

Rebuilding Lives One Step At A Time



HOUSING AND CREDIT COUNSELING, INC.

ANNUAL REPORT

2010

A Nonprofit Community Service Agency Since 1972



Bob Mackey

A message from our President/CEO

The year 2010 was a very productive and rewarding year for HCCI. I want to thank our many friends for the excellent support HCCI receives through valuable partnerships, volunteer commitment and financial contributions.

Last year was also a challenging year for most Kansas families as they coped with a sluggish economy, high unemployment and under-employment plus increasing expenses for everything from a gallon of gas to medical expenses not covered by shrinking employer benefits.

Thanks to Housing and Credit Counseling, Inc., more than 12,000 people got a 'hand up' in 2010 through one-on-one financial counseling and education programs that teach basic money management skills. We here at HCCI are always humbled and extremely happy when families that have used HCCI's services tell us of their dedicated work to gain financial stability and become self-sufficient. In fact, the majority of people using HCCI services first learned about how we can help through a friend or family member.

HCCI does it all – from helping renters understand their rights and responsibilities to assisting seniors who have questions about borrowing against the equity in their homes. We help people facing foreclosure and people learning – often for the first time in their lives – how to develop and live on a budget.

HCCI gives people a "hand up," not a hand out.

Families receive the help they need to work with a lender to refinance their mortgage and save the family's home.

First-time homebuyers learn about all aspects of the home buying process and realize the American Dream of owning their own home.

Renters learn their rights and responsibilities so they can resolve problems related to issues like poor maintenance, illegal entry, fair housing questions, and eviction notices.

People overextended due to job loss, divorce, medical emergencies or overspending rely on HCCI counselors to help them determine their best options.

Education is the key to solving and resolving every-day issues that contribute to long-term financial stability. Change can happen when people learn at an early age the differences between wants and needs, know to cut back, scale down, balance obligations and live within their means. That is why I am so proud of the extra work HCCI is doing now to educate youth and adults. I am very happy to share the HCCI 2010 Annual Report with you and thank you for your continuing support of the excellent work HCCI does in Kansas.



One-on-One Counseling Services

- Budget & Credit Counseling
- Credit Report Counseling
- Housing Counseling
- Debt Management Program
- Pre-Filing Bankruptcy Counseling
- Pre-Discharge Bankruptcy Counseling
- Tenant and Landlord Counseling

A client writes....

"I just wanted to let you know that we only have a few months left on our debt management program and I could not be happier. Four years ago I was in deep despair and not sure what to do. We came to HCCI and with your help – we have lived without credit cards for four years and we do not intend to overspend again. I am so grateful for your program. I tell everyone I know to call HCCI because you will help."

State and National Level Awards Received

Kansas Housing Resource Corporation awarded HCCI and the City of Topeka the coveted Ad Astra Award at the KHRC annual statewide conference in Topeka on September 9, 2010. The Ad Astra Award recognizes the valuable partnership HCCI has developed between the City of Topeka, Capitol Federal Savings, FHLBank of Topeka, and CoreFirst Bank to implement the TOTO program that has – since 1992 - enabled 387 Topeka families to realize the American Dream and purchase their first home. TOTO stands for “Topeka Opportunity To Own,” a project that brings community partners together under the leadership of HCCI to make homeownership affordable for low and moderate income level families and individuals. HCCI gladly shares credit for the Ad Astra Award with the City of Topeka Housing and Neighborhood Development Department (HAND) and our other partners. HAND rehabilitates homes, using government grants issued to the City of Topeka, so that first-time TOTO homebuyers can be assured their newly renovated homes are winterized and fully meet all HUD Energy Star criteria.



Chris Burk

In giving the award, KHRC said the TOTO Program is a model for any community that wants to revitalize its core neighborhoods and provide excellent housing for first time homebuyers. Chris Burk, Supervisor of HCCI's Consumer Credit Counseling Division, manages the TOTO program and has been with HCCI since 2001. For additional information about HCCI's TOTO program go to www.hcci-ks.org and contact Chris at 785-234-0217 or cburk@hcci-ks.org.

Robert Baker named the National PACE Financial Literacy Outstanding Educator of the Year by the National Foundation for Credit Counseling (NFCC). The national PACE Award recognizes Professional Achievement and Counseling Excellence. In giving the award at the annual NFCC conference in Minneapolis in October 2010, NFCC spokesperson Gail Cunningham said, “We selected Robert Baker because we consider him to be an expert in multiple areas related to personal finance including debt relief, housing, reverse mortgages, pre-bankruptcy counseling, and tenant and landlord rental education.” Robert has been with HCCI since 1997.



Robert Baker

Robert, director of education, represents HCCI by serving on numerous boards, commissions and coalitions. He is the primary leader of the HCCI statewide Financial Literacy initiative and he is a frequent guest speaker at area events focused on housing and financial issues. As a media spokesperson for NFCC, Baker has been interviewed for national print and internet publications such as Bankrate.com, Kiplinger's and The Wall Street Journal.

Bob Mackey was invited by NFCC to help present the award to Robert. Mackey praised Baker's ability to dissect complicated information – such as the fine print on the back of credit card statements – and help individuals understand the true facts that can result in hundreds and thousands of dollars in reduced fees, for example, when consumers understand the terms of the offer and the consequences when those terms are not met.

State and National Level Awards (con't)

NFCC mentioned the strong leadership role Robert and HCCI have taken in delivering financial literacy classes for middle, high school, and post-secondary students preparing to live on their own. HCCI teaches classes in schools in Topeka, Lawrence and Manhattan. Robert is a frequent guest speaker at Haskell University and at The University of Kansas and Washburn University.

NFCC acknowledged the outstanding work Robert has done to develop and implement “Prosperity Partners,” a pilot project in Lawrence that benefits low and very low income families by helping them learn the skills needed to gain self-sufficiency and begin to build assets. Prosperity Partners trains community volunteers from a variety of professions including financial institutions, financial planning, law and social services to act as one-on-one mentors for up to 25 families enrolled in the program.

For additional information about HCCI’s Financial Literacy Education Programs for youth, young adults and adults, go to www.hcci-ks.org or contact Robert at 785-234-0217 or rbaker@hcci-ks.org

The Council on Accreditation (COA) Awards HCCI a Near Perfect Accreditation Score.

Following a two and one-half day intensive review of HCCI programs, COA President and CEO, Richard Klarberg, congratulated HCCI saying “this is an amazing achievement.” The reaccreditation process, conducted by two COA investigators (one from Oregon and one from Louisiana), requires advance written response to 368 practice standards for a nonprofit agency providing counseling and education regarding consumer credit related programs. In addition, an on-site interview and investigation process follows whereby the agency protocols and procedures undergo an intense review.



Marilyn Stanley

COA found all of HCCI’s comprehensive housing and consumer credit counseling and education services were in full compliance with stringent COA accreditation standards. COA granted HCCI re-accreditation through April 2015. **Marilyn Stanley, Chief Operating Officer**, led the re-accreditation process. Marilyn has been with HCCI since 1999. For additional information about HCCI counseling programs and HCCI’s partnership work within the community, go to www-hcci-ks.org and contact Marilyn at 785-234-0217 or mstanley@hcci-ks.org.

Mission Statement

HCCI counsels and educates all people to achieve their personal housing and financial goals.

Where we started and where we are now

Housing and Credit Counseling, Inc. (HCCI) is a non-profit organization that began as a grass-roots tenant's rights organization in 1972 and has grown into a \$1.2 million multi-service organization with three offices serving a twenty-two county area in Northeastern Kansas.

Financial literacy classes for adults and youth are offered at HCCI offices, at workplaces, at schools and universities, and through community partners. Classes cover topics related to finances, rental issues, home ownership and credit. Some classes are scheduled on a regular basis but all are available on request.

Core programs offered through HCCI include:

- **CONSUMER CREDIT** – HCCI counsels and educates people so they may set short- and long-term goals and be empowered to make informed decisions. When people understand their financial options they are better able to decide what choices and alternatives work best for them. Services include:
 - Budgeting
 - Debt repayment
 - Credit building
 - Bankruptcy counseling
 - Mortgage and rent delinquency
 - Reverse mortgage
- **HOMEBUYER** – HCCI counsels and educates people who are hoping to realize the “American Dream” by buying their first home. People find the answers they need to qualify for a loan, find the realtor, lender and insurance agency that is best for their purpose and learn what to expect when the loan is closed and the home is their own personal property to maintain.
- **RENTAL HOUSING CRISIS INTERVENTION** – HCCI counsels and educates people who are dealing with immediate issues related to rental housing. Questions range from how to get routine repairs made to what rights tenants have if eviction is threatened. Landlords find this service helpful as HCCI provides sample leases and other forms. When people understand their rights and responsibilities as defined by law in the Kansas Residential Landlord and Tenant Act they are better able to decide what choices and alternatives work best for them.

I was personally amazed at your knowledge of home loans and bankruptcy matters, in addition to your knowledge of the whole foreclosure process. And your two phone calls to our lender were equally impressive. Thanks very much for your care and compassion. With your help, I saved my house.

Housing Counseling Client

There are those who give without remembering. And there are those who take without forgetting.

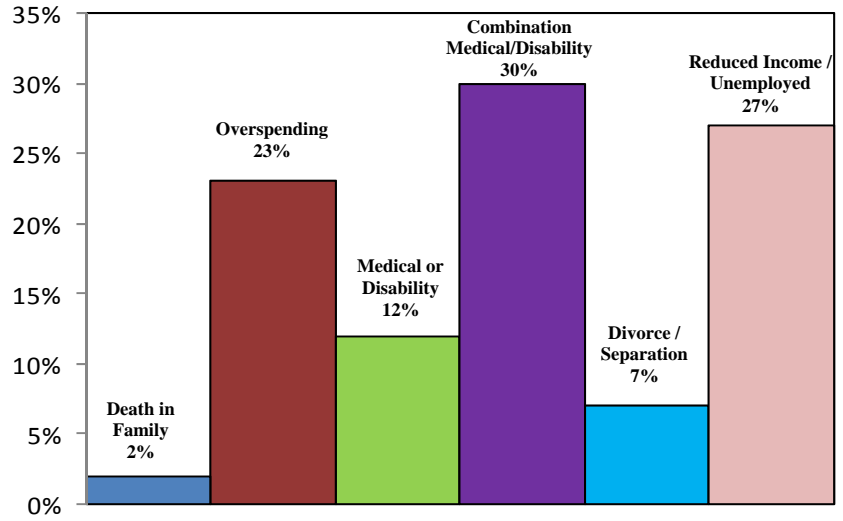
Counseling Statistics

Consumer Credit Client Profile

Inquiries.....	858
Short-term counsel	739
Total counseled	2,294
Average age.....	37
Average client unsecured debt	\$36,597
Married.....	36%
Single.....	22%
Divorced.....	15%
Average household income	\$27,800
Average number of creditors.....	5
New DMP's.....	149

- 99% of clients learned something useful
- 95% reported increased confidence
- 97% would refer a friend to HCCI
- 54% balanced budget
- 71% reduced debt
- 30% began saving money

Reason for Counseling

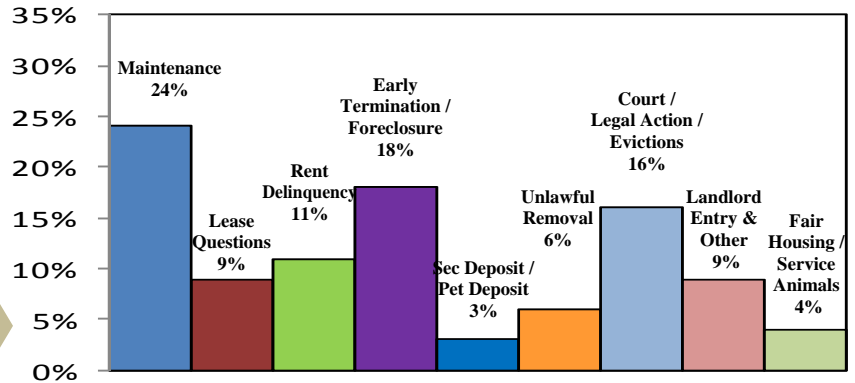


Tenant-Landlord Client Profile

Inquiries.....	1,408
Total counseled	2,216
Tenants	76%
Landlords.....	12%
Homeless	0.37%
Female single head of household	9%
Households with one or more with disabilities	24%
Ages 19 to 59	93%

- 99% of clients learned something useful
- 97% reported increased confidence
- 98% would refer a friend to HCCI
- 72% implemented rights/responsibilities
- 33% utilized community resources
- 85% sustained housing

Reason for Counseling

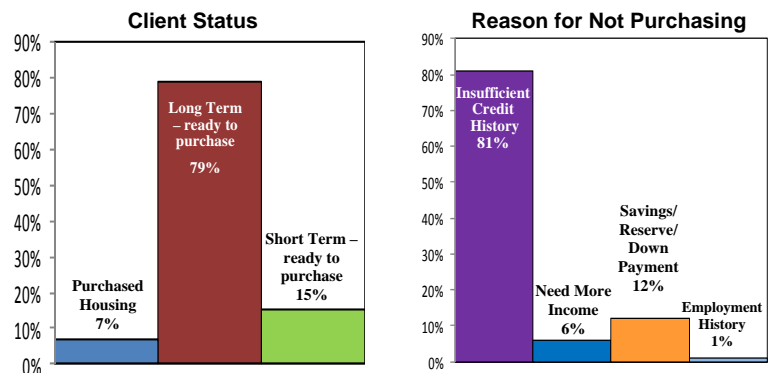


Homebuyer Client Profile

Inquiries.....	302
Total counseled	160
Average age.....	46
Single.....	36%
Divorced.....	9%
Average household income	\$33,475
Average number in household.....	3

- 100% of clients learned something useful
- 93% reported increased confidence
- 99% would refer a friend to HCCI
- 16% purchased housing

Outcomes to Counseling



Advisory Councils

Manhattan

Joyce CantrellKSU Personal Financial Planning
 Brad HarperManhattan Check Service
 Kristy ArchuletaKansas State University Institute of
 Personal and Financial Planning
 Julie Voelker.....Commerce Bank
 Dick WertzbergerLandmark Bank
 Jennifer Wilson.....Riley County Extension Office

Lawrence

Diana Carlin.....University of Kansas
 Office of Communication Studies
 Marci FranciscoKansas Senate
 Brian JimenezCity of Lawrence Code Enforcement
 Allyson LelandLawrence Memorial Hospital
 William (Bill) Lewis.....University of Kansas Business School
 Brian McFall.....Landmark National Bank
 Teresa Pippert.....US Bank
 Catherine Shenoy.....University of Kansas Business School
 Adra Burks.....Attorney
 Dawn TallchiefUniversity of Kansas
 Office of Military Graduate Education

Summary of 2010 Fiscal Year

<u>REVENUE</u>		<u>EXPENSES*</u>	
Fundraisers/contributions	\$ 56,580	Salaries	\$ 754,070
TOTO/Homebuyer Grant	88,000	Operations	253,218
City of Topeka	62,400		
City of Lawrence	26,485		
United Ways	71,769		
Creditor contributions	158,533		
Underwriting	48,113		
Program Revenue	296,322		

* Unaudited

HCCI Board of Directors

Dan Kingman, President
Cherrywood Realty

Stephanie Thompson, Vice President
US Bank

Janet Stanek, Secretary
Stormont-Vail Health Care

Bob Kobbeman, Treasurer
Capital City Bank

Paul Rasmussen, Past President
Landlord

Mary Aker
State of Kansas

Jeffrey Blush
Capitol Federal

Rick Fleming
Kansas Securities Commission

Kris Klima
Washburn University

Laurel Leamon
Downtown Topeka, Inc.

Sterling Montgomery
Healthwave/KS Health Planning

John Olsen
Westar Energy

Mike Padilla
State of Kansas

Beth Strong
Re/Max Associates of Topeka

Matthew Spurgin
KS Corporation Commission

Chad Taylor
Shawnee Co. District Attorney

Goodness is the only investment that never fails.



Thank you partners and supporters for helping HCCI serve our community!

Grants / Underwriting

Alliance Bank
Bank of America
Capital City Bank
Capitol Federal Foundation
Chase Card Services
Citibank
City of Lawrence
City of Topeka
CoreFirst Bank & Trust
Douglas County Bank
FHLBank
HUD Local
HUD Local Continuum of Care
Kansas Securities Commission
National Foundation for Credit Counseling
Office of State Bank Commissioner
Roush Charitable Trust
Silver Lake State Bank
State Farm Insurance
Stormont-Vail Health Care
The Women's Fund
United Way of Douglas Co.
United Way of Greater Topeka
United Way of Riley Co.
United Way of the Flint Hills
Westar Energy

Platinum Sponsors

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Dr. Stanley and Joanne Teeter
Valentine & Zimmerman PA
Ron Wasserstein

Gold Friends

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Michael Atwood
Robert Baker/Deborah McMullen
Teresa Baker
Charles and Joely Benedict
Jerry and Lea Billinger
Matt and Debbie Billingsley
Jeffrey Blush
David and Deba Brant
Terry Bredemus
Chris Burk
H. Richard Bush
Casey Ford Insurance Agency
Curt Cochran
Coffman, DeFries & Nothorn
Lynne and Charley Crabtree
Randal and Sherry Nielsen Davis
Del Monte Foods
Denison State Bank
Dr. Robert Durbin
Educational Credit Union
John and Rosemary Elmore
Envista Credit
FDIC
Marci Francisco
Rick Friedstrom
Vincent and Dana Frye
G Trust Financial Partners
Alan and Kathryn Groesbeck
Haag Oil Company
Hallmark Cards
Joanne Harrison
Heartland Park
Floyd Hockett (John and Lois Washburn)

John Hooge
Karen Hiller
Henson, Hutton, Mudrick & Gragson
Drs. Eric and Linda Hyler
Image Pro
Coleen and Robin Jennison
Kaw Valley Bank
Frank Kerr
Dan Kingman
Lanny Kimbrough
Dr. Paul and Nancy Kindling
Kris Klima
Bob and Pam Kobbeman
Cecil B. Kohake
Sanjeev Kumar and Shubhrq Sharma
Dr. Priti Lakhani
Lawrence Douglas Co. Housing Authority
Leadership Greater Topeka
William Lewis
Vernon Long
Carrie Magill
M-C Industries, Inc.
Stan and Jane Metzger
Meyer Retail Liquor
Sanjay and Anju Mishra
Dave Mudrick
Marsha Oliver
Maynard Oliverius
John Olsen
Brad and Cynthia Owen
Kent and Marsha Palmberg
Jim and Nancy Parrish
Paragon Financial
Parrish Hotel Corporation
Paul Davis Restoration
John Payne
J. Richard and Nancy Pratt
Lawrence and Patricia Pressman
PTMW, Inc.

Quest Credit Union
Sheila Reynolds
Beverly Rice
Rogenmoser Financial Services
Betsy and Ronald Rohleder
Mark and Sandy Ruelle
Bryon Schlosser
Warren and Phillis Setchell
Shawnee County
Patrick and Deborah Sheehy
Herman and Fulva Simon
Hayden and Susan St. John
Marilyn Stanley
Peter and Deborah Stern
Debbie Stewart
Strong Results, Inc.
Chad Taylor
Stephanie and Kirk Thompson
Frank and Mary Tiernan
Topeka Area Association of Realtors
US Bank
Vision Bank
Julie and Charles Voelker
Jeffrey S. Wagaman
West Side Stamp and Awards
Jennifer Whitt
Joe Wittman

Silver In-Kind Champions

Blue Cross Blue Shield of Kansas
Carino's Italian
Gizmo Pictures
Hall Commercial Printing
HyVee
Kerns Construction
Smith Audio Visual, Inc.
Walmart
WIBW-TV 13

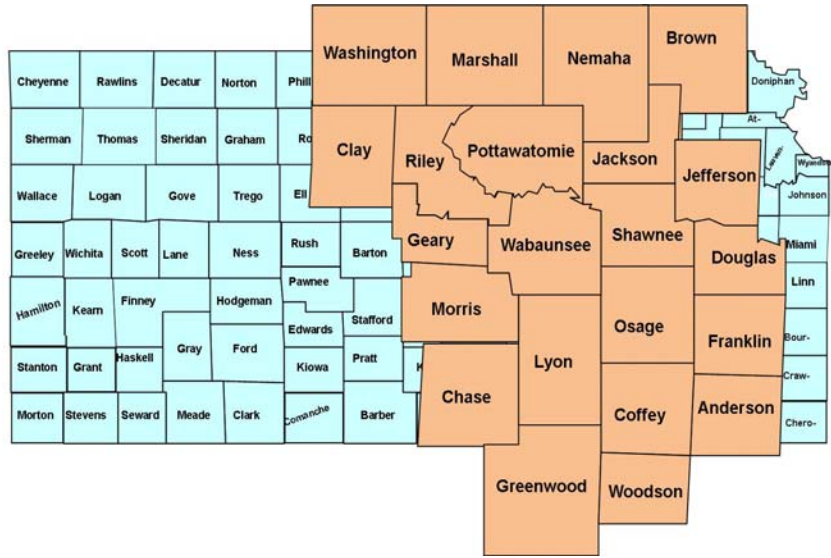
Other Generous In-Kind Contributions

American Tax Service, Barker Printing, Carlos O'Kelley's, Custenborder Flowers, Dillons, Flowers by Bill, Framewoods of Topeka, Hazel Hill Chocolates, Heartland Park, Heavenscent Flowers & Gifts, Herman Meat Market, Indian Hills Styling Salon, Hy-Vee, Lindyspring Water, Performance Tire & Wheel, Pizza Hut, Porterfield Flowers, Robuck Jewelers, Schlotzsky's, Skinner Garden Center, Sommerset Hall Café, Stanley Flowers, Southwind Theater, Lawrence, Sunflower State Games, University Flowers, Wells Fargo Bank.

You make a living by what you get, but you make a life by what you give.

HCCI serves a twenty-two county area in Northeast Kansas. Requests for assistance from outside this area are honored if no Consumer Credit Counseling Services are nearby:

- **Anderson**
- **Brown**
- **Chase**
- **Clay**
- **Coffey**
- **Douglas**
- **Franklin**
- **Geary**
- **Greenwood**
- **Jackson**
- **Jefferson**
- **Lyon**
- **Marshall**
- **Morris**
- **Nemaha**
- **Osage**
- **Pottawatomie**
- **Riley**
- **Shawnee**
- **Wabaunsee**
- **Washington**
- **Woodson**



Housing and Credit Counseling, Inc
 1195 SW Buchanan, Suite 101
 Topeka, KS 66604

Phone: (800) 383-0217 • (785) 234-0217
 Fax: (785) 234-0237
 Email: hcci@hcci-ks.org
 Website: www.hcci-ks.org

Member



National Foundation
for Credit Counseling



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Council on Accreditation
of Services for Families
and Children, Inc.



Funded Partner

Certified as a



HUD Comprehensive
Counseling Agency

HCCI...38 years helping consumers achieve housing and financial goals.