

AHR Board of Director's Meeting – October 2012

TOPICS	DISCUSSION
	The October 3, 2012, meeting was called to order by president, Brian Mitteer, at 8:07 p.m. (EST). Attending were: Dave Kraus, Gary Leisure, Chuck Hendershot, Dean Baker, Bill Jameson, Kim Spann and Ruth Schwab (office consultant).
I. Old Business	
II. Office Update – Ruth Schwab	For the month of September 2012 we completed 34 foal registrations and 58 transfers. There are 187 stallions renewed so far for 2012. We currently have 1,025 members and 94 magazine subscribers.
III. Committee Reports	
1. AHR Youth	<p>Rachel Cooper and Dave Wilson - Co-Chairs Members: Carolyn Sutton, Aileen Ayers and Sue Casseday (office consultant)</p> <p>The youth committee received very positive feedback from the prize bags that we gave out at the national show. We received many compliments and thank you's for putting together the bags and the fun stuff inside. In addition, we are working on a fall edition of the youth newsletter</p>
2. By-Laws	<p>Bill Jameson – Chair Members: Willie Lehman and Christopher Miller</p> <p>Bylaw proposal ballot for reducing the number of regions from six to four and the number of directors from 12 to 9 has been mailed to the membership with a return date no later than October 17, 2012.</p>
3. Classification	<p>Bill Hendershot Members: John Dunkel, Jennifer Rousseau, Kim Spann, Robert Eicher and Chuck Hendershot</p> <p>Nothing new to report.</p>
4. Disposition and Trainability Assessment Committee	<p>Dean Baker – Chair Members: Bob Duvall, Steve Verhoff, Robert Eicher, Peg Brown and Lloyd Workman</p> <p>Nothing new to report.</p>
5. Finance	<p>Chuck Hendershot – Chair Members: Deborah Parker, Terry Schott, Robert Bade, Ruth Schwab (office consultant) and Sue Casseday (office consultant)</p> <p style="text-align: center;">Revenue</p> <p>The American Haflinger Registry finished the first eight months of 2012 with revenue of \$146,059. The revenue exceeds the budget of \$141,340 by \$4,719 and the amount reported for the same period of 2011, adjusted for changes in accounting practices of \$128,311 by \$17,748.</p> <p><u>Comparison to Budget</u></p> <p>The primary driver for the revenue exceeding budget for the period is the spring sale and tack auction. This program generated revenue in excess of budget of \$5,278. Additional positive variances to budgeted revenue were reported for the period in Registration income, Stallion License income, Transfer income and DNA Testing income. These positive variances were offset by negative variances in Membership Dues income, Magazine income and the sale of promotional items. While the overall variance is positive for the first eight months of the year, the organization will need strong performances from program activities like the Fall sale and the National Show and continued strong operating revenue from the line items that have exceeded budget to-date and a recovery in the membership and</p>

magazine accounts to finish the year on budget for revenues.

Comparison to Prior Year

The primary driver for revenue exceeding the revenue reported for 2011 is the strong performance of the Classification program and the spring sale and tack auction. The Classification program generated \$1,085 more revenue in 2012 than 2011. The spring sale and Tack auction generated \$4,955 more revenue than last year. Additionally, AHR had stronger performances from its core revenue sources like transfers, registrations, stallion licenses and DNA testing. Combined revenues for these key functions exceeded 2011 by \$12,000. These gains in revenue were partially offset by shortfalls in magazine and membership revenues.

Expenses

Expenses for the first eight months of 2012 were \$159,352. This amount is basically on budget for the period with budget expenses for the eight months equal to \$159,940. However, the 2012 expenses exceeded 2011 expenses for the year by \$38,456.

Comparison to Budget

Although the overall result was total expenses in-line with budgeted expenses for the period there were a number of positive and negative variances that offset each other for the period. The most significant negative variances included an increase in employee health insurance \$1,100. This variance will continue to widen throughout the remainder of the year and can be expected to increase in the area of 15-20% again in 2013. Printing and Reproduction exceeded budget by \$2,394 for the reproduction and printing of our promotional and informational brochures, which was not budget for 2012. This variance should not increase over the next four months. There are several timing variances, both positive and negative, expected to move toward the budgeted amounts by year-end. Other variances in program accounts such the spring sale and auction exceed budget, but reflect the increase in the program that is also reflected in higher revenue. However, two positive variances should remain for the remainder of the year. The first a \$4,516 benefit from a review of AHR's sales tax liability, showed an over accrual in prior periods, this amount was reversed in 2012. The positive variance will remain for the remainder of the year. The second a \$4,505 positive variance in payroll costs for the year. This variance reflects the reduction of hours worked by the office staff to assist the organization in containing operating costs. This variance should continue to grow in the last third of the year.

Comparison to Prior Year

The primary driver in the \$38,456 increase in expenses over the prior year several timing differences in the recognition and payment of expenses in 2012. These timing differences include computer maintenance expenses, DNA blood typing expense, Election and Voting expense, AHR insurance expense, Office facility expense and National Show expenses. The costs are expected to return to prior year amounts by year-end. Negative variances that are expected to continue through the end of the year include \$6,676 in payroll wages, \$4,330 magazine costs, \$1,487 employee health insurance and \$2,394 printing and reproduction expenses. Positive variances in sales tax and contract employee expense should remain for the remainder of the year.

Overall the organization posted a loss for the first eight months of \$14,325. This represents an additional loss over 2011 of \$19,930, primarily driven by the increase in expenses summarized above which more than offset the increase in revenues. As far as comparing the results to budget the loss is \$6,078 less than budgeted for the first eight months primarily due to the higher than anticipated revenues summarized above. However, for our organization to achieve the budget loss for the year of \$8,900, we will have to have strong performances from our core revenue sources and from our fall programs – the National Show and Fall Sale. Additionally, our magazine will have to stem its losses and perform at breakeven for the remainder of 2012.

<p>6. Futurity – SIP</p>	<p>Paul Sutton – Chair Members: Mahlon Miller, Bill Jameson and Ruth Schwab (office consultant)</p> <p>Show book is being finalized. 80 Haflingers are entered in the futurity</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>The judges committee and the Classification committee having nothing new to report.</p>
<p>8. Membership</p>	<p>Dean Baker – Chair Member: Mike Williams, Emily Gibson and John Welk.</p> <p>Nothing new to report.</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>The 2012 National Show was once again very successful. There was good participation, and I believe that all of the exhibitors had a good experience. The final numbers are still not tallied, but I've been told that the show was once again financially successful. The bad news is that the facility has opted to place a much larger show on our weekend. We are forced to take dates three weeks later in September. The show is currently slated for Sept 26 thru 28, 2013. There is a growing desire to move the show to Friday thru Sunday, rather than Thursday thru Saturday. I believe that change can still be made for 2013, if the Board feels that it is appropriate. I would like this issue to be a point of discussion at the Members' Meeting, and a decision reached shortly thereafter. Other options with facilities will continue to be explored, but it is unlikely to find anything more suited to our needs.</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>Nothing new to report.</p>
<p>12. Personnel/Office</p>	<p>Brian Mitteer – Chair Members: Gary Leisure, Chuck Hendershot and Carolyn Sutton</p> <p>The committee thanks Ruth and Sue for all of their hard work this fall for organizing and handling a great National Show and getting the catalog together for the Fall Sale.</p>
<p>13. Points/Awards</p>	<p>Dana Mitteer– Chair Members: Rachael Cooper, Steve Verhoff and Brian Mitteer</p> <p>The committee is putting a proposal together regarding hunter paces for the Board to review at the annual Board meeting.</p>
<p>14. Promotions/ Advertising/Regional Support</p>	<p>Dave Kraus – Chair Members: Mike Williams, Mariana Abbott and Brian Vannarsdall</p> <p>No advertising to report for this month.</p>

<p>15. Publications</p>	<p>Gary Leisure – Chair Members: Emily Gibson, Paul Sutton, Kim Spann, and Ruth Schwab (office consultant)</p> <p>Oct/Nov issue is at the printers.</p>
<p>16. Sales</p>	<p>Dave Wilson – Chair Members: Phil Greenisen and Andrew Yoder</p> <p>Nothing new to report.</p>
<p>17. Video Committee</p>	<p>Gary Leisure – Chair Members: Paul Sutton and Emily Gibson</p> <p>Nothing new to report.</p>
<p>18. Website</p>	<p>Emily Gibson – Chair Members: Gary Leisure and Ruth Schwab (office consultant)</p> <p>For the month of September – Home page 2904, Classified Ads 934, Sale page 806, Sale page hits for the first 3 days of October was 346.</p>
<p>19. World Federation</p>	<p>Chuck Hendershot – Chair Members: Jennifer Rousseau and Kim Spann</p> <p>An organizational meeting was held in Ebbs, Austria on Friday, September 28, 2012. However, after much discussion the formal establishment of the new world Haflinger organization was postponed to allow for more discussion and input from the member countries in the organization's governing statues. As a result of the meeting, a Technical Committee was formed to address the open issues with the organization bylaws. The Technical Committee will include representatives from the following organizations:</p> <p style="padding-left: 40px;">Austria, North Tirol – Austria, Italy, South Tirol – Italy, France, Germany, Slovenia, United States</p> <p>The Committee will meet over the next few months to address five major issues and any other questions concerning the bylaws of the new organization. The meetings will be conducted in Europe and by Skype to facilitate the participation of all representatives. The meetings will be held on October 19th, November 16th and December 13th. The objective of the committee is to resolve all open issues and have the organizational statues approved for an general meeting of the new World Haflinger Association in Ebbs, Austria on February 1st, 2013.</p>
<p>I. V. New Business</p>	
	<p>Moved by Dave Kraus seconded by Chuck Hendershot and approved that the meeting be adjourned at 8:51 p.m. The next meeting date is Wednesday, November 7, 2012.</p>