



Board of Directors Meeting
Wednesday, January 25, 2017
5:00pm – David's House Conference Room

Agenda

- 5:00 – 5:05 Welcome
- 5:05 – 5:10 Consent Agenda (pages 1 - 7) - **VOTE**
- 5:10 – 5:15 E.D. Report – Jayc Olmstead
 - Calendar of events (page 21)
- 5:15 – 5:30 Finance highlights – John Sands (pages 8-15)
- 5:30 – 6:00 President's Report – David Watts
 - Strategic Planning update (pages 16-20)
- 6:00 – 6:15 Old and New Business
- 6:15 Executive Session

*Consent agenda means that all items under this category will be voted on as a group without discussion unless there is a particular item that someone wants pulled out ahead of the meeting (please contact Susan if this is the case). This will give the board more time to focus on strategic issues rather than routine reports and administrative details.

Conference Call info: (866)244-8528 participant code 281934



**Board of Directors Meeting Minutes
Wednesday, November 30, 2016**

Board members Present: Bob Frish, Kinson Craft, Amity Ollis, Rob Daley, Nichole Romano, John Sands, Richard Mounce (via phone), Susan Vickers, David Watts, and Tracey Evans

Staff and guest attendees: Jaye Olmstead

Absent: Dan Gauthier, Dick Cyr, Dr. David Bauer,

Welcome and call to order (5:00 p.m.)

1. Consent Agenda

No comments were made by the board, a motion was made to approve the consent agenda and previous meeting minutes. All approved no abstentions.

2. Director's report

Jaye discussed the occupancy rates, stating there's no predictability or notable cause for why the house had the second highest rate during the fiscal year in November after coming off the lowest rate in October. Jaye gave credit to Brandi for her excellent development updates. The holiday auction is close to \$10k so far, and the holiday celebration is December 3rd.

3. Finance Update

John shared that David's House took its first two draws on investments. The SCU accounts were cashed in instead of pulling from the actual investment portfolios. John emphasized that it is common for non-profits to have a cash shortage prior to the upcoming annual campaigns. Investments are running on average 2% above from prior years. On the P&L statement, core fundraising revenue is down due to events such as the sundae at the house (no sponsors), speedway children's charity (the house did not do this event this year), and the 30th anniversary breakfast was cancelled. However, expenses are also lower due to not having a development director and resident manager vacancies, creating a net positive budget variance overall.

4. President's Report

Susan gave an update on strategic planning. The biggest part of the plan is the volunteer piece, which work will begin after the holiday auction. A review of the board retreat showed that many items Chuck covered the board is doing well, and there were a few areas that the board can improve in. Jaye and Susan met after the meeting and five items were identified:

1. Fundraising
 - a. Nicole covered topics including whether we should include more donor connection to our current and future donors. With the large number of non-profits in NH and VT, D-H has competition for the same pool of donors and funds. Nicole stressed from the retreat the fact that our target market may be women 45-60 as women are more and more becoming the family financial decision makers.
2. Board skills and talents
 - a. Governance, Finance, and Fundraising were the three main committees that Chuck mentioned that the board should have. All other committees should be looked at as task forces or ad hoc committees for certain projects.
 - b. Board skills- Rob mentioned that in his nine years of volunteering at the house, he has seen a shift from grassroots effort to a professionally-staffed organization. Rob provided a handout with notes from the retreat. Susan and Rob both discussed reviewing the skills and talents of individuals and for each board member to try to recruit their replacements.
3. Legacy giving
 - a. John discussed that the change in philanthropic giving due to generational changes in giving. 90% of legacy giving is based on wills and bequests.
 - b. Nicole mentioned based on our target market, should we consider going to local women's groups and providing information/presentations
4. Emergency planning
 - a. David Watts discussed creating a backup plan in the event that a major employee role is vacant.
5. Stewardship
 - a. Covered by the various items mentioned within other areas above

Susan suggested a January board meeting to formally vote on action plan for the next items.

5. Old and new business

None

6. Executive Session (6:10)

The board went into executive session.

A motion to adjourn the board meeting at 6:30pm was made by David, seconded by Rob.

Respectfully submitted,
Amity Ollis, Board Secretary



DAVID'S HOUSE
Executive Director highlights
December 2016 – January 2017

House updates

While the December occupancy rate went down from November's, January feels like it's been the busiest month of the fiscal year so far. Unfortunately, though, we had 10 families being turned away 11 times the week of 1/16 - 1/20.

- One ICN family was turned away both Tues & Wed night, but they live in Quechee.
- One family was turned away from Thetford
- Two families turned away made other arrangements, though they didn't disclose what
- One family secured a hotel room
- We secured a hotel room for one family but they declined it and instead went home and traveled back the next day for the follow-up appointment
- One family rescheduled their doctor's appointments to the week of 1/23
- Two ICN families stayed somewhere in the hospital until a room here opened the second night they needed it
- One family chose to drive to the hospital the following morning to visit their child instead of staying here the night before

Because of continued high occupancy with ICN families who tend to be here very long term, I predict the week of 1/23 will see turnaways again. Out of 20 rooms, we have 14 currently occupied by ICN, with 4 more ICN requests for the week of 1/23. One other room is being used by a long-term family where the father and 2-year old daughter were critically injured in a car accident so there's no discharge plan in sight. Looking at all of those factors, we only have potentially one room available for regular Pedi in-patient (IP) and out-patient (OP) needs.

During the first 6 months of the fiscal year we've managed the following situations:

- 6 families with DCYF involvement
- 3 instances where I had to intervene in domestic situations. One family has had to be spoken to twice, and in all of the instances the father was asked to leave the building to compose himself
- 4 families were/are navigating homelessness issues
- 3 families where mom had to access the methadone clinic
- 7 oncology families, 2 of which are terminal
- 4 families with children who passed away

Occupancy -*note that # of families includes families who stayed on more than one occasion, not unique families

2016-2017			2015-2016			2014-2015			2013-2014			2012-2013 (pre-addition)	
	Avg. Occupancy	# families		Avg. Occupancy	# families		Avg. Occupancy	# families		Avg. Occupancy	# families		Avg. Occupancy
July	72%	75	July	63%	86	July	52%	67	July	85%	85	Jul	81%
Aug	81%	76	Aug	67%	84	Aug	60%	77	Aug	68%	76	Aug	76%
Sept	66%	84	Sept	77%	81	Sep	52%	66	Sep	70%	79	Sep	85%
Oct	65%	79	Oct	62%	79	Oct	44%	57	Oct	71%	87	Oct	92%
Nov	77%	83	Nov	59%	70	Nov	44%	69	Nov	65%	74	Nov	84%
Dec	69%	79	Dec	69%	97	Dec	41%	58	Dec	57%	66	Dec	81%
Jan			Jan	56%	91	Jan	65%	77	Jan	82%	75	Jan	85%
Feb			Feb	60%	96	Feb	77%	80	Feb	73%	100	Feb	82%
Mar			Mar	57%	84	Mar	65%	78	Mar	52%	71	Mar	77%
Apr			Apr	58%	90	Apr	56%	75	Apr	62%	74	Apr	83%
May			May	54%	75	May	52%	63	May	55%	72	May	86%
Jun			Jun	80%	85	Jun	62%	96	Jun	64%	63	Jun	95%
	72%	476		64%	1018		56%	863		67%	922		84%
Average length of stay:	6 days		Average length of stay:	4.5 days		Average length of stay:	4.71 days		Average length of stay:	5.24 days		Average length of stay:	4.98 days
Turnaways:	3		Turnaways:	2		Turnaways:	7		Turnaways:	37		Turnaways:	128

Hospitality Program – Coverage

We are seeing a trend with some of our long-term female volunteers...they're becoming grandmothers and are taking more time to be with their families so are either canceling shifts at the last minute or they've asked to come off of the schedule entirely. We are not seeing any new volunteers coming through the system, so this will be one of the priorities for Georgie as we start the new calendar year. We currently only have 22 active hospitality volunteers taking regular shifts and 2-3 "fill-ins" that will pick up a shift as their schedule allows. As spring approaches we could see 3-4 of our seasonal volunteers returning, though 3 of them are aging and we don't know if they'll want to be put back on the calendar. Now that the Resident Manager situation has ironed itself out, strengthening this program is a priority for me.

Development

Please see both Brandi's report for the activities she has been involved with, as well as the preliminary list of special events for 2017. This is NOT a comprehensive list, it's just the events that I feel are the priorities for board member participation. The spring newsletter will be completed at the end of March and will have more comprehensive information for all events that we are aware of as of that time, so please be sure to check the events section when that publication comes out.

We are very pleased to announce that, thanks to a handful of our amazing volunteers, David's House is the recipient of a \$7,500 shopping spree at Bob's Discount Furniture. Cabot Cheese has a program that allows volunteers for local nonprofits to record their hours, and both the individuals themselves as well as the nonprofit gets entered into a variety of drawings. We were the lucky recipient of this honor, so instead of taking funds from our operating budget this year for the room renovations scheduled for this spring, we will be able to complete the project through this in-kind gift. Cathy will be "shopping" at Bob's in Manchester, NH on 1/23.

There are two things happening relative to our development efforts that will have a long-term impact on the house. As you are all aware, our largest donor passed away in 2015 so we were already feeling the loss of her annual gift, but we had another large donor to was contributing at similar levels and who has shared that David's House is one of her favorite charities so we were confident we'd see significant future support. We have recently learned, however, that her family is taking over her philanthropic work and they are switching to national endeavors rather than local. Her annual gift to us was \$40,000 less than we anticipated, and we are unsure at this point if we will see any level of support in the future. Sue has tried twice to reach this individual to thank her for the annual gift and to try and find out what her hopes are for future giving, but has been unsuccessful in reaching her.

The second major impact we are anticipating will be in August, so it's in the next fiscal year but I wanted to make the board aware of it now. For the past 8 years the Lindsey Frank Memorial Motorcycle Ride has been either the largest or second-largest annual fundraising event for us, and we have been notified that the Frank family will not be continuing the effort. There were rumors at one point of another group taking it over, though whether or not they would draw the same followers, or a comparatively sized different crowd, is completely unknown. I am in the process of trying to get additional information.

Respectfully submitted,
Jaye Olmstead, Executive Director



Development highlights December 2016 – January 2017

OUTREACH

Development staff teamed up with the Jiffy Mart at The Fort in Lebanon on December 19 for their free coffee morning. Brandi greeted customers and sold 30th anniversary ornaments. Although proceeds from the effort were lower than originally hoped, the interaction with customers was invaluable. Most people stopped to talk about the mission and history of David's House and were interested in future events, volunteer opportunities, and other ways to donate. Future discussions will incorporate the value and effectiveness of similar outreach efforts, and ways to make them more profitable.

On December 16, Brandi was invited to speak with a kindergarten class at Thetford Elementary School. While there she spoke with the students about the children and families who stay at David's House, the different ways that people volunteer, and the importance of philanthropy. After hearing David's story, the students went home and collected change from around their houses. Together the class collected \$21.05 to donate to David's House. They also made chocolate chip cookies for the guests to comfort them through the holidays.

EVENTS

This holiday season David's House teamed up with Entertainment Cinemas in Lebanon for a unique outreach opportunity. The theatre had two free showings of "The Polar Express", December 10 and 18, and encouraged attendees to make a donation to us. A silent auction and donation box was set up at both showings raising over \$450. Brandi will be working with the EC Manager, Dale Flynn, to create similar events in the future.

Evans Expressmart once again did their Holiday Coffee fundraiser on Christmas Eve and Christmas Day, raising \$2000 for us. Thanks Tracey and Derek!!!

The South Royalton Preschool held their second annual Trike-a-Thon to benefit David's House on January 13. Former guest and current SR Preschool teacher, Rebecca Gaudette, created the original effort in 2016 after prompting from several parents who have also stayed at David's House. Brandi attended the event and spoke with several families about the importance of events like this one and the positive effect it has on families. Last year the event raised over \$600. Donations from this event have not been sent in as of yet. Donations are based on the amount of time each child rode their bike in the gymnasium. We are hoping to meet and exceed last year's total and are looking forward to working with Rebecca and the school again.

Brandi has continued to outreach efforts online through the website and social media by promoting the 2017 Covered Bridges Half Marathon, David's House Pampered Chef Party, and Winterfest and Sled Bed Race at Eastman. In the month of December Facebook efforts reached 2,500 users resulting in 1,200 users actively engaging with posts. So far, the numbers for January are following the same trajectory as December. Brandi will continue online outreach and promotion.

GRANTS

Dwinell: Approved 12/21/16: \$10,000 (operating)

Hypertherm-HOPE Grant: Approved
12/21/16: \$33,000 in a multi-year commitment
(\$10,000; \$11,000; \$12,000) - (operating)

Kettering: Application submitted 1/6/17 - (operating)

Agnes Lindsey: Application submitted 1/17/16
(restricted grant for bathroom renovations)

Joey Logano: Letter of Intent submitted 1/18/17 -
(operating)

Salmon Foundation: (in process) - (operating)

**Finance/Investment Committee Meeting
Minutes from January 18, 2017**

Location: David's House Conference Room
Called to Order: 4:30 PM
Attendees: Stacey Chiocchio, Lisa Cohen (by phone), Terry Durkin (by phone), Don Dutton (staff),
Frank Klymn, Richard Mounce (by phone), Jaye Olmstead (staff), John Sands, Susan Vickers
Apologies: Amity Ollis

1. The Committee welcomed Fred Wainwright and Holly Dustin from Ledyard Bank to present our portfolio update. Highlights from that presentation/discussion included;
 - * Key challenges to the equity market have been China and Brexit. Key opportunities have been the election and campaign platforms (although delivery will likely prove to be very difficult).
 - * Biggest challenges to the US economy are forecasted to be trade restrictions and long-term effect of excessive borrowing for infrastructure spending.
 - * Ledyard has no major policy modification recommendations. Their only preference, as mentioned in the past, is that some allowance be made for cash holdings as it relates to benchmark analysis. They respect the Committee's decision not to amend our benchmark structure however and will minimize cash holdings unless a specific need is communicated to them.
 - * Don informed Ledyard that we do not foresee needing a draw from the portfolio to support operations until at least around May and will stay in contact with them regarding this.
 - * Ledyard will be looking to transition EFT holdings to individual holdings, as they perceive that direction to be the pleasure of the Committee. The Committee agreed with this approach.
 - * John asked if it would be possible to see an equity sector allocation pie chart on future reports. Ledyard agreed to provide this.
 - * 6 month returns at 12/31/16 are at 3.2%, vs benchmark of 3.5%. Calendar year 2016 returns are at 7%, vs benchmark of 8%.
2. The Committee reviewed investment performance reports prepared by John. Over the past 3 months, newly hired Charter Trust has shown the poorest return performance but the Committee agrees it is far too early to draw any definitive performance conclusions. It is felt the current investment structure/allocation needs to be given at least one full before any further recommendations can be considered. The Committee favors staggering investment manager presentations so that we only hear one presentation per meeting moving forward.
3. Since 7/1/16, we have moved a total of \$95,000 from savings and CD accounts to operating. If these draws came from the investment portfolio, our draw rate would be around 1%, far below the 2.9% we forecast can be taken while still preserving capital. The Committee agrees that when the time comes to take a draw from the portfolio, it should come in equal amounts from each Manager and should provide at least 3 months-worth of needed support.
4. The Committee reviewed 12/31/16 financial statements, which represents the half way point of the 2017 fiscal year. Highlights from that discussion included;

Dash Board

- Investment assets of \$9.2 million are the highest they've been in our 30+ year history.
- YTD expenses are virtually unchanged compared to prior year.
- Management and General Expenses are up 16% compared to prior year. This is due to a change in the allocation of Jaye's time this year due to strategic planning efforts and House staffing needs. David's House exempt staff allocate their time by function on a daily basis now, vs giving an estimate at the end of the fiscal year.
- The House has been extremely busy. Occupancy is up 9% this fiscal year.

Statement of Financial Position

- There are 2 key factors accounting for the substantial increase in accounts receivable this fiscal year. 1. Last fall we closed our Post Office Box and began receiving mail delivery at the House. In December we noted a substantial delay (about 2 weeks from when checks were dated) in the receipt of year end donations. We believe the high volume of Holiday mail was impacting our forwarding service. About \$40,000 in December dated gifts were received during our “accrual period” of 1/1 – 1/10, compared to about \$10,000 a year ago. The other factor was the receipt of a 3-year funding commitment from Hypertherm’s HOPE Foundation. Currently our financial statements recognize the full value of this commitment (\$33,000) as revenue. We may want to see if we can defer some of this revenue recognition over the next couple of years so as not to over-state current year support and under state subsequent years. Don will look into this and communicate any re-statement back to the Committee.
- Our permanently restricted gifts and their value appreciation are house in a Vanguard index fund account (see #1195). Total value of this account is \$221,630, of which \$118,548 is principal and cannot be spent. Don expressed minor operational challenges to having these funds managed in an account without local service. The Committee agreed to consider moving these funds to a local provider and further advised we use the appreciation portion of this account before accessing funds from the accounts run by Investment Managers. A recommendation will be presented to the Committee in early spring as we approach the timeframe when cash support is likely to be needed.

Profit & Loss/Budget vs. Actual

- Annual Campaign revenue presents a strong favorable variance. The primary reason for this is the early receipt of Byrne Foundation support (not forecasted until January based on historical experience). However, their annual support of \$10,000 is \$40,000 short of what was forecasted. January financial statement will reflect this material shortfall. Sue Vickers has attempted to contact the Foundation to see if we can get any information regarding the decrease and what our future expectations might be.

Holiday Auction Analysis

- While several key benchmarks related to this event are trending downwards, the event is still one of our most efficient to manage from a direct cost and time allocation perspective.
5. The Board and Staff have recommended that we elevate Brandi Vassiliou from a Development Assistant to Development Associate and not fill the Development Director position. The primary reason is cost/benefit. A qualified Development Director is not easy to recruit, would cost the organization a minimum of \$82,000 and it is extremely unlikely that we would convert that investment into a proportionately appropriate return. David’s House currently has more staffing capacity than ever we never had more than 1 staff person fully devoted to fundraising until the launch of the 2012 capital campaign, our 26th year of operation. Staff are working on ways to share various fundraising duties and the Board will soon be discussing the revitalization of a strong Development Committee to also lend support. The Committee cautions against too much reliance on a Development Committee as a solution as that model has not worked particularly well for us in recent history as it is very difficult to find qualified fundraising professionals to serve in a volunteer capacity. The Finance Committee supports this structural decision provided that we can continue to meet the needs of the organization and maintain strong donor engagement without over-taxing any one area of the implementation process.

The meeting was adjourned at 6:00 PM. The next Finance/Investment Committee meeting is scheduled for 3/15/17.

Respectfully Submitted,
Donald R. Dutton

David's House, Inc.
Key Financial Statistics
For the Month of December 2016

Assets		% change from PY	YTD Revenue		% change from PY
Operating Cash	82,083	-46%	Guest Donations	11,634	-14%
Accounts Receivable (net)	78,044	103%	Events & Contributions	396,016	-2%
Other Assets	48,749	48%	Planned Giving Income	0	-100%
Fixed Assets (net)	2,197,439	-3%	Other Income	2,862	-97%*
Investments	9,217,218	5%	Sub-Total: Fundraising Efforts	410,512	-22%
Total Assets	11,623,534	3%	Investment Income	330,475	371%
Liabilities			Grand Total: All Income	740,987	82%
Accounts Payable	12,220	227%	YTD Expenses		
Accrued Benefits	23,449	31%			% change from PY
Other Liabilities	650	-35%	Management & General	143,688	16%
Total Liabilities	36,319	60%	Program	250,706	1%
Equity			Development	75,939	-23%
Unrestricted	11,465,728	3%	Total Expenses	470,333	0%
Temp Restricted	2,938	5%	Net Income Fiscal YTD	270,654	523%
Permanently Restricted	118,548	0%			
Total Equity	11,587,215	3%			

Key Financial/Program Ratios

	YTD	% Change from PY
YTD Portfolio Spend Rate	0%	0%
Cost to Raise \$1	\$0.23	-1%*
Guest Room Occupancy Rate	72%	9%
Program Cost per Bed Night	\$95	-6%
Days of Operating Cash on Hand (based on budgeted daily burn estimate of \$2,415)	34	-41%

* major factor impacting these PY comparisons is the abnormal receipt of \$105,000 in restricted grant revenue to replace our roof last year.

David's House, Inc.
Statement of Financial Position
As of December 31, 2016

	Dec 31, 16	Dec 31, 15	Notes
ASSETS			
Current Assets			
Checking/Savings			
1100 · Cash & Cash Equivalents			
1142 · MSB House Checking	15,177.78	20,293.93	
1145 · MSB Sweep Acct	64,600.76	130,188.42	
1173 · Service Credit Union Savings	2,242.33	270.78	
1200 · Petty Cash	61.72	96.22	
Total 1100 · Cash & Cash Equivalents	<u>82,082.59</u>	<u>150,849.35</u>	
Total Checking/Savings	82,082.59	150,849.35	
Accounts Receivable			
1301 · Accounts Receivable	65,468.02	10,071.48	HOPE multi yr funding award
1302 · CC Pledge Receivable/Building	9,000.00	19,000.00	2 donors w/ outstanding pledge
1303 · CC Pledge Receivable/Operating	5,000.00	10,331.34	1 donor w/ outstanding pledge
Total Accounts Receivable	<u>79,468.02</u>	<u>39,402.82</u>	
Other Current Assets			
1120 · Inventory/Souvenirs	6,010.02	5,576.81	
1250 · Prepaid Expenses			
1251 · Prepaid Insurance	17,550.21	10,531.72	health plan switch last yr
1253 · Prepaid Postage	31.06	0.00	
1254 · Flexible Spending Accounts	626.39	0.00	employee funded
1250 · Prepaid Expenses - Other	24,532.30	16,802.40	Blackbaud program switch last yr
Total 1250 · Prepaid Expenses	<u>42,739.96</u>	<u>27,334.12</u>	
1355 · Allow./ Doubtful Accts	-1,074.00	0.00	
1356 · Doubtful Acct Allowance - CC	-350.00	-873.00	
Total Other Current Assets	<u>47,325.98</u>	<u>32,037.93</u>	
Total Current Assets	<u>208,876.59</u>	<u>222,290.10</u>	
Fixed Assets			
1600 · Property Plant & Equip			
1312 · Building	2,745,406.95	2,745,406.95	
1315 · Building Improvements	461,241.68	456,999.18	
1316 · Construction in Progress	3,054.50	0.00	upper level bathroom renovations
1317 · Office Equipment	64,974.84	51,835.84	6 computers/1 copier added this yr
1318 · Machinery & Equipment	100,538.89	102,687.89	
1319 · Building-Garage	24,400.52	24,400.52	
1320 · Playground	22,452.56	22,452.56	
1321 · Furniture & Fixtures	111,407.14	102,416.94	sub-zero freezer added this yr
1325 · Artwork	12,000.00	12,000.00	
Total 1600 · Property Plant & Equip	<u>3,545,477.08</u>	<u>3,518,199.88</u>	
1610 · Accumulated Depreciation	<u>-1,348,038.15</u>	<u>-1,244,701.25</u>	
Total Fixed Assets	<u>2,197,438.93</u>	<u>2,273,498.63</u>	

David's House, Inc.
Statement of Financial Position
As of December 31, 2016

	Dec 31, 16	Dec 31, 15	Notes
Other Assets			
1210 · Board Designated Assets			
1180 · Ledyard (cost)	2,799,382.29	4,582,958.67	market value @ 12/16 - 2,973,196
1185 · People's - (cost)	2,669,114.38	3,390,453.18	market value @ 12/16 - 3,007,312
1189 · Charter Trust (cost)	2,871,513.87	0.00	market value @ 12/16 - 2,922,795
1204 · CD - SCU .99%, 5/17	92,285.44	125,999.60	35k transferred to cking 12/29/16
1205 · CD - SCU .30%, 4/16	0.00	61,832.04	
1386 · Valuation Allow (Unreal g/l)	563,292.33	395,106.71	
Total 1210 · Board Designated Assets	8,995,588.31	8,556,350.20	
1212 · Donor Designated Assets			
1195 · Vanguard (cost)	157,083.95	152,521.08	market value @ 12/16 - 221,630
1388 · Valuation Allowance	64,546.14	51,247.84	
Total 1212 · Donor Designated Assets	221,630.09	203,768.92	
Total Other Assets	9,217,218.40	8,760,119.12	5% growth
TOTAL ASSETS	11,623,533.92	11,255,907.85	
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 · Accounts Payable	11,940.41	3,572.09	12/16 snow removal 31% of total
Total Accounts Payable	11,940.41	3,572.09	
Credit Cards			
2500 · Credit Cards			
2501 · Bank of America Card - 8475	260.29	112.18	
2504 · Bank of America Card - 7513	0.00	53.64	
2505 · Bank of America Card - 0769	19.21	0.00	
Total 2500 · Credit Cards	279.50	165.82	
Total Credit Cards	279.50	165.82	
Other Current Liabilities			
2110 · Medical Reimbursement Payable	0.00	258.52	
2190 · Accrued Vacation Time	23,449.34	17,647.25	leave time balances up 34% this yr
Total Other Current Liabilities	23,449.34	17,905.77	
Total Current Liabilities	35,669.25	21,643.68	
Long Term Liabilities			
2400 · Security Deposit	650.00	1,000.00	
Total Long Term Liabilities	650.00	1,000.00	
Total Liabilities	36,319.25	22,643.68	
Equity			
3060 · Unrestricted	11,195,074.02	11,175,917.95	
3070 · Temporarily Restricted	2,938.45	2,796.29	wish list & holiday gifts
3080 · Permanently Restricted	118,548.29	118,548.29	income designated for operations
Net FY Income	270,653.91	-63,998.36	7/16 - 12/16
Total Equity	11,587,214.67	11,233,264.17	3% growth
TOTAL LIABILITIES & EQUITY	11,623,533.92	11,255,907.85	

David's House, Inc.
Profit & Loss Budget vs. Actual
 July through December 2016

	Jul - Dec 16	Budget	\$ Over Budget	Notes
Ordinary Income/Expense				
Income				
Core Fundraising Events (4)	59,954.43	72,600.00	-12,645.57	auction event - 61% of deficit
3200 · Guest Payments	11,633.80	12,480.00	-846.20	
3300 · Unrestricted Donations	124,815.63	95,270.00	29,545.63	HOPE grant-3 yr award (33k total)
3810 · Annual Campaign	145,406.37	133,330.00	12,076.37	Byrne support (10k) - 1 mo early
3893 · Misc. Fundraising Events	23,641.95	26,670.00	-3,028.05	
3894 · Annual Events	42,197.90	36,375.00	5,822.90	Lindsey Frank - 8k over budget
Total Income	<u>407,650.08</u>	<u>376,725.00</u>	<u>30,925.08</u>	note - 1/17 budget is 82,292
Expense				
4100 · Human Resources	246,422.75	269,833.00	-23,410.25	Development Director vacancy
4200 · House Operations	54,996.76	63,597.00	-8,600.24	pest control/electric under budget
4400 · Guest Support	3,218.86	5,874.00	-2,655.14	groceries - 1,874 under budget
4500 · House Administration & Mgmt.	35,652.53	38,726.00	-3,073.47	staff dev - 1,405 under budget
7000 · Fundraising Expenses	19,619.83	19,172.00	447.83	
5555 · Cost of Goods Sold	497.67	452.00	45.67	
7020 · Public Relations	20,622.53	25,754.00	-5,131.47	30th anniversary event cancel
7022 · Volunteer Program	709.96	1,858.00	-1,148.04	
Total Expense	<u>381,740.89</u>	<u>425,266.00</u>	<u>-43,525.11</u>	
Net Ordinary Income	25,909.19	-48,541.00	74,450.19	
Other Income/Expense				
Other Income				
3100 · Bank Interest	688.39	0.00	688.39	
3105 · Investment Dividend/Interest	91,771.34	0.00	91,771.34	
3190 · Realized Gains/Losses	34,211.40	0.00	34,211.40	
3192 · Unrealized Gains/Losses	203,805.12	0.00	203,805.12	
3350 · Endowment	0.00	0.00	0.00	
3500 · Non-cash Unsol Donations	1,365.58	0.00	1,365.58	Crystal Rock - 71% of total
3700 · Restricted Fund Donations	1,495.65	0.00	1,495.65	lower level family area painting
3750 · Restricted Grant Income	0.00	13,620.00	-13,620.00	
Total Other Income	<u>333,337.48</u>	<u>13,620.00</u>	<u>319,717.48</u>	
Other Expense				
4565 · Investment Fees	29,339.00	0.00	29,339.00	
4600 · Non Cash Donation	1,322.00	0.00	1,322.00	Crystal Rock - water service
7500 · Restricted Fund Expenses	357.84	0.00	357.84	floating desk purchases (2)
8010 · Depreciation Expense	57,525.42	0.00	57,525.42	
8060 · Loss Expense	48.50	0.00	48.50	ED office carpet disposal
Total Other Expense	<u>88,592.76</u>	<u>0.00</u>	<u>88,592.76</u>	
Net Other Income	<u>244,744.72</u>	<u>13,620.00</u>	<u>231,124.72</u>	
Net Income	<u><u>270,653.91</u></u>	<u><u>-34,921.00</u></u>	<u><u>305,574.91</u></u>	

**David's House
2016 Holiday Auction Analysis**

1. Performance/Trends				
	2016	2015	2014	2013
Item Sales	\$16,068	\$19,344	\$16,670	\$18,146
Other Income	<u>\$1,277</u>	<u>\$521</u>	<u>\$902</u>	<u>\$12,138</u>
Total Income	\$17,345	\$19,865	\$17,572	\$30,284
Direct Expenses	\$2,126	\$1,721	\$2,065	\$3,326
Net Income	\$15,219	\$18,144	\$15,507	\$26,958
Net Ratio *	0.88	0.91	0.88	0.89
Registered Bidders	140	172	181	259
# that Placed Bid	126	152	157	200
Items	163	198	180	212
Total Item Value	\$25,986	\$29,360	\$26,092	\$32,579
% Value Realized	62%	66%	64%	56%

* .50 is general standard for events published by the Association for Fundraising Professionals

2. Board/Staff/Committee Member Support						
	<u># of Persons</u>	<u>Registered to Bid</u>	<u>Placed Bid</u>	<u>Donated Item(s)</u>	<u>Won Items</u>	<u>Did Not Participate</u>
Board Members	13	77%	77%	38%	69%	23%
Committee Members	20	30%	25%	10%	15%	60%
Staff	<u>9</u>	<u>56%</u>	<u>33%</u>	<u>33%</u>	<u>33%</u>	<u>44%</u>
Total	42	50%	43%	24%	36%	45%

3. Referral Credit (2016 Only)	
<u>"How did you hear about event?"</u>	<u>#</u>
Word of Mouth - Board/Staff Member	9
Great Eastern Radio	8
Facebook	7
Word of Mouth - Work/Co-Workers	7
Word of Mouth - Friend	6
E-Mail from David's House	3
Newspaper	2

Summary

The David's House portfolio performance for the six months ending 12/31/16 was +3.2% vs benchmark of +3.5%. One year performance was +7.0% vs +8.0%. The portfolio value increased to \$2.97 million as of 12/31/16.

US stock markets rose steadily in the final two months of the year with positive economic news and expectations of lower corporate taxes, less regulation and increased government spending. The Federal Reserve raised interest rates by 0.25% and inflation expectations from future government spending and trade limits caused bonds to lose value. European and Japanese economies showed modest improvement. Most international central banks continued policies of keeping interest rates low and purchasing financial assets.

In December we sold a portion of the S&P index fund (SPY) at a gain and purchased Kimberly Clark (consumer goods), Amtrust Financial Services (insurance) and Cognizant Technology Solutions (consulting).

As of 12/31/16 the portfolio allocation was 66.5% equity, 32.6% fixed income and 0.9% cash. In January 2017 the equity and bond allocations will be rebalanced. We believe the US and international economies will continue to grow at a combined rate of 2% to 3% per year. The relatively high US interest rates will continue to attract foreign capital and dampen bond price movements. We will continue our core conservative approach combining growth and income.

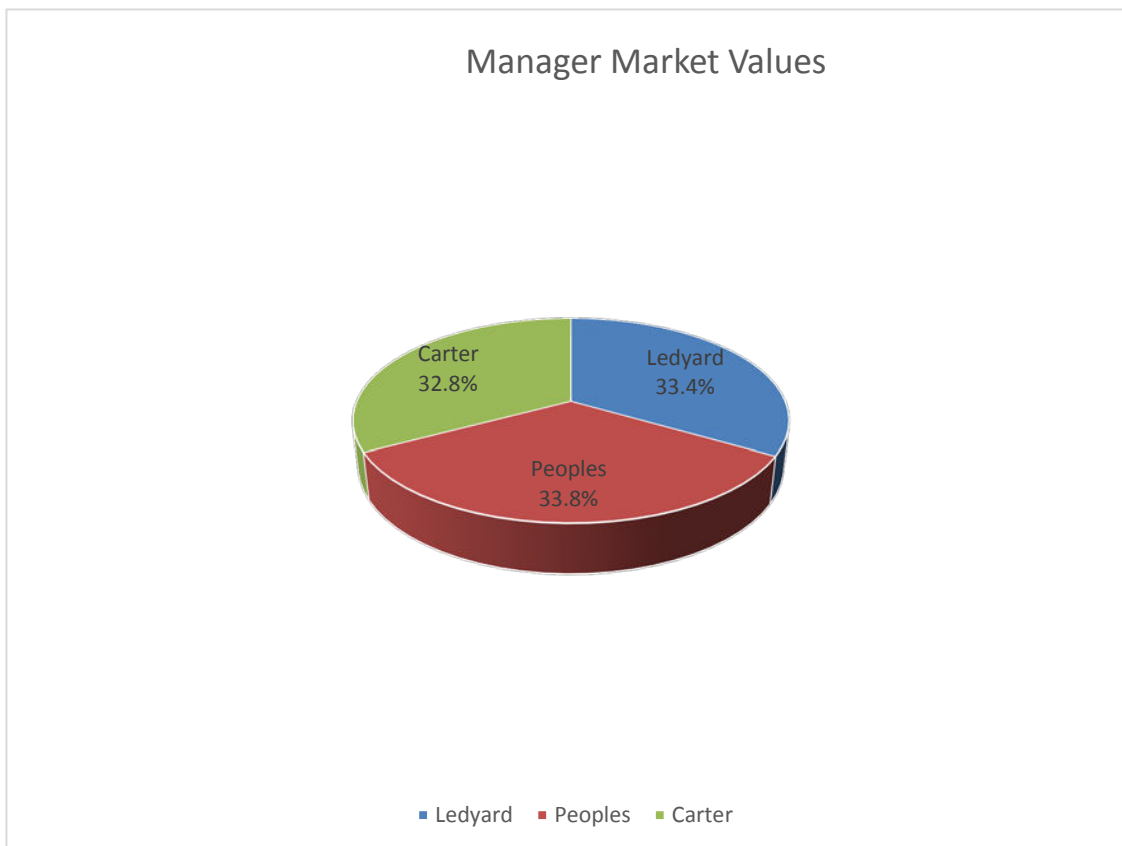
Please contact us if you have any questions.

David's House Investment Managers

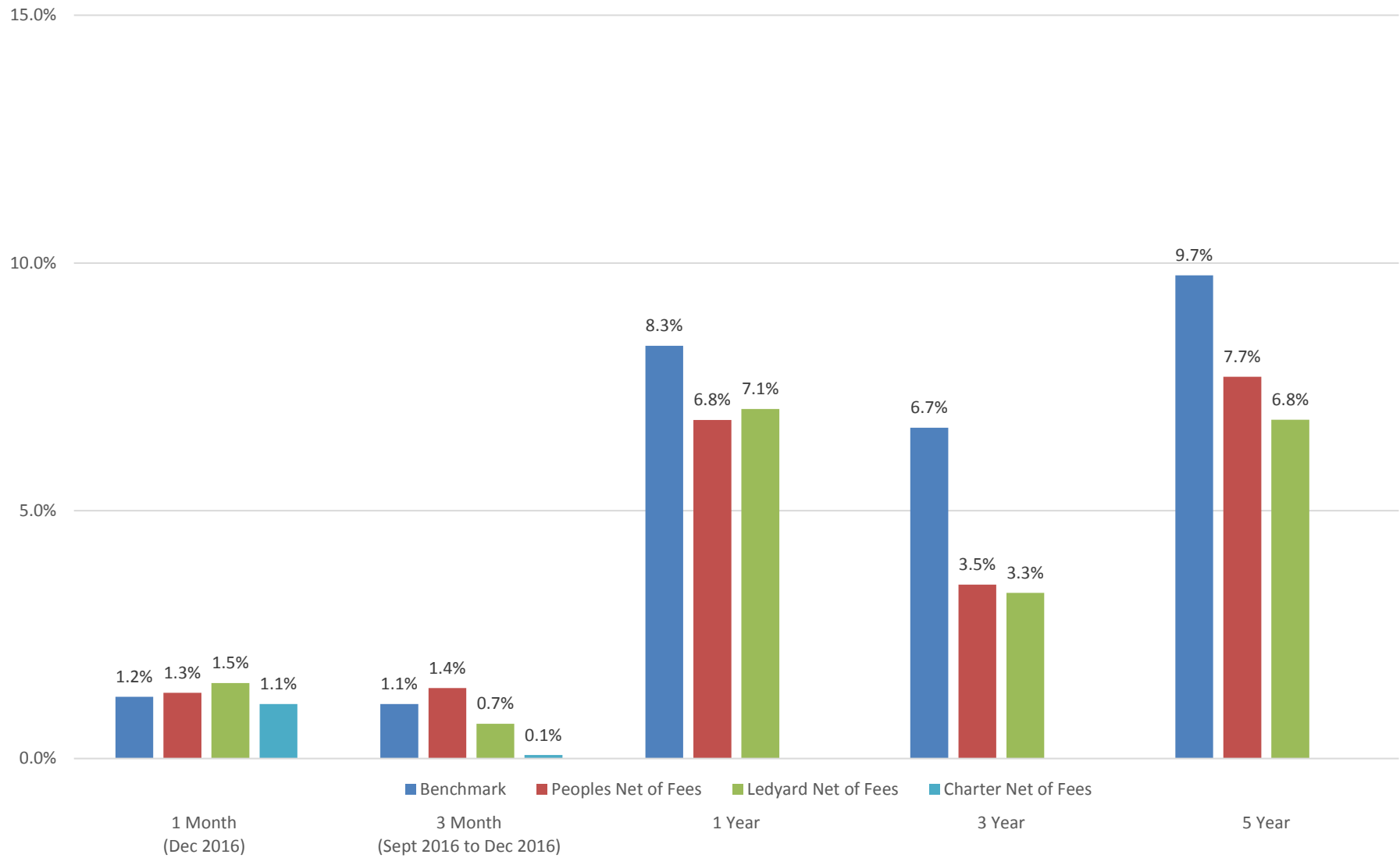
Market Values

As of September 2016

Ledyard	2,973,196.02	33.4%
Peoples	3,007,312.14	33.8%
Carter	2,922,795.04	32.8%
	<hr/>	
	8,903,303.20	100.0%



Net of Fees Returns - December 2016



These are approximated return calculations.



**Strategic Plan
2016 – 2021**

INTRODUCTION

2016 was an exciting year for David's House as we celebrated our 30th Anniversary. This moment gave our Board the opportunity not only to reflect on the successes of those 30 years but to look toward the future and to put into place our plans for continuing to adapt ourselves to meet the needs of those families whose children are receiving treatment at the Children's Hospital at Dartmouth.

Our community has seen lots of changes over the past few years and, ever increasing social needs, have seen David's House staff dealing with ever more complex and diverse family issues. To meet the demands of these changes, at the beginning of 2016, David's House Board of Directors and staff started out on a journey to help visualize the role of David's House within our community over the next 5 years.

Our strategic plan was developed and will act as a roadmap to provide a clear and concise direction for our staff and Board of Directors to take over the oncoming 5 years and will guide us through the challenges and opportunities that we are likely to face during that time.

It will be subject to frequent, critical review and its details will be revised as needed to ensure that we honor its ultimate purpose, which is to define where we are going over the next 5 years and how we get there.

We have been privileged to serve this community for 30 years, this Strategic Plan will help aid us on our path to the next 30.

Strategic Issue – Mission

Goal 1. - Review Mission Statement and determine relevance

Activity	Time Frame	Responsible Party	Progress Reporting	Next review
Review Mission Statement	06/16	Full Board	The Board has determined that our primary goal is to serve CHaD	06/2021
Allow operational discretion to manage lower occupancy rates	06/16	Full Board	<ul style="list-style-type: none">• The Board has entrusted the ED to utilize his//her discretion in managing lower occupancy rates to encompass serving families such as high risk pregnancies, older children (up to age 26), and adult patients with young children• Where appropriate collaborate with The Maynard House	Annually

Goal 2 Develop a Vision Statement

Activity	Time Frame	Responsible Party	Progress Reporting	Next Review
Develop a Vision Statement	01/17	Full Board	As part of the Strategic Planning process of 2007, the consultants suggested the following vision statement after the meeting: “To accomplish the mission of David’s House for all families of children receiving treatment at the Children’s Hospital at Dartmouth that request its services; to provide within the scope of its services, the needs of all families; and to be financially sustainable through the income from its investments.”	06/2021

Strategic Issue – Volunteer Program

Goal 1. – Have 100% of the house needs covered

Activity	Time Frame	Responsible Party	Progress	Next Review
Explore non-traditional volunteer pools	06/17	Program Manager	Create a list of potential volunteer sources not already utilized and develop an information pack to distribute to them	Annually
Capitalize on special events	06/17	Program Manager/ Development Associate	Develop clear and concise signage re volunteer opportunities. Develop a format for capturing participant information	Annually
Enhance Social Media/ Web/ Regular Media Messaging regarding the need for volunteers	06/17	Program Manager/ Development Associate	Produce bi-weekly volunteer story for both Facebook and Twitter feeds and re-designed website	Annually
Explore option of paid staff to cover key hours of day/ evening	12/16	Executive Director	2 P/T Resident Managers employed to cover key day and evening hours	Completed

Goal 2 - Retain qualified volunteers

Activity	Time Frame	Responsible Party	Progress	Next Review
Volunteer trainings/ongoing education to prepare volunteers for duties assigned to them.	Twice yearly	Program Manager	Undertake bi-annual trainings for all volunteers and update volunteer handbook accordingly	06/17
Recognition of volunteer contribution through words and actions	Ongoing	Program Manager	Develop a “touchstone” list whereby we can recognize and reward volunteer’s contribution Eg : Anniversary pin, birthdays, holidays etc Utilize social media to highlight volunteer participation	06/17

Strategic Issue: Finances

Goal 1: Create a 5-year financial plan that is sustainable, meets mission goals and preserves long term investment assets. Anticipated capital improvements, fundraising revenue, operating expenses and investment activity must be identified in the financial plan.

Activity	Time Frame	Responsible Party	Progress	Next Review
Build off capital campaign forecasted investment spend rate model and Factor in additional costs (inflation, program needs, aging plant)			<p>The Finance Committee included an investment spend rate analysis schedule to include in its FY16 Budget Proposal to the Board of Directors.</p> <p>The Finance Committee will work on updating and modeling a new spend rate model based on actual rates and estimated needs of the organization for the next 5 years.</p> <p>During FY16, the management of David’s House Investment portfolios are being reviewed to ensure alignment with David’s House strategic goals and operating needs. We created the RFP, have reviewed the current managers, reviewed proposals from 5 additional managers and are in the process of deciding managers to interview.</p>	
Build strong finance commitment (multi-year pledges)			<p>Reviewed Finance and Development Committee Job Descriptions and the relationship between Committees.</p> <p>Explore possibility of Finance and Development Committee fusion to ensure that goals and objectives are established to meet a comprehensive fiscal work plan.</p>	
Finance committee oversight			<p>The Finance Committee has established a calendar for 2016 that includes joint meetings with other key David’s House Committees, Investment Managers and Auditors.</p> <p>Continue developing annual meeting/work plan.</p>	

Dashboard development (benchmarking)			<p>In FY 14, David’s House Finance Committee created an initial dashboard to track important financial data, goals, and metrics on an ongoing basis.</p> <p>The Finance committee will continue to add depth as the board sees fit and once additional strategic goals have been aligned.</p>	
Capital maintenance plan			<p>The Finance Committee created a capital replacement plan in FY11 which was consulted during FY16 budget development. 3 of 4 capital replacements budgeted in FY16 were on this original schedule.</p> <p>The Finance Committee will work with the Buildings and Grounds committee to formalize an updated and more concrete 5-year forecast for FY17 budgeting.</p>	
Metrics adaptable to finance & mission			<p>The Finance Committee reports several key financial metrics to the Board of Directors to monitor cash flow, fundraising costs, management and admin costs, program costs and investment spend rate.</p> <p>The Finance Committee will attempt to forecast the impact of any actions/vision being considered as a result of strategic mission review.</p>	

Month	Name/Description	Scheduled Date/Time	Location	Organizers	History/Helpful Info	What board members can do to assist	Staff contact
February	Winterfest-Sled Bed Race & Chili Cook-Off	2/25/2017	Eastman Community - Grantham, NH	Eastman Recreation	Eastman Rec has raised thousands of dollars for us through special events going back to early 90's (auctions, gala's, outdoor winter activities, chili cook-off). Many of our hospitality volunteers and some board members have come from the Eastman community over the years. Eastman sponsors our golf tournament (see below)	Serve as a DH ambassador thanking participants and event organizers. Not sure if there are specific tasks - Eastman will let us know.	Brandi
April	Tristin's Run	4/29/2017 9am-noon	David's House	Employees from TomTom	Event began in 2013 after Tristin Roy was struck by a car while out running. Tristin was a member of the teams from TomTom that come to cook at DH. Her family and friends organized this run in her memory	Serve as a DH ambassador thanking participants and event organizers. Tasks include staffing food table and souvenir table, giving house tours to participants and spectators.	Jaye
July	Sundae at the House	7/23/17 11am - 2pm	David's House	David's House	9th Annual. Attendees are mostly former guests, but it's open to the community at large. Local nonprofits/civic groups/town depts. Run kids activities. Price Chopper provides ice cream and Mascoma Bank provides BBQ. KIXX radio promotes it and we mail postcards to former guests and donors (postcard = free admission vs \$5/carload). Is a "fundraiser" not a significant fundraiser.	Serve as a DH ambassador thanking participants and talking with guests about their experiences at the house. Need help staffing the souvenir table. Activities are always needed, so board members can staff an activity table (great way to get your own family members involved by helping). Give tours for community members who have never been to the house.	Brandi
September	David's House Annual Golf Tournament	9/11/2017 9am - 6pm	Eastman Links - Grantham, NH	David's House	19th Annual. 2015 Eastman Board of Directors voted to sponsor the tournament and donate the course fees until further notice (\$4,000 in kind). Can have a max of 32 teams...haven't maxed out since 2012. Raise \$ through registrations, sponsorships, dinner-only attendees, contests.	Serve as a DH ambassador thanking participants and members of the Eastman community. Assistance is needed with the registration table, at the lunch table, souvenir table. Some of these roles are only in the morning, or in the morning and then at the end of the day but not during play. Board members are encouraged to put together foursomes if you play, sponsor the event at one of the many levels or encourage other businesses to do the same.	Brandi
	Memorial Service	9/17/2017 2pm - 4pm	David's House	David's House & CHaD	This is the 23rd year of doing this joint gathering with CHaD. The planning committee is made up of David's House E.D., CHaD care management, chaplaincy, child life department, social workers. Families who have lost children over the past year - regardless of if they stayed at DH - are invited, as are families who have attended previous services. This is a VERY emotional event...it's not for everyone!!! Reps from DH and CHaD (sometimes DHMC) speak, as do pre-selected families	Serve as a DH ambassador. This is the ONLY joint event we do with CHaD now so it's a great way to meet representatives from there and to show our collaborative efforts to families.	Jaye
October	Car Nutz check presentation	TBD	David's House	Car Nutz Car Club	This organization has raised thousands of dollars over the years at their summer "cruise nights". They usually don't give us much of a heads up when they'll be coming to present the check, but this group is very near and dear to Dick (who always tries to be here for the presentation) so we'd like to see board support for it.	Serve as a DH ambassador thanking participants and offering tours for club members who have never been here.	
November	Holiday Auction and Celebration	11/29-12/2	Online auction & house celebration	David's House	28th year we've done the auction with KIXX radio	Board members can help by: soliciting auction items, registering & bidding on items (and encouraging others to do so), bringing family to house for the festivities on the Saturday.	Don