

Hooper Riding Club Presentation to Union Council



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Presentation Outline

Overview of Proposals

Recent History

Demographics

Current Finances

Debt Forgiveness

New Structure

Facility Improvements

Liquidation

Review & Discussion



History



- Overview
- 2005 Stable Study
- 2012 Stable Study
- 2014 False Profit
- 2015 Deficit

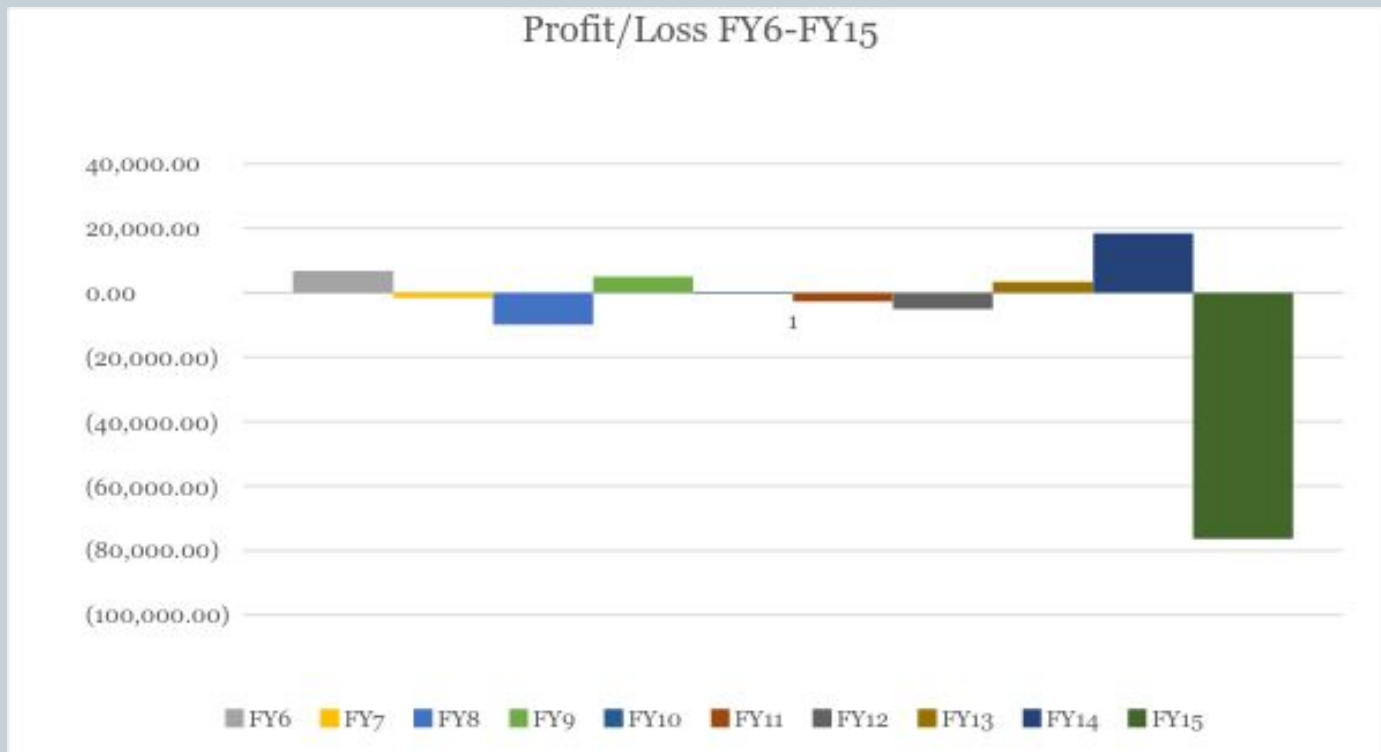


History



- **Overview**

- FY6-FY15 – Average deficit \$6,175
- FY6-FY13 – Average deficit \$488



History



- **2005 Stable Study**

- Postponed facility maintenance catches up
 - need to increase maintenance budget
- Decrease boarding
 - Done successfully
- Increase lesson program
 - Quantity increased without structural changes to program



History



- 2012 Stable Study
 - Raise prices
 - Not done significantly
 - Exec members benefitted from cheap board & lessons
 - Cut expenses
 - Done
 - Health of horses suffered
 - Staff undertrained & overworked
 - Facility in disrepair with safety issues
 - Increase fundraising
 - No plan made



History



- **2014 Incorrect Profit**
 - Outstanding bills and delayed facility maintenance skewed expenses
 - Loss of community members in core leadership positions
 - Budget for FY15 created based on incorrect profit, led to budget shortfalls later on



History



- 2015 Deficit
 - Accounting error in calculating wages (>\$26,000)
 - New positions
 - Hooper Financial Specialist (>\$5,000 past due bills)
 - Club Advisor
 - Barn Manager
 - Assistant Barn Manager (\$10,500)
 - Other identifiable expenses (>\$5,000)
 - Price increases at end of FY15 to mitigate losses



Demographics



- Riding Club
- Horses & Employees
- Community Impact



Demographics



- Riding Club members
 - Students make up 70% - a ten-year high
 - Undergraduate 66%, graduate 4%
 - Average # of members since 2008: 124 annually



Demographics



- Horses
 - 20 Hooper horses
 - 9 Boarder horses
- Employees
 - 15 stable employees
 - 5 instructors
 - Barn Manager
 - Assistant BM
 - Operations Coordinator
 - IHSA Team Head Coach



Demographics



- **Community**
 - 160 high school FFA students for huge contest
 - 140 MATC Vet Tech students learn to handle horses and practice technical skills



Demographics



- Community cont'd
 - 15-20 UW Vet School students perform dental exams
 - 80-100 community members participate in shows/clinics
 - Other collaborations with UW departments and clubs



Current Finances



- Challenges
- November Final
- Revenue
- Limitations on Revenue



Current Finances



- **Challenges**

- **Advisors**

- Past Hooper advisor had knowledge of stables/equine programs
 - Spent majority of time on Riding Club
- Recent Club Advisor transition from July to January
- Need technical Advisor or Advisor with specific industry knowledge

- **Summer Camp**

- Lack of professional/safety oversight

- **Student turnover**

- Late start to fall lessons
- Canceled lessons and members leaving

Current Finances

- November Final
 - Shows club deficit of ~\$6,000
 - Correcting accounting error puts club positive ~\$4,000 at end of November
 - December prelim \$897



Current Finances



- Revenue
 - Increased board in October
 - Increased house rent
 - Limitations on additional price increases



Current Finances



- Limitations on Revenue
 - Student capacity to schedule lessons
 - Turning away private and semi-private lesson requests
 - Instructor availability and lack of training
 - Student capacity to run summer camp, associated risk
 - Annual turnover, leader burnout
 - Quality must match price increases



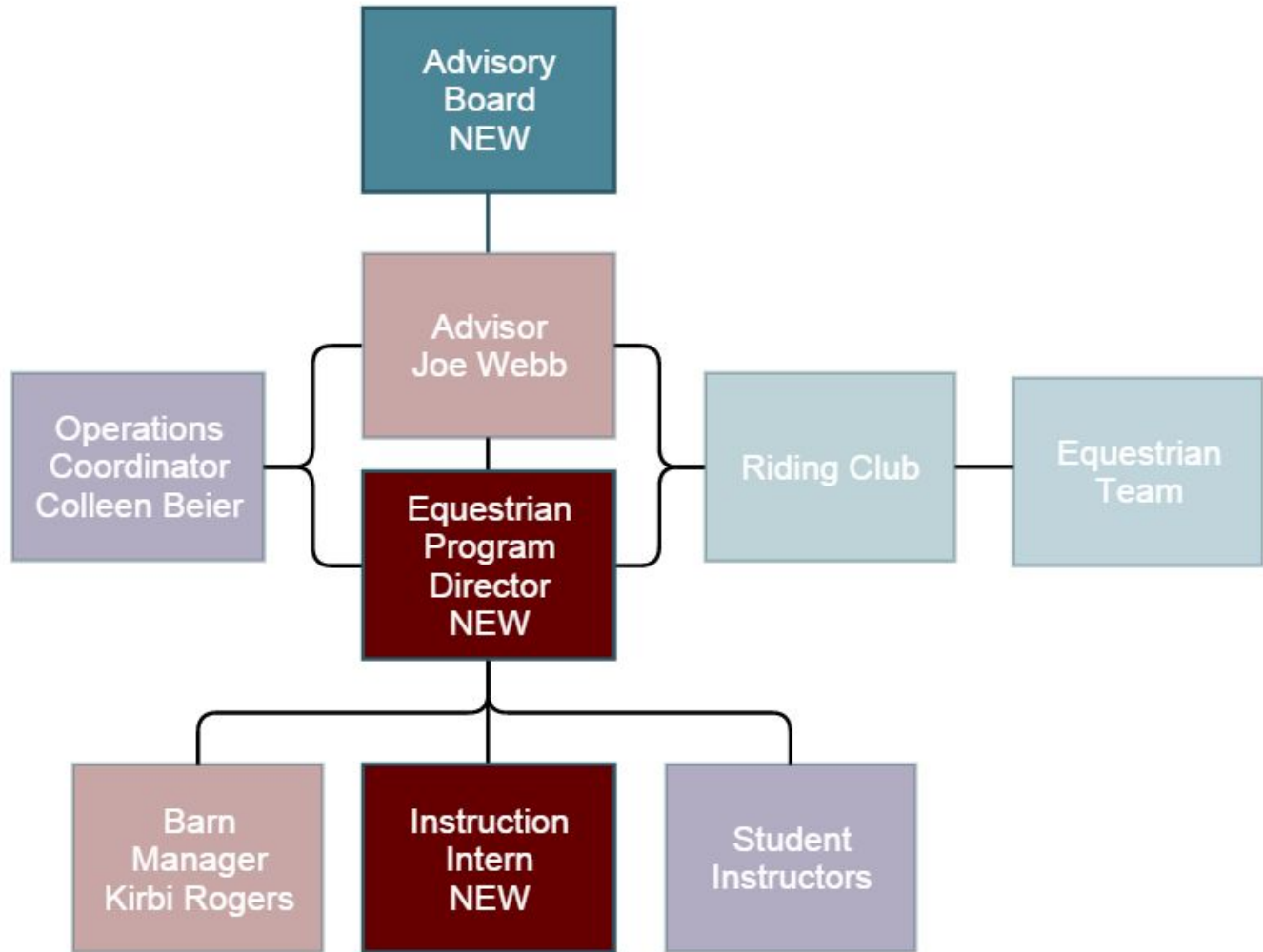
New Structure



- Organizational Chart
- Equestrian Program Director
- Instruction Intern
- Benefits



New Structure



New Structure



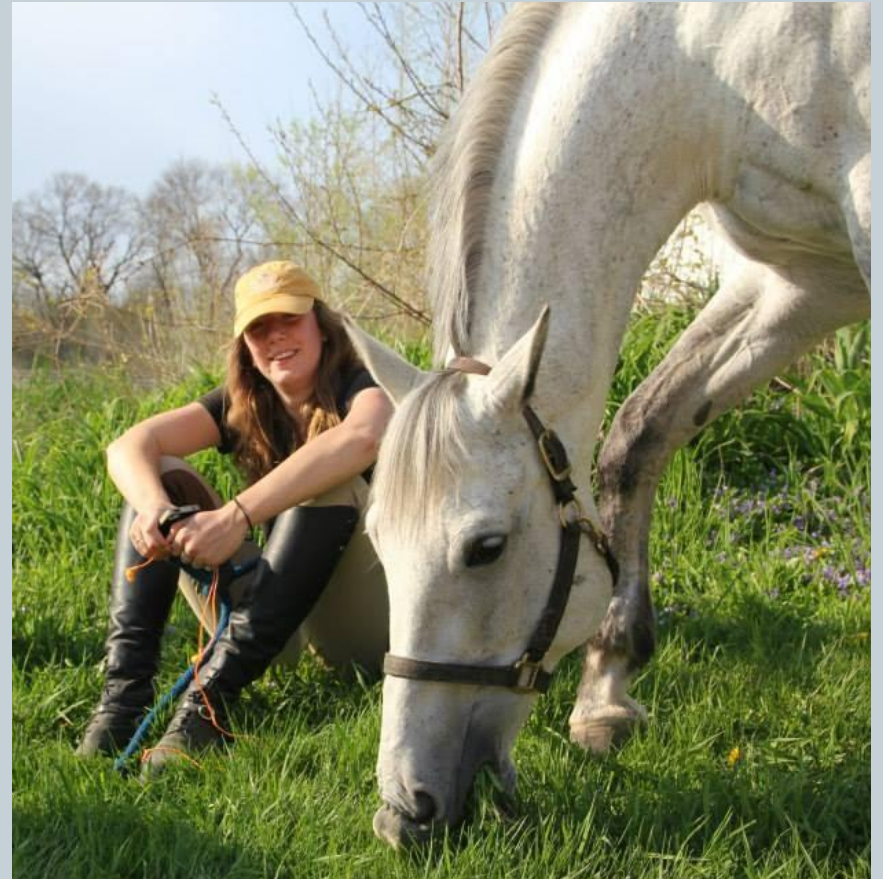
- **Equestrian Program Director**
 - Program safety
 - Safety audit recommendations
 - Youth programming
 - Instructional oversight
 - Training, continuity, quality
 - Oversee riding program budget
 - Long-term vision



New Structure



- **Instruction Intern**
 - Monthly stipend, housing, and board
 - Primary club instructor
 - Schedule all lessons
 - Regular stable duties
 - On-site emergency staff
 - Position pays for itself
 - Potential to bring in additional revenue



New Structure



- **Advisory Board**
 - Students involved, separate from exec board
 - execs focus on short-term: events, shows, promotion, marketing, annual turnover
 - Include industry professionals and MUBA representative
 - Bigger picture: focus on mission & long-term fiscal planning



New Structure

- **Benefits of new structure**
 - **Student leaders**
 - Focus on annual programs, manageable budget
 - Less burnout
 - More attractive positions
 - **Club members**
 - More lessons available
 - Instructor consistency
 - Safer camps and lessons
 - **Increased revenue**
 - Increase price/quantity of services
 - Secure horse sponsorships
 - Expand youth programming



New Structure



- **The Riding Club Tradition**
 - Riding Club founded 1939
 - Despite early difficulties (no stable facility), members dedicated to their sport
 - Late 90's club banded together for unexpected move from Middleton to current HEC
 - Team is only self-funded team competing nationally
 - We can take this dedication to the next level with Director and facility improvements



Liquidation



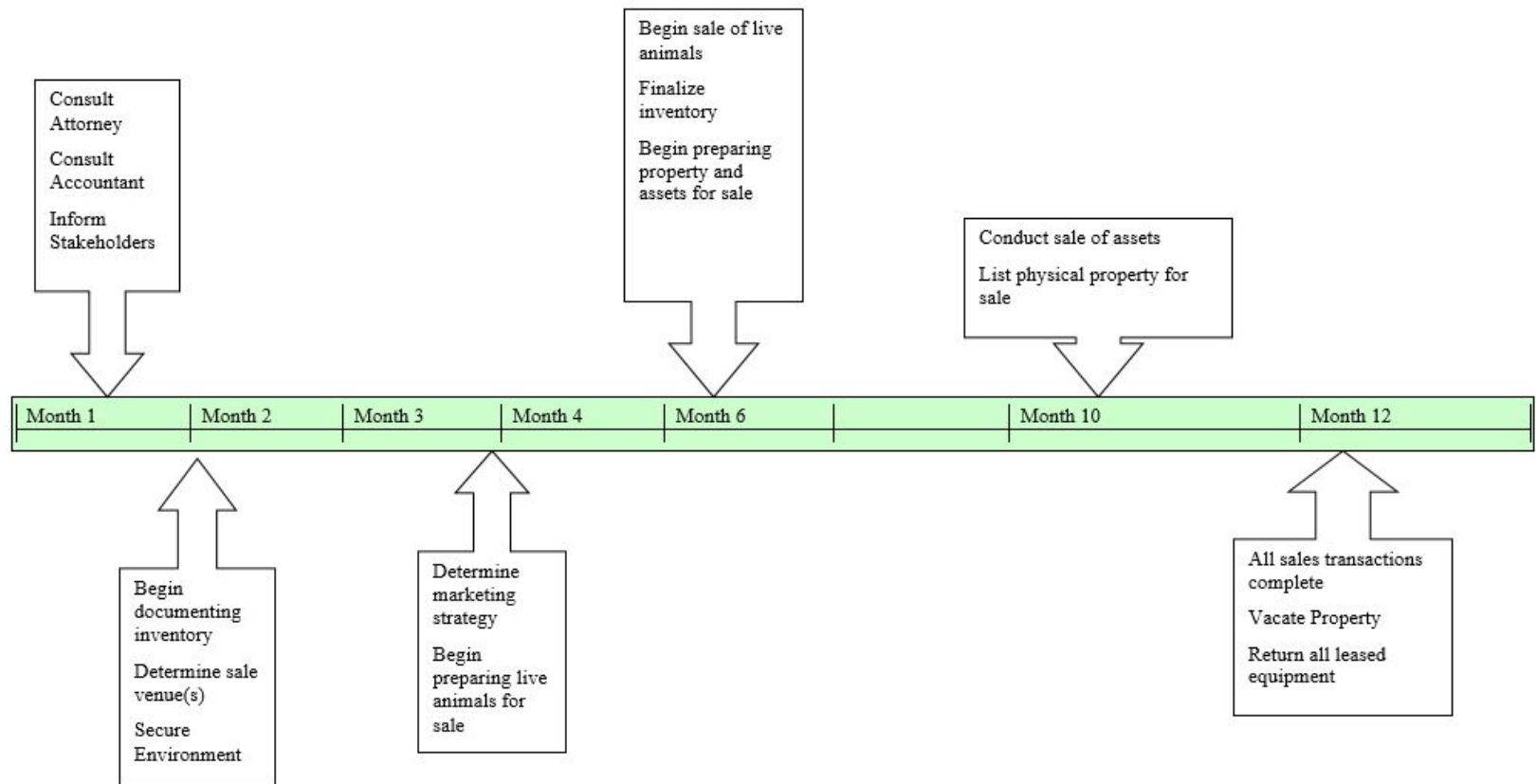
- Timeline
- Budget
- Staff & Horses
- Club & Team



Liquidation



HEC Liquidation Timeline



Liquidation



- **Budget**

- Projected operating expenses
 - 50% of usual operating expenses: \$184,928
- Potential additional liquidation-specific costs
 - Staff retention bonuses: \$30,000-35,000
 - Marketing/communications: \$500-1,000
 - Additional staff hours: \$21,236-35,754
 - Attorney fees: \$5,000-10,000
 - Dumpster rental: \$1,006-2,400
- Projected revenue
 - Animal and asset sales, remaining boarders: \$32,720

Liquidation



People & Horses

- Corinne Meyer

- Stable employee 6 years
- Daughter in summer camp
- Leases and takes regular lessons
- Saving to buy first family home



Liquidation



People & Horses

- Dreamer
 - Past Hooper Horse
 - 34 years old
 - Could not handle moving to new home, would have to be euthanized



Liquidation



People and Horses

- Families

- Eichelkraut Family

- Board two horses, former Hooper horse Cody
- Jackie Exec Board member

- Beier Family

- Knew nothing about horses until Hollie joined
- Own former Hooper horse Grace, boarded another horse
- Both parents employed by stable/club, Colleen Exec Board member
- Hollie summer camp CIT, now stable employee



Liquidation

● Club

- Club dwindles to small interest group with no lessons or programming
- Lose Hooper Club status and legacy
- No other organization like HRC - student leadership opportunities, Equestrian Team, community-building focus
- Very few stables within 30 minutes of campus, none could accommodate us



Liquidation



- Team

- Best Equestrian Team in Midwest, top ten in Nation
- No other local facility for team, would be eliminated
- 40 student athletes lose their team
- Coach Mark loses job, reason he moved to Madison



Review



- Proposal A
- Proposal B
- Liquidation
- Discussion



Review



● Proposal A

- Union takes over management and financial responsibility of the Equestrian Center (>\$400,000 budget)
- Riding Club operates separately at HEC with smaller budget
 - Recommends hiring Program Director and Instruction Intern
- Council requests \$72,074 of Riding Club debt transfer to Union



Review



- **Proposal B**
 - Riding Club maintains management and financial responsibility of Equestrian Center
 - Club creates new structure
 - Equestrian Program Director
 - Paid by Union (\$50,000 + benefits)
 - Intern
 - Advisory Board
 - Union carry out facility upgrades according to Master Plan
 - Council requests \$72,074 of Riding Club debt transfer to Union
 - Favored option of Riding Club



Review



● Liquidation

- Unknown time - potentially 12 months
- Club dissolved - liquidation carried out by paid staff
- Team eliminated
- Debt transferred to Union
 - Liquidation estimate: \$223,156
 - Current debt: \$72,074
 - Actual numbers unknown
- Least favored by Riding Club and Hooper Council



Discussion

