

HUMANE SOCIETY OF HURON VALLEY
Minutes of the Board of Directors Meeting
March 23, 2009

Present: Nancy Culotta, Peter Fink, Diane Heidt, Diana Kern, Jane Lumm, Robert Tetens, Mike Walsh, Teresa Welsh, Dennis Wojcik

Absent: Del Dunbar, Anne Ferris, Mark Heusel

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

Bob Tetens called the Board of Directors meeting to order at 6:04 pm.

Minutes Approved

- Diane Heidt motioned to approve the January 26, 2009 Board meeting minutes. Diana Kern supported. All approved.

Construction Update – reported by Bob Martel

- Overall the project is on-time and on-budget. Our anticipated early completion was lost due to required additional grout testing. Our current estimated move-in is Labor Day and all site work is anticipated to be done in October. There should not be a problem finishing the parking lot before next winter's seasonal shut-down of asphalt contractors. Our contingency budget has approximately \$200,000 remaining. The contingency in the Phoenix budget has about 50% remaining. We anticipate scheduling a Board Member walk-thru around June.

Treasurer's Report – reported by Mike Walsh

- Our December pre-audit financials will be altered to reflect an adjusted amount for one particular bequest.
- Our February financial reports were reviewed. Revenue is on target at 1% below budget. Expenses are 4% below budget. Our bottom line is right on with last year and better than budgeted. There is not much change in our Balance Sheet, with the exception of the aforementioned bequest adjustment. Balance Sheet is in good shape.
- We have \$1.4 million left to raise for the capital campaign fund. The Sources and Uses report needs to tie to our \$8.6 million capital campaign fund goal.
- Teresa Welsh motioned to approve the Treasurer's Report. Peter Fink supported. All approved.
- The proposed Tax-Free Bond Proceeds Policy was distributed for discussion. Our auditors recommend and require such a policy. Diane Heidt motioned to approve the Tax-Free Bond Proceeds Policy as written.

Policy

- Tax-free bond proceeds shall be clearly earmarked for a defined project.
- Bond funds will be disbursed to payees upon receipt of all necessary endorsements and approvals.
- Bond funds will be timely spent and used for tax-exempt purposes.
- Bond funds will be disbursed before disbursements are made using other capital contributions.
- It is not the intent of the organization to use bond proceeds for investment purposes.
- Where possible, the bond proceed account will be established by the issuing municipality and will be subject to governmental oversight and audit.
- Project financial reports including the bond proceeds accounting will be provided to the Board of Directors at every meeting.

Objectives

Agency policies and procedures for the use of bond proceeds are designed to ensure:

- Adequate documentation is maintained to support costs financed with bond proceeds
- The approval process for project costs is appropriate
- All allowable costs are charged to bond funds
- Bond funds are used in full to cover approved project costs

Jane Lumm supported. All approved.

- The proposed resolution to designate the Finance Committee as HSHV Board representation for our annual independent audit was discussed. Our auditors recommend such a resolution. Diana Kern stated the best-practice is to separate an Audit Committee from the Finance Committee. Teresa Welsh stated that upon last review our structure, current roles and responsibilities are sufficient separation. Current Finance Committee consists of Mike Walsh, Teresa Welsh, Peter Fink, Anne Ferris and Del Dunbar. Nancy Culotta will sit in on committee during the audit, if needed. Nancy Culotta motioned the following resolution:
WHEREAS the Board of Directors desires to designate the Finance Committee to assist the Board in fulfilling its oversight responsibilities related to the Organization's financial reporting process and the annual independent audit of the Organization's financial statements.

RESOLVED, the Board hereby acknowledges that the Finance Committees' duties and responsibilities in respect to this shall include the following:

- Discussions on behalf of the Board with the independent auditors regarding the planned scope and timing of the audit of the Organization's financial statements,

- Discussions on behalf of the Board with the independent auditors regarding significant findings from the audit,
- Periodic communication to the Board of Directors regarding matters discussed with the auditors, and
- Other actions as necessary with regard to the annual audit, the results and findings there from, and the Organization's financial reporting process.

And further RESOLVED, the Finance Committee shall be comprised of members appointed by the Board from time to time.

Peter Fink supported. All approved.

Director's Report – reported by Tanya Hilgendorf

Shelter Activities

- Adoptions going well though the emerging spring has brought disease outbreak in both dogs and cats.
- HSHV now is able to provide dog licenses for Ypsilanti Township. Additional efforts to work with the County to institute better, more customer friendly licensing practices have been ineffective. Met with Ypsilanti Twp to review statistics regarding number of animals, particularly Pit Bulls that come from the Twp, and discuss options for putting greater prevention efforts in place. We recommended differential licensing for spay/neutered pets. Twp officials were receptive, but would like us to work with the County instead.
- City of Ann Arbor has rejected our TNR proposal.
- Barn Buddy program instituted for unsocialized cats that are not adoptable and would otherwise be euthanized. Positive response from adopters so far.
- Response from bank regarding feral cats at foreclosed on property still in limbo. Mark reviewing response to letter sent by attorney (dated February, but hand delivered in March).

Cruelty/Rescue Department

- Prosecutor's Office is appealing decision in case against man for shooting his neighbor's cat.
- Prosecution still in process for children involved in cat cruelty—children going through competency hearing.
- New charges being submitted for woman who intentionally starved her dog to death while keeping him locked in a closet in her apartment.
- Reward being offered for information regarding small dog found in dumpster on EMU's campus.
- Trying to develop a foster placement program for horses taken in cruelty cases.

Marketing/Outreach/Fundraising

- New relationship forged with Ann Arbor News where pet of the week video is on MLive each week. Last week's pet, McMahon, was adopted because he was seen on MLive.
- Walk and Wag scheduled for Saturday, May 16 from 10am to 1pm. Thanks again to Bob Tetens for allowing us to use County Farm Park...again!
- 1st Annual HSHV golf tournament –Purrfect Doggone Golf Scramble on Friday, September 25 at Pierce Lake Golf Course. Thanks again to Bob!
- Paws in the Park in Canton Scheduled for August 22 and August 23
- Received \$2000 from Maddie's Fund for Marketing Competition focused on hard to place animals

Clinic

- Saturday outpatient hours going well and have been fully booked.
- New full-time vet hired for outpatient services. We now have about 3.75 vets plus one part-time volunteer vet

Discussion

- Diane Heidt will bring licensing and differential licensing to the County budget meeting.
- Teresa Welsh suggested the phrase "as agent for the bank" be used related to the realtor involved in the foreclosed property with the feral cat colony.
- Jane Lumm suggested putting information on our website to update and provide clarification of our position regarding the situation.
- Tanya Hilgendorf confirmed we are not going on the property to feed the cats.
- Reminder, the Volunteer Appreciation Party is Wednesday April 1. The Board is welcome to attend. An email with full details will be sent tomorrow.

Capital Campaign Update – reported by Tanya Hilgendorf

- Total pledges/gifts to date \$7,208,673 from 366 (individuals and organizations).
- The Capital Campaign Committee is still working on a few remaining major prospects. We are also working with the Founders Circle, which are families who were major donors for our current facility 50-60 years ago. Our Development department is also going through our regular donor list again to identify any other potential givers. The Committee asks the Board to review our remaining prospects for people they know, commit to personally ask 5 people, and make a stretch pledge/donation of their own. We do need 100% participation of Capital Campaign donation support from the Board.

Old Business

- The Bylaw changes have been completed by the Governance Committee. Diana Kern will give the final version to Mark Heusel for final legal review. After that, the entire Board will be asked to approve via email in April.

Development Committee Report – reported by Jaci Nicols

- Walk and Wag sponsorships have been slow and down due to economy. If you can assist with sponsorship asks or suggestions, please see Jaci. We are looking at alternative ways to increase Walk and Wage event revenue. We are currently selling raffle tickets for Walk and Wag. Please see Jaci to obtain tickets for sale (\$5 each or 5/\$20).
- The Board did agree to 100% participation as a group event sponsor. Please get your sponsorship check or pledge to Jaci.
- Diana Kern's POE is scheduled for April 16th 7:00pm. You are all, also, invited to attend. We are hoping for 10-15 other attendees. This is our first POE.

New Business

- HSHV's tree buffer escrow was discussed. Tanya Hilgendorf relayed from the Capital Campaign Committee that Fred Matthaei has offered to give HSHV a donation to cover the tree buffer costs for HSHV to work along with Matthaei Gardens to complete. The Committee asks the Board to pledge the already designated tree buffer escrow money to the capital campaign fund as it will not be needed for the tree buffer expenses. After discussion, the Board agreed they needed to review the University of Michigan lease agreement related to the tree buffer escrow before making a decision. Carolyn Raschke will email the tree escrow contract verbiage to the Board. If action is required before May, an email motion and vote will be conducted.
- Diana Kern has asked the Board to beta-test the NEW BoardConnect Board Assessment tool. If agreed, Diana will email the Board the instructions and the Board can then use the results as part of the upcoming Board retreat. The Board will need to complete the assessment within 10 days and give feedback to Diana Kern and NEW. The Board agreed to beta-test.
- The Board agreed to the date of Saturday, November 14th for an HSHV Board of Directors retreat. The planned time is 9:00am to 1:00pm. The planned location is Rolling Hills Park conference facilities, compliments of Washtenaw Parks and Recreation. We still need to find a facilitator. The Executive Committee and Executive Director will work on determining the facilitator and agenda. This is not in the budget, so once determined the budget will need to be approved by the Board.
- Bob Tetens distributed the forms for all Board members to complete for the annual Executive Director performance evaluation.
- Peter Fink suggested we need a more effective way for the Board to track future interest items. (i.e. college student animal ownership education and anti-chaining laws)

There being no other business, Jane Lumm motioned to adjourn the meeting. Diane Heidt supported. The meeting was adjourned at 8:00 pm. The next scheduled meeting of the Board is Tuesday, May 26th at 6:00 pm.