

Final Approved minutes June 15, 2005

AHR Board of Directors Meeting

Date: June 15, 2005

Attendees: Paul Sutton, Bill Hendershot, Theo Hug, Dirk Young, Emily Gibson, Danny Inabinett, Bill Jameson, Mike Dowd, Bob Duvall, Jennifer Rousseau, Levi Yoder, Gary Leisure and Office Manager Ruth Schwab.

The meeting was called to order at 8:09.

Review of the Minutes of previous meeting:

Minutes from the May 4, 2005 BOD conference call were approved on line with objection from Hendershot.

OLD BUSINESS

OFFICE REPORT (Ruth Schwab)

Currently working on transfers and registrations received as of April 20 so approximately an 8-week backlog. This includes the Indiana and Perry Sale transfers.

The office is working with auditing review firm and all going as planned. Tana is working on accounts up to 5/16/05 and cutting checks for consignment for the recent sale.

There is continued work on processing new memberships and transfers, but over 50% of the checks sent in are not for the correct amount, so there has to be a bill sent to the member, which further delays them getting their paperwork completed, and creates further bottleneck in the office processing.

There has been one Stallion License application where the colt didn't qualify through DNA testing with sire exclusion. With further investigation, this colt was apparently swapped with another colt with similar facial markings whose DNA matches the first colt's paperwork. Owners of both colts have been notified and will be submitting current photos, and the proper identification and pedigrees issued based on the DNA findings.

Dreamweaver software will be purchased for website management within the office and will be \$35 due to non-profit status (retails for \$400+). Website committee has Okayed the redesign, and is now working on content.

National Show at Mason County Fairgrounds in Michigan in 2006

Carol Hummel and Bill Jameson have looked at the three potential locations for the 2006 show. Mason County Fairgrounds, Michigan is best choice with 3 outdoor arenas, 1 large indoor arena 120' x 220', well lit, campsites nearby. Mason is the most affordable site with free option for billboard advertising on a major highway, and the show information will go in area publications at no additional charge. They will do a lot of promotion of the show for us to gain additional audience. 2006 Dates are 9/27-10/1. GLHA Oct. 6-7 with option to lay over for a nominal fee. 326 stalls in 9 barns around the show arena and could rent a 40' x 100' tent for \$1450 if there is need for more stalls. Need commitment right away.

Potential dates for 2007- 10/3-7 and 2008- 10/1-10/5

Jameson moves, Rousseau seconds that we accept Mason facility for 2006 National Show. No objections.

Annual Membership Meeting

Wrong date was reserved through Ashland University for this year, so the regular room is not available. There is a meeting room at the Ashland County fairgrounds for \$125 with catering to be provided by one of the AHR members, ~\$12 per person cost. Could charge the members for the cost of the rental and meal to save the annual meeting cost to the organization. Hug moved to move the meeting to the Ashland Fairgrounds, Inabinett seconded. No objections.

Ask the Board Question

Two questions have been submitted—one about the location of AHR sales always in Ashland Ohio, or should it be moved around—Inabinett has answered and will forward his response to the AHR office. The other question is regarding the publication of sales results and has already been previously answered, so will refer back to that answer.

Response to HBO letter of May 20 , 2005

Yoder moved and Rousseau seconded that BOD go into Executive Session. No objections.

Rousseau moved, Jameson seconded to come out of executive session

No objections

Finance Report and Budget Shortfall

Young has prepared the numbers up through 6/14/05 and is predicting a \$38,000 deficit this year if the income/expense figures continue as they seem to. He expressed concern that budget cuts must be made now, mid year, to avoid this level of shortfall. Discussion about the dropping revenues from the sales with the spring sale projected to be ~\$3000 profit only.

Discussion: areas where income can be increased this year--including idea of accepting endorsements of products for a fee, income for advertising on the website, annual renewable stallion license fee, increasing commission rate at sales to 6%, all of which are revenue ideas that probably can't be instituted this year. Loss of the stallion breeding fee with the stallion report has deepened the deficit.

Discussion: cuts of discretionary funds such as promotion, advertising and regional support. Cuts in a variety of line items are discussed including dropping one issue of the magazine for the year, lay offs from the office staff (difficult when there is a back log of paperwork), and either eliminating the Annual BOD meeting or asking BOD members to cover their own travel, hotel and meal expenses to attend.

Gibson moved, Rousseau seconded that no further spending be made in promotion, advertising, and regional support.

6 yes Gibson, Hendershot, Rousseau, Sutton, Yoder, Young

3 no Duvall, Hug, Leisure

1 abstention Inabinett

Dowd and Jameson not present for the vote

Motion passes

Gibson moved that the BOD cover their own travel, hotel and meal expenses for the annual meeting . Sutton seconded.

Five no's--Hendershot, Rousseau, Leisure, Yoder, Young

four yes-- Gibson, Sutton, Inabinett, Hug

Duvall, Dowd and Jameson not present for the vote

Motion fails

Adjournment:

Rousseau moved to adjourn 11:32, Hendershot seconded