

**HFHB**  
**Controller Report to Board of Directors**  
**For the period July 1 thru March 16, 2018**

**Cash Flow**

Currently, our cash position is sufficient to ensure we will not need to draw on our line of credit in the near future. Cash Flow is expected to adequately provide for increased spring construction activity and allow us to tithe HFHI. Positive cash flow is attributed to AHC Construction Grant receipts, NeighborWorks Closing Cost Assistant Grants, recognition of all mortgage remittance by NW Bank, and Development's successful donor funding effort.

**Projected Year-End Net Income**

We are projecting an annual net income of approximately \$290,000 for the year ending June 30, 2018. Significant contributing factors is securing grant funding, better than expected ReStore Program operating results, and cost containment efforts. The caveat is that the Amortization of Mortgage Receivables can have a significant unexpected impact on our financial results due to the timing of mortgage receipts and home closings.

**ReStore Program**

The ReStore Program continues to be a strong contributor to our cash flow with weekly receipts steadily increasing from \$10,500 in early January to an average of \$19,000+ over the last three weeks. Annual net income is expected to be \$340,000 for this fiscal year.

**Construction**

Year-to-date construction in process spend has been ~\$590,000. We will be closing 11 homes this fiscal year. We anticipate acquisition of an additional 5 buildable lots and 6 re-habitable homes before June 2018 with 16 completed homes (Cert. of Occupancy's) in the next fiscal year.

**Development**

We received \$40,000 from the Community Foundation for startup funding for our Critical Home Repair Program. The LISC grant requirements for 320 Florida were completed and we received the final payment of \$16,000 in Jan. 2018.

Foundation support totaled ~\$60,000 in January and February including: Patrick Lee Foundation (\$20k), John R. Oishei Foundation (\$10k), General Motors Foundation (\$9k), Kell Riley Foundation (\$6k), several \$1,000 - \$2,000+ gifts and numerous smaller donations.

Business contributions totaled ~\$32,750 in January and February led by matching contributions from Praxair, Murak & Associates, National Fuel and State Employee's Federal Credit Union.

Contributions for January and February totaled ~\$642,000.

**Mortgage Servicing.**

NW Bank has proven to be a valued mortgage servicing partner. Our mortgage remittance has increased from approximately \$34 - \$35,000 per month to \$38 - \$39,000 per month in large part due to the practice of applying all remittance payments and the elimination of "unapplied funds" (AmeriNat banked the unapplied).

Onboarding mortgages for servicing is now seamless with NW as our loan originator.

**HFHB**  
**Cash Flow Statement**  
**July 2017 - February 2018**

Operating Checking Account	APPROVED BUDGET	Jul - Aug '17 Actual	Sept-17 Actual	Oct - Dec '17 Actual	Jan - Feb '18 Actual
Beginning Balance		24,865	154,406	11,566	77,820
<b>RECEIPTS</b>					
Mortgages and rents		90,207	45,094	192,808	136,525
Escrow Deficit - AmeriNat		3,721	(2,832)	4,561	-
Mortgage Payoffs		54,750	8,739		-
Sale of 111 Domedian		25,954			-
Grant & Rebate income	423,400	204,800	3,990	12,000	95,200
Contributions	544,250	36,482	8,824	67,430	52,752
House Sponsorships	255,000	108,300	15,000	90,000	-
Fundraising	71,250	2,500	6,250	13,326	18,633
ReStore Receipts, net of COGS	769,853	141,130	79,350	234,618	154,680
Investment Income	8,645			-	-
Other		2,083	1,061	528	5,475
<b>Total Cash Receipts</b>	<b>2,072,398</b>	<b>669,927</b>	<b>165,476</b>	<b>615,271</b>	<b>463,265</b>

**DISBURSEMENTS**

**Non-Expense Outflows**

Construction In Progress		179,683	101,258	142,922	59,254
Escrow and reimbursable closing costs				11,754	32,591
Sales Tax Payable			15,910	17,155	
Renters/Homeowner Insurance		2,210	488	6,348	
Other non-expense outflows		500	67,035		23
<b>Total Non-Expense Outflows</b>	<b>-</b>	<b>182,393</b>	<b>184,691</b>	<b>178,179</b>	<b>91,868</b>

**Expenses:**

Major Repair Prog. Expense	20,000				
CIP expense after Closing	10,000	4,344	1,600	343	
Warehouse Materials	5,000			-	
Labor - Wages, taxes & benefits	884,153	147,095	89,954	213,618	149,942
Volunteer Labor - AmeriCorp	47,200	10,670	3,125	17,202	9,664
Facilities	110,924	19,852	7,541	18,418	12,745
Vehicle Expense	41,604	4,422	1,513	8,332	2,417
Advertising & Marketing	11,650	205	147	-	
Fundraising Expense	27,000	2,700	(73)	10,379	8,884
Volunteer Appreciation	10,700	481	104	1,022	
Tithe	45,000			-	
Supplies/Equipment	27,850	2,373	723	1,019	2,868
Training / Education	8,500	1,264		2,019	
Insurance	33,036		10,152	25,611	2,939
Dues, Subsc. Pubs.	25,609	4,375	1,250	450	595

HFHB  
Cash Flow Statement  
July 2017 - February 2018

Operating Checking Account	APPROVED BUDGET	Jul - Aug '17 Actual	Sept-17 Actual	Oct - Dec '17 Actual	Jan - Feb '18 Actual
Postage		607		6,082	728
Professional Fees	177,354	8,649	5,638	14,500	13,566
Interest / Bank fees	32,374		419	742	4,896
Other Expenses	7,000	956	1,532	1,101	1,224
Total Expenses	1,524,954	207,993	123,625	320,838	210,468
<b>TRANSFERS</b>					
LOC - Draw / (Repayment)		(150,000)	-	(50,000)	
Net Transfers		(150,000)	-	(50,000)	
ENDING BALANCE - OPERATING CHECKING		154,406	11,566	77,820	238,749
			-		
LOC - Outstanding balance		50,000	50,000	-	-

**HFHB**  
**Notes to Cash Flow - Jan & Feb 2018**

**Mortgages receipts** have improved by 8-10% because we are not longer being required to fund escrow deficits as they occur, and all remittances are applied.

**Grant income** consists of:

- \$ 40,000 - Community Foundation. Startup funds for Critical Home Repairs;
- \$ 31,500 - NeighborWorks Closing Cost Assistance Grants - 390 Marilla, 38 Glendale & 227 Maple;
- \$ 16,000 - LISC Grant (completed 320 Florida) - LISC Application are being submitted for 3 additional homes - 352 East, 75 Poultney & 41 Kerns; and
- \$ 7,700 - Capacity Building Grant.

**Fundraising Income** consists of House that Beer Built / Hammer & Ales

**Construction in Progress** includes work on:

- 312 Trenton;
- 352 East;
- 41 Kerns;
- 42 & 56 Wende;
- 461 & 463 Busti;
- 49 Kilhoffer;
- 75 Poultney
- 84 Maryland; and
- BOCES Modular.

**Escrow & Refundable Closing Cost** included the sale of:

- 95 Vanderbilt;
- 390 Marilla;
- 38 Glendale; and
- 101 Grey.

**Facilities Expense** includes Rent, Utilities, Alarm, Phone & Internet

**Interest Expense** is attributed to the 1675 S. Park mortgage.

**Professional Fees** include Audit (\$7k), and HFH-NYS grant nonperformance fee (\$4),

**Habitat for Humanity-Buffalo, Inc.**  
**2017/2018 Budget to Actual Income Stmt.**  
**July 1, 2017 - March 16, 2018**

	Annual Budget 2017/18	Actual YTD @ 3/16/18	Estimated Mar. 17th - Jun 30th	Estimated P&L 2017 / 18	Estimated Budget Variance	
Income						
4500S · Home Sales	932,704	531,014	526,098	1,057,112	124,408	13%
4300S · Fundraising Activities	864,853	635,875	306,051	941,926	77,073	9%
4000S · Grants	423,400	255,083	295,055	550,138	126,738	30%
4100S · Contributions	544,250	368,537	96,000	464,537	(79,713)	-15%
4550S · Other Program Income	220,998	6,867	258,098	264,965	43,967	20%
4200S · House Sponsorships	255,000	156,515	80,000	236,515	(18,485)	-7%
4900S · Other	8,645	5,552	200	5,752	(2,893)	-33%
Total Income	3,249,850	1,959,443	1,561,502	3,520,945	194,022	6%
Cost of Goods Sold	8,775	6,337	2,841	9,178	403	5%
Gross Profit	3,241,075	1,953,106	1,558,661	3,511,767	193,619	6%
EXPENSE						
5000S · Direct Construction Costs	829,011	412,525	552,330	964,855	135,844	16%
6000S · Salary & Wages	738,770	463,207	336,571	799,778	61,010	8%
5300S · Discount on Mortgages Issued	675,000	318,608	315,659	634,267	(40,733)	-6%
7600S · Professional Fees	189,687	110,120	84,238	194,358	4,671	2%
6100S · Payroll Taxes & Benefits	180,229	114,435	74,352	188,787	8,558	5%
6200S · Facilities	96,921	62,342	28,414	90,756	(6,165)	-6%
6500S · Insurance	37,305	42,127	17,500	59,627	22,322	60%
7200S · Depreciation	50,977	30,222	18,500	48,722	(2,255)	-4%
6900S · Tithes	45,000	-	45,000	45,000	-	0%
7400S · Dues, Subscriptions & Publns.	25,609	33,254	3,000	36,254	10,645	42%
6700S · Fundraising Expense	50,750	25,737	9,900	35,637	(15,113)	-30%
7800S · Interest Expense	34,434	19,491	4,712	24,203	(10,231)	-30%
6300S · Vehicle Expense	41,604	15,054	5,574	20,628	(20,976)	-50%
7000S · Supplies/Equipment	33,255	8,940	9,000	17,940	(15,315)	-46%
6800S · Volunteer Appreciation	10,700	3,789	2,500	6,289	(4,411)	-41%
7300S · Travel & Seminars	8,500	4,647	-	4,647	(3,853)	-45%
5495 · Program Other	2,635	1,938	1,500	3,438	803	30%
7500S · Postage	3,000	2,183	500	2,683	(317)	-11%
6600S · Advertising & Marketing	11,645	1,145	850	1,995	(9,650)	-83%
Total Expense	3,065,032	1,669,764	1,510,099	3,179,864	114,834	4%
Net Income	176,043	283,342	48,562	331,903	78,785	89%

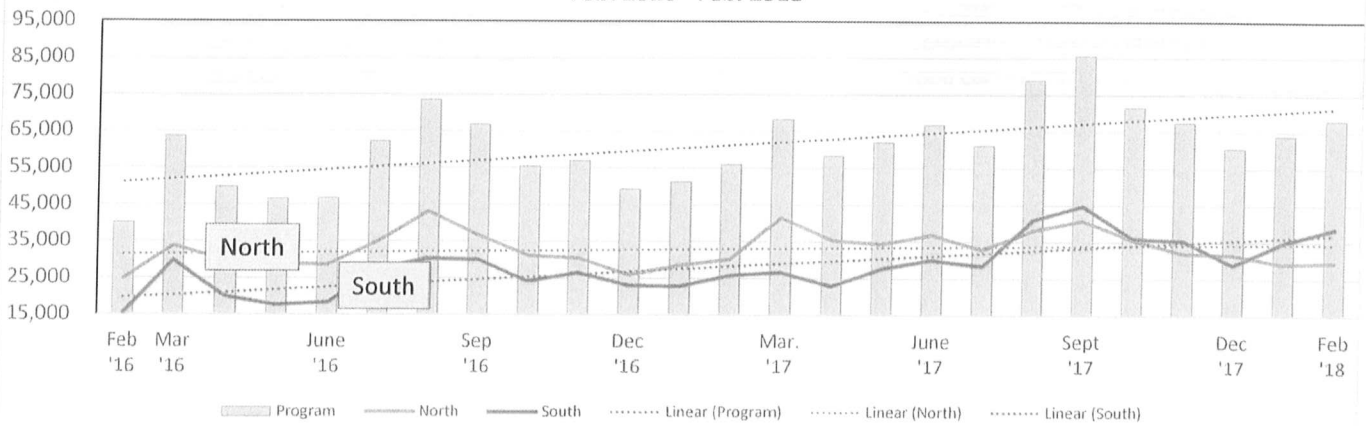
**Habitat for Humanity-Buffalo, Inc.**  
**Comparative Balance Sheet**  
**at March 16, 2018**

	Mar 16, 2018	Mar 16, 2017	\$ Change	% Change
<b>ASSETS</b>				
<b>Current Assets</b>				
Checking/Savings				
1000 · KeyBank - Operating *318	213,814	43,334	170,480	393%
1010 · KeyBank - ReStore North *238	23,976	4,392	19,584	446%
1011 · Cash on Hand	603		603	100%
1020 · KeyBank - ReStore South *919	23,595	992	22,603	2,279%
1025 · KeyBank - Online Giving *072	25		25	100%
1026 · KeyBank - Capacity Bldg *0080	91		91	100%
1030 · M & T	4,186	19,295	(15,109)	(78%)
1040 · KeyBank - Money Market *858	50,739	135,627	(84,888)	(63%)
1060 · Key Investment Services	7,257	4,206	3,051	73%
1070 · NW Bank Mortg Escrow *5400	21,419		21,419	100%
1071 · NW Bank Principal *5392	181		181	100%
1090 · KeyBank - Escrow *643		670	(670)	(100%)
<b>Total Checking/Savings</b>	<b>345,886</b>	<b>208,516</b>	<b>137,370</b>	<b>66%</b>
Accounts Receivable				
1200 · Accounts Receivable	1,770	2,672	(902)	(34%)
<b>Total Accounts Receivable</b>	<b>1,770</b>	<b>2,672</b>	<b>(902)</b>	<b>(34%)</b>
<b>Other Current Assets</b>				
<b>1100 · Marketable Securities</b>				
1110 · Allowance for Adj to Market Sec	27,974	4,351	23,623	543%
1100 · Marketable Securities - Other	219,104	224,511	(5,407)	(2%)
<b>Total 1100 · Marketable Securities</b>	<b>247,078</b>	<b>228,862</b>	<b>18,216</b>	<b>8%</b>
1150 · Gift Cards	748	6,015	(5,267)	(88%)
1270 · Prepaid expenses	23,947	1,358	22,589	1,663%
<b>1300 · Construction in Progress</b>				
1310 · Homes Held for Sale	488,148		488,148	100%
1300 · Construction in Progress - Other	905,302	1,410,443	(505,141)	(36%)
<b>Total 1300 · Construction in Progress</b>	<b>1,393,450</b>	<b>1,410,443</b>	<b>(16,993)</b>	<b>(1%)</b>
1715 · Closing Costs, Refundable	49,234	373	48,861	13,099%
<b>Total Other Current Assets</b>	<b>1,714,457</b>	<b>1,647,051</b>	<b>67,406</b>	<b>4%</b>
<b>Total Current Assets</b>	<b>2,062,113</b>	<b>1,858,239</b>	<b>203,874</b>	<b>11%</b>
<b>Fixed Assets</b>	<b>433,547</b>	<b>466,231</b>	<b>(32,684)</b>	<b>(7%)</b>
<b>Other Assets</b>				
1610 · Mortgage Receivable	3,083,969	2,811,246	272,723	10%
1700 · Refundable Deposit		1,500	(1,500)	(100%)
1710 · Other Homeowner Receivables	3,611	3,611		
1720 · Escrow-AmeriNational		16,849	(16,849)	(100%)
1740 · Escrow Receivable	1,917	168	1,749	1,041%
1800 · Mortgage Costs	5,409	6,408	(999)	(16%)
<b>Total Other Assets</b>	<b>3,094,906</b>	<b>2,839,782</b>	<b>255,124</b>	<b>9%</b>
<b>TOTAL ASSETS</b>	<b>5,590,566</b>	<b>5,164,252</b>	<b>426,314</b>	<b>8%</b>

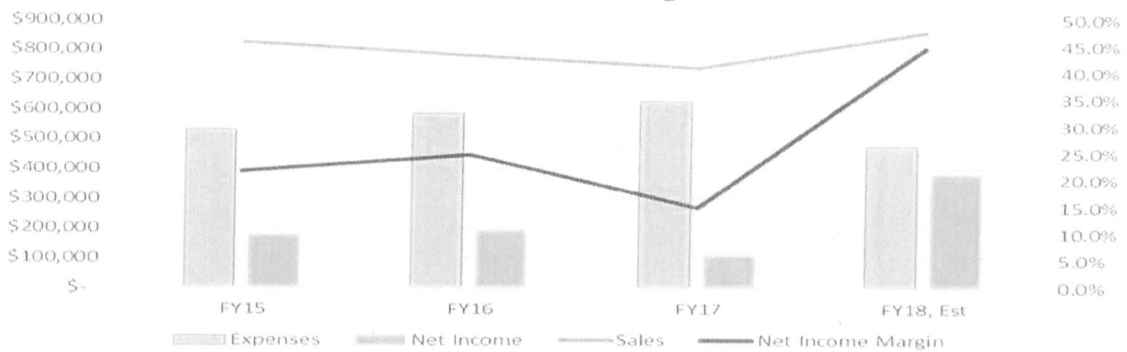
Habitat for Humanity-Buffalo, Inc.  
Comparative Balance Sheet  
at March 16, 2018

	Mar 16, 2018	Mar 16, 2017	\$ Change	% Change
<b>LIABILITIES &amp; EQUITY</b>				
Liabilities				
Current Liabilities				
Accounts Payable	(10,872)	48,790	(59,662)	(122%)
Credit Cards	7,393	7,693	(300)	(4%)
Other Current Liabilities				
2200 · Sales tax payable	16,870	13,702	3,168	23%
2300 · Escrow	19,310	2,041	17,269	846%
2400 · Rent & Down Payments	86,704	27,195	59,509	219%
<b>Total Other Current Liabilities</b>	<b>122,884</b>	<b>42,938</b>	<b>79,946</b>	<b>186%</b>
<b>Total Current Liabilities</b>	<b>119,405</b>	<b>99,421</b>	<b>19,984</b>	<b>20%</b>
Long Term Liabilities	250,897	267,971	(17,074)	(6%)
<b>Total Liabilities</b>	<b>370,302</b>	<b>367,392</b>	<b>2,910</b>	<b>1%</b>
Equity	5,220,264	4,796,862	423,402	9%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>5,590,566</b>	<b>5,164,254</b>	<b>426,312</b>	<b>8%</b>

**ReStore Gross Sales  
Feb. 2016 - Feb. 2018**



**ReStore Program  
Sales, Expense and Net Income  
Net Income Margin**



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