

**HARTFORD AREA HABITAT FOR HUMANITY
BOARD MEETING
JUNE 6, 2017**

Agenda

- Devotion and Call to Order-Lisa Chirichella, Chair-
- Consent Agenda- Matt Cooper, Secretary
- Budget FY 2018-Finance Committee
- Operations Report-Executive Director
- Executive Session

WOMEN BUILD 2017



1. Lori McGee-Brown and her WB Team
2. Anne and Denise speaking to the WB volunteers- Sharing their Habitat Story
3. Ann and Tracy-hosting site during WB
4. Habitat South Marshall Homeowners
5. Karraine and Mrs. Hayes- Habitat Ambassador at WB Luncheon
6. WB Team-Individuals
7. WB Volunteer learning to use table saw
8. Luncheon-Janice Castle from Mayor Bronin Office

CONSENT AGENDA

Hartford Area Habitat for Humanity Board of Directors

Committee Meeting Minutes

Committee Name: Executive Committee	Start Time: 7:33 AM
Date: January 5 th , 2017	End Time: 8:25 AM

Members Present: Lisa Chirichella, Luke Ebersold, Matt Cooper, Scott Orsey, Ben Daigle
Guests: Karraine Moody
Members Absent:

Meeting Goals/Agenda: <ul style="list-style-type: none">• Board Meeting Schedule• Committee Structure• Executive Committee Meeting Schedule• Executive Director Update Meeting Action Items: <ul style="list-style-type: none">- None	Discussion: <ul style="list-style-type: none">- We will move to 4 board meetings per year, starting at 5:30 in 2017.- Committee structure, assignments, charters and chairs have been designed and distributed, the board will discuss and vote on a conference call on February 9th at 4:30.- The Executive Committee will meet on the last Thursday of each month at 7:30 AM.- Executive Director Update<ul style="list-style-type: none">• The first \$500k from the DOH is in, the next \$500k is coming in February• We have a \$600k balance at Windsor Federal• The Fall Appeal is going well• We are exploring condo management company option for condos we manage in north Hartford• We currently have 4 foreclosures in process• We recently completed OSCEA training with regional affiliates• Fiscal year 2016/2017 will have 5 new homes built and 2 rehabs
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Next Meeting Date: January 26th, 2017

Respectfully Submitted, Matt Cooper

Hartford Area Habitat for Humanity Board Meeting Minutes
February 9th, 2017; 4:30 PM, Conference Call

Board Members: Matthew Cooper, Steven Hernandez, Emily Rivera, Mark Vasington, Ben Daigle, Lisa Chirichella, Luke Ebersold, Scott Orsey, Anne Hamilton, Philip Titolo, Ashley Maagero, Doris Sugarman, Matthew Bjorkman, Lorie MaGee, Denise Harris, Bildade (Billie) Augustin, Joe Fazzino, Eric Brown, David Symonette

Absent:

Caren Kittredge, Scott Orsey, Jesse Carabase, Ben Daigle, Rev. Sara Salomons, Mark Vasington

Others Present:

None

Proceedings:

Meeting called to order at 4:36 PM by board President L. Chirichella

Development Committee:

Mark Vasington gave a brief update of recent steps taken by the Development Committee.

Finance Committee:

Luke Ebersold gave a brief update of recent steps taken by the Finance Committee.

Governance Committee:

Ben Daigle gave a brief update of recent steps taken by the Governance Committee.

Committee Charter Adoption:

Motion to approve the Development, Finance and Governance Committee Charters as presented:

Moved by: B. Daigle; Seconded by: A. Hamilton

Motion passed unanimously (individual voice vote), No abstentions

Meeting adjourned at 4:58 PM

Minutes submitted by: M. Cooper

Attachments:

- 2017 Development Committee Charter
- 2017 Finance Committee Charter
- 2017 Governance Committee Charter

Hartford Area Habitat for Humanity Board of Directors

Committee Meeting Minutes

Committee Name: Executive Committee Date: March 23 rd , 2017	Start Time: 7:35 AM End Time: 8:10 AM
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Members Present: Lisa Chirichella, Luke Ebersold, Matt Cooper, Scott Orsey,
Guests: Karraine Moody
Members Absent:

Meeting Goals/Agenda: <ul style="list-style-type: none">• Corporate Resolutions and HUD SHOP Funds• Condo Association Update• Executive Director Update Meeting Action Items: <ul style="list-style-type: none">- None	Discussion: <ul style="list-style-type: none">- We have two pending resolutions, the Corporate Certificate and the HUD SHOP funds documents that need to be signed.- Discussed the finding from the Condo sub-committee meeting and action steps.- Discussed the Women's Build & Women's Build Luncheon, and the Golf Tournament.
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Next Meeting Date: April 27th, 2017

Respectfully Submitted, Matt Cooper

Hartford Area Habitat for Humanity Board of Directors

Committee Meeting Minutes

Committee Name: Executive Committee Date: April 27 th , 2017	Start Time: 7:31 AM End Time: 8:25 AM
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Members Present: Lisa Chirichella, Luke Ebersold, Matt Cooper, Scott Orsey, Ben Daigle
Guests: None
Members Absent:

Meeting Goals/Agenda: <ul style="list-style-type: none">• Condo Update• Fiscal Year 2016-17 Build Schedule• Strategic Plan Discussion• Governance Update Meeting Action Items: <ul style="list-style-type: none">- None	Discussion: <ul style="list-style-type: none">- Discussed the resolution to the condo association issue that was discussed at the last board meeting.- Discussed the fiscal year 2016-2017 build schedule and anticipated number of closes.- Reviewed parts of the HAHfH strategic plans and progress against various goals.- Ben Daigle updated us on Governance Committee happenings, including<ul style="list-style-type: none">○ Submission of meeting minutes.○ Fiscal year 2016-2017 board giving and the development of a stewardship matrix alongside the Development Committee.○ Governance sub-committee heads and need for additional volunteers for these positions.
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Next Meeting Date: May 25th, 2017

Respectfully Submitted, Matt Cooper

Hartford Area Habitat for Humanity Board of Directors

Committee Meeting Minutes

Committee Name: Executive Committee Date: May 25 th , 2017	Start Time: 7:40 AM End Time: 8:37 AM
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Members Present: Lisa Chirichella, Matt Cooper, Scott Orsey
Guests: Karraine Moody, Ben Daigle
Members Absent: Luke Ebersold

Meeting Goals/Agenda: <ul style="list-style-type: none">• Women’s Build Luncheon• Non-Profit Consultant• Women’s Build Update• Board Assessment / Governance Update• Condo Association Update• Budget Meeting Action Items: <ul style="list-style-type: none">- None	Discussion: <ul style="list-style-type: none">- Discussed the Women’s Build Luncheon – speaker/honoree was very dynamic, we had 20 tables of attendees – successful event.- We have engaged a non-profit consultant with the help of the Hartford Foundation for Public Giving to help with donor development. Discussed overall Development plan.- Discussed the 2017 Board Self-Assessment distributed by Ben last night.- Discussed Board Engagement and Committee/Sub-Committee Gaps.- Discussed situation with the condo associations. Karraine anticipates having the conversation with the families and the us taking action in the June/July/August months.- 2017-2018 Budget will be distributed by Luke today.
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Next Meeting Date: June 22nd, 2017

Respectfully Submitted, Matt Cooper

2017 Committee Charter: Development (DRAFT)

Adopted by the Board of Directors on February [insert date upon adoption], 2017.

Purpose & Membership

The Development Committee ("Committee") is authorized by Section 5.1 of the Hartford Area Habitat for Humanity, Inc. ("Habitat") Bylaws. This charter details the Committee's role in building and sustaining a Board of Directors ("Board") culture conducive to resource development, and in coordinating Board support of staff resource development responsibilities. The Board shall set Committee membership in a manner consistent with the Bylaws.

Responsibilities & Deliverables

Consulting and collaborating as appropriate, the Committee shall:

- By 1/26/17: Propose a 2017 Committee charter.
- By 3/15/17: Delineate Board/staff development roles, goals, needs.
- By 3/31/17: Inventory Board fundraising connections and opportunities.
- By 4/28/17: Propose suggested Board member individual giving categories/levels.
- By 4/28/17: Adopt an ongoing approach to celebrating members' life events, and capitalizing on development opportunities capitalizing on members' other social and professional affiliations.
- By 11/17/17: Review Committee performance; propose a 2018 Committee charter.
- Ongoing, as needed: Ensure Board engagement at groundbreakings, closings, dedications, etc.
- Ongoing, as needed: Actively support staff-led development/fundraising efforts.
- Ongoing, as needed: Address opportunities for Board training in development/fundraising.
- As determined by the Board: Undertake other approaches and activities.

Consulting, collaborating, and delegating as appropriate, the Committee Chair shall:

- Facilitate Committee meetings, and other communication, as appropriate to fulfill the Committee's responsibilities in a timely, inclusive, and professional manner.
- Determine the time, place, and manner of each meeting; develop and distribute an agenda in advance of each meeting; and ensure that draft meeting minutes (documenting the agenda, attendance, discussion, and decisions) are submitted to the Board Executive Committee no later than the third calendar day after a meeting.
- Ensure that plans, processes, and products are aligned with Habitat's governing documents.
- Undertake other approaches and activities, as determined by the Board.

Support & Accountability

All Committee members shall participate actively, support each other, and hold each other accountable. The Committee Chair is accountable to the Committee and to the Board Chair.

2017 Committee Charter: Finance (DRAFT)

Adopted by the Board of Directors on February [insert date upon adoption], 2017.

Purpose & Membership

The Finance Committee (“Committee”) is authorized by Section 5.7 of the Hartford Area Habitat for Humanity, Inc. (“Habitat”) Bylaws. This charter details the Committee’s role in supporting the Board of Directors (“Board”) in monitoring and promoting Habitat’s fiscal health. The Board shall set Committee membership in a manner consistent with the Bylaws.

Responsibilities & Deliverables

Consulting and collaborating as appropriate, the Committee shall:

- By 1/26/17: Propose a 2017 Committee charter.
- By 4/28/17: Review and recommend improvements to Habitat’s financial policies.
- By 5/31/17: Recommend an FY 2018 annual operating budget.
- By 7/30/17: Recommend a long-range financial plan.
- By 11/17/17: Review Committee performance; propose a 2018 Committee charter.
- Fall 2017: Review final FY 2017 financial statements; report to Board.
- Fall 2017: Review FY 2017 audit report; report annual audit results to Board.
- Monthly: Monitor the financial performance of Habitat as a whole and its major business lines against approved budgets, targets, and trends; recommend and monitor any corrective actions.
- Quarterly: Ensure that accurate, timely, and meaningful financial statements are prepared for the Board, and help the Board understand Habitat’s financial affairs.
- Ongoing: Ensure oversight and review of, and adherence to, financial processes and policies.
- Ongoing: Ensure compliance with relevant financial regulatory requirements.
- Ongoing: Manage and evaluate the relationship with the independent auditor.
- Ongoing, as needed: Review the financial aspects of major proposed transactions and make action recommendations to the board.
- As determined by the Board: Undertake other approaches and activities.

Consulting, collaborating, and delegating as appropriate, the Committee Chair shall:

- Facilitate Committee meetings, and other communication, as appropriate to fulfill the Committee’s responsibilities in a timely, inclusive, and professional manner.
- Determine the time, place, and manner of each meeting; develop and distribute an agenda in advance of each meeting; and ensure that draft meeting minutes (documenting the agenda, attendance, discussion, and decisions) are submitted to the Board Executive Committee no later than the third calendar day after a meeting.
- Ensure that plans, processes, and products are aligned with Habitat’s governing documents.
- Undertake other approaches and activities, as determined by the Board.

Support & Accountability

All Committee members shall participate actively, support each other, and hold each other accountable. The Committee Chair is accountable to the Committee and to the Board Chair.

2017 Committee Charter: Governance (DRAFT)

Adopted by the Board of Directors on February [insert date upon adoption], 2017.

Purpose & Membership

The Governance Committee ("Committee") is authorized by Section 5.5 of the Hartford Area Habitat for Humanity, Inc. ("Habitat") Bylaws. This charter details the Committee's role in promoting effectiveness, accountability, and sustainability within the Board of Directors ("Board") and throughout the organization. The Board shall set Committee membership in a manner consistent with the Bylaws.

Responsibilities & Deliverables

Consulting and collaborating as appropriate, the Committee shall:

- By 1/26/17: Propose a 2017 Committee charter.
- By 2/9/17: Vet proposed committee charters with Board (in advance of call to adopt them).
- By 2/17/17: Draft 2017 deliverables calendar from Board schedule and committee charters.
- By 3/10/17: Document "midyear" Board stewardship (FY 2017, through 2/28/17).
- By 3/31/17: Facilitate a Board self-assessment of processes and performance.
- By 4/14/17: Report aggregate stewardship findings; update/remind individuals.
- By 4/14/17: Report aggregate Board self-assessment findings and recommendations.
- By 4/28/17: Adopt an initial 2017 Board outreach and recruitment plan (terms starting 1/1/18).
- By 5/12/17: Facilitate the adoption of a revised Board Stewardship document (effective 7/1/17).
- By 7/31/17: Submit an aggregate report on FY 2017 Board stewardship; update individuals.
- By 8/4/17: Coordinate the FY 2017 review of the Executive Director; recommend action.
- 9/5/17 (Board Meeting): Facilitate strategic plan review; share process for plan starting 7/1/18.
- By 11/3/17: Recommend new and incumbent members for election (terms starting 1/1/18).
- By 11/17/17: Review Committee performance; propose a 2018 Committee charter.
- 12/5/17 (Annual Meeting): Nominate slate (1/1/18 start); inform the adoption of 2018 charters.
- Monthly: Monitor committees' progress on their charters; update the Executive Committee.
- Ongoing, as needed: Address opportunities for Board professional development.
- Ongoing, as needed: Coordinate/ensure review of Habitat policies, procedures, and bylaws.
- As determined by the Board: Undertake other approaches and activities.

Consulting, collaborating, and delegating as appropriate, the Committee Chair shall:

- Facilitate Committee meetings, and other communication, as appropriate to fulfill the Committee's responsibilities in a timely, inclusive, and professional manner.
- Determine the time, place, and manner of each meeting; develop and distribute an agenda in advance of each meeting; and ensure that draft meeting minutes (documenting the agenda, attendance, discussion, and decisions) are submitted to the Board Executive Committee no later than the third calendar day after a meeting.
- Ensure that plans, processes, and products are aligned with Habitat's governing documents.
- Undertake other approaches and activities, as determined by the Board.

Support & Accountability

All Committee members shall participate actively, support each other, and hold each other accountable. The Committee Chair is accountable to the Committee and to the Board Chair.

BUDGET FY 18

May 24, 2017

Memo to Board RE: Budget

The Finance Committee had an in-depth meeting to discuss the 2018 budget and all the inputs and facts going into it. I thought it would be a good idea to highlight some of the aspects of the budget from the perspective of the finance committee:

Revenues –

- Overall, we are projecting that revenues will be slightly less than we expect the actual revenues to be in the current fiscal year. But this is a \$400,000 decrease from the 6/30/17 budget.
- We are projecting Grant income as a worst case scenario from the City of Hartford. In the past we've gotten grant funds for building, but in this environment, the staff has decided to budget less for public fund and hope over time to build more corporate and individual donors. Any money would be over and above the budgeted income.
- The organization is dedicating resources to develop our individual donor base, very similar to how Christina continues to develop the corporate base. This is believed to be an under-tapped market for Habitat.

Expenses-

- FYE 6/30/18 Department Expenses (Family Services, Construction, Finance and Development) are increasing by approximately \$100,000 in total over FYE 6/30/17. This is primarily related to two factors. First, a full year of employment of Construction Supervisors (2017 was a transition from subcontractors to employees). Second, the addition of an Individual Engagement Manager (as noted in the Revenue section above).
- We are applying for a \$100,000 per year three year Grant to fund a Financial Freedom Center Coordinator. Neither the Grant Revenue, nor the employee position to be added, have been assumed in the budget.

Restore –

- Restore had a strong year, and we are expecting to be right in line on the budgeted revenue side of the equation. Expenses are a different story, as our salaries and our third party movers were very over budget. Karraine has addressed the salary issue and believe these costs can be monitored and managed better in budget 2018. The third party moving costs have also been addressed in creating more competition with our movers. The budgeted revenue is increasing a modest 4%, which we believe is attainable.

Construction –

- Budgeting on the construction side is a little harder than the rest of the organization. There are so many factors that go into the number of homes that are built. The main drivers in the number of homes built for Habitat now are whether we have the funds available to complete

homes and whether conditions arise in the construction process that would impede closing. Both of these were factors in fiscal 2017.

- In fiscal 2017, we expect to close 5 new homes, 2 full rehabs, which for our purposes counts as new homes and 3 recycled home. In budget 2018, there are 10 new homes, 1 rehab, and 3 recycles
- In the summary page, you will see that we are budgeting for a Book Income Loss of \$1,638,967. This is after factoring in \$216,723 of net income from all of non-construction operations. The largest aspect of this loss is in the land that the homes are built upon. In previous years, Aetna gave us a grant to purchase the property, demo and cleanup. In the accounting world, this grant was recorded into revenue in that year, and was placed in inventory until it was utilized. When this land is incorporated into the construction process, it is then expensed as a construction costs. Since we expect these construction projects to close next year, this needs to flow through the income statement. If that grant was obtained and the construction happened in the same year, there wouldn't have been any income effect, but because it has crossed multiple years, this is the result.
- This is further supported by looking at the budgeted cash flow effect for budget 2018. The budget is showing a \$403,277 decrease in cash for budget 2018. This amount compared to the net loss is about a \$1.2 million difference – further supporting the fact that the \$1.2 million expense associated with the Cost of Land is only a non-cash amount, because it was already funded with the Aetna grant. Although we project negative cash flow, we will be adding 11 new mortgages assets with an approximate present value of slightly more than \$1,000,000. Unless Grant Revenue significantly exceeds expectations, mortgage assets will need to be leveraged (assigned or sold- preferably to CHFA) to offset negative cash flow.

	2018	Projected 2017	Budgeted 2017
Total Revenue	<u>1,807,257</u>	<u>1,838,680</u>	<u>2,335,800</u>
4 Dept. Ex. Finance, Family Services, Construction & Development	<u>-1,590,534</u>	<u>-1,489,000</u>	<u>-1,587,300</u>
Income from Non-Construction Operations	<u>216,723</u>	<u>349,680</u>	<u>748,500</u>
Income from Non-Construction Operations	<u>216,723</u>	<u>349,680</u>	<u>748,500</u>
Construction Expenditures	<u>-1,100,000</u> ¹	<u>-1,600,000</u>	<u>-1,500,000</u>
Non-Cash Expenditures	<u>165,000</u>	<u>163,000</u>	<u>159,900</u>
Capital Expenses	<u>-30,000</u>	<u>-315,000</u>	<u>-250,000</u>
Mortgage Receipts	<u>575,000</u>	<u>550,000</u>	<u>575,000</u>
Lot Acquisition/ Rehab Acquisition	<u>-50,000</u>	<u>-185,000</u>	<u>-184,000</u>
Loan Principal Payments	<u>-180,000</u>	<u>-1,037,320</u>	<u>-450,600</u>
CASH FLOW (Mortgage Receivables Added \$1.5M)	<u>-403,277</u> ²	<u>-1,025,000</u>	<u>-450,600</u>
		<u>-12,320</u> Negative Cash Flow	
		<u>1,185,000</u> 6/30/16 Cash balances	
		<u>1,172,680</u> Projected 6/30/17 Cash Balance	
		<u>1,385,542</u> Actual 3/31/17 Cash balances	

Home Sales	<u>1,825,000</u> ³	<u>1,542,873</u>	<u>1,650,000</u>
Cost of Homes Sold	<u>-1,873,990</u>	<u>-1,538,131</u>	<u>-1,756,000</u>
Cost of Land	<u>-92,000</u>	<u>-68,300</u>	<u>-90,000</u>
Cost of Land (South Marshall Street)	<u>-1,030,000</u> ⁴		<u>-670,000</u> ⁶
Loss on Home Sales	<u>-1,170,990</u>	<u>-63,558</u>	<u>-866,000</u>
Mortgage Discounting	<u>-550,000</u>	<u>-550,000</u>	<u>-550,000</u>
Income from Non-Construction Operations	<u>216,723</u>	<u>349,680</u>	<u>748,500</u>
NET BOOK LOSS	<u>-1,504,267</u>	<u>-263,878</u>	<u>-667,500</u>

¹ Complete six S. Marshall homes \$455K, two East Hartford Homes \$145K each, New Britain duplex \$200K + 1 rehab & 3 recycles + 10% contingency (14 TOTAL)

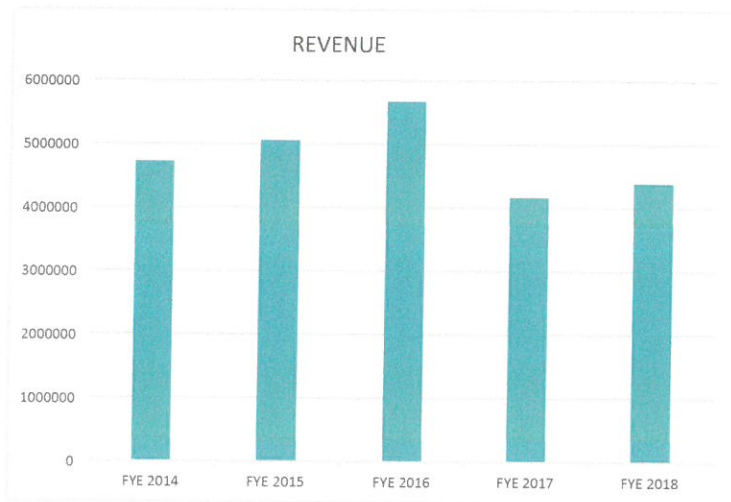
² This could be mostly offset by an Eversource Housing Tax Credit Grant increase of \$260K over prior year (\$530K compared to \$160K) OR at least three mortgages would need to be sold or assigned. Selling one mortgage may be unavoidable.

³ Ten New Construction, 1 Rehab, 3 Recycles.

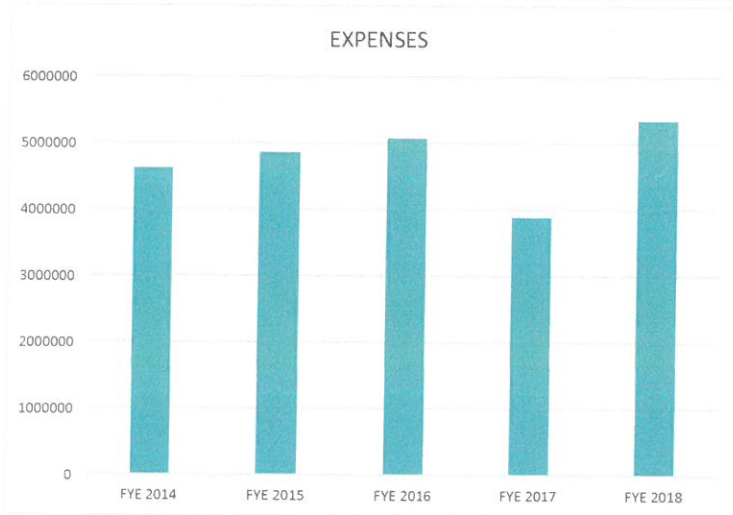
⁴ An Aetna grant paid for the property and the demolition of the existing buildings at time of purchase. The restriction on those funds was for only for purchase, demolition and cleanup (not construction of the current homes). Thus, the Grant Revenue was recognized in a prior year, but the Land Asset to be recognized as Cost of Land Sold in the year of sale.

⁵ Five New Construction, Two extensive Rehabs, Three Recycles (10 TOTAL)

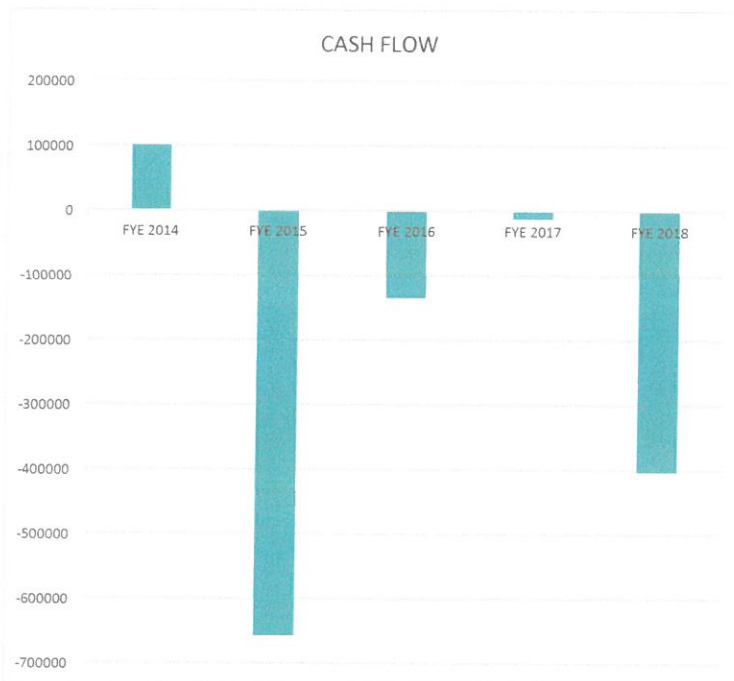
⁶ 6/30/17 plan expected 4 South Marshall St. sales



Projected FYE 2017 Revenue is lower as a result of fewer homes sales than prior year or FYE 2018. Budgeted 2018 Revenue is level with FYE 2017 because of more home sales (+) but lower Public Grant Income



Projected FYE 2017 expenses appear lower as a result of lower Cost of Homes Sold Expense. Budgeted FYE 2018 Expenses are skewed upward by the South Marshall St. Home/Land Sales.



Projected FYE 2017 Cash Flow is skewed by the receipt of \$1,050,000 in CT Dept of Housing receivables booked in FYE 2015 and FYE 2016. Budgeted FYE 2018 Cash Flow will hinge on Public Grant/Eversource Housing Tax Credit Increase. Otherwise, Sales/Assignments of Mortgage Assets will be required to maintain an adequate operating cash balance

Minutes: Treasurer's Meeting January 23, 2017, 10:00 a.m. – 12:00 noon at 75 Charter Oak Avenue office Present: Luke Ebersold, Karraine Moody, Michael DeRoy.

Cash Position The meeting began with a review of our current cash position. Bank balances as of December 31, 2016 totaled \$1,516,263 as compared to the budgeted figure of \$1,452,331. There is \$634,275 restricted to ongoing and planned home builds. There is \$529,733 available for non-building operations which represents approximately 4 months of budgeted expenses. The monthly cash schedule has been updated to include some of the information that was previously reported on the Key Indicator Report and the "Blue" Dashboard.

Budget vs. Actual Reports There was a review of the actual results as compared to budget at the halfway point of our fiscal year. Current Revenue from Fundraising, Grants & Donations is favorable as compared to budget. Operating Expenses in total for Finance, Development and Family Services are less than budgeted.

Construction is over budget mainly in the areas of Employee Wages and Salaries and Subcontractor Site Supervision. Beginning in January, Site Supervision will be all done by employees, and the remaining budget for Subcontractors will be allocated to Wages, and an additional part-time staff person will be added. Overall the Construction Department expects to be over budget for the fiscal year by approximately \$20,000 in total labor costs. It was agreed that it is proper decision to use a small portion of the other Departments' surpluses in the Construction Dept. where they are needed.

The ReStore Revenue was below budget for December, but remains favorable as compared to budget for the six months ended December 31, 2016. The ReStore was open 16 days in December compared to most months when it is open 19-20 days. Of concern, however, are the expenses continue to be over budget mainly in the area of 3rd party moving and storage. Another lower cost moving company has been added to increase competition for the work and lower costs.

Building Costs The home builds on Main Street and South Marshall Street both experienced unanticipated Site Work costs over budget which also resulted in completion times being pushed back for South Marshall Street. It is expected that there are enough funds in the Construction Expenditure annual budget of \$1.5M to complete and sell the three Main Street homes in FYE 6/30/17, as well as substantially complete one of the three South Marshall Street duplexes.

Other Discussion Topics

~\$509K of CT Department of Housing funding was received in December leaving \$541K outstanding for homes completed and sold in FYE 6/30/16. It is expected those funds will be received before 6-30-17. An additional \$450K is due from CT DOH in FYE 6/30/18 for homes currently being constructed. Future public funding of this magnitude cannot be predicted beyond 6/30/17.

~Hartford HOME Loan of \$200K must be repaid from upcoming City of Hartford Funding.

~Financial Freedom Center construction has been restarted. This money is set aside in Restricted Net Assets.

~Karraine reviewed the details of the mortgages and condominiums built in 1989 and discussed her plans to reduce Affiliate's risk and exit from condominium association management. This was a continuation of her presentation to the Executive Committee earlier this month.

~The monthly dashboards were simplified to eliminate repetitive information, and streamline Board presentations. The Board will now receive the cash schedule in addition to the dashboards.

~As a result of the Finance Committee's audit meeting with Whittlesey & Hadley, Karraine will review monthly journal entries with Mike, and anything beyond recurring and normal-course-of-business entries will be brought to Luke's attention.

Minutes: Finance Committee Meeting March 24, 2017, 7:30 a.m. – via Telephone Conference

Present: Luke Ebersold, Matt Bjorkman, Jesse Carabase, Ben Daigle, Karraine Moody, Michael DeRoy.

Cash Position: The second disbursement of the \$1.5M Ct Dept of Housing grant in the amount of \$599K was received in March. Total receipts on that grant are now \$1,108,000 with \$392,000 outstanding. It is anticipated that approximately \$230,000 of the amount outstanding will be received this fiscal year. The February monthly Cash report shows \$362,561 of cash available for operations. Taking into account the \$175,000 repayment to the City of Hartford on a HOME loan, today's cash balance available for operations is nearly \$800,000 which leaves us in a safe cash position for the remainder of the fiscal year.

Construction Expenditures (Hard Costs) are \$346,077 over budget – see Key Indicator dashboard. A review of the progress of three homes being built on Main Street leads us to estimate that substantial completion will require \$150,000 in total to be expended through 6/30/17. We will use an additional \$50,000 in funds to complete the foundation of 171 & 173 South Marshall Street where the construction has been postponed until fiscal year ended 6/30/18. The remaining budgeted Hard Costs will be used to ready recycled homes for sales to new families. We will continue to utilize staff and volunteers at 161 & 163 South Marshall (to be completed in FYE 6/30/18) to keep construction going. This will result in total Hard Costs being over budget for this fiscal year, but is a prudent decision given our strong cash balance.

Development Revenue & Department Expenses/Budget vs Actual are consistent with prior months' reports and meeting minutes. In total, Family Services, Finance, Development and Construction Departments are on budget with a favorable variance of \$6,743. Development Revenue is showing a favorable budget variance of \$171,630, but the negative accounting adjustment of \$175,000 in March for repayment of the City of Hartford's loan (once understood to be forgivable, and thus recorded as Revenue at the time) will bring it down to just in line with the budget.

Restore Sales were below the monthly budget for the third consecutive month, and are now just on-budget through February (Sales= \$547,773 Budget = \$548,000). Matt Boyne is optimistic that March sales will be at or near the \$68,500 monthly budget. However, expenses remain over budget specifically in Wages & Salaries and 3rd Party Movers. To control expenses going forward we are limiting one moving company to one day of pickups per week, and the other moving company to bulk pickups that are sure to result in quick turnaround and profitable sales on a case by case basis. Also, staff will return to doing more residential pickups with our truck. We will be experimenting with holding the line on prices (before discounting) in an effort to bring inventory turnaround down to one week (from two). Slowing inventory restocking will bring staff hours back down to their set schedule from the level that was needed to support previous monthly sales of \$75,000+.

It was noted that a sub-committee of the board will be meeting Monday 3/27 to discuss options for the Enfield and Royal Gardens Condos risk reduction plan. Next up is the FYE 6/30/18 Budget which Mike will begin preparing in April, and will have a first draft in late April. The Finance Committee should meet by May 12th to discuss and review. A committee approved budget should be ready for submission to the Board by the week ending 5/26/17 for the 6/6/17 Board meeting.

The meeting adjourned at 8:00 am.

Minutes: Treasurer's Meeting April 21, 2017, 7:45 a.m. – 9:00 a.m. at 75 Charter Oak Avenue office Present: Luke Ebersold and Michael DeRoy.

Cash Position The meeting began with a review of our current cash position. Bank balances as of March 31, 2017 totaled \$1,385,542 as compared to the budgeted figure of \$1,305,931. There is \$490,528 available for non-building operations which represents slightly more than 3 months of budgeted expenses. Considering there are additional receipts of approximately in \$250,000 DOH funding for the 4 homes sold at the beginning of March, we are in a safe cash position for the remainder of the fiscal year. Also, Spring Appeal mailings went out in April.

Revenue As a result of the \$175,000 repayment to the City of Hartford on the HOME loan, lower Grant Revenue recognized (as result of slowed construction progress) and lower than anticipated Restore Net Income; Annual Revenue may fall \$300K short of budget for the fiscal year.

Construction Expenditures The Year to Date Hard Construction Costs Unfavorable variance is \$289K down from \$346K at the end of February. It is expected that the variance will continue to improve, but we will be approximately \$100K over budget for the year.

ReStore Sales improved in March exceeding the monthly budget by \$6,000, and the YTD Sales exceed the annual budget by that same \$6,000. Expenses were slightly over budget for the month of March, but reduced 3rd moving pickups and reduced employee hours did not take effect until the second half of the month. There were 3 employee paydays in March making for a higher expense month as budgeted, so both actual and budgeted net income were lower than typical months.

Home Closings Thus far there have been two new construction closings and two extensive rehab home closings this year. It was budgeted that three Main St. homes, and two South Marshall St homes would also close this year. The two South Marshall St. homes are now expected close late this calendar year. Although the Main Street homes will be substantially complete by June 30, 2017, even 99% complete does not qualify for a Certificate of Occupancy required to close, so it is unlikely that those homes will legally close in this fiscal year. Mike will be checking in with Whittelsey & Hadley to see if these homes sales could be recorded in this fiscal year's financial statements, since we will have signed Purchase & Sale Agreements from each homeowner, as well as scheduled closing dates. Otherwise we will have an uneven reporting of Program Revenues and Program Expenses when comparing annual financial statements for 6/30/16 (11 homes sold) 6/30/17 (4 homes sold) and 6/30/18 (14? Homes sold)

Budget Mike and Karraine have been working on the budget, and will have a first draft to send to the Finance Committee within the week ending May 5th. Luke hopes to schedule a Finance Committee budget review at the 75 Charter Oak offices on May 12th in the morning, depending on members' availability. The full Board Meeting to review the budget is scheduled for June 6th, so we need to target May 26th as the latest date we can send the Finance Committee recommended budget document to the Board. The Finance Committee review will need to be focused on Revenue (specifically Public Grants), Construction Expenditures and maintaining an Operating Cash cushion by approving a budget that does not result in negative cash flow for the year.

Minutes: Finance Committee Meeting May 15, 2017, 7:30 a.m.

Present: Luke Ebersold, Philip Titolo, Mark Vasington, Scott Orsey, Ben Daigle, Karraine Moody, Michael DeRoy. Phone: Ben Daigle, Denise Harris, Joe Fazzino

The purpose of the meeting was to review the FYE 6/30/18 budget.

Karraine began the discussion with a review of the current homes under construction and expected closing dates. Since preparation and distribution of the budget, it has been determined that it is likely that the three Main Street homes will close in FYE 6/30/17. The Main Street home sales were included in the 6/30/18 budget. That will affect the bottom line for financial statements purposes, but not the budget per se, since the home sales have no effect on cash flow. Regardless, the budget will be updated to reflect the revised date of those sales.

The following is the latest anticipated construction plan and home sales:

FYE 6/30/17:

New Construction:

~259 West Granby – sold 2/28/17

~89 East Morningside – sold 2/28/17

~2650 Main Street – completion and closing June 2017

~2652 Main Street – completion and closing June 2017

~2654 Main Street – completion and closing June 2017

Rehabs:

~159 Roosevelt St (extensive rehab) –sold 2/28/17

~232 Vine St (extensive rehab) – sold 2/28/17

Recycles:

~14 Oakland St – closing June 2017

~12 Waverly – closing June 2017

~43 Cleveland – closing 2017

FYE 6/30/18:

New Construction:

~3 duplexes (6 homes) – anticipated to close January 2018

~35 Armistice Unit #1 - anticipated to close June 2018

~35 Armistice Unit #2 - anticipated to close June 2018

~9 Moore Ave. - anticipated to close June 2018

~ 66Bliss St.- anticipated to close June 2018

Rehab:

~117 Kensington – closing date not certain

Recycles:

~18 Liberty

~75 Marguerite

~99 Charlotte

There was concern among members of the budgeted Net Book Loss of \$1.6M. However, the land costs associated with South Marshall St make up \$1M of this. An Aetna grant paid for the property and the demolition of the existing buildings at time of purchase. The restriction on those funds was for only for purchase, demolition and cleanup (not construction of the current homes). Thus, the Grant Revenue was recognized in a prior year, but the Land Asset to be recognized as Cost of Land Sold in the year of sale. Though the significant net loss is not ideal for financial statement presentation, it is unavoidable. Mike noted that Charity Navigator metrics are more focused on consistent Program expenses from year to year and Cost of Homes/Land Sold are Program expenses.

As the discussion of budgeted Revenue began, Karraine explained that the presumed loss of public funding from HUD in future years, was not effecting our FYE 6/30/18 home construction plans because funding is in place to support our plans.

Other significant Revenue issues:

~Eversource Housing Tax Credit received in FYE 6/30/17 was \$160K, and budgeted for \$150K for FYE 6/30/18. We submitted a request for \$400K. An increased award would significantly shore up cash reserves, and would limit the reliance on selling/assigning mortgages to fund future new home construction plans. It was noted that many affiliates sell their mortgages immediately subsequent to closing, and that this is a practice encouraged by Habitat International. However, our ability to leverage our mortgage assets is presently restricted by the terms of our public funding agreements.

~Development Expenses include the addition of a full time Individual Engagement Manager with Salaries and benefits of \$70K. Budgeted Individual Donation Revenue was increased by \$70K. The position is also needed to preserve our current individual donors as well.

Expenses:

Total Expenses for the 4 departments (Family Services, Development, Finance and Construction) are budgeted to increase by approximately \$100K as compared to the 6/30/17 projected actuals. The majority of this increase \$70K is related to the Individual Engagement Manager being hired (see above). The other significant increase is the effect of a full year of employees as Construction Supervisors (and the related costs of health insurance and workers comp insurance).

Karraine is applying for a 3-year Hartford Foundation grant that would fund the addition of a Financial Freedom Center Coordinator. Neither the additional expense, nor the Grant Revenue is included in the budget.

Restore:

Despite a couple of sub-par months of sales, the ReStore is back on track to meet budgeted sales for 6/30/17. A similar 4% increase in sales over the prior year was used to project 6/30/18 Sales. In recent months, changes undertaken include the addition of a second 3rd-party mover (competition), and more pickups by staff to reduce costs. Overall it is budgeted that the ReStore will yield positive cash flow of approximately \$60K for FYE 6/30/18.

Summary:

There were no substantive changes recommended for the budget, but some presentation clarifications will be made. Luke will send an email to the Finance Committee to see if there are any objections or further discussion needed this week. Luke and Mike will meet on May 23rd to prepare a narrative to accompany the budget for the June 6, 2017 Board meeting and budget vote. The narrative and a Board level budget document will be emailed to Board Members on 5/25/2017.

The meeting adjourned at approximately 8:45 am

OPERATIONS REPORT

Hartford Area Habitat for Humanity
May-June Board Update
May 25, 2017

EVENTS

Women Build

For the past three weeks, we've hosted over 200 volunteers on site and received tremendous feedback from our volunteers. This entire month was reserved for corporate and individual teams. Groups on site included Lowe's (Bloomfield store and our national partner for Women Build), Bank of America, UTC Finance group, Thrivent, Stanley Black and Decker, Alpha Kappa Alpha, Beekly Medical, Fi-Serv. Our new groups included WPS, Magellan and many individual teams. Thank you to Lori McGee-Brown, Ann Hamilton, Tom Trumble, Denise Harris and Matt Cooper for hosting/crew leading during Women Build. Please visit our social media platforms for pictures.

Women Build Luncheon

Our luncheon was held on May 17th and we had 65 guests. Mrs. Jahana Hayes shared how she first got involved with Habitat and introduced the mission to her students. Annette Velez a Habitat homeowner from New Britain shared her Habitat story and what "home" means to her and her daughter. Annette has been in her home for 11 years. We had former board members in attendance including Veronica DeLandro and Lucy Hurston. Lori McGee-Brown, Lisa Chirichella, Tom Trumble and Don Shaw were in attendance. We had several individuals that were new to Habitat and signed up to form a team in 2018.

Board Build

The Board Build was held on May 20th. Thanks to Ann Hamilton, Lisa Chirichella and David Symonette for attending and engaging our volunteers.

Financial Freedom Center: We look forward to hosting our ribbon cutting ceremony for the center on June 15th at 11am. 780 Windsor Street Hartford, CT

Annual Sticks for Bricks Golf Tournament is scheduled for **Monday, August 28th at Wampanoag Country Club of West Hartford**. Please contact Mark Vasington or Christina D'Amato for details on our sponsorship opportunities. Tickets are also available for our cocktail party.

Habitat 101s:

If you would like to come out on site for lunch to meet our volunteers this summer. Please let me know...we would love to have you on site.

DEPARTMENT UPDATES

ReStore: Secured a long term commitment with Bob's Furniture. They are delivering merchandise to the ReStore on a weekly basis. Both sale dates this month were promising (18th and special Yard-Summer sale).

Family Services and Financial Freedom Center: We look forward to hosting our ribbon cutting ceremony for the center on June 15th at 11am. We are also honoring the legacy builders that made the renovations possible with their love ones. Please see the website's home page for additional details. Family Services/Finance is preparing to close six homes in June (3 recycles and 3 new homes on Main Street)

Construction and Current Builds:

- We are wrapping up Main Street with plans to close by June 30th. At this point construction is overseeing final site work, trades, driveways and landscape. We hope to close by June 30th so we can draw down the first payments from the DOH 2 grant as well as HOME funds assigned to these units. Don Shaw secured additional sponsorship from Monrovia to provide all of the plantings for the homes. These homes are on Main Street and have a lot of visibility. If possible, we will host an open house on June 15th in connection with the Financial Freedom Center.
- South Marshall is making scheduled progress with 161-163 currently being roughed, 171-173 framing walls and 181-183 preparing roof jig so volunteers can shingle.
- East Hartford: permit secured by the end of June. Currently with the Town of East Hartford's building department. Bliss and Moore lots.
- New Britain is currently on the architect's desk and permit should be ready by the end of July. Armistice.
- Rehab homes: We purchased a unit on Kensington Street, which we will rehab starting in August and should be ready to close by December. It is not a full renovation but requires flooring, kitchen, paint and full inspection. We continue to seek out rehabs that can easily be converted into homeownership without a full renovation.

Saints:

The Saints are upset that their group was canceled for May and June. At this point, we've designated South Marshall as our site for all of our corporate and major fundraiser events. I've assured the saints that we will have capacity in July on South Marshall and later this summer in East Hartford and New Britain (4 units). However it should be noted that we will cancel the Saints in September in order to manage Build-A-Thon which is our largest fundraiser of the year-netting over 100K. Please see full packet, which includes my email correspondence that outlines why funding is so critical at the moment. I asked them to see the bigger picture.

Condo Risk Reduction:

Please see attached minutes from the subcommittee. We haven't made any progress on the recommendations from the committee. We hope to address in July and have a full resolution in place before January 1, 2018. In the mean time, we will continue to monitor the properties and stay in communication with the families.

Finance:

Our budget for Fiscal Year 2018 will be sent out shortly. The finance committee has reviewed and recommended this budget for board approval. Please send any questions in advance of the June 6th meeting.

Development:

Since 2014, we've discussed the reduction/elimination of public sector funding. At this time, all of our public sector funding from the Department of Housing and Urban Development is on the chopping block. To be proactive, I reached out to Hartford Foundation for Public Giving last year, seeking guidance from the Nonprofit Support Program. NSP has been an asset to us over the years and provided technical support. I also had several conversations with other Executive Directors and Habitat EDs regarding their development portfolio. I can assure you that this has been a conversation within our affiliate since 2009. We haven't developed a strong/metric campaign to inspire our volunteers to donate.

I know that we can do this because we were able to implement "pay to play" for our corporate sponsors. I've also secured the necessary tools so that we can engage individuals and civic groups in a similar format through crowd-funding and third party fundraisers.

In April, I hired Netmark Associates to train our staff on how to cultivate individual donors. The contract includes creating an impact team that will work closely with our staff to implement the program. This was an operational decision to transition the organization to maintain a sustainable development plan for the future. If you would like to participate on the Impact Team, please let me know. The time commitment includes 3 training sessions that will be 3 hours each. The Impact Team is charged with making *the ask*. We will meet in July, August and September. The Impact Team includes 3 staff, 3 board members and 3 current donors. We have openings for 3 board members. In addition, Netmark Associates will offer training for our entire board in the fall.

FINAL THOUGHTS

I appreciate all of your efforts to help the affiliate continue to thrive as we build homes and serve more families. I know that Habitat is a huge commitment of time, talent and treasure. Thank You!

We have such a dedicated staff that brings 100% to the mission every single day. We are small but mighty. I can assure you that we are in a good place and on track with our strategic plan. Our team loves the mission and are committed to the organization's success.

This final year of the strategic plan we will maintain, implement and accomplish the following:

- Continue our multi-tier neighborhood plan that includes new construction, rehabs and repairs.
- Launch the Financial Freedom Center in August that will serve our families as well as engage more volunteers in the mission.
- Implement our advocacy plan partnering with our homeowners and youth chapters.
- Stewart and manage our resources so that we continue to operate in excellence.

Minutes: Sub-Committee Condo Risk Reduction Meeting March 27, 2017, 7:30 a.m.

Present: Luke Ebersold, Matt Cooper, Anne Hamilton, Mark Vasington (via phone), Karraine Moody, Michael DeRoy.

The purpose of the meeting was for designated board members to provide guidance to staff for plans of action toward Hartford Habitat homeowners residing at the three condominium complexes at Guilford Street, Enfield Street and Royal Gardens. Hartford Habitat owns one condominium Guilford Street that is used for Americorps housing, and another at Enfield St. which is vacant and not saleable or rentable. The specific details of each complex and the residents was provided at the March 7, 2017 Board Meeting.

Guilford Street will be seeking 3rd party property management services which should be feasible given that the South Marshall Street Homeowners Association of 20???? Habitat built duplex units is seeking a similar management arrangement. This should include a move toward strengthening cash reserves to keep the homes in good repair (as they are now).

The Enfield Street homes are in disrepair and without condo association reserves for short or long term issues. Public Grant funds are available from CDBG to purchase the homes from two of the current owners that are immediate family members of the original Habitat homeowners. It is expected that the owners will welcome \$20,000 sale offers for their units. Habitat will negotiate a purchase from HSBC that is currently foreclosing against the resident owner of the 3rd unit (Habitat owns the 4th). The resident is not a Habitat family, and obtained the unit via purchase from the original Habitat homeowner. The CDGB funds (that must be allocated by 6/30/17) will also defray the cost of demolishing the units for 2 (possibly 3) Habitat single family home building lots.

It was initially considered that Royal Gardens (5 units in total, 2 mortgages paid in full, 3 non-performing) could be encouraged to seek 3rd party property management if Habitat were to forgive the 3 outstanding mortgages, and all five owned their homes outright. However, it was decided that would just likely be prolonging a bad situation that would still be "attached" to Habitat when the management plan eventually failed and the funds were not reserved to keep the homes in good repair. It was agreed that we needed to present a plan that was most fair to the two homeowners that paid their mortgages all these years only to end up with a home for which they paid approximately \$40,000 and might appraise at \$20,000 or less. Furthermore, given the lack of association reserves and three potential foreclosure on the horizon, their homes may have no current value at all.

It was resolved that Karraine will meet with Royal Gardens homeowners Watson and Montgomery to seek a solution that works best for them. It will be Habitat's suggestion that they strongly consider a cash offer of appraisal value for their home. The other 3 homeowners will be offered a "keys for cash" offer \$2,000 each to vacate their units. Habitat will work through a 3rd party non-profit agency to find low-income housing alternatives (rent to be based on ability to pay) for each resident. The homes will eventually be demolished and the land offered for public sale. The location is not a suitable building location for Habitat. The cost of resolving Royal Gardens will be included in the 6/30/18 budget.

The meeting adjourned at 8:45 am.

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We work with a wide range of nonprofit organizations. Our clients include human service agencies, family centers, mental health, youth development, and literacy programs, churches, art organizations, and anti-poverty agencies.



Saint Update

Karraine Moody

Thu 5/25/2017 11:19 AM

To: Anne Hamilton <ahamilton105@gmail.com>; Bill Chamberland <chambogo@aol.com>; Bill Ford <b3ford@sbcglobal.net>; Bill Hyde <whyde52488@aol.com>; Bill Mckone <wilmck@comcast.net>; Bill nygren <walf54bud@comcast.net>; boblukawicz <boblukawicz@cox.net>; Bob McNally <rcmcn@sbcglobal.net>; Bob Spencer <spencer.bob@gmail.com>; Bruce Bathrick <phbcheshire@cox.net>; Cindy Abrams <clabrams26@sbcglobal.net>; Dan Snobrich <ggbrich@yahoo.com>; Dave Amberg <ambergdw@sbcglobal.net>; Dave O'leary <theolearygroup@gmail.com>; Dean Caswell <daffeydill@aol.com>; mayer, dennis <dm7mayer@gmail.com>; 'Dick Thompson <spotanpuff@gmail.com>; bryan, eliot <skibums800@aol.com>; DeDominicis, Enzo <enzodd@att.net>; Jay Stoppelman <JayStopp@yahoo.com>; Jim Carlson <jjcarlson@cox.net>; carter, jim <jecarter168@yahoo.com>; Joe Antonio <mgajra@att.net>; John A Labbe <John_a_labbe@sbcglobal.net>; John Michalik <jmichalik220@gmail.com>; John O'Brian <aobrien06084@yahoo.com>; John Tally <jhtall65@gmail.com>; John Vining <jonvining@gmail.com>; John Zinn <johnzinn162@gmail.com>; Lou Basta <lbasta@comcast.net>; Mark Holby <lmholby@comcast.net>; Mark Swanson <bikermark49@gmail.com>; bassock, michael <mibass57@gmail.com>; Norm Racine <racinenorman@sbcglobal.net>; Paul Anderson <grampasjpa@sbcglobal.net>; Paul James <paul.james@snet.net>; Paul Paradis <pndparadis@yahoo.com>; Peter Urbanik <urbanikpj@cox.net>; Ralph Arcari <ralpharcari@yahoo.com>; eustis, ralph <eustis20@aol.com>; Rich Bunce <rbunce2031@gmail.com>; Richard Brwon (REB <rebneck@hotmail.com>; Richard Cady <recady@att.net>; Robert McNally <bobmcnally40@gmail.com>; Robert Nadeau <robn05@aol.com>; Robert Wallace <Robert.wallace7@comcast.net>; Roger Thompson <roger.thompson2905@sbcglobal.net>; Ron Masters <rn1757@aol.com>; Tom Pandolf <tpandolfe@att.net>; Virginia deLima <vadelima@yahoo.com>; William Castagno <wcastagno21@yahoo.com>; William McGarry <wdmccgarry@sbcglobal.net>; jpcarpentry79@gmail.com <jpcarpentry79@gmail.com>; bkelly55c@gmail.com <bkelly55c@gmail.com>; rexmyers@sbcglobal.net <rexmyers@sbcglobal.net>; pmpiccione@cox.net <pmpiccione@cox.net>; ejrs@aol.com <ejrs@aol.com>; taras paluch <taras.paluch@snet.net>; barbero139@comcast.net <barbero139@comcast.net>; beaverstevens@comcast.net <beaverstevens@comcast.net>;

Saints,

We are fortunate to be booked to capacity in June on South Marshall Street. I would like to elevate the conversation beyond your frustration to Habitat's mission and how we finance our builds. We finance our mission through donations; which means that we need to introduce Habitat to as many individuals possible so that we can build homes-serve families. During the month of May and June, we will introduce Habitat to about 500 new individuals through Women Build, crowd funding, luncheons, Habitat 101s and corporate sponsored build days. ***By no means are we eliminating the Saints.***

Our development portfolio is \$2.5M which consists of 40% corporate, 40% public sector grants and 20% individuals and civic. At this time, all of our public sector funding from the Department of Housing and Urban Development is on the chopping block. This is roughly \$1M of our operating budget. Our organization was preparing for the reduction and/or elimination of public funding so we implemented "corporate build days" in 2015. We are now in year 2 and will be expanding sponsorship to individuals and civic groups this fall.

Companies are sponsoring teams at \$100.00 per person and/or in-kind donations. Similar to last year, June is our best month to secure corporate build days because we connect it with National Homeownership Month. Last year, every corporate group sponsored a build day; so every time a corporate group came on site--the affiliate received a donation.

June is also the month that our annual house sponsors want to build on site. These corporations donate over \$300,000 to Hartford Habitat on an annual basis. Without their sponsorship, we could never build 10 new homes a year. Please consider that UTC Carrier is no longer based in Farmington, CT. So the furnace sponsorship technically should of ended last year. But through negotiation and build opportunities, we have secured

sponsorship for all of our furnaces, fire and CO monitors and other Kidde products for FY 2018. This sponsorship alone is worth more than 60K. Please consider that in June alone we will secure/leverage the following levels of sponsorship:

- Financial \$ 25,000
- House Sponsors: Aetna 50K for 2017 and Travelers \$135K
- In-Kind Product/Material: Over 60K

We are not eliminating the Saints! The organization's priorities are:

- 1) Keep our volunteers safe. Reduce risk and liability as much as possible
- 2) Build simple, decent homes that are built correctly and efficiently
- 3) Engage as many hands in the mission so we can continue to serve families
- 4) Advocate for affordable homeownership

Many non-profits in the US and in our state are worried about keeping their missions alive. The affiliate is in a solid position and with good planning we are prepared to weather the reduction/elimination of public funding. However, it does require that we shift gears to meet the challenge. I stand by my previous email in January where I asked the Saints to see the big picture and work with us as we transition. I also gave a heads up in January of all our major fundraisers and when build opportunities would be limited. I can assure you that the changes made within the construction/development departments are for the overall sustainability of the affiliate and the mission. ***Please see email below from Habitat for Humanity International outlining the reduction in federal dollars.*** If you have the opportunity to call your elected official to share your concerns about the proposed elimination of HUD HOME, CDBG, SHOP and Americorps; it would be so appreciated.

Finally, I hope everyone has a beautiful Memorial Holiday and remember those that died in service to our country.

In partnership,

Karraine Moody | Executive Director

Hartford Area Habitat for Humanity

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Dear Habitat Leader,

Today, the White House released their full fiscal year 2018 budget request, and, as expected, the request proposes to eliminate funding for every federal program that furthers Habitat's reach – programs including the Self-Help Homeownership Opportunity Program (SHOP), the Community Development Block Grant (CDBG) program, the HOME Investment Partnership Program, and the AmeriCorps program. There has never been a more important time for our network to come together to stand up for quality, affordable housing. You know firsthand the impact of the federal funding we receive, and we need your voice to save the programs that are so vital to Habitat's work with families in need of better housing.

I write to you with two urgent requests:

1. Call or [email your members of Congress](#) to urge them to be a voice for federal programs benefitting affordable homeownership. Now that the budget request has been released, it's up to Congress to decide how much funding these programs receive through the appropriations process.
2. [Sign up for our Advocacy Ambassador email list](#) to stay informed about critical news that will impact Habitat's work and the families we partner with and to learn about what we can do together to advocate for affordable housing. When you receive Advocacy Ambassador emails, read them carefully, share them with your staff and networks, and take the actions requested.

Your advocacy efforts to protect affordable homeownership don't have to stop there. We have a host of additional resources and ideas to help keep you informed and spur further opportunities for action and engagement for you, your affiliate and your networks. All these materials will be available [here](#) and will be regularly updated. Additionally, the Government Relations and Advocacy office will be offering a [webinar Thursday, May 25, at 4 p.m. EDT](#) on the implications of the administration's budget proposal.

Even if your affiliate has never received federal funding or hosted an AmeriCorps member, we need your voice to preserve these programs so that the Habitat network can continue to create more decent, safe and affordable housing. It is crucial that we bring our voice to public policy discussions related to affordable housing, including helping to highlight why adequately funding our legislative priorities is a value to the taxpayer, Habitat homeowners and our communities and why, for Habitat this is a moral issue, not simply a budget one.

I hope every member of the Habitat family will join us and stand united in support of affordable housing and this important source of funding for the work we do together.

In partnership,

Jonathan T. M. Reckford