



# 2021

## ANNUAL REPORT





# CEO MESSAGE

When we were creating our plans and setting goals for 2021, we were unable to predict how the pandemic would continue to affect our organization. Given the events of 2020, we were conservative with our growth forecasts and cautiously relied on the historical trends. Across the country, some ReStores were still closed and new waves of the virus threatened normality, we waited anxiously to see how this would affect us here in B.C.

We were pleasantly surprised that with travel still restricted and favourable weather it appeared a lot of people decided that the first few months of the year was a good time to clean out and renovate, the ReStores were a very popular place to shop. This got 2021 off to a great start, ending the first quarter with revenues considerably over budget. Additionally, the kitchen salvage program also began to gather momentum, demand for this service grew throughout the year and these sales provided a big boost for the store revenues. The year continued to produce good results, stores broke many records and at the end of the year, our retail performance was significantly better than what we had projected!

In early 2021 we embarked on the development of the Powley Court property in Lake Country and began building eight townhomes. Starting our largest build during a pandemic has not been without its challenges, materials and contractors are in high demand and difficult to obtain. Despite hurdles, it has not deterred the Habitat team from focusing on the mission. Thankfully we have received a lot of generously donated materials and along with volunteer time from individuals and team builds this has helped us to progress the project. The first phase will be completed in the fall of 2022 and subject to funding the final four units will start in early 2023.

In the office, we are always looking for ways to improve processes and work smarter. To prepare for our Lake Country build, a review of the existing accounting software established it didn't meet the tracking and reporting needs for our largest build to date. At the beginning of 2021 we embarked on a major project to replace it with an enterprise resource planning (ERP) system called Spectrum.

This leading construction industry software was provided free of charge and kindly implemented by donation. This change enabled us to improve many processes including; the ability to properly track and forecast our build costs in real-time, perform the payroll function in-house, simplify management of the asset database, redesign the general ledger structure, cost centers, customized reporting, purchase orders, and electronic invoice approvals. It has made a significant improvement to the quality of information and radically improved workflow efficiency.

Despite replacing 2 key staff in resource development, and with limitations restricting events, our fundraising efforts were not negatively affected, in fact, we excelled in a number of areas; golf raffle, gingerbread build, team builds, donations, and establishing new relationships. We made good traction with our goal to raise \$1m for the build, our fundraising efforts brought in \$510,000 gross.

Like many Habitat affiliates across the country, this was the year when we reviewed the structure of our mortgages and did lots of research on how we could design a mortgage model that would be more sustainable and help to increase our build frequency. This work is progressing and will be completed in 2022.

In the fall of 2021, the leadership team and board collaborated on a new strategic plan. This process considered the views of internal and external stakeholders, our mission, and our objective to serve more families. As a result, we have a plan that sets the course for the organization over the next three years, as we navigate through the challenging real estate situation in the areas we serve.

Thanks to the over-budget performances in 2021, our financial strength continues to make good progress and places us in a position that prepares us for future opportunities, and will ultimately help us to serve more families.

It was a challenging period for Habitat Okanagan and I recognize the work done by all the staff and volunteers, who worked through a lot of adversity to achieve what we have. The success of 2021 was made possible by the dedication and loyalty of staff, volunteers, donors, and shoppers.

Thank you!

**Andrea Manifold, CEO**

# CHAIR REPORT

Unprecedented.

That was the word on everyone's lips in 2020 and 2021. The word, to me, seemed to be the way we all tried to wrap our heads around having no idea how to navigate our way forward.

The good news is that we did it! The path ahead is still filled with challenges, of course. But we, all of us, now know we can figure things out and move forward even in unprecedented times.

Our affiliate has forged new community alliances, impressed the business community by winning the Business Excellence Award, and progressed the Lake Country build. Three partner families are now living in their own homes and 9 more families are eagerly awaiting the completion of their homes and the beginning of economic stability.

Just as our partner families are looking forward to building economic stability, so too is our board of directors and affiliate leadership. With the completion of our former three-year strategic plan, the board and leadership team embarked on creating a strategic vision and goals for HFHO.

With so much change in our world, preparing for the future is critical to sustaining and growing the impact of Habitat for Humanity Okanagan. Like Habitat Canada, we are 'framing the future' with a 3-year strategic plan that outlines clear goals and objectives that will lead the organization forward with stability and an increasing impact.

Further, the board understood that what got us here would not take us forward. Like many other affiliates across Canada, transforming our mortgage model to ensure the sustainable impact was a high priority. The work has been complicated, filled with difficult values-based discussions, took time and effort, and challenged us to grow and change and dig deeper. At times that challenge was downright scary. Yet, the affiliate leadership and board persevered.

The affiliate leadership researched, investigated, consulted, and prepared a multitude of financial models until at last, a new model has been ratified in principal by the board. Our new mortgage model goes beyond the simple need for a financially sustainable mortgage model.

It raises the bar on our commitment to truly partner with our families. Genuinely collaborative partnerships that will ensure the ongoing benefit of building stability through homeownership will be the outcome of this new model.



Partnership, in fact, is the new 'unprecedented'.

As we look forward, the challenges that await us are many. With an additional \$1.7 million left to raise for the final fourplex of our build campaign, staffing and resources strained, and inflation on the rise, we will need to grow our vision and execution of partnerships if we are to meet these challenges.

Partnering in every aspect of our existence is the key to our future success. Partnerships between You and I, the board and staff, your friends, my friends, our friends, community partners, and their partners.

My challenge for each of us is to go out and make it your mission to find a new partner for HFHO in 2022/23.

Finally, Thank you. Thank you: You keep the vision alive. You drive the mission forward. You prove the values for which we exist ARE enduring AND YOU, are why Habitat for Humanity Okanagan should never fear what is unprecedented.

Moreover, you are our most valuable partner. With your help, we continue to thrive and raise the awareness that literally funds our mission.

Let's all go out there and make it our personal challenge to share this message:

"Habitat for Humanity Okanagan is an award-winning social enterprise looking for partners in our mission to build strength, stability, and self-reliance through affordable homeownership."

Thank you.

**Sharon Conway, Chair**



# TREASURER REPORT

Our 2021 budget projected modest revenue growth, anticipating some challenges to overcome. It turned out to be a strong financial year, better than we could have predicted. The disruption to normal activities in 2020, due to the pandemic, makes it difficult for us to make a direct comparison of the financial results to the prior year. Therefore, this needs to be considered when reviewing the numbers.

COVID-19, combined with extremely hot weather and forest fires affected the ReStore operations. In spite of such challenges, ReStore revenues exceeded the budget, and all our 4 stores trended up in the national ratings. Habitat for Humanity Okanagan's operational revenues increased by 6% over 2020. This was due, in part, to the ReStores having a momentous year, and given that there was a loss of revenue in 2020 due to COVID-19 store closures. The kitchen salvage program thrived and contributed to the store's success in its first full year in operation. A variety of successful fundraising activities also contributed to the increase in revenues.

HFHO's expenses were higher when compared to 2020. Again, this was largely due to wages and employment costs being lower in 2020 with the disruption to operations during COVID-19 restrictions. In addition, hourly wages were increased in the last quarter of 2021 for ReStore personnel in response to the difficulty of attracting and retaining staff. Other notable increases in expenses include utilities, fundraising expenses, and ReStore fees. Significant decreases in other expenses did offset those costs. Despite cost increases, we achieved a 5.5% increase in net revenues compared to 2020.

Progress was made on the development of a new mortgage model that will introduce a cash injection on title transfer to financially support new opportunities along with a change to the equity split. This will allow us to take more advantage of opportunities to continue our mission and house families more frequently.

The completion of the sale of two homes on the open market contributed to the revenue increase, providing a further boost to the years results.

Even with event restrictions, we raised \$510,000 from our fundraising efforts, quite the achievement given the challenges to engage with the local community.

A big thank you goes out to the hard-working and dedicated HFHO team. With their direct and well-controlled management of our funds and expenses, in addition to the benefits of the many great initiatives carried out and other timely achievements, our financial position is much stronger today and is predicted to remain strong throughout 2022.

Thank you



Julie Pellizzarri, Treasurer

## CASH POSITION

+87.77%

## EXCESS REVENUE INCREASED

+20%

## ASSETS

+19%

## EXPENSES

+ 6 %



# OPERATIONS REPORT

## Store & Donation Center

### Progress in Numbers

#### 2021 RESTORE SALES

**\$3,914,005**

#### TOTAL TRANSACTIONS

**179,420**

**\$56.37**

REVENUE \$  
PER SQ FT

#### BOOK SALES

**\$38,701**

**16,980,989 LBS**

DIVERTED  
FROM LANDFILL

#### KITCHEN SALVAGE

**\$143,106**

**\$17,230**

TOTAL RECYCLED  
METALS

#### ReStore

There was a certain level of skepticism entering 2021. Retail, in general, was still struggling due to the COVID-19 outbreak in 2020 and new variants were arriving which placed additional restrictions on the general public. Again, the weather was a concern with local fire situations and the catastrophic flooding late in the year which cut off supply chains including rail delivery from Habitat's distribution center in Ontario. Even in this climate, our ReStores had an unexpected boom of sales in the 1st quarter which propelled us through 2021 to yet another record year in sales. All stores performed above historical levels with West Kelowna, Kelowna, and Penticton each recording six historic sales months. While Vernon recorded eight which allowed the location to stabilize and accumulate profits above expectation.

Donation levels remained strong with a good mix of commercial and private donors reaching out to ReStore. Once again, our public drop-offs continue to set the pace for Canada. Three of our stores had the highest drop-off rates (top twenty) with Kelowna claiming Canada's number one spot again. Late in 2021, Wayfair Canada, which had supplied in excess of \$100k in product to West Kelowna, shifted its policies on return and unclaimed items and this donor regrettably had to redirect its donations to a central sorting facility and cease its donation capabilities.

Staffing was and continues to be an issue in our stores. Locations struggle to find qualified candidates from a very limited pool of job seekers. This has placed additional pressures on current staffing and volunteers who have truly stepped up to find ways to keep our businesses running at a record pace. Our successes in the ReStore program truly rest on their shoulders and they should be proud of their accomplishments.

#### Safety

Our safety program continues to grow and develop expected standards. Near miss, reporting is raising awareness though we are still finding a number of injuries due to soft tissue strain, usually caused by improper lifting. Daily toolbox talks continue to re-enforce safety on the job. We were also able to enlist in the Red Cross "Stop the spread" program and COVID-19 rapid testing was introduced into our locations. This has been able to detect a number of positive readings to allow those infected to remain at home while keeping the workplace safe for others.

# OPERATIONS REPORT

## Store & Donation Center

### Build

We commenced civil work in late 2020 at our Lake Country build site and in mid-February, we started forming building A. While most construction anticipates a few unexpected delays, our project was severely hampered by BC Hydro and indecision on their part with regards to transformer placement. This had a negative effect on project timelines that we are still navigating.

The main envelope of the building was completed in the fall of 2021. With the unusually cold weather in December and lack of heat, due to BC Hydro connection issues, numerous temporary measures had to be put into place to maintain the integrity of the structure. This was all resolved successfully in early 2022, however, the site still deals with the original delay as it has affected trades' availability to reschedule.

We are thankful for the many volunteers and team-building groups that have worked on the units to prepare them for the families.

### Kitchen Salvage Program

The kitchen salvage program had an excellent year. It produced a total of \$143,000 in kitchen cabinets and added an additional \$53,000 in other products into our stores. There was a total of one hundred nineteen salvage projects throughout the year.

Thank you



**Neil Smith, COO**

**Habitat ReStores here in the Okanagan once again rank very high amongst the 108 stores operating in Canada today.**

#### WEST KELOWNA

1st – Volunteer hours  
3rd – Drop off donations  
4th – Daily transactions

#### KELOWNA

1st – Drop off donations  
5th – Daily transactions  
12th – Gross sales

#### PENTICTON

13th – Drop off donations  
23rd – Gross sales

#### VERNON

46th – Gross sales

#### WEST KELOWNA

7th - Highest profits  
11th - Gross sales

#### UP FROM 2020

ReStore sales 24.5%  
Transactions 23.91%  
Recycling revenues 30.36%



# COMMUNITY ENGAGEMENT AND FUNDRAISING



**This report is presented on behalf of the Habitat for Humanity Okanagan (HFHO) Community Engagement and Fundraising Committee and Fund Development Department for the Annual General Meeting.**

## A Farewell to Kathleen & Stephen

As the 2021 Habitat Okanagan operating year began, the world was still navigating through a global pandemic, and the community as a whole was just starting its journey back into a return to normal.

While our fund development and community engagement efforts in 2020 recovered nicely, HFHO's resource development staff, volunteers, and committee members still faced the challenge to increase funding for the organization in 2021. We had to find new ways to promote and grow our organization's mission and our community presence at a time when the entire resource development team had changed over in the year.

## New Director of Resource Development

Joining the HFHO team in May 2021 was myself, Danielle Smith. I have spent more than 20 years working in the charitable sector in various fund development and engagement roles. This new opportunity was for me, a return to the Habitat mission, having previously served in another affiliate in Northern Ontario from 2011 to 2014.

## Bottle drives, a first-time golf raffle, and how the community helped Habitat!

The little community that did! With Glory, one of the board members leading the charge, the residents of Predator Ridge throughout 2021 gave a significant amount of their time to help Habitat Okanagan in our efforts to raise dollars through dedicated bottle drives that HFHO held in 2021. This was no small feat given that so many volunteers willingly participated, even when the summer temperatures hit over 45 degrees. They still came to collect and count thousands of refundable containers donated by so many great supporters in that community.

The ReStore bottle drives in West Kelowna, Kelowna, and Predator Ridge throughout 2021 raised more than \$37,000 in funds. Those funds are helping build the twelve multi-family homes now under construction in Lake Country, BC.

Thanks also to Glory, the first-ever Okanagan Golf Experiences raffle was born! And in the late spring of 2021 HFHO was successful in gathering a total of eight unique Okanagan golf experiences to raffle off. In just six short weeks the small, yet mighty fundraising committee, along with the dedicated staff and board at HFHO raised over \$16,000. All funds are dedicated to our Lake Country project. Each of these community engagement efforts throughout 2021 was met with great reception and support from many of our community of friends, stakeholders, partners, and our core volunteers as well. Our fundraising efforts were an overwhelming success because the greater community believes that everyone should have a safe and decent place to live.

## THE OKANAGAN GOLF EXPERIENCE RAFFLE

**RAISES \$16,290**

**\$37,344**

**BOTTLE DRIVES RAISE**

**\$37,500**

**TEAM BUILDS RAISE**

**\$10,000**

**ANONYMOUS DONOR GIFT**





## COMMUNITY ENGAGEMENT AND FUNDRAISING

Stober Foundation joins in our mission to help build 12 homes in Lake Country BC

The Stober foundation's initial gift of \$100,000 (2020) and their subsequent gifts of \$50,000 in 2021 are a big reason our Lake Country BC build was possible. Each gift from the Stober foundation, allowed HFHO to leverage their dollars and secure even larger gifts from important funding streams and individuals, all of which have led to Habitat for Humanity Okanagan's biggest affordable housing project in our affiliate's history.

The return of our very popular Gingerbread House building photo contest

Along with a new event name, a new theme, and a new presenting sponsor RE/MAX Kelowna. Our virtual gingerbread house photo contest the Jingle Bell Build returned to celebrate the 2021 Christmas season. The Jingle Bell Build had one hundred twenty-five individual/family entries and close to ninety corporate teams come together to build and submit their photo creations.

Long-time partner the Canadian Home Builders Association (CHBA) of Central Okanagan held a special and exclusive event at Copper Brewing in Kelowna. Those efforts helped raise over \$1,300 of our overall \$25,000 goal.

Thanks to our sponsor Emil Anderson the Jingle Bell Build was even more meaningful because they made it possible for current Habitat families and our Lake Country families to participate in the Jingle Bell Build.

A special thanks must go to Jerry Redman, owner of RE/MAX Kelowna, and his entire team for their presenting sponsorship and for their added commitment through the RE/MAX Realtors Legacy Foundation. This gave our Jingle Bell Build a final push to help us reach our \$25,000 fundraising goal. Along with a promise that RE/MAX Kelowna will return as 2022 presenting sponsor once again.

Genuinely good beer doing genuinely good things for Habitat

In the fall of 2021, Kelowna's Copper Brewing Company began brewing a one-of-a-kind beer called the Builders Pilsner. This locally crafted beer is now available in liquor stores across the Okanagan. The commitment from Copper Brewing is that \$1 from the sale of every four-pack and sleeve will go directly to the HFHO Lake Country project.

Thank you.

**Danielle Smith,**  
Director Resource Development



**\$25,000**

**JINGLE BELL BUILD**

**\$15,000**

**FROM JILLIAN HARRIS  
12 DAYS OF GIVING**

**50/50 RAFFLES**

**\$37,556**

**\$653,000**

**RAISED TO DATE  
FOR LAKE COUNTRY  
BUILD**

# HOMEOWNER SERVICES REPORT

In 2021 a number of key program objectives were met and successfully completed, clearing the path for more families to join the homeownership program.

At the beginning of 2021, four Habitat families in West Kelowna were finally moved onto the mortgage title for their homes.

Although these families had been living in their homes for around ten years already, the process to put them on the title of their homes was complicated as there was not a homeowner society in place.

A homeowner society is similar to a strata corporation and it is usually put in place when housing is built on leased land. That did not occur when these homes were first built. Habitat worked to ensure this requirement was completed in 2021.

For these families, this was a huge win because they are now officially on the title of their homes.

Habitat completed the sales of two of the homes in Peachland on the open market. The decision was taken in 2020 as we had struggled to fill these homes, the funds realized from the sales were allocated to the Lake Country build.

Pacific Quorum became the strata management agency for several of the Habitat stratas after we were successful in securing considerably reduced management fees. The reduced strata payments were welcomed by many of the families.



LOVE  
&  
THANKS

Thank you for your  
thoughtfulness.

With Love From, Beverly,  
Kiawna, Danika, Curtis,  
Alyssa, Lucas & Markus

Launch Okanagan, a local not-for-profit offering financial literacy classes and resources, partnered with Habitat Okanagan to deliver eight educational workshops called the Dollars and Sense Program. The workshops are mandatory for new families and they are also offered to our existing homeowners.

The feedback has been very positive with some of our new families also qualifying for the Launch Okanagan matched savings program. This program will match the savings amount put into an RESP for the children's future for a limited period.

**12**

**FAMILIES JOIN OUR  
HOMEOWNERSHIP PROGRAM**

**14**

**ADULTS**

**23**

**CHILDREN**

**WILL CALL  
LAKE COUNTRY HOME**

**134**

**APPLICATIONS TO HABITAT  
HOMEOWNERSHIP PROGRAM  
RECEIVED IN 2021**



# HOMEOWNER SERVICES

## A SUNDAY OF THANKSGIVING



Michelle in Vernon completed her service hours, the home was appraised, and she is currently in the process of moving onto title/mortgage.

In October, Habitat Okanagan hosted a thanksgiving event for the new Lake Country families. The event attended by staff and board members was arranged to provide an opportunity for all the families to meet their new neighbours.

It was a fabulous day with lots of fun, games, and prizes, with a lovely turkey roast dinner as well. To see the kids playing and climbing trees together was very emotional and brought tears to our eyes.

In 2021 extensive work and research was done by our senior leadership team to create a model for future Habitat Okanagan mortgages that will ensure our affiliate is sustainable in the future.

This included collaboration with Interior Savings Credit Union, Habitat National Office, and affiliates across Canada who have already updated their model. The modelling has since been approved by the board and will be used going forward.

A busy year in family services all around. Twelve new families were accepted to our homeownership program.

A huge thanks to our selection committee and support committee for all of their hard work during this busy time. Fourteen families were working on service hours throughout the year. By the end of 2021, five families had completed their commitment.

Thank you

**Alison Miller,**  
Homeowner Services Manager






## LAKE COUNTRY FUNDRAISING GOAL

GOAL: \$1,000,000

65%

\$653,000



To Habitat For Humanity,  
We would all like to thank you all  
for the opportunity to purchase a home  
for our family. Your continued support and  
thoughtfulness has touched our hearts.  
You have provided stability, a sense  
of responsibility and a home filled with  
lots of Love and Laughter. And for that  
we will each be forever thankful. I must  
say God really blessed us when he brought  
you all into our lives. Much Love,   
Beverly, Kiawna, Danika, Curtis, Alyssa, Lucas and Markus

**"We build possibilities out of generosity."**



# VOLUNTEER PROGRAM

**2021**

**Gold Hammer Volunteers**  
who dedicated 500 + hours

Bill Lipsett  
Carol & Ken Finlayson  
Chris Bilocerkowec  
David Ouwendyk  
Jerry Heickel ( 1500+ hours)  
Klauss Grimm  
Martina Harper



2021 - The Year of the ReStore Volunteers

Like many charitable organizations that have had to navigate a global pandemic for the last two years. The power of many volunteers made the Habitat mission possible in 2021.

Habitat for Humanity Okanagan had the help of many people working together, so that we could bring about monumental change for hard-working and deserving families, in need of affordable housing right here in the Okanagan.

In 2021, it was the many ReStore volunteers who devoted their time and talents to organizing our ReStores, they sorted and moved everything from the furniture, and appliances to organizing all the knick-knacks, the books, the records, and music CDs that are donated each year to our ReStores. Making it possible for thousands of Okanagan ReStore customers to discover new stories, find the music of their yesteryears, and discover new treasures along the way.

Our ReStore operations are a vital part of our homeownership program. Because of the many people volunteering at our four ReStores, it means a family is one day closer to a forever and affordable home.

Why do our ReStores volunteers matter so much? Because every day they dedicate their time to the ReStore, they are helping to build homes for families in need and their daily efforts are changing lives. More importantly, they are giving local families real hope.

**2021**

**Silver Hammer Volunteers**  
who dedicated 250-499 hours

Abel Martins  
Armin Bergmann  
Bentley Feddersen  
Bill Brussee  
Bob VanDyke  
Bruce Keays  
Carole Courtney  
Colleen Stefan  
Gerry Betts  
Grant MacWilliam  
Greg Ross  
Jan Bahen  
Jane McKay  
Kris Gering  
Roberta Colquhoun  
Shirley Biernaskie  
Shirley Peterkin  
Susan Bouvette  
Terry Cochrane  
Thelma Vikar  
Tom Hanik  
Vic Koop  
Vickie Biddlecombe



**6,933**

**TOTAL #  
VOLUNTEER  
SHIFTS LOGGED IN  
2021**

**26,222**

**TOTAL # VOLUNTEER  
HOURS LOGGED IN  
2021**

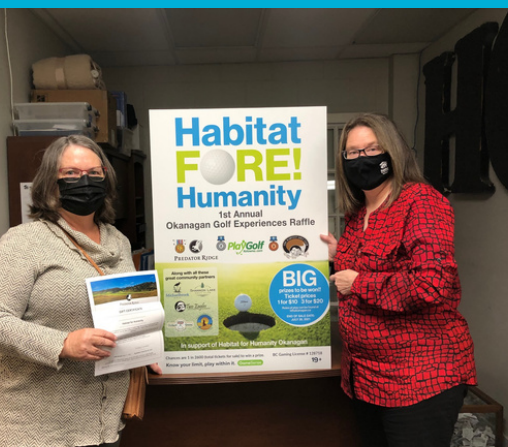
**\$524,440**

**DOLLAR VALUE OF  
VOLUNTEER HOURS  
IN 2021**

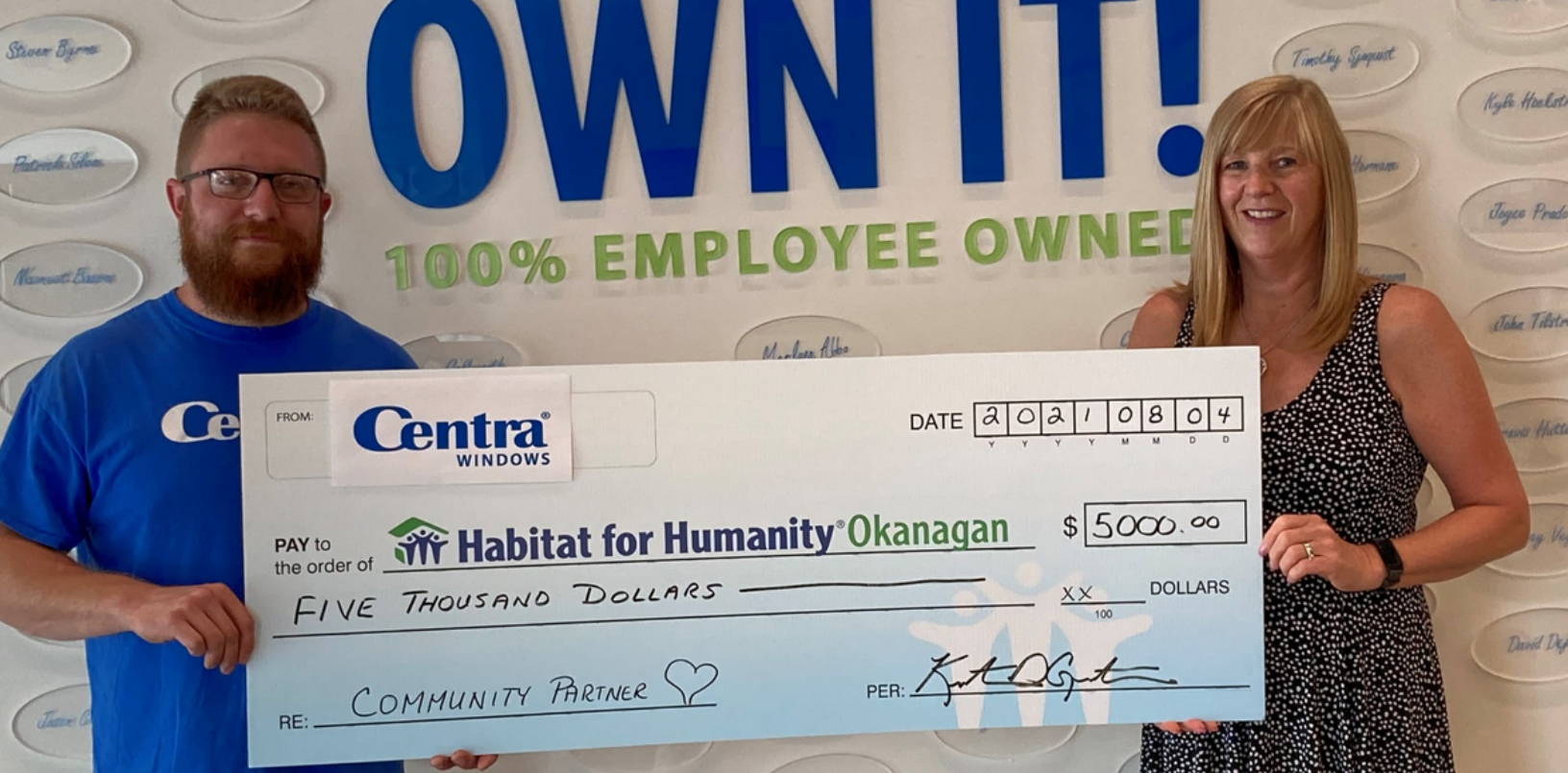


# 2021

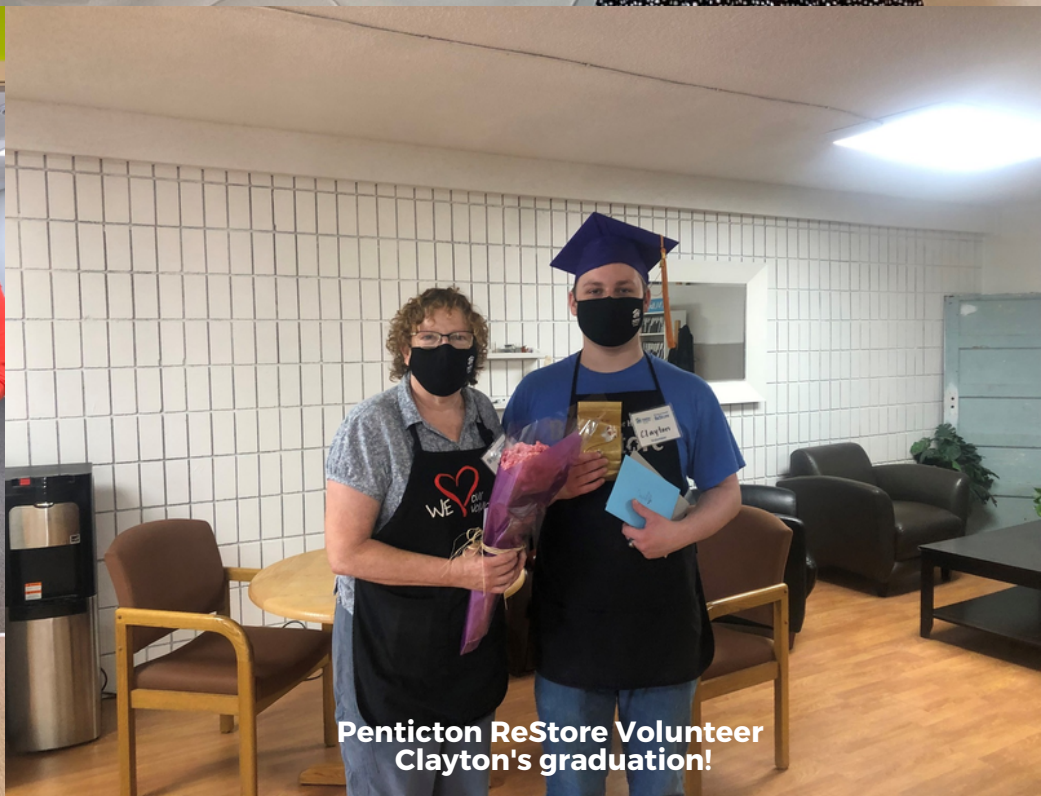
## AT A GLANCE







Gifts for home - from Gayle







THANK YOU!