

## H.O. Foundation: 2021 Annual Report (Activity Report and Financial Report 2021, Activity Plans and Planned Budget 2022)

12 April 2022

### Activities in 2021:

The Harry Otten Prize for Innovation in Meteorology was awarded for the fifth time at the 2021 Annual Meeting of the European Meteorological Society (EMS). The winners were Kirien Whan, from the Royal Netherlands Meteorological Institute (KNMI) and Kate Saunders from the Queensland University of Technology (QUT). Their idea, *Second Wind: Extending the Official Wind Gust Record With Citizen Science Observations*, is to use citizen observations of wind gusts, apply new methods of quality control to them, and integrate the data into observations taken from standard measurement networks.

For this prize round, the Harry Otten Foundation (HOF) received a total of nine applications from several EU countries, including Germany, the Netherlands and Romania, as well as applications from the UK, Turkey, Australia, and the USA. Four applications were selected for the second round. From these remaining four proposals, three were selected for the final round. After the oral presentation of the proposals the jury decided that *Second Wind: Extending the Official Wind Gust Record With Citizen Science Observations* (authors: Kirien Whan and Kate Saunders) was the best idea. The other Finalist proposals were *A High-Frequency Chilled-Mirror Hygrometer for Turbulent Stationary and Airborne Dew-point Measurements* (author: Moritz Mauz) and *Observing the Impossible – In Situ Observations of Hail Trajectories Using the HailSonde* (author: Joshua Soderholm). In 2021 the EMS Annual Meeting was held online, as a “virtual” meeting, due to the continuing COVID-19 global pandemic. The Annual Meeting took place from 3-10 September 2021. The Harry Otten Prize Finalists Session, during which the finalists presented their ideas, and the awards ceremony, during which the winner was revealed, were both held online. The HOF also held an online social event shortly after the awards ceremony that took the place of the usual enjoyable dinner event with the finalists.

Due to the online format, the HOF took the opportunity to create an online video and an advertisement for the 2023 competition. These took the place of the posters and handouts that are generated for in-person meetings.

The following formal HOF Board Meetings were held. All meetings were held online as video telecons.

1 February 2021, 30 March 2021, 23 June 2021, 11 August 2021, 7 September, 30 November 2021

January 1 marked the end of the second term of Leo Kroon as board member of the Harry Otten Foundation. Leo served the Board from 2015 to 2020. During his second term he was chairman of the Board. Leo's successor as (Dutch) board member is Gert-Jan Steeneveld from Wageningen University, the Netherlands. Gert-Jan was a finalist in the 2017 Harry Otten Prize. Gert-Jan started his first term on the board in January 2021. Board Member Aurora Bell resigned from the Harry Otten Foundation Board of Directors on 31 March 2021, due to professional obligations. In December the board extended an invitation to a potential new board member whom we hope will accept the invitation and join the board in January 2022.

The following persons acted as board members during 2021:

Pamela Emch (Chair), Dennis Schulze (Treasurer), Olivier Boucher, Aurora Bell (until 31 March 2021), Gert-Jan Steeneveld

All board members and HOF Secretary Andrea Oestreich participated in the telephone conferences.

## Financial Situation:

The investment portfolio started with a value of 589'016.96 € at 1 January 2021 and the foundation had a cash amount of 6'298.42 € totalling to 595'315.38 €. As in every second year when the Harry Otten Prize is awarded, the Foundation has a high cash requirement. The expenses were lower than in comparable years as there was no physical EMS Meeting because of Covid-19 travel restrictions and therefore also no travel costs. In 2021 a negative cash balance of 36'184.37 € was financed by selling invested assets worth 34'965.00 €. The overall performance of the investment portfolio was very good with a yield of 20,9 % which was much more than the 4% we anticipate in our long-term plan. On 31 December 2021, the foundation held assets worth 675'522.97 € and cash of 5'079.05 €, so in total 680'602.02 €. This is 136.1% of the initial capital of 500'000 € and 114.3% of the 595'315.38 € owned at the end of 2020.

In 2015 the Foundation changed the investment strategy and invested in mutual funds managed by Vanguard Group with the aim to hold 2/3 in Vanguard SRI Global Stock Fund and 1/3 in Vanguard Global Bond Index Fund. These funds don't pay dividends or interest but will generally appreciate in value over the long term (based on historical performance). When converting assets into cash at the end of September 2021 we used the opportunity to bring the investment portfolio further to the target split between the Stock Fund and the Bond Index Fund.

On 31 December 2021, the Foundation held 1'860.433 of Vanguard SRI Global Stock Fund worth 516'881.31 € (75.9% of all assets) and 1'358 of Vanguard Global Bond Index Fund worth 158'441.66 € (23.3% of all assets). In addition to that the foundation still holds 20'000 SNS Bank 2009/PERP bonds with a current value of 200 €.

In 2021 the Foundation received no dividends and 0.08 € in interest. No donations nor any other income were received.

Money was mainly spent on prizes with 30'000.00 € as well as administrative costs of 3'221.19 €. Included in that amount are costs of 629.90 € relating to 2020 and a 1'500 € honorarium for a leaving board member. A total of 2'093.60 € related to expenses at the EMS Annual Meeting. Bank fees summed up to 634.66 € and we spent 235.00 € for the administration of our website.

As mentioned above, one payment in 2021 related to 2020. There were no costs relating to 2021 either paid in 2020 or 2022.

Table 1 gives a brief overview of income and expenses in 2021. More detailed information about the financial situation are provided on the next pages in Table 2 (asset overview as of 31 December 2021).

Activity Plans for 2022:

In September 2022, the application submission for the next round (2022/2023) of the Harry Otten Prize (HOP) will start. The application window will open on 15 September 2022 and will close on 10 March 2023. The prize will be awarded in September 2023 during the Annual Meeting of the European Meteorological Society (EMS) which is planned to be held 3–8 September 2023, at the University of Economics in Bratislava, Slovakia.

This coming September the 2022 EMS Annual Meeting is planned to take place 5-9 September 2022, at the University of Bonn, Germany. Although this is not a HOP award year, the board decided to offer the opportunity to the finalists of last year's HOP award to travel to the 2022 EMS Meeting. During typical HOP award years, the Foundation funds a member of each finalist team to travel to the EMS Annual Meeting, and pays for their registration and hotel. The finalists, board, and Harry and Els Otten enjoy a group dinner the night of the award ceremony. Due to the 2021 EMS Meeting being held online/virtually as a result of the ongoing COVID-19 pandemic, this was not possible. Therefore, we look forward to funding similar travel/hotel/registration costs and a dinner event at the 2022 EMS Meeting in lieu of the 2021 EMS Meeting.

Maria Carmen Llasat has accepted the invitation to join the HOF board. She is Professor of Atmospheric Physics in the Department of Applied Physics at the University of Barcelona. Maria Carmen will start her term as a new board member in January 2022.

A planned budget for 2022 is shown in Table 3 and the financial plan including the years thereafter in Table 4.

Pamela Emch, Chairman

Dennis Schulze, Treasurer

Gert-Jan Steeneveld, Board Member

Olivier Boucher, Board Member

|                              |                      |
|------------------------------|----------------------|
| <b>Income</b>                |                      |
| Dividends                    | - €                  |
| Interest                     | 0,08 €               |
| Donations                    | - €                  |
| Other                        | - €                  |
| <b>Sum</b>                   | <b>0,08 €</b>        |
| <b>Expenses</b>              |                      |
| Bank fees                    | 634,66 €             |
| Administration               | 3.221,19 €           |
| Promotion                    | - €                  |
| Website                      | 235,00 €             |
| EMS Meeting                  |                      |
| Promotion and ceremony costs | 786,50 €             |
| Travel costs                 | 107,10 €             |
| Conference Dinner            | - €                  |
| Sponsoring                   | 1.200,00 €           |
| Prizes                       | 30.000,00 €          |
| Unforeseen                   | - €                  |
| Other travel costs           | - €                  |
| <b>Sum</b>                   | <b>36.184,45 €</b>   |
| <b>Balance</b>               | <b>- 36.184,37 €</b> |
| <b>Transactions</b>          |                      |
| Sold investments             | 34.965,00 €          |
| Bought investments           | - €                  |
| <b>Sum</b>                   | <b>34.965,00 €</b>   |
| <b>Cash Balance</b>          | <b>-1.219,37 €</b>   |

*Table 1: Income and expenses from 1 Jan – 31 Dec 2021*

| <b>Category</b>             | <b>Description</b>              | <b>Amount</b> | <b>Price on 31 Dec</b> | <b>Value on 31 Dec</b> |
|-----------------------------|---------------------------------|---------------|------------------------|------------------------|
| Shares                      | Vanguard SRI Global Stock Fund  | 1'860.433     | 277.83 €               | 516'881.31 €           |
| Bonds                       | SNS Bank 2009/PERP              | 20'000        | 1,00%                  | 200.00 €               |
| Bonds                       | Vanguard Global Bond Index Fund | 1'358         | 116.670 €              | 158'441.66 €           |
| Cash                        | NL96 RABO 0304 0795 53          |               |                        | 1'716.10 €             |
| Cash                        | NL96 RABO 0305 5019 25          |               |                        | 3'362.95 €             |
| <b>Subtotal investments</b> |                                 |               |                        | <b>675'522.97 €</b>    |
| <b>Subtotal cash</b>        |                                 |               |                        | <b>5'079.05 €</b>      |
| <b>Total</b>                |                                 |               |                        | <b>680'602.02 €</b>    |

*Table 2: Asset overview as of 31 December 2021.*

|                              | Realized<br>2020 | Plan<br>2021        | Realized<br>2021    | Plan<br>2022        |
|------------------------------|------------------|---------------------|---------------------|---------------------|
| <b>Income</b>                |                  |                     |                     |                     |
| Dividends                    | - €              | - €                 | - €                 | - €                 |
| Interest                     | 0,10 €           | - €                 | 0,08 €              | - €                 |
| Donations                    | - €              | - €                 | - €                 | - €                 |
| Other                        | - €              | - €                 | - €                 | - €                 |
| <i>Sum</i>                   | <b>0,10 €</b>    | <b>- €</b>          | <b>0,08 €</b>       | <b>- €</b>          |
| <b>Expenses</b>              |                  |                     |                     |                     |
| Bank fees                    | 616,92 €         | 620,00 €            | 634,66 €            | 620,00 €            |
| Administration               | 48,40 €          | 3.500,00 €          | 3.221,19 €          | 1.000,00 €          |
| Promotion                    | - €              | 500,00 €            | - €                 | 500,00 €            |
| Website                      | 235,00 €         | 250,00 €            | 235,00 €            | 250,00 €            |
| <i>EMS Meeting</i>           |                  |                     |                     |                     |
| Promotion and ceremony costs | - €              | 200,00 €            | 786,50 €            | - €                 |
| Travel costs                 | - €              | - €                 | 107,10 €            | 8.000,00 €          |
| Conference Dinner            | - €              | - €                 | - €                 | 600,00 €            |
| Sponsoring                   | - €              | 1.200,00 €          | 1.200,00 €          | 1.200,00 €          |
| Prizes                       | - €              | 30.000,00 €         | 30.000,00 €         | - €                 |
| Unforeseen                   | 77,10 €          | 2.000,00 €          | - €                 | 1.000,00 €          |
| Other Travel costs           | - €              | 500,00 €            | - €                 | 200,00 €            |
| <i>Sum</i>                   | <b>977,42 €</b>  | <b>38.770,00 €</b>  | <b>36.184,45 €</b>  | <b>13.370,00 €</b>  |
| <b>Balance</b>               | <b>-977,32 €</b> | <b>-38.770,00 €</b> | <b>-36.184,37 €</b> | <b>-13.370,00 €</b> |
| <b>Transactions</b>          |                  |                     |                     |                     |
| Sold investments             | - €              | 40.000,00 €         | 34.965,00 €         | 15.000,00 €         |
| Bought investments           | - €              | - €                 | - €                 | - €                 |
| <i>Sum</i>                   | <b>- €</b>       | <b>40.000,00 €</b>  | <b>34.965,00 €</b>  | <b>15.000,00 €</b>  |
| <b>Cash Balance</b>          | <b>-977,32 €</b> | <b>1.230,00 €</b>   | <b>-1.219,37 €</b>  | <b>1.630,00 €</b>   |

Table 3: Budget for 2022 in comparison to 2020 and 2021

|   | Realized<br>2021    | Outlook<br>2022     | Outlook<br>2023     | Outlook<br>2024    | Outlook<br>2025     | Outlook<br>2026    | Outlook<br>2027     | Outlook<br>2028    |
|---|---------------------|---------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|
| Capital as of January 1st                                       | 595.315,38 €        | 680.602,02 €        | 694.456,10 €        | 673.539,30 €       | 693.122,92 €        | 672.126,73 €       | 691.627,27 €        | 670.544,14 €       |
| Asset performance (4% from 2022 onwards)                        | 121.471,01 €        | 27.224,08 €         | 27.778,24 €         | 26.941,57 €        | 27.724,92 €         | 26.885,07 €        | 27.665,09 €         | 26.821,77 €        |
| <i>Income</i>   | 0,08 €              | - €                 | - €                 | - €                | - €                 | - €                | - €                 | - €                |
| <i>Expenses</i>   | 36.184,45 €         | 13.370,00 €         | 48.695,05 €         | 7.357,95 €         | 48.721,11 €         | 7.384,53 €         | 48.748,22 €         | 7.412,19 €         |
| <b>Profit/Loss (excl. Asset performance &amp; transactions)</b> | <b>-36.184,37 €</b> | <b>-13.370,00 €</b> | <b>-48.695,05 €</b> | <b>-7.357,95 €</b> | <b>-48.721,11 €</b> | <b>-7.384,53 €</b> | <b>-48.748,22 €</b> | <b>-7.412,19 €</b> |
| <i>Transactions</i>   | 34.965,00 €         | 15.000,00 €         | 50.000,00 €         | 8.000,00 €         | 50.000,00 €         | 8.500,00 €         | 50.000,00 €         | 8.500,00 €         |
| <b>Cashflow</b>   | <b>-1.219,37 €</b>  | <b>1.630,00 €</b>   | <b>1.304,95 €</b>   | <b>642,05 €</b>    | <b>1.278,89 €</b>   | <b>1.115,47 €</b>  | <b>1.251,78 €</b>   | <b>1.087,81 €</b>  |

Table 4: Financial plan until 2028.