

AHR Board of Director's Meeting – March 2012

TOPICS	DISCUSSION
	The March 7, 2012, meeting was called to order by President, Brian Mitteer, at 8:03 p.m. (EST). Attending were: Andrew Yoder, Dave Kraus, Gary Leisure, Chuck Hendershot, Dean Baker, Bill Jameson, Emily Gibson, Kim Spann and Ruth Schwab (office consultant).
I. Old Business (Review of the minutes of previous meetings)	The ad-hoc fee committee is studying fees and charges and they will be issuing a report. Currently no increases in member fees are anticipated and non-member fees are under study. The committee plans to have a report and proposal ready for the next Board of Director's meeting.
II. Office Update – Ruth Schwab	For the month of February 2012 we completed 61 foal registrations, and 94 transfers. There are 170 stallions renewed so far for 2012. We currently have 713 members and 121 current magazine subscribers. 2012 Membership cards were mailed on March 7th.
III. Committee Reports	
1. AHR Youth	Rachel Cooper and Dave Wilson - Co-Chairs Members: Carolyn Sutton, Aileen Ayers and Sue Casseday (office consultant) Nothing new to report except that we are working on the next newsletter which should be out before long.
2. By-Laws	Bill Jameson – Chair Members: Willie Lehman and Christopher Miller Nothing new to report.
3. Classification	Bill Hendershot Members: John Dunkel, Jennifer Rousseau, Kim Spann, Robert Eicher and Chuck Hendershot Old Business: <u>January Report</u> Recommended the establishment of a fee for pedigrees re-issued after the classification designation is added to the pedigree. Pending action by the finance committee. <u>February Report</u> The request regarding re-measurement of bone on a mare inspected in 2011 has been addressed by the committee. The mare will be re-measured by two "C" judges at the New York Gold Classic show. The owner of the situation horse has been informed and is satisfied with the solution... New Business: <u>March Report</u> A conference call was held February 23, with all members of the committee present: Jennifer Rousseau, Kim Spann, John Dunkel, Robert Eicher, Chuck Hendershot and Bill Hendershot. A base budget model was developed to cover any inspection/classifications held on the East Coast with three United States judges completing the inspections. Based on this budget, the committee recommends the number of horses required for an inspection is established at 24 horses with a cost of \$200 per horse. The committee additionally developed a model for budgeting sites other than on the East Coast or with European judges. Based on this model, the committee agreed to develop a contract that would allow an individual or a group of individuals to guarantee the costs above the base line budget for holding inspections at different sites or with European judges. The contract would allow for the sponsor to share in any under run in the guaranteed costs. This contract could be used with the base

	<p>line budget to guarantee a classification for less than the required horses at any site. The guarantee can be funded by either an individual or through sponsorships of the event solicited and secured by the individual guaranteeing the event. All sponsorships and sponsorship benefits will be approved by the classification committee. In the event that the costs are covered with sponsorship dollars the cost sharing of any under run clause of the contract will be eliminated. A motion was made by Dean Baker to accept the above budget models to cover the cost performing inspection/classifications. Second by Andrew Yoder. Motion passed.</p> <p>If a formal request is received by the site sponsor to hold an inspection/classification and to have a European judge as part of the judging team. A specific budget model was developed for the extenuating circumstances. For one European judge, the site coordinator will agree to be responsible for the incremental cost of \$1700. A contract is being drafted to support this agreement. A motion was made by Chuck Hendershot to accept this proposal as outlined above. Emily Gibson seconded. Mitteer – yes, Yoder – yes, Spann – no, Kraus – yes, Leisure – yes, Hendershot – yes, Baker – yes, Jameson – yes, Gibson – yes. Motion passed.</p> <p>A motion was made by Chuck Hendershot to accept a request to hold an inspection/classification at the Buckeye Show in Ohio on June 28, 2012, with a European judge as part of the judging team. Emily Gibson seconded. Mitteer – yes, Yoder – yes, Spann – no, Kraus – yes, Leisure – yes, Hendershot – yes, Baker – yes, Jameson – yes, Gibson – yes. Motion passed.</p> <p>The classification committee also discussed how to make the I&C program completely self-sufficient and consistently priced across the United States to all of our members. To accomplish this, the committee proposes that a restricted fund be established by the AHR Board and fifty percent of any profit made on inspections in any year would be recorded in the restricted fund for future use by the committee to support the classification program. The remaining funds would be for the general use of the registry to meet operating requirements. Chuck Hendershot made a motion to accept the classification committees proposal to establish a restricted fund as outlined above. Dave Kraus seconded. Motion passed.</p>
<p>4. Disposition and Trainability Assessment Committee</p>	<p>Dean Baker – Chair Members: Bob Duvall, Steve Verhoff, Robert Eicher, Peg Brown and Lloyd Workman</p> <p>Disposition and trainability applications were included with the consignment packets for the spring sale...</p>
<p>5. Finance</p>	<p>Chuck Hendershot – Chair Members: Deborah Parker, Terry Schott, Robert Bade, Ruth Schwab (office consultant) and Sue Casseday (office consultant)</p> <p>Year to Date 2012 Financials</p> <p>Our financial performance through the end of February is very troublesome as we are significantly below budget, reporting a loss of \$10,300 against a budgeted loss of \$2,900. The primary driver behind the shortfall of \$7,400 is below-budget revenues in several key areas.</p> <p><u>Revenue</u></p> <p>Revenues are only 70% of the amounts expected through the end of February, creating a shortfall of \$8,700. The primary drivers of this shortfall are summarized below:</p> <p>DNA Testing Income - \$1,370 below budget. This is the first year we have budgeted this category, and therefore, the exact timing of this revenue line item is difficult to project. I would expect to close the gap in this shortfall over the course of the year, although with registrations currently running below expectations, the gap may not fully close by year-end.</p>

	<p>Magazine Income - \$3,800 below budget. This shortfall is very concerning and needs to be addressed. This shortfall to the budget is based on the actual performance of the magazine over the last several years and is a true shortfall from prior year's operations. If we do not close this gap, the shortfall will translate directly to additional losses for the organization at year-end. The Magazine Committee needs to develop a plan to correct this shortfall over the next ten months.</p> <p>Membership Income - \$3,800 below budget. While we are currently running slightly ahead of last year's paid memberships (705 vs. 697), we are less than 70% of the expected run rate for our membership income. The office staff indicates that we usually receive another surge in memberships after the next magazine mailing when people realize that they did not receive their magazine because they did not renew their membership. However, because we are dependent on membership revenues, we need to have the membership committee begin to take proactive actions to follow-up with members that have not renewed for 2012. We cannot continue to have our membership rolls decline and maintain our operations, let alone try to improve our programs for members.</p> <p>Registration Income - \$700 below budget. This line item is currently less than 50% of the amount we expected year-to-date. While it could be a timing difference, the shortfall bears watching as it impacts DNA testing, transfers and memberships...</p> <p><u>Expenses</u></p> <p>Operating expenses are in-line with the budget through February 2012 with some small timing differences. Payroll is approximately 12% below budget as one of the office staff continues to work a four-day week. The benefit of this reduction in labor will decrease when we get to the summer months when we had both staff members working four-day weeks in 2011. We need to look closely at the expense line-items going forward to reduce expenses if our revenues continue to lag behind our budget.</p>
<p>6. Futurity – SIP</p>	<p>Paul Sutton – Chair Members: Mahlon Miller, Bill Jameson and Ruth Schwab (office consultant)</p> <p>Nothing new to report.</p>
<p>7. Judges</p>	<p>Chuck Hendershot – Chair Members: Bill Hendershot, Jacque Woodward, Lisa Schott, Bill Jameson, Karen LaBell, and Ray Miller</p> <p>Nothing new to report.</p>
<p>8. Membership</p>	<p>Dean Baker – Chair Member: Mike Williams, Emily Gibson and John Welk.</p> <p>The committee is discussing the feasibility of a modified family membership...</p>
<p>9. National Show</p>	<p>Lou Sutton – Chair Members: Bill Jameson, Steve Verhoff, Carolyn Sutton, Tara Biedenbach, Rachael Cooper and Ruth Schwab (office consultant and show manager)</p> <p>Nothing new to report.</p>
<p>10. Nominating</p>	<p>Paul Sutton – Chair Members: Betty Miller, Judy Winkler and Kim Spann</p> <p>Nothing new to report.</p>
<p>11. Pedigree</p>	<p>Brian Mitteer – Chair Members: Dave Kraus, Kim Spann and James Weaver</p> <p>The board reviewed materials sent out regarding the questionable transfer of a horse, and decided a letter of reprimand will be sent.</p>
<p>12. Personnel/Office</p>	<p>Brian Mitteer – Chair</p>

	<p>Members: Gary Leisure, Chuck Hendershot and Carolyn Sutton</p> <p>Nothing new to report.</p>
13. Points/Awards	<p>Dana Mitteer – Chair</p> <p>Members: Rachael Cooper, Steve Verhoff and Brian Mitteer</p> <p>The committee will be asked to make a recommendation to the fees ad-hoc committee for a possible enrollment fee increase.</p>
14. Promotions/ Advertising/Regional Support	<p>Dave Kraus – Chair</p> <p>Members: Mike Williams, Mariana Abbott and Brian Vannarsdall</p> <p>AHR sponsored a class for a show in California and placed a business card sized ad...</p>
15. Publications	<p>Gary Leisure – Chair</p> <p>Members: Emily Gibson, Paul Sutton, Kim Spann, and Ruth Schwab (office consultant)</p> <p>Working on next issue.</p>
16. Sales	<p>Dave Wilson – Chair</p> <p>Members: Phil Greenisen and Andrew Yoder</p> <p>Nothing new to report.</p>
17. Video Committee	<p>Gary Leisure – Chair</p> <p>Members: Paul Sutton and Emily Gibson</p> <p>No report received.</p>
18. Website	<p>Emily Gibson – Chair</p> <p>Members: Gary Leisure and Ruth Schwab (office consultant)</p> <p>Home page – 3,565, Farms – 844, Classified – 1,170, Pedigree search – 531, Sale page – 521, Breed Standards – 517, Totals hits: 15,894</p>
19. World Federation	<p>Chuck Hendershot – Chair</p> <p>Members: Jennifer Rousseau and Kim Spann</p> <p>The WHF Committee (Board) which consists of the president and four vice-presidents of the organization met the week of February 20, 2012, in Austria. The primary focus of the meeting was to plan the General Assembly meeting and international judges training programs. The meeting and judges training clinics are scheduled for June 7-10th in the Czech Republic. The committee will be working to make sure we have representation at the meeting.</p> <p>Jennifer Rousseau will be attending the international judges training in the Czech Republic.</p>
I. V. New Business	<p>Approved office ordering brochures.</p>
	<p>Moved by Dave Kraus seconded by Chuck Hendershot and approved that the meeting be adjourned at 10:00 p.m. The next meeting date is Wednesday, April 4, 2012.</p>