

DISTRICT COURT, ARAPAHOE COUNTY, COLORADO 7325 S. Potomac Street Centennial, Colorado 80112	
STATE OF COLORADO, ex rel. JOHN W. SUTHERS, ATTORNEY GENERAL, Plaintiff, v. COLORADO HUMANE SOCIETY & S.P.C.A., INC.; MARY C. WARREN, an individual; ROBERT WARREN, an individual; and STEPHENIE L. GARDNER, an individual; Defendants.	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
Waverton Group, LLC as custodian 4101 East Louisiana Avenue, Suite 300 Denver, Colorado 80246 Office: 303-781-9900 Fax: 303-781-4311 Email: rblock@xpn.com	Case Number: 2008-CV-2659 Division: 202
CUSTODIAN’S COMBINED FOURTH AND FIFTH REPORT	

Waverton Group, LLC, the custodian over Colorado Humane Society & S.P.C.A., Inc. (the “Colorado Humane Society” or the “Corporate Defendant”) and the assets of the Colorado Humane Society (the “Assets”), respectfully makes this Custodian’s Combined Fourth and Fifth Report (this “Report”).

TABLE OF CONTENTS

I.	THE CUSTODIANSHIP ESTATE	2
II.	THE FINANCIAL REPORT	3
III.	OTHER MATTERS	6
IV.	INFORMATIONAL REPORT.....	11

I. THE CUSTODIANSHIP ESTATE

1. The State of Colorado filed its Complaint and Petition for Appointment of Custodian or for Dissolution (the "Complaint") and its Motion for Preliminary Injunction, Order Appointing Custodian and for Forthwith Hearing (the "Motion") in the District Court, Arapahoe County, Colorado (the "Arapahoe District Court") on December 10, 2008.

2. The Complaint includes as defendants the Colorado Humane Society & S.P.C.A., Inc. (the "Colorado Humane Society" or the "Corporate Defendant") and Mary C. Warren, Robert Warren, and Stephenie L. Gardner (the "Individual Defendants").

3. A Stipulated Order Appointing Custodian and Issuing Preliminary Injunctive Relief ("Order Appointing Custodian") was entered by the Honorable Cheryl L. Post, Arapahoe District Judge on December 16, 2008.

4. The Custodian, in accordance with Provision 2 of the Order Appointing Custodian, filed an Oath of Custodian with the Arapahoe District Court on December 16, 2008 and thereupon entered into its duties as Custodian.

5. Effective in January, 2009, the Honorable Charles M. Pratt, Arapahoe District Judge, rotated to Division 202, and thereby assumed control over the Custodianship Estate.

6. Paragraph 6.d. of the Order Appointing Custodian reads as follows:

d. The Custodian is hereby instructed to make calendar monthly report of the condition of the Custodianship Estate as of the twentieth day of each month, within thirty (30) days of the twentieth day of each month, until the Custodian is satisfied that less frequent reporting is necessary. At that time and upon prior notice in the Custodian's Report, the Custodian may report within thirty (30) days of the twentieth day of every other month or every third month, but no less often than quarterly. The Custodian shall not be required to, but as reasonably necessary may, follow generally accepted accounting principles or use auditors or accountants in the preparation of reports to this Court.

7. Pursuant to paragraphs 6.d. of the Order Appointing Custodian the Custodian presents this Report.

II. THE FINANCIAL REPORT

8. Financial Information. As of the date of this Report, the custodian has been unable to locate all of the financial information¹ for the

¹ The custodian segregates the financial information of the Colorado Humane Society into two categories: (a) the financial books and records, and (b) the accounting system. Generally speaking, the financial books and records are the paper records generated at the time of the transaction, and would include receipts, bank statements, cancelled checks, deposit slips, etc. Conversely, the accounting system includes all financial information that is

Colorado Humane Society for 2007 and 2008. The custodian has located the financial books and records for June 30, 2006 and before, and for reasons discussed in the Second Report, the custodian will be using the June 30, 2006 as base-year accounting unless the custodian discovers reasons to operate otherwise.

9. Financial Statements. The custodian typically opens its custodianship books with the closing entries on the balance sheet of the defendant as they appeared on the date the custodian was appointed. Given the missing financial books and records and the incomplete and inaccurate accounting system, the custodian has determined that the closing balances on the financial statements prepared by Davis & Co. based on Davis & Co.'s audit of the Colorado Humane Society and dated June 30, 2006 are the most reliable information available to the custodian.

10. The Balance Sheet for the Custodianship Estate for March 20, 2009 is attached to this Report as Exhibit 1. and the Income Statement for March 20, 2009 is attached as Exhibit 2. Because this is a Combined Report, the Balance Sheet for the Custodianship Estate for April 20, 2009 is attached to this Report as Exhibit 3. and the Income Statement for April 20, 2009 is

contained within the computerized accounting system. The importance of the distinction between the two is discussed in the body of this Report.

attached as Exhibit 4. As stated in footnote 4 of the Second Report, the attached Balance Sheet contains references to information that was imported from the old accounting system. Those categories of assets and liabilities contain the phrase "Book Values, Unconfirmed" to designate information that was imported into the custodian's accounting system, but should not be considered reliable until the custodian has finished the task of updating the accounting system for the period between July 1, 2006 and December 16, 2008.

11. The custodian believes that all of the financial information reported by the custodian for the Colorado Humane Society for the period from and after December 16, 2008 is true and correct.

12. Invoices. Consistent with the Order Appointing Custodian, the custodian closes its invoice on the 20th of every month. Consistent with the Rate Card of Waverton Group, LLC as submitted to this Court, the custodian pays 80% of the custodian's fees when the invoice is presented, and accrues the remaining 20% for payment on the 20th of the following month. The custodian's invoice for March 20, 2009 is attached as Exhibit 5. The custodian's invoice for April 20, 2009 is attached as Exhibit 6.

13. Cash Shortage. The Custodianship Estate is experiencing a cash shortage. This is due to a combination of problems including the bout of

distemper that closed the animal shelter (the "Shelter") in the past few weeks (see paragraph 14 below), declining contributions, and the custodian's inability to sell the property in Otero County, Colorado.² This cash shortage has hampered the Custodianship Estate's ability to pay the custodian. Accordingly, the custodian has not been compensated for its invoices dated March 20, 2009 and April 20, 2009.

III. OTHER MATTERS

14. Distemper. The Colorado Humane Society animal shelter experienced an outbreak of canine distemper. At the onset of the distemper outbreak, the Shelter manager and the custodian approached the College of Veterinary Medicine at Colorado State University ("CSU") for diagnostic assistance and recommendations. The expert from CSU recommended that the Shelter put down the dogs that tested positive, and close for approximately two weeks in order to determine if the dogs that tested negative were truly negative. The Shelter followed the recommendations of CSU. A copy of the letter from CSU containing the recommendations is attached to this Report as Exhibit 7. The custodian would like the Court to

² Although there are still commercial aspects unresolved, the primary reason the custodian has been unable to sell the property in Otero County is that the Court has not yet entered an Order allowing the custodian to do so.

note the first sentence in the first full paragraph of the letter, which reads as follows:

Since 2003, canine distemper has become a common infectious disease in Colorado animal shelters and in communities on the Front Range causing significant mortality in domestic dogs and many species of wildlife.

The underlying problem is the fact that many of the dogs that are brought to the Shelter (including strays from local animal control agencies of the local governments served by the Shelter and animals brought in from other animal shelters that are overcrowded) have not been properly vaccinated against distemper. Due to the fact that the Shelter is antiquated and does not have an area that would enable quarantine of sick dogs or newly arrived dogs, it is possible for distemper to enter the Shelter. Because so many dogs that pass through the Shelter are not properly vaccinated, proximity to a dog with distemper puts those dogs at risk. The Colorado Humane Society vaccinates every dog that enters the Shelter for distemper, but this will not defend a dog adequately for at least a week or two, and even then distemper is so contagious that one vaccination may not work.

15. Board of Advisors; Agents of the Custodian. The custodian has invited the following people to join the custodian's Board of Advisors, and all have accepted. Since the last Report, Ms. Pugh has moved out of state and is no longer on the Board of Advisors and Jeri Holland, DVM, has joined the

Board of Advisors. It is the custodian's intention that all Advisors on the Board of Advisors obtain the full benefit of paragraph 14 of the Order

Appointing Custodian.³ The current Board of Advisors is as follows:

Susan Fredinburg	Currently the manager of the Colorado Humane Society Shelter and Clinic
Carole Hughes	Animal rights expert from New York with no stake in the outcome of the Colorado Humane Society
Peter Reshetniak	Chief Executive Officer of the Raptor Education Foundation
Martha Smith	President, All Breed Rescue Network, Inc., and animal shelter expert, and note author
Elaine Marlier	Manager of Petco in Golden, Colorado, animal shelter expert and author on animal adoption
Sharan Wilson	Executive Director, Freedom Service Dogs, Inc.
Frankie Cordova	Private businessman
Kathy Hill	Animal Shelter Expert; Board of Almost Home Adoptions
Jeri Holland, DVM,	Dr. Holland is the new Veterinarian of Record for the Colorado Humane Society. Dr. Holland operates a small animal practice in Littleton, Colorado.

³ Paragraph 14 of the Order Appointing Custodian reads as follows:

14. Liability of the Custodian: The Custodian shall enjoy the limited judicial immunity usually applicable to custodians. All who are acting, or have acted, on behalf of the Custodian at the request of the Custodian are protected and privileged with the same limited judicial immunity usually applicable to custodians. In order to avail the agents of the Custodian with these protections and privileges, the Custodian should file a notice of agency with this Court.

16. Custodian's Request for Proposal. Attached to this Report as Exhibit 8. is the *Custodian's Request for Proposal to Provide the Permanent Management for the Colorado Humane Society & S.P.C.A., Inc.* (the "Custodian's Request for Proposal") in substantially the form that the custodian intends to publish.⁴

Originally, the custodian intended to motion this Court for approval of the form of the Custodian's Request for Proposal, however, due to financial constraints and the urgency of embedding new management in the Colorado Humane Society, the custodian has elected to distribute the Custodian's Request for Proposal in substantially the form attached to this Report and defer Court approval to the time that proposers have made their proposals in response to the Custodian's Request for Proposal.

As mentioned in the Custodian's Third Report, the custodian acknowledges that it may not receive any acceptable proposals. In this event, the custodian will so advise the Court, and the custodian will rehabilitate the Colorado Humane Society internally and appoint a replacement Board of Directors subject to the approval of this Court. The custodian believes that a competitive, public solicitation is the best way to

⁴ The Custodian's Request for Proposal has been attached without the exhibits to the document. The entire Custodian's Request for Proposal will be available on the custodian's website before it is published.

rehabilitate the Colorado Humane Society, but failing that, the custodian has no doubt that the rehabilitation can be accomplished internally.

17. Grants. Conventional wisdom dictates that animal shelters in the nature of the Colorado Humane Society Shelter cannot operate successfully on revenues solely from animal control business, surrenders, adoptions, and other ordinary course business. Charitable contributions and grants are necessary to supplement revenues. The custodian intends to solicit foundations and other entities for grants utilizing the Colorado Common Grant Form in substantially the form attached to this Report as Exhibit 9.⁵

18. New Clinic. Effective April 1, 2009, the Colorado Humane Society has subleased the veterinary clinic (the "Clinic") at 5182 South Lowell Boulevard, Littleton, Colorado, 80123 from Jeri Holland, the Colorado Humane Society's Veterinarian of Record. Dr. Holland has agreed to allow the Colorado Humane Society to rent the Clinic based upon the expectation

⁵ The Colorado Common Grant Application the custodian intends to use has been attached without the exhibits to the document. The entire form of the Colorado Common Grant Application that the custodian intends to use will be available on the custodian's website before it is published.

that the custodian will confirm ninety days into the future at the end of every month.⁶

IV. INFORMATIONAL REPORT

19. Informational Report, Generally. The custodian segregates its Reports into two primary segments, the second of which is this segment, the Informational Report. The purpose of this is to allow the custodian to Report litigation matters with conclusions of law and editorial content for the benefit of the Court and beneficiaries of the Custodianship Estate without submitting the Informational Report to the Court for approval. In this way, the custodian is capable of describing the pending litigation in the Custodianship Estate without attracting objections to the descriptions contained therein. Furthermore, the portion of the Custodian's Reports that are above the Informational Section are customarily approved and entered as Orders of the Court upon approval. This is procedurally sound as it simply asks the Court to adopt the findings of fact from the custodian. Conversely, as a matter of custodianship law, the Court is obligated to review the custodian's conclusions of law *de novo*, so the Informational Section often

⁶ Pursuant to paragraph 5.j. of the Order Appointing Custodian, the custodian cannot enter into leases that extend beyond the termination of the Custodianship Estate. Because the Custodianship Estate cannot be orderly terminated in less than ninety days, the custodian limits its contracts to ninety days, at the longest.

contains conclusions of law. Accordingly, there is no advantage to approving the custodian's conclusions of law, and every disadvantage in having to resolve the issues involving the custodian's conclusions of law prematurely.

The custodian has nothing to report in the Informational Section.

WHEREFORE, Waverton Group, LLC, as custodian, requests that this Court enter an Order approving Section I (The Custodianship Estate), Section II, (The Financial Report), and Section III (Other Matters). No request is made for approval of Section IV (Informational Report), which is included in this Report for informational purposes only.

Dated this 27th day of April, 2009

Respectfully submitted,



Waverton Group, LLC, custodian,
Richard A. Block Managing Member



Exhibit 9

**SECTION II
SUMMARY SHEET FORM**

Legal Name of Organization:

The Colorado Humane Society & S.P.C.A. Inc.

DBA (if applicable): Colorado Humane Society

General Mailing Address:

C/O Waverton Group, LLC, as Custodian
4101 East Louisiana Avenue
Suite 300
Denver, Colorado 80246

Shelter Address:

2760 S. Platte River Drive
Englewood, Colorado 80129
303-781-9344

Clinic Address

5182 South Lowell Boulevard
Littleton, Colorado 80123
720-878-7449

Phone: 303-781-9900 **Fax:** 303-781-4311 **EIN:** 84-0605177

Website: General: www.coloradohumane.org
Custodian's: www.waverton.com/ColoradoHumaneSociety

Name of CEO or Executive Director:

The Colorado Humane Society is managed by Waverton Group, LLC as custodian in the civil action styled *State of Colorado, ex rel. John W. Suthers, Attorney General v. Colorado Humane Society & S.P.C.A., Inc.*, Civil Action No. 2008-CV-2659, District Court for the District of Arapahoe, Colorado

Phone: 303-781-9900 ablock@xpn.com

Application Contact & Title (if not the CEO or Executive Director):

Andrea A. Block, Managing Member, Waverton Group, LLC, Custodian

Phone: 303-781-9900 ablock@xpn.com

Organization Information; Mission Statement:

The Amended Articles of Incorporation as filed with the Colorado Secretary of State on December 2, 1989 are the official Articles of Incorporation for the Colorado Humane Society & S.P.C.A., Inc. The Articles of Incorporation have not been amended of record. These Articles of Incorporation provide the following purposes for the Colorado Humane Society:



Organization Information; Mission Statement (Cont.):

Section 1. Purposes. The corporation is organized not for profit, and the purposes and objectives for which the corporation is organized are as follows:

- (a) To prevent cruelty and suffering to, and exploitation of, animals, within the state of Colorado;
- (b) To counsel, aid, and assist other persons and agencies in the enforcement of laws relating to the prevention of cruelty and suffering to, and exploitation of, animals, within the State of Colorado and elsewhere;
- (c) To promote the education of the public in humane lifestyles by the dissemination of literature, by the use of any communications medium, and otherwise by any legal means, within the State of Colorado and elsewhere;
- (d) To serve as advocate for the humane treatment of animals, within the State of Colorado and elsewhere;
- (e) To serve as a resource center for all individuals and groups interested in the prevention of cruelty and suffering to, and exploitation of, animals, within the State of Colorado and elsewhere;
- (f) To engage in any and all activities in furtherance of the forgoing purposes and objectives, not otherwise prohibited by law.

Over the course of years, the purposes for which the Colorado Humane Society has been operated have been modified. Currently, the custodian operates the Colorado Humane Society for the following purposes, which should be considered its Mission Statement until a new Board of Directors is installed and permanent management is appointed:

The Colorado Humane Society's primary function is to provide a compassionate, humane, and safe animal shelter for dogs, cats, and certain other animals originating from the community in the Southwestern Denver Metropolitan community. The Colorado Humane Society will focus its services on the people who live in the Southwestern Denver Metropolitan community and to the Local Governments (i.e., unincorporated Arapahoe County west of Interstate 25, and the cities of Englewood, Littleton, Lone Tree, Sheridan, Centennial, Greenwood Village, and Cherry Hills Village). The Colorado Humane Society will admit animals to its Shelter from anywhere in the United States with a prior arrangement.

The Colorado Humane Society has a dedicated program for arranging the adoption of every animal that can possibly be adopted.



Organization Information; Mission Statement (Cont.):

The Colorado Humane Society runs an animal Clinic that serves the animals in its animal Shelter and that provides low-cost spaying and neutering to the people in the Southwestern Denver Metropolitan community.

The Colorado Humane Society will only euthanize animals that have an untreatable illness, that are advanced in age with a quality of life issue, and that are a threat to people or other animals.

The Colorado Humane Society will euthanize no animal on the basis of time in the Shelter or in order to make room in the Shelter. To implement this policy, the Colorado Humane Society will admit only animals that are healthy enough for adoption (except in the case of animals originating from the Local Governments, where admission is mandatory).

Geographic Area Served (specific to this proposal):

The Colorado Humane Society currently serves the cities of Englewood, Littleton, and Lone Tree. The Colorado Humane Society is soliciting the Cities of Sheridan, Centennial, Cherry Hills, and Greenwood Village, and unincorporated Arapahoe County (west of Interstate 25).

Tax Exemption Status:

Year Founded:

1881

- 501(c)(3)
- Using a fiscal agent/fiscal sponsor

Name of fiscal agent/sponsor: N/A

- Other than 501(c)(3), describe: N/A

Number of Employees: Full-time:

5

Part-time:

3

Grant Request Information

Type of Grant Requested (select one):

Amount: of Request: 5,000.00

- General Operating Support
- Program Support
- Capital Request
- Other: N/A

For requests other than general operating support, describe what the grant will be used for:

The extraordinary support for the custodian is included in this grant request.



SECTION III NARRATIVE

1. Organization Background. The Colorado Humane Society & S.P.C.A., Inc. was incorporated in Denver on August 6, 1881. In the early years, the Colorado Humane Society investigated cruelty to children as well as animals. The organization currently focuses its attention on sheltering animals for local governments and the community served by those governments.

The Colorado Humane Society is currently the subject of litigation between the State of Colorado and the previous management of the Colorado Humane Society in the civil action styled *State of Colorado, ex rel. John W. Suthers, Attorney General v. Colorado Humane Society & S.P.C.A., Inc.*, Civil Action No. 2008-CV-2659, District Court for the District of Arapahoe, Colorado, the Honorable Charles M. Pratt, 18th Judicial District Judge, presiding.

In the foregoing civil action, the Arapahoe District Court removed the previous management and appointed Waverton Group, LLC as the custodian for Colorado Humane Society. In this capacity, and subject to the Orders of the Arapahoe District Court, Waverton Group, LLC is the exclusive management of the Colorado Humane Society.

2. Goals. The custodian for the Colorado Humane Society has developed two objectives for the Colorado Humane Society, one short term and one long term. The short term objective is for the custodian to rehabilitate the Colorado Humane Society, mount a Court-supervised program to embed qualified management in the Colorado Humane Society, and enable the termination of the Custodianship Action. During the pendency of the Custodianship Action, the custodian will operate the Colorado Humane Society as a regional animal shelter serving the local governments in the region and the communities served by those local governments. The long term objectives for the Colorado Humane Society are as stated in the Mission Statement above, but will likely be modified when new management is established by the custodian.

3. Current Programs. The Colorado Humane Society has a number of programs including the following:

Foster Care Program—The foster care program places puppies and kittens not yet ready for adoption and pregnant and injured animals with caring foster parents who tend to their special needs. By receiving this special treatment, the animals may live happy and healthy lives away from any potential stresses and



diseases of kennel life. Colorado Humane Society receives many special needs animals every year.

Volunteer Program— Colorado Humane Society is proud to utilize the efforts of over 200 volunteers. The volunteers walk the dogs, clean the kennels, foster animals, staff mobile adoptions and special events, and help raise money to keep The Colorado Humane Society & S.P.C.A., Inc. operating successfully.

Mobile Adoptions—Every weekend, Colorado Humane Society stages adoption programs at other locations, such as Petco retail centers, in an effort to raise awareness and facilitate the adoption of less-noticed animals. These mobile adoptions have proven to be very successful in making new connections and finding loving homes for the animals.

4. Programs and Capital Requests Only. Intentionally omitted.

5. Evaluation. Due to the narrow focus of the custodian in the Custodianship Action and the limited resources in the Colorado Humane Society, evaluation of systems and procedures is fairly limited. The Colorado Humane Society has relied very heavily on the College of Veterinary Medicine, Colorado State University in connection with animal diseases, organizations in the Denver area with animal shelter operations, and the volunteers for the Colorado Humane Society.

6. Collaboration. Recently, the Colorado Humane Society has been reaching out to organizations in the Denver area with animal shelter operations. Denver Dumb Friends League recently supported Colorado Humane Society in spaying and neutering over 200 animals that were overdue for the procedure as a result of the failure of prior management to provide those procedures to adopted animals. Colorado Humane Society also has forged strong relationships with several area veterinarians who have volunteered their services at the Clinic. The Colorado Humane Society works closely with the Cities of Littleton, Englewood, and Lone Tree to provide shelter and care for stray and injured animals, and animals picked up by the animal control services of those cities.

7. Inclusiveness. The Colorado Humane Society utilizes the local governments that it serves, the large number of volunteers in its volunteer program, the broad experience of its Board of Advisers, and the transparent operations of the Custodianship Action to include everyone who is interested in the Colorado Humane Society.



8. Board/Governance. The Colorado Humane Society currently has an advisory board made up of nine people who are highly qualified and experienced in the field of nonprofit organizations, animal welfare, animal shelters, and animal clinics. Due to the nature of a custodianship, the Board of Advisors does not control the Colorado Humane Society—the Arapahoe District Court is in exclusive control of the Colorado Humane Society.

9. Volunteers. Volunteers contribute over two hundred hours per month Colorado Humane Society. Volunteers assist in every day operations of the Colorado Humane Society, including participation in the Advisory Board, walking dogs, cleaning kennels, providing basic animal care, providing foster homes for young animals, and assisting with local and mobile adoptions.

Colorado Humane Society's volunteers are also largely responsible for the continuing growth and success of the organization. These volunteers help with fundraising efforts, connecting with the media, and establishing contacts with local businesses and the community as a whole. With new management in place, many former volunteers are excited to reunite with Colorado Humane Society and help the organization succeed. Colorado Humane Society is constantly searching for new ways to utilize the talents and determination of all its volunteers. Volunteers for the organization appreciate the flexibility afforded by helping with Colorado Humane Society. Volunteers may choose to help as much or as little as may fit in their schedule.

10. Planning. Although the members of Colorado Humane Society are very excited about the amazing growth potential, management is leading the organization on a step-by-step rehabilitation process. The first of goal of this process is to establish Colorado Humane Society as a sustainable and progressive operation. With a firm business model in place, it is essential to establish a financial reserve to provide uninterrupted, quality care for animals in need. Funds are also very necessary to move operations into a new, larger building. A larger facility will allow for higher quality care for a greater number of animals. Colorado Humane Society plans on growing and expanding to ensure care for all animals in need.

11. Optional. The Colorado Humane Society & S.P.C.A Inc, has been an extraordinary and beneficial organization for over one hundred twenty five years. With the help of the community, Colorado Humane Society may be a valuable presence in Colorado for centuries to come. Immediate support is necessary to ensure a future for the organization. Colorado Humane Society is working very hard to meet the needs of the animals, hire a talented and dedicated staff, and continue to grow to meet the needs of the community.



SECTION IV – FINANCIAL ATTACHMENTS
ATTACHMENT 1(a) – ORGANIZATION BUDGET

The budget for the Colorado Humane Society follows this page. The custodian prepared the budget based upon a review of the books and records that predated the Custodianship Action, to the extent those books have been reconstructed, and the past four months of operations. Although the budget has been annualized for the calendar year 2009, the custodian expects to complete its business and request termination prior to the end of the year. New management will likely have a budget that is different from the custodian' budget.

Colorado Humane Society & S.P.C.A., Inc.
Projected Operating Budget

Revenues

Adoption Fee	350,000.00
Reclaim/Surrender/Boarding Fee	50,000.00
Contributions/Donations	250,000.00
Grants	75,000.00
Spays & Neuters/Other	172,800.00
Animal Control income	90,000.00
Miscellaneous Income	1,000.00
Total Revenues	<u>988,800.00</u>

Expenses

Accounting-Custodian & CPA	65,000.00
Advertising	10,000.00
Auto Expenses	15,000.00
Bank Fees-Credit Card	5,000.00
Computer Expense & Support	3,000.00
Custodian Fees	180,000.00
Clinic Expense	
Clinic-Maintenance & Repairs	5,000.00
Clinic-Medicine/supplies/outside med(Cats)	64,800.00
Clinic-Medicine/supplies/outside med(Dog)	93,600.00
Clinic-Phone	4,200.00
Clinic-Rent	24,000.00
Clinic-Trash	1,000.00
Clinic-Utilities/Water/Gas	15,500.00
Clinic-Vets	36,000.00
Dues & Memberships	2,500.00
Legal Fees	30,000.00
Insurance Expense	
Insurance-Auto	6,000.00
Insurance-D&O	3,500.00
Insurance-General Liability	10,000.00
Insurance-Health	30,000.00

Insurance-Property	7,000.00
Insurance-Umbrella	2,000.00
Insurance-Workers Comp	20,000.00
Meals & Entertainment	1,000.00
Office Expense & Supplies	5,000.00
Postage and Shipping Expense	1,500.00
Reproduction Expense	1,000.00
Telephone Expense	6,000.00
Shelter Expenses	
Shelter-Cremations	7,000.00
Shelter-Medicine/Test/Vacs	40,000.00
Shelter-Misc	15,000.00
Shelter-Telephone	4,200.00
Shelter-Trash	1,800.00
Shelter-Utilities	13,200.00
Shelter-Utilities(Rocky Ford)	510.00
Professional Fees	36,000.00
Claims Expenses	50,000.00
Salary & Wage Expense	260,000.00
Total Expenses	<u>985,310.00</u>
Net Income	<u><u>3,490.00</u></u>

Unaudited-For Management Purpose Only



**SECTION IV – FINANCIAL ATTACHMENTS
ATTACHMENT 1(b) – PROGRAM BUDGET**

Not applicable.



SECTION IV – FINANCIAL ATTACHMENTS
ATTACHMENT 2 CURRENT (YEAR-TO-DATE) FINANCIAL STATEMENTS

The custodian is in the process of reconstructing the books and records of the Colorado Humane Society using bank records and other reliable records. The custodian expects to bring the accounting system and all federal and state tax returns up to date within the next few months.

In the meanwhile, the custodian routinely reports financial information to the Arapahoe District Court pursuant to a sworn statement. Custodian's Reports One through Four are attached as Attachments 2(a), 2(b), 2(c), and 2(d). The financial reports attached to the Custodian's Reports are the most reliable sources of financial information for the Colorado Humane Society after June 30, 2006.



SECTION IV – FINANCIAL ATTACHMENTS
ATTACHMENT 3 – YEAR-END FINANCIAL STATEMENTS, AUDIT, AND
SOURCES OF INCOME TABLE

When the Arapahoe District Court appointed the custodian over the Colorado Humane Society on December 16, 2008, the Colorado Humane Society had limited books and records for the prior two and a half years and virtually no accounting system for that period. The custodian located copies of the Form 990 federal income tax returns for the fiscal year ended June 30, 2006 that were based upon audited financial statements. The June 30, 2006 Form 990 is attached as Attachment 3(a) following this Attachment 3.

In addition, the custodian located a Form 990 dated June 30, 2007, but the custodian has determined that the information on the June 30, 2007 Form 990 is unreliable, however, the June 30, 2007 Form 990 is also attached as Attachment 3(b).

Sources of Income Table

<u>Percentage:</u>	<u>Funding Sources:</u>
0%	Government grants (federal, state, county, local)
5%	Government contracts
0%	Foundations
0%	Business
3%	Events (include event sponsorships)
62%	Individual contributions
27%	Fees/earned income
3%	Workplace giving campaigns
0%	In-kind contributions (optional)
<u>0%</u>	Other
100%	Total



SECTION IV – FINANCIAL ATTACHMENTS
ATTACHMENT 4 – MAJOR CONTRIBUTORS

As mentioned above, the books and records for the Colorado Humane Society were incomplete at the time the Custodian took control over the Colorado Humane Society. There was no reliable list of major contributors that can be provided at this time. The reconstruction of the books and records of the Colorado Humane Society by the Custodian will generate a list of major contributors whose donations will be noted provided those donations were received in cash, and provided the cash was deposited to a Colorado Humane Society bank account.



SECTION IV – FINANCIAL ATTACHMENTS
ATTACHMENT 5 – IN-KIND CONTRIBUTIONS

It is unlikely that the Custodian’s reconstruction of the books and records of the Colorado Humane Society will ever generate a reliable or exhaustive schedule of in-kind contributions, however, the Custodian expects to identify some in-kind contributions as the assets of the Colorado Humane Society are identified and marshaled.



SECTION IV – OTHER ATTACHMENTS ATTACHMENT 6 - BOARD OF DIRECTORS LIST

Management control for the Colorado Humane Society is vested exclusively in the Arapahoe District Court. The Arapahoe District Court has appointed a custodian to operate the Colorado Humane Society, and the custodian, by Order of the Court, is the only officer and director of the Colorado Humane Society. The custodian utilizes a Board of Advisors to guide the custodian through the issues that confront the custodian. Although the Board of Advisors has no binding authority over the Colorado Humane Society (which is reserved exclusively to the Arapahoe District Court), the Board of Advisors maintains a strong influence over the custodian, particularly in connection with animal welfare issues, operations of a non-profit company, and related matters. The Board of Advisors is as follows:

Susan M. Fredinburg is currently the Shelter Manager of Colorado Humane Society. Susan came to CHS in July of 2004 as an Adoption Counselor and was quickly promoted to her current position. On top of her duties managing the daily operation of the clinic and shelter, she has been integral in the establishment of relationships between CHS and various shelter and rescue groups throughout the community and country.

Carole Hughes currently serves as a consultant for the court reporting and pet industries. As an established expert in the court reporting industry, Carole co-founded a successful reporting company and has served as the President of two major, national reporting organizations. As a consultant in the pet industry, she was instrumental in the expansion of an established pet industry company and currently works with veterinarian businesses and on a pet industry publication. She frequently volunteers for many New York shelters.

Frankie L. Cordova is the owner of a well-respected pet product retail store as well as an established medical provider. He and his wife are the founders of the Cordova-Dugger "No-Kill" Trust that is used to support several "no kill" animal shelters throughout the USA. In addition to his work with animals, Frankie also volunteers on the board of the Children Charity. Frankie currently owns five special-needs dogs, all of which were rescued from shelters.

Elaine Marlier is a general manager for Petco, a major national pet retailer. She has been working with the company for five years and uses her current position to work closely with shelters and rescue groups throughout the state of Colorado. She has organized and hosted several major adoption events authored the Without A Home adoption series of books.



Kathy Hill has been an active animal welfare volunteer since 1974. After receiving a degree in Animal Sciences, she worked as a veterinary technician for six years followed by seven years in the banking industry. She worked for fourteen years as the Executive Director of the Cat Care Society, a cage-less shelter for cats.

Sharan Wilson is the Executive Director of Freedom Service Dogs, Inc., a company specializing in the training and adopting of service dogs for people with disabilities. Her 30 years of dedicated and passionate experience as an executive in the cable television industry and her experience managing non-profit organizations makes her a strong leader for Freedom Service Dogs.

Martha Smith has been an animal welfare advocate in Colorado since 1992. She is a founding member and the current president of All Breed Rescue Network, Inc. She served for several years as president and serves currently as legislative chair of the Colorado Federation of Animal Welfare Agencies. Martha is also a member of the Department of Agriculture's Pet Animal Care and Facilities (PACFA) Advisory Committee and a Board Member of the Colorado Pet Overpopulation Fund

Peter Reshetniak is the founder of the Raptor Education Foundation, an organization designed to spread awareness of birds of prey and other animals. Before founding the foundation in 1980, Peter worked with the Denver Museum of Natural History as an artist/preparator and, later, was publisher/co-owner of the Taxidermy Review,. During this time he also served as Vice President of Sunlight Systems Energy Corporation. Since its inception, the Foundation has visited over 10,000,000 people with its unique programs and has established over 450 client schools in Colorado alone.

Jeri Holland, DVM, the Veterinarian of Record for the Colorado Humane Society, is a Colorado State University College of Veterinary Medicine graduate and a small animal practice owner in Littleton, Colorado. She received a Bachelor of Veterinary Science degree from CSU in 1984 and a doctoral degree in Veterinary Medicine from CSU in 1988. Dr. Holland has owned two rural mixed animal practices in Colorado prior to purchasing Neighborhood Pet Care Center in Littleton in 1998. Dr. Holland was born in Ohio and grew up in Albuquerque, New Mexico. She attended CSU from 1981 until her graduation in 1988. Dr. Holland lives in the mountains west of Denver with her husband, Shane and her son, Billy. There they own a multitude of animals, including horses, chickens, ducks, dogs, cats, and rabbits. Dr. Holland loves her profession and the chance to interact with clients as well as her patients and looks forward to assisting the Colorado Humane Society in any way possible.



SECTION IV – OTHER ATTACHMENTS
ATTACHMENT 7 - PROOF OF FEDERAL TAX-EXEMPT STATUS

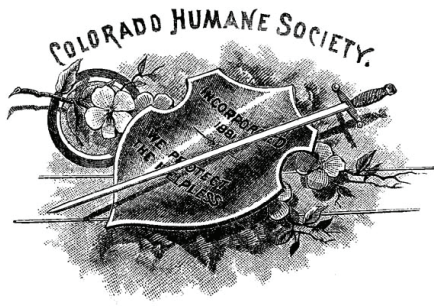
A letter confirming the federal tax-exempt status of the Colorado Humane Society follows this page as an attachment to this request.



SECTION IV – OTHER ATTACHMENTS
ATTACHMENT 8 – ANTI-DISCRIMINATION STATEMENT

The Colorado Humane Society is subject to the Custodianship Action, and as such is subject to the anti-discrimination policies applicable to government agencies of the State of Colorado.

Exhibit 8



CUSTODIAN'S REQUEST FOR PROPOSAL TO PROVIDE THE PERMANENT MANAGEMENT FOR THE COLORADO HUMANE SOCIETY & S.P.C.A., INC.

Purpose: This Custodian's Request for Proposal has been issued by the Custodian for the Colorado Humane Society to solicit Proposals from Qualified Proposers interested in assuming permanent management control of the Colorado Humane Society.

Business Organization: The Colorado Humane Society is a 501(c)(3) qualified, not for profit, Colorado corporation in the animal Shelter and animal Clinic business that services Western Arapahoe County, Colorado.

Issue Date: This Request was issued on April 29, 2009.

Response Due Date: Qualifying Proposals must be received in the offices of the Custodian no later than 5:00 PM, June 1, 2009. Proposals must conform to Section X below(Requirements). Faxes will not be accepted. Proposals should not be filed with the Court.

Contact Person:

Richard A. Block
Waverton Group, LLC, Custodian
4101 East Louisiana Avenue
Suite 300
Denver, Colorado 80246
Direct: 303-388-1300
Office: 303-781-9900
Fax: 303-781-4311
Email: rblock@xpn.com

TABLE OF CONTENTS

I.	DEFINITIONS	3
II.	OVERVIEW	4
III.	MISSION STATEMENT	5
IV.	HISTORY	6
V.	CUSTODIANSHIP ACTION.....	7
VI.	INTERIM BUSINESS PLAN.....	8
VII.	FUTURE SHELTER AND CLINIC OPERATIONS.....	12
VIII.	PROPOSED REGIONAL ANIMAL SHELTER	13
IX.	PARTICIPATING LOCAL GOVERNMENTS	14
X.	REQUIREMENTS	15
XI.	EVALUATION CRITERIA:.....	18
XII.	DEADLINES:.....	19
XIII.	APPROVAL PROCEDURES, OBJECTIONS, AND FAILURE.....	19
XIV.	COURT CONFIRMATION	20
XV.	INQUIRIES.....	20

I. DEFINITIONS

"Alliance" will refer to the Metro Denver Shelter Alliance

"Clinic" will mean the Colorado Humane Society's veterinary clinic for animals, and will include the current facility and any facility to be developed for that purpose.

"Court" will mean the Arapahoe District Court in the Custodianship Action.

"Custodian" will mean Waverton Group LLC, the custodian appointed by the Court in the Custodianship Action.

"Custodianship Action" will mean that certain civil action styled State of Colorado, ex rel. John W. Suthers, Attorney General v. Colorado Humane Society & S.P.C.A., Inc.; Mary C. Warren, Robert Warren, and Stephenie L. Gardner, Civil Action No. 2008-CV-2659, Division 202, District Court for the District of Arapahoe, Colorado, the Honorable Charles M. Pratt, 18th Judicial District Judge, presiding

"Custodianship Estate" will mean the estate formed by the appointment of a Custodian in the Custodianship Action.

"Formal Proposal" will mean a proposal submitted to the Custodian as described in Section X below (Requirements).

"Individual Defendants" will mean Mary C. Warren, Robert Warren, and Stephenie L. Gardner, the defendants in the Custodianship Action.

"Local Governments" will mean Arapahoe County and the cities of Centennial, Cherry Hills Village, Englewood, Greenwood Village, Littleton, Lone Tree, and Sheridan, or some combination of them.

"Order Appointing Custodian" will mean the Stipulated Order Appointing Custodian and Issuing Preliminary Injunctive Relief entered by the Arapahoe District Court on December 16, 2008.

"Plans" will mean the plans and specifications for the proposed Shelter that the Colorado Humane Society anticipates developing.

"Policies" will refer to the Definitions and Standards in Animal Evaluation (Creating a Collaborative Process to Accurately Report Pet Overpopulation, Adoptions and Euthanasia for Metro Denver) in its most recent iteration as developed by the Metro Denver Shelter Alliance.

"Proposer" will mean any person or organization who has submitted a Formal Proposal.

"Qualified Proposer" will have the meaning in Section XI below (Evaluation Criteria)

"Request" will mean this Custodian's Request for Proposal.

"Shelter" will mean the Colorado Humane Society's shelter for animals, and will include the current facility and any facility to be developed for that purpose.

"Veterinarian of Record" will mean the Colorado-licensed veterinarian who is responsible for oversight of animal care, medical treatment, euthanasia, and pharmaceuticals at the Shelter and the Clinic.

II. OVERVIEW

This Request has been issued by the Custodian for the Colorado Humane Society to solicit Proposals from Qualified Proposers interested in assuming permanent management control of the Colorado Humane Society. As described in Section V below (Custodianship Action), the Court appointed Waverton as the Custodian for the Colorado Humane Society on December 16, 2008. Since that time, the Custodian has sought to stabilize the operations of the Colorado Humane Society. The Custodian's primary charge is to identify the best management to permanently operate the Colorado Humane Society. This Request is intended to achieve that objective by providing important information to any organization or company that is interested in responding to this Request.

Responses to this Request should be directed only to the Custodian as identified on the cover of this Request. Improperly presented or filed Responses will not be considered.

III. MISSION STATEMENT

The Amended Articles of Incorporation as filed with the Colorado Secretary of State on December 2, 1989 are the official Articles of Incorporation for the Colorado Humane Society & S.P.C.A., Inc. The Articles of Incorporation have not been amended of record. These Articles of Incorporation provide the following purposes for the Colorado Humane Society:

Section 1. Purposes. The corporation is organized not for profit, and the purposes and objectives for which the corporation is organized are as follows:

- (a) To prevent cruelty and suffering to, and exploitation of, animals, within the state of Colorado;
- (b) To counsel, aid, and assist other persons and agencies in the enforcement of laws relating to the prevention of cruelty and suffering to, and exploitation of, animals, within the State of Colorado and elsewhere;
- (c) To promote the education of the public in humane lifestyles by the dissemination of literature, by the use of any communications medium, and otherwise by any legal means, within the State of Colorado and elsewhere;
- (d) To serve as advocate for the humane treatment of animals, within the State of Colorado and elsewhere;
- (e) To serve as a resource center for all individuals and groups interested in the prevention of cruelty and suffering to, and exploitation of, animals, within the State of Colorado and elsewhere;
- (f) To engage in any and all activities in furtherance of the forgoing purposes and objectives, not otherwise prohibited by law.

Over the course of years, the purposes for which the Colorado Humane Society has been operated have been modified. Currently, the custodian operates the Colorado Humane Society for the following purposes, which should be considered its Mission Statement until a new Board of Directors is installed and permanent management is appointed:

1. The Colorado Humane Society's purpose is to provide a compassionate, humane, and safe animal shelter for dogs, cats, and certain other animals originating from the Southwestern Denver Metropolitan community. The Colorado Humane Society will focus its services on the people who live in the Southwestern Denver Metropolitan community and to the Local Governments (*i.e.*, unincorporated Arapahoe County west of Interstate 25, and the cities of Englewood, Littleton, Lone Tree, Sheridan, Centennial, Greenwood Village, and Cherry Hills Village). The Colorado Humane Society will admit animals to its Shelter from anywhere in the United States with a prior arrangement.

2. The Colorado Humane Society has a dedicated program for arranging the adoption of every animal that can possibly be adopted.

3. The Colorado Humane Society runs an animal Clinic that serves the animals in its animal Shelter and that provides low-cost spaying and neutering to the people in the Southwestern Denver Metropolitan community.

4. The Colorado Humane Society will only euthanize animals that have an untreatable illness, that are advanced in age with a quality of life issue, and that are a threat to people or other animals.

5. The Colorado Humane Society will euthanize no animal on the basis of time in the Shelter nor in order to make room in the Shelter. To implement this policy, the Colorado Humane Society will admit only animals that are healthy enough for adoption (except in the case of animals originating from the Local Governments, where admission is mandatory).

As described in Section X below (Requirements), all Proposals must have a proposed Mission Statement.

IV. HISTORY

In 1881, only five years after Colorado was admitted into the Union, the Colorado Humane Society & S.P.C.A., Inc. prosecuted its first case of animal abuse (on a horse). Colorado Humane Society has been a strong presence in Colorado ever since. Shortly after its founding, the State of Colorado appointed the Colorado Humane Society as Colorado's official investigative and protective agency for animals. Many of Colorado's early, prominent families were supporters of the society, including the

Cheesemans, Estabrooks, and Buells. To this day, the Colorado Humane Society works closely with many municipalities and state officials to provide outstanding protective services for animals.

V. CUSTODIANSHIP ACTION

On December 10, 2008, the State of Colorado brought Complaint and Petition for Appointment of Custodian or for Dissolution in the Custodianship Action against the Individual Defendants and the Colorado Humane Society. On December 16, 2008, the Arapahoe District Court appointed Waverton Group, LLC as Custodian of the Colorado Humane Society.

Waverton maintains the operations of the Colorado Humane Society in the best interests of its creditors, but a Custodian is a temporary solution to a long-term problem. A copy of the Order Appointing Custodian is attached to this Custodian's Request for Proposal as Exhibit 1. With the Arapahoe District Court's installation of new management in the form of a Court-appointed Custodian, volunteers and contributors are returning and relationships with other animal organizations are being reestablished.

In its Complaint, the State of Colorado alleged that, through the unlawful practices of their business, vocation, or occupation, the Individual Defendants have deceived, misled, and financially injured consumers in Colorado. Specifically, the State of Colorado alleged that the Individual Defendants improperly solicited and spent donations made to the Colorado Humane Society, and repeatedly violated the Colorado Charitable Solicitations Act (Colo. Rev. Stat. §§ 6-16-101, *et seq.*), the Pet Animal Care and Facilities Act (Colo. Rev. Stat. §§ 35-80-101 *et seq.*), the Colorado Consumer Protection Act (Colo. Rev. Stat. §§ 6-1-105), and the Colorado Revised Nonprofit Corporation Act (Colo. Rev. Stat. §§ 7-121-101 *et seq.*). In addition, the State of Colorado alleged that the Individual Defendants misused and wasted and continued to misuse and waste charitable assets intended for the benefit of the public.

Contemporaneously with the filing of the Complaint, the State of Colorado also filed its Motion for Preliminary Injunction, Order Appointing Custodian, and for Forthwith Hearing. In response to the Complaint, and by stipulation of the parties, on December 16, 2008, the Arapahoe District Court issued its Order Appointing Custodian. In the Order Appointing Custodian,

the Arapahoe District Court appointed Waverton Group, LLC as Custodian. Under the authority of the Order Appointing Custodian, the Custodian presents this Custodian's Request for Proposal.

VI. INTERIM BUSINESS PLAN

The Custodian has prepared an interim business plan for the Shelter and the Clinic describing the Custodian's intended operations during the pendency of the Custodianship.¹ The interim business plan is not intended to bind or otherwise restrict the successful Proposer once the Proposer is selected by the Custodian and Confirmed by the Court. The following are categorical descriptions of the components of the Custodian's interim business plan:

1. Animal Shelter. There is a need for the Colorado Humane Society in the community served by the Local Governments, and that community wants the Colorado Humane Society to succeed. In particular, the southwest quadrant of the Denver metropolitan area (outside of Denver) is in need of a regional animal shelter, and the Colorado Humane Society is the logical choice for that purpose. The region, at its largest, would include all of the jurisdictions of the Local Governments (*i.e.*, unincorporated Arapahoe County west of Interstate 25, and the cities of Englewood, Littleton, Lone Tree, Sheridan, Centennial, Greenwood Village, and Cherry Hills Village).

Over five thousand animals go through the Colorado Humane Society Shelter every year, however, boarding is currently in an insufficient thirty one kennels for dogs and a similar number for cats. The primary goal of the Colorado Humane Society is to find permanent homes for the animals in its care in an effort to spread the benefits of a human-animal connection. Despite the recent troubles, the Custodian has not lost sight of the Colorado Humane Society's special obligation to humane treatment of the animals it admits to the Shelter.

During the period that the Custodian remains in charge of the Colorado Humane Society, the Custodian intends to continue to operate the

¹ Furthermore, the Custodian has found it necessary to adjust the interim business plan from time to time in response to extraordinary circumstances. Given the nature of the business of the Shelter and Clinic, it is possible that adjustments might be required in the future.

Colorado Humane Society in its current location. Although the facility is barely adequate for this purpose, the Custodian has taken measures to ensure that all animals in the Shelter are cared for humanely. The custodian is confident that the current Shelter will serve the limited purposes discussed below. The Custodian will consider alternative shelter locations, however, given the relatively short period of time the Custodian will be in charge of the Colorado Humane Society, it is unlikely that the Custodian will move the Shelter to a different location.

2. Animal Clinic. The Colorado Humane Society has recently vacated its old clinic facility and moved into its new facility located at 5182 South Lowell Boulevard, Littleton, Colorado, 80123. The new Clinic is fully equipped as a veterinary clinic and is capable of providing a complete array of veterinary services including animal surgery.

The Custodian has elected to expand the Clinic operations of the Colorado Humane Society. No single reason can justify the operation, but the Custodian believes that multiple reasons may. To date, the Clinic has operated at a loss, but the Custodian believes that this loss is less than the costs to the Shelter if they were to operate without a Clinic. The following are the services that are provided, or will be provided, by the Clinic:

a. *Pre-Appointment Backlog Spaying and Neutering* – When the Custodian was appointed, the Colorado Humane Society had a large backlog of adopted animals that had not been spayed or neutered. The obligation to spay and neuter the animals adopted before the Custodian was appointed is considered an obligation or debt of the Colorado Humane Society. As a Constitutional matter, a custodianship cannot discharge debt. Nevertheless, the Colorado Humane Society has an obligation to spay and neuter animals adopted prior to December 16, 2008. This obligation is a pre-appointment debt, and as such cannot be satisfied with the current resources of the Custodianship Estate absent an Order from the Court. The technical process is for those people whose animals should have been spayed or neutered prior to the appointment of the Custodian to file a claim and wait for the resolution of the Custodianship Action to be paid all, some, or none of their claim for spaying and neutering. Although the Custodian cannot pay to satisfy the pre-appointment claims, the Custodian has determined that there is no problem with using fixed overhead of the Clinic (which would not change with the spaying or

neutering) and donated services to spay and neuter pre-appointment animals. Without the Clinic, this approach would not work and the backlog would be limited to filing a claim. This would not only be expensive to the Colorado Humane Society in the end, but would be expensive to administer.

b. *Post-Appointment Backlog Spaying and Neutering* – In addition, the Colorado Humane Society has also fallen behind on spaying and neutering animals adopted after December 16, 2008. This small backlog is a high priority with the Custodian and can be eliminated fairly quickly now that the new Clinic is open, provided the Clinic remains open.

c. *Contemporaneous Spaying and Neutering* – The Custodian is required by Colorado law to spay or neuter every animal that it places for adoption within ninety days of adoption. The Custodian has elected to spay and neuter animals prior to adoption to the fullest extent possible. The Custodian believes that it can get to the point where it eliminates the post-appointment backlog and spays and neuters all prospective adoptions before adoption provided the Clinic remains open.

d. *Low-Cost Spaying and Neutering* – Providing low-cost spaying and neutering is a corollary to the Mission of the Colorado Humane Society. The low-cost spaying and neutering service provided by the Colorado Humane Society Clinic will be limited to people who qualify for a subsidy for that purpose. The Custodian has elected to conform substantially to the qualification procedures of the Harrison Memorial Animal Hospital.

e. *Laparoscopic Spaying and Neutering* – The Colorado Humane Society has made an accommodation in its Clinic for a group of community veterinarians who have developed a training procedure to educate other veterinarians on a single-port spaying procedure. The concept is for the Colorado Humane Society to provide the surgical facilities of the Clinic to the group in exchange for the group spaying Shelter animals. The procedure is the state-of-the-art for spaying, and has the lowest impact on any animals that must undergo the procedure. The details of the arrangement have not been worked out, however, the Custodian believes that this arrangement will work to the

benefit of the Shelter, the group promoting the procedure, and the veterinarians who go through the training.

3. Policies of the Colorado Humane Society. In terms of providing animal shelter, the primary function of the Colorado Humane Society, the Custodian has adopted specific policies and procedures for the care of animals admitted to the Shelter, some of which are as follows:

a. *Adoption and Euthanasia Policies* – The Custodian has adopted the *Definitions and Standards in Animal Evaluation (Creating a Collaborative Process to Accurately Report Pet Overpopulation, Adoptions and Euthanasia for Metro Denver)* in its most recent iteration as developed by the Metro Denver Shelter Alliance.² A copy of the Policies is attached to this Request as Exhibit 2. These Policies provide the basis for all policies and procedures in effect at the Shelter and the Clinic.

b. *Modifications* – In addition to the Policies described in subparagraph 3.a above, the Custodian has considered and adopted certain modifications to the Policies. All such modifications are more to the advantage of the animals in the Shelter. For example, the Colorado Humane Society has adopted a policy whereby any animal in the Shelter that has been identified as untreatable under the Policies will be transported to the Clinic and examined by the Veterinarian of Record to confirm the diagnosis. Unless the animal is suffering or is a threat to people or other animals, it will not be euthanized until it has been transported to the Clinic and examined by the Veterinarian of Record.

c. *Primary Function* – The primary function of the Colorado Humane Society Shelter will be to service the needs of the animal control services of the Local Governments. Currently, the Colorado

² The Custodian has committed to abide by the terms and conditions incident to a membership in the Metro Denver Shelter Alliance during the pendency of the custodianship, however, due to restrictions in the Order Appointing Custodian, the custodian cannot commit to the membership for more than ninety days absent a Court Order enabling the custodian to do so. The custodian commits to ninety days at the beginning of every month. Accordingly, the commitment could last up to ninety days after the termination of the Custodianship Estate. The Alliance has accepted the Colorado Humane Society as a member based upon this commitment.

Humane Society services the Cities of Englewood, Littleton, and Lone Tree. The Custodian is negotiating with the all of the other Local Governments (*i.e.*, Sheridan, Centennial, Greenwood Village, Cherry Hills Village, and Arapahoe County) to commit to use the Colorado Humane Society for their animal control needs in the future. The current Shelter is capable of providing animal control services to some of the other Local Governments, but may reach capacity before it can provide services to all of the other Local Governments.

d. *Euthanasia Policy* – The Colorado Humane Society has adopted a policy whereby no animal will be euthanized for reasons of space or time. This policy will require special attention when admitting animals to the Shelter in the first place. Sick and injured animals will not be admitted to the Shelter, but will be redirected to appropriate locations for care, such as animal hospitals. Of course, animals brought to the Shelter by the animal control services of the Local Governments must be admitted by terms of the contracts with the Local Governments, but will be carefully screened after admission to determine the suitability of the animals for long-term boarding and adoption.

e. *Euthanasia upon Request* – The Clinic, but not the Shelter, will euthanize animals for a fee upon request of the owner of the animal provided the health of the animal conforms to the Policies.

f. *Surrender upon Request* – The Colorado Humane Society will admit animals that are healthy enough for adoption for a fee from owners who reside in the communities served by the Local Governments. If an owner attempts to surrender an animal that is not suitable for adoption, the surrender will be denied unless the owner is prepared to completely subsidize the cost of the treatment necessary to make the animal adoptable.³

VII. FUTURE SHELTER AND CLINIC OPERATIONS

The Local Governments (*i.e.*, unincorporated Arapahoe County west of Interstate 25, and the Cities of Englewood, Littleton, Lone Tree, Sheridan,

³ The Custodian has not developed a policy toward surrender and euthanasia for low-income families living within the areas served by the Local Governments. The Custodian will attempt to develop such a program provided resources are available to do so.

Centennial, Greenwood Village, and Cherry Hills Village) have identified a need to collaborate on an animal Shelter to service the animal control needs of the Jurisdictions on a regional basis. (Please see the discussion of the Local Governments in Section IX below (Participating Local Governments)). This proposed Shelter will house the domestic animals picked up by the respective animal control agencies, provide a place for citizens to reclaim those animals, and a facility where citizens can adopt the animals that are not reclaimed.

The Local Governments have been utilizing various veterinary hospitals, boarding kennels, and humane organizations to provide these services. Currently, of the Local Governments, the cities of Englewood, Littleton, and Lone Tree already utilize the Colorado Humane Society to shelter animals picked up by their animal control divisions.

The Custodian believes that a centralized facility managed by a private organization will be a more efficient and responsible means of providing this service to the Local Governments. The Custodian has suggested that the Local Governments should consider contracting with the Colorado Humane Society to provide the animal control and adoption services for the Local Governments rather than having the Local Governments develop, capitalize, and operate a regional animal shelter through an intergovernmental agreement.

The Municipalities have indicated that they would favorably consider the Colorado Humane Society for this purpose provided the Custodian can rehabilitate the Colorado Humane Society to the satisfaction of the Local Governments, and provided the Colorado Humane Society has a highly qualified Board of Directors and permanent management to the satisfaction of the Local Governments.

VIII. PROPOSED REGIONAL ANIMAL SHELTER

In order to demonstrate to the Proposers and the Local Governments what the Custodian believes the potentials are for the Colorado Humane Society, the Custodian has made Plans for the development of a new combination Shelter and Clinic on property partially owned by the Cities of Littleton and Englewood. Although the Plans have specificity, the Plans are neither binding on the Proposers nor the Local Governments. Nevertheless, the Custodian has developed the Plans sufficiently to indicate to the

Proposers and the Local Governments what is possible for Colorado Humane Society as a regional animal shelter.

The Plans center around certain parcels of land in the City of Englewood located at the southeast corner of the intersection of the South Platte River and Union Avenue. There are a series of maps and images attached to this Request as follows:

- a. Vicinity Map – Attached as Exhibit 3.
- b. Proposed Boundaries of the Shelter Campus – Attached as Exhibit 4.
- c. Current Ownership of the Parcels – Attached as Exhibit 5.
- d. Conceptual Site Plan for the Shelter Campus – Attached as Exhibit 6.
- e. Conceptual Design for the Shelter and Clinic Building – Attached as Exhibit 7.

The Cities of Littleton and Englewood have indicated that, under the proper circumstances, they will donate the parcels they own within the Site Plan to the Colorado Humane Society for development of the Shelter and Clinic. In addition, there are two other Parcels of land owned by private third parties who may be interested in selling to the Colorado Humane Society. If the third parties do not wish to sell, there is a possibility that the parcels can be condemned. Due, however, to the practical difficulties in condemnation proceedings, they will be the last alternative considered.

In addition, the land between the parcels mentioned above and the South Platte River is owned by Colorado Water Conservation. The Custodian intends to utilize some of those lands for open space aspects of the Plan provided the Colorado Water Conservation agrees.

IX. PARTICIPATING LOCAL GOVERNMENTS

The Local Governments may or may not decide to participate in the development of the regional Shelter described in Section VIII above (Proposed Regional Animal Shelter), however, it is likely that the Custodian will only select a Proposer that is satisfactory to most, if not all, of the Local

Governments. The Custodian will not finalize the terms and conditions upon which the Local Governments contract with the Proposer selected by the Custodian; that will be left to the Proposer. The Local Governments may wish to make these arrangements prior to the Custodian's selection.

The information set forth in the table below should provide the Proposers with points of reference relating to the size and scope of the animal control business with the Local Governments:

Jurisdiction Name	Population	# of Animals/Yr.
Arapahoe County	545,089 (entire county)	
City of Centennial	98,243	250?
Cherry Hills Village	6,290	
City of Englewood	32,532	
Greenwood Village	13,954	
City of Littleton	40,646	
City of Lone Tree	9,159	5
City of Sheridan	5,411	
Totals		

Population figures are taken from the 2007 estimates of the Census Bureau, except for that for Centennial taken from a 2005 estimate.

X. REQUIREMENTS

In order for a Proposer to qualify to assume control of the Colorado Humane Society, all Proposers must comply with all of the requirements set forth in this Section X. (

1. Format of Proposal. The Proposal must conform to the following format conditions:

- a. *Paper Copies* – The Proposers should present two paper copies of the Proposal to the Custodian. One will be forwarded to the Court (at the request of the Court).
- b. *Size* – Proposals must be printed on 8-1/2" X 11" paper.
- c. *Binding* – Proposals should be spiral bound or bound in a manner that the Proposal will lie flat on a table when opened.
- d. *Digital Copies* – The Proposers should present a copy of the Proposal in Adobe Acrobat format. If the Proposer does not have the

capability to do so, the Proposer should provide an unbound paper copy to the Custodian and the Custodian will assist the Proposer in digitizing the Proposal.

2. Business Organization. The Proposal must contain a concise statement of the organization of the Proposer. The following aspects of organization should be contemplated in the Proposal:

a. *Articles of Incorporation* – A copy of the Articles of Incorporation, as they are currently stated, is attached to this Request as Exhibit 8. All Proposals must include a proposed amendment or restatement of the Articles of Incorporation. All proposed amendments or restatements of the Articles of Incorporation must include provisions that require staggered elections of Directors structured in a way that will ensure the independence of the Board of Directors in perpetuity. The amendment or restatement of Articles of Incorporation of the Proposer selected to assume control of the Colorado Humane Society will be implemented by the Custodian on the Confirmation Date.

b. *Bylaws* – A copy of the Bylaws, as they are currently stated, are attached to this Request as Exhibit 9. All Proposals must include proposed amendments or restatements of the Bylaws. The Bylaws of the Proposer selected to *assume* control of the Colorado Humane Society will be implemented by the Custodian on the Confirmation Date.

c. *Board of Directors* – All Proposals must contain the names of all proposed Directors willing to accept appointment by the custodian on the *Confirmation Date*. The Board of Directors must have at least seven Directors at all times in the future. The people so identified should have a general understanding of the business of animal shelters or nonprofit organizations and should be able to demonstrate an independence from the proposed Executive Director sufficient to ensure that management of the Colorado Humane Society will strictly adhere to the Articles of Incorporation, Bylaws, Mission Statement, and Policies of the Colorado Humane Society in the future.

3. Goals. The Proposal should describe the organization's goals, both short term and long term.

4. Procedure Manual. The Proposers are requested to include a Procedure Manual in their Proposal that identifies the minimum standards for the caring of animals in the Shelter, with particular attention to:

- a. Feeding;
- b. Health screening;
- c. Treatment of sick, diseased or injured animals;
- d. Bedding and kennel care;
- e. Euthanasia policies and procedures; and
- f. Dead animal disposal and body care.

5. Management and Staffing. The Proposers are required to include a description of proposed management and staffing for the Shelter and the Clinic including:

- a. Identification of the Proposed Executive Director with curriculum vitae;
- b. Staffing levels including work schedules;
- c. Positions including any veterinary staff and humane officer staff;
- d. Brief description of education requirement for management positions; and
- e. Brief description of training requirements.

6. Other Policies and Procedures. The Proposals should include descriptions of their Proposals for the following policies and procedures:

- a. Proposed hours of operation;
- b. Proposed services to be offered to the general public during the hours of operation;

- c. A description of the record-keeping capabilities including the keeping and reporting of hard copy and electronic statistics, animal information and activity, and owner or adopter information.
- d. Description of a proposed adoption program, including adoption criteria and recommendations for fee levels.
- e. Description of the ways in which the Proposer would interact with and compliment the Local Government's animal control staff.
- f. Description of the proposed volunteer program.
- g. Description of any ancillary programs, e.g. animal behavior consultations, agility training, obedience training, etc.
- h. Documentation substantiating professional training, certifications and any other documentation that confirms that the Proposer is in good standing with organizations and government agencies such as the Metro Denver Shelter Alliance, American Humane Association, Humane Society of the United States, Colorado Department of Health, and the Colorado Department of Agriculture.
- i. Contact information for five references.
- j. Any timelines or restrictions that would apply to the Proposer's ability to assume control of the Colorado Humane Society.

XI. EVALUATION CRITERIA

To be considered as Qualified Proposer, a Proposer will be evaluated based upon the best interests of the Colorado Humane Society demonstrated through:

1. Understanding of objectives, outcomes and vision;
2. The Proposer's corporate philosophy, history, and demonstration of viability and highest level of the use of best practices;
3. The Proposer's plan to work collaboratively with the Local Governments;
4. The ability to obtain and retain required statistical information

5. Demonstrated ability to provide the highest level of service to the animals, citizens, and volunteers involved.
6. Any person, group, or entity may make a Proposal.

XII. DEADLINES:

The following table includes information about the due dates of the requested information and the manner in which it must be submitted.

Event	Date
Request Issue Date	May 1, 2009
Responses Due	June 1, 2009
Response and Proposer Review Period	June 2 through June 11, 2009
Custodian's Selection and Report to the Court	June 12, 2009
Objection Period	June 13 through July 2, 2009
Court Confirmation Hearing (Estimated)	July 3, 2009

XIII. APPROVAL PROCEDURES, OBJECTIONS, AND FAILURE

The Custodian will follow the procedures for selecting the Proposer as follows:

1. Approval Procedures. The Custodian will analyze all Proposals and select the Proposal that the Custodian believes is the best Proposal. The Custodian's analysis will include the solicitation of recommendations from the Local Governments, which recommendations will have a material bearing on the Custodian's final determination. Similarly, the Custodian will include the solicitation of recommendations from the Custodian's Board of Advisors, which recommendations will also have a material bearing on the Custodian's final determination. Nevertheless, the Custodian will be solely responsible for selecting the best Proposal. Once the Custodian has selected the best Proposal, the Custodian will submit a Motion to Approve Custodian's Selection of Proposal to the Arapahoe District Court.

2. Objections to the Custodian's Selection. Any interested person, whether not that person is a party to the Custodianship Action, may be allowed to object to the Motion to Approve Custodian's Selection of Proposal selection of the Proposal. Although the Custodian will take the position that any person domiciled within the jurisdiction of any of the participating Local Governments should have standing to object to the Custodian's selection, the

Arapahoe District Court may require that person to intervene in the Custodianship Action. Objections must conform to the applicable Rules of Civil Procedure and the Local Rules of the Arapahoe District Court.

3. Court Approval. The Custodian's selection of the Proposal will not be a binding selection unless and until the Custodian's selection is approved by an Order of the Arapahoe District Court. Once the Court has approved a Proposal, whether or not that Proposal is the Proposal selected by the Custodian,⁴ the Custodian anticipates that the Court will enter an Order Approving the Proposal, and the Custodian anticipates that any such Order will provide for a period in which the Custodian will transfer control to the approved Proposer.

4. Failure of Request. It is entirely possible that no suitable Proposers respond to the Request. In that event, it is likely that the Custodian will select a Board of Directors and turn the Colorado Humane Society over to them. This will happen only after the Custodian reports the failure of the Custodian's Request for Proposal to the Arapahoe District Court and allows time for objections.

XIV. COURT CONFIRMATION

At the end of the period in which the Custodian will transfer control to the approved Proposer, the Custodian anticipates that the Court will enter an Order Confirming the Approval of the Proposal. The Custodian further expects that upon entry of this Order, the Custodian will appoint the Proposer's candidates for the Board of Directors and thereby transfer control of the Colorado Humane Society to the Proposer.

XV. INQUIRIES

All inquiries made by Proposers must be submitted to the Custodian in writing. Email inquiries are preferred, but inquiries by mail or hand delivery will be accepted. Faxes are not acceptable. All inquiries of general

⁴ If someone objects to the Custodian's selection and the Court rejects the Custodian's selection, it is possible that the Court could approve another Proposal. It is also possible that the Court could *sua sponte* reject the Custodian's selection. The Custodian's selection of what the Custodian believes is the most suitable Proposal is not binding on the Court, but is only a recommendation that the Court may accept or reject in its sole discretion.

Custodian's Request for Proposal
April 27, 2009
Page 21.

interest to the other Proposers will be posted on the Custodian's web site (www.waverton.com) along with the Custodian's written responses.

DRAFT

Exhibit 7



March 28, 2009

Colorado Humane Society
c/o Richard Block of the Waverton Group.
2760 S. Platte River Dr.
Englewood, CO 80110.

Diagnostic Laboratories
College of Veterinary Medicine
and Biomedical Sciences
1644 Campus Delivery
Fort Collins, Colorado 80523-1644
(970) 297-1281
FAX: (970) 297-0320

Dear Richard,

The following is a summary of the diagnostic test results and recommendations for the control of canine distemper virus (CDV) infections in the Colorado Humane Society (CHS) shelter based on my visit to the facility on March 27, 2009.

Samples were submitted to CSU's Veterinary Diagnostic Laboratory (CSU-VDL) from dogs at CHS from 3/19/2009 through 3/25/2009 (CSU-VDL accession numbers 089-54431, 089-56469, 089-57989 and 089-58343). Conjunctival samples were examined for evidence of CDV by direct fluorescent antibody (FA) staining, and the blood samples were tested for CDV by a real-time polymerase chain reaction (PCR) procedure. The results to date indicate that 36 dogs tested positively for CDV by either the FA and/or PCR tests. The diagnostic test results indicate that there is widespread CDV infection in the dogs housed at the CHS shelter.

As per our telephone conversation, I visited the CHS facilities in order to determine the practicality of separating dogs within the large kennel room in the shelter building. My opinion is that there is no practical way in which the kennel room can be divided that will stop the transmission of aerosolized virus from one area to the next. There is a smaller room (the cat room) with a separate entrance that might serve as an isolation area if the room is used in conjunction with biosecurity procedures.

I have two recommendations for the control of the current CDV infection that are based on whether you are able to quarantine the dogs within the facility for a minimum of two weeks. Specifically, no stray dogs or other potentially susceptible dogs may enter the facility during the quarantine and any dogs within the facility must remain within the kennel room.

First, if CHS must continue to take in strays, then my recommendation is to euthanize all dogs within the kennel room and thoroughly disinfect the facility prior to the admittance of new dogs including strays.

Susan Fredinburg has indicated that she may be able to send strays elsewhere for the quarantine period. If that is the case, then I recommend the euthanasia of clinically affected dogs, CDV test positive dogs and test negative dogs that were from the high and moderate risk groups. The latter includes puppies that have not completed a vaccination series. It is reasonable to hold healthy, older (≥ 1 year of age) dogs in the low risk group with a record of CDV vaccinations for the two week quarantine period. If at the end of

the quarantine these dogs have remained healthy, then a blood sample from each dog should be examined for CDV by PCR before these dogs are released for adoption.

Since 2003, canine distemper has become a common infectious disease in Colorado animal shelters and in communities on the Front Range causing significant mortality in domestic dogs and many species of wildlife. Prevention of new introductions and transmission of the virus to the community can best be addressed by developing, training shelter personnel and implementing standard operating procedures for vaccination, biosecurity, disinfection and quarantine. In addition, any out-of-state shelters from which dogs are transferred should adhere to the same standard operating procedures.

Please let me know if you need any further information or assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Hana Van Campen". The signature is fluid and cursive, with a large initial "H" and a long, sweeping underline.

Hana Van Campen, DVM, PhD, ACVM
Associate Professor/Virology Section Head

Exhibit 6



INVOICE April 20, 2009
Client: Colorado Humane Society & S.P.C.A., Inc.
For: Professional Services and Expenses
By: Waverton Group, LLC
From: March 21, 2009
To: April 20, 2009

Date:	Services:	Hours Billed:
21-Mar-09	Prepared affidavit for the State's Motion for Order to Show Cause.	3.00
23-Mar-09		3.50
	Spoke with various agents at the Internal Revenue Service regarding the penalty assessed against Colorado Humane Society; worked on disposing animal remains in broken freezers	
24-Mar-09	Worked on www.coloradohumane.org website security, registration, and modifications; worked on sale of Otero County property; worked on employee compensation issues; prepared letter to Vinci law offices re failure to properly document garnishment of a Colorado Humane Society employee.	4.00
25-Mar-09	Prepared Permission and Request for Euthanasia form; prepared affidavit and exhibits to the affidavit for the State's Motion for Order to Show Cause.	5.00
26-Mar-09	Worked on distemper issues at the Shelter; worked on Reply for the sale of the Otero County property.	1.50
28-Mar-09	Prepared Colorado Common Grant Application form.	4.00
29-Mar-09	Prepared Colorado Common Grant Application form.	5.25

INVOICE

April 20, 2009

Client:

Colorado Humane Society & S.P.C.A., Inc.

Page 2.

Date:	Services:	Hours Billed:
1-Apr-09	Prepared email to a Colorado Humane Society employee re procedures.	0.50
3-Apr-09	Met with J. Holland, inspected new clinic, made arrangements for the lease.	2.50
4-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	3.00
5-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal; worked on letter to volunteer at the Colorado Humane Society explaining procedures.	9.00
6-Apr-09	Worked on issues re move from the Clinic on Bowles; met with press three times at Clinic and Shelter.	4.00
7-Apr-09	Worked on issues re move from the Clinic on Bowles; met with Mike Folsom (owner of Cowboy Moving and Storage); met with Waste Management to arrange for removal of animal remains.	3.50
8-Apr-09	Worked on issues re move from the Clinic on Bowles.	2.00
9-Apr-09	Prepared letter to Colorado Secretary of State re charitable organization status; worked on Colorado Common Grant Application.	4.00
10-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	2.00
12-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	2.75
14-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	4.00

INVOICE

20-Apr-09

Client:

Colorado Humane Society & S.P.C.A., Inc.

Page 3.

Date:	Services:	Hours Billed:
15-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	6.00
16-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	4.50
17-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	4.00
18-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal.	6.00
20-Apr-09	Prepared Fourth Report; prepared common grant application; prepared Custodian's Request for Proposal; worked on Supplement for Motion for Order to Show Cause.	3.50
	Total hours worked	<u>87.50</u>
	Hourly rate	<u>250.00</u>
	Subtotal	21,875.00
	Reduction for Cap	<u>(6,875.00)</u>
		15,000.00
	Less retainage	<u>(3,000.00)</u>
		12,000.00
	Plus retainage from February, 2009	3,000.00
	Expenses from following page	<u>\$ 6,017.50</u>
	This Invoice (please pay).	21,017.50

Exhibit 5



INVOICE March 20, 2009
Client: Colorado Humane Society & S.P.C.A., Inc.
For: Professional Services and Expenses
By: Waverton Group, LLC
From: February 21, 2009
To: March 20, 2009

Date:	Services:	Hours Billed:
21-Feb-09	Worked on PayPal issue involving Mr. Warren.	1.00
22-Feb-09	Worked on Third Report.	4.50
24-Feb-09	Prepared Third Report; worked on grants.	5.00
25-Feb-09	Prepared memo to K. McGreevy and F. Winocur on PayPal issue; worked on Estate of Peschel donation.	3.25
27-Feb-09	Worked on Estate of Peschel.	1.50
28-Feb-09	Worked on PACFA licensing issues; prepared letter to K. Anderson.	1.50
2-Mar-09	Worked on fundraising issues; worked on Motion to Reform deed to Rocky Ford Property; worked on PACFA licensing issue; prepared letter to K. Anderson.	4.00
3-Mar-09	Worked on PayPal issue involving Mr. Warren; reviewed accounting prepared by Mr. Warren on PayPal issue; worked on staff injuries; worked on Worker's Compensation; worked on sick animals issue; worked on Custodian's Request for Proposal.	4.50
4-Mar-09	Worked on Worker's Compensation issues; prepared letter of termination for Clinic lease; prepared memo to F. Winocur and K. McGreevy re the Warrens;	2.75

INVOICE

March 20, 2009

Client:

Colorado Humane Society & S.P.C.A., Inc.

Page 2.

Date:	Services:	Hours Billed:
5-Mar-09	Visited Shelter and Clinic; met with Ms. S. Scholbe KWGN and Fox for marketing purposes.	3.00
6-Mar-09	Prepard Affidavit for the State's Motion for Contempt.	2.00
8-Mar-09	Prepard Affidavit for the State's Motion for Contempt.	3.00
9-Mar-09	Worked on Mr. Warren's claim for unemployment compensation; spoke with A. Gardenschwartz and L. Richey; worked on broken freezers and waste issues.	3.50
10-Mar-09	Prepard Affidavit for the State's Motion for Contempt.	1.50
12-Mar-09	Worked on document production by N. Miller and M. Ducane; worked on release of Mr. Warren's PayPal account.	2.50
13-Mar-09	Prepard Affidavit for the State's Motion for Contempt.	3.00
14-Mar-09	Prepard Affidavit for the State's Motion for Contempt.	3.00
15-Mar-09	Worked on grants for Colorado Humane Society.	1.00
16-Mar-09	Worked on Columbian Management money; prepared memo to F. Winocur and K. McGreevy re intereference by the Warrens.	3.00
17-Mar-09	Hosted meeting of the Colorado Humane Society Board of Adisors; attended meeting with Littleton, Englewood, and Freedom Dogs; hosted staff meeting.	4.50
18-Mar-09	Prepard Affidavit for the State's Motion for Contempt; held press conference at Shelter and Clinic.	8.00

INVOICE 20-Mar-09
Client: Colorado Humane Society & S.P.C.A., Inc.
Page 3.

Date:	Services:	Hours Billed:
19-Mar-09	Worked on horse issue and personal property issues with the Warrens; prepared replacement Affidavit; prepared memo to F. Winocur and F. McGreevy.	4.00
20-Mar-09	Prepard Affidavit for the State's Motion for Contempt.	3.00
	Total hours worked	<u>73.00</u>
	Hourly rate	250.00
	Subtotal	<u>18,250.00</u>
	Reduction for Cap	<u>(3,250.00)</u>
		15,000.00
	Less retainage	<u>(3,000.00)</u>
		12,000.00
	Plus retainage from February, 2009	3,000.00
	Expenses from following page	<u>\$6,630.72</u>
	This Invoice (please pay).	21,630.72

EXHIBIT 4
Colorado Humane Society & S.P.C.A., Inc.
Income Statement
For the Ten Months Ending April 20, 2009

Revenues

Adoption Fee	4,045.00	81,549.88
Board Fee	-	108.00
Reclaim Fee	448.00	3,953.00
Surrender Fee	150.00	4,295.02
Contributions/Donations	4,534.86	78,531.08
Donations-Don't know who	-	200.00
Dog Spay	-	820.00
Cat Spay	-	535.00
Dog Neuter	240.00	485.00
Cat Neuter	-	200.00
Dew Claws	-	30.00
Micro Chip	-	400.00
E-Collar	15.00	415.00
Housing Income_City Englewood	3,869.00	17,024.00
Housing Income_City Littleton	1,160.00	6,960.00
Investment Income	-	141.34
Miscellaneous Income	-	24,308.11
Other Income	-	193.69
Other Income-Need explanation	-	443.38
Total Revenues	14,461.86	220,592.50

Cost of Sales

Total Cost of Sales	-	-
----------------------------	----------	----------

Gross Profit

14,461.86	220,592.50
------------------	-------------------

Expenses

Accounting Expense	-	531.05
Accounting-Custodian	-	17,105.00
Auto Expenses	20.00	2,386.35
Auto(Gas) Expenses-No Receipts	-	170.00
Auto(Gas) Expenses	45.00	372.20
Bank Fees	-	20.00

Bank Fees-Credit Card	129.34	1,372.66
Computer Expense	-	185.20
Computer Support	-	259.00
Custodian Fees	-	53,312.50
Collection Agencies	-	500.00
Clinic Expense	200.00	603.53
Clinic-Anesthesia	-	470.10
Clinic-Contract Labor	-	762.12
Clinic-Maintenance & Repairs	16.93	1,550.84
Clinic-Medicine/supplies	350.00	6,928.87
Clinic-Oxygen Rental	81.57	181.25
Clinic-Rent	1,979.20	6,479.20
Clinic-Trash	193.24	444.21
Clinic-Utilities	2,121.41	2,660.77
Clinic-Vets	250.00	3,600.00
Clinic-Vets Services	-	1,604.65
Clinic-Water	-	133.65
Dues & Memberships	-	315.00
Legal Fees	-	2,625.90
Insurance-Auto	-	5,761.02
Insurance-General Liability	-	3,456.00
Insurance-Health	(87.52)	3,698.58
Insurance-Property	-	6,364.44
Insurance-Umbrella	-	1,283.71
Insurance-Workers Comp	2,281.35	3,986.35
Insurance-Worker Comp-Pinnacol	-	16,014.00
Meals & Entertainment	170.00	249.08
Office Expense	-	706.83
Postage and Shipping Expense	-	206.33
Reproduction Expense	-	595.77
Supplies Expense	-	363.18
Telephone Expense	172.42	1,874.40
Shelter Expenses	847.90	2,853.77
Shelter-Cremations	717.00	1,594.00
Shelter-Medicine	224.00	1,805.17
Shelter-Telephone	747.73	1,014.80
Shelter-Trash	-	788.69
Shelter-Utilities	-	2,622.63
Shelter-Utilities(Rocky Ford)	42.53	85.33
Health Insurance	409.57	672.02
Health Insurance-Cobra	-	(765.25)
Postage	-	118.90

Professional Fees	-	6,770.00
Interest Expense	-	12.36
Claims-Shelter/Clinic	-	6,293.12
Claims-Shelter/Clinic-Lease	-	9,172.82
Claims-Shelter/Clinic-Medicine	-	3,050.66
Claims-Shelter/Clinic-Utilitie	3,604.99	3,604.99
Claims-Professional Fees	71.25	3,308.34
Claims-Wages	-	769.92
Claims-Workers Comp Ins.	-	4,942.00
Salary & Wage Expense	15,533.94	104,293.92
Salary-Gardner, Stephanie	-	8,895.82
Salary-Warren, Bob	-	38,576.11
Salary-Warren, Mary	-	14,173.11
Salary-Warren Bob-NOT REPORTED	-	22,265.36
FICA Expense	963.11	10,238.08
Medicare Expense	225.25	2,405.41
SUTA Tax Expense	770.75	3,994.36
Travel-Hotel	-	61.70
NO IDEA	-	5,650.28
Gain/Loss on Sale of Assets	-	234.00
Total Expenses	32,080.96	408,636.16
Net Income	(17,619.10)	(188,043.66)

Unaudited-For Management Purpose Only

EXHIBIT 3
Colorado Humane Society and S.P.C.A., Inc
Balance Sheet
April 20, 2009

ASSETS

Current Assets

Bank of Denver Checking	6,672.54	
Petty Cash-Bank of Denver	75.00	
Total Current Assets		6,747.54

Current Assets-Book Values, Unconfirmed

Wells Fargo Payroll Account	24,130.77	
Wells Fargo Operating Acct4132	(9,918.43)	
Wells Fargo Tax 8008573	12,927.61	
Wells Fargo So.Co Division	10,111.65	
US Bank Res Grant Acct	757.31	
CoBiz Animal Medical Acct	50.00	
CoBiz Operating Acct	(7,857.80)	
Cash on Hand-Other	(1,690.00)	
Total Current Assets-Book Values, Unconfi		28,511.11

Accounts Receivables-Book Values, Unconfirmed

A/R-Amy Collier	255.00	
A/R-Arapahoe County	8,250.00	
A/R-City of Glendale	300.00	
A/R-City of Littleton	2,320.00	
A/R-City & County Contracts	20,000.00	
A/R-Rier Renner(Sokolof)	3,000.00	
Total Accounts Receivables-Book Values,		34,125.00

Property and Equipment-Book Values, Unconfirmed

Furniture and Fixtures	1,300.00
F&F-Gazabow	200.00
F&F-Gazabow(Pumpkin Patch)	555.02
Office Equipment	11,930.49
Automobiles	127,711.39
Auto-Animal Transport Van	10,625.00
Auto-Aco Truck Toppers	6,930.00
Auto-Aco Vehicle-Co Springs	13,679.50
Kennel Equipment	47,864.54
Dryers fro Shelter	2,349.22

Anesthesia Equipment (S&N)	4,457.25	
Autoclaves	2,500.00	
Diagnostic Equipment	125.34	
Infusion Pumps	2,375.12	
Surgery Equipment	9,640.58	
Surgery Table & Lights	2,618.00	
Surgery Spay & Neuter Equipmen	653.00	
A/D- Furnitue & Fixtures	(1,250.00)	
A/D-Office Equipment	(8,188.75)	
A/D- Automobiles	(94,062.80)	
A/D-Kennels	(23,357.30)	
A/D-Anesthesia Equipment	(3,542.90)	
A/D-Autoclaves	(2,500.00)	
A/D-Diagnostic Equipment	(125.34)	
A/D-Infusion Pumps	(1,137.57)	
A/D-Surgery Equipment	(4,444.84)	
A/D-Surgery Table & Lights	(2,618.00)	
Total Property and Equipment-Book Values		104,286.95

Other Assets-Book Values, Unconfirmed

Rent Deposit Lakewood	500.00	
Rent Deposit Colo Springs	618.00	
Emp Adv-Arms, Stephanie	540.00	
Emp Adv-Beachem, Michael	542.54	
Emp Adv-Clark, Tony(O)	(100.00)	
Emp Adv-Comley, Jeremy	245.00	
Emp Adv-Day, Steve F.	60.00	
Emp Adv-Fredinburg, Susan	266.28	
Emp Adv-Fredinburg, Susan(O)	(400.00)	
Emp Adv-Gardner, Stephanie	1,060.00	
Emp Adv-Gardner, Stephanie(O)	2,752.40	
Emp Adv-Griffin, Rhonda	1,080.00	
Emp Adv-Johnson, Neil	20.00	
Emp Adv-Luchenbill, Brooks	17.00	
Emp Adv-Neller, Richard	180.00	
Emp Adv-Riggenbach, Lara	6,523.59	
Emp Adv-Warren, Bob(o)	1,700.57	
Emp Adv-Warren, Mary(O)	1,402.71	
Emp Adv-Warren, Mary	742.88	
Total Other Assets-Book Values, Unconfirm		17,750.97
Total Assets		191,421.57

LIABILITIES AND CAPITAL

Current Liabilities

A/P-Waverton Group	18,000.00	
Federal W/H Payable	177.53	
FICA W/H Payable	817.64	
MC Payable	194.16	
State W/H Payable	94.00	
SUTA Payable	803.23	
Garnishments Payable	255.02	
Total Current Liabilities	20,341.58	20,341.58

Current Liabilities-Book Values, Unconfirmed

A/P-A Gift Basket	75.00	
A/P-Adams Mark Hotel	22,703.47	
A/P-Animal Emergency Care	1,905.83	
A/P-Antech	1,900.08	
A/P-Barlow	1,490.00	
A/P-Beacon Printing	982.00	
A/P-Central Vet. Emergency	1,165.45	
A/P-Cheyenne Mnt Hospital	2,578.77	
A/P-Classic Party Rental	9.28	
A/P-Colo Badge & Trophy	93.15	
A/P-CSU	283.00	
A/P-Custom Dental Inc.	95.00	
A/P-Davis & Co.	450.00	
A/P-Florial Expressions & Good	152.99	
A/P-Freeman	3,762.00	
A/P-Ivins Design Group	1,800.00	
A/P-MCI	6.85	
A/P-MWI Veterinary Supplies	4,132.16	
A/P-Pfizer Animal Health	2,629.07	
A/P-Public Safety Warehouse	1,746.00	
A/P-Public Service of CO	176.93	
A/P-SAFECO	27,061.87	
A/P-Safeguard	420.84	
A/P-Signs Now	399.68	
A/P-United Screening Services	140.00	
A/P-Other	(6,633.00)	
A/P-Foster Care Deposits	(839.25)	
A/P-Defd Inc Co Spring License	21,996.71	

A/P-Payroll Liabilities	18,060.75	
A/P-Spay & Neuter Deposits	400.00	
Total Current Liabilities-Book Values, Un		109,144.63

Payroll Liabilities-Quickbooks

401 K Withholding	(5,857.45)	
Co State Inc Tax Withholding	283.26	
Emp Dental Insurance W/H	(7,231.83)	
Emp Medical Insurance W/H	24,229.38	
Employee Liens & Garnishments	1,105.67	
Federal Income Tax W/H	(1,995.39)	
FICA Tax Withholding	(2,623.36)	
Former Employees Cobra	2,231.06	
Medical Tax Withholding	256.94	
Payroll Liabilities-Other	34,331.62	
Payroll Liabilities-Quickbooks		44,729.90

Filed Claims

Filed_Bayer Health Care LLC	1,415.77	
Filed_Bayer HealthCare-Int.	169.89	
Filed_Capital Marketing Inc.	624.42	
Filed_Capital Marketing-Fees	30.00	
Filed_Central Vet Emergency	1,049.12	
Filed_Central Vet Emerg-Int.	47.97	
Filed_Colo Animal/Pet Crematio	350.00	
Filed_Hwang Corporation	9,172.82	
Filed_Integra Telecom Service	949.93	
Filed_Integra Telecom-Fees	25.00	
Filed_Lindsey, Anna	1,140.00	
Filed_Monument Pharmacy	1,465.00	
Filed_Philadelphia Insurance	2,500.00	
Filed_Pinnacol Assurance	4,942.00	
Filed_Pushkin Public Relations	1,000.00	
Filed_Shannon, Meghan Dr.	3,443.12	
Filed_Waalker, Eric	71.25	
Filed_Wandersee_Aaron	115.50	
Filed_Xcel Energy	2,573.03	
Filed_US Waste	32.03	
Filed_US Waste-NSF Fee	25.00	
Total Filed Claims		31,141.85
Total Liabilities		205,357.96

Capital		
Opening Bal Equity	1,554.38	
Retained Earnings	172,552.89	
Net Income	<u>(188,043.66)</u>	
Total Capital		<u>(13,936.39)</u>
Total Liabilities & Capital		<u>191,421.57</u>

Unaudited-For Management Purpose Only

EXHIBIT 2
Colorado Humane Society & S.P.C.A., Inc.
Income Statement
For the Nine Months Ending March 20, 2009

Revenues	Current Month	Year to Date
Adoption Fee	12,427.00	62,386.88
Board Fee	48.00	96.00
Reclaim Fee	504.00	2,763.00
Surrender Fee	414.00	3,411.02
Contributions/Donations	27,090.40	72,077.14
Dog Spay	-	620.00
Cat Spay	-	510.00
Dog Neuter	60.00	315.00
Cat Neuter	-	200.00
Dew Claws	-	30.00
Micro Chip	120.00	320.00
E-Collar	15.00	340.00
Housing Income_City Englewood	3,869.00	13,155.00
Housing Income_City Littleton	1,160.00	5,800.00
Investment Income	141.34	141.34
Miscellaneous Income	-	24,308.11
Other Income	-	193.69
Other Income-Need explanation	-	131.30
Total Revenues	45,848.74	186,798.48
Cost of Sales		
Total Cost of Sales	-	-
Gross Profit	45,848.74	186,798.48
Expenses		
Accounting Expense	-	531.05
Accounting-Custodian	-	12,072.50
Auto Expenses	453.53	2,560.13
Auto(Gas) Expenses-No Receipts	-	170.00
Auto(Gas) Expenses	-	107.07
Bank Fees	10.00	20.00

Bank Fees-Credit Card	178.30	664.05
Computer Expense	-	185.20
Computer Support	-	259.00
Custodian Fees	-	38,312.50
Collection Agencies	-	500.00
Clinic Expense	-	403.53
Clinic-Anesthesia	-	470.10
Clinic-Contract Labor	-	762.12
Clinic-Maintenance & Repairs	-	1,519.93
Clinic-Medicine/supplies	2,090.03	6,578.87
Clinic-Oxygen Rental	-	99.68
Clinic-Rent	-	4,500.00
Clinic-Trash	250.97	250.97
Clinic-Utilities	-	539.36
Clinic-Vets	750.00	3,350.00
Clinic-Vets Services	-	1,604.65
Clinic-Water	133.65	133.65
Dues & Memberships	-	315.00
Legal Fees	-	2,625.90
Insurance-Auto	-	5,761.02
Insurance-General Liability	-	3,456.00
Insurance-Health	-	3,786.10
Insurance-Property	-	6,364.44
Insurance-Umbrella	-	1,283.71
Meals & Entertainment	-	79.08
Office Expense	10.74	568.61
Postage and Shipping Expense	44.32	100.90
Reproduction Expense	-	509.17
Supplies Expense	-	363.18
Telephone Expense	123.32	1,701.98
Shelter Expenses	189.00	1,706.30
Shelter-Cremations	298.00	877.00
Shelter-Medicine	-	1,581.17
Shelter-Trash	-	788.69
Shelter-Utilities	2,622.63	2,622.63
Shelter-Utilities(Rocky Ford)	-	42.80
Health Insurance	402.15	586.49
Health Insurance-Cobra	-	(765.25)
Postage	-	126.00
Professional Fees	-	5,300.00

Interest Expense	-	12.36
Workers Compensation Expense	1,705.00	1,705.00
Claims-Shelter/Clinic	-	6,293.12
Claims-Shelter/Clinic-Lease	-	9,172.82
Claims-Shelter/Clinic-Medicine	1,585.66	3,050.66
Claims-Professional Fees	1,097.09	3,237.09
Claims-Wages	-	769.92
Claims-Workers Comp Ins.	-	4,942.00
Salary & Wage Expense	16,107.32	63,750.96
Salary-Gardner, Stephanie	-	4,895.82
Salary-Warren, Bob	-	32,806.90
Salary-Warren, Mary	-	6,442.32
FICA Expense	998.67	6,653.37
Medicare Expense	233.59	1,563.75
SUTA Tax Expense	744.13	2,323.09
NO IDEA	-	6,205.30
Gain/Loss on Sale of Assets	-	234.00
Total Expenses	30,028.10	269,433.76
Net Income	15,820.64	(82,635.28)

Unaudited-For Management Purpose Only

EXHIBIT 1
Colorado Humane Society and S.P.C.A., Inc
Balance Sheet
March 20, 2009

ASSETS

Current Assets

Bank of Denver Checking	22,061.33	
Petty Cash-Bank of Denver	50.00	
Total Current Assets		22,111.33

Current Assets-Book Values, Unconfirmed

Wells Fargo Payroll Account	24,130.77	
Wells Fargo Operating Acct4132	(66,676.74)	
Wells Fargo Tax 8008573	(33,722.30)	
Wells Fargo So.Co Division	10,111.65	
US Bank Res Grant Acct	757.31	
CoBiz Animal Medical Acct	50.00	
CoBiz Operating Acct	(7,857.80)	
Cash on Hand-Other	(1,690.00)	
Total Current Assets-Book Values, Unconfi		(74,897.11)

Accounts Receivables-Book Values, Unconfirmed

A/R-Amy Collier	255.00	
A/R-Arapahoe County	8,250.00	
A/R-City of Glendale	300.00	
A/R-City of Littleton	2,320.00	
A/R-City & County Contracts	20,000.00	
A/R-Rier Renner (Sokolof)-Current	3,000.00	
Total Accounts Receivables-Book Values,		34,125.00

Property and Equipment-Book Values, Unconfirmed

Furniture and Fixtures	1,500.00
Office Equipment	11,931.45
Automobiles	127,711.39
Auto-Animal Transport Van	10,625.00
Auto-Aco Truck Toppers	6,930.00
Auto-Aco Vehicle-Co Springs	13,679.50
Kennel Equipment	47,864.54
Dryers fro Shelter	2,349.22
Anesthesia Equipment (S&N)	4,457.25

Autoclaves	2,500.00	
Diagnostic Equipment	125.34	
Infusion Pumps	2,375.12	
Surgery Equipment	9,640.58	
Surgery Table & Lights	2,618.00	
Surgery Spay & Neuter Equipmen	653.00	
A/D- Furnitue & Fixtures	(1,250.00)	
A/D-Office Equipment	(8,188.75)	
A/D- Automobiles	(94,062.80)	
A/D-Kennels	(23,357.30)	
A/D-Anesthesia Equipment	(3,542.90)	
A/D-Autoclaves	(2,500.00)	
A/D-Diagnostic Equipment	(125.34)	
A/D-Infusion Pumps	(1,137.57)	
A/D-Surgery Equipment	(4,444.84)	
A/D-Surgery Table & Lights	(2,618.00)	
Total Property and Equipment-Book Values		103,732.89

Other Assets-Book Values, Unconfirmed

Rent Deposit Lakewood	500.00	
Rent Deposit Colo Springs	618.00	
Emp Adv-Arms, Stephanie	540.00	
Emp Adv-Beachem, Michael	542.54	
Emp Adv-Clark, Tony(O)	200.00	
Emp Adv-Comley, Jeremy	245.00	
Emp Adv-Day, Steve F.	60.00	
Emp Adv-Fredinburg, Susan	266.28	
Emp Adv-Gardner, Stephanie	1,060.00	
Emp Adv-Gardner, Stephanie(O)	3,252.40	
Emp Adv-Griffin, Rhonda	1,080.00	
Emp Adv-Johnson, Neil	20.00	
Emp Adv-Luchenbill, Brooks	17.00	
Emp Adv-Luchenbill, Brooks(O)	30.00	
Emp Adv-Neller, Richard	180.00	
Emp Adv-Riggenbach, Lara	6,523.59	
Emp Adv-Warren, Bob(o)	1,700.57	
Emp Adv-Warren, Mary(O)	1,402.71	
Emp Adv-Warren, Mary	742.88	
Total Other Assets-Book Values, Unconfirm		18,980.97

Total Assets **104,053.08**

LIABILITIES AND CAPITAL

Current Liabilities

A/P-Waverton Group	3,000.00	
Federal W/H Payable	2,870.08	
FICA W/H Payable	4,024.76	
MC Payable	947.12	
State W/H Payable	1,358.00	
Garnishments Payable	127.50	
Total Current Liabilities	12,327.46	12,327.46

Current Liabilities-Book Values, Unconfirmed

A/P-A Gift Basket	75.00	
A/P-Adams Mark Hotel	22,703.47	
A/P-Animal Emergency Care	1,905.83	
A/P-Antech	1,900.08	
A/P-Barlow	1,490.00	
A/P-Beacon Printing	982.00	
A/P-Central Vet. Emergency	1,165.45	
A/P-Cheyenne Mnt Hospital	2,578.77	
A/P-Classic Party Rental	9.28	
A/P-Colo Badge & Trophy	93.15	
A/P-CSU	283.00	
A/P-Custom Dental Inc.	95.00	
A/P-Davis & Co.	450.00	
A/P-Florial Expressions & Good	152.99	
A/P-Freeman	3,762.00	
A/P-Ivins Design Group	1,800.00	
A/P-MCI	6.85	
A/P-MWI Veterinary Supplies	4,132.16	
A/P-Pfizer Animal Health	2,629.07	
A/P-Public Safety Warehouse	1,746.00	
A/P-Public Service of CO	176.93	
A/P-SAFECO	27,061.87	
A/P-Safeguard	420.84	
A/P-Signs Now	399.68	
A/P-United Screening Services	140.00	
A/P-Other	(6,633.00)	
A/P-Foster Care Deposits	(839.25)	
A/P-Defd Inc Co Spring License	21,996.71	
A/P-Payroll Liabilities	18,060.75	
A/P-Spay & Neuter Deposits	400.00	
Total Current Liabilities-Book Values, Un	109,144.63	109,144.63

Payroll Liabilities-Quickbooks

401 K Withholding	(5,857.45)	
Co State Inc Tax Withholding	283.26	
Emp Dental Insurance W/H	(7,231.83)	
Emp Medical Insurance W/H	24,229.38	
Employee Liens & Garnishments	1,105.67	
Federal Income Tax W/H	(1,995.39)	
FICA Tax Withholding	(2,623.36)	
Former Employees Cobra	2,231.06	
Medical Tax Withholding	256.94	
Payroll Liabilities-Other	34,331.62	
Payroll Liabilities-Quickbooks		44,729.90

Filed Claims

Filed_Bayer Health Care LLC	1,415.77	
Filed_Bayer HealthCare-Int.	169.89	
Filed_Capital Marketing Inc.	624.42	
Filed_Capital Marketing-Fees	30.00	
Filed_Central Vet Emergency	1,049.12	
Filed_Central Vet Emerg-Int.	47.97	
Filed_Colo Animal/Pet Crematio	350.00	
Filed_Hwang Corporation	9,172.82	
Filed_Lindsey, Anna	1,140.00	
Filed_Monument Pharmacy	1,465.00	
Filed_Philadelphia Insurance	2,500.00	
Filed_Pinnacol Assurance	4,942.00	
Filed_Pushkin Public Relations	1,000.00	
Filed_Shannon, Meghan Dr.	3,443.12	
Filed_Wandersee_Aaron	115.50	
Total Filed Claims		27,465.61
Total Liabilities		193,667.60

Capital

Opening Bal Equity	1,554.38	
Retained Earnings	(8,533.62)	
Net Income	(82,635.28)	
Total Capital		(89,614.52)

Total Liabilities & Capital		104,053.08
--	--	-------------------

Unaudited-For Management Purpose Only

DISTRICT COURT, ARAPAHOE COUNTY, COLORADO 7325 S. Potomac Street Centennial, Colorado 80112	
STATE OF COLORADO, ex rel. JOHN W. SUTHERS, ATTORNEY GENERAL, Plaintiff, v. COLORADO HUMANE SOCIETY & S.P.C.A., INC.; MARY C. WARREN, an individual; ROBERT WARREN, an individual; and STEPHENIE L. GARDNER, an individual; Defendants.	▲ COURT USE ONLY ▲
	Case Number: 2008-CV-2659 Division: 202
ORDER APPROVING CUSTODIAN'S COMBINED FOURTH AND FIFTH REPORT	

This matter having come before the Court on the Custodian's Combined Fourth and Fifth Report, dated the 27th day of April, 2009, and the Court having considered the matter, being fully advised in the premises, and other good cause appearing:

It is therefore ORDERED that the Section I (The Custodianship Estate), Section II (The Financial Report), and Section III (Other Matters), are hereby approved.

Done this _____ day of _____, 2009.

By the Court:

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

I, Richard A. Block, being duly sworn upon oath, solemnly affirm as follows: I am the Managing Member of Waverton Group, LLC, (“Waverton”); (b) Waverton is the custodian in Civil Action No. 2008-CV-2659 in District Court, Arapahoe County, Colorado, the Honorable Charles M. Pratt, Arapahoe District Judge, presiding; (c) I prepared the Custodian’s Combined Fourth and Fifth Report dated the 27th day of April, 2009 on behalf of Waverton; and (d) the information contained therein is true and accurate to the best of my knowledge and belief.



Waverton Group, LLC,
as Custodian
by Richard A. Block, Managing Member

Signature for notary

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

Subscribed and sworn to before me by Richard A. Block as the Managing Member of Waverton Group, LLC as custodian on the _____ day of April, 2009.

Witness my hand and official seal.

My commission expires: _____

(Seal)

Notary Public