

## Financial Notes:

**Note 1:** Membership Dues-the total membership for 2019 was 1758 which was one more member than 2018. We did see 61 members participate in the membership category Sport/Pleasure. Our membership income did exceed our forecasted budget for 2019. This is based on FHANA operating on a cash basis and many members paying their due in December for 2020.

**Note 2:** Registration-FHANA fell short of our budget by 11% in 2019. We did see 419 horses registered in 2019. This is a combination of 2019 foals and older horses that were not previously registered. We saw a total of 130 horses imported into North America which is a decrease of 32% from the previous year.

**Note 3:** Inspections-FHANA fell just short of our budget in 2019 by less than 1%. We did have 695 horses entered for the 2019 inspections. After scratches we had 543 participate. We decreased our budget by 6% for 2020. As an association we feel we have plateaued with our entries. We will again offer 3 circuits in 2020 and are looking at implementing a Canadian only circuit in 2021.

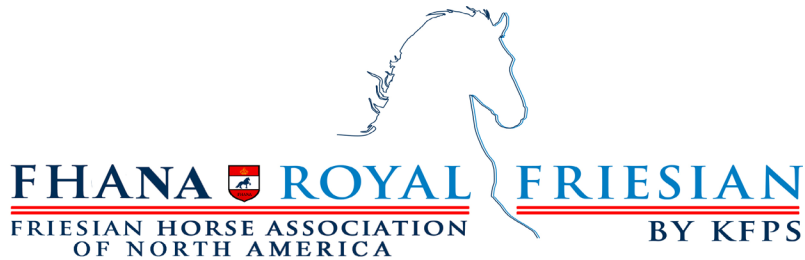
**Note 4:** Education Weeks-For the first time outside the Netherlands an Education Week level II course was held in North America in Springfield, OH. FHANA also conducted 2 Level I courses during the year. There are changes currently being discussed with the KFPS on how to better offer these classes. The KFPS has also implemented a new Book to be used for the future classes.

**Note 5:** ABFP & Program Fees-FHANA conducted one ABFP session and had a total of 15 horses (4-Bene 476, 5-Date 477, & 6-Julius 486). We originally budgeted for 20 horses to participate which led to us falling short of our budget in 2019. In 2020, we will conduct the testing with Tjaarda 483 with dates to be set soon. After Tjaarda is complete, FHANA doesn't currently have any new stallions to go through the program. Once this is done, we will temporarily eliminate the \$50 ABFP Fee that each foal owner pays when they register their foals until we need to pick up the program again.

**Note 6:** Mare Show East/West-FHANA conducted two Mare shows in 2019 (Ohio & California). We will continue to crown our top mares in the future at two locations. We have budgeted accordingly for these two shows in 2020.

**Note 7:** 35<sup>th</sup> Anniversary Celebration-The celebration received \$43,945.07 in US Dollars. FHANA did open a Canadian Account to help our members and sponsors in Canada and received \$39,880.00 in Canadian Funds. This allowed FHANA to pay Canadian Invoices in Canadian Dollars and not lose money in the conversion rates. After the event was complete and remaining funds transferred back to US Dollars, FHANA made \$2,485.84 on the event. The Canadian account was closed after the completion of the event.

**Note 8:** Interest-FHANA continues to see success with our William Blair investment. The current balance of the investment as of Dec. 31, 2019 is \$207,641.94 and increased 10% in 2019. We also continue to monitor one Certificate of Deposit which will be renewed in May 2020.



**Note 9:** Credit Card Fees-The membership continues to utilize their Credit Cards. We increased our budget by 15% to account for the continued increase in usage.

**Note 10:** Professional Services-FHANA continues to work through a litigation issue which is outlined in your program from Stoll, Keenon, Ogden, PLLC. FHANA also renewed our various trademarks in 2019. Our insurance company decided to reimburse FHANA for the legal fees associated with our pending issue that FHANA paid in 2018. We received this \$25,000.00 refund in 2019 which is why we have a negative for the line item of Professional Services.

**Note 11:** KFPS- The KFPS charges FHANA for each transaction that occurs. For example: FHANA pays the KFPS 39euro per membership. Many of the services that FHANA offers are pass through services with a fee attached to it to FHANA. 20% of our 2020 Budget goes directly to the KFPS. The KFPS continues to raise their fees 2% annually. FHANA sets our fees to withstand this increase long term v. annually.

**Note 12:** Strategic Planning-FHANA planned for and conducted a strategic planning session on Thursday Feb. 17. FHANA Budgeted for participation form the general membership with the understanding that the expenses from this event would come from the FHANA Savings Account. Please stay tuned for the results of this session.

**Note 13:** Depreciation- The following items are being depreciated in 2019

- \$233                                    2 Office Desks
- \$799                                    Computers
- \$483                                    Server
- \$4,066                                  Website Design
- \$814                                    FHANA Booth