

# MCKINNEY COMMUNITY DEVELOPMENT CORPORATION

## Promotional and Community Event Grant Application

Fiscal Year 2019

### IMPORTANT:

- Please read the McKinney Community Development Corporation Grant Guidelines prior to completing this application.
- The Grant Guidelines and Application are available at [www.mckinneycdc.org](http://www.mckinneycdc.org); by calling 972.547.7653 or by emailing [cschneible@mckinneycdc.org](mailto:cschneible@mckinneycdc.org)
- **Please call to discuss your plans for submitting an application in advance of completing the form.** A completed application and all supporting documents are required to be submitted via email or on a thumb drive for consideration by the MCDC board. Please submit the application to:

McKinney Community Development Corporation  
5900 S. Lake Forest Blvd., Suite 110  
McKinney, TX 75070

- *If you are interested in preliminary Board of Directors review of your project proposal or idea, please complete and submit the **Letter of Inquiry** form, available at [www.mckinneycdc.org](http://www.mckinneycdc.org), by calling 972.547.7653 or emailing [cschneible@mckinneycdc.org](mailto:cschneible@mckinneycdc.org).*

***Applications must be completed in full, using this form, and received by MCDC, via email or on a thumb drive, by 5:00 p.m. on the date indicated in schedule below.***

### Promotional and Community Event Grant Calendar:

Application Deadline	Presentation to MCDC Board	Board Vote and Award Notification
Cycle I: November 30, 2018	December 20, 2018	January 24, 2019
Cycle II: May 31, 2019	June 27, 2019	July 25, 2019

### APPLICATION

#### INFORMATION ABOUT YOUR ORGANIZATION

Name: ManeGait Therapeutic Horsemanship

Federal Tax I.D.: 26-1525268

Incorporation Date: November 2007

Mailing Address: 3160 N. Custer Rd.

City: McKinney

ST: Texas

Zip: 75071

Phone: (469) 742-9611

Fax: 469-742-9677

Email: [dhamann@manegait.org](mailto:dhamann@manegait.org)

Website: [www.manegait.org](http://www.manegait.org)

**Check One:**

- ☒ Nonprofit – 501(c) Attach a copy of IRS Determination Letter  
☐ Governmental entity  
☐ For profit corporation  
☐ Other

Professional affiliations and organizations to which your organization belongs:

Professional Association of Therapeutic Horsemanship International (PATH Intl.)

**REPRESENTATIVE COMPLETING APPLICATION:**

Name: Patricia Nelson

Title: Executive Director

Mailing Address: 3160 N. Custer Rd

City: McKinney

ST: Texas

Zip: 75071

Phone: 469-434-2563

Fax: 469-742-9677

Email: pnelson@manegait.org

**CONTACT FOR COMMUNICATIONS BETWEEN MCDC AND ORGANIZATION:**

Name: Danna Hamann

Title: Marketing Director

Mailing Address: 3160 N. Custer Rd

City: McKinney

ST: Texas

Zip: 75071

Phone: 469-434-2568

Fax: 469-742-9677

Email: dhamann@manegait.org

## FUNDING

Total amount requested: \$8,000

Matching Funds Available (Y/N and amount): No

Will funding be requested from any other City of McKinney entity (e.g. McKinney Convention and Visitors Bureau, Arts Commission, City of McKinney Community Support Grant)?

☐ Yes

☒ No

Please provide details and funding requested:

This grant will fund **marketing and promotional expenses** for the **2019 ManeGait Country Fair** to include advertising in community magazines, radio promotion, and social media outreach. By promoting the ManeGait Country Fair, the MCDC grant will promote the services, businesses, and beauty of McKinney in support of tourism and community development.

## PROMOTIONAL/COMMUNITY EVENT

Start Date: March 15, 2019

Completion Date: April 27, 2019

## BOARD OF DIRECTORS *(may be included as an attachment)*

Bill Darling, Co-Founder and Board President - Darling Homes, Original Partner  
Priscilla Darling, Co-Founder  
Dawnda Daniel, Board Treasurer - PlainsCapital Corporation  
Rich Allen - Action COACH  
Bill Benton - Benton-Luttrell Company  
Ryan Griffin - FCS Construction  
Bill Heard - KVIL CBS Radio – Dallas, Retired  
Craig Moen - Wells Fargo Advisors  
Mike Reeves - New York Life, Retired  
Tom Reidy - Avalon Consulting, LLC  
Josh Sandler – Gold Medal Pools  
Michael Scovel - New York Life  
Dr. David Stephens - Weems & Stephens Equine Hospital  
Mark Wakeland - Wakeland Real Estate  
Kelly Waterman - KNS LLC

## LEADERSHIP STAFF *(may be included as an attachment)*

Patricia Nelson, Executive Director  
Danna Hamann, Marketing Director  
Sarah Dobbins, Administrative Program Director  
Shelby Williams, Instructional Program Director

Using the outline below, provide a written narrative no longer than 7 pages in length:

## I. Applying Organization

- Describe the mission, strategic goals and objectives, scope of services, day to day operations and number of paid staff and volunteers.

**OUR MISSION:** *At ManeGait Therapeutic Horsemanship, children and adults with disabilities move beyond their boundaries through the healing power of the horse and the dedication of a professional and caring community.*

Guided by this mission, ManeGait believes in the mind and body benefits of therapeutic riding and its ability to improve the quality of life for special needs riders and their families.

Founded in 2007 by community leaders Bill and Priscilla Darling and their daughter, Landon Darling Schneider, ManeGait Therapeutic Horsemanship is a 501(c)(3) nonprofit organization located on 14 acres of rolling pasture land in McKinney, Texas. Through ManeGait therapy programs, we have witnessed riders take their first steps, speak their first words, and achieve milestones once thought impossible.

**MANEGAIT PROGRAM OVERVIEW:** ManeGait provides weekly therapeutic horsemanship programs to 150 adults and children with physical, emotional, cognitive and behavioral disabilities, delivering more than 4,000 hours of services each year. Our staff is made up of 12 full-time and 5 part-time employees. Certified instructors lead our programs with the assistance of 25 skilled therapy horses and a team of over 275 volunteers each week.

- Therapeutic Horseback Riding** – ManeGait’s core riding program consists of weekly private or small group riding lessons tailored to the needs of each rider. Individual goals are established and monitored throughout the session to help our special needs riders receive the physical, mental, and emotional benefits of therapeutic riding.
- Therapeutic Carriage Driving** – This is a form of equine-assisted therapy where participants drive a horse-drawn carriage or cart. The program promotes coordination, fine and gross motor skills, visual perception, spatial awareness, communication skills, and independence.
- GaitWay to the Brain Program** – Developed at ManeGait, the GaitWay to the Brain program improves outcomes for our riders by incorporating brain-building exercises into the framework of riding lessons and reinforcing these outcomes with at-home activities. Supported by evidence-based neurological research, this methodology is designed to increase brain and body integration for participants. Success of this program has led to a university research study and replication at riding centers across the U.S. and Canada.
- ‘ManeGait to Freedom’ Veteran Program** – This program is specifically designed to support the needs of injured and disabled military veterans.

**WHO WE SERVE:** ManeGait riders range from 4 to 71 years of age, with more than 77% are under the age of 21. Participants come from five North Texas counties. Disabilities served include: Autism Spectrum Disorder, Cerebral Palsy, Intellectual Disability, Developmental Delay, Down Syndrome, Attention Deficit Disorder / ADHD, Traumatic Brain Injury, Post-Traumatic Stress Disorder, among many other disabilities.



- Disclose and summarize any significant, planned organizational changes and describe their potential impact on the Project/Promotional/Community Event for which funds are requested.

Proceeds from the ManeGait Country Fair will support ManeGait's 2019 program goals to increase our program capacity (reducing our rider waitlist) and ensuring rider fees remain affordable for families (not to exceed 15% of operating budget).

## II. Promotional/Community Event

- Outline details of the Promotional/Community Event for which funds are requested. Include information regarding scope, goals, objectives, target audience.

ManeGait is requesting an **\$8,000** grant from the McKinney Community Development Corporation to support **promotional activities** for the **2019 ManeGait Country Fair** on April 27, 2019.

Modeled after old-fashioned county fairs, the event will feature wholesome fun for the whole family. It will be held on ManeGait's 14-acre property in northwest McKinney and is expected to draw attendance from 1,500 adults and children from surrounding cities.

All proceeds will fund ManeGait's therapy programs serving our special needs riders.

The **target audience** for this event includes friends of ManeGait and families from Dallas, Denton, Collin, Grayson and Rockwall counties.



### Goals & Objectives of ManeGait Country Fair

1. To raise financial support for ManeGait programs, which increases the quality of life for adults and children with disabilities
2. To raise awareness of ManeGait programs and increase community involvement as clients, volunteers, donors, and sponsors
3. To support the local community by promoting local businesses and providing a family-friendly activity for residents of McKinney and surrounding areas



- Describe how this event will showcase McKinney and promote the City for the purpose of business development and/or tourism.

ManeGait Country Fair is an opportunity to promote local business development and tourism by bringing families from surrounding communities to McKinney. ManeGait is the perfect setting to feature the beauty of our city and the impact McKinney businesses and MCDC are having on the quality of life of our residence and the North Texas community.

- Describe how the proposed Promotional/Community Event fulfills strategic goals and objectives for your organization.

To support ManeGait's strategic goals and objectives, the 2019 ManeGait Country Fair is expected to raise \$60,000 in net funding for ManeGait's equine-assisted therapy programs.

- Provide information regarding planned activities in support of the event, timeframe/schedule, estimated attendance and admission/registration fees, if planned. **(Please note: if admission/registration fees are charged, they must be limited to \$35 or less; event must be open to the public.)**

Date: Saturday, April 27, 2019; 11 AM - 4 PM

Estimated Attendance: 1,500 visitors; 150 volunteers

Admission: \$25 per car, up to 8 people

Activities include: bounce houses, petting zoo, pony rides, face painting, carnival games, live entertainment, nerf gun battlefield, food trucks and more. **Live entertainment will be featured on the City of McKinney stage.**



- Include the venue/location for the proposed event.

ManeGait Country Fair will be held at ManeGait's riding facility in northwest McKinney (HWY 380 and Custer Rd).

**The carnival will be located in ManeGait's 20,000 square foot, "High Five" riding arena, which was built with the support of MCDC in 2010.**





- Provide a timeline for the production of the event.
  - Present – March 2019: Secure event sponsors, vendors, and volunteer support
  - March 15 – April 27: Promote event via press coverage, email, social media and event calendars
  - April 1 – April 26: Online ticket sales open
  - April 27: ManeGait Country Fair
  - April 30 – May 4: Post event promotion and acknowledgements

- Detail goals for growth/expansion in future years.

ManeGait Country Fair is an annual event that will be held at ManeGait each spring. Our goal is to grow attendance and sponsorship support year over year. This event is an excellent way to create awareness about our programs, build partnerships with local businesses, and give the residents of McKinney (and surrounding areas) an opportunity to experience the fun of ManeGait's riding center.

- Attract resident and visitor participation and contribute to business development, tourism and growth of McKinney sales tax revenue.

ManeGait has been improving the quality of life of McKinney residents and their families for 11 years. Funding from the ManeGait Country Fair will help us continue to grow our programs and to serve more members of our community. ManeGait also invites local businesses to take part in the Country Fair to promote their company and to introduce visitors to all that McKinney has to offer. As a thank you for sponsorship and support, we look forward to promoting our business sponsors, vendors and, MCDC with onsite and pre/post event media coverage.

- Highlight and promote McKinney as a unique destination for residents and visitors alike.

**ManeGait is a perfect example of how McKinney is "unique by nature".** It is a beautiful, peaceful property, which gives visitors the opportunity to experience nature in a personal way. Volunteers tell us that just being at ManeGait is a therapeutic experience in and of itself. Visiting during special events often inspires people to become regular weekly volunteers. Resulting in over 1,400 active ManeGait volunteers who come to McKinney from all over the metroplex.

- Demonstrate informed budgeting/financial planning – addressing revenue generation, costs and use of net revenue.

This is the third year for the ManeGait Country Fair, and our team is committed to optimizing the impact of this event through careful budget planning. This includes leveraging opportunities to increase sponsorships and in-kind donations and to minimize expenditures when possible. Our goal is to ensure that expenses are allocated to areas which drive attendance, improve the guest experience, ensure safety and security at the event, and promote ManeGait and the City of McKinney. Net revenue generated from Country Fair directly supports ManeGait's therapeutic riding programs and helps us keep costs affordable for rider families.

**Indirect Financial Benefits:** The impact of Country Fair extends beyond net proceeds. It can be a catalyst for new donor development. For example, this past April an executive for a large corporation headquartered in Plano attended Country Fair with his family. When he learned of our mission, he coordinated two employee volunteer groups to help with facility improvements at ManeGait. Later this year, the company sponsored an employee fundraiser for ManeGait which generated **\$40,000 in general operating funds** for our programs. **This partnership would not have happened without the Country Fair.**

**Has a request for funding, for this Project/Promotional/Community Event, been submitted to MCDC in the past?**

☒ Yes

☐ No

**Date(s):** December 2017 and 2018

## **Financial**

- Provide an overview of the organization's financial status including the impact of this event on organization mission and goals.

ManeGait's total annual operating budget is \$1,299,328 By supporting Country Fair promotions, the MCDC grant will grow attendance and awareness for this event, generate financial support for ManeGait programs, and increased overall support for our mission.

- Please attach your organization's budget for the current year and audited financial statements for the preceding two years. If audited financials are not available, please indicate why.

Financial statements are enclosed.

## **Overview of Promotional/Community Event financial goal?**

<b>Gross Revenue</b>	\$89,750
<b>Projected Expenses</b>	\$29,750
<b>Net Revenue</b>	\$60,000

*(Attach a detailed budget specific to the proposed Promotional/Community Event.)*

Project budget is enclosed.

## **What percentage of Project/Promotional/Community Event funding will be provided by the Applicant?**

73% of the Total Budget will be generated by ManeGait through development activities.

**Are Matching Funds available?** ☐ Yes

☒ No

- Please provide details regarding other potential sources for funding. Include name of organization solicited; date of solicitation; amount of solicitation and date that notice of any award is expected.

ManeGait Country Fair offers a range of business sponsorship opportunities ranging from a \$20,000 Presenting Sponsorship to a \$1000 Fair Ground Sponsors.



### III. Marketing and Outreach

Describe advertising, marketing plans and outreach strategies for this event – and how they are designed to help you achieve current and future goals. Provide a detailed outline of planned marketing, advertising and outreach activities and the amount budgeted for each.

#### ManeGait Country Fair Marketing Plan Includes:

- Radio Promotions (\$4,000)
  - During the weeks leading up to the Country Fair, ManeGait will purchase advertising spots on 96.3 KSCS, 99.5 KPLX, or similar top-rated North Texas stations. Two members of ManeGait's Board have a broadcasting background and connections with DFW radio stations. They will advise on the optimum placement, pricing, and advertising copy for these promotions to help us reach our desired audience and build awareness.
- Online Promotions (\$2,000)
  - Advertising in the McKinney-based online magazine, *The Art of Living Beautifully Magazine*
  - Promotion of ManeGait Country Fair website and listing on local event calendars (e.g., Dallas Observer, GuideLive)
  - E-Blasts to ManeGait database prior to the event (5,500 contacts)
- Print Promotions (\$2,000)
  - Advertisement in neighboring community magazines including Community Impact, Plano Profile, and Frisco Style
  - Printed flyers and signs to be displayed in local businesses.

McKinney Community Development Corporation will be featured in all promotions. The goal of this outreach strategy is (1) to attract event sponsorship, (2) to encourage attendance and (3) to raise awareness of ManeGait's mission and acknowledge our many supporters.

### V. Metrics to Evaluate Success

Outline the metrics that will be used to evaluate success of the proposed Promotional/ Community Event. If funding is awarded, a final report will be required summarizing success in achieving objectives outlined for the event.

In alignment with the event goals, metrics to evaluate 2019 ManeGait Country Fair success include:

#### 1. Raise financial support

- Gross event revenue (targeted at \$89,750)
- Net event revenue (targeted at \$60,000)

#### 2. Raise awareness

- Number of media mentions and advertisements
- Number of social media posts / reach
- Event Attendance (targeted at 1,500)

#### 3. Build community partnership and promote local businesses

- Number of community organizations participating / local business sponsorship

## Acknowledgements

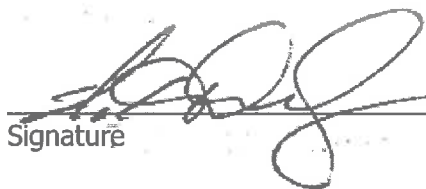
***If funding is approved by the MCDC board of directors, Applicant will assure:***

- The Promotional/Community Event for which financial assistance is sought will be administered by or under the supervision of the applying organization.
- All funds awarded will be used exclusively for advertising, marketing and promotion of the Promotional/Community event described in this application.
- MCDC will be recognized in all marketing, advertising, outreach and public relations as a funder of the Promotional/Community Event. A logo will be provided by MCDCV for inclusion on all advertising, marketing and promotional materials. Specifics for audio messaging will be agreed upon by applicant and MCDC and included in an executed performance agreement.
- The Organization officials who have signed the application are authorized by the organization to submit the application;
- Applicant will comply with the MCDC Grant Guidelines in executing the Promotional/ Community Event for which funds were received.
- A final report detailing the success of the Promotional/Community Event, as measured against identified metrics, will be provided to MCDC no later than 30 days following the completion of the Promotional/Community Event.
- Grant funding is provided on a reimbursement basis subsequent to submission of a reimbursement request, with copies of invoices and paid receipts for qualified expenses. Up to 20% of the grant awarded may be withheld until the final report on the Promotional/Community Event is provided to MCDC.

**We certify that all figures, facts and representations made in this application, including attachments, are true and correct to the best of our knowledge.**


**Chief Executive Officer**

**Representative Completing Application**

  
Signature

**Bill Darling**  
Printed Name

November 29, 2018  
Date

  
Signature

**Patricia Nelson**  
Printed Name

November 29, 2018  
Date

***INCOMPLETE APPLICATIONS, OR THOSE RECEIVED AFTER THE DEADLINE, WILL NOT BE CONSIDERED.***



## ManeGait Therapeutic Horsemanship 2019 COUNTRY FAIR BUDGET

### Event Income

Event Sponsorships	\$61,000
Donations	\$1,000
Country Fair Event Proceeds (Admission, Sales, Raffle)	\$19,750
MCDC Grant (Proposed)	\$8,000
<b>Total Income</b>	<b>\$89,750</b>

### Event Expenses

Games/Activities	\$8,450
Entertainment	\$1,700
Facilities	\$3,800
Food and Beverage	\$4,600
Hospitality	\$800
Safety/Security	\$ 1,400
Banners and Signage	\$1,000
Promotion and Advertising	
<i>Radio Promotions</i>	\$4,000
<i>Print/Magazine Promotions</i>	\$2,000
<i>Online Digital Promotions</i>	\$ 2,000
	<u>\$ 8,000</u>
<b>Total Expenses</b>	<b>\$29,750</b>

**Total Net Revenue** **\$60,000**



## ManeGait Therapeutic Horsemanship 2018 OPERATING BUDGET

### REVENUE

Donations	\$275,000
Special Events	
Gala at the 'Gait (October 2018)	\$470,000
Rider Cup Golf Tournament (June 2018)	\$92,000
ManeGait Country Fair (April 2018)	\$60,000
Net Special Events	\$622,000
Grant Revenue	\$210,000
Riders Fees	\$160,000
Other Program Income	\$35,000
<b>Total Revenue</b>	<b>\$1,302,000</b>

### EXPENSES

Therapeutic Riding Program Expenses	\$35,000
GaitWay Program Expenses	\$50,000
Horse Care	\$85,000
Volunteer Expenses	\$3,000
Repairs and Maintenance	\$48,000
Equipment Expense	\$4,000
Utilities	\$22,800
Total Employee Costs	\$783,728
Marketing & Development	\$35,000
Information Technology	\$11,000
Accounting	\$25,000
Insurance	\$25,000
General Administration	\$36,800
Depreciation	\$80,000
Board Designated Reserve	\$50,000
<b>Total Expenses</b>	<b>\$1,299,328</b>

MANEGAIT  
FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT  
DECEMBER 31, 2017 AND 2016

MANEGAIT  
DECEMBER 31, 2017 AND 2016

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### Independent Auditor's Report

To the Board of Directors  
ManeGait

We have audited the accompanying financial statements of ManeGait (the "Organization"), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ManeGait as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Lori K. Orta, P.C.*

Dallas, Texas  
April 23, 2018

ManeGait  
STATEMENTS OF FINANCIAL POSITION  
December 31,

ASSETS

	<u>2017</u>	<u>2016</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 228,880	\$ 133,254
Cash and cash equivalents - temporarily restricted	30,500	30,540
Accounts receivable	12,482	14,294
Contributions receivable	4,177	2,500
Insurance proceeds receivable	24,924	-
Other receivable	500	-
Prepaid expenses	8,704	18,955
Total current assets	<u>310,167</u>	<u>199,543</u>
PROPERTY, PLANT AND EQUIPMENT AT COST - net	<u>1,559,613</u>	<u>1,568,016</u>
TOTAL ASSETS	<u>\$ 1,869,780</u>	<u>\$ 1,767,559</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Line of credit	\$ 50,000	\$ -
Accounts payable	8,846	17,293
Accrued liabilities	207,335	31,478
Deferred revenue	19,663	33,832
Total current liabilities	<u>285,844</u>	<u>82,603</u>
NET ASSETS		
Unrestricted	1,553,436	1,654,416
Temporarily restricted	30,500	30,540
	<u>1,583,936</u>	<u>1,684,956</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,869,780</u>	<u>\$ 1,767,559</u>

The accompanying notes are an integral part of these financial statements.

ManeGait  
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
For the Year Ended December 31, 2017

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUES</b>			
Donations	\$ 244,572	\$ -	\$ 244,572
Special events	873,181	-	873,181
Less direct expenses	(263,602)	-	(263,602)
Net special events	609,579	-	609,579
Grant revenue	138,450	30,500	168,950
Riders fees	146,397	-	146,397
Other program income	27,528	-	27,528
In-kind goods and services	15,250	-	15,250
Insurance proceeds	184,605	-	184,605
Net assets released from restrictions	30,540	(30,540)	-
Total support and revenues	1,396,921	(40)	1,396,881
<b>EXPENSES</b>			
Program services - riding services	1,194,956	-	1,194,956
Supporting services			
Management and general	99,241	-	99,241
Fundraising	203,704	-	203,704
Total expenses	1,497,901	-	1,497,901
Decrease in net assets	(100,980)	(40)	(101,020)
NET ASSETS, at beginning of year	1,654,416	30,540	1,684,956
NET ASSETS, at end of year	\$ 1,553,436	\$ 30,500	\$ 1,583,936

The accompanying notes are an integral part of these financial statements.

ManeGait  
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
For the Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUES</b>			
Donations	\$ 185,563	\$ -	\$ 185,563
Special events	783,625	-	783,625
Less direct expenses	(220,862)	-	(220,862)
Net special events	562,763	-	562,763
Grant revenue	47,612	35,000	82,612
Riders fees	156,582	-	156,582
Other program income	11,287	-	11,287
Net assets released from restrictions	24,460	(24,460)	-
Total support and revenues	988,267	10,540	998,807
<b>EXPENSES</b>			
Program services - riding services	900,548	-	900,548
Supporting services			
Management and general	69,781	-	69,781
Fundraising	169,831	-	169,831
Total expenses	1,140,160	-	1,140,160
Increase (decrease) in net assets	(151,893)	10,540	(141,353)
NET ASSETS, at beginning of year	1,806,309	20,000	1,826,309
NET ASSETS, at end of year	\$ 1,654,416	\$ 30,540	\$ 1,684,956

The accompanying notes are an integral part of these financial statements.

ManeGait  
STATEMENTS OF CASH FLOWS  
For the Years Ended December 31,

	2017	2016
Cash flows from operating activities		
Decrease in net assets	\$ (101,020)	\$ (141,353)
Adjustments to reconcile decrease in net assets to net cash provided by (used in) operating activities		
Loss on sale of assets	4,270	3,583
Depreciation	83,279	77,722
Bad debt	1,377	1,069
Donated horses	(9,250)	-
Changes in operating assets and liabilities, net		
Accounts receivable	435	31,697
Contributions receivable	(1,677)	(2,500)
Insurance proceeds receivable	(24,924)	-
Other receivable	(500)	-
Prepaid expenses	10,251	(4,966)
Accounts payable	(8,447)	13,274
Accrued liabilities	175,857	(1,333)
Deferred revenue	(14,169)	3,837
Net cash provided by (used in) operating activities	<u>115,482</u>	<u>(18,970)</u>
Cash flows from investing activities		
Change in restricted cash	40	(10,540)
Acquisition of property, plant and equipment	(69,896)	(30,518)
Net cash used in investing activities	<u>(69,856)</u>	<u>(41,058)</u>
Cash flows from financing activities		
Proceeds from line of credit	150,000	50,000
Payments on line of credit	(100,000)	(50,000)
Net cash provided financing activities	<u>50,000</u>	<u>-</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,626	(60,028)
Cash and cash equivalents, at beginning of year	<u>133,254</u>	<u>193,282</u>
Cash and cash equivalents, at end of year	<u>\$ 228,880</u>	<u>\$ 133,254</u>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid during the year for		
Interest	<u>\$ 3,232</u>	<u>\$ 513</u>
Non-cash transactions		
Horses acquired via non-cash contributions	<u>\$ 9,250</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

ManeGait  
STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended December 31, 2017

	Program Services	Supporting Services			
	Riding	Management and General	Fundraising	Total Supporting Services	Total
Employee salaries and benefits	\$ 589,510	\$ 58,144	\$ 182,738	\$ 240,882	\$ 830,392
Employee development and training	5,946	586	1,842	2,428	8,374
Program expenses	21,531	-	9,962	9,962	31,493
GaitWay program	44,178	-	-	-	44,178
Horse care	103,629	-	714	714	104,343
Volunteer expenses	1,199	-	-	-	1,199
Repairs and maintenance	207,722	23,083	-	23,083	230,805
Equipment expense	1,841	229	220	449	2,290
Utilities	18,175	2,019	-	2,019	20,194
Development and marketing	35,926	-	441	441	36,367
Information technology	7,638	753	2,367	3,120	10,758
Accounting	16,451	1,622	5,097	6,719	23,170
Insurance	23,865	-	-	-	23,865
General administration	34,346	3,969	-	3,969	38,315
Depreciation	74,766	8,513	-	8,513	83,279
Interest expense	2,586	323	323	646	3,232
Bad debt	1,377	-	-	-	1,377
Loss on disposal of assets	4,270	-	-	-	4,270
	<u>\$ 1,194,956</u>	<u>\$ 99,241</u>	<u>\$ 203,704</u>	<u>\$ 302,945</u>	<u>\$ 1,497,901</u>

The accompanying notes are an integral part of these financial statements.



ManeGait  
STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended December 31, 2016

	Program Services	Supporting Services			
	Riding	Management and General	Fundraising	Total Supporting Services	Total
Employee salaries and benefits	\$ 476,577	\$ 46,986	\$ 147,671	\$ 194,657	\$ 671,234
Employee development and training	4,827	476	1,496	1,972	6,799
Program expenses	28,618	-	8,946	8,946	37,564
GaitWay program	67,546	-	-	-	67,546
Horse care	87,946	-	399	399	88,345
Volunteer expenses	2,164	-	-	-	2,164
Repairs and maintenance	23,312	2,595	45	2,640	25,952
Equipment expense	3,004	334	-	334	3,338
Utilities	17,546	1,950	-	1,950	19,496
Development and marketing	29,213	-	2,586	2,586	31,799
Information technology	7,960	785	2,466	3,251	11,211
Accounting	19,371	1,620	5,090	6,710	26,081
Property taxes	90	10	-	10	100
Legal fees	-	160	-	160	160
Insurance	25,498	-	-	-	25,498
General administration	28,519	3,408	1,081	4,489	33,008
Depreciation	69,899	7,823	-	7,823	77,722
Interest expense	411	51	51	102	513
Fundraising expenses	6,978	-	-	-	6,978
Bad debt	1,069	-	-	-	1,069
Loss on disposal of assets	-	3,583	-	3,583	3,583
	<u>\$ 900,548</u>	<u>\$ 69,781</u>	<u>\$ 169,831</u>	<u>\$ 239,612</u>	<u>\$ 1,140,160</u>

The accompanying notes are an integral part of these financial statements.

ManeGait  
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

ManeGait (the "Organization") is incorporated under the laws of the State of Texas as a nonprofit organization and is located in McKinney, Texas. The Organization is a therapeutic horsemanship center offering therapeutic equestrian activities and therapy in a caring, high-integrity environment. The Organization serves children and adults with disabilities so that they can move beyond their boundaries through the healing power of the horse and the dedication of a professional, caring community. The focus of therapeutic riding lessons is skill development and progression while improving the rider's physical, cognitive, emotional and social skills. The Organization derives most of their revenues from free-will donations, fundraising events, grants and rider fees.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

For reporting purposes, resources are classified into three net asset categories according to the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets - net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily restricted net assets - net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions received with donor imposed restrictions that are met in the same year as received are reported as revenues of the unrestricted net asset class.

Permanently restricted net assets - net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the Organization. There were no permanently restricted net assets at December 31, 2017 and 2016.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and all highly liquid investments purchased with an initial maturity of three months or less. The FDIC deposit insurance insures deposits up to \$250,000 per deposit, per insured bank for each ownership category. There was no uninsured cash at December 31, 2017 and 2016.

Accounts Receivables

Trade accounts receivable consist of rider fees. Management evaluates accounts receivable and writes off account when they are deemed uncollectible. The results of using the method are not materially different from using the reserve method.

ManeGait  
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant and Equipment

Property, plant and equipment are recorded at cost if purchased, or at estimated fair value as of the date of donation. The Organization capitalizes expenditures for these assets in excess of \$1,000 and with an estimated useful life greater than one year. The costs of maintenance and repairs are charged to expense as incurred. Depreciation is computed on a straight-line basis over estimated useful lives as follows:

	<u>Estimated Lives</u>
Leasehold improvements	10 - 20 years
Farm equipment	5 - 7 years
Program equipment	5 years
Vehicles	5 - 7 years
Admin equipment	5 years
Horses	5 years
Arena	19 - 20 years

Accrued Liabilities

Various expenses of the Organization that were incurred before December 31, 2017 and 2016, respectively, but paid afterward, have been accrued and reported as accrued liabilities.

Contributions

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Contributions are recorded as revenue at the time an unassailable right to the gift has been established and the proceeds are measurable in the amount. Conditional promises to give are not included as support until the conditions are substantially met.

Insurance Proceeds

During 2017, the Organization sustained roof damages which was covered by insurance. Insurance proceeds for the year ended December 31, 2017 was \$184,605.

Contributed Assets and Services

Contributed assets are reflected as contributions in the accompanying financial statements at their estimated values on the dates of receipt. Contributed services are reflected in the financial statements at the fair value of the services received if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed assets and services are donated to the Organization by various individuals, corporations, and other organizations. In-kind goods and services for the year ended December 31, 2017 was \$15,250. In-kind goods and services for the year ended December 31, 2016 was \$1,248.

Approximately 490 individuals volunteered approximately 19,900 hours of service with an estimated value of approximately \$480,000 for the year ended December 31, 2017. Approximately 465 individuals volunteered approximately 18,200 hours of service with an estimated value of approximately \$440,000 for the year ended December 31, 2016. The value of this contributed time is not reflected in the accompanying financial statements because it does not meet the above criteria.

ManeGait  
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue

Deferred revenue arise from advance billing of rider fees for the subsequent riding sessions and special event revenue received in the current period, which relate to the following year's special event. Rider fees and special event revenue are reflected as revenue as services are provided and when the special event occurs.

Functional Allocation of Expenses

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statement of activities and change in net assets for the years ended December 31, 2017 and 2016. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code, except to the extent it has unrelated business income. For the years ended December 31, 2017 and 2016, the Organization had no material net unrelated business income. Accordingly, no provision for income taxes has been provided in the accompanying financial statements. The Organization is not recognized as a private foundation.

The Organization has concluded that it does not have any unrecognized tax benefits resulting from the current or prior period tax positions. Accordingly, no additional disclosures have been made on the financial statements regarding ASC 740, *Income Taxes*. The Organization does not have any outstanding interest or penalties, and none have been recorded in the statement of activities and change in net assets for the years ended December 31, 2017 and 2016. The Organization's informational returns filed are generally subject to examination for three years after the later of the due date or date of filing. As a result, the Foundation is no longer subject to income tax examination by tax authorities for years prior to 2014.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported and disclosures. Actual results could differ from those estimates.

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following at December 31,:

	2017	2016
Land	\$ 1,043,320	\$ 1,043,320
Buildings	213,200	213,199
Land improvements	203,305	203,305
Farm equipment	55,094	55,094
Program equipment	110,472	50,069
Vehicles	33,220	33,220
Admin Equipment	45,095	45,095
Horses	78,000	68,850
Arena	259,209	259,209
	2,040,915	1,971,361
Less accumulated depreciation	(481,302)	(403,345)
Total property, plant and equipment at cost-net	<u>\$ 1,559,613</u>	<u>\$ 1,568,016</u>

Depreciation expense was \$83,279 and \$77,722 for the years ended December 31, 2017 and 2016, respectively.

ManeGait  
NOTES TO THE FINANCIAL STATEMENTS

3. ACCRUED LIABILITIES

Accrued liabilities consist of the following at December 31, 2017:

	2017	2016
Audit fees	\$ 8,000	\$ 8,000
Gala expenses	14,730	23,478
Roof repair expenses	184,605	-
	<u>\$ 207,335</u>	<u>\$ 31,478</u>

4. LINE OF CREDIT

The Organization has a \$200,000 line of credit with a financial institution. The interest rate is the Prime rate with a floor of 4.25%. Collateral is a first lien deed of trust on the Organization's property at 3160 North Custer Road, McKinney, Texas. On August 25, 2016, the line of credit was renewed with a new maturity date of August 25, 2018. As of December 31, 2017 and 2016, the outstanding balance was \$50,000 and \$0, respectively.

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consists of the following at December 31,:

	2017	2016
GaitWay program	\$ 10,000	\$ 540
Horse simulator	-	30,000
Herd expansion	10,500	-
Harnessing Our Horsepower – capital improvement project	10,000	-
	<u>\$ 30,500</u>	<u>\$ 30,540</u>

Temporarily restricted net assets were released for the following purposes for the years ended December 31,:

	2017	2016
Horses and horse care	\$ 540	\$ 5,000
GaitWay program	-	9,460
Development of the sensory trail	-	10,000
Horse simulator	30,000	-
	<u>\$ 30,540</u>	<u>\$ 24,460</u>

6. SPECIAL EVENTS

The Organization has various special events to help fund current operations. The revenue and related expenses from such events are as follows for the years ended December 31,:

	2017	
	Special Events	Special Events
	Revenue	Expense
Golf outing	\$ 114,497	\$ 25,340
Gala at the Gait	689,559	210,328
Country fair	69,125	27,934
	<u>\$ 873,181</u>	<u>\$ 263,602</u>
		Net Special
		Events
		\$ 89,157
		479,231
		41,191
		<u>\$ 609,579</u>

ManeGait  
NOTES TO THE FINANCIAL STATEMENTS

6. SPECIAL EVENTS (Continued)

	2016		
	Special Events Revenue	Special Events Expense	Net Special Events
Golf outing	\$ 135,096	\$ 39,062	\$ 96,034
Gala at the Gait	595,659	169,396	426,263
Gaitapalooza	52,870	12,404	40,466
	<u>\$ 783,625</u>	<u>\$ 220,862</u>	<u>\$ 562,763</u>

In addition to special events, total fundraising expenses were 32% and 21% of total donations, net special events and grant revenues for the years ended December 31, 2017 and 2016, respectively.

7. CONDITIONAL PROMISE TO GIVE

In December 2017, the Organization was awarded a matching grant in the amount of \$43,000 from Adair Foundation. The Organization must raise the \$43,500 for the Harnessing Our Horsepower – capital improvement project to receive the matching grant. At December 31, 2017, the Organization had raised \$10,000 in matching funds.

8. FINANCIAL CONDITION

The Organization depends heavily on donations and special events for its revenue. The ability of the donors to continue giving amounts comparable with prior years may be dependent, among other things, upon current and future overall economic conditions and the continued deductibility for income taxes purposes of donations to the Organization. While management believes the Organization has the resources to continue its programs, its ability to do so, and the extent to which it continues, may be dependent on the above factors.

9. SUBSEQUENT EVENTS

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through April 23, 2018, the date the financial statements were available to be issued and determined that there were no such events or transactions that require disclosure for the year ended December 31, 2017.



E.

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 24 2008

MANE GAIT  
C/O CHERYL C TURNER  
3160 N CUSTER RD  
MCKINNEY, TX 75071-3051

Employer Identification Number:  
26-1525268  
DLN:  
17053070043028  
Contact Person:  
JOSEPH LAUX ID# 31077  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
170(b)(1)(A)(vi)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
November 9, 2007  
Contribution Deductibility:  
Yes  
Advance Ruling Ending Date:  
December 31, 2011  
Addendum Applies:  
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

MANE GAIT

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert Choi". The signature is fluid and cursive, with the first name "Robert" and last name "Choi" clearly distinguishable.

Robert Choi  
Director, Exempt Organizations  
Rulings and Agreements

Enclosures: Publication 4221-PC  
Statute Extension