A NOTE FROM OUR BOARD CHAIR

Dear Friends of Stepping Stone,

2018 was another year of growth and transformation for Stepping Stone and the people we serve. Stepping Stone is a one-of-a-kind shelter that was immersed in the important work of breaking the cycle of homelessness. In 2018, we provided shelter and critical support services for 472 individuals experiencing homelessness while striving toward self-sufficiency.

Stepping Stone celebrated its 10 year anniversary and the accomplishments and people who have helped us move from a tiny shelter at risk of closing its doors to serving over 400 people each year. The incredible team of staff and partners provide services that help people move from homelessness to self-sufficiency empowering them to change their lives. Stepping Stone is more than a shelter; it is a real difference maker in ending homelessness.

Stepping Stone expanded its capacity to serve in 2018 through the acquisition of a property in Blaine for individuals to transition from homelessness to permanent housing. With the hard work of many partners, the house was transformed and three women had a home to move into in August.

Your support makes the difference in our ability to grow our capacity, our impact and truly help individuals transform their lives. And we have a lot to do and look forward to in 2019!

On behalf of the men and women we help meet the basic need of "home" while they strive for self-sufficiency, thank you for your ongoing support!

With gratitude,
Kelly Matter

CHANGING LIVES 2018 STATISTICS

51 average number of days a resident stayed
65:35 ratio of men to women
161 number of people who stayed less than 7 nights
352 number of residents who report having a mental health problem
40% percentage of female residents who experienced domestic violence
20% percent of youth (ages 18-24) who have been in the foster care system
68% percent of residents who are from or have strong ties to Anoka County
29% percent of youth (ages 18-24) who lived at Stepping Stone in 2018

472 unduplicated residents served

KEY STAFF

Julie Jepson, Executive Director
Johanna Krants, Program Director
Lori Schulz, Business Manager
Jackie Vetvick, Case Manager
Ebony Johansen, Case Manager
Tracy Pierce, Development Manager
Bianca Wester, Shelter Advocate Manager
Tammy Torborg, Cafeteria Manager

2018 LEADERSHIP HIGHLIGHTS

• Finalized and began implementation of 2018-2020 Strategic Operations and Business Plan
• Developed staff-run Cultural Committee to focus updates of policies, procedures and resident-interactions to be more human-centered
• Increased partnerships and participation on state- and county-level advocacy and policy-making groups
• Secured, through a partnership with Anoka County, $300,000 for facility rehab
• Worked with Anoka County and Department of Human Services to revamp how government support is funded and allocated

www.steppingstoneeh.com

EVERYONE HAS A PLACE TO CALL HOME empower • respect • collaborate • stewardship
EMPOWERING CHANGE ADOPT-A-HOUSE BLAINE

January 2018, with help from the Blaine/Ham Lake Rotary and The Rotary Foundation, we began the journey of empowering and enriching three women’s lives by providing them a home. The Adopt-A-House Blaine was repaired, renovated, and move-in ready by July.

Special thanks and appreciation to Hoffman Weber Construction, the Blaine/Ham Lake Rotary Club, and The Rotary Foundation for financially supporting this project.

Also, thanks to those who helped restore this home by volunteering their time, money, and talents to resolve homelessness for Ashley, Deb, and Teryn.

We couldn’t have done it without your support! Deb, and Teryn.

We are grateful for our volunteers who help with day-to-day activities, food donations, and more. The value of your volunteer time is estimated at $192,000.

Also, thanks to those who helped

- BLAINE HOUSE RESIDENT

OPERATING REVENUE AND EXPENSES

<table>
<thead>
<tr>
<th>REVENUE AND SUPPORT</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>$282,772</td>
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<tr>
<td>Government Grants</td>
<td>$126,336</td>
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<tr>
<td>Program Services</td>
<td>$789,732</td>
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<tr>
<td>Investment Income</td>
<td>$465</td>
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<tr>
<td>In-Kind Donations</td>
<td>$292,043</td>
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<tr>
<td>Rental Income</td>
<td>$7,440</td>
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<tr>
<td>Vending Income, net of expenses</td>
<td>$6,108</td>
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<td>Event Income, net of expenses</td>
<td>$37,865</td>
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<td><strong>TOTAL REVENUE AND SUPPORT</strong></td>
<td>$1,540,763</td>
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EXPENSES

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<thead>
<tr>
<th>Type</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Program Services</td>
<td>$1,105,299</td>
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<tr>
<td>Management and General</td>
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<tr>
<td>Fundraising</td>
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<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
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<tr>
<td><strong>CHANGE IN NET ASSETS</strong></td>
<td>$499,471</td>
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ASSETS

<table>
<thead>
<tr>
<th>Assets</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Current Assets</td>
<td>$256,636</td>
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<tr>
<td>Property and Equipment</td>
<td>$383,910</td>
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<tr>
<td>Less: accumulated depreciation</td>
<td>($86,325)</td>
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<td><strong>TOTAL ASSETS</strong></td>
<td>$552,221</td>
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LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
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<td>Total Current Liabilities</td>
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<tr>
<td>Net Assets</td>
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<tr>
<td>Undesignated</td>
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<tr>
<td>Board-designated</td>
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<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td>$499,472</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>$552,221</td>
</tr>
</tbody>
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To realize its union, Stepping Stone will strengthen programming and services to develop organizational capacity that empowers those we serve and expands our reach.

STRATEGIC FOCUS AREAS

Focus Area #1: Attain financial sustainability through funding diversity and implementation of a net revenue business model.

Focus Area #2: Refine organizational policies, procedures, and processes.

Focus Area #3: Strengthen programming to realize resident outcomes of independent sustainable housing.

Focus Area #4: Reforms organizational policies, processes, and procedures.

Focus Area #5: Expand capacity that increases reach of programs and services to a larger population.

To our volunteers:

Thank you for your time, love, money, talents, and expertise! You are making a difference.

The Adopt-A-House Blaine was repaired, renovated, and move-in ready by July.

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