



June 19, 2009

San Juan Capistrano City Council
Attn: Councilman Sam Allevato
City Hall
32400 Paseo Adelanto
San Juan Capistrano, CA 92675

Dear Councilman Allevato:

As our liaison to the City Council, it has been a year since CARE gave the City an update on our activities. Please accept this letter as a current annual status report.

MEMBERSHIP:

Currently CARE has approximately 224 members, many of which are multiple (family and business) members. Our membership is made up of people both inside and outside of this city, and from all age, social and economic groups.

EXECUTIVE BOARD:

CARE formed a 501 (c)(3) non-profit corporation in August 2000. In addition to having volunteer Legal Counsel, our 5-member Board of Directors provides leadership and works to execute our original business plan. We are proud to say that the 2000, 2001 and 2008 San Juan Capistrano Chamber of Commerce Citizens' of the Year have been CARE Founders and Executive Board Members. In 2005, one of those honorees, the late Dr. Joe Cortese, was also selected as the City's recipient of the Wall of Recognition award.

CONSTRUCTION PLAN:

On June 2, 2009 the San Juan Capistrano City Council voted to terminate the lease with CARE for the three-quarter acre site north of the intersection of Camino Capistrano and Junipero Serra, where the organization had planned to build an Animal Rescue and Adoption Center.

In consideration for canceling the agreement, the City will reimburse CARE for between \$25,000 and \$35,000 in costs for work undertaken to improve the site and prepare it for construction.

In 2001, the City Council leased to CARE for \$1 per year a small portion of excess property that was acquired as part of the Open Space land purchase in the early 1990s. CARE began site preparation and fundraising to build a facility on the site to further its mission to rescue and adopt homeless San Juan Capistrano animals and has since raised approximately half of

the projected \$1 million cost. CARE, at its expense, processed the required land development permits, had more than \$130,000 in site grading and geotechnical analysis and work donated, and fenced and “hydro-seeded” the property to prevent erosion.

In February 2009, the City proposed a Creekside Buffer Ordinance that would have rendered the site unusable for the current plan. The ordinance is still pending, although the Council advised CARE it should consider other options.

According to our lease, the City has the right to rescind the lease agreement with 12 months’ notice. While we are disappointed that we will not be able to fulfill our dream to build a local facility for the animals, the city is within its rights to terminate. Our goal remains to serve the animal community in San Juan Capistrano.

FINANCIALS

Because a financial audit is not required by the State of California for non-profit organizations with less than \$2 million in assets, the CARE Board of Directors previously voted to obtain a financial analysis instead. The 2008 financial analysis was prepared by a professional accountant and is posted on our web site along with the financial analysis for 2004-2007. CARE’s annual tax return is always available for public review on www.guidestar.com and through links on the CARE web site. Money donated specifically for memorial bricks, kennel plaques, building or animal expenses is recorded and maintained in CARE’s data base. Unspecified donations go into a general fund.

ADOPTIONS:

In 2003 the City of San Juan Capistrano approved and finalized an MOU between the City, CARE and the Orange County Animal Care Center; however, the County never executed this agreement. CARE was advised that the County Counsel determined that an MOU was unnecessary, and that the relationship between the County, the City and CARE could continue to function “informally.”

CARE continues to work closely with the Orange County Animal Care Center and its Director and Officers to ensure that every *adoptable* dog and cat picked up within San Juan’s city limits and not claimed by their owners at the County facility after the mandatory 5-day waiting period is rescued. Specifically; CARE has a first hold (reservation) on all unclaimed San Juan Capistrano dogs and cats. After the 5-day waiting period, CARE is notified. Because of current limitations, CARE moves to last (4th) hold on all *adoptable* San Juan Capistrano dogs, which allows them be adopted at the County facility immediately. Any adoptable dog remaining has always been rescued by CARE. In 9 years, not one *adoptable* San Juan Capistrano dog has been euthanized because they have either been adopted at the County facility or taken by CARE or another rescue group. CARE takes San Juan cats on a first hold since we have multiple cat foster homes available, as well as the PetSmart cattery and Ortega Animal Care Center for adoptions. Similarly, only cats that are evaluated by the County and CARE, and determined to be *adoptable*, are rescued from the County.

Even though we do not have a permanent facility, we are pleased to report that through our Foster Program we have successfully completed a total of 100 dog and 1,076 cat adoptions to date, and returned 2 rescued dogs and 4 rescued cats to their rightful San Juan owners.

This is accomplished through our volunteers, foster homes and a continued relationship with PetSmart, where we hold weekly adoption events and where some of our cats are temporarily housed. Our rescued dogs have been boarded at San Juan Animal Hospital or in private foster homes, and shown publicly by appointment or at the PetSmart store when they are made available. The Ortega Animal Care Center has raised over \$1,000 for CARE with their past weekend Petting Zoos and BBQ's, and have offered foster cages for adoptable CARE cats at their facility periodically. Presently, we have a total of 23 animals in our Foster Program.

In 2003, CARE instituted a "Second Chance Program" that allows us to rescue other adoptable homeless animals from the County Shelter that are picked up outside our city limits when we have empty cages available, and there are no stray San Juan Capistrano animals waiting for rescue at OCACC. This was initiated to satisfy the requirement by PetSmart that CARE keeps their cages full with adoptable cats in order to continue to operate their cattery.

CARE is also one of the only humane rescue groups in this area that will take owner relinquished animals from their city residents, subject to them passing a medical and behavioral evaluation by our Veterinarian(s). We do this to prevent the indiscriminate dumping of unwanted animals and to obtain an up-to-date veterinary and behavioral history on the animal to determine health and temperament. This is also done on a space available basis.

In the past, CARE rescued cats from the Camp Pendleton Animal Shelter, which first closed on March 1, 2003. These animals were relinquished by service personnel first being deployed to the Middle East.

In October 2007 CARE successfully rescued and placed their 1,000th homeless animal into a new home.

CARE is supported by San Juan Veterinarians (Dr. Sang Han, Capistrano Veterinary Clinic, Dr. Jack Mannix San Juan Animal Hospital, Dr. Kerolos Banfield Veterinary Hospital, and Dr. James Rich, Ortega Animal Care Center) along with several others outside the City, who provide many discounted and donated services monthly.

Additionally, one of CARE's Directors and Founding Member, Phil Schwartze, served a two year term as the 5th District representative on the Orange County Animal Advisory Committee to the County Animal Shelter.

FUND RAISING:

Our fund raising efforts are ongoing. We thank you and the other Council members who participate in our events with your attendance and support. As with any other community service organization, we can always use funding. We are always searching for long-term sponsors, endorsements, community grants, fund raising opportunities and an ever-increasing member base.

Our current cash assets total approximately \$460,000 as of April 30, despite the ongoing animal-related expenses incurred to ensure that our animals are healthy and adoptable.

CARE has raised almost \$900,000 in 9 years, but has spent over half of that on animal-related expenses.

We have a continuous fund raising relationship with San Juan's local pet stores, Petco and PetSmart. The San Juan Rotary, Farmer's & Merchant's Bank and the National Charity League have awarded CARE grants and donations several years in a row. In 2007 the San Juan Capistrano Christian Science Society approved CARE as one of the organizations they titled for. Additionally, the Orange County Community Foundation works with anonymous donors who have submitted several sizeable donations to CARE.

Additionally, we receive donations through charitable programs with organizations such as Network For Good, United Way, Cars-4-Causes, Edison International, AT&T, Ralph's, Albertson's and Mission Viejo Mall's Simon Foundation.

Our members have also worked with local schools for the last 9 years to take our program to the children and the families of this community, and to increase public awareness.

We work closely with the National Charity League, a local group of mothers and daughters who volunteer their time to support individually selected charities.

FUTURE EVENTS:

Our 6th Annual CARE SHOW and 1st Annual Poker Run in January 2009 drew more than 350 classic car entrants and 100 motorcyclists and grossed over \$25,000. Planning will soon begin on the 7th Annual CARE Show, scheduled for Feb. 6, 2010.

COMMUNITY OUTREACH:

CARE always had a presence at San Juan's Summer Nites concert series throughout the Summer over the past several years, until the City made it a *business only* event in 2005. CARE has been represented with a booth at the 4th of July celebration at the Community Center, the Annual Pet Parade, Swallow's Day Parade and Mercado, Ambuehl Elementary School Carnival, the Christmas Tree Lighting and many others. CARE volunteers also appear at PetSmart adoption events several times a month.

For the past 8 years CARE volunteers have also participated in the City's low-cost vaccination clinic at City Hall, alongside the Orange County Animal Care Center team, several local veterinarians and staff.

As Chamber of Commerce members and supporters, we will continue to recruit and encourage participation within the business community, and proceed with our goals to educate the public on animal welfare issues.

Our media relations team is responsible for making event announcements and showcasing adoptable animals in the media. Our animals and event announcements appear in the Capistrano Valley News, the Pennysaver, and the Capistrano Dispatch. For several years we worked with CSU Fullerton students who selected CARE three semesters in a row as their class PR project. Local FM Station KSBR carries our event announcements as well. In 2004 and 2007 CARE appeared on KDOC-TV's "The Pet Place," a weekly independent

television channel program featuring local rescue groups and their adoptable animals. CARE was featured in 2007 on “The Heart of Orange County” in 2007 and on “Real Orange” in 2008, local programs which air throughout South County. A video segment on the 6th Annual CARE Show was featured on the NBC 4 syndicated series “Whipnotic.” Up-to-date information on CARE and CARE’s adoptable animals is also available on our web site at www.capoanimalrescue.com, Petfinder.com and through our quarterly newsletters. Currently, our web site and phone line are contacted up to 30 times a day.

LITIGATION

In January 2008, a Superior Court judge rejected the lawsuit filed in 2006 by a former Capistrano Animal Rescue Effort Board member, noting that she failed to provide evidence why a trial should be granted. That disgruntled former Board member appealed that ruling but we expect that a Court of Appeal will affirm the Trial Court’s ruling after having heard oral argument on June 15. CARE cross-complained against that person as well as her husband and entered into a confidential settlement regarding that claim. Unfortunately, the husband, apparently unhappy with the settlement, filed a new frivolous action in Superior Court against CARE. On January 30,2009, one of the causes of action brought by the husband was thrown out of court immediately and CARE expects that the sole remaining count will be similarly rejected prior to trial. Despite these malicious attacks against CARE, CARE continues to focus on putting this negative experience behind us and continuing our work to rescue homeless San Juan Capistrano pets.

SUMMARY:

CARE remains an active, growing organization that is clearly focused on the successful rescue and adoption of homeless San Juan Capistrano animals. All of our dedicated members and volunteers appreciate your interest and continued support.

Respectfully submitted,

Matt Gaffney
President

c: Mike Cantor, Senior Management Analyst