

**Habitat for Humanity of Mesa County**  
**Board of Directors**  
**September 10<sup>th</sup> 2020 Minutes**

**Location:** Restore Conference Room

**Board Members Present:** Lisa Martin, Justin Menge, Micah Adams, Erin Doebele, Isaiah Quigley

**Board Members Absent:** Minde Harper (Isaiah Quigley); Jason Hensel (Justin Menge); Troy Reynolds (Micah Adams); Jill Ruckman (Lisa Martin)

**Guests:** David Patterson & Willy Corey with Soronen, Donley & Patterson

The following members of management staff were present: Janet Brink

Lisa called the Board of Directors meeting to order at 7:30 a.m. and Erin offered the morning prayer.

**2019/2020 Audit Presentation** – Dave Patterson presented the 2019/2020 Audit Financial Statements with reviewing his stated opinion. Dave discussed the Communication of Internal Control Related Matters letter noting the Definition of Control Deficiency (smaller companies have fewer staff and the bookkeeper has too much access) and Material Weaknesses with attention to recorded donated inventory and a qualifying report. Dave reviewed Communication with Those Charged with Governance letter with discussion on Note D, Note E and Note G and encouraged the Board members to read and review them. After the audit presentation, Erin discussed some protection that could be implemented with Janet and Theresa for safeguards. Lisa called for a motion to “approve” the 2019/2020 Audit. A motion was made by Isaiah to “approve” the 2019/2020 Audit and seconded by Justin. The Board of Directors “approved” the 2019/2020 Audit as presented.

**Board Minutes (Tab 1)** - Lisa asked for the Board of Directors to take a few minutes to review the August 13<sup>th</sup>, 2020 Board meeting minutes. Lisa asked if there were any additions or corrections. Hearing none Justin made a motion to approve the minutes and Micah seconded the motion. The Board of Directors “approved” August 13<sup>th</sup>, 2020 Board meeting minutes.

**August 2020 Benchmarks & Financials (Tab 2)** – Erin reported on the August benchmarks noting that the ReStore Revenue covered expenses this month and met the benchmark. Erin also noted the July benchmarks are corrected and present a better accurate position. The Expense Benchmark is not in compliance but trending better. Erin discussed the Balance Sheet, noting the checking account balance is good. The PPP loan line item will stay until we report. The Statement of Activity was reviewed with comparison from 2019 to 2020 on Homes Sales and Restore Revenue (COVID Impact). The fees are down since SOSI payment is deferred. Payroll and Payroll expenses are up. Erin made note of Account 4150-00 (Grant Income) was \$15,500 which is the Evans CDOH Grant. Erin asked if there were any questions on the Balance Sheet, Statement of Activities, and/or Income Statement reports and hearing none, Lisa requested a motion to “accept” the August 2020 Benchmarks and Financials as presented. A motion was made by Isaiah and seconded by Micah. The Board of Directors “accepted” the August 2020 Benchmarks and Financials as presented.

**Approve July 1, 2019 thru June 30, 2020 Financials** – Lisa stated a motion was needed to “approve” the 2019/2020 Financials now that the Audit was approved. Financials are accepted by the Board of Directors every month and only “approved” after an approved audit. A motion was made by Isaiah to “approve” the 2019/2020 Financials and seconded by Justin. The Board of Directors “approved” the 2019/2020 Financials as presented.

**August 2020 Delinquencies (Tab 3)** – Janet reported there was one homeowner of the list but has since taken care of the payment.

**US-SOSI (Stewardship and Organizational Sustainability Initiative (Tab 4)** – The invoice was reviewed. HFHI has now split the payment into two invoices (\$3,750 each) with payments due on November 1, 2020 and February 1 2021. The fee helps HFHI supply training resources to affiliates as well as the Gifts-In-Kind Program (Whirlpool, Valspar, Levolor, etc.) The fee is determined by service area or 3% of income from the 990.

**Phase III – Sorter Payout #5 (Tab 5)** – Micah reported on the Sorter payout was reviewed by the Construction Committee. XCEL has put Sorter behind on the Detention pond completion but Scott and Janet met with Sorter to review completion. Micah reviewed what were billed YTD and what the contract came in at. He also reviewed we are under budget due to some extras not needing to be done (Line 52-55). Dirt Off haul has been paid (Line #60). There will be some written change orders to come.

### **Previous Business**

**PPP Loan Discussion** – Justin stated the SBA portal is open with manual input. However, Alpine Bank is providing software testing at this time. There were 4 ½ million loans in the amounts ranging from \$1.5 to \$2.0 million so a Bill is in the House/Senate to see if anything \$150,000 and below will be forgiven. The trade-off would be focus on the higher loans for compliance. It is best to wait at this time. HFHMC is still within the allotted reply time at this point.

**Williams, Turner and Holmes Letter** – Isaiah updated the Board of Directors on the resolution of the irrigation matter. The best thing to do would have the HOA vote to approve that HFHMC will contract with Country Wide not more than 3 times per year to clean out the irrigation pipe that runs behind the homes on Wedgewood Drive. This agreement would be limited to a term of 10 years. Janet will need to contact Scott to see about Phase III completion and how many votes that would give HFHMC vs how many current homeowners are needed to approve HFHMC to maintain and pay for the irrigation clean out.

**3049 / 3047 Arna Drive – Property Line Dispute (Tab 6)** - The Board of Directors reviewed the Mesa County Assessors Map. The concrete on 3049 Arna (Coleman) is 18 inches over the property on 3047 Arna (HFHMC). Kostas received a bid of \$200 to trim the concrete but we are worried it would have problems later on. Isaiah discussed the option of an Encroachment Agreement and what that details. After discussion the Board of Directors decided on the Encroachment Agreement option. Isaiah will prepare an Encroachment Agreement for Ms. Coleman and Janet to execute and record.

### **COMMITTEE REPORTS**

**Executive Committee** –Lisa stated the committee met on September 2<sup>nd</sup>, 2020 and discussed the following:

1. We had two more builds schedule in September – Chick-fil-A & Rider & Quesenberry
2. Janet returned the GJ Strong Grant – Did not use funds by August 14<sup>th</sup>, 2020
3. Finance Review of Audit was discussed by Erin
4. Condo Rental – Janet had an offer that was low and very vague on the type of business. Would not supply references so HFHMC declined the offer.
5. Safety recommendation by Lockton Affinity were addressed by September 12<sup>th</sup>, 2020

**Construction Committee** – Micah reported the committee met on September 1<sup>st</sup>, 2020. Kostas had seven new volunteers. The Marez house is three weeks ahead of schedule (November completion) which is good because the lack of volunteers, sub-contractor schedules and weather can be delay factors. The Danner home site plans will be submitted to the City of Grand Junction now that the family is back in compliance. The KR family is not in compliance for August. Tom Swenson (GC) submitted a best practice plan to the committee for review. The committee will address at the October meeting to see

what can and will be adopted. The Moore family should complete fence compliance by September 26<sup>th</sup>, 2020 and the Cairns family should have the window repaired by September 14<sup>th</sup>, 2020. **(Map –Tab 7)**

Janet stated that Habitat for Humanity of Mesa County needs to secure a Letter of Credit from Alpine Bank for the warranty period for the City of Grand Junction once Phase III of Hoffman Country Estates is complete. Justin discussed the options of securing it with a CD is the best way to obtain the Letter of Credit from Alpine Bank. HFHMC is in a healthy cash position to do this. Erin made a motion to secure the Letter of Credit from Alpine Bank and Isaiah seconded the motion. The Board of Directors approved the motion.

**Family Selection Committee** – Justin reported the committee did not meet in September.

**Family Support Committee** – Minde reported the committee met on September 7<sup>th</sup>, 2020. The Marez, Dannar and Kaiser families all completed the required sweat equity hours for August. The KR family did not do any hours for the month of August and received their first letter of non-compliance. A family may receive up to four letters of non-compliance or two letters of non-compliance in a row and then a mandatory deselection process occurs.

**ReStore Advisory Committee** – Lisa reported the committee met on September 2<sup>nd</sup>, 2020. The Restore sales met the benchmark and things are still trending up. Lisa reviewed the sales, donations and transaction numbers. The furniture from the Mind Springs acquisition (thank you Rob!) are selling great. Kirk worked on a quote from Taylor Fence for \$2,300 to secure the fencing by adding new wire and additional rows and repair pole damage around the dumpster. We are having a problem with people breaking into the dumpster area and stealing some things that are stored there along with dumpster diving.

**Public Relations Committee** – Janet reported the committee met on September 1<sup>st</sup>, 2020. She reported the silent auction door project for World Habitat Day (Monday, October 5<sup>th</sup>) will be set up by September 22<sup>nd</sup> in the ReStore. The reception which is sponsored by Alpine Bank is Monday, October 5<sup>th</sup> at 5:30 pm at the ReStore. Please RSVP to Kirk.

**Volunteer Advisory Committee** – Janet reported that the Volunteer Advisory Committee met by conference call on September 2<sup>nd</sup>, 2020. Janet stated that Michele has left to pursue her licensed clinical hours. We knew that Michele was leaving because she needed to make a career change due to the death of her husband earlier this year. Janet had already changed her schedule to allow her to do school. Michele had stated that the Volunteer Coordinator position was no longer a full time position due to COVID (approximately 20 hours per week) and the volunteer base is much smaller. Kirk is taking on some of the duties and the administration is doing the paperwork for volunteers.

**Department Reports (Tab 8)** – Janet stated that most topics were covered during the meeting but feel free to take the August reports with you.

**Upcoming Event Schedule- Noted** Lisa asked if there was any other new business before adjournment:

Micah stated that Jesus who is an intern from CMU is finished with school in December and Kostas will need to have another intern brought on board.

After hearing no other business, Lisa asked for a motion for adjournment. Justin made a motion to adjourn the meeting and Isaiah seconded the motion. The September 10<sup>th</sup>, 2020 Board of Directors meeting adjourned at 9:00 a.m.