

**HUMANE SOCIETY OF HURON VALLEY**  
**Minutes of Board of Directors Meeting**  
**March 24, 2008**

**Present:** Lucia Brewer, Del Dunbar, Anne Ferris, Peter Fink, Diane Heidt, Mark Heusel, Diana Kern, Jane Lumm, Robert Tetens, Mike Walsh, Teresa Welsh, Dennis Wojcik

**Absent:** Jared Collins, Nancy Culotta

**Others Present:** Tanya Hilgendorf, Deb Kern, Carolyn Raschke, Bob Martel

**Email Motion and Vote**

- An email motion was made and accepted prior to the scheduled board meeting. Tanya Hilgendorf distributed the land purchase agreement revisions via email.
- Diana Kern motioned to accept the UM land purchase agreement changes as present. Mark Heusel supported. All approved.

**Bob Tetens called the board meeting to order at 6:10 pm.** The agenda item for Resolution to Establish Bank of Ann Arbor Holding Account for Capital Campaign Deposits is no longer necessary. A prior resolution covered the issue and no action was necessary.

**Minutes Approved**

- Jane Lumm motioned to approve the February 25, 2008 Board meeting minutes. Dennis Wojcik supported. All approved.

**Capital Campaign Budget – Bob Martel**

- The new shelter project budget was distributed and reviewed. The Capital Campaign Committee committed to raise \$8 million, if that is what is needed, Tanya stated. Current estimated budget is \$8.3 million. Bob Martel is not concerned with the overage at this point, as this is still an estimate. All project documents have gone out to bid. Bids are generally back in 2-3 weeks, but another 1-2 weeks will be necessary to reconcile. When the bid process is complete the budget will be updated again. The Board previously approved a \$7.5 million budget. Changes from the original estimate in August 2007 until now are attributable to a slight increase in the building square footage, project determined to be more complicated and expensive. The \$8.3 figure does not include the buffer cost. The two contingency figures are 1) building/construction contingency and 2) owner contingency for pre-construction issues (i.e. additional architect costs or scope change). We are in a good bidding climate for customers. The budget assumes a geo-thermal system. It was determined that

we need to review with the County the bond interest rate and income. Also, we need to rerun the cash flow analysis after the budget is set.

- The geo-thermal analysis was reviewed. Tanya stated that we have received a \$250,000 grant designated toward the geo-thermal system costs. The new building is very energy intensive due to the many air exchange requirements. A geo-thermal system will save us at least 50% on our heating/cooling energy costs. There is no technological risk.
- County bond will not be issued until we have closed and have title to the land.
- The UM Regents discussed but did not approve the land purchase agreement at the March 20<sup>th</sup> meeting.

### **County Lease Agreement – Mark Heusel**

- The County lease agreement for the new facility was reviewed. We believe there are no revisions required to accommodate the UM for the land purchase agreement. The provided side-letter should be sufficient. The concept is we lease the premises to the County during bond term and the County leases the building back to HSHV. The building must be owned by the County to get the bond. HSHV always retains title. Jane Lumm questioned the insurance coverage requirements. There would be some additional insurance HSHV would have to obtain. Jane also questioned the alterations clause. This would be structural alterations, and it is felt that there is no risk of this during the bond term.
- Peter Fink motioned to approve the County lease agreement. Teresa Welsh supported. All approved.

### **Treasurer's Report – reported by Mike Walsh**

- The February 2008 financial reports were reviewed and discussed. Revenue is 7% over budget and 9% over 2007. There is improvement in the Clinic revenue. Expenses are 3% over budget. Overall bottom line we are \$8,000 (7%) better than budget. Not much change in our Balance Sheet from January. We are still in good shape.
- It was determined that the Board did not need to approve the budget overage on the pre-approved capital expense for the washing machine. We do need to set a policy for a threshold on budget overages that do need pre-approval by the Board.
- We have three bequests on our Accounts Receivable.
- The Capital Campaign reports were reviewed. Our auditors suggest and advise that we take the County pledge off the books at this point, as it is dependent on the bond issue and land purchase.
- Jane Lumm asked for a timeline of project milestones. Phoenix will provide this as the project begins. Cash flow timing will be provided.
- We currently have \$360,000 in unsigned pledges, \$250,000 of which is the grant for the geo-thermal system.

- Teresa Welsh motioned to accept the Treasurer's Report. Anne Ferris supported. All approved.

## **Director's Report – reported by Tanya Hilgendorf**

### **Shelter Activities**

- Contract with Plymouth Twp will begin April 1. Other still going through their approval process.
- We have a meeting with the County to discuss the opportunity for HSHV to provide dog licenses, and will discuss differential licensing for unsterilized pets.
- Dog adoptions have been down substantially. We believe there is a connection to the poor economy. See article attached. (Foreclosure May Lead to Pet Abandonment)
- Staff are working on a plan for extended hours and a staffing model change among Animal Care Techs that will allow some to focus on adoptions and customer service and some to focus on animal care and cleaning. Right now all ACT's are expected to do both. All will be crossed trained, but as these jobs require two different skill sets, major responsibilities will be determined by competency and interest in a particular area. There will be no changes in pay or in supervision.

### **Clinic**

- Pet Supplies Plus Clinic was a success – over 75 animals/low cost/brought in just under \$1,900.00
- Have a new relationship with Mantis Pet Supplies (on Michigan Ave/in our target market for low cost services) and will be hosting our Heartworm Clinics there in April & May.
- Pit Bull Spays/Neuters have gone up! 13 in 6 weeks of special, only 46 last year total.
- Hired Meredith Ackerman! Starts a few days part time in April, and then full time in May.
- Beginning new communications with area vets via newsletter and starting outreach to Western Wayne areas.
- Have an ultra sound machine that is being donated to the clinic from Griffith Animal Hospital in Whitmore Lake, originally purchased a few years ago for \$40,000.

### **Cruelty Investigations**

- Ricky Lee Lynch pled guilty to four felonies and was sentenced to 5 years probation.

### **Marketing/Outreach/Fundraising**

- Walk & Wag Registration is online using the "Team Raiser" function of Convio.
  - Raffle tickets are on sale now. See Deb if you would like to sell tickets.
    - 1<sup>st</sup> Prize - \$1000 in cash
    - 2<sup>nd</sup> Prize – Flat Screen TV

- 3<sup>rd</sup> Prize – Four 50 Yard Line tickets to the University of Michigan vs. Michigan State Football game
- Merkel Carpet One and 20/20 Communications bought media packages from Cumulous Radio and donated 150 30 second PSA spots to HSHV each month for one year. Deb and a volunteer are recording the PSA's which will change each month as we need to. The spots can be heard by anyone streaming 107one, WTKA, or W4 County online.
- Donations made online through Convio are at \$4,390 through 3-19-08. 113 transactions. That's an average of \$38.50 per donation.
- Heritage Newspapers ran great article on dog fighting and interview on animal cruelty in Washtenaw County.

### **Capital Campaign**

- We believe the UM purchase agreement is on the Regents agenda for March 20.
- \$6.3 million in pledges to date. Herrick Foundation has agreed to a \$250,000 gift to help pay for geothermal.
- Critical pieces of public phase (bill boards, ads, etc.) are being deferred per UM's request until after the Regents have voted.

### **Comments**

- Tanya and Dennis Wojcik had a good meeting with the Drain Commission and Ann Arbor City to discuss support for our TNR program. Ann Arbor must find ways to reduce the e coli that was found in the waterways. DNA testing determined a large portion of the e coli was from cats.
- Jane Lumm motioned to approve the report. Anne Ferris supported. All approved.

### **New Business**

#### **IT Analysis and Review**

- Diana Kern stated the Board needs to review and evaluate infrastructure and best practices, specifically for the new facility. Tanya stated that an IT analysis was completed in 2007 by LTI. This analysis was provided to the Board. It was determined an ad hoc committee is necessary. Diana Kern will solicit external members with expertise. Diane Heidt offered to check with the County for IT options.

#### **Public Comment**

- Shari Wilcox commented that she has Walk and Wag raffle tickets available for Board members to sign-out and sell.
- Chris Ossenmacher commented that the new Adoption Coordinator position is excellent. The adoption follow-up program has changed dramatically in the last six months.

- Kathy Spain commented that the Behavior Helpline also has improvements with new volunteers performing the follow-up calls. So far, we are getting very good feedback.

Dennis Wojcik motioned to adjourn the meeting to Executive Session. Diane Heidt supported. The meeting was adjourned at 7:20 pm. The next scheduled meeting of the Board is April 28, 2008 at 6:00 pm.