

Ridgefield Sunrise Cottage, Inc.

Annual Report of the Board of Directors - Calendar Year 2011

November 4, 2011

Mission Statement

Ridgefield Sunrise Cottage, Inc. (RSC) is a 501c3 non-profit entity incorporated as a State of Connecticut organization on December 17, 2001 charged with planning, fundraising, building and supervising the operation of community-based resident group housing for the developmentally disabled in the Town of Ridgefield, CT.

Organizational Background

RSC, Inc emerged as the result of a working partnership of local organizations formed in 2000, including Housatonic Habitat for Humanity, Inc.; The Ridgefield Affordable Housing Committee; SPHERE Inc. (Special People's Housing, Education, Recreation, Employment), a local non-profit group that provides services and advocacy for the developmentally disabled; the Town of Ridgefield Municipal Agent for the Disabled; and ARI of Connecticut, Inc., a non-profit organization involved in managing group homes and providing vocational services to the developmentally disabled community in Fairfield County, CT.

Sunrise Cottage was constructed at 6 Sunset Lane in 2003-2004 in a neighborhood setting close to the geographic center of Ridgefield under a long-term no cost ground lease with the Town of Ridgefield. Initial private donations totaling \$350,000 leveraged a \$368,400 Section 811 grant from the U.S. Department of Housing and Urban Development (HUD), in combination with annual rental subsidies provided by HUD, and annual operating subsidies provided by the State of Connecticut, Department of Developmental Services (DDS), and Department of Social Services (DSS).

Sunrise Cottage residents live close to their families and are actively connected to the Ridgefield community they have grown to know and love. The Cottage is a visible result of the heartfelt support demonstrated by caring citizens, local businesses and private foundations who generously underwrite Cottage operations and programs.

The Cottage is professionally managed and staffed 24 hours / 7 days weekly by ARI of CT, Inc. The Cottage is the current full-time residence for six developmentally disabled adults from the greater Ridgefield area. *Ridgefield Sunrise Cottage, Inc. does not directly or indirectly employ any staff, nor does the organization pay any salaries or compensation to any Director or to any other individual.*

The *business mailing address* for Ridgefield Sunrise Cottage, Inc. is P.O. Box 486, Ridgefield, CT 06877. John F. Loehr, President can be reached at 203-438-9524 or via e-mail at john.loehr@blackrock.com or via regular mail c/o 293 Main Street Ridgefield, CT 06877.

Benefits of Ridgefield Sunrise Cottage

- ⇒ Enables six residents from Ridgefield and neighboring towns with developmental disabilities to lead more independent lives, with professional 24 hour / 7 day per week oversight to ensure life-safety and to provide structured life-skills training, medical support, and transportation to employment, educational and social activities.
- ⇒ Provides the opportunity to develop social and employment relationships, close to the families and communities the residents know and love.
- ⇒ Enables Cottage residents to care for their own home and take pride in their neighborhood and community.

Benefits to the Ridgefield Community

- ⇒ The Cottage enables residents to be contributing, working, tax-paying members of their community. Residents hold part-time jobs and pay rent, currently averaging about \$800 per month per resident.
- ⇒ The Town of Ridgefield has embraced Sunrise Cottage and has affirmed the importance of assimilating individuals with special needs into their local community.
- ⇒ All residents are active participants within the community and can often be seen working in Town and participating in social and recreational events.
- ⇒ Five of six residents have occupied the Cottage since October 2004 and the bonds they have formed with each other are clearly evident. In late 2009 the Cottage added a sixth resident.

Sunrise Cottage 2011 Annual Report

As year-end 2011 approaches, Sunrise Cottage celebrates seven full years operating as a group home, providing comfortable, independent living for six developmentally disabled adults. The Cottage is located in a neighborhood setting close to the community center of Ridgefield, CT. Despite the many financial and management challenges associated with our relatively innovative group home model (known as Continuous Resident Services “CRS”), the Board is committed to learning, and to growing its oversight and service capabilities.

In recent years the Board significantly expanded its membership to include individuals having more diverse non-profit, social service and corporate experiences. As a direct result, the Board has developed a better understanding of what is required to more effectively manage the various public agency interrelationships that are essential for maintaining the highest possible levels of resident care and parental satisfaction / peace-of-mind. At year-end 2011, the Board regretfully accepts the resignation of two long-standing members, Annemarie Roller, Secretary, and Marcie Coffin, Treasurer. Both have served faithfully as founding Directors and initial corporate officers since 2001. Annemarie and Marcie’s support is deeply appreciated, and will be sorely missed as the Board embarks on the next phase of growth in 2012 and beyond. The Board is fortunate to move Barb Tully, who joined the Board in 2007, into her new role Secretary.

As we enter 2012, the Board of Directors of Sunrise Cottage, our management partner ARI of Connecticut (ARI), and the CT Department of Development Services (DDS) remain committed to introducing management improvements to enhance Cottage operations and to ensure continuity of staffing and quality resident service delivery. The Board’s goal, in conjunction with our parent-guardians, DDS/DSS and ARI, is to cost-effectively provide our deserving residents with the best

housing, recreational, educational, employment, social and medical services in a community-based group home setting.

Historically the Board has raised approximately \$50,000 annually in private donations to support Cottage operations, pursuant to original funding agreements with state and federal sponsors. However, the current economic crisis has forced the Board to further increase its annual subsidy to fund gaps resulting from normal operating expense escalations and mandated program expansions (relating to medical support, training and transportation costs). This additional annual subsidy is projected to increase by approximately \$25,000 (to \$75,000 total). Despite the challenging economic environment, Cottage financial resources remain positive, and are projected to remain sufficient to allow RSC to provide our required monthly subsidy and to supplement services, recreational and social activities on a month-to-month as-needed basis. Net cash-on-hand (as of audited fiscal year-end June 30, 2011) totaled approximately \$250,000. These funds are allocated as follows: approximately \$190,000 is reserved to cover 24 months of the Board's required operating subsidy; approximately \$25,000 will remain available to seed due diligence and start-up fund-raising for a potential new resident facility (see Sunrise Cottage II below); the balance is allocated to maintain a small Cottage endowment to fund future building repairs and to ensure stable operations in the event of further unforeseen state or federal operating subsidy shortfalls.

Notable 2011 achievements included initiating the planning and due diligence process for the potential expansion of services through the future construction of a second residence, Sunrise Cottage II. Activities involved engaging the services of a specialist consultant, David Berto of Housing Enterprise of Enfield, CT to pursue a federal HUD section 811 construction grant, and commencing discussions with the Town of Ridgefield to secure a town-owned land parcel, under a long term no-cost ground lease.

Also during 2011, despite the deteriorating economic environment, Sunrise Cottage was the beneficiary of several generous charity events. Barbara Nevins, owner of The Southwest Café sponsored the Fifth Annual Southwest Café Margarita 5k in August to benefit Sunrise Cottage. The race celebrated Southwest Cafés 24th Anniversary and raised more than \$5,000 for the Cottage. Other sponsors of this event include CARQUEST, Fairfield County Bank, Dr. Jay Martin, DDS, Reynolds and Rowella, Schneider Family Foundation and Union Savings Bank.

For the second time in recent years, in June, two talented local musicians, Daniela Sikora and Gina Wilson entertained Cottage residents and special guests at an evening singing and piano reception graciously hosted by long-time Cottage patrons, Rod and Melissa Buckwalter in the grand ballroom of their Homewood residence. This event raised more than \$25,000 for the Cottage.

In October, Raffaele Gallo opened his Toscana Ristorante to a full house of Cottage friends for "Celebrity Bartender Night" – patrons responded by handsomely tipping our expert Sunrise Cottage bartenders – with \$1,300 in proceeds donated to the Cottage.

The Ridgefield Sunrise Cottage was the recipient of \$4,000 in proceeds from the 3rd Annual Ridgefield Rebels Girls Fastpitch Softball Tournament held in May. 14 teams from Connecticut and Westchester counties participated and more than 400 players, coaches and fans attended the event organized by Pete Casazza, RSC Board Director and Rebels coach.

And through the continued generosity of Ed Bistany and Bob Sperry of The Ridgefield Prime Gourmet Butcher & Seafood Store, Cottage residents enjoyed the bounty of 900 high quality prepared meals, donated throughout the year.

Lastly, the Knights of Columbus, St. Mary's Council continued their dedication to Sunrise Cottage ARI through their annual Tootsie Roll Drive.

During 2012 the Board also enhanced its website strategy for Sunrise Cottage to further a sense of community and to motivate visitors to help advance the Cottage mission. The updated website facilitates on-line donations, celebrates the personal growth of Cottage residents and communicates our successful track record and our calendar of events. Please visit us at www.RidgefieldSunriseCottage.org

With appreciation for the guidance of my dedicated fellow Directors, and the professional management and staffing services provided by our long-time operating partner, ARI of CT, Inc., this report is respectfully submitted by,

John F. Loehr
 President
 November 4, 2012

2012 Board of Directors and Officers

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| <p>John Loehr, President 293 Main Street Ridgefield, CT 06877 <i>Real Estate Investment Manager</i> Director since 2001</p> | <p>Lorraine Morley 114 Great Hill Road Ridgefield, CT 06877 <i>Parent Advocate & Advisor</i> Director since 2008</p> | <p>Frank Delli Carpini 67 Nutmeg Ridge Ridgefield, CT 06877 <i>Medical Doctor</i> Director since 2008</p> |
| <p>Don Sturges, Vice President 82 Golf Lane Ridgefield, CT 06877 <i>Homebuilder / Developer</i> Director since 2001</p> | <p>Peter Showstead 169 Haviland Road Ridgefield, CT 06877 <i>Licensed Nursing Home Administrator</i> Director since 2007</p> | <p>Peter Casazza 642 North Salem Road Ridgefield, CT 06877 <i>Corporate Operations</i> Director since 2006</p> |
| <p>Scott Crane, Treasurer 90 Grove Street Suite 101 Ridgefield, CT 06877 <i>Certified Public Accountant</i> Director since 2012</p> | <p>Ed Tonnessen 106 Spectacle Lane Ridgefield, CT 06877 <i>Commercial Real Estate Broker</i> Director since 2007</p> | <p>Phil Riordan (effective 2011) 20 Peaceable Ridge Rd Ridgefield, CT 06877 <i>Corporate Executive</i> Director since 2010</p> |
| <p>Barb Tully, Secretary 331 Wilton Rd. East Ridgefield, CT 06877 <i>Marketing & Public Relations</i> Director since 2007</p> | <p><u>Resignations:</u> Annemarie Roller Marcie Coffin</p> | |

Sunrise Cottage History

Sunrise Cottage began with an informational meeting in January 2000 and Ridgefield Sunrise Cottage, Inc. (RSC) evolved from a working partnership of individuals and representatives of local organizations committed to establishing a group home for the developmentally disabled in the Town of Ridgefield. Initial participants included Housatonic Habitat for Humanity, Inc.; The Town of Ridgefield Affordable Housing Committee; SPHERE Inc. (Special People’s Housing, Education, Recreation, Employment), a local non-profit group that provides services and advocacy for the developmentally disabled; the Town of Ridgefield Municipal Agent for the Disabled; and ARI of Connecticut, Inc., a non-profit organization involved in managing group homes and providing vocational services to the developmentally disabled.

2000:

Year 2000 activities included recruiting key committee members to ensure diversity of skills and representation; establishing developmentally disabled residential needs, researching and devising a viable plan to fund, build and operate a group home, and building public awareness of the program.

2001:

- Established working relationships with Town officials to identify a no-cost, town-owned land parcel suitable for constructing a group home;
- Visited and interviewed organizations that had successfully built similar group homes on a non-profit basis;
- Hired a grant consultant, Barbara Andrews having a demonstrated track record writing HUD funding proposals;
- Solicited the advice of ARI of Connecticut, Inc., a non-profit organization with a track record of managing group homes and providing services to the developmentally disabled through contracts with the CT Department of Developmental Services;
- Canvassed local residents and town and state agencies to identify developmentally disabled housing needs;
- Developed architectural plans for a 5-6 bedroom house and conducted successful informational meetings with town officials, neighborhood residents, civic groups, state and federal agencies, and the local press;
- Obtained Board of Selectmen approval to lease the land parcel from the Town under a no-cost, long-term ground lease;
- Prepared a grant application and secured a Department of Housing & Urban Development funding reservation in the amount of \$368,400 for construction and a five year Project Rental Assistance Contract of \$19,000 per annum.
- Incorporated as a State of Connecticut non-profit organization on December 17, 2001.
- Appointed a founding Board of Directors and initial officers:

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| Christopher Scalzo, <i>President</i> | Carole Konner (<i>Town of Ridgefield Municipal Agent for the Disabled</i>) |
| John Loehr, <i>Vice President</i> | Richard McDermott (<i>Habitat for Humanity</i>) |
| Marcie Coffin, <i>Treasurer</i> | Christopher & Ghislaine Moomaw (<i>SPHERE Inc.</i>) |
| Annemarie Roller, <i>Secretary</i> | Donald Sturges (<i>Home-Builder</i>) |

2002:

- Established committees to initiate strategies for fund-raising, building design / construction, housing need assessment; and operating / managing the home.
- Collaborated with state and local agencies to ensure an objective, need-based resident selection process that maximized opportunities for deserving residents from the greater Ridgefield / Fairfield County area.
- Finalized and executed ground lease with the Town of Ridgefield
- Engaged architect Faesy-Smith to complete the final building design and specifications and hired Viking Construction as General Contractor.
- Held 1st Gala Fund-Raiser at the home of Rod & Melissa Buckwalter. More than 200 attended and contributed \$70,000.
- Secured Recognition of Exemption under Section 501 c 3 of the IRS code on July 10, 2002.
- Conducted 1st annual year-end fundraising appeal which raised \$60,000 in total donations.
- 2002 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Carole Konner Richard McDermott Christopher & Ghislaine Moomaw Kathy Bohlman |
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2003:

- Sponsored Sunrise Corral Fundraising Event hosted by Don and Tina Sturges. More than 180 people attended the event which raised \$25,000 in private contributions, and \$20,000 in corporate donations.
- Through the summer of 2003 in the face of an extremely tight state government fiscal environment, the Board negotiated further operating commitments from State of CT DDS (then CT DMR) under a Continuous Living Arrangement/CLA model, via a relatively unique arrangement whereby ARI of CT, Inc., as the Cottage's managing agent, holds the operating license agreement with the State.
- The HUD grant was closed and funded into escrow in September 2003.
- In October 2003 RSC held a groundbreaking ceremony at 6 Sunset Lane attended by more than 40 state and local dignitaries and private citizens.
- Excavation and site work commenced in early November 2003.
- 2003 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Carole Konner Richard McDermott Christopher & Ghislaine Moomaw Kathy Bohlman |
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2004:

- Closed out the Year-end 2003 Appeal, which raised \$30,000 in total donations.
- Qualified for disbursement of the \$368,000 HUD construction funding and formally secured the State of CT's commitment for 2004 operating support from DMR.
- Sponsored 3rd Fundraising Event in May at the Ridgefield Community Center. More than 175 people attended and contributed \$60,000.
- Net cash on hand as of fiscal year-end June 30, 2004 totaled approximately \$125,000.
- Construction advanced on schedule and within the \$587,000 budget through spring of 2004.
- Conducted interviews and completed selection process by designating five deserving developmentally disabled individuals to become the first Sunrise Cottage residents.
- Contractually engaged ARI of CT as resident manager with professional on-site staff; and completed all state and federal compliance certifications required to permit resident occupancy.
- On October 6 the Board held a joyous Grand Opening attended by more than 100 state and local dignitaries, private citizens, sponsors and contributors.
- Resident move-ins began in October and 5 initial residents and 24 hour staffing were in place by November 1.
- 2004 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Richard McDermott Christopher & Ghislaine Moomaw Kathy Bohlman Director Resignations: Carole Konner |
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2005:

- The Year-end 2004 Appeal combined with other contributions and grants during 2005 provided a total of \$47,000 (gross) in donations from private individuals, foundations and corporate and community organizations.
- Pursuant to the service model agreed with CT DMR, RSC commenced providing a \$4,200 monthly supplement to the operating assistance provided by the HUD and DMR.
- Net cash on hand as of fiscal year-end June 30, 2005 totaled \$122,958.
- 2005 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Christopher & Ghislaine Moomaw Gian-Carlo Peressutti Director Resignations: Rich McDermott (March 2005), Kathy Bohlman (February 2005) |
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2006:

- Closed out the Year-end 2005 Appeal, which raised \$30,000 in total donations.
- Sponsored Garden Party hosted by Don and Tina Sturges. More than 180 people attended the event which raised \$65,000 in private and corporate contributions.
- Net cash on hand as of fiscal year-end June 30, 2006 totaled approximately \$150,000.
- 2006 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Peter Casazza Director Resignations: Gian-Carlo Peressutti (November 2006) Chris & Ghislaine Moomaw (November 2006) |
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2007:

- Closed out the Year-end 2006 Appeal, which raised \$50,000 in total donations.
- Net cash on hand as of audited fiscal year-end June 30, 2007 totaled approximately \$200,000.
- Barbara Nevins and the Southwest Café sponsored the 1st Annual Southwest Café Sunset 5K Run to Benefit Sunrise Cottage.
- 2007 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Peter Casazza Peter Showstead Ed Tonnessen Barb Tully |
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2008:

- Closed out the Year-end 2007 Appeal, which raised \$45,000 in total donations.
- Sponsored Garden Party hosted by Rod and Melissa Buckwalter. More than 180 people attended the event that raised \$55,000 in total private and corporate contributions.
- Barbara Nevins and the Southwest Café sponsored the 2nd Annual Southwest Café Sunset 5K Run to benefit Sunrise Cottage
- Net cash on hand as of audited fiscal year-end June 30, 2008 totaled approximately \$250,000.
- 2008 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Peter Casazza Peter Showstead Ed Tonnessen Barb Tully | Frank Delli Carpini Lorraine Morley |
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2009:

- Closed out the Year-end 2008 Appeal, which raised \$30,000 in total donations.
- Barbara Nevins and the Southwest Café sponsored the 3rd Annual Southwest Café Sunset 5K Run to Benefit Sunrise Cottage; Sarah Bouissou of Bernard's hosted a benefit wine tasting; and two talented local musicians, Daniela Sikora and Gina Wilson entertained residents and guests at an evening singing and piano reception.
- Net cash on hand as of audited fiscal year-end June 30, 2009 totaled approximately \$225,000.
- 2009 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Peter Casazza Peter Showstead Ed Tonnessen Barb Tully | Frank Delli Carpini Lorraine Morley |
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2010:

- Closed out the Year-end 2009 Appeal, which raised \$30,000 in total donations.
- Barbara Nevins and the Southwest Café sponsored the 4th Annual Southwest Café Sunset 5K Run to Benefit Sunrise Cottage;
- Two-year relicensing of the Cottage and our Managing Agent, ARI of CT by State of Connecticut Department of Developmental Services, the maximum time frame allowed by the Department;
- June Fundraiser, “An Evening at Sunset Lounge” sponsored by the Pambianchi Family who transformed their Pamby Motors show room into a fabulous karaoke party scene enjoyed by more than 150 Sunrise Cottage patrons.
- In September Rafaelle Gallo opened his Toscana Ristorante to a full house of Cottage friends for “Celebrity Bartender Night” – patrons responded by handsomely tipping our expert Sunrise Cottage bartenders – with all proceeds donated to the Cottage.
- In late 2010, the Board formed working committees to assess opportunities to enable the construction of a second 4-6 bedroom group home, similar to the existing Sunrise Cottage I. This home would support developmentally disabled residents having the ability to live semi-independently, but with limited and less costly social/medical services.
- Implemented a website strategy for Sunrise Cottage using low-cost and no-cost volunteer resources to facilitate donations, celebrate the personal growth of Cottage residents and communicate our successful track record and our growing calendar of events.
- Net cash on hand as of audited fiscal year-end June 30, 2010 totaled approximately \$250,000.
- 2010 Board of Directors & Officers:

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| John Loehr, <i>President</i> Donald Sturges, <i>Vice President</i> Marcie Coffin, <i>Treasurer</i> Annemarie Roller, <i>Secretary</i> | Peter Casazza Peter Showstead Ed Tonnessen Barb Tully | Frank Delli Carpini Lorraine Morley Phil Riordan |
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