

Mission: To provide life-enriching experiences to older adults through a broad range of housing and support services that reflect the spiritual, social, and cultural values of Jewish tradition.

Vision: To support our main campus and seek related locations that support Jewish and other seniors in their quest to age gracefully and stay connected in their communities.

**Kavod Senior Life  
Board of Directors  
Agenda**

**Monday, February 25, 2019  
5:30pm**

	Item	Presenter	Action
5:30 pm	Welcome, Call to Order, Quorum Determination and Agenda Review	Rob Friedman	
5:32 pm	Consent Agenda <ul style="list-style-type: none"> <li>• December 2018 Board Minutes</li> <li>• November/December Financials</li> <li>• Fiscal Committee Minutes</li> <li>• Strategic Planning Minutes</li> <li>• Resident &amp; Community Services Minutes</li> </ul>	Rob Friedman	Approval
5:35 pm	Strategic Plan Report and next steps	Debbie Reinberg	Approval
5:50 pm	Review of result of the Resident Survey (IL & AL)	Tracy Kapaun Jennifer Grant	Informational
6:05 pm	Ad Hoc Building Committee Report	Brian Botnick	Informational
6:10 pm	President/CEO Report	Michael Klein	Informational
6:20 pm	Chairman's Report	Rob Friedman	Informational
6:30 pm	Announcements <ul style="list-style-type: none"> <li>• Announcements – upcoming calendar items</li> <li>• Next meeting date/time</li> </ul>	Rob Friedman	
6:35 pm	Adjournment		

NEXT MEETING APRIL, 22, 2019

Kavod Senior Life

Board of Directors

Board Meeting

December 17, 2018

Present: Brian Botnick, Sharon Caulfield, Glenn Cooper, Rob Friedman, Carl Glatstein, Sarah Golombeck, Dr. Kerry Hildreth, Michele Lueck, Perry Moss, Debbie Reinberg, Connell Saltzman, and Steven Summer. Staff: Michael Klein, Michael Belieu, Tracy Kapaun, and Christie Ziegler.

A quorum being established, Mr. Rob Friedman called the meeting to order. The Consent Agenda: approval of the December 17, 2018 Board agenda, approval of Board Minutes of October 2018, Committee Reports –September/October financials, Fiscal Committee Minutes, Resident and Community Services Minutes and Foundation Board Minutes (all items were distributed prior to the meeting) were presented for approval. Mr. Summer moved for approval of the Consent Agenda with a second by Mr. Glatstein. The motion passed.

As part of the on-going Board education, Ms. Christie Ziegler provided the Board with information on Kavod's Marketing and Communications Department as well as Kavod on the Road and Kavod in the City programs. Ms. Ziegler advised the Board of several publications that the Marketing Departments sends out and requested the Board to note which, if any, of the publications they would like to receive. A form will be sent to the board to fill out and send back with their requests for publications. Ms. Ziegler stated the Board could help increase Kavod's online rankings by simply clicking on certain sites, like Google, Facebook, Senior Advisor, Yelp and AgingCare. Com, and give Kavod a positive review. This will help Kavod become more findable by potential residents, donors and future employees.

Mr. Connell Saltzman presented the 2019 Budget for approval by the Board. Mr. Saltzman advised the total revenue is projected to increase by 8.7% while Operating Expenses are projected to increase by 8.6%. It was noted the increase in net income was due to the closing of the Mark Up to Market program in 2018. It is anticipated that Kavod will see a small increase in HUD funding rental rates in 2<sup>nd</sup> Quarter 2019. Grant revenue is projected to be lower in 2019. Mr. Saltzman advised property and casualty insurance rates increased due to the 2018 renewal. It was noted that in early 2019 Kavod's insurance broker will go out to market to see if better pricing can be secured. Capital expenditures/repair and maintenance are anticipated to be lower in 2019. The capital expenditures include funds for new accounting and assisted living software, IT upgrades, sidewalk repairs, as well as upgrades to the garden area. Mr. Moss moved and Mr. Summer second the motion to approve the 2019 budget as presented. Motion passed unanimously.

Mr. Saltzman provided an update on the current construction project. Mr. Saltzman advised that a loan tracking sheet has been set up to help track the amount of monies being used on the loan. It was noted that very little of the re-fi monies have been spent until the issue with Fire Suppression has been resolved.

Mr. Botnick advised staff and the Ad-Hoc Building Committee are working with Jensen Hughes, the company Kavod hired to help developing a Fire Suppression plan, to come up with a plan to submit to the Denver Fire Department regarding our Fire Suppression System. Mr. Botnick will keep the Board apprised of situation.

Mr. Belieu provided the Board with an update on the IT Security and Network Audit. He advised that based on the audit by Root Group significant upgrades and improvements have been made to Kavod systems. The upgrades improved existing infrastructure and addressed emerging IT concerns. It was noted that IT audits will be performed quarterly, which will help staff to keep up with current and future technologies.

Ms. Reinberg provided a brief report on the Strategic Planning Board Retreat. She noted that 11 Board members, 2 community members and 3 staff were at the retreat. The retreat produced good results that will be incorporated into the draft Strategic Plan. At the next Strategic Planning Committee meeting in January a final draft will be present for review and changes. Once the committee has reviewed and finalized the report, it will be forwarded to the Board for approval.

Mr. Friedman reported the Board on the status of Kavod Foundation Board. He advised he has accepted Fred Leviton's resignation from the main Board as well as his resignation as President of the Foundation and member of that Board. Mr. Leviton stated personal reasons for his departure from both boards. Mr. Friedman thanked Mr. Leviton for his service to Kavod and wished him well. Mr. Friedman advised the Board that since Kavod Senior Life oversees the Foundation Board, the KSL Board needs to install an Interim Foundation President. Mr. Friedman asked Perry Moss if he would join the Foundation Board and sit as the interim President until which time the Foundation Board can nominate and approve a permanent president. Mr. Moss has agreed to sit on the Foundation Board and be the interim President pending approval the KSL Board. Mr. Saltzman moved that Perry Moss be installed as the Interim President of the Kavod Foundation Board. The motion was seconded by Mr. Summer. The motion was approved.

Mr. Klein provided the CEO/President's year-end report. Mr. Klein noted that the annual resident survey showed that over 90% of the residents in independent living and assisted living gave Kavod a good to excellent job in customer service as well as in quality of services.. He noted that there were over 900 visits to the Health and Wellness Center. He thanked his management team as well as all the Kavod staff for their hard work. As the year closes Mr. Klein advised that Kavod is ending the year strong financially. We received a renewed increase in our MUTM, we obtained 18 Legacy members and there was an increase in giving both individually as well as through our annual fund raiser. We received several new grants and foundation awards. Kavod on the Road increased the seniors attending community programs and we have expanded the program into the larger community with Kavod in the City. Mr. Klein advised that next year staff will concentrate on data collection, overseeing the re-fi and fire suppression work, and beginning to implement the strategic plan. Mr. Klein then thanked the Board, especially Perry and Rob for their continued support of Kavod, the chairs of the various committees as well as Tracy Kapaun, COO, Mike Belieu, CFO, Christie Ziegler and Gaile Waldinger and Tammy Ours.

Mr. Friedman provided a brief Chairman's report. Mr. Friedman advised the Board is creating 3 additional standing board. The committees are:

- Building and Construction Committee - Members are: Brian Botnick, Rob Friedman, Connell Saltzman, and two community people plus staff.
- Legacy/Development Committee – Members are: Molly Zwerdinger, Jamie Sarche, and Melanie Siegel. Ms. Zwerdinger and Ms. Sarche will deal with the Legacy aspects of the committee, while Ms. Siegel will head up the development/fundraising side
- Compliance Committee – Members are: Sharon Caulfield plus staff.

Mr. Friedman advised the Board if anyone wished to join the 3 new committees to be advise him and he will provide them information on the committees. Mr. Friedman advised recruitment is underway to fill the Board spot vacated by Mr. Leviton and asked members to advise him if they have any recommendations of persons to join the board. Mr. Friedman gave a brief update on the

possibility of a moderate housing project with the Jewish Community Center (JCC). He noted that another preliminary meeting between the JCC and Kavod will take place in January and he will keep the board updated as needed.

Meeting adjourned at 6:50pm

**Kavod Senior Life**  
**Fiscal Committee Meeting Minutes**  
**December 12, 2018 Via ZOOM conference**

Members Present: Rob Friedman, Brian Botnick, Perry Moss, and Connell Saltzman

Staff: Michael Klein, Mike Belieu, Tracy Kapaun, Monika Galant, Heather Colliander, and Uros Grasic

Connell called the Committee meeting to order at 8 a.m. The group unanimously approved the minutes from the November 20, 2018 meeting with the motion made by Connell and seconded by Perry. The Zoom conference phone was working properly and the attendees could hear and participate in the meeting.

Connell asked if there were any questions regarding the update staff provided to the 2019 budget. Connell mentioned that changes to the budget were noted in the material sent and included adjustments for property insurance, legal expenses, and board compliance. He noted the sharp increase in the property insurance and Mike stated our insurance carrier would be rebidding the entire package in the Spring. The new projected net income is \$842,327. Connell mentioned that there would be a motion at the board meeting to approve the 2019 budget and a discussion on the MidFirst refi costs. Connell made a motion to approve the update to the 2019 budget as presented with Rob seconding the motion,. Motion passed unanimously.

Uros, who is Kavod's IT Manager, then gave a review of the recently completed Information Technology (IT) audit. A summary of this report had been sent to the committee in advance of the meeting. The IT firm produced a comprehensive audit of our IT structure, network and policies, and procedures. Uros talked about the upgrades to the network and firewall to make Kavod's email and files more secure. Mike mentioned that the consultant Kavod hired would do follow up work every quarter to make sure Kavod stay up to date.

Connell asked if there were updates to the work on the fire suppression issues we have been discussing. Michael confirmed that there was a meeting with a new fire consultant on Wednesday December 12 to figure out next steps and talk about pricing. Brian will give an update of what is discussed at the December Board meeting as well as update this committee. The committee talked about next steps about moving forward with a decision

on what the re-fi will include and whether we might need a Board meeting in January. Michael and Rob will work on this.

.Connell asked if there were any questions regarding the October monthly financials. Connell discussed the Mark up to Market money that strengthen the bottom line. Rob asked about the management company and how the salary expenses are booked. A motion to accept the October financial statements was made by Connell and seconded by Rob. The motion passed unanimously. Connell thanked Mike and the other staff for the effort put into developing the 2019 budget. Mike thanked Heather and Monika for their input into this process.

The next regular Fiscal Committee meeting will be held on January 15, 2019 via Zoom conference. Meeting adjourned at 8:30 a.m.

## Notes to November 2018 Financial Statements

*Prepared by Mike Belieu, CFO, Kavod Senior Life*

I have prepared a summary of some of the key items on the November 2018 statements. These are preliminary numbers and subject to change.

### Cash:

- Operating cash balance as of November 2018 is \$6,147,000 up from \$6,084,000 in October 2018. This balance includes reserves invested at Morgan Stanley and the \$2.9 million in cash funded by the MidFirst loan.

### Net Income:

- Through November 2018, the net income after capital expenses are taken out is \$934,807 versus the budgeted net income amount less capital expense of \$568,216.

### Revenue:

- Total revenue YTD through November 2018 is \$9,179,187 compared to the budgeted amount of \$8,738,322, a difference of \$440,866 or 5.05 percent.
- Other revenue consists of income from Independent and Assisted Living activities, laundry, cleaning, and interest income.
- Rental revenue is over budget by \$572,338 through November 2018. The Mark up to Market rent increases have added \$419,757 in additional revenue through November. The rent increases for the South and West building were received in October 2018. The amounts were calculated for all three buildings retro back to April 2018.
- Assisted Living revenue YTD is over budget by \$2,939. Starting in October 2018 Kavod will receive additional funds for each Medicaid resident. The daily rate goes up from \$51.20 to \$64.90, a 27% increase. The State of Colorado increased the funding in an attempt to reflect the actual costs of these services.
- Dining revenue is under budget YTD by \$9,557 due to higher number of residents with meal exceptions and less revenue from guest meals and delivery.
- Grant revenue is under budget \$121,602 YTD. Kavod did receive the Next50 grant in March in the amount of \$52,595 which will be used for expanded community programming. Kavod recognized \$51,000 of the Rose Community grant in April of 2018 and \$27,150 in July. In June, Kavod received the first installment of the three year grant from the Phillips Foundation to assist with Health and Wellness programs. \$52,464 was recorded in grant revenue.
- Contribution revenue is lower than budget by \$17,655 through November 2018.

### Expenses:

- Total operating expenses YTD 2018 were \$6,972,391 compared to the budgeted amount of \$6,848,039 a difference of (\$124,352) or 1.82 percent higher than budget.
- Net Operating Income (NOI) came in higher than budget through November at \$2,206,796 versus the budgeted amount of \$1,890,282.

- Assisted Living is over budget by \$46,038 due to higher employee salary costs and food related costs. Assisted living salary costs are higher due to several employees out on Family Medical Leave Act. One employee is back working from FMLA leave.
- The Operations and Maintenance category is under budget \$131,908 due to lower labor cost of \$29,691. The Outside Services category is under budget \$79,111 due to most line items coming in lower than projected.
- Food Service costs are under budget by \$38,528 including food & beverage and outside labor costs. Kavod received a grant to offset Passover food costs purchased in April.
- Program costs are under budget by \$4,129 through November due to higher postage and religious costs. Some of the Kavod on the Road operational expenses are covered by the Next 50 grant that was recognized in grant revenue.
- Fundraising costs are higher than budget by \$5,062. Consulting expense under this category is higher than budget through November.
- General and Admin expenses (excluding property management fees) are over budget \$45,593 through November.
  - Property management fees in the Kavod Property Management entity make up the majority of the overage. These fees are paid by the three buildings to Kavod Property Management; the income and expenses net out on Kavod's financial statements. These fees were not budgeted in 2018; however, these higher costs are offset by salaries of some Kavod employees who are now expensed through the management company.

Labor including benefits are \$6,938 higher than budget. The new property and casualty insurance rates took effect September 2018 and this line items is over budget \$25,420 YTD.

### Non-Operating Expenses

- Non-operating expenses including debt service (excluding capital costs) came in \$53,418 under budget. Debt service is under budget due to lower loan balance needed for construction costs. Depreciation came in higher than budget due to additional capital assets added in 2017.
- Consulting costs are under budget \$17,453. These costs include work on the strategic plan, data collection and expenses related to evaluating possible senior housing projects. The data collection expense is offset by the Rose Community grant.
- There were additions to the fixed assets in November. Lobby furniture for each of the buildings, roof tie downs, and PEAK apartment upgrades were purchased in November. Total year to date costs are \$150,438. **These costs represent only the capital expenses that were budgeted for 2018 and do not include loan refi projects. The loan capital projects will be accounted for in another worksheet.**

**KAVOD SENIOR LIFE**  
**YTD FINANCIAL SUMMARY**  
as of 11/30/2018

Revenues	LPs	AHI	KPM	Total YTD 2018	2018 YTD Budget	% Change from YTD
Rental Income	\$ 6,711,471	\$ -	\$ 218,350	\$ 6,929,821	\$ 6,357,483	9%
Food Services	922,784	0	0	922,784	932,342	-1%
Assisted Living	894,698	0	0	894,698	891,760	0%
Grant Income	0	186,398	0	186,398	308,000	-39%
Contributions	0	152,158	0	152,158	169,813	-10%
	<u>8,528,953</u>	<u>338,555</u>	<u>218,350</u>	<u>9,085,858</u>	<u>8,659,398</u>	<u>5%</u>
Other Revenue	93,329	0	0	93,329	78,924	18%
<b>Total Revenues</b>	<b>8,622,282</b>	<b>338,555</b>	<b>218,350</b>	<b>\$ 9,179,187</b>	<b>8,738,322</b>	<b>5.05%</b>
<b>Operating Expense</b>						
General & Admin/Other Expenses	1,729,597	0	202,224	1,931,821	1,684,004	15%
Operations & Maintenance	1,868,535	0	0	1,868,535	2,000,443	-7%
Program Expenses	740,350	262,297	0	1,002,647	1,006,776	0%
Fundraising Costs	0	115,428	0	115,428	110,367	5%
Food Services	1,282,329	0	0	1,282,329	1,320,857	-3%
Assisted Living Program	771,631	0	0	771,631	725,593	6%
<b>Total Operating Expense</b>	<b>6,392,442</b>	<b>377,725</b>	<b>202,224</b>	<b>6,972,391</b>	<b>6,848,039</b>	<b>1.82%</b>
<b>Net Operating Income</b>	<b>2,229,840</b>	<b>(39,170)</b>	<b>16,126</b>	<b>2,206,796</b>	<b>1,890,282</b>	<b>17%</b>
<b>Non-Operating Expense</b>						
Capital/Non Capital Improvements	153,779	0	0	153,779	59,216	160%
Depreciation	856,972	0	0	856,972	687,500	25%
Consultants	0	88,880	0	88,880	106,333	-16%
Debt Service	322,796	0	0	322,796	528,233	-39%
<b>Total Non-Operating Expense</b>	<b>1,333,547</b>	<b>88,880</b>	<b>0</b>	<b>1,422,427</b>	<b>1,381,282</b>	<b>3%</b>
<b>Net Income</b>	<b>\$ 896,293</b>	<b>\$ (128,050)</b>	<b>\$ 16,126</b>	<b>\$ 784,369</b>	<b>\$ 509,000</b>	<b>54%</b>
<b>Net Income after Cap Exp Removed</b>	<b>\$ 1,046,731</b>			<b>\$ 934,807</b>	<b>\$ 568,216</b>	

**DRAFT ONLY-FOR DISCUSSOIN PURPOSES ONLY**

**Total Capital Projects**

South Capital Projects	Cost to Date	% Completed	Total Budget	Variance	
Painting of Stairwell walls, handrails	\$ 4,262	100%	\$ 5,000	\$ 739	
New Van	\$ -		\$ -	\$ -	Moved to Fixed Assets
Wi-Fi Upgrade	\$ 1,575	100%	\$ 1,500	\$ (75)	
Roof tie down anchors	\$ 9,338	50%	\$ -	\$ (9,338)	Paid out of Contingency
Bridge Furniture	\$ 10,200	50%	\$ 25,000	\$ 14,800	
<b>West Capital Projects</b>					
Painting of Stairwell walls, handrails	\$ 8,197	100%	\$ 7,000	\$ (1,197)	
West new flooring and carpet	\$ 17,287	100%	\$ 16,800	\$ (487)	
Roof tie down anchors	\$ 13,829	50%	\$ -	\$ (13,829)	Paid out of Contingency
Lobby Furniture	\$ 13,677	50%	\$ 35,000	\$ 21,323	
Ramp for Health and Wellness center	\$ 5,500	90%	\$ 6,500	\$ 1,000	
New Van	\$ -		\$ -	\$ -	Moved to Fixed Assets
<b>East Capital Projects</b>					
Wi-Fi Upgrade	\$ 8,035	80%	\$ 10,000	\$ 1,965	
New Van	\$ -		\$ -	\$ -	Moved to Fixed Assets
Peak Apartment retro fit	\$ 5,435		\$ -	\$ (5,435)	
Roof tie down anchors	\$ 19,687	50%	\$ -	\$ (19,687)	Paid out of Contingency
Bridge Furniture	\$ 29,154	50%	\$ 25,000	\$ (4,154)	
Painting of Stairwell walls, handrails	\$ 4,262	100%	\$ 5,000	\$ 739	
<b>Total Capital Projects Through November</b>	<b>\$ 150,438</b>	<b>110.0%</b>	<b>\$ 136,800</b>	<b>\$ (13,638)</b>	

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**November 2018**

	YTD Through November 2018	YTD Budget	Annual Budget	Budget Variance	% of Budget YTD Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
Grant Income	186,398	308,000	336,000	(121,602)	55%
A'la Carte Services	14,451	16,500	18,000	(2,049)	80%
Donation Income/Special Events	110,062	115,867	126,400	(5,804)	87%
Kavod On The Go	22,019	32,083	35,000	(10,065)	63%
Kavod Foundation					
Rose Endowment Income	4,170	4,767	5,200	(597)	0%
<b>Shul Income</b>					
Shul Donations	1,456	596	650	860	224%
<b>Total Shul Income</b>	<b>1,456</b>	<b>596</b>	<b>650</b>	<b>860</b>	<b>224%</b>
<b>Total Income</b>	<b>338,555</b>	<b>477,813</b>	<b>521,900</b>	<b>(139,257)</b>	<b>65%</b>
<b>Expense</b>					
L'Chalm	7,329	9,625	10,500	(2,296)	70%
Supplies	515	1,375	1,500	(860)	34%
<b>Total L'Chalm</b>	<b>7,844</b>	<b>11,000</b>	<b>12,000</b>	<b>(3,156)</b>	<b>65%</b>
<b>Kavod On The Road</b>					
Meetings/Classes	4,135	8,250	9,000	(4,115)	46%
Payroll	55,425	49,500	54,000	5,925	103%
Mileage	867	1,833	2,000	(966)	43%
Supplies	26,567	1,467	1,600	25,101	1660%
Events	3,045	3,208	3,500	(163)	87%
Entertainment	5,839	8,250	9,000	(2,411)	65%
Kavod On The Road - Other		825	900	(825)	0%
<b>Total Kavod On The Road</b>	<b>95,878</b>	<b>73,333</b>	<b>80,000</b>	<b>22,545</b>	<b>120%</b>
A'la Carte Labor	11,569	12,008	13,100	(439)	88%
Accounting Services	10,015	17,417	19,000	(7,402)	
Bank Charges & CC Fees	10,505	4,767	5,200	5,738	202%
Chaplain Services	57,601	54,083	59,000	3,518	98%
Charity & Donations	305	2,750	3,000	(2,445)	10%
<b>Consulting Expense</b>					
Strategic Plan Consulting/Compliance	24,000	23,833	26,000	167	92%
Data Consultant	60,219	47,667	52,000	12,553	116%
Consulting Expense - Housing	4,661	34,833	38,000	(30,172)	12%
<b>Total Consulting Expense</b>	<b>88,880</b>	<b>106,333</b>	<b>116,000</b>	<b>(17,453)</b>	<b>77%</b>
<b>Events</b>					
Annual Meeting	18,155	16,500	18,650	1,655	97%
<b>Total Events</b>	<b>18,155</b>	<b>16,500</b>	<b>18,650</b>	<b>1,655</b>	<b>97%</b>

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**November 2018**

	YTD Through November 2018	YTD Budget	Annual Budget	Budget Variance	% of Budget YTD Budget
<b>Fundraising Expense</b>					
Memberships		367	400	(367)	0%
Security		458	500	(458)	0%
Training		3,667	4,000	(3,667)	0%
Outreach/Printing	1,781	11,000	12,000	(9,219)	15%
Entertainment/Space Rental	6,379	3,208	3,500	3,170	182%
Consulting/Research	24,750	-	-	24,750	0%
Fundraising Labor	75,379	91,667	100,000	(16,288)	75%
Van Purchase	2,106				
Supplies	5,035	-	1,700	5,035	296%
<b>Total Fundraising Expense</b>	<b>115,428</b>	<b>110,367</b>	<b>122,100</b>	<b>2,956</b>	<b>95%</b>
<b>Legal Expense</b>	485	4,583	5,000	(4,099)	10%
<b>Mailing &amp; Postage</b>	20,243	13,750	15,000	6,493	135%
<b>Other Religious Services</b>	3,631	3,667	4,000	(36)	91%
<b>Shul Books &amp; Religious Supplies</b>	1,651	1,100	1,200	551	138%
<b>Tree of Life</b>	8,971	1,100	-	7,871	0%
<b>Shul Kiddish</b>	3,348	5,500	6,000	(2,152)	56%
<b>Shul Religious Services</b>	9,775	6,875	7,000	2,900	140%
<b>Shul Religious Classes &amp; Events</b>	300	1,283	1,400	(983)	21%
<b>Shul - Training</b>	2,072	2,292	2,000	(220)	104%
<b>Total Expense</b>	<b>466,655</b>	<b>448,708</b>	<b>489,650</b>	<b>15,841</b>	<b>95%</b>
<b>Other Income/Expense</b>	466,655	(0)			
<b>Other Income</b>					
Dividend Income	50	250	300	(200)	17%
<b>Total Other Income</b>	50	250	300	(200)	
<b>Net Other Income/Expense</b>	234	250	300	(16)	78%
<b>Net Income</b>	<b>(128,284)</b>	<b>29,104</b>	<b>32,250</b>	<b>(157,388)</b>	<b>-398%</b>

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending November 30, 2018

	November			Year to Date			Annual Budget	% Remain
	Actual	Budget	Variance	Actual	Budget	Variance		
<b>REVENUE</b>								
Revenue - Rent Income From Apartments - Indepe	\$123,361	\$131,504	(\$8,143)	\$1,380,774	\$1,446,543	(\$65,769)	\$1,578,047	12.50%
Revenue - Tenant Assistance Payments	496,007	446,449	49,558	5,330,697	4,910,940	419,757	5,357,389	0.50%
Revenue - ALP Program Full Pay Residents	54,233	52,976	1,257	567,748	582,732	(14,984)	635,708	10.69%
Revenue - ALP Program Partial Pay Tenants	9,508	14,047	(4,539)	129,929	154,514	(24,585)	168,561	22.92%
Revenue - ALP Program Medicaid Contributions	21,998	14,047	7,951	197,022	154,514	42,508	168,561	-16.88%
Revenue - Food Service/Receipts	74,578	75,950	(1,372)	838,046	835,450	2,596	911,400	8.05%
Revenue - Meal Subsidy	(11,098)	(9,667)	(1,431)	(125,587)	(106,333)	(19,254)	(116,000)	-8.26%
Revenue - ALP Supplement	17,658	17,367	291	200,883	191,033	9,850	208,400	3.61%
Revenue - Meal Delivery, Guest Meals, etc.	1,020	1,108	(88)	9,442	12,192	(2,749)	13,300	29.01%
<b>Total Revenue</b>	<b>787,265</b>	<b>743,781</b>	<b>43,485</b>	<b>8,528,954</b>	<b>8,181,586</b>	<b>347,369</b>	<b>8,925,366</b>	<b>4.44%</b>
<b>EXPENSE</b>								
<b>General &amp; Administrative</b>								
Property Management Fees	18,504	0	18,504	202,224	0	202,224	0	0
Labor - Food Service Manager	4,724	4,769	(45)	56,783	57,231	(448)	62,000	8.42%
Labor - Leasing	12,784	13,166	(382)	152,550	157,988	(5,438)	171,153	10.87%
Labor - Front Office Staff	7,704	7,524	181	92,077	90,282	1,795	97,806	5.86%
Labor - Community Relations/Marketing	8,722	7,508	1,215	107,684	90,092	17,592	97,600	-10.33%
Labor - Accounting/Human Resources/Director	36,650	36,475	175	433,326	437,700	(4,373)	474,175	8.61%
Labor - Potential Bonus	0	0	0	57,580	55,001	2,579	55,001	-4.69%
Labor - Payroll Taxes	4,039	5,115	(1,076)	59,024	61,385	(2,360)	66,500	11.24%
Labor - Payroll Taxes - FS Admin	365	371	(6)	4,562	4,446	116	4,817	5.29%
Labor - Workers Comp Expense	132	527	(396)	4,075	6,034	(1,960)	6,562	37.90%
Labor - Workers Comp Expense - FS Admin	128	137	(9)	1,562	1,640	(78)	1,777	12.08%
Labor - Employee Benefits	16,280	12,958	3,322	162,063	142,542	19,521	155,500	-4.22%
Labor - Employee Benefits - FS Admin	981	962	19	11,101	11,538	(438)	12,500	11.20%
Labor - Help Wanted Advertising	0	125	(125)	1,420	1,375	45	1,500	5.34%
Labor - Screening/Background Checks	626	192	435	3,061	2,108	952	2,300	-33.07%
Labor - Training and Development	678	3,917	(3,239)	22,516	43,083	(20,567)	47,000	52.09%
Employee Recognition	1,206	2,000	(794)	15,358	22,000	(6,642)	24,000	36.01%
Employee Wellness	330	333	(3)	2,096	3,667	(1,571)	4,000	47.60%
Marketing - Ad Placement, Brochures, etc.	2,216	1,833	382	17,856	20,166	(2,310)	22,000	18.83%
Marketing - Community Outreach/Open House	12,522	3,208	9,314	37,145	35,292	1,853	38,500	3.52%
Board Development	398	583	(185)	6,207	6,417	(210)	7,000	11.33%
Bank Charges	307	408	(101)	4,451	4,492	(41)	4,900	9.16%
Mileage Reimbursements	267	200	67	2,918	2,200	718	2,400	-21.57%
Supplies/Postage/FedEx	14,383	5,417	8,966	68,954	59,583	9,370	65,000	-6.08%
Telephone/Answering/DSL	3,299	2,250	1,049	31,855	24,750	7,104	27,000	-17.98%
Outside Services & Labor	1,529	3,083	(1,554)	29,668	33,917	(4,248)	37,000	19.82%
Dues and Subscriptions	359	0	359	26,374	33,000	(6,626)	33,000	20.08%
License Expense	0	875	(875)	2,000	9,625	(7,625)	10,500	80.95%
Accounting & Audit Expense	0	0	0	50,131	47,000	3,131	47,000	-6.66%
Legal Expense	4,113	667	3,446	23,858	7,333	16,525	8,000	-198.23%
Other Renting Expense	232	750	(518)	7,891	8,250	(359)	9,000	12.32%
Hardware - CIS	0	1,083	(1,083)	14,927	11,917	3,011	13,000	-14.83%
Software - CIS	2,325	167	2,158	3,462	1,833	1,628	2,000	-73.09%
Support, Repairs & Maintenance - CIS	3,215	5,283	(2,068)	57,576	58,117	(541)	63,400	9.19%
Property & Liability Insurance	19,521	12,000	7,521	157,420	132,000	25,420	144,000	-9.32%
Interest Expense	0	0	0	66	0	66	0	0.00%
<b>Total General &amp; Administrative</b>	<b>178,539</b>	<b>133,886</b>	<b>44,654</b>	<b>1,931,821</b>	<b>1,684,004</b>	<b>247,815</b>	<b>1,817,891</b>	<b>4.86%</b>
<b>Food Service</b>								
Labor - Hourly Cooks	18,900	23,303	(4,402)	284,991	279,632	5,359	302,934	5.92%
Labor - Hourly Servers	14,986	16,632	(1,646)	193,472	199,582	(6,110)	216,214	10.52%
Labor - Assistant Manager	7,056	6,988	69	78,777	83,855	(5,078)	90,843	13.28%
Labor - Catering	1,509	1,231	278	17,116	14,769	2,347	16,000	-6.98%
Labor - Special Staffing	625	592	33	6,875	7,108	(233)	7,700	10.71%
Labor - Outside Services Labor Expense	1,616	2,042	(425)	8,085	22,458	(14,373)	24,500	67.00%
Labor - Payroll Taxes	3,367	3,708	(340)	47,518	44,493	3,025	48,201	1.42%
Labor - Workers Comp Expense	1,053	1,792	(739)	14,500	19,708	(5,209)	21,500	32.56%
Labor - Employee Benefits	9,824	10,500	(676)	97,592	115,500	(17,908)	126,000	22.55%
Food & Beverage Expense	38,852	41,660	(2,808)	450,131	458,263	(8,131)	499,923	9.96%
Food Paper Products Expense	3,722	2,821	902	41,426	31,026	10,400	33,846	-22.40%
Cleaning Supplies & Service Expense	464	584	(120)	6,042	6,421	(379)	7,005	13.75%
Laundry & Linen Expense	1,181	750	431	8,257	8,250	7	9,000	8.25%
Equipment Expense	708	1,667	(958)	18,388	18,333	54	20,000	8.06%

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending November 30, 2018

	November			Year to Date			Annual Budget	% Remain
	Actual	Budget	Variance	Actual	Budget	Variance		
Uniforms Expense	120	783	(663)	4,921	8,617	(3,696)	9,400	47.65%
Dining Room Decorating Expense	856	258	597	4,238	2,842	1,396	3,100	-36.70%
<b>Total Food Service</b>	<b>104,840</b>	<b>115,309</b>	<b>(10,470)</b>	<b>1,282,329</b>	<b>1,320,857</b>	<b>(38,528)</b>	<b>1,436,166</b>	<b>10.71%</b>
<b>Assisted Living Program</b>								
Labor - Manager	5,261	5,262	(1)	65,043	63,140	1,903	68,402	4.91%
Labor - Care Givers, CC & Aides	29,129	27,596	1,533	343,003	331,153	11,850	358,749	4.39%
Labor - Payroll Taxes	2,753	2,823	(70)	33,647	33,877	(230)	36,700	8.32%
Labor - Workers Comp Expense	1,436	1,867	(431)	17,612	20,533	(2,921)	22,400	21.37%
Labor - Employee Benefits	7,082	7,120	(38)	77,029	78,315	(1,286)	85,435	9.84%
Labor - Medical Required Testing	165	123	42	1,552	1,358	194	1,481	-4.76%
Dietary Supplies	17,658	16,783	875	200,883	184,617	16,266	201,400	0.26%
Medication Set-ups	32	108	(76)	2,112	1,192	920	1,300	-62.47%
Other ALP expenses	0	108	(108)	753	1,192	(439)	1,300	42.08%
Recreation & Rehabilitation	2,192	383	1,808	29,997	10,217	19,780	10,600	-182.99%
<b>Total Assisted Living Program</b>	<b>65,708</b>	<b>62,174</b>	<b>3,534</b>	<b>771,631</b>	<b>725,593</b>	<b>46,038</b>	<b>787,767</b>	<b>2.05%</b>
<b>Operations &amp; Maintenance</b>								
Labor - Housekeeping Supervisor	4,444	4,211	233	53,247	50,533	2,713	54,745	2.74%
Labor - Housekeeping Staff	9,642	10,643	(1,001)	115,023	127,715	(12,691)	138,357	16.87%
Labor - Maintenance Manager/Director	14,394	14,050	344	176,456	168,605	7,851	182,657	-136.58%
Labor - Maintenance Staff	11,763	14,775	(3,012)	155,159	177,301	(22,142)	192,076	19.22%
Labor - Protection (Security)	4,814	4,340	474	57,418	52,084	5,334	56,424	-1.76%
Labor - Payroll Taxes	3,420	3,469	(49)	44,330	41,631	2,699	45,100	1.71%
Labor - Workers Comp Expense	1,122	1,273	(150)	13,641	13,998	(358)	15,271	10.68%
Labor - Employee Benefits	8,686	9,625	(939)	101,804	105,875	(4,071)	115,500	11.86%
Labor - Temporary	1,428	1,250	178	4,724	13,750	(9,026)	15,000	68.50%
Outside Services - Cleaning	308	7,500	(7,192)	59,584	82,500	(22,916)	90,000	33.80%
Outside Services - Exterminating	1,000	2,583	(1,583)	22,745	28,417	(5,672)	31,000	26.63%
Outside Services - Grounds	1,109	2,083	(974)	18,152	22,917	(4,765)	25,000	27.39%
Outside Services - Repairs	26,246	38,333	(12,088)	390,226	421,667	(31,441)	460,000	15.17%
Outside Services - Elevator Maintenance	2,816	4,167	(1,351)	39,948	45,833	(5,886)	50,000	20.10%
Outside Services - Snow Removal	0	1,573	(1,573)	2,535	10,854	(8,319)	12,500	79.72%
Outside Services - Garbage and Trash Removal	3,860	3,583	277	43,460	39,417	4,043	43,000	-1.07%
Outside Services - Life Safety & Security	21	2,917	(2,895)	27,929	32,083	(4,155)	35,000	20.20%
License & Permit Expense	465	167	298	1,854	1,833	21	2,000	7.31%
Maintenance Supplies & Repairs	17,929	20,833	(2,904)	216,779	229,167	(12,387)	250,000	13.29%
Decorating Expense - Common Area	94	117	(23)	1,365	1,283	81	1,400	2.52%
Utilities - Electric	13,107	15,750	(2,643)	171,202	173,250	(2,048)	189,000	9.42%
Utilities - Water	3,039	3,333	(294)	40,183	36,667	3,516	40,000	-0.46%
Utilities - Gas	5,221	5,417	(196)	52,710	59,583	(6,873)	65,000	18.91%
Utilities - Sewer	7,671	5,750	1,921	57,750	63,250	(5,500)	69,000	16.30%
Mileage Reimbursement	0	21	(21)	313	229	84	250	-25.37%
<b>Total Operations &amp; Maintenance</b>	<b>142,601</b>	<b>177,764</b>	<b>(35,163)</b>	<b>1,868,535</b>	<b>2,000,443</b>	<b>(131,908)</b>	<b>2,178,279</b>	<b>14.22%</b>
<b>Total Expenses</b>	<b>473,183</b>	<b>489,133</b>	<b>(15,950)</b>	<b>5,652,092</b>	<b>5,730,898</b>	<b>(78,806)</b>	<b>6,220,104</b>	<b>9.13%</b>
Operating Excess/(Deficit)	314,082	254,648	59,434	2,876,863	2,450,687	426,175	2,705,262	-6.34%
<b>OTHER ELDER CARE INCOME &amp; (EXPENSE)</b>								
<b>Activities Program</b>								
Activities Revenue - Resident Receipts	(1,576)	(1,917)	341	(20,275)	(21,083)	808	(23,000)	11.85%
Activities Revenue - ALP Receipts	(2,192)	(3,167)	975	(29,997)	(34,833)	4,837	(38,000)	21.06%
Activities Revenue - Donations	0	(8)	8	(1,159)	(92)	(1,067)	(100)	-1,058.07%
Assisted Living Activities Expense	1,703	3,167	(1,463)	29,634	34,833	(5,199)	38,000	22.01%
Newsletter expense	1,717	1,542	175	20,904	16,958	3,946	18,500	-13.00%
Activities Outreach/ Food	272	1,833	(1,561)	15,415	20,167	(4,752)	22,000	29.93%
Classes Expense	500	950	(450)	6,784	10,450	(3,666)	11,400	40.49%
Health & Wellness Expense	1,766	1,546	220	16,415	17,010	(595)	18,556	11.54%
Outings Expense	3,304	5,600	(2,296)	39,027	61,600	(22,573)	67,200	41.92%
Family Events	0	167	(167)	2,161	1,833	328	2,000	-8.06%
<b>Total Core Program (Inc)/Exp</b>	<b>5,494</b>	<b>9,713</b>	<b>(4,219)</b>	<b>78,911</b>	<b>106,843</b>	<b>(27,932)</b>	<b>116,556</b>	<b>32.30%</b>
Labor - Activities Staff	14,905	14,136	769	165,117	164,820	297	178,956	7.73%
Labor - Payroll Taxes	1,082	1,093	(11)	12,536	12,587	(51)	13,680	8.36%
Labor - Workers Comp	394	392	3	4,175	4,308	(133)	4,700	11.17%
Labor - Employee Benefits	3,726	3,267	460	39,144	35,933	3,211	39,200	0.14%
Van Expense	461	1,167	(706)	8,646	12,833	(4,187)	14,000	38.24%
Net Gift Shop Activity	26	208	(182)	1,655	2,292	(637)	2,500	33.82%
Net Library Activity	0	42	(42)	320	458	(138)	500	35.97%
<b>Total Other Program Expense</b>	<b>20,595</b>	<b>20,304</b>	<b>291</b>	<b>231,593</b>	<b>233,232</b>	<b>(1,639)</b>	<b>253,536</b>	<b>8.65%</b>

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending November 30, 2018

	November			Year to Date			Annual Budget	% Remain
	Actual	Budget	Variance	Actual	Budget	Variance		
Total Activities Program (Inc)/Exp	26,089	30,017	(3,927)	310,504	340,076	(29,572)	370,092	16.10%
Resident Computer Center								
RCC - Wages - RCC Staff	3,790	3,987	(197)	46,080	47,847	(1,767)	51,835	11.10%
RCC - Payroll Taxes	252	355	(102)	3,267	4,172	(905)	4,526	27.83%
RCC - Workers Comp Expense	115	163	(47)	1,425	1,788	(363)	1,950	26.94%
RCC - Employee Benefits	1,414	1,029	385	15,928	11,321	4,607	12,350	-28.97%
Total RCC Expense	5,571	5,533	38	66,699	65,128	1,572	70,661	5.61%
Service Coordinator Program								
Labor - Service Coordinator	22,844	20,464	2,381	251,318	245,563	5,755	266,027	5.53%
Labor - Payroll Taxes	1,627	1,292	335	18,740	15,508	3,233	16,800	-11.55%
Labor - Workers Comp Expense	512	557	(45)	5,518	6,294	(776)	6,851	19.46%
Labor - Employee Benefits	2,517	3,450	(933)	33,108	37,950	(4,842)	41,400	20.03%
Activities Outreach	593	333	260	3,034	3,667	(633)	4,000	24.16%
Total Service Coordinator (Inc)/Exp	28,093	26,096	1,997	311,718	308,982	2,736	335,078	6.97%
Total Other Elder Care (Inc)/Exp	59,754	61,646	(1,892)	688,921	714,185	(25,264)	775,831	11.20%
OTHER (INCOME) & EXPENSE								
Other Income								
Revenue - Interest Income - Project Operations	(1,682)	0	(1,682)	(16,556)	0	(16,556)	0	0.00%
Revenue - Investments - Replacement Reserves	0	(125)	125	0	(1,375)	1,375	(1,500)	100.00%
Revenue - Laundry and Vending Revenue	(829)	(1,208)	380	(9,744)	(13,291)	3,548	(14,500)	32.80%
Revenue - Miscellaneous - Buildings	(1,558)	(750)	(808)	(15,598)	(8,250)	(7,348)	(9,000)	-73.31%
Total Other Income	(4,069)	(2,083)	(1,985)	(41,898)	(22,916)	(18,981)	(25,000)	-67.59%
Capital Improvements	66,019	0	66,019	150,438	0	150,438	0	
Special Projects	0	5,383	(5,383)	3,341	59,216	(55,875)	64,599	-35.85%
Total Capital Improvements	66,019	5,383	60,636	153,779	59,216	94,563	64,599	-35.85%
Debt Service								
Interest on Mortgage Payable	31,000	57,167	(26,167)	322,796	528,233	(205,438)	590,000	45.29%
Total Debt Service	31,000	57,167	(26,167)	322,796	528,233	(205,438)	590,000	45.29%
Depreciation & Amort								
Depreciation - Buildings	86,625	62,500	24,125	856,972	687,500	169,472	750,000	-14.26%
Total Depreciation & Amortization	86,625	62,500	24,125	856,972	687,500	169,472	750,000	-14.26%
Total Other (Income)/Expense	179,575	122,967	56,608	1,291,649	1,252,033	39,616	1,379,599	6.38%
Net Excess/(Deficit)	74,753	70,035	4,718	896,293	484,470	411,823	549,832	-63.01%

## Notes to December 2018 Financial Statements

*Prepared by Mike Belieu, CFO, Kavod Senior Life*

I have prepared a summary of some of the key items on the December 2018 statements. These are preliminary numbers and subject to change after the audit is completed by Eide Bailly in March 2019.

### Cash:

- Operating cash balance as of December 2018 is \$5,892,000, down from \$6,147,000 in November 2018. This balance includes reserves invested at Morgan Stanley and the \$3.05 million in cash funded by the MidFirst loan.

### Net Income:

- Through December 2018, the net income \$803,865 versus the budgeted net income amount less capital expenses of \$582,082.
- **Based upon auditor's recommendations, the management company activity is now in Allied Housing Inc. (AHI). The properties pay AHI a management fee and AHI will handle the management of the properties.**

### Revenue:

- Total revenue YTD through December 2018 is \$10,179,716 compared to the budgeted amount of \$9,532,716, a difference of \$647,000 or 6.79 percent.
- Other revenue consists of income from Independent and Assisted Living activities, laundry, cleaning, and interest income.
- Rental revenue is over budget by \$671,547 through December 2018. The Mark up to Market rent increases have added \$433,347 in additional revenue through December. The rent increases for the South and West building were received in October 2018. The amounts were calculated for all three buildings retroactive to April 2018.
- Assisted Living revenue YTD is over budget by \$1,937. Starting in October 2018 Kavod received additional funds for each Medicaid resident. The daily rate goes up from \$51.20 to \$64.90, a 27% increase. The State of Colorado increased the funding in an attempt to reflect the actual costs of these services.
- Dining revenue is under budget YTD by \$10,365 due to higher number of residents with meal exceptions and less revenue from guest meals and delivery.
- **Grant revenue is under budget \$50,051 YTD. In June, Kavod received the first installment of the three year grant from the Phillips Foundation to assist with Health and Wellness programs. \$52,464 was recorded in grant revenue. Based upon the structure and requirement of the grant, Kavod must recognized the full amount of the grant in 2018. This equals \$132,864.**
- Contribution revenue is lower than budget by \$9,757 through December 2018.

## Expenses:

- Total operating expenses YTD 2018 were \$7,715,062 compared to the budgeted amount of \$7,430,035 a difference of (\$285,027) or 3.84 percent higher than budget.
- Net Operating Income (NOI) came in higher than budget through December at \$2,464,654 versus the budgeted amount of \$2,102,681.
- Assisted Living is over budget by \$52,392 due to higher employee salary costs and food related costs. Assisted living salary costs are higher due to several employees out on Family Medical Leave Act. One employee is back working from FMLA leave and one did not return to Kavod.
- The Operations and Maintenance category is under budget \$212,745 due to lower labor cost of \$142,378. This is due to labor costs transferred to the management company for the COO and Maintenance Manager. The Outside Services category is under budget \$57,060 due to most line items coming in lower than projected. Utilities for the year were under budget \$10,292 with all categories coming in lower.
- Food Service costs are under budget by \$24,007. Labor costs (including outside labor) was lower by \$31,849. Food Service management did a good job controlling labor costs even with hourly wage rates going up in 2018.
- Program costs are over budget by \$11,124 through December. Higher costs for labor and supplies were offset by lower meeting, entertainment, and consulting expenses. Some Kavod on the Road operational expenses were covered by the NextFifty grant.
- Fundraising costs are higher than budget by \$489. Consulting expense under this category is higher than budget through December.
- General and Admin expenses (excluding property management fees) are over budget \$457,775 through December.
  - Property management fees, \$215,623 in the AHI entity make up the majority of the overage. These fees are paid by the three buildings to AHI; the income and expenses net out on Kavod's financial statements. These fees were not budgeted in 2018; however, these higher costs are offset by salaries of some Kavod employees who are now expensed through the management company. Labor including benefits are \$91,770 under budget due to the reclass of salaries to the management company. The new property and casualty insurance rates took effect September 2018 and this line items is over budget \$32,940 YTD.

## Non-Operating Expenses and Other Information

- Non-operating expenses including debt service (excluding capital costs) came in \$140,190 over budget. Debt service is under budget due to lower loan balance needed for construction costs. Depreciation came in higher than budget due to additional capital assets added in 2017 and refinance costs being capitalized in 2018. Loan fees from the prior two MidFirst loans were written off in December 2018 in the amount of \$43,169.
- Consulting costs are under budget \$7,126. These costs include work on the strategic plan, data collection and expenses related to evaluating possible senior housing projects. The data collection expense is offset by the Rose Community grant.

- The second page of the financial summary details the special projects for 2018 along with the items capitalized from the normal fixed assets and the refi projects that were completed in 2018. Total special projects expensed in 2018 equal \$72,749 and total fixed assets that were capitalized came out to \$706,215. **The items highlighted in yellow are the costs associated with the refi project.**
- In addition to the fixed assets and special projects accounts, the Work of Progress account totals \$364,000. This total represents work started on the Refi but not finished in 2018. Some of these costs included owner representation costs, architectural fees, roof tie downs, and HVAC work.
- As an FYI for the Fiscal Committee, the project loss for the Kavod Senior Life Foundation is \$438,836. This compares to net income for the foundation of \$792,683 in 2017.

**KAVOD SENIOR LIFE**  
**YTD FINANCIAL SUMMARY**  
as of 12/31/2018

Revenues	LPs	AHI	Total YTD 2018	2018 YTD Budget	% Change from YTD
Rental Income/Property Man Fees	\$ 7,368,783	\$ 238,200	\$ 7,606,983	\$ 6,935,436	10%
Food Services	1,006,735	0	1,006,735	1,017,100	-1%
Assisted Living	974,766	0	974,766	972,830	0%
Grant Income	0	285,949	285,949	336,000	-15%
Contributions	0	175,493	175,493	185,250	-5%
	<u>9,350,284</u>	<u>699,641</u>	<u>10,049,925</u>	<u>9,446,616</u>	<u>6%</u>
Other Revenue	<u>129,791</u>	<u>0</u>	<u>129,791</u>	<u>86,100</u>	<u>51%</u>
<b>Total Revenues</b>	<b>9,480,075</b>	<b>699,641</b>	<b>\$ 10,179,716</b>	<b>9,532,716</b>	<b>6.79%</b>
<b>Operating Expense</b>					
General & Admin/Other Expenses	2,060,043	215,623	2,275,666	1,817,891	25%
Operations & Maintenance	1,965,534	0	1,965,534	2,178,279	-10%
Program Expenses	805,151	293,805	1,098,956	1,087,832	1%
Fundraising Costs	0	122,589	122,589	122,100	0%
Food Services	1,412,159	0	1,412,159	1,436,166	-2%
Assisted Living Program	<u>840,158</u>	<u>0</u>	<u>840,158</u>	<u>787,767</u>	<u>7%</u>
<b>Total Operating Expense</b>	<b>7,083,045</b>	<b>632,017</b>	<b>7,715,062</b>	<b>7,430,035</b>	<b>3.84%</b>
<b>Net Operating Income</b>	<b>2,397,030</b>	<b>67,624</b>	<b>2,464,654</b>	<b>2,102,681</b>	<b>17%</b>
<b>Non-Operating Expense</b>					
Capital/Non Capital Improvements	72,749	0	72,749	64,599	13%
Depreciation/Amortization	1,126,370	0	1,126,370	750,000	50%
Consultants	0	108,874	108,874	116,000	-6%
Debt Service	<u>352,796</u>	<u>0</u>	<u>352,796</u>	<u>590,000</u>	<u>-40%</u>
<b>Total Non-Operating Expense</b>	<b>1,551,915</b>	<b>108,874</b>	<b>1,660,789</b>	<b>1,520,599</b>	<b>9%</b>
<b>Net Income</b>	<b>\$ 845,115</b>	<b>\$ (41,250)</b>	<b>\$ 803,865</b>	<b>\$ 582,082</b>	<b>38%</b>

**DRAFT ONLY-FOR DISCUSSOIN PURPOSES ONLY**

**KAVOD SENIOR LIFE**  
**YTD FINANCIAL SUMMARY**  
as of 12/31/2018

**Total Project Capitalized in 2018**

<u>South Capital Projects</u>	<u>Cost to Date</u>	<u>% Completed</u>	<u>Total Budget</u>	<u>Variance</u>	
New Van	\$ 30,640	100%	\$ 35,000	\$ 4,360	
Apartment Automation	\$ 5,018	100%	\$ -	\$ (5,018)	Paid out of Contingency
Lobby Furniture	\$ 19,913	100%	\$ 25,000	\$ 5,087	
Boiler Replacement parts	\$ 13,520	100%	\$ 13,520	\$ -	Paid out of Contingency
Domestic Heat Exchanger	\$ 18,870	100%	\$ -		Paid out of Refi Money
3 Heating Boilers	\$ 64,300	100%			Paid out of Refi Money
Boiler Valves	\$ 11,780	100%	\$ -		Paid out of Refi Money
<b>West Capital Projects</b>					
New Van	\$ 45,376	100%	\$ 45,000	\$ (376)	
West new flooring and carpet	\$ 17,287	100%	\$ 16,800	\$ (487)	
Lobby Furniture	\$ 28,698	100%	\$ 35,000	\$ 6,302	
Ramp for Health and Wellness center	\$ 5,500	100%	\$ 10,000	\$ 4,500	
AL Kitchen Oven	\$ 6,049	100%	\$ 6,049	\$ -	Paid out of Contingency
Driveway Railing	\$ 20,164	100%	\$ -		Paid out of Refi Money
Riser Replacement	\$ 127,727	100%	\$ -		Paid out of Refi Money
<b>East Capital Projects</b>					
New Van	\$ 64,599	100%	\$ 70,000	\$ 5,401	Moved to Fixed Assets
Wi-Fi Upgrade	\$ 8,725	100%	\$ 10,000	\$ 1,275	
Driveway Railing	\$ 5,981	100%	\$ -		Paid out of Refi Money
Peak Apartment retro fit	\$ 15,472	100%	\$ 15,472	\$ -	Paid out of Contingency
Bridge Furniture	\$ 29,154	100%	\$ 25,000	\$ (4,154)	
Steamer	\$ 17,304	100%	\$ 17,304	\$ -	Paid out of Contingency
Food Processor	\$ 7,021	100%	\$ 7,021	\$ (0)	Paid out of Contingency
Elevator Modernization	\$ 143,117	100%	\$ -	\$ (143,117)	Paid out of Refi Money
<b>Total 2018 Capital Projects</b>	<b>\$ 706,215</b>				
<b>Total 2018 Capital Budget(Excluding Refi)</b>	<b>\$ 400,000</b>				Highlighted items represent costs associated with the refi project capitalized in 2018

**Total Special Projects 2018**  
Expensed In 2018

<u>South Special Projects</u>	<u>Cost to Date</u>	<u>% Completed</u>	<u>Total Budget</u>	<u>Variance</u>	
Painting of Stairwell walls, handrails	\$ 4,262	100%	\$ 5,000	\$ 739	
Exterior Painting	\$ 9,867	100%	\$ 15,000	\$ 5,133	
<b>West Special Projects</b>					
Wi-Fi Project	\$ 420	100%	\$ 420	\$ -	Paid out of Contingency
AL Kitchen Equipment	\$ 8,420	100%	\$ 9,000	\$ 580	Paid out of Contingency
Door Replacement Project	\$ 7,000	100%	\$ 7,000	\$ -	Paid out of Contingency
<b>East Special Projects</b>					
Caulking/Painting and Masonry Repairs	\$ 6,170	100%	\$ 6,170	\$ 0	Paid out of Contingency
Dining Room Dishes	\$ 36,611	100%	\$ 22,010	\$ (14,601)	Bal paid out of Contengency
<b>Total Special Projects Through December</b>	<b>\$ 72,749</b>		<b>\$ 64,600</b>	<b>\$ (8,149)</b>	

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**December 2018**

	YTD Through December 2018	Annual Budget	Budget Variance	% of Budget YTD Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Management Fee Revenue	238,200	-	238,200	
Grant Income	285,949	336,000	(50,051)	85%
A'la Carte Services	14,977	18,000	(3,023)	83%
Donation Income/Special Events	130,274	126,400	3,874	103%
Kavod On The Road	24,492	35,000	(10,508)	70%
Kavod Foundation				
Rose Endowment Income	4,170	5,200	(1,030)	0%
<b>Shul Income</b>				
Shul Donations	1,580	650	930	243%
<b>Total Shul Income</b>	<b>1,580</b>	<b>650</b>	<b>930</b>	<b>243%</b>
<b>Total Income</b>	<b>699,641</b>	<b>521,250</b>	<b>178,391</b>	<b>134%</b>
<b>Expense</b>				
Management Salary and Benefit Expense	215,623	-	215,623	
<b>L'Chaim</b>				
Supplies	515	1,500	(985)	34%
<b>Total L'Chaim</b>	<b>7,844</b>	<b>12,000</b>	<b>211,467</b>	<b>65%</b>
<b>Kavod On The Road</b>				
Meetings/Classes	5,291	9,000	(3,709)	59%
Program Expenses	7,677	-	-	0%
Payroll	60,752	54,000	6,752	113%
Mileage	867	2,000	(1,133)	43%
Supplies	29,898	1,600	28,298	1869%
Events	3,045	3,500	(455)	87%
Entertainment	6,865	9,000	(2,135)	76%
Kavod On The Road - Other		900	(900)	0%
<b>Total Kavod On The Road</b>	<b>114,395</b>	<b>80,000</b>	<b>26,718</b>	<b>143%</b>
A'la Carte Labor	12,708	13,100	(392)	97%
Accounting Services	10,015	19,000	(8,985)	
Bank Charges & CC Fees	10,743	5,200	5,543	207%
Chaplain Services	64,860	59,000	5,860	110%
Charity & Donations	305	3,000	(2,695)	10%
<b>Consulting Expense</b>				
Strategic Plan Consulting/Compliance	42,500	26,000	16,500	163%
Data Consultant	60,219	52,000	8,219	116%
Consulting Expense - Housing	6,155	38,000	(31,845)	16%
<b>Total Consulting Expense</b>	<b>108,874</b>	<b>116,000</b>	<b>(7,126)</b>	<b>94%</b>
<b>Events</b>				
Annual Meeting	18,155	18,000	155	101%
<b>Total Events</b>	<b>18,155</b>	<b>18,000</b>	<b>155</b>	<b>101%</b>

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**December 2018**

	YTD Through December 2018	Annual Budget	Budget Variance	% of Budget YTD Budget
<b>Fundraising Expense</b>				
Memberships		400	(400)	0%
Security		500	(500)	0%
Training		4,000	(4,000)	0%
Outreach/Printing	2,240	12,000	(9,760)	19%
Entertainment/Space Rental	6,379	3,500	2,879	182%
Consulting/Research	27,000	-	27,000	0%
Fundraising Labor	79,830	100,000	(20,170)	80%
Van Purchase	2,106		2,106	
Supplies	5,035	1,700	3,335	296%
<b>Total Fundraising Expense</b>	<b>122,589</b>	<b>122,100</b>	<b>489</b>	<b>100%</b>
<b>Legal Expense</b>	<b>485</b>	<b>5,000</b>	<b>(4,516)</b>	<b>10%</b>
<b>Mailing &amp; Postage</b>	<b>22,182</b>	<b>15,000</b>	<b>7,182</b>	<b>148%</b>
<b>Other Religious Services</b>	<b>4,246</b>	<b>4,000</b>	<b>246</b>	<b>106%</b>
<b>Shul Books &amp; Religious Supplies</b>	<b>1,786</b>	<b>1,200</b>	<b>586</b>	<b>149%</b>
<b>Tree of Life</b>	<b>8,971</b>	<b>-</b>	<b>8,971</b>	<b>0%</b>
<b>Shul Kiddish</b>	<b>3,348</b>	<b>6,000</b>	<b>(2,652)</b>	<b>56%</b>
<b>Shul Religious Services</b>	<b>11,219</b>	<b>7,000</b>	<b>4,219</b>	<b>160%</b>
<b>Shul Religious Classes &amp; Events</b>	<b>523</b>	<b>1,400</b>	<b>(878)</b>	<b>37%</b>
<b>Shul - Training</b>	<b>2,072</b>	<b>2,000</b>	<b>72</b>	<b>104%</b>
<b>Total Expense</b>	<b>740,942</b>	<b>489,000</b>	<b>244,265</b>	<b>152%</b>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
Dividend Income	50	300	(250)	17%
<b>Total Other Income</b>	<b>50</b>	<b>300</b>	<b>(250)</b>	
<b>Net Other Income/Expense</b>	<b>234</b>	<b>300</b>	<b>(66)</b>	<b>78%</b>
<b>Net Income</b>	<b>(41,484)</b>	<b>32,250</b>	<b>(73,734)</b>	<b>-129%</b>

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending December 31, 2018

	December			Year to Date			Annual Budget	% Remain
	Actual	Budget	Variance	Actual	Budget	Variance		
<b>REVENUE</b>								
Revenue - Rent Income From Apartments - Independent	\$244,171	\$131,504	\$112,667	\$1,624,945	\$1,578,047	\$46,898	\$1,578,047	-2.97%
Revenue - Tenant Assistance Payments	496,912	446,449	50,463	5,827,609	5,357,389	470,220	5,357,389	-8.78%
Revenue - Vacancy	(83,771)	0	(83,771)	(83,771)	0	(83,771)	0	0.00%
Revenue - ALP Program Full Pay Residents	177,812	52,976	124,836	745,560	635,708	109,852	635,708	-17.28%
Revenue - ALP Program Partial Pay Tenants	14,980	14,047	933	144,909	168,561	(23,652)	168,561	14.03%
Revenue - ALP Program Medicaid Contributions	21,385	14,047	7,338	218,407	168,561	49,846	168,561	-29.57%
Revenue - Vacancy Loss	(134,109)	0	(134,109)	(134,109)	0	(134,109)	0	0.00%
Revenue - Food Service/Receipts	77,190	75,950	1,240	915,236	911,400	3,836	911,400	-0.42%
Revenue - Meal Subsidy	(11,535)	(9,667)	(1,868)	(137,122)	(116,000)	(21,122)	(116,000)	-18.21%
Revenue - ALP Supplement	17,658	17,367	291	218,541	208,400	10,141	208,400	-4.87%
Revenue - Meal Delivery, Guest Meals, etc.	638	1,108	(471)	10,080	13,300	(3,220)	13,300	24.21%
<b>Total Revenue</b>	<b>821,330</b>	<b>743,781</b>	<b>77,550</b>	<b>9,350,285</b>	<b>8,925,366</b>	<b>424,919</b>	<b>8,925,366</b>	<b>-4.76%</b>
<b>EXPENSE</b>								
<b>General &amp; Administrative</b>								
Property Management Fees	18,504	0	18,504	238,200	0	238,200	0	0
Labor - Food Service Manager	5,028	4,769	259	61,811	62,000	(189)	62,000	0.31%
Labor - Leasing	9,988	13,166	(3,178)	162,538	171,153	(8,616)	171,153	5.03%
Labor - Front Office Staff	8,583	7,524	1,060	100,660	97,806	2,854	97,806	-2.92%
Labor - Community Relations/Marketing	9,063	7,508	1,556	116,748	97,600	19,148	97,600	-19.62%
Labor - Accounting/Human Resources/Director	(43,009)	36,475	(79,484)	390,318	474,175	(83,857)	474,175	17.68%
Labor - Potential Bonus	0	0	0	57,580	55,001	2,579	55,001	-4.69%
Labor - Payroll Taxes	4,389	5,115	(726)	63,413	66,500	(3,087)	66,500	4.64%
Labor - Payroll Taxes - FS Admin	388	371	18	4,951	4,817	134	4,817	-2.77%
Labor - Workers Comp Expense	143	527	(385)	4,217	6,562	(2,344)	6,562	35.73%
Labor - Workers Comp Expense - FS Admin	136	137	(1)	1,698	1,777	(79)	1,777	4.43%
Labor - Employee Benefits	(5,655)	12,958	(18,614)	156,408	155,500	908	155,500	-0.58%
Labor - Employee Benefits - FS Admin	1,011	962	50	12,112	12,500	(388)	12,500	3.10%
Labor - Help Wanted Advertising	0	125	(125)	1,420	1,500	(80)	1,500	5.34%
Labor - Screening/Background Checks	0	192	(192)	3,061	2,300	761	2,300	-33.07%
Labor - Training and Development	7,238	3,917	3,321	29,754	47,000	(17,246)	47,000	36.69%
Employee Recognition	8,078	2,000	6,078	23,436	24,000	(564)	24,000	2.35%
Employee Wellness	200	333	(133)	2,296	4,000	(1,704)	4,000	42.60%
Marketing - Ad Placement, Brochures, etc.	1,291	1,833	(543)	19,147	22,000	(2,853)	22,000	12.97%
Marketing - Community Outreach/Open House	5,870	3,208	2,662	43,015	38,500	4,515	38,500	-11.73%
Board Development	1,671	583	1,088	7,878	7,000	878	7,000	-12.54%
Bank Charges	480	408	72	4,931	4,900	31	4,900	-0.64%
Bad Debt - NSF Checks	777	0	777	777	0	777	0	0.00%
Mileage Reimbursements	233	200	33	3,151	2,400	751	2,400	-31.30%
Supplies/Postage/FedEx	6,538	5,417	1,121	75,491	65,000	10,491	65,000	-16.14%
Telephone/Answering/DSL	2,829	2,250	579	34,684	27,000	7,684	27,000	-28.46%
Outside Services & Labor	2,050	3,083	(1,033)	31,718	37,000	(5,282)	37,000	14.27%
Office or Model Apart. Rent	37,800	0	37,800	37,800	0	37,800	0	0.00%
Dues and Subscriptions	365	0	365	26,739	33,000	(6,261)	33,000	18.97%
License Expense	0	875	(875)	2,000	10,500	(8,500)	10,500	80.95%
Accounting & Audit Expense	102	0	102	50,233	47,000	3,233	47,000	-6.88%
Legal Expense	875	667	208	24,733	8,000	16,733	8,000	-209.16%
Other Renting Expense	658	750	(92)	8,549	9,000	(451)	9,000	5.01%
Hardware - CIS	2,732	1,083	1,649	17,659	13,000	4,659	13,000	-35.84%
Software - CIS	0	167	(167)	3,462	2,000	1,462	2,000	-73.09%
Support, Repairs & Maintenance - CIS	2,873	5,283	(2,410)	60,449	63,400	(2,951)	63,400	4.65%
Property & Liability Insurance	19,521	12,000	7,521	176,940	144,000	32,940	144,000	-22.88%
Interest Expense	0	0	0	66	0	66	0	0.00%
<b>Total General &amp; Administrative</b>	<b>110,750</b>	<b>133,886</b>	<b>(23,135)</b>	<b>2,060,043</b>	<b>1,817,891</b>	<b>242,152</b>	<b>1,817,891</b>	<b>-0.22%</b>
<b>Food Service</b>								
Labor - Hourly Cooks	29,856	23,303	6,553	314,847	302,934	11,912	302,934	-3.93%
Labor - Hourly Servers	21,670	16,632	5,038	215,143	216,214	(1,072)	216,214	0.50%
Labor - Assistant Manager	7,924	6,988	936	86,701	90,843	(4,142)	90,843	4.56%
Labor - Catering	711	1,231	(520)	17,827	16,000	1,827	16,000	-11.42%
Labor - Special Staffing	625	592	33	7,500	7,700	(200)	7,700	2.60%
Labor - Outside Services Labor Expense	0	2,042	(2,042)	8,085	24,500	(16,415)	24,500	67.00%
Labor - Payroll Taxes	4,705	3,708	997	52,223	48,201	4,022	48,201	-8.34%
Labor - Workers Comp Expense	(1,548)	1,792	(3,340)	12,952	21,500	(8,548)	21,500	39.76%
Labor - Employee Benefits	9,175	10,500	(1,325)	106,767	126,000	(19,233)	126,000	15.26%
Food & Beverage Expense	49,348	41,660	7,688	499,480	499,923	(443)	499,923	0.09%

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending December 31, 2018

	December			Year to Date			Annual	%
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Remain
Food Paper Products Expense	3,695	2,821	874	45,121	33,846	11,275	33,846	-33.31%
Cleaning Supplies & Service Expense	804	584	220	6,846	7,005	(159)	7,005	2.27%
Laundry & Linen Expense	1,163	750	413	9,420	9,000	420	9,000	-4.67%
Equipment Expense	1,380	1,667	(286)	19,768	20,000	(232)	20,000	1.16%
Uniforms Expense	323	783	(461)	5,244	9,400	(4,156)	9,400	44.21%
Dining Room Decorating Expense	0	258	(258)	4,238	3,100	1,138	3,100	-36.70%
<b>Total Food Service</b>	<b>129,830</b>	<b>115,309</b>	<b>14,521</b>	<b>1,412,159</b>	<b>1,436,166</b>	<b>(24,007)</b>	<b>1,436,166</b>	<b>1.67%</b>
<b>Assisted Living Program</b>								
Labor - Manager	5,642	5,262	380	70,685	68,402	2,283	68,402	-3.34%
Labor - Care Givers, CC & Aides	34,869	27,596	7,273	377,872	358,749	19,123	358,749	-5.33%
Labor - Payroll Taxes	3,131	2,823	308	36,778	36,700	78	36,700	-0.21%
Labor - Workers Comp Expense	(1,054)	1,867	(2,921)	16,558	22,400	(5,842)	22,400	26.08%
Labor - Employee Benefits	7,154	7,120	35	84,184	85,435	(1,251)	85,435	1.46%
Labor - Medical Required Testing	0	123	(123)	1,552	1,481	70	1,481	-4.76%
Dietary Supplies	17,658	16,783	875	218,541	201,400	17,141	201,400	-8.51%
Medication Set-ups	0	108	(108)	2,112	1,300	812	1,300	-62.47%
Other ALP expenses	0	108	(108)	753	1,300	(547)	1,300	42.08%
Recreation & Rehabilitation	1,127	383	744	31,124	10,600	20,524	10,600	-193.62%
<b>Total Assisted Living Program</b>	<b>68,527</b>	<b>62,174</b>	<b>6,354</b>	<b>840,158</b>	<b>787,767</b>	<b>52,392</b>	<b>787,767</b>	<b>-6.65%</b>
<b>Operations &amp; Maintenance</b>								
Labor - Housekeeping Supervisor	4,662	4,211	451	57,909	54,745	3,164	54,745	-5.78%
Labor - Housekeeping Staff	10,824	10,643	181	125,847	138,357	(12,510)	138,357	9.04%
Labor - Maintenance Manager/Director	(71,460)	14,050	(77,197)	104,996	182,657	(77,661)	74,586	-40.77%
Labor - Maintenance Staff	14,234	14,775	(541)	169,393	192,076	(22,683)	192,076	11.81%
Labor - Protection (Security)	5,727	4,340	1,387	63,145	56,424	6,720	56,424	-11.91%
Labor - Payroll Taxes	3,826	3,469	357	48,156	45,100	3,056	45,100	-6.78%
Labor - Workers Comp Expense	(4,000)	1,273	(5,272)	9,641	15,271	(5,630)	15,271	36.87%
Labor - Employee Benefits	(12,861)	9,625	(22,486)	88,942	115,500	(26,558)	115,500	22.99%
Labor - Temporary	0	1,250	(1,250)	4,724	15,000	(10,276)	15,000	68.50%
Outside Services - Cleaning	304	7,500	(7,196)	59,888	90,000	(30,112)	90,000	33.46%
Outside Services - Exterminating	300	2,583	(2,283)	23,045	31,000	(7,955)	31,000	25.66%
Outside Services - Grounds	0	2,083	(2,083)	18,152	25,000	(6,848)	25,000	27.39%
Outside Services - Repairs	77,312	38,333	38,978	467,538	460,000	7,538	460,000	-1.64%
Outside Services - Elevator Maintenance	2,816	4,167	(1,351)	42,764	50,000	(7,236)	50,000	14.47%
Outside Services - Snow Removal	0	1,646	(1,646)	2,535	12,500	(9,965)	12,500	79.72%
Outside Services - Garbage and Trash Removal	4,129	3,583	546	47,589	43,000	4,589	43,000	-10.67%
Outside Services - Life Safety & Security	0	2,917	(2,917)	27,929	35,000	(7,071)	35,000	20.20%
License & Permit Expense	0	167	(167)	1,854	2,000	(146)	2,000	7.31%
Maintenance Supplies & Repairs	30,291	20,833	9,458	247,070	250,000	(2,930)	250,000	1.17%
Decorating Expense - Common Area	94	117	(23)	1,459	1,400	59	1,400	-4.18%
Utilities - Electric	14,679	15,750	(1,071)	185,881	189,000	(3,120)	189,000	1.65%
Utilities - Water	3,030	3,333	(304)	43,213	40,000	3,213	40,000	-8.03%
Utilities - Gas	8,166	5,417	2,750	60,876	65,000	(4,124)	65,000	6.34%
Utilities - Sewer	4,926	5,750	(824)	62,676	69,000	(6,324)	69,000	9.17%
Mileage Reimbursement	0	21	(21)	313	250	63	250	-25.37%
<b>Total Operations &amp; Maintenance</b>	<b>96,999</b>	<b>177,836</b>	<b>(80,838)</b>	<b>1,965,534</b>	<b>2,178,279</b>	<b>(212,746)</b>	<b>2,178,279</b>	<b>9.77%</b>
<b>Total Expenses</b>	<b>387,603</b>	<b>489,206</b>	<b>(101,603)</b>	<b>6,039,695</b>	<b>6,220,104</b>	<b>(180,409)</b>	<b>6,220,104</b>	<b>2.90%</b>
Operating Excess/(Deficit)	433,727	254,575	179,153	3,310,590	2,705,262	605,328	2,705,262	-22.38%
<b>OTHER ELDER CARE INCOME &amp; (EXPENSE)</b>								
<b>Activities Program</b>								
Activities Revenue - Resident Receipts	(879)	(1,917)	1,038	(21,154)	(23,000)	1,846	(23,000)	8.03%
Activities Revenue - ALP Receipts	(1,127)	(3,167)	2,040	(31,124)	(38,000)	6,876	(38,000)	18.10%
Activities Revenue - Donations	0	(8)	8	(1,159)	(100)	(1,059)	(100)	-1,058.07%
Assisted Living Activities Expense	1,765	3,167	(1,401)	31,400	38,000	(6,600)	38,000	17.37%
Newsletter expense	1,655	1,542	113	22,559	18,500	4,059	18,500	-21.94%
Activities Outreach/ Food	293	1,833	(1,540)	15,708	22,000	(6,292)	22,000	28.60%
Classes Expense	364	950	(586)	7,148	11,400	(4,252)	11,400	37.29%
Health & Wellness Expense	2,506	1,546	959	18,920	18,556	364	18,556	-1.96%
Outings Expense	1,412	5,600	(4,188)	40,440	67,200	(26,760)	67,200	39.82%
Family Events	0	167	(167)	2,161	2,000	161	2,000	-8.06%
<b>Total Core Program (Inc)/Exp</b>	<b>5,989</b>	<b>9,713</b>	<b>(3,724)</b>	<b>84,900</b>	<b>116,556</b>	<b>(31,656)</b>	<b>116,556</b>	<b>27.16%</b>
Labor - Activities Staff	15,095	14,136	959	180,212	178,956	1,256	178,956	-0.70%
Labor - Payroll Taxes	1,076	1,093	(16)	13,613	13,680	(67)	13,680	0.49%
Labor - Workers Comp	407	392	15	4,582	4,700	(118)	4,700	2.52%
Labor - Employee Benefits	3,751	3,267	484	42,895	39,200	3,695	39,200	-9.43%

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending December 31, 2018

	December			Year to Date			Annual Budget	% Remain
	Actual	Budget	Variance	Actual	Budget	Variance		
Van Expense	1,259	1,167	92	9,905	14,000	(4,095)	14,000	29.25%
Net Gift Shop Activity	(109)	208	(317)	1,546	2,500	(954)	2,500	38.16%
Net Library Activity	178	42	137	499	500	(2)	500	0.31%
<b>Total Other Program Expense</b>	<b>21,658</b>	<b>20,304</b>	<b>1,354</b>	<b>253,251</b>	<b>253,536</b>	<b>(285)</b>	<b>253,536</b>	<b>0.11%</b>
<b>Total Activities Program (Inc)/Exp</b>	<b>27,647</b>	<b>30,017</b>	<b>(2,369)</b>	<b>338,151</b>	<b>370,092</b>	<b>(31,941)</b>	<b>370,092</b>	<b>8.63%</b>
<b>Resident Computer Center</b>								
RCC - Wages - RCC Staff	4,190	3,987	202	50,270	51,835	(1,565)	51,835	3.02%
RCC - Payroll Taxes	263	355	(92)	3,529	4,526	(997)	4,526	22.03%
RCC - Workers Comp Expense	127	163	(35)	1,552	1,950	(398)	1,950	20.41%
RCC - Employee Benefits	1,455	1,029	426	17,383	12,350	5,033	12,350	-40.75%
<b>Total RCC Expense</b>	<b>6,034</b>	<b>5,533</b>	<b>501</b>	<b>72,734</b>	<b>70,661</b>	<b>2,073</b>	<b>70,661</b>	<b>-2.93%</b>
<b>Service Coordinator Program</b>								
Labor - Service Coordinator	23,908	20,464	3,445	275,227	266,027	9,200	266,027	-3.46%
Labor - Payroll Taxes	1,656	1,292	364	20,396	16,800	3,596	16,800	-21.41%
Labor - Workers Comp Expense	509	557	(48)	6,027	6,851	(824)	6,851	12.03%
Labor - Employee Benefits	2,916	3,450	(534)	36,024	41,400	(5,376)	41,400	12.99%
Activities Outreach	122	333	(211)	3,156	4,000	(844)	4,000	21.10%
<b>Total Service Coordinator (Inc)/Exp</b>	<b>29,111</b>	<b>26,096</b>	<b>3,015</b>	<b>340,829</b>	<b>335,078</b>	<b>5,751</b>	<b>335,078</b>	<b>-1.72%</b>
<b>Total Other Elder Care (Inc)/Exp</b>	<b>62,793</b>	<b>61,646</b>	<b>1,147</b>	<b>751,714</b>	<b>775,831</b>	<b>(24,117)</b>	<b>775,831</b>	<b>3.11%</b>
<b>OTHER (INCOME) &amp; EXPENSE</b>								
<b>Other Income</b>								
Revenue - Interest Income - Project Operations	(27,498)	0	(27,498)	(44,054)	0	(44,054)	0	0.00%
Revenue - Investments - Replacement Reserves	(4,565)	(125)	(4,440)	(4,565)	(1,500)	(3,065)	(1,500)	-204.36%
Revenue - Laundry and Vending Revenue	(918)	(1,208)	290	(10,662)	(14,500)	3,838	(14,500)	26.47%
Revenue - Miscellaneous - Buildings	(1,475)	(750)	(725)	(17,073)	(9,000)	(8,073)	(9,000)	-89.70%
<b>Total Other Income</b>	<b>(34,456)</b>	<b>(2,083)</b>	<b>(32,373)</b>	<b>(76,354)</b>	<b>(25,000)</b>	<b>(51,354)</b>	<b>(25,000)</b>	<b>-205.42%</b>
<b>Capital Improvements</b>								
Special Projects	(81,030)	5,383	(86,413)	72,749	64,599	8,150	64,599	-12.62%
<b>Total Capital Improvements</b>	<b>(81,030)</b>	<b>5,383</b>	<b>(86,413)</b>	<b>72,749</b>	<b>64,599</b>	<b>8,150</b>	<b>64,599</b>	<b>-12.62%</b>
<b>Debt Service</b>								
Interest on Mortgage Payable	30,000	61,767	(31,767)	352,796	590,000	(237,204)	590,000	40.20%
<b>Total Debt Service</b>	<b>30,000</b>	<b>61,767</b>	<b>(31,767)</b>	<b>352,796</b>	<b>590,000</b>	<b>(237,204)</b>	<b>590,000</b>	<b>40.20%</b>
<b>Depreciation &amp; Amort</b>								
Depreciation - Buildings	227,361	62,500	164,861	1,084,333	750,000	334,333	750,000	-44.58%
<b>Total Depreciation &amp; Amortization</b>	<b>42,038</b>	<b>0</b>	<b>42,038</b>	<b>42,038</b>	<b>0</b>	<b>42,038</b>	<b>0</b>	<b>0.00%</b>
	<b>269,398</b>	<b>62,500</b>	<b>206,898</b>	<b>1,126,370</b>	<b>750,000</b>	<b>376,370</b>	<b>750,000</b>	<b>-50.18%</b>
<b>Total Other (Income)/Expense</b>								
<b>Net Excess/(Deficit)</b>	<b>183,913</b>	<b>127,567</b>	<b>56,346</b>	<b>1,475,561</b>	<b>1,379,599</b>	<b>95,962</b>	<b>1,379,599</b>	<b>-6.96%</b>

Kavod Senior Life  
MidFirst Refi Loan Tracking  
As of February 15, 2019

Total Loan	\$ 17,000,000
Less Fees	\$ (120,580)
South Loan Payoff	\$ (796,499)
Line of Credit Payoff	\$ (18,815)
East Loan Payoff	\$ (4,148,114)
Loan Draw down amount	\$ (5,084,008)
Available Loan Proceeds	\$ 11,915,992
Total Loan proceeds advanced to Kavod	\$ 3,915,992

**Current Active Projects**

Project Oversight	Total Budget	Completion Percentage	Available Budget	Total Spent	Supervising Entity
Marx Okubo 1st Invoice	\$ (25,886)	28%	\$ 314,057	\$ (123,793)	Kavod
Marx Okubo 2nd Invoice	\$ (27,641)				
Marx Okubo 3rd Invoice	\$ (16,653)				
Marx Okubo 4th Invoice	\$ (18,051)				
Marx Okubo 5th Invoice	\$ (5,508)				
Marx Okubo 6th Invoice	\$ (3,425)				
Marx Okubo 7th Invoice	\$ (4,140)				
Marx Okubo 8th Invoice	\$ (2,374)				
<b>Marx Okubo 9th Invoice</b>	<b>\$ (20,116)</b>				
This invoice includes fire suppression consulting work.					
<b>Architectural Fees</b>					
Hord Coplan Macht, Inc-May	\$ (13,144)	68%	\$ 20,645	\$ (44,563)	Kavod
Hord Coplan Macht, Inc-June	\$ (11,520)				
<b>Hord Coplan Macht, Inc-October</b>	<b>\$ (13,155)</b>				
<b>Hord Coplan Macht, Inc-November/Dec</b>	<b>\$ (6,744)</b>				
<b>West Building Rise Project</b>					
Bram Construction(Abatement)	\$ (16,363)	106%	\$ (7,727)	\$ (127,727)	Kavod
PasterKamp Heating and Air	\$ (48,000)				
Bram Construction(Abatement)	\$ (16,363)				
PasterKamp Heating and Air	\$ (47,000)				
<b>Chiller Replacement</b>					
Johnson Controls	\$ (1,625)	79.00%	\$ 220,881	\$ (154,119)	Kavod
Johnson Controls	\$ (12,500)				
Johnson Controls	\$ (73,375)				
<b>Johnson Controls</b>	<b>\$ (16,379)</b>				
<b>Johnson Controls</b>	<b>\$ (50,240)</b>				
<b>Caulking &amp; Masonry Repairs</b>					
Restoration Concrete	\$ (18,750)	100%	\$ 2,850	\$ (18,750)	Kavod
<b>Painting Project</b>					
Bob's Painting	\$ (12,293)	100%	\$ 58,115	\$ (54,885)	Kavod
	\$ (13,008)				

	\$	(29,584)							
<b>Domestic Hot Water</b>									
Climate Engineering	\$	(18,870)	\$	20,000	100%	\$	1,130	\$	(18,870)
									Kavod
<b>West Roof and East circle railings</b>									
First Choice Fabrication	\$	(5,992)	\$	32,000	100%	\$	5,855	\$	(26,145)
Larry's Mobile Welding	\$	(5,981)							Kavod
First Choice Fabrication	\$	(14,172)							
<b>Replace Boilers/Valves-South</b>									
Climate Engineering	\$	(11,780)	\$	120,000	100%	\$	43,920	\$	(76,080)
Climate Engineering	\$	(64,300)							Kavod
<b>Total Costs to Date</b>	\$	<b>(644,931)</b>							
<b>Total Loan Proceeds Available</b>	\$	<b>11,271,061</b>							

Note: Items in are highlighted and in bold were paid in the last 30 days.

Kavod Senior Life

MidFirst Refi Loan Tracking  
As of February 14, 2019

**Committed Projects- work has not started**

	Bid	Total Budget	Percentage	Available Budget
<b>New door Hardware/Unit Mock Up</b>				
Anlker	\$	(56,293)	99%	\$
Trane US	\$	(2,842)		865
		\$		\$
<b>East building Elevator Upgrades</b>				
Thyssenkrupp-Deposit	\$	(143,117)	51%	\$
		\$		136,883
<b>Total Committed Costs to Date</b>	\$	<b>(202,252)</b>		\$
				(143,117)
				Kavod
<b>Interest on MidFirst Loan</b>				3052817

Actual Budget Variance

January Interest Paid	\$	20,537	\$	24,567	\$	4,030
February Interest Paid	\$	29,259	\$	32,567	\$	3,308
March Interest Paid	\$	28,000	\$	32,567	\$	4,567
April Interest Paid	\$	31,000	\$	43,167	\$	12,167
May Interest Paid	\$	30,000	\$	54,167	\$	24,167
June Interest Paid	\$	30,000	\$	54,167	\$	24,167
July Interest Paid	\$	31,000	\$	54,164	\$	23,164
August Interest Paid	\$	31,000	\$	57,167	\$	26,167
September Interest Paid	\$	31,000	\$	61,367	\$	30,367
October Interest Paid	\$	30,000	\$	57,167	\$	27,167
November Interest Paid	\$	31,000	\$	57,167	\$	26,167
December Interest Paid	\$	30,000	\$	57,167	\$	27,167
January Interest Paid	\$	31,000	\$	35,166	\$	4,166
<b>Total Interest to date</b>	\$	<b>383,796</b>	\$	<b>620,567</b>	\$	<b>236,771</b>

Monthly interest costs prior to the new loan with MidFirst was \$18,500 per month

Kavod Senior Life

Resident and Community Services Committee

January 10, 2019 in Shul Classroom at 11:45

Present: Deanie Andersen, Ondalee Kline, Jay Mactas, Seth Ward, Sarah Golombek, and Denise Lutz.  
Staff: Rebecca Gershten, Tracy Kapaun, Gabriel Sanders, Michael Belieu, Grace Honce, Jennifer Grant, Mandie Birchem, and Michael Klein. Guest: Annette Shtivelband from REC

Michael Klein welcomed everyone to the meeting.

Rebecca gave a short update on the LinkAGES photography project with DU students and Kavod residents. There will be a showing of the 30 plus photographs later in January and she shared with the group one of the photos.

The minutes were reviewed and Ondalee made a motion to accept them and Deanie seconded the motion. Minutes were unanimously approved as distributed.

Grace presented a detailed review of the resident survey. Her power point will be included with the minutes.

Michael then introduced Annette and shared that through a grant through the Rose Community Foundation, she has worked with staff for three years and has made significant contributions to our data collection process. Based on her work, RCF last year provided a half time data collection specialist (Grace) and this year Kavod added her position to our staff.

Annette also presented a detailed, high level overview of the areas she has worked with staff on. Her power point will be included with the minutes. She shared with the committee that great strides have been made with staff and data is now being used to a far greater extent in developing programs and services.

Michael followed up with the importance of grants which we have received. Annette's work was supported by Rose Community Foundation but we have received grants from the Phillips Foundation, JEWISHcolorado, Hazon, Next 50, Strear Foundation and AJAS. These have covered staff costs, health and wellness programs, transportation and intergenerational programming. Gabriel provided additional details on the Next 50 grant with DHA and stated we are meeting our objectives.

Ondalee gave a resident council update and covered outside speakers who presented to the resident council. The RTD speaker updated them on changes in a bus route located outside of Kavod. She shared some of the fund raising events that occurred and holiday celebrations held. She also visited on of the Denver Housing Authority sites and shared the resident free loan fund at Kavod.

Michael shared with the group that we continue to have discussions with Rose Hospital and that the most recent medical group they had suggested, did not work out. We have started discussions also with UC Health.

Meeting adjourned at 1:00.

## Strategic Planning Committee

January 22, 2019

Kavod Senior Life- Shul at 6:00

Present: Debbie Reinberg, chair, Rachel Cohen vice chair (via Zoom), Glenn Cooper, Rob Friedman, Ondalee Kline, Michele Lueck (via Zoom), Steven Summer, Marcia Helfant, Ray Gottesfeld, and Gerri Persin  
Staff: Tracy Kapaun, Mike Belieu and Michael Klein

Debbie welcomed the committee and introductions were made. She explained the goal of the meeting was to first review the entire JVA report and identify any edits that had been missed and second and most importantly to focus on the five strategic goals listed. She was seeking a more detailed dialogue from the group regarding these strategic goals and to use the information to provide staff with additional background to further develop yearly goals

The committee had some small revisions and Michael will incorporate them into the final report

The committee provided their ideas and feedback around the five goals and staff provided updates as well as clarified some of the existing discussions we have been having with our partners and progress with some of our current grants related to the goals.

There was a suggestion that the third and fourth goals could be combined as they relate to similar objectives. Staff will follow up on this.

There was also discussion about Michael and Rob meeting with the other key partners to further discuss how we could partner with them and better understand what strategic goals they are pursuing.

Staff will now work on further taking the five strategic goals and developing objectives for 2019 and beyond. The committee would like to see updates presented to the Board on an annual basis to measure how successfully we are achieving the metrics we develop.

Meeting adjourned.

# Draft



# Kavod

SENIOR LIFE

*Honor. Community. Jewish Values.*

Kavod Senior Life  
22 South Adams Street | Denver, CO 80209  
303.399.1146 | KavodSeniorLife.org

## **Kavod Senior Life 2019-2023 Strategic Plan Framework**

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## EXECUTIVE SUMMARY

As Kavod enters its sixth decade, it faces a landscape of shifting risk and opportunity. Even as the Denver area's population of Jewish older adults continues to grow, a steady trend toward secularization has challenged many Jewish-oriented nonprofits to reframe their mission and services. Meanwhile, lower-income older adults, regardless of religious affiliation, are facing their own struggles with healthcare, housing shortages and social isolation.

As Kavod develops its strategy for the next several years of growth, these trends present a number of key questions:

*How should Kavod continue to deepen its engagement with the region's Jewish older adults, both newcomers and longtime residents of the Denver area?*

*What is the ideal way for Kavod to relate to its Jewish identity in a time of continued shifts in religious attitude and affiliation?*

*Which populations should Kavod seek to engage outside of its own facilities, and what programs and services are Kavod best positioned to offer them?*

*What are the best ways for Kavod to build more financial resilience as it faces greater uncertainty around its traditional funding sources?*

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This report provides a blueprint to Kavod's leadership for the organization's strategic direction, which will continue to be refined and revised throughout early 2019. The document begins with a summary of Kavod's past trajectory and current position, followed by an assessment of the demographics and pressing needs of Kavod's two target populations: Jewish older adults and low-income older adults. Next, information on Kavod's current partners are provided, followed by a summary of themes from these partners.

The second half of the report summarizes conversations and decisions made during Kavod's strategic planning retreat, held on December 2<sup>nd</sup>, 2018. In particular, the topics of target populations, intended impact and strategic goals are covered. The report concludes with a proposed strategy screen for vetting new program opportunities and a set of action items and next steps for Kavod's leadership to continue.

## INTRODUCTION

For 50 years, Kavod Senior Life has played a critical role in Denver's Jewish community of older adults. Founded in 1968 as Allied Jewish Apartments, the organization constructed three HUD-subsidized apartment buildings in the Cherry Creek neighborhood over the course of its first two decades. These buildings continue to house more than 400 individuals in independent and assisted living formats. Over the decades, Kavod has continued to upgrade the quality of life for its residents with an expanding array of programs, activities and healthcare options.

In 2012, Kavod completed its most recent strategic plan, which centered on the theme of promoting aging in place. Since that time, it has made significant progress in advancing that plan's goals, including the following accomplishments:

- Rebranding from Allied Jewish Apartments to Kavod Senior Life
- Launching Kavod On the Road, a successful suite of activities and educational programming to engage older adults in the Denver metro area, starting with Jewish older adults
- Performing significant upgrades to its buildings, including a remodeled kitchen, upgraded mechanical systems, and a new wellness center
- Upgrading programs and services at Kavod's main towers, including health and wellness classes, Kavod Academy of Lifelong Learning classes, and a restaurant-style dining service

Today, Kavod is well-positioned to continue its trajectory of growth and innovation, with solid finances, a strong, stable, and dedicated leadership, and a positive community reputation. Nevertheless, the organization finds itself in the midst of rapid change on multiple fronts. Local and national demographic shifts, threats to federal funding, changing preferences in the delivery of older adult housing and services, emerging technology, and new leadership in Denver's Jewish community agencies are but some of the key trends that Kavod must navigate as it plans for future growth.

JVA was hired in January 2018 to facilitate Kavod's current strategic planning process, performing the following scope of work:

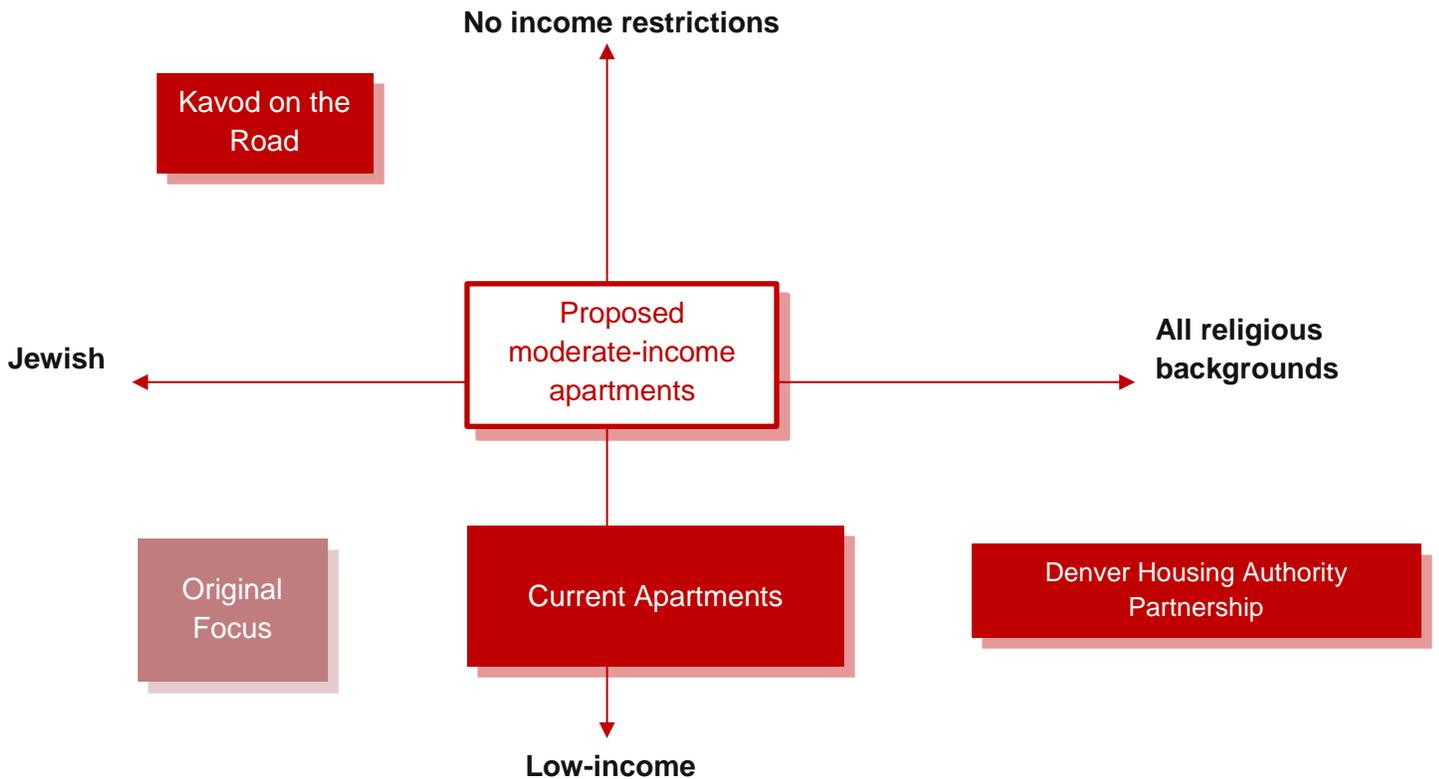
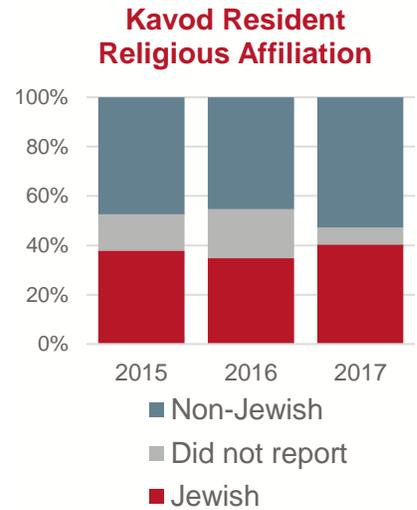
- Two facilitated sessions with Kavod's strategic planning committee
- A facilitated session with key staff members
- A survey of Kavod's board of directors
- Short interviews with key staff members
- Two focus groups with Kavod On the Road participants
- One-on-one interviews with six key partners
- An environmental scan incorporating market research
- A facilitated six-hour planning retreat with board and strategic planning committee members

Themes from these efforts are captured in the sections below; more detailed results of stakeholder input and market research can be found in the attached appendices.

## CURRENT LANDSCAPE

For the first several decades of Allied Jewish Apartments' life, it played a critical role in housing low-income older adults from Denver's Jewish community. Over time, however, the percentage of Jewish older adults has continued to decline, while older adults from other communities - particularly Eastern European immigrants - found a welcome home at the apartments. Today, less than half of the residents of Kavod's apartments identify as Jewish, a statistic mirrored in other Jewish-focused organizations in the Denver area and across the country. Even as its proportion of Jewish residents has changed, however, Kavod has continued to find meaningful ways to support Jewish older adults through its Kavod on the Road program.

Today, Kavod effectively serves two overlapping target populations in the Denver metro area: Jewish older adults and lower-income older adults. The following sections profile the current demographics, needs and trends of each of these populations.

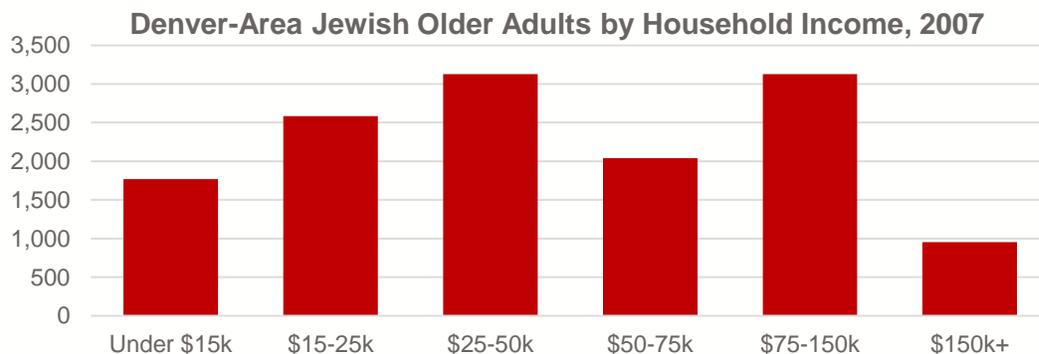


**Kavod's current and past programming along axes of income and religious affiliation**

## Jewish Older Adults

Denver's Jewish community has not had an in-depth study of population and demographics since 2007<sup>1</sup>, but a new study commenced in late 2018, with preliminary results available in the first half of 2019. Even before this study is released, however, several key themes can be deduced from combining the previous study with more recent data points, anecdotal evidence, and overall demographic trends.

The 2007 Jewish Community Study estimated the total population of Jews in the Denver/Boulder area at 83,900, including 13,600 Jews over age 65. It was estimated that about 25 percent of Jewish older adults, or 3,500 individuals, lived alone, while 87 percent of older adults (11,800 individuals) had been in the area for longer than ten years. Thirteen percent of Jewish older adults reported a household income of less than \$15,000, with an additional 19 percent reporting income of \$15,000-\$25,000. Precise geographic information was not collected in the 2007 report, but population estimates were split into five sub-regions. Based on these groupings, more than 75 percent of Jewish older adults resided in Denver proper (3,800), the South Metro (3,300) and Aurora (3,300).

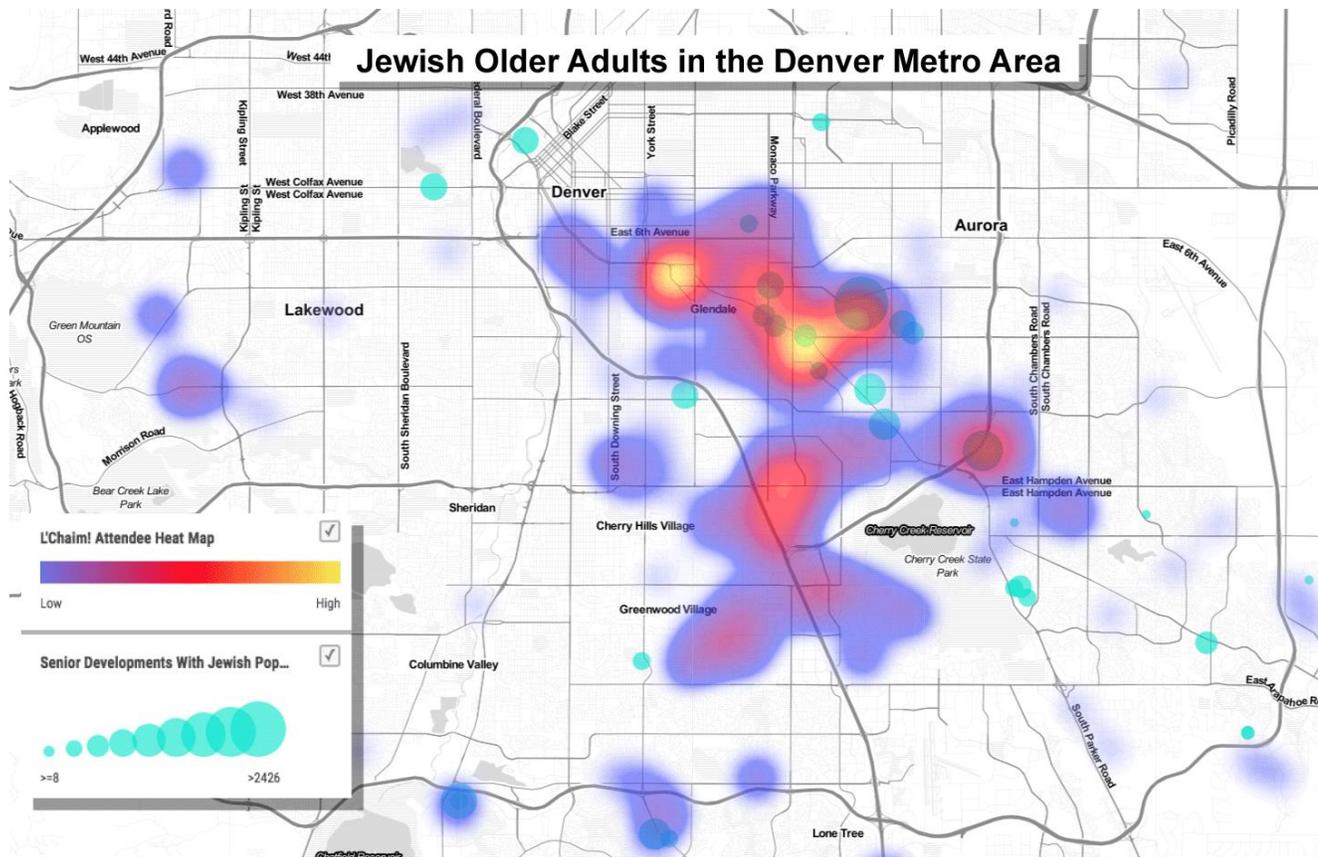


Today, more than a decade after that study was performed, the population of Jews in the Denver metro area continues to swell, with most estimates pegging the rate of growth as faster than that of the area's population as a whole. Berman Jewish DataBank's most recent estimate from 2016 puts the total Jewish population for the Denver metropolitan statistical area (MSA), which excludes Boulder, at 95,000<sup>2</sup>.

<sup>1</sup> The 2007 Metro Denver/Boulder Jewish Community Study, <https://rcfdenver.org/wp-content/uploads/2017/06/2007JewishCommunityStudy-SummaryReport.pdf>

<sup>2</sup> Sheskin, I. M., & Dashefsky, A. (2016.) United States Jewish Population, 2016. In A. Dashefsky & I. Sheskin (Eds.), *The American Jewish year book 2016*, 116, 153–239. Dordrecht, Netherlands: Springer.

Using 115,000 as a reasonable 2018 total for the combined Denver-Boulder area, and extrapolating from the 2007 Jewish Community Study numbers, there are currently approximately 18,650 Jews over age 65 in the metro area. By combining registrant data from Kavod's most recent L'Chaim! conference, locations and sizes of a number of older-adult living facilities, and anecdotal information from the former chaplain of Jewish Family Service of Colorado (JFS), Rabbi Eliot Baskin, a reasonably accurate picture of the location of these Jews emerges:



The heart of the Denver area's Jewish older-adult population remains the corridor roughly bounded by Cheesman Park, Lowry, Cherry Creek Reservoir, and Greenwood Village, with a particularly dense concentration in developments such as Heather Gardens, Candlewyck Condominiums, Windsor Gardens, and Kavod itself. Increasingly, however, many Jewish older adults that are new to the area are migrating to market-rate developments outside of this range. In particular, several high-end communities along the E-470 corridor, such as Heritage Eagle Bend, Vi at Highlands Ranch, and Wind Crest Retirement Community, have high populations of Jews, many of whom remain disconnected from the greater Jewish community.

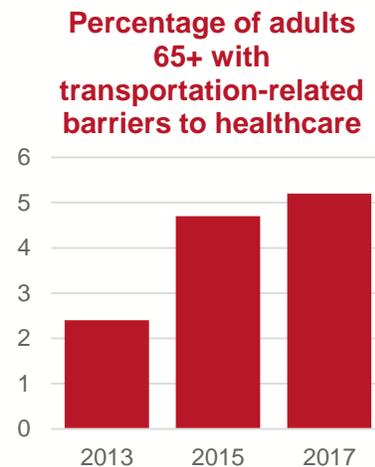
Back in the east Denver corridor, meanwhile, at least two new market-rate developments targeting Jewish older adults are currently in the planning stages. Denver Jewish Senior Living is a proposed three-story building on the Denver Jewish Day School campus, with 72 assisted living and 28 memory care units planned. Meanwhile, Focus Property Group and Ascent Living

Communities are collaborating on a market-rate project at South Holly Street and Leetsdale Drive, tentatively called Hilltop Senior Living featuring over 200 units with a combination of independent living, assisted living and memory care.

Partner interviews and focus groups have identified several key needs and preferences of the Jewish older adult community:

- **Social interaction.** Many Jewish older adults in relatively good health are seeking opportunities to meet peers and engage in cultural activities such as book clubs, restaurant visits and museum visits. Kavod on The Road has begun filling this need for many Jewish older adults, but others - particularly those newer to the metro area and living in the far eastern and southern suburbs - remain disconnected from social opportunities.

- **Transportation.** As individuals develop vision impairments, dementia, or medical issues that limit their ability to drive, their ability to run necessary errands, engage in social opportunities, and make important medical appointments can be dramatically limited. Public transit can often be too time-consuming, distant or unsafe to use, while both traditional cab services and ride-sharing apps can quickly become prohibitively expensive. In Colorado, this appears to be a growing problem: according to the Colorado Health Access Survey, twice as many older adults have transportation-related barriers to accessing healthcare in 2017 as in 2013.



- **Financial planning.** Both focus group participants and expert interviewees mentioned the need for greater education and assistance around financial literacy for Jewish older adults. As of 2013, the median retirement savings for adults between 56 and 61 was only \$17,000, and many have nothing saved at all. Retirement planning is not necessary correlated with income, either; even individuals with a high annual income may not be able to support the standard of living they are used to with the savings they have.
- **Healthcare.** Older adults face a number of challenges in navigating the healthcare system. Even with adequate health insurance, access to appropriate care providers is frequently limited.
- **Assistance with aging in community.** According to the Bipartisan Policy Center, nearly nine in 10 older adults would prefer to remain in their current residence as long as possible, and a full 75 percent of respondents to Perkins Eastman’s 2017 *State of Senior Living* survey identified “the ability to age in place” as the most important characteristic baby boomers will be looking for as they seek supportive housing. As with many others

in the general population, Jewish older adults are seeking ways to stay in their own homes as they grow older. This may mean finding assistance with day-to-day tasks such as lawn maintenance or daily chores, performing modifications for greater accessibility, hiring home health aides, or seeking roommates.

A much more detailed picture of the needs of Denver's Jewish older adult community will become available with the 2019 Greater Denver Jewish Community Study. In addition to the public report, study researchers are open to cooperating with individual organizations such as Kavod to perform custom cross-tabulations of survey data.

### Relevant survey questions being asked as part of Greater Denver Jewish Community Study

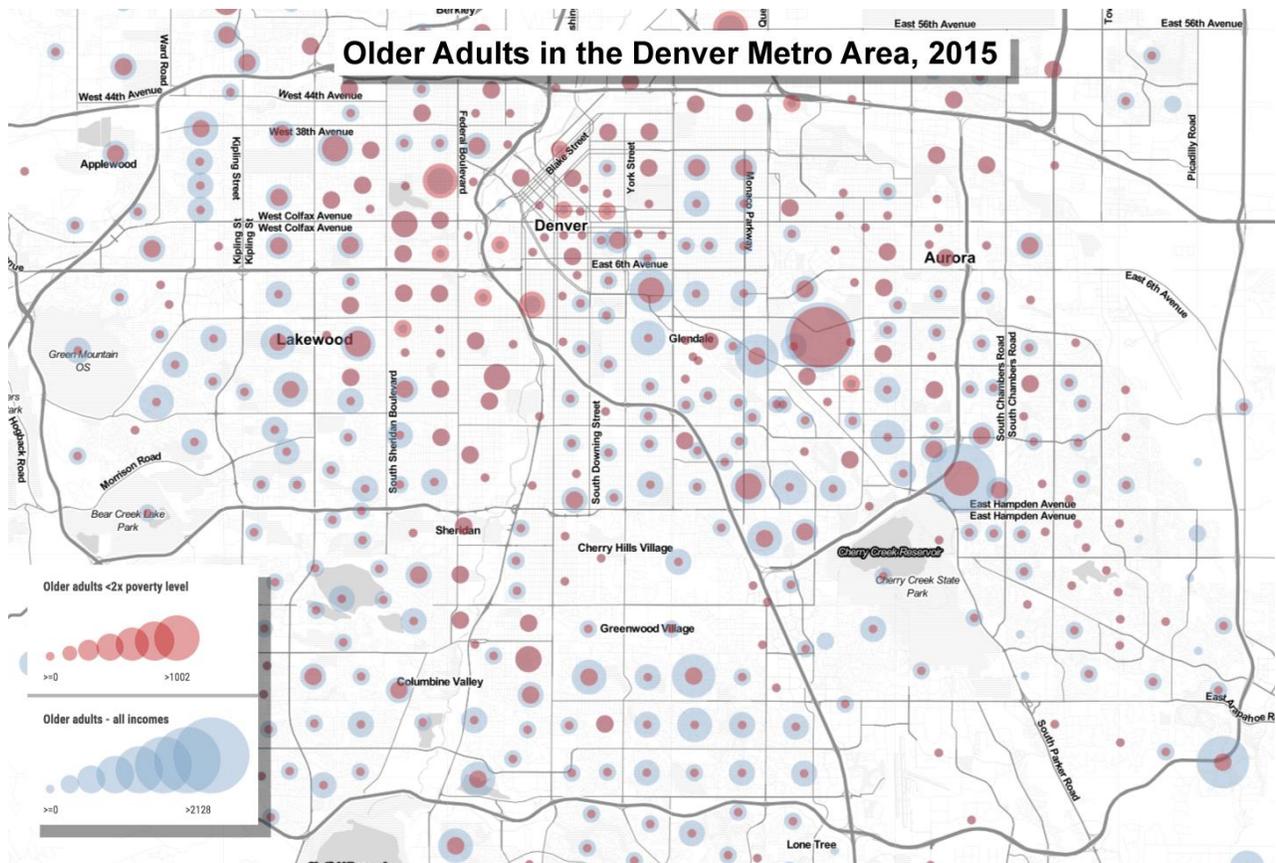
- Self-assessment of health
- Dementia rates
- Difficulty walking, climbing stairs, bathing or dressing
- Ease of running errands
- Caregiver status
- Homeownership status
- Connection to support for illness, mental health, elder abuse, etc.
- Self-assessment of financial situation
- Household income
- Retirement and emergency savings status

## Lower-Income Older Adults

Another core target population for Kavod is lower-income older adults that may or may not have a connection to Judaism. This group is already growing as a percentage of residents in Kavod's facilities, and the organization has tentatively explored efforts to engage this population outside its walls with its programming partnership with Denver Housing Authority.

According to the 2015 American Community Survey, there are an estimated 74,600 older adults in the Denver metro area whose household income is less than twice the poverty line (\$23,540 for a single person or \$31,860 for a family of 2). This represents approximately 24.3% of the total population of older adults. Geographically, this population is spread throughout the Denver metro area, with particularly high concentrations in the following areas:

- Southeastern Denver and west Aurora
- A broad swath of the western metro area, including west Denver, Wheat Ridge, Edgewater and northeast Lakewood
- The Northeast Denver neighborhoods of Cole, Elyria-Swansea and Skyland



In addition to Kavod, specific housing communities that have a large population of lower-income older adults include Windsor Gardens (east Denver), Heather Gardens (Aurora), Conter Estates (Commerce City), Dayspring Villa (west Denver), and Denver Housing Authority properties such as the Thomas Bean Towers (Five Points) and Tapiz at Mariposa (Lincoln Park).

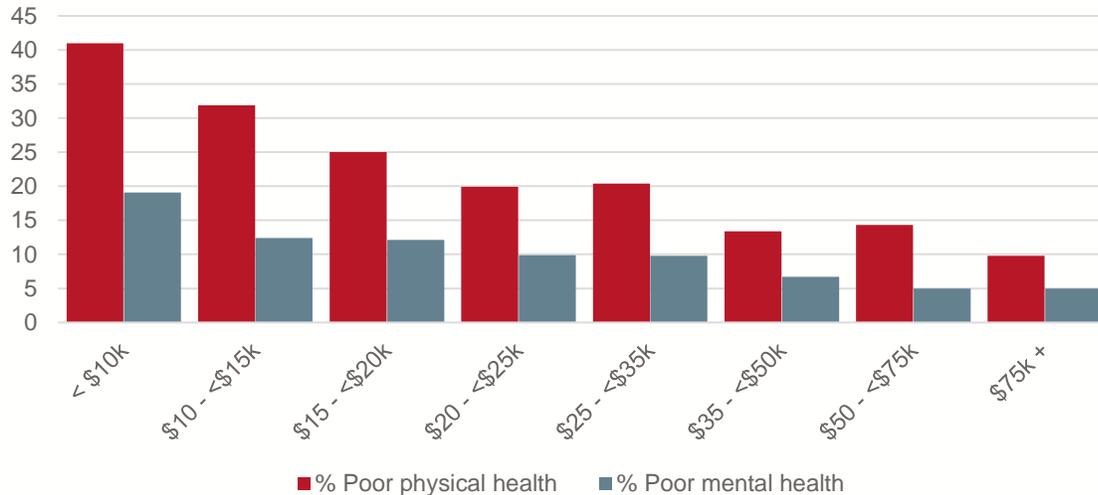
Based on a literature review and conversations with partners, low-income older adults in the Denver area have the following challenges and needs:

- **Healthcare.** While healthcare is an important concern for all older adults, it plays an especially large role for those with lower incomes. According to the 2012 United States of Aging survey, more than 70 percent of lower-income seniors had a chronic health condition, as compared with 52 percent of older adults making \$30,000 or more annually<sup>3</sup>. Furthermore, seniors with lower incomes are less likely to treat their chronic conditions quickly, resulting in more expensive care interventions in the long

<sup>3</sup> National Council on Aging, *The United States of aging survey 2012*. Retrieved from <https://www.ncoa.org/wp-content/uploads/8-3-12-US-of-Aging-Survey-Fact-Sheet-Low-Income-FINAL.pdf>

term.<sup>4</sup> As a result, the cost of healthcare is a major burden for many low-income older adults.

**Coloradoans Over 65 in Poor Health by Income Level, 2016**



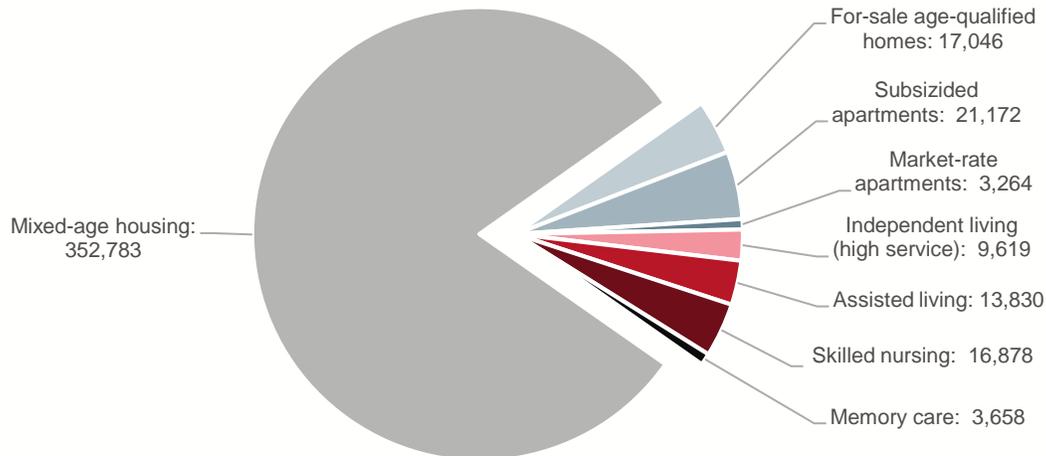
- Affordable housing.** As it has for many populations in Denver, the rapidly-escalating cost of housing has begun to reach a crisis point for lower-income older adults. Existing affordable housing developments for older adults have waitlists of several years, and supply shows little sign of catching up with demand: Of the 1,556 units of older-adult housing projected to open in the Denver area between 2017 and 2019, only 22 percent will be income-restricted. Furthermore, all of the new income-restricted units are independent living, leaving lower-income adults in need of assisted living, skilled nursing or memory care in an even more acute situation. Kavod's own waiting list for independent living is over 200 people long, with current wait times of more than 20 months. Even for older adults that live in their own homes, rising taxes can be a challenge on fixed incomes, as can home maintenance and repair or upgrades to accommodate changes in mobility.
- Social isolation.** One of the most consistent and troubling challenges for older adults is social isolation. Contrary to popular perception, the great majority of older adults live in homes or apartments unaffiliated with a care community or other age-restricted institution. According to the Administration for Community Living, there are approximately 13 million non-institutionalized older adults living alone in the United States.<sup>5</sup> While for some, the choice to live alone reflects a preference to age in place, many others are not able to relocate because of finances or high demand for limited

<sup>4</sup> The Robert Wood Johnson Foundation. (2011). *Health care's blind side: Unmet social needs leading to worse health*. Retrieved from <https://www.rwjf.org/en/library/articles-and-news/2011/12/health-cares-blind-side-unmet-social-needs-leading-to-worse-heal.html>

<sup>5</sup> Administration for Community Living. (2015). *A profile of older Americans: 2015*. Retrieved from <https://www.acl.gov/sites/default/files/Aging%20and%20Disability%20in%20America/2015-Profile.pdf>

units. Without the social and medical support that institutions provide, many older adults find themselves isolated and at higher risk of allowing mental and physical issues to go unchecked, and studies have connected social isolation with a higher prevalence of conditions ranging from heart disease to depression and suicide.

### Housing types for 65+ households in Colorado, 2016



- Elder abuse.** Research has estimated that approximately one in 10 adults over 65 suffer from some form of abuse, with even higher rates among lower-income populations<sup>6</sup>: In low-income Latino communities, rates of abuse as high as 40 percent have been found.<sup>7</sup> A 2017 AARP study of 1,000 Coloradoans over the age of 50 found that over half had been victims of some form of financial fraud, and nearly 75 percent were targets of attempted fraud.<sup>8</sup> Forms of elder abuse can include neglect or abandonment by families or caregivers, physical or sexual abuse, or financial exploitation. The most common perpetrators of elder abuse are family members, and the vast majority of cases are unreported. In 2014, the state of Colorado passed a mandatory reporting law that has been successful in increasing the number of elder abuse cases reported to authorities; in June 2017, the Denver Police Department established a new Elder Abuse unit, which received over 200 cases in its first two months alone.<sup>9</sup>

<sup>6</sup> Burnes, D. et al. (2015). Prevalence of and risk factor for elder abuse and neglect in the community: A population-based study. *Journal of the American Geriatrics Society*, 63(9). Retrieved from <https://onlinelibrary.wiley.com/doi/abs/10.1111/jgs.13601>

<sup>7</sup> DeLiema, M. et al. (2012). Determining prevalence and correlates of elder abuse using promotores: Low-income immigrant Latinos report high rates of abuse and neglect. *Journal of the American Geriatrics Society*, 60(7). Retrieved from <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1532-5415.2012.04025.x>

<sup>8</sup> AARP Colorado. (2017). *Defeating deception: Gauging the fraud experience and knowledge of Coloradoans 50+*.

<sup>9</sup> <https://www.thedenverchannel.com/news/local-news/denvers-new-elder-abuse-unit-already-has-200-cases>

## PARTNER PROFILES

A well-informed assessment of Kavod's strategic direction requires an understanding of the current and future programming of other organizations serving similar populations. The following profiles summarize this information for several organizations working with Jewish older adults, all of whom Kavod currently collaborates with through Kavod on the Road and the LinkAGES intergenerational initiative. In addition, Seniors' Resource Center is profiled to give an example of an organization serving low-income older adults that Kavod may wish to partner with in the future.

### Jewish Family Service

Jewish Family Service (JFS) is one of the largest organizations serving both Jewish older adults and low-income older adults in the Denver area. The core program for JFS' older adult services is care management, in which staff members perform in-home assessments on a sliding-scale basis. About 40 percent of care management clients are Jewish, a number that has declined over the years. Another key JFS program is Colorado Senior Connections, which provides social programming for older adults in Edgewater and Wheat Ridge. JFS also offers mental health counseling, homemaker assistance and a para-chaplain service to older adults throughout the Denver metro area.

After their long time CEO retired, JFS hired a new CEO and this did not work out. JFS appointed an (internal) interim CEO and recently hired Linda Foster as their new CEO. Previous to Linda being hired JFS did complete a strategic plan for its organization as a whole, but the plan did not provide much specificity about the organization's older-adult programming. The JFS staff interviewed are eager to coordinate with Kavod as the two agencies have a long history of working together

### Staenberg-Loup Jewish Community Center

The Staenberg-Loup Jewish Community Center (JCC) has long been a hub of structured and unstructured social activity for Denver's community of Jewish older adults. In recent years, it has developed and piloted delivery of a Jewish Aging Mastery curriculum, focusing on topics such as healthy relationships, financial literacy, and fall prevention, all with a Jewish perspective. The JCC has collaborated with Kavod to co-host and promote its Kavod on the Road programming, as well as with Jewish Family Services to offer a kosher lunch program three days a week and half-time programming referred to as JFS at the JCC.

In June 2018, JCC announced a financial restructuring that included a retirement of its past debts, the resignation of its board of directors and appointment of a new board, and its reincorporation as a nonprofit subsidiary of the Rose Community Foundation. The organization as a whole, including its older-adult programming, is currently engaged in strategic planning for the rest of 2018. When JVA spoke with JCC in summer 2018, the organization had recently hired Sonia Dobinsky as its chief program officer. In conversation, Sonia speculated that JCC would likely seek more partnerships to leverage its facility as a venue for third-party older-adult programming, as well as manage its own programming to support wellness, personal growth, intergenerational connections, and social action. Sonia has since left JCC.

## Shalom Park

Previously, Shalom Park offered an array of services to older adults on its campus in Aurora, including a nursing home, independent patio apartments, non-bundled assisted living apartments, a hospice, and a home health agency. Over the last several years, the organization chose to focus on Shalom Park's core competencies, its 135-bed nursing home and health and wellness center, selling or closing its ancillary services and housing.

Marc Penner, the organization's recently hired CEO, has led the organization's embrace of the Eden Alternative approach, in which care is focused less on top-down directives and more on individual patient needs. He has also prioritized updates to the facility's physical space and marketing the organization's short-term rehab services to the community at large. As with many other organizations profiled here, Shalom Park is in the early stages of its own strategic planning process, and is open to new partnership opportunities with Kavod.

## JEWISHcolorado

For decades, Colorado's chapter of the Allied Jewish Federation served as a local leader in grantmaking and social programs for the Jewish community. In 2013, the Allied Jewish Federation of Colorado and the Jewish Community Foundation merged to form JEWISHcolorado. In recent years, the organization has scaled back its direct support for Jewish organizations, instead acting as convener for initiatives such as Kosher Meals on Wheels and community chaplaincy. After a period of leadership transition, the organization recently named Rabbi Jay Strear as its president and CEO, with a commitment to continue its work of connection and collaboration.

## Rose Community Foundation

Since it was established from the sale of Rose Hospital in 1995, the Rose Community Foundation (RCF) has emerged as a key local funder for Jewish and non-Jewish nonprofits alike. The organization currently has over more than \$325 million in assets, making \$11,053,369 in grants in 2017 to five core funding areas: child and family development, education, health, Jewish life, and aging, with the latter two of particular note for Kavod. In 2018, Rose hired Lindy Eichenbaum Lent as its new CEO, and the organization is currently developing a new strategic plan.

RCF's largest giving priority is Jewish life, with \$4,175,667 granted in 2017. Funding priorities in this category include programs that connect individuals to Jewish life, activities that promote Jewish learning for youth and adults, capacity-building for Jewish-focused organizations, and leadership development for individuals in the Jewish community.

RCF dedicated \$1,733,650 of its 2017 grant funds to its aging focus area. RCF's aging initiative has three main funding priorities:

- **Direct in-home and community-based services**, connecting older adults to "safety net services like home-delivered meals, handyman services and transportation." Among RCF's 2017 grantees working to provide these safety net services were Jewish Family Service,

Bondadosa, Project Angel Heart, Brothers Redevelopment and several local meals on wheels programs.

- **Transportation** initiatives aimed to increase mobility for older adults, such as Via Mobility Services.
- Projects and organizations working for **systemic change** in local aging issues, such as the Colorado Gerontological Society, Center for People with Disabilities, and the Colorado Commission on Aging.

In addition to these funding priorities, many of RCF's aging resources help support organizations keeping older adults active in their communities, such as Cultivate (formerly known as Boulder County CareConnect), Changing the Narrative, and Boomers Leading Change. RCF's aging funding guidelines indicate that the foundation does not tend to support capital requests, senior centers, or disease-specific programs.

## Seniors' Resource Center

Seniors' Resource Center, founded in 1978 and based in Wheat Ridge, provides services, resources and advocacy to more than 24,500 people a year throughout the Denver metro area. It provides the following services:

- An **adult day program** providing social activities and hot meals to older adults. Daily activities include exercise, creative projects, cognitive exercise, field trips, community service projects, social events and computer technology.
- **Transportation** is available for up to three round trips per week between 8 a.m. and 4 p.m. The service is at no charge but accepts voluntary contributions, and it must be scheduled in advance.
- Non-medical **in-home care** and homemaking services to help people remain in their homes. Services include help with bathing, dressing, medication reminders, meal preparation, light housekeeping, laundry, errands and companionship. The service is charged by the hour, with a two-hour minimum.
- Minor **home repair** services are available to help people remain safe and independent in their homes. Labor is not charged to older adults because volunteers provide it, but the older adult is asked to cover the cost of parts or materials needed.
- A volunteer-based **friendly visitor program** called Neighbors to Neighbors.
- A variety of **financial services programs**, including budgeting, bill paying and income tax preparation.
- **Care management**, including services, advocacy and referrals.
- **Mental health services**, including telephone-based counseling, care management, wellness coaching, depression screening and identification and intervention in prescription drug misuse/abuse.

## Summary of Organizations Meeting the needs of Jewish Older Adults

Need for Jewish older adults	Organization(s) serving need
Independent living: market rate	Wind Crest, Heather Gardens, Vi at Highlands Ranch, Springbrooke, Brookdale University Park, Brookdale Parkplace, Brookdale Mountain View, Balfour Riverfront Park, Denver Jewish Senior Living, Hilltop Senior Living
Independent living: affordable	Kavod, Windsor Gardens, Brookdale Tamarac Square, Senior Housing Options
Assisted living: market rate	Harvard Square, Brookdale, HighPointe, Rosemark at Mayfair Park, Cherry Oaks, Carillon at Belleview Station, Wind Crest
Assisted living: Medicaid and affordable	Kavod, The Granville, Caley Ridge, The Oberon House, Canterbury Gardens, Dayspring Villa, Eastern Star Masonic Retirement Campus, the Retreat at Highlands
Skilled nursing	Shalom Park, Brookdale Greenwood Village, Brookdale Roslyn, Wind Crest, Vi at Highlands Ranch, ManorCare
Memory care: market rate	Brookdale, Belleview Heights, Harvard Square, Peregrine Senior Living
Memory care: affordable	None available, other than some small group homes that take Medicaid
Hospice	None specific to Jewish community since Shalom Park closed its hospice. However, a number of Denver-based hospices offer Jewish chaplaincy.
Home sharing	None specific to the Jewish Community; Sunshine Home Share, Silvernest, Senior Homeshares, and Open Up all offer home-sharing services in Denver
Mental health	JFS
Care management	JFS
Transportation	Seniors' Resource Center and Via Mobility offer transportation to the community at large, but both have relatively limited service and can be expensive.
Continuing education	JCC, Kavod On The Road, Osher Lifelong Learning Institute, Academy for Lifelong Learning
Home healthcare	None specific to the Jewish community
Nonmedical home care (housekeeping, shopping, cooking, and errands)	Over 600 agencies for the community at large, including JFS, Seniors' Resource Center, Seniors Helping Seniors and Brightstar Denver.
Accessibility modifications and home repair	None specific to Jewish community. Brothers Redevelopment, Seniors' Resource Center, A Little Help and Rebuilding Together Metro Denver all serve the community at large.

## Partner Themes

Assessing the landscape of Kavod's existing and prospective partners, a number of common themes emerge.

- **Jewish nonprofits are evolving in their relationship to Jewish identity.** Even as the number of Jews in the Denver area grows, religious affiliation has been on a slow and steady decline, and Jewish nonprofits in Denver and throughout the country are seeing declining numbers of self-identified Jews in their programs. The JCC's financial restructuring, Shalom Park's decision to scale back its services and elimination of its strictly kosher facility, and an increased proportion of non-Jews served in JFS programming are all indicators that Jewish-focused organizations are choosing to expand their focus to stay relevant and financially sustainable.
- **Jewish nonprofits are in a state of leadership transition.** Nearly all of the Jewish institutions profiled here have changed leadership in the past year, and most are currently engaged in strategic planning processes of their own. While the results of these planning processes are not all final, one common theme is a renewed desire for partnerships between organizations that go beyond simple cross-promotion of programs. Multiple sources have noted that there is more of a collaborative spirit among Denver's Jewish organizations than there has been in decades, with many new opportunities for Kavod to establish closer partnerships than it has been able to have in the past.
- **Significant service gaps remain for older adults.** As a whole, Jewish agencies are effectively and creatively providing for a wide variety of older adults' needs, from mental health to food security. On the other hand, several persistent needs continue to be unmet, largely because the solutions to those needs appear to be too expensive or logistically challenging. In particular, on-demand transportation, affordable memory care, and a Jewish-focused home health agency are key gaps in the landscape of care for Jewish older adults. These are areas that should be discussed with our partners but may be beyond what Kavod or any group of partners have the financial and staff resources to address.

## KAVOD'S FUTURE STRATEGY

With an understanding of the needs of Kavod's target populations, as well as the current and future programming of the organization's partners, Kavod's board of directors and strategic planning committee convened on Sunday, December 2<sup>nd</sup> 2018 for a six-hour strategic planning retreat. Retreat participants included:

- **Michael Belieu**, Chief Financial Officer
- **Sharon Caulfield**, board member
- **Rachel Cohen**, board member, strategic planning committee co-chair
- **Glenn Cooper**, board member
- **Rob Friedman**, Board chair
- **Carl Glatstein**, board member
- **Marsha Helfant**, non-board committee member
- **Dr. Kerry Hildreth**, board member
- **Tracy Kapaun**, Chief Operating Officer
- **Michael Klein**, President/CEO
- **Ondalee Kline**, resident and board member
- **Michele Lueck**, board member
- **Gerri Persin**, non-board committee member
- **Debbie Reinberg**, board secretary, strategic planning committee co-chair
- **Melanie Siegel**, board member

Prior to the retreat, Kavod determined that its existing mission, vision and values - developed during the previous strategic planning process and listed here below - remained relevant and did not need to be revised.

### Mission

To provide life-enriching experiences to older adults through a broad range of housing and support services that reflect the spiritual, social, and cultural values of Jewish tradition.

### Vision

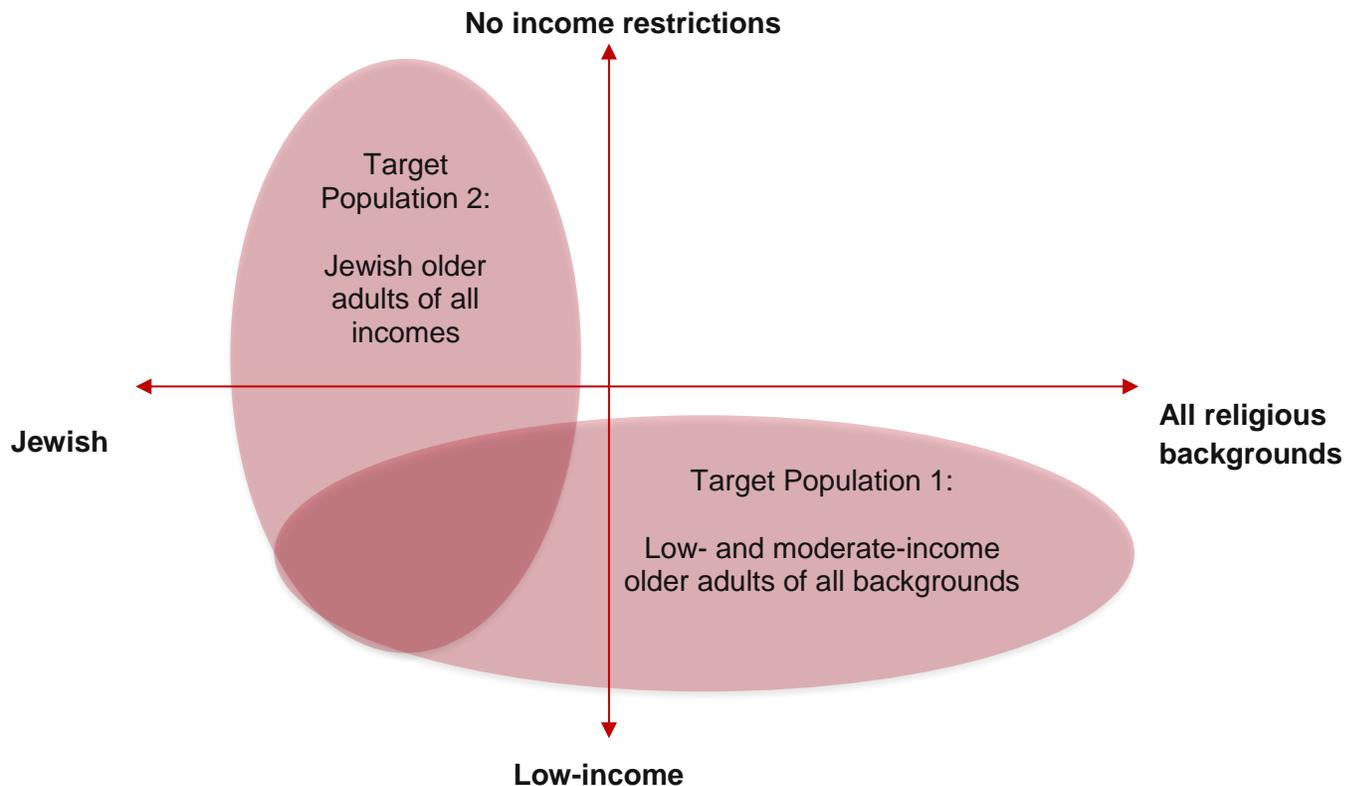
To support our main campus and seek related locations that support Jewish and other seniors in their quest to age gracefully and stay connected in their communities.

### Values

- **Partnership.** We seek collaborative relationships to improve the lives of older adults.
- **Respect.** We respect our Jewish traditions and honor the diversity that each resident and employee brings to our community.
- **Integrity.** We approach every interaction with transparency and the highest level of integrity.
- **Dedication.** We are dedicated to helping those who most need our services.
- **Excellence.** We are committed to providing high quality, fairly priced services.

## Target populations

During the retreat, participants reviewed the analyses of Kavod's current target populations found earlier in this report, and discussed which populations Kavod should be serving as it moves forward. Applying the matrix on page five, participants reaffirmed that Kavod should focus on serving the following the same two populations: low- and moderate-income older adults of all backgrounds, and Jewish older adults of all incomes.



With these core populations affirmed, Kavod's board and planning committee next began discussing the impact that the organization would like to have on each population within the next five years. After a variety of exercises and group discussions, retreat participants arrived at the following themes for the impacts it would like to have for each population:

### **Ensuring low- and moderate-income older adults are housed with respect and a high quality of life.**

Kavod's core strength is in providing affordable housing from a place of Jewish values. Moving forward, Kavod will continue to seek housing solutions for members of this population through the following techniques:

- Continuing to upgrade quality of housing at current buildings
- Helping additional low- and moderate-income older adults secure affordable housing via developing its own housing, homesharing, or other programming and partnerships
- Providing programming and assistance to help older adults age in their homes

## **Becoming an essential part of the cultural and social fabric of Denver's Jewish older adult community.**

This is an opportune time for Kavod to take a more visible role among Jewish older adults in the Denver area and the organizations that serve them. As it aims to increase its visibility as a respected partner and sponsor, Kavod will seek new opportunities for planning, coordinating and programming among the Jewish community.

## **Strategic Goals**

Building on the two previous discussions, retreat participants identified the following as Kavod's core strategic goals for the next three to five years:

1. **Continue to improve quality of life for Kavod's current residents.** Over the past five years, Kavod has made a number of substantial physical and programmatic upgrades to its housing. For the next strategic planning period, these upgrades will continue, as facility renovations proceed as planned, creative solutions to the buildings' parking shortage are sought, programming in the Health and Wellness Center is expanded, and opportunities for on-site physicians or nurse practitioners are explored.
2. **Continue to explore opportunities for developing moderate-income housing.** In Kavod's previous strategic plan, a substantial market gap was identified for housing older adults that do not qualify for HUD subsidies but cannot afford market-rate housing. In the six years since then, demand has only grown, and promising development sites are currently being explored by the organization's leadership.
3. **Serve as a local leader in supporting older adults aging in community as well as the convener of local older adult agencies, especially those serving Jewish older adults.** The successful launch and expansion of Kavod On the Road has proven the organization's ability to meet the social and educational needs of older adults aging in community. Offering a variety of educational and social activities with over 700 attendees annually, Kavod On the Road has leveraged a network of partners ranging from local synagogues to the Denver Housing Authority to promote mental stimulation and socialization among older adults throughout Denver. As it looks forward, Kavod has the opportunity to extend this track record of success to additional programs and services to support older adults aging in community in the Denver area.

As noted previously, nearly every major organization serving Jewish older adults has had some combination of restructuring and leadership change in the last 24 months, leaving Kavod as the sole organization with a stable long-term strategy and institutional knowledge. Even beyond the Jewish older-adult community, stakeholders have noted a lack of coordination among housing and service providers. These conditions present an opportunity for Kavod to apply its collaborative, compassionate approach to bringing nonprofits, foundations and government agencies together for collective impact.

4. **Build financial resilience through cost efficiencies and diversifying revenue streams.** Kavod has long been a careful steward of its financial resources, ensuring that staff and residents alike are well provided for. In recent years, several factors have converged that make fiscal responsibility and innovation more important than ever. The majority of Kavod's budget is supported by the Department of Housing and Urban Development (HUD), and the Federal government's increasing political gridlock and instability has made the availability of existing levels of HUD funding appear less certain than in the past. Long-term demographic and financial trends, meanwhile, may eventually necessitate cuts in Medicaid, Medicare and Social Security benefits, indirectly impacting Kavod's business model, as well. In response to these trends, Kavod will be more aggressive in its pursuit of additional sustainable revenue streams, including but not limited to philanthropy from individual donors and earned income.

## Strategy screen

With Kavod's overall strategic goals in place, organizational leadership and staff will soon begin the process of identifying, researching and evaluating potential program opportunities to achieve that goals. And as Kavod strengthens existing partnerships and builds new ones, Kavod will need to evaluate opportunities for strategic collaboration on an ongoing basis. To assist with these needs, retreat participants developed a strategy screen – a set of standardized questions that the organization's leadership can use to evaluate new and existing programs in an objective way. During the planning retreat, participants came to agreement on which questions the strategy screen should contain, which are listed below. Moving forward, Kavod's leadership may wish to make the tool more robust by assigning point values and/or weighting criteria for each question.

### Environmental

- Does this program build and expand upon Kavod's existing strengths and resources?*
- Will this program expand the population of older adults served by Kavod, or provide more comprehensive services for existing residents/program participants?*
- Are there other organizations doing similar work? If so, what is Kavod's strategy for partnering with them?*

### Social

- Is this program consistent with Kavod's mission, vision and values?*
- Is this program aiming to reach at least one of Kavod's two target populations?*
- Will this program advance one or more of Kavod's five strategic goals for 2019-2023?*
- Is there a clear and realistic plan for measuring the program's impact?*

## Financial

- What resources will this program take to launch? Do Kavod's staff have the capacity to take on this opportunity?*
- Will this program generate a financial return on investment? If not, does the program have a plan for long-term financial sustainability?*
- Does the program engage or excite potential donors and philanthropists?*

## NEXT STEPS

This document is intended to provide the framework for Kavod's next strategic plan, but more work will be required from the organization's leadership to confirm this framework and fill in the details. To that end, retreat participants agreed to the following next steps for completing the strategic planning process:

1. In early 2019, the Strategic Planning Committee reconvened to review and revise the strategic plan framework and identify appropriate metrics for evaluating Kavod's progress towards attaining its goals.
2. Following adoption of the strategic plan framework, staff and board will work to prepare a public version of the framework to share with stakeholders.
3. Senior staff will begin research on potential program opportunities to achieve the organization's new strategic goals. By April 30, 2019, they will have identified potential programs that fit through the strategy screen, developed a budget for new funding needs, and a 12-month action plan for beginning implementation.

## APPENDIX: PROGRAM OPPORTUNITIES FOR SUPPORTING OLDER ADULTS AGING IN COMMUNITY

In preparation for the strategic planning retreat, JVA researched several subject areas related to aging in community, examining peer-reviewed literature, national best practices and local initiatives. Based on that research and conversations with chairs of Kavod's Strategic Planning Committee, the following four subject areas were determined to be most promising for Kavod to pursue further:

1. **Solutions to Isolation**, including intergenerational programming and peer support networks
2. **Home Sharing** programs that seek to match homeowners that have empty space with older adults in need of housing
3. **Supporting Older Adults with Early Cognitive Loss** through social clubs, memory cafés, assistive technologies, or other means
4. **Home Repair/Handyperson Services** such as accessibility retrofits or small plumbing and electrical repairs

More detailed analyses of each subject area are shared below:

### Solutions to Isolation

Among the greatest concerns for both low-income older adults and Jewish older adults are social isolation. According to the Denver Regional Council of Government's Area Agency on Aging, nearly a third of Denver's older adults are at risk of being isolated, and estimates of the national rate are as high as 42 percent.<sup>10</sup> As Kavod expands its efforts to help older adults age in community, it will be well positioned to help prevent older adults from becoming isolated in the first place. As for adults already at risk of isolation, there is an extensive peer-reviewed literature evaluating strategies to reduce isolation. The following intervention approaches, drawn from the conclusions of three separate metastudies, have been found to be most effective at reducing loneliness:

- Group activities that involve an educational component
- Bereavement support for recently widowed people
- Therapy groups for people with mental health issues
- Intergenerational programming<sup>11</sup>

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<sup>10</sup> Nicholson, N. R. (2012). A review of social isolation: an important but underassessed condition in older adults. *The journal of primary prevention*, 33(2-3), 137-152.

<sup>11</sup> Thompson Jr, E. H., & Weaver, A. J. (2015). Making connections: The legacy of an intergenerational program. *The Gerontologist*, 56(5), 909-918.

- “Friendly visitor” programs, in which senior volunteers visit other community-dwelling older adults<sup>12 13</sup>
- Peer or professionally-led counseling groups<sup>14</sup>
- Structured physical activity

Interventions based on social interaction are more likely to be effective when they are targeted to specific groups, such as women, the widowed, the physically inactive or people with mental health problems. One-on-one programs, meanwhile, are more likely to be successful when the parties involved belong to the same generation, have common interests, and share a common culture and social background.<sup>15</sup> It also appears that programs that enable older people to be involved in planning, developing and delivering activities are most likely to be effective.<sup>16</sup>

In addition to the approaches discussed above, new online and digital options are beginning to demonstrate potential for addressing loneliness and social isolation among older individuals.<sup>17</sup> For example, the Virtual Senior Center launched by Selfhelp Community Services in 2010 uses video chat to connect homebound older adults for structured programming and informal socializing. Program evaluation found that the Virtual Senior Center reduced loneliness among participants by 80 percent and increased connectedness by 60 percent.<sup>18</sup>

These results were not unique to Selfhelp Community Services: A meta-analysis of six studies found that computer and internet training consistently reduced loneliness in older adults under the right conditions.<sup>19</sup> Even so, the lasting benefits of online and digital solutions remain unclear. As with telephone-based interventions, online or digital approaches may need to integrate several components in a multidimensional approach to target individuals who are difficult to reach and desire some type of personal connection.

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<sup>12</sup> MacLeod, S., Musich, S., Parikh, R., Hawkins, K., Keown, K., et al. (2018). Examining Approaches to Address Loneliness and Social Isolation among Older Adults. *J Aging Geriatr Med* 2:1.

<sup>13</sup> Dickens, A., et al. (2011). Interventions targeting social isolation in older people: a systematic review. *BMC Public Health* 11: 647.

<sup>14</sup> Cattan, M., et al. (2005). Preventing social isolation and loneliness among older people: A systematic review of health promotion interventions. *Ageing & Society*, 25, 41-67.

<sup>15</sup> Cattan, M., et al. (2003). Alleviating social isolation and loneliness among older people. *International Journal of Mental Health Promotion*, 5(3), pages 20–30.

<sup>16</sup> Cattan, M., et al. (2005). Preventing social isolation and loneliness among older people: A systematic review of health promotion interventions. *Ageing & Society*, 25: 41-67.

<sup>17</sup> Price, B. (2015). Approaches to Counter Loneliness and Social Isolation. *Nurs Older People* 27: 31-39.

<sup>18</sup> Dring, D. “Reducing Social Isolation and Improving Health Status through Group Video Chat Activities”, *LeadingAge*

<sup>19</sup> Choi, M., Kong, S. & Jung, D. (2012). Computer and internet interventions for loneliness and depression in older adults: A meta-analysis. *Healthcare Informatics Research*, 18(3): 191-198.

## Opportunities for Kavod: Solutions to Isolation

- Use results of the upcoming Greater Denver Jewish Community Study to identify specific subpopulations of Jewish older adults most at risk of isolation and/or elder abuse
- Continue to engage with LinkAGES to develop intergenerational programming and other opportunities to prevent and reduce isolation
- Engage Kavod On the Road participants or other groups of older adults to co-create a social support service to address isolation in identified subpopulations
- Coordinate a friendly visitor program to connect older adults with other older adults experiencing isolation

## Home Sharing

Another potential program opportunity for Kavod is home sharing, which seeks to find suitable matches between homeowners and individuals seeking affordable housing. In recent years, several new companies and nonprofits have started with the aim of providing home-sharing services for older adults, each with a slightly different model. Senior Homeshares and Silvernest are both online home-sharing platforms, and are both headquartered in Colorado. Senior Homeshares is a free service that pairs older-adult homeowners with other older adults on fixed incomes, while Silvernest aims to match “empty nesters” with roommates of any age and income level for a \$50 signup fee and monthly charge of \$10-\$15. Nesterly, meanwhile, is a similar Boston-based service that charges \$100-\$200 per successful match plus 2.5 percent of monthly rent.

The above models are designed to quickly generate matches between owners and renters using an online platform. Sunshine Home Share Colorado, meanwhile, takes a more hands-on approach. Every home-sharing program entails some amount of housemate vetting, but Sunshine’s model is the most extensive, involving a multistep screening process facilitated by Sunshine staff. To date, Sunshine has completed eight matches out of 32 match meetings. Alison Joucovsky, Sunshine’s founder, has long been involved in Denver’s Jewish community and is enthusiastic about the potential to partner with Kavod.

Some home-share programs are focused on serving a specific target population: The Center on Halstead in Chicago matches homeowners with LGBT older adults, while Denver-based Open Up (formerly known as Providence HomeShare) matches homeowners with low-income adults of any age trying to become economically self-sufficient. Other programs provide wraparound services in addition to matching owners and renters. For example, HIP [Human Investment Project] Housing in San Mateo County, California, assesses the needs of both home seekers and providers, and offers referrals to a variety of community services and programs.

Regardless of the specific approach, there are number of best practices for successful home sharing:

- Thorough screening mechanisms
- Follow-up support and conflict mediation to ensure match success<sup>20</sup>
- A sustainable revenue source
- A thorough but flexible boilerplate lease document
- Partnerships with community-based institutions serving older adults
- Buy-in and active support from local government

Home sharing offers an appealing way to solve housing and care challenges for older adults, but managing a home-sharing program is not without risks. The cost of housing an older adult

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<sup>20</sup> U.S. Department of Housing and Urban Development. (2018). Home Sharing. Retrieved from <https://www.huduser.gov/portal/casestudies/study-09282016-1.html>

through home sharing is vastly lower than developing new housing, but it nevertheless requires many hours of staff time to make a successful placement, and it remains unclear whether any of the new business models being tested in the market will become financially sustainable. Furthermore, even the most stringent standards for vetting applicants is unlikely to eliminate all cases of fraud, abuse or neglect, and a single match gone wrong may damage an organization's institutional reputation or even put it at legal risk.

### Opportunities for Kavod: Home Sharing

- Conduct interviews, surveys or focus groups with Kavod on the Road participants to identify interest and concerns around home sharing
- Partner with Sunshine Home Share or another provider to identify potential home-sharing clients
- Examine the feasibility of home sharing as an interim solution for older adults on Kavod's wait list
- Explore opportunities to educate and connect older adults with local home-sharing resources

### Supporting Older Adults with Early Cognitive Loss

Dementia and other forms of cognitive loss are a growing and underserved challenge for Denver's older adult community. While Kavod may not be in a position to provide memory care or other programming to assist with advanced cognitive loss, its internal and community-based programming could each be expanded to support older adults with early-stage dementia (as well as their caregivers). Across the globe, communities have developed a number of innovative programs designed to maintain a reasonable quality of life for individuals with early cognitive loss, many of which involve education and partnership with civil institutions and the general public. Promising practices to examine include the following:

- **Social clubs** are designed to be attended by couples where one partner has early stage dementia. The clubs address the social isolation experienced by both the person with dementia and their caregiver. A formal evaluation of the social club model has found benefits both for attendees with dementia, who can socialize worry-free, as well as their caregivers, who can learn and share skills and experiences with one another<sup>21</sup>. Remembering Together is an European Union-funded social club in which participants are taught the benefits of using Reminiscence Therapy in their day-to-day interactions with their partners.
- **Alzheimer's or memory cafes** serve as a safe and relaxed place where people with dementia and their caregivers can meet in the presence of health and social care professionals for regular meetings in a cafe-style environment. They offer a unique blend of

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<sup>21</sup> Keogh, C. and McGettrick, G. (2008) *Social Space: Equal Place, The Social Club Model of Dementia Care: A Research Report*, The Alzheimer Society of Ireland, Dublin.

education, therapeutic support and information. The Alzheimer's café is independent from and designed to complement other existing services and supports, including day care centers, respite, home care and social clubs.

- **Psycho-educational programs**, such as a recent initiative of the Alzheimer's Society of Ireland, train family caregivers in best practices for caring for loved ones with dementia. The Ireland program combines lecture, role playing and experiential learning, and covering themes such as changes to the home environment, creating reassuring routines, using simple language and visual cues, and creating memory-triggering playlists.
- **Assistive technology** is being deployed by many Alzheimer's and dementia-focused organizations to help people with dementia live longer in their homes. This technology is usually designed specifically for older adults with dementia issues, and may include calendars, medication timers, and object locators.

One program in particular that has been noted for its innovative approach to dementia is UCLA's Alzheimer's and Dementia Care Program, which acts as a "one-stop-shop" by partnering with eight medical care and community-based service providers to meet the needs of high-risk older adults and their caregivers. Nurse practitioners act as dementia care managers to develop a personalized care plan with the referring physician; make follow-up visits and phone calls to make sure the plan is implemented or modified as needed; and offer 24/7, year-round advice and assistance for caregivers to avoid emergency department visits and unnecessary hospitalizations. The program's outcomes include successfully reducing nursing home admissions, problem behaviors and patient and caregiver depression.

Dementia Friendly America is attempting to take this collaborative approach to municipalities across the country. Composed of a consortium of more than 50 organizations including AARP, the Alzheimer's Association, CVS/Caremark, the International Association of Chiefs of Police, the National League of Cities, and UsAgainstAlzheimer's, Dementia Friendly America partners with local municipalities to create dementia-friendly communities throughout the United States. Each participating community selects locally-relevant cross-sector projects, with the broad aims of raising awareness, transforming attitudes, supporting caregivers and promoting patient participation in their community. Dementia Friendly Denver's work has included community education events, training for government employees, advance planning for caregivers, a dementia-friendly worship program, dementia information wallet cards, and dementia resource guides.

## **Opportunities for Kavod: Supporting Older Adults with Early Cognitive Loss**

- Host a regular social club through Kavod on the Road for individuals with dementia and their caregivers to connect with one another
- Host a series of memory cafes with qualified health professionals
- Convene a series of interactive trainings for caregivers of low-income and/or Jewish individuals with dementia
- Identify assistive technology that could benefit individuals with dementia and seek funding to distribute it to the appropriate low-income and/or Jewish older adults
- Partner with Dementia Friendly Denver and/or JCC to host a dementia resource fair, dementia-friendly Jewish worship service, or other programming

## **Home Repair/Handyperson Services**

As growing numbers of older adults opt to stay in their own homes as they age, the market for services to assist them has grown quickly. Many organizations offer help with daily chores, while others provide minor plumbing and electrical repairs and energy-efficiency upgrades. Finally, a growing suite of for-profit and nonprofit organizations install retrofits such as wheelchair ramps and shower grip bars designed to ease accessibility for aging homeowners. Jewish Family Service already provides daily chores and light housekeeping services for Jewish older adults, but small repairs and accessibility upgrades could be promising opportunities for Kavod to pursue.

The concept of a housing provider offering home repair and upgrade services to older adults is not without precedent. St. Paul's, a senior living facility in western Pennsylvania, offers repair services to nearby older-adult homeowners as part of its "St. Paul's Without Walls" programming. Clients are charged a base rate of \$22.50/hour for yard work and minor home repairs, with more extensive needs subcontracted to local partners. Here in the Denver area, meanwhile, one of the most active home repair and upgrade services is run by Brothers Redevelopment, a nonprofit that manages 13 independent living properties for low-income older adults. Brothers has leveraged its internal facility maintenance and repair expertise into a successful home maintenance and repair program for low-income older-adult homeowners. The organization partners with multiple metro-area counties and municipalities to subsidize the service, allowing them to offer a variety of mobility and accessibility upgrades to clients for free or at a significantly reduced cost.

In addition to Brothers Redevelopment, a number of other local organizations offer some combination of minor repairs, yard work, and accessibility modifications for older adults. A Little Help is a nonprofit that charges homeowners on a sliding-scale basis, while groups like Hudson Integrative and Number 1 Son target middle- and upper-income older adults, offering high-skill services on a fee-for-service basis. Kavod would therefore be entering a crowded field, but its

existing maintenance expertise and established institutional and grassroots connections to the Jewish older-adult community may offer it enough of a niche for success.

## **Opportunities for Kavod: Home Repair/Handyperson Services**

- Investigate Brothers Redevelopment's model in more depth and explore opportunities for partnership with Kavod
- Conduct surveys or focus groups with Kavod on The Road participants to gauge interest in home repair and modification services
- Explore partnership opportunities with JFS to become a preferred provider of home repair and modification services to its existing clients

## Existing organizations offering home modification or repair work for older adults in the Denver area

Program	Income restriction	Price	Minor repairs	Yard work	Accessibility modifications
A Little Help	None	Sliding scale	✓	✓	
Brothers Redevelopment	Low-income	Free	✓		✓
Extreme Community Makeover	None	Free		✓	
Hudson Integrative	None	Charge			✓
Number 1 Son	None	Charge	✓	✓	✓
Rebuilding Together Metro Denver	Low-income	Free	✓		✓
Seniors Helping Seniors	None	Charge	✓	✓	
Seniors' Resource Center Chore Services Program	None	Labor is free, client pays for materials	✓	✓	✓
The Senior Hub	None	Varies	✓		