

# Lincoln County Humane Society

## Business Plan

January 2009

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## **Purpose of this Plan**

This plan serves to provide the framework for the Lincoln County Humane Society to become a highly-regarded, financially stable organization serving the needs of the residents of Lincoln County.

A quality, functioning shelter is a pillar in our county's animal welfare efforts and adds value to the quality of life in our community. It is a joint venture between the humane society and the municipalities it serves.

## **Mission Statement**

The Lincoln County Humane Society is dedicated to the prevention of cruelty and abuse to animals, birds and wildlife.

We strive to maintain a place of safety for healthy adoptable animals; a temporary home for the homeless; a haven for the mistreated, neglected or abused animals of Lincoln County and the surrounding counties.

Euthanasia will not be our population control, but rather an act of kindness to end an animals suffering or to ensure public safety and welfare.

It is our pledge to nourish the relationship between companion animals and humans through education, media exposure and readily available information and assistance.

## **History and Current Situation**

LCHS was founded by Arnine Seis and a group of citizens concerned about animals in the spring of 1977. By January of 1979 the shelter was formally opened at its current location in Merrill. The building was funded equally by the City of Merrill and Lincoln County; the land was provided by Lincoln County at the east edge of the Lincoln County Fairgrounds.

### **Current Situation**

LCHS is a non-profit, non-stock corporation which is not a branch of city, town, or county government, but rather works in cooperation with local government units. LCHS is governed by a board of eleven directors who serve a three year term and three directors are elected annually by the members of LCHS. LCHS is committed to preventing the suffering and cruelty to animals, and will strive to instill in our community an ethic of empathy, care and appreciation for all living things.

The shelter houses and cares for approximately 1000 dogs, cats and various other animals 365 days per year. The shelter is open to the public six days a week, Monday through Saturday from 10 am to 4 pm for stray intake and 12 pm to 5 pm for animal viewing Monday through Friday. We are open 12 pm to 4 pm on Saturdays for animal viewing. LCHS operates a multi-purpose facility providing care to stray animals and those surrendered by their owners; we also isolate bite cases and rabid animal suspects as required by law. Injured or sick animals are provided with immediate veterinary care. Stray animals are housed for seven days according to state law to allow owners adequate time to reclaim them. All animals are vaccinated, wormed and

treated for parasites to prevent transmission of diseases to the other animals at the shelter. Animals not reclaimed will be available for adoption after the seven day hold.

According to our adoption contract, all animals must be spayed or neutered and vaccinated against rabies. Some area veterinarians give free health exams and a surgery discount. Animals leaving the shelter are sent with a free leash, collar and an adoption pouch specific to the type of animal they have chosen.

The community is presented with adoptable animals through various media outlets. We take five animals to WSAU where they tape segments to show on the afternoon news every week day. A single animal is taken to WAOW on Wednesday evening and presented by a handler live on the "Pet Savers" segment of the 5:00 evening news. One Saturday per month animals are taken to PETCO in Wausau and the handler is expected to answer the public's questions and present information regarding the shelter. All animals are listed on two radio stations, weekly in newspapers, on the shelter's website at [www.furrypets.com](http://www.furrypets.com), and a national website at [www.petfinder.com](http://www.petfinder.com). We also work in cooperation with other shelters and Breed Rescue organizations to find good homes for all the animals we receive.

Our ultimate goal is to find loving homes for the animals we serve while keeping those animals healthy.

## Finance History (2001-2007)

	2001	2002	2003	2004	2005	2006	2007
<b>Operating Receipts</b>							
Animal Related Income	46,608.12	40,771.84	57,640.45	44,751.25	62,601.61	108,973.80	41,036.63
County Dog Licenses	19,700.00	31,300.00	32,489.50	32,151.73	30,922.75	33,235.80	29,749.41
Donations	0.00	0.00	0.00	30,372.38	20,694.62	9,494.28	28,542.67
Investment Income	1,959.95	99.83	385.80	1.08	148.16	1.29	149.32
Membership Income	0.00	0.00	7,216.00	2885.00	2,425.00	2,460.81	1,174.00
Memorial Income	10,215.00	12,301.00	2,411.00	3,950.00	32,213.50	4,542.44	2,517.00
Government Grants	54,300.00	48,389.50	31,100.00	46,500.00	45,000.00	45,000.00	45,000.00
Fundraising Income	32,020.17	30,886.33	29,755.17	48,772.31	25,361.88	10,873.74	17,617.38
Other	0.00	2,278.00	0.00	0.00	0.00	3,466.71	290.00
<b>Total Receipts</b>	<b>164,803.24</b>	<b>166,026.50</b>	<b>160,997.92</b>	<b>133,612.71</b>	<b>209,383.75</b>	<b>219,370.52</b>	<b>166,076.41</b>
<b>Operating Disbursements</b>							
Animal Related Expense	12,958.29	23,224.51	35,656.75	31,775.48	52,436.63	53,245.03	47,286.31
Advertising	0.00	1,962.51	2,185.84	2,175.19	948.51	27.50	1,231.49
Accounting	0.00	0.00	0.00	0.00	1,725.00	1,593.61	1,679.80
Dues & Subscriptions	0.00	0.00	389.65	75.00	60.00	0.00	0.00
Education & Training	7,461.69	10,174.16	1,176.31	700.00	980.95	0.00	145.00
Equipment & Repairs	2,620.83	5,757.53	1,858.49	772.98	10,703.62	12,828.49	15,093.75
Fundraising Expense	0.00	0.00	0.00	5,628.66	1,992.53	2,699.20	2,875.77
Insurance	3,202.00	2,423.00	3,078.52	3,355.00	3,931.00	6,770.78	149.81
Utilities	583.31	4,707.50	7,096.71	7,467.43	8,222.00	8,768.82	11,562.63
License & Permits	0.00	0.00	75.00	455.00	1,315.85	15.00	137.50
Office Supplies	4,172.73	2,243.51	1,573.31	1,773.83	1,794.22	1,210.31	2,990.77
Postage	669.19	839.22	584.28	503.28	259.00	238.94	193.50
Sales Tax	888.81	1,033.86	2,081.77	2,198.40	1,919.44	4,635.88	2,606.14
Other	0.00	0.00	0.00	3,099.26	5,766.62	1,990.64	25.50
Payroll	86,928.00	84,727.39	95,935.77	101,216.91	94,023.22	111,830.24	124,843.47
Unemployment Expense	3,659.08	1,741.20	2,562.81	3,138.79	10,495.58	16,163.13	4,484.41
FICA Expense	6,649.99	6,481.65	7,339.09	7,559.54	7,083.59	8,553.13	9,332.69
Waste Removal	0.00	770.00	821.90	882.64	1,767.74	2,455.71	1,304.28
Travel	4,176.65	3,620.63	3,015.16	1,408.59	3,575.59	2,667.47	3,848.80
<b>Total Operating Disbursements</b>	<b>133,970.57</b>	<b>149,706.67</b>	<b>165,431.36</b>	<b>133,554.27</b>	<b>175,890.98</b>	<b>209,001.09</b>	<b>229,791.62</b>
<b>Net Income (Loss) from Operations</b>	<b>30,832.67</b>	<b>16,319.83</b>	<b>(4,433.44)</b>	<b>58.44</b>	<b>33,492.77</b>	<b>10,369.43</b>	<b>(63,715.21)</b>

## 2008 Actual Income and Expenses

### LCHS INCOME

#### Animal Related Income

Adoption Fees	20,447.85
Reclamation Fees	1,862.95
Dog License Fees	31,391.19
Animal Related Income - Other	<u>1,269.70</u>

**Total Animal Related Income** 54,971.69

#### Fundraising Income

Aluminum Cans-Merrill	4,493.05
Aluminum Cans-Tomahawk	1,085.50
Donation Banks - Merrill	1,811.61
Donation Banks - Tomahawk	1,865.48
Poker Run	16,001.27
Donation Income	87,785.99
Nasco - Scientific	140.00
Fundraising Income	<u>11,263.78</u>

**Total Fundraising Income** 124,446.68

#### Other

County Installments	20,000.00
City of Merrill	10,000.00
Bank Interest	419.17
Membership Income	980.00
Memorial Income	<u>3,735.00</u>

**Total Other** 35,134.17

**Total Income** 214,552.54

**EXPENSES****Animal Related Expenses**

Cat litter	1,383.38
Medical Expenses	28,838.49
Medical Supplies	1,460.00
Vehicle	3,125.92
Food	20.92
Cremation Expense	1,003.00
Dog License Payments	<u>3,114.50</u>

**Total Animal Related Expenses** 38,946.21

**Total EXPENSES** 38,946.21

**Office Related Expenses**

Advertising Expenses	318.73
NSF Fees	24.00
Equipment	247.79
Legal & Professional	1,407.60
Licenses and Permits	225.00
Office Supplies	2,231.82
Postage	235.00
Sales Tax	<u>1,102.94</u>

**Total Office Related Expenses** 5,792.88

**Payroll Expenses**

Unemployment Expense	3,091.86
Hourly Employees	70,975.45
Manager Salary	25,001.55
FICA Expense	7,307.21
Workers' Compensation	4,362.15
Health Insurance	<u>464.94</u>

**Total Payroll Expenses** 111,203.16

**Shelter Expenses**

Fundraising Expenses	4,675.57
Equipment	534.80
Repairs	1,802.00
Supplies	6,892.75
Electric/Gas	7,664.40
Telephone	1,579.95
Water	1,766.70
Waste Removal	<u>2,222.65</u>

**Total Shelter Expenses** 27,138.82

**Total Expense** 183,081.07

**Net Ordinary Income** 31,471.47

# Financial Future

## Goal

Overcome the budget shortfalls from the previous years, and become financial stable by the year 2013.

## Budget

The budget is driven by three major expenses:

1. Payroll
2. Medical Expenses
3. Supplies (Shelter Operations)

The budget is funded by multiple revenue sources:

4. Shelter Revenues
5. Municipal Contract Funds
6. Fundraising Efforts
7. Donations and Memberships

## Important Assumptions

- We expect income to increase by 5% each year.
- We expect municipal funding to remain the same each year.
- We expect payroll expenses to increase by 2% each year.
- We expect expenses to increase each year by 3%.
- Any additional funds received in excess of what is required for shelter operations will be placed in our spay/neuter fund.

## Income Goals

**Stretch goals** set for the organization in 2009, although not reflected in the official 2009 budget, include:

- Municipal Funding Goals:
  - Receive the remaining 2008 Lincoln County funding of \$15,000 (total of \$35,000)
  - Re-establish 2009 contract with Lincoln County \$35,000
  - Renew 2009 contract with City of Merrill \$10,000
  - Establish 2009 contract with Town Boards =\$8,000
  - Establish 2009 contract with City of Tomahawk - \$5,000
- 2009 County Dog License revenue goal = \$40,000. This will require cooperation from all municipalities and the LCHS to achieve this goal.
- 2009 Membership revenues goal assumes 200 individual members at \$25 a year and 50 corporate members at \$50 a year at a minimum. (=\$7,500)
- 2009 Fundraising Revenues goal = \$36,000

## Statement of Projected Results

For Each of the Five Years Ending December 31, 2013

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>INCOME</b>					
<u>Animal Related Income</u>					
Adoption Fees	21,000.00	22,050.00	23,152.50	24,310.13	25,525.63
Reclamation Fees	1,300.00	1,365.00	1,433.25	1,504.91	1,580.16
Dog License Fees	32,000.00	33,600.00	35,280.00	37,044.00	38,896.20
Animal Related Income - Other	900.00	945.00	992.25	1,041.86	1,093.96
<b>Total Animal Related Income</b>	<b>55,200.00</b>	<b>57,960.00</b>	<b>60,858.00</b>	<b>63,900.90</b>	<b>67,095.95</b>
<u>Fundraising Income</u>					
Aluminum Cans-Merrill	3,000.00	3,150.00	3,307.50	3,472.88	3,646.52
Aluminum Cans-Tomahawk	1,300.00	1,365.00	1,433.25	1,504.91	1,580.16
Donation Banks - Merrill	2,400.00	2,520.00	2,646.00	2,778.30	2,917.22
Donation Banks - Tomahawk	1,500.00	1,575.00	1,653.75	1,736.44	1,823.26
Poker Run	12,500.00	13,125.00	13,781.25	14,470.31	15,193.83
Donation Income	26,000.00	27,300.00	28,665.00	30,098.25	31,603.16
Nasco - Scientific	30.00	31.50	33.08	34.73	36.47
Fundraising Income	15,000.00	15,750.00	16,537.50	17,364.38	18,232.59
<b>Total Fundraising Income</b>	<b>61,730.00</b>	<b>64,816.50</b>	<b>68,057.33</b>	<b>71,460.19</b>	<b>75,033.20</b>
<u>Other</u>					
County Installments	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00
City of Merrill	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bank Interest	300.00	315.00	330.75	347.29	364.65
Membership Income	2,000.00	2,100.00	2,205.00	2,315.25	2,431.01
Memorial Income	1,000.00	1,050.00	1,102.50	1,157.63	1,215.51
<b>Total Other</b>	<b>48,300.00</b>	<b>48,465.00</b>	<b>48,638.25</b>	<b>48,820.16</b>	<b>49,011.17</b>
<b>Total LCHS INCOME</b>	<b>165,230.00</b>	<b>171,241.50</b>	<b>177,553.58</b>	<b>184,181.25</b>	<b>191,140.32</b>
<b>EXPENSES</b>					
<u>Animal Related Expenses</u>					
Cat litter	800.00	824.00	848.72	874.18	900.41
Medical Expenses	30,000.00	30,900.00	31,827.00	32,781.81	33,765.26
Medical Supplies	2,500.00	2,575.00	2,652.25	2,731.82	2,813.77
Vehicle	4,000.00	4,120.00	4,243.60	4,370.91	4,502.04
Food	100.00	103.00	106.09	109.27	112.55
Cremation Expense	1,500.00	1,545.00	1,591.35	1,639.09	1,688.26
Dog License Payments	5,300.00	5,459.00	5,622.77	5,791.45	5,965.20
<b>Total Animal Related Expenses</b>	<b>44,200.00</b>	<b>45,526.00</b>	<b>46,891.78</b>	<b>48,298.53</b>	<b>49,747.49</b>
<u>Office Related Expenses</u>					
Advertising Expenses	250.00	257.50	265.23	273.18	281.38
NSF Fees	40.00	41.20	42.44	43.71	45.02

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Equipment	400.00	412.00	424.36	437.09	450.20
Legal & Professional	1,200.00	1,236.00	1,273.08	1,311.27	1,350.61
Licenses and Permits	350.00	360.50	371.32	382.45	393.93
Office Supplies	2,750.00	2,832.50	2,917.48	3,005.00	3,095.15
Postage	275.00	283.25	291.75	300.50	309.51
Sales Tax	1,100.00	1,133.00	1,166.99	1,202.00	1,238.06
<b>Total Office Related Expenses</b>	<b>6,365.00</b>	<b>6,555.95</b>	<b>6,752.63</b>	<b>6,955.21</b>	<b>7,163.86</b>
<u>Payroll Expenses</u>					
Unemployment Expense	2,400.00	2,448.00	2,496.96	2,546.90	2,597.84
Hourly Employees	50,000.00	51,000.00	52,020.00	53,060.40	54,121.61
Manager Salary	25,000.00	25,500.00	26,010.00	26,530.20	27,060.80
FICA Expense	5,700.00	5,814.00	5,930.28	6,048.89	6,169.86
Workers' Compensation	500.00	510.00	520.20	530.60	541.22
Health Insurance	1,800.00	1,836.00	1,872.72	1,910.17	1,948.38
<b>Total Payroll Expenses</b>	<b>85,400.00</b>	<b>87,108.00</b>	<b>88,850.16</b>	<b>90,627.16</b>	<b>92,439.71</b>
<u>Shelter Expenses</u>					
Fundraising Expenses	4,500.00	4,635.00	4,774.05	4,917.27	5,064.79
Equipment	1,000.00	1,030.00	1,060.90	1,092.73	1,125.51
Repairs	3,000.00	3,090.00	3,182.70	3,278.18	3,376.53
Supplies	6,000.00	6,180.00	6,365.40	6,556.36	6,753.05
Electric/Gas	7,500.00	7,725.00	7,956.75	8,195.45	8,441.32
Telephone	1,650.00	1,699.50	1,750.49	1,803.00	1,857.09
Water	2,400.00	2,472.00	2,546.16	2,622.54	2,701.22
Waste Removal	2,200.00	2,266.00	2,333.98	2,404.00	2,476.12
Other	1,015.00	1,045.45	1,076.81	1,109.12	1,142.39
<b>Total Shelter Expenses</b>	<b>29,265.00</b>	<b>30,142.95</b>	<b>31,047.24</b>	<b>31,978.66</b>	<b>32,938.02</b>
<b>Total Expense</b>	<b>165,230.00</b>	<b>169,332.90</b>	<b>173,541.81</b>	<b>177,859.56</b>	<b>182,289.07</b>
<b>Net Ordinary Income</b>	<b>0.00</b>	<b>1,908.60</b>	<b>4,011.77</b>	<b>6,321.69</b>	<b>8,851.24</b>

## Key Factors - Increasing Revenue

### Municipal Contracts

Currently LCHS is contracted with Lincoln County the City of Merrill to provide certain animal control services. We will be seeking additional contract funds from the Lincoln County Townships and the City of Tomahawk in 2009. All of these contracts must have at a minimum an achievable break even threshold. To achieve that level, the available services must not only be well defined by contract, but understood by all parties involved. County, City, Village and Township along with shelter personnel and volunteers must be fully educated as to the terms and services the LCHS can and is obligated to provide.

### Adoptions

The LCHS must be driven to maximize quality adoptions. It would be impossible to permanently house all the small animals the LCHS receives in any one year, much less in an ongoing situation. Adoptions are the key and all actions in this plan are designed to promote that philosophy.

### Dog Licensing

Dogs owned by all residents of Lincoln County are required to be licensed annually. LCHS receives the revenues from the dog licenses, which amount to a large portion of our operating budget. During recent years, revenues have steadily decreased as non-compliance has increased.

A major factor in the success of the shelter being able to operate is consistent enforcement of dog licensing ordinances. A higher rate of proper and lawful dog licensing is needed to ensure LCHS can remain financially stable.

### Fundraising

A coordinated annual fundraising effort is an essential piece of the LCHS business plan. A comprehensive year round approach will be adopted; the LCHS will concentrate its efforts on the following major annual fundraisers.

Event	\$\$ Goal
Spare the Animals Bowlathon	8,000.00
Brat Fry	1,000.00
Hour of Pay in May Campaign	5,000.00
Rummage Sale and Open house	3,000.00
Poker run	10,000.00
Fair booth	1,000.00
Fall ride	2,000.00
Barleyfest	2,000.00
Paws for a Cause Campaign	3,000.00
Animal Sponsorship Program	3,000.00
Total	38,000.00

## **Membership**

An integral part of the LCHS fundraising is a continuous membership drive. Membership in the LCHS gives voting rights to an individual at the annual meeting. It is our belief that further membership benefits will increase member numbers. The Board of Directors will seek alliances that will provide such benefits. For example, membership rates might be \$25.00 per year for an individual and \$50.00 per year for a business.

## **Animal Sponsorship**

An adoptable animal sponsorship program seeks individuals or companies to pledge a set amount (for example, \$15.00 per cat or \$25.00 per dog) each month toward their care. In turn this sponsor is kept abreast of the status of this animal until its adoption. After that animal's adoption, all sponsors receive an appeal to move their sponsorship to another animal in our care. Expansion of this program will give a steady subscription type income to the shelter, an essential cash flow mechanism.

## **Donation Kettles**

LCHS also has donation kettles in 40 businesses throughout Lincoln County and hopes to increase that number in 2009 to over 75, this effort is being accomplished by working closely with local businesses in Lincoln County.

## **Key Factors – Driving Down Costs**

### **Working with Local Veterinarians**

Rather than transporting animals to Wausau for veterinary visits, or pay travel expenses for a vet from Wausau to come to the shelter, it makes much more sense to establish “win-win” business relationships with local veterinary practices.

### **Increasing Volunteer Base**

We are looking into volunteers from various local sources to supplement our labor force (These aren't merely people to clean, but also to help us with office work, write grants, fundraise, advertise, market, organize volunteers, train, exercise, and socialize the animals to make them more adoptable, etc.)

### **Keeping Payroll Expenses in Check**

Payroll expenses must be monitored and managed each payroll period. Beginning in 2009, we hope our improved financial situation may allow LCHS to reward its employees with modestly higher hourly wages (2%). Staff retention is a major issue in any organization, and we need to make sure we're making every attempt to recruit and retain high-quality dedicated staff.

### **Obtaining Donated/Inexpensive Supplies**

Every effort needs to be made to secure supplies, include food, through donations and inexpensive sources. We are looking at alternative ways to purchase medical supplies. This may include internet sources and/or buying in larger or smaller quantities. We will continue to brainstorm ways to procure donations of supplies.

### **Changing Spay/Neuter Policy Procedure**

We will consider alternatives to altering all animals prior to their adoption. Possible options include:

- Pre-pay certificates for spay/neuters for adopted animals
- Pre-adoption deposit, refundable after animal is adopted

# SWOT Analysis

## Strengths

1. Young, enthusiastic staff
2. Standard animal care and cleaning procedures in place
3. Public support
4. Highly-utilized Website, [www.furrypets.com](http://www.furrypets.com)

## Weaknesses

1. Facility
2. Record keeping/Computerization
3. Lack of members
4. Lack of volunteers

## Opportunities

1. Improved facility
2. More public outreach and education
3. Spay and neuter assistance
4. Membership program enhancement
5. Sponsorship program creation
6. Volunteer program expansion
7. Proactive PR Campaign - We must be positive "Front Page News" in our education and community service efforts. The benefits must be visible to all residents of the county including those who do not share our vision or our passion.

## Threats

1. Donated Supplies
2. Veterinary services- pricing and availability
3. Municipal Funding
4. Volunteers
5. Lack of cooperation/communication between municipalities and LCHS