



## COMPANION VETERINARY HOSPITAL

625 County Rd 10 NE, Blaine MN 55434

Phone: (763) 755-9255 Fax: (763) 786-5131

5 October 2011

To the City of Blaine, Minnesota

City Planning Office

My husband Carlos Gandara, D.V.M. and I own Companion Veterinary Hospital. We have a conditional use permit to operate a veterinary clinic. We have a deadline with the City of Blaine to install a fire sprinkler system by October 31, 2011. Thank you for giving us two more years on our last request. We are hoping that you will be as generous this year for the following reasons:

- 1. Since we purchased the clinic in 2007, we are financially in the worst shape now to spend money on large improvements that will not generate business.
- 2. In May of this year, our sales were down 18.6%. April has historically been our busiest month but not in 2011.
- 3. Also in May, we fired our CPA for negligence. We were initially excited to have a new CPA from Coon Rapids but we were audited by the State IRS and the audit revealed several large oversights and mistakes. We then had to pay a new CPA to amend our personal and corporate taxes for 2009 and 2010. This was expensive but we are confident we are on a straight path. Currently we are awaiting reimbursement from our old CPA.
- 4. Sales through the end of September are improved. Compared to 2010, our sales are down 7.6%. We did raise some of our prices in August for specialty surgeries and procedures and for the office visit. We did not raise prices for vaccinations and other routine procedures. Our clients have continued to cut back on wellness exams to save money. We continue to see a higher percentage of emergencies and sick animals come into the clinic.
- 5. Please keep in mind that October through December are historically the slow months for the veterinary business. This year we saw this continue into January, February, March, and April.
- 6. We have been dipping into our cash reserves and are determined to make it through the

slow months ahead. We work very hard to maintain liquidity as we know that the economy will be a long time before it recovers.

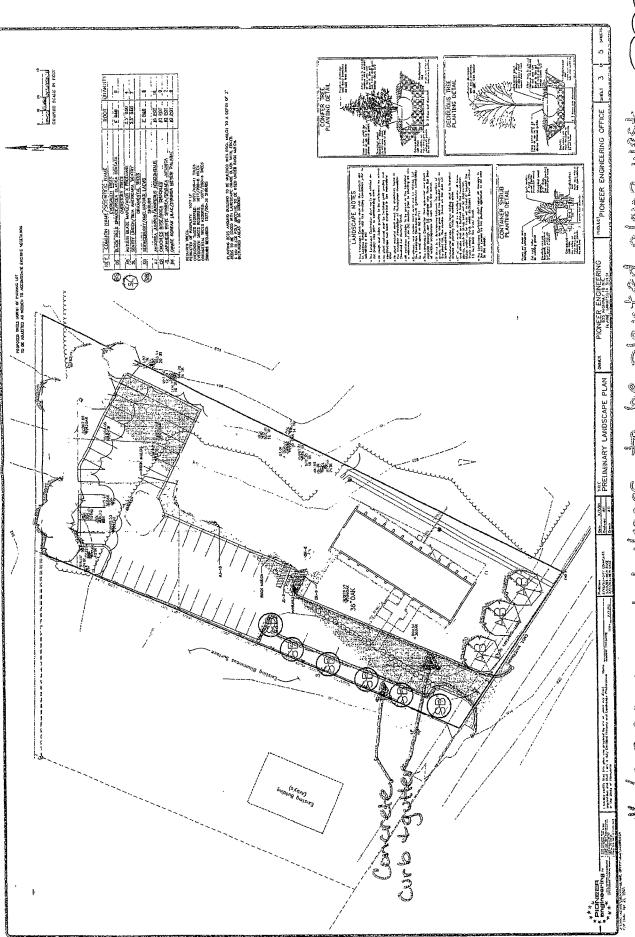
- 7. We lost a good veterinary technician because we could only provide her with part time hours. She had to take another full time position because her husband had been out of work for the last 9 months.
- 8. To save money, we have not installed a monument sign. I improvised and put up holiday spot lights (from Menards) to light up the front of our building at night.
- 9. We have not purchased a dental machine to save money.
- 10. We did purchase the ultra sound machine in 2010. Dr. Gandara is utilizing this to expand his diagnostic capabilities and save money on sourcing this service out.
- 11. I am still driving my '98 Windstar. Carlos purchased a used Ford Focus '09 to replace is '94 Escort.
- 12. Please keep in mind that for 2011, we are paying \$15,490 in property taxes. When we purchased the clinic in 2007, the property taxes were \$8,216.

  That is a property tax increase of 47%!!!!!

We are nervous for what the economic future holds. Dr. Gandara is a very determined man and provides excellent service to our clientele. Please visit our new website, compliments of CenturyLink, and see for yourself what our clients are saying at <a href="www.companionveterinary.net">www.companionveterinary.net</a>. You can also see our reviews on the internet or stop in and check out our bulletin board full of thank you cards and notes.

Sincerely,

Sharyl Gandara, V.P., Co-Owner



xaposed planted along wast 3, worked trees to be planted W Q P ornameral property inc M.