



TABLE OF CONTENTS

Friends of Warm Hearth – Annual Report – 2018

FOUNDER'S CORNER Pg 3

The trees that are slow to grow bear the best fruit.

DEEPENING Pg 4

A review of where we have come from and where we are going

TENDING THE FIRES Pg 6

A look at our supporters and volunteers

HEART & SOUL Pg 8

How our residents are doing

FINANCIAL REPORT Pg 10



Nearly all the photos in this report are from the opening day of our Arinj home. Thanks to **Elen Zohrabyan** for taking beautiful pictures of such an important event and for seeing through the eyes of love.



Dear friends,

I would say that in this work, we usually move steadily, growing and changing in a tempered manner. Our steps are purposeful and deliberate. And while sometimes we step on a boulder that tips under our weight and we have to take a quick hop back, for the most part, we have found a sturdy path over the waters that have rushed underneath and have made our way into a now-maturing forest.

We have moved slowly on purpose--because we see so much value in making something as beautiful as possible rather than making as many of something as possible. We have done this because the work has been hard and trying at times. And we have done this because it has seemed the most humane way forward for our residents and staff. We wanted to learn from our mistakes as I believe we have, and make something better in their wake.

THE TREES THAT ARE SLOW TO GROW BEAR THE BEST FRUIT.

We believe, along with Moliere, that the trees that are slow to grow bear the best fruit.

But this year, it was like all those steady steps took us through that young but maturing forest to the top of a hill. We could look out and behold all the goodness that has come to pass. We had the lay of the land. We could see you--the large circle of family and friends who make this work possible. We could see the smaller circle of residents and how their hands were open, ready to widen.

And we were ready (were we ever!) to run down the other side. We ran hard and fast and joyfully in a valley where there is now a second home filled with new residents. (Pardon my metaphor, for the truth is that the home is nestled on a small hill-side in the village of Arinj with an underground temple nearby to boot! You will have to come visit.)

But if you look hard enough into that metaphorical valley we ran down into, you can see our leadership (both in the USA and in Armenia) bent over, tilling the soil with love and attention. This was a year of

widening the parameters of our leadership to fit a new home. We worked hard this year, not only to make a new home, but to make our US-based board more sustainable for the long haul and are working to expand our members in 2019.

If you look into that valley, perhaps you can see our new residents sowing seeds of healing that we hope will grow into new life and nourishment. And you can see the garden of our original home in 3rd Village--vibrant and full of fruit--and the residents who inspired us to take this running leap.

But if I may, I would like to take you back to that moment on the top of the proverbial hill. It was back in May. And Spring was full-hearted. We were all gathered in the brilliant green garden area of our new group home in Arinj. Staff members, who had just finished their initial training, were busy making sure the new residents were comfortable. There were ministry officials and representatives from non-profit organizations. There were donors from the USA who stood with us as we cut the ribbon across the door of the new home. There were friends. There were trees, wearing their new leaves and there were our new residents, donning their new clothes. Their faces were freshly washed and their hair had just been combed. So many people gathered that day from near and far, to celebrate and to welcome the new residents home, forever. And it was a beautiful sight.

But the new residents--they were the crown on top of our opening day. Or maybe, they were the jewels. Some of them were smiling. And some of them were tentative. Some of them were tearful and some of them were laughing. But, they were all home. And home is a place where all these things are welcome--where we all can hopefully find a resting place after a long journey.

May it be so for you and for all of us at Warm Hearth, for whom you help to make such lasting peace possible.

Ever Yours,

Natalie Bryant-Rizzieri

DEEPENING

Brief Review of Where We've Come
& Where We're Going



What began as a personal relationship with the first group of residents and their profound need for a home has grown into a vibrant organization. Today, we are seeking to strengthen our organizational structure, taking this work to the next level. In an effort to facilitate this, Alya and Natalie (our directors in Armenia and the USA respectively) worked closely with Grace Flannery, a nonprofit consultant in 2018. Together, they strengthened and re-envisioned their roles with an eye toward both the long-term and in an effort to continue to thrive as individuals, as a board and as an organization.

Additionally, Gogian Family Foundation provided our US-based board with a two-day board development retreat with Chuck Loring, a nationally acclaimed nonprofit board consultant, who facilitated and supported our board in taking steps to move away from a programs-focused board toward a fund-raising-focused board. With that in mind, we are looking for Armenian American community leaders and the Armenian diaspora community to join us to ensure the long-term sustainability of this work.

Current Need: Armenian American Community Leaders to serve on our board

"Gogian Family Foundation has had the pleasure to partner with Friends of Warm Hearth for ten years. This long-term deep commitment reflects the belief we have in the work they are doing. We have had the honor of watching the organization mature and grow as they serve and protect the most vulnerable individuals living in Armenia." (Lindsey Stammerjohn, Executive Director of John Gogian Family Foundation)

Our goals in this next season include: a) strengthening the leadership through board representation by Armenian community leaders in California, and b) corporate, foundation and philanthropic partners to help us sustain and grow this work. The focus is on a sustainable model that can be replicated again in Armenia so that more individuals can live outside of institutional settings. If you are interested or know of someone who might be, please reach out to us. We rely on each of you.

Unfortunately, in Armenia, orphaned individuals with special needs are still often institutionalized and stigmatized as dangerous, inhuman and shameful. But the solution we have created is working and things are changing in Armenia. Warm Hearth breaks into an otherwise closed system. Warm Hearth interrupts the negative interlocking cycles of attitude and injustice by providing an inlet for hope and change on the individual, institutional and national level.

As of 2018, Friends of Warm Hearth operates and sustains two forever group homes in the Republic of Armenia for adult orphans with special needs. Without these group homes, the current residents would be institutionalized in long-term psychiatric institutions



An Inlet for Hope & Change

where human rights abuses are frequent and there is no hope for rehabilitation or community integration. This critical and ongoing need was the impetus for the creation of group homes.

Warm Hearth is currently the only long-term option for orphans who have outgrown the government-run orphanages. Since 2006, we have refined our model of care. Our homes are centered on resident voice and choice, and the protection of resident rights. We are recognized by the Armenian government to be experienced leaders in the movement toward community-based care in Armenia and away from unnecessary institutionalization.

"The [Ministry of Labor and Social Issues] is well informed about the activities of Warm Hearth. As a sign of our appreciation and due to the value of [this] work, we are honored to co-finance the program through Armenian government contracts. Simultaneously, when we heard of the expansion of the program to include a second home in Arinj, we had confidence in the sustainability of the program. The Ministry is willing to continue and to develop cooperation with Warm Hearth."

(A. Kesoyan, Chief of Issues Dealing with Persons with Disabilities and the Elderly)



TENDING THE FIRES

A Look at our Supporters & Volunteers

Those of you who tend the fires of Warm Hearth are scattered far and wide. You are as different from one another as can be and represent a vast spectrum of giftedness and passion. Some of you are nurses. Some of you are artists. Some of you are accountants, educators, poets, government workers, mothers, teachers, and entrepreneurs. Some of you think linearly and some of you think in overlapping circles. Some of you are poor; some of you are rich. Some of you are healers and all of you, I presume, understand what it is to need healing. Some of you have met the residents and some of you carry the images of their faces in your minds and hearts. Some of you have traveled the world and some of you have never left your home state.

But all of you believe that home is one of the most important things in the world and that our residents need a home that belongs to them, forever. It is around this shared belief and passion that we circle.

HERE ARE SOME OF THE WAYS YOU STRENGTHENED OUR HOMES IN 2018.

Maria Stepanyan and Charlie Hickman (Longmont, CO) organized another art show to sell Charlie's work and to celebrate their birthdays. All of the proceeds benefited our homes. \$1000 was raised.

Our founding board member, Bridget Brown (Enterprise, OR) visited Armenia with her family and conducted the initial training for the new Arinj staff members. She also traveled to Kapan to meet the new residents and had the opportunity to love on the residents in 3rd Village, some of whom she has known for eighteen years.

Lousine Stepanian (Pasadena, CA), a licensed psychologist, spent three weeks at Warm Hearth providing mindfulness training to our beloved staff--nurturing and supporting them, and improving the

therapeutic environment for all of our residents.

Juliet Setian (Torrance, CA) traveled to Armenia for the opening of the home, to support the leadership in this time of transition and to love on the residents (old and new). She also translated countless documents throughout the year from Armenian to English.

Berj Dikranian (Phoenix, AZ) traveled to Armenia this year and attended the opening of our Arinj home in May.

SOAR (Society of Orphaned Armenian Relief) put on an I CAN event in May in the city of Yerevan to celebrate diverse abilities. Our residents were able to participate and celebrate their lives and gifts in this way. SOAR also purchased a new minivan for our Arinj home, among many things.

Young Life Armenia invited a small group of our residents to participate in their summer camp in Armenia. Our residents had a wonderful time.

Board members Marshal Bryant (Prescott, AZ) and Lee Ann Williams (Moraga, CA) represented Warm Hearth at various Armenian bazaars in the western United States. If any of you are interested in doing the same, we are always looking for volunteers for this important work.

Led by Jan Bedoukian (Fort Lauderdale, FL), the Adirondack Architectural Heritage group visited Warm Hearth with a special focus on rug-making.

PhD and Neuropsychologist, Adrienne Witol (Ontario, Canada) worked closely with our psychologist in Armenia to strengthen

resident care.

Janna Hayrapetyan (Yerevan, Armenia) is the House Manager of our original 3rd Village home. She spent countless additional hours in 2018 training and preparing the new Arinj House Manager for her position. Thank you, Janna, for going above and beyond the call of duty.

Alya Kirakosyan (Yerevan, Armenia) is our Armenia-based director. In 2018, she did a beautiful job balancing her role of loving the residents from up close, supporting and nurturing the staff, and looking at our systems and the larger picture to ensure that we are doing this work with integrity and excellence.

Thank you to all of you who are not listed here, who worked on the sidelines to make Warm Hearth stronger.

Board of Directors Update

In 2018, in an effort to further this work, we restructured our Board of Directors. Our new board chair is Jessica Barrett Simpson (second from the left) of Silver Spring, Maryland. We are grateful for her service in this time of transition. Jessica has served faithfully on the board since 2006 and is leading the board in the shift toward being a fund-raising-focused board.

Bridget Brown (far left), Marshal Bryant (far right) and Lee Ann Odabashian Williams (second from the right) continue to serve on the board as well, and are committed to ensuring the longevity and health of our organization. We are grateful for their long service to our residents and to their continued commitment. We are blessed to have individuals on our board who have deep roots in this work but who are also willing to grow and change our board.



HEART & SOUL

How our Residents are Doing

Among unequals there is only condescension, not love. Every time we learn to give without calculating what we will get in return and every time we learn to receive without feeling ashamed or indebted, we tie a few more knots into this large net and make it a little more secure... The basis of equality is that all of us have to give and all of us have to receive. (Dorothee Soelle)

Our residents are the heart and soul of this work. We say it every year, but it is worthy of saying again and again. They are the reason we labor. They are the reason we stay up late at night and worry. They are the source of laughter and deep joy. They are our teachers and our leaders. It is their thriving (or suffering) that points us in new directions.

In 2018, four of our residents were able to visit an arts camp with Maria's Children outside of Moscow, Russia. In a gorgeous and peaceful environment, they made new friends and spent their days creating, learning, laughing. Later in the summer, Hannah Pollock, a volunteer from the USA, spent another month doing art with the residents in their home.

These opportunities may have paved the way for the residents of 3rd Village to become leaders in their neighborhood community. As many of you know, our 3rd Village home opened thirteen years ago and many of those years have been fraught with tension within the neighborhood. The residents have not always been accepted there. At the worst, they have been taunted and tormented.

But with the bolstering of our staff, they have continued to try and try again. They have reached out and offered their hearts to the people around them. And in the last few years, the glimmers of change have grown brighter and stronger.

Recently, they began offering regular handicraft and art classes to the young neighborhood children. And the children came! This is a unique opportunity for our residents to share their gifts with the world. And as you know, being able to bring your gifts to the world, changes a person. It is changing our residents.

VISION: To further the movement toward holistic, integrated and forever homes for Armenian orphans with disabilities and mental illness throughout the nation of Armenia and to foster mutually transforming relationships between resident, staff, neighbor and fellow citizen.



MISSION

To prevent orphaned adults with disabilities from being forced to spend their lives homeless or in psychiatric institutions. To provide our residents with individualized care in a group-home setting that mimics family life to the extent possible and that empowers our residents to live as independently and confidently as possible.

Our new residents at the Arinj home (pictured here) spent the last half of 2018 settling into their new home, learning and creating new rhythms, getting to know their neighbors, walking to the nearby church for services and building connections with their caregivers.

In September, they were invited to participate in a three-year university program where they can choose to study rug-weaving or permaculture. They are grateful for this chance, for the invigoration of studying and learning. Their days have been full ever since.

One of the gifts that some of our residents give the world is the gift of praise. They know how to praise better than most.

To praise in the whole thing. A man who can praise comes toward us like the ore out of the silences of rock . His heart, that dies, presses out for others a wine that is fresh forever...

He is one of the servants who does not go away, who still holds through the doors of the tomb trays of shining fruit.

(Rilke)

Here is Janna, one of our new residents, with trays of shining fruit. And there are more people like her in Armenia who need a home at this very moment. With your support and generosity, we will be able to provide just that.



FINANCIAL POSITION

Assets and Liabilities Over the Past Three Years

AS OF	DEC. 31, 2018	DEC. 31, 2017	DEC. 31, 2016
ASSETS			
Cash - Restricted	263,790	315,000	200,000
Cash - Unrestricted	152,112	14,851	154,950
Prepaid Expenses	10,728	-	11,341
Land and Houses in Armenia	290,512	268,940	157,208
Furniture, Equipment, Vehicles	56,989	6,787	6,787
Less Accumulated Depreciation	(53,065)	(40,444)	(35,904)
TOTAL ASSETS	721,066	565,134	494,382
LIABILITIES AND NET ASSETS			
Liabilities	1,148	1,838	1,838
Restricted Net Assets (Forever Fund)	263,790	315,000	200,000
Unrestricted Net Assets	456,128	248,296	292,544
TOTAL LIABILITIES AND NET ASSETS	721,066	565,134	494,382

At the beginning of 2018, with a new home on the horizon and the added expense of furnishing that home and providing for new residents, we anticipated and planned for some financial strain. As it turns out, we were blessed beyond what we had hoped and our residents are in a more secure position at the end of 2018 than when it began. It was an honor to witness the ways you came together to make this happen and to make it happen well.

Two years ago, when we decided to plan for a second home, we felt like it was prudent and wise to make sure we had the funds to sustain both homes for one year in the event of something unpredictable or an emergency. With your help, we have set aside those funds in our Forever Fund, which remains inviolable and a promise to our residents that they will have what they need. If you are interested in contributing to this fund, please make a note with your donation.

Many of us live in a nation (the USA) where it is often nearly impossible to find people with a mental illness or disability a forever home, even when they most need it, even when it is what they most long for. It is not lost on us that our residents have something unique and worth preserving and protecting. It is not lost on us that they are some of the lucky ones, despite their real and true struggles.

Thank you for valuing our residents. Thank you for valuing this work, which is their livelihood, their home, their chance at love and hope and peace. And in return, we value you. We value the ways you sacrifice and scrimp and save to make Warm Hearth a home. There is nothing like sitting by a warm fire surrounded by those we love while the snow falls like visible music outside. That is what I am doing today and it blesses me that our residents have that same simple and profound joy on the other side of the world. May you have it too.

INCOME REPORT

Statement of Income and Expenditures

YEAR ENDING	DEC 31, 2018	DEC 31, 2017	DEC 31, 2016
INCOME			
Cash Contributions	327,367	194,054	161,988
Contribution of Goods	38,313	2,648	2,011
Contribution of Services	24,205	25,714	25,949
Interest Income	1,414	1,353	1,305
TOTAL ASSETS	391,299	223,769	191,253
EXPENDITURES			
Facility & Program	193,897	110,557	106,492
Promotion & Fundraising	14,051	22,435	28,741
Management & General	26,729	20,025	19,604
TOTAL EXPENDITURES	234,677	153,017	154,837
INCREASE IN NET ASSETS	156,622	70,750	36,416



Capital expenditures (both cash and in-kind expenditures) for home renovations were \$21,572. Furniture and equipment expenditures were \$14,785 and two vans were purchased by Friends of Warm Hearth and SOAR for a combined \$35,417.

Program expenditures accounted for 84% of our cash expenditures. Fund raising costs amounted to 7% and administrative costs were 9%.

In 2018, individual contributions directly to Friends of Warm Hearth totaled approximately \$130,000 and comprised 40% of cash gifts given. Foundations, churches, organizations and the Armenian government gave another \$197,000, again, 60% of total cash gifts.

Donated goods were valued at \$38,313. Donated services were valued at \$24,205. What an incredible group of people we have, each bringing his or her offerings and expertise to make Warm Hearth a welcoming and safe place. Thank you. Thank you.

FRIENDS OF WARM HEARTH

Visit us online at www.friendsofwarmphearth.org

info@friendsofwarmphearth.org

PO Box 1081; Flagstaff, AZ 86002 USA

(928) 607-7025

