

# HABITAT FOR HUMANITY ST. LOUIS

TO: HFHSL Board of Directors

FROM: Kimberly McKinney

RE: Board of Directors Meeting

**Tuesday, March 26<sup>th</sup>- 11:30 am**

*LUNCH IS AVAILABLE AT 11:15am*

## **BOARD OF DIRECTORS MEETING**

**HABITAT FOR HUMANITY SAINT LOUIS ADMINISTRATIVE OFFICE**

3830 South Grand Blvd.

Saint Louis, MO 63118

Enclosed please find an agenda with supporting documents for our meeting. Please note that reports are included for those committees with new information since our last meeting. Only those committees with action items will give oral reports. Of course, questions will be entertained of any committees.

**So that we may have an accurate lunch count please RSVP to Zoe Sullivan at [zoe@habitatstl.org](mailto:zoe@habitatstl.org). If we do not hear from you, food will be ordered and purchased as if you are attending!**

**Habitat for Humanity Saint Louis  
Board of Directors Meeting  
March 26, 2019**

Call to Order

Chris Roetheli

Mission Moment

Minutes of November 27<sup>th</sup>, 2018 Meeting

Pattye Taylor-Phillips

Treasurer's Report

Strategic Topics: Harper Zielonko - Resource Development & the Board's Role

CEO Report

Kimberly McKinney

Committee Reports:

Discussion of any requiring Board action and/or questions regarding written reports.

Other/Open Business

Adjournment of Full Board

**Executive Session *\*as needed***

Adjournment

**MARK YOUR CALENDARS:**

*Upcoming Events*

Friday, March 22, 2019

**Executive Build, 1<sup>st</sup> of 4**

Saturday, April 13<sup>th</sup>

**Construction Leadership Dinner**

Friday, June 7, 2019

**Executive Build, 2<sup>nd</sup> of 4**

Friday, September 20, 2019

**Executive Build, 3<sup>rd</sup> of 4**

Friday, December 6, 2019

**Executive Build, 4<sup>th</sup> of 4**

“A world where everyone has a decent place to live”

Minutes from the meeting of the Board of Directors of  
Habitat for Humanity Saint Louis (HFHSL)  
November 28, 2018

The following members of the Board of Directors and other interested parties were present:

Linda Loewenstein	Chris Roetheli	Amy Berg
Howard Smith	Kay Gasen Thenhaus	Peggy Holly
Malaika Horne	Barb Anderson-Kerlin	Sarah Sise
Kim Bakker	Natasha Das	Marc Hirshman
Emily Martin	Linda Moen	Bob West
Stephen Westbrooks	Tiffany Harvey-Horton	Dan Cierpiot
Julia Hart	Kimberly McKinney	

Linda Loewenstein called the meeting to order at 1131 am. The mission moment was given by Howard Smith.

Minutes: A motion to approve the minutes of October 23, 2018 Board of Directors Meeting was made by Amy Berg; seconded by Bob West. The motion was approved.

Strategic Topic: 2019 Budget: Proposed budget and assumptions (both approved unanimously and recommended by the Finance Committee) were distributed. These were supplemented by graphs showing five-year trends, 2018 projections, and the 2019 budget in four areas: ReStore Sales, Net Income – GAAP, Number of Homes Sold, and Change in Operating Cash. Net Income by Function was also graphed (2018 vs. 2019 budget only). This is again a two-part budget: operational and home construction. Julia Hart explained the graphic data; Stephen Westbrooks reviewed the assumptions, grouped in the following four areas:

#### **Home Construction & Mortgage Origination**

The Mortgage Loan Fund, originated in 2018, has closings scheduled. MLF will dramatically increase HFHSTL capacity. Real Estate Development expenses will continue to be budgeted a part of specific construction project budgets. Six homes will carry over into 2019. Therefore, 19-20 homes will be sold in 2019. This creates all major variances are in construction revenues, grants, and expenses.

#### **ReStore**

ReStore Des Peres rent will have substantially reduced rent, resulting from an AHAP check exchange. The budget also assumes that the ReStore bonus incentive plan will continue in 2019.

#### **Resource Development**

HFHSL has submitted its application for \$1M in AHAP tax credits for the 2018-19 period. The projected increase in Mission Support results from expectation of more sponsorships. There is a reduction in goods donated, as in 2018, there were substantial goods donated to the building and the new truck.

#### **General Operations**

The proposed budget reflects a Loan Principal Reduction Strategy/Reserve Implementation of \$25,000 to be paid to principal of Royal Banks Line of Credit. There are no assumptions regarding the possible sale of the outparcel. There is an assumption of two additional part-time positions: one in Family Services; one in Construction.

A motion to approve the 2019 proposed budget was made by Bob West; seconded by Amy Berg. The motion was approved. Dan and Julia were thanked for their work in preparing the budget and excused.

CEO Report Kimberly McKinney:

Successes and Shout Outs!

Mortgage Loan Fund has been pushed to finish line. This idea originated from Board retreat in 2015. Special thanks for Howard Smith, Bob West and Dan Cierpiot for their work.

## **Resource Development**

### **KMOV**

Much thanks to those who were able to attend the November 19th dedication. Buyers have moved in over the Thanksgiving holiday and close in mid December. Due to cuts across the board by the Meredith Corporation (owner of KMOV) as well as the current build plans for 2019, we are unclear about the future of the project at this time.

### **Mission Support**

All members should have received the text for an email to contacts for year end giving. You are asked to share with contacts using either the forward email feature with Constant Contact or what may be easier (so you do not have to import addresses) is via a copy and paste. If you copy and past the entire block, the donate link should still work (taking individuals directly to our website). If you have any questions or need assistance, please reach out to Deirdre at [deirdre@habitatstl.org](mailto:deirdre@habitatstl.org)

Please note that the format is meant for email and is not printer friendly.

### **Executive Build**

Executive Build is coming up on December 7th. Executive Build is a unique build day build opportunity for CEO's and other executive-level business associates to join together to build lasting connections while helping build a stronger St. Louis community! The cost is \$500\* per volunteer for a half day build experience and a networking lunch after the build day's activities. Great introduction to Habitat for Humanity Saint Louis and our mission. Please continue to share this opportunity.

## **Program**

### **Relocation: HFHSL Headquarters: Board Retreat Outcome 2014**

As shared, 3830 South Grand was a finalist as an Association General Contractors Keystone Award. Sadly, the winner was the Stephen and Peter Sachs Museum at MO Botanical Garden. It was an honor to be a finalist and still a great opportunity to share opportunities, especially the ReStore.

Over 30 members of the Dutchtown Business Association attended the Dutchtown After Hours here in early November. Additionally, the ReStore is participating in the passport program, marketing Dutchtown businesses.

Howard and Kimberly will be meeting with representatives of Family Care Health Center following today's meeting.

### **Neighborhoods/ Home Construction/Homebuyers**

St. Louis City:

*Scattered South City Sites and Tiffany Phase 2:* Construction continues in preparation for closings and/or to have homes under roof by winter.

*La Saison: (previously noted as New City Build):* Bi-weekly meetings with St. Louis Housing Authority continue. On November 15th, permit-ready architectural drawings for five houses of Phase I were submitted the St. Louis Housing Authority for their review and approval. The plans were also submitted to the Affordable Housing Trust Fund for approval. Plans are scheduled to be submitted to the City of St. Louis Building Division on or by December 1st. As Phase I permitting occurs, the architects and engineers will be finalizing the plans for Phase II. We expect to have Phase II drawing ready for permitting by the end of February 2019.

The complete build of 10 homes is still on schedule to be completed in 2019 and the tightened on-site build time will reduce the amount of time neighbors are impacted by our work.

*Future Builds:* Funding announcement for HOME applications noted in August report that were expected by the end of October remain pending as of this report. CDA staff report that the announcement is pending approval by the Mayor.

## **Management/General**

### **Advocacy**

Following the Notice of Funding Availability (NOFA) for the Affordable Housing Assistance Program released on October 8th, a 2018 application has been submitted. As support letters were included from Senator Nasheed, Representative Franks and Mayor Krewson, the public hearing period will be waived. A response should be received in time for late 2018 gifts (donations must be received after the award letter date).

### **CRA**

Recently the Office of the Comptroller of the Currency (OCC), released an Advance Notice of Proposed Rulemaking (ANPR) seeking comment on the best ways to modernize the regulatory framework implementing the Community Reinvestment Act (CRA). CRA was enacted in 1977 to encourage insured depository institutions to help meet the credit needs of their communities, including low- and moderate-income (LMI) neighborhoods, consistent with the safe and sound operation of such banks.

The comment period ended on November 19th, but the general opinion is that changes for CRA are likely forthcoming.

### **Board Governance (for discussion and approval)**

Items Requiring Board Action and at the recommendation of Board Governance Taskforce:

Removal of Members

Approval of Board nominees including both new and renewing members.

Approval of Officers – President Elect, Treasurer, Secretary, General Counsel (one-year term per by laws)

Approval of At Large Executive Committee members (one-year term per by laws)

Restructuring of Alumni Board

Renewal / Approval of Alumni Board Members (at the recommendation of Executive Committee)

### **Removal of Members:**

In reviewing documents such as our Statement of Commitment and Bylaws, both documents make clear that expectations for participation as a Board Member (excerpt of bylaws below/statement attached). Sadly, during 2018, neither Doris Agwu or Charm Kirby, have been able to fulfill the duties as a board member – equally considering time/participation or resources/contacts. As such, their removal is requested.

### **New Members Proposed (alphabetical order):**

Personal meetings have been held with the candidates listed below. Additionally, the Board job description and Statement of Commitment has been shared with each so that expectations are clearly outlined.

#### **1. Subash Alias, Sr. Vice President MO Partnership**

<https://www.linkedin.com/in/g-subash-alias-a1528910/>

Prior experience with St. Louis Regional Chamber (RCGA)

Alum of St. Ambrose University and Washington University

#### **2. Rob Anderson – CFO, FourthStone.**

<https://www.linkedin.com/in/robandersonone/> •

Prior experience with PetSmart and Sav-A-Lot

Alum of DePaul University and Northern Illinois University

Member of Finance Committee

#### **3. Jared Boyd – Chief of Staff and Counsel at City of St. Louis Treasurers Office**

<https://www.linkedin.com/in/l-jared-boyd-95368627/>

Prior experience as litigation associate with Bryan Cave

Alum of University of VA and Morehouse College

#### **4. Jamey Edgerton – Senior VP at St. Louis Economic Partnership**

<https://www.linkedin.com/in/jamey-edgerton-938787120/>

Prior experience with Northern Trust and US Bank

Alum of Georgia State and University of Georgia

#### **5. LaDawn Ostmann – Director of Labor Relations, Ameren**

<https://www.linkedin.com/in/ladawn-ostmann-jd-sphr-6a11247/>

Prior experience with Chelan County PUD  
Alum of SLU School of Law and Loyola University

**6. John Short – VP of Human Relations, Huttig.**

<https://www.linkedin.com/in/johnfshort/>

Prior experience with MilliporeSigma

Alum of Bowling Green State University, University of MO St. Louis and University of Warwick

Member of Development Council

**7. Josh Udelhofen, Managing Director, Development, Altus**

Prior experience as Chief Investment Officer of The Koman Group

Alum of University of Missouri-Columbia

2018 Executive Build participant

The individuals noted below are completing a three-year term and are being recommended for **renewal as provided for in HFHSL by laws: Ed Alizadeh, Anna Hart, Emily Martin and Nat Walsh.**

**For consideration as Officers:**

2019 Officers / Executive Committee:

President: Chris Roetheli (as elected 2016)

President Elect: Stephen Westbrooks (proposed)

Treasurer: Stephen Westbrooks (proposed)

Secretary: Pattye Taylor-Phillips (proposed)

General Counsel: Natasha Das (proposed)

At Large: Amy Berg (returning/proposed)

Jami Boyles (returning/proposed)

Nick Popielski (proposed)

Per terms of the bylaws, only those noted as proposed and in bold require Board action (others listed are for reference). Additionally, per terms of bylaws, at large Board members are to be elected annually to serve on Executive Committee.

We say good-bye but also express our heartfelt appreciation to the following retiring Board Members Roger Brown, Marc Hirshman, Jeff St. Omer, Dave Wakeman and Bob West.

**Alumni Board:** Since the inception of the Alumni Board in 2008, the structure has remained the same and has proved to not be specific enough to address ongoing engagement. As such, approval of the updated language below is requested.

Definition: There shall be a category of Board member known as an Alumni Board who is nominated and elected by the Board of Directors. Alumni Board members shall be selected from those Board members who have served on the Board of Directors with distinction and excellence. Alumni member candidates must have served the Board with distinction and be considered deserving of same for outstanding service.

An Alumni Member shall be entitled to receive all written notices and information which are provided to the Board of Directors, to attend all Board of Directors meetings, to participate in meetings of the committees in which they serve and encouraged to attend all other events conducted by Habitat for Humanity St. Louis. An Alumni Board Member shall not be subject to any attendance policy, counted in determining if a quorum is present at a meeting, entitled to hold office, or entitled to vote at any Board meeting.

Eligibility: To be considered for designation as an Alumni Board Member, a person must be a current or former member of the Habitat for Humanity St. Louis Board of Directors who:

1. Has served the Board of Directors with distinction
2. Held an important leadership role and made or continues to make significant contributions to the organization
3. Engaged in major volunteer or advocacy activities in his or her service on the Board
4. Completed the term(s) for which he or she was elected
5. Participates in one (1) or more activities (e.g., events, volunteerism, fund-raising, government relations, networking, etc.) each year

Election: Members shall be elected for an initial term of three (3) years, renewable without limit at the discretion of the Board. Alumni Board Members may resign at any time and may be removed from office at any time by the Board for any reason or for no reason. Alumni Board Members shall have such duties and responsibilities

as may be agreed to from time to time on an individual basis between the Member and the Board and/or the CEO.

**Alumni Board Members**

At the recommendation of the Executive Committee, and independent of participation by either Marc Hirshman or Bob West, approval is sought to renew Howard Smith and add Marc Hirshman and Bob West to the newly structured Alumni Board.

A motion to approve removals, new members, renewals, officers, and Alumni Board as described was made by Emily Martin; seconded by Kim Bakker. The motion was approved.

Special presentations were made to Marc Hirschman & Bob West, to acknowledge their service. A hard hat signed by the staff was presented to Linda Lowenstein in recognition of her service as Board President.

There being no further business, the meeting adjourned at 12:25 pm. The motion was made by Amy Berg, seconded by Stephen Westbrook, and passed unanimously.

Respectfully submitted: Peggy Holly

Habitat for Humanity of Saint Louis  
Dashboard  
as of January 2019

Income and Expenses					
	YTD Actual	YTD Budget	%	Annual Budget	Prior Year YTD
Mission Support	\$26,724	\$32,325		\$1,601,500	\$19,063
Restricted Contributions	\$0	\$8,333		\$100,000	\$0
Total RD Revenue	\$26,724	\$40,658		\$1,701,500	\$19,063
Construction Grants	\$0	\$0		\$1,367,460	\$0
Total Contributions	\$26,724	\$40,658		\$3,068,960	\$19,063
Other Income	\$71,350	\$2,306,469		\$2,816,291	\$6,775
House Transfers	\$0	\$0		\$3,600,000	\$145,000
Construction In-kind	\$0	\$0		\$174,000	\$2,093
ReStore South Side (SS/FP) Revenue	\$46,276	\$50,000		\$650,000	\$29,198
ReStore Des Peres (DP) Revenue	\$46,441	\$55,033		\$780,400	\$52,658
Total Income	\$7,700,654	\$8,846,049		\$11,089,651	\$254,787
Operating Expenditures	\$209,889	\$1,655,649		\$5,755,112	\$241,001
Home Construction	\$0	\$1,048,115		\$4,393,219	\$147,811
Total Expenditures	\$209,889	\$2,703,764		\$10,148,331	\$388,182
Net Profit (Loss)	(\$19,098)	(\$251,604)		\$941,320	\$133,395
ReStore Forest Park Profit (Loss)	\$20,793	\$19,723		\$145,736	\$9,824
ReStore Des Peres Profit (Loss)	\$36,332	\$50,222		\$ 582,986	\$25,556
	<b>Principal Bal</b>	<b>High Limit</b>			
3830 South Grand / Royal TEBF	\$2,040,000	\$2,040,000	The full amount had to be booked in order to purchase tax exempt bonds.		
Royal Bank Construction Line of Credit	\$378,225				
Royal Bank LOC	\$800,000	\$800,000			
Peoples Bank LOC	\$798,119	\$1,189,367			
Midland State MLF	\$1,875	\$500,000			
	YTD 2019	YTD 2018	Change		
Year/Year Change in Cash	\$207,215	\$82,798	\$124,417		
Year/Year AP	\$1,093,945	\$658,335	\$435,610		
<b>Mortgages</b>	<b>Actual</b>	<b>Benchmark</b>			
Delinquent Mortgages (90+ days)	0				
Open Communication w Representative					
Total Mortgage Portfolio					
Delinquency Percentage					
<b>Construction</b>	<b>Actual</b>	<b>Benchmark</b>			
Housing Units Closed	0				
Housing Units Under Construction	14				
Construction In Progress	\$1,269,164				
Cost/Closed	\$90,655		Includes In Kind Amount of \$14,557 (average per home)		
Financial Donor Volunteer Days	0		0 of 0 possible build days		
Homeowner Applications Distributed	31		26/31 or 84%return rate 147 Tier 2 / 12 Approved		
Lots Available	23		Ownership or Option		
Vacant Homes	0		No owned, any vacancies are pending title issue resolution/ Wellston (5) Vacant Lots		
<b>ReStore</b>	<b>Actual</b>	<b>Benchmark</b>			
Average Number of Transactions SS	1327		Per Month and Per Customer (not per item)/-32 from prior report; +35 from prior year.		
Average Number of Transactions DP	1517		Per Month and Customer, -74 from prior report, +125 from prior year		
Average Sales Per Square Foot SS	\$27.10	\$22.71	HFHI median of stores similar sqft (20k), -\$2.30 from prior report,+\$13.99 from prior year. <b>Averages start over in J</b>		
Average Sales Per Square Foot DP	\$13.93	\$23.99	Benchmark (40k sqft as basis)/ -42 from prior report; -1.86 from prior year.		
Total pickups/drop-offs this month	543		132 Pick-Ups/66 drop offs SS/345 drop offs DP.		
<b>COMMENTS</b>					
<b>Resource Development</b>	<b>Actual</b>	<b>Benchmark</b>			
New Donors : Mission Support	110				
New Donors YTD -Contribution=/> \$1200	1				
Median GC Gift Amount	\$50				
Renewed Mission Support Donor %	35%	40%	Benchmark reflects a NFP Standard		
Renewed Keystone members/Specialty	N/A				
New Keystone members/Specialty Build	N/A				
<b>COMMENTS</b>					
<b>Board Engagement</b>	<b>Actual</b>	<b>Benchmark</b>			
Board Meeting Attendance	81%	80%	80% Best Practice Recommendation		
Board Percentage (personal giving ytd %)	29%	100%	Per HFHSL Statement of Commitment.		
Board Giving (Total \$ YTD)	\$6,295				



Habitat for Humanity of Saint Louis  
Dashboard  
as of February 2019

Income and Expenses					
	YTD Actual	YTD Budget	%	Annual Budget	Prior Year YTD
Mission Support	\$100,705	\$76,950		\$1,601,500	\$31,599
Restricted Contributions	\$0	\$8,333		\$100,000	\$0
Total RD Revenue	\$100,705	\$85,283		\$1,701,500	\$31,599
Construction Grants	\$0	\$0		\$1,367,460	\$0
Total Contributions	\$100,705	\$85,283		\$3,068,960	\$31,599
Other Income	\$121,072	\$204,885		\$2,816,291	\$8,509
House Transfers	\$0	\$0		\$3,600,000	\$145,000
Construction In-kind	\$0	\$0		\$174,000	\$2,093
ReStore South Side (SS/FP) Revenue	\$91,374	\$102,000		\$650,000	\$55,669
ReStore Des Peres (DP) Revenue	\$96,539	\$117,566		\$780,400	\$114,343
Total Income	\$409,690	\$509,734		\$11,089,651	\$357,213
Operating Expenditures	\$534,788	\$581,044		\$5,755,112	\$523,433
Home Construction	\$0	\$0		\$4,393,219	\$147,181
Total Expenditures	\$534,788	\$581,044		\$10,148,331	\$670,614
Net Profit (Loss)	(\$125,098)	(\$71,310)		\$941,320	\$313,401
ReStore Forest Park Profit (Loss)	\$30,110	\$31,446		\$145,767	\$7,300
ReStore Des Peres Profit (Loss)	\$63,699	\$97,944		\$ 582,986	\$53,275
	<b>Principal Bal</b>	<b>High Limit</b>			
3830 South Grand / Royal TEBF	\$2,040,000	\$2,040,000	The full amount had to be booked in order to purchase tax exempt bonds.		
Royal Bank Construction Line of Credit	\$378,225				
Royal Bank LOC	\$800,000	\$800,000			
Peoples Bank LOC	\$798,119	\$1,189,367			
Midland State MLF	\$0	\$500,000			
	YTD 2019	YTD 2018	Change		
Year/Year Change in Cash	\$23,162	\$70,328	(\$47,166)		
Year/Year AP	\$1,058,272	\$757,284	\$300,988		
Year/Year Change in Debt	\$1,611,619	\$1,804,191	(\$192,572)		
<b>Mortgages</b>	<b>Actual</b>	<b>Benchmark</b>			
Delinquent Mortgages (90+ days)	0				
Open Communication w Representative					
Total Mortgage Portfolio					
Delinquency Percentage					
<b>Construction</b>	<b>Actual</b>	<b>Benchmark</b>			
Housing Units Closed	0				
Housing Units Under Construction	14				
Construction In Progress	\$1,303,955				
Cost/Closed	\$93,140		Includes In Kind Amount of \$14,557 (average per home)		
Financial Donor Volunteer Days	5		5 of 6 possible build days / Two ReStore groups		
Homeowner Applications Distributed	55		43/55 or 78% return rate. 147 Tier 2 / 12 Approved		
Lots Available	23		Ownership or Option		
Vacant Homes	0		No owned, any vacancies are pending title issue resolution/ Wellston (5) Vacant Lots		
<b>ReStore</b>	<b>Actual</b>	<b>Benchmark</b>			
Average Number of Transactions SS	1308		Per Month and Per Customer (not per item)/-19 from prior report; -41 from prior year.		
Average Number of Transactions DP	1430		Per Month and Customer, -87 from prior report, +32 from prior year		
Average Sales Per Square Foot SS	\$27.10	\$22.71	HFHI median of stores similar sqft (20k), -\$0.35 from prior report,+\$13.75 from prior year. .		
Average Sales Per Square Foot DP	\$14.48	\$23.99	Benchmark (40k sqft as basis)/ +0.55 from prior report; -2.67 from prior year.		
Total pickups/drop-offs this month	548		126 Pick-Ups/72 drop offs SS/350 drop offs DP.		
					<b>COMMENTS</b>
<b>Resource Development</b>	<b>Actual</b>	<b>Benchmark</b>			
New Donors : Mission Support	120		Increase of 29 from prior year (Feb 2018)		
New Donors YTD -Contribution=/> \$1200	1		Decrease of 2		
Median GC Gift Amount	\$50				
Renewed Mission Support Donor %	52%	40%	Benchmark reflects a NFP Standard		
Renewed Keystone members/Specialty	22		Increase of 2		
New Keystone members/Specialty Buil	3		Decrease of 1		
					<b>COMMENTS</b>
<b>Board Engagement</b>	<b>Actual</b>	<b>Benchmark</b>			
Board Meeting Attendance	81%	80%	80% Best Practice Recommendation		
Board Percentage (personal giving ytd %)	32%	100%	Per HFHSL Statement of Commitment. Increase of 15% from prior year		
Board Giving (Total \$ YTD)	\$7,900		Increase of \$3350		

**Habitat for Humanity Saint Louis Board of Directors Meeting**  
**Tuesday, March 26, 2019**  
**CEO Report**

**Successes and Shout Outs!**

**Resource Development**

**Resource Development and the Board's Role: Board Retreat 2016**

Full notes from the discussion (*Resource Development Table Topic Notes*) are available on the portal and an update will be the Strategic Topic of the March meeting.

**KMOV**

Back on for 2019!! Since the Retreat, Harper and I met with KMOV and requested a modified schedule that would allow us to continue the tradition even though the 2019 sites are not as "accelerated schedule" friendly and KMOV said yes. The 2019 home will be built with KMOV partners from Oct 28 – Nov 1 and then again from Nov 18 – Nov 22 with dedication slated for Nov 25<sup>th</sup> (the Monday prior to Thanksgiving). During the two weeks between KMOV partner days, subcontractor work will be scheduled without incurring additional expenses. Additionally, the "dark period" will allow us to schedule around the 2020 elections (which also means we are confirmed for next year.)

**Endowment**

In late February, we were notified by the St. Louis Community Foundation that Ralph and Ruthie Deuser created an endowment fund "*as a challenge to create or strengthen*" our "*organization's unrestricted endowed resources.*" To receive a match of \$292,130.20, we must raise an equal amount for the fund by March 1, 2024. Once the match has been reached, the Deuser grant will be deposited into the Community Fund where it remains as an asset on their books. We will receive in perpetuity a distribution each March of approximately 4% (approximately \$24,000). Various gifts including mutual funds, publicly traded securities and testamentary gifts are accepted towards the match. More about the plans to raise the match will be shared at the March meeting.

**Mission Support**

Industry Challenge: In an effort to raise additional passive income (not directly tied with build benefits), Resource Development has launched industry challenges for 2019. The industry challenge will kick off in April with title companies (**Much thanks to Nat Walsh for his leadership!**) and will include at least 10 title companies (Security, Alliance, Continental, Innovative, St. Louis, Clear, Select, Old Republic, Insight and US Title) who will offer \$5 to Habitat for both sides of all closings during April. For their participation, they will be featured on our website and within social media blasts. A realtors challenge is pending for June. More on how you can assist will be shared at the March meeting.

Summer Challenge: Application submitted to Spire to return as the corporate sponsor of the summer match (\$50k). Before the match appeal, the summer appeal was our weakest direct mail link, routinely bringing in under \$10,000. It had a lower response rate, with 100 – 125 gifts being the norm. The ROI was weaker as well, with a cost per dollar raised right around 25 cents. The first year we did the challenge, our net income jumped to almost \$30,000 net from 228 gifts, with a cost per dollar raised at 11 cents. Thusly, the summer appeal became our second biggest appeal of the year. There were some initial concerns that participation in this appeal would take funds from the winter appeal (which is our most fruitful appeal of the year.) It appears to have had little effect on end of year giving.

Each year, we have increased the "ask" of our individual donors, and each year they have responded in kind:

**2016: \$30,000 match**

- Gross revenue: \$33,274
- 228 gifts

**2017: \$30,000 match**

- Gross revenue: \$40,467\*
- 199 gifts

**2018: \$50,000 match**

- Gross revenue: \$61,53\*
- 243 gifts

Other benefits of the match appeal:

- Opportunity to call our employer match giving to remind people to take advantage
- Good way to reengage lapsed donors – almost has the same rate of renewal as the winter appeal.

In an effort to continue incremental increases each year, the idea of a Board match challenge of an additional \$10k will be a part of the March meeting.

Executive Build: Sadly, due to lack of interest, the March date had to be cancelled. Please continue to share the future opportunities! Additional dates for 2019 are June 7<sup>th</sup>, September 20<sup>th</sup>, and December 6<sup>th</sup>. A summary and registration link (for copy and paste) is below. If additional resources are needed, please let us know.

Executive Build is a unique build day opportunity for CEOs and other executive-level business associates to join together to build lasting connections while helping build a stronger St. Louis community! The cost is \$500\* per volunteer for a half day build experience and a networking lunch after the build day's activities. Great introduction to Habitat for Humanity Saint Louis and our mission. Registration information [here](#)

**Board Governance**

Thank you to all for submitting your 2019 Board forms. Timely submission of your gift, based on pledge date, is much appreciated.

**HFHI**

I will be attending a HFHI Collaborative Development update meeting in Atlanta the day prior to the March Board meeting. An update will be provided.

**Program****Relocation: HFHSL Headquarters: Board Retreat Outcome 2014**

Awards season continues.

Recipient, Economic Impact Award, CREW (Commercial Real Estate Women)

Finalist, St. Louis Business Journal Building St. Louis

Finalist, SLCCC (Council of Construction Consumers) Best Practices

Hosting "Go Dutch!" 75+ Realtors to promote the Dutchtown Area / March 20th.

**Mortgage Loan Fund: Board Retreat Outcome 2015**

CLOSED!!! The first four loans to be funded by the mortgage loan fund closed in late December. First Bank has now also committed and will be in place to receive two of the three loans from April 10<sup>th</sup> closings. To keep participation simple and fair, rotation is occurring every five mortgages (which means that Midland has one remaining until their next "turn".) Providence Bank has asked about next steps and is likely to be in rotation before additional closings. Each bank "ask" is for \$1 million minimum and an interest rate of 2.5%.

**Neighborhoods/ Home Construction/Homebuyers**

*Scattered South City Sites:* 5032 Ulena will close on April 10<sup>th</sup>. One Ulena home and one Indiana home remain under construction. To avoid the expense of a retaining wall at the Indiana property (which would be subcontracted), a garage will be added to the property, allowing Habitat to self-perform much of the work and to increase the sales price of the house for this added amenity.

*Tiffany Phase II* is at the drywall phase and pending the completion of the masonry will close in late May.

*Inventory Homes:* The last Lookaway and one of two remaining Hazelwood homes will also close on April 10<sup>th</sup>.

*La Saison: (previously noted as New City Build):* Meetings with St. Louis Housing Authority continue. Permits have been approved by the City of St. Louis. Build start is pending legal documents from SLH. To expedite, we provided template language from past projects.

*Future Builds:* As shared at the Retreat, subsidy funding is in place as follows:

Lookaway Phase 2 – 7 homes, \$446,751

Gate District (across from Tiffany) - 5 homes, \$285,800

Tiffany Phase 3 – 3 homes, \$216,287

Additionally, St. Louis County recently requested a proposal as they have reclaimed funds from another entity that is unable to fulfill their requirements under the grant funds. A meeting with University City to inquire about land for a possible 2020/2021 development was well received. The lot and additional information requested of them to move forward with an application is expected in April.

## **ReStore**

Full notes from the Board Retreat discussions, both “*ReStore Program - Driving Donations and Awareness*” and “*Real Estate – Present Outparcel and the Future of the ReStore*” are available on the portal. The strategic topic at a future meeting will further update the discussion.

A portion of the discussion related to the ReStore Program was the need to have a volunteer (or volunteer committee) focused on business development and specifically retail centers such as Signature Kitchen and Bath. **Much thanks to Linda Loewenstein for agreeing to take on this role!**

Funded by a grant from St. Louis Jefferson Solid Waste Management, the ReStore has a new truck on the road! This 2019 F-550 features a full 16’ bed, 19,500-pound payload capacity, removable stake sides and 2,500 lb. capacity lift gate. Any donation request we have received in the last decade would be able to be picked up via the new vehicle which also ensures safer and more efficient commercial donation processing.

## **Management/General**

### **Advocacy**

Due to the timing of the Affordable Housing Assistance Program (AHAP) release, we did not have enough property under site control to garner the full amount. A second application for the remaining portion has been completed and likely will be submitted prior to the March meeting (pending information from Midwest Redevelopment Corp.). As support letters were included from Senator Nasheed, Representative Franks and Mayor Krewson, the public hearing period will be waived.

### **Staff**

Sadly, Julia Hart resigned from her position as Financial Manager as she has accepted a work from home position with Good Food Institute (GFI). Tom Wohlfeil, who comes to Habitat with 20+ years’ experience, mostly in the nonprofit healthcare community, has been hired to replace Julia. Giving us much notice allows for Julia and Tom to overlap on a rotating part time basis through the end of April.



BUILDERS CLUB TEAMS



## Development Council Meeting

**Date & Time:** February 5, 2019

**Location:** St. Louis Title, LLC. 7701 Forsyth Blvd Suite 200, Clayton MO 63105

**Parking:** St. Louis Title can validate both outdoor parking available off Hanley, garage parking available of Forsyth

In attendance: Nat Walsh, Kimberly McKinney, Maggie Fowler, Linda Loewenstein, Dan Thieret, Alex Kuehling, and Harper Zielonko

- **Welcome and Introduction**

Nat Walsh- Development Council Chair

- **Habitat for Humanity Saint Louis 2019 Construction & Business Update**

Kimberly McKinney- CEO Habitat for Humanity Saint Louis

- **Build update:**

- Moving forward with Ten houses in La Saison- partnership with the St. Louis Housing Authority. Will be built and completed in 2019
- Finishing up the three houses in Tiffany neighborhood Phase two and subsidy funding awarded for Phase three.
- Subsidy dollars in place for Lookaway neighborhood Phase two- still working on the complicated design plans as the lots are challenging.
- Partnership agreement in place for a new partnership with St. Louis Midtown Development Corp for five houses in the gate district. Very early in the planning stages. See the press announcement [here](#).
- Should have 20-26 homes under construction in 2019.

- Royal Bank is now officially a tenant at the Habitat offices on 3830 Grand. They will have regular office hours but also an iATM system in place.

- We are looking for a new Finance Manager if you have qualified candidates who are looking. You can find the job description and directions on how to apply [here](#).

- Habitat for Humanity Saint Louis is also looking for a buyer for the outparcel next to our Restore and Admin offices on Grand. Attachment with details.

- **2019 Development Council Projects**

Harper Zielonko- Resource Development Relationship Manager

- Executive Build- \$500 donation per person. March 22, June 7<sup>th</sup>, September 20<sup>th</sup>, December 6<sup>th</sup>. Sign up link [here](#) and a flyer to send out is attached.

- Industry Challenges – First one in April- possible Title agencies (thanks Nat) – General idea is to have a Champion from within the industry personally challenge other businesses from within the industry to raise money for Habitat during one month.

Habitat will help with how they raise money (mini fundraisers, pledges per closing, etc) At the end of the month the businesses that take part would be able to send a few people to a build site to have a total raised check presentation plus build on an actual house they supported. Marketing pieces would include significant social media coverage as well as Habitat e-newsletters, plus the business would be able to sculpt their own messaging partnered with the Habitat brand.

- Looking for industry categories and specific people you know who could be champions. Ideas: Title Companies, Realty Companies, Interior Design Firms, CPAs, Law Firms, Auto Dealers, ..... **Looking for ideas here!**
- The idea would be to do this year to year adding new partners to their industry month.
- 3<sup>rd</sup> Party Fundraisers – Always looking for new businesses and individuals to partner with who are looking to build their audiences while aligning with the Habitat brand.
  - As an example Zee Bee’s Market (3211 S Grand Ave) is donating 15% off all instore and online purchases Feb 5-8<sup>th</sup>.
- Un-golf tournament – Looking to keep the momentum of un-gala going with un-golf. Let’s not have a golf tournament in September and figure out a way to make it an un-event people want to take part in. Looking to possibly partner with Top Golf.
  - Ungala in 2018 was an online only fundraising event that was basically a parody of real gala events. We hand delivered 50 plus invitations as well as mailed a minimal amount of un-invitations. Rate of return was very high! We made over \$13,000 for less than \$1,000 in expenses and no one had to eat bad catering or make small talk with people they didn’t know while wearing uncomfortable shoes.
- Meeting dates for 2019:
  - April 2<sup>nd</sup>, June 4<sup>th</sup>, August 6<sup>th</sup>, October 8<sup>th</sup>, and December 3<sup>rd</sup>-

Habitat Events:

- Annual Trivia night Feb 15<sup>th</sup> Union Hall on Chouteau – Get your tables now!! Register [here](#)

**“A world where everyone has a decent place to live.”**





## Finance Committee Minutes January 15, 2019

**Mission Statement:** The objective of the Finance committee is to support long-term growth and stability through effective stewardship of all financial affairs. This stewardship will include recommendations and counsel to the board and staff related to: current financial situation; financing and mortgage policies, procedures and practices; accounting and control policies, procedures and practices; annual and long-term financial plans.

---

**Facilitator(s):** Dan Cierpiot, Julia Hart  
**Scribe:** Sabrina Stahl  
**Attendees:** Stephen Westbrooks, Bob West, Lisa Blamy, Chris Roetheli, Andy Weissler

---

### Approval of Minutes

- Bob West moved to approve the minutes of November 20, 2018. Chris Roetheli seconded.
- All in attendance approved and there were no objections or abstentions.

### Updates

- In December 2018, Habitat closed 6 homes. Four homes were part of the Mortgage Loan Fund, and two homes were in-house mortgages that will soon be sold to Royal Banks.
- We anticipate selling more of our inventory properties in the first half of 2019. One property at Lookaway should close mid to late February, one on Ulena should close in the middle of March and three homes in Tiffany should close some time in the 2<sup>nd</sup> Quarter.
- Looking into 2019, Habitat will begin building 29 homes in the areas of Marine Villa, Tiffany, Lookaway, La Saison and the Gate District.
- It was discussed that we have received HOME funds for homes in both the 3<sup>rd</sup> phase of Tiffany and the 2<sup>nd</sup> phase of Lookaway. As well as, money from the Affordable Housing Trust Fund for Lookaway Phase 2 and the Gate District.
- A member mentioned that it would be helpful to see updated budgets for the new projects, and it was determined that a net income spreadsheet would be provided for each project, as well as adding all projects to the packet for the next meeting.

### December 2018 preliminary Results

- Julia reported a surplus of \$851k at December 31 vs \$874k budgeted. Fundraising ended at 101% of budgeted revenue, ReStore South Side at 93% and ReStore Des Peres at 108% of budget.
- The 2011 New Market Tax Credit deal unwound June 19 which resulted in GAAP net revenue of \$965k and Cash revenue of \$0 (all cash was received in 2011).
- In kind donations for the build out of 3830 South Grand total \$350k and include CI Select \$7.7k; IFS \$35k; Facility Services \$22k, Interior Investments \$5.3k, SM Wilson \$144k, Cushman Wakefield \$41k, HOK \$60k, and The Lawrence Group \$6k, and an in kind grant from the City of St. Louis of \$28k for signage.
- Six homes sold in December, for a total of 7 homes closed in 2018: 3 carry forward and 4 new builds.



- The 2019 Trended and Cash Flow Projections have been filled in to reflect the 2019 budget for both.
- Cash ended the year at \$76k

### **Announcement and Adjournment**

The annual Trivia Night will be held on February 15, 2019.

---

**Next Meeting:** February 19, 2019 – Habitat for Humanity Saint Louis  
**Topics to be covered:** January 2019, 2018 Audit



## Finance Committee Minutes February 26, 2019

**Mission Statement:** The objective of the Finance committee is to support long-term growth and stability through effective stewardship of all financial affairs. This stewardship will include recommendations and counsel to the board and staff related to: current financial situation; financing and mortgage policies, procedures and practices; accounting and control policies, procedures and practices; annual and long-term financial plans.

---

**Facilitator(s):** Dan Cierpiot, Julia Hart  
**Scribe:** Julia Hart  
**Attendees:** Stephen Westbrooks, Chris Roetheli, Bob Frank, John Castagno, Judy Cromer, Rob Anderson

---

### Approval of Minutes

- Chris Roetheli moved to approve the January 15, 2019 minutes with one correction, his surname was missing an "e."
- All in attendance approved and there were no objections or abstentions.

### Updates

- The mortgage loan fund is courting two new banks, First Bank (thank you Lisa Blamy), and Providence Bank (thank you Judy Cromer). Both will kick in \$1,000,000 if they join. This will be in addition to \$500,000 still left with the first \$1,000,000 of the Midland States funding. The plan is to transition all mortgages to the loan fund.
- Tom Wohlfeil has been hired as the new Finance Manager and began work yesterday, February 25. He will work three days a week until March 18, when he begins work full-time. Julia will work full-time until March 15 and then two days a week until April 30.
- The Royal Bank branch has opened at 3830 South Grand facility.

### December 2018 preliminary Results

- Julia reported a surplus of \$743k at December 31 vs \$851k reported at the January meeting. The difference of \$108k was with revenue from the December Chapman Venture check exchange shifting to 2019.
- Cash ended the year at \$91,643k
- The year will be closed in time to upload audit workpapers to the CohnReznick portal by March 15, 2019.

### January 2019 Results

- Julia reported a loss of \$19k for the one month ending January 31.
- No homes closed in January but forecast is to end 2019 with 20 homes closed.
- ReStore Southside sales were off budget by \$4k and Des Peres was off budget by \$8k. Both stores closed on Jan 11 at 2:30pm because of an incoming snow storm and both stores closed all day Jan 12 because of 10" of snow.



- YTD Actual vs Budgeted - Net Income: RD off budget by \$16k all due to revenue. Mission Support is off by \$5k, Restricted Contributions are off by \$8k, and AHAP Capacity Building Revenue is off by \$4k. M&G net income is over budget by \$11k. During January we received \$10k from Royal Banks for rent on the space at their new branch. Programs net income is over budget by \$8k because of timing with Salaries and Benefits and because Interest on loans came in \$7k under budget. ReStores are under budget by \$13k, which is the variance on sales revenue.
- Projected GAAP net income at year end is now \$863,082 which is \$78,238 off budget.
- Payables at Jan 31 totalled \$1,094k, which was artificially high because two mortgages sold Jan 31 and the lines of credit associated with those mortgages were paid on 2/1. Payables increased \$435k year over year because of the \$155k line of credit payable at 1/31 and because home construction was at a standstill the first four months of 2018 with the build out of 3830 South Grand, so there were very few home construction payables compared to Jan 2019, when we are building homes.
- Cash increased \$124 year over year, but all of that increase is from cash at Jan 31 being artificially high because the lines of credit payoff from the Jan 31 mortgage sales took place 2/1. Cash is projected to end the year at \$642k with no pay down of payables.
- Short term debt is down \$157 year over year, and is projected to end the year at \$1,087 (with the \$800k unsecured line of credit paid down to \$775k).
- Chris asked about the variance in Grant Revenue on the trended. Julia explained that there is \$74k of buyer's subsidy that may not go to Habitat. We should know by March how the buyer's subsidy impacts revenue from home sales.
- Stephen asked how operating costs differ from 3763 Forest Park location. Julia said a Nov-Dec 2017/2018 comparison showed gas expense to be flat but electric to be almost 3 times higher. Judy Cromer suggested the difference could be with the lighting in the parking lots.

### **Announcements**

There were no announcements.

---

**Next Meeting:** March 19, 2019 – Habitat for Humanity Saint Louis  
**Topics to be covered:** February 2019, 2018 Audit



## Leading Edge Committee Meeting Minutes

**To:** Leading Edge Committee Members and HFHSL Board of Directors  
**From:** Joe Fetter, HFHSL Volunteer Services Manager  
**Date:** January 17, 2019 @ HFHSL Boardroom  
**Attendees:** Paul Tohl, Bill Schwartz, Bob Miller, Erica Flanagan, Joe Fetter (HFHSL VSM)  
**Absent:** Bob Fayman, Kathy Ryan, Brandon Meinert, Bob Frank, John Beaury

---

- I. **Welcome – 6:00pm**  
*Paul Tohl, Leading Edge Chair*
- II. **Approved December 2018 Minutes**
  - a. December 2018 minutes reviewed.
  - b. Bill Schwartz moves to accept the minutes as written. Erica Flanagan seconds.
  - c. December 2018 minutes are approved.
- III. **Sub-Committee 2019 Updates**
  - a. **Leadership Recruitment & Retention (R&R) Subcommittee**
    - i. Review of 2018-2019 CLT numbers and statistics (see meeting agenda)
    - ii. All new potential CLTs that have expressed interest since last meeting have been contacted.
    - iii. Review of mentorship program
      1. Mentors have been reaching out to their assigned mentees. Conversations have been productive, but there is little to talk about with so few build days.
  - b. **Leadership Training Sub-Committee**
    - i. Committee needs to get back to updating Job Aids.
    - ii. Review of Paul Tohl's "In Warehouse Training Exercises"
      1. Overall, it looks good, and the committee agrees we should move forward with developing weeknight training sessions in the warehouse.
      2. Paul Tohl and Joe Fetter will talk to Kyle Hunsberger about the cost (if any) and logistics.
      3. Committee will not move forward without initial approval from Kyle.
- IV. **CLT Promotions**
  - a. Joe Fetter will submit three names – Stacy Fearnley, Emily Pierre, and Nick Mazza – to the construction staff for their approval. If approved, Paul Tohl will contact each one to see if they accept the promotion.
  - b. The construction staff has recommended Glen Gettemeyer to be a Construction Leader.
    - i. Glen has not been a CLT, but has been a long-time Weekday Crew member, and staff thinks he should be fast-tracked.

ii. Leading Edge committee agrees to install him as a construction leader.

**V. Construction Leadership Dinner Overview**

a. Presentations

i. LE General Update – Bob Miller

ii. Numbers Update – Bob Frank

iii. Safety Update – Mike Miller

**VI. Upcoming LE Committee Meetings**

a. **Leading Edge Committee:** February 21<sup>st</sup>, 2019; 6pm at South Grand

**VII. Meeting Adjourned – 7:30pm**



## Leading Edge Committee Meeting Minutes

**To:** Leading Edge Committee Members and HFHSL Board of Directors  
**From:** Joe Fetter, HFHSL Volunteer Services Manager  
**Date:** February 21, 2019 @ HFHSL Boardroom  
**Attendees:** John Beaury, Bill Schwartz, Bob Frank, Bob Fayman, Paul Tohl (LE Chair), Joe Fetter (HFHSL VSM)  
**Absent:** Kathy Ryan, Brandon Meinert, Bob Miller

---

### I. Welcome – 6:00pm

*Paul Tohl, Leading Edge Chair*

### II. Approved January 2019 Minutes

- a. January 2019 minutes reviewed.
- b. Bill Schwartz moves to accept the minutes as written. Bob Frank seconds.
- c. January 2019 minutes are approved.

### III. Sub-Committee 2019 Updates

#### a. Leadership Recruitment & Retention (R&R) Subcommittee

- i. Review of 2019 CLT numbers and statistics (see meeting agenda)
- ii. All new potential CLTs that have expressed interest since last meeting have been contacted.
- iii. CLT promotions to CL
  1. All 4 CLTs – Satcy Fearnely, Emily Pierre, Nick Mazza, and Glen Gettemeyer – have accepted their promotions and will be presented with a shirt at the Construction Leadership Dinner

#### b. Leadership Training Sub-Committee

- i. Paul and Joe met with Kyle Hunsberger to discuss using the construction warehouse for shorter (~ 2 hour), weeknight CLT trainings.
- ii. Kyle approved of the idea, and can get the supplies we need, as long as he has at least 2 weeks notice.
- iii. Kyle suggested also developing a separate training for homebuyers to cover basic tool usage and home maintenance techniques. Paul and Joe agree that the LE Committee could develop this but may need some time to plan it.
- iv. Leading Edge will begin hosting training in the warehouse on the third Wednesday of every month, from 6pm-8pm. They will adjust if necessary, based on the needs and availability of the CLTs.
  1. The first training will be Intro to Construction Leadership on Wednesday, March 20<sup>th</sup> from 6pm-8pm.
- v. We still don't have a La Saison schedule, but once we do, we may be able to reserve one of the houses to use occasionally for an all-day CLT training on Saturdays.

**IV. Upcoming LE Committee Events**

- a. **Intro to Construction Leadership Training:** March 20<sup>th</sup>, 2019, 6pm-8pm at the Construction Warehouse
- b. **Leading Edge Committee:** March 21<sup>st</sup>, 2019; 6pm at South Grand
- c. **Construction Leadership Dinner:** April 13<sup>th</sup>, 2019, 5:30pm-8pm at South Grand

**V. Meeting Adjourned – 7:00pm**