

AHR Board of Director's Meeting May 2013

TOPICS	DISCUSSION
	The May 8th, 2013, meeting was called to order by president, Brian Mitteer, at 8:06 p.m. (EST). Attending were: Andrew Yoder, Dave Kraus, Gary Leisure, Chuck Hendershot, Paul Sutton, Bill Jameson, and Ruth Schwab (office consultant).
I. Old Business	
II. Office Update – Ruth Schwab	For the month of April 2013 we completed 18 foal registrations and 81 transfers. There are 163 stallions renewed for 2013. We currently have 792 members for 2013 and 82 magazine subscribers. During April our Website homepage was viewed 3,404 times with 976 to the classified page, 616 to the Member Farms page and 838 to the AHR Sale page.
III. Committee Reports	
1. AHR Youth	Rachel Cooper and Dave Wilson - Co-Chairs Members: Carolyn Sutton, Aileen Ayers and Sue Casseday (office consultant) 32 Youth members so far for 2013. Spring newsletter mailed this week.
2. By-Laws	Bill Jameson – Chair Members: Willie Lehman and Christopher Miller Nothing new to report.
3. Classification	Bill Hendershot – Chair Members: John Dunkel, Jennifer Rousseau, Kim Spann, Robert Eicher and Chuck Hendershot Plans continue for a 2013 classification and inspection on Saturday, September 7 th at the AHR National Show. As of the end of April we have 6 horses committed and paid and between 6-8 additional horses whose owners have expressed an interest in the program. The inspection will be advertised in this issue of the Haflinger Horse and all committee members are working to identify and recruit additional participants. If anyone is interested or knows someone interested in participating in the inspection they should contact the Classification Committee Chair at 607-504-5076 or bill@hendershoothaflinger.com . The selection of judges for the inspection is in process. We expect to have the judges committed by the next meeting. This inspection is being made possible by the generosity of our classification judges who are volunteering their time and services, allowing us to commit to the inspection with less than the usual number of horses.
4. Finance	Chuck Hendershot – Chair Members: Deborah Parker, Terry Schott, Robert Bade, Ruth Schwab (office consultant) and Sue Casseday (office Consultant) Overall we continue to outperform both our budget and the prior year for the first four months of 2013. In comparing the results to our budget for the year, our loss of \$9,810 is 55% below are expectations and 52% below the loss of \$20,577 experienced in 2012. However, as discussed below some of the improved performance could easily be timing of revenue inflows and expense outflows that if they reverse will wipe out our gains. We need to keep the full year in focus and manage as if the revenues and expenses will return to normal levels over the course of the full year. <u>April 2013 Financials</u> Registry Operations and Membership Services reported a loss of \$13,380 for the thru April compares to budgeted and prior year losses of \$24,503 and \$23,082,

respectively. The positive performance in comparison to budget was driven by increased revenues from registration fees, stallion license activity and DNA Testing, of approximately \$4,600 which was partially offset by the \$1,961 decline in Membership dues for the period. The revenue in comparison to the prior year was down \$1,140 as lower DNA Testing revenue and \$2,600 less in Membership dues overshadowed the revenue gained from Stallion licenses and Registrations during the period. Part of the concern with our financial position so far is that our outperformance in registrations, transfers, stallion licenses and DNA Testing revenues could easily be timing differences melting in the July sun or freezing in the December cold like they did last year, taking our financial performance right over the cliff. However, on the negative side our 20% decline in membership dues is real and the chance of recovering any of that shortfall decreases everyday. Stemming this loss of membership revenues is crucial to the continued viability of this organization.

Expense management is the primary reason that AHR Registry Operations are outperforming the budget and the prior year results through April 2013. During the first four months expenditures were \$8,161 and \$10,842 below budget and the prior year respectively. Again, the savings in employee expenses \$4,800 from budget and \$3,500 from the prior year were the major contributors to the cost savings. These savings are for the most part permanent. The exception is that health insurance costs could increase and reduce at least part of the \$1,415 savings from budget and \$1,015 savings from the prior year before year-end. The \$3,400 savings in printing and postage from the prior year should be a permanent year over year savings. The \$810 savings in comparison to budget from the World Haflinger dues through April will reverse in May, when we pay our 2013 dues. The computer maintenance savings represents the difference from a computer failure that had to be repaired in 2012. Fortunately, we have experienced no issues this year and if our luck holds out, this savings will last through year-end. Approximately \$1,300 of the savings are in advertising and breed promotion. Both of these expenses are controllable by decisions of the committees and Board; however, we can not fully eliminate these expenditures without damaging the breed standing and appearing to be very weak in the marketplace which will negatively impact our breeder members. The higher than anticipated costs for DNA Testing does not impact our overall results, since it also reflects an increase in revenue that more than offsets the increase in costs. The remaining variances are small individually, but add up to improved financial performance. With the continued stewardship of our staff and the Board many of these savings can be retained for the remainder of the year. Overall, we can be cautiously optimistic in this area with our performance to-date, but remember we have a lot of work to do to get back to a financially healthy organization.

AHR Programs are only slightly underway for the year; therefore the impact of the programs is limited to-date on our financial performance. The magazine is the only program in full swing for the year. After four months, the magazine net profits are in line well ahead of budget and 2012 performance for the same period. The primary driver behind the performance is the reduction in printing and mailing costs reported through April. However, tight management of the number of magazines printed and distributed is contributing to cost reductions and should add to profit over the year. However, these savings are nearly offset by the reduced allocation from membership dues, as our membership roles continue to decline and a large shortfall in advertising revenue. We need to work in expanding our advertising revenues. Currently, advertising is running below last year and the budget for 2013. In fact, the advertising revenue shortfall is greater than the loss of revenue from the 20% decline in memberships. Increasing these revenues to at least the 2012 level would increase our overall financial performance and recapturing advertising revenue to the 2012 level by year-end should be a goal for the Magazine committee.

5. Futurity – SIP

Paul Sutton – Chair
 Members: Mahlon Miller, Bill Jameson and Ruth Schwab (office consultant)

	Futurity deadline in August 1 st .
6. Judges	<p>Chuck Hendershot – Chair Members: Bill Hendershot, Jacque Woodward, Lisa Schott, Bill Jameson, Karen LaBell, and Ray Miller</p> <p>Judge's Corner The second article for the <i>Haflinger Horse</i> has been completed and will be in the next issue. This article is on Western Pleasure riding. The Committee Chair would like to send a special thank you to Lisa Schott and Jacque Woodward for their work on this article.</p> <p>Classification and Inspection The Committee continues to work with the Classification Committee to arrange the judges for the 2013 Inspection in September.</p> <p>International Judges The Committee is beginning initial coordination with the World Haflinger Committee with respect to international judge requirements and training. As these new regulations and procedures are developed we will be modifying our processes to support the development of judges familiar with the international requirements.</p> <p>USEF Affiliation The USEF Affiliate members' coordinator contacted me to let me know that progress was continuing on developing the new application process and procedures for new members. I informed her that AHR was still very interested in becoming an Affiliated member and we awaited their direction on the next steps.</p>
7. National Show	<p>Lou Sutton – Chair Members: Bill Jameson, Steve Verhoff, Carolyn Sutton, Rachael Cooper and Ruth Schwab (office consultant and show manager)</p> <p>Working on possible revisions to show rules, starting the process of obtaining sponsors. Draft show halter & hitch judges have been hired by the Indiana State Fair. The Indiana State Fair ad has been placed in June / July issue of Haflinger Horse.</p>
8. Nominating	<p>Paul Sutton – Chair Members: Betty Miller, Judy Winkler and Kim Spann</p> <p>Nothing new to report.</p>
9. Pedigree	<p>Brian Mitteer – Chair Members: Dave Kraus, Kim Spann and James Weaver</p> <p>Nothing new to report.</p>
10. Personnel/Office	<p>Brian Mitteer – Chair Members: Gary Leisure, Chuck Hendershot and Carolyn Sutton</p> <p>Nothing new to report.</p>
11. Points/Awards	<p>Dana Mitteer– Chair Members: Rachael Cooper, Steve Verhoff and Brian Mitteer</p> <p>Committee continues to look at tying points to the horse without increasing costs.</p>
12. Promotions/ Advertising/Regional Support	<p>Dave Kraus – Chair Members: Mike Williams, Mariana Abbott and Brian Vannarsdall</p> <p>Nothing new to report.</p>
13. Publications	<p>Gary Leisure – Chair Members: Emily Gibson, Paul Sutton, Kim Spann, and Ruth Schwab (office consultant)</p>

	June/July issue is in process.
14. Sales	<p>Dave Wilson – Chair Members: Phil Greenisen and Andrew Yoder</p> <p>65 horses consigned with 5 uncataloged added. 22 geldings, 4 stallions and 44 mares. Sale catalog along with uncataloged addendum posted to the AHR website. Sale catalog mailed from printer May 7th. Ads for the sale have been placed in the Horseman’s Corral, Farm & Dairy, The Bargain Hunter and possibly the Budget Newspaper.</p>
15. World Federation	<p>Chuck Hendershot – Chair Members: Jennifer Rousseau and Kim Spann</p> <p>The HWBSF held its first meetings, since the inception meeting, at the end of April. The meetings consisted of a Judges meeting combined with an inspection and the first executive board meeting. Both meetings were primarily organizational as the HWBSF starts on its journey.</p> <p><u>The Executive Board Meeting</u> The Executive Board meeting focused on members getting to know each other, organizational issues and planning for the remainder of the year. Two major discussions at the meeting centered on the development of plans by member organizations to comply with the 1.56% Arab blood requirement. While the HWBSF is not going to dictate the method or time frame of compliance, they are going to ask member organizations to develop a plan and to undertake the steps necessary to bring all member registries in compliance with this requirement over time. We can expect that this will be a topic on the agenda for the General Assembly meeting in September 2013.</p> <p>The second topic related to judges and the international qualifications. The organization is going to work on developing new application, training and certification procedures for the international judges program. Our representative, Jennifer Rousseau, emphasized the need to consider the difference in initial and on-going training between the judges on the European continent and judges from the United States, Canada and Australia when the group develops the requirements. This difference in travel time and costs were acknowledged and a commitment was received to consider alternatives for judges from these countries.</p> <p>The next scheduled meeting will be a General Assembly meeting the end of September in Austria. This meeting will most likely be held in conjunction with the Filly Sale in Ebbs the last weekend of September. AHR will have a delegation in attendance at this meeting.</p>
I. V. New Business	
	Moved by Dave Kraus seconded by Andrew Yoder and approved that the meeting be adjourned at 9:05 p.m. The next meeting date is Wednesday June 12th, 2013.