

# NORTH AMERICAN LIMOUSIN FOUNDATION

The Executive and Finance committees of the NALF board have been reviewing the current business model of the North American Limousin Foundation since the Spring of 2019. Registrations, transfers and DNA testing are the primary income items for NALF. Registrations have declined this fiscal year by nearly 2,600 head compared to the previous fiscal year. This registration decline has also contributed to a reduction in DNA testing.

The Executive and Finance Committees also have been analyzing services required for membership in order to provide accurate and timely recording and transferring of cattle, EPD production, DNA test results and the management of events or activities that the membership has come to count on.

The NALF Board of Directors spent the bulk of its August meeting analyzing expense, revenue, fees, dues, services and structure for NALF that the NALF executive committee had been analyzing since April of 2019. This review was not only comprehensive internally, but it compared our operation and fee structure to other breed association current fee structure and services provided. The decline experienced in animal recording and DNA testing has had a significant negative impact on the income side of NALF financials in the 2018-2019 fiscal year. Expenses for the 2018-2019 fiscal year are well within budget.

With recent cuts in staffing, relocation to a smaller, less expensive office location and consolidation of the staff job duties, the NALF board and staff has been committed to controlling our expenses while maintaining services.

The NALF board voted to increase our current fee structure at the August board meeting effective October 1, 2019. These rates will enable us to maintain services and still balance our budget as mandated by the NALF strategic plan. The new rates are listed on the self-billing worksheet. The change in rates is very comparable to the rates charged by the American Simmental Association for both whole herd reporting (LIMS) and non-whole herd reporting.

While no one enjoys or wants to increase rates, the board knows the increase is important so we can continue to offer the full range and quality of service to NALF membership.

Given the new rate structure, members that are not already on the LIMS whole-herd reporting program should look to do so versus recording cattle under the Non-LIMS registrations fees. Small herds also can benefit from whole-herd reporting with higher EPD accuracy values and the inclusion of all performance data, while receiving the benefit of the lower per head rate.

The Foundation and its membership have gone through a tremendous amount of change in recent years. Some of the implemented changes include new EPD generation at International Genetic Solutions (IGS), a new registry system with the NALF-DigitalBeef platform, improved DNA testing services with conversion to SNP parentage and early prediction of an animals EPD set, particularly on young sires when genomic profilers are utilized by membership.

The NALF board and staff are committed to providing membership with quality service and breed promotion. Providing quality member services while maintaining the fiscal viability of NALF for future generations of breeders is paramount to the board and staff. We are here for you.

Sincerely,

Mark Anderson, Executive Director and NALF Board of Directors