



Annual Report 2021

Heaven's Gait Ranch, Inc.

It is the mission of Heaven's Gait Ranch, Inc. 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, Vice Chair, Veterans Liaison, Treasurer
 Elizabeth Munao, Social Chair
 Devlin F. Gray, Director of Development

Team of Professionals

Margaret Mary McClaren	Executive Director, PATH CTRI, CCS Provider
Margaret Robertson	Program & Volunteer Coordinator
Monica Schaefer	PATH Intl. CTRI & Mentor
Beth Kettner	PATH Intl. CTRI & ESMHL, CCS Provider
Benjamin Singleton	Facilities Manager, CCS Provider
Lynn Pfundter	Equine Manager, TTouch Practitioner
Abigail Scott	Equine Manager
Tammy Staley	Equine Manager
Jeremy Ebert & EZ Signs, LLC	Property Manager, Facilities & Grounds
Dr. Peggy Hougum PhD, PT	Intakes & Assessments, Volunteer
Fredonia Veterinary Clinic	PATH Intl.'s Region 6 Veterinarian of the Year
Dr. Sara Gilbertson DVM	Veterinarian & Equine Chiropractor
Matt Jones	Farrier
Mark Carlson	Photographer, Volunteer

Program Horses

Ember
 Mac
 Simpson
 Ellie Mae
 Rufus
 Windy
 Lucero
 Frost
 Dolly (1996-2021)
 Kola
 Captain

2021 Horse Sponsors

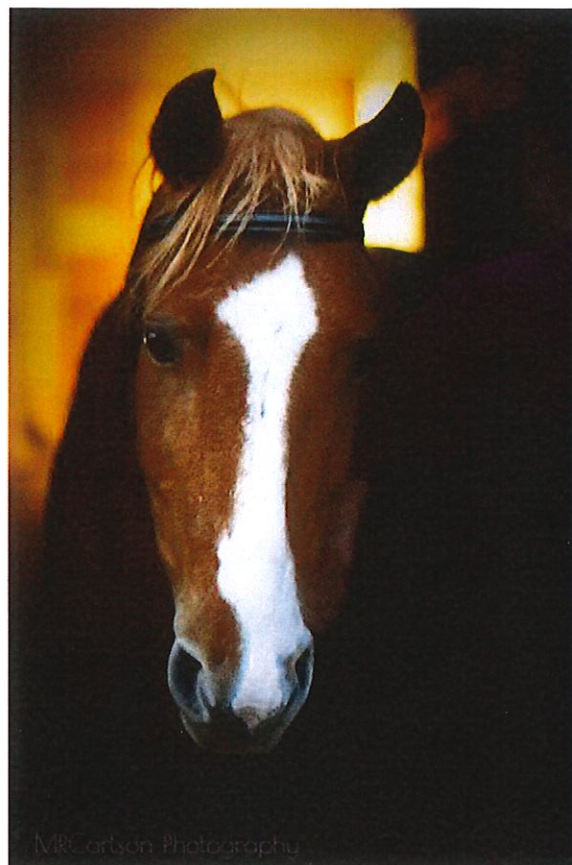
Anonymous
 Jim Zirngibl & Susan Wilson
 Helene Meyer
 M.H.
 Anonymous
 Helene Meyer
 Mark & Karen Reed
 The Mikolajczak Family
 The Schultz Family
 The Schultz Family
 Sherri Sandona Kamenski

Barn Ambassadors

Donkey Kong
 Goose & Carol

Sponsors

Deb
 Dick Holicek & Kathy Michaels



HGR's 2021 Equine of the Year: Ember



Volunteer of the Year
 Barbara Hughes

Legacy Pledge
 Anonymous
 Anonymous
 Anonymous

2021 Memorial Donations
 Judy Feller Benson
 Herbert Doering
 Anna Marie Kane
 Lori Klingspohn
 Ryan Krochmolny, Gunnery Sergeant USMC (Ret.)
 Alfred Miller
 "Mitch"
 Jason Nelson
 Erika Plautz

Equine Angel Sponsors
 Anonymous
 Anonymous
 M.H.
 Hamza Jaka & Family
 The Jors Family
 The Herman B. Lustigman Foundation
 Jim & Pat McLaughlin
 Mark & Karen Reed
 Michael & Susan Smith
 Jack & Arlene Warden



Heaven's Gait Ranch, Inc. Therapeutic Riding Center

Dear Family & Friends,

Who knew 2021 would make us so conscious of time? Recalling how many minutes we'd spend in close proximity to loved ones. Marking our calendars and counting down days to fresh air and freedom.

Last year was full of restrictions, redundancy, rules, and reversals, but you made us grateful for 2021 because life on the ranch was also full of much more. More momentum. More smiles. More memories. And more reasons to be here. Thanks to the hard work and generosity of so many, 2021 was our most impactful year yet. We were able to raise more money, improve more programs, and touch more lives than ever before.

The pandemic took a toll on us physically, mentally, and emotionally, but the end of last year marked a major milestone for HGR: the completion of our fifth year of operations. While the Bureau of Labor Statistics states that 20% of small businesses close within the first twelve months, and over 50% of businesses fail within five years, we are proud to report that HGR has survived because of your dedication and support.

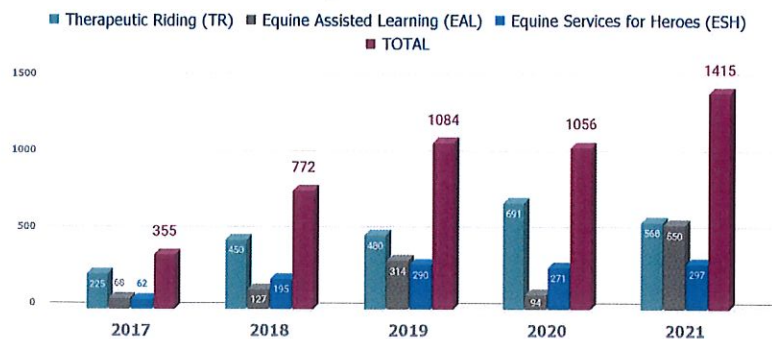
Since 2017, you have made it possible for 15 program horses to provide a total of 4,682 equine-assisted services. You have subsidized 3,567 lessons through scholarship funding, and you have fully sponsored 1,115 lessons for our U.S. military veterans.

In five years, you not only helped HGR navigate the bureaucracy to become a therapeutic service provider through the Wisconsin Department of Health & Human Services, but you also expanded our reach to now serve multiple demographics within six surrounding counties.

While slow and steady growth was key to surviving the first five years as a small nonprofit, now is the time to make moves for our mission and ensure our programs will have a sustainable future to serve those in need.

Five years ago, we had no idea what our quinquennial would bring. Our journey together hasn't been without mistakes and sharp learning curves, but that's life, and we're better positioned today than we were yesterday to plan for a brighter tomorrow.

HGR Programs 2017-2021



Five years from now, at the end of year ten, we hope you look back on your charitable contributions and see the meaningful difference you've made along each step of the way. To our participants and veterans. To our volunteers and staff. To our herd and extended family. Two and four-legged.

Your support and guidance have taught us to think big and act strategically while your dedication to build a compassionate community has helped us accomplish more than we imagined thus far. For this, we are forever grateful, and with your continued blessing, we look forward to all that our future holds together.

Sincerely,

Margaret Mary McClaren

Co-Founder, Executive Director



Ember's First Day at HGR: July 2016



Heaven's Gait Ranch, Inc. Therapeutic Riding Center

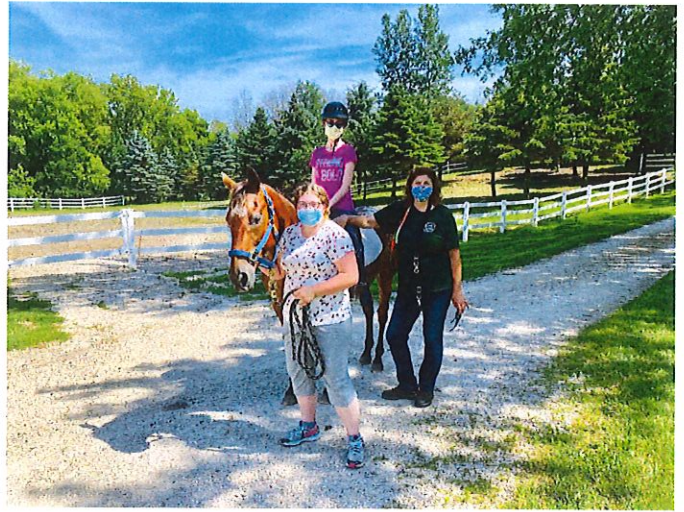
Big Plans for the Next 5 Years

Before we opened the barn doors in 2017, sustainability was at the heart of our decision to move forward with our mission. We asked ourselves, if time is our greatest gift, then what can we do to make the most of it today? What legacy do we wish to leave after we're gone? And how do we responsibly set our programs up for lasting success? With these questions in mind, know that your continued prayers and financial support have the power to positively impact HGR's progression in improving the lives of individuals with special needs and veterans with disabilities through equine assisted services.

As we set big goals for the next five years, we still need your help. One of the first steps we need to take is to purchase a reliable piece of farm equipment; this would reduce maintenance costs and maximize on-site productivity. With 11 large animals on 17 acres, a ToolCat is essential for the health of our herd and property. Therefore, within the next 12 months, we plan to replace our 2005 ToolCat 5200 with a newer model.

Aside from investing in a practical machine, HGR also plans to enhance the quality of our programming. Although HGR has always been a registered Member Center of the Professional Association of Therapeutic Horsemanship (PATH Intl.), Premier Accreditation offers unique funding opportunities, lowered insurance premiums, and access to partnerships reserved exclusively for centers who follow the highest standards of our industry. For these reasons, within the next 24 months, HGR plans to achieve our Premier Center Accreditation, which would distinguish us from 20 other PATH Member Centers in the state.

In addition to raising the bar for our programs, we also plan to improve our facility standards. While we currently offer services year round, Wisconsin winters present multiple challenges for our participants, horses, and volunteers. Within the next 36 months we intend to insulate HGR's indoor riding arena to encourage engagement and attendance through Wisconsin's coldest and darkest days. This insulation project would include an expanded, heated viewing area for families and caregivers to comfortably enjoy.



Finally, knowing what it has taken to get here and recognizing what it will take to forge ahead, the time has come to scale our thinking and look beyond HGR's annual operating budget. In 2019, with the help of a single, anonymous donor, HGR founded the beginning of an endowment fund designed to grow and support its programs. When created, the endowment fund and its oversight committee established a "Principal Stays" policy which has allowed the initial gift to grow to a value of \$323,947.41. With this incredible and meaningful start, by the end of year 10, HGR intends to have \$1,000,000 in its endowment, dedicated to the enduring support of HGR's mission & programming. We recognize the scale of this goal, in addition to the farm equipment and property improvements, may seem insurmountable, but in time, we are confident that all are within reach because of good people like you.



Financial Review and Budget Summary

It is my pleasure to share with you the following budget review for operating year 2021 and the planned operating budget for 2022. As you can see, 2021 was an excellent year, not only considering the ranch's execution of its purpose but also in the level of generosity expressed by all of you. We are thrilled to share that the financial support received last year was greater than we ever could have expected, and we thank you for making the extra effort. As you have read and many have seen, we have responsible plans to put it to good work.

Since its inception in January 2017, Heaven's Gait Ranch has had a spectacular start: staff and volunteers have worked tirelessly toward the betterment of daily operations. While there is still much to accomplish, and many more people to reach, I'd like to offer my most genuine 'Thank You' to all those who chose to make their mark on the world with us at Heaven's Gait Ranch. The next five years are set on the foundation you helped build, and we are proud to be stewards of this mission.

Respectfully,

Brian McClaren

Co-Founder, Director of Finance and Operations

<u>2021 Annual Report</u>	<u>2021 Budget</u>	<u>2021 Actual</u>	<u>2022 Budget</u>
Income			
Rider Fee Income	\$ 30,000	\$ 40,980	\$ 60,000.00
Donation Income	\$ 155,000	\$ 261,215	\$ 210,000.00
Other Income	\$ 18,000	\$ 18,753	\$ 18,500.00
Paycheck Protection Program	\$ 10,000	\$ -	\$ -
Total Income	\$ 213,000	\$ 320,948	\$ 288,500
Expenses			
Contractor - Lawn Care/Snow	\$ 9,100	\$ 9,370	\$ 9,700
Contractor- Farrier	\$ 3,750	\$ 4,988	\$ 5,500
Contractor - Veterinarian/Afterlife Care	\$ 6,600	\$ 7,771	\$ 7,500
Wages (Staff)	\$ 115,500	\$ 120,283	\$ 159,500
<i>Executive Director</i>	\$ 37,500	\$ 37,323	\$ 42,500
<i>Program and Volunteer Coordinator</i>	\$ 20,000	\$ 21,148	\$ 32,000
<i>PATH Certified Instruction/Therapeutic & Rehabilitation Services</i>	\$ 27,500	\$ 26,586	\$ 30,000
<i>Facilities Manager & Veterans Outreach Coordinator</i>	\$ 10,500	\$ 15,040	\$ 30,000
<i>Equine Management/Other</i>	\$ 20,000	\$ 20,187	\$ 25,000
PATH Membership(s) Annual Dues	\$ 2,400	\$ 2,280	\$ 12,500
Liability and Property Insurance	\$ 4,500	\$ 6,779	\$ 7,000
Workers Compensation Insurance	\$ 3,500	\$ 7,675	\$ 4,500
Unemployment Insurance	\$ 2,500	\$ 2,820	\$ 3,700
Supplies and Program Materials	\$ 3,500	\$ 6,415	\$ 6,500
Professional Services/Property Care	\$ 3,500	\$ 1,376	\$ 3,000
Legal/Accounting	\$ 1,500	\$ 1,149	\$ 1,500
Meals and Entertainment/HGR Events	\$ 1,000	\$ 2,611	\$ 3,500
Office Supplies (Printing, Hosting, Publications & Mailing)	\$ 2,800	\$ 6,122	\$ 6,500
Payroll Expenses	\$ 1,000	\$ 975	\$ 1,000
Payroll Taxes (FICA)	\$ 8,262	\$ 8,956	\$ 11,650
Real Estate Tax	\$ 10,600	\$ 10,383	\$ 10,591
Maintenance of Facility/Equipment	\$ 4,500	\$ 5,461	\$ 4,000
Utilities (Water/Sewer/Electric/LP/Internet/Trash)	\$ 9,400	\$ 10,307	\$ 11,000
Horse Feed (Hay/Grain/Supplements)	\$ 8,000	\$ 7,268	\$ 9,000
Tack + Horses	\$ 2,000	\$ 1,450	\$ 2,500
Capital Expenses	\$ 5,000	\$ 12,471	\$ 5,000
Total Expenses	\$ 210,912	\$ 237,050	\$ 285,641
2023 Operating Income	\$ 2,088	\$ 83,897	\$ 2,859

As always, on the following page you will find contextual explanations for material variances from the planned budget. Please reach out if you have any questions about HGR's financials.

Financial Review and Budget Summary

Rider Fee Income

In 2021, despite the continued COVID-19 Pandemic, HGR provided more than 1,400 lessons! HGR has increased its prices for participants, and we expect a higher recovery cost per lesson in 2022.

Donation Income

In 2021 HGR raised more than budgeted; this positive variance and the resulting carry over income will help make it possible for HGR to accomplish its 5–10-year goals, as well as maintain a safety buffer in the operational budget.

Paycheck Protection Program

There was no second round of the PPP for HGR. We applied for some further employment credits in 2021, but there is no clarity on if and when those funds will be distributed.

Advertising and Marketing

This category has been moved into the Office Supply category and will remain there moving forward.

Contractor – Lawn Care/Snow Removal

EZ Signs and Lawn Care, owned and operated by Jeremy Ebert, continues to exceed expectations. He will continue to provide excellent year-round property services. In early 2022, the indoor arena footing has been replaced; both materials and work were done below market rates.

Contractor – Trainer

This category has been incorporated to Equine Management/Other.

Wages (Staff)

There have been several changes in 2021 to reflect growing needs of the program and property, as well as added difficulty associated with staffing paid and unpaid positions. We added a position in 2021 and reshuffled many responsibilities: all staff have received reasonable wage increases to promote retention. Both the Program/Volunteer Coordinator and Facilities Management positions have been made permanent, full time salary positions. Additionally, in 2021 (payable in 2022) we have offered the ability to earn a partial match on professionally managed qualified retirement investments to qualifying staff members.

PATH Memberships

We expect this category to increase dramatically in 2022 or 2023 for two reasons. 1) The pursuit and completion of our Premier Center Accreditation will result in higher annual dues. 2) We intend to take staff to the 2022 or 2023 PATH Intl. conference for additional industry exposure, as well as to achieve the necessary C.E. credits for licensure.

Liability and Property Insurance

This category is over budget because we have found the E/O and officers liability insurance in the existing P/L policy to be insufficient and added a supplemental policy to cover all practitioners with

appropriate liability coverage. We expect this to remain a budgeted item for the future.

Workers Compensation Insurance

As expected, a 2021 audit of 2020 annual dues presented the ranch with a recovery premium of over \$3,600. Annual dues have increased as well because of the audit. It is important to note that our WC classification is particularly expensive and that we are required by State and Federal law to participate in the WC Insurance Plan.

Supplies and Program Materials

The overage in the budget is almost exclusively a result of the increased expenses associated with operations during the Pandemic. It includes everything from additional cleaning materials, masks, rubber gloves, hand sanitizer and heavy-duty sanitization equipment.

Meals and Entertainment/HGR events

The overage in the category is associated with the new location and increased cost of hosting the annual Hayburner Fundraiser.

Office Supplies (Printing, Hosting, Publications & Mailing)

In addition to encompassing the Advertising and Marketing budget, this category includes most of our program outreach costs. In 2021, HGR added new technology and gifting platforms, increasing donor engagement and digital reach. We expect this line item to remain budgeted at the current level.

Repairs and Maintenance of Farm Equipment

The HGR Bobcat ToolCat 5200 will be 18 years old this year and continues to be expensive to maintain. It is an excellent and necessary piece of equipment, and as discussed, we intend to replace it in the very near future. Late in 2019, HGR was gifted a small, used skid-steer. Complimentary to the ToolCat, we regularly use this piece of equipment; maintenance costs are expected.

Capital Expenses

This category is over budget due to the insurance expenses associated with the 2020 insured loss which was disclosed in the 2020 Annual Report.

HGR Endowment*

*The Endowment has not been and will not be a budgeted line item on the Operational Budget that circulates within the Annual Report.

The Heaven's Gait Ranch Endowment was officially started in 2019. The very generous inaugural gift (a piece of vacant land to be sold) was made by an anonymous donor and subsequently sold. Per the specific instructions of the donor, the proceeds of the sale were moved to a managed investment account at Morgan Stanley for the benefit of HGR. Since then, several gifts of cash and/or appreciated stock have been added to the endowment. Details of the HGR endowment are available to all upon request, and more information on the account will follow.

We appreciate the time you have taken to review HGR's Operating Budget.
Please reach out if you have any questions about HGR's financials.



Heaven's Gait Ranch, Inc. Therapeutic Riding Center



2021 Equine of the Year: Ember

Previously owned by Deb & Chris Becker, Amigo's Smokin' Ember was the first horse to set hoof on our overgrown pastures in July 2016. Purchased through the generosity of Howard & Judy Edison, he has been anonymously sponsored for our programs ever since. For five years, our 16 year old Rocky Mountain gelding has partnered with many veterans and adults. Recently, however, his workload has evolved to include serving more children and young adults as well. Now that some of our riders have been with us for years, Ember is able to teach them more intermediate skills. Although some of our participants with special needs started out with a lead walker and two side walkers, today they are riding with minimal assistance, in and out of the arenas.

Ember's gait – called a "pace" – is a lateral movement, where two legs on the same side move together. It is comparable in speed to a trot, where diagonal pairs move together; however, the difference between these two movements lies in the feel for the rider. Ember's pace is much smoother than a trot, making it comfortable for participants to ride faster and longer, without feeling like they are bouncing out of the saddle.

"Ember gave me the confidence to step up my skill level and learn to move faster with ease. I feel a connection to Ember, and he listens to me which helps me trust that I am in control."

– Audrey Sprenger

Farewell to Dolly

In January 2021, we sadly said goodbye to our 25 year old Clydesdale, Dolly. After falling last autumn, we put her on stall rest, hoping she would rebound; however, given her age, size, and another difficult winter, she let us know it was time.

Dolly's sire was a Budweiser stallion, named Belleau McDougel, and whose dam was named Flossie Snowflakes. Registered as "Dolly Belleau Snowflake," our gentle giant was generously donated by Jim & Pat McLaughlin, after living at McLaughlin Family Farms for 16 years. She arrived at Heaven's Gait Ranch in the summer of 2020 with her buddy, "Donkey Kong," both looking forward to making new friends. Built to drive and ride, Dolly was 16.3 hands high and proved to be a quiet soul for our participants with special needs and veterans with disabilities. She loved to be groomed, and her fluffy white feathers gave volunteers all the more reason to show her extra attention. We wish we had more time with Dolly at HGR, but we thank The Schultz Family for sponsoring her through her end of life care.



After losing two horses in two years, our aging herd and growing programs needed new blood; thankfully anonymous donors answered our prayers. In 2021 we were blessed with the opportunity to adopt and start grooming three younger horses – Frost (age 13), Kola (age 17), and Captain (age 8) – into HGR's herd so that we can better serve a variety of needs.



Heaven's Gait Ranch, Inc. Therapeutic Riding Center

**Thank You to our Staff & Volunteers
for Making our Programs Possible!**



Equine Assisted Learning



Therapeutic Riding



Equine Services for Heroes

2021 Volunteer of the Year: Barbara Hughes



Barbara Hughes (pictured above) is a retired Occupational Therapist who joined HGR's team of volunteers in 2017. Years ago, she had volunteered at a therapeutic riding center in the United Kingdom, so when HGR opened in Cedar Grove, Barbara was eager to share her time and talents.

Although she initially started side walking for various veterans with disabilities, we quickly noticed she also developed beautiful bonds with our young riders with special needs. As someone who understands body mechanics and child development, her use of positive reinforcement resonates with participants, specifically those with Down Syndrome and Cerebral Palsy.

Barbara's kindness and dedication have made her an excellent choice for HGR's 2021 Volunteer of the Year. For five years, her calming demeanor and comforting voice have helped countless riders overcome fears or anxieties about riding. She always has a warm smile and a tender hand to help her rider feel safe.

Because of her professional background, we love pairing Barbara with our riders; however, she also enjoys spending time with the horses, grooming and lead walking before and during lessons. She often recounts fond stories of her pony, whom she would ride along the beaches of Lake Michigan as a child.

Outside of volunteering, Barbara enjoys traveling, gardening, knitting, and crafting using driftwood.



Heaven's Gait Ranch, Inc. Therapeutic Riding Center

How You Can Help HGR in 2022 and Beyond

1. **Donate to our Annual Hayburner Fundraiser.**
Proceeds benefit our programs for individuals with special needs & veterans with disabilities.
2. **Support our Herd.**
While HGR's 11 program animals are sponsored in 2022 for routine veterinary care & hoof trims, support for hay, grain, chiropractic care, and daily equine management is needed and greatly appreciated. The true cost of care extends beyond the increased cost of raw goods; it includes the human resources needed to administer them.
3. **Inquire about a Corporate Matching Gift.**
Many businesses offer matching donations, and every little bit helps. Does your employer care about health and human services, military veterans, or animals? Please ask your employer today, advocate on our behalf, or let us know if this is an option, and we'd be happy to connect.
4. **Make a Planned Gift & Leave a Legacy.**
Help HGR build our endowment. Making a gift to Heaven's Gait Ranch, Inc. in your will or living trust, known as a bequest, can guarantee that your legacy endures. Your gift may be a specific dollar amount, stocks, bonds, an estate, a percentage of your estate, or the remainder after all other provisions are specified. If you have named HGR in your will or trust, please let us know so we can ensure your gift is used according to your wishes. If you prefer to remain anonymous, we will keep your name and gift in strict confidence. Please contact Brian McClaren at 920-400-0628 or info@heavensgaitranch.org for more information.



With today's technology, there's no reason we can't bring the barn to you!
Follow us on Facebook for more smiles!



Gifts of any size can be mailed to
Heaven's Gait Ranch, Inc.
940 S. Main St.
Cedar Grove, WI 53013

Text to Give: (920) 315-7551
Keyword: horses

Events in 2022:

Follow us on Facebook for upcoming events & fundraisers.

- Virtual Fundraiser Super Bowl Square: February
- *Veterans Journey Home: Ben's Story* Documentary Film Screening: March
- Party in the Paddock: June
- 2022 Hayburner Fundraiser Date: TBD Fall



Thank you for taking us into year six!