

Dedication and Team Work Lead to a Successful Year

By Steve Schwartz, Executive Director

One of the things I love about working in non-profit Christian ministry is constantly witnessing the passion of folks to help people in need. It's not only encouraging, it challenges and inspires me. This year we were blessed by the creative outpouring of support from so many local individuals, churches, businesses, and funders. Here are some highlights.

Fundraiser House Building Project

For some time we'd been looking for a way to connect with the business community, and we were specifically targeting the housing community as we felt that people who develop and rehabilitate housing would have a natural affinity for our work. An idea came along to build a spec house as a fundraiser. The proceeds would go to our program, and it would be an opportunity to get local housing professionals involved.

We weren't sure how to do it, but in a brainstorming meeting, board member Roger Shenk raised his hand and said "I think I could head this up. I

should probably check with my wife first though." Well, Michelle agreed, and we turned Roger loose, breaking ground the first week of the fiscal year (April 2006) at a lot in Fredericksburg (Northern Lebanon County). We set a modest goal of raising \$15,000-\$20,000 from this project. Roger started lining up volunteer after volunteer and donation after donation ... as local individuals and businesses got excited about the project.

His projections of the final amount raised kept going up, but he was cautious about sharing them as he didn't want to get our hopes up. At a celebration event in August 2006 after the house was under contract to be sold, my draw dropped when Roger was forced to answer the question posed by a local newspaper reporter: "How much will you raise through this project?" In his usual low-key way, Roger replied, "Oh, about \$85,000." Wow. What a blessing this was to our organization to regain some financial margin after several difficult years financially.

It was an incredible team of people (over 80 people and/or businesses) that helped build and sell the house. We can't thank these folks enough.

Capacity Building

We were pleased to continue our organizational capacity building efforts through a \$50,000 grant from the Compassion Capital Fund awarded for a one year period beginning October 1, 2006. This funding is designed solely to strengthen or grow an organization, so no funds went to program



or operating costs. Rather, this funding allowed us to develop two new fundraising efforts, undergo a strategic planning process with the help of an outside facilitator, and conduct a comprehensive review of our program to incorporate the latest ideas and methods for working with homeless families as well as instituting new processes to monitor and report our successes. A small portion of the funding went to buy some office computers.

Launching Bagwashi Circles

With some seed funding from the United Way of the Capital Region, we launched two major program enhancements. First, we initiated a contractual relationship with a local therapist to consult with us for case-by-case review. Julia Tilley, MSW, LCSW also provides some general oversight/input into our program methodologies.

Second, our long-term vision to help our families develop better support systems got launched under the name Bagwashi Circles. These circles of 6-12 people surround one family with support and encouragement, and seek to develop friendships that will last beyond the participants' time at BHA. The word Bagwashi is derived from African words for "family" and "helper" and more literally means "those that help one another."

In December 2006, Jennifer Rash joined our staff as our new Bagwashi Coordinator. Most of Jennifer's salary is provided by a select group of personal contributors who supported Jennifer in her previous ministry endeavors.



Our charity fundraiser spec house in Fredericksburg netted \$85,700 to help fund our program and reduce some debt.

Participant Success

We worked with 13 families over the year, though two of those joined the program shortly before the fiscal year ended. Of the 11 that were in the program for a significant portion of the year, we saw the following success (keep in mind that this is a two year program, but this report only lists success attained during one fiscal year):

72.7% (8 of 11) of participants maintained a stable, orderly home environment

72.7% (8 of 11) of participants improved self-awareness and basic parenting and life-skills

50% (3 of 6*) of participants improved income potential to living wage

83% (5 of 6*) of participants obtained employment

50% (3 of 6*) of participants maintained employment for six months

72.7% (8 of 11) of participants developed and maintained a budget

66.6% (4 of 6) of participants leaving BHA obtained permanent housing

* Participants pursuing full-time educational goals were not considered.

While this fiscal year report officially ends at March 31, 2007, many of the projects listed continue to grow and further develop. Watch our newsletter and website for more exciting news related to Bagwash Circles, the implementation of our strategic plan, our other program enhancements ... and of course the individual testimonies of lives changed through your investment in our ministry.

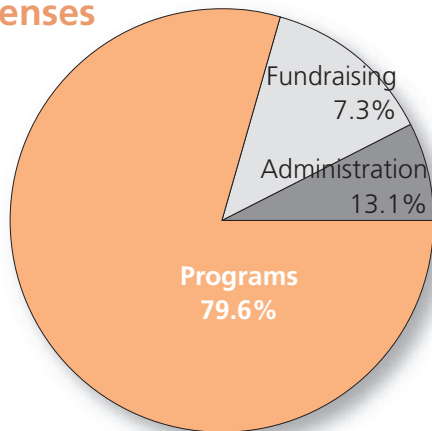


Funding partners like Gail D'Angelo at M&T Bank invest in the community through the work of BHA.

SAVING TREES

In an effort to be good stewards of the money you entrust to us, as well as a desire to kill less trees, we've cut our annual report down from 6 pages to 2 pages this year which will significantly reduce printing and mailing costs. Our donor and volunteer listing can now be found on the BHA website (www.bha-pa.org); click on **About Us > Documents** to find these listings.

Expenses



Expenses

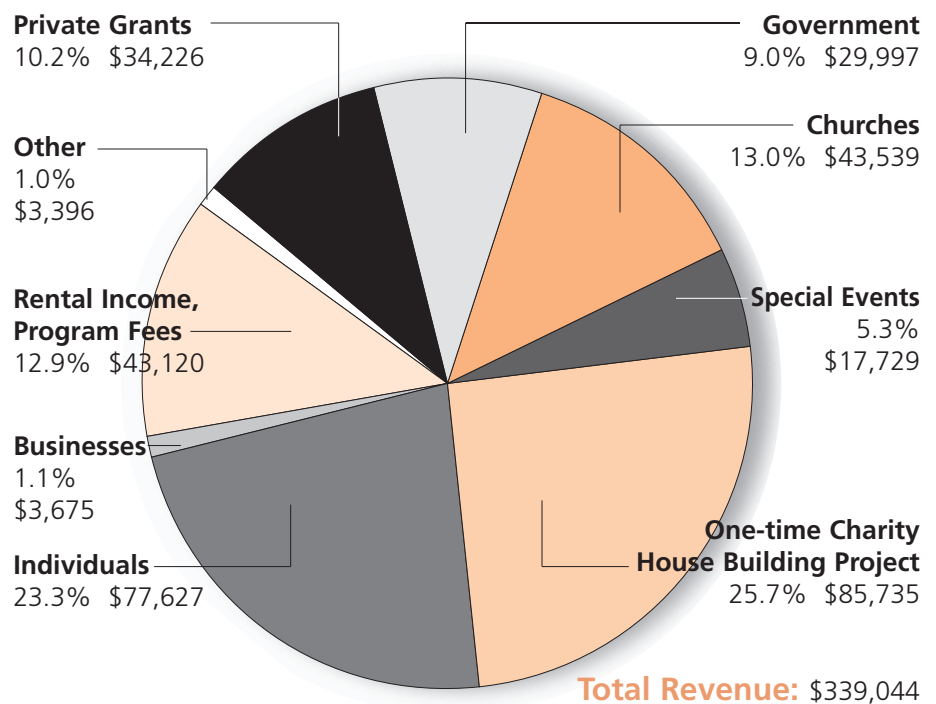
Programs	\$258,666
Staffing	\$139,516
Utilities	\$42,858
Repairs & Maint.	\$14,496
Interest	\$12,295
Public Relations	\$9,815
Insurance	\$5,456
Family Support	\$5,364
Depreciation	\$18,771
Other	\$10,095
Administration	\$42,519
Staffing	\$25,147
Accounting/Audit	\$8,356
CCF Grant Expenses*	\$5,987
Depreciation	\$606
Other	\$2,424
Fundraising	\$23,806
Staffing	\$12,573
Supplies/Mailings/Etc.	\$5,926
CCF Grant Expenses*	\$4,410
Other	\$896
Total Expenses	\$324,991
Operating Surplus	\$14,053

* These were expenses directly related to our Compassion Capital Fund capacity building project and paid for by that grant.

Financial Report

Fiscal Year Ending March 31, 2007

Revenue



The official registration and financial information of Brethren Housing Association may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, (800) 732-0999. Registration does not imply endorsement.