



## HEARTH Board of Directors Meeting Agenda

November 15, 2023

Time: 5-7pm

Location: Enterprise Bank

4088 Alpha Dr.

Allison Park, PA 15101

Topic	Time
I. Call to Order & Introductions	5:00pm
II. Approval of agenda & minutes	5:10pm
III. HEARTH Board President Report	5:15pm
IV. Benet Woods Board President Report	5:20pm
V. Young Professionals Board Report	5:25pm
VI. Reports	
A. CEO Report	5:30pm
B. Treasurer, Finance Committee	5:35pm
C. Programs Committee	5:40pm
D. Governance Committee	5:45pm
E. Development Committee	5:50pm
VII. New Business & Announcements	5:55pm
VIII. Meeting Adjournment	6:00pm

Social Hour from 6-7pm : Dinner and drinks provided

**Next Board Meeting Date: January 17, 2024 at HEARTH**



## HEARTH Board of Directors Meeting Consent Agenda

### HEARTH Board Meeting Minutes September 20, 2023; 5:00 PM In-person, HEARTH

#### Attendance

Present: Lea Brown, Kimberly Buchheit, Betsy Farmer, Michelle Fontana, Jennifer Hoerster, Nikki Hudak-Fink, Jennifer Lawrence, Brian Matthews, Milena Nigam, Christine Pietryga,; Delia Barnett; Kyona Newsome; Megan Lang; Brandon Baldauf (Benet Woods); Violet Thompson (Benet Woods)

Excused: Janet Duderstadt, Colleen Elliott, Michelle Walker; Angela Scotto, Brocton Skeen, Adrian Turner, Jamie Kuhn, Randy King, Kate McKenzie, Marcia Oglan, Maxwell Hine

**\*\*We do not have a quorum today.\*\***  
We currently have 20 board members, but 3 are not active.

I. Call to Order 5:20pm

II. Introductions 5:20pm

III. Approval of agenda & minutes 5:25pm

Q: Is it beneficial to get the pre-read and do consent agenda? Nice to have the pre-read but would like to highlight decision points/discussion points in person.

IV. HEARTH Board President Report 5:30pm

Jamie was going to do the report, but she couldn't make it.

A. Board Committees & Chairs: board health, are members doing enough, is everyone active?

-Finance: Randy as chair

-Governance: overseeing the health of the board, training new and existing board, recruiting new members, review bylaws; Kim will chair Governance

-expectations: goal of 100% board giving; minimum attendance; everyone serves on at least one committee

-Development: Nikki is chair + Lea, Colleen, Jamie; helpful to bring donors/prospective donors on site to see the facility; proposal to host quarterly open houses sponsored by board members

-Audit: Brian and Randy, overseeing the auditors

Q: do we want people on both the Finance Committee and Audit Committee? Brian thinks it's fine

Q: how can we share information with YPB? Brian serves on both the YPB and Benet Woods, so he can report updates to us; Christy will also put YPB report on agenda; proposed email cross-traffic

## V. Benet Woods Board President Report 5:40pm, Violet

- 6 BW board members, newer board, working on understanding how to be of best service to residents at BW, Christy is helping navigate
- 9/11 units are occupied; 1 family will join this fall; 2<sup>nd</sup> family is identified; increased contact with property manager in order to ensure that when properties go vacant we have a quick turnaround for a new family; new property manager; assessing budget for new paint and carpeting/unit facelifts
- partnership with Dollar Bank for a financial awareness presentation for BW and HEARTH, hosted at HEARTH; pathway to home ownership program, Dollar Bank will match 5:1 on down payments (income-based eligibility); to help residents plan for moving away from affordable housing if they want
- programs available for home furnishing, maintenance—resources BW can provide
- last year's survey showed that residents didn't know how to start saving money for a down payment

## VI. Reports

### A. CEO Report 5:47pm, see handout/CEO Report

#### Grants and Development

-Q: what's the probability that we'll reach our grant goals? Christy is optimistic we'll reach our annual goal

End of Year Appeal: theme is to thank the legacy of HEARTH, continuing that legacy

Board Commitment Form, submit by October 11

Families at HEARTH: Kyana has worked on improving the process of identifying potential residents

HEARTH/Tax Credits: Michelle, Delia and Christy will be meeting with TREK to begin planning what the property partnership will look like in the second 15 years

-Q: what is our cash liability? We will get the details from TREK. What happens at end of 30-year contract in July 2042? Terms of settlement must be in the documentation. Are there acceleration terms that could be detrimental? We need to keep our transitional housing for the second 15 years.

-Note: the numbers in our report are not actual numbers

-BW is same structure with different dates and owners; 2023 planned exit (Oct. 2023 is the end of the first 15 yrs)

-In October will meet with John in order to discuss TREK's general partnership in general; not much benefit for TREK to hold that 49% after the first 15 years; HEARTH would love to keep partnering with TREK; TREK has been a great partner

Family Events, Monday nights are mandatory for Moms beginning in October

-last Monday meeting, Christy and Kyana reviewed handbooks, expectations, rules, incentives

-every other month are community events where families can bring up to 4 guests (Boo Bash is 6 guests per family)

-volunteers needed for Monday night childcare and Monday night meals (to feed 15-20 adults)

-former computer lab will become a kids' therapy room

-moms requested parenting classes

Pgh One Day: \$35,000

YPB Hops for HEARTH on September 30, 11<sup>th</sup> Hour in Lawrenceville

We may see if Deb Desjardins can fill-in when Christy is off on maternity leave next spring; HEARTH does not have a maternity policy/parental leave policy—Michelle would like to add this for a vote at a future meeting

B. Treasurer, Finance Committee 6:20pm, see report

-Christy reported: recommendation to hire a new auditor (relationship has not been good with current auditor) and will have board vote electronically with HBK  
-2023-24 budget is attached, report in November

1. Vote: HEARTH Auditor

C. Programs Committee 6:25pm, see report

-Hearth to Homes hoping to raise money to add to Enterprise's \$75K home mortgage; Enterprise Bank has offered to do this one to two times a year

-Q: are we keeping the same outcome measurements with the move to Insync? Worth reviewing as a program committee during the October committee meeting; Christy has metrics she used in previous job; will include HEARTH's program phases

D. Governance Committee 6:35pm, see report

-look at handbook, identify appropriate board size, etc.

-Q: is there an explicit expectation for movement from YPB to Board? YPB members would like clarity on this, some members have dropped after a few years because they couldn't see that path to the full board; YPB is currently 9-10 members; YPB is "under 40"; is YPB the right name? maybe something like Associate Board or Junior Board; YPB doesn't have committees but just recently reviewed bylaws; YPB members could serve on board committees like the planning/development committee

E. Development Committee / Hats Off 6:42pm, see report

1. Attendees & Sponsorships

-currently at \$27,100, compared to \$60K last year

-request to board to reach out to their contacts and promote tickets; look at spreadsheet, if you know someone on the list please reach out to them!; donate 3-5 bottles of wine; solicit auction items

-hot off the presses: we have two new sponsors \$25K each (Dr. Patel and Jamie's family), YAY!!!

VII. New Business & Announcements 6:50pm

-BW board would be interested in getting involved in the fundraising efforts

VIII. Adjournment 6:55pm

\*HEARTH tours available after meeting is adjourned

Next Board Meeting Date: November 15, 2023 at Enterprise Bank (Allison Park)



**Topics to be discussed at Executive Committee Meeting- December 2023:**

**Board attendance, in-person board meetings**

- Locations of upcoming board meetings
- Board engagement with 5-6 meetings/year
- In-person vs. virtual attendance

**HEARTH's Strategic Plan**

- Current draft of HEARTH's 3 year strategic plan runs January 2023-December 2025
- Next steps for finalization and board discussion/vote

**Program Committee Chair**

- Betsy Farmer has stepped off the board due to overcommitment
- Thankful for the opportunity and believes in the mission
- Program Committee in need of new chair

**Upcoming Board Meetings:**

- January 17, 2024
- March 20, 2024
- May 15, 2024



## Benet Woods Report - November 15, 2023

### Benet Woods Tenant Selection Plan

- Submitted a request to update tenant selection plan to give HEARTH families priority when applying for openings at Benet Woods
- The Tenant Selection Plan has moved to the legal department of PFHA within the Harrisburg office. PFHA has responded to the request. That PHFA is OK with the changes but wanted final approval by their legal department. Not the final YES we are waiting for, but definitely a large step forward.

### Families at Benet:

- 10 of 11 units leased; 1 HEARTH family signed lease November 2023 and in the process of moving in. Second family in the process of completing application (waiting on third party verifications)
- Assessing budget and cost of painting/carpeting units that have been occupied for 10+ years

### Holiday Utility Relief Donation

- Benet Woods Board will provide a holiday utility relief donation to the Benet Woods Residents again. Any funds collected will get split between current residents and applied to their Duquesne Light bill. Paypal: [benetwoods@hearthpgh.org](mailto:benetwoods@hearthpgh.org).

### Benet Woods Financials (attached)

- Budget to Actual
- Cash Flow

## Hearth at Benet Woods Summary of Budget / Actual Variance

	Month Ending 08/31/2023			Year to Date 08/31/2023			Fiscal Year 12/31/2023
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
RENTAL INCOME	11,061.00	10,900.00	161.00	90,717.00	87,200.00	3,517.00	130,800.00
VACANCY / ADJUSTMENTS	(875.00)	(200.00)	(675.00)	(3,410.00)	(1,600.00)	(1,810.00)	(2,400.00)
ESCALATION INCOME	76.69	35.00	41.69	276.86	410.00	(133.14)	550.00
EFFECTIVE RENTAL INCOME	10,262.69	10,735.00	(472.31)	87,583.86	86,010.00	1,573.86	128,950.00
FINANCIAL INCOME	286.36	8.00	278.36	2,004.64	64.00	1,940.64	96.00
OTHER INCOME	156.00	130.00	26.00	386.00	1,040.00	(654.00)	1,560.00
TOTAL INCOME	10,705.05	10,873.00	(167.95)	89,974.50	87,114.00	2,860.50	130,606.00
EXPENSE							
ADMINISTRATIVE EXPENSE	6,240.45	2,259.00	(3,981.45)	25,954.73	19,387.00	(6,567.73)	31,780.00
UTILITIES EXPENSE	1,018.44	2,035.00	1,016.56	20,331.13	16,560.00	(3,771.13)	24,840.00
OPERATING AND MAINTENANCE EXPENSE	3,443.56	2,347.00	(1,096.56)	28,373.34	26,916.00	(1,457.34)	46,734.00
TAXES AND INSURANCE	95.50	319.00	223.50	12,573.14	9,954.00	(2,619.14)	19,197.00
TOTAL OPERATING EXPENSES	10,797.95	6,960.00	(3,837.95)	87,232.34	72,817.00	(14,415.34)	122,551.00
NET OPERATING INCOME	(92.90)	3,913.00	(4,005.90)	2,742.16	14,297.00	(11,554.84)	8,055.00
INCOME/LOSS FROM OPERATIONS	(92.90)	3,913.00	(4,005.90)	2,742.16	14,297.00	(11,554.84)	8,055.00
ESCROWS	939.13	1,184.00	244.87	(1,966.15)	8,372.00	10,338.15	8.00
REPLACEMENT RESERVES	512.56	410.00	(102.56)	4,083.88	3,280.00	(803.88)	(4,080.00)
CAPITAL IMPROVEMENT	0.00	0.00	0.00	422.94	0.00	(422.94)	9,000.00
NET CASH FLOW	(1,544.59)	2,319.00	(3,863.59)	201.49	2,645.00	(2,443.51)	3,127.00
NET PROFIT (LOSS)	(1,544.59)	2,319.00	(3,863.59)	201.49	2,645.00	(2,443.51)	3,127.00

# Hearth at Benet Woods

## BALANCE SHEET

August 31, 2023

### ASSETS

Current assets	
Petty Cash	\$ 296.37
Cash in Bank - Operating	48,726.09
Cash in Bank - Payroll	465.05
Tenant/Member AR	3,000.66
A/R - Other	46.14
Prepaid expenses	
Prepaid Prop & Liability Insurance	6,543.17
Misc Prepaid Expenses	87.83
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Total current assets	59,165.31
Deposits held in trust - funded	
Tenant/Member Deposits Held in Trust	8,259.22
Restricted deposits and funded reserves	
Tax Escrow	34,246.01
Insurance Escrow	11,779.30
Replacement Reserve	62,916.76
Operating Reserve	13,728.41
Rental Subsidy Escrow	93,843.57
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Total restricted deposits and funded reserves	216,514.05
Property and equipment	
Land	133,437.50
Building	2,876,206.87
Sub-total	<hr/> 3,009,644.37
Less: Accumulated depreciation	<hr/> (1,259,323.82)
Total property and equipment	1,750,320.55
Other assets	
Organization Expense - Other	32,147.63
Accumulated Amortization - Other	<hr/> (26,868.91)
Total other assets	<hr/> 5,278.72
<b>Total Assets</b>	<b><hr/><hr/>\$ 2,039,537.85</b>



# Hearth at Benet Woods

## BALANCE SHEET

August 31, 2023

### LIABILITIES AND EQUITY

Current liabilities	
Accrued Expenses	\$ 4,856.75
Accounts Payable - Vendor	2,962.34
Accrued Insurance Payable	8,558.00
Accrued Management Fee	1,324.48
Accounts Payable - other	(3,747.09)
Accrued Wages, Taxes & Benefits	148.04
Accrued Interest - 2nd Mortgage	54,969.34
	<hr/>
Total current liabilities	69,071.86
Deposit liabilities	
Tenant/Member Deposits Held in Trust	8,259.22
	<hr/>
Total deposit liabilities	8,259.22
Prepaid revenues	
Prepaid Rent	302.00
Deferred Revenue - Comcast	93.23
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Total Prepaid revenues	395.23
Long term liabilities	
1st Mortgage Payable	800,000.00
2nd Mortgage Payable	109,501.00
	<hr/>
Total long term liabilities - net of cost of issuance	909,501.00
Total liabilities	987,227.31
Partners' equity (deficit)	1,052,310.54
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<b>Total liabilities and partners' equity</b>	<b>\$ 2,039,537.85</b>



**HEARTH**  
A Safe Place Matters

## Young Professionals Board Report - November 15, 2023

### **Eleventh Hour Event Recap**

- Event raised \$2,636 (\$1,200 - dip jars, \$500 - Eleventh Hour donation, \$936 - cash)
- Outreach and networking opportunity (CEO met New York Life contact and reconnected with past board member/donor)

### **Bar Eleven December Event**

- December 2nd from 5pm-8pm
- HEARTH receives 100% of cover (\$5)
- Ugly sweater competition, 50/50, event game

### **Carnegie Coffee**

- Pending event - Sunday Supper Series (projected to raise \$1,500-\$2,000)

### **YPB Members**

- 13 current YPB members



## CEO Report - November 15, 2023

### HEARTH Team

- Updated organizational chart attached
- Family Support Specialist in final round of interviews led by Kyona Newsome
- Morgan Cable - Received the 2023 Get Involved!, Inc. Western PA Rising Star Award
- Megan Lang to celebrate her 13th work anniversary with HEARTH in January 2024
- 2022-2023 HEARTH Audit: led by Delia Barnett, projected end date Dec. 2023

### Professional Development Opportunities for HEARTH Team

- Staff provided with the option of taking 2-3 Bayer Center for Nonprofit trainings each semester, paid for by HEARTH. Staff are signed up for the following: Understanding Accounting Principles Unique to Nonprofits, Ethical Digital Storytelling, Volunteer Engagement, Social Media Content for Nonprofits, Feedback and Difficult Conversations

### HEARTH Rack Card & Messaging

- New rack card created for all audiences - families in need, donors, and community
- Messaging: "Women and Children" to "Mothers and Children", "Moms and Kids"
- Main message: HEARTH provides housing for mothers and children surviving domestic violence and homelessness

### Events for HEARTH Families

- Boo Bash on October 6th for HEARTH families & guests was a success. Coordinated by Morgan Cable. Costume Giveaway, Millie's Ice Cream, Bev's Birthdays, & Pirate Parrot.
- November 20th - Knights of Columbus distributing catered Thanksgiving Meals
- December 20th - Norwin Show Choir Holiday Event at HEARTH

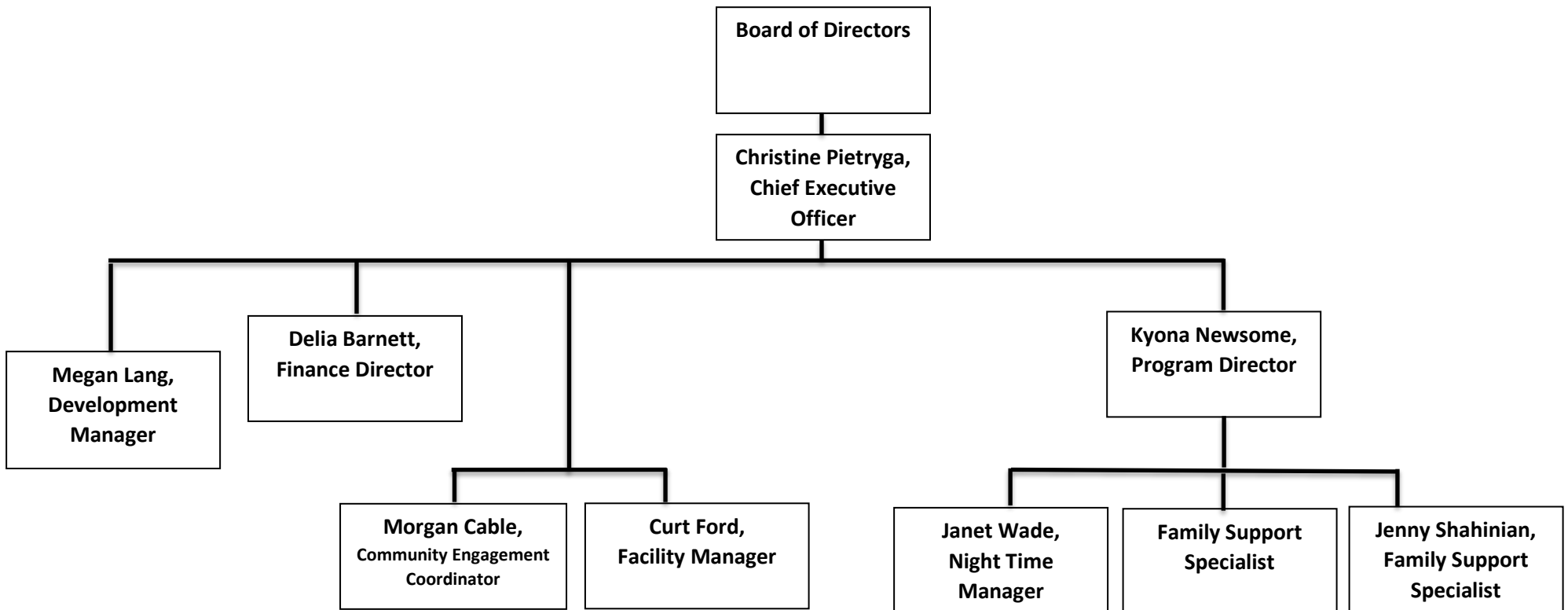
### Founders Breakfast

- February 2024: Founders breakfast at HEARTH to include steering committee and board members from 1989-1995. Date TBD

### Services at HEARTH

- Therapy room complete- designated space for individual and family therapy sessions
- HEARTH Store - After monthly budget is completed, families can shop for items (with Jenny Shahinian or Janet Wade). Reorganization for ease of access - Jan 2024
- Clothes closet turning into wellness/workout space for moms (New York Life Volunteers)
  - Clothes Closet moving to Ikea wardrobes (Assembly lead - Curt Ford)
- HEARTH: Lowe's (McCandless Crossing) nonprofit of the year. \$4,000 in products:
  - Outdoor gathering space: Large gazebo, picnic tables, cement pad,
  - Exterior solar flood lights for parking lot, playgrounds, gazebo (increase safety)
  - Gym padded flooring, items for units including microwaves, paint, light bulbs, etc

# HEARTH Organizational Chart



November 2023



<b>HEARTH Grant Report July 2023-October 2023</b>			
BUDGETED FOUNDATION & GRANT GOAL		\$350,000.00	
TOTAL RAISED TO DATE		\$145,500.00	
PERCENTAGE OF GOAL RAISED		<b>42%</b>	

Funder	Status	Deadline	Amount Requested	Amount Expected	Amount Awarded	Funding Type	Award Term Start Date
A J & Sigismunda Palumbo Charitable Tr 35008-5	Submitted	10/30/2023	\$ 35,000	\$ -	\$ -		
Allegheny County Department of Human Services (DHS)	Submitted	7/14/2023	\$ 100,000	\$ 50,000	\$ -	Program Funds	
Anne R Monroe Foundation	Submitted	9/1/2023	\$ 4,500	\$ 4,500	\$ -	General Operating	
Giving2Grow	Submitted	7/30/2023	\$ 10,000	\$ -	\$ -	Program Funds	
Hillman Family Foundations	Submitted	9/29/2023	\$ 75,000	\$ 50,000	\$ -	Program Funds	
Jewish Women's Foundation of Greater Pittsburgh	Submitted	9/8/2023	\$ 30,000	\$ 10,000	\$ -	General Operating	1/1/2024
Pittsburgh Child Guidance Foundation	Submitted	10/12/2023	\$ 10,000	\$ 5,000	\$ -	Program Funds	
Richard King Mellon Foundation Dtd 01-01-47	Submitted	11/3/2023	\$ 25,000	\$ 15,000	\$ -	Program Funds	
Robert S and Louise S Kahn Foundation	Submitted	9/15/2023	\$ 20,000	\$ 15,000	\$ -	General Operating	
Scaife Family Foundation	Submitted	10/30/2023	\$ 15,000	\$ 10,000	\$ -		
W I Patterson Charitable Fund	Submitted	8/30/2023	\$ 10,000	\$ -	\$ -		
Allegheny County Medical Society	Awarded	9/15/2023	\$ 20,000	\$ 15,000	\$ 10,500	Program Funds	10/16/2023
Anne L & George H Clapp Charitable & Educational Trust	Awarded	5/31/2023	\$ 15,000	\$ 10,000	\$ 5,000	General Operating	9/1/2023
Cahouet Charitable Trust	Awarded	8/15/2023	\$ 5,000	\$ 5,000	\$ 5,000	General Operating	9/1/2023
Centimark Foundation	Awarded	11/1/2023	\$ 10,000	\$ -	\$ 10,000		7/1/2023
Fisa Foundation	Awarded	6/15/2023	\$ 25,000	\$ -	\$ 25,000		9/1/2023
Howmet Aerospace Foundation	Awarded	5/14/2023	\$ 25,000	\$ -	\$ 20,000	Program Funds	6/24/2023
Pnc Bank Benefit Trust	Awarded	5/1/2024	\$ 20,000	\$ 20,000	\$ 20,000	Program Funds	7/1/2023
United Way of Southwestern Pennsylvania	Awarded	3/30/2023	\$ 125,000	\$ 120,000	\$ 50,000	General Operating	7/1/2023
PA Housing Affordability Fund - PHARE Program	Denied	11/10/2022	\$ 387,500		\$ -		
PA Housing Affordability Fund - PHARE Program 2025	In-Progress	11/17/2023	\$ 350,000	\$ 250,000	\$ -		
G C Murphy Company Foundation	LOI-Submitt	7/28/2023	\$ 5,000	\$ -	\$ -	General Operating	
The Buhl Foundation	LOI-Submitt	8/30/2023	\$ 20,000	\$ 15,000	\$ -	Program Funds	
Thomas Marshall Foundation	LOI-Submitt	7/15/2023	\$ 5,000	\$ 5,000	\$ -	General Operating	
Bank of America Charitable Gift Fund	Planned	1/15/2024	\$ 15,000	\$ 15,000	\$ -		
Bny Mellon Foundation of Southwestern Pennsylvania	Planned	1/15/2024	\$ 35,000	\$ 35,000	\$ -		
CNX Foundation	Planned	1/30/2024	\$ 35,000	\$ 35,000	\$ -		
Eqf Foundation	Planned	2/1/2024	\$ 15,000	\$ 15,000	\$ -		
Howard & Nell E Miller Foundation 53795-4	Planned	11/30/2023	\$ 15,000	\$ 15,000	\$ -		
John E & Sue M Jackson Charitable Trust	Planned	3/1/2024	\$ 20,000	\$ 20,000	\$ -		
McCune Foundation	Planned	7/15/2024	\$ 45,000	\$ 45,000	\$ -		
Pnc Foundation	Planned	3/15/2024	\$ 25,000	\$ 25,000	\$ -		
Snee-Reinhardt Charitable Foundation	Planned	4/1/2024	\$ 5,000	\$ 5,000	\$ -		
The Comcast Nbcuniversal Foundation	Planned	11/30/2023	\$ 25,000	\$ 25,000	\$ -		
The Pittsburgh Foundation	Planned	3/1/2024	\$ 15,000	\$ 15,000	\$ -	Program Funds	
Verizon Foundation	Planned	11/30/2023	\$ 25,000	\$ 25,000	\$ -		
<b>TOTALS</b>			<b>\$ 1,622,000.00</b>	<b>\$ 874,500.00</b>	<b>\$145,500.00</b>		



Committee Meeting: November 8, 2023 at J.P. Morgan

Attendees: Randall King (Chair), Brian Matthews, Jennifer Hoerster, Maxwell HIne, Kate McKenzie, Delia Barnett, Christy Pietryga

## **2023-24 Fiscal Year: 1Q Review**

### **Income Statement (page 3-5)**

#### 1. Revenue

- a. Total revenue was \$235K or \$28K under budget for the 1Q.
- b. Individual Contributions, Annual Appeal, and Foundation Contributions were \$105K under budget in aggregate.
- c. This shortfall in contributions was partially offset by Grants (+\$44K) and Wine & Food (+\$43K) being over budget.
- d. *Management Comments: No Grant revenue was budgeted for this fiscal year. Wine and Food revenue (\$115K) was included in the budget in 4Q23.*

#### 2. Expenses

- a. Total expenses were \$319 or \$21K (6%) under budget for the 1Q.
- b. Salaries were \$128K or \$22k (15%) under budget.
- c. Client Expense was \$32K, with no expense budgeted for this fiscal year.
- d. *Management Comments: Client expenses were paid to Sarah Heinz House and Urso Bus for summer camp for our children. We are receiving that back from Homeless Children's Education Fund.*

#### 3. Net Result

- a. Net loss was \$65K for the quarter.
- b. Adjusted for timing of cash flows (Wine and Food revenue accelerated into 1Q and expected repayment of Client Expenses), the adjusted net loss for the quarter is  
~\$75K.

### **Statement of Cash Flow (page 6)**

#### 1. Net cash increased \$158K for the quarter.

- a. Accounts receivable declined \$246K, reflecting the return of \$259K from

the Commonwealth (dormant bank account).

- b. This return of funds was partially offset by the \$65K loss for the period and a \$39K reduction in Accounts Payable (reflecting the Client Expenses discussed in the previous section).

### **Statement of Financial Position (page 7 and 8)**

1. Total assets declined \$103K, consistent with inputs above: net loss of \$65 and reduction in Accounts Payable of \$39K.

### **Recommendation to the Board**

1. With the return of funds from the Commonwealth, the Committee and Management discussed the appropriate level of bank deposits, which pay low or 0% interest accounts.
2. The Committee and Management recommend the minimum target level for aggregate bank accounts be set at \$300K, which is approximately one quarter of run-rate expenses.
3. Aggregate bank balances were \$542K as of 9-30-23, which represents the flexibility to move \$250K to our Government Money Fund (current rate ~5%).
4. This transfer would increase our Fidelity Government Money Fund balance to ~\$1.8 million. Use of this account to meet Cash Reserves is consistent with HEARTH's Investment Policy:

### **CASH RESERVES**

*Cash reserves are the amount set aside to meet the cash flow requirements of HEARTH. The accounting manager, under the supervision of the Executive Director, will determine the amount necessary to set aside for cash flow purposes.*

*Cash reserve amounts will be invested in FDIC insured accounts such as money market accounts and certificates of deposit at reputable financial institutions or money market mutual funds with the approval of the Executive Director. The amounts deposited in any one institution should not exceed the FDIC insured amount.*

# HEARTH

## Budget vs. Actuals: 2023-2024 - FY24 P&L

July - September, 2023

		TOTAL	
	ACTUAL	BUDGET	OVER BUDGET
<b>Revenue</b>			
4001 Individual	16,200	62,500	-46,300
4005 Annual Appeal		18,750	-18,750
4009 Spring Appeal		3,750	-3,750
4010 Business Donation	1,216	7,500	-6,284
4020 Foundation Donations	35,168	75,000	-39,832
4030 Organizations - Donations	1,900	3,750	-1,850
4050 Religious Organizations - Donations	2,264	2,500	-236
4070 United Way - Donations	16,005	5,000	11,005
4100 Grants	44,250		44,250
4120 HUD Reimbursements	228	2,000	-1,772
4220 Late & Other Fees	60		60
4300 Misc. Income	53,459	63,879	-10,420
4305 Management Fee	4,611		4,611
4330 Interest Income	19,016	20,000	-984
4500 Boiler Bldg Rent		7,920	-7,920
4600 Wine & Food		0	0
4620 Wine & Food Sponsors	43,000		43,000
<b>Total 4600 Wine &amp; Food</b>	<b>43,000</b>	<b>0</b>	<b>43,000</b>
4700 Golf-Parent acct		0	0
4750 Golf Donations	7,959		7,959
4790 Golf Expenses	-5,000		-5,000
<b>Total 4700 Golf-Parent acct</b>	<b>2,959</b>	<b>0</b>	<b>2,959</b>
4940 Assoc Board Fundraiser		625	-625
4950 Program Fees	13,977	7,500	6,477
<b>Total Revenue</b>	<b>\$254,315</b>	<b>\$280,674</b>	<b>\$ -26,359</b>
<b>Cost of Goods Sold</b>			
4690 COS-Wine & Food	1,250		1,250
<b>Total Cost of Goods Sold</b>	<b>\$1,250</b>	<b>\$0</b>	<b>\$1,250</b>
<b>GROSS PROFIT</b>	<b>\$253,065</b>	<b>\$280,674</b>	<b>\$ -27,609</b>
<b>Expenditures</b>			
7010 Board Development	29		29
7015 D&O Insurance	0		0
7020 Donor/Volunteer Relations	261	375	-114
7025 Memberships/Educ. Material	1,163	1,250	-87
7030 Equipment Maint/Repair	-473		-473
7035 Internet	-98	225	-323
7040 Bank Service Chgrs	749	375	374
7045 Office Equipment		375	-375
7050 Office Supplies	1,881	1,000	881
7055 Telephone Expense	1,737	1,500	237
7060 Postage/Delivery	217	375	-158



# HEARTH

## Budget vs. Actuals: 2023-2024 - FY24 P&L

July - September, 2023

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
7065 Printing/Copying	314	250	64
7070 Bad Debt Expense		300	-300
7075 Software Maintenance/Support	10,328	1,625	8,703
7080 Staff Recognition	88	1,250	-1,162
7085 Staff Recruitment	26	125	-99
7090 Technical Support	1,440	1,750	-310
7095 Website		250	-250
7110 Audit	-650	5,000	-5,650
7140 Charitable Registration	350	75	275
7160 Misc. Expense		38	-38
7170 Payroll Service	822		822
7180 403b Administration	1,550	625	925
7190 Staff Conference/Seminar	1,409		1,409
7212 Real Estate Tax		4,434	-4,434
7215 Building Insurance	2,830	3,875	-1,045
7220 Janitorial Services		2,500	-2,500
7225 Cleaning Supplies	-283	200	-483
7230 Electricity	2,526	5,000	-2,474
7235 Exterminating	95		95
7245 Maintenance Labor	0		0
7246 Up Keep - Grounds		5,500	-5,500
7247 Snow Removal		4,250	-4,250
7250 Maintenance Supplies	0	3,000	-3,000
7255 Natural Gas	-411	2,175	-2,586
7267 Rent - Mt Royal	60,573	63,879	-3,306
7270 Sewage	0	1,950	-1,950
7275 Trash Removal	936	3,000	-2,064
7280 Water	0	1,950	-1,950
7290 Equipment		500	-500
7295 Security	37	1,250	-1,213
7303 Apt Equip & Supplies	837		837
7306 Auto Lease/Insurance/Gas	50		50
7309 Clearances Act 33 & 34	39	188	-149
7315 Client Expense	31,580		31,580
7323 Drug Testing	405		405
7330 Equipment-Prog staff		250	-250
7333 Food & Beverage Exp	440		440
7336 Food & Perishables-PP	373	250	123
7338 HEARTH at BW exps		300	-300
7341 Image Marketing	6,207	3,750	2,457
7350 Life Skills		375	-375
7360 Playground Maintenance		500	-500
7363 Postage-Program	0	125	-125

# HEARTH

## Budget vs. Actuals: 2023-2024 - FY24 P&L

July - September, 2023

	TOTAL		
	ACTUAL	BUDGET	OVER BUDGET
7366 Printing/Copying-Program	168	250	-82
7373 Program Outcome	66	3,750	-3,684
7376 Program Supplies	4,199		4,199
7385 Staff Auto Allow.-mileage/park	50	500	-450
7388 Storage/Shredding	1,931	750	1,181
7391 Tech Support-Program		450	-450
7394 Telephone		450	-450
7394 Telephone - Programming	308		308
7530 Fundraising	10,800	12,000	-1,200
7540 Medical Insurance	20,780	18,750	2,030
7541 Vision & Dental Insurance	139		139
7542 Life Insurance	2,606	2,250	356
7550 403 B Retirement	9,077	7,000	2,077
7570 Salaries	127,714	150,098	-22,384
7571 Consulting Fees	5,379	2,500	2,879
7575 FICA Employer	1,567	10,000	-8,433
7580 Medicare-Employer		2,200	-2,200
7582 Other Tax Expense	5,301	2,500	2,801
7590 Workers' Comp Insurance	613		613
<b>Total Expenditures</b>	<b>\$318,075</b>	<b>\$339,411</b>	<b>\$ -21,335</b>
NET OPERATING REVENUE	<b>\$ -65,011</b>	<b>\$ -58,737</b>	<b>\$ -6,274</b>
NET REVENUE	<b>\$ -65,011</b>	<b>\$ -58,737</b>	<b>\$ -6,274</b>

# HEARTH

## Statement of Cash Flows

July - September, 2023

	TOTAL
<b>OPERATING ACTIVITIES</b>	
Net Revenue	-65,011
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
1100 Accounts Receivable	245,596
1410 Accrued Interest Rec. on Note	15,229
2000 Accounts Payable	-38,729
1340 Security Deposits	-300
2010 Payroll Liabilities	0
2112 403b Match	-1,985
2120 403b Contributions	3,055
<b>Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:</b>	<b>222,866</b>
<b>Net cash provided by operating activities</b>	<b>\$157,856</b>
<b>INVESTING ACTIVITIES</b>	
1600 Capital Equipment	0
1080 Reserve Account	0
<b>Net cash provided by investing activities</b>	<b>\$0</b>
<b>NET CASH INCREASE FOR PERIOD</b>	<b>\$157,856</b>
Cash at beginning of period	1,957,954
<b>CASH AT END OF PERIOD</b>	<b>\$2,115,809</b>

# HEARTH

## Statement of Financial Position

As of September 30, 2023

	TOTAL		
	AS OF SEP 30, 2023	AS OF JUN 30, 2023 (PP)	CHANGE
<b>ASSETS</b>			
Current Assets			
Bank Accounts			
1010 FNB - Checking #5258	275,056	132,056	143,001
1015 FNB- Cap. Camp. #7427	265,066	265,221	-155
1020 Citizens Money Market #235-3	10	10	0
1030 FNB-Money Mkt #6783	23,390	23,368	22
1045 Fidelity Investments	1,547,745	1,528,752	18,993
1052 S & T Bank Money Market #8622	0	0	0
1055 FNB 9679 - HSA	4,542	8,548	-4,006
<b>Total Bank Accounts</b>	<b>\$2,115,809</b>	<b>\$1,957,954</b>	<b>\$157,856</b>
Accounts Receivable			
1100 Accounts Receivable	127,168	372,764	-245,596
1410 Accrued Interest Rec. on Note	65,021	80,250	-15,229
<b>Total Accounts Receivable</b>	<b>\$192,188</b>	<b>\$453,014</b>	<b>\$ -260,825</b>
Other Current Assets			
1200 Undeposited Funds	0	0	0
1320 Prepaid Expenses	0	0	0
Uncategorized Asset	0	0	0
<b>Total Other Current Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Current Assets</b>	<b>\$2,307,998</b>	<b>\$2,410,967</b>	<b>\$ -102,970</b>
Fixed Assets			
1600 Capital Equipment	112,404	112,404	0
1620 Furnishings	92,908	92,908	0
1680 Accumulated Depreciation	-130,760	-130,760	0
<b>Total Fixed Assets</b>	<b>\$74,552</b>	<b>\$74,552</b>	<b>\$0</b>
Other Assets			
1080 Reserve Account	0		0
1700 Allegheny Investments	0	0	0
1800 Investment In Partnership	100	100	0
1900 Noncurrent Note Receivable	1,070,000	1,070,000	0
1950 Noncurrent Accrued Interest Income	154,934	154,934	0
<b>Total Other Assets</b>	<b>\$1,225,034</b>	<b>\$1,225,034</b>	<b>\$0</b>
<b>TOTAL ASSETS</b>	<b>\$3,607,584</b>	<b>\$3,710,553</b>	<b>\$ -102,970</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 Accounts Payable	28,281	67,010	-38,729
<b>Total Accounts Payable</b>	<b>\$28,281</b>	<b>\$67,010</b>	<b>\$ -38,729</b>
Other Current Liabilities			
1340 Security Deposits	11,531	11,831	-300

# HEARTH

## Statement of Financial Position

As of September 30, 2023

	TOTAL		
	AS OF SEP 30, 2023	AS OF JUN 30, 2023 (PP)	CHANGE
2010 Payroll Liabilities	14,906	14,906	0
2015 Deferred revenue W&F	-250	-250	0
2017 Deferred Rev.-Purses	3,500	3,500	0
2020 Sales tax payable	0	0	0
2112 403b Match	8,177	10,161	-1,985
2120 403b Contributions	7,878	4,822	3,055
<b>Total Other Current Liabilities</b>	<b>\$45,742</b>	<b>\$44,972</b>	<b>\$770</b>
<b>Total Current Liabilities</b>	<b>\$74,023</b>	<b>\$111,982</b>	<b>\$ -37,959</b>
Long-Term Liabilities			
2030 PPP SBA LOAN	0	0	0
<b>Total Long-Term Liabilities</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Liabilities</b>	<b>\$74,023</b>	<b>\$111,982</b>	<b>\$ -37,959</b>
Equity			
3000 Retained Earnings	530,591	530,591	0
32000 Unrestricted Net Assets	3,067,981	3,067,981	0
Net Revenue	-65,011		-65,011
<b>Total Equity</b>	<b>\$3,533,561</b>	<b>\$3,598,572</b>	<b>\$ -65,011</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$3,607,584</b>	<b>\$3,710,553</b>	<b>\$ -102,970</b>



## Programs Committee Report - November 15, 2023

Programs Committee Meeting: November 7, 2023, Virtual

Attendees: Milena Nigam, Jennifer Lawrence, Kyona Newsome, Christy Pletryga

### **Hearth to Home**

- The committee reviewed the 5 HEARTH to Home applications and completed a scoring matrix
- Narrowed down list of 5 candidates to top 3 and made a list of additional documents needed from each candidate
- Kyona asked candidates to return documents by November 15th
- Committee will provide Enterprise Bank with top candidate and secondary candidate in November 2023

### **Insync - Case Management System**

- Insync launched October 30, 2023
- Kyona has taken lead on implementation
- Program staff and clients have begun utilizing the system, client portal, and electronic documents
- Data measures built into electronic documents and assessments. Data report examples will be provided at January board meeting



## Governance Committee Report - November 15, 2023

Governance Committee Meeting: November 13, 2023, Virtual

Attendees: Kimberly Buchheit (Chair), Michelle Fontana, Janet Duderstadt, Brocton Skeen, Christy Pietryga

# Board Committee Planning

November 2023

# Activities for the Calendar Year 2024

Over the next 12 months the board committee will assess current board standards and the need for change, develop and implement best practices, evaluate how these are working and make improvements throughout the year. We will also plan to drive increased integration and growth among the Young Professionals Board and the Benet Woods Board.

**Goal #1**

**Goal #2**

**Goal #3**

**Assess Board Practices  
Create Hearth Standards**

**Assessment Area: Board Structure and Expectations**

- Board composition and structure
- **Member expectations**
- Roles and responsibilities, ways of working
- Assessing board performance

**Assessment Area: Best Practices**

- Advocacy and ambassadorship
- Fundraising
- Oversight and accountability

**Assessment Area: Board and Staff Integration**

- Board-Staff partnership
- Culture and dynamics
- Executive transition
- Executive evaluation & compensation

**Create Effective Onboarding  
Drive Continuous Learning**

**Assessment Area: New Board Members and Education**

- Recruitment of new board members
- Onboarding and orientation
- **Continuous education for board members**

**Assessment Area: Culture**

- Continuous education and professional development opportunities
- Diversity and inclusion
- Culture and dynamics

**Integrate with BW/YP Board  
Increase Collaboration**

**Assessment Area: Young Professionals Board**

- Board composition and structure
- Member expectations
- Roles and responsibilities, ways of working
- Assessing board performance
- Growth opportunities to the Board

**Assessment Area: Benet Woods Board**

- Advocacy and ambassadorship
- Fundraising
- Oversight and accountability
- Roles and responsibilities, ways of working
- Assessing board performance
- Growth opportunities to the Board

**Cultivate Inclusive Culture and Increase Diversity**



# Current Board Committee Structure

Hearth is positioned for a strong leadership board in 2024, enabling 4 key committees.



## 2023-2024 Committees:

- **Programs:** HEARTH/Benet Woods/Homeownership program performance, best practices and process improvement
- **Finance:** Financial oversight of organizational budget, cash flow, investments and forecasting
- **Governance:** Oversee the health of the board, orientation of new board members, trainings, recruitment, term limits, attendance, and board giving
- **Development:** Support the unrestricted funding efforts at HEARTH, board connections to potential donors, and oversight of events
- **Audit Committee (Ad Hoc):** Found as a best practice, board committee oversees the organization's annual independent audit. Board representatives during audit process, coordinate audit presentation to board by auditors

### Establish Board Success Factors

Over the next 2 months the Board Governance Committee will define goals and measurable outcomes for success of the Hearth Board.

### Conduct an Assessment

Next, we will assess current strengths, skillsets and identify gaps. We will use these gaps to define what additional resources we need to achieve the goals.

### Create Performance Goals

Finally, we will finalize a plan to fill the gaps and the actions needed to achieve the Board Goals.

# Board Member Expectations

All board members must understand the expectations that come with being an engaged, productive and impactful board member.

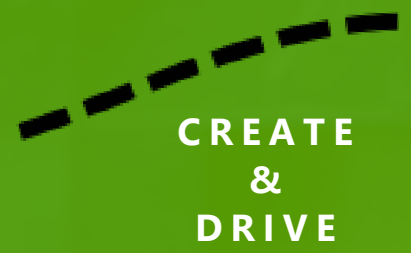


## Board Expectations Review and Update

- Currently we have a documented set of *Board Expectations*. These have been reviewed by the Governance Committee. Updates and suggestions have been recommended for several items. Several items will need further discussion and alignment with the Development Committee.
- Over the next few weeks, the Governance Committee will continue to refine. An updated set of expectations will be shared with the Board for review and approval.
- As a part of the Governance Committee goals, onboarding and offboarding procedures will also be established.
- Please note that we will pause recruiting efforts until we have completed the Board Goals and Gap Analysis. Unless there is a critical role that needs filled, this pause will end in February. If there are potential new members at that time, they can be presented in the March Board meeting.

# Continuous Education

This year we will focus on continuous education to strengthen the impact of our board members. Each Board meeting for the next year will include a brief refresh on a topic that is critical for board leadership. These topics represent best practices for high-functioning and impactful boards.



## Board Member Education Program

<b>January</b> <b>What makes a good board member?</b> The importance of knowing your responsibilities and expectations.	<b>March</b> <b>What is our community outreach and how does Hearth leverage social media?</b> The importance of knowing how we leverage social media to promote Hearth.	<b>May</b> <b>How can we create an inclusive culture and diversity within our board?</b> The importance of having a balanced and inclusive board.
<b>July</b> <b>How can you be a stronger Advocate for Hearth?</b> The importance of understanding Hearth's Mission and your role in board advocacy.	<b>September</b> <b>How can I fulfill my financial commitments to Hearth as a Board Member?</b> Creative ways to support Hearth financially.	<b>November</b> <b>What else do you need to be an impactful board member?</b>

# Goal #3 Integrate and Grow

Increase consistency and integrations points with the Benet Woods Board, the Young Professionals Board and the Hearth Board. Expand growth opportunities for leadership and mentorship.



Coming Soon!



## Development Committee Report - November 15, 2023

Development Committee Meeting: November 13, 2023, Virtual

Attendees: Colleen Elliot (Chair), Jamie Kuhn, Lea Brown, Nikki Hudak-Fink, Megan Lang, Christy Pietryga

First order of business - Reviewed Committee description as well as goals.

### End of Year Appeal

- Working with Shift Collaborative
- Specific logo - to encompass the HEARTH house as well as the old tag line
- Discussed content of the appeal - End of Year Appeal in draft form; will include a letter from CEO, goal of 95k to honor HEARTH first opening its doors in 1995. Megan Lang shared the USPS mailing list with the committee as well as the initial mockup.
- Discussed timeline - Launching November 28th - Giving Tuesday by email to our full database as well as social postings. Hard copy mailing will be sent 1st week of December to approx 100 constituents.
- Tasks for Board - Using Facebook fundraisers asking each member to share the link with contacts. Full goal of this push - \$25K with at least a 70% Board participation rate.

### Event Coordinators

- HEARTH taking new proposals. Will present all once we have at least 3.
- We are asking for proposals based on each event.
- Committee members offered to share contacts in this arena as well.

### Hats Off to HEARTH

#### Financials

- Sponsorship Total \$ 82,000.00
- Event Money Raised \$ 15,716.00
- Ticket Sales \$ 9,125.00
- Silent Auction \$ 6,360.00
- Total as of 11.13.2023 \$ 113,201.00
- Expenses \$ 37,039.13
- NET \$ 76,161.87
  - Presenting Sponsor level includes both Hats & Golf, \$50,000 divided between both events
  - Mental Health Sponsors (2) \$5,000 - also divided between both events
- Discussed how to entice more attendees - will make this a priority with the newly hired / contracted Events Coordinator

## **Grants & Development**

- Denmont Consulting (Blended Measures) contract ended on 10/31/2023
- Megan Lang and Christy Pietryga interviewed 3 grant writing contractors
  - Katie Olliff, Aspire Grant & Development, and Procopia Consulting
  - Procopia was chosen due to their experience with Pittsburgh foundations, local grants, and state opportunities. Many of their current clients are nonprofits similar to HEARTH (they've also had success in writing larger grants like PHARE/PHFA grants and being awarded for their clients)
  - All 3 proposals provided a cost savings of over \$1,000/month compared to previous grant writing contract

## **Purses 2024**

- Discussed the various possibilities - still in infant stage
- Donor Outreach
- Reaching out to Corporations for volunteer opportunities
- Having initiatives on site for a hands-on experience. Seeing the campus is an important step in gaining support.
- Committee will make this a standing topic for brainstorming and follow up.