

Holistic Management International

Annual Report 2006



healthy land.
sustainable future.

Dear Friends,

This is the first Annual Report in which we can note that the world, finally, is seeking solutions to global climate change. Of course, with your help, we've been promoting a key solution, Holistic Management, for decades. But today, because managing rangelands holistically can play a huge role in removing and storing atmospheric CO₂, opportunities for HMI to have an impact are almost unlimited. Because Green is everywhere, we have never been in a better position to introduce Holistic Management in new arenas, to increase our service to traditional markets and to claim a role on the environmental stage. HMI has delivered or appeared in radio and print commentaries, newspaper articles, letters-to-the-editor, web podcasts and keynote speeches on Climate Change. In short, this is an exciting time of progress and increased visibility.

In November of this year, we will host a major international conference, "From the Ground Up: Practical Solutions to Complex Problems." We expect up to 500 members of our global network and other leaders in the areas of land stewardship, local and organic food production, all dedicated to creating a sustainable future for all.

More good news. Thanks to the outstanding results HMI has achieved for Horizon Organics, our contract has been expanded to two new dairies. By helping this client to exceed compliance with regulatory requirements while producing ever-healthier pastures, HMI now has its first foothold in a burgeoning market!

In Africa we've made great headways with our Land Restoration/Goat Banking program in the villages of the Hwange Communal Lands in Zimbabwe while our own property, Dimbangombe, is providing forage for our own cattle and for village animals during a severe period of drought. Our collaboration with World Vision Kenya, in its second full year, is beginning to bring results to the 1,500 Maasai families learning about Holistic Management to improve their tribal grazing lands.

Finally, we have taken essential steps to support our all-important Certified Educators and practitioner experts who demonstrate the efficacy of Holistic Management around the world.

Hopefully you recall that over two years ago we began to speak with many of you about investing in a new and vibrant future for HMI, one that was based on new models for services and products as well as for HMI as an organization and our leadership practices. Everything you see reflected here is the direct outcome of those efforts. This is the return on investment from your support. We think of it as our stewardship responsibility to you.

Your continued support is helping HMI to improve the health and productivity of land and water resources, increase prosperity in commercial and communal settings around the world, and to raise consciousness about the urgent need to do much, much more. Together, we're making a difference!

With greatest appreciation,



A handwritten signature in black ink that reads "Ron Chapman".

Ron
Chapman
Chair of
the Board



A handwritten signature in black ink that reads "Shannon A. Horst".

Shannon
A. Horst
Executive
Director

Mission

Holistic Management International works to reverse the degradation of private and communal land used for agriculture and conservation, restore its health and productivity, and help create sustainable and viable livelihoods for the people who depend on it.



Services

We accomplish our mission by training ranchers, farmers, pastoralists, public land managers, government agencies, and others committed to responsible stewardship through a variety of learning and training opportunities as well as practical application in institutional settings, all of which incorporate the principles and practice of Holistic Management.



Projects Overview

Ongoing HMI projects include: **1)** a Land Restoration/Goat Banking project in two Hwange communities in Zimbabwe; **2)** our work with World Vision Kenya to bring Holistic Management to 1,500 Maasai families in Kenya; **3)** a Sustainable Agriculture Research and Education (SARE) project in Texas; **4)** a two-year land productivity project for the Acoma Pueblo in New Mexico; **5)** consulting and training for Horizon Organic and Whole Foods Animal Compassion Foundation; and **6)** work starts later this year with UMECS (United Movement to End Child Soldiering) in Northern Uganda to help people displaced by violence and civil war restore agricultural lands and strengthen newly forming villages on hundreds of thousands of acres.



Learning Sites

HMI operates two dedicated learning sites, the David West Station for Holistic Management in Ozona, Texas, and the Africa Centre for Holistic Management in Victoria Falls, Zimbabwe. Focusing on onsite training and research, these living laboratories powerfully demonstrate the effectiveness of Holistic Management in restoring degraded land to health and productivity.

2006 Report: HMI Certified Educators

Over the past year, Shannon Horst and Peter Holter traveled extensively to meet face-to-face with Holistic Management Certified Educator hubs in the U.S., Canada, Mexico, Southern Africa, and Australia to gather input, ascertain needs and solidify relationships. As a result, we are standardizing the curriculum for all Holistic Management training modules. An improved, more rigorous Re-certification process has been introduced, and more than 70% of our Certified Educators have already re-certified. We have also stepped up efforts to increase the work that comes to our CEs through HMI and better support the consulting services and independent workshops offered by Certified Educators.



HMI has worked with CEs in Australia to create a formal affiliate, Holistic Management International / Australia to create more awareness and more opportunities for training and networking in Australia. This is an important step and a process that could potentially be replicated in other regional Holistic Management hubs.

With the increasing engagement in Africa, we will need more Certified Educators in that region. Our Africa Certified Educators Training Program with 19 participants from that continent is finishing its first year, and we anticipate that graduates from this program in 2008 will significantly increase the impact we can have in Africa.



Audited Financials 2006

prepared for Annual Report by RE Borgeson

	2006	2005 (restated)
Revenue		
Training and Education	380,893	139,057
Educational Sites and Grants	319,374	331,030
Public Education and Awareness	65,837	130,426
Philanthropy	337,675	193,871
Royalties from Assets	995,408	922,606
Administration	<u>125,147</u>	<u>29,459</u>
Total Revenues	<u>2,224,334</u>	<u>1,746,449</u>
Expenses		
Training and Education	483,722	370,555
Educational Sites and Grants	733,096	431,732
Public Education and Awareness	261,691	228,330
Philanthropy	143,544	119,790
Royalties from Assets	73,517	90,225
Administration	<u>404,728</u>	<u>384,884</u>
Total Expenses	<u>2,100,298</u>	<u>1,625,516</u>
Change in Net Assets	124,036	120,933
Assets		
Cash	100,215	417,192
Investments, at fair value	578,542	289,346
Receivables	292,554	293,068
Other Receivables	73,200	76,700
Prepaid Expenses	30,084	36,408
Inventory	8,300	5,192
Property/Equipment	1,793,631	1,667,252
Other Assets	<u>2,634,216</u>	<u>2,664,059</u>
Total Assets	<u>5,510,742</u>	<u>5,449,217</u>
Liabilities		
Current Portion LTD	62,221	9,466
Accounts Payable	86,529	132,079
Accrued Liabilities	14,743	16,238
Deferred Revenue	75,456	47,169
Long Term Debt	<u>135,595</u>	<u>232,103</u>
Total Liabilities	<u>374,544</u>	<u>437,055</u>
Net Assets	124,036	120,933
Unrestricted	3,841,823	3,663,676
Temporarily Restricted	7,685	61,796
Permanently Restricted	<u>1,286,690</u>	<u>1,286,690</u>
Total Net Assets	<u>5,136,198</u>	<u>5,012,162</u>
Total Liabilities and Net Assets	5,510,742	5,449,217

Our Donor Community 2006

Before anyone had heard of carbon credits or personal carbon footprints, individuals like you, and organizations like yours, became committed to healing land, creating sustainable livelihoods and reversing global climate change by reversing desertification. With deepest gratitude, we thank you for your strong partnership in 2006. And we're happy to report that we've been able to increase our philanthropic support by 75% last year! Our achievements have been **your** achievements. Together we can reach even higher in 2007. THANK YOU!

Lion (\$50,000+)

Dr. Cynthia O. & Leo O. Harris
Healy Family Fund

Elephant (\$25,000+)

Sallie Calhoun & Matt
Christiano
Harriett Faudree Dublin

Buffalo (\$10,000+)

Arntz Family Foundation
Michael & Renee Duncan
Bud & Mary Lou Flocchini
Doug McDaniel & Gail
Hammack
James & Ann McMullan
Jim & Carol Parker
Charles L. Reed Fund
Rosewood Foundation

Cheetah (\$5,000+)

Edith Cather
Shannon Horst
J. Rukin Jelks, Jr.
Clint & Betty Josey

Elk (\$1,000+)

Ivan & Martha Aguirre
Andree Wagner Peace Trust
Ben & Denise Bartlett
Sam Bingham
Claudia & Michael Brown
Thomas Brown
Don & Bev Campbell
Ron Chapman
Nancy Dickenson
Paul Engler
John & Leslie Flocchini
Don & Randee Halladay
Joe & Peggy Maddox
Tony & Andrea Malmberg
Kim McDodge & Terence
Dodge
San Luis Obispo County Com-
munity Foundation
Allan Savory & Jody Butterfield
Kirvil Skinnarland
Mike & Vicki Turpen
Jutta von Gontard

Elk, continued (\$1,000+)

Kelly White
Elizabeth V. Williams
Terry & Mary Ann Word

Zebra (\$500+)

Rick & Kathy Abeles
Altrusa Foundation of Mon-
trose
Dick DeVore
Friendship Christian Church
Jimmy Garner
Trent Hendricks
Blake Holtman
John & Jane Leeser
Jim Lohman
Robert Palmquist & Sonia
Jensen
Rob & Marie Rutherford
Roby Wallace
William & Heather Weber
Maryann & Mark West
Drausin Wulsin

Impala (\$250+)

Renee Bennett
Robert & Shelly Bernick
Bruce Condill
Gretel Ehrlich
Mark Frasier
Jack & Betty Greenhalgh
Dale Lasater
Joy Law
Douglas McRae
Roy Purcell
Brian Russ
Jim & Sara Shelton
Jack & Teresa Southworth
Livingston K. Toomer
Jack & Zera Varian

Antelope (\$100+)

Ann Adams
Michael & Susan Ahlers
Jane Lee Aspin
Claudia Abbey Ball
Ann Beeghly
Anne-Guri Bishop
Bob Borgeson
Eric Brown

Antelope, continued (\$100+)

Bill & Kaye Burrows
Dick Byrd
Marquita Chamblee
Bill Druice
Lee & Jill Dueringer
Byron & Wayne Eaterer
Doug Edgar & Kathy Oakley
Bill & Nellie Finan
James Friedrich
Ken Gallard
Jerry, Floss, & Tony Garner
John C. Glenn
Robert Gloy
Mary Ellen Gonzales
Hawk & Shelley Greenway
John C. Hackley
L.L. & Elizabeth Haverfield
Willard Heck
Rodney & Carol Hickle
Arlan Hines
Jim & Daniela Howell
Gerda Hyde
Taylor & Becky Hyde
Steve Jurgens
Lawrence Levine
Brad Little
Julie Littlefield
Norman & Gail Lowe
Brian Marshall
Phil Metzger
Anne & Rich Morris
Joe & Julie Morris
Geoffrey Naylor
Rodney Parr
G. Ben & N. Lee Pengilly
Margaret Phelan Reed
Suzanne Probart
Christine Rossi & Leo Mick
William L. Rutherford
Pat Rutledge
Charles F. & Jennifer Sands
Peter Schulze
Delbert & Alice Scott
Bob Siemens
Milton B. Suthers
Neil & Virginia Taylor
Donna & Gilbert Torrez
W. Doug Warnock
Jason & Chandra Weigle
Seth Wilner

Antelope, continued (\$100+)

FJ. Withey
George Whitten & Julie
Sullivan
John Wulsin, MD

Kangaroo (\$50+)

Donna Attewell
Bill Casey
Gemma M. Delp
Michael D'Mura
Bill C. Dorrance
James F. Dudley
Joe Glode
Charles B. Gompertz
Alisa Gravitz & Joe Garman
Glenn Hicks
Duane Hilborn
Robert L. Homer III
Larry Johnson
William P. Jones
James Koontz
Ellen Lee
Margie Matter
William McDonald
Joe & Michele Simmons
Sandy Schargel
Sharon & Charles van Ivan
Tom White

Deer (\$50-)

Anonymous
Dick Brigham
Ben Coleman
Kirkwood M. Cunningham
Elaine Deschner
Douglas T. Docker
Catherine Austin Fitts
John M. Hall
Jack Ham
Joann M. Hutton
Justin Jessop
Mike & Vi Kasper
Jim Matthews
Alice Moore
Arne van Garrel
Susan Waller
Tom Walther
Brad Wind
Marilee Williams

Board of Directors

Ron Chapman, Chair
Albuquerque, New Mexico

Ben Bartlett, Vice Chair
Traunik, Michigan

Gail Hammack, Secretary
Lostine, Oregon

Sue Probart, Treasurer
Albuquerque, New Mexico

Ivan Aguirre
Hermosillo, Sonora, Mexico

Jody Butterfield
Albuquerque, New Mexico

Daniela Howell
Cimarron, Colorado

Andrea Malmberg
Lander, Wyoming

Brian Marshall
Nundle, NSW, Australia

Jim McMullan
San Antonio, Texas

Ian Mitchell-Innes
Elandslaagte, KZN, South Africa

Jim Parker
Montrose, Colorado

Christopher Peck
Sebastopol, California

Soren Peters
Santa Fe, New Mexico

Jim Shelton
Vinita, Oklahoma

Dennis Wobeser
Lloydminster, AB, Canada

Roby Wallace
Albuquerque, New Mexico

Advisory Council

Robert Anderson
Corrales, New Mexico

Mike Bowman
Wray, Colorado

Sam Brown
Austin, Texas

Sallie Calhoun
Paicines, California

D. Lee Dueringer
Scottsdale, Arizona

Gretel Ehrlich
Gaviota, California

Dr. Cynthia O. Harris
Albuquerque, New Mexico

Leo O. Harris
Albuquerque, NM

Edward Jackson,
San Carlos, California

Clint Josey
Dallas, Texas

Doug McDaniel
Lostine, Oregon

Guillermo Osuna
Coahuila, Mexico

York N. Schueller
Ventura, California



healthy land.
sustainable future.

Holistic Management International
1010 Tijeras Ave. NW
Albuquerque, NM 87102
USA
(505) 842-5252

Staff

Shannon Horst, Executive Director

Peter Holter, Chief Operating Officer

Jutta von Gontard, Director of Development

Kelly Bee, Director of Finance & Accounting

Ann Adams, Director of Educational Products and Outreach

Craig Leggett, Director of Learning Sites

Constance Neely, Director of International Training Programs

Maryann West, Executive Assistant

Donna Torrez, Customer Service Manager

Marisa Mancini, Development Assistant

Joe Maddox, Ranch Manager
David West Station for Holistic Management

Peggy Maddox, Director of Public Relations & Education
David West Station for Holistic Management

Or email:
hmi@holisticmanagement.org

Or visit our website:
www.holisticmanagement.org