



**Board of Directors  
Meeting September 28, 2021**

**Join meeting**

**11:30 AM**

**Tap to join from a mobile device (attendees only)**

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Access code: 806 170 463

Call to Order	Stephen Westbrook
Mission Moment	Chris Roetheli
Minutes of August 24, 2021 Meeting	Pattye Taylor-Phillips
Strategic Topic	Resource Development Update – Harper Zielonko, Director of Resource Development
CEO Report	Kimberly McKinney
Treasurers Report	Rob Anderson

**Committee Reports:**

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

Other/Open Business

Adjournment of Full Board

**Executive Session**

Adjournment

**MARK YOUR CALENDARS:**

*Upcoming Events*

Tuesday, October 26, 2021

Tuesday, November 30, 2021

**Board Meeting, 11:30 AM**

**Board Meeting, 11:30 AM**

“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)  
August 24, 2021

The following members of the Board of Directors and other interested parties participated in this Board meeting via conference call to avoid personal contact during the Covid-19 virus outbreak. Participants are listed below:

Chris Roetheli	Pattye Taylor-Phillips	Paul Woodruff
Kimberly Batteast Moore	Amy Berg	Lance Cage
Jim Del Carmen	Matt Guymon	Anna Hart
Tiffany Harvey-Horton	Malaika Horne	Linda Moen
LaDawn Ostmann	Steven Scott	John Short
Lauren Talley	Marc Hirshman	Bob West
Kimberly McKinney		

Chris Roetheli called the meeting to order at 11:33 am.

Mission Moment: Malaika Horne shared an experience when she recently watched HGTV. She saw a single mother who currently lives in a mobile home, win a dream home via a lottery/drawing. It led her to think about today's mission moment. Habitat's mission is "a world where everyone has a place to live" and provides the opportunity for parents and their children to live in a supportive community. Our work with Habitat- St. Louis provides opportunities for families to purchase a home where they can experience security, love, nurturing... the ingredients for a healthy family, community, and to be a productive citizen. The homeowners invest time and effort to build their home, and this opportunity is a human right. As partners with Habitat – St. Louis, we work to support this vision.

Minutes: A motion to approve the minutes from the June 22,2021 Board of Directors meeting was made by Steven Scott and seconded by Amy Berg. The motion was approved.

**Treasurer's Report:**

In Rob Anderson's absence, Kimberly highlighted information from the July 31, 2021, Habitat for Humanity Saint Louis Dashboard – noting that a copy of the month end June dashboard which had previously been shared electronically in lieu of a July meeting was also included with Board materials. Additionally, forgiveness for PPP2 has been received and will be reflected in the August financials.

Closing dates for homes will begin at the end of September and continue weekly until all completed or nearly completed homes are closed.

**CEO Report:**

Kimberly thanked Jamey Edgerton for the donation of landscaping for two homes on Indiana Avenue. The work included a retaining wall and plants. It looks amazing! Also, thanks to John Short who provided a connection for Kimberly to AAIM (an employer's association) for human resource assistance.

**Strategic Topic: The Intent of Habitat 2.0 / Habitat 2.0 Overview**

As reported in June, SOSI (Stewardship and Sustainability Initiative) has been extended through June 2024. This is the second, and promised last, extension of SOSI. Currently Habitat Saint Louis pays a SOSI fee annually of \$25,000 based solely on Geographic Service Area.

The Collaborative Operating Model (COM) taskforces (of which Kimberly is a member) focus is now on **Habitat 2.0** which when implemented (between now and the end of SOSI, 2024) will be a substantial change to undesignated funding. As an example, Habitat 2.0 is likely to include the end of rival direct mail from HFHI into affiliate markets. And, as a reminder, per a report received as a part of the work of the COM taskforce – the amount HFHI raises in the St. Louis GSA is substantial – (years noted are the only years reported by HFHI).

2017	\$528,529	4570 Donors
2016	\$472,349	4327 Donors
2015	\$489,162	4198 Donors

Additional resources on the COM work were shared. Kimberly explained that work is ongoing to determine the new formula and, as such, the affiliate fee. Consideration includes geographic service area (like SOSI now), area median income, affiliate revenue and a production. The discussion solicited input about the new structure from Board Members – including what information board members would view as helpful to know/ask as a part of the new formula discussion as HFHI seeks to move to a federal model of fundraising.

Kimberly shared the Habitat for Humanity FY 2020 Financial Overview- Dispelling Myths and Increasing Transparency.

**Selected statistics about Habitat Fundraising Globally**

**FY19 Combined Revenue**

Number of Habitat in the United States: (This number is lower due to closures and mergers.)	1164
International (Entity) Revenue	\$175.50 Million
HFHI Revenue	\$290.50 Million
US Affiliate Revenue	\$ 1.85 Billion
<b>=Total Revenue</b>	<b>\$ 2.30 Billion</b>

**FY20 Total HFHI Revenue**

International Revenue	\$ 13.1 Million
US Affiliate Revenue	\$ 26.2 Million
HFHI Philanthropy & Grants	\$ 241.5 Million
<b>=Total HFHI Revenue</b>	<b>\$ 280.6 Million</b>

Total HFHI Revenue: \$280.6 Million of which 31% Restricted (Resource Development, Grant Programs, and Other) + 69% Unrestricted.

In addition to SOSI, affiliates including Habitat Saint Louis pay Habitat International a fee for various services (as an example, 11% for Cars for Homes).

**HFHI FY20 Revenue (by Development Area)**

	<u>Dollars</u>	<u>Unrestricted</u>	<u>Restricted</u>
Direct Marketing	\$81.5 Million	97%	3%
Corporate Relations	\$69.7 Million	45%	55%
Planned Giving	\$23.2 Million	92%	8%
Individual Giving	\$11.9 Million	71%	29%
Global FOI	\$ 5.6 Million		
Foundations/Other	\$ 3.3 million	5%	95%

## **Resource Development – Individual Giving**

### **2021 Summer Challenge-**

While Summer is traditionally a time when fewer donors are philanthropically engaged (summer vacations and preparing children and college students for school take precedence over engagement with favorite causes) Habitat for Humanity Saint Louis began examining opportunities to increase summer engagement with invested members of our community. Below is a timeline explaining how the challenge grant has increased summer contributions.

### **2021**

- Partnered with Spire on a \$50,000 challenge grant
- Most successful year yet with a net of \$67,921 from 174 gifts through the July deadline. Gifts are continuing to come in after the deadline has passed.

### **2020**

- Due to the pandemic and shifting funding priorities, we were unable to find a corporate sponsor for the summer challenge grant. Two individual anonymous donors stepped up to the plate with a combined \$40,000 matching grant.
- Received \$37,738 from 238 contributions.

### **2019**

- Partnered with Spire on a \$50,000 challenge grant.
- Board of Directors upped the total match with a \$10,000 Board match.
- Received \$68,670 from 251 donors.

### **2018**

- Spire came in as our new partner with a dramatic increased matching grant of \$50,000. Our donors met the challenge with 243 gifts totaling \$56,971, making it the most successful match since beginning a summer challenge (2016).

### **2017**

- Second year of the summer matching grant challenge new grant partner that increased the match pool to \$35,000.
- Received 199 gifts totaling \$40,467. While the number of gifts decreased slightly, the average gift amount increased to \$203.

### **2016**

- In the first year of the summer challenge, with a matching grant of \$30,000, HFHSL received a net \$33,274 from 228 gifts. This represents more than a 300% increase in net income from the summer appeal and more than double the number of donors contributing. It also represents a significant increase in average gift from \$82 in 2015 to \$146 in 2016.

### **2015**

- Last Year in which we did a regular appeal with no challenge grant attached. This appeal netted over \$8000 through 98 contributions

#### General Observations:

In the years where we had a name recognition match partner, (Spire and Ecumenical partners Ladue Chapel and Lutheran Churches) the challenge grant has exceeded goal. While the decrease in participation in 2020 may also be the result of the pandemic and donors' ability to give/shifting priorities, we cannot discount the possibility that lack of corporate, recognizable partner may have also played into the lower participation.

Any year that we've been able to increase the match pool, our donors have responded in kind. Given the success of the 2021 appeal, plans are underway for a \$100,000 challenge in 2022.

#### **Fall Postcard**

A Give Local, Build Local Postcard is being planned for late September. The card will include a QR code that when scanned goes to a website landing page with more details as well as a donation link.

#### **State Allocation**

Now that the State of Mo Budget has been completed and signed – Habitat Saint Louis is the recipient of a \$250,000 General Revenue budget allocation. With much thanks and credit to State Representative Rasheen Aldridge for working very hard on our behalf, utilizing his seat on the House Budget Committee in service to us and a handful of other organizations working in his district. As this is the first time Habitat has received an allocation of this kind, we are working with ARCHs at the state-appointed grant manager (in lieu of doing it internally) and have submitted a "wish list" of possible programs/expenses for review as allowable before completing the formal budget narrative.

#### **Home for the Holiday KMOV**

Currently, plans remain as previously shared for work to begin on the home October 25<sup>th</sup> with sponsor groups throughout the week, go "dark" for the weeks of November 1<sup>st</sup> and November 8<sup>th</sup>, and return with volunteers the week of November 15<sup>th</sup>. As of the date of the meeting with KMOV, 8 of 10 sponsor opportunities had been sold to returning groups. The home location is 4314 Itaska in the City of St. Louis (in the Bevo Mill neighborhood).

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

Volunteers: Work is underway to schedule approximately 25 Keystone Groups (many groups multiple days) on Wednesdays and Saturdays and predominately working on Houses 4 and 5 in the Gate District.

Following the resolution of some process issues with Midland States Bank, attention turned to onboarding the next and a new investor, Sterling Bank. Due to staff changes at Sterling it has taken longer than anticipated but is expected to be completed as of the week of August 16<sup>th</sup>. Closings for Houses 3,4, and 5 in LaSaison and Houses 1,2, and 3 in Gate are slated to occur one per week (beginning either the week of September 20<sup>th</sup> or the week of September 27<sup>th</sup>) every week until all closings are completed.

Bevo III – Moved from future builds and as shared in the KMOV update above. For the first time since the beginning of the KMOV partnership, this build will also include \$49,000 in funding from the City of St. Louis Affordable Housing Trust Fund.

Lookaway Phase 2-7 homes, \$446,751. Excavation is slated to begin on House 1 during the week of August 23<sup>rd</sup>. A motion to strike / answer to plaintiff in response to the Lingard petition was filed July 17<sup>th</sup> by Vincent Keady, Stinson. Lockton/Chubb has again refused to cover the claim. As a reminder Rick Lingard, the St. Louis County resident who lives in one of the four non-Habitat homes in Lookaway, refiled his lawsuit previously dismissed petition against us.

Art Place Initiative (API): Construction work on House 1 and 2 continues. To date, this project generated just under \$35K in revenue. The AHAP application using API owned land (as a joint partnership) was awarded \$495,000 in credits (for \$900k in donations); work is underway to “pay” Cohn Reznick for the 2019 and 2020 audit with AHAP credits (with will reduce AP by \$257k).

#### Future Builds:

Those listed below represent no change from the prior report(s):

University City Phase 3- 3 homes, \$400,150; No change.

Old North St. Louis Phase 3 – 3 homes, \$270,000. CDA has notified us of a possible sound issue related to the sites identified (and funded), awaiting their review. Site is immediately adjacent to homes built previously on Clinton.

#### Management /General/Covid19

#### HFHI

Quality Assurance Checklist (Electronic attachment provided to Board Members for review).

Prior to September 20, 2021, we must complete our FY2021 Affiliated Organization Covenant and Quality Assurance checklist (QAC) documents.

Documents reflect an approval of the covenant by the Board as well as an indication of members in attendance. The agreement follows:

Preface: Habitat for Humanity International and Habitat for Humanity U.S. affiliated organizations work to create decent affordable housing in partnership with those in need and to make shelter a matter of conscience with people everywhere. This Covenant outlines the relationship between Habitat for Humanity International and its affiliated organizations in the United States.

**Mission vision:** A world where everyone has a decent place to live.

**Mission Statement:** Seeking to put God’s love into action, Habitat for Humanity brings people together to build homes, communities, and hope.

**Agreement to covenant:** In recognition of the Principles stated in this Covenant, **Habitat for Humanity International** and **Saint Louis, HFH** covenant as follows.

Habitat for Humanity International Covenants:

- To support the work of Habitat for Humanity affiliated organizations through program development, communication, learning opportunities, advocacy, and protecting and promoting the good name of Habitat for Humanity;
- To coordinate global fundraising efforts;
- To create a global movement around the need for decent and affordable housing;
- To administer tithe funds contributed by affiliate in support of the efforts of Habitat for Humanity national organizations and affiliates.
- Saint Louis, HFH covenants:
  - To support the work of Habitat for Humanity affiliated organizations through program development, communication, learning opportunities, advocacy, and protecting and promoting the good name of Habitat for Humanity;
  - To comply with the minimum operational standards contained in an annual certification process;
  - To conduct its operations within its defined service area;
  - To title for Habitat for Humanity's housing work outside the United States;
  - To reject any support that is conditioned on deviating from the Mission Principles or other approved policies or practices;
  - To conduct its operations in a manner that protects and promotes the good name of Habitat for Humanity and contributes to the growth of the Habitat for Humanity movement and is in the best interests of other affiliates and of Habitat for Humanity International, including, but not limited to, actions that are specified in this covenant and in Habitat for Humanity policies.

The U.S. Affiliated Organization Covenant (Covenant) is the foundational document between Habitat for Humanity International and U.S. affiliates. The Covenant continues to be our guiding spiritual and philosophical document. The yearly signing of the online Covenant ensures that, while affiliate leadership may change over time, the mission principles, and core tenets of Habitat for Humanity remain intact.

The QAC is divided into two sections:

Section 1: Core Requirements demonstrate sound professional business practices and are also essential to one of more of the following: (a) protection and stewardship of the Habitat for Humanity brand and national reputation, (b) preservation of Habitat for Humanity's reputation and credibility with national, state, and local government funders, (c) demonstration of practices that are considered critical by insurers and (d) demonstration of compliance with core Habitat for Humanity policies or other legal requirements binding on affiliates. While all the QAC requirements are critical, noncompliance with a Core Requirement poses a potentially greater risk to the Habitat for Humanity network as a whole.

Section 2: Other Essential Practices demonstrate sound, professional business practices and demonstrate compliance with core Habitat for Humanity policies or other legal requirements binding on affiliates.

The Quality Assurance Checklist (QAC) contains standards and practices that are expected of each affiliate. As required by the U.S. Affiliation Agreement, affiliates must exercise their best efforts to comply with each of the standards. Failure to meet these standards can potentially affect good standing and result in other disciplinary action.

A motion was made to accept the Habitat for Humanity International (HFHI) Quality Assurance Checklist by Jim Del Carmen, seconded by Lance Cage. The motion was approved.

Volunteer Services Manager – Using the AAIM job posting platform, this position has garnered about 20 applicants. First interviews have occurred with 8 applicants – now narrowed to 3 finalists, with a goal to fill the position (vacated by Joe Fetter in January) by the end of August.

There being no further business for the entire board, the meeting adjourned at 12:14pm. The motion was made by John Short and seconded by Matt Guymon. The motion was approved.

The Next Board Meeting is Tuesday, September 28, 2021 at 11:30 am.

Respectfully submitted: Pattye Taylor-Phillips, Board Secretary



Habitat for Humanity Saint Louis Dashboard  
as of August 31, 2021

RESOURCE DEVELOPMENT	August	YTD	Notes:		
New Donors	6	112			
New Keystone Benefit Members (\$1500+ Annually/Mission Support)	5	5347			
Build Benefits Pledged	\$13,000	\$199,500			
Build Benefits Recd To Date	\$50,000	\$256,751	Not all groups go through pledge process		
Renewed Donors	47%				
BOD Funds Pledged	\$0	\$39,650			
BOD: Funds Received	\$750	\$52,800			
BOD % Giving	10%	76%			
BOD Meeting Attendance	55%				
PROGRAM					
Homes Under Construction	9		Not including API / API +2		
Homes Closed	1				
Average Cost / Closed Home	\$237,700				
Future Build Sites Available	17	5 LaSaisonII, 7 Lookaway, 1 Bevo, 2 Gate Dist., 2 UCity			
Applicants Pipeline	53	200+			
Mortgage Loan Fund Balance	\$ 2,445,000	Midland/1st Bank/Royal (first 5 comp.), Citizens National/Sterling 5 each			
RESTORE	YTD Actual	YTD Budget	%	Annual Budget	Notes
Revenue RSS	\$ 348,227	\$ 334,991	104%	\$461,986	Sales Only
Revenue RDP	\$ 357,745	\$ 430,261	83%	\$ 612,391	
ReStore P/L	\$ 348,857	\$ 165,984		\$ 259,180	
# of Donations	592	163 Pick Ups/Drop Offs: 104 RSS and 325 RDP			
FINANCIALS					
<b>Income:</b> Mission Support	\$ 740,406	\$ 459,907	165%	\$990,000	
Program	\$ 492,119	\$ 1,161,881	41%	\$4,750,532	
ReStore	\$ 1,751,239	\$ 1,771,453	103%	\$2,690,254	
Management General	\$ 728,711	\$ 126,000		\$132,000	
Other					
<b>TOTAL INCOME</b>	\$ 3,712,475	\$ 3,519,241		\$8,562,786	
<b>Expenses:</b> Home Construction	\$ 319,925	\$ 1,731,350	25%	\$2,999,225	CIP = \$1,426,356
Operating	\$ 1,557,425	\$ 1,838,948	85%	\$2,902,433	
ReStore	\$ 1,402,382	\$ 1,605,469	89%	\$2,431,074	
<b>TOTAL EXPENSES</b>	\$ 3,279,732	\$ 5,175,767	70%	\$8,332,732	
<b>Net Profit/Loss</b>	\$ 432,743	\$ (1,656,526)		\$230,054	
	YTD 2021	YTD 2020	Change		
Year/Year Change in Cash	\$ 176,083	\$ 254,255	\$	(78,172)	
Year/Year AP	\$ 729,313	\$ 839,412	\$	(110,099)	
Year/Year Debt LT	\$ 3,267,108	\$ 2,427,093	\$	840,015	
Year/Year Debt ST	\$ 705,884	\$ 1,605,698	\$	(899,814)	

**Habitat for Humanity Saint Louis Board of Directors Meeting  
Tuesday, September 28, 2021  
CEO Report**

**Success and Shout Outs!**

**Resource Development**

**Fall Postcard**

A *Give Local, Build Local* postcard hitting mailboxes soon. If the card QR code is successful, more QR codes will be implemented at build site, ReStore, etc.

**State Allocation**

Goals and objectives for various fund line items have been completed and submitted to ARCH' with the following feedback received "*After reviewing your submittal of the objectives and outcomes, they really look solid. There may be some tweaking that will be necessary, but that will have to be determined once you submit the summary statements for what you hope to accomplish for the overall funding and the subsequent breakdown or description for each of the objectives that you listed in Exhibit B.*" Moving forward with the completion of documents so that draws from the fund can begin. Additionally, in a recent conversation with Rep. Aldridge, he indicated that he would like to pursue annual funding.

**Home for the Holiday KMOV**

As of mid-September, KMOV has sold 9 of the 10 spots. The program will officially begin as of October 25<sup>th</sup> with sponsor groups throughout the week, go "dark" for the weeks of November 1<sup>st</sup> and November 8<sup>th</sup>, and return with volunteers the week of November 15<sup>th</sup>. The home location is 4314 Itaska in the City of St. Louis. In addition to KMOV support, the home also has over \$55k in Affordable Housing Trust Fund subsidy.

**Program**

**Neighborhoods/ Home Construction/Homebuyers**

As work continues to onboard Sterling Bank, Royal Banks will be the Investor for the next closings. Completion of documents to for closings continues – and as such, closing have been pushed to begin the first week of October. Houses 3,4 and 5 in LaSaison and Houses 1, 2 and 3 in Gate are slated to occur one per week every week until all closings are completed.

*Bevo III* – Moved from future builds and as shared in the KMOV update above. Build is permitted and site development underway.

*Lookaway Phase 2* – 7 homes, \$446,751: Excavation complete and foundation underway. No response has been received to the motion to strike / answer to plaintiff response to the Lingard petition.

*Art Place Initiative (API)*: Construction work on House 1 and 2 continues. Design for the townhome which will be next under construction pending with the City of St. Louis.

**Future Builds:**

*Those listed below represent no change from the prior report(s):*

*University City Phase 3 – 3 homes, \$400,150: No change.*

*Old North St. Louis Phase 3 – 3 homes, \$270,000. CDA has notified us of a possible sound issue related to the sites identified (and funded), awaiting their review. Site is immediately adjacent to homes built previously on Clinton.*

## **Management/General/Covid 19**

### **Vaccine Mandate**

Via emails / discussions since the August meeting, members of the Executive Committee have expressed unanimous support for a vaccine mandate for employees inclusive of various carve outs for as an example, medical or religious reasons. Members of the Executive Committee will convene following the full Board meeting to further discuss a timeline and other logistics around implementation.

### **Volunteer Services Manager**

Welcome Ella Hungerford. Ella comes to Habitat as Volunteer Services Manager with experience in volunteer coordination / management from the United Way's of Greater NY and St. Louis as well as St. Louis Public Schools.

### **ReStore Management**

Interviews are underway for a store manager of the South Side (City) location.

### **Administrative Office**

Within the next couple of weeks, the office phones will be moved from the current Windstream system (that has been problematic over the past year) to LogMeIn /Jive which in addition to reducing costs will allow provide staff with several new features (including the ability to make calls "from Habitat" calls from cell phones). While we do not anticipate any service interruption, it is possible and will be minimized to the extent possible.

*If you have any questions not covered in above, please feel free to email me in advance of Tuesday's meeting and I will prepare for / add to our discussion. Thanks.*