

AGENDA
PPHFH BOARD OF DIRECTORS
PPHFH ReStore
411 S. Wahsatch
5:45-7:00 pm
May 7, 2018

CALL TO ORDER (Sam):

OPENING DEVOTIONS (Joel) ~ INTRODUCTIONS ~ ANNOUNCEMENTS:

APPROVAL OF MINUTES:

FINANCE REPORT:

- Month ending March 2018 (Peter)

EXECUTIVE DIRECTOR'S & STAFF REPORTS:

- Sam – comments on committee reports – goal is a consent-type process - committee reports
- ED Report (Kris)
- Mortgage Delinquency Report (Janet)

COMMITTEE REPORTS & RECOMMENDATIONS:

- Executive Committee (Sam)
 - CHDO recap (Kris) – previous notes were in packet
 - CHDO documents & BOD members approval (Vote required)
 - Board Commitment Discernment (Sam) –
- Family Selection & Services (Janet) – did not meet
- Development Committee (Iain) – meetings will begin next month
- Site Selection Committee (Tye)
- Building Committee (Matt) – did not meet
- Finance Committee (Peter) – minutes
- Faith Relations Committee (Barb) – minutes
- ReStore Committee (Jeff) – minutes

OLD BUSINESS:

- Authorized sale of six Country Living homes (passed by electronic vote 4-20-18)

NEW BUSINESS:

COMING EVENTS:

- May 9-11 – Camp Colorado, Keystone
- May 10-12 – National Women Build Event
- May 19 – Penny's Ground Blessings (Thrivent home) – Saturday, from 10:00 am – 11:00 at 226 Red Finch Lane
- June 9 – Raphael and Rosette House Dedication – Saturday, from 9:30 am – 10:30 am 831 Bunting Avenue
 - Jean & Nadia's Home Dedication – Saturday, from 11am – 12:00 pm at 218 Red Finch Lane
- June 16 – Sonni and Karen's House Dedication – Saturday, from 11:00 am – 12:00 pm at 214 Red Finch Lane
 - Sonia's Home Dedication – Saturday, from 12:30 pm – 1:30 pm at 215 Red Finch Lane
- July 3 – Karma Hour – Tuesday from 6:00 – 9:00 pm at Bristol Brewing Company

Iain – want bios for website – by 15th? Need to ask Isaac

*Habitat for Humanity builds **strength, stability and self-reliance** through shelter*

Might seem like busy work – grants, gifts – has impact

1 paragraph – like on a resume’ – what you do in your professional life; why the org is important to you. (why they should donate)

Motion – closing prayer and adjournment – 7:13 PM

*Habitat for Humanity builds **strength, stability and self-reliance** through shelter*

PPHFH Board of Director Meeting Minutes – April 2, 2018

Board Members, Staff and Guests Present:

Board Members	Staff / Guests
Sam Adams, <i>President</i>	Hunter Elledge, Accountant
Dave Warner, Secretary	Janet Risley, <i>Director of Homeowner Services</i>
Joel Hamilton, <i>Vice President</i>	Kris Medina, Executive Director
Martha Johnson	Jeff White, <i>Chief Operations Officer</i>
Matt Manzione	Dusty Last, Receiving Assistant
Jeff Mawhirter	
Ryan Mohling	
Peter Scanlon, <i>Treasurer</i>	Rick Darling
Victoria Selfridge	Ryan Teeples
Chuck Smith	
Lauren Thorstensen	
Tye Tutt	
Barb Treacy	

Excused Absence

Dan Apricio

CALL TO ORDER: The April 2, 2018 PPHFH Board of Directors Meeting was called to order at 5:50 pm by Sam Adams, *President* at the ReStore.

Mr. Adams informed the Board that the meeting would be recorded to help with the minutes – Board granted permission

OPENING PRAYER ~ INTRODUCTIONS ~ ANNOUNCEMENTS:

Ms. Medina opened the meeting with a devotion. Ms. Medina shared items (beads, purse, and necklace) from her trip to Uganda.

APPROVAL OF MINUTES:

The minutes from the February 5, 2018 and March 5, 2018 board meetings were presented for review and approval. A motion was made, seconded and unanimously approved to accept the minutes.

FINANCE REPORT:

Mr. Scanlon presented the financials for February 28, 2018. The Assets total \$7.49MM net the Unamortized Mortgage Discount of \$(2.31MM); Liabilities total \$1.60MM, with Total Equity of \$5.88MM. Cash in banks total \$2.29MM (versus \$2.28MM 6/30/17). The amount of the RLOC with ANB is \$200,000, and as of 2/28/2018, the balance owed was \$0.

Mr. Scanlon informed the Board that the ReStore's expense management continues to be "superior" this month. Jeff and the ReStore team not only met the year to date plan but pulled ahead of it in February. Over the next couple of months the ReStore will continue to be a huge revenue contributor to our organization. Donations are up, store is being remodeled and sales are going up.

A note was made by Mr. Scanlon to the Addendum to the Finance Report the February YTD and April – June cash flow projection that the line item Country Living Land Loan Payoff should

read \$232,159 instead of \$323,159.

Check Signer Policy Revision ratification: Mr. Adams presented revisions to the Check Signer Policy authorizing the Executive Director to sign all checks for expenditures up to \$20,000, an increase from \$10,000. Any checks over \$20,000 will require a second signature. The second signature must be a member of the Executive Committee.

There was discussion from Mr. Manzione that other organizations would have a dual control system. He is suggesting the Executive Director as well as a Director sign all checks up to \$20,000. Ms. Medina mentioned that she currently signs all contracts up to \$50,000. Ms. Selfridge stated that the Board should grant the additional authority to the Executive Director only. A motion was made, seconded and approved with one Board Member opposing.

EXECUTIVE DIRECTOR REPORT:

Ms. Medina directed the Board to her written ED report. She also reported that the team has put a lot of work into the Volunteer Appreciation Event scheduled for Thursday April 5th at 6:00 pm. Looks like we have a good turnout with 85 rsvp's so far. School District 11 meeting went well as noted in the report. A meeting is scheduled with District 49 to discuss how PPHFH can work with them whether its land acquisition or helping to get teachers into our program. Mr. Hamilton wanted to go on recorded to say that he will also schedule a meeting with District 8 as well.

Mortgage Delinquency Report:

The following delinquency data was presented for March 2018.

LOANS LESS THAN 1 MONTH BEHIND	# of Loans	Amount¹	% at Risk²
Less than 1 Month	0	\$0	0.00%
<i>Last month</i>	1	\$56.42	1.49%

LOANS MORE THAN 1 MONTH BEHIND	# of Loans	Amount¹	% at Risk²
1 Month	1	\$215.69	1.49%
2 Months	0	\$0.00	0%
3 Months	1	\$766.59	1.49%
4+ Months	0	\$0.00	0%
Total	2	\$982.28	2.99%
<i>Last month</i>	4	\$1,377.26	5.97%
<i>March 2017</i>	3	\$835.41	4.35%

¹ Amounts reflect principal balances outstanding and do not include outstanding escrow and late fee balances.

² Calculated against the total number of outstanding mortgages.

Executive Committee: Mr. Adams presented the HOME grant application resolution ratification to allow Ms. Medina overall responsibility in regard to all contracts and corresponding documents associated with agreements entered into with the City of Colorado Springs for \$400,000 of HOME funds for Little Village Subdivision to build 2 duplexes at the Dale Street location. A motion was made, seconded and approved.

Family Selection & Services Committee: Ms. Risley presented three families for approval. All future homeowners were vetted by the Committee and underwriting. Each future homeowner demonstrates a clear need for housing. A motion was made, seconded and unanimously passed to accept the future homeowners for the homeownership program.

Family Selection policy revision: Ms. Risley presented revisions to the Family Selection Policy. Habitat for Humanity Colorado brought together a Task Force to develop standardized underwriting criteria to which all affiliates would adhere. The revised policy will go in to effect for all newly selected future homeowners. A motion was made, seconded and approved.

Sweat Equity policy revision: Ms. Risley presented recommendations to change the Sweat Equity policy. Recommendations were made to change the sweat equity policy to eliminate the Friends and Family and Volunteer sweat equity requirements and adopt a policy that requires each individual applicant to complete 200 hours of sweat equity. At least 150 of the 200 hours will be completed at the construction site. Accommodations will be made on a case by case basis for future homeowners who are unable to perform construction work due to a disability or other special circumstance.

There was discussion whether the amount of hours should be increased.

Development Committee: The committee has not met.

Site Selection Committee: The committee met to discuss potential properties. Mr. Tutt and the committee will advise the Board when solid leads are discovered.

Building Committee: The committee met on March 21st. The committee's main focus is the duplexes at Dale Street.

Faith Relations Committee: Ms. Treacy met with Laura Fuller from First Presbyterian church. Ms. Fuller seemed very interested in working with PPHFH on a build. She will take the idea back to the church for further discussion. The committee had a conference call with Habitat for Humanity International Global Faith staff. Habitat International is putting together a series of webinar's to help affiliates identify faith institutions that are interested in working on an Interfaith Build.

ReStore Update: Mr. White gave the ReStore update and talked about the interior changes that have been made. A portion of the front office will be turned into a showroom for future homeowners to see what materials are being used and make their color and hardware selection there. March was a great month, they hit \$171,560 in sales. Future projects will include expansion of the dock so that 3 cars can back in at any one time. More merchandise is being acquired. Mr. White recognized Dusty Last for taking initiative on how to start "planting the seeds" for a 2nd ReStore by attending New Store University and educate staff on what she has learned.

NEW BUSINESS: Board and Executive Staff retreat April 21st from 8:30 am to 4:30 pm at the Penrose House.

OLD BUSINESS:

COMING EVENTS: The next board meeting will be on May 7, 2018 at 5:45pm. Location will be at the ReStore.

CLOSING PRAYER/ADJOURNMENT: Mr. Mohling closed the meeting with a prayer, and the meeting adjourned at 7:55 pm.

Respectfully submitted,

David Warner, *Secretary*

**PPHFH Addendum to Finance Report
As of March 31, 2018**

Balance Sheet Comments:

The Assets total \$7.31MM net the Unamortized Mortgage Discount of \$(2.29MM); Liabilities total \$1.40MM, with Total Equity of \$5.91MM. Cash in banks total \$2.07MM (versus \$2.28MM 6/30/17). The amount of the RLOC with ANB is \$200,000, and as of 03/31/18, the balance owed was \$0.

March Checking/Savings/Investment Comments:

ANB – RS	\$ 29,497
ANB – Operating	\$ 22,001
ANB – Carhof	\$149,844
ANB – Money Market	\$ 75,384
ENT – Savings	\$ 46,569
ENT – Checking	\$ 43
Kirkpatrick – Money Market	\$ 60,518
Great Western Bank	\$287,055
Ameriprise – Cash/Cash Investments	\$454,244
Ameriprise – Fixed Income	\$431,979
Ameriprise – Equities	\$572,773
Ameriprise – Alternatives	\$34,972
Ameriprise – Other Assets	\$11,576

As of March 31st, we have 67 mortgages, which break down as:

Less than \$20,000	9 loans
\$20,000 to \$40,000	11 loans
\$40,000 to \$60,000	13 loans
\$60,000 to \$80,000	12 loans
\$80,000 to \$100,000	4 loans
\$100,000 to \$120,000.....	12 loans
\$120,000 to \$140,000	5 loans
\$140,000 to \$160,000	1 loan

The lowest mortgage as of March 31st is \$4,092 and the highest is \$143,679.

Profit and Loss Comments:

Mortgage principal payments received during March 2018 totaled \$29,174.

Net income/ (loss) for the month of March is \$26,674 and YTD is \$375,001.

Following are the donations received during March 2018:

Individuals	\$ 8,135	(Individuals/BOD donations)
Corporations	\$ 5,000	(GE Johnson)
Grants	\$ 7,500	(Moniker Fdn.)

February YTD and April – June Cash Flow Projection (this is updated on a quarterly basis):

February 28 th BS Cash Balance	\$2,293,847
Projected Oct – Dec Cash In	\$ 870,705
Projected Oct - Dec Cash Out	(\$ 661,313)
Country Living Land Loan Payoff (3/9/18)	(\$ 323,159)
Sub-Total	\$2,271,080

PIKES PEAK HABITAT FOR HUMANITY

Balance Sheet

As of March 31, 2018

	Mar 31, 18	Jun 30, 17	\$ Change	% Change	YTD Notes
ASSETS					
Current Assets					
Checking/Savings					
1015 · Bank Accounts	2,076,040.34	2,286,848.82	-210,808.48	-9.22%	CHFA sale deposit
Total Checking/Savings	2,076,040.34	2,286,848.82	-210,808.48	-9.22%	
Accounts Receivable					
1100 · Accounts Receivable	1,825.72	201,414.43	-199,588.71	-99.09%	Lowes
Total Accounts Receivable	1,825.72	201,414.43	-199,588.71	-99.09%	
Other Current Assets					
1229 · Investment/Securities	100,414.31	100,414.31	0.00	0.0%	
1230 · Current Portion of Mortgages	39,958.32	39,958.32	0.00	0.0%	
1245 · Prepaid Expenses	2,085.25	29,891.83	-27,806.58	-93.02%	
1280 · Inventory	22,445.53	22,829.75	-384.22	-1.68%	
1300 · Construction In Process	1,448,481.42	887,941.09	560,540.33	63.13%	1 home sold
Total Other Current Assets	1,613,384.83	1,081,035.30	532,349.53	49.24%	
Total Current Assets	3,691,250.89	3,569,298.55	121,952.34	3.42%	
Fixed Assets					
1410 · Leasehold Improvements -ReStore	10,915.74	10,915.74	0.00	0.0%	
1411 · Equip/Furniture - ReStore	49,678.44	49,678.44	0.00	0.0%	
1413 · Accumulated Depreciation-RS	-74,067.51	-69,623.77	-4,443.74	-6.38%	
1430 · Office Equipment & Furniture	0.00	0.00	0.00	0.0%	
1432 · Construction Equipment	28,748.39	35,198.15	-6,449.76	-18.32%	
1434 · Land	260,270.00	260,270.00	0.00	0.0%	
1435 · Building	1,248,131.42	1,284,709.58	-36,578.16	-2.85%	
1440 · Cars and Trucks	50,636.29	55,436.26	-4,799.97	-8.66%	
1450 · Computer Software	-22,400.21	-20,996.93	-1,403.28	-6.68%	
Total Fixed Assets	1,551,912.56	1,605,587.47	-53,674.91	-3.34%	
Other Assets					
1610 · Mortgages Receivable	4,367,740.94	4,515,840.55	-148,099.61	-3.28%	
1620 · Unamortized Mortgage Discount	-2,296,036.46	-2,426,488.74	130,452.28	5.38%	
1640 · Notes Receivable	832.15	920.26	-88.11	-9.57%	
Total Other Assets	2,072,536.63	2,090,272.07	-17,735.44	-0.85%	
TOTAL ASSETS	7,315,700.08	7,265,158.09	50,541.99	0.7%	
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
2010 · Accounts Payable	70,329.39	40,550.32	29,779.07	73.44%	
Total Accounts Payable	70,329.39	40,550.32	29,779.07	73.44%	
Credit Cards					
2045 · Great Western Bankcard	11,343.47	0.00	11,343.47	100.0%	
2050 · First Bankcard	1,050.12	14,024.46	-12,974.34	-92.51%	
Total Credit Cards	12,393.59	14,024.46	-1,630.87	-11.63%	
Other Current Liabilities					
2016 · Accrued Wages	0.00	18,134.69	-18,134.69	-100.0%	
2150 · HFHI Tithe	5,944.79	0.00	5,944.79	100.0%	
2151 · Global Village Trip	0.00	64.11	-64.11	-100.0%	
2020 · Accrued Expenses	3,222.20	9,476.70	-6,254.50	-66.0%	
2210 · Homeowner Escrow Liability	136,874.19	72,575.54	64,298.65	88.6%	
2317 · NP-Current Portion	73,527.70	73,527.70	0.00	0.0%	
2500 · Other Payroll Liabilities	51,519.29	51,225.56	293.73	0.57%	Yearly vacation accrual
Total Other Current Liabilities	271,088.17	225,004.30	46,083.87	20.48%	
Total Current Liabilities	353,811.15	279,579.08	74,232.07	26.55%	

PIKES PEAK HABITAT FOR HUMANITY

Balance Sheet

As of March 31, 2018

	Mar 31, 18	Jun 30, 17	\$ Change	% Change	YTD Notes
Long Term Liabilities					
2510 · Notes Payable	1,048,067.75	1,446,758.65	-398,690.90	-27.56%	1 Expired balance sheet forgivable note payable entry
Total Long Term Liabilities	1,048,067.75	1,446,758.65	-398,690.90	-27.56%	
Total Liabilities	1,401,878.90	1,726,337.73	-324,458.83	-18.8%	
Equity					
3030 · Unrestrict Net Assets	5,072,733.81	5,072,733.81	0.00	0.0%	
3100 · Retained Earnings	466,086.55	285,433.30	180,653.25	63.29%	
Net Income	375,000.82	180,653.25	194,347.57	107.58%	Net income primarily because of the expired balance sheet forgivable note payable entry
Total Equity	5,913,821.18	5,538,820.36	375,000.82	6.77%	
TOTAL LIABILITIES & EQUITY	7,315,700.08	7,265,158.09	50,541.99	0.7%	

PIKES PEAK HABITAT FOR HUMANITY
Profit & Loss Budget Performance (Combined)
March 2018

Ordinary Income/Expense	Mar 18	Budget	Jul '17 - Mar 18	YTD Budget	Annual Budget	YTD Notes
Income						
4000 · Contributions/Donations	14,766.87	26,500.00	258,636.43	356,500.00	474,000.00	GE Johnson/Monthly Donors/BOD Pledges/YEA/Mark/Linda Kissel Family Fdn//Adopt A Day(s)/Thrivent Financial - Pikes Peak Assn Realtors/GE Johnson (AdoptADay)/Veterans United Group
4045 · Grants	7,500.00	40,750.00	169,605.00	278,355.00	297,105.00	Monkier Fdn/ T.Rowe/Lowes/HFHC/Expired balance sheet note payable entry/GWB/Lowes
4100 · In-Kind Donations	3,610.00	7,803.00	157,997.08	111,705.50	185,176.00	Tap fees/Atty fees for land purchase
4200 · Sale to Homeowners	0.00	0.00	154,500.00	155,000.00	887,000.00	1 home sold
4202 · Home Purchase Down Payment:	0.00		-6,000.00			HHCO homeowner grant
4300 · Properties Income Net	0.00	0.00	0.00	0.00	0.00	
4400 · Resale Store Income	171,162.19	184,560.00	1,308,890.85	1,482,040.00	1,996,720.00	Getting more product in the store and on the floor/more employees working on getting product/6 days of scheduled pick ups vs 5 days
4500 · Other Program Income	21,462.49	16,600.00	208,404.12	155,875.00	205,575.00	Monthly mortgage discount amortization
4600 · Other Non-Program Income	10,451.16	0.00	5,459.41	0.00	0.00	YTD interest on cash accounts
Total Income	228,952.71	276,213.00	2,257,492.89	2,539,475.50	4,045,576.00	
Gross Profit	228,952.71	276,213.00	2,257,492.89	2,539,475.50	4,045,576.00	
Expense						
5000 · Program Services	166,191.92	180,950.89	1,528,230.50	1,772,437.12	3,498,987.97	1 home sold
7000 · Management and General	9,072.61	13,499.40	100,744.96	139,499.21	183,289.73	
8000 · Fundraising	27,014.22	23,904.19	253,516.61	248,026.08	335,734.30	Newsletter cost including the 8000 names from the HFHI list and the 700 names from the realtors group.
Total Expense	202,278.75	218,354.48	1,882,492.07	2,159,962.41	4,018,012.00	
Net Ordinary Income	26,673.96	57,858.52	375,000.82	379,513.09	27,564.00	
Net Income	26,673.96	57,858.52	375,000.82	379,513.09	27,564.00	Net income primarily because of the expired balance sheet forgivable note payable entry

PIKES PEAK HABITAT FOR HUMANITY
Profit & Loss Budget Performance - ReStore
March 2018

	Mar 18	Budget	Jul '17 - Mar 18	YTD Budget	Annual Budget	YTD Notes
Ordinary Income/Expense						
Income						
4400 · Resale Store Income						
4410 · Resale Store Income Gross	153,858.43	178,500.00	1,103,417.29	1,447,000.00	1,950,500.00	
4410-01 · Short/Over Resale Store Inc Gro	-32.38	60.00	91.77	540.00	720.00	
4410-02 · Purchased Goods/Sales Inventory	7,967.55		126,007.49			
4410-03 · Purchased Paint-Consignment	5,130.00		41,865.00			
4410-04 · ReStore Cash	0.00		1,100.00			
4451 · Individual Donation - ReStore	848.84		7,644.37			
4520 · ReStore Program Income	3,389.75	6,000.00	27,704.53	34,500.00	45,500.00	
Total 4400 · Resale Store Income	<u>171,162.19</u>	<u>184,560.00</u>	<u>1,307,830.45</u>	<u>1,482,040.00</u>	<u>1,996,720.00</u>	Budget includes both scrap and paint - paint program not yet implemented.
Total Income	<u>171,162.19</u>	<u>184,560.00</u>	<u>1,307,830.45</u>	<u>1,482,040.00</u>	<u>1,996,720.00</u>	
Gross Profit	<u>171,162.19</u>	<u>184,560.00</u>	<u>1,307,830.45</u>	<u>1,482,040.00</u>	<u>1,996,720.00</u>	
Expense						
5000 · Program Services						
5105 · Building & Personal Prop Ins.	1,295.66	942.09	11,646.68	8,215.77	11,042.00	Add'l coverage (Business Interruption)
5100 · Construction Costs						
5106 · Operating Supplies and Tools	700.56	791.67	2,616.19	7,125.03	9,500.00	
Total 5100 · Construction Costs	<u>700.56</u>	<u>791.67</u>	<u>2,616.19</u>	<u>7,125.03</u>	<u>9,500.00</u>	
5104 · Liability/E&O Insurance	0.00	0.00	7,642.77	8,302.50	11,077.69	
5200 · Other Mission Specific Costs						
5202 · Property Tax	0.00	0.00	0.00	0.00	75.00	
5206 · Credit Checks	0.00		12.00	75.00	75.00	
5208 · Volunteer Expense	0.00	1,000.00	699.70	4,187.50	4,687.50	
Total 5200 · Other Mission Specific Costs	<u>0.00</u>	<u>1,000.00</u>	<u>711.70</u>	<u>4,262.50</u>	<u>4,837.50</u>	
5206-1 · Background Checks	12.00		36.00	80.00	80.00	
5250 · Compensation Accounts-Prgm						
5253 · Accrued Compensation Accounts	0.00		0.00			
5255 · Salary & Wages-Pgm Svcs	44,375.49	55,511.47	401,185.14	499,603.23	666,137.66	Difference is due to actual staffing (<100%) vs budgeted staffing (100%)
5270 · Employer SIMPLE-IRA Match	66.56	191.59	598.09	1,724.31	2,299.07	Not all employees are participating in this benefit plan
5280 · Other Employee Benefits	2,764.07	7,774.39	33,096.93	69,969.51	93,292.70	Not all employees are participating in the benefit plan(s)
5290 · Workers Comp Ins.	2,440.80	0.00	15,741.00	13,284.00	21,277.00	
5291 · Recruitment	0.00	0.00	0.00	150.00	150.00	
6560 · Employer Payroll Taxes	3,913.59	4,862.22	33,915.89	43,759.98	58,346.61	Difference is due to actual staffing (<100%) vs budgeted staffing (100%)
Total 5250 · Compensation Accounts-Prgm	<u>53,560.51</u>	<u>68,339.67</u>	<u>484,537.05</u>	<u>628,491.03</u>	<u>841,503.04</u>	
5315 · Bank & Credit Card Fees	2,016.88	1,630.00	17,888.63	14,670.00	19,560.00	Budget based off of history-FY18 new vendors/contracts signed with a different calculation rate/fee
5320 · Legal Fees	0.00		3,746.49			Paint contract atty fees not budgeted
5325 · Dues/Subscriptions	0.00	0.00	10,724.35	10,320.00	10,440.33	Expenses higher than budget
5330 · Supplies						
5332 · Office Supplies	500.43	1,008.33	2,407.60	8,024.97	10,700.00	
Total 5330 · Supplies	<u>500.43</u>	<u>1,008.33</u>	<u>2,407.60</u>	<u>8,024.97</u>	<u>10,700.00</u>	
5335 · Payroll processing fee	203.96	209.79	2,375.15	2,008.49	2,637.86	Payroll fee for setting up new benefit plans
5340 · Telephone and Fax	635.22	1,218.00	12,247.87	10,962.00	14,616.00	Cancellation and set up fee of switching cell phone carriers at RS
5350 · Postage and Shipping	43.66	15.00	172.00	229.38	313.00	
5355 · Staff Appreciation	327.82	250.00	3,069.98	3,270.60	4,571.40	
5356 · Uniforms	60.00	0.00	552.15	1,075.00	1,125.00	
5360 · Occupancy Expense						
5361 · Building Equipment & Repairs	1,789.66	2,625.00	5,138.85	7,875.00	10,500.00	

PIKES PEAK HABITAT FOR HUMANITY
Profit & Loss Budget Performance - ReStore
March 2018

	Mar 18	Budget	Jul '17 - Mar 18	YTD Budget	Annual Budget	YTD Notes
						ReStore cleaning up and training employees of what is an acceptable donation to prevent it from being trashed
5363 · Trash Removal	1,848.00	1,250.00	12,871.00	11,250.00	15,000.00	
5364 · Utilities	1,846.99	2,100.00	16,418.78	18,900.00	25,200.00	
5367 · Security	3,139.01	220.00	11,472.51	11,306.64	15,076.00	
5368 · Janitorial	1,100.00	850.00	11,485.24	11,550.00	13,500.00	Monthly ReStore deep cleaning not a budgeted item
Total 5360 · Occupancy Expense	9,723.66	7,045.00	57,386.38	60,881.64	79,276.00	
5370 · Vehicle Expense						
5371 · Vehicle Expense						
5371F · Vehicle Lease	886.28		7,976.52			New truck line item reclassified from the balance sheet - not a budgeted item
5371A · Vehicle - Tax/Lic	0.00	0.00	131.97	1,000.00	1,175.00	
5371B · Vehicle - Insurance	0.00	0.00	2,951.88	2,185.50	2,914.00	New truck ins higher than budgeted
5371C · Vehicle - Fuel/Propane	883.41	712.50	8,212.11	6,412.50	8,550.00	Gas for F250 not a budgeted item
5371D · Vehicle - Expense/Repairs	688.27	1,251.33	6,488.87	9,061.97	12,016.00	Repairs on ReStore's older truck and forklift (not regular maintenance issues)
Total 5371 · Vehicle Expense	2,457.96	1,963.83	25,761.35	18,659.97	24,655.00	
5373 · Vehicle/Equipment Rental	2,142.50	0.00	6,303.82	7,500.00	10,000.00	
Total 5370 · Vehicle Expense	4,600.46	1,963.83	32,065.17	26,159.97	34,655.00	
5380 · Printing and Publications						
5386 · Advertising & Marketing	8,997.10	7,863.64	55,602.60	62,909.12	86,500.00	
5388 · IT	206.89	281.89	2,012.00	4,382.01	6,028.00	
5380 · Printing and Publications - Other	304.14	1,000.00	1,569.42	3,000.00	4,000.00	
Total 5380 · Printing and Publications	9,508.13	9,145.53	59,184.02	70,291.13	96,528.00	
5400 · Confs, Mtgs, Profal Dev/mt	1,792.32	498.00	7,942.35	9,227.00	12,116.00	
5410 · Interest	2,868.38	3,311.17	28,555.28	29,800.53	39,735.00	
5420 · Depreciation, Depletion etc.						
5422 · Depreciation - Vehicle	0.00	919.48	0.00	8,275.32	11,034.00	Do not own new truck/leasing, so is not depreciable
5423 · Depreciation - Office Equip	380.86	380.86	3,427.74	3,427.74	4,571.00	
5424 · Depreciation - Building Equip	29.62	312.43	256.35	2,811.87	3,750.00	
5426 · Depreciation - Building	4,215.67	3,947.85	37,337.81	35,530.65	47,375.00	
5427 · Depreciation-Sign	0.00	214.29	0.00	642.87	1,286.00	
Total 5420 · Depreciation, Depletion etc.	4,626.15	5,774.91	41,021.90	50,688.45	68,016.00	
5450 · Expense Reimbursement						
5452 · Mileage & Parking Expense	108.53	50.00	450.88	450.00	600.00	
Total 5450 · Expense Reimbursement	108.53	50.00	450.88	450.00	600.00	
5490 · Other Expenses						
5570 · Cost of Purchased Mdse Sold	3,676.92	10,076.59	65,326.52	72,802.51	91,045.00	
5571 · Consignment Purchase	3,743.05	2,800.00	19,274.95	25,200.00	33,600.00	
5572 · Cash Short and Over	-32.38	60.00	91.77	540.00	720.00	
5574 · COGS-Adjustment(s)	0.00		-3,188.51			ReStore inventory ADJ's
Total 5490 · Other Expenses	7,387.59	12,936.59	81,504.73	98,542.51	125,365.00	
Total 5000 · Program Services	99,971.92	116,129.58	868,485.32	1,053,078.50	1,398,294.82	
Total Expense	99,971.92	116,129.58	868,485.32	1,053,078.50	1,398,294.82	
Net Ordinary Income	71,190.27	68,430.42	439,345.13	428,961.50	598,425.18	
Net Income	71,190.27	68,430.42	439,345.13	428,961.50	598,425.18	

Executive Director Report

May 7, 2018

DEVELOPMENT

- Builds - The Mountain Country Radio (Veteran Home Build lead sponsor) previously announced online auction with Ross Auction (the net proceeds of which will support the building of 219 Red Finch Lane) morphed into a raffle, then finally ended up as a general fundraiser event at Red Leg Brewing. \$641.00 was raised on the evening of the event, held April 13th. Many thanks to everyone that supported this event, with special mention to Dave Warner and Great Western Bank for their very kind donation of four Rockies tickets to a summer '18 game.
- Development Committee - Development Committee is discussing next steps with regards to the yet to be filled Donor Relations Manager position.
- Funding
 - HOME fund request has been submitted to the City of Colorado Springs for \$400K for Dale Street duplexes project.
 - A delegation from the PPHFH team, led by Kris, hosted Pikes Peak United Way volunteers on site at Country Living (April 24) as part of their review of our funding request for FY19.
- Faith Relations/Builds – Thrivent partnership continues to evolve with bi-weekly calls between Thrivent and PPHFH. A co-hosted breakfast event was held with Thrivent Financial on April 26 to introduce new churches and welcome past churches to our Thrivent Builds this year.
- In the community – The team is preparing for **National Women Build Week**, May 5-13, including Lowe's How-to Clinic May 3rd. Information and sign-up details are on our website.
- PPHFH has participated in HFHI's "Home is the Key" campaign to recognize and celebrate national partners. A special thank you balloon bouquet and some extra goodies was presented to those partners with a local presence: Kum & Go (visited six stores), Chico's and White House Black Market.

VOLUNTEERS:

- The 2018 Volunteer Appreciation Event was held April 5th at Tap Traders. With volunteers and team members combined, 96 people attended the two hour dinner program. In addition to the presentation of the affiliate's annual awards, a new award was created in honor of and presented to long serving PPHFH volunteer George Hammond. The George Hammond Award is not expected to be presented annually.

Wells Fargo Bank employees volunteered at the construction site for three days (April 25 -27th).

PPHFH was represented at both UCCS' (April 24th) and CTU's (April 25th) Volunteer Fairs, for the promotion and recruitment of volunteers to our programs.

Adopt-A-Days have been booked by Boecore Inc. (June 2nd), Integrity Bank (June 30th), and Great Western Bank (July 21st). Adopt-A-Day discussions are being had with Home Advisor Inc. Starbucks, Maroone Motors.

- Web/Social Media – The new Board Portal is in the process of being tested prior to roll-out, with a now updated 'live' date of mid-May, which is adjusted from the last reported mid-April targeted month.

RESTORE

- Andria and Dusty had a great experience in Atlanta being a part of the New Store University.
- April was another strong sales month.
- We extended the receiving dock to increase our ability to receive donations in a quick and orderly manner.
- Jeff & Tony are planning on attending Camp Colorado.

CONSTRUCTION

- Closed on 827 Bunting.
- 211 Red Finch, 831 Bunting have their COO's

- 214, 215, 218 Red Finch are in final push to complete by end of May.
- 210 & 219 Red Finch continue to move along and are currently in rough mechanicals.
- 222 & 226 Red Finch are in permit process.

HOMEOWNER SERVICES

- Staff is in the process of beginning the annual escrow analysis.
- Linda and Janet attended the Mill Street Neighborhood Association General Meeting on April 12th. The meeting discussion revolved around neighborhood issues, shared ideas and update on neighborhood clean-up and local projects.
- Janet will be attending Camp Colorado May 8-11, 2018

FAMILY PARTNERSHIP

- Dedications will be held for:
 - Raphael and Rosette – June 9th, 9:30 am @ 831 Bunting Avenue. Fund for Humanity is sponsor.
 - Jean and Nadia – June 9th, 11:00 am @ 218 Red Finch Lane. Board Build sponsor.
 - Sonni and Karen – June 16th, 11:00 am @ 214 Red Finch Lane. CSI Blitz Build is sponsor.
 - Sonia – June 16th, 12:30 pm @ 215 Red Finch Lane. Fund for Humanity is sponsor.
- Staff held orientations with the 3 selected homeowners, all were very excited to be part of the Habitat family. Once their 25 hours of sweat equity is complete, staff will schedule the ground blessings and notify the Board.

FAMILY SELECTION

- Homeowner Services will be accepting applications January 8 - 12, 2018. Homes will be new construction, energy-efficient duplexes. 3, 4, or 5 bedroom options. Located in Colorado Springs at 2618 & 2620 Dale Street.
- Information Sessions were held at the following locations:
 - Friday, April 13, 2018, 12:00 – 1:00 pm @ Ruth Holley Library
 - Monday, April 30, 2018, 7:00 – 8:00 pm @ Sand Creek Library
 - Saturday, May 5, 2018, 10:30 – 11:30 am @ Ruth Holley Library

ED ACTIVITIES

- **Out and about:** Kris participated in a number of public speaking panels, interviews and events. This included: KRDO's The Extra, KRDO noon news, KRDO call in interview; Mountain Country veteran repair program PSA; UCCS Community Partner event regarding our internships; Faith Build presentation to local church; Uganda Global Village presentation to local church; El Paso County Clerks' check presentation (Kris, Jeff and Laura); Affordable Housing discussion at Springs Rescue Mission; Housing Solutions forum breakfast (Kris and Caitlin); Pikes Peak United Way Country Living site visit (Kris, Jeff, Iain, Laura); D-11 Architecture/Engineering/Skilled Trades Career Panel; BBB 4th Sector Series: Social Enterprise Panel; and El Pomar's College Readiness and Success USAFA day.
- **Advocacy:** Outreach continues to garner support for HB18-1195 an Affordable Housing Developer Tax Credit. The bill remains in Appropriations Committee. Though both sides of the aisle support the bill, the issue comes down to identifying funding for the bill before this year's session ends in mid-May.
- **ReStore:** Kris, Candy Molter (ReStore committee chairperson) and Jeff met with two different entities regarding ReStore brainstorming on possible ways to enhance utilization of the available property and a potential second store.
- **Regional ED meeting:** Front Range EDs gathered to discuss how Colorado and Wyoming affiliates are reducing subsidy. It was determined that HFHC will have a day in October for board members to attend and participate in an educational and brainstorming day in how to sustainably reduce our programs' subsidies.
- **Relationship development and funding:** A draft MOU to D-11 regarding mutual outreach between the school district and PPHFH was submitted. Kris is working with members of the Downtown Rotary club to determine ways the club and PPHFH might work together. Also continuing in progress is the CHDO formation.

Jeff and Kris were proud to represent PPHFH at the Goodwill annual gala. PPHFH received an award for partnering with Goodwill's Rehire program since 2014. This award will be displayed at the ReStore along with the PRISM award.

Kris, Janet, Jeff, Tony, Dave Warner and Peter Scanlon will be attending Habitat Colorado's Camp Colorado May 9-11.

Total # of active loans as of 3/28/18	68
---------------------------------------	----




LOANS LESS THAN 1 MONTH BEHIND	# of Loans	\$ Amt ¹	% of portfolio at risk ²
Less than 1 month behind	1	\$ 128.53	1.47%
<i>Last month</i>	<i>0</i>	<i>\$0.00</i>	<i>0.00%</i>

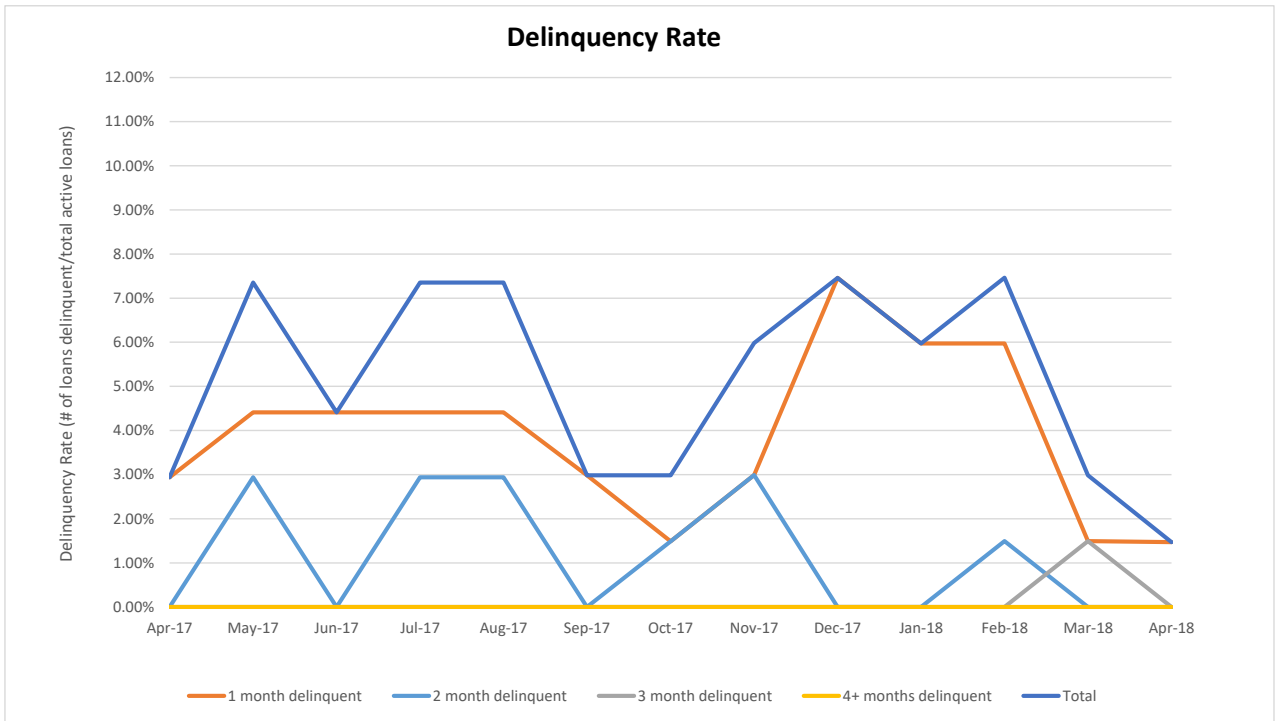
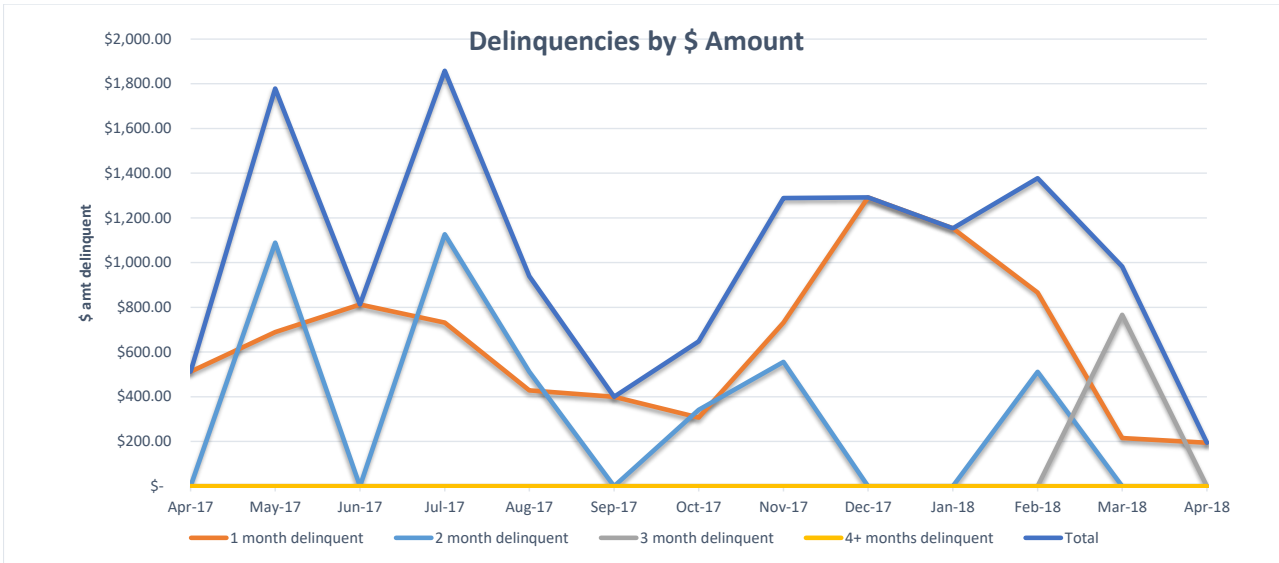
LOANS MORE THAN 1 MONTH BEHIND	# of Loans	\$ Amt ¹	% of portfolio at risk ²
1 month behind	1	\$ 194.39	1.47%
2 months behind	0	\$ -	0.00%
3 months behind	0	\$ -	0.00%
More than 4 months behind	0	\$ -	0.00%
Total	1	\$ 194.39	1.47%
<i>Last month</i>	<i>2</i>	<i>\$982.28</i>	<i>2.99%</i>
<i>April 2017</i>	<i>2</i>	<i>\$512.10</i>	<i>2.94%</i>

¹ Amounts reflect principal balances outstanding and do not include outstanding escrow and late fee balances

² Calculated against the total number of outstanding mortgages

Your "delinquency rate" is the percentage of mortgages that are 30 days or more delinquent.

-  Healthy Delinquency rate (not in yellow or red)
-  More than 20% overall or 12% at 60 days and more is a **problem (action required)**.
-  More than 20% at 60 days and more is a **major problem**.



Recap of CHDO Discussion
(November & December, 2017)

and

Dec. 4, 2017 approval

**CHDO discussion with PPHFH Executive Committee
November 20, 2017**

Why create a CHDO? – Revenue to acquire & develop land & build new homes or rehab existing homes

- Provides additional diversification of revenue stream to support the affordable housing program
 - Currently \$160,000 available to PPHFH not available to Greccio and RMCLT
- The City of Colorado Springs Economic Development division is encouraging and supporting PPHFH to create a CHDO to support the City's desire to expand the affordable housing inventory

Does it fit in PPHFH's mission & values – Yes

- A CHDO is a private non-profit 501(C)3, community-based organization with the mission, experience and capacity to develop affordable housing.

Is it feasible and affordable? – Yes

- Jan Plimpton, retired ED of Minnesota Habitat for Humanity is leading the charge for application as a volunteer and is willing to oversee it for a contract fee going forward
- Ireland Stapleton attorneys will provide what little legal support we need – i.e. creation of bylaws & articles of incorporation; IRS TIN filing; and wholly owned subsidiary to PPHFH certifications
- Reports to the city include draw backup supplied by Stephanie & Christi
- Janet and I have knowledge of CHDO
- Janet oversaw the CHDO program with the City of Colorado Springs
- Board of 3 – a staff person, a qualifying homeowner and hopefully a CPA who can meet annually
- Current financial software can handle the tracking of these funds
- City of Colorado Springs is required to set aside 15% of their allocated HOME funds for CHDOs
- We may not receive 100% of the allocation every year, though most likely we would receive a higher portion as PPHFH is the only new home builder of the existing CHDOs.
- On average \$150k available per year – currently split between RMCLT, PIH & Greccio
- PPHFH can utilize the funds for the Dale Street properties located in the city's limits

What is the desired output/outcome?

- Becoming a CHDO and working closely with the City of Colorado Springs on this effort will help in forging a stronger relationship with the City — potentially leading to additional projects - output
- Staff not additionally stressed beyond ROI – output
- Additional program cash inflow – output
- Additional Colorado Springs future homeowners served - output
- Partial if not 100% funding of a new construction home annually – outcome
- The requirement that low income people are involved in decisions (the scope of which is yet to be negotiated with the City)
- Service area will be El Paso County

What are the risks?

- HUD HOME program being defunded by current administration – Sustainability dependent on current government environment
- Violate a regulatory compliance
- Must be able to maintain fiscal records during required time periods following any funding
- The potential range for the length of time this CHDO would need to be operating to assure the "period of affordability" — most likely 10 to 15 years. [It is 15 if the subsidy per unit is \$40,000 or more.]
- Maximum sales price changes each year; currently it is set at \$224,000

Recommending creating a "CHDO"
Community Housing Development Organization

How Did We Get Here?

- City of COSP has invited and supports PPHFH creating a CHDO
- Need funding for FY19 & beyond for new home construction, rehabilitation & land acquisition
- Current staff already have applied knowledge of the program requirements and applications
- Legal advice highly supports creating the CHDO
- Program management available from dedicated volunteer and staff

Purpose

- A way for us to access funding that we are not otherwise eligible
- 100% Mission Fit
- In a time of shrinking funding sources, it is important for us to be positioned to be eligible for whatever funds are potentially available.
- Increases our potential with the city
- Minimal cost to establish
- Minimal additional resources to create and manage

Available Options

- Don't create a CHDO; not able to access the City's available CHDO-restricted HOME funds
 - Cobbling together sponsorship sources is resource & time-intensive
 - Funds continue towards transitional housing; not permanent housing
- Create a CHDO
 - HUD funds availability always at risk
 - \$100k-\$165k will sponsor 2 units from one source
 - Re-engage volunteers & donors not wanting to drive to or build in Fountain

Today's Situation

- Executive Committee Supports creating a CHDO
- 3 other competing affordable housing entities are CHDOs and have a leg up on PPHFH for funding
- Capacity to appropriately manage this new source is available
- PPHFH owns 2 donated lots that qualify to be developed with the available CHDO funds

Recommendation & Next Steps

- Staff Recommend Creating a CHDO
- Executive Committee Recommends a CHDO
- Need Board Vote to Create CHDO
- Attorneys file TIN; Bylaws; Articles of Incorporation
- Staff provide City Application, House Plans & Budget
- Family Support & Services Begins Selection Process in January

PPHFH Board of Director Meeting Minutes – December 4, 2017

Board Members, Staff and Guests Present:

Board Members	Staff / Guests
Deanne Cain Fischlein, <i>Vice President</i>	Stephanie Campbell, <i>Director of Finance</i>
Joel Hamilton, <i>Secretary</i>	Caitlin Daberkow, <i>Homeowner Services Coordinator</i>
Martha Johnson	Allison Gerrety, <i>Development Associate</i>
Matt Manzione	Kris Medina, <i>Executive Director</i>
Jeff Mawhirter	Iain Probert, <i>Director of Development</i>
Peter Scanlon, <i>Treasurer</i>	Janet Risley, <i>Director of Homeowner Services</i>
Victoria Selfridge	Jeff White, <i>Chief Operations Officer</i>
Lauren Thorstensen	
Tye Tutt	Rick Darling
Dave Warner	Chuck Smith
	Ryan Teeples
	Chad Vlasak

Board Members Absent

Sam Adams, *President*
Dan Apricio
Barb Treacy

CALL TO ORDER: The December 4, 2017 PPHFH Board of Directors Meeting was called to order at 5:45 pm by Deanne Fischlein, *Vice President* at City Hall.

OPENING PRAYER ~ INTRODUCTIONS ~ ANNOUNCEMENTS:

Ms. Thorstensen opened the meeting with a devotion and prayer. Guests were introduced. Ms. Gerrety announced that her final day as a Habitat employee will be January 10, 2018.

APPROVAL OF MINUTES:

The minutes from the November 6, 2017 board meeting were presented for review and approval. A motion was made, seconded and unanimously approved to accept the minutes with corrections.

FINANCE REPORT:

Finance Committee did not meet in November due to the Thanksgiving holiday. Mr. Scanlon presented the financials for October 2017. Individual donations are on plan. Revenue at the ReStore is low. Although sales are down, expenses were also down, so net income was on par.

The Assets total \$7.35MM net the Unamortized Mortgage Discount of \$(2.37MM); Liabilities total \$1.60MM, with Total Equity of \$5.75MM. Cash in banks total \$2.31MM (versus \$2.28MM 6/30/17). The amount of the RLOC with ANB is \$200,000, and as of 10/31/17, the balance owed was \$0.

Ms. Campbell presented the Bank Authorized Signer Resolution. The resolution updates the board and staff members who will be authorized signers on the bank accounts. A motion was made to adopt the Resolution. The motion was seconded and unanimously approved to adopt the Bank Authorized Signer Resolution.

EXECUTIVE DIRECTOR REPORT:

Ms. Medina reported that Red Leg Brewery gifted \$1,000 to the Veteran Build at Rick's Ground Blessing. She also pointed out that the quarterly strategic plan update was included in the ED Report.

CHDO Formation Presentation: Ms. Medina offered a presentation on the subject of developing a Community Development Housing Organization (CHDO). Creating a CHDO would allow Habitat to have access to additional city funding, tighten the organization's connections to the city and would carry minimal risk. A motion was made to authorize the creation of a CHDO. The motion was seconded and unanimously approved.

Mortgage Delinquency Report:

The following delinquency data was presented for November 2017.

LOANS LESS THAN 1 MONTH BEHIND	# of Loans	Amount¹	% at Risk²
Less than 1 Month	0	\$0.00	0.00%
<i>Last month</i>	0	\$0.00	0.00%

LOANS MORE THAN 1 MONTH BEHIND	# of Loans	Amount¹	% at Risk²
1 Month	2	\$732.20	2.99%
2 Months	2	\$556.42	2.99%
3 Months	0	\$0.00	0%
4+ Months	0	\$0.00	0%
Total	4	\$1,288.62	5.98%
<i>Last month</i>	2	\$648.27	2.99%
<i>November 2016</i>	8	\$4,035.32	12.31%

¹ Amounts reflect principal balances outstanding and do not include outstanding escrow and late fee balances.

² Calculated against the total number of outstanding mortgages.

Executive Committee: An election was held to formally accept Chuck Smith and Ryan Mohling to the PPHFH Board of Directors. A motion was made, seconded and unanimously approved to accept Mr. Smith and Mr. Mohling as Board members.

All Board members participated in the annual signing of the Conflict of Interest and Board Covenant documents.

Family Selection & Services Committee: Ms. Risley presented two families for approval. Both families were vetted by the Committee and underwriting. Each family demonstrates a clear need for housing. A motion was made, seconded and unanimously passed to accept both families for the homeownership program.

Development Committee: Mr. Probert presented the Development Committee Report. The organizers of the Veteran's Day Parade, presented Habitat with a plaque of thanks for being parade sponsors. 24,000 King Soopers pharmacy bags with Pikes Peak Habitat's logo on them will hit the market in January. Mountain Country Radio will be performing a week of Guinness World Records to raise awareness for the Veteran Build. The season of year-end giving has

arrived with Giving Tuesday, Colorado Gives Day and the Year-End Appeal.

Site Selection Committee: Mr. Tutt informed the Board that the land deal at Dublin and Powers did not pan out. The landowner made commitments in the annexation process that Habitat was not prepared to meet.

Building Committee: The committee did not meet in November.

Faith Relations Committee: The committee did not meet in November.

ReStore Update: Mr. White gave the ReStore update. Sales are closer to target. Recent staff changes have had a huge impact on morale resulting in a lot of positive energy

NEW BUSINESS: The Board and Executive Staff Retreat will be April 21, 2018 from 8:30am to 4:30pm at the Penrose House. The Business Office will be closed from December 22-January 2. Ms. Selfridge mentioned an article in the Gazette that reported on a land development project near the airport to provide affordable housing for teachers. It was agreed that someone should reach out to the land owner, Don Bates, to inquire as to whether they want to partner in some fashion.

OLD BUSINESS: The house on Somerset will be a winter construction project.

COMING EVENTS: The next board meeting will be on February 5 at 5:45 pm. Development Committee will have a conference call on Monday, December 11 at 9 am.

CLOSING PRAYER/ADJOURNMENT: Mr. Smith closed the meeting with a prayer, and the meeting adjourned at 7:03 pm.

Respectfully submitted,

Joel Hamilton, *Secretary*

ATTACHMENT TO
ARTICLES OF INCORPORATION OF
PPHFH COMMUNITY HOUSING DEVELOPMENT, INC.

Pursuant to § 7-122-102 and Part 3 of Article 90, Title 7, Colorado Revised Statutes (“**CRS**”), this attachment to the Articles of Incorporation (the “**Articles**”) is delivered to the Colorado Secretary of State for filing.

1. The name of the corporation is PPHFH Community Housing Development, Inc. (the “**Corporation**”).

2. The street and mailing address of the principal office of the Corporation is 2802 North Prospect Street, Colorado Springs, Colorado 80907.

3. The registered agent of the Corporation is Kristina J. Medina. The street and mailing address of the registered agent of the Corporation is 2802 North Prospect Street, Colorado Springs, Colorado 80907. The person appointed as registered agent of the Corporation in these Articles has consented to being so appointed.

4. The name and address of the individual causing this document to be delivered for filing is Russell W. Kemp, Ireland Stapleton Pryor & Pascoe, P.C., 717 17th Street, Suite 2800, Denver, Colorado, 80202.

5. The Corporation’s period of duration is perpetual.

6. The bylaws of the Corporation may contain any provisions for managing and regulating of the affairs of the Corporation that are not inconsistent with law or these Articles, as these Articles may from time to time be amended. However, no bylaw shall have the effect of giving any director or officer of the Corporation or any other individual right, title, or interest in or to any real or personal property or other assets of the Corporation, whether during the term of the Corporation’s existence or as an incident to its dissolution.

7. The Corporation is organized and shall be operated exclusively for purposes within the categories enumerated in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time (the “**Code**”). Those purposes include, but are not limited to the following:

a. To witness to the gospel of Jesus Christ throughout the world in cooperation with God’s people in need to create a better human habitat in which to live and work;

b. To witness to the gospel of Jesus Christ by working in cooperation with other agencies and groups which have a kindred purpose;

c. To witness to the gospel of Jesus Christ through loving acts and the spoken Word;

d. To witness to the gospel of Jesus Christ by enabling an expanding number of persons from all walks of life to participate in this ministry;

e. To promote, develop and provide permanent, affordable housing for low-income families and individuals in El Paso County, Colorado;

f. To promote public awareness of the need for permanent, affordable housing for low-income families and individuals in El Paso County, Colorado;

g. To receive, maintain, and accept as assets of the Corporation, any property, whether real, personal, or mixed, by way of gift, bequest, devise or purchase from any person, firm, trust or corporation to be held, administered and disposed of exclusively for charitable, religious, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Code, and in accordance with and pursuant to the provisions of these Articles;

h. To apply for and accept grants and other similar sources of funding to promote and carry on the purposes of the Corporation; and

i. To cooperate and participate with Pikes Peak Habitat for Humanity, Inc., through grants and otherwise, to carry on the purposes of the Corporation.

8. In furtherance of its lawful purposes the Corporation shall have and may exercise all of the rights, powers and privileges now or hereafter exercisable by corporations organized under the laws of Colorado. In addition, it may do everything necessary, suitable, convenient or proper for the accomplishment of any of its corporate purposes.

9. Notwithstanding any other provision of these Articles to the contrary:

a. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any director or officer of the Corporation or any other individual (except that reasonable compensation may be paid for services rendered to or for the benefit of the Corporation effecting one or more of its purposes), and no director or officer of the Corporation or any other individual shall be entitled to share in any distribution of any of the corporate assets on dissolution of the Corporation or otherwise.

b. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation.

c. The Corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax as an organization described in Code § 501(c)(3), or by a corporation, contributions to which are deductible under Code § 170(c)(2).

10. The number of directors of the Corporation shall be fixed by the bylaws, or if the bylaws fail to fix such number, then by resolution adopted from time to time by

the board of directors of the Corporation (the “**Board**”).

11. No director of the Corporation shall be liable to the Corporation for monetary damages for breach of fiduciary duty as a director, except that this provision shall not eliminate or limit the liability of a director to the Corporation for monetary damages for (i) any breach of the director’s duty of loyalty to the Corporation (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) acts specified in CRS § 7-128-403 or 7-128-501(2), or (iv) any transaction from which the director directly or indirectly derived an improper personal benefit. Nothing contained herein shall be construed to deprive any director of his or her right to all defenses ordinarily available to a director nor shall anything herein be construed to deprive any director of any right he or she may have to contribution from any other director or other person, nor shall this provision increase the liability of any director beyond that otherwise existing from time to time. If the Colorado Nonprofit Corporation Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be further eliminated or limited to the fullest extent permitted by the Colorado Nonprofit Corporation Act. Any repeal or modification of this Article shall be prospective only and shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

12. The Corporation may indemnify any director, officer, employee, fiduciary or agent of the Corporation as permitted by law or as provided in the bylaws of the Corporation.

13. In the event of the dissolution of the Corporation or the winding up of its affairs, the Corporation’s property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property, and all assets remaining after the payment of the Corporation’s debt shall be conveyed or distributed only to an organization or organizations created and operated for nonprofit purposes similar to those of the Corporation and qualified as exempt under Code § 501(c)(3), contributions to which are deductible under Code § 170(c)(2). The organization(s) to receive such property and conditions imposed on the use thereof shall be designated by the Board consistent with the purposes of the Corporation.

BYLAWS OF
PPHFH COMMUNITY HOUSING DEVELOPMENT, INC.

BYLAWS OF
PPHFH COMMUNITY HOUSING DEVELOPMENT, INC.

THESE BYLAWS (these “*Bylaws*”) are made as of _____, 2018, by the party signing this Agreement on the signature page attached hereto, as the Secretary of PPHFH Community Housing Development, Inc., a Colorado non-profit corporation (the “*Corporation*”).

ARTICLE I
OFFICES

The principal office of the Corporation shall initially be located at 2802 North Prospect Street, Colorado Springs, Colorado 80907. The Board of Directors of the Corporation (the “*Board*,” each member of which is a “*Director*”) may from time to time designate another location as the principal office. The Corporation may have such other offices, either within or outside Colorado, as the Board may designate from time to time. The Corporation shall continuously maintain in Colorado a registered agent and a registered office.

ARTICLE II
MEMBERS AND DIRECTORS

Section 1. *Designation.* The Corporation shall be managed by the Board and each Director shall have one vote in the conduct of the affairs of the Corporation. There shall not be any members of the Corporation. The provisions for the appointment of Directors, the term of office thereof, and the provisions for meetings of Directors shall be as hereafter set forth in Article III relating to Directors.

Section 2. *Property Interest of Directors.* No Director shall have any right, title, or interest in or to any real or personal property or other assets of the Corporation during its existence, or upon the dissolution of the Corporation. The Corporation shall not loan any funds to any Director.

Section 3. *Non-Liability for Debts.* The private property of the Directors shall be exempt from execution or other liability for any debts of the Corporation and no Director shall be liable or responsible for the debts or liabilities of the Corporation.

ARTICLE III
BOARD OF DIRECTORS

Section 1. *General Powers.* The business and affairs of the Corporation shall be managed by the Board, except as otherwise provided by law or by the Corporation’s Articles of Incorporation (the “*Articles*”).

Section 2. *Performance of Duties.* A Director shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. In performing his or her duties, a Director shall be

entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by persons and groups listed in paragraphs i, ii, and iii of this Section 2; but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A person who so performs his or her duties shall not have any liability by reason of being or having been a Director of the Corporation. Those persons and groups on whose information, opinions, reports, and statements a Director is entitled to rely upon are:

- (i) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
- (ii) Counsel, public accountants, or other persons as to matters which the Director reasonably believes to be within such persons' professional or expert competence; or
- (iii) A committee of the Board upon which he or she does not serve, which committee the Director reasonably believes merits confidence.

Section 3. *Number, Tenure and Qualifications.*

a. The number of Directors shall be fixed from time to time by resolution of the Board, provided that the number of Directors shall not be less than one (1) nor more than nine (9). The initial Directors shall be appointed by the Incorporator of the Corporation. Directors shall be twenty-one years of age or older, but need not be residents of the State of Colorado.

b. Each Director shall hold office indefinitely until his or her death, resignation, disqualification, or removal from office. Any Director may be removed at any time, with or without cause by the Board of Directors of Pike's Peak Habitat for Humanity, Inc. ("**PPHFH**").

c. Not less than one-third of the Directors shall be representatives of the low-income communities served by the Corporation, as required by the U.S. Department of Housing and Urban Development, in order to obtain and maintain designation of the Corporation as a "Community Housing Development Organization." A Director shall be deemed to meet this requirement if such Director is a resident of a low-income neighborhood in the community, a low-income resident of the community, or an elected representative of a low-income neighborhood organization.

d. No more than one-third of the Directors shall be representatives of governmental entities.

Section 4. *Regular Meetings.* The Board shall not be required to hold annual meetings. The Board may provide, by resolution, the time and place for the holding of regular meetings without notice other than such resolution.

Section 5. *Special Meetings.* Special meetings of the Board may be called by or at the request of the president or any two (2) Directors. If there are two or fewer Directors, any

Director may call a special meeting of the Board. The person or persons authorized to call special meetings of the Board may fix the place for holding any special meeting of the Board called by them.

Section 6. Notice. Reasonable notice of any special meeting (which need not in any event exceed two days) shall be given by mail, e-mail, telecopy, or telephone to each Director at his or her last known business or residence address. If mailed, such notice is effective at the earlier of: (i) the date received; or (ii) five days after mailing. If notice is given by e-mail, such notice shall be deemed to be given when the e-mail is shown as delivered to the receiving party. If notice is given by telecopy, such notice shall be deemed given when sent if the sending telecopier receives automatic notice the telecopy has been received, otherwise such notice shall be deemed given when received by the receiving telecopier. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the meeting because it is not lawfully called or convened. The purpose of any regular or special meeting of the Board need not be specified in the notice of such meeting.

Section 7. Quorum and Manner of Acting. A majority of the number of Directors fixed in accordance with Section 3 of this Article III shall constitute a quorum of the Board. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. Except as otherwise required by law or by the Articles, the act of the majority of the Directors present at a meeting of the Board at which a quorum is present shall be the act of the Board.

Section 8. Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent as to a specific action shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent as to a specific action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 9. Committees. The Board may, by resolution adopted by a majority of the number of Directors fixed in accordance with Section 3 of this Article III, designate from among its members an executive committee and one or more other committees. Each committee may exercise all powers and authority of the Board delegated to such committee in the resolution of the Board creating such committee, except as may be limited by statute. Such delegation of authority shall not relieve the Board or any Director from any responsibility imposed by law. Any provisions of these Bylaws regarding meetings or actions of the Board shall apply by analogy to meetings and actions of committees.

Regular meetings of any such committee may be held without notice at such times and places as the committee may fix from time to time by resolution. Special meetings of any such committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of the meeting, such notice may be given by mail, e-mail, telecopy, or telephone to each member of such committee. The Board may, by resolution, appoint individuals

who are not Directors to be members of any committee other than the executive committee. Such individuals shall be non-voting members of such committees but in all other respects shall have the same rights and duties as Directors serving on such committees.

Section 10. *Meetings by Telecommunication.* Any Director may participate in a regular or special meeting by, or the Board may conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director participating in a meeting by this means shall be deemed to be present in person at the meeting.

Section 11. *Informal Action by Directors.* Any action required or permitted to be taken at a meeting of the Board may be taken without a meeting if a consent in writing, or counterparts thereof, setting forth the action so taken, shall be signed, and not timely revoked, by a number of Directors equal to or exceeding the number of votes that would be necessary to take such action at a meeting at which all of the Directors then in office were present and voted. Such consent or consents must be received by the time specified in the notice set forth below. Prior to any such action, the Corporation shall send to each Director notice of the proposed action, which notice shall include (i) the action to be taken, (ii) the time by which the Director must respond, (iii) a statement that failure to respond by the time stated in the notice will have the same effect as abstaining in writing by the time stated in the notice and failing to timely demand that action not be taken without a meeting, and (iv) any other matters the Corporation determines to include. Any Director may demand, in a writing delivered before the time specified in the notice, that such action not be taken without a meeting. If the Corporation receives such a timely demand, the action shall not be taken by written consent and the Board shall promptly schedule a special meeting to consider such action. Any consent, abstention or demand delivered pursuant to this Section 11 may be revoked by a writing delivered before the time specified in the notice.

Section 12. *Resignation and Vacancies.* Any Director may resign at any time by giving written notice to the president or secretary of the Corporation. Such resignation shall take effect when the notice is received by the Corporation unless the notice specifies a later effective date; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. If a vacancy occurs in the Board, the vacancy shall be filled by a person appointed by the Board of Directors of PPHFH. Any directorship to be filled by reason of an increase in the number of Directors shall be filled by a person appointed by the Board of Directors of PPHFH.

Section 13. *Policies.* The Board shall adopt, by resolution, policies for the operation of the Corporation, and shall modify the same from time to time as the Board determines appropriate. Such policies shall include, but need not be limited to (i) a community engagement policy to ensure that the advice of low-income beneficiaries of the Corporation is obtained and considered during its decision-making processes regarding site selection, design, development, and management of affordable housing, (ii) a policy regarding conflicts of interests involving Directors, officers, and employees of the Corporation, (iii) a policy prohibiting compensation of Directors for their service as Directors of the Corporation, (iv) a policy regarding annual certification by Directors of their status as representatives of the low-income communities served by the Corporation, and (v) a nondiscrimination policy.

ARTICLE IV OFFICERS

Section 1. *Officers.* The officers of the Corporation shall be a president, a secretary, and a treasurer. The officers shall be natural persons twenty-one years of age or older. Any two or more offices may be held by the same person. These officers shall be elected annually by the Board. The Board or an officer or officers authorized by the Board may appoint such other officers or assistant officers as they may consider necessary. Each officer shall hold office until the first of the following to occur: the time at which his or her successor shall have been duly elected and shall have qualified; his or her death; or the time at which his or her resignation or removal is effective.

Section 2. *Resignation, Removal and Vacancies.* An officer may resign at any time by giving written notice of resignation to the Corporation. The resignation is effective when the notice is received by the Corporation unless the notice specifies a later effective date. Any officer may be removed by the Board, or by the executive committee, if any, or by another officer if so specified in these Bylaws or by the Board, whenever in its judgment the best interests of the Corporation will be served thereby.

Section 3. *President.* Subject to the control of the Board, the president shall have general charge and control of all of the affairs of the Corporation and shall perform all duties incident to the office of president. He or she shall preside at all Board meetings. He or she shall have such powers and perform such other duties as from time to time may be determined by the Board.

Section 4. *Secretary.* The secretary shall (i) prepare and maintain as permanent records the minutes of the proceedings of the Board, a record of all actions taken by the Board without a meeting, a record of all actions taken by a committee of the Board in place of the Board on behalf of the Corporation, and a record of all waivers of notice of meetings of the Board or any committee thereof and (ii) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or the Board. The Board may designate a person other than the secretary or an assistant secretary to keep the minutes of their respective meetings.

Section 5. *Treasurer.* The treasurer shall (i) have custody of, and when proper may pay out, disburse or otherwise dispose of, all funds and securities of the Corporation which may have come into his or her hands; (ii) receive and give receipts for moneys due and payable to the Corporation, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the Board; (iii) enter or cause to be entered regularly in the books of the Corporation kept for that purpose full and accurate accounts of all moneys received or paid or otherwise disposed of by him or her; and (iv) in general perform all duties incident to the office of treasurer and such other duties as may be assigned to him or her from time to time by the Board or the president.

Section 6. *Additional Officers.* The Corporation shall have such other officers, including, but not limited to, a chairman of the Board, one or more vice-presidents, vice-chairmen, assistant treasurers, and assistant secretaries, as the Board may from time to time deem

advisable. Unless otherwise specified by the Board, all such officers shall be elected and shall hold office in accordance with Section 1 of this Article IV. Such officers shall perform all the duties normally incident to their office and shall perform such other duties as may be assigned from time to time by the Board or the president.

ARTICLE V CHECKS AND DEPOSITS

Section 1. *Checks, Drafts, Etc.* All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

Section 2. *Deposits.* All funds of the Corporation not otherwise employed may be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

ARTICLE VI INDEMNIFICATION

Section 1. *Directors and Officers.* The Corporation shall indemnify Directors and officers of the Corporation in their capacities as Directors and officers pursuant to the procedures set forth in, and to the fullest extent authorized by, Colorado law as the same exists or may hereafter be amended. The right to indemnification provided herein shall be a contract right and shall include the right to be paid by the Corporation in accordance with Colorado law for expenses incurred in advance of any proceeding's final disposition.

Section 2. *Insurance.* The Corporation may purchase and maintain insurance for itself and on behalf of any person who is or was a Director or officer of the Corporation or who, while a Director or officer of the Corporation, is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee, fiduciary, or agent of another foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, other person, or employee benefit plan against any liability asserted against or incurred by him or her in any such capacity or arising from his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

Section 3. *Non-Exclusivity of Rights.* The foregoing rights of indemnification and insurance shall not be exclusive of, or in any manner limit, other rights to which any Director or officer may be entitled as a matter of law, or to the extent not prohibited by law, by a contract approved by the Board.

**ARTICLE VII
MISCELLANEOUS**

Section 1. *Waiver of Notice.* Whenever notice is required by law, the Articles, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before, at or after the time stated therein, shall be deemed the equivalent of giving such notice. A Director who is present at a meeting of the Board at shall be presumed to have waived notice of such meeting unless at the beginning of the meeting or promptly upon his or her later arrival, such Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice.

Section 2. *Seal.* The corporate seal of the Corporation shall be in such form as the Board shall prescribe. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

Section 3. *Fiscal Year.* The fiscal year of the Corporation shall begin on the first day of July and end on the last day of the next June, unless otherwise determined by resolution of the Board.

Section 4. *Amendments.* The Bylaws may be altered, amended or repealed by the Board at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

[SIGNATURE PAGE TO FOLLOW]

CERTIFICATE

I hereby certify that the foregoing Bylaws, consisting of eight (8) pages, including this page, constitute the Bylaws of PPHFH Community Housing Development, Inc., adopted by its Board of Directors as of _____, 2018.

_____, Secretary

PPHFH COMMUNITY HOUSING DEVELOPMENT, INC.

**WRITTEN CONSENT IN LIEU OF ORGANIZATIONAL
MEETING OF THE INCORPORATOR**

Pursuant to the provisions of the Colorado Nonprofit Corporation Act, the undersigned incorporator of PPHFH Community Housing Development, Inc., a Colorado nonprofit corporation (the "*Corporation*"), hereby takes the following actions:

RESOLVED, that the Bylaws in the form attached to this Consent be, and they hereby are, adopted as the Bylaws of the Corporation and the same are ordered to be inserted in the minute books of the Corporation.

RESOLVED, that the number of directors of the Corporation shall be fixed at three (3) and that the following persons be, and they hereby are, appointed as directors of the Corporation, and each shall hold office until his or her resignation or removal:

Chuck Smith
Name

Tim Trowbridge
Name

Cicely Wiggins
Name

IN WITNESS WHEREOF, the undersigned has signed this Consent as of the 7th day of May, 2018.

INCORPORATOR:

**PIKES PEAK HABITAT FOR HUMANITY,
INC.**

By: _____

Name: Samuel T. Adams

Title: President

PPHFH Board Commitment Form

I, _____, understand that as a member of the Board of Directors of Pikes Peak Habitat for Humanity, I have the legal and moral responsibility to ensure that the organization does the best work possible in pursuit of its goals. I believe in the purpose and the mission of the organization, and I will act responsibly and prudently as its steward.

As part of my responsibilities as a Board member: I will

- Attend a minimum of 75 percent of Board meetings, including retreats, special meetings, and committee meetings. I will attend at least two PPHFH special events per year and will serve on at least one Board standing committee.
- Consider fundraising to be a key responsibility in support of PPHFH's short- and long-term development goals. I will be responsible for an annual financial contribution that places PPHFH in the top three of my giving commitments and that each Board member must contribute.
- I realize there is no maximum contribution given by me, or solicited from others.
- Assist with creating and implementing a fundraising strategy.
- Participate in the Board development process and ensure the Board is self-perpetuating and efficient through identification of skills needed and recruitment; I will participate in a self-evaluation process regularly.
- Participate in the Executive Director's evaluation process as directed by the Executive Committee. I appreciate, understand, and am committed to the Board-Executive Director partnership and recognize its interdependence.
- Approve budgets recommended by the Finance Committee and review regular financial reports and ensure proper internal controls and that no inappropriate liabilities occur as overseen by the Finance Committee. I will review the audit and management letter recommended by the Finance Committee.
- Interpret PPHFH's work and values to the community and represent the organization in a positive manner. I will work in good faith with staff and other Board members as partners toward achievement of our goals.
- Speak with one voice when a Board decision is made and will maintain confidentiality on Board discussions.
- Act in the best interests of the organization, and excuse myself from discussions and votes where I have a conflict of interest.
- Stay informed about what's going on in the organization. I will participate in and take responsibility for making decisions on issues, policies, and other Board matters.

If I don't fulfill these commitments to the organization, I will expect the Board President to call me and discuss my responsibilities with me.

In turn, PPHFH will be responsible to me in several ways:

- I will be given, without request, regular financial reports and an update of organizational activities that allow me to meet the "prudent person" section of the law.
- Opportunities will be offered to me to discuss with the Executive Director and the Board President the organization's programs, goals, activities, and status; additionally, I can request such opportunities.
- The organization will help me perform my duties by keeping me informed about issues in the industry and field in which we are working, and by offering me opportunities for professional development as a Board member.

- Board members and the Executive Director will respond in a straightforward fashion to questions I have that I feel are necessary to carry out my fiscal and legal responsibilities to this organization.
- PPHFH will provide Directors and Officers Insurance

If the organization does not fulfill its commitments to me, I can call on the Board President and Executive Director to discuss these responsibilities.

Signed:

_____ Date: _____
Member, Board of Directors

_____ Date: _____
President, Board of Directors

Recommendation from Site Selection Committee to Executive Committee & Board of Directors, Pikes Peak Habitat for Humanity:

Purchase recommended

407 Race Street, 4 lots
Fountain, CO 80817
Price: \$85,000

Due Diligence

City of Fountain Engineering: The City Engineer doesn't see any major issues with the site. Indiana is the planned new crossing for the railroad, so the city will be rebuilding Indiana to a 4-lane section with a railroad grade crossing. Possible cost share on roadway improvements. There are planned curb and gutter improvements for Race Street.

Fountain Sanitation: District Manager doesn't expect any issues with connecting to the existing sewer main in Race Street.

Fountain Water: District Manager doesn't expect any problems with domestic water connections to the main in Race Street. We would get credit for the existing tap and they would certainly entertain tap deferrals again.

Fountain Planning: Manager does not see any issues with putting Habitat product on the lots. It is not clear if the property is platted as one or four lots at this time, so we may need to do a minor replat. If we go under contract, we could then schedule a review meeting with Fountain and get all agency comments.

Additional Information

- The sales price of \$85k for the one lot that will be broken into 4 lots is less than other area lot sales prices per MLS listing and reviews by Janet.
- Future Habitat homeowner will remain in the existing home (the \$300/month electric bill home) on this lot until her Habitat home is built and she moves in (222 Red Finch Lane). PPHFH would not function as her landlord during this interim period.
- Marc Whorton of Classic Consulting is on standby to design the plat when we purchase the property.
- If we proceed with acquiring the adjacent lot, we could possibly build five homes or six units in three duplexes.
- City of Fountain is very excited to have Habitat continue to be active in the community.
- Habitat homes would lift up this particular neighborhood and the area is a very good prospect for a future neighborhood revitalization project.
- We have a commercial real estate attorney on stand-by to draft the contract.
- PPHFH would not begin developing these lots until Country Living and Dale Street are completed to prevent staff from being stretched too thin between sites. We feel it is important to have the other neighborhoods completed.

Finance Committee Minutes

April 23, 2018, 12:00 – 1:30

PPHFH Conference Room

Committee Members	Staff / Guests
Peter Scanlon, <i>Chair</i> Dave Warner Heather Berens Candy Molter Tim Trowbridge	Stephanie Campbell, <i>Director of Finance</i> Janet Risley, <i>Director of Homeowner Services</i> Iain Probert, <i>Director of Development</i> Jeff White, <i>Chief Operations Officer</i> Linda Stahnke, <i>Executive Assistant</i>
Excused Absence Brad Gann	
<ul style="list-style-type: none">• Opening Prayer – Dave• Opening Comments (Peter Scanlon)<ul style="list-style-type: none">○ Main purpose of today’s meeting is first review of FY19 proposed budget.• March Financial Statements were reviewed<ul style="list-style-type: none">○ P&L Revenue Discussion<ul style="list-style-type: none">○ Individual giving remains strong compared to Y-T-D budget and in 2nd year in a row with strong individual giving○ Corporate giving remains below budget and will most likely come in at year-end around \$100k○ Upon sale of Niewald house, if sales exceeds the estimated value of the FY’17 donation, the donation value will be increased in FY’18; this does not generate a taxable capital gain as PPHFH is a 501(c)(3)○ Members discussed how to create opportunities for annual housing estate gifts similar to the donate-a-car program○ Foundation revenue is slightly soft; keep in mind projected foundation revenue for land acquisition did not occur due to land not being acquired and there are opportunities to promote sponsoring the Repair program○ ReStore March net income \$71k; March average gross is \$165k and it hit \$171k – Fantastic job! ReStore team is motivated and likes the training they are receiving.○ ReStore net income was (42k) in actual to budget for November and now is \$10k above budget; expect revenue to continue to increase as volunteers have unloaded the semi -trailers of the ready to assemble cabinets○ The UBIT (Unrelated Business Income Tax) maximum 15% threshold - March UBIT is 12.84%; plan is to stay under 15% for year. New open floor arrangement is helping also.○ Balance Sheet<ul style="list-style-type: none">○ Cash is down due to paying off ANB Country Living land loan○ Donated home (Niewald house) update is that Jeff is working with the City to obtain basement window approvals○ Projected Cash Flow<ul style="list-style-type: none">○ Stephanie will adjust the projected year-end cash in-flow with the projected reduced corporate giving and projected net cash increase with the May sale of the Niewald house.• FY19 Preliminary Budget and Cash Flow Draft Review<ul style="list-style-type: none">○ First review of the budget is at a high level with staff to support the discussion if needed.○ Key driving factors are closing on 8 homes; staffing; IT upgrades required to continue support; a few proposed capital expenditures (feasibility study; tool trailer; “Habi-house” for marketing and education; servicing software); increased construction costs (as seen throughout the industry)	

- Discussion ensued regarding capital campaign for a new ReStore – so much depends on new build vs acquiring existing building; combining staff office space and potential community space in the one location; who can create building design/concept for marketing materials to present to potential donors. Discussed rent or financing/funding for building and timetables for both options. Also discussed business plan with break-even timetable
- Requested a one page document regarding the corporate giving plan
- Reviewed expenses to revenue – doing a good job there though discussed increased expenses vs. revenue trends

Many kudos to the staff for a well-prepared budget.

Faith Relations Committee Minutes

April 23, 2018, 12:00 – 1:30
PPFH Conference Room

Committee Members	Staff / Guests
Barb Treacy, <i>Chair</i> Corey Almond Jeff Mawhirter	Kris Medina, <i>Executive Director/CEO</i> Iain Probert, <i>Director of Development</i> Jan Plimpton Iain Probert, <i>Director of Development</i> Linda Stahnke, <i>Executive Assistant</i>

Excused Absence

Chuck Smith

- Opening Prayer: Barb
- HFHI is making it a priority to get more churches involved through the Faith Relations Committees.
- We are participating in webinars and will be applying for a 3- yr. capacity building grant.
- The committee is exploring ways to establish new relationships and to provide recognition to churches that have supported us in the past.
- PPHfH is planning a youth neighborhood service day in September that may be tied in to the HfHI Building on Faith event.
- Adjourn 1:30 PM



Committee Meeting Minutes – April 11th, 2018

Committee and Staff Members Present:

- Candy Molter
- Tim Trowbridge
- Jeff White
- Rich Klaber
- Bill Wall
- Ryan Panariso
- Kris Medina

Opening: The Committee Meeting began at 3:00 pm with an opening prayer by Candy Molter.

Monthly ReStore Information: Jeff White provided an update of all of the staff changes which occurred. Alex Harris has been hired to replace vacant driver position and both Leslie & Sam's hours have been increased to 28 in preparation for busier Saturdays. Two ReStore employees (Dusty & Andria) were headed to Atlanta to attend New Store University at HFHI April 15th-19th.

In addition, an update on donations, store changes as well as a review of the financials was provided as of March 2018. For March, there were a total of 1,497 donations including 1,333 drop offs with an estimated value of \$65,785 and 164 pick-ups with an estimated value of \$50,470.

Financial Review: Sales for March 2018 were \$171,162 with scrap sales of \$3,390 compared to budget of \$184,560. Jeff did note that Sales in the month of March have only averaged \$165,000 based on the last 5 years. In addition, \$849 was collected through the round up campaign at the register. UBIT for March was 7.6% and for FY is 12.84%. Per Jeff, monthly UBIT can run high 15%'s and still be OK at fiscal YE. Lower UBIT was affected by the low supply of paint and rugs available for sale.

Net Income for the month of March was \$70,190, ahead of the monthly budget of \$68,430. Through March 2018, total income is now \$439,345 versus budget of \$428,962. The \$10,384 ahead of budget is an improvement as the ReStore was under budget by almost \$43,000 at the end of November 2017. The ReStore continues to do a good job controlling expenses.

The Top 4 selling products by department in the ReStore for March currently includes cabinets at number 1, furniture, then doors, and plumbing fixtures.

FY18 Plan: The plan for FY18 continues to be to control both purchases and sales of purchased product.

Further Discussion Items: ReStore intends to send a couple people to Camp Colorado. They are also looking at possibly adding another 1.5 employees if Budget permits in the coming fiscal year.

Closing: The meeting adjourned at 4:00 p.m.



RESOLUTION 2018-003

THE GOVERNING BOARD OF PIKES PEAK HABITAT FOR HUMANITY INC, (THE COMPANY) A COLORADO NONPROFIT CORPORATION, ADOPTS THE FOLLOWING RESOLUTION

WHEREAS, the Board of Directors of Pikes Peak Habitat for Humanity is authorizing the sale of:

827 Bunting Avenue, Fountain, CO 80817 to Jamie Nicole O'Brien anticipated closing date of April 30, 2018

211 Red Finch Lane, Fountain, CO 80817 to Patricia Ann Welch anticipated closing date of May 17, 2018

218 Red Finch Lane, Fountain, CO 80817 to Jean B. Ndabagaramye and Nadia Munezero anticipated closing date of June 15, 2018

831 Bunting Avenue, Fountain, CO 80817 to Raphael Ngiriyabandi and Rosette Nyandwi anticipated closing date of June 22, 2018

214 Red Finch Lane, Fountain, CO 80817 to Sonni Ali Lancaster and Karen L. Johnson anticipated closing date of June 25, 2018

215 Red Finch Lane, Fountain, CO 80817 to Sonia Y. Trevizo-Molina anticipated closing date of June 29, 2018 and

NOW THEREFORE BE IT RESOLVED, the Board of Directors hereby authorize either Samuel T. Adams, President or Joel Dean Hamilton, Vice President or Kristina J. Medina, Executive Director/CEO to sign any and all documents necessary to complete the closing of the sale of these properties including as Deed.

IN WITNESS WHEREOF, the undersigned has executed this Resolution with the Effective Date, April 20, 2018,

PIKES PEAK FOR HUMANITY, INC.
A Colorado nonprofit corporation,

By: _____
Samuel T. Adams
Title: President

BOARD OF DIRECTORS

Resolution
2018-003
Vote 4.19.18

NAME	PRIMARY	SECONDARY	EMAIL ADDRESS	
Sam Adams, President	719.536.3957 – Work	719.649.1985 - Cell	samuel.t.adams@wellsfargo.com	Yes
Joel Hamilton, Vice President	571.419.1392		joelhamilton@hotmail.com	Yes
Peter Scanlon, Treasurer, Finance Committee Chair	515.402.0941 –Cell		prs174@gmail.com	Yes
Dave Warner, Secretary	719.886.1262 – Work	719.896.0145 – Cell	dwarner@rmbt.net	
Dan Apricio	719.533.3703 – Work		daniel.apricio@efirstbank.com	
Martha Johnson	719.304.4320		martha.johnson@usoc.org	
Matt Manzione, Building Chair	719.499.6974 – Cell	719.668.5005 – Work	mbmanzione@msn.com	
Jeff Mawhirter	719.548.8537 – Home	719.332.3052 – Cell	jeff@mawhirter.com	Yes
Ryan Mohling	303.810.9418 – Cell		ryan.mohling@gmail.com	Yes
Victoria Selfridge	719.550.6894 – Work	719.930.8015	vselfridge@ent.com	Yes
Chuck Smith	719.238.2289 – Cell		chuck@forbushgoldberg.com	Yes
Laurel Thorstensen	719.640.0501 – Cell	719.550.2882 - Home	revmeme@hotmail.com	Yes
Barb Treacy, Faith Relations Chair	719.271.6013	719.528.6577 – Home	owl3333@gmail.com	yes
Tye Tutt	719.213.9565 – Cell		tye.tutt@gmail.com	yes