

AHR Board of Director's Meeting June 2013

TOPICS	DISCUSSION
	The June 12th, 2013, meeting was called to order by president, Brian Mitteer, at 8:06 p.m. (EST). Attending were: Andrew Yoder, Gary Leisure, Chuck Hendershot, Paul Sutton, Bill Jameson, and Ruth Schwab (office consultant). Dave Kraus absent with notice.
I. Old Business	
II. Office Update – Ruth Schwab	For the month of May 2013 we completed 4 foal registrations and 125 transfers. There are 172 stallions renewed for 2013. We currently have 817 members for 2013 and 77 magazine subscribers. During May our Website homepage was viewed 2957 times with 814 to the classified page, 610 to the Member Farms page and 940 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) The AHR Youth Program received a \$1772.89 donation from the Rocky Mountain Haflinger Association based in Colorado. The organization disbanded and the funds were donated to AHR with the specific request that the funds be used for "Youth Development". Thank you RMHA for the generous donation.
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 OLD BUSINESS: An Inspection/Classification has been set up in conjunction with the AHR National Show. With the schedule for Saturday afternoon details will have to be worked out as time allows, with intent to complete the measuring in forenoon and actual classification in the afternoon. NEW BUSINESS: As of June 10 we have received entries for 7 horses, 3 entries in mail and 4 additional confirmed. This is about all we can handle due time and schedule constraints. Judges are being arranged with some split assignments. All of the above being done with minimum expense. Maybe asking for some volunteer assistance on sight due to showing schedules of all involved. Submitted by: Bill Hendershot
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 \$9,169 is 55% below are expectations and 38% below the loss of \$14,930 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.

May 2013 Financials

Registry Operations and Membership Services reported a loss of \$18,297 for the thru May compares to budgeted and prior year losses of \$25,536 and \$23,280, respectively. Registry revenues are in-line with budget through the first five months of the year as increased revenues from registration fees, stallion license activity and DNA Testing, are substantially offset by the decline in Membership dues for the period. Revenues are down \$4,471 in comparison to last year primarily from the decline in membership dues. As I mentioned in last month's report, our positive revenue performance could be timing differences that could disappear as we moved through the year. Based on May's results it does not look like the correction waited for the July sun or the December cold as revenues from registrations, transfers and stallion licenses moved closer to last year's performance and some like transfers have fallen below revenues for the first five months of 2012 and the budgeted amount for 2013. If we experience further declines over the course of the year, our financial position and results could deteriorate quickly as Memberships continue to decline, running 20% and 25% below budget and the prior year, respectively. 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 May 2013. During the first five months expenditures were \$7,000 and \$9,454 below budget and the prior year respectively. Again, the savings in employee expenses \$3,100 from budget and \$2,000 from the prior year were the major contributors to the cost savings. These savings are for the most part permanent. The exception is health insurance costs will increase as we have been notified of the new insurance premiums which will increase 17% over 2012 beginning in July 2013. The higher premiums will add approximately \$200 per month. 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 May will reverse in June, 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. The magazine net profits are in line with budget and 2012 performance for the same period. In analyzing the May report it appears that the primary driver for the magazine's financial performance is the reduction of costs. However, there is a timing difference in the reporting of the May publication of the magazine. In the budget and 2012 the costs and corresponding revenue were reported in May; however, in 2013 this publication will not be recognized until June. When the costs and revenue are recorded for this issue out costs will be in line with budget and the prior year of approximately \$11,000. Membership revenue allocations will be down in-line with the reduction memberships. Advertising appears to be headed higher and in line with the budget for 2013. It appears that the proposed bundle advertising increased our revenue for 2013. We will monitor this new program for the remainder of the year.

	<p>The Fun Auction was completed in May and we basically achieved our budget of \$3,000. Thank you to all who provided items to the auction and to everyone who joined in the bidding fun.</p> <p>The Spring Sale reporting is not fully complete and will be fully discussed in the July Board report. However, initial projections are for a profit on the horse sale of \$2,500, in-line with budget. The Tack Sale is projected to generate \$1,300 in profit, substantially less than our budget profit of \$2,000. Again, these programs will be discussed and analyzed more thoroughly in the July Board report after all the expenses are recorded.</p>
5. Futurity – SIP	<p>Paul Sutton – Chair Members: Mahlon Miller, Bill Jameson and Ruth Schwab (office consultant)</p> <p>Currently looking for judges. The date will be October 11.</p>
6. Judges	<p>Chuck Hendershot – Chair Members: Bill Hendershot, Jacque Woodward, Lisa Schott, Bill Jameson, Karen LaBell, and Ray Miller</p> <p>Working on next article for the magazine, the topic will be jumping.</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>Everything is in process, working on obtaining sponsors.</p>
8. Nominating	<p>Paul Sutton – Chair Members: Betty Miller, Judy Winkler and Kim Spann</p> <p>Actively presuming candidates.</p>
9. Pedigree	<p>Brian Mitteer – Chair Members: Dave Kraus, Kim Spann and James Weaver</p> <p>Still considering ideas to allow pedigree to indicate parentage percent for World Federation.</p>
10. Personnel/Office	<p>Brian Mitteer – Chair Members: Gary Leisure, Chuck Hendershot and Carolyn Sutton</p> <p>New office space still being discussed. An update will be made during the call.</p>
11. Points/Awards	<p>Dana Mitteer– Chair Members: Rachael Cooper, Steve Verhoff and Brian Mitteer</p> <p>Nothing new to report.</p>
12. Promotions/ Advertising/Regional Support	<p>Dave Kraus – Chair Members: Mike Williams, Mariana Abbott and Brian Vannarsdall</p> <p>AHR placed an ad in the upcoming October issue of <i>Young Rider</i> in which there will be a feature on the Haflinger breed. An ad was also placed in the annual edition of <i>Your New Horse</i> which is distributed throughout the year. The total for the two ads was \$950.</p>
13. Publications	<p>Gary Leisure – Chair Members: Emily Gibson, Paul Sutton, Kim Spann, and Ruth Schwab (office consultant)</p> <p>The June/July is complete and in the mail.</p>

14. Sales	Dave Wilson – Chair Members: Phil Greenisen and Andrew Yoder Consignor checks are in process. The sale netted the AHR a profit of \$2,201.74. The tack sale profit was \$1326.75 and fun auction income was \$2912.
15. World Federation	Chuck Hendershot – Chair Members: Jennifer Rousseau and Kim Spann The General Assembly Meeting will be September 27.
I. V. New Business	A reminder that the Annual Membership meeting will be October 10, Futurity October 11 and the sale October 12.
	Moved by Bill Jameson seconded by Paul Sutton and approved that the meeting be adjourned at 8:42 p.m. The next meeting date is Wednesday July 10th, 2013.