

Habitat for Humanity North Central Connecticut Board Meeting

November 14, 2023

AGENDA

- Devotion - Crystal Floyd
- Audited Financial Presentation from W-Advising: Ed Sullivan and Garrett Glynn
- Consent Agenda - Anne Hamilton
- Board Working Group Presentation
 - ReStore
 - Serving More Families
 - Housing Affordability
- Holiday Party at The Hartford Club
- Executive Session

FINANCIAL PRESENTATION W-ADVISING

DRAFT

Habitat for Humanity North Central Connecticut, Inc.

Independent Auditors' Report

Financial Statements

June 30, 2023 and 2022

Habitat for Humanity North Central Connecticut, Inc.

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Independent Auditors' Report

To the Board of Directors of
Habitat for Humanity North Central Connecticut, Inc.

Opinion

We have audited the accompanying financial statements of Habitat for Humanity North Central Connecticut, Inc. (the "Organization") which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023 and 2022, and the changes in its net assets and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Hartford, Connecticut
October 24, 2023

Habitat for Humanity North Central Connecticut, Inc.

Statements of Financial Position

June 30, 2023 and 2022

	2023	2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,299,114	\$ 1,471,841
Accounts receivable	57,485	47,774
Current portion of mortgage notes receivable	588,725	652,483
Inventory	682,794	1,059,152
Prepaid expenses	157,007	119,264
Total current assets	<u>3,785,125</u>	<u>3,350,514</u>
Property and equipment:		
Land, building and improvements	516,265	516,265
Furniture, fixtures and equipment	1,331,453	1,308,341
Less: accumulated depreciation	<u>(1,283,281)</u>	<u>(1,183,847)</u>
Net property and equipment	<u>564,437</u>	<u>640,759</u>
Other assets:		
Mortgage notes receivable, net	4,333,664	5,282,472
Operating right-of-use asset	715,721	-
Other real estate owned	-	141,352
Security deposits	14,500	12,800
Total other assets	<u>5,063,885</u>	<u>5,436,624</u>
Total assets	<u><u>9,413,447</u></u>	<u><u>9,427,897</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Current portion of long-term debt	72,521	77,856
Accounts payable and accrued expenses	665,858	370,933
Current portion of operating lease liabilities	121,292	-
Total current liabilities	<u>859,671</u>	<u>448,789</u>
Noncurrent liabilities:		
Long-term debt, net of current portion	538,194	595,385
Long-term portion of operating lease liabilities	594,429	-
Total noncurrent liabilities	<u>1,132,623</u>	<u>595,385</u>
Total liabilities	<u>1,992,294</u>	<u>1,044,174</u>
Net assets:		
Without donor restrictions	7,379,056	8,365,826
With donor restrictions	42,097	17,897
Total net assets	<u>7,421,153</u>	<u>8,383,723</u>
Total liabilities and net assets	<u><u>\$ 9,413,447</u></u>	<u><u>\$ 9,427,897</u></u>

The accompanying notes are an integral part of the financial statements.

Habitat for Humanity North Central Connecticut, Inc.

Statement of Activities

For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support:			
Property transferred to homeowners	\$ 2,192,055	\$ -	\$ 2,192,055
Grants	499,171	-	499,171
Contributions	1,339,530	35,000	1,374,530
Imputed interest on mortgage receivables	312,587	-	312,587
ReStore income	1,322,943	-	1,322,943
Other income	9,204	-	9,204
Interest income	541	-	541
Gain on sale of mortgages	52,341	-	52,341
Satisfaction of program restrictions	10,800	(10,800)	-
Total revenue and other support	<u>5,739,172</u>	<u>24,200</u>	<u>5,763,372</u>
Expenses:			
Program services			
Affordable housing program	4,906,071	-	4,906,071
ReStore	1,219,608	-	1,219,608
Total program services	<u>6,125,679</u>	<u>-</u>	<u>6,125,679</u>
General and administrative	226,638	-	226,638
Fundraising	373,625	-	373,625
Total expenses	<u>6,725,942</u>	<u>-</u>	<u>6,725,942</u>
Change in net assets	(986,770)	24,200	(962,570)
Net assets - beginning of year	<u>8,365,826</u>	<u>17,897</u>	<u>8,383,723</u>
Net assets - end of year	<u>\$ 7,379,056</u>	<u>\$ 42,097</u>	<u>\$ 7,421,153</u>

The accompanying notes are an integral part of the financial statements.

Habitat for Humanity North Central Connecticut, Inc.

Statement of Activities

For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support:			
Property transferred to homeowners	\$ 1,838,776	\$ -	\$ 1,838,776
Grants	438,682	-	438,682
Contributions	1,677,606	33,334	1,710,940
Imputed interest on mortgage receivables	337,299	-	337,299
ReStore income	1,222,196	-	1,222,196
Other income	750	-	750
Interest income	539	-	539
Gain on sale of mortgages	438,336	-	438,336
Satisfaction of program restrictions	125,436	(125,436)	-
Total revenue and other support	<u>6,079,620</u>	<u>(92,102)</u>	<u>5,987,518</u>
Expenses:			
Program services			
Affordable housing program	4,222,813	-	4,222,813
ReStore	1,138,642	-	1,138,642
Total program services	<u>5,361,455</u>	<u>-</u>	<u>5,361,455</u>
General and administrative	187,647	-	187,647
Fundraising	311,575	-	311,575
Total expenses	<u>5,860,677</u>	<u>-</u>	<u>5,860,677</u>
Change in net assets	218,943	(92,102)	126,841
Net assets - beginning of year	<u>8,146,883</u>	<u>109,999</u>	<u>8,256,882</u>
Net assets - end of year	<u>\$ 8,365,826</u>	<u>\$ 17,897</u>	<u>\$ 8,383,723</u>

The accompanying notes are an integral part of the financial statements.

Habitat for Humanity North Central Connecticut, Inc.

Statement of Functional Expenses

For the Year Ended June 30, 2023

	Program Services		Total	General and Administrative	Fundraising	Total
	Affordable Housing Program	ReStore	Program Services			
Cost of homes and goods sold	\$ 2,527,370	\$ 74,061	\$ 2,601,431	\$ -	\$ -	\$ 2,601,431
Other expenses:						
Salaries	737,968	423,421	1,161,389	89,676	150,409	1,401,474
Payroll taxes and fringe benefits	247,905	161,292	409,197	34,358	48,762	492,317
Occupancy expenses	134,552	136,260	270,812	13,607	2,346	286,765
Moving and storage	-	243,112	243,112	-	-	243,112
Professional fees	129,096	10,578	139,674	39,778	32,764	212,216
Office administration	74,746	18,910	93,656	7,133	5,706	106,495
Special events	6,570	-	6,570	4,820	80,903	92,293
Advertising	19,984	3,712	23,696	3,302	42,681	69,679
Insurance	37,979	16,945	54,924	2,253	6,396	63,573
Bank and credit card fees	29,933	18,567	48,500	6,584	1,202	56,286
Utilities and telephone	18,694	32,226	50,920	(454)	(78)	50,388
Auto and travel	29,094	2,284	31,378	4,284	770	36,432
Miscellaneous	21,643	-	21,643	6,188	980	28,811
Tithe and donations to affiliates	30,258	-	30,258	334	58	30,650
Other program service costs	13,892	-	13,892	28	506	14,426
Interest	9,104	-	9,104	3,718	-	12,822
Warranty costs	12,199	-	12,199	-	-	12,199
Training and staff development	8,977	-	8,977	1,275	220	10,472
Total other expenses	1,562,594	1,067,307	2,629,901	216,884	373,625	3,220,410
Total expenses before mortgage discount and depreciation/amortization	4,089,964	1,141,368	5,231,332	216,884	373,625	5,821,841
Mortgage discount	804,667	-	804,667	-	-	804,667
Depreciation/amortization	11,440	78,240	89,680	9,754	-	99,434
Total expenses	\$ 4,906,071	\$ 1,219,608	\$ 6,125,679	\$ 226,638	\$ 373,625	\$ 6,725,942

The accompanying notes are an integral part of the financial statements.

Habitat for Humanity North Central Connecticut, Inc.

Statement of Functional Expenses

For the Year Ended June 30, 2022

	Program Services		Total	General and	Fundraising	Total
	Affordable	ReStore	Program Services	Administrative		
	Housing Program					
Cost of homes and goods sold	\$ 1,719,469	\$ 140,942	\$ 1,860,411	\$ -	\$ -	\$ 1,860,411
Other expenses:						
Salaries	605,052	395,037	1,000,089	90,182	190,390	1,280,661
Payroll taxes and fringe benefits	164,352	134,463	298,815	16,692	31,043	346,550
Occupancy expenses	138,480	130,985	269,465	10,186	1,756	281,407
Moving and storage	-	162,465	162,465	-	-	162,465
Professional fees	100,582	2,800	103,382	21,968	23,566	148,916
Office administration	102,027	20,083	122,110	13,696	2,749	138,555
Advertising	31,356	3,671	35,027	3,892	26,308	65,227
Insurance	41,831	15,797	57,628	1,033	2,912	61,573
Bank and credit card fees	18,805	21,518	40,323	6,363	1,097	47,783
Tithe and donations to affiliates	38,926	-	38,926	-	-	38,926
Utilities and telephone	13,773	24,942	38,715	-	-	38,715
Special events	2,127	-	2,127	1,528	27,503	31,158
Auto and travel	10,369	7,313	17,682	1,474	357	19,513
Interest	14,409	-	14,409	4,442	-	18,851
Other program service costs	18,064	-	18,064	-	-	18,064
Warranty costs	10,749	-	10,749	-	-	10,749
Miscellaneous	2,182	-	2,182	6,188	980	9,350
Training and staff development	2,889	386	3,275	249	845	4,369
Bad debt expense	-	-	-	-	2,069	2,069
Total other expenses	1,315,973	919,460	2,235,433	177,893	311,575	2,724,901
Total expenses before mortgage discount, loss on impairment, and depreciation/amortization	3,035,442	1,060,402	4,095,844	177,893	311,575	4,585,312
Mortgage discount	1,163,489	-	1,163,489	-	-	1,163,489
Depreciation/amortization	23,882	78,240	102,122	9,754	-	111,876
Total expenses	\$ 4,222,813	\$ 1,138,642	\$ 5,361,455	\$ 187,647	\$ 311,575	\$ 5,860,677

The accompanying notes are an integral part of the financial statements.

Habitat for Humanity North Central Connecticut, Inc.

Statements of Cash Flows

For the Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (962,570)	\$ 126,841
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation and amortization	99,434	111,876
Mortgage discount	116,755	(6,682)
Changes in assets - (increase)/decrease:		
Accounts receivable	(9,711)	69,902
Inventory	376,358	(595,433)
Prepaid expenses	(37,743)	(76,885)
Changes in liabilities - increase/(decrease):		
Accounts payable and accrued expenses	294,925	215,688
Advance payments and down payments	-	(23,021)
Net change in cash from operating activities	<u>(122,552)</u>	<u>(177,714)</u>
Cash flows from investing activities:		
New loans originated	(329,731)	(1,363,094)
Loan payments	652,483	530,756
Proceeds from sale of mortgages	525,135	726,571
Change in other real estate owned	141,352	296,500
Purchases of land, buildings and equipment	23,112	84,262
Net change in cash from investing activities	<u>1,012,351</u>	<u>274,995</u>
Cash flows from financing activities:		
Proceeds from notes payable	3,050	10,000
Payments on notes payable	(65,576)	(85,878)
Net change in cash from financing activities	<u>(62,526)</u>	<u>(75,878)</u>
Change in cash and cash equivalents	827,273	21,403
Cash and cash equivalents - beginning of year	<u>1,471,841</u>	<u>1,450,438</u>
Cash and cash equivalents - end of year	<u>\$ 2,299,114</u>	<u>\$ 1,471,841</u>
Supplementary information:		
Interest paid	<u>\$ 12,822</u>	<u>\$ 18,851</u>
Noncash investing activity:		
Mortgage discount	\$ 804,667	\$ 1,163,489
Imputed interest on mortgage receivables	(312,587)	(337,299)
Total noncash investing activity	<u>\$ 492,080</u>	<u>\$ 826,190</u>

The accompanying notes are an integral part of the financial statements.

Habitat for Humanity North Central Connecticut, Inc.

Notes to the Financial Statements

June 30, 2023 and 2022

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Habitat for Humanity North Central Connecticut, Inc. ("HFHNCC"), a non-profit organization, non-stock corporation organized under Connecticut law in 1988, is located in Hartford, Connecticut. HFHNCC, affiliated with Habitat for Humanity International ("HFHI") based in Americus, Georgia, builds homes for low-income individuals in the Hartford area. Purchasers, who have been approved and selected by HFHNCC, volunteer their labor in partnership with HFHNCC to build the house. The house is then sold to the individual at a predetermined cost which is reviewed annually by the HFHNCC. Upon sale, HFHNCC takes back a non-interest bearing mortgage for approximately 99% of the sales price. These mortgages are usually long term, ranging from twenty to thirty years.

During the year ended June 30, 2022, HFHNCC received approval to extend its territory into Tolland County. HFHNCC changed its name from Hartford Area Habitat for Humanity, Inc. to Habitat for Humanity North Central Connecticut, Inc.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of HFHNCC is presented to assist in understanding HFHNCC's financial statements. The financial statements and accompanying notes are representations of HFHNCC's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Basis of Accounting - The financial statements of HFHNCC have been prepared on the accrual basis.

Basis of Presentation - Financial statement presentation follows *Financial Statements of Not-for-Profit Organizations* topic of the Financial Accounting Standards Board Codification ("ASC"). Under this topic, HFHNCC reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions – These net assets are defined as assets that are free of donor-imposed restrictions.

Net assets with donor restrictions – These net assets include contributions, unconditional promises to give and other inflows of assets whose use by HFHNCC is limited by donor imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of HFHNCC. Other net assets with donor restrictions may be perpetual in nature.

Cash and Cash Equivalents - Cash equivalents include all highly liquid instruments with an original maturity of three months or less. HFHNCC maintains its cash in bank accounts which, at times, may exceed federally insured limits. HFHNCC has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts Receivable - Arising from regular operations are stated net of an allowance for doubtful accounts. Allowances are set based on assessments by management as to the collectability of individual accounts. There was no allowance for doubtful account as of June 30, 2023 and 2022.

Mortgages Receivable - Mortgages receivable consist of non-interest bearing loans which are secured by the real estate and payable in monthly installments over the life of the mortgage.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory - Inventory on properties constructed for sale is valued at lower of cost or market using specific identification.

Property and Equipment - All acquisitions or donations of property and equipment are recorded at cost or their fair market value at the date of the gift. Depreciation is provided for over the estimated useful lives of the assets on a straight-line basis. The respective estimated useful lives are five to thirty-nine years. HFHNCC follows the practice of capitalizing all expenditures for property and equipment in excess of \$1,000.

Other Real Estate Owned - Other real estate owned is carried at the lower of fair value or acquisition cost.

Revenue and Revenue Recognition

Contributions - Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as increases to net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Conditional contributions – that is, those with a measurable performance or other barrier and a right of return – are not recognized as revenue until the conditions on which they depend are substantially met.

Donated Materials, Services and Property and Equipment - Donations of building materials and property and equipment are recorded as in-kind contributions at their estimated fair value at the date of donation. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent explicit donor stipulations about how long those donated assets must be maintained, HFHNCC reports expirations of donor restrictions when the donated or acquired assets are placed in service. HFHNCC reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

HFHNCC receives donated services from a variety of unpaid volunteers who assist in building the houses. No amounts have been recognized in the accompanying statements of activities for these services because the criteria for recognition of such volunteer efforts under the Not-for-Profit Entities topic of the FASB Accounting Standards Codification (FASB ASC 958) have not been satisfied.

Property transferred to Homeowners - Homes are sold to buyers that meet HFHNCC's qualification guidelines. The resulting mortgage are non-interest bearing and have been discounted based upon prevailing market rates for low-income housing at the inception of the mortgages. The property transferred to homeowners in the statement of activities and changes in net assets are presented net of the applicable discount. HFHNCC recognizes the income from sales to homeowners on the completed contract method when home closings occur.

ReStore Income - HFHNCC sells donated inventory through its two ReStore locations in Bloomfield and Vernon, Connecticut. Donations to its ReStores are made by contractors and other businesses, organizations and individuals that have surplus or discontinued merchandise.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The purpose of the ReStores are to raise funds to support HFHNCC programs. Accordingly, expenses of operating ReStores are reported as program expenses in the consolidated statements of functional expenses. The amount of revenue reported from the ReStores includes cash receipts plus the fair market value of donated goods sold, net of the cost of purchased inventory sold. As most revenue earned by the ReStores are from the sale of donated goods, the ReStores revenue are classified as support in the consolidated statements of activities and changes in net assets.

Revenue Recognition - Sales of inventory through its Restores and sales of homes to homeowners represent the majority of revenues. Revenues are recognized when performance obligations are satisfied at a point in time. Revenue from the Restores is recognized when control is transferred to the customer, in an amount that reflects the consideration HFHNCC receives in exchange for its Restore inventory. Customers may return certain items purchased from the Restores within a number of days. Restore sales are recognized net of expected returns, which are estimated using historical patterns. The Restores do not have any financing components as payment is received at the point of sale. Revenue from sales to homeowners is recognized on the completed contract method when home closings occur, net of the applicable mortgage discount. Homeowners cannot return homes purchased from HFHNCC.

Functional Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among programs and supporting services benefited. The financial statements report certain categories of expenses that are attributable to one or more supporting functions of the Organization. Personnel costs, including fringe benefits, have been allocated among the programs and supporting services benefited based on time and effort. All other expenses have been allocated by costs of specific functions served.

Tax Status - HFHNCC is a not-for-profit organization as described under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal or state income taxes. In addition, HFHNCC qualifies for the charitable contribution deduction as provided in Section 170 of the Internal Revenue Code.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Adoption of New Accounting Pronouncement - *Adoption of ASU No. 2016-02, Leases (Topic 842)* - The amendments in this update require lessees to recognize, on the balance sheet, assets and liabilities for the rights and obligations created by leases. The guidance was effective for the HFHNCC on July 1, 2022. The adoption requires either a modified retrospective transition where the lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented, or a cumulative effect adjustment as of the date of adoption. The HFHNCC adopted this new guidance on July 1, 2022 and as a result, the HFHNCC recorded a lease right-of-use asset and lease liability of \$715,721 through a cumulative effect adjustment as of that date. In July 2018, the FASB issued ASU No. 2018-11, which provided a practical expedient package for lessees. The HFHNCC elected to use the expedient package and did not reassess whether any existing contracts contain leases; did not reassess the lease classification for existing leases; and did not reassess initial direct costs for any existing leases. As a result, all leases are considered operating leases.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The HFHNCC determines if an arrangement is a lease at inception. Lease right-of-use (“ROU”) assets represent the HFHNCC’s right to use an underlying asset for the lease term and operating lease liabilities represent the HFHNCC’s obligation to make lease payments arising from the lease. Lease ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the HFHNCC’s leases do not provide an implicit rate, the HFHNCC uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the HFHNCC will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The HFHNCC has lease agreements with lease and non-lease components, which are generally accounted for separately.

Reclassification - Certain reclassifications have been made to the June 30, 2022 financial statements to conform to the June 30, 2023 financial statement presentation.

Subsequent Events Measurement Date - HFHNCC monitored and evaluated any subsequent events for footnote disclosures or adjustments required in its financial statements for the year end June 30, 2023 through October 24, 2023, the date on which the financial statements were available to be issued.

NOTE 3 - INVENTORY

The residential units in inventory consist of the following as of June 30,:

	2023	2022
Construction in progress and completed units that are unoccupied	\$ 545,766	\$ 696,690
Land	99,214	334,679
ReStore purchased inventory	37,814	27,783
Total inventory	<u>\$ 682,794</u>	<u>\$ 1,059,152</u>

NOTE 4 - OTHER REAL ESTATE OWNED

Other real estate owned is comprised of foreclosed and first right of refusal (“FROF”) homes. Properties are foreclosed upon after the homeowner has become seriously delinquent in their loan payments and all attempts to work with the homeowner have failed. For the FROF homes, HFHNCC maintains a FROF to repurchase any Habitat home that is proposed to be sold by a Habitat homeowner during the term of the mortgage. Other real estate owned totaled \$-0- and \$141,352 as of June 30, 2023 and 2022, respectively.

NOTE 5 - LIQUIDITY

HFHNCC's financial assets available to meet general expenditures within one year of June 30, 2023 and 2022 are as follows, respectively:

	2023	2022
Financial assets		
Cash and cash equivalents	\$ 2,299,114	\$ 1,471,841
Accounts receivable	57,485	47,774
Mortgage notes receivable, current portion	588,725	652,483
	<u>2,945,324</u>	<u>2,172,098</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>42,097</u>	<u>17,897</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,903,227</u>	<u>\$ 2,154,201</u>

HFHNCC manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining adequate liquid assets; and
- Maintaining sufficient reserves to provide reasonable assurance that long term commitments and obligations will continue to be met, ensuring the sustainability of HFHNCC.

NOTE 6 - MORTGAGE NOTES RECEIVABLE

Mortgage notes receivable represent non-interest bearing amounts due from individuals who have purchased homes constructed by HFHNCC. These amounts are to be paid over terms ranging from twenty to thirty years as follows:

	2023	2022
Mortgage notes receivable	\$ 10,469,968	\$ 11,589,313
Less: unamortized discount on non-interest bearing mortgage notes receivable	<u>(5,547,579)</u>	<u>(5,654,358)</u>
	4,922,389	5,934,955
Less: current portion of mortgage notes receivable	<u>(588,725)</u>	<u>(652,483)</u>
	<u>\$ 4,333,664</u>	<u>\$ 5,282,472</u>

NOTE 6 - MORTGAGE NOTES RECEIVABLE (CONTINUED)

Since the above mortgage notes are non-interest bearing, the net present value of each of these notes is less than face value. The net present value of these notes (at an imputed interest rate ranging from (7.15% to 8.48%)) is \$4,922,389 and \$5,934,955 at June 30, 2023 and 2022, respectively. The servicing of these mortgages is performed by a bank. The scheduled estimated maturities of these notes are approximately:

<u>For the years ending June 30,</u>		
2024	\$	588,725
2025		583,746
2026		579,937
2027		575,048
2028		570,421
Thereafter		2,024,512
	\$	<u>4,922,389</u>

HFHNCC sells homes based on its predetermined cost, which is reviewed annually by HFHI, and concurrently, HFHNCC also holds a second and third mortgage on the difference between the fair market value and the selling price. The purpose of the second and third mortgage is to insure that the purchaser retains possession of the property for a given period of time and does not sell to personally benefit from the difference between the purchased price and the fair market value. The second and third mortgages are forgiven ratably between six and thirty years after the purchase of the homes. If the homeowner sells prior to the time period of the second and/or third mortgage being ratably forgiven, the balance of the mortgage will be repaid from the sales price. It is anticipated that none of these mortgages will be required to be repaid. As a result, these mortgages have not been recorded in the financial statements as of June 30, 2023 and 2022, respectively.

NOTE 7 - LONG-TERM DEBT

During May 2020, HFHNCC received approval for a U.S. Small Business Administration ("SBA") COVID-19 Economic Injury Disaster Loan ("EIDL") of \$150,000 and EIDL Emergency Advance of \$10,000. Repayment terms are 30 years at an interest rate of 2.75%. Interest on the SBA loan was \$3,962 and \$4,062 during the years ended June 30, 2023 and 2022, respectively.

Long-term debt consists of the following as of June 30,:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Outstanding Balance</u>	
			<u>2023</u>	<u>2022</u>
Habitat for Humanity International	12/31/2022	0.000%	\$ -	\$ 3,391
SHOP/HUD Notes	6/30/2024	0.000%	2,772	4,176
	6/30/2024	0.000%	2,165	5,797
	6/30/2024	0.000%	1,083	1,995
	6/30/2024	0.000%	2,165	3,989
	6/30/2025	0.000%	3,313	5,797
	6/30/2025	0.000%	5,329	6,391
	6/30/2027	0.000%	8,878	12,490
	6/30/2027	0.000%	11,100	13,872
	6/30/2029	0.000%	3,050	-
			<u>\$ 39,855</u>	<u>\$ 57,898</u>

NOTE 7 - LONG-TERM DEBT (CONTINUED)

			2023	2022
Connecticut Housing Finance Authority (CHFA)	6/1/2023	5.000%	\$ -	\$ 2,349
	12/1/2023	5.000%	-	5,063
	8/1/2024	5.000%	2,776	5,332
	10/1/2024	5.000%	2,962	5,185
	12/1/2030	5.000%	7,927	10,627
	8/1/2032	5.000%	35,391	39,339
	6/1/2033	5.000%	41,133	45,113
	8/1/2034	5.000%	37,828	40,803
	6/1/2043	5.000%	103,951	-
			<u>\$ 231,968</u>	<u>\$ 153,811</u>
SBA	5/16/2050	2.75%	\$ 141,936	\$ 149,628
Peoples Bank			\$ 25,915	\$ -
			32,229	-
			33,870	-
			<u>\$ 92,014</u>	<u></u>
Total long-term debt			810,609	696,482
Plus: Economic Injury Disaster Loan funds			10,000	10,000
Less: Mortgage discount on loans			(209,894)	(33,241)
Less: Current portion of long-term debt			(72,521)	(77,856)
Total loan-term debt, net of current portion and discounts			<u>\$ 538,194</u>	<u>\$ 595,385</u>

As the above CHFA notes are non-interest bearing, and are for the purpose of providing the funds needed for home construction, the net present value of each of these notes is less than face value. The net present value of these notes (at an imputed interest rate of 5.00%) is \$126,938 and \$153,811 at June 30, 2023 and 2022.

All notes, except for the Habitat for Humanity International SHOP/HUD, SBA and NMAC notes, are secured by certain pledged mortgage receivable payments.

The expected maturities of long-term debt are as follows:

<u>For the years ending June 30,</u>	
2024	\$ 72,521
2025	62,548
2026	58,184
2027	57,133
2028	53,673
Thereafter	506,550
	<u>\$ 810,609</u>

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were subject to the following purpose restrictions as of June 30,:

	2023	2022
Housing construction	\$ 24,200	\$ -
Education	17,897	17,897
Total net assets with donor restrictions	<u>\$ 42,097</u>	<u>\$ 17,897</u>

Net assets with donor restrictions of \$10,800 and \$125,436 were released for housing construction during the years ended June 30, 2023 and 2022, respectively.

NOTE 9 - IN-KIND DONATIONS

HFHNCC received in-kind contributions of unrestricted services totaling \$24,876 and \$20,544 that were utilized during the years ended June 30, 2023 and 2022, respectively. Contributed services are reported at the estimated fair value based on current rates for similar services in the principal market. In-kind contributions are record in contributions in the Statement of Activities for the years ended June 30, 2023 and 2022.

NOTE 10 - PENSION PLAN

HFHNCC provides a 401(k) plan for its employees. Eligible participants can elect to contribute salary deferrals up to the IRS maximum. HFHNCC will match 100% of the employee's contribution up to 4% of the employee's compensation at the plan year end. For the years ended June 30, 2023 and 2022, HFHNCC's contributions totaled \$40,699 and \$36,906, respectively.

NOTE 11 - LEASES

HFHNCC leases buildings under various operating lease agreements expiring in various years through September, 2030. Rent expense for the years ended June 30, 2023 and 2022 totaled \$222,866 and \$217,859, respectively.

Future minimum lease payments are discounted at a risk free rate equivalent to the rate of a zero coupon U.S. Treasury instrument as of June 30, 2023 for the same period of time as the lease term. June 30, 2023, the zero coupon U.S. Treasury rate was 3.84%. Future minimum lease payments and reconciliation to the balance sheet at June 30, 2023 are as follows:

2024	\$ 121,292
2025	98,794
2026	81,037
2027	83,468
2028	85,972
Thereafter	273,702
Total future undiscounted lease payments	744,265
Less discount	(28,544)
Lease liability	<u>\$ 715,721</u>

NOTE 12 - COMMITMENTS AND CONTINGENCIES

HFHNCC is from time to time subject to legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position of HFHNCC.

CONSENT AGENDA

HABITAT FOR HUMANITY OF NORTH CENTRAL CONNECTICUT

MEETING OF THE BOARD OF DIRECTORS

October 3, 2023

5:30 PM

ATTENDANCE:

Board Members: Bates, Below, Floyd, Guidry, Hamilton, Hernandez, Farquharson, Palacios

Staff: Moody

Nakisha offered devotions.

A MOTION TO ACCEPT THE MINUTES OF THE SEPTEMBER MEETING WAS MADE BY DON AND SECONDED BY NAKISHA. IT WAS APPROVED UNANIMOUSLY.

Governance:

A MOTION TO ACCEPT THE REVISED CONFLICT OF INTEREST AND ETHICS POLICY WAS MADE BY ANNE AND SECONDED BY STEVE. IT WAS UNANIMOUSLY APPROVED.

ELLEN MOVED AND DAN SECONDED A MOTION TO TEMPORARILY WAIVE BY-LAW 4.22 REQUIRING A MINIMUM OF 12 BOARD MEMBERS. THE MOTION WAS UNANIMOUSLY APPROVED.

Two new board members were proposed: Douglas Elliott and Cureen Blake. **JENNIFER MOVED AND ANNE SECONDED A MOTION TO APPROVE BOTH NEW MEMBERS. THE MOTION WAS UNANIMOUSLY APPROVED.** They will serve in the class of 2024 and take office January 1.

DEVELOPMENT:

1. The golf committee needs a new chairperson as well as more board participation.
2. We need to update and simplify the board engagement work sheet.
3. The golf tournament grossed \$120,000 and netted \$90,000.
4. Build-a-thon grossed \$176,000 and netted \$173,000, well over our goal of \$100,000. We need to reschedule some groups; September and October are fully booked. We have had to reduce the number of individual and faith community volunteers for November as a result.

5. We have done a lot of advertising through the Hartford Business Journal, which has attracted new sponsors and participants.
6. The board build, scheduled for October 14, will be postponed due to low participation and the possibility of adding more corporate sponsors.

TOLLAND UPDATE:

The bus tour, organized by Jim, included 25 officials from Tolland towns, was a success. A woman called offering to sell us land near the Tolland Re-Store for a Habitat house. We are looking into the offer.

DEVELOPMENT AND FINANCE:

The fall fundraising appeal begins at the end of October.

Karraine plans to sell five Hartford mortgages to finance Burnside. Because of the scale of the project, we will be able to accommodate 30 volunteers on site. This means we need more crew leaders. Two AmeriCorps volunteers will be OSHA certified.

Women Build: Will take place on site on Burnside in May.

The City of Hartford is very receptive and has allocated \$2 million to us; We drew down \$400,000 in September and should receive \$300,000 next week. There is a delay in receiving the Shop loan. We are also scheduled to receive ARPA funds of \$10,000 towards closing costs for our Burnside project.

Karraine's Report:

Habitat International is changing to a federated model, which means that fundraising will be controlled by International, which will disburse funds to the affiliates. This will significantly change our fundraising and affect our budgeting, as well as our relations with major donors and the amount we tithe. Local nationwide companies – banks, insurance companies – will make contributions through their corporate headquarters, thereby weakening the local relationships we have developed over the years. While many affiliates, including ours, opposed this change, their desire to maintain the status quo was not met.

A MOTION TO ADJOURN WAS MADE BY DON AND SECONDED BY ELLEN. IT WAS UNANIMOUSLY APPROVED.

The meeting adjourned to Executive Session at 7 pm

Respectfully submitted,

Anne M. Hamilton,
Board Secretary

FINANCE REPORTS

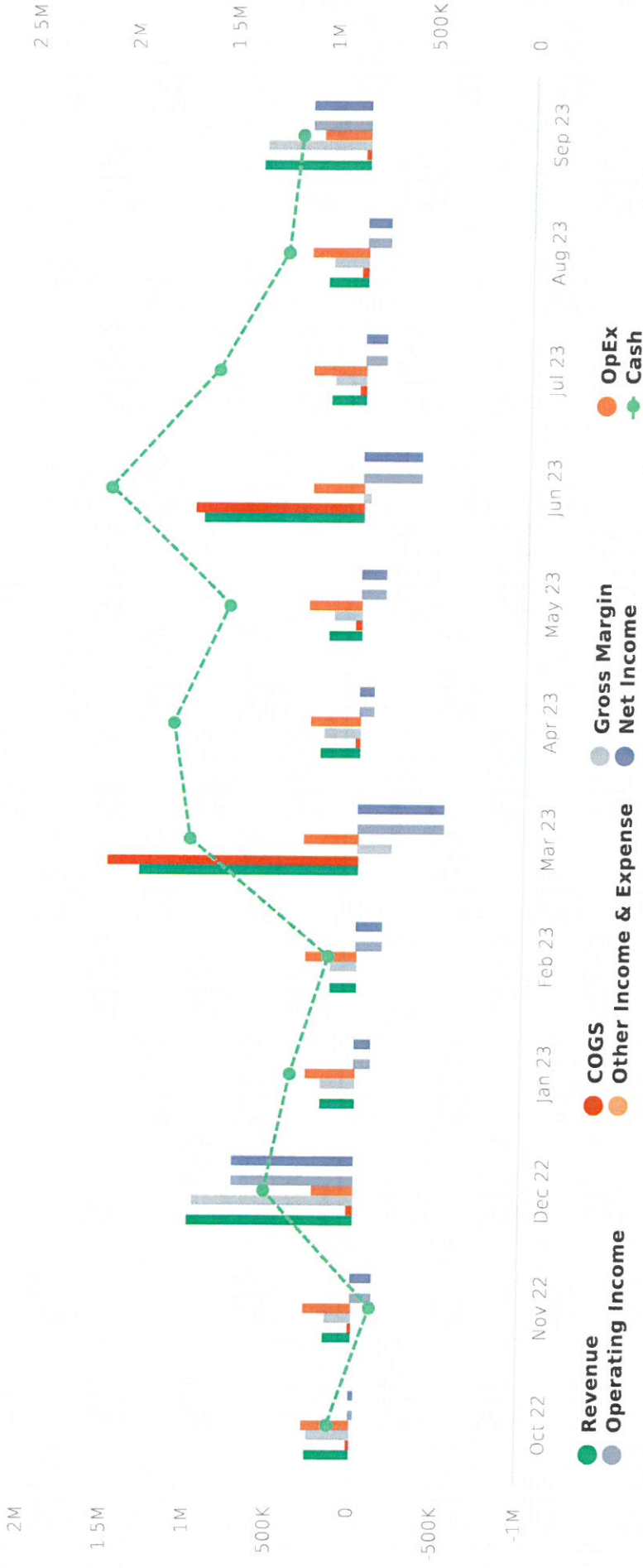
Available Cash

Available Cash	
Checking/Savings	
10100 Windsor Federal #7437186	\$106,764.93
10101 Windsor Federal Sweep #74373194	\$548,151.14
10102 Windsor Federal HUD/SHOP #74630429	\$300.00
10103 Windsor Federal 2168	\$200.00
10104 Peoples Bank 6593	\$133,000.00
10105 M&T Bank 4224	\$106,926.53
10201 Liberty Bank #1833645	\$176,779.10
10202 Cash Register	\$1,739.11
Total Checking/Savings	\$1,073,860.81
Other Current Assets	
14999 Undeposited Funds	\$1,619.40
Total Current Assets	\$1,619.40
Accounts Receivable	
12000 Current	\$20,870.11
1-30 Days Past Due	\$7,080.56
31-90 Days Past Due	\$4,381.00
61-90 Days Past Due	\$53,385.98
91+ Days Past Due	\$43,379.84
Total Accounts Receivable	\$129,057.49
Total Available Cash	\$1,204,577.70

Cash Needs	
Accounts Payable	
20000	
Current	\$284,714.88
1-30 Days Past Due	(\$4,007.86)
31-60 Days Past Due	\$5,111.50
61-90 Days Past Due	(\$423.88)
91+ Days Past Due	(\$2,702.92)
Total Accounts Payable	\$282,691.72
Credit Cards	
22000	\$2,629.72
Webster Credit Card #5734	\$2,629.72
Total Credit Cards	
Long Term Liabilities	
29010	\$293,137.21
Assigned Mortgages WFS	\$225,673.41
Assigned Mortgages CHFA	\$92,014.24
Assigned Mortgages Peoples Bank	\$28,991.54
Notes Payable SHOP/HUD	\$139,372.00
Note Payable SBA	\$779,188.40
Total Long Term Liabilities	
Payroll & Taxes	
Next Pay Date	\$59,953.56
	11/01/23
Total Cash Needs	\$1,124,463.40

Total Available Cash	\$1,204,577.70
Estimated Payroll Cost	\$59,953.56
Available Cash for Payables	<u>\$1,144,624.15</u>

Habitat for Humanity North Central Connecticut Executive Summary Oct 2022 - Sep 2023



Name	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
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Summary Overview

Cash On Hand	\$934,574	\$732,850	\$1,272,270	\$1,148,590	\$965,441	\$1,671,469	\$1,761,486	\$1,487,223	\$2,091,691	\$1,558,422	\$1,219,919	\$1,159,871
Change in Cash	\$82,682	\$(201,724)	\$539,420	\$(123,680)	\$(183,149)	\$706,028	\$90,017	\$(274,263)	\$604,468	\$(533,269)	\$(338,502)	\$(60,048)

Income Statement Summary

Revenue												
Total Donations & Grants	\$113,001	\$56,439	\$903,295	\$76,978	\$39,108	\$109,905	\$55,163	\$3,853	\$183,454	\$55,860	\$84,317	\$479,314

Name	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Non-Home Revenue	-	-	-	-	-	\$45,000	\$49,816	\$46,720	-	\$14,195	\$3,588	\$29,411
Other Income	\$139,752	\$95,721	\$88,765	\$119,201	\$105,870	\$124,497	\$116,762	\$130,827	\$102,929	\$130,627	\$134,665	\$114,482
Home Sales	-	-	-	-	-	\$1,027,976	-	-	\$672,000	-	-	-
Subtotal Revenue	\$252,753	\$152,160	\$992,060	\$196,179	\$144,978	\$1,307,377	\$221,741	\$181,400	\$958,383	\$200,681	\$222,570	\$623,207
COGS												
Cost of Home Sales	\$3,394	-	-	-	-	\$1,508,975	-	-	\$959,633	-	-	-
ABWK Costs	-	\$4,235	-	-	-	-	\$14,025	\$24,915	\$27,550	\$6,000	\$19,697	\$13,075
Cost of Goods Sold - Rest...	\$2,711	\$48	\$27,964	-	\$779	\$3,548	-	-	\$15,473	\$16,296	\$3,483	\$4,697
Subtotal COGS	\$6,105	\$4,283	\$27,964	-	\$779	\$1,505,427	\$14,025	\$24,915	\$1,002,656	\$22,296	\$23,180	\$17,772
Gross Margin \$	\$246,649	\$147,877	\$964,096	\$196,179	\$144,199	\$(198,050)	\$207,716	\$156,485	\$(44,273)	\$178,385	\$199,390	\$605,435
Gross Margin %	97.6%	97.2%	97.2%	100.0%	99.5%	(15.1)%	93.7%	86.3%	(4.6)%	88.9%	89.6%	97.1%
Opex by Acct												
Advertising & Promotion	\$3,592	\$9,621	\$1,350	\$10,325	\$4,877	\$11,990	\$4,300	\$4,465	\$2,319	\$4,440	\$7,156	\$1,816
Americorp & Vista	\$957	\$957	\$957	\$957	\$1,522	\$1,130	\$1,130	\$1,130	\$1,130	\$1,130	\$2,130	\$565
Auto/Travel/Mileage Rel...	\$1,747	\$1,816	\$887	\$2,355	\$1,827	\$3,975	\$1,421	\$3,510	\$4,371	\$3,821	\$1,593	\$1,577
Bank and Credit Card Fees	\$4,326	\$4,688	\$3,930	\$4,561	\$5,197	\$4,928	\$5,242	\$5,207	\$4,935	\$4,886	\$4,354	\$5,104
Charitable Contributions	-	-	\$1,150	-	-	-	-	-	-	\$100	-	-
Construction Site Supplies	\$1,092	\$15	\$179	\$208	\$109	\$361	\$796	\$1,682	\$630	\$601	\$2,227	\$1,807
Dues & Subscriptions	\$1,143	\$1,348	\$1,170	\$945	\$734	\$1,472	\$1,189	\$1,855	\$3,975	\$1,916	\$2,915	\$1,540
Employee Benefits	\$23,553	\$21,014	\$21,876	\$22,409	\$19,079	\$23,101	\$21,008	\$21,085	\$28,310	\$20,993	\$22,622	\$16,630
Fundraising Expenses	\$1,381	\$2,239	\$750	\$10,236	\$5,502	\$7,841	\$9,912	\$4,160	\$27,068	\$7,561	\$30,935	\$2,562
Home Related Costs	\$120	\$14,501	\$236	\$3,051	\$3,710	\$7,290	\$10,863	\$11,673	\$3,520	\$264	\$168	\$216
Information Technology	\$4,715	\$6,125	\$4,622	\$4,816	\$6,263	\$4,550	\$4,864	\$4,876	\$5,247	\$6,075	\$4,335	\$4,055
Insurance	\$39,811	\$9,176	\$9,176	\$20,706	\$18,921	\$21,159	\$10,446	\$10,446	\$10,446	\$19,894	\$10,446	\$14,825
Legal & Professional Fees	\$21,625	\$10,307	\$12,557	\$37,616	\$13,746	\$14,472	\$18,363	\$20,338	\$20,098	\$18,427	\$29,079	\$25,585
Merchant Service Fees	-	\$109	\$204	\$647	\$140	\$30	\$157	\$1,328	-	\$662	\$1,118	\$831
Moving & Storage	\$13,821	\$14,326	\$29,342	\$636	\$47,304	\$26,688	\$22,225	\$21,064	\$4,868	\$28,308	\$14,538	\$1,018
Office Expenses	\$3,839	\$1,108	\$2,170	\$618	\$3,523	\$3,759	\$3,477	\$3,406	\$5,169	\$1,458	\$3,321	\$3,039
Wages & Salaries	\$107,385	\$130,879	\$107,623	\$113,288	\$112,405	\$135,132	\$117,705	\$128,399	\$109,480	\$127,451	\$130,294	\$117,302
Payroll Taxes	\$8,155	\$9,972	\$8,063	\$10,720	\$10,190	\$11,592	\$9,450	\$11,114	\$12,934	\$9,691	\$9,815	\$8,930

Name	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Postage	\$49	\$1,364	\$1,156	\$201	\$770	\$227	\$1,156	\$318	\$309	\$1,202	\$1,144	\$1,144
Office Rent	\$15,926	\$15,560	\$15,560	\$15,560	\$15,560	\$15,560	\$24,310	\$24,060	\$24,060	\$24,060	\$25,860	\$17,954
Office Repairs & Maint.	\$3,220	\$1,857	\$3,000	\$1,060	\$4,199	\$4,657	\$3,701	\$4,028	\$3,784	\$3,413	\$2,934	\$2,293
Small Tools Expense	-	-	\$41	-	-	\$279	\$21	\$509	\$258	\$194	-	\$2,614
Staff Training	\$560	\$426	\$970	\$2,230	\$796	\$171	\$1,136	-	\$211	\$134	\$563	\$78
Telecommunications	\$268	\$268	\$268	\$264	\$321	\$321	\$321	\$501	\$315	\$320	\$320	\$320
Tithe	-	-	-	-	-	-	-	-	\$4,500	-	-	\$25,000
Trash & Recycling	\$3,216	\$3,265	\$2,172	\$2,941	\$449	\$2,608	\$3,092	\$3,225	\$1,436	\$3,067	\$2,664	\$1,741
Utilities	\$1,716	\$1,504	\$1,575	\$9826	\$4,739	\$4,799	\$4,017	\$4,088	\$3,476	\$3,206	\$5,475	\$2,214
Interest on Loans	\$1,098	\$1,082	\$1,064	\$1,064	\$1,056	\$1,047	\$1,039	\$1,030	\$1,021	\$1,012	\$1,004	\$995
Depreciation Expense	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323	\$9,323
Subtotal OpEx by Acct	\$272,636	\$272,847	\$240,165	\$286,564	\$292,262	\$318,462	\$290,664	\$302,819	\$293,194	\$303,608	\$327,333	\$269,193
Operating Income \$	\$(25,988)	\$(124,971)	\$723,931	\$(90,385)	\$(148,064)	\$(516,511)	\$(82,948)	\$(146,333)	\$(337,467)	\$(125,223)	\$(127,942)	\$336,243
Operating Income %	(10.3)%	(82.1)%	73.0%	(46.1)%	(102.1)%	(39.5)%	(37.4)%	(80.7)%	(35.2)%	(62.4)%	(57.5)%	54.0%
Other Income & Expense	\$(72)	\$(54)	\$(317)	\$(190)	\$(170)	\$1	\$2	\$(155)	\$(1,840)	\$1	\$1	\$(655)
Net Income \$	\$(26,059)	\$(125,025)	\$723,614	\$(90,575)	\$(148,233)	\$(516,511)	\$(82,946)	\$(146,488)	\$(339,306)	\$(125,222)	\$(127,941)	\$335,588
Net Income %	(10.3)%	(82.2)%	72.9%	(46.2)%	(102.2)%	(39.5)%	(37.4)%	(80.8)%	(35.4)%	(62.4)%	(57.5)%	53.8%
Headcount												
Headcount												
Unassigned	-	-	-	260	260	260	260	260	260	260	260	260
Subtotal Headcount	-	-	-	260	260	260	260	260	260	260	260	260

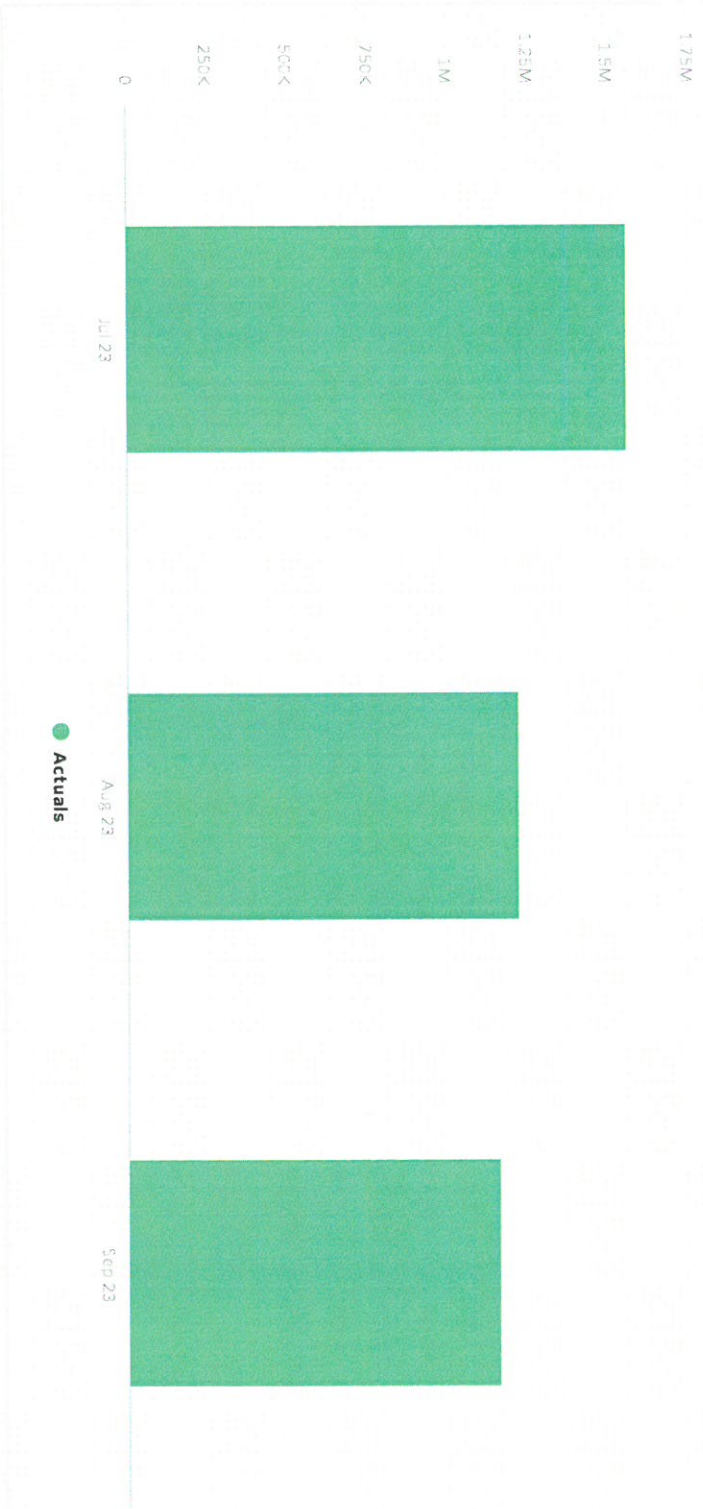
Here are the notes for **September**:

- 10101 Windsor Sweep Account - \$458,672 received from the City of Hartford
- 10999 Accounts Receivable - 1 new A Brush with Kindness contract - all others >90 days
- 14210 ReStore Inventory - quarterly inventory adjustment made in September
- 14220 Work in Process Inventory - Burnside and Hartford 5 construction
- 29100 Assigned Mortgages CHFA - statement was not received for September so balance was not updated
- 29300 SBA EIDL Loan - \$10,000 was not forgiven - will be paid off

Cash

Account	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Windsor Federal #74373186	\$ 110,000	\$ 109,544	\$ 107,799	\$ 112,955	\$ 119,940	\$ 110,000
Windsor Federal Sweep #74373194	\$ 1,080,385	\$ 768,479	\$ 1,180,941	\$ 641,127	\$ 386,103	\$ 630,000
Windsor Federal HUD/SHOP #74630479	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Windsor Federal 2168	\$ 249,171	\$ 249,171				\$ 200
Peoples Bank 8593	\$ 1,000	\$ 1,000	\$ 433,000	\$ 433,000	\$ 433,000	\$ 133,000
M&T Bank 4224	\$ 95,178	\$ 98,017	\$ 99,513	\$ 100,873	\$ 104,995	\$ 106,927
Liberty Bank #1833645	\$ 223,713	\$ 258,973	\$ 268,398	\$ 268,432	\$ 173,842	\$ 177,705
Cash Register	\$ 1,739	\$ 1,739	\$ 1,739	\$ 1,739	\$ 1,739	\$ 1,739
Total Bank Accounts	\$ 1,761,486	\$ 1,487,223	\$ 2,091,691	\$ 1,558,422	\$ 1,219,919	\$ 1,159,871

Cash



Cash Reserve

Name	Jul-23	Aug-23	Sep-23
Windsor Federal	\$ 754,079	\$ 506,044	\$ 740,201
Peoples United Bank	\$ 100,873	\$ 104,995	\$ 106,927
Windsor Federal HUD/SHOP	\$ 301	\$ 301	\$ 301
ReStore Operating Cash	\$ 270,172	\$ 175,581	\$ 179,444
Total Cash	\$ 1,125,424	\$ 786,921	\$ 1,026,873
3 months Construction Hard Costs Budget	\$ (462,300)	\$ (462,300)	\$ (462,300)
3 months General Operations Budget	\$ (538,283)	\$ (538,283)	\$ (538,283)
Additional Cash Reserve	\$ 124,841	\$ (213,662)	\$ 76,290

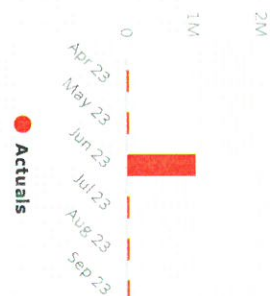
Restore Revenue



Development Revenue



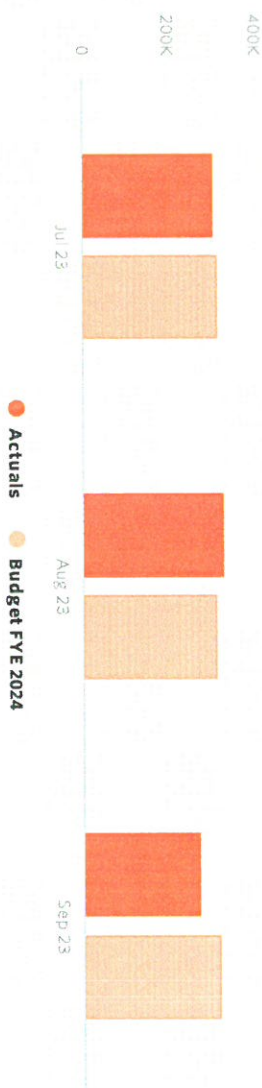
COGS



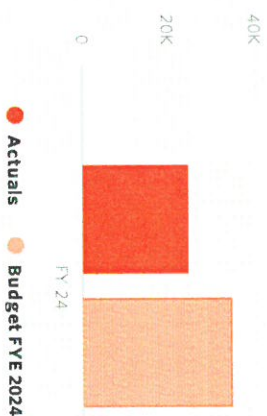
Cash vs Last Month



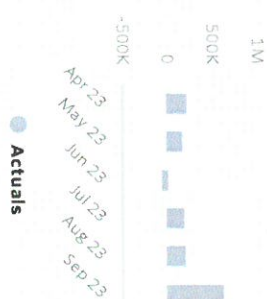
OpEx



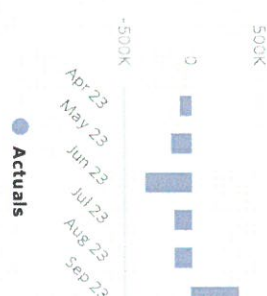
Restore COGS YTD



Gross Margin



Operating Income



Your QB file is closed and locked through September 2023. We emailed you a link to access your reports via Jirav. A copy of the report can also be accessed by clicking the Reports icon in the left-hand menu.

We look forward to reviewing the monthly results on our scheduled financial review call.



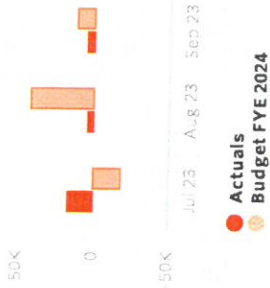
Our future-focused accounting services fuel the dashboards that help drive your business. The goal: To provide the information you need so you can make the decisions that grow your business.

<https://www.accountingdepartment.com/en/budgeting-forecasting-services>

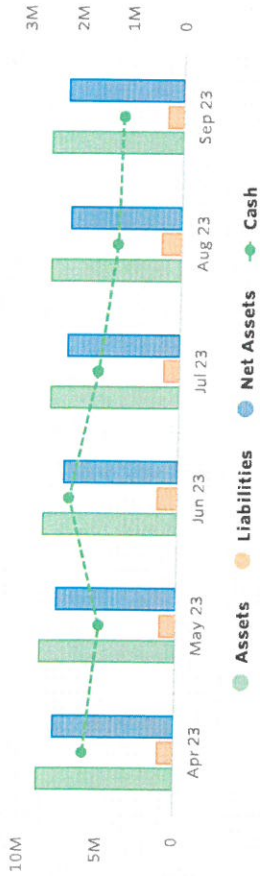
Financial Ratios

Name	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23
Current Ratio	23.1	19.4	12.2	17.8	11.3	17.6
Quick Ratio						

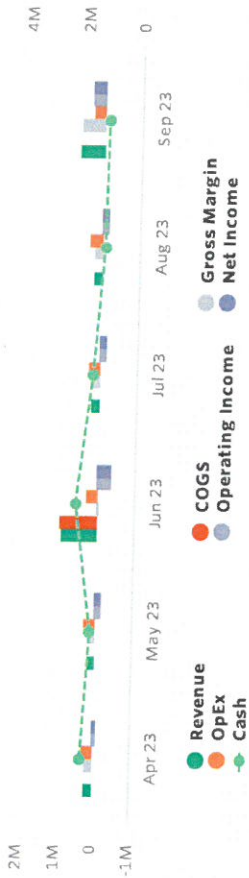
ReStore COGS



Cash Trend

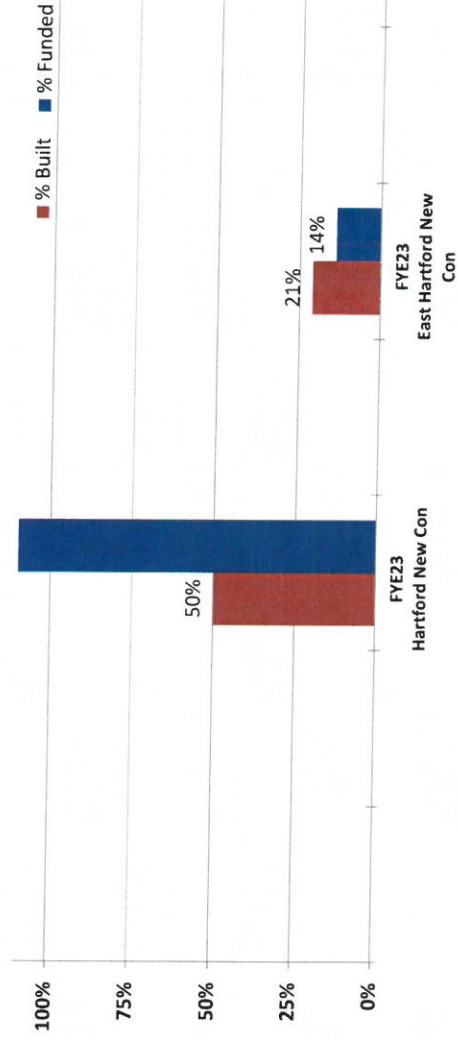


Income Statement



HFHNCC - BOARD OF DIRECTORS DASHBOARD
OCTOBER 2023

HABITAT HOMES: WORK-IN-PROGRESS BUILT AND FUNDED STATUS



Primary Sponsor	5 New Con Northeast Hartford (REFLECTS ALL)	10 New Con East Hartford (Burnside)			
Amount Funded	ARPA 1.5MIL IND: CARS, VETERAN CORP: 23GOLF, CBD NAA, EMP MATCH, 23BAT FAITH: HOF SPONSOR: PROPERTY BREAKDOWN BELOW \$1,786,000	IND; WB, PBD, 24GOLF, 2 4BAT, HOF, EDU, 24CARS, ESTATE BOARD; BOARD BUILD CORP; PLAYHOUSE HOUSE SPONSORS BELOW \$552,000			

FYE2023	North Hartford TOTAL	\$1,500,000.00 as of 09/09/2022 (not formalized)
	Clark	\$300,000.00
	Nelson	\$300,000.00
	Barbour	\$300,000.00
	Capen	\$300,000.00
	Westland	\$300,000.00
FYE2023	Burnside, EH:	\$4,000,000.00 as of 09/09/2022 (not formalized)
ON HOLD	Manchester:	\$380,000.00 as of 08/12/20 (not formalized)

This dashboard is a measurement of Construction Progress and Development Goals. It is not a financial statement or a budget document.


FUNDRAISING ASSUMPTIONS

YEAR:	PROP:	
FYE2023	NORTH HARTFORD 5	ARPA - 1.5MIL
	Clark	ARPA - 300K
	Nelson	ARPA - 300K
	Barbour	ARPA - 300K
	Capen	ARPA - 300K
	Westland	ARPA - 300K
FYE2023	BURNSIDE	WP 225K
ON HOLD	MANCHESTER	EVERSOURCE 5K

CAMPAIGNS FEEDING HARTFORD 5

CLARK; 2023 GOLF
NELSON; 2024 GOLF
BARBOUR; CBD
CAPEN; NAA, CARS, FAITH
WESTLAND; EMP MATCH, BAT23 & BAT24, VETERAN

CAMPAIGNS FEEDING EH; WB, PARTNER BUILD DAY, PLAYHOUSE, EDU BUILDS, ESTATE, BOARD BUILD

A large, detailed red ribbon bow is positioned in the upper right corner of the invitation, with its long tails extending downwards and outwards.

You are invited to
Habitat for Humanity
North Central Connecticut

*Holiday
Party*

Tuesday, December 5th
5.30 PM

The Hartford Club
46 Prospect Street, Hartford

RSVP info@hfhnc.org

860.541.2208 ext. 2207

Cash Bar: No Credit or Debit accepted



