



New Mexico Horse Breeders Association

1020 Texas Street NE

Mailing Address

P.O. Box 36869

Albuquerque, New Mexico 87176-6869

(505) 262-0224

2004 ANNUAL BUSINESS MEETING

TREASURER'S REPORT

Checking Account Balances 1st State Bank 12/31/03

	12/31/02	12/31/03
1) General operating account	\$ 133,844.73	\$160,867.16
2) Contingency Fund Account	\$ 23,761.47	\$ 14,596.68
3) Certificates of Deposit Incentive Fund Maturing 11/18/2004	\$221,524.37	\$227,337.92
4) Clearing Account – (12/21/03)	\$ 27,768.66	\$ 30,126.46
5) Aetna Annuity	\$111,047.03	\$110,725.80
6) Dean Witter US GVT Money Market	\$112,036.41	\$115,072.49
7) Providian National CD (3Year)	\$ 51,395.50	\$ 50,728.00 (Mkt. Value)
8) First Signature CD (10/30/06)		\$ 49,443.00 (Mkt. Value)

NEW MEXICO HORSE BREEDERS ASSOCIATION

GENERAL FUND COMPARISON

DECEMBER 31, 2003

	<u>Year Ended 12/31/02</u>	<u>Year Ended 12/31/03</u>	<u>Change</u>
REVENUES:			
Including Dues, Administrative Fees, Registrations, Awards Banquet, and Interest	\$ 370,152	\$ 466,003	\$ 95,851
Marketing Campaign	5,400	-	(5,400)
Total Revenues	<u>375,552</u>	<u>466,003</u>	<u>90,451</u>
EXPENSES:			
Salaries and Payroll Taxes	74,439	85,034	10,595
Employee Health and Retirement Benefits	24,600	29,167	4,567
Annual Meeting and Banquet	17,822	22,154	4,332
Insurance	16,457	19,690	3,233
Lobbying Costs	7,936	19,046	11,110
Magazine Publication	41,404	51,674	10,270
Marketing Campaign	35,870	29,766	(6,104)
Board Expense	8,953	8,629	(324)
Dues & Subscriptions	1,191	1,080	(111)
Telephone	5,446	5,338	(108)
Printing	3,598	5,373	1,775
Postage	7,286	8,622	1,336
Depreciation	14,507	15,606	1,099
Advertising	12,208	3,921	(8,287)
Web Site	993	3,492	2,499
Auto Expense	7,728	2,706	(5,022)
Interest on auto loan	-	990	990
Office Expense	1,987	1,895	(92)
Member survey	-	5,325	5,325
Office Supplies	8,045	10,665	2,620
Utilities	3,654	3,878	224
Equipment Rent and Maintenance	4,340	3,663	(677)
Travel and Lodging	2,087	3,318	1,231
Consulting and Accounting	16,730	12,697	(4,033)
Repairs and Maintenance	951	1,288	337
Meals and Entertainment	666	1,040	374
Computer Expense	802	79	(723)
Property Taxes	2,070	1,993	(77)
Legal Fees	3,854	1,428	(2,426)
Retirement Payments	6,000	6,000	-
Annual Audit	11,990	14,212	2,222
Total Expenses:	<u>343,615</u>	<u>379,770</u>	<u>36,155</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 31,937</u>	<u>\$ 86,233</u>	<u>\$ 54,296</u>
	After 2002 Audit	Before 2003 Audit	

2004 ANNUAL BUSINESS MEETING

January 28, 2004

Week Ending 12/21/03

BREAKAGE ACCOUNTS

	2002	2003
New Mexico State Fair	\$ 5,876.57	\$3,511.39
Ruidoso Downs	\$39,337.53	\$38,420.36
SunRay Park	\$13,539.27	\$7,702.62
Downs At Albuquerque	\$25,950.37	\$2,735.35
Sunland Park	\$24,146.72	\$35,061.79

PURSE ENHANCEMENTS

SUNLAND PARK 2002 – 2003

11/24/02	NM State Racing Commission Handicap	\$70,000.00 (Gaming)
11/30/02	Red Hedeman Mile	\$70,000.00 (Gaming)
12/01/02	Jess Burner Memorial Allowance Stake	\$70,000.00 (Gaming)
12/07/02	The Shue Fly	\$80,000.00 (Gaming)
12/08/02	Johnie L. Jamison Stakes	\$70,000.00 (Gaming)
12/15/02	Challenger Six Handicap	\$70,000.00
12/22/02	La Coneja Stakes	\$70,000.00 (Gaming)
12/26/02	City of Sunland Park Handicap	\$50,000.00 (Gaming)
12/28/02	Lou Wooten Handicap	\$70,000.00 (Gaming)
01/18/03	Pepsi Cola Handicap	\$70,000.00 (Gaming)
01/25/03	La Senora Handicap	\$ 70,000.00 (Gaming)
02/02/03	NM State University Stakes	\$70,000.00 (Gaming)

02/16/03	NMHBA QH Stakes	\$70,000.00 (Gaming)
03/08/03	Mesilla Valley Speed Handicap	\$50,000.00 (Gaming)
03/15/03	City of Las Cruces Handicap	\$50,000.00 (Gaming)
03/22/03	Mt. Cristo Rey Handicap	\$50,000.00 (Gaming)
04/04/03	New Mexican Spring Fling	\$23,000.00
04/05/03	New Mexican Spring Futurity	\$80,000.00 (Gaming)
04/06/03	Copper Top Futurity	\$80,000.00 (Gaming)
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		\$1,233,000.00

PURSE ENHANCEMENTS

DOWNES AT ALBUQUERQUE 2003

03/23/03	Pinon	\$30,000.00 (Gaming)
03/03/03	Manuel Lujan	\$30,000.00 (Gaming)
04/06/03	Silverado	\$30,000.00 (Gaming)
04/13/03	Cimarron	\$30,000.00 (Gaming)
05/18/03	Lineage (10 races @ \$16,000.00 each)	\$120,000.00 (Gaming)
		\$ 40,000.00
05/18/03	Lineage Claiming Stakes (2 races @ \$5,000.00 each)	\$ 10,000.00
06/08/03	Casey Darnell	<u>\$ 30,000.00</u>
		\$320,000.00

PURSE ENHANCEMENTS

RUIDOSO DOWNS 2003

07/13/03	Rio Grande Seniorita Futurity	\$ 35,000.00 (Gaming)
07/13/03	Rio Grande Senior Futurity	\$ 35,000.00 (Gaming)
07/13/03	The Road Runner Handicap	\$ 35,000.00 (Gaming)
07/13/03	Land Of Enchantment Handicap	\$ 35,000.00
07/13/03	Lincoln Handicap	\$ 35,000.00
07/13/03	Sierra Starlet Handicap	\$ 35,000.00 (Gaming)
07/13/03	Zia Handicap	\$ 35,000.00 (Gaming)
07/13/03	Zia 870 Yard Championship	\$ 35,000.00 (Gaming)
07/13/03	Zia Derby	\$ 35,000.00 (Gaming)
07/13/03	Zia QH Futurity	<u>\$ 35,000.00</u>
		\$350,000.00

PURSE ENHANCEMENTS

NEW MEXICO STATE FAIR 2003

09/06/03	E.T. Springer	\$ 10,000.00 (Gaming)
09/08/03	NM Breeders' QH Championship	\$ 10,000.00 (Gaming)
09/20/03	NMSF Senior Futurity	\$ 10,000.00
09/20/03	NMSF Seniorita Futurity	\$ 10,000.00
09/20/03	NMSF TB Breeders Derby	\$ 10,000.00 (Gaming)
09/21/03	NMSF QH Breeders Derby	\$ 10,000.00 (Gaming)
09/21/03	Dessie & Fern Sawyer Futurity	\$ 10,000.00 (Gaming)
09/21/03	George Maloof Futurity	\$ 10,000.00
		<hr/> \$ 80,000.00

PURSE ENHANCEMENTS
SUNRAY PARK & CASINO 2003

09/20/03	NM Distaff Handicap	\$40,000.00 (Gaming)
10/06/03	NM Breeder Association Handicap	\$40,000.00 (Gaming)
10/25/03	NM Breeders' Handicap	\$40,000.00 (Gaming)
11/02/03	NM Horsemen's Association Handicap	\$40,000.00 (Gaming)
11/08/03	NM Quarter Horse Handicap	\$40,000.00 (Gaming)
11/09/03	NM Breeders' Futurity	\$40,000.00 (Gaming)
11/11/03	Total TB Futurity	\$40,000.00 (1/2 Gaming)
11/23/03	Dine' Derby	\$40,000.00 (Gaming)
11/23/03	Aztec Oaks	<u>\$40,000.00 (Gaming)</u>
		\$360,000.00

UNCLAIMED TICKET ACCOUNT

	2002	2003
New Mexico State Fair	\$ 23.71	\$ 116.35
Ruidoso Downs	\$ 478.04	\$31,264.93
Downs @ Albuquerque	\$68,265.45	\$ 487.91
Sunland Park	\$62,138.14	\$ 465.65
SunRay Park	\$ 285.97	\$ 133.29

COMMITTED TO OVERNIGHT NM BRED RACES

2002 – 2003 Sunland Park \$4,000.00 per o/n bred race purses
 2003 – Downs At Albuquerque \$2,000.00 per o/n bred race purses
 2003 – Ruidoso Downs \$2,000.00 per o/n bred race purses
 2003 – New Mexico State Fair \$2,000.00 per o/n bred race purses
 2003 – SunRay Park \$3,000.00 per o/n bred race purses
 SunRay Park \$2,250.00 per o/n bred race purses from 11/09/03 (12 races)

TOTAL DISTRIBUTION UNCLAIMED & GAMING

	2002	2003
Sunland Park	\$633,000.00 (\$58,500 & \$574,500 Gaming)	\$1,156,000.00 (\$62,000 & \$1,094,000 Gaming)
Ruidoso Downs	\$276,000.00 (\$39,000 & \$237,000 Gaming)	\$324,000.00 (\$33,000 & \$291,000 Gaming)
NM State Fair	\$64,000.00 (\$9,000 & \$55,000 Gaming)	\$68,000.00 (\$11,000 & \$57,000 Gaming)
Downs at Albuq	\$232,000.00 (\$63,000 & \$169,000 Gaming)	\$246,000.00 (\$68,000 & \$178,000 Gaming)
SunRay Park	\$306,000.00 (\$10,000 & \$296,000 Gaming)	\$342,000.00 (\$11,500 & \$330,500 Gaming)
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TOTAL	\$1,511,000.00	\$2,136,000.00

10% TRACK BREEDERS AWARDS

DISTRIBUTED IN 2003

SUNLAND PARK 2002 - 2003

80 DAYS OF RACING – \$397,528.00

DOWNS AT ALBUQUERQUE 2003

51 DAYS OF RACING - \$98,831.00

RUIDOSO DOWNS 2003

61 DAYS OF RACING - \$97,911.00

NEW MEXICO STATE FAIR 2003

17 DAYS OF RACING - \$39,682.00

SUNRAY PARK 2003

40 DAYS OF RACING - \$97,741.50

TOTAL TRACK BREEDERS AWARDS PAID OUT IN 2003

\$731,693.50 (\$162,205.80 more than in 2002)

2003 INCENTIVE FUNDS AND PURSE ENHANCEMENTS

743	Owners	\$1,362,379.42
325	Breeders	\$1,532,684.83
132	Stallion Owners	\$238,414.55
<u>1200</u>	<u>Checks Issued</u>	<u>\$3,133,478.80</u>
2003 Breakage/Gaming funds distributed to NM bred stakes		\$2,343,000.00
2003 Unclaimed Ticket & Gaming funds distributed to NM bred Overnight races		\$2,136,000.00
		<u>\$7,612,478.80</u>
2003 10% Track Breeders Awards		<u>\$731,693.50</u>
		\$8,344,172.30

2003 Top 5 Award Recipients:

	2002	2003
1) Mike C. Abraham	Members	Members
2) Larry R. Teague	1107	1063 -44
3) V.J. Callaway		
4) Richard A. Brunacini & Kay M. Thurman		
5) Diamond P Ranch (Linda S. Parrish, et al)		

2003 Horse Registrations

	<u>2002</u>	<u>2003</u>	
NM Bred Foals	656 QH	739 QH	
	<u>464 TB</u>	<u>499 TB</u>	
	1120 Total	1238 Total	+118
NM Bred Broodmares QH	512	373	-139
NM Bred Broodmares TB	525	332	-193
NM Stallions QH	33	26	-7
NM Stallions TB	38	31	-7
	<u>2228</u>	<u>2000</u>	-228

HORSE REGISTRATIONS

	2003	2002	2001	2000	1999	1998	1997
<u>New Mexico Bred Foals</u>							
Quarter Horse	739	656	465	514	372	394	363
Thoroughbred	499	464	375	370	328	307	310
Total	1238	1120	840	884	700	701	673
<u>NM Broodmares</u>							
Quarter Horse	373	512	402	435	355	218	175
Thoroughbred	332	525	346	458	232	160	163
Total	705	1037	748	893	587	378	338
<u>NM Stallions</u>							
Quarter Horse	26	33	33	36	28	19	14
Thoroughbred	31	38	26	51	31	14	20
Total	57	71	59	87	59	33	34

Recipient Mares registered in 2002-2003
46 QH and 14 TB for a total of 60

GAMING REVENUE 12/31/03

	<u>2002</u>	<u>2003</u>
	\$ 170,769.53	\$ 90,669.74
02/22/99	\$ 902,495.44	\$1,128,727.49
	\$ 267,687.54	\$ 266,260.28
05/04/99	\$133,699.60	\$ 103,957.59
	\$ 56,463.36	\$ 48,365.10
07/04/99	\$ 51,065.63	\$ 28,458.84
	\$ 74,669.83	\$ 86,555.70
08/26/99	\$124,635.21	\$ 61,182.16
	\$ 38,316.48	\$ 31,142.36
	\$ 19,729.30	\$ 11,815.91
	\$ 12,729.30	\$ 10,370.86

Award Distribution Allocation
SEPTEMBER 21, 2002 THRU SEPTEMBER 21, 2003
 (EXCLUDES SUNRAY PARK 2003 SEASON)

Award monies to be distributed based upon race class as follows:

- CLASS A -** Trials, Futurities, Derbys, Allowances, Handicaps & Stakes.
- CLASS B -** Claiming races of \$5,000 and above.
- CLASS C -** Claiming races below \$5,000.
- CLASS D -** All Maiden and Maiden/Claiming races.

OWNERS' AWARDS

1,362,379.42

<u>CLASS</u>	<u>FIRST PLACE</u>	<u>SECOND PLACE</u>	<u>THIRD PLACE</u>
CLASS A	\$ 1,382.17	\$ 509.96	\$ 200.71
CLASS B	1,036.63	382.46	150.53
CLASS C	883.06	325.80	128.23
CLASS D	537.51	198.32	78.05

BREEDERS' AWARDS

1,532,684.83

<u>CLASS</u>	<u>FIRST PLACE</u>
CLASS A	\$ 2,392.22
CLASS B	1,794.17
CLASS C	1,528.38
CLASS D	930.31

STALLION OWNERS' AWARDS

238,414.55

<u>CLASS</u>	<u>FIRST PLACE</u>
CLASS A	\$ 372.12
CLASS B	279.09
CLASS C	237.75
CLASS D	144.71

TOTAL AWARD DISTRIBUTION

3,133,478.80

Phillippi, Wright & Co. LLC., Certified Public Accountants, Albuquerque, NM

SUMMARY OF NEW MEXICO BRED RACES

IN 80 DAYS OF RACING SUNLAND PARK RAN 328 NEW MEXICO BRED RACES.

10 TB STAKES
 3 TB TRIALS
 9 QH STAKES
 17 QH TRIALS
289 OVERNIGHT
 328 TOTAL 174 TB & 154 QH = 328 + 168 FOR TWO A DAY

IN 51 DAYS OF RACING THE DOWNS AT ALBUQUERQUE RAN 140 NEW MEXICO BRED RACES.

10 TB STAKES
 7 QH STAKES
123 OVERNIGHT
 140 TOTAL 69 TB & 71 QH = 140 + 38 FOR TWO A DAY

IN 61 DAYS OF RACING RUIDOSO DOWNS RAN 193 NEW MEXICO BRED RACES

6 TB STAKES
 5 TB TRIALS
 5 QH STAKES
 15 QH TRIALS
 80 TB OVERNIGHT
82 QH OVERNIGHT
 193 TOTAL 91 TB & 102 QH = 193 +71 FOR TWO A DAY

IN 17 DAYS OF RACING THE NEW MEXICO STATE FAIR RAN 62 NEW MEXICO BRED RACES.

4 TB STAKES
 5 TB TRIALS
 4 QH STAKES
 15 QH TRIALS
 15 TB OVERNIGHT
19 QH OVERNIGHT
 62 TOTAL 24 TB + 38 QH = 62 + 28 FOR TWO A DAY

IN 40 DAYS OF RACING SUNRAY PARK RAN 134 NEW MEXICO BRED RACES.

5TB STAKES
 4QH STAKES
 3 TB TRIALS
 5 QH TRIALS
 64 TB OVERNIGHT
53 QH OVERNIGHT
 134 TOTAL 72 TB + 62 QH = 134 + 54 FOR TWO A DAY

NEW MEXICO BRED RACES

	1999	2000	2001	2002	2003
<u>SUNLAND PARK</u>	105 Overnight 12 Trials 7 Stakes 71 Days	194 Overnight 18 Trials 9 Stakes 80 Days	241 Overnight 17 Trials 12 Stakes 84 Days	238 Overnight 18 Trials 13 Stakes 80 Days	289 Overnight 20 Trials 19 Stakes 80 Days
<u>RUIDOSO DOWNS</u>	96 Overnight 19 Trials 8 Stakes 62 Days	118 Overnight 21 Trials 8 Stakes 62 Days	128 Overnight 21 Trials 9 Stakes 62 Days	138 Overnight 18 Trials 11 Stakes 61 Days	162 Overnight 20 Trials 11 Stakes 61 Days
<u>NM STATE FAIR</u>	34 Overnight 20 Trials 8 Stakes 22 Days	32 Overnight 20 Trials 8 Stakes 17 Days	26 Overnight 18 Trials 8 Stakes 17 Days	32 Overnight 16 Trials 8 Stakes 17 Days	34 Overnight 20 Trials 8 Stakes 17 Days
<u>DOWNS AT ALBUQ</u>	48 Overnight 15 Stakes 32 Days	91 Overnight 16 Stakes 52 Days	99 Overnight 16 Stakes 48 Days	116 Overnight 17 Stakes 48 Days	123 Overnight 17 Stakes 51 Days
<u>SUNRAY PARK</u>	47 Overnight 5 Stakes 28 Days	82 Overnight 9 Trials 8 Stakes 41 Days	97 Overnight 9 Trials 8 Stakes 46 Days	102 Overnight 5 Trials 9 Stakes 35 Days	117 Overnight 8 Trials 9 Stakes 40 Days

ANNUAL REPORT SUMMARY

The New Mexico Horse Breeders Association, before the 2004 Audit completion, shows revenues of \$504,386.00, which is \$49,471.00 more than 2003. After expenses, the net revenue is \$86,801.00 for 2004. There were the normal increases in salaries, employee health and retirement, annual meeting and Banquet along with insurance. The magazine publication cost increased 17 percent, which is largely due to the stallion issue featuring color and volume.

The Marketing Committee spent \$46,226.00, which is a 36 percent increase. The promotional tape is at each racetrack and aired prior to a New Mexico bred race. Additional ads were run in the National Horsemen's Journal, Thoroughbred Times and Blood-Horse to ensure equal coverage for the Thoroughbreds and Quarter Horses.

The Association is continuing to provide the NM Saddle towels to the racetracks as needed.

The website continues to have the race results for the New Mexico Bred races. Monday is the busiest day for people obtaining information.

There were 249 days of racing in 2004 which is two days less than 2003. One additional stake race at Sunland Park, increasing the distribution \$130,000.00. Downs At Albuquerque ran three less stakes races with less purses of \$150,999.00. Ruidoso Downs had two new Futurities and stakes races were increased \$30,000.00. New Mexico State Fair stakes races were \$10,000.00 less. No trials for the Dessie & Fern Sawyer futurity. There were 114 more New Mexico Bred races in 2004. \$65,500.00 more was distributed to overnight races from unclaimed ticket and gaming revenue.

The 10 percent Track Breeders Awards of \$783,550.00 was \$52,856.50 more than 2003.

Overall, the members with horses participating at the racetracks received \$8,375,812.49 in total distributions, which was \$31,640.00 more than in 2003. This is an increase of 1 percent.

The top five award recipients are: Mike C. Abraham, Larry R. Teague, Rita J. Danley, Richard A. Brunacini and Kay M. Thurman and Diamond P. Ranch (Linda S. Parrish, et al.).

2004 members were 1,156, which is an 9 percent increase. The 2004 registrations increased 15%. There were 97 affidavits mailed to verify the information regarding the accuracy. Six applications were voided.

The Award Incentive Fund checks were mailed November 18, 2004. The total award distribution was \$3,110,131.10. A decrease of \$23,347.70 compared to 2003. The award allocation was from September 19, 2003 to September 26, 2004. This excludes SunRay Park's 2004 season. \$1,881,253.18 of the total award distribution was generated from gaming. We issued 1,314 checks. There were 170 more owner awards and an increase of 64 breeders and stallion awards compared to 2003.

Zia Park started simulcasting and gaming on November 14, 2004 at Hobbs.

Your Association has experienced a tremendous amount of growth in 2004.