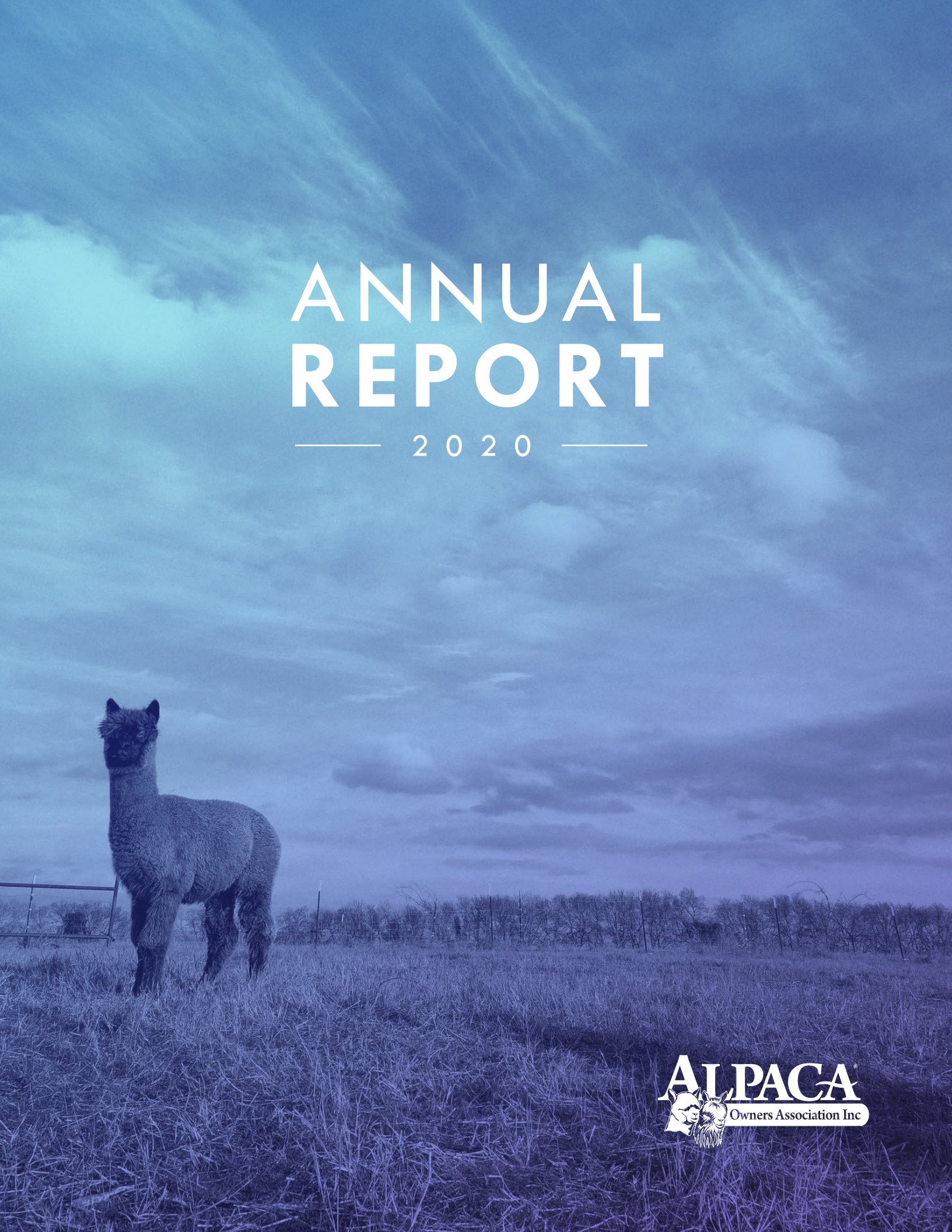

ANNUAL
REPORT
2020
ALPACA
Owners Association Inc

EXECUTIVE DIRECTOR & PRESIDENT'S MESSAGE

2020 will go down as one of the strangest years for most of us. It is hard to believe all that happened — or didn't happen — in one very long year!

Below we have outlined some of the accomplishments made by committees, task forces, staff and the Board of Directors for AOA members.

Most significant achievements tied to the Strategic Plan and the 2020 Board goals:

Goal 1: We will cultivate a demand for alpacas.

- Fiber Testing for thermal and antibacterial properties completed and results reported to members.
- Why Alpaca poster completed and available for download.

Goal 2: We will educate the world about alpacas.

- Provided Affiliates with an open forum for discussing import topics and providing feedback during bimonthly calls.
- How-to posts on Facebook regarding the new website and accessing educational materials.
- Produced Camelid Comparison handout for members.

Goal 3: We will evolve and expand tools for alpaca breeders.

- Implemented Innovative Fleece Assessment to identify traits for different end uses.
- Facilitated development of the Coefficient of Inbreeding (COI) calculation and advanced search functions, made available in March 2021.
- Worked with Dr. Enns to produce three short educational videos on EPDs.

Goal 4: We will present an alpaca breed standard to AOA members.

- The Breed Standards passed and was adopted by the membership.

Other accomplishments

Financial

- Implemented the investment policy, a move that ensured AOA operated in the black as shows were canceled and business shut down for many.
- Secured the Paycheck Protection Program and Emergency Injury Disaster loans, both forgiven.

EXECUTIVE DIRECTOR & PRESIDENT'S MESSAGE (CONTINUED)

Membership

- Researched, interviewed, and implemented a new process for fiber testing when Yocom-McColl closed. Yocom-McColl sold their equipment to SGS in New Zealand before AOA was notified of their closing.
- Addressed PETA's video on inhumane shearing and fall out with fashion brands in an official statement.
- Surveyed Benefactors, Members and *Alpacas Magazine* Readership and will use the results in our next planning session.
- Presented a new membership structure to better serve all business models at a fee commensurate with the cost to AOA to provide member-desired programs and services.

Marketing

- Implemented a successful social media strategy, increasing engagement on Facebook and Instagram.
- Prioritized National Show website redesign, followed by an entire site redesign.
- Expanded donated herdsire promotions on social media and through Open Herd.
- Produced safe guidelines for National Alpaca Farm Days (NAFD) and suggested alternative promotions for farms not participating due to COVID–19.

- Created downloadable activity sheets for kids during COVID–19 closures.
- Created Zoom backgrounds featuring both Suris and Huacayas for members to download.

Events

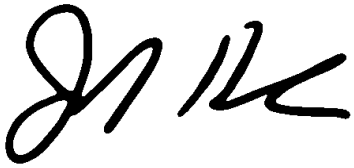
- Implemented and supported the Show Revitalization Task Force, resulting in several show pilot programs for the 2020 – 2021 show season.
- Negotiated with Denver management to move the National Show to Grand Island without penalty so the national show could go on despite COVID-19 regulations.

While AOA is not without its challenges, we saw successes even during global shutdown. As the industry shifts, the Board is listening and planning accordingly. We seek to make decisions that impact you, our members, positively for the long haul. A great focus in 2021 is communicating the importance of our national registry. Deemed by alpaca owners all over the world as gold, our job is to grow and protect information for the next generation of alpaca owners. We also hope to offer programs and services that deepen your membership experience.

On behalf of the staff and Board of Directors, thank you for the opportunity to serve and for your feedback as we strive to lead Alpaca Owners Association forward.



Robin Gifford
Executive Director
Alpaca Owners Association, Inc.



Jennifer Hack
President
Alpaca Owners Association, Inc.

2020/2021 BOARD OF DIRECTORS

Jennifer Hack, President
Triple H Ranch

Wendy Dittbrenner, Vice President
Peaceful Prairie Ranch

Sharon Milligan, Secretary
Red Granite Ranch

Rhonda Deschner, Treasurer
Tierra Prometida Alpacas

Brian Houchin
Houchin Family Alpacas

Char Johnson
Happy Tails Alpaca Farm

Wini Labrecque
SWF Fiber Innovations

Michael Vigus
West Penn Alpacas

Jeff Williamson
Liberty Alpacas

AOA STAFF



Jo Ashley
Registration Specialist &
Advertising Manager



Margie Ault
Show & Marketing
Division Administrator



Natalie Dettmer
Marketing & Graphic Design
Coordinator



Robin Gifford
Executive Director



De Monson
IT Manager



Marie Schlater
Lab & Transfer Specialist



Dan Huntley
Director of
Finance & Operations



Alyssa Winterfeld
Event & Member Services
Coordinator

2020 YEAR IN REVIEW

JANUARY

Huacaya breed standard is opened for comments and review

Election Committee begins their search for candidates to run for the AOA Board

Alpacas Magazine celebrates its 30th Anniversary

FEBRUARY

Redesigned AOA's public website

Offered how-to posts on Facebook regarding use of the new website and accessing educational materials

MARCH

Angus and Margaret McColl retire and close the Yocom-McColl Testing Laboratory

30th Anniversary National Alpaca Show sponsored by Fun In The Country Alpacas is held in Fort Wayne, Indiana

James G. King Industry Recognition Award is presented to Marc and Sharon Milligan of Red Granite Ranch

AOA holds the 5th National Supreme Championship Competition

AOA continues operations amidst COVID-19 pandemic with some staff working from home

APRIL

Ad hoc Show Revitalization Task Force is established to seek new and energizing ideas for the AOA Show System

MAY

AOA publishes ideas on how to market your farm during the COVID-19 pandemic

Government and Industry Relations Committee (GIRCom) warns members of the risk for Eastern Equine Encephalitis (EEE) and/or West Nile virus (WNV)

JUNE

2020 Election Results are announced

Huacaya and Suri Breed Standards are adopted by the membership

SGS qualifies as a Fiber Testing Lab for AOA's EPD Program

GIRCom publishes information on how to prepare for a disaster

2020 YEAR IN REVIEW (CONTINUED)

JULY

2020/2021 AOA Board Officers are elected and announced

2020 AOA Annual Meeting is held virtually

2020 AOA National Fleece Show is held in Lebanon, Tennessee

The Innovative Fleece Assessment (IFA) debuts during the AOA National Fleece Show

AOA Shining Star Award is presented to Wini Labrecque

AOA Photo Contest Winners are announced

GIRCom publishes important information on Agritourism

AUGUST

Dr. Mark Enns produces three short educational videos on Expected Progeny Differences (EPD)

Ad hoc Show Revitalization Task Force presents recommendations to the AOA Board

SEPTEMBER

Alternate ideas are presented for members who couldn't open for National Alpaca Farm Days

105 farms participate in the 2020 National Alpaca Farm Days

OCTOBER

AOA publishes information on how to stay safe from scams

AOA offers an Official Statement in response to PETA's video on inhumane shearing

NOVEMBER

GIRCom publishes information on USDA Financial Assistance Programs

Antimicrobial Activity Testing and Thermal Conductivity Testing are completed with positive results

AOA membership numbers increase slightly from 2019 to 2020

DECEMBER

2021 AOA National Alpaca Show sponsored by Alpacas of Moose Creek Ranch and Red Granite Ranch is moved from Denver to Grand Island, Nebraska, due to COVID-19 restrictions



AUDITED FINANCIALS

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Alpaca Owners Association, Inc. and Subsidiary
Lincoln, Nebraska

We have audited the accompanying consolidated financial statements of Alpaca Owners Association, Inc. and Subsidiary, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

7140 Stephanie Lane | P.O. Box 23110 | Lincoln, NE | 68542-3110 | p: 402.423.4343 | f: 402.423.4346
8215 Northwoods Drive | Suite 300 | Lincoln, NE | 68505 | p: 402.423.1444 | f: 402.423.4829
1314 Andrews Drive | Norfolk, NE | 68701 | p: 402.379.9294 | f: 402.379.2338
9802 Nicholas Street | Suite 395 | Omaha, NE | 68114-2168 | p: 402.895.5050 | f: 402.895.5723

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alpaca Owners Association, Inc. and Subsidiary as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Lincoln, Nebraska
March 15, 2021

*** Full audit can be found at www.alpacainfo.com/about/reports**

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31,

ASSETS

	2020	2019
CURRENT ASSETS		
Cash and cash equivalents (note A)	$ 510,357	$ 774,513
Certificates of deposit	279,193	504,287
Accounts receivable (note A)	21,214	25,566
Prepaid expenses	20,789	15,765
Total current assets	831,553	1,320,131
PROPERTY AND EQUIPMENT, net (notes A and B)	2,782	5,819
OTHER ASSETS		
Association software costs, less accumulated amortization of $1,443,142 (2020) and $1,386,757 (2019) (notes A and C)	87,767	135,212
Investments (notes A, D and E)	612,627	-
Total other assets	700,394	135,212
Total assets	$ 1,534,729	$ 1,461,162

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 7,679	$ 9,609
Accrued payroll	11,848	10,235
Accrued vacation (note A)	24,983	16,372
Contract liability (note A)	84,202	80,272
Total current liabilities	128,712	116,488
NET ASSETS (note A)		
Without donor restrictions		
Undesignated	1,406,017	1,344,674
Total liabilities and net assets	$ 1,534,729	$ 1,461,162

See accompanying notes to consolidated financial statements.

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years ended December 31,

	2020	2019
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE		
Registry income	$ 466,609	$ 489,578
National show	270,160	328,500
Show system	76,129	116,706
Grant revenue (note J)	95,209	-
Member marketing	11,648	15,394
Membership and voting rights	143,215	149,310
Product income	35,163	74,664
Other member services	108,126	106,947
Other business income	2,617	6,119
Advertising income	159,240	184,903
Interest income	10,552	35,741
Investment income (note D)	85,978	-
Total revenue	1,464,646	1,507,862
EXPENSES		
Program services		
DNA testing and registration services	190,772	229,083
National show	169,796	301,595
Show system	188,161	183,198
Other AOA	604,221	573,594
Total program services	1,152,950	1,287,470
Management and general		
Management and general before depreciation and amortization	240,920	316,488
Depreciation and amortization	9,433	13,935
Total management and general	250,353	330,423
Total expenses	1,403,303	1,617,893
INCREASE (DECREASE) IN NET ASSETS	61,343	(110,031)
Net assets at beginning of year	1,344,674	1,454,705
Net assets at end of year	$ 1,406,017	$ 1,344,674

See accompanying notes to consolidated financial statements.

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31, 2020

	Program Services				
	DNA Testing & Registration Services	National Show	Show System	Other AOA	Total Program Services
Wages and benefits	$ 47,131	$ 62,432	$ 63,586	$ 229,969	$ 403,118
DNA testing	124,747	-	-	-	124,747
Other member services	-	-	-	113,218	113,218
Member products	-	-	-	12,587	12,587
Conferences and fees	-	49,084	110,600	-	159,684
Board and lodging	-	27,957	-	-	27,957
Travel	-	10,249	-	-	10,249
Judges clinic and student design	-	-	-	304	304
Publication services	-	-	-	168,632	168,632
Professional fees	-	-	-	-	-
Board of directors	-	-	-	-	-
Rent	3,245	3,447	2,400	13,654	22,746
Building maintenance	1,639	1,742	1,213	6,899	11,493
Utilities	1,522	1,617	1,126	6,406	10,671
Insurance	-	-	-	-	-
Office expenses	5,357	5,692	3,962	22,544	37,555
Bank charges	-	-	-	-	-
Depreciation and amortization	7,131	7,576	5,274	30,008	49,989
Other	-	-	-	-	-
Total expenses	$ 190,772	$ 169,796	$ 188,161	$ 604,221	$ 1,152,950

See accompanying notes to consolidated financial statements.

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

Years ended December 31, 2019

	Program Services				
	DNA Testing & Registration Services	National Show	Show System	Other AOA	Total Program Services
Wages and benefits	$ 70,434	$ 80,500	$ 74,431	$ 166,988	$ 392,353
DNA testing	135,127	-	-	-	135,127
Other member services	-	-	-	114,105	114,105
Member products	-	-	-	16,526	16,526
Conferences and fees	-	121,623	93,585	-	215,208
Board and lodging	-	44,945	-	-	44,945
Travel		20,303	-	-	20,303
Judges clinic and student design	-	-	-	36,774	36,774
Publication services	-	-	-	184,828	184,828
Professional fees	-	-	-	-	-
Board of directors	-	-	-	-	-
Rent	3,535	5,143	2,281	8,171	19,130
Building maintenance	2,187	3,182	1,411	5,055	11,835
Utilities	2,079	3,025	1,342	4,806	11,252
Insurance	-	-	-	-	-
Office expenses	7,012	10,202	4,526	16,208	37,948
Bank charges	-	-	-	-	-
Depreciation and amortization	8,709	12,672	5,622	20,133	47,136
Other	-	-	-	-	-
Total expenses	$ 229,083	$ 301,595	$ 183,198	$ 573,594	$ 1,287,470

See accompanying notes to consolidated financial statements.

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31,

	2020	2019
Cash flows from operating activities		
Cash received from members	$ 1,264,342	$ 1,363,414
Cash paid to suppliers and employees	(1,336,681)	(1,549,349)
Miscellaneous services income	108,126	106,947
Interest income	10,552	22,516
Net cash provided (used) by operating activities	46,339	(56,472)
Cash flows from investing activities		
Proceeds from maturity or sale of certificates of deposit	225,094	225,000
Proceeds from sale of investments	30,947	-
Purchases of investments	(557,596)	-
Purchase of equipment	-	(2,523)
Purchase of association software	(8,940)	(3,439)
Net cash provided (used) by investing activities	(310,495)	219,038
Net increase (decrease) in cash and cash equivalents	(264,156)	162,566
Cash and cash equivalents at beginning of year	774,513	611,947
Cash and cash equivalents at end of year	$ 510,357	$ 774,513
Reconciliation of increase (decrease) in net assets to net cash provided (used) by operating activities		
Increase (decrease) in net assets	$ 61,343	$ (110,031)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities		
Depreciation	3,037	5,063
Amortization	56,385	56,008
Reinvested interest	-	(13,225)
Reinvested dividends	(11,176)	-
Realized and unrealized gains on investments	(74,802)	-
(Increase) decrease in assets		
Receivables	4,352	(1,760)
Prepaid expenses	(5,024)	3,254
Increase (decrease) in liabilities		
Accounts payable	(1,930)	(1,177)
Accrued payroll	1,613	3,974
Accrued vacation	8,611	(7,718)
Contract liability	3,930	9,140
Total adjusment to increase (decrease) in net assets	(15,004)	53,559
Net cash provided (used) by operating activities	$ 46,339	$ (56,472)

See accompanying notes to consolidated financial statements.

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2020

ASSETS

	Alpaca Owners Association, Inc.	Alpaca Livestock Company, Inc.	Consolidated
CURRENT ASSETS			
Cash and cash equivalents	$ 505,934	$ 4,423	$ 510,357
Certificates of deposit	279,193	-	279,193
Accounts receivable	21,214	-	21,214
Prepaid expenses	20,789	-	20,789
Total current assets	827,130	4,423	831,553
PROPERTY AND EQUIPMENT, net	2,782	-	2,782
OTHER ASSETS			
Association software costs, less accumulated amortization of $1,443,142	87,767	-	87,767
Investments	612,627	-	612,627
Total other assets	700,394	-	700,394
Total assets	$ 1,530,306	$ 4,423	$ 1,534,729

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Accounts payable	$ 7,679	$ -	$ 7,679
Accrued payroll	11,848	-	11,848
Accrued vacation	24,983	-	24,983
Contract liability	84,202	-	84,202
Total current liabilities	128,712	-	128,712
NET ASSETS, WITHOUT DONOR RESTRICTIONS	1,401,594	4,423	1,406,017
Total liabilities and net assets	$ 1,530,306	$ 4,423	$ 1,534,729

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

December 31, 2019

ASSETS

	Alpaca Owners Association, Inc.	Alpaca Livestock Company, Inc.	Consolidated
CURRENT ASSETS			
Cash and cash equivalents	$ 770,090	$ 4,423	$ 774,513
Certificates of deposit	504,287	-	504,287
Accounts receivable	25,566	-	25,566
Prepaid expenses	15,765	-	15,765
Total current assets	1,315,708	4,423	1,320,131
PROPERTY AND EQUIPMENT, net	5,819	-	5,819
OTHER ASSETS			
Association software costs, less accumulated amortization of $1,386,757	135,212	-	135,212
Total assets	$ 1,456,739	$ 4,423	$ 1,461,162

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES			
Accounts payable	$ 9,609	$ -	$ 9,609
Accrued payroll	10,235	-	10,235
Accrued vacation	16,372	-	16,372
Contract liability	80,272	-	80,272
Total current liabilities	116,488	-	116,488
NET ASSETS, WITHOUT DONOR RESTRICTIONS	1,340,251	4,423	1,344,674
Total liabilities and net assets	$ 1,456,739	$ 4,423	$ 1,461,162

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended December 31, 2020

	Alpaca Owners Association, Inc.	Alpaca Livestock Company, Inc.	Consolidated
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS			
Revenue and support			
Registry income	$ 466,609	$ -	$ 466,609
National show	270,160	-	270,160
Show system	76,129	-	76,129
Grant revenue	95,209	-	95,209
Member marketing	11,648	-	11,648
Membership and voting rights	143,215	-	143,215
Product income	35,163	-	35,163
Other member services	108,126	-	108,126
Other business income	2,617	-	2,617
Advertising income	159,240	-	159,240
Interest income	10,552	-	10,552
Investment income	85,978	-	85,978
Total revenue and support	1,464,646	-	1,464,646
Expenses			
Program services			
DNA testing and registration services	190,772	-	190,772
National show	169,796	-	169,796
Show system	188,161	-	188,161
Other AOA	604,221	-	604,221
Total program services	1,152,950	-	1,152,950
Management and general			
Management and general before depreciation and amortization			
Wages and benefits	107,113	-	107,113
Conferences and fees	1,789	-	1,789
Professional fees	62,227	-	62,227
Board of directors	2,299	-	2,299
Rent	4,292	-	4,292
Building maintenance	2,169	-	2,169
Utilities	2,014	-	2,014
Insurance	15,868	-	15,868
Office expenses	7,086	-	7,086
Bank charges	31,740	-	31,740
Other	4,323	-	4,323
Total management and general before depreciation and amortization	240,920	-	240,920
Depreciation and amortization	9,433	-	9,433
Total management and general	250,353	-	250,353
Total expenses	1,403,303	-	1,403,303
INCREASE IN NET ASSETS	61,343	-	61,343
Net assets at beginning of year	1,340,251	4,423	1,344,674
Net assets at end of year	$ 1,401,594	$ 4,423	$ 1,406,017

Alpaca Owners Association, Inc. and Subsidiary

CONSOLIDATING STATEMENT OF ACTIVITIES

Year ended December 31, 2019

	Alpaca Owners Association, Inc.	Alpaca Livestock Company, Inc.	Consolidated
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS			
Revenue and support			
Registry income	$ 489,578	$ -	$ 489,578
National show	328,500	-	328,500
Show system	116,706	-	116,706
Member marketing	15,394	-	15,394
Membership and voting rights	149,310	-	149,310
Product income	74,664	-	74,664
Other member services	106,947	-	106,947
Other business income	6,119	-	6,119
Advertising income	184,903	-	184,903
Interest	35,741	-	35,741
Total revenue and support	1,507,862	-	1,507,862
Expenses			
Program services			
DNA testing and registration services	229,083	-	229,083
National show	301,595	-	301,595
Show system	183,198	-	183,198
Other AOA	573,594	-	573,594
Total program services	1,287,470	-	1,287,470
Management and general			
Management and general before depreciation and amortization			
Wages and benefits	143,360	-	143,360
Conference and fees	5,734	-	5,734
Professional fees	72,769	-	72,769
Board of directors	23,312	-	23,312
Rent	5,655	-	5,655
Building maintenance	3,499	-	3,499
Utilities	3,328	-	3,328
Insurance	9,568	-	9,568
Office expenses	11,219	-	11,219
Bank charges	34,023	-	34,023
Other	3,991	30	4,021
Total management and general before depreciation and amortization	316,458	30	316,488
Depreciation and amortization	13,935	-	13,935
Total management and general	330,393	30	330,423
Total expenses	1,617,863	30	1,617,893
DECREASE IN NET ASSETS	(110,001)	(30)	(110,031)
Net assets at beginning of year	1,450,252	4,453	1,454,705
Net assets at end of year	$ 1,340,251	$ 4,423	$ 1,344,674

2021 AOA BUDGET

Income	Total Jan–Dec '21
Registry Income	$457,200
National Conferences Income	$336,925
Show System Income	$93,375
Advertising Income	$205,600
Product Income	$50,000
Member Marketing Income	$6,500
Benefactor Income	$64,000
Student Design Income	$10,000
Membership Income	$144,000
Misc. Services Income	$25,550
NAFD Income	$4,500
Lead List Income	$420
Other Publication Income	$10,000
Investment Income	$80,000
Credit Card Rewards	$3,000
Total Income	**$1,491,070**

2021 AOA BUDGET (CONTINUED)

Expense	Total Jan–Dec '21
Registry Expense	$123,255
National Conferences Expense	$265,300
Judge Clinic	$23,600
Board Expense	$15,000
Awards & Gifts Expense	$800
Dues & Subscriptions	$1,675
Insurance Expense	$12,847
Corporate Fees Expense	$250
Alpacas Magazine Expense	$160,000
Accounting Fees	$13,050
Legal Fees	$20,000

Expense	Total Jan–Dec '21
Marketing & PR Expense	$29,000
Member Products	$10,000
Student Design	$10,000
AOG Expense	$8,500
Printing	$6,500
Mailing & Shipping	$28,100
Technology Services	$155,000
eBlast Expense	$2,275
Employee Expense	$548,567.50
Misc. Office	$7,500
Office Supplies Expense	$4,000
Building Expense	$57,300
Bank Service Fees	$31,000
Equipment Expense	$4,800
Research & Industry Support	$6,000
Amortization & Depreciation	$55,754.24
Total Expense	**$1,547,319.50**
Net Ordinary Income	**-$56,249.50**

2020 ACTIVE ACCOUNTS

Worldwide

Australia	11
Austria	7
Belgium	1
Canada	313
Chile	1
Denmark	1
Germany	10
Ireland	1
Italy	1
Japan	5
Norway	3
Peru	4
Poland	2
United Kingdom	6
United States	5819

Canada

Alberta	68
British Columbia	41
Manitoba	17
New Brunswick	4
Northwest Territories	1
Nova Scotia	2
Ontario	70
Prince Edward Island	2
Quebec	67
Saskatchewan	36

United States

Alabama..... 25
Alaska..... 10
Arizona..... 106
Arkansas..... 35
Armed Forces Europe, Middle East, & Canada..... 1
Armed Forces Pacific... 1
California..... 392
Colorado..... 426
Connecticut..... 48
Delaware..... 16
District of Columbia..... 3
Florida..... 164
Georgia..... 94
Hawaii..... 10
Idaho..... 87
Illinois..... 160
Indiana..... 124
Iowa..... 62
Kansas..... 63
Kentucky..... 101
Louisiana..... 7
Maine..... 54
Maryland..... 79
Massachusetts..... 70
Michigan..... 170
Minnesota..... 128
Montana..... 56
Nebraska..... 59
Nevada..... 38
New Hampshire..... 59
New Jersey..... 118
New Mexico..... 68
New York..... 278
North Carolina..... 164
North Dakota..... 15
Ohio..... 420
Oklahoma..... 76
Oregon..... 249
Pennsylvania..... 306
Rhode Island..... 18
South Carolina..... 43
South Dakota..... 20
Tennessee..... 106
Texas..... 275
Utah..... 69
Vermont..... 57
Virginia..... 224
Washington..... 304
West Virginia..... 35
Wisconsin..... 142
Wyoming..... 33
Unknown..... 4


12
643




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James G. King

2020 AOA MEMBERSHIP

During the pandemic membership numbers held steady with a negligible increase. The board continued the trial Fleece Show Membership and 13 members participated. The Gift Membership program participation increased in 2020 with 20 new alpaca owners receiving a complimentary Association Membership, compared to 11 in 2019. Of the 20 new owners who received a complimentary memberships in 2020, 6 renewed in 2021.

The AOA Membership Committee and staff took 2020 to dig deep into the current membership structure and considered changes that would better reflect the current status of the alpaca industry. The research was completed and four classes of membership (Corporate, Business, Primary, Youth) were proposed to the board and approved for the election ballot in 2021. These were overwhelmingly approved by the membership and will roll-out in 2022. A big thank you to the AOA Membership Committee for the long hours and hard work it took to bring these needed updates to the membership.

2020 AOA MEMBERSHIP STATS

45%
of members sell breedings

3%
of members own a fiber mill

4%
of members sell meat

55%
of members sell raw fiber

60%

of members
sell alpacas

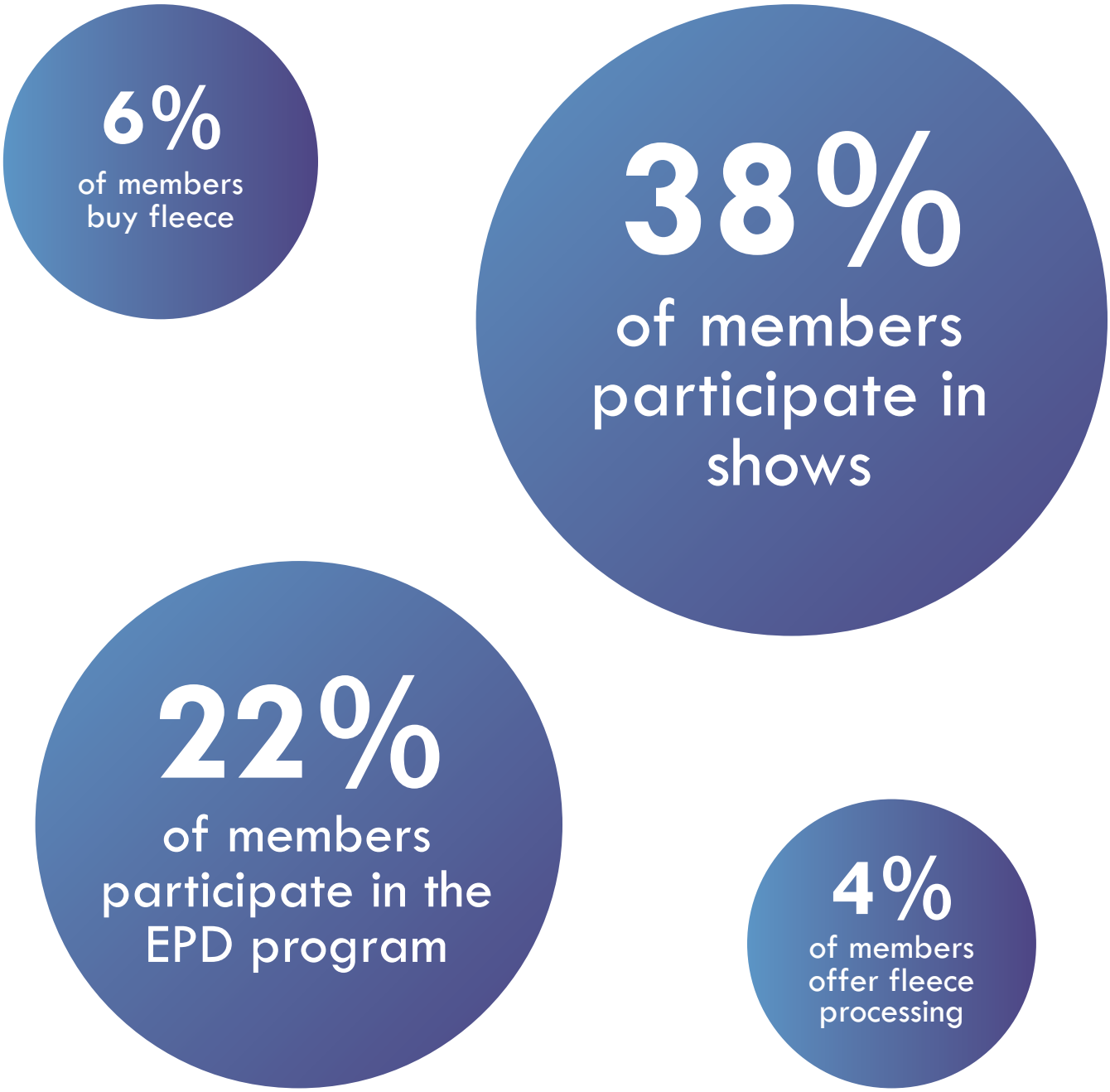
26%

of members
have an
online store

34%

of members
have a
farm store

2020 AOA MEMBERSHIP STATS (CONTINUED)




11%
of members offer wholesale product sales
9%
of members offer transportation services
1%
of members offer veterinary services
6%
of members offer fleece collection
6%
of members offer shearing services
22%
of members offer agisting services

1,150
Association Members

1,392
Registry Members

726
Show Members

13
Fleece Show Members

2
Platinum Benefactors

7
Gold Benefactors

32
Silver Benefactors

4
Advanced Marketing Packages

20
Basic Marketing Packages

20
Gift Memberships

2020 AOA BENEFACTORS

Platinum Benefactors

Classic Alpaca
Mazuri Animal Nutrition

Gold Benefactors

Alpaca Country Estates Ranch and B&B
Amber Autumn Alpacas
Cas-Cad-Nac Farm LLC
Liberty Alpacas
Red Granite Ranch Ltd
Skyline Alpacas
Tierra Prometida Alpacas

Silver Benefactors

Alpacas at Marquam Hill Ranch
Applewood Lane Alpacas
Big Timber Alpacas, LLC
Buck Brook Alpacas
Fallengründ Alpacas
Fashion Forum
Flying Iron Ranch
Greenbriar Farm —
MAM Consulting Associates Inc.

Silver Benefactors (Continued)

Hasselbring's Harmony Ranch
Healing Springs Suris
Heart & Soul Alpacas and Spinnery
Herzog Alpacas, LLC
Hobby Horse Farm
Irish Meadows Alpaca Farm
Kendall Creek Farms Alpacas
Long Hollow Suri Alpacas/New Era Fiber
Man in the Moon Farm LLC
Midnight Moon @ R&R Suris
M&M Alpaca Farm of NC
Rancho Inca Alpacas
Roaring Acres Alpacas LLC
Shalimar Alpacas
Skyfiber Ranch, LLC
Southern Sunrise Alpacas
Spring Grove Alpaca Ranch
Starshire Ranch
Structured Chaos Farm
Sundancer Alpacas
Suri & Company of Fern Creek Farm
Two Hearts Alpaca Ranch
Wild Hair Alpacas LLC
Xanadu Farm Alpacas

2020 SHOW SYSTEM

The 2020 show season was challenging with several shows shut down due to COVID-19. However, there were a total of 42 official AOA competitions that were completed. This was a very successful year considering the difficulty each show faced in how to safely carry out each show event. Congratulations to all for this accomplishment that occurred through hard work, diligence, and careful planning.

The Innovative Fiber Assessment (IFA) was released at the AOA National Fleece Show in July. The IFA method combines genetics and end-use to advance breeding programs, which in turn achieves forward momentum within individual herds, as well as the entire alpaca industry. The most important parts of this approach are that fleeces are sorted by grade, and feedback includes a summary of the uses for which that fleece is best suited. The IFA will continue to be offered in addition to standard fleece shows.

In 2020, AOA continued to support events that assist judges and event management. Meetings were held with event managers and show superintendents

as they worked their way through the obstacles COVID-19 presented. In the fall, the Judge Training and Certification Committee (JTCC) Education Team offered an online training, entitled "TIFC Bridge," to AOA Certified Fleece Judges. Judges gathered online from around the world for this four-segment series to share slides and engage in discussion of fleece traits for both huacaya and suri.

The Show Rules Committee worked throughout the summer to discuss and prepare documents for the 2021 AOA Show System Handbook. The 2021 updates were approved by the AOA board in the fall and then staff began preparing the document for production and publishing. Updates were completed in December and readied for the January release.

The AOA Show System office would like to thank the Judge Training and Certification (JTCC), Judges Advisory Committee (JAC), and the Show Rules Committee (SRC) for the tremendous amount of time and work they give to the AOA Show System! These committees are dedicated to the advancement

2020 SHOW SYSTEM (CONTINUED)

of shows and researching judging practices used both internationally and in the U.S. to ensure that the AOA Show System maintains the most accurate judging possible.



2020 NATIONAL SHOWS

30th Anniversary AOA National Alpaca Show

2020 proved to be a challenging year, not only for the alpaca show industry, but for the entire world. Our 30th Anniversary AOA National Alpaca Show sponsored by Fun in the Country Alpacas in Fort Wayne, Indiana, was only one of the many events affected worldwide by the COVID-19 pandemic. With the pandemic only at its cusp, we were fortunate enough to still be able to follow through with the majority of the show. Unfortunately, we were also forced to close to the public in order for the show to go on. While it was heartbreaking for us not to be able to share the versatility of the alpaca industry with the public, we were grateful to be able to still provide a wonderful (and nostalgic) show to our members. The weekend was still busy with a nineties-themed Meet & Greet, ribbons and banners, the Fundraiser Banquet and Auction, and the awarding of the National Supreme Champions.


ALPACA
2020 National
Supreme Champion
Light Huacaya Female
416

2020 National Fleece Show

With COVID-19 still preventing large events and mass gatherings, AOA was forced to make the decision to cancel the 2020 Natural Fiber Extravaganza powered by AOA. While we were unable to host the event in full as we had hoped, we were still able to proceed with the National Fleece Show, as well as the introduction of the Innovative Fleece Assessment (IFA). Over 700 fleeces made their way to Lebanon, Tennessee, last summer to be judged and evaluated on a national scale. The premiere of the IFA also marked a new milestone for the fiber industry, as it provides a more scientific evaluation of the potential end product of alpaca fiber, and has the potential to provide better insight for breeders and artisans alike.

14TH ANNUAL NATIONAL ALPACA FARM DAYS

National Alpaca Farm Days (NAFD) looked very different in 2020 due to the pandemic! Your location determined if you could even open to the public over the weekend. Many farms had to limit visitors and take reservations so social distancing and safety procedures could be followed. Some had to cancel at the last minute due to spikes in COVID-19 cases. Many who opened reported a good turnout, with the public very happy to get out in a safe environment.

Cindy Berman, AOA's Public Relations Consultant, worked tirelessly getting the word out about NAFD on a national level; only 14% of participants took advantage of her services to get the word out locally. Cindy, along with AOA Board President, Jennifer Hack, also developed alternatives to NAFD for those farms that couldn't participate due to COVID. The best thing about these ideas is they can be used all year long and into the future to promote your farm and the alpaca industry! AlpacaGram 7.65 has all the details.

We look forward to NAFD in 2021 where farms can return to normal operations and many more people can get out and discover the joys of alpaca! Contact Cindy for help with your PR and to spread the word about alpacas.

2020 NAFD
105 participating farms

2020 EPD REPORT

The 2020 EPD (Expected Progeny Differences) calculation included observations for at least one trait on 39,713 Huacaya and 8,943 Suri animals. This translates to 77,027 huacayas and 16,778 suris for a total of 93,805 alpacas with EPDs.

For an animal to receive an EPD, it must have been within 4 generations of an animal with an observation and have an accuracy greater than 0 for fiber diameter. The performance database continues to expand with additional data. Accordingly, the EPD are becoming more reliable with maximum accuracies in the population continuing to increase. With the increase in data, evaluations have also become more stable with the correlations of EPD from one analysis to the next continuing to increase. Read Dr. Enns' producers report at www.AlpacaInfo.com/report for a complete analysis of the 2020 calculation.

August 5, 2021 is the deadline to submit trait data for the 2021 calculation.

4.8%
increase in huacaya EPDs

3.4%
increase in suri EPDs

11,564
accounts have alpacas with EPDs

6,057
accounts have alpacas with trait data

38,263
EPDs are marked public

93,805
alpacas have EPD data



8300 Cody Dr, Suite A
Lincoln, NE 68512
402.437.8484
www.AlpacaInfo.com

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