



**Special Board of Trustees Meeting
By Zoom**

**February 10, 2023
5:00 p.m.**

PRESENT

President Tom Goncharoff, 1st Vice President Norma Alcarez, 2nd Nancy Summers and Trustees Brian Anderson (by phone), Mark Brown, Denise Chambliss, Warren Franklin, Debra Laney, Mike Logan, Mac Murray, Helen Nave, and Susie Prather.

ABSENT

None

GUEST

Ralph Vincent

QUORUM

President Goncharoff acknowledged a quorum present.

ACTION ITEMS

AWARD PERCENTAGE CHANGES

President Goncharoff read the current awards are 45% to breeders, 7% to stallion owners, 8% to administration, and 40% to the owners.

The proposal would change the percentage breakdown to 58% to breeders, 14% to stallion owners, 8% to administration and 20% to owners.

President Goncharoff encouraged some discussion as to how the Trustees feel about this. Should we tweak these numbers, keep it as proposed, or chuck it all together?

Norma Alvarez asked if anybody does not like these percentages and both Mike Logan and Warren Franklin replied that they do not. Mike Logan thinks that this proposal is too drastic. He agrees that the awards for the stallion owners need to go up but we need to hold on to as much as possible for the owners. From the owners perspective, they naturally don't like it. We need to bear that in mind. He thinks if we take 5% or 10% from the owners to the stallion owners that would be enough.

Debra Laney asked to have the percentages again. President Goncharoff read the current and proposed percentages. Mike Logan thinks that maybe we should just move 5% from the owners and give it to the stallion owners. This would give the stallion owners 12% and

the owners would get 35%. Everything else would stay the same. Brian Anderson agrees to Mike's proposal. Mac Murray mentioned that in Ralph's proposal, the owners would only lose about 3%. President Goncharoff explained for Denise Chambliss' benefit that the reasoning behind the original proposal of taking the owners down to 20% is that these percentages were around from the beginning and way before gaming came along and provided a lot more purse money for the owners. The owners are benefitting from the raise in purses but the stallion owners are getting the same amount. Mark Brown commented that we are also trying to entice people to come to New Mexico. Debra Laney thinks that owners expenses have gone up a lot but so has breeding horses. We need to think of it in an equitable way for both groups. If we are going to try to entice people to breed more horses, is the same percentage going to do that? It does not seem like it is. She thinks that 58% to the breeders may be too much but maybe bring it up to 50%, bring the stallion owners up to 14% and this would drop the owners to 30%. Norma Alvarez agrees. We need to get competitive. We need people to want to come to New Mexico. Right now, we don't have a lot of competitive stallions. We have to do something or nothing is going to change. She likes Mike's proposal of taking 5% from the owners and giving it to the stallion owners. She thinks that Oklahoma and Louisiana give 16% to their stallion owners. Warren Franklin understands what Ralph Vincent was proposing but, in his opinion, if we don't have people buying, owning, and raising them. The owners are the largest group and he does not see how this will help us a whole lot. How is decreasing the owner awards going to do that? It might get a few new stallions but he does not think it will be a big difference. He understands the reasoning but he doesn't think taking part of the owners awards would help us. Norma Alvarez told how she had just explained to some guys that had just dropped off a horse what this meeting was about and they were happy to hear about it. They do not feel that we have a good choice of stallions. How else can we get stallion to move here? Debra Laney feels that the big races that we have now with the \$1 million dollar futurity and the two \$250,000 Thoroughbred races at Sunland Park are making a big difference. Norma Alvarez thinks we have a wonderful program but this is the one thing we need to fix.

President Goncharoff thinks if the board can agree on a proposal, we then need to give the members an opportunity to weigh in.

Warren Franklin said that it appears that we are taking from many to give to a few and we really need to explain why we are doing this. Norma Alvarez asked if there were any other ideas. Warren Franklin thinks that Mike's proposal is the best.

Mac Murray asked what happened to Ralph Vincent's proposal and President Goncharoff went over the percentages. The breeders would go to 58%, the stallion owners would go to 14%, there is 8% to administration, and that would leave 20% for the owners.

Warren Franklin feels that the 3% less to the owners is hard to understand and would be hard to sell. The awards and the purses are like apples and oranges. They are two different things. If he is an owner and his award check is going to be only half of what he would get now, that is a big difference.

Mark Brown feels that the bottom line is the two big stallion farms are MJ Farms and Double L Farm and they are getting older. We will need new people to move into the state and stand studs.

Debra Laney made a motion to cut the owners to 30%, raise the breeders to 50%, raise the stallion owners to 12%, and the 8% to administration.

Mike Logan asked if shouldn't this be a motion to take this proposal to the membership? Mac Murray asked that doesn't this have to go to the legislature. How are we going to get this to the membership and then through the legislature?

Warren Franklin like Mike Logan's proposal to just take 5% from the owners and give it to the stallion owners. He thinks baby steps would be easier to get people to vote for this.

Norma Alvarez thinks that the biggest enticement for the owners are the big purses. Warren Franklin said to ask the trainers if they are getting any new owners lately? He thinks this would be one more hit to the owners and that is how it will be perceived. He doesn't have all the answers but he does think we need to ask the membership.

Helen Nave thinks that the big problem is the lack of race days. Until we can get some of our race days back, she does not think it means a whole lot of nothing. She agrees that the stallion owners should get more but to not take too much from the owners. She thinks we should not be so drastic in the percentage change.

Mark Brown seconded Debra Laney's motion and a roll call vote was taken.

**Warren No
Susie No
Helen No
Mike No
Debra Yes
Mac Yes
Mark Yes
Norma No
Nancy No
Denise No
Brian No**

3 voted for and 8 voted against. The motion failed to pass.

Mike Logan made a motion to inform the membership of the proposal to change the percentages to 35% owners, 45% to breeders, and 12% to stallion owners, seconded by Brian Anderson and a roll call vote was taken.

**Warren Yes
Susie Yes
Helen Yes
Mike Yes
Debra No
Mac Yes
Mark Yes
Norma Yes
Nancy Yes**

Denise Yes

Brian Yes

The motion passes with 10 voting for this proposal and 1 voting against.

President Goncharoff asked the Trustees to weigh in with emails to Mary with ideas of the easiest way to explain this to the membership.

Mike Logan asked if we could get Ralph Vincent to redo his chart with the new percentage change.

Ralph Vincent joined the meeting.

President Goncharoff went over what the board members agreed to on the percentage change being reduce the owners share by 5% and add it to the stallion owners. He also asked Ralph Vincent if he could redo his chart with the new percentage changes. He also asked if it would be possible to still get this bill done this year and Ralph Vincent replied that if we are going to drop a bill we have to do it no later than the next Monday. It would be very simple because we would only be changing one word. We could drop the bill and then if we get a lot of push back from the members, we could pull it. When asked who we could ask to be our sponsor, Ralph thought that Senator Padilla might be good but we will leave it up to Joe Thompson to find a sponsor.

LETTER TO THE HORSEMEN

Nancy Summers wrote a letter to the horsemen on behalf of the NMHBA in an effort to repair our relationship with them. She talked to Dr. Jenson and they think we need to put a united front forward. She would like to make it public by putting it on social media. She believes some of the Trustees reputations have been damaged and this would stop a lot of the propaganda going on.

Mary Barber read the letter out loud for the Trustees (copy incorporated into the record).

Nancy Summers made a motion to send the letter to the horsemen and to publish it on social media, seconded by Susie Prather.

Mark Brown wanted to make sure that this has nothing to do with the lawsuit. Nancy Summers confirmed that the breeders would not be getting involved in the horsemen's lawsuit. President Goncharoff had also talked with the NMHA President Paul Jenson about opening up the communication between the two associations and that we needed to be united and to have our lobbyists get together during the upcoming legislative session.

Warren Franklin – Yes

Susie Prather – Yes

Helen Nave – Yes

Mike Logan – Yes

Brian Anderson – Yes

Mac Murray – Yes

Mark Brown – Yes

Norma Alvarez – Yes

Debra Laney – Yes
Nancy Summers – Yes
Denise Chambliss – Yes

The vote is unanimous in favor of sending the letter and putting it on our Facebook page and website. Mary Barber will ask Jill Giles to put it on the SunRay Park Bulletin Board. Mary will also mail and email a copy of the letter to the horsemen’s office and Paul Jenson. Mac Murray thought we could even hand deliver the letter to the office.

OPEN DISCUSSION

President Goncharoff just wanted to say that he is very impressed with our lobbyist Joe Thompson and Raymond Sanchez who are working well together. He also mentioned that Ralph Vincent is invaluable with his help in letting us know what is going on in Santa Fe. We will keep the Trustees posted with any developments.

Helen Nave made a motion to adjourn the meeting, seconded by Debra Laney. Motion carried 11:0.

The meeting was adjourned.

Tom Goncharoff
President

Mary M. Barber
Attest