



**Board of Directors
Meeting November 30, 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	Avis McHugh
Strategic Topic	2022 Budget Presentation, Rob Anderson, Treasurer
Treasurers Report	Rob Anderson
Minutes of October 26, 2021 Meeting	Pattye Taylor-Phillips
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	
Adjournment	

MARK YOUR CALENDARS:

Upcoming Events

Late January or early February
Tuesday, March 22, 2022
Tuesday, April 26, 2022
Tuesday, May 24, 2022
Tuesday, June 28, 2022

Board Retreat, TBD
Board Meeting, 11:30 AM
Board Meeting, 11:30 AM
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“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)
October 26, 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
Rob Anderson	Kimberly Batteast Moore	Lance Cage
Tiffany Harvey-Horton	Malaika Horne	Emily Martin
LaDawn Ostmann	John Short	Lauren Talley
Nat Walsh	Marc Hirshman	Howard Smith
Kimberly McKinney		

Chris Roetheli called the meeting to order at 11:35 am.

Mission Moment: LaDawn Ostmann shared her feeling of “home” as a child. She grew up in a “Beaver Cleaver” type of home. Her parents bought the land for their house before she was born, and she grew up in the house they built. As an adult, she moved several times as her interests took her to new places. She was able to pursue her interests, knowing that she could always move back home if she needed to. She recently bought a house next to the house where she was living and realized that a part of her reason for home ownership is based in the tradition “of home”. LaDawn supports Habitat today, because she wants to give families an opportunity to create these traditions... a place where kids can spread their wings, knowing that they can always return home.

Grace Kyung, Senior Strategic Initiatives Manager, Office of the Mayor in the City of St. Louis is currently working on policies and an initiative to “create safe outdoor spaces for the homeless” in several areas within St. Louis City. The effort is similar to the “intentional encampments” that are being setup in other US cities. She is looking for areas in St. Louis that can house 25 to 40 homeless people, where services are offered such as showers, laundry services, storage of personal items and perhaps medical and behavioral health. The effort is early in the development, as policies for management of the potential spaces, trash and safety are not yet established. Grace spoke to the board, both if there is interest in using the out parcel at Habitat for this purpose, and to garner other ideas. To communicate this opportunity within the region, Nat Walsh suggested that the information presented today be summarized and shared with the Commercial Realtors Association and offered to assist with an introduction.

Minutes: A motion to approve the minutes from the September 28, 2021 Board of Directors meeting was made by John Short and seconded by Chris Roetheli. The motion was approved.

CEO Report:

Successes and Shout Outs! - Kimberly thanked the Board Members who “answer the call” when she needs advice and/or assistance. Your willingness to share your expertise and advice is appreciated and truly helps the organization.

The End of Year Appeal is scheduled to drop on November 5th. A sample version of the document was included in this month’s board packet for Board Member reference.

State Allocation: All exhibits have been completed and submitted. Pending the review by ARCH's, draws from the fund can begin.

Home for the Holiday KMOV: 9 of the 10 spots remain sold. The partners this year are USA Mortgage, Brown & Crouppen, The St. Louis-Kansas City Carpenters Council, Clayco, Trane, Arsenal Credit Unit, Save A Lot, Imo's, and Spectrum Brands. Any questions, please reach out to Harper. The program officially began bright and early on October 25th. Plans are underway for the dedication on November 22nd (more will be shared closer to the date.) Kenneth is the buyer for this home, and he is our first homeowner who is blind. He was excited to help raise the first wall with the volunteers and construction staff.

Charity Navigator: Information has been submitted to Charity Navigator (the nation's largest independent charity evaluator and leading donor advocate) as part of their new beacon scoring system. More on the scoring can be found at: [Charity Navigator: As Encompass Matures, Making Meaning from the Rating System](#)

Program: Neighborhoods /Home Construction/Homebuyers

Upcoming closings have been scheduled with Security Title, Midland States Bank and buyers as noted below:

November 3rd: 1317 S. Tucker
November 10th: 1321 S. Tucker
November 17th: 3445 Park Avenue
December 1st, 8th, and 15th: Addresses TBD.

Lookaway Phase 2- 7 homes, \$446,751: Foundation completed, waterproofing underway. Volunteer opportunities are now being scheduled for this site. 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 is 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

The vaccine mandate from Habitat for Humanity International was provided in the board packet. Further guidance from OSHA remains pending.

Board Governance

Prospective candidates are being considered for "Class of 2022" board membership. If you know of someone you wish considered (either for 2022 or future), please share their name and information with either Stephen or Kimberly.

HFHI

The October Collaborative Operating taskforce calls will focus on the portion of the “Habitat 2.0 Investment fee” that is basically replacing tithe. Per the in advance meeting materials, “Approximately 50% of each affiliate’s Habitat 2.0 investment fee will go to support international work, with the opportunity for each affiliate to designate 25% of that to the country(ies)/program area of their choosing. Part 1 is not optional and ensures HFHI collects the amount that currently comes in through US Affiliate Tithe and undesignated dollars supporting international work. Part 2 Affiliates will be able to contribute gift to specific projects beyond the investment fee and can choose from international priorities and US natural disaster projects. Part 2 is optional and provides affiliates an opportunity to invest in priority projects beyond their investment fee. “

Treasurer’s Report:

Rob Anderson provided an overview of the Dashboard, reporting performance through the end of September 2021 and Year to Date. Content of the dashboard report is detailed below.

Resource Development	September	YTD
New Donors:	18	130
New Keystone Benefit Members (\$1500+ annually/Mission Support)	3	56
Build Benefits Pledged:	\$35,000	\$234,500
Build Benefits Received to Date:	\$12,944	\$269,695
Renewed Donors in September:	48%	

Board of Directors	September	YTD
Funds Pledged	0	\$39,650
Funds Received	\$1350	\$54,150
BOD % Giving	14%	79%
BOD Meeting Attendance	64%	not reported

Program	September	YTD
Homes Under Construction	10	Note: (Not Incl. API/API +2)
Homes Closed	1	
Average Cost/Closed Home:	\$237,700	
Future Build Sites Available:	17	
(Build locations: 5 La Saison II, 7 Lookaway, 1 Bevo, 2 Gate District, 2 U City)		
Applicants in the pipeline:	53	200+
Mortgage Loan Fund Balance	\$2,445,000	

Note: With Midland/First Bank/Royal (first 5 comp.), Citizens National /Sterling Bank – 5 each.

ReStore	YTD Actual (thru Sept)	YTD Budget	Annual Budget
Revenue RSS:	\$381,996	\$383,489 (100%)	\$461,986 (Note: Sales Only)
Revenue RDP:	\$406,500	\$489,293 (83%),	\$612,391
ReStore P/L:	\$788,496	\$872,782, (90%),	\$259,180

No. of Donations 703 183 Pickups/Drop Offs: 160 RSS and 360 RDP

Financials:

Income	YTD Actual (thru Sept)	YTD Budget	Annual Budget
Mission Support:	\$809,713	\$ 541,407(150%)	\$990,000

Program:	\$537,339	\$2,151,094 (25%)	\$4,750,532
ReStore:	\$1,946,470	\$2,016,690 (97%)	\$2,690,254
Mgmt. General:	\$747,788	\$ 126,000 (593%)	\$ 132,000

Total Income:	\$4,041,310	\$ 4,835,191 (84%)	\$8,562,786
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Expenses	YTD Actual (thru Sept)	YTD Budget	Annual Budget
Home Const:	\$335,509	\$2,146,061 (16%)	\$2,999,225
	(Note: CIP=\$1,520,794)		
Operating:	\$1,728,894	\$2,124,516 (81%)	\$2,902,433
ReStore:	\$1,576,229	\$1,819,312 (87%)	\$2,431,074
Total Exp:	\$3,640,632	\$ 6,089,889 (60%)	\$8,332,732
Net Profit/Loss:	\$ 400,678	\$(1,254,698)	\$ 230,054

Actuals include PPP funds as part of Management and General revenue.

Board members who would like a deeper dive into the budget presentation are invited to attend the November 23rd Finance Committee meeting.

There being no further business for the board, the meeting adjourned at 12:15pm. The motion was made by Rob Anderson and seconded by Nat Walsh. The motion was approved.

The next Finance Committee Meeting is Tuesday, November 23, 2021, at 11:30 am.
The next Board Meeting is Tuesday, November 30, 2021, at 11:30 am.

Respectfully submitted: Pattye Taylor-Phillips, Board Secretary

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

RESOURCE DEVELOPMENT	October	YTD	Notes:		
New Donors	7	137			
New Keystone Benefit Members (\$1500+ Annually/Mission Support)	8	64			
Build Benefits Pledged	\$10,000	\$249,500			
Build Benefits Recd To Date	\$35,000	\$304,695	Not all groups go through pledge process		
Renewed Donors	52%				
BOD Funds Pledged	\$0	\$39,650			
BOD: Funds Received	\$1,250	\$55,400			
BOD % Giving	10%	74%			
BOD Meeting Attendance	62%				
PROGRAM					
Homes Under Construction	10		Not including API / API +2		
Homes Closed	1				
Average Cost / Closed Home	\$237,700				
Future Build Sites Available	15	4 or 5 LaSaisonII, 6 Lookaway, 2 Gate Dist., 2 UCity			
Applicants Pipeline	53	200+			
Mortgage Loan Fund Balance	\$ 2,445,000	Update pending.			
RESTORE	YTD Actual	YTD Budget	%	Annual Budget	Notes
Revenue RSS	\$ 432,715	\$ 411,588	105%	\$461,986	Sales Only
Revenue RDP	\$ 462,122	\$ 532,326	87%	\$ 612,391	
ReStore P/L	\$ 419,769	\$ 193,048		\$ 259,180	
# of Donations	665	177 Pick Ups/Drop Offs: 77 RSS and 411 RDP			
FINANCIALS					
Income: Mission Support	\$ 863,902	\$ 6,042,000	143%	\$990,000	
Program	\$ 570,765	\$ 2,816,183	25%	\$4,750,532	
ReStore	\$ 2,189,369	\$ 2,189,853	100%	\$2,690,254	
Management General	\$ 905,799	\$ 132,000	686%	\$132,000	PPP
Other					
TOTAL INCOME	\$ 4,529,835	\$ 5,742,236	79%	\$8,562,786	
Expenses: Home Construction	\$ 351,536	\$ 2,150,772	16%	\$2,999,225	CIP = \$1,520,794
Operating	\$ 2,065,106	\$ 2,317,526	89%	\$2,902,433	
ReStore	\$ 1,769,600	\$ 1,996,805	89%	\$2,431,074	
TOTAL EXPENSES	\$ 4,186,242	\$ 6,465,103	60%	\$8,332,732	
Net Profit/Loss	\$ 343,593	\$ (722,867)		\$230,054	
	YTD 2021	YTD 2020	Change		
Year/Year Change in Cash	\$ 158,362	\$ 243,505	\$ (85,143)		
Year/Year AP	\$ 477,042	\$ 799,887	\$ (322,845)		
Year/Year Debt LT	\$ 3,260,539	\$ 3,280,232	\$ (19,693)		
Year/Year Debt ST	\$ 868,598	\$ 894,971	\$ (26,373)		

Habitat for Humanity Saint Louis Board of Directors Meeting
Tuesday, November 30, 2021
CEO Report

Success and Shout Outs!

Resource Development

Appeals

QR Post Card Mailing: 6 gifts for \$1,725

- In tracking of how much traffic the QR code which is driving to the website page with more information on why it is important to give locally, there has been a definite uptick in people visiting that page (the QR code was also included on the reply device of the winter appeal, so some of the traffic may be a result of the winter appeal.
- 4 of the 6 gifts were an increase of 50% or more over previous giving. One gift remained the same as previous giving, and the last gift was from a super-lapsed (37+ months) donor. In this case, the last donor gift was February 2015.

Limited Appeal: 7 gifts totaling \$5,700

- 2 gifts were up significantly from previous giving and 4 were down slightly.
- One of the donors giving to this effort had not given to HFHSL since 2006 but is listed in records as a major donor to HFHI. After receiving both the post card and the limited appeal, they gave at \$5k.

Winter Appeal: 60 gifts totaling \$9,185 (through 11/21/21)

- This appeal dropped 2 weeks ago, so it's still in its infancy.

State Allocation

ARCHs has uploaded all documents to the State of MO portal for final review. Plans are underway for submittal of the first draw request (approximately \$100k) on December 15th.

Home for the Holiday KMOV

Dedicated on November 22nd – more can be found at:

[Moments before new Home 4 Holiday owner enters his new abode | | kmov.com](https://www.kmov.com/story/5848441/moments-before-new-home-4-holiday-owner-enters-his-new-abode)

[Home 4 Holiday owner relishes in his new home | | kmov.com](https://www.kmov.com/story/5848441/home-4-holiday-owner-relishes-in-his-new-home)

Plans are underway to close on the home prior to December 21st.

Program

Neighborhoods/ Home Construction/Homebuyers

Upcoming closings have been scheduled (again) with Security Title, the Affordable Housing Trust Fund, St. Louis Housing Authority (2 of 3), Midland States Bank and buyers as noted below:

November 30th: 3445 Park Avenue

December 1st: 1317 S Tucker and 1321 S Tucker

Two additional homes in Gate (Park Avenue) will be scheduled for mid-December.

Lookaway Phase 2 – 7 homes, \$446,751: No further update as the Project Manager has been out. No response has been received to the motion to strike / answer to plaintiff response to the Lingard petition.

Art Place Initiative (API): House 1 is finished, closing is pending. House 2 and 3 (a three family) continues. More on the project can be found (along with a few familiar faces!) at:

[A Home for Art - STL Made \(thestl.com\)](http://thestl.com)

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

Although OSHA guidance was released, based on the legal challenges, OSHA suspended the Emergency Temporary Standards for the foreseeable future.

Board Governance (for discussion and approval)

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

- Approval of Officers.
- Approval of At Large Executive Committee members.
- Approval of Board nominees including both new and renewing members.
- Approval of Alumni Board addition.

For consideration as Officers:

2022 Officers / Executive Committee:

President:	Stephen Westbrooks (as elected 2016)
President Elect:	Amy Berg (as elected 2020)
Treasurer:	Rob Anderson (proposed)
Secretary:	Pattye Taylor-Phillips (proposed)
General Counsel:	Matt Guymon (proposed)
At Large:	Malaika Horne (proposed)
	LaDawn Ostmann (proposed)
	John Short (proposed)

Per terms of the bylaws, only those noted as proposed and in bold require Board action (others listed are for reference).

2022 New (or returning) 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. Jami Boyles, Returning Candidate, Previous Service 2014-2019,
<https://www.linkedin.com/in/jamiboyles>
2. Abby Kepple, <https://www.linkedin.com/in/ajkepple/>
3. Brian Pratt, <https://www.linkedin.com/in/brian-pratt-946ba339/>
4. Kevin Wilson, <https://www.linkedin.com/in/kevin-wilson-0a78869/>

The individuals noted below are completing their first term and are being recommended for **renewal as provided for in HFHSL by laws:**

1. Subash Alias
2. Rob Anderson
3. Jared Boyd
4. Jamey Edgerton

5. LaDawn Ostmann
6. John Short

We say good-bye but also express **our heartfelt appreciation** to the following retiring Board Members: Ed Alizadeh, Anna Hart, Emily Martin, and Josh Udelhofen.

It is also the recommendation of Board Governance that Nat Walsh be added to the Alumni Board. For reference, a previously approved description of the Alumni Board follows.

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.

**As approved November 2018*

HFHI

Due to the holiday, the November Collaborative Operating Model call will occur the Monday prior to the Board meeting. Based on the pre-reads, the investment fee will be a formula inclusive of:

- Population: a flat fee for every person in an affiliate's GSA. +
- Revenue: a % of total revenue based on three-year period average –
- Production Credit: a credit based on number of houses completed x
- Area Median Income adjustment: affiliates will be “ranked” based on AMI. Fee will increase/decrease by the value assigned to the corresponding rank. Affiliates with AMI in the top 25% and the bottom 25% will have their fee adjusted by a set percent.

Holidays

As shared in an earlier email: If you wish to assist Habitat families for the holidays, please visit the link below:

<https://www.habitatstl.org/holidayworkshop/>

Both ReStores will be closed December 24th – January 3rd, inventory will occur December 28th -29th with auditor observation on December 30th.

The administrative office will be closed December 23rd, 24th and 31st.

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.



2022 BUDGET Proposal

Building Houses, Building Hope.

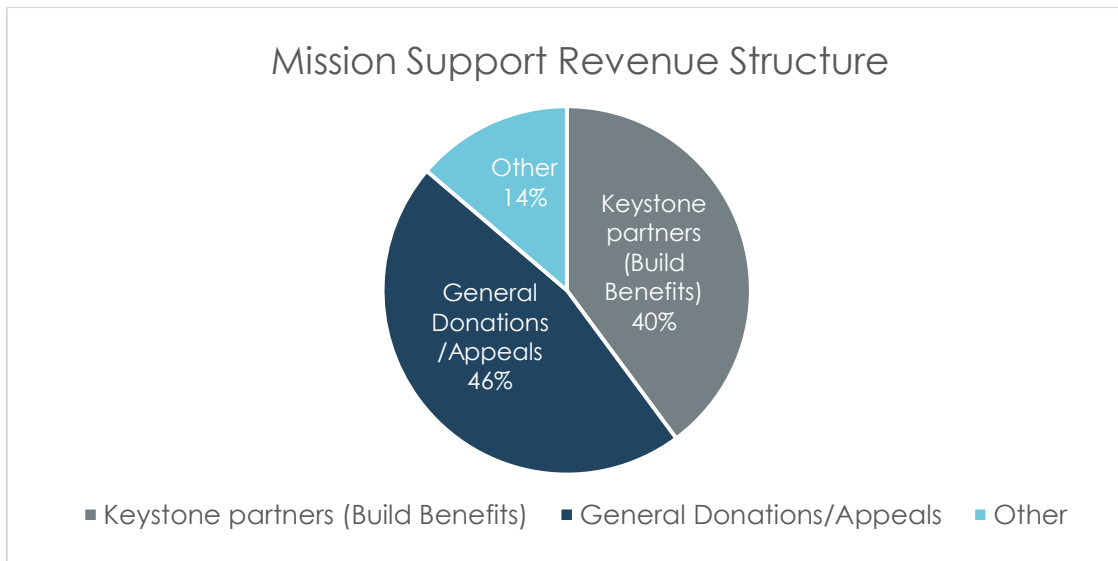
2022 BUDGET HIGHLIGHTS

Assumptions were based on the regular monthly income/expenses from January to October 2021 plus any additional activity expected to occur before the end of the year. HFHSL continues to present a budget package which includes a stand-alone organizational budget, combined only with project specific construction budgets for which there is certainty regarding, among other things, funding sources, build timing, and mortgage loan commitments.

Income:

Mission Support = \$1,219,000 including:

- Keystone Partners (Build Benefits) based on 2021 performance + those who have indicated via personal contact that they hope to return in 2022.
- General Donations / Appeals projected based on the consistency in the numbers year over year even in the critical 2020.
- A trivia event is planned for the fall along with other third-party benefit events. Expected revenue \$15,000.



Restricted Support

State of MO Allocation

In 2021, a State of MO allocation was requested and received for \$250,000. After the fee for grant management, \$225,000 in expense reimbursements will be covered. Based on the anticipated timing of draw requests, a portion of the expense reimbursement will be reflected in 2021 financials (construction material cost for specific homes). But \$125,000 is projected to be received in 2022 and is reimbursable for a portion of Family Service and Volunteer Management payroll expenses, as well as other Program Equipment and Supply expenses.

Affordable Housing Assistance Program (AHAP) Tax Credits

Projected revenue \$603,955.

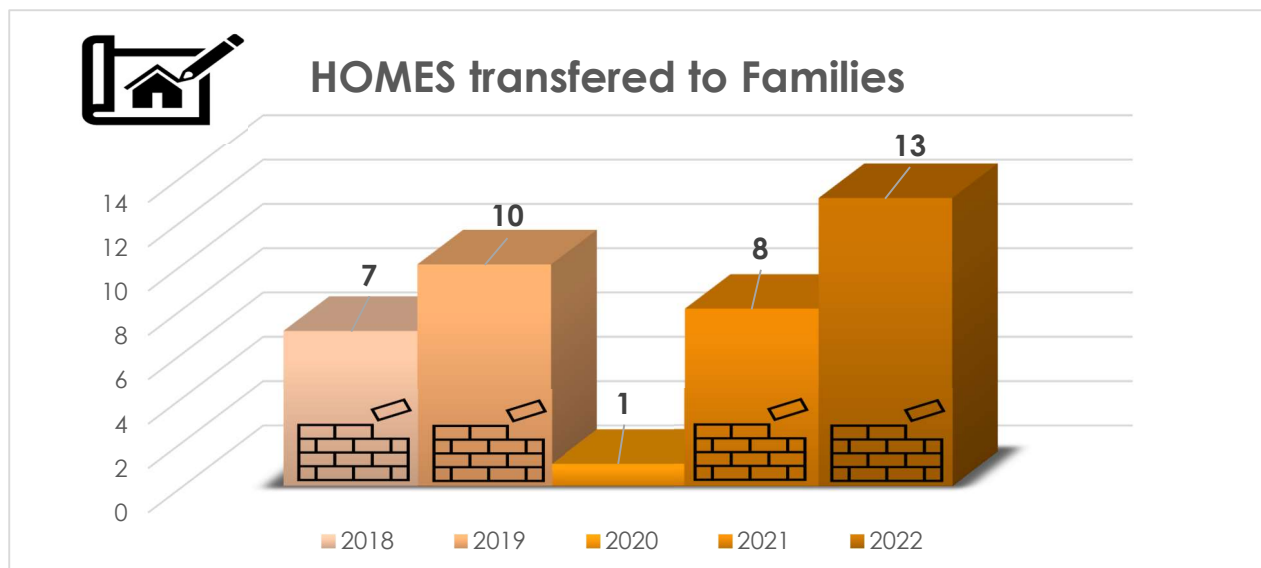
HFHSL will be applying for \$1,000,000 in AHAP tax credits for the 2021-2022 period. If awarded, credits will be allocated to RDP expenses as noted, as well as costs associated with the future annual audit (2022 audit has been covered via current AHAP tax credits). The number of credits applied for is consistent with the credits awarded over the past five years and will again be considered by MHDC and the State of Missouri to be a capacity building award which will require and allow HFHSL to leverage new and higher dollar amount donations. Eligibility for the program will require current donors to increase their previous giving level to best maximize the credits as a capacity building mechanism.

In-kind

Total projected In-Kind donations to be obtained in the form of labor and materials is \$140,000. The number is based on the actual relationships with partners and reflects a percentage of in-kind versus total expense of between 5% - 6.25%. Previously, the percentage was closer to 20% but a significant reduction of in-kind from HFHI has occurred since the beginning of the pandemic.

Transfer to homeowners

Projection is based on the transfer of 13 homes in 2022.



- 2 of the homes from Gate District Project have been 70% completed in 2021,
- 3 more homes from same project will be done in 2022.
- 7 homes from Lookaway II completely will be done and sold (1 of which is 20% complete).
- 1 KMOV home (location to be confirmed but projected as University City).

The total amount received from the transfers will be \$2,340,000.

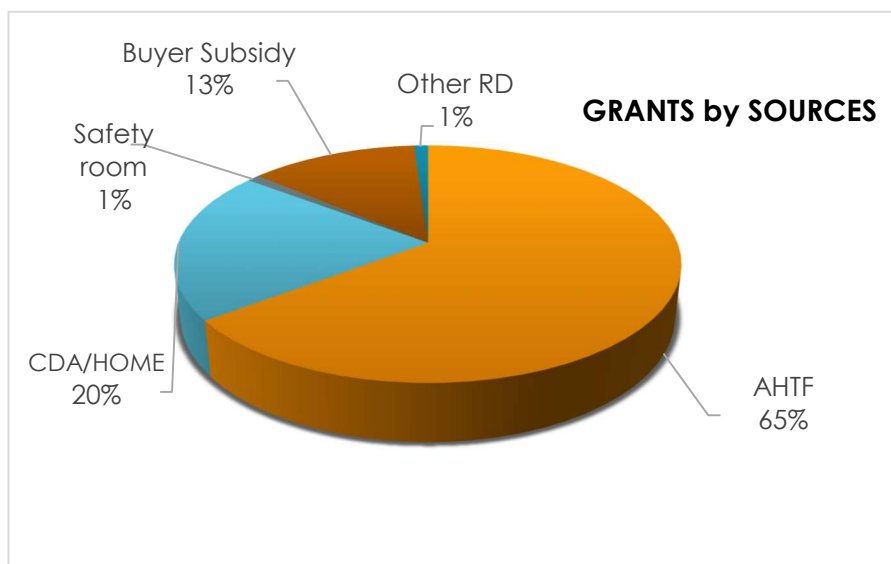
Home closings utilizing the Mortgage Loan Fund (MLF) which originated in 2018 will continue to occur. Current investors - each at an initial \$1 million commitment - include Midland States, Royal Banks of MO, First Bank, Citizens National and Sterling. Commitments from those currently participating cover all anticipated 2022 closings. Additionally, staff proposes to continue to originate Tier 1 mortgages with banks if/when it makes financial sense to the organization, using affordable mortgage pricing consistent with HFHI Policy, with funding at closing and a 2nd Note that is forgivable over 30 years.

Project specific construction budgets will continue to assume that current 1st note sale price amounts remain consistent, with an interest rate of 2.5%, while continuing to ensure an affordable mortgage for the partner families.

Grants

All 2022 homes have a budgeted and secured subsidy by different funding sources. The total revenue of \$945,695 to be recognized from grants includes:

- AHTF - \$611,445
- CDA/HOME - \$195,250
- Buyer Subsidy (through either CDA or AHTF) - \$120,000
- Safety Room - \$9,000
- Other RD - \$10,000



Art Place Initiative (API)

HFHSL will continue in a general contractor role in 2022. Estimated revenue of \$206,250 from the API project is based on 2022 budget provided to HFHSTL and includes 15% fees calculated on total of 7 units for total cost \$1,375,000. Additionally, HFHSL will be reimbursed for self-performed services provided during that project estimated at \$112,000.

ReStore

Pre-Covid level of hours and sales are projected for both Restores. Projected sales in total are ReStore South Side (RSS) \$ 550,000 and ReStore Des Peres (RDP) \$ 615,000.



NMTC

This budget does not anticipate a New Market Tax Credit (NMTC) transaction but does reflect semi-annual interest payments and dividend income along with closing cost amortization expenses for the remaining deals. This item is a GAAP expense, and not a cash effect to the budget. As always, the potential for a NMTC transaction will be sought. During 2022, there will be no roll off NMTC transaction(s) with a corresponding recognition of GAAP revenue and a corresponding increase in organizational net assets.

Other Income notes

The \$319,750 on the proposed budget includes:

- RDP building maintenance and utilities expenses reimbursed per lease agreement - \$170,000
- Restore DP – Management fee for utilizing the building - \$110,000
- Potential sale of fully depreciated assets - \$5,000
- Rebates received from Insurances - \$10,000
- Mortgage Loan fund service fees - \$5,000
- Other (cancelation of debt, rents, other) - \$19,750

The budget makes no assumption regarding the sale of the outparcel.

Amortization Interest income

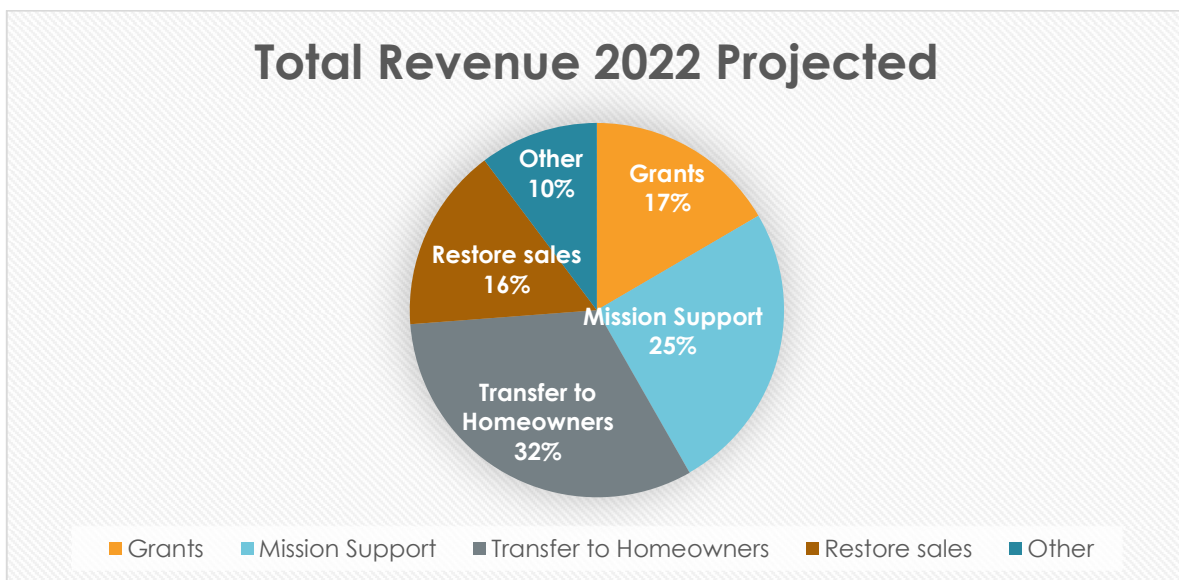
This represents the recognized interest income from the allocated portion for 2022 of unearned interest revenue related the 2nd forgivable notes. The numbers are tied and dependent on the number of houses sold and amounts of the HFHSL forgivable note.

QALICB

In 2020 Habitat entered into a ground lease agreement with HFHSL QALICB Real Estate Holding LLC The lease term is for 25 years. The activity between both organizations is eliminated in consolidation. No cash impact from this activity.

Total Revenue Projected for HFHSTL in 2022 Budget proposal - \$8,698,003

- Mission Support – 25%
- Grants - 17%
- Transfer to homeowners – 32%
- Restore Sales – 16%
- Other – 10%



Expenses

The 2022 Budget was created splitting the payroll expenses in detail by departments (Family Services, Real Estate Development, Volunteer Service, Marketing and Construction) whereas in previous years, all were included as a total in Program or Resource Development expenses. As such, department budgets appear higher than in prior years.

Management and General Expenses

Projected expenses decrease due to:

- Payroll savings realized from administrative reorganization (no DOO)
- Group Health Insurance savings through October, increase projected for last qtr. 2022
- Reduced legal fees, late fees, and interest on various lines of credit including Royal Banks recently renewed at 4.5% interest (based on use of credit which has also been lowered).
- Reduced expenses for office equipment and services due to new less expensive agreements.

Resource Development Expenses

2022 will include several large appeals, 2-3 postcards as well as 2-3 targeted, smaller appeals.

Marketing

Increased due to reallocation of staff salary/benefits. Other expenses include external printing and reproduction, advertising, and professional services

Volunteer Services

Increased due to reallocation of staff salary/benefits. Other expenses include continuance of volunteer scheduling software, costs related to construction leadership including a kickoff event and orientation expenses

Program General Expenses

Total amount projected - \$1,086,978 (decrease versus 2021 projection of \$1,487,939).

The adjustment is primarily based on changes in the payroll expenses presentation.

Other expenses included:

- Discount of Mortgages for homes not included in NMTC project - \$129,813
- Forgivable Note Amortization expenses - \$106,995
- Interest expenses on various loans \$112,000 (lines of credit with Peoples, Royal Banks and IFF)
- Habitat for Humanity SOSI fee \$25,000.

While the modification of the HFHI US Stewardship and Organizational Sustainability Initiative (US-SOSI) continues to be under development to become an Investment Fee as part of the Collaborative Development overhaul, this Budget assumes a \$25,000 payable in two instalments as consistent with prior years budgets.

Home Construction Expenses

Increase reflects the market increase of construction materials and services. All other operating expenses were reduced according based on actuals over the past.

Real Estate Development

Increased due to reallocation of staff salary/benefits. Other expenses include lawncare of vacant properties, appraisals, and various fees (recording, AHAP tax credit, land option).

Family Services

Increased due to reallocation of staff salary/benefits that were previously part of Program General expenses. Other expenses include family selection and support activities such as educational classes, emergency support for families, and house dedications.

ReStore

Expenses include pay increases and various applicable training in an effort to limit staff turnover. Funds have also been allocated for necessary maintenance at both properties, but specifically RDP (partially recoverable via lease agreement). The Cost of Goods Sold (COGS) is also included as an expense line item/store. This Budget assumes an AHAP check exchange pursuant to the Amended Lease Agreement that will result in \$0 cash rent due in 2022 for ReStore des Peres, as well as enough cash to pay Property Taxes and Insurance due on the RDP facility.

Other Expenses

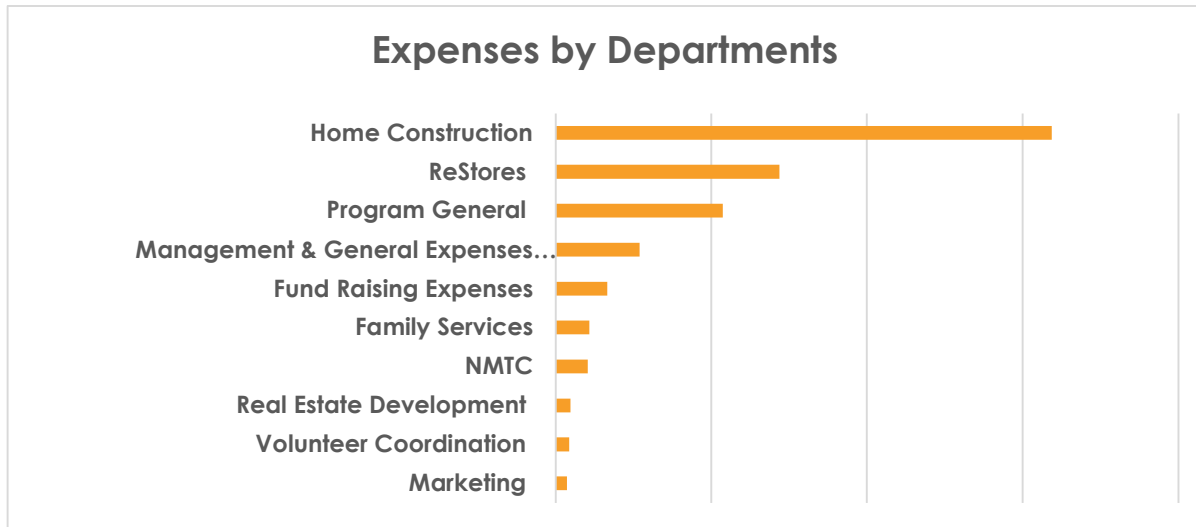
QALICB: In 2020 Habitat entered into a ground lease agreement with HFHSL QALICB Real Estate Holding LLC The lease term is for 25 years. The activity between both organizations is eliminated in consolidation. No cash impact from this activity.

New Market Tax Credit: GAAP impact of \$206,650 including the following and partially offset by revenue.

- Discount of Mortgages (of homes included in NMTC deal) \$104,082
- Forgivable Note amortization expenses - \$22,739
- Amortization expenses - \$49,729
- Interest expenses - \$23,194
- Other related NMTC 2017 & 2020 deals – \$6,906

Total Expenses Projected for HFHSTL in 2022 Budget proposal - \$8,682,582

- Home Construction – 44%
- ReStore – 20%
- Program General – 15%
- Management – 7%
- Resource Development – 5%
- Family Services – 3%
- Real Estate Development, Marketing, Volunteer Management – 3%
- Other – 3%



Habitat For Humanity Saint Louis						
2022 Budget						
	GAP	GAP	YTD	2022 vs 2021	GAP	Cash
	2022 Budget	2021 Budget	Oct 2021 Act & Projected YE	Projected - Actual	2020 Actual	2022 Cash Budget
INCOME						
40900 Mission Support (Unrestricted Contributions)	1,219,000	950,000	960,000	259,000	947,017	1,219,000
41000 Fundraising/Special Events	15,000	20,000	10,000	5,000	18,297	15,000
40000 Restricted Support - MO FUND	125,000	20,000	100,000	25,000	9,554	125,000
40950 Contribution - AHAP Check Exchg	603,955	575,000	570,000	33,955	682,816	x
46000 In-kind	140,000	241,000	110,000	30,000	27,704	x
40100 Transfer to Homeowner	2,340,000	3,360,000	2,020,000	320,000	270,000	1,954,000
40200 Grants	945,695	983,782	179,580	766,115	15,000	945,695
46200 Art Place Initiative Project Developer Fees	206,250	75,000	35,000	171,250	35,000	206,250
46205 Art Place Self Performed Services	112,000	x	15,000	97,000	-	112,000
40700 Restore Sales - South Side	550,000	461,986	517,894	32,106	346,184	550,000
40800 Donated Materials - Restore South Side	550,000	461,986	525,000	25,000	406,847	x
40700 Restore Sales - RDP	615,000	612,391	544,852	70,148	487,716	615,000
40800 Donated Materials-Restore - RDP	615,000	612,391	555,000	60,000	434,664	x
46698 New Market Tax Credit-Int. Inc.	23,194	22,074	23,194	-	17,542	x
47000 Other Income Items	319,750	100,000	379,211	(59,461)	249,214	319,750
47110 Amortization Interest Income	87,414	67,176	85,000	2,414	81,616	x
47003 QALICB Rent Income Building	230,745	x	226,000	4,745	x	x
47027 PPP Loans not in 2021 budget	x	x	437,175		435,148	x
TOTAL INCOME FROM OPERATIONS	8,698,003	8,562,786	7,292,906	1,842,272	4,464,319	6,061,695
OPERATING EXPENSES						
Management & General Expenses (including CHDO)	549,621	682,288	516,000	33,621	575,983	549,621
Resource Development Expenses	337,727	376,452	330,000	7,727	260,389	337,727
Marketing	75,114	46,500	6,000	69,114	8,300	75,114
Volunteer Coordination	88,211	28,675	19,000	69,211	8,507	88,211
Program Expenses	x	x	x	x	x	x
Program General (including CHDO)	1,086,978	1,487,939	1,025,000	61,978	1,221,226	1,086,978
Home Construction (including CHDO)	3,187,635	2,999,225	2,020,346	1,167,289	370,548	1,717,365
Real Estate Development (including CHDO)	96,795	26,450	18,000	78,795	10,614	96,795
Family Services	222,142	28,000	22,000	200,142	15,934	222,142
ReStore -South Side Incl COGS	1,010,273	870,437	1,012,200	(1,927)	630,414	460,273
ReStore - Des Peres Incl COGS	1,590,690	1,560,637	1,224,000	366,690	1,372,535	503,735
QALICB Expenses	230,745	x	226,000	x	x	x
New Market Tax Credit (POB)	206,650	226,128	205,000	1,650	87,185	x
HC LOC and Royal LOC repayment	x	x	x	x	x	825,000
TOTAL OPERATING EXPENSES	8,682,582	8,332,732	6,623,546	2,054,291	4,561,635	5,962,963
CHANGE IN NET ASSETS FROM OPERATIONS	15,421	230,055	669,360	(212,019)	(97,316)	98,732
			232,185	*net excl PPP		
Homebuilding Activity - Direct Cost/Revenue	2022 Budge	2021 Projected Year end	2020 Actu	2019 Actual	2018 Actual	
#40100 Transfer to Homeowners	2,340,000	2,020,000	270,000	1,496,000	974,000	
#40200 Grant Income & #46000 In-kind	1,065,695	179,580	42,704	422,000	118,960	
#55040 Discount on Mortgage	(233,895)	(154,000)	(24,076)	(106,113)	(95,062)	
Net Cash in	3,171,800	2,045,580	288,628	1,811,887	997,898	
#55155 HC-Build Expenses Closed Homes	(3,133,410)	(2,020,346)	(302,614)	(1,107,999)	(740,356)	
(Direct Cost only)						
Total Home Building	38,391	25,234	(13,986)	703,888	257,542	
Restore 2022 Budget	South Side	Des Peres	2021 Projected YE	2020 Actual	2019 Actual	
Restore Net:						
#45400 ReStore Grants						
#40700 Sales	550,000	615,000	1,062,746	833,900	834,096	
#40800 Donated Material	550,000	615,000	1,080,000	841,511	1,215,471	
Other Income (AHAP net,Special Event, Sustainability)	750	753,455	446,973	625,598	432,240	
Cost of Goods Sold (COGS)	(550,000)	(615,000)	(1,060,746)	(833,899)	(1,215,471)	
Expenses	(460,273)	(975,690)	(1,175,454)	(1,169,049)	(1,240,505)	
Total Restore Net to Affiliate	90,477	392,765	353,519	298,061	25,831	
Fundraising - Special Events	2022 Budget	2021 Projected YE	2020 Actual	2019 Actual	2018 Actual	
#41000 Fundraising/Special Events	15,000	10,000	18,297	33,719	60,745	
#58000 Fund Raising/Spec Events	(8,500)	(1,000)	-	(3,260)	(8,654)	
Total Special Events Net:	6,500	9,000	18,297	30,459	52,091	

