Plan Prepared in July, 2011
by Robert J. Rude
1 MISSION. ................................................................. Page 3 of 20

2 EXECUTIVE SUMMARY. ........................................ Page 3 of 20

3 ORGANIZATION PLAN. ........................................... Page 5 of 20
   3.1 Description of Business. ..................................... Page 5 of 20
   3.2 Clinic Staffing. ................................................. Page 7 of 20
   3.3 Key Personnel and Board of Directors. ................. Page 8 of 20
   3.4 Clinic Advisory Board. ....................................... Page 9 of 20
   3.5 Method of Record Keeping. ................................. Page 9 of 20
   3.6 Insurance. ........................................................ Page 9 of 20

4 MARKETING PLAN. ................................................ Page 11 of 20
   4.1 Target Market. ................................................. Page 11 of 20
   4.2 Competition. .................................................. Page 11 of 20
   4.3 Fund Raising Plan. ............................................ Page 12 of 20
   4.4 Promotion. ..................................................... Page 13 of 20

5 FINANCIAL DOCUMENTS. ........................................ Page 15 of 20
   5.1 Summary of Startup Costs. ................................. Page 15 of 20
   5.2 Three Year Budget. ......................................... Page 15 of 20

6 CONCLUSION. ..................................................... Page 16 of 20

7 SUPPORTING DOCUMENTS. .................................... Page 16 of 20
   7.1 Rude Ranch 990. .............................................. Page 16 of 20
   7.2 501 c(3) Designation Letter. ............................. Page 17 of 20
   7.3 Proven models of success. ................................. Page 17 of 20
      7.3.1 AP article. ............................................... Page 17 of 20
      7.3.2 San Francisco SPCA. ................................. Page 19 of 20
1 MISSION

To assist people who help animals by providing low-cost spay/neuter and other necessary veterinary assistance, emergency aid, and relevant advice to help these people better afford to help animals. The goal is to work towards a day when we no longer need to euthanize companion animals.

2 EXECUTIVE SUMMARY

Rude Ranch Animal Rescue, Inc. is a public non-profit corporation established in 2001. Our original goal was to provide a refuge to abandoned, abused and homeless animals. The focus was to bring in special needs animals from local animal controls and traditional shelters and find new permanent homes for them. In the past ten years we found homes for more than 3,000 animals and facilitated the veterinary care and placement for more than 10,000 additional animals.

We will continue our current programs of finding homes and caring for animals at our sanctuary, but have made the corporate decision to move from a placement/adoption agency to a more proactive spay and neuter organization. It has become very obvious over the past ten years that we will never adopt our way out of the over population problem. What is needed is an aggressive sterilization approach to get ahead of the current problem.

We currently spay and neuter 500 animals per year through our existing program with local veterinary clinics. With a high volume spay and neuter clinic that focuses only on this objective we could easily reach 6,000 sterilizations in the first year, with the ability to expand to as many as 25,000 within five years. We strongly believe that this aggressive approach will have a significant impact by greatly reducing the number of animals being euthanized in area shelters, which will directly save money for those agencies. The current cost to euthanize an animal is around $65. Multiply that by the thousands of animals being euthanized every year and it quickly adds up to significant cost reductions for publically funded animal control agencies.

The need is great and the sooner we can get started the sooner we can make a dent in the over population problem. Animal control agencies in and around the District of Columbia area have euthanasia rates in excess of 50%, with some as high as 90%. Most of these are pets that are turned in by owners when they have kittens or puppies and they can no longer afford the food and veterinary care. With a low cost alternative, many of these people would be willing to spay or neuter these pets and no longer head to animal control every time they have unwanted litters.

We are in a strong position to accomplish our goal to start a spay and neuter clinic. We just completed out 10th year of operation and have had a positive cash flow each of the past nine years. We have a cash reserve of $225,000. This will give us enough capital to ensure our current programs continue and ensure the continued care of our residents when combined with our on-going fund-raising activities.
We believe in working cooperatively with animal control agencies and other animal welfare organizations. Over the years we have partnered with more than 40 organizations in and around Maryland, Virginia, Delaware, West Virginia and the District of Columbia. We have received numerous honors and awards since our inception including an Executive Citation from Anne Arundel County, an award from Maryland Votes for Animals and an award from the Thomas E. Quade Foundation.

In order to get the clinic up and running as quickly as possible, we will use the Humane Alliance spay and neuter model that has been highly successful in establishing and maintaining high volume clinics around the country. This group is based in Asheville, North Carolina (www.humanealliance.org) and to date has launched more than 60 clinics around the country. The total capital we are seeking is $250,000. This will cover the initial costs of startup and working capital including anticipated losses in the first few months while the staff is trained and we get the clinic fully ramped up for maximum efficiency.

Our biggest hurdle to accomplishing this goal is startup capital to get the clinic up and running as soon as possible. We are seeking individuals and business partners that share our vision of ending the needless euthanasia of tens of thousands of local companion animals annually. Please review the rest of this document and contact Bob Rude at 410-798-9559 or email him at info@ruderanch.org to discuss how you can help.

Too many animals, not enough homes!!!
3 ORGANIZATION PLAN

3.1 Description of Business

Rude Ranch Animal Rescue, Inc. was formally established in 2001 to further the efforts of its founder’s (Robert and Katherine Rude) to help abandoned, abused and homeless animals. Their mission was to provide aid to the animals and the people who help animals in and around Anne Arundel County, Maryland with the goal to end the needless euthanasia of companion animals.

Robert and Katherine began rescuing animals on a regular basis in 1997 in an effort to save a feral cat colony in Crofton, MD. After trapping, sterilizing, socializing and finding homes for the kittens born into this colony, they decided to trap and sterilize the adults. This led them to Dr. Larry Richman of the Animal Rescue Clinic who specialized in the spay and neuter of feral cats. Now they were hooked on helping animals and began volunteering with rescue groups in the Baltimore, MD area to increase the placement rate of cats brought to these groups. After several years, they decided to strike out on their own to provide a similar service to their local area. A large home was purchased and retrofitted to house rescued cats in a safe, sanitary and stress free environment with no fear of being euthanized and the rest, as they say, is history.

In the ten years since its inception, Rude Ranch has partnered with many individuals and animal welfare organizations to further the cause of animals in the area. Mostly working with special needs animals that would be euthanized in traditional shelters, Rude Ranch has been providing them with veterinary care, rehabilitation and offering them sanctuary until they are placed in a permanent home. The original mission of the organization was to place as many animals in new homes as possible. It soon became apparent that this would not be a successful model. There just weren’t enough homes for the vast number of animals.

Rude Ranch has shifted its’ focus to providing low cost spay and neuter services and a trap/neuter/release service to the local community. They do about 500 surgeries a year through Belair veterinary hospital, but unfortunately we get more than 5,000 requests for service each year and that is without advertising that we offer this service.

In an effort to make a greater impact to help the companion animals in Anne Arundel County, Rude Ranch is moving forward to implement a large scale spay and neuter clinic to get ahead of the over population problem. Many similar programs have worked in other large markets and resulted in a drastic reduction in the number of animals being euthanized.

To accomplish this major project, Rude Ranch will follow the Humane Alliance model
based on their work in Asheville, North Carolina. The Humane Alliance has developed a successful model and has replicated it in more than 60 communities over the past six years. They have the knowledge and experience to ensure this project reaches its full potential.

We will utilize the best practices of the Humane Alliance while allowing for modifications to reflect the specific needs of Anne Arundel County and the surrounding areas. Upon opening the clinic, the first year goal will be to spay and neuter a minimum of 6,000 companion animals. With goals of 7,000 and 12,000 for years two and three. The ultimate goal of the clinic will be to grow as necessary to handle the demand for our services from the community.

Rude Ranch has and will continue to develop strategic relationships with other animal welfare agencies, local businesses, local community groups and all other individuals and groups interested in the welfare of companion animals. This includes businesses and individuals willing and able to assist in the funding of this endeavor; as well as those interested in using our services.

The primary service offered will be the spaying and neutering of cats and dogs in the community. We will conduct community outreach to identify the key individuals and groups that will utilize our services. The clinic will also offer vaccinations, basic blood testing, microchipping, and other services only for those animals receiving surgical procedures that day. All follow-up services, including any post operative complications will be referred to the local veterinary community. The primary focus of this clinic isn’t to provide routine veterinary services, but to reach out to those citizens and groups that could not afford to spay or neuter their animals without a low cost option. Many of the animals arriving at our clinic would never see a vet otherwise.

We will work with local veterinarians to establish a voucher system whereby clients of the spay and neuter clinic can take their pets to a local veterinarian for either a free or reduced rate initial visit for follow-up care. This will hopefully encourage these pet guardians to begin an ongoing relationship with a local veterinarian. This will improve the lives of the animals while increasing the number of clients for the local veterinarians. We have had great success using this model with our current program. Over the ten years working with Belair veterinary hospital, we have referred hundreds of new clients who have become long term dedicated pet guardians. Not all will take advantage of this service, but the goal is to impact as many as possible.

The core expenses of operating the clinic will be funded through fees for services rendered. By offering a spay and neuter only business model, we can keep our costs low while still offering an exceptional quality service to our customers. This will not be a clinic that offers lower prices by cutting corners or providing a lesser quality product. This clinic will provide a high quality product at a greatly reduced price by streamlining
the standard spay and neuter protocols. All applicable standards for quality veterinary
care will be followed with the goal to exceed these standards.

We need an appropriate facility with at least 4,000 square feet of space to handle the
anticipated volume of clients. The cost of leasing this facility is in the budget plan, but an
attempt will be made to locate space that could be donated or leased at a reduced rate.
The proposed location of the clinic will be in the Crofton, Maryland area. It is centrally
located to the population base of the county and has easy access via Route 3 and Route 50
to the people of Anne Arundel County and the surrounding counties and communities. It
also has numerous high quality veterinary clinics able to provide follow-up care and
ongoing veterinary services to the people and animals served by our clinic.

As a non profit organization, we will work through foundations and other donor sources
to supplement our costs and offer very low cost or even free spay and neuter services to
the low income segment of our target area. These animals are at the highest risk of
producing the most kittens and puppies without a low cost alternative. One cat or dog
can potentially produce thousands of offspring in just a two year period. For example, a
cat that produces 4 offspring during each of 3 heat cycles, and assuming each subsequent
generation does the same, will result in 5,654 kittens over a two year period. This is why
a high volume clinic is the only viable solution to the current problem and the only
humane method to reduce the current practice of euthanizing healthy adoptable animals.
With your help we can make this goal a reality.

3.2 Clinic Staffing

The clinic will initially be staffed with 5 people.

The clinic will be run by a clinic manager who will have the primary responsibilities of
running all aspects of the clinic. This will include community outreach, maintaining
contacts with other animal welfare organizations, working with the local government to
ensure cooperation and ensuring that the overall flow of the clinic optimizes the resources
and accomplishes the most surgeries with the least cost.

The veterinarian will have extensive experience with high volume surgical techniques.
The veterinarian will also attend a training session at the Humane Alliance to become
familiar with the latest techniques and protocols to ensure they are proficient in the
quickest and safest surgeries possible.

The rest of the clinic staff will consist of a lead veterinary technician, veterinary assistant
and an office manager. All staff members of the clinic will attend the one week training
course with the Humane Alliance National Spay Neuter Assistance Team. This team will
then be present at the grand opening of the Rude Ranch spay and neuter clinic to ensure
optimum work flow and a successful start to our clinic.

3.3 Key Personnel and Board of Directors

Katherine Evans Rude is the President and cofounder of Rude Ranch Animal Rescue, Inc. She handles the overall planning with the board of directors and coordinates any changes with the appropriate personnel. Her background in animal welfare includes working with several veterinary and animal rescue groups as a volunteer in a variety of positions including implementing a very successful adoption program. She coordinates all business, administrative and fund-raising activities for Rude Ranch. Her working background was as a database analyst for the U. S. Bureau of the Census for 17 years, supporting the systems that produced most of the leading economic indicators for the United States. She graduated from the University of Maryland Baltimore County with a Bachelor’s Degree in Computer Science and a Master’s Degree in Information Systems.

Robert Rude is the Executive Director and cofounder of Rude Ranch Animal Rescue, Inc. He handles the day to day operations of the sanctuary and coordinates planning with the board of directors. His background in animal welfare extends from his youth working on dairy farms in his home state of Wisconsin to working with veterinary and animal rescue groups as a volunteer in a variety of positions. He has managed the day-to-day operations of Rude Ranch for the past ten years. His other duties include deploying in various capacities during natural and man-made disasters to assist with animal related issues ranging from hands on rescue in dangerous situations to setting up rescue centers for animals in disaster. He has also served on the County Animal Response Team, the State Animal Response Team and is a first responder for many national groups including Humane Society of the United States and Best Friends Animal Society. He worked for the U. S. Bureau of the Census for 17 years in a variety of positions. His last position was as Branch Chief responsible for all enterprise computer systems located at several data centers across the United States. He graduated from the University of Wisconsin River Falls with a Bachelor’s Degree in Mathematics and a minor in Business Administration.

Sue Ann Dilts is Rude Ranch’s office manager and has handled all administrative and financial details for the past six years. She received her B.A. from Mercer University and her J.D. from the University Of Florida, Fredric G. Levin College of Law.

Robert Harrison, D.V.M. has been a board member for the past ten years. He has served as a veterinarian in the Maryland area for more than 20 years. He currently provides low cost spay and neuter surgeries to several local animal welfare groups including Rude Ranch. He is a 1984 graduate of Iowa State University School of Veterinary Medicine.

Diane VonSeggern, RD has been a board member for seven years. She never passes an
opportunity to help an animal in need. All of her personal pets were rescued from dangerous situations. She helps with whatever is needed most and even does a few overnight visits at Rude Ranch when we are out of town. She is a registered dietician working for the Anne Arundel Medical Center and the Ginger Cove Retirement Community.

3.4 Clinic Advisory Board

In addition to the board of directors, Rude Ranch has established an advisory board to ensure initial and continuing support of the project. The following persons will play an important role in making this a successful project.

Susan Bauer: Susan has extensive experience with a wide variety of animal rescue groups throughout Maryland, Virginia and the District of Columbia. She founded the Maryland Pug Rescue and currently serves on the board of Small Miracles Cat Rescue in Ellicott City. She is a federal public defender and brings a wide variety of legal expertise to our effort.

Amy Carney, D.V.M.: Has been Rude Ranch’s on-site vet for eight years. She owned and operated the Crofton Veterinary Center, worked at the Anne Arundel veterinary emergency center for two years and has worked in a wide variety of veterinary clinics as a relief vet for the past 10 years. She spends a lot of her free time volunteering with a wide variety of animal charities including ten years working with the Noah’s Ark wildlife center. She is a 1987 graduate of The Ohio State University College of Veterinary Medicine.

Jennifer Elder, CPA, CMA: Has been volunteering with Rude Ranch in a variety of roles. Her most recent is helping us move our financial system to Quickbooks. She has a strong desire to help animals and make a difference in the community. She is a successful CPA and runs her own business “The Sustainable CFO”.

3.5 Method of Record Keeping

All bookkeeping requirements will be handled by the Rude Ranch staff administrative person using Quickbooks. The financial statements will be audited annually. The current auditing firm is Hertzbach and Company.

A customized system provided by the Humane Alliance will be utilized to schedule and track all surgical data at the clinic.

3.6 Insurance
Rude Ranch currently maintains general liability, auto, workman’s compensation and property coverage with Scottsdale Insurance (liability), Progressive (auto), and Erie (property and liability).

For the clinic, appropriate insurance will be acquired through reputable insurance companies to provide coverage for any automobiles, facilities and liabilities of the organization. This will include, workman’s compensation, building content, professional liability for the business and the board of directors and any other insurance deemed necessary to protect the business interests of Rude Ranch, its employees and its supporters.
4 MARKETING PLAN

4.1 Target Market

The target market for the spay and neuter clinic will be pet guardians, animal welfare groups and individuals and groups performing trap/neuter/release programs. Most of the animals turned into animal control organizations and traditional shelters are personal pets or offspring from those pets that have not been altered. By targeting these people we will be able to significantly reduce the number of animals being euthanized.

There are no specific estimates on the number of stray animals in Maryland, but it is generally accepted that there are at least 70,000,000 unwanted companion animals in the United States. Many experts believe that number is significantly higher. More than 4,000,000 companion animals are euthanized in the United States every year. And, that’s just the ones that are documented. If you look behind any restaurant, or any business with a source of food, you will find a colony of cats. Most people have come across a stray dog wandering the street and had to take it to animal control or a shelter and never knew the animals outcome. We strongly believe there are hundreds of thousands, if not more, unwanted companion animals just in Maryland and the surrounding areas.

4.2 Competition

The primary competition in our area is from two sources: animal welfare organizations that offer spay and neuter services and local veterinarians. Currently there is only one organization providing services in Anne Arundel County. They offer a monthly clinic at a reduced cost to area residents.

There is a new clinic starting up in the Millersville area in the near future. It is being started by Dr. Mcdonough and will be called “Animal Birth Control”. We haven’t been able to determine the surgery goals, but anticipate that there will still be enough volume to coexist in the Anne Arundel County area.

While there are many individual veterinarians and veterinary clinics that offer spay and neuter services, a very few have the financial resources to offer reduced cost surgeries to individuals in any large volume. Most do not advertise this service and only occasionally offer when asked. They are a great help to solving the overall problem, but they just aren’t structured to perform a high volume of surgeries on a day-to-day basis. As a matter of fact, we believe many of the local veterinarians will refer clients to our clinic when they have a need for a lower cost alternative than their clinics are able to offer.

Our plan is to work with the local veterinary clinics as partners rather than as competitors. We will offer a very narrow product line targeted to maximize the number of spay and
neuter surgeries. We will leave the bulk of the traditional veterinary services to the local veterinary community.

4.3 Fund-Raising Plan

Most of our current fund-raising is done through four mailings (a bi-annual newsletter, a Fourth of July flyer and a Christmas flyer), the Combined Federal Campaign (CFC), the United Way, the Maryland Charity Campaign (MCC), our “Sponsor a Rude Ranch Resident” campaign, sponsor a spay/neuter and various other events.

The CFC, United Way and MCC are our largest fund-raising efforts. It allows Federal, State, County and corporate employees to donate to Rude Ranch through payroll deduction. We promote this by attending as many charity fairs as possible at the various government agencies. We have had a lot of success with this campaign and have attended charity fairs at many government agencies including, NSA, CIA, Secret Service, IRS, various military bases, DIA and the Pentagon to name a few. When possible we bring one of our animals to show an example of who we help. It also is a much bigger draw to attract people to our display.

We also use technology to our advantage through our award winning website, Facebook and various other on-line medium to keep an interest and develop a following for what we do.

The only way we can fund this project is by reaching out to individuals and businesses in the community. This led us to start our first ever capital campaign to raise the startup costs for the clinic. As of the writing of this document we have already secured $35,000 of capital for the clinic fund. We sincerely hope this is just the beginning and we will find additional support for this project in our local community.

We will be reaching out to the business leaders and entrepreneurs to raise the additional capital necessary to fund the startup costs for the clinic. To this end, we have developed a sponsorship program to show our appreciation for individual and corporate sponsors who share our dream of ending the needless euthanasia of companion animals. You not only get the satisfaction of helping those who cannot help themselves, you also get a great tax deduction to boot.

Our sponsorship levels are as follow:

$250,000: Title sponsor will have the entire building named after them with prominent signage on and/or in front of building. The individual or corporation will also be part of our media campaign, will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.
$50,000: Co Title sponsors (if we are unable to secure a Title sponsor) will have their name or business name prominently displayed on the front of the building. The individual(s) and/or corporation(s) will also be part of our media campaign, will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

$25,000: Premium sponsors will have the lobby of the building named after them. The individual(s) and/or corporation(s) will also be part of our media campaign, will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

$10,000: Elite sponsors will have rooms in the building named after them (excluding restroom unless specifically requested). The individual(s) and/or corporation(s) will also be part of our media campaign, will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

$5,000: Platinum sponsors will have their name on the Platinum level donor plaque prominently displayed in the lobby. The individual(s) and/or corporation(s) will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

$2,500: Gold sponsors will have their name on the Gold level donor plaque prominently displayed in the lobby. The individual(s) and/or corporation(s) will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

$1,000: Silver sponsors will have their name on the Silver level donor plaque prominently displayed in the lobby. The individual(s) and/or corporation(s) will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

$500: Bronze sponsors will have their name on the Bronze level donor plaque prominently displayed in the lobby. The individual(s) and/or corporation(s) will be listed in our bi-annual newsletter and will have a continued presence throughout the life of our organization.

Our minimum fund-raising goal to start the clinic is $250,000. If we are fortunate enough to raise more than the minimum funding, these funds will be utilized to expand clinic offerings and outreach.

4.4 Promotion
We have budgeted minimal funds to run ads and promote the clinic. Much of this money is ear-marked to produce flyers to place in the community and mail to key individuals and businesses.

The key is to preserve most of the funds donated to get the clinic up and running. Most of our promotion will occur by partnering with the print, radio and television media to provide as much free publicity for this project as possible. Rude Ranch has been very successful with this approach in the past. For example, we have been covered frequently by the Annapolis Capital. We have appeared on a number of local television shows including the Hoofs and Woofs show originated by Ellen Moyer, the former Mayor of Annapolis. We were also featured on CNN during the Christmas season of 2008.

We will leverage our current presence on the internet with our website and Facebook following; recruit our current volunteer and support base of more than 3,000 individuals to help get the word out; recruit other members of the animal welfare community to promote the services offered by our clinic; and work directly with the local veterinary community to ensure their support of our clinic.

We will also conduct a high profile “grand opening” to kick off the clinic. The plan is to have a keynote speaker with several other speakers representing Maryland and Anne Arundel County. We want what we will be doing to be visible and on people’s minds as much as possible.

Word of mouth is still our most successful method of promotion. We strive to make the experience positive for our customers, volunteers and contributors to give them a reason to recommend us to friends, associates and family members who may be looking to adopt an animal, contribute to a worthy cause or just looking for an opportunity to volunteer with an organization like ours. Success breeds success. People want to feel that their efforts are not only appreciated, but lead to results. Our goal is to make everyone feel their efforts are leading towards the ultimate goal of no more homeless pets.
# 5 Financial Documents

## 5.1 Summary of Startup Costs

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial lease, renovations, furnishings</td>
<td>$85,000</td>
</tr>
<tr>
<td>Medical equipment and supplies</td>
<td>75,000</td>
</tr>
<tr>
<td>Staffing and Training</td>
<td>12,500</td>
</tr>
<tr>
<td>Marketing, Fund-raising and Advertising</td>
<td>12,500</td>
</tr>
<tr>
<td>Working Capital</td>
<td>75,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$250,000</strong></td>
</tr>
</tbody>
</table>

## 5.2 Three Year Budget

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations/Grants</td>
<td>$10,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Surgeries (6,000 yr1:7000 yr2:12,000 yr3)</td>
<td>362,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Rabies (70% of clients)</td>
<td>50,400</td>
<td>63,000</td>
</tr>
<tr>
<td>Distemper (20 % of clients)</td>
<td>14,400</td>
<td>18,000</td>
</tr>
<tr>
<td>Snap combo test (10% of clients)</td>
<td>21,000</td>
<td>26,250</td>
</tr>
<tr>
<td>Canine combo test (10% of clients)</td>
<td>21,000</td>
<td>26,250</td>
</tr>
<tr>
<td>Microchip (10% of clients)</td>
<td>21,000</td>
<td>26,250</td>
</tr>
<tr>
<td>Flea / parasite treatments (20% of clients)</td>
<td>12,000</td>
<td>15,000</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>$501,800</strong></td>
<td><strong>$674,750</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinic Manager</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>Office Manager</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Veterinarian(s)</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Veterinary Technician(s)</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Assistant Veterinary Technician(s)</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Kennel</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Taxes (15%)</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Staff Incentives (surgeries over min.)</td>
<td>0</td>
<td>40,000</td>
</tr>
<tr>
<td>Health Insurance (50%)</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Printing Expense (inc. admit forms)</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Security Service</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Advertising Expense</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Category</td>
<td>First Year</td>
<td>Second Year</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Contract Services</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Clinic Software</td>
<td>1,500</td>
<td>1,500</td>
</tr>
<tr>
<td>Fund-raising Expenses</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Travel Expenses</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td>Postage Expense</td>
<td>1,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Telephone Expense</td>
<td>1,800</td>
<td>1,800</td>
</tr>
<tr>
<td>Dues and Subscriptions</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Insurance - Miscellaneous</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Legal and Professional Fees</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Building Lease and/or Mortgage</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Repairs to Building</td>
<td>2,400</td>
<td>2,400</td>
</tr>
<tr>
<td>Utilities Expense</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td>CAMS Fees</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Other Taxes and Licenses</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Miscellaneous Expense</td>
<td>10,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Vaccines/other medical</td>
<td>60,000</td>
<td>80,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$480,900</strong></td>
<td><strong>$545,900</strong></td>
</tr>
<tr>
<td><strong>Net Income (Loss)</strong></td>
<td><strong>$20,900</strong></td>
<td><strong>$128,850</strong></td>
</tr>
</tbody>
</table>

### 6 CONCLUSION

Rude Ranch Animal Rescue is passionate about finding a solution to the current practice of euthanizing healthy adoptable animals to control the pet over population problem. We believe a high volume spay and neuter clinic is the best approach to solve this problem. We are willing to explore new approaches, embrace alternate business models and implement ideas that are outside the standard practices for the industry. We feel it is necessary to challenge old ideas and explore alternatives to better serve the people and animals in our community. With your support we can make this concept a reality. We greatly appreciate your consideration and look forward to answering any questions you may have about this project. Please contact Bob Rude at 410-798-9559 or email him at info@ruderanch.org for additional information or to discuss how you can help.

### 7 SUPPORTING DOCUMENTS

#### 7.1 Rude Ranch 990

Available at [www.guidestar.org](http://www.guidestar.org) - Just enter Rude Ranch in the search parameter and follow instructions or call us to obtain a hard copy of this document.
7.2 501 c(3) Designation Letter

Available upon request.

7.3 Proven models of success

7.3.1 AP article

Fewer pets killed because of spay, neuter programs
July 05, 2011 2:30 PM
THE ASSOCIATED PRESS

LOS ANGELES — When Stephen Zawistowski got his first dog 50 years ago, she was the only
dog in the neighborhood that was spayed.

"She had an incision that must have been a foot long and was sewn up with what looked like
piano wire," says Zawistowski, science adviser for the New York-based American Society for the
Prevention of Cruelty to Animals.

It took years of campaigning to change thinking about sterilizing pets, but it has paid off. This
year fewer than 4 million unwanted dogs and cats will be euthanized, down from as many as 20
million before 1970.

There are several reasons: Aggressive adopt-a-pet campaigns are carried out every day in cities
all over the country and breed rescues save many dogs. But animal experts believe spaying and
neutering has played the biggest role in saving so many lives.

Nearly every public shelter, private rescue or animal welfare organization in the country donates
money, space or time to low-cost spay and neuter clinics.

Spaying and neutering has become the law in some states, counties and cities. Many states
require all shelter animals to be sterilized. Rhode Island requires most cats to be sterilized, and
Los Angeles requires most dogs and cats to be spayed or neutered by the time they are 4 months
old.

While shelters are firmly onboard, the biggest problem has been selling sterilization programs to
pet owners.

When pets are sterilized, their reproductive organs are removed so they can no longer breed.
Some people consider that unnecessary mutilation of their pets.

There are those who say: "You won't do that to my dog because I wouldn't want it done to me,"
Zawistowski says.
And it wasn't just pet owners who had to be convinced — so did veterinarians, he says.

Medical procedures have caught up in the last half-century and a lot of people have changed their thinking.

"Now they make a one- or two-inch incision and use self-absorbing sutures" that mean a much quicker recovery for the animals, Zawistowski says.

Aimee Gilbreath, executive director of Found Animals, a Los Angeles-based charity, agrees. "It's become a tenant of responsible ownership," she says of spaying and neutering.

"I'm 36. My childhood dog was never neutered. We lived in some rural places and he roamed the countryside. Who knows how many litters he fathered," Gilbreath says.

"Today my dog is neutered. My parents' dog is spayed. In my family, it's gone from something you didn't do to something that is automatic."

In addition to eliminating shelter kills, spaying and neutering can make pets easier to manage, less aggressive and healthier, said Andrew N. Rowan, president and CEO of Humane Society International and chief scientific officer for the Humane Society of the United States.

So what drove the changes, and what now?

The first public spay and neuter clinic in the U.S. was opened in Los Angeles in 1969 and was so successful that there was a four-month waiting list. Another opened four years later and charged $17.50 for spaying female cats and dogs and $11.50 for neutering males, said Linda Gordon, director of facility development for the city's Department of Animal Services.

A low-cost shelter today charges about $55 to neuter a male cat and $60 to spay a female cat, around $150 to spay a female dog under 30 pounds and between $150 and $250 (depending on size) to neuter a dog, said Carrie Harrington, communications director for the Marin Humane Society in Novato, north of San Francisco.

The first private low-cost clinic was opened in 1973 by the Marin shelter, using $42,000 raised by its women's auxiliary thrift store. This year, the group will raise money to help sterilize about 2,300 pets, Harrington said.

The steep decline in the number of animals being euthanized each year comes even as the pet population has boomed. In 1970, there were about 62 million companion pets and today there are about 170 million, Zawistowski said.

But 4 million animals put to death is still 4 million too many, said Betsy Banks Saul, co-founder of Petfinder.com, an online adoption database that has helped with 17 million adoptions since it started in 1996.
The next step may be in the form of an affordable pill, implant or vaccine to sterilize cats and dogs.

Dr. Gary Michelson, a billionaire orthopedic spinal surgeon and founder of Found Animals, posted a $25 million prize in 2008 for the creator of such an affordable chemical sterilant that works in male and female cats and dogs. Michelson has also put up $25 million for grants to allow scientists to do the research.

Found Animals has received 150 grant applications so far and 14 projects have been approved for funding, Gilbreath said.

"When we first saw grant proposals coming in, we saw old ideas that had been laying around for 15 or 20 years. What we are seeing now are proposals based on cutting edge science — areas related to cancer and stem cell research. The level and sophistication of the science has moved to a higher level," said Zawistowski, who is on the prize board.

In 2003, the Food and Drug Administration approved the first sterilant for male dogs. But at about $50 a shot, Neutersol was too costly. It was reworked, the price was cut to about $6 a dose and it was again approved by the FDA under the name Esterilsol, Zawistowski said. It's been used in trials around the world and is expected to be available in the United States later this year.

Miami-based 600million.org, named for the number of stray dogs that can be found around the world on any given day, is working on a contraceptive pill for dogs. The most promising and closest to completion is the female sterilization pill, said group founder Alex Pacheco.

Read more:
http://www.gazette.com/articles/pets-120970-programs-angeles.html#ixzz1SYt1DNn0

7.3.2 San Francisco SPCA

San Francisco SPCA to Offer Free Spay/Neuter Procedures throughout February 2011
SF SPCA Faces Animal Overpopulation Head-on, Commemorates National “Spay/Neuter Month” with Month-long Effort to Raise Awareness of Prevention Strategies

SAN FRANCISCO, CALIF, Jan 24 2011: Today, the San Francisco SPCA announced that it will offer free spay and neuter surgeries for cats and dogs of San Francisco residents throughout the month of February 2011. Coinciding with national “Spay/Neuter Month,” this marks one of the SF SPCA’s largest investments of time and resources in the animal welfare community to date. During February, pet owners can schedule appointments with the SF SPCA’s Spay/Neuter Clinic and receive the procedure for free.

“Overpopulation is the number one killer of cats and dogs in America. Spaying and neutering pets is vital for reducing the number of stray and homeless animals in the city,” said Jennifer
Scarlett, D.V.M., co-president of the SF SPCA. “This investment by the SF SPCA is indicative of our strong belief in using preventative practices to reduce overpopulation and the resulting strains on the community’s animal shelters. We hope our efforts will encourage pet guardians across the city to make the responsible choice in having their pet spayed or neutered. If you want San Francisco to be a No-Kill city, the most important thing you can do is to spay or neuter your pet.”

The SF SPCA expects to accommodate more than 550 free spay/neuter procedures during the month of February, and appointments will be scheduled on a first-come, first-served basis.

The state-of-the art SF SPCA Spay/Neuter clinic is part of the Leanne B. Roberts Animal Care Center, which opened in 2008. The clinic is on track to perform 9,000 spay/neuter surgeries this year and has helped lower the number of cats and dogs in San Francisco shelters by more than half since 1985. Spay and neuter procedures contribute to the overall health of animals, decrease overpopulation and save both the city and its residents the costs and repercussions of unwanted litters. The SF SPCA would not be able to make this offer available to the public without the generosity of its donors and the profits generated by the SF SPCA Veterinary Hospital at the Leanne B. Roberts Animal Care Center.

For San Francisco residents interested in scheduling a spay or neuter appointment for their pet in February 2011 or to learn about terms and conditions of this offer, please call 415-554-3030 or visit www.sfspca.org/fix. To learn more about the SF SPCA and Spay/Neuter Month, please visit www.sfspca.org.

About The San Francisco SPCA

The San Francisco SPCA is a community-supported, non-profit animal welfare organization dedicated to saving, protecting and providing immediate care for cats and dogs who are homeless, ill or in need of an advocate. The SF/SPCA also works long-term to educate the community, reduce the number of unwanted kittens and puppies through spaying and neutering, and improve the quality of life for animals and their human companions. For more information, visit www.sfspca.org.