

AHR Board of Director's Meeting September 2014

TOPICS	DISCUSSION
	The September 2014 meeting was called to order by Brian Mitteer at 6:04 p.m. (EST). Attending were: Melanie Cornman, Dave Kraus, Chuck Hendershot, Susan Haszelbart, Ian Wengerd, Andrew Yoder, Paul Sutton and Ruth Schwab.
I. Old Business	
II. Office Update – Ruth Schwab	For the month of August 2014, 26 foal registrations and 55 transfers were completed. There are 148 stallions renewed so far for 2014. We currently have 847 members and 37 Youth members. There are 60 magazine subscribers. During August our Website had 2700 visitors.
III. Committee Reports	
1. AHR Youth	Lisa Matheny – Chair, Dave Wilson – co-Chair; Members: Lisa Schott, Sherry Bradshaw, Ian Wengerd. Summer newsletter in office ready to print and mail.
2. By-Laws	Paul Sutton – Chair Members: Ian Wengerd, Brian Mitteer, Andrew Yoder. No Report Received
3. Classification	Bill Hendershot – Chair; Members: Chuck Hendershot, Jennifer Rousseau, Robert Eicher, Ray Miller. In effort to accommodate as many people wishing to classify Haflingers a second location was created late in the schedule, both locations had a very successful Inspection and Classification. The first location was held at Tudor Oaks Farm in Barrington Hills, Illinois on July 7, 2014. Judges were alternated between, Lukas Schreiber, Ray Miller, Jennifer Rousseau and John Dunkel. There were 7 horses classified, 3 mares and 4 stallions. Two stallions received scores sufficient to receive recognition as Gold stallions. The second location was held at New York Gold Classic in Horseheads, New York on July 10, 2014. Judges for this location included Lukas Schreiber, Ray Miller and Dave Ayers. Additionally, two individuals completed the judging requirement to receive their Senior C judges card functioning exceptionally well judging along with Senior C judges. A third individual scribed for the entire classification for experience in attaining an AHR judges certification. Ten horses were classified at the event, 6 mares and 4 stallions. One mare earned a score of 81 and received the Gold classification. Other scores for the inspection included two 80 point scores, a 79, a 78, two 75s, two 74s and one 73. Overall Lukas was very impressed with the quality of the horses and the exhibitors presented at both inspection sites and was very complimentary of the American Haflingers Finances for the classification are incomplete at this time as several bills are pending. We expect to have the finances completed for the Annual meeting in October. Submitted by Bill Hendershot Sept.10,2014
4. Finance	Chuck Hendershot – Chair Members: Board of Directors (Office Consultant Ruth Schwab)

Overall the financial performance of the Registry in 2014 is significantly ahead of both 2013 and our performance budget for 2014. Although since the May report we have slipped into a loss position for the first eight months, our loss of \$6,975 is less than 2013's loss for the same period of \$17,604 and our budgeted loss for the first eight months of \$9,081. So what caused our results to reverse over the last three months? Primarily the decline in revenues, as the timing of the spring sale reversed on a comparative basis and several of our other revenue sources slowed dramatically. The following table summarizes the revenue shortfalls

compared to the prior year and to budget as of August 31st, 2014

Revenue Source	(Shortfall)/Surplus vs. Prior Year	(Shortfall)/Surplus vs. Budget
AHR Youth	\$(1,461)	\$255
DNA Testing	\$(1,840)	\$502
Fun Auction	\$(1,023)	\$(1,111)
Magazine	\$(3,638)	\$(4,503)
Office Processing Fee	\$(1,223)	\$(483)
Stallion License Fees	\$(2,640)	\$(2,110)

In addition to the shortfalls included in the table above, revenues for the Classification programs and National Show are below the prior year, primarily due to timing differences and recognition of revenue with the associated expenses. The good news is during the last three months our expense savings have continued to accrue to our benefit, as overall expenses are \$24,440 less than the first eight months of 2013 and \$12,979 below are budgeted expenses for the period. We expect the savings on the expense line to continue and with a little improvement in any of the revenue lines, we could see a very good year.

MEMBERSHIP SERVICES

Membership services continue to operate with at a loss for 2014. Revenues for the first eight months are on budget and only 10 percent below the prior year. However, with the savings in staff and facility costs of approximately \$24,000 has decreased the loss from \$33,890 in 2013, to \$16,700 through the first eight months of 2014. Membership services loss for the first eight months considering the flat revenue and the savings in facility and staff costs has the loss paired from what was expected in the budget. Membership service is turning in its best financial performance in years , while still maintaining high level member services. Thank you to Ruth Schwab for her hard work and dedication.

PROGRAMS

We still have several programs that are in progress or pending the completion of their financial reporting. Next month we should have a better idea on how the Classification program performed financially for 2014, as well as the National Show, both achieving or exceeding the financial objectives for the year are critical to achieving a profitable year.

National Show

The National Show reported a negative expense \$2,000, as we discovered that the accrual of the payout for the Draft Nationals was not reversed when the payments were made. The result was a double counting of the expense in 2013. Therefore, we are expecting the National Show to return a profit for 2014 of the \$2,000. If this is achieved then the program will operate 2014 at breakeven. Basically, we should have reported better results in 2013.

Magazine

The magazine results for the first eight months are well below 2013 and budget. While expenses are ahead of 2013 by approximately \$2,600, they are in line with our budget expectations. However, revenue is \$4,503 below budget and \$3,638 under 2013. The bottom line is through the first eight months the contribution expected from the magazine is \$4,575 below budget and \$6,194 below the same period last year. The allocation from membership dues is in line with both last year and exceeds the budgeted amount for 2014, advertising revenues are down 25% from last year and 33% below budget. We need to discuss how to begin addressing this issue, with a focus on how to make significant gains in 2015 in restoring advertising base.

AHR Store

The AHR Store contributed \$1,000 to operations in the first eight months. We had not anticipated any contribution from this program as we ran-off our inventory until we could afford to restock and revitalize our product line. This contribution exceeds the amount contributed for the first eight months of 2013 by \$400. Thanks to everyone who purchased something from the store and to the staff who continued to push our limited remaining inventory.

Fun Auction

The Fun Auction reported is lowest results in over 5 years with income of \$1,900. Our normal income from this event is \$3,000 and the shortfall of \$1,100 will be hard to make up.

Spring Sale and Tack Auction

The net income from the Spring Sale and Tack Auction was inline with the budget for 2014. Last year, we did not complete the accounting for the sales until June, so the results were not reported in May. However, looking at last year's results, the sale is projected to generate approximately \$700 over the 2013 sale when all the dust settles in June. We do have a number of risk issues, returned checks and uncollected purchase payments that need to be resolved of the results will be negatively impacted. The Sale Committee and Office staff are working all issues and there is currently no reason to expect any right-offs associated with these

outstanding items.

Overall the actions taken at the beginning of the year are producing the expected results and improving our financial results. We still have a long way to go to finish 2014, but there is reason to be positive and expect results ahead of 2013.

5. Futurity – SIP	<p>Robert Eicher – Chair; Members: Paul Sutton, Mahlon Miller, Doug Sutherland, Steve Webel</p> <p>The Futurity entries are in. Totals to date are 7 three year olds, 18 two year olds, 21 yearlings and 38 weanlings. We have hired a photographer to do the futurity, Quickshots. They are also willing to do the sale if desired. We are working with Andrew Yoder to coordinate the Futurity horses that will be eligible for the sale. We recommend that the promotions for the sale highlight this in their sale advertising. HOPE and OHA will again be providing additional payouts for the weanling classes. The committee wants to thank them for their continuing support! We are looking forward to an exciting futurity, the growing number of older horses staying in the futurity is especially rewarding. This was one of the committee's goals. Respectfully submitted, <i>Robert Eicher</i>.</p>
6. Judges	<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>
7. National Show	<p>Lou Sutton – Chair; Members: Bill Jameson, Steve Verhoff, Carolyn Sutton, Rachael Cooper, and Brian Mitteer.</p> <p>Financial results are pending although good sponsor support thanks to the efforts of Carolyn Sutton should help greatly. There was good attendance and participation. Most comments were positive although some attention to leveling the arena floor would have been appreciated by the exhibitors. Dates have been penciled in at the Franklin County Fairgrounds for September 10-13, 2015 although the 2015 show committee may investigate alternate locations.</p>
8. Nominating	<p>Paul Sutton – Chair; Members: Betty Miller, Judy Winkler.</p> <p>Nothing new to report</p>
9. Pedigree	<p>Ian Wengerd – Chair Members: Doug Hoskins, Theo Hug, Emily Gibson.</p> <p>Nothing new to report</p>
10. Personnel/Office	<p>Brian Mitteer – Chair Members: Board of Directors</p> <p>No Report Received</p>
11. Points/Awards	<p>Chelsea Nau – Chair Members: Brian Mitteer, Kathy O'Brien, Alicia Lucarelli.</p> <p>No Report Received</p>
12. Promotions/ Advertising/Regional Support	<p>Dave Kraus – Chair; Members: Mike Williams and Brian Vannarsdall.</p> <p>Ads taken out in Amish Business Director at \$295, the September issue of Horse Illustrated featuring the Haflinger breed at \$895, and the annual edition of Your New Horse for \$560. Out of breed promotion we spent \$30 for the Champion Haflinger trophy at the Wayne County Fair. This gives us an annual expenditure in advertising of \$1875 which is \$125 over budget. We have spent \$426 of the \$1000 budget for breed promotion.</p>
13. Publications	<p>Susie Haszelbart – Chair; Members Jacque Woodward, Melanie Cornman, Susan Van Horn.</p> <p>The October/November issue will be delayed. Sale catalog, Futurity program, and Stallion Parade Book have tighter deadlines and will be done first.</p>
14. Sales	<p>Dave Wilson – Chair Members: Phil Greenisen and Andrew Yoder.</p>

	Fifty horses are consigned. With the possible addition of 16 Futurity horses, the sale could include a total of 66. Lots 18-33 will be left blank for Futurity halter class winners.
15. World Federation	<p>Chuck Hendershot – Chair: Members: Jennifer Rousseau, and Donald Sommer. The Fall General meeting will be held in Ebbs, Austria on September 26th, at the Sattlerwirt hotel. The key topics on the agenda for the meeting include the expansion of geographic operations, plans for 2015 and 2016, the World Haflinger Show in June 2015 and the approval of any new member petitions. In addition to the regular general meeting, a secondary meeting will be held on Friday evening to present plans for the upcoming European and World Shows to be held in Ebbs, Austria next year. Chuck Hendershot, Jacque Woodward, Patty Montoya and Don Sommer are scheduled to attend the meeting to represent AHR.</p> <p>Other activities over the weekend include the annual filly sale on Saturday, September 27th and the Elite Mare Inspection on Monday, September 29th. Chuck will work at arranging some farm visits for those attending the 2015 World Show.</p>
I. V. New Business	None
	<p>Moved by Dave Kraus and seconded by Paul Sutton and approved that the meeting be adjourned at 8:55 p.m. The next meeting date is Wednesday, October 8th, 2014.</p> <p>Respectfully submitted by Susie Haszelbart, Clerk to the Board</p>