for auctions. Mary Barber explained that we will have to buy some new software for that and have our programmers install it. She has mentioned that to Kathy Houck before and will be sure to remind her that is something we still need to do.

Mary Barber also reported that she has instructed our Registrar, Ernestine Aragon to update the website every week on Wednesday afternoons. She has been putting a lot of the new items on the current website and seems to enjoy it. Even if there is not anything new to add we can freshen it up by changing colors, fonts and adding new photos. Mary asked the Trustees to let us know if they have any ideas or if there is anything they would like to see added to our website and we will try to get it done.

Mary Barber explained that our programmers are still working on the new database and are almost ready to send it to us to test. Any time you get a new program, there are a lot of bugs to work out so once we get it, we will be testing it first. A meeting is scheduled with our programmer Kathy Houck, Ralph Vincent, and the staff next week.

This had been held up due to the changes to our award distribution. There was a huge amount of work that had to be done to make that work and it held up work on the website and new database.

### ACCOUNT BALANCES

Mary Barber reported that in the General Operating account, we have a very healthy balance of \$275,000.00. We do normally get funds from breakage from the racetracks on a weekly basis. We only get that if there is live horseracing. These funds are anywhere from \$1,200.00 to \$1,800.00 per week so we have lost about \$6,500 or so each month they are closed. This fund has nothing to do with the casinos. We get very little from gaming. In 2019, we received less than \$3,000.00 in interest for administering those funds for the entire year. Mary Barber explained that we get 8% of the breakage funds and 8% of the Unclaimed Ticket fund and this really helps pay the bills. We have continued to get in registrations, memberships, and export broodmare fees. It is slowing down but that is to be expected this time of year.

Debra J. Laney asked how our account compares to this time last year and Mary Barber reported that our balance is up. Jay L. Taylor explained that we take funds out to invest when the balance gets high and that we had planned to invest another \$50,000 before the shutdown. Nancy Summers asked if any of that \$275,000 is part investments or if it is all cash? This is all cash and the investments are separate. Mary Barber expects that this balance will go down the longer the racetracks are closed. President Goncharoff recommended that we take a wait and see attitude before we make any new investments. Mary Barber also reported that we have an audit coming up and the fee for that is \$14,500.00 and we also have computer programming fees as well. President Goncharoff explained to the new Trustees that we have a full audit every other year and an audit review every other year to cut down on that large expense. Mary Barber explained that the review is around \$9,000.00 and the full audit is \$14,500.00. Moss Adams also does our taxes so we will have that fee as well. President Goncharoff asked if we could still put some of the funds in the General Account into a Money Market account so that it would still be available if we needed it. Jay Taylor feels that we could do that and that he agrees that we should keep those funds liquid. He also explained that our expenses are not as much right now either. We are not in bad shape and we could put another \$50,000 in the Money Market account.

Norma Alvarez asked how much we have projected the new website and program would cost and Mary Barber reported that we had budgeted around \$55,000 for computer expenses but part of these funds were paid out in 2019 and the rest will be paid this year. Jay L. Taylor reported that \$24,000 of that \$55,000 was carried over to this year.

Mary Barber reported that we had some vandalism done to our building. Someone had tried to rip out our copper wiring and although they were not successful, they did a lot of damage. It blew out our alarm system and damaged our refrigerator. A claim was submitted with our insurance company to recoup those expenses. The business association picked up the bill for the electrical work that had to be done outside.

We are trying to save money and not spend any unnecessarily.

The New Mexico Racing Commission voted at their last meeting that they are going to cancel the remainder of Sunland Park's meet and all of SunRay Park's meet and divide their purse money between the three remaining racetracks. The horsemen may be trying to block this. If this does not happen, we will be short at the other three racetracks. Ruidoso will be short on their stakes money; Albuquerque will be short on their overnight money and Zia Park will be short both on their stakes and overnights.

President Goncharoff asked how much money do we have left over for Sunland and how much do we have for SunRay Park? We figure that we would have spent about \$800,000.00 for the remainder of Sunland Park's meet and we have a little over \$600,000.00 for SunRay Park. Jay L. Taylor feels that it should be proportioned out evenly. Some of those funds should be left in those accounts. Mac Murray had heard that they are going to leave some of the funds at Sunland Park & SunRay Park. Jay Taylor thinks that is what we should do with our funds as well. President Goncharoff thinks we should wait and see what happens before we decide what to do with our funds. Jay Taylor thinks we will be down 30-35%. Mary Barber said that we were pretty much on schedule before the shutdown, but we lose funds every day.

### CROSS TRAINING

Mary Barber wanted to let the Trustees know that if anything should happen to her, Paulette Taylor is almost fully cross trained. The only thing she has not been trained on is the awards and we are going to start working on that in the next week. The plan is to get Ernestine fully cross trained before Paulette leaves around the end of October. Paulette is working on a step by step instruction manual on how to do each item. Mary has just started working with Ernestine on the banking. She will be set up on SinglePoint with US Bank when we take Paulette off.

### ASSOCIATION PUBLICATION

Mary Barber stated that we do not have enough content for the Summer issue of our magazine. It costs us about \$10,000 per issue. Debra J. Laney thinks that we need to put out something even if it is just who our champions are. Maybe we can negotiate a price for something small. Norma Alvarez noted that she was the one that usually did the negotiations with Speedhorse and it was determined that she would be the one to contact them to discuss the Summer issue. Mary Barber explained that we pay Speedhorse a flat \$5,000 per issue. We then pay all the writers like Michael Cusortelli, Pete Herrera, Diane

Ciarloni, Heather Smith Thomas & Megan Petty. On top of that we pay for the mail center and postage. On average it is \$10,000 per issue. This is \$40,000 per year.

President Goncharoff brought up the Monday Morning Report & the Paulick Report that is online. We might want to think about doing something like that and then just do the Stallion issue. Debra J. Laney mentioned that Speedhorse also does something like that online as well. Mary Barber reminded the Trustees that we do put out our own newsletter twice a month in addition to the magazine.

President Goncharoff thinks that we could sell advertisements on our newsletter and website.

Mac Murray suggested that we postpone or eliminate the Summer issue and use that money to advertise to let people know about our awards banquet and meeting. Mary Barber reported that the office had sent out letters to the award winners to let them know that their horse won and will be honored at our Summer party, but who knows what is going to happen now. President Goncharoff commented that Ruidoso Downs pretty much paid for our party last year but they may not be able to do that again this year. We may need to use these funds for the party.

Norma Alvarez will talk to John Bachelor about cancelling the Summer issue. Mary Barber thought maybe we could put something in their magazine. President Goncharoff asked Norma Alvarez to let everyone know how it goes.

## COMMITTEE REPORTS

### SUMMER PARTY

Annette McCloy had the idea that we could just have finger foods if Ruidoso cannot contribute. Mary Barber thought that if Ruidoso Downs would supply the place and the workers, we could maybe come up with the cost of the food. Jay Taylor feels that if we do not have the magazine, we might have that \$5,000 to put on the party instead. Annette will try to get a hold of Jeff True and see what he thinks can be done.

### MARKETING COMMITTEE

Norma Alvarez reported that she and Debra J. Laney had gone through the catalog and picked out some trophies for our award winners and will contact Andy Golden.

Mary Barber commented that she had ordered the owner trophies and had sent off the information to be put on the plates about each horse and their owner. She ordered one per owner since they are not too expensive.

President Goncharoff suggested that the marketing committee look at the website and see if they have any ideas concerning advertising. He thinks this is an opportunity to do new things. Mary Barber will see if we can add another scrolling banner where we can put advertisements. Debra J. Laney thinks this would be a good opportunity to make some money for the association. President Goncharoff asked the marketing committee to look

into putting together a rate schedule. Jay L. Taylor thinks this is also where we could advertise the horse sale. President Goncharoff feels it would be good for people to advertise their consignments. We could trade spaces with other states.

Debra J. Laney thinks we could have the Monday Report do a special report for us about the New Mexico Horse Breeders and the New Mexico Bred sale. President Goncharoff thinks that the sale company may be willing to share in the cost for that. We could also list our end of year award winners as well. We would send them our email list of all our members and subscribers. Debra J. Laney thinks that it would be a good idea to share our email list with other states when we swap sale advertisements.

(Mike Logan & Warren Franklin left the meeting)

### **LETTER FROM CHARLES CHAMBERS**

President Goncharoff asked the Trustees if they had read the letter from Mr. Chambers and what their thoughts were.

There was a lot of discussion about Mr. Chambers' request for consideration on waiving or lowering his \$2,000.00 penalty due to not turning in the return form for his broodmare that he boarded out of state.

The office had made the effort to remind all the people who had participated in our Export Broodmare program that they needed to send in the return form before the foal is born telling us the mare was brought back to New Mexico and where she is located.

Norma Alvarez made a motion that in this situation we do not adjust the rule that states the return form must be submitted before the foal is born or penalties will apply, seconded by Mac Murray. Motion carried 8:0.

President Goncharoff instructed Mary Barber to write a letter to Mr. Chambers to inform him of the Board's decision.

Jay Taylor suggested that if we ever make another rule like this with a high penalty, we could charge \$1,000 for the first offense and then \$2,000 after that.

### **OPEN DISCUSSION**

Debra J. Laney would like to know what direction we are planning on going. Do we have any goals?

President Goncharoff commented that he thinks that our goals were discussed in this meeting and we are going to increase our outreach to other states and this marketing deal to have a Special Monday Morning report.

Norma Alvarez would like to see more parity between the breed populations on the racetracks and their opportunities.

Nancy Summers brought up that she has Thoroughbreds and cannot get very many stalls at Ruidoso since she has not been running there but trainers from out of state can get a lot.

**Mac Murray commented that he thinks we will see some changes at Ruidoso this summer if the purse money is distributed as has been discussed. There will be more Thoroughbred races there and better purses.**

**Nancy Summers commented that if she gets a horse in a race at Ruidoso, she will have to haul in.**

**There was quite a bit more conversation on this subject.**

**President Goncharoff commented that there are problems and we need to try to find solutions.**

**Verner Query feels that the way things are right now, people are having to rent stalls at Albuquerque and haul to Ruidoso. He thinks that there does need to be parity and that this is something that he and Mike Logan could work on when they go to talk to the racetrack managers. He thinks the horsemen should be included in these discussions.**

**President Goncharoff asked Mary Barber to contact Richard Erhard and ask what the horsemen are planning on doing.**

**Nancy Summers interjected that the horsemen have hired the attorney Gary Mitchell, and nothing will happen unless they try to move the purse money. The horsemen feel that they should decide what should happen to purse money. If Ruidoso runs and the Commission tries to take that money from Sunland, Gary Mitchell will step in to try to stop them.**

**Nancy Summers also reported that the horsemen's association has donated hay and feed for the people at Sunland Park. Others have donated as well.**

**Debra J. Laney was working on the hardship committee and there were 75 applications so far. Mary Barber asked if people could still submit applications for the hardship money from the horsemen. A lot of people have applied for the SBA loan and have not received anything. Debra J. Laney said they were still accepting applications for now.**

**Verner Query made a motion to adjourn the meeting, seconded by Mac Murray. Motion carried 8:0.**

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**Tom Goncharoff**  
**NMHBA President**

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**Mary M. Barber**  
**Attest**