



# Annual Report 2018

## Heaven's Gait Ranch Therapeutic Riding Center

**It is the mission of Heaven's Gait Ranch to build a compassionate community that embraces individuals who recognize the need to heal and challenge their adversity to grow.**



### Board of Directors

Margaret Mary McClaren, President  
 Brian McClaren, Director of Finance & Operations, Secretary  
 Mark P. Zirngibl, Treasurer & Veterans Liaison  
 Elizabeth Munao, Social Chair  
 Devlin F. Gray, Director of Development

### Team of Professionals

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 Micah Keshemberg, PATH Certified Riding Instructor & Equine Manager  
 Maggie Robertson, Volunteer Coordinator & Facilities Manager  
 Ashley Navis, Assistant Equine Manager  
 Lynn Pfundter, Equine Trainer & Certified T-Touch Practitioner  
 Jeremy Ebert & EZ Signs, LLC, Facilities & Grounds  
 Dr. Peggy Hougum DPT, Intakes & Assessments  
 Dr. Shannon McGill DVM, Veterinarian & Equine Chiropractor  
 Dr. Heather Roney DVM, Veterinarian  
 Matt Jones, Farrier



## HGR's 2018 Equine of the Year: Jack

### Program Horses

Ember  
 Mac  
 Levi  
 Simpson  
 Ellie Mae  
 Windy  
 Jack

### 2018 Program Horse Sponsors

Anonymous  
 Jim Zirngibl & Susan Wilson  
 Anonymous  
 Helene Meyer  
 The Jors Family  
 Anonymous  
 Wilson & Gail McClaren  
 Anonymous

### Volunteers of the Year

Emily Janowski  
 Ella Jors

Jackie Vana  
 Anonymous

### Equine Angel Sponsors

### Barn Ambassadors

Goose  
 Carol

Anonymous  
 Anonymous  
 Anonymous  
 The Keshemberg Family



## Heaven's Gait Ranch Therapeutic Riding Center

Dear Family & Friends,

Do you want us to tell you how we really feel about 2018? We survived; we thrived: high five.

Whether you enjoy digging beneath the surface until you feel the nitty gritty, or whether you prefer flying at 30,000 feet until you see clear skies, we know perspective shapes reality, and that's why we're so grateful you understand our lows and highs.

While some of you are relieved that 2018 is behind you, as you look forward to new beginnings or much-needed change, some of you may look back on 2018 fondly, as you recall memorable moments that surpassed all your expectations. At Heaven's Gait Ranch, the new year honestly brought us both stress and satisfaction because various challenges in 2018 became positive platforms for opportunities in 2019. Thankfully, your understanding enabled us to endure a number of growing pains with grace, and your prayers helped us keep the faith that our mission is worth every effort from near and far.

Your continued financial support empowered us to employ the talent our programs needed to launch, and your dedication to serving others allowed us to more-than-double our impact from 2017-2018. Your generosity made it possible for our program horses, talented staff, and humble volunteers to provide 772 total lessons of equine-assisted activities throughout 2018. That being said, the number of hearts we touch continues to grow, and you make it all possible.

The steady growth of our programs and the rising demand for therapeutic services make your involvement more important than ever, and we sincerely appreciate all you do to support our mission.

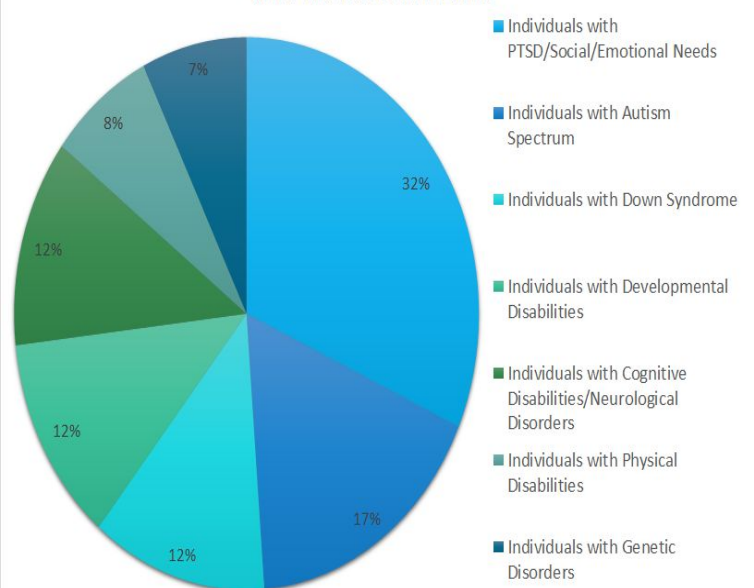
With All Our Gratitude,

Margaret Mary McClaren  
Founder, Executive Director



**It's all smiles at HGR when veteran Herman Ross & Mac get ready to ride.**

### Who We Served in 2018







## Heaven's Gait Ranch Therapeutic Riding Center



### 2018 Volunteers of the Year: Ella & Emily

The dedication of our volunteers at Heaven's Gait Ranch is nothing short of incredible. With over 100 hours of service in 2018, Ella Jors has directly impacted the trajectory of our riders' growth and confidence.

"I knew I wanted to volunteer at Heaven's Gait Ranch because I love working with horses and wanted to give back to my community," explains Ella. "HGR combines both of those, so it was a perfect match."

Ella comes to Heaven's Gait Ranch every Wednesday after school and has quickly become a staple in our volunteer schedule. While HGR has "helped her learn patience and how to appreciate small successes," we genuinely appreciate her positive and encouraging demeanor. "My favorite thing about volunteering is when the clients are happy to see me," she says. "I love talking to them about their day."

Ella is a Junior at Northern Ozaukee High School. She also works at a boarding stable in Mequon, trains service dogs, and has recently purchased a Mustang from a BLM auction sale. Ella would like to continue working with horses as a hobby, but after she finishes school, she would like to train assistance animals for people with disabilities.

Although some of our volunteers come to us with years of horse experience, others come to us with open minds and even bigger hearts. Emily Janowski is one of them. While she had no prior experience with horses when she signed up as a volunteer in 2017, her compassion for serving others has made her an outstanding partner for our participants with special needs. In 2018 Emily dedicated 109 hours to helping those enrolled in HGR's therapeutic riding program.

Emily says that volunteering at HGR "has been a great opportunity to work with horses and people with disabilities." She explains, "It has taught me that my actions can have a great effect on people."

With a contagious smile, Emily comes to HGR after school on Wednesdays and serves as a lead walker or side walker. When we were so short handed on volunteers, Emily went the extra mile to stay as long as she could, sometimes volunteering for four lessons back to back on a given day. Needless to say, her tireless efforts did not go unnoticed, and we don't know what we'll do without her when she graduates.

As a senior at Northern Ozaukee High School, Emily also plays soccer with her school team, which frequently travels out of Ozaukee County for games. She says, "I appreciate the teamwork that we achieve when we teach lessons for people with special needs. It gives me a great sense of responsibility." Emily plans to attend the University of Nebraska-Lincoln in the fall for a degree in Meteorology. She hopes to be a storm-chaser.



## Budget and Financial Summary

The Heaven's Gait Ranch Board of Directors takes our budgeting responsibility very seriously; we have the utmost respect for all the generous supporters of our program. As a result, we take great care and concern regarding allocating and accounting for funds. Below you will find both the 2018 income and expense report, as well as the 2019 projected operating budget. On the page following, you will find context and explanations for any material differences expected between the budget or from year to year. If a line item is not discussed then we are not expecting a material change. Your continued support is enormously appreciated and tremendously important.

Respectfully,

Brian McClaren  
Director of Finance and Operations

2018/2019	2018 Budget	2018 Actual	2019 Budget
<b>Income</b>			
Rider Fee Income	\$ 18,380.00	\$ 23,325.00	\$ 25,678.00
Donation Income	\$ 115,000.00	\$ 117,860.32	\$ 120,000.00
Other Income	\$ 2,000.00	\$ -	\$ 12,500.00
<b>Total Income</b>	<b>\$ 135,380.00</b>	<b>\$ 141,129.00</b>	<b>\$ 158,178.00</b>
<b>Expenses</b>			
Advertising and Marketing	\$ 5,575.00	\$ 4,614.13	\$ 4,750.00
Contractor - Lawn Care/Snow	\$ 6,600.00	\$ 7,170.00	\$ 8,000.00
Contractor- Farrier	\$ 2,700.00	\$ 3,181.62	\$ 3,400.00
Contractor - Veterinarian (Vet visits, meds, chiro, supplements)	\$ 4,000.00	\$ 7,455.18	\$ 4,250.00
Contractor - Trainer	\$ 7,000.00	\$ 3,838.40	\$ 4,000.00
<b>Cost Labor (Staff)</b>	<b>\$ 54,000.00</b>	<b>\$ 51,828.83</b>	<b>\$ 71,500.00</b>
Executive Director/Program Coordinator	\$ 25,000.00	\$ 24,650.08	\$ 32,500.00
PATH Certified Instruction	\$ 24,000.00	\$ 19,689.98	\$ 24,000.00
Assistant Equine Manager	\$ 5,000.00	\$ 2,415.77	N/A
Facilities Manager/Volunteer Coordinator	N/A	\$ 5,073.00	\$ 15,000.00
Dues and Subscriptions	\$ 720.00	\$ 710.00	\$ 870.00
Liability and Property Insurance	\$ 4,930.00	\$ 3,963.00	\$ 4,500.00
Workers Compensation Insurance	\$ 2,532.00	\$ 5,854.00	\$ 6,800.00
Barn Supplies and Program Materials (Fleet Farm, Dollar Store, Walgreens)	\$ 3,000.00	\$ 3,802.97	\$ 650.00
Legal and Professional Services	\$ 1,000.00	\$ 835.00	\$ 1,000.00
Meals and Entertainment/HGR Events	\$ 1,500.00	\$ 875.00	\$ 1,500.00
Office Supplies (Printing, Web Maintenance, Publications & Mailing	\$ 1,200.00	\$ 2,389.64	\$ 2,500.00
Payroll Expenses	\$ 600.00	\$ 420.00	\$ 450.00
Payroll Taxes	N/A	\$ 3,964.91	\$ 5,545.00
Real Estate Tax	N/A	\$ 10,188.94	\$ 10,250.00
Repairs and Maintenance of Farm Equipment	\$ 1,000.00	\$ 8,208.14	\$ 2,500.00
Utilities (Water/Sewer/Electric/LP/Internet)	\$ 7,650.00	\$ 8,526.44	\$ 8,600.00
Apparel	\$ 1,000.00	\$ 608.37	\$ 750.00
Horse Feed 2018 (Hay)	\$ 6,200.00	\$ 3,650.00	\$ 5,175.00
Tack	N/A	\$ 1,077.81	\$ 1,000.00
Trash Service	N/A	\$ 556.20	\$ 600.00
<b>Total Expenses</b>	<b>\$ 111,207.00</b>	<b>\$ 128,504.45</b>	<b>\$ 148,090.00</b>
<b>Carryover Income</b>	<b>\$ 24,173.00</b>	<b>\$ 12,080.87</b>	<b>\$ 10,088.00</b>

### Rider Fee Income

In 2018 HGR provided 772 lessons. The average income per lesson in 2018 was \$30.21 per lesson; this rate is derived from averaging private and group lessons with our veterans, who participate at no cost. In 2019 we set a goal to provide 850 lessons and expect a similar variety of lessons. The projected rider fee income is \$25,678.00.

### Donation Income

In 2018 HGR raised \$117,804.00 in donation income; although we had a very successful year, we aim to increase our donation income to \$120,000.00 to help fund the growing costs associated with running the program.

### Other Income

The home on site is currently rented to a trusted individual for \$1,000/mo.

### Advertising and Marketing

The bulk of this expense is the result of an annual contract in three full color community magazines: **The Cedarburg Bridge**, **The Mequon Beacon**, and **The Grafton Magazine**. The board has determined this contract to be very worthwhile, and we have planned to continue to market with them through 2019. In addition, we place one-time ads in **The Lakeshore Weekly** and **The Ozaukee Press**.

### Contractor – Lawn Care/Snow Removal

We have committed to a full-service law care and property maintenance contract for 2019. The projected increased costs are a result of unusual amounts of snow and ice this winter and the need for constant plowing, salt spreading and ice chipping. Although, higher than last year, this maintenance cost enables us to provide lessons year-round, and the care is invaluable to ensure safe footing for the horses and volunteers as well as ADA pathways and parking for participants and guests.

### Contractor – Veterinarian

We were well over budget in this category for 2018 due to emergency vet calls, medication application, and follow up appointments. Consequently, we have expanded our staff with additional individuals who have horse and farm management experience. We have also reorganized staff responsibilities and scheduling so that contractors, such as the trainer and farrier, can be reached as additional resources. Barring an emergency, we expect to get this annual cost back down to the budgeted number.

### Cost of Labor (Staff)

The HGR BOD has made some material staffing changes in 2018 in order to continue to successfully and safely run the program. These changes will cause a significant increase in the overall staffing costs. All changes are the result of a quickly but sustainably growing program that needs to have “more hands-on deck” to prevent burnout and oversight. In 2018 we established and filled the role of Facilities Manager and Volunteer Coordinator. We also rewarded our Executive Director for earning her MBA, Certificate in Nonprofit Fund Development, and PATH Instructor Certification all in 2018. Early in 2019 we added a third PATH Certified Instructor. Please note that all positions except the Executive Director are believed to be at market rate. Our Executive Director/Program Coordinator has agreed to work for considerably less than market rate and donates part of her time to help facilitate the growth of the program. It is the hope the Board of Directors to have this position at market rate as soon as feasible so that longevity of our organization is sustainable.

### Workers Compensation Insurance

In the past we have based our WC exposure based on a percentage of payroll, or premium paid if available. Regardless of our best efforts, neither strategy is effective. Our WC exposure increased far beyond budget this year because of an annual audit that adjusts the previous year’s policy premium due. This was unknown to us. As such we have adjusted our budget to reflect the expectation of an audit of the 2018 policy payable in 2019. Additionally, it is important to note that our WC classification is particularly expensive at \$13.61 per \$100 of payroll. We are required by State and Federal law to participate in the WC Insurance Plan. The premium is

set by a state categorization of risk. We expect have a lower per \$100 rate in 2019 because we had no losses recorded; however, staff and payroll will be increasing.

### Farm Supplies and Materials

This category is over budget largely because we purchased an Automated External Defibrillator (AED) for HGR, an important but expensive piece of life-saving equipment.

### Office Supplies (Printing, Web Maintenance, Publications & Mailing)

This category is over budget largely due to insulating, sheeting, and installing a drop ceiling in the volunteer entrance to the facility. Making this space more habitable has helped streamline staff work flows and volunteer tasks.

### Repairs and Maintenance of Farm Equipment

This category is far over budget. In spring 2018 our tractor broke down and needed to be picked up and returned to a dealer for repair. The replacement of the tractor’s front and rear axle drive motors cost \$7,203.67. Although we do not expect something of this magnitude soon, we have increased the 2019 budget to reflect our need to build a cushion in the repair category. This unexpected expense accounts for a significant amount of the Total Expenses that exceeded the budget.

### Payroll Taxes

Unfortunately, this was not a budgeted event: the payroll taxes were rolled into the gross payroll number on Cost of Labor which explains why we were “under” budget for Cost of Labor. Moving forward this will remain a separate line item.

### Real Estate Taxes

Unfortunately, this was not a budgeted category for 2018. The reason this was not budgeted in 2018 was simply BOD oversight. It is an expense mandated by our Lease that has been paid in 2017, 2018, and must be paid in 2019. It was simply overlooked when assembling the annual budget, and as a result the budget has been significantly skewed. It will remain a budgeted item moving forward.

### Utilities (Water/Sewer/Electric/LP/Internet)

The discrepancy in the category is due to the prepayment of a large amount of LP to take advantage of a pre-pay discount.

### Horse Feed 2018 (Hay)

2018 was a low hay year statewide, and prices have increased dramatically. Fortunately, we secured a contract for 70 bales of hay, ½ paid in 2018 and ½ paid in 2019 for \$50/bale. We expect we will need to source an additional 75-85 bales to feed through 2019. Hay prices are determined by the market this summer and fall.

### Tack

This was not a budgeted expense in 2018 but was since deemed necessary by the growth of our class sizes within lessons. HGR needed to add specific tack to accommodate the amount and variety of new riders.

### Trash Service

This was not a budgeted expense in 2018 but was since deemed necessary. HGR trash needs could no longer be satisfied by a shared, residential weekly pick up. These costs cover a two-yard dumpster picked up monthly.

### Total Expenses

Total expenses exceeded the 2018 budget largely due to the tractor expense and the previously unbudgeted need to fund the property’s real estate taxes. Expenses in 2019 are expected to increase approximately 15%. This is primarily a result of moving staff costs toward their market rate, now budgeted real estate taxes, increased maintenance costs, and event budgeting.

### Carryover Income

This is the amount of money in which we enter the new calendar year; it is very important to begin a new year with sufficient reserves.





## Heaven's Gait Ranch Therapeutic Riding Center

### How You Can Help in 2019

Support comes to Heaven's Gait Ranch in many forms. Talented volunteers, kind-hearted families, dedicated staff, and generous donors all enable HGR to serve those in need. You can make a difference and provide support in a variety of ways:

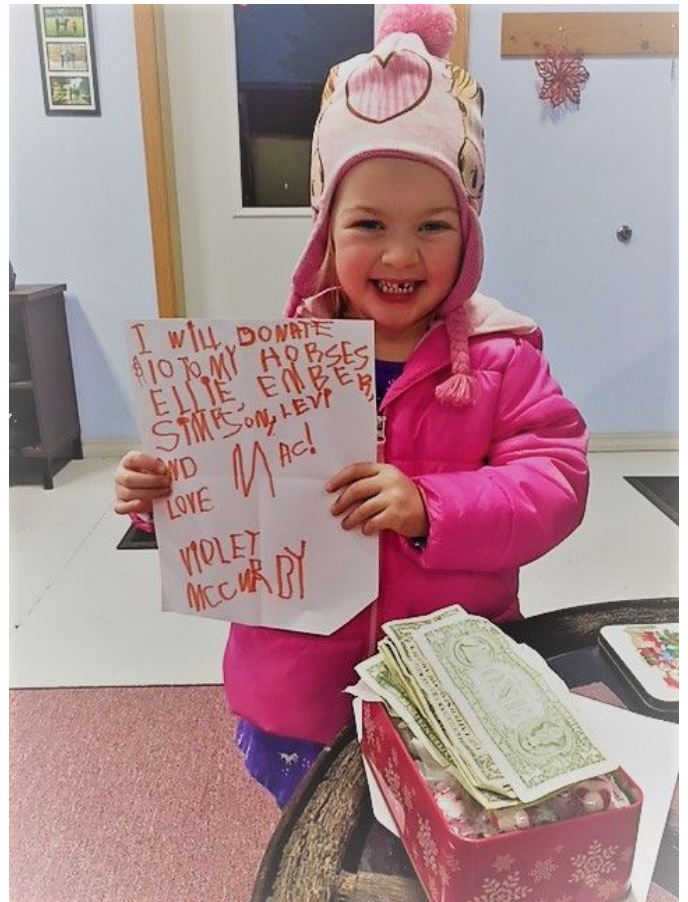
**1. DONATE**—at any time of the year and know that every little bit helps. Teach your children and grandchildren the power of one person and the value of generosity—you *can* make a difference! Donations can be made online at [www.heavensgaitranch.org](http://www.heavensgaitranch.org), by calling 920-400-0628, or by mailing a check to 940 S. Main Street, Cedar Grove, WI 53013. Your gift will go where it's needed most.

**2. Support our Equine Emergency Angel Fund** — one time, automatically donated monthly, or annually with a giving amount that you choose. Although our horses are currently sponsored for regular veterinary and hoof care through 2019, your gift to this fund will provide the best care for our best friends when they need it most. This fund will help us prepare for emergency vet visits, chiropractic care, conformation conditioning, and end of life care.

**3. RIDER SPONSORSHIP** — can be made one time, automatically donated monthly, or annually with a giving amount that you choose. Help a family with demonstrated financial need by supporting the Andy Mueller Memorial Scholarship Fund: \$35 enables one person with special needs to participate in a group lesson. \$315 covers nine weeks of participation. \$1,260 provides group lessons year round.

**4. CORPORATE MATCHING GIFT**—many businesses offer matching donations. Ask your employer today, or let us know if this is an option at your workplace, and we'd be happy to connect. We received \$8K in matching gifts in 2018.

**5. LEGACY GIVING**—when there's a will there's a way. Literally. Please consider leaving a gift to Heaven's Gait Ranch in your will so that your cherished values live on. What do you want to be remembered for? Do you want to honor a U.S. military veteran? Do you recognize the benefits of animal-assisted therapy and want to give that gift to someone else in need? A gift of stocks, bonds, an estate, or planned giving would make us eternally grateful by strengthening the sustainability of our programs. As a small nonprofit working to make a big difference, we will remember you!



### Save the Date for our Upcoming Events in 2019:

- Tuesday, April 9th: Dine to Donate Fundraiser at The Stilt House in Cedarburg, WI
- Saturday, June 8th: Party in the Paddock Grill Out & Open House at HGR in Cedar Grove, WI
- Saturday, August 24th: The Hayburner Fundraiser at Newport Shores in Port Washington, WI
- Fall 2019: By popular demand, Fundraiser TBD in Chicago, IL
- For more information, visit our website at [www.heavensgaitranch.org](http://www.heavensgaitranch.org) or call 920-400-0628.