

Development Committee – December 1, 2016 Meeting Minutes

Attending: Jeff Ridgway, Cheryl Heffernan, Jackie Kangley, Scott Douglas, Gary Rogers, Sara Qua, Kitty Stalsburg, Deborah Welles, Barbara Ballard, Mark Fader

Unable to attend: Robin Schonberger, Jamie Childs, Mimi Fergusson, Laurie Laterza

Review of fall appeal

The fall appeal mailed on its scheduled target date of October 21st. Returns having been coming in strong, but it is too early to make any response comparisons to previous fall appeal mailing which have mailed out in mid to late November. The fall appeal mailing was produced by Outthink and built upon the findings of their Strategic Positioning analysis which emphasizes donor impact, quantifiable results and High Hopes professional strengths.

Major Gift Solicitation

Trustees solicitations are complete and major gift solicitations are on-going. Kitty, Barbara, Sara and Jeff have met with various donors and in some cases specific requests have been submitted. No firm commitments were made at the time of solicitations and follow-up discussions will ensue. Other donors were cultivation for a continuation of their current level of support. With the prospect of a possible endowment campaign the Development Office has concentrated many of its capital requests to foundations and corporations.

Campaign Feasibility Task Force

Committee members were sent three proposals for development of a Endowment Campaign. Proposals were received from:

- The Giving Collaborative (total cost – \$21,000 with 30 prospective donor interviews) The Giving Collaborative came at the recommendation of The Williams School where they are currently engaged in an endowment campaign. The Giving Collaborative is CT based and are familiar with the area donor base and capacity.
- Cramer & Associates (total cost \$54,000 with 25-30 interviews). Cramer & Associates are based in Ohio and have worked on a successful endowment campaign with Fieldstone Farm – a therapeutic riding program comparable in size to High Hopes.
- Hogen Associates (total cost \$10,000). Hogan & Associates had done work for The Williams School in the past, along with a capital campaign for the Stonington Library. There was a significant delay in receiving the proposal from this consultant.

At the time of the meeting the Committee members felt comfortable working with either The Giving Collaborative or Cramer & Associates. Cramer & Associates had a more comprehensive proposal and had worked on behalf of a similar organization to High Hopes, but their cost is twice that of The Giving Collaborative. At this time High Hopes has secured funding for approximately \$12,000 to \$15,000 for this project which can be paid out of this fiscal year's budget.

The Development Committee then reviewed the case for conducting an endowment campaign and after careful consideration it understood the need for and supported a recommendation that the High Hopes Board of Trustees move forward on the development of that campaign. The Committee felt that a strong presentation needs to be developed for a full board presentation in January. This presentation will dovetail well with the Strategic Planning presentation with its key considerations regarding financial sustainability and program development. Scott Douglas will work with Kitty, Sara and Paula McHale in developing a definitive case that will include two tables/charts:

- Revenue projections for the next five years broken into three areas – Program fees, Contributed Income and Portfolio Revenue (based on today’s investment return)
- Expense Projections for the next five years based on today’s cost assumptions with inflation rates identified.
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The two tables should clearly show the growing financial gap between projected revenue and expenses. This presentation should also discuss steps that have been currently taken to mitigate this gap:

- Optimization of Tuition
- Reduction in Financial Aid awards
- Expense Management which includes program prioritization, staffing adjustments and efficiency reviews
- Fundraising adjustments which include improved donor communication and cultivation.

The conclusion of the endowment presentation will discuss the projected increase in revenue as well as the resulting effect on donor engagement and increased annual giving.

Holiday Market Update

The Holiday Market exceeded its attendance goal of 2000 while falling short of its overall budget goal of \$43,250. The following breakdown was presented, with comparisons to FY 2015/2016:

Event net revenue raised \$35,931 (\$38,895 in 2015/2016)	Attendance 2300 (23,000 in 15/16)
<ul style="list-style-type: none"> • Vendor Revenue \$10,038 • Sponsorship \$24,070 • Raffle \$43,050 • Beverage Sale \$780 • Merchandise Sale \$1,081 • Event Expenses \$43,088 	<ul style="list-style-type: none"> \$10,524 in 15/16 \$19,247 in 15/16 \$49,540 in 15/16 \$829 in 15/16 \$1,575 in 15/16 \$39,236 in 15/16

Cost increases for current fiscal year were primarily in printing and advertising costs. For the 2017 Holiday Market the Development Office is looking at ways to increase raffle income while bringing down expenses. Discussion has begun with Valenti Chevrolet regarding the reduced price purchase of a 4-wheel drive truck, which would be a popular high ticket item

Next meeting will be scheduled to take place shortly after the January 25, 2017 Board Meeting.