



2007 Annual Report



Animal Welfare Society Animal Shelter—23 Poor Farm Rd., Kearneysville, WV 25430
[Corner of Poor Farm & Old Leetown Pike Rd. west of Jefferson County Fairgrounds]



Introduction



As 2007 came to a close, so did the second and final year of my current term as president of the Animal Welfare Society of Jefferson County. I have enjoyed the complete and total support of the Board of Directors for two terms as president and while I very much appreciate the Board's desire to have me continue as the organization's leader, I made a decision to step aside as president and have another individual serve. In so doing, I pledge my support and assistance to the new president, Annie Roina, who was elected to office in November.

I wish to thank members of the Board of Directors for their support and our volunteers and staff for their time, energy and hard work in advancing the goals of the AWS. The dedication of these individuals demonstrates their compassion for homeless, neglected and unwanted domestic dogs, puppies, kittens and cats. The active involvement by Board members in our fundraising activities and volunteers for caring for animals is critical to the success of our efforts and continues to be one of our most important resources.

As a small non-profit organization, finances continue to be the single most critical and variable area of our operation. Without adequate income from supporters who make donations and join the Society as members and our affiliation with the United Way of the Eastern Panhandle, it is very probable that we would be unable to meet the ever-increasing demands for our services by the community. The continued abandonment of unwanted animals at the shelter, especially during the hours of night, continues to be problematic. These abandonments increase our shelter animal population in a way that we are unable to control or budget for and place additional demands we are unable to anticipate on our staff and finances. We saw a 30% increase in the number of domestic pets which were cared for in our shelter facility.

During 2007, AWS entered into discussions with the Jefferson County Commission regarding a formal partnership involving the county's Animal Control facility. While the county is required by law to provide services for adult dogs, they provide no services for puppies or felines. Discussions are ongoing and AWS is preparing a formal presentation to the Commission in early 2008.

After a 17-year absence, AWS brought back the popular Bark In the Park event which was held in Charles Town during October. The event was well received by the community and our plan is to conduct the event in Shepherdstown in 2008.



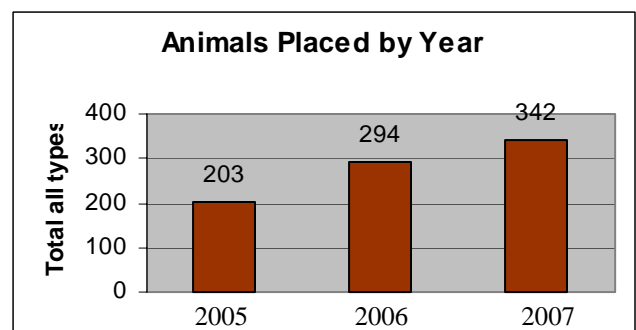
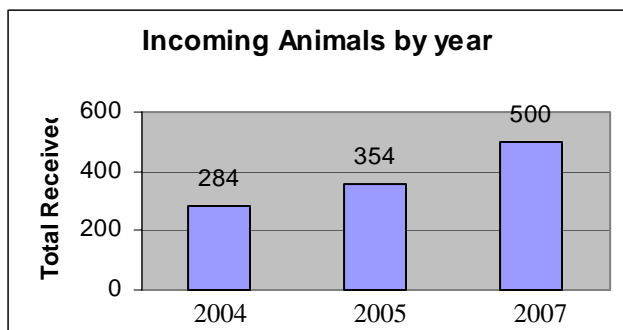
2007 Bark in the Park Registration



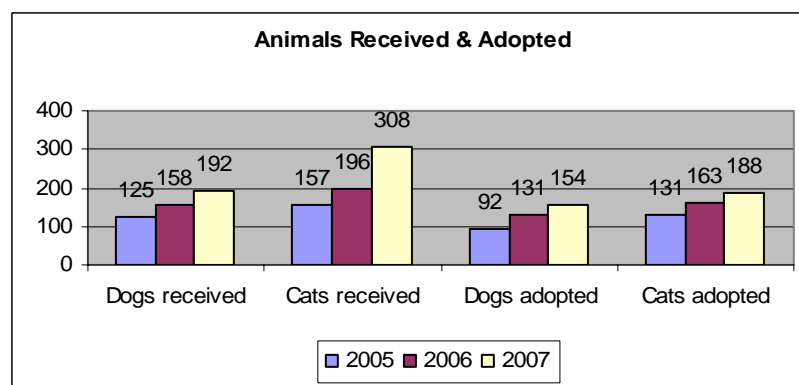
We continued to expand our successful partnership with Petco in Ranson, WV through in-store adoptions and bi-monthly dog adoption events held in the store. Petco Ranson has named AWS as their preferred adoption partner raising needed funds for our shelter through a series of events held throughout the year.

Animal intake and adoptions:

In 2007, AWS received 500 new animals into the shelter facility compared to 354 new animals in 2006. Animals entering the shelter included 308 cats/kittens, compared to 196 in 2006; 192 dogs/puppies compared to 158 dogs/puppies in 2006. This is a continuing increase from 2005 when we received 157 cats/kittens and 127 dogs/puppies. Of the dogs received by AWS, 33 came from Jefferson County Animal Control where they would have been destroyed if not transferred to AWS. The majority of these animals were mother dogs and puppies that had been issued a death sentence should they remain at Animal Control.



AWS placed a total of 321 shelter residents into new forever homes. The placements included 157 dogs/puppies and 164 cats/kittens an increase over 2006 where 294 pets were placed which broke down to 163 cats/kittens and 131 dogs/puppies. In 2005, we placed 203 pets in new homes including 111 cats/kittens and 92 dogs/puppies. We are extremely pleased to see continued increases in our adoption of shelter animals.



Our affiliation with the Pet Finder network, a national organization of shelter and animal rescue organizations now owned by the Animal Planet, a Discovery Channel cable television program content provider, continues to assist us in placing animals. Their Internet web site compliments the AWS site and has increased our visibility nationally. Since our affiliation with Pet Finder,

animals in our shelter receive national exposure and our placement rates as outlined above continue to increase. There is no cost to AWS.



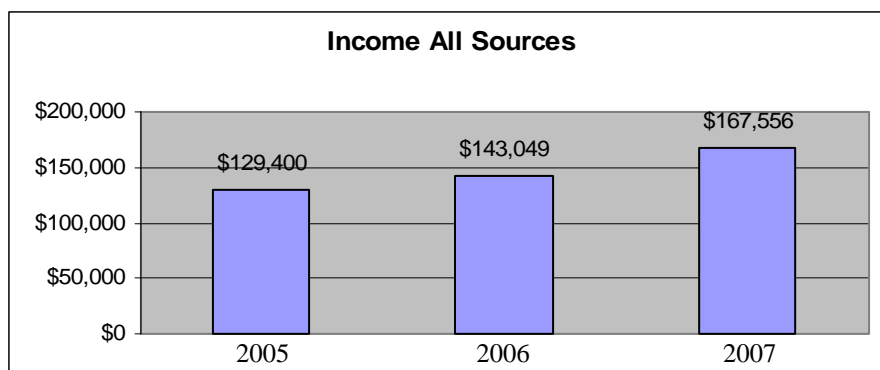
In November 2006, AWS partnered with Petco – an national animal specialty retail chain – that opened a new store in Ranson. Through this partnership, AWS has 6 kennels in the store where we have “cats in residence” that are ready to be adopted. AWS holds dog/puppy adoption events bi-monthly at the store. During 2007, a total of 101 cats/kittens and 15 dogs/puppies were adopted from the store. The public exposure for AWS with the Petco partnership has been a tremendous asset to our mission.



As a Petco Adoption Partner, Petco provides financial assistance to AWS through a series of in store fundraising events held throughout the year. In 2007, we received \$2,807 in financial support from the Petco Foundation as the result of this partnership.

Income:

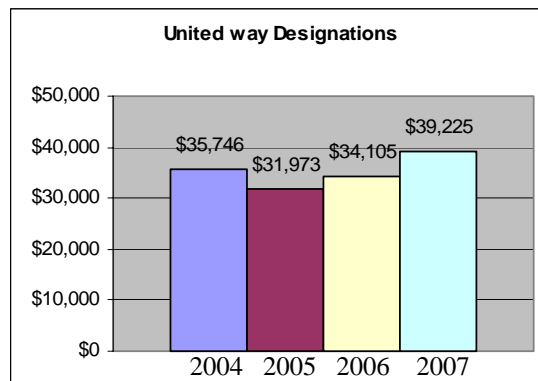
Funding to support our shelter operations is obtained from a number of sources. The primary sources include donations, membership, fundraising events and the United Way of the Eastern Panhandle of WV. Additional funding in 2007 was received from the Jefferson County Commission and Petco. Total income from all sources during 2007 was \$ 167,556 an increase of \$24,519 or 17.14% over the 2006 total of \$143,039 and \$129,400 in 2005.



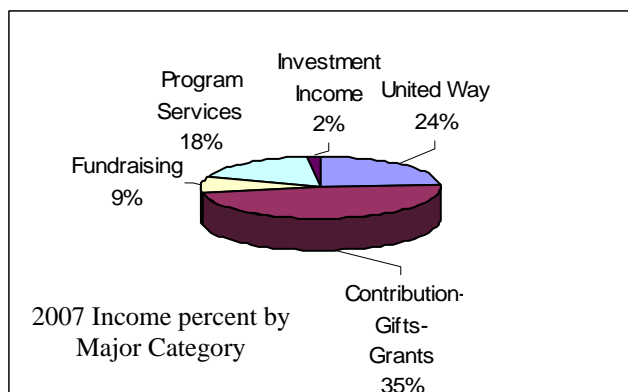
Investment income in 2007 was \$2,633, a decrease of \$3,959 from the 2006 total of \$6,592.

Year to year, funding from United Way designations to AWS accounts for between 25% and 35% of our annual income. In 2007, United Way funding was \$39,225 or 23% of our total income. In 2006, United Way accounted for 24% of our total income. 2006 funding from United Way was \$34,195 compared to \$31,973 in 2005 and \$35,746 in 2004.

UW designation does not “guarantee” receipt of those funds but merely that individuals participating in United Way campaigns have pledged a donation. The individual donors must complete their donation to United Way in order for the funding to be passed to the participating agency. Additionally, the United Way fiscal year runs July 1 to June 30 whereas AWS fiscal year is January 1 through Dec 31. Therefore changes in United Way funding levels do not appear immediately in our balance sheet but the following year. In 2007, United Way notified us of a reduced designation rate which would lead to reductions in future funding to AWS. The impact of this reduction began to appear on July 1, 2007 and will be fully felt by AWS in January 2008. Our funding was reduced to approximately \$20,000 for the 2008 UW fiscal year.



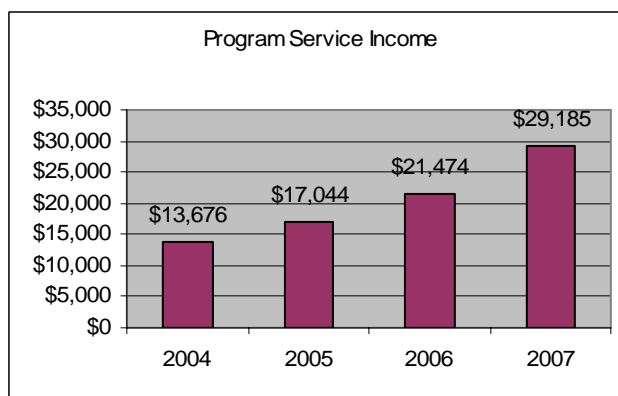
During 2007, AWS received a total of \$18,000 from the Jefferson County Commission. This amount actually included \$5,000 allocated from the county’s 2006 budget and \$13,000 from the 2007 budget. Additionally, the Berkeley County Commission provided us with \$6,555 for the care and sheltering of dogs involved in an animal abuse case involving Second Chance Rescue in Berkeley County, WV.



Our fundraising income was \$14,351 down \$14,527 or 50.3% from the 2006 total of \$28,878. The majority of the reduction was due to the fact that we did not conduct the Paws and Claws Ball in 2007. The Bark In The Park event netted AWS \$3,632 and a breakfast event at Applebee’s netted \$1,485 while our Mother’s Day and Easter Flower sales netted \$ 5,417.

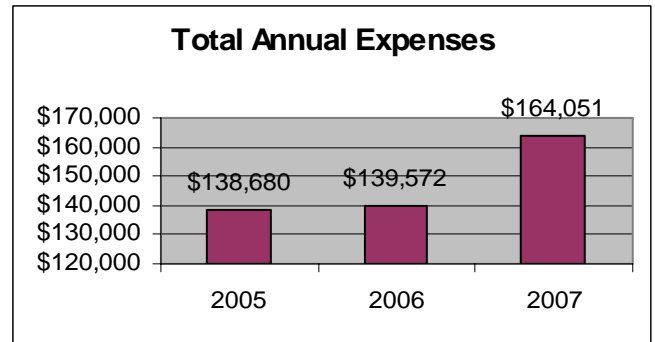
Income from AWS programs, including rabies vaccination clinics, adoption and relinquishment fees, spay-neuter and medical treatment increased to \$29,185, a 35% increase, from \$21,474 in 2006. Program income in 2004 was \$13,676; \$17,044 in 2005.

AWS ended the year with a net ordinary income before depreciation of \$3,505 as compared to a \$3,105 in 2006. Our cash balance as of December 31, 2007 was \$ 28,229. Reserves totaled \$106,484. Reserves include a \$30,000 restricted Certificate of Deposit that is held at BB&T (AWS cannot withdraw the principal amount but receives cash dividends), \$20,380 in Verizon stocks and \$56,484 in diverse investments at Commonwealth Financial.



Expenses:

Overall, total operation expenses increased substantially to \$164,051 or 17.58% from \$139,572 in 2006. 2005 expenses were \$139,680. Some categories such as payroll and veterinarian fees saw significant increases. We also experienced an unbudgeted expenditure of \$6,500 for a new roof on the shelter facility – which was 20-years old in 2007. The existing roof suddenly developed significant leaks into our shelter isolation area and storage areas. During the initial examination of the roof, it was determined that there was significant damage to the underlying plywood requiring complete replacement of the roof shingles as well as a number of plywood roof panels under the shingles.

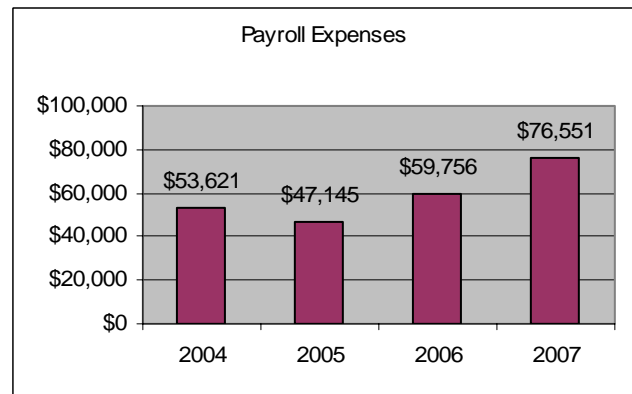


Fundraising expenses decreased to \$4,845 in 2007 compared to \$9,063 in 2006 and \$8,556 in 2005.

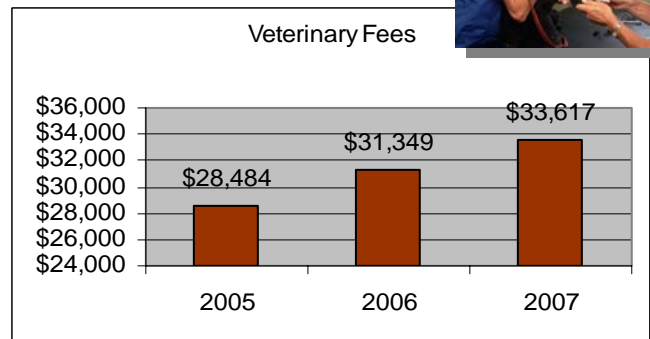
Building maintenance costs which includes the shelter facility and grounds but excludes utilities were \$18,286 compared to \$11,553 in 2006 an increase of \$6,733.

Utility costs totaled \$7,136, a reduction of \$369 from the 2006 total of \$7,505. Utility costs for 2005 were \$6,581 and \$5,635 in 2004.

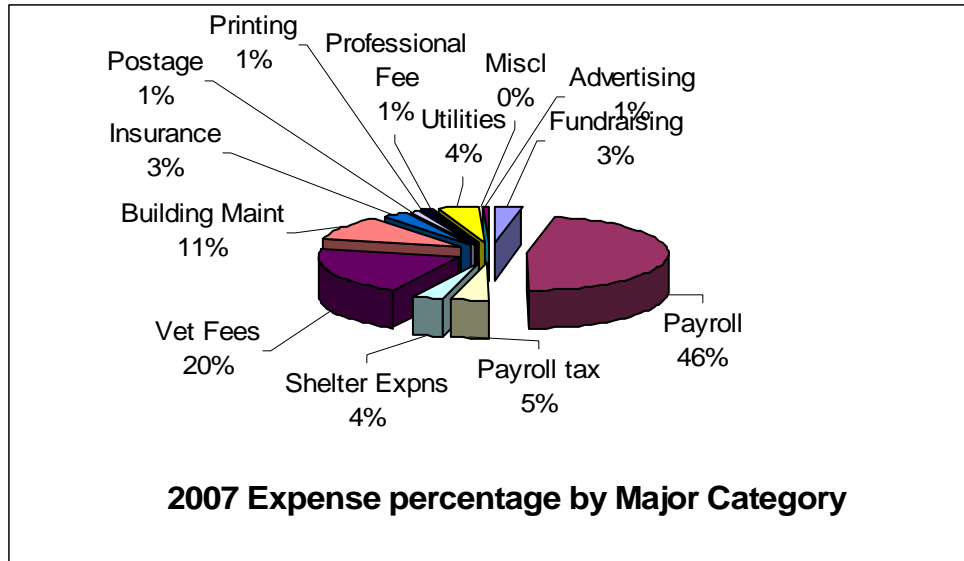
We experienced a dramatic increase in payroll expenses in 2007. Payroll increased by 25.7%, or nearly \$17,000 to \$76,551 from a total of \$59,756 in 2006. Payroll expenses are the largest part of the AWS budget followed by veterinarian fees. Retaining qualified and dependable staff continues to be a significant challenge. Additionally, when we experience an outbreak of sickness with the animal population, additional hours are necessary to ensure proper care and medication is provided to those sick animals.



Veterinary fees continued to increase. In 2007, AWS paid \$33,617 in veterinary fees, including medications for ill animals as compared to \$31,349 in 2006, \$28,484 in 2005 and \$23,816 in 2004. **Every animal receives full vaccinations against a number of common diseases and is spayed or neutered before being placed into a new home.**



A breakdown of our expenses by major category is shown below:

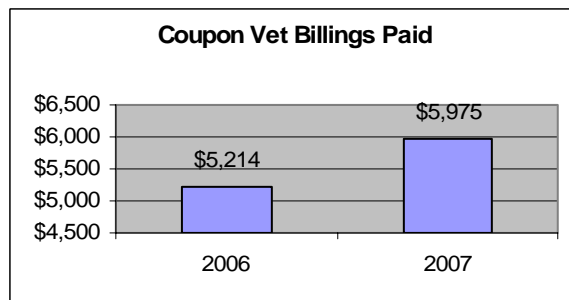
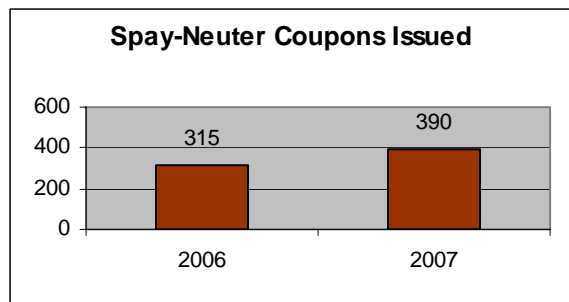


Shelter Operations and Outreach Programs:

Our community outreach programs continue to be an important element of our service to the community. We conducted two low-cost rabies vaccination clinics in 2007 vaccinating 403 domestic companion pets compared to 310 animals in 2006, and 274 in 2005. These low-cost clinics, at \$7.00 per animal, continue to gain popularity with our community.

Our Pet Photos with Santa also continues to be a favorite with the community.

AWS continues to distribute discount spay-neuter coupons to residents of Jefferson County. These discount coupons make it less costly for someone with limited financial resources or on fixed incomes to have their pet spayed or neutered. AWS pays a portion of the veterinary fee charged for the procedure. The program helps to control unwanted pet birth rates. Since growth of the unwanted pet population continues to be a problem – and growing as does the population of Jefferson County – this program is a critical element in helping control the unwanted pet population. We distributed over 390 coupons and incurred \$ 5,975 in billings from local veterinarians compared to 315 spay-neuter discount coupons in 2006 and \$5,214 in vet billings for this program.



Looking Forward

In 2008, the Board of Directors is focused on continuing to improve the financial position of the Society. Several initiatives already underway will be expanded. These initiatives include:

1. A renewed effort to enhance revenue generation. This will be accomplished in a number of ways including 1) expansion of our spring direct mail campaign base to include key population centers of the county including Shepherdstown, Charles Town, and Harpers Ferry addresses, and 2) direct contact with our local business community. We need to continue to target high-population areas of Jefferson County.
2. Increase in the size of our Board to the Bylaws authorized size of 15 members.
3. Begin creation of a robust volunteer base to assist staff and maintain salary expenses at appropriate levels.
4. Implementation of a "Spay-Neuter Day" in line with the Doris Day Animal Foundation. Local veterinarians are encouraged to set aside 1-day each year to perform no-cost spay-neuter procedures for community residents.

My deepest appreciation and gratitude go to all Board members of the Society, the dedicated staff under the direction of Animal Care Manager Stephanie Pierson's leadership, our members and donors, event sponsors, PETCO and United Way of the Eastern Panhandle of West Virginia without whose support we would not have been able to continue our 55-year long tradition of serving domestic pets in need and the community.

The Animal Welfare Society of Jefferson County is the **ONLY** shelter facility in the county that serves dogs, puppies, cats and kittens and that is a community-based organization led by an unpaid, all volunteer Board of Directors whose members are residents of Jefferson County.

It is truly an honor for me to have served as your President. I thank each of you for your trust and support during my two terms as President of the Animal Welfare Society of Jefferson County. I pledge my continued support to the new President and Board.

In service to the needy domestic pets in our community, this annual report is respectfully submitted by



Bill Dunn
President
Animal Welfare Society Board of Directors

