

BECOMING “BEST IN CLASS”

**A 5 YEAR STRATEGIC PLAN FOR
THE GROWTH AND DEVELOPMENT OF
THE GRAND STRAND HUMANE SOCIETY**



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Grand Strand Humane Society, Inc.

5 Year Strategic Plan

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Purpose of this Plan

The Grand Strand Humane Society (GSHS) desires to provide high quality services to the citizens and animals of the Myrtle Beach. In order to provide these services the GSHS must develop a financially viable business model. This plan serves as a framework for the GSHS's strategic plan over the next 5 years.

Mission Statement

The Grand Strand Humane Society exists to improve the quality of life for companion animals by providing shelter and care to the lost, homeless and unwanted animals of the community. We focus on finding adoptive homes for the animals in our shelter, providing low-cost veterinary care to the public, and through community involvement and education we are able to further the bond between people and animals.

Three Year Financial Look Back

There are three operating units to the GSHS; shelter operations, clinic operations, and fundraising operations. Its primary function is its shelter operations. Under the shelter umbrella the GSHS houses and cares for abandoned or unwanted animals. The shelter side then works to adopt these animals to the community. Historically, the shelter operates at a loss. Its primary revenue sources are the Myrtle Beach City grant, retail sales, adoption fees, and the R.A.I.N. program. The City grant was \$230 thousand, \$230 thousand, and \$280 thousand in fiscal years 2013, 2014, and 2015, respectively. The shelter's largest expenses are payroll, the costs of goods for resale, and food and supplies for its residents.

Shelter Operations	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenue	\$373,735	\$458,429	\$598,560
Expenses	\$559,193	\$626,212	\$702,448
Shelter Net Income	(\$185,458)	(\$167,783)	(\$103,888)

The clinic operation is a revenue generating enterprise that serves the GSHS's animal residents and the public. There is a part time veterinarian and two veterinarian assistants within the clinic, which are the clinics largest costs. Without the in house clinic, the GSHS would have to outsource the care of its animals. With the in house clinic, the Humane Society is able to offset the costs of caring for its resident animal population by opening its doors to the public.

Clinic Operations	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenue	\$126,226	\$169,455	\$239,913
Expenses	\$132,053	\$144,951	\$131,850
Clinic Net Income	(\$5,827)	\$24,504	\$108,063

The third operation of the GSHS is its fundraising operations. In order for the Humane Society to offset the costs of operating the shelter it must solicit donations from the community it services. The strategy over the last three years was to hold numerous smaller events throughout the year. The result was a burnt out staff and the supporters were largely the same at each event.

Fundraising Operations	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenue	\$200,713	\$213,415	\$175,922
Expenses	\$80,048	\$100,990	\$94,765
Fundraising Net Income	\$120,665	\$112,425	\$81,157

Total net income for the Grand Strand Humane Society was **(\$70,620)**, **(\$30,854)**, and \$85,332 in fiscal years 2013, 2014, and 2015, respectively. The banner year experience in fiscal year 2015 was the result of \$50,000 additional monies given by the City of Myrtle Beach, increased clinic revenues, and vacant positions. The GSHS operated with a skeleton staff in fiscal year 2015, which cannot be sustained long term.

Current Situation

The Grand Strand Humane Society is a nonprofit organization that serves the City of Myrtle Beach and surrounding communities by taking in and caring for the homeless, abandoned, abused and unwanted animals of Myrtle Beach. Our policies are governed by a passionate board of ten directors who serve three year terms with the option for re-election. GSHS takes in stray animals and owner surrenders brought in by Myrtle Beach city residents and upholds the contract we have with the City of Myrtle Beach to take in and care for all animals picked up by the Myrtle Beach Police Department and Myrtle Beach Animal Control Officers. The City awards GSHS a generous grant each year to help cover the expenses associated with the care of those animals. The remainder of our annual budget is generated through successful fundraisers, additional grant money, revenue generated by our veterinary clinic, adoption and impound fees and the charitable donations of individuals and businesses in our community.

The Grand Strand Humane Society can appropriately house and care for up to 96 dogs / puppies, and 91 cats / kittens at a time. We take in an average of 1500 animals each year. Our staff provides exceptional care for all of these animals ensuring that we adhere to The Five Freedoms of Animal Welfare. They are vaccinated, tested, dewormed and examined by the GSHS medical team on intake. Should one of these animals need extensive medical treatment, our staff veterinarian determines the proper course of action to make that pet healthy again. Our dogs have 24/7 access to large indoor/outdoor runs, are walked and socialized regularly, and fed high quality food. GSHS cats are housed in portholed cages allowing a separation of their living / eating area and litter box area, which studies have shown lead to happier and healthier cats. We have a team of cat socialization volunteers that get each cat out of their cage every day that the shelter is open. By remaining dedicated to socializing our dogs and cats from the day they come in, we increase their adoptability which allows us to keep our facility under capacity and increase revenue via adoption fees and lower hold times.

GSHS strives to find every animal the perfect forever home. We are open Mondays, Tuesdays and Wednesdays from eleven until five, Fridays from eleven until six and Saturdays from eleven until four. The public can come in and meet our adoptable animals and finalize adoptions anytime during business hours. The Grand Strand Humane Society also participates in and holds off-site adoption events several times each year in order to showcase our animals to members of the community who may not think to visit our shelter facility. In addition to these off-site adoption events, we proudly showcase our dogs and cats on WPDE's Carolina and Co. every Tuesday, WPDE's Thursday morning news, WEZV's Tuesday morning Pet of the Week and several iHeart Media weekly pet segments.

GSHS partners with reputable no kill rescues all along the eastern seaboard in order to save more lives. These relationships allow us to transport large numbers of animals in the summer months when we are intaking far more animals than we can care for and adopt out. This also permits us to place "less adoptable" animals such as senior dogs, FIV / FeLV positive cats, and other special needs pets throughout the year. One of the many things that the Grand Strand Humane Society family prides itself on is thinking outside the box to come up with creative new ways to save every single life that we possibly can.

In addition to running our shelter facility, GSHS also operates a low cost, walk-in veterinary clinic as a public service for our community. We recognize the importance of giving pet owners the ability to provide the basic veterinary care to their beloved animals. By offering discounted spays and neuters, not only are we helping that pet to live a longer, healthier life, we are also cutting down on the number of unwanted litters that the Grand Strand Humane Society would receive in the future. By offering critical vaccines at an affordable price we are keeping the pets in our community safe and healthy, preventing the spread of disease and decreasing the number of sick animals surrendered to the Grand Strand Humane Society. Our clinic is open every Tuesday and Wednesday from eight until two, every Friday from eight until three and every other Saturday from eight until two.

Grand Strand Humane Society sits at a really exciting point in its life cycle with changes happening from ground up in the organization. We have a dedicated and passionate staff who are excited for the future of the shelter and eager for change. We have had a complete change in upper level management who are open to new and creative ways to solve old problems and who have visions of the Grand Strand Humane Society being a leader in the animal welfare field. Our board has taken on new directors with a passion for helping both animals and the community we serve while sharing in the vision that GSHS become a place that others look to for how to run a successful animal shelter. With a newly adopted, focused mission statement and an eagerness for change and growth, the organization is confident that we will continue to be a respected name in the community and the animal welfare field.

SWOT

Strengths

- Location
- Volunteer base
- Energetic management team
- City support
- Financial transparency (audit)
- Involved board of directors
- Strong reputation within the community
- Exceptional socialization programs for both cats and dogs
- Strong alliance with other shelters, both locally and in other regions
- Adoption staff has the knowledge to pair the right animal with the right family

Weaknesses

- Operating revenues
- Employee turnover
- Marketing plan
- Fundraising
- Unified strategic plan
- Poor record keeping
- Internal controls
- Communication, both internally and with the community

Threats

- Little reserves, could not sustain any kind of business disruption
- All other nonprofits competing for donation dollars
- Liability of working with animals
- Employee fatigue
- Volunteer attrition
- Competing veterinarian clinics, including new mobile clinics
- Governmental/regulatory law changes
- Hurricane or natural disaster
- Deferred maintenance

Opportunities

- Customer service - GSHS will provide the best customer service in town. Customers are animals, adopters, clinic patients, the City of Myrtle Beach. Employees understand that every interaction with those customers is an opportunity to provide exemplary customer service and gain fulfillment in doing so.
- A marketing plan where the Grand Strand Humane Society is seen as a brand. People want to want to be associated with the organization. For example, people come to hang out/volunteer with friends, large membership base, creative/funny/cute t-shirts, bumper

stickers on every car, fundraisers are FUN and people want participate or even be invited. Employees want to come and work for the GSHS.

- Better strategic pricing in both shelter and clinic operations
- Grant writing
- Inspiring employees by offering them the trainings they need to be successful
- Growing our foster care program
- Soliciting new volunteers to replace ones that have moved away
- Expanding volunteer responsibilities to help reduce payroll expenses
- New sponsorship programs, i.e. sponsor an individual medical case, sponsor a cage for a year, and a “Wall of Thanks” for large corporate donors

Five Year Pro Forma Statements

Fiscal Years	2016	2017	2018	2019	2020
Revenues from Operations					
<u>Revenues from Operations</u>					
Shelter	234,000	236,000	259,000	271,250	279,000
Clinic	238,000	240,000	261,500	279,500	295,450
Sub-total Revenues from operations	472,000	476,000	520,500	550,750	574,450
<u>Private Contributions, Sponsorships, etc</u>					
Donations	102,462	105,500	134,750	153,000	171,500
Fundraising	67,000	74,000	82,500	92,500	100,350
RAIN Program	46,500	48,000	55,000	61,000	67,500
Grants	5,000	10,000	20,000	37,500	57,900
Sub-total Private Contributions, Sponsorships, etc	220,962	237,500	292,250	344,000	397,250
<u>Grants from Governmental Agencies</u>					
City of Myrtle Beach	230,000	350,000	285,000	255,000	230,000
City of Myrtle Beach Capital grant		75,000			
Sub-total Grants for Governmental Agencies	230,000	425,000	285,000	255,000	230,000
Total Revenues	922,962	1,138,500	1,097,750	1,149,750	1,201,750
Expenditures					
<u>Salaries, Wages, and Benefits</u>					
Shelter	320,250	331,000	339,000	345,000	352,500
Clinic	155,018	165,000	167,000	171,250	176,535
Administrative	14,985	39,063	40,500	42,000	44,250
Sub-total Salaries, Wages, and Benefits	490,253	535,063	546,500	558,250	573,285
<u>Contractual Expenditures</u>					
Shelter	440,067	444,500	447,500	450,300	455,725
Clinic	30,500	36,111	37,500	39,250	40,000
Administrative	20,000	29,500	29,500	31,000	32,000
Fundraising	5,020	6,700	7,250	8,750	9,750
Interest & Depreciation	16,426	17,400	17,500	17,800	18,100
Sub-total Contractual Expenditures	512,013	534,211	539,250	547,100	555,575
<u>Capital Outlays</u>					
Shelter	0	63,210	1,000	1,750	2,000
Clinic	894	9,240	750	1,000	7,500
Administrative	593	0	250	1,000	2,500
Sub-total Capital Outlays	1,487	72,450	2,000	3,750	12,000
Total Expenditures	1,003,753	1,141,724	1,087,750	1,109,100	1,141,400
Net Profit	(80,791)	(3,224)	10,000	40,650	60,350

Five Year Plan, Goals, and Strategies

As mentioned in our section about the current state of the shelter we feel that we are at a really exciting point in the shelter's life cycle. The energy from the new management and current employees as well as from the board is dynamic. We have set a new, more focused mission statement for the shelter and have adopted an overarching goal to be "Best in Class". We want to be the first place people in the area think of for adopting a pet, clinic services and eventually where they turn to for behavior help with their pet as well. We want to be a destination for people from out of town, a place on the must see list for Myrtle Beach and a place other shelters look to for how to do things right. To do this, we must change the current culture of our shelter. Going forward everything we do will be with the "Best in Class" mindset. All of our goals and strategies are working towards getting us to this point.

Our main goal over our 5 year plan is to make the shelter financially stable, leading to profitable. You can see from our 5 year financials that while we will be experiencing an expected overall loss of roughly \$80,000. The loss is the result of a conscience effort to invest in the shelter facilities, raise the level of service to the animals and community, and the lack of fundraising due to the absence of an executive director for the first 5 months of the fiscal year. By the end of our 5 years we are expecting a gain of roughly \$60,000. It is easiest to look at our goals to make this happen by separating things into the shelter side and the clinic side of our operations as well as taking a look at our fundraising and donations side of things.

From the shelter side of the operations we are looking to increase revenues by \$45,000. To do this we are going to be taking a critical eye to all of our internal processes and procedures, will be looking at everything from changing pricing to starting up new programs to bring in money. Without set procedures in place we are missing out on money that we have planned for but are not collecting. Examples of this include collecting fees for pets who are reunited with their owners, charging higher adoption fees and charging pull fees to rescues who are interested in taking some of our pets.

One specific program we are planning on starting is a dog training program for our shelter dogs that would also be open to members of the public for a fee. A program of this kind has great potential to not only help our dogs looking for homes learn manners to make them more adoptable but also to bring in revenue from members of the public who are looking to make their dog a better mannered companion.

Looking at our clinic operations through the same microscope we are planning to increase revenue by roughly \$57,000. Our clinic prices have not been adjusted in years and we see a huge potential in those to slowly increase prices over the next 5 years to match the level of service we are putting out. We also have opportunities to add in small things to our services such as nail

trims and different options for pets coming in to be spayed/neutered. These are easy to add services that will have a large impact on our revenue.

Through both areas of the shelter we are looking at ways to cut our expenses by reducing employee overtime and working on efficiency across the board. Development and recruitment of our volunteer base will help to control employee costs and fatigue. We are also looking into options of using generics instead of name brands where we can and by asking the community to help us with commonly used items via our social media accounts.

One of the most exciting areas of financial growth potential we have is our fundraising and donations. This part of our budget has been underutilized in the past and we are excited to increase the amount of money we raise through these avenues. We have a large goal in this area of raising the amount by approximately \$290,000 over the next two years. This seems like we might have our sights set high but really it is a reflection of how we have underutilized this area in the past.

There is a large potential for donation growth by revamping existing programs. A place we see a lot of potential for growth in our donations is revamping some of our existing programs to bring in new donors and revitalize existing donors. We are looking to grow our RAIN program through the city's water bills by just over \$20,000 over the next five years. We see so much potential to expand program to local businesses and recognize those business who participate. There is room to grow on the residential side as well by updating the mailings and sending end of year mailings letting people know how much they have given and encourage them to donate more the next year. Within the shelter we have our Guardian Angel program for kennel sponsorship and our membership program that we are looking to expand. Our website and social media are all going to be looked at over the next few years so we can make sure we are driving donations online and making it easy for people to give.

Grant writing is another area of untapped potential for the shelter. In fiscal year 2015, the GSHS underwent its first financial audit, in which it received unmodified opinion. Meaning the Humane Society's financial statements are accurate in all material aspects. This opens the door to a myriad of grant opportunities that the Humane Society was previously ineligible for because its financial statements had not been audited. We currently have a volunteer grant writer who is going to work with us and we are excited to use her experience in previous grant writing to benefit the shelter. Another great asset for us in this department is the masters of accounting class we have been working with at CCU over the past year to do our shelter assessment is now working on a grant template for us to make applying for grants easier. We see the growth potential of almost \$60,000 in this category to help us run the shelter and its programs.

For our fundraising we would love to have a signature Grand Strand Humane Society gala or dinner. We currently have several small events through-out the year but are missing that one, big, GSHS signature event. We are also looking into adding some direct mail pieces through the year to help keep us on the forefront of donors minds and to bring in some new donors. We believe that with the addition of this signature event and its potential to grow over the years along with the addition of some mailing pieces that we will see a steady increase of roughly \$10,000 a year.

Finally, the Humane Society has identified a hurricane or other natural disaster as being one of the leading threats to our animal residents. We need to develop an evacuation and disaster recovery plan. As GSHS currently lacks the resources and knowledge to develop a meaningful plan, we are hoping that the City of Myrtle Beach will partner with us in this effort and together help us develop a strategy to protect our animals through a documented plan.

Through these steps listed we truly believe that not only will the Grand Strand Humane Society reach our overarching goal of becoming “Best in Class” but we will also be able to stabilize ourselves financially and start seeing some years of profitability that will continue through the life of the shelter.