

Habitat for Humanity of Mesa County
Board of Directors
Meeting Minutes 7/14/16

Location: HFH ReStore

Board Members Present: Peter Icenogle, Linda Kochevar, Scott Sorenson, Kevin Chesney, Jill Crone, Alice Young, Justin Menge, Vicki Shaw, Laura Cartwright, Doug Sorter. Pam Francil absent with Alice Young as proxy. The following members of management/staff were present: Janet Brink, Patty Kelly

Peter Icenogle called the meeting to order at 7:04 a.m. Peter offered the opening prayer.

Board Minutes - Peter asked if everyone had reviewed the minutes from last month's meeting and if there were any additions or corrections? Having heard no corrections, Peter asked for a motion to approve the minutes. Justin moved, Linda seconded. The Board approved the minutes as submitted. Peter asked if everyone had reviewed the Annual minutes and if there were any additions or corrections? Having heard no corrections, Peter asked for a motion to approve the Annual minutes. Vicki moved and Linda seconded. The Board approved the minutes as submitted.

Benchmarks - Linda Kochevar states that the ReStore did not meet the set benchmark as of 6/30/16. Contributions exceeded the benchmark. Expenses are inline. Payroll is on track. Over all current Benchmarks are acceptable but are being changed for the upcoming fiscal year. 388 came in at \$172K with \$133K in hard costs.

Financials - Linda Kochevar states that Press One still owes for the last half of their taxes, plus July's rent. The City still has our \$97K in escrow which should be released on or around July 17. Our loan has been paid down 3-4%. Compared to last year our revenue is up 14%. Office, PR and training expenses are down. We are still budgeting \$30K to replace our truck in the future.

2016-2017 Budget – Nate and Justin were present at the annual budget meeting. The new benchmark for the ReStore has been set at \$95K. Due to the change in FLSA rules surrounding salaried personnel, our payroll budget will increase. We will be adding a new floor employee as well as another driver. Our payroll exceeded the budget last year due to hiring a construction manager in August, which had not been budgeted for. Press One will be vacating the space we have leased to them and we will be lowering the rent to meet what the market states is acceptable. The 2016-1017 budget reflects all of the changes. Linda states that our income should increase. Peter asked for a motion to approve the Financials; Doug moved and Alice seconded. Financials approved. He also asked for a motion to adopt the budget; Justin moved, Doug seconded. Budget adopted.

Delinquencies – Janet reported that for the second month in a row, there are no delinquencies. Janet reported that all mortgages have been moved to Diamond Escrow. During this time, it came to light that one homeowner's "homeowner's insurance" had not been paid but that we have since rectified that issue. Justin suggest we look into an umbrella policy to cover us in the event this occurs in the future and something happens to the home.

Committee Reports, Department Reports –

Executive Committee – Peter states that the meeting will now be held at 8:30 AM so that he can attend. The tenant issue was discussed at the last meeting. Their lease is up as of August 30, 2016. They have not made July's rent nor the balance of the taxes due. They will be billed for 8 months of this year's taxes, and accruing late fees, adding to the amount that they still owe us. Janet to contact Lloyd in regard to the ongoing issue. The board is of the opinion that we protect HFHMC and look to replacing the current tenant as soon as feasibly possible. We will contact a realtor eventually, but for now Janet is going to see if any other non-profits would like to lease spaces from us; affiliate would like to move to one of the spaces as well as the affiliate lease at Bank of Colorado will soon be up. We can sub-meter the electrical for each space and place a flow meter there to ascertain water usage. A maintenance agreement will be added to the new leases.

Construction - Peter reports that we currently have three properties in progress. 386 Wedgewood has trusses and sheeting installed; mechanical and plumbing are slated for this week. The target date for completion for this property is September. 384 foundation has been poured. 383 may have a change in address as it faces north. The Board Build will be focusing on the pole barn. The roof is on and 2 of the long walls are finished. Board will work on the panels for the end walls. Three homes have landscaping escrow funds

holding. Jody Green has finished his landscaping; Ballerio is 2/3rds finished; Burrows have not begun. The issue of kids riding their bikes on property that they should not be on was discussed as well as cars racing through the sub-division at night. Homeowner's need to police this issue. The subdivision landscaping tract, at the southwest corner, storm water detention pond is maintained by the HOA. As the one year warranty is up on the subdivision, the city should issue our \$97K refund that is in escrow. Prior to July 17th, we need to replace all dead grass and plants. We will approach the City to see if we can replace the sod with rocks. The City will take control of the roads on July 17th. The property owner at the southwest corner of the road has an easement through our property so we are going to put gates in for her access. She will not have unlimited access. We do want to keep her happy. We may, sometime in the future, move a few sheds for her access. However, sheds cannot block windows in the homes.

Family Selection Committee – Janet reported that at the last meeting a family of four was presented. This family has been asked for further information and has an August 1, 2016 deadline. If they misses the deadline, they can reapply.

Fiat Committee- No meeting was held.

Family Support Committee – Alice stated that all of the families currently in the program have met the Sweat Equity requirements to date. Justin is no longer (QR's) family partner. Janet will step into this position. (BH) earned 16 of her 33 hours at the Eagle Lodge which is not in the spirit of HFHMC; she needs to obtain hours at the ReStore. We will be discussing a policy change going forward. We need to make sure that we know what "community involvement" means.

ReStore Advisory Committee – Alice says the sales are currently down at the store. There is a "50% off everything" sale going on through the rest of the week.

Marketing Committee – Doug states that our website is back up and running smoothly. We have a total of 973 like on Facebook; 488 for the Affiliate office; Tweeter 13 followers; Instagram is growing. Our concert was a great success, garnering \$3,335.00. The new venue is much better for us. World Habitat Day is October 3, 2016. We are having 5 artists paint doors for us to have displayed at various places in the community. Sales of the doors will help foster our cause. Grand Junction Rockies news coverage was excellent. We will have two houses for Women's Build next year. We were given free membership for HBA and we will have the same spot at the Home Show Expo as we did this year. We will utilize the coupon book again as the ROI was good for the last one. We had a 30% off sale on Memorial Day which was very successful. There is talk of a customer DIY contest where the winning entrant will be featured on KKCO and get a gift certificate to the ReStore; video tapping testimonials may be utilized as well. The "Home Run for the Rockies" night was productive.

Volunteer Advisory Committee – Peter pointed out that the report is behind Tab 6 in the Board Books.

Department Reports – Reports are in the Board book behind Tab 7. The only significant report is the up-coming Safety Inspection slated for July 19th. Patty will take the initiative for the inspection.

Other business: We will get to be present with our truck at CMU as the students exit for the summer next year and be a presence for dorm room furnishings in the fall. Peter read Bruce's thank you note to us. Laura and Vicki were asked to choose a committee to serve on; Janet will meet with them to talk about our committees.

Hearing no other business to discuss, Peter called for a motion to adjourn the meeting. Scott moved, Doug seconded. Meeting adjourned at 8:50 AM.

Respectfully submitted,

Patty Kelly