

HUMANE SOCIETY OF HURON VALLEY
Minutes of the Board of Directors Meeting
January 26, 2009

Present: Del Dunbar, Peter Fink, Diane Heidt, Mark Heusel, Diana Kern, Jane Lumm, Robert Tetens, Mike Walsh, Teresa Welsh

Absent: Nancy Culotta, Anne Ferris, Dennis Wojcik

Others Present: Tanya Hilgendorf, Deb Kern, Jaci Nicols, Carolyn Raschke

Bob Tetens called the Board of Directors meeting to order at 6:05 pm.

Minutes Approved

- Diana Kern motioned to approve the November 24, 2008 Board meeting minutes. Diane Heidt supported. All approved with minor fix of identified typo.

Treasurer's Report – reported by Mike Walsh

- The pre-audit December 2008 financial reports were reviewed. Carolyn Raschke stated there has been more than \$20,000 in additional donation revenue processed since the reporting. Mike reviewed; revenue is 15% over 2007 and 2% below 2008 budget. Expenses 5% over 2007 and on budget for 2008. Our bottom line net income is significantly over budget due to multiple bequests. These bequests are considered accounts receivable.
- Jane Lumm asked if we have any benchmarking to compare our finances to other shelters. Mike will ask our auditors if they have any information for such a comparison.
- Our annual audit begins sometime in April, as we get a reduced fee for a later schedule. The entire process takes about one month, with auditors on-site for about a week.
- Mike stated our balance sheet is very strong.
- The capital campaign contingency is \$200k. The construction costs are fine and on-track to budget.
- Jane Lumm asked for a reconciliation of development and finance capital campaign figures to sources and uses in the report.
- Teresa Welsh motioned to approve the Treasurer's Report. Jane Lumm supported. All approved.
- Mike Walsh opened discussion on the proposed 2009 budget. He commented it was very well done and the Finance Committee is on board with the budget as presented.
- Diana Kern asked for a clarification on the sizeable increase in Clinic revenue. Is this realistic? Is there demand? Also, she wanted clarification on the adoption revenue as the per animal fee average is budgeted as the same as actual 2008, but more volume.

- Tanya Hilgendorf replied we will be open for Saturday out-patient appointments. All of the additional planned staff is to support out-patient services which go directly to revenue. Finally, we have very strong management in the Clinic and once in the new facility we will have more expanded hours. As for adoptions, we do expect higher volume from the Rescue Waggin program and increased cat adoptions. As well as overall adoption volume increase once in the new facility.
- Mike and Carolyn clarified the Prior Retained Earnings included in the 2008 budget is not necessary for 2009.
- Jane Lumm asked if there was any other financial impact from the County contract. Carolyn Raschke replied it is the same situation related to the county living wage that we have dealt with for many, many years. The anticipated county living wage increase is already included in the budget.
- Jane Lumm asked for clarification on the special programs staffing. Carolyn Raschke replied this isn't new staff, just re-allocation of existing staff.
- Diana Kern stated this was a very complete, thoughtful and progressive budget. Diana Kern motioned to accept the 2009 budget as presented. Peter Fink supported. All approved.

Director's Report – reported by Tanya Hilgendorf

Shelter Activities

- PetSmart Rescue Waggin' should begin in February.
- Adoptions have slowed due to weather and time of the year. Intake numbers also dropping per normal trends.
- New evaluation and enrichment procedures being put in place for cats.
- Ended the year with 72.3% save rate!! Another record year. Our euthanasia rate has almost been cut in half since 2004.
- Still working with City of Ann Arbor for possible support of TNR.

Cruelty/Rescue Department

- Judge dismissed case of animal cruelty against man who shot his neighbor's cat.
- Prosecution still in process for children involved in cat cruelty.
- Cruelty complaints for outside dogs and starving horses have been on the rise.
- Please read "The End of the Chain" to understanding chaining laws and how HSHV can work to change these ordinances. (Handout given at meeting.)

Marketing/Outreach/Fundraising

- Ended 2008 above revenue goal by about \$20,000 (really great in a CC year!)
- POE plan to start in February
- Planning being done for Golf Tournament in Fall
- Volunteers doing outreach at Plymouth Ice Sculpture Show
- HSHV has been getting lots of great press lately. We've had at least 3 positive articles in the Ann Arbor News since December. The Crain's article on Best Managed Nonprofit runner up. Some local TV news coverage. And, winner of favorite Michigan shelter!

Clinic

- Clinic is in process of hiring 1.5 vets for outpatient services and will be open on Saturdays beginning this week.

Capital Campaign

- Still have \$1.4 million left to raise.
- Roof will be started next week. Building completion still anticipated for mid-July.
- Beginning transition planning with staff, still need to do interior design, furniture, and equipment acquisition. We are working with Hands On Museum to create an interactive educational display for kids.

Discussion

- Tanya highlighted the 2008 save rate of 72.3%.
- Diana Kern asked about specific marketing to promote the Saturday Clinic hours. Deb Kern replied we are finalizing our analysis of advertising options, links on Mlive and of course our own website.
- Diana Kern also highlighted to the Board that we still have \$1.4 million to raise for the capital campaign. Deb Kern added the holiday/winter break has left the process a little stagnant and the committee needs motivation. Staff is reviewing a possible additional mass mail appeal and possible cable TV advertising.
- Jane Lumm asked the status of the Ann Arbor City support of the TNR program. Tanya Hilgendorf replied her contact at the city seems positive, but outcome is still unclear.

Old Business

- Attorney Retention – Mark Heusel agreed that no changes needed to be made to our state of legal representation. Teresa Welsh mentioned an attorney that may be interested in becoming a Board member, and perhaps she could assist pro bono as needed.

New Business

- Del Dunbar presented and reviewed a grant opportunity from the Margaret A Cargill Foundation. The grant is both cash and shares of stock (not publicly traded). The cash pay-out is over a five year term.
- Del Dunbar motioned HSHV hereby approve application to the Margaret A. Cargill Foundation for a \$50,000 cash grant plus a grant of 1,000 shares of Cargill Inc common stock and authorizes its President to execute and return all appropriate documents prior to January 31, 2009. Jane Lumm supported. All approved.

Development Report – reported by Jaci Nicols

Update

- We had a very heavy December for donations. Processing and data entry was a bit backlog until this week. We ended 2008 \$52,000 over our revenue budget and \$5,000 over our expense budget. Increases were noted in general donation, memorial/honorarium, and third-party fundraisers. We expect to capitalize on these continued increases in 2009.
- Jaci stressed importance of the Board thank-you calls to donors. If you need letterhead and envelopes, just let Jaci know. Please get all feedback to Jaci, including updated contact information, phone numbers or email addresses.
- The POE program will begin in February with Diana Kern. Staff will be asking a few select volunteers to participate in a POE as well.

Other Business

- Bob Tetens reminded we are planning a Board retreat for a Saturday in April. The Governance Committee needs to select a date and communicate to rest of Board.
- Jane Lumm will be contacting an Ann Arbor City Council member regarding the Ann Arbor City article in last Sunday's Ann Arbor News advertisement section. This is an opportunity to education and advocate for reinstatement of the City's Animal Control Officer. Other Board members are welcome to participate. Tanya Hilgendorf stated HSHV is not interested in becoming the City's (or other) Animal Control ordinance enforcement.

There being no other business, Peter Fink motioned to adjourn the meeting. Teresa Welsh supported. The meeting was adjourned at 7:15 pm. The Board members remained for a viewing of the "Speaking of Money" video. The next scheduled meeting of the Board is Monday, March 23rd at 6:00 pm.