



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, September 23, 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>• June 2019 Board Minutes</li> <li>• May/June/July Financials</li> <li>• Construction Schedule</li> <li>• Fiscal Committee Minutes</li> <li>• Resident &amp; Community Services Minutes</li> <li>• Kavod Senior Life Foundation Minutes</li> </ul> | Rob Friedman                      | Approval      |
| 5:35 pm | JewishColorado Presentation (Vision and Programming)                                                                                                                                                                                                                                                     | Rabbi Jay Strear<br>Ruth Malman   | Informational |
| 5:50 pm | Construction Update                                                                                                                                                                                                                                                                                      | Brian Botnick & Staff             | Informational |
| 6:00 pm | Healthy Equity Award (KOTR/KITC)                                                                                                                                                                                                                                                                         | Michael Klein<br>Rebecca Gershten | Informational |
| 6:10 pm | Fundraiser Update                                                                                                                                                                                                                                                                                        | Molly Zwerdlinger                 | Informational |
| 6:18 pm | President/CEO Report                                                                                                                                                                                                                                                                                     | Michael Klein                     | Informational |
| 6:30 pm | Chairman’s Report                                                                                                                                                                                                                                                                                        | Rob Friedman                      | Informational |
| 6:37 pm | Announcements <ul style="list-style-type: none"> <li>• Announcements – upcoming calendar items</li> <li>• Next meeting date/time</li> </ul>                                                                                                                                                              | Rob Friedman                      |               |
| 6:40 pm | Adjournment                                                                                                                                                                                                                                                                                              |                                   |               |

NEXT MEETING ANNUAL MEETING DECEMBER 16, 2019



Kavod Senior Life  
Board of Directors  
Board Meeting  
June 24, 2019

Present: Brian Botnick, Sharon Caulfield, Rachel Cohen, Glenn Cooper, Rob Friedman, Carl Gladstein, Perry Moss, Debbie Reinberg, Melanie Siegel, Connell Saltzman. Via Zoom Conferencing: Dr. Kerry Hildreth, and Molly Zwerdinger. Staff: Michael Klein, Michael Belieu, and Tracy Kapaun. Guest: Renee Norcross

Mr. Friedman introduced the executive coach for Mr. Klein, Renee Norcross. Ms. Norcross was hired to be an executive coach for Mr. Klein, as well as work with Ms. Kapaun and Mr. Belieu.

A quorum being established, and Mr. Rob Friedman called the meeting to order. The Consent Agenda: approval of the April 29, 2019 Board agenda, Committee Reports –March/April Financials, Fiscal Committee Minutes Kavod Senior Housing & Services Board Minutes, Resident & Community Services Minutes (all items were distributed prior to the meeting) were presented for approval. Mr. Saltzman moved for approval of the Consent Agenda with a second by Ms. Cohen. Discussion: Mr. Saltzman offered changes to the financial section of the April 2019 board minutes (changes are on file). The minutes were approved as amended.

As continuing education for the Board Ms. Kapaun provided the group with a general profile of our residents as they age in place and the services which we provide to the independent living residents. Ms. Kapaun noted that as our residents age in place, we are dealing more and more with mental health issues and frailty issues. Ms. Kapaun gave some background on the issues Kavod is facing. She advised that our Care Coordinators do interviews with the residents regarding their physical as well as mental issues. She did note that due to HUD regulations, it is most difficult to reject residents coming in due to mental illness. She stated with over 400 residents staff is dealing with a lot of different types of personalities which can be challenging. She did provide a snapshot of what types of issues staff is dealing with from: mental health issues to various levels of dementia. The Board asked what percentage of residents have these issues. Ms. Kapaun estimated this is approximately 10% of the population.

Ms. Caulfield provided the Board with a brief compliance report. She noted that Kavod Management is working with her to develop a Compliance Policy and reporting tools. This will result in a report that can be presented to the Board. Mr. Klein noted that each department has developed an assessment and the staff is working to develop a standardized report. Mr. Klein also noted that Kavod will undergo a REAC Inspection on July 8<sup>th</sup> in the West Building. This will look at the condition of our physical plant and includes residents' apartments.

Ms. Reinberg provided a quick update on the status of the Strategic Plan implementation. She noted the Ms. Cohen and staff are working on the implementation plan. Once the implementation plan is in place staff will provide updates to the Board twice a year. Since the plan is in the implementation phase, the Strategic Planning Committee has been disbanded. She did note that if there are any special projects an Ad Hoc Committee of the Committee will be called to work with staff. Mr. Klein provided a brief review of the 4 areas that comprise the Strategic Plan and how they are incorporated into his and the organizations 2019 goals. He noted that, as part of the plan, invitations are being extended to community leaders to present their organizations goals to Kavod and Kavod is going to their Board presenting Kavod's strategic plan.

Mr. Botnick presented an update on Ad Hoc Building report. Mr. Botnick went through the latest construction schedule indicating that construction hopefully will begin at the end of October. The project will be in three parts which are the original main project, the installation of the new life safety system (fire system) and asbestos abatement. He noted the construction will tentatively begin in the West Building at the end of October and then we will determine which building will follow. Mr. Botnick noted that if there are cost overruns, then bathtub conversions will be significantly scaled back. Mr. Friedman asked that the latest construction schedule be included into the board packets. Mr. Botnick reported that working with Jensen Hughes, Kavod has submitted our plan for the life safety. The Denver Fire Department has responded and initial review of their response shows Kavod is moving in the right direction. The Board stressed the need to minimize the impact on the residents when the project starts. There will be construction on all floors and all the residents' apartments. Staff have been discussing the need for frequent and clear communication with residents, families and staff, once we have an approved plan.

Ms. Siegel provided the board with a presentation on the 2019 Annual Meeting and Summer Fundraiser which will take place on August 15 at The Great Divide Brewery in honor of Perry and Suzie Moss. All proceeds from the event will go to Kavod on The Road. The annual meeting will take place from 6 to 6:30pm with the celebration of the Moss' starting immediately following. She advised the Board will receive a letter from the co-chairs of the event talking about sponsorships to the annual event as well as a fact sheet on Kavod on the Road. She noted that invitation will be mailed out around July 11 and hoped for 100% participation from all Board members.

Mr. Klein provided the brief CEO/President's report. He advised that the L'Chaim Conference was highly successful as we had over 250 participants. He noted participants have sent us about \$3k in donations. He encouraged everyone, if possible, to attend next year's L'Chaim Conference.

Mr. Friedman provided the Board with his chairman's report. He noted we have two open board slots and asked for recommendations for potential board members. He noted Kavod is looking for individuals with any of the following skill areas: personnel/HR, land development, IT, local or State government expertise in senior housing/health care, or Russian culture. He encouraged all present to come to dinner with the residents as it gives the Board a flavor of the diversity of our community. He once again encourage all to come to the annual meeting at 6pm on August 15 as the new board members as well as current board members who are extending their terms will be approved.

Meeting adjourned at 6:55pm

## **Kavod Project Summary:**

Marx|Okubo are currently working toward a construction start beginning the week of November 15, 2019. We are reviewing which building will be first pending the outcomes of the items below; however, at this time we still intend to begin construction in the West Building, then the East Building, and then the South Building.

In order to meet the start date, Marx|Okubo are tracking the following items:

- **Asbestos Removal Design and Variance Request:**

WE Andersen Consulting was released and submitted the original variance request to the Colorado Department of Public Health and Environment (CDPHE) on May 16, 2019. The request was neither approved nor denied. Melanie Granberg, Esq. and WE Andersen resubmitted the variance request package with additional details that answered CDPHE concerns on August 21, 2019. The state may take up to 60 days to review and respond, which gives an estimated response on approximately the week of October 18, 2019. Melanie and Wade continue to reach out and request/push for an earlier response. If the variance is met with further resistance, the next step will be to request an in-person meeting between Kavod, Melanie Granberg, Esq., WE Andersen Consulting, and the managers of the CDPHE review process.

- **Residential Unit Asbestos Abatement Risks:**

There are two possible outcomes we are tracking related to the asbestos plan and variance review. There is one shared risk regardless of outcome, which is the State is not required to provide a response until mid-October 2019. This is tight relative to our planned construction start date of November 15, 2019.

The two outcomes are noted below:

- Unit Variance Plan is accepted (this is our preferred and anticipated path of asbestos remediation)
  - Remediation efforts are localized to each unit. Remediation is localized to the work required and includes full air monitoring; however, requires full decontamination protocols.
  - Costs and schedule implications are currently budgeted and included in the construction timeline.
  - Residents are not required to vacate their units for more than a day at a time.
  - Work in each unit should take a day; with up to four units per day remediated
    - Remediation will take approximately 40 total working days.
    - Remediation can begin as soon as the variance is approved and permitted.

- Unit Variance Plan is rejected (worst case scenario)
  - Remediation effort will require full decontamination protocols, including unit separation, a full three chamber decontamination entry, and air monitoring.
  - Cost of remediation increases significantly; almost double the current budget number.
  - Residents will be required to fully vacate their units for up to four days. Kavod may have to take units offline to hotel current residents or provide other options.
  - Work will take up to four days per group of units; there will be four-unit groups per floor
    - Approximately 120 or more working days is anticipated to complete all the unit remediations.
    - This is a gross abatement and can begin anytime with 10-day advance notice provided to the State.
  - Kavod Senior Life Staff has started conversations regarding logistics, costs, resident impacts, and other items if this option is required.
    - Further discussion and finalization of a plan will be required.

- Fire Sprinkler and Alarming Administrative Modifications:

Administrative Modifications were submitted on May 23, with a response from the City received on approximately June 28, 2019. Marx|Okubo submitted responses to the City comments on August 5, 2019, for the West and East Buildings. The South Building response was issued to the City on August 28, 2019. The South Building was held up due to the completion of required flow testing

- The City Fire Department indicated via email on September 12, 2019, that all Administrative Modifications have been approved; however, an official receipt of the approvals has not been received.

- Fire Sprinkler and Alarming Design and Construction:

Design of the fire sprinkler and alarm system was released by Kavod in mid-April 2019. Frontier Fire was not able to assign a designer or start design until August 8, 2019. The West Building submittal was anticipated for the last week of August; however, the actual submission will be the week of September 20, 2019. We anticipate receiving our Fire Sprinkler and Alarm permit by the end of November 2019. To date, the City has provided project reviews more quickly than anticipated. If this continues, we could still receive the West Building fire permit in early- to mid-November 2019.

- The West Building design was to begin on June 24; however, design began on August 2, 2019. Design completion was delayed so we could pressure test the existing 6" standpipe to 100-PSI at the roof. This is an increase from the current 65-PSI and a code requirement of the new system. **This test was completed on September 5, 2019, and Marx|Okubo were able to confirm the existing riser piping can support the new required pressures and will not need to be replaced.**
- The East Building design began with a site visit on September 16, 2019. Design will be complete in approximately four weeks (mid-October 2019)
- The South Building design is anticipated to begin in mid-October 2019. Design will be complete in approximately four weeks (mid-November 2019).
- Design and Construction Drawings:

Marx|Okubo and Hord Coplan Macht (HCM) were released on design drawings in April 2018. The City Permit submittal occurred per schedule on July 15, 2019. There were issues with the City's plan intake process and a lag from the City in sharing the plan review fees. Payment of plan review fees was made promptly but these issues made our effective submittal date, July 23, 2019.

  - The City has provided all permit response comments back to the team. Team responses will be returned to the City the week of September 20, 2019.
  - This is approximately four weeks ahead of previous schedule; building permits may be available in early- to mid-October 2019.
- Project GMP Budget:

Pinkard distributed the permit submittal documents to the subcontracting community for bid in late July 2019. Bids are expected by September 26, 2019. Marx|Okubo and Pinkard will then review the bids and subcontractor proposals on the first week of October 2019. A presentation to the project team will occur the following week (October 10, 2019). This should provide time to properly review the bids, address any subcontractor questions, and define the base GMP budget for the project for presentation to the board in mid-October 2019. Pinkard has indicated this should not affect a construction start date of November 15, 2019.

KAVOD SENIOR LIFE  
 CRITICAL PATH PROJECT SCHEDULE  
 REVISION DATE: Sept. 11, 2019

| TASKS                                                                                                                                                                                                                               | START DATE | FINISH DATE                           | % COMPLETE | APRIL 2019 | MAY      | JUNE   | JULY     | AUGUST   | SEPTEMBER | OCTOBER  | NOVEMBER | DECEMBER | JANUARY 2020                                                                                                        | FEBRUARY | MARCH   |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------|------------|------------|----------|--------|----------|----------|-----------|----------|----------|----------|---------------------------------------------------------------------------------------------------------------------|----------|---------|--|
| <b>DESIGN &amp; CONSTRUCTION</b>                                                                                                                                                                                                    |            |                                       |            |            |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| Complete Architecture & MEP Design Documents                                                                                                                                                                                        | 04.22.19   | 07.15.19                              | 95%        | [Yellow]   |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| Submit CD Drawings to Building Department                                                                                                                                                                                           |            | 07.23.19                              | 100%       |            |          |        | 07.23.19 |          |           |          |          |          |                                                                                                                     |          |         |  |
| Estimated Building Department Review (Estimated 12 week review period)<br>(MO received all Building Dept Review comments by Sept 4. with the response submittal anticipate the week of Sept. 20. Approx. 4 weeks ahead of schedule) | 07.23.19   | 11.08.19<br>Rev. Est. Week of Oct. 18 | 100%       |            |          |        |          | [Blue]   | [Blue]    | [Blue]   | [Blue]   |          |                                                                                                                     |          |         |  |
| Estimated Issuance of the Building Permits by the City of Denver (Week Of)                                                                                                                                                          |            | 11.08.19<br>Rev. Est. Week of Oct. 18 |            |            |          |        |          |          |           | 10.18.19 |          |          |                                                                                                                     |          |         |  |
| <b>FIRE SPRINKLER DESIGN</b>                                                                                                                                                                                                        |            |                                       |            |            |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| Follow Up Meeting with City of Denver Fire Comments                                                                                                                                                                                 | 4.15.19    | 04.15.19                              | 100%       | [Yellow]   |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| Administrative Modification & Variance Process<br>Email approval from Tony C. with Denver Fire was received 9.12.19                                                                                                                 | 05.23.19   | 9.12.19                               | 100%       |            | [Yellow] | [Blue] | [Blue]   | [Blue]   | [Blue]    | [Blue]   |          |          |                                                                                                                     |          |         |  |
| WEST: Fire Sprinkler & Alarm Design<br>Frontier West building submission was held up for pressure and flow testing of the existing stand pipe. Submittal will occur week of Sept. 20.                                               | 4.26.18    | 11.30.19                              | 90%        |            |          |        |          | [Yellow] | [Blue]    | [Blue]   | [Blue]   |          | 8.2.19 - West Design begins<br>Week of Sept. 20 - West Permit Submittal<br>End of Nov. 2019 - West Permit           |          |         |  |
| EAST: Fire Sprinkler & Alarm Design *                                                                                                                                                                                               | 4.26.18    | 12.31.19                              | 0%         |            |          |        |          |          | [Yellow]  | [Blue]   | [Blue]   | [Blue]   | 9.16.19 - East Design begins<br>Week Of Oct.11 - East Permit Submittal<br>End of Dec. 2019 - East Permit            |          |         |  |
| SOUTH: Fire Sprinkler & Alarm Design *                                                                                                                                                                                              | 4.26.18    | 01.31.2020                            | 0%         |            |          |        |          |          |           | [Yellow] | [Blue]   | [Blue]   | 10.14.19 - South Design begins<br>Week of Nov. 8 - South Permit Submittal<br>End of Jan. 2020 - South Permit Issued |          |         |  |
| <b>ASBESTOS</b>                                                                                                                                                                                                                     |            |                                       |            |            |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| Meeting with WE Anderson Consulting                                                                                                                                                                                                 |            | 04.18.19                              | 100%       | [Yellow]   |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| Plan & Variance Development                                                                                                                                                                                                         | 04.18.19   | 05.16.19                              | 100%       | [Yellow]   |          |        |          |          |           |          |          |          |                                                                                                                     |          |         |  |
| CDPHE Plan Review & Approval<br>Plan and Variance were resubmitted in August with Attorney M. Granberg assisting.                                                                                                                   | 05.16.19   | 08.21.19                              | 50%        |            | 5.16.19  | [Blue] | [Blue]   | [Blue]   | [Blue]    | [Blue]   | [Blue]   |          |                                                                                                                     |          |         |  |
| WE Anderson, KSL, & CDPHE Project review & appeals meeting; Pending outcome of resubmittal.                                                                                                                                         |            |                                       |            |            |          |        |          |          |           | 10.31.19 |          |          |                                                                                                                     |          |         |  |
| Earliest abatement/demo (ie. construction) starts at West Building (week of)<br>(Actual dates and building sequence must be coordinated and an overall construction schedule completed.)                                            | 11.15.19   |                                       |            |            |          |        |          |          |           |          | [Green]  | [Green]  | [Green]                                                                                                             | [Green]  | [Green] |  |

**SUMMARY LEGEND:**

|                                   |              |
|-----------------------------------|--------------|
| Design Process                    | [Yellow]     |
| City / State Review Process       | [Blue]       |
| City/ State is Actively Reviewing | [Light Blue] |
| Construction Activity             | [Green]      |

Dates in red are changed from previous

\* Denotes items that may be swapped based on actual construction sequences without impacting the overall design schedule

## **Kavod Senior Life**

### **Fiscal Committee Meeting Minutes from June 18**

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

Staff: Michael Klein, Mike Belieu, and Tracy Kapaun

Connell called the committee meeting to order at 8 a.m. The May minutes were reviewed. Connell asked that a sentence be added to the May minutes that discussed the Zoom conference call and that all participants could hear the conversation. Mike agreed to add the sentence. The group approved the minutes from May meetings with the motion made by Rob and seconded by Perry. Motion passed. The meeting was conducted via Zoom and all participants were able to hear the conversation.

Connell asked if there was any questions on the April 2019 financials. The April monthly financial statements were reviewed. Connell noted that Mike had highlighted in his notes to the committee that he had added income from 2018 from grants for budget purposes only based upon the auditor's treatment of revenue in 2018. Rob and Connell asked about vacant market rate Assisted Living units in April. Mike said there were two in April, one in May and June. Kavod continues to market the Assisted Living units to keep vacancies low. Mike mentioned that in May, the OCAF adjustment from HUD took effect and rental revenue will be over budget. Rob asked about the new software projects and their status, and how much Kavod has spent on consulting expense. Staff replied that Assisted Living had selected Point Click Care as their software choice and Yardi was the choice for Accounting. Accounting is still negotiating the terms of the contract and will send a summary to the Fiscal Committee in July. The group approved the April financial statements with the motion made by Perry and second by Rob. Motion passed.

Brian gave an overview of the construction meeting on Monday June 17. He talked about the attached Marx Okubo schedules and our administrative modification submittal. We expect to hear back from the fire department next week. He mentioned Kavod is still working with Jensen Hughes; Pinkard is working with Frontier Fire on the sprinkler and alarm notification design. Kavod is currently working towards an October 25 start date for construction in the West building. The permits for all three building for general work are slated to be submitted the week of June 24



The budget remains the same as presented to Fiscal and the board back in April. We do anticipate higher costs in the alarm notification area. Kavod will not know exact costs until we receive information back from the fire department. Most of the discussion centered on what construction work should start before the total cost of the East and South fire sprinkler costs are known. The group believes there is time to determine overall project costs before a decision has to be made on the West building and a start date.

Rob then asked questions on the MidFirst loan tracking sheet and the percentage complete on one of the categories that Kavod has completed. Mike explained it was based upon dollars spent and that most projects were done and 100% complete. The line item with 106% complete was over budget. Rob and Connell expressed that going forward we must have percentage complete based upon how much work was done. Mike said Pinkard draws would be presented in the format and that Kavod, Marx Okubo would verify this with each draw. Connell suggested a meeting with Pinkard and Marx Okubo to review their draw reporting.

The meeting was adjourned.

The next regular Fiscal Committee meeting will be held on July 16, 2019 via Zoom conference call.

## Notes to May 2019 Financial Statements

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

I have prepared a summary of some key items on the May 2019 statements. These are preliminary numbers and subject to change.

### Cash:

- Operating cash balance as of May 2019 is \$5,704,000, up from \$5,621,000 in April 2019. This balance includes reserves invested at Morgan Stanley and the \$3.05 million in cash funded by the MidFirst loan.

### Net Income:

- Through May 2019, the net income less capital costs is \$278,514 versus the budgeted net income of \$233,950.
  - The 2019 OFAC adjustment from HUD took effect May 2019. This increase reflects an additional \$31,764 in tenant assistant payments in May.
  - Employee benefits, outside labor for kitchen and front desk help exceeded budget. Food costs continue to run higher than budget in 2019. Passover food costs ran \$13,000 more than last year plus Kavod did not receive the grant in 2019 to offset Passover food costs.

### Revenue:

- Total revenue YTD through May 2019 is \$4,364,519 compared to the budgeted amount of \$4,320,062, a difference of \$44,457 or 1.03 percent.
- Other revenue consists of income from Independent and Assisted Living activities, laundry, cleaning, and interest income.
- Rental revenue is over budget by \$28,807 through May 2019. The Allied Housing Inc. (AHI) statement includes property management fees in the amount of \$97,617 versus a budget of \$94,063. These fees are paid by the three HUD buildings to AHI on a monthly basis for overall management of the properties.
- Assisted Living revenue YTD is over budget by \$9,210. For May 2019 there were three market rate units vacant. Kavod currently has three couples in the Assisted Living units which increase monthly revenue.
- Dining revenue is under budget YTD by \$14,306 due to the 2019 meal increase that was budgeted for February took effect in April 2019. The delayed was due to the government shut down and HUD office being closed. **The month of May was very close to budget and reflects the increase in the price of resident meals. There were 34 meal exceptions in May.**
- Grant revenue is under budget by \$14,300 through May. In March, Kavod received the Rose Community grant for \$68,000 and the Hazon grant for \$1,250. The largest part of the Rose grant will offset some of the cost of the new door handles.
- Grant/Contribution revenue is higher than budget by \$39,744 through May 2019. This number includes grant income of \$57,863 that was received in 2018 that were budgeted in 2019 but classified as donor restricted by Eide Bailly for audit purposes. This is for

budget purposes only and will not be reflected on the 2019 audit. The \$57,863 represents five months of the total amount of \$138,870.

**Expenses:**

- Total operating expenses YTD 2019 were \$3,514,523 compared to the budgeted amount of \$3,486,362 a difference of \$28,161 or 1 percent higher than budget.
- Net Operating Income (NOI) came in higher than budget through May at \$849,996 versus the budgeted amount of \$833,700.
- Assisted Living year to date is under budget by \$6,043. Most categories are slightly under budget. The marketing and recreation categories are both under budget through May.
- The Operations and Maintenance category is over budget by \$2,420 due to higher temp labor costs and outside repair costs. Repairs are higher than budget due to water shut off valves being installed in the East building and annual alarm inspections for all three buildings.
- Food Service costs are over budget by \$17,385. Temp labor costs were higher due to employee turnover at the cook position. Food costs are over budget due to the purchase of Passover food in the month of May. As noted above, Passover food costs were \$13,000 higher than 2018.
- Program costs are over budget by \$10,765. Labor, supplies, and grant expenses contributed to the higher expenses. Some of these additional costs are part of the OMA and MM programs which are covered by new grants.
- Fundraising costs are under budget by \$12,258. Most categories are under budget including outreach and labor.
- General and Admin expenses are over budget \$15,892 through May 2019. Employee benefit expense is over budget due to the number of employees on Kavod's benefit plans and outside services is higher due to language translation and temp labor costs.
- Property management fees are over budget \$3,554 through May with \$97,617 actual expenses versus a budget of \$94,063. Property management fees in the AHI entity are paid by the three buildings and show as revenue on the AHI books and expenses on the three LLLPs. The income and expenses for the fees net out on Kavod's financial statements. These costs are offset by the salaries of some Kavod employees who are now expensed through the AHI.

**Non-Operating Expenses and Other Information**

- Non-operating expenses including debt service (excluding capital costs) came in at \$28,268 under budget. Consulting costs are under budget by \$7,923. 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 \$10,334 in costs associated with the redo of the raised flower beds behind the West building that hit Special Projects line item in May. These costs represent only the capital expenses that were budgeted for 2019 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 05/31/2019

| Revenues                                | LPs                      | AHI              | Total YTD 2019           | 2019 YTD Budget          | 2019 Budget              | % Change from YTD |
|-----------------------------------------|--------------------------|------------------|--------------------------|--------------------------|--------------------------|-------------------|
| Rental Income/Property Man Fees         | \$ 3,148,362             | \$ 97,617        | \$ 3,245,979             | \$ 3,217,172             | \$ 7,773,172             | 1%                |
| Food Services                           | 427,587                  | 0                | 427,587                  | 441,893                  | 1,060,543                | -3%               |
| Assisted Living                         | 410,749                  | 0                | 410,749                  | 401,539                  | 1,005,694                | 2%                |
| Grant Income                            | 0                        | 123,950          | 123,950                  | 138,250                  | 276,500                  | -10%              |
| Contributions                           | 0                        | 114,244          | 114,244                  | 74,500                   | 302,570                  | 53%               |
|                                         | <u>3,986,698</u>         | <u>335,811</u>   | <u>4,322,509</u>         | <u>4,273,354</u>         | <u>10,418,479</u>        | <u>1%</u>         |
| Other Revenue/Interest Income           | 41,993                   | 17               | 42,010                   | 46,708                   | 112,098                  | -10%              |
| <b>Total Revenues</b>                   | <b>4,028,691</b>         | <b>335,828</b>   | <b>\$ 4,364,519</b>      | <b>4,320,062</b>         | <b>10,530,577</b>        | <b>1%</b>         |
| <b>Operating Expense</b>                |                          |                  |                          |                          |                          |                   |
| General & Admin/Other Expenses          | 927,284                  | 93,755           | 1,021,039                | 1,005,147                | 2,239,410                | 2%                |
| Operations & Maintenance                | 933,522                  | 0                | 933,522                  | 931,102                  | 2,220,617                | 0%                |
| Program Expenses                        | 382,563                  | 146,690          | 529,253                  | 518,488                  | 1,189,178                | 2%                |
| Fundraising Costs                       | 0                        | 35,511           | 35,511                   | 47,769                   | 122,100                  | -26%              |
| Food Services                           | 635,473                  | 0                | 635,473                  | 618,088                  | 1,473,531                | 3%                |
| Assisted Living Program                 | 359,725                  | 0                | 359,725                  | 365,768                  | 870,425                  | -2%               |
| <b>Total Operating Expense</b>          | <b>3,238,567</b>         | <b>275,956</b>   | <b>3,514,523</b>         | <b>3,486,362</b>         | <b>8,115,261</b>         | <b>1%</b>         |
| <b>Net Operating Income</b>             | <b>790,124</b>           | <b>59,872</b>    | <b>849,996</b>           | <b>833,700</b>           | <b>2,415,316</b>         | <b>2%</b>         |
| <b>Non-Operating Expense</b>            |                          |                  |                          |                          |                          |                   |
| Capital/Non Capital Improvements        | 11,542                   | 0                | 11,542                   | 10,833                   | 25,999                   | 7%                |
| Depreciation/Amortization               | 382,905                  | 0                | 382,905                  | 385,417                  | 925,001                  | -1%               |
| Consultants                             | 0                        | 37,577           | 37,577                   | 45,500                   | 100,600                  | -17%              |
| Debt Service                            | 151,000                  | 0                | 151,000                  | 168,833                  | 422,000                  | -11%              |
| <b>Total Non-Operating Expense</b>      | <b>545,447</b>           | <b>37,577</b>    | <b>583,024</b>           | <b>610,583</b>           | <b>1,473,600</b>         | <b>-5%</b>        |
| <b>Net Income</b>                       | <b>\$ 244,677</b>        | <b>\$ 22,295</b> | <b>\$ 266,972</b>        | <b>\$ 223,117</b>        | <b>\$ 941,716</b>        | <b>20%</b>        |
| <b>Net Income after Cap Exp Removed</b> | <b><u>\$ 256,219</u></b> |                  | <b><u>\$ 278,514</u></b> | <b><u>\$ 233,950</u></b> | <b><u>\$ 967,715</u></b> |                   |

**DRAFT ONLY-FOR DISCUSSION PURPOSES ONLY**

**Total Special Projects 2019**

|                                           | <u>Cost to Date</u>     | <u>% Completed</u> | <u>Total Budget</u>     | <u>Variance</u>        |
|-------------------------------------------|-------------------------|--------------------|-------------------------|------------------------|
| <b>South Special Projects</b>             | \$ -                    | 0%                 | \$ -                    | \$ -                   |
| <b>West Special Projects</b>              |                         |                    |                         | \$ -                   |
| Wireless Access Point Upgrades            | \$ 1,208                | 40%                | \$ 4,500                | \$ 3,292               |
| Raised flower beds behind West building   | \$ 10,334               | 100%               | \$ 10,000               | \$ (334)               |
| <b>East Special Projects</b>              | \$ -                    | 0%                 | \$ -                    | \$ -                   |
| <b>Total Special Projects Through May</b> | <b><u>\$ 11,542</u></b> |                    | <b><u>\$ 14,500</u></b> | <b><u>\$ 2,958</u></b> |

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**April 2019**

|                                            | YTD Through<br>May 2019 | YTD<br>Budget  | Annual<br>Budget | Budget<br>Variance | % of Budget<br>YTD Budget |
|--------------------------------------------|-------------------------|----------------|------------------|--------------------|---------------------------|
| <b>Ordinary Income/Expense</b>             |                         |                |                  |                    |                           |
| <b>Income</b>                              |                         |                |                  |                    |                           |
| Management Fee Revenue                     | 97,617                  | 94,063         | 250,110          | 3,554              |                           |
| Grant Income                               | 123,950                 | 138,250        | 276,500          | (14,300)           | 45%                       |
| A'la Carte Services                        | 6,389                   | 8,000          | 16,000           | (1,611)            | 40%                       |
| Donation Income/Special Events             | 24,124                  | 46,667         | 112,000          | (22,543)           | 22%                       |
| 2018 Contributions with Donor Restrictions | 57,853                  | -              | 138,870          | 57,863             | 42%                       |
| Kavod On The Road                          | 21,493                  | 15,000         | 30,000           | 6,493              | 72%                       |
| <b>Kavod Foundation</b>                    |                         |                |                  |                    |                           |
| Rose Endowment Income                      | 4,139                   | 4,400          | 4,400            | (261)              | 0%                        |
| <b>Shul Income</b>                         |                         |                |                  |                    |                           |
| Shul Donations                             | 236                     | 433            | 1,300            | (197)              | 18%                       |
| <b>Total Shul Income</b>                   | <b>236</b>              | <b>433</b>     | <b>1,300</b>     | <b>(197)</b>       | <b>18%</b>                |
| <b>Total Income</b>                        | <b>335,811</b>          | <b>306,813</b> | <b>829,180</b>   | <b>28,998</b>      | <b>40%</b>                |
| <b>Expense</b>                             |                         |                |                  |                    |                           |
| Management Salary and Benefit Expense      | 93,755                  | 94,479         | 226,750          | (724)              | 41%                       |
| <b>L'Chaim</b>                             |                         |                |                  |                    |                           |
| Supplies                                   | 4,101                   | 9,000          | 7,900            | (4,899)            | 52%                       |
| <b>Total L'Chaim</b>                       | <b>3,999</b>            | <b>4,200</b>   | <b>5,000</b>     | <b>(201)</b>       | <b>80%</b>                |
| <b>Total L'Chaim</b>                       | <b>8,100</b>            | <b>13,200</b>  | <b>12,900</b>    | <b>-</b>           | <b>63%</b>                |
| <b>Kavod On The Road</b>                   |                         |                |                  |                    |                           |
| Meetings/Classes                           | 500                     | 2,083          | 5,000            | (1,583)            | 10%                       |
| Program Expenses                           | 5,002                   | 6,833          | 16,400           | (1,832)            | 0%                        |
| Payroll                                    | 29,764                  | 28,154         | 61,000           | 1,610              | 49%                       |
| Mileage                                    | 383                     | 833            | 2,000            | (450)              | 19%                       |
| Supplies                                   | 11,322                  | 4,000          | 9,600            | 7,322              | 118%                      |
| Events                                     | 1,439                   | 1,458          | 3,500            | (19)               | 41%                       |
| Entertainment                              | 1,916                   | 2,083          | 5,000            | (167)              | 38%                       |
| Kavod On The Road - Other                  | -                       | 375            | 900              | (375)              | 0%                        |
| <b>Total Kavod On The Road</b>             | <b>50,326</b>           | <b>45,821</b>  | <b>103,400</b>   | <b>4,506</b>       | <b>49%</b>                |
| A'la Carte Labor                           | 5,385                   | 5,417          | 13,000           | (32)               | 41%                       |
| OMA Grant Expense                          | 22,539                  | 20,125         | 34,500           | 2,414              | 65%                       |
| Accounting Services                        | 6,428                   | 7,000          | 8,000            | (572)              |                           |
| Bank Charges & CC Fees                     | 484                     | 4,375          | 10,500           | (3,891)            | 5%                        |
| Chaplain Services                          | 27,632                  | 26,250         | 63,000           | 1,382              | 44%                       |
| Charity & Donations                        | -                       | 1,250          | 3,000            | (1,250)            | 0%                        |
| <b>Consulting Expense</b>                  |                         |                |                  |                    |                           |
| Strategic Plan Consulting                  | 3,229                   | 3,125          | 7,500            | 104                | 43%                       |
| A/L-Financial Software Consulting          | 13,140                  | 14,000         | 25,000           | (860)              | 53%                       |
| Grant Writing                              | 11,850                  | 11,708         | 28,100           | 142                | 42%                       |
| Data Consultant                            | 6,422                   | 10,417         | 25,000           | (3,995)            | 26%                       |
| Consulting Expense - Housing               | 2,936                   | 6,250          | 15,000           | (3,314)            | 20%                       |
| <b>Total Consulting Expense</b>            | <b>37,577</b>           | <b>45,500</b>  | <b>100,600</b>   | <b>(7,923)</b>     | <b>37%</b>                |
| <b>Events</b>                              |                         |                |                  |                    |                           |
| Annual Meeting                             | 3,587                   | 5,500          | 18,000           | (1,913)            | 20%                       |
| <b>Total Events</b>                        | <b>3,587</b>            | <b>5,500</b>   | <b>18,000</b>    | <b>(1,913)</b>     | <b>20%</b>                |

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
April 2019

|                                  | YTD Through<br>May 2019 | YTD<br>Budget   | Annual<br>Budget | Budget<br>Variance | % of Budget<br>YTD Budget |
|----------------------------------|-------------------------|-----------------|------------------|--------------------|---------------------------|
| <b>Fundraising Expense</b>       |                         |                 |                  |                    |                           |
| Memberships                      | -                       | 167             | 400              | (167)              | 0%                        |
| Security                         | -                       | 208             | 500              | (208)              | 0%                        |
| Training                         | 656                     | 1,458           | 3,500            | (802)              | 19%                       |
| Outreach/Printing                | 493                     | 5,000           | 12,000           | (4,507)            | 4%                        |
| Entertainment/Space Rental       | -                       | 1,458           | 3,500            | (1,458)            | 0%                        |
| Fundraising Labor                | 34,011                  | 38,769          | 84,000           | (4,758)            | 40%                       |
| Supplies                         | 351                     | 708             | 1,700            | (357)              | 21%                       |
| <b>Total Fundraising Expense</b> | <b>35,511</b>           | <b>47,769</b>   | <b>105,600</b>   | <b>(12,258)</b>    | <b>34%</b>                |
| <b>Legal Expense</b>             |                         |                 |                  |                    |                           |
| Legal Expense                    | 10                      | 1,250           | 3,000            | (1,240)            | 0%                        |
| Mailing & Postage                | 10,228                  | 11,083          | 19,000           | (855)              | 54%                       |
| Other Religious Services         | 1,750                   | 1,542           | 3,700            | 208                | 47%                       |
| Shul Books & Religious Supplies  | 420                     | 750             | 1,800            | (330)              | 23%                       |
| Tree of Life                     | -                       | 125             | 300              | (125)              | 0%                        |
| Shul Kiddish                     | 1,355                   | 1,667           | 4,000            | (312)              | 34%                       |
| Shul Religious Services          | 1,492                   | 2,917           | 7,000            | (1,425)            | 21%                       |
| Shul Religious Classes & Events  | 565                     | 333             | 800              | 231                | 71%                       |
| Shul - Training                  | 6,388                   | 2,500           | 2,500            | 3,888              | 256%                      |
| <b>Total Expense</b>             | <b>313,532</b>          | <b>338,852</b>  | <b>741,350</b>   | <b>(25,320)</b>    | <b>42%</b>                |
| <b>Other Income/Expense</b>      |                         |                 |                  |                    |                           |
| <b>Other Income</b>              |                         |                 |                  |                    |                           |
| Dividend Income                  | 17                      | 125             | 300              | (108)              | 6%                        |
| <b>Total Other Income</b>        | <b>17</b>               | <b>125</b>      | <b>300</b>       | <b>(108)</b>       |                           |
| <b>Net Other Income/Expense</b>  | <b>-</b>                | <b>125</b>      | <b>300</b>       | <b>(300)</b>       | <b>0%</b>                 |
| <b>Net Income</b>                | <b>22,295</b>           | <b>(32,039)</b> | <b>87,830</b>    | <b>(9,744)</b>     | <b>25%</b>                |

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending May 31, 2019

|                                                     | May            |                |                | Year to Date     |                  |               | Annual Budget    | % Remain      |
|-----------------------------------------------------|----------------|----------------|----------------|------------------|------------------|---------------|------------------|---------------|
|                                                     | Actual         | Budget         | Variance       | Actual           | Budget           | Variance      |                  |               |
| <b>REVENUE</b>                                      |                |                |                |                  |                  |               |                  |               |
| Revenue - Rent Income From Apartments - Independent | \$130,055      | \$135,474      | (\$5,419)      | \$640,156        | \$665,869        | (\$25,713)    | \$1,625,685      | 60.62%        |
| Revenue - Tenant Assistance Payments                | 523,212        | 491,448        | 31,764         | 2,508,206        | 2,457,240        | 50,966        | 5,897,377        | 57.47%        |
| Revenue - ALP Program Full Pay Residents            | 52,300         | 55,417         | (3,117)        | 226,505          | 247,083          | (20,578)      | 635,000          | 64.33%        |
| Revenue - ALP Program Partial Pay Tenants           | 10,739         | 13,691         | (2,952)        | 62,818           | 68,456           | (5,638)       | 164,294          | 61.76%        |
| Revenue - ALP Program Medicaid Contributions        | 27,463         | 17,200         | 10,263         | 121,427          | 86,000           | 35,427        | 206,400          | 41.17%        |
| Revenue - Food Service/Receipts                     | 78,235         | 78,836         | (601)          | 388,459          | 394,180          | (5,721)       | 946,033          | 58.94%        |
| Revenue - Meal Subsidy                              | (10,501)       | (10,117)       | (384)          | (57,516)         | (50,583)         | (6,933)       | (121,400)        | 52.62%        |
| Revenue - ALP Supplement                            | 19,427         | 18,621         | 806            | 92,124           | 93,104           | (980)         | 223,450          | 58.77%        |
| Revenue - Meal Delivery, Guest Meals, etc.          | 1,084          | 1,038          | 45             | 4,520            | 5,192            | (671)         | 12,460           | 63.72%        |
| <b>Total Revenue</b>                                | <b>832,014</b> | <b>801,608</b> | <b>30,405</b>  | <b>3,986,700</b> | <b>3,966,541</b> | <b>20,159</b> | <b>9,589,299</b> | <b>58.43%</b> |
| <b>EXPENSE</b>                                      |                |                |                |                  |                  |               |                  |               |
| <b>General &amp; Administrative</b>                 |                |                |                |                  |                  |               |                  |               |
| Property Management Fees                            | 19,150         | 18,813         | 337            | 97,617           | 94,063           | 3,554         | 225,750          | 100.00%       |
| Salary Allocation to AHL                            | (18,751)       | (18,813)       | 62             | (93,755)         | (94,396)         | 641           | (225,750)        | 100.00%       |
| Labor - Food Service Manager                        | 4,866          | 4,912          | (46)           | 26,707           | 27,018           | (311)         | 63,860           | 58.18%        |
| Labor - Leasing                                     | 13,141         | 13,561         | (419)          | 75,434           | 74,583           | 851           | 176,288          | 57.21%        |
| Labor - Front Office Staff                          | 7,340          | 7,749          | (410)          | 42,745           | 42,621           | 124           | 100,740          | 57.57%        |
| Labor - Community Relations/Marketing               | 9,037          | 9,077          | (40)           | 49,718           | 49,923           | (205)         | 118,000          | 57.87%        |
| Labor - Accounting/Human Resources/Director         | 38,040         | 38,299         | (259)          | 209,092          | 210,643          | (1,550)       | 497,883          | 58.00%        |
| Labor - Potential Bonus                             | 0              | 0              | 0              | 63,638           | 63,821           | (183)         | 65,001           | 2.10%         |
| Labor - Payroll Taxes                               | 5,138          | 5,269          | (131)          | 33,339           | 28,979           | 4,360         | 68,495           | 51.33%        |
| Labor - Payroll Taxes - FS Admin                    | 375            | 382            | (6)            | 2,459            | 2,099            | 359           | 4,962            | 50.45%        |
| Labor - Workers Comp Expense                        | 331            | 563            | (232)          | 640              | 2,816            | (2,176)       | 6,759            | 90.53%        |
| Labor - Workers Comp Expense - FS Admin             | 132            | 153            | (21)           | 825              | 763              | 62            | 1,830            | 54.93%        |
| Labor - Employee Benefits                           | 16,578         | 13,347         | 3,231          | 84,560           | 66,735           | 17,825        | 160,165          | 47.20%        |
| Labor - Employee Benefits - FS Admin                | 1,004          | 1,073          | (69)           | 5,203            | 5,365            | (162)         | 12,875           | 59.59%        |
| Labor - Help Wanted Advertising                     | 255            | 167            | 88             | 300              | 833              | (533)         | 2,000            | 84.99%        |
| Labor - Screening/Background Checks                 | 665            | 250            | 415            | 717              | 1,250            | (533)         | 3,000            | 76.08%        |
| Labor - Training and Development                    | 5,515          | 3,333          | 2,182          | 22,542           | 16,667           | 5,875         | 40,000           | 43.65%        |
| Employee Recognition                                | 3,183          | 2,583          | 600            | 8,211            | 12,917           | (4,706)       | 31,000           | 73.51%        |
| Employee Wellness                                   | 450            | 917            | (467)          | 1,000            | 4,583            | (3,583)       | 11,000           | 90.91%        |
| Marketing - Ad Placement, Brochures, etc.           | 2,392          | 1,833          | 559            | 7,550            | 9,167            | (1,617)       | 22,000           | 65.68%        |
| Marketing - Community Outreach/Open House           | 3,519          | 2,892          | 627            | 11,979           | 14,458           | (2,479)       | 34,700           | 65.48%        |
| Board Development                                   | 143            | 650            | (507)          | 2,803            | 3,250            | (447)         | 7,800            | 64.06%        |
| Bank Charges                                        | 10             | 167            | (157)          | (46)             | 833              | (879)         | 2,000            | 102.30%       |
| Mileage Reimbursements                              | 301            | 275            | 26             | 563              | 1,375            | (812)         | 3,300            | 82.95%        |
| Supplies/Postage/FedEx                              | 5,241          | 5,333          | (92)           | 29,077           | 26,667           | 2,410         | 64,001           | 54.57%        |
| Telephone/Answering/DSL                             | 2,792          | 2,750          | 42             | 14,373           | 13,750           | 623           | 33,000           | 56.44%        |
| Outside Services & Labor                            | 4,452          | 3,417          | 1,035          | 28,005           | 17,083           | 10,922        | 41,000           | 31.69%        |
| Dues and Subscriptions                              | 74             | 2,267          | (2,193)        | 20,518           | 26,417           | (5,898)       | 38,000           | 46.01%        |
| License Expense                                     | 828            | 625            | 203            | 5,173            | 3,125            | 2,048         | 7,500            | 31.03%        |
| Accounting & Audit Expense                          | 0              | 6,135          | (6,135)        | 29,793           | 37,534           | (7,741)       | 43,000           | 30.71%        |
| Legal Expense                                       | 0              | 1,083          | (1,083)        | 3,826            | 5,417            | (1,591)       | 13,000           | 70.57%        |
| Other Renting Expense                               | 3,353          | 875            | 2,478          | 12,231           | 4,375            | 7,856         | 10,500           | -16.49%       |
| Hardware - CIS                                      | 1,524          | 1,833          | (310)          | 5,195            | 7,892            | (2,697)       | 22,000           | 76.38%        |
| Software - CIS                                      | 80             | 167            | (87)           | 172              | 833              | (662)         | 2,000            | 91.42%        |
| Support, Repairs & Maintenance - CIS                | 4,198          | 5,833          | (1,635)        | 27,476           | 29,167           | (1,690)       | 70,000           | 60.75%        |
| Property & Liability Insurance                      | 19,521         | 19,583         | (63)           | 97,604           | 97,917           | (313)         | 235,001          | 58.47%        |
| <b>Total General &amp; Administrative</b>           | <b>154,877</b> | <b>157,353</b> | <b>(2,477)</b> | <b>927,284</b>   | <b>910,543</b>   | <b>16,742</b> | <b>2,012,660</b> | <b>58.75%</b> |
| <b>Food Service</b>                                 |                |                |                |                  |                  |               |                  |               |
| Labor - Hourly Cooks                                | 19,494         | 24,738         | (5,245)        | 109,441          | 136,062          | (26,621)      | 321,600          | 65.97%        |
| Labor - Hourly Servers                              | 17,235         | 17,380         | (145)          | 96,297           | 95,592           | 705           | 225,944          | 57.38%        |
| Labor - Assistant Manager                           | 7,488          | 7,277          | 211            | 40,966           | 40,023           | 944           | 94,599           | 56.69%        |
| Labor - Catering                                    | 1,812          | 1,380          | 432            | 8,170            | 6,900            | 1,270         | 16,560           | 50.66%        |
| Labor - Special Staffing                            | 625            | 642            | (17)           | 3,125            | 3,208            | (83)          | 7,700            | 59.42%        |
| Labor - Outside Services Labor Expense              | 3,073          | 2,042          | 1,032          | 24,522           | 10,208           | 14,313        | 24,500           | -0.09%        |
| Labor - Payroll Taxes                               | 3,786          | 4,400          | (614)          | 21,676           | 22,000           | (324)         | 52,800           | 58.95%        |
| Labor - Workers Comp Expense                        | 4,294          | 1,875          | 2,419          | 14,493           | 9,375            | 5,118         | 22,500           | 35.59%        |
| Labor - Employee Benefits                           | 5,147          | 9,417          | (4,270)        | 37,382           | 47,083           | (9,701)       | 113,000          | 66.92%        |
| Food & Beverage Expense                             | 45,829         | 41,660         | 4,169          | 235,347          | 208,301          | 27,046        | 499,923          | 52.92%        |
| Food Paper Products Expense                         | 4,485          | 4,025          | 460            | 21,409           | 20,125           | 1,284         | 48,300           | 55.68%        |
| Cleaning Supplies & Service Expense                 | 626            | 584            | 42             | 3,303            | 2,919            | 384           | 7,005            | 52.85%        |
| Laundry & Linen Expense                             | 1,187          | 750            | 437            | 3,367            | 3,750            | (383)         | 9,000            | 62.59%        |
| Equipment Expense                                   | 612            | 1,667          | (1,055)        | 8,846            | 8,333            | 513           | 20,000           | 55.77%        |



ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending May 31, 2019

|                                                | May     |         |          | Year to Date |           |          | Annual Budget | % Remain |
|------------------------------------------------|---------|---------|----------|--------------|-----------|----------|---------------|----------|
|                                                | Actual  | Budget  | Variance | Actual       | Budget    | Variance |               |          |
| Uniforms Expense                               | 1,381   | 542     | 840      | 4,887        | 2,708     | 2,178    | 6,500         | 24.82%   |
| Dining Room Decorating Expense                 | 568     | 300     | 268      | 2,243        | 1,500     | 743      | 3,600         | 37.68%   |
| Total Food Service                             | 117,643 | 118,678 | (1,035)  | 635,473      | 618,088   | 17,386   | 1,473,531     | 56.87%   |
| <b>Assisted Living Program</b>                 |         |         |          |              |           |          |               |          |
| Labor - Manager                                | 5,410   | 5,420   | (10)     | 29,678       | 29,807    | (129)    | 70,454        | 57.88%   |
| Labor - Care Givers, CC & Aides                | 27,990  | 28,765  | (776)    | 159,868      | 158,210   | 1,658    | 373,950       | 57.25%   |
| Labor - Payroll Taxes                          | 2,743   | 2,908   | (165)    | 16,344       | 15,993    | 352      | 37,801        | 56.76%   |
| Labor - Workers Comp Expense                   | 1,391   | 1,923   | (532)    | 7,819        | 9,613     | (1,795)  | 23,072        | 66.11%   |
| Labor - Employee Benefits                      | 6,658   | 7,333   | (675)    | 37,124       | 36,666    | 458      | 87,998        | 57.81%   |
| Labor - Medical Required Testing               | 146     | 133     | 12       | 470          | 667       | (197)    | 1,600         | 70.62%   |
| Dietary Supplies                               | 19,427  | 18,621  | 806      | 92,124       | 93,104    | (980)    | 223,450       | 58.77%   |
| Medication Set-ups                             | 50      | 83      | (33)     | 414          | 417       | (3)      | 1,000         | 58.64%   |
| Other ALP expenses                             | 0       | 117     | (117)    | 725          | 583       | 142      | 1,400         | 48.23%   |
| A/L Marketing                                  | 0       | 892     | (892)    | 0            | 4,458     | (4,458)  | 10,700        | 100.00%  |
| Recreation & Rehabilitation                    | 3,839   | 3,250   | 589      | 15,159       | 16,250    | (1,091)  | 39,000        | 61.13%   |
| Total Assisted Living Program                  | 67,654  | 69,445  | (1,793)  | 359,725      | 365,768   | (6,043)  | 870,425       | 58.16%   |
| <b>Operations &amp; Maintenance</b>            |         |         |          |              |           |          |               |          |
| Labor - Housekeeping Supervisor                | 4,465   | 4,582   | (117)    | 25,949       | 24,418    | 1,530    | 58,000        | 55.26%   |
| Labor - Housekeeping Staff                     | 10,163  | 11,257  | (1,094)  | 56,272       | 59,997    | (3,725)  | 142,508       | 60.51%   |
| Labor - Maintenance Manager/Director           | 15,301  | 14,861  | 440      | 86,661       | 79,207    | 7,454    | 188,136       | 53.94%   |
| Labor - Maintenance Staff                      | 10,371  | 16,917  | (6,547)  | 62,119       | 87,252    | (25,133) | 207,838       | 70.11%   |
| Labor - Protection (Security)                  | 5,239   | 5,285   | (45)     | 28,725       | 28,166    | 559      | 66,901        | 57.06%   |
| Labor - Payroll Taxes                          | 3,701   | 3,806   | (105)    | 21,820       | 19,420    | 2,399    | 46,453        | 53.03%   |
| Labor - Workers Comp Expense                   | 1,104   | 1,311   | (207)    | 6,251        | 6,554     | (303)    | 15,729        | 60.26%   |
| Labor - Employee Benefits                      | 8,864   | 9,914   | (1,050)  | 51,401       | 49,569    | 1,832    | 118,965       | 56.79%   |
| Labor - Temporary                              | 3,237   | 1,250   | 1,987    | 18,397       | 6,250     | 12,147   | 15,001        | -22.64%  |
| Outside Services - Cleaning                    | 13,554  | 6,667   | 6,887    | 29,148       | 33,333    | (4,186)  | 80,000        | 63.57%   |
| Outside Services - Exterminating               | 850     | 2,583   | (1,733)  | 11,950       | 12,917    | (967)    | 31,000        | 61.45%   |
| Outside Services - Grounds                     | 7,025   | 2,083   | 4,941    | 8,167        | 10,417    | (2,250)  | 25,001        | 67.33%   |
| Outside Services - Repairs                     | 43,833  | 38,332  | 5,502    | 208,005      | 191,658   | 16,347   | 459,980       | 54.78%   |
| Outside Services - Elevator Maintenance        | 5,008   | 4,167   | 842      | 17,107       | 20,833    | (3,727)  | 50,000        | 65.79%   |
| Outside Services - Snow Removal                | 0       | 1,250   | (1,250)  | 2,055        | 6,250     | (4,195)  | 15,001        | 86.30%   |
| Outside Services - Garbage and Trash Removal   | 4,117   | 3,917   | 200      | 22,001       | 19,583    | 2,418    | 47,000        | 53.19%   |
| Outside Services - Life Safety & Security      | 10,297  | 2,917   | 7,380    | 24,346       | 14,584    | 9,762    | 35,001        | 30.44%   |
| License & Permit Expense                       | 0       | 83      | (83)     | 2,551        | 417       | 2,134    | 1,000         | -155.05% |
| Maintenance Supplies & Repairs                 | 14,245  | 20,833  | (6,589)  | 94,803       | 104,167   | (9,363)  | 250,000       | 62.08%   |
| Decorating Expense - Common Area               | 110     | 142     | (32)     | 491          | 708       | (217)    | 1,700         | 71.12%   |
| Utilities - Electric                           | 13,939  | 15,833  | (1,894)  | 66,606       | 76,417    | (9,810)  | 190,000       | 64.94%   |
| Utilities - Water                              | 4,583   | 3,750   | 833      | 17,876       | 18,750    | (874)    | 45,001        | 60.28%   |
| Utilities - Gas                                | 4,753   | 4,617   | 136      | 43,166       | 32,984    | 10,182   | 65,001        | 33.59%   |
| Utilities - Sewer                              | 7,012   | 5,417   | 1,595    | 27,602       | 27,084    | 518      | 65,001        | 57.54%   |
| Mileage Reimbursement                          | 0       | 33      | (33)     | 55           | 167       | (112)    | 400           | 86.37%   |
| Total Operations & Maintenance                 | 191,768 | 181,806 | 9,962    | 933,522      | 931,102   | 2,420    | 2,220,617     | 57.96%   |
| Total Expenses                                 | 531,542 | 545,202 | (13,660) | 2,829,531    | 2,816,585 | (63,294) | 6,792,283     | 58.01%   |
| Operating Excess/(Deficit)                     | 300,471 | 256,406 | 44,065   | 1,157,169    | 1,149,957 | 83,452   | 2,797,016     | 59.44%   |
| <b>OTHER ELDER CARE INCOME &amp; (EXPENSE)</b> |         |         |          |              |           |          |               |          |
| <b>Activities Program</b>                      |         |         |          |              |           |          |               |          |
| Activities Revenue - Resident Receipts         | (1,583) | (2,167) | 584      | (6,951)      | (10,833)  | 3,882    | (25,999)      | 73.27%   |
| Activities Revenue - ALP Receipts              | (3,839) | (3,250) | (589)    | (15,159)     | (16,250)  | 1,091    | (39,000)      | 61.13%   |
| Activities Revenue - Donations                 | 0       | (8)     | 8        | (70)         | (42)      | (28)     | (100)         | 29.97%   |
| Assisted Living Activities Expense             | 3,839   | 3,250   | 589      | 15,159       | 16,250    | (1,091)  | 39,000        | 61.13%   |
| Newsletter expense                             | 1,960   | 2,083   | (123)    | 11,050       | 10,417    | 633      | 25,001        | 55.80%   |
| Activities Outreach/ Food                      | 737     | 1,833   | (1,097)  | 4,721        | 9,167     | (4,445)  | 22,000        | 78.54%   |
| Classes Expense                                | 400     | 917     | (517)    | 5,438        | 4,583     | 855      | 11,000        | 50.56%   |
| Health & Wellness Expense                      | 3,834   | 2,773   | 1,061    | 12,126       | 13,863    | (1,737)  | 33,272        | 63.55%   |
| Outings Expense                                | 3,091   | 6,058   | (2,967)  | 15,176       | 30,291    | (15,115) | 72,699        | 79.12%   |
| Family Events                                  | 781     | 250     | 531      | 1,322        | 1,250     | 72       | 3,000         | 55.94%   |
| Total Core Program (Inc)/Exp                   | 9,220   | 11,739  | (2,520)  | 42,814       | 58,697    | (15,883) | 140,873       | 69.61%   |
| Labor - Activities Staff                       | 15,391  | 14,436  | 955      | 82,840       | 77,726    | 5,114    | 184,325       | 55.06%   |
| Labor - Payroll Taxes                          | 1,157   | 1,133   | 25       | 6,605        | 5,912     | 693      | 14,090        | 53.12%   |
| Labor - Workers Comp                           | 414     | 389     | 25       | 2,291        | 2,031     | 259      | 4,841         | 52.68%   |
| Labor - Employee Benefits                      | 3,983   | 3,365   | 618      | 20,019       | 16,823    | 3,196    | 40,376        | 50.42%   |
| Van Expense                                    | 505     | 1,167   | (662)    | 3,764        | 5,834     | (2,069)  | 14,001        | 73.11%   |
| Net Gift Shop Activity                         | (148)   | 142     | (290)    | 294          | 708       | (415)    | 1,700         | 82.72%   |
| Net Library Activity                           | 0       | 42      | (42)     | 0            | 208       | (208)    | 500           | 100.00%  |



ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending May 31, 2019

|                                                | May     |         |          | Year to Date |          |          | Annual Budget | % Remain |
|------------------------------------------------|---------|---------|----------|--------------|----------|----------|---------------|----------|
|                                                | Actual  | Budget  | Variance | Actual       | Budget   | Variance |               |          |
| Total Other Program Expense                    | 21,303  | 20,673  | 630      | 115,814      | 109,244  | 6,570    | 259,833       | 55.43%   |
| Total Activities Program (Inc)/Exp             | 30,523  | 32,412  | (1,889)  | 158,628      | 167,941  | (9,313)  | 400,706       | 60.41%   |
| Resident Computer Center                       |         |         |          |              |          |          |               |          |
| RCC - Wages - RCC Staff                        | 4,263   | 4,107   | 156      | 23,782       | 22,588   | 1,194    | 53,390        | 55.46%   |
| RCC - Payroll Taxes                            | 293     | 365     | (72)     | 1,763        | 1,966    | (203)    | 4,662         | 62.18%   |
| RCC - Workers Comp Expense                     | 129     | 167     | (38)     | 722          | 837      | (115)    | 2,009         | 64.06%   |
| RCC - Employee Benefits                        | 1,468   | 1,267   | 201      | 7,461        | 6,333    | 1,127    | 15,200        | 50.92%   |
| Total RCC Expense                              | 6,154   | 5,906   | 248      | 33,728       | 31,724   | 2,004    | 75,261        | 55.18%   |
| Service Coordinator Program                    |         |         |          |              |          |          |               |          |
| Labor - Service Coordinator                    | 24,329  | 21,644  | 2,685    | 135,184      | 115,359  | 19,824   | 274,007       | 50.66%   |
| Labor - Payroll Taxes                          | 1,772   | 1,418   | 354      | 10,597       | 7,234    | 3,362    | 17,304        | 38.76%   |
| Labor - Workers Comp Expense                   | 539     | 588     | (49)     | 3,020        | 2,940    | 79       | 7,057         | 57.21%   |
| Labor - Employee Benefits                      | 3,905   | 3,554   | 352      | 17,654       | 17,768   | (114)    | 42,643        | 58.60%   |
| Activities Outreach                            | 1,989   | 375     | 1,614    | 1,573        | 1,875    | (302)    | 4,500         | 65.04%   |
| Total Service Coordinator (Inc)/Exp            | 32,534  | 27,579  | 4,955    | 168,027      | 145,177  | 22,850   | 345,511       | 51.37%   |
| Total Other Elder Care (Inc)/Exp               | 69,211  | 65,897  | 3,313    | 360,383      | 344,842  | 15,541   | 821,478       | 56.13%   |
| OTHER (INCOME) & EXPENSE                       |         |         |          |              |          |          |               |          |
| Other Income                                   |         |         |          |              |          |          |               |          |
| Revenue - Interest Income - Project Operations | (1,751) | (1,500) | (251)    | (8,507)      | (7,500)  | (1,007)  | (18,000)      | 52.74%   |
| Revenue - Investments - Replacement Reserves   | 0       | (125)   | 125      | 0            | (625)    | 625      | (1,500)       | 100.00%  |
| Revenue - Laundry and Vending Revenue          | (1,488) | (958)   | (529)    | (4,317)      | (4,792)  | 475      | (11,500)      | 62.46%   |
| Revenue - Miscellaneous - Buildings            | (1,763) | (1,333) | (430)    | (6,989)      | (6,666)  | (323)    | (15,999)      | 56.31%   |
| Total Other Income                             | (5,002) | (3,917) | (1,085)  | (19,813)     | (19,583) | (231)    | (46,999)      | 57.84%   |
| Capital Improvements                           |         |         |          |              |          |          |               |          |
| Special Projects                               | 10,334  | 2,167   | 8,168    | 11,542       | 10,833   | 709      | 25,999        | 55.60%   |
| Total Capital Improvements                     | 10,334  | 2,167   | 8,168    | 11,542       | 10,833   | 709      | 25,999        | 55.60%   |
| Debt Service                                   |         |         |          |              |          |          |               |          |
| Interest on Mortgage Payable                   | 30,000  | 34,667  | (4,667)  | 151,000      | 168,833  | (17,833) | 422,000       | 64.22%   |
| Depreciation & Amort                           |         |         |          |              |          |          |               |          |
| Depreciation - Buildings                       | 78,417  | 77,083  | 1,333    | 382,905      | 385,417  | (2,513)  | 925,001       | 58.60%   |
| Total Depreciation & Amortization              | 78,417  | 77,083  | 1,333    | 382,905      | 385,417  | (2,513)  | 925,001       | 58.60%   |
| Total Other (Income)/Expense                   | 113,749 | 110,892 | 2,858    | 525,633      | 545,500  | (24,325) | 1,336,701     | 60.68%   |
| Net Excess/(Deficit)                           | 117,511 | 79,617  | 37,894   | 244,680      | 255,156  | 92,236   | 638,836       | 61.10%   |

## **Kavod Senior Life**

### **Fiscal Committee Meeting Minutes from July 16**

---

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

Staff: Michael Klein, Mike Belieu, and Tracy Kapaun

Connell called the committee meeting to order at 8 a.m. The June minutes were reviewed. The group approved the minutes from June meetings with the motion made by Rob and seconded by Perry. Motion passed. The meeting was conducted via Zoom and all participants were able to hear the conversation.

Connell asked if there was any questions on the May 2019 financials. The May monthly financial statements were reviewed. Connell asked about Assisted Living revenue and how it could be over budget yet still have vacant units. Staff mentioned that AL currently has three couples in the market rate units and that provides additional monthly revenue. Mike added that Medicare revenue is also higher than budget year to date. Mike said there were two vacant unit in May. Kavod continues to market the Assisted Living units to keep vacancies low.

Mike gave an update on the September 9<sup>th</sup> insurance renewal. Denver Agency our current broker, is working on the renewal along with two other companies. One company out of Texas provides a captive or self-insurance option for the liability piece of Kavod insurance package. The other company provides a building automation option to reduce risk. All three agencies are working hard to give quotes and are looking at different markets in an attempt to bring down Kavod insurance costs. Mike will give an update at the August 20<sup>th</sup> meeting.

Another way Kavod is looking at lowering operating costs while being environmental sensitive is through solar electricity. Kavod is looking at collaborating with Oak Leaf Solar to purchase solar power from one of their solar gardens being built outside of Denver. By partnering with Oak Leaf, Kavod believes we can lower our energy costs by roughly \$35,000 a year. Polsinelli, our legal counsel, is currently reviewing the contracts. Mike has sent Connell the information along with draft agreements to review. Rob asked staff to send out information to the full Fiscal Committee. Mike agreed.

Next the group reviewed the construction schedule Marx Okubo prepared. Brian gave an update on the construction status noting that most of the work right now is with submitting the administration modifications and addressing the comments we received from our first submission to the Fire Department. He mentioned Kavod is still working with Jensen Hughes. Pinkard Construction is working with Frontier Fire on the sprinkler and alarm notification design. Kavod is currently working towards an October 25 start date for construction in the West building.

The meeting was adjourned.

The next regular Fiscal Committee meeting will be held on August 20, 2019 via Zoom conference call.

## Notes to June 2019 Financial Statements

Prepared by Mike Belieu, CFO, Kavod Senior Life

I have prepared a summary of some key items on the June 2019 statements. These are preliminary numbers and subject to change.

### Cash:

- Operating cash balance as of June 2019 is \$5,602,000, down from \$5,704,000 in May 2019. This balance includes reserves invested at Morgan Stanley and the \$3.05 million in cash funded by the MidFirst loan.

### Net Income:

- Through June 2019, the net income less capital costs is \$415,963 versus the budgeted net income of \$299,726.
  - The 2019 OCAF adjustment from HUD took effect May 2019. This increase reflects an additional \$18,368 in tenant assistant payments in June.
  - Employee benefits, labor temporary for Food Service and Maintenance are higher than budget. Some of these costs are offset by lower costs in Hourly Cooks and Labor Maintenance Staff.

### Revenue:

- Total revenue YTD through June 2019 is \$5,280,754 compared to the budgeted amount of \$5,151,789, a difference of \$128,965 or 3 percent.
- Other revenue consists of income from Independent and Assisted Living activities, laundry, cleaning, and interest income.
- Rental revenue is over budget by \$43,239 through June 2019. The Allied Housing Inc. (AHI) statement includes property management fees in the amount of \$116,767 versus a budget of \$112,875. These fees are paid by the three HUD buildings to AHI on a monthly basis for overall management of the properties. See further explanation under expenses.
- Assisted Living revenue YTD is over budget by \$10,689. For June 2019 there were two market rate units vacant. Kavod currently has three couples in the Assisted Living units which increase monthly revenue.
- Dining revenue is under budget YTD by \$16,322 due to the 2019 meal increase that was budgeted for February took effect in April 2019. The delay was due to the government shut down and HUD office being closed. **There were 33 meal exceptions in June.**
- Grant revenue is under budget by \$10,678 through June. In March, Kavod received the Rose Community grant for \$68,000 and the Hazon grant for \$1,250. The largest part of the Rose grant will offset some of the cost of the new door handles.
- Grant/Contribution revenue is higher than budget by \$102,298 through June 2019. **General contributions and contributions for the annual meeting are above budget by \$24,952 and above last year's total.** This number includes grant income of \$69,435 that was received in 2018 that were budgeted in 2019 but classified as donor restricted by Eide Bailly for audit purposes. This is for budget purposes only and will not be reflected on the 2019 audit. The \$57,863 represents five months of the total amount of \$138,870.

## Expenses:

- Total operating expenses YTD 2019 were \$4,176,272 compared to the budgeted amount of \$4,134,263 a difference of \$42,009 or 1 percent higher than budget.
- Net Operating Income (NOI) came in higher than budget through June at \$1,104,482 versus the budgeted amount of \$1,017,526.
- Assisted Living expenses year to date are higher than budget by \$763. Most categories are slightly under budget. Due to staff turnover, Labor for Care Givers is over budget in June and YTD.
- The Operations and Maintenance category is under budget by \$543 due to higher temp labor costs and outside repair costs. Repairs are higher than budget due to water shut off valves being installed in the East building and higher apartment renovation costs. Life and Safety is over budget due to yearly inspections conducted in June.
- Food Service costs are over budget by \$21,737. Worker's Comp continues to run over budget for the month and YTD. Food costs are over budget due to the purchase of Passover food in the month of April. As noted above, Passover food costs were \$13,000 higher than 2018.
- Program costs are over budget by \$13,465. Labor, supplies, and grant expenses contributed to the higher expenses. Some of these additional costs are part of the OMA and MM programs which are covered by new grants.
- Fundraising costs are under budget by \$9,713. Most categories are under budget including outreach and labor. The majority of these costs will be spent in July and August.
- General and Admin expenses are over budget \$16,300 through June 2019. Employee benefit expense is over budget due to the number of employees on Kavod's benefit plans and outside services is higher due to language translation and temp labor costs. Office supplies had a large order for folders/envelopes and stationary along with a refill of the postage meter.
- Property management fees are over budget \$3,892 through June with \$116,767 actual expenses versus a budget of \$112,875. Property management fees in the AHI entity are paid by the three buildings and show as revenue on the AHI books and expenses on the three LLLPs. The income and expenses for the fees net out on Kavod's financial statements. These costs are offset by the salaries of some Kavod employees who are now expensed through the AHI.

## Non-Operating Expenses and Other Information

- Non-operating expenses including debt service (excluding capital costs) came in at \$29,280 under budget. Consulting costs are under budget by \$7,443. 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 \$13,287 in costs associated with dining room china purchased in June. These costs represent only the capital expenses that were budgeted for 2019 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 06/30/2019**

| Revenues                                | LPs                      | AHI              | Total YTD 2019           | 2019 YTD Budget          | 2019 Budget              | % Change from YTD |
|-----------------------------------------|--------------------------|------------------|--------------------------|--------------------------|--------------------------|-------------------|
| Rental Income/Property Man Fees         | \$ 3,791,128             | \$ 116,767       | \$ 3,907,895             | \$ 3,864,656             | \$ 7,773,172             | 1%                |
| Food Services                           | 513,949                  | 0                | 513,949                  | 530,271                  | 1,060,543                | -3%               |
| Assisted Living                         | 498,536                  | 0                | 498,536                  | 487,847                  | 1,005,694                | 2%                |
| Grant Income                            | 0                        | 127,573          | 127,573                  | 138,250                  | 276,500                  | -8%               |
| Contributions                           | 0                        | 177,015          | 177,015                  | 74,717                   | 302,570                  | 137%              |
|                                         | <u>4,803,613</u>         | <u>421,354</u>   | <u>5,224,967</u>         | <u>5,095,741</u>         | <u>10,418,479</u>        | <u>3%</u>         |
| Other Revenue/Interest Income           | 55,770                   | 17               | 55,787                   | 56,048                   | 112,098                  | 0%                |
| <b>Total Revenues</b>                   | <b>4,859,383</b>         | <b>421,371</b>   | <b>\$ 5,280,754</b>      | <b>5,151,789</b>         | <b>10,530,577</b>        | <b>3%</b>         |
| <b>Operating Expense</b>                |                          |                  |                          |                          |                          |                   |
| General & Admin/Other Expenses          | 1,079,659                | 112,506          | 1,192,165                | 1,175,865                | 2,239,410                | 1%                |
| Operations & Maintenance                | 1,111,615                | 0                | 1,111,615                | 1,112,158                | 2,220,617                | 0%                |
| Program Expenses                        | 446,364                  | 193,913          | 640,277                  | 626,812                  | 1,189,178                | 2%                |
| Fundraising Costs                       | 0                        | 43,087           | 43,087                   | 52,800                   | 122,100                  | -18%              |
| Food Services                           | 758,503                  | 0                | 758,503                  | 736,766                  | 1,473,531                | 3%                |
| Assisted Living Program                 | 430,625                  | 0                | 430,625                  | 429,862                  | 859,725                  | 0%                |
|                                         | <u>3,826,766</u>         | <u>349,506</u>   | <u>4,176,272</u>         | <u>4,134,263</u>         | <u>8,104,561</u>         | <u>1%</u>         |
| <b>Total Operating Expense</b>          | <b>3,826,766</b>         | <b>349,506</b>   | <b>4,176,272</b>         | <b>4,134,263</b>         | <b>8,104,561</b>         | <b>1%</b>         |
| <b>Net Operating Income</b>             | <b>1,032,617</b>         | <b>71,865</b>    | <b>1,104,482</b>         | <b>1,017,526</b>         | <b>2,426,016</b>         | <b>9%</b>         |
| <b>Non-Operating Expense</b>            |                          |                  |                          |                          |                          |                   |
| Capital/Non Capital Improvements        | 24,829                   | 0                | 24,829                   | 12,999                   | 25,999                   | 91%               |
| Depreciation/Amortization               | 462,163                  | 0                | 462,163                  | 462,500                  | 925,001                  | 0%                |
| Consultants                             | 0                        | 44,357           | 44,357                   | 51,800                   | 100,600                  | -14%              |
| Debt Service                            | 182,000                  | 0                | 182,000                  | 203,500                  | 422,000                  | -11%              |
|                                         | <u>668,992</u>           | <u>44,357</u>    | <u>713,349</u>           | <u>730,799</u>           | <u>1,473,600</u>         | <u>-2%</u>        |
| <b>Total Non-Operating Expense</b>      | <b>668,992</b>           | <b>44,357</b>    | <b>713,349</b>           | <b>730,799</b>           | <b>1,473,600</b>         | <b>-2%</b>        |
| <b>Net Income</b>                       | <b>\$ 363,625</b>        | <b>\$ 27,509</b> | <b>\$ 391,134</b>        | <b>\$ 286,727</b>        | <b>\$ 952,416</b>        | <b>36%</b>        |
| <b>Net Income after Cap Exp Removed</b> | <u><b>\$ 388,454</b></u> |                  | <u><b>\$ 415,963</b></u> | <u><b>\$ 299,726</b></u> | <u><b>\$ 978,415</b></u> |                   |

**DRAFT ONLY-FOR DISCUSSION PURPOSES ONLY**

**Total Special Projects 2019**

|                                            | <u>Cost to Date</u>     |      | <u>Total Budget</u>     | <u>Variance</u>         |
|--------------------------------------------|-------------------------|------|-------------------------|-------------------------|
| <b>South Special Projects</b>              | \$ -                    | 0%   | \$ -                    | \$ -                    |
| <b>West Special Projects</b>               |                         |      |                         |                         |
| Wireless Access Point Upgrades             | \$ 1,208                | 40%  | \$ 4,500                | \$ 3,292                |
| Raised flower beds behind West building    | \$ 10,334               | 100% | \$ 10,000               | \$ (334)                |
| <b>East Special Projects</b>               |                         |      |                         |                         |
| Dining Room China                          | \$ 13,287               | 40%  | \$ 25,000               | \$ 11,713               |
| <b>Total Special Projects Through June</b> | <u><b>\$ 24,829</b></u> |      | <u><b>\$ 39,500</b></u> | <u><b>\$ 14,671</b></u> |

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
June 2019

|                                                   | YTD Through<br>June 2019 | YTD<br>Budget  | Annual<br>Budget | Budget<br>Variance | % of Budget<br>YTD Budget |
|---------------------------------------------------|--------------------------|----------------|------------------|--------------------|---------------------------|
| <b>Ordinary Income/Expense</b>                    |                          |                |                  |                    |                           |
| <b>Income</b>                                     |                          |                |                  |                    |                           |
| Management Fee Revenue                            | 116,767                  | 112,875        | 250,110          | 3,892              |                           |
| Grant Income                                      | 127,573                  | 138,250        | 276,500          | (10,678)           | 46%                       |
| A'la Carte Services                               | 6,756                    | 8,000          | 16,000           | (1,244)            | 42%                       |
| Donation Income/Special Events                    | 71,619                   | 46,667         | 112,000          | 24,952             | 64%                       |
| <b>2018 Contributions with Donor Restrictions</b> | <b>69,435</b>            | <b>-</b>       | <b>138,870</b>   | <b>69,435</b>      | <b>50%</b>                |
| Kavod On The Road                                 | 24,830                   | 15,000         | 30,000           | 9,830              | 83%                       |
| <b>Kavod Foundation</b>                           |                          |                |                  |                    |                           |
| Rose Endowment Income                             | 4,139                    | 4,400          | 4,400            | (261)              | 0%                        |
| <b>Shul Income</b>                                |                          |                |                  |                    |                           |
| Shul Donations                                    | 236                      | 650            | 1,300            | (414)              | 18%                       |
| <b>Total Shul Income</b>                          | <b>236</b>               | <b>650</b>     | <b>1,300</b>     | <b>(414)</b>       | <b>18%</b>                |
| <b>Total Income</b>                               | <b>421,354</b>           | <b>325,842</b> | <b>829,180</b>   | <b>95,513</b>      | <b>51%</b>                |
| <b>Expense</b>                                    |                          |                |                  |                    |                           |
| Management Salary and Benefit Expense             | 112,506                  | 113,375        | 226,750          | (869)              | 50%                       |
| <b>L'Chaim</b>                                    |                          |                |                  |                    |                           |
| Supplies                                          | 4,131                    | 4,200          | 5,000            | (69)               | 83%                       |
| <b>Total L'Chaim</b>                              | <b>13,272</b>            | <b>13,200</b>  | <b>12,900</b>    | <b>-</b>           | <b>103%</b>               |
| <b>Kavod On The Road</b>                          |                          |                |                  |                    |                           |
| Meetings/Classes                                  | 2,500                    | 2,500          | 5,000            | -                  | 50%                       |
| Program Expenses                                  | 6,202                    | 8,200          | 16,400           | (1,998)            | 0%                        |
| Payroll                                           | 35,773                   | 34,900         | 61,000           | 873                | 59%                       |
| Mileage                                           | 463                      | 1,000          | 2,000            | (537)              | 23%                       |
| Supplies                                          | 13,231                   | 4,800          | 9,600            | 8,431              | 138%                      |
| Events                                            | 1,563                    | 1,750          | 3,500            | (187)              | 45%                       |
| Entertainment                                     | 2,266                    | 2,500          | 5,000            | (234)              | 45%                       |
| Kavod On The Road - Other                         | -                        | 450            | 900              | (450)              | 0%                        |
| <b>Total Kavod On The Road</b>                    | <b>61,998</b>            | <b>56,100</b>  | <b>103,400</b>   | <b>5,898</b>       | <b>60%</b>                |
| A'la Carte Labor                                  | 5,557                    | 6,500          | 13,000           | (943)              | 43%                       |
| OMA Grant Expense                                 | 27,995                   | 20,125         | 34,500           | 7,870              | 81%                       |
| Accounting Services                               | 6,428                    | 8,000          | 8,000            | (1,572)            |                           |
| Bank Charges & CC Fees                            | 4,054                    | 5,250          | 10,500           | (1,196)            | 39%                       |
| Chaplain Services                                 | 33,811                   | 31,500         | 63,000           | 2,311              | 54%                       |
| Charity & Donations                               | -                        | 1,500          | 3,000            | (1,500)            | 0%                        |
| <b>Consulting Expense</b>                         |                          |                |                  |                    |                           |
| Strategic Plan Consulting                         | 3,229                    | 3,750          | 7,500            | (521)              | 43%                       |
| A/L-Financial Software Consulting                 | 15,720                   | 14,000         | 25,000           | 1,720              | 63%                       |
| Grant Writing                                     | 13,950                   | 14,050         | 28,100           | (100)              | 50%                       |
| Data Consultant                                   | 6,422                    | 12,500         | 25,000           | (6,078)            | 26%                       |
| Consulting Expense - Housing                      | 5,036                    | 7,500          | 15,000           | (2,464)            | 34%                       |
| <b>Total Consulting Expense</b>                   | <b>44,357</b>            | <b>51,800</b>  | <b>100,600</b>   | <b>(7,443)</b>     | <b>44%</b>                |
| <b>Events</b>                                     |                          |                |                  |                    |                           |
| Annual Meeting                                    | 13,117                   | 14,500         | 18,000           | (1,383)            | 73%                       |
| <b>Total Events</b>                               | <b>13,117</b>            | <b>14,500</b>  | <b>18,000</b>    | <b>(1,383)</b>     | <b>73%</b>                |

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
June 2019

|                                            | YTD Through<br>June 2019 | YTD<br>Budget   | Annual<br>Budget | Budget<br>Variance | % of Budget<br>YTD Budget |
|--------------------------------------------|--------------------------|-----------------|------------------|--------------------|---------------------------|
| <b>Fundraising Expense</b>                 |                          |                 |                  |                    |                           |
| Memberships                                | -                        | 200             | 400              | (200)              | 0%                        |
| Security                                   | -                        | 250             | 500              | (250)              | 0%                        |
| Training                                   | 656                      | 1,750           | 3,500            | (1,094)            | 19%                       |
| Outreach/Printing                          | 829                      | 6,000           | 12,000           | (5,171)            | 7%                        |
| Entertainment/Space Rental                 | -                        | 1,750           | 3,500            | (1,750)            | 0%                        |
| Fundraising Labor                          | 40,876                   | 42,000          | 84,000           | (1,124)            | 49%                       |
| Supplies                                   | 726                      | 850             | 1,700            | (124)              | 43%                       |
| <b>Total Fundraising Expense</b>           | <b>43,087</b>            | <b>52,800</b>   | <b>105,600</b>   | <b>(9,713)</b>     | <b>41%</b>                |
| <b>Legal Expense</b>                       | <b>10</b>                | <b>1,500</b>    | <b>3,000</b>     | <b>(1,490)</b>     | <b>0%</b>                 |
| <b>Mailing &amp; Postage</b>               | <b>13,229</b>            | <b>14,200</b>   | <b>19,000</b>    | <b>(971)</b>       | <b>70%</b>                |
| <b>Other Religious Services</b>            | <b>1,975</b>             | <b>1,850</b>    | <b>3,700</b>     | <b>125</b>         | <b>53%</b>                |
| <b>Shul Books &amp; Religious Supplies</b> | <b>501</b>               | <b>900</b>      | <b>1,800</b>     | <b>(399)</b>       | <b>28%</b>                |
| <b>Tree of Life</b>                        | <b>-</b>                 | <b>150</b>      | <b>300</b>       | <b>(150)</b>       | <b>0%</b>                 |
| <b>Shul Kiddish</b>                        | <b>1,618</b>             | <b>2,000</b>    | <b>4,000</b>     | <b>(382)</b>       | <b>40%</b>                |
| <b>Shul Religious Services</b>             | <b>3,396</b>             | <b>3,500</b>    | <b>7,000</b>     | <b>(104)</b>       | <b>49%</b>                |
| <b>Shul Religious Classes &amp; Events</b> | <b>565</b>               | <b>400</b>      | <b>800</b>       | <b>165</b>         | <b>71%</b>                |
| <b>Shul - Training</b>                     | <b>6,388</b>             | <b>2,500</b>    | <b>2,500</b>     | <b>3,888</b>       | <b>256%</b>               |
| <b>Total Expense</b>                       | <b>393,862</b>           | <b>401,650</b>  | <b>741,350</b>   | <b>(7,788)</b>     | <b>53%</b>                |
| <b>Other Income/Expense</b>                |                          |                 |                  |                    |                           |
| <b>Other Income</b>                        |                          |                 |                  |                    |                           |
| Dividend Income                            | 17                       | 150             | 300              | (133)              | 6%                        |
| <b>Total Other Income</b>                  | <b>17</b>                | <b>150</b>      | <b>300</b>       | <b>(133)</b>       |                           |
| <b>Net Other Income/Expense</b>            | <b>-</b>                 | <b>150</b>      | <b>300</b>       | <b>(300)</b>       | <b>0%</b>                 |
| <b>Net Income</b>                          | <b>27,509</b>            | <b>(75,808)</b> | <b>87,830</b>    | <b>(48,300)</b>    | <b>31%</b>                |



ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending June 30, 2019

|                                                     | June           |                |               | Year to Date     |                  |               | Annual Budget    | % Remain      |
|-----------------------------------------------------|----------------|----------------|---------------|------------------|------------------|---------------|------------------|---------------|
|                                                     | Actual         | Budget         | Variance      | Actual           | Budget           | Variance      |                  |               |
| <b>REVENUE</b>                                      |                |                |               |                  |                  |               |                  |               |
| Revenue - Rent Income From Apartments - Independent | \$132,950      | \$137,224      | (\$4,274)     | \$773,106        | \$803,093        | (\$29,987)    | \$1,625,685      | 52.44%        |
| Revenue - Tenant Assistance Payments                | 509,816        | 491,448        | 18,368        | 3,018,022        | 2,948,688        | 69,334        | 5,897,377        | 48.82%        |
| Revenue - ALP Program Full Pay Residents            | 51,700         | 55,417         | (3,717)       | 278,205          | 302,500          | (24,295)      | 635,000          | 56.19%        |
| Revenue - ALP Program Partial Pay Tenants           | 12,843         | 13,691         | (848)         | 75,661           | 82,147           | (6,486)       | 164,294          | 53.95%        |
| Revenue - ALP Program Medicaid Contributions        | 23,244         | 17,200         | 6,044         | 144,671          | 103,200          | 41,471        | 206,400          | 29.91%        |
| Revenue - Food Service/Receipts                     | 77,838         | 78,836         | (999)         | 466,297          | 473,016          | (6,720)       | 946,033          | 50.71%        |
| Revenue - Meal Subsidy                              | (11,001)       | (10,117)       | (884)         | (68,517)         | (60,700)         | (7,817)       | (121,400)        | 43.56%        |
| Revenue - ALP Supplement                            | 18,765         | 18,621         | 144           | 110,889          | 111,725          | (836)         | 223,450          | 50.37%        |
| Revenue - Meal Delivery, Guest Meals, etc.          | 760            | 1,038          | (278)         | 5,280            | 6,230            | (950)         | 12,460           | 57.62%        |
| <b>Total Revenue</b>                                | <b>816,914</b> | <b>803,358</b> | <b>13,556</b> | <b>4,803,614</b> | <b>4,769,900</b> | <b>33,715</b> | <b>9,589,299</b> | <b>49.91%</b> |
| <b>EXPENSE</b>                                      |                |                |               |                  |                  |               |                  |               |
| <b>General &amp; Administrative</b>                 |                |                |               |                  |                  |               |                  |               |
| Property Management Fees                            | 19,150         | 18,813         | 337           | 116,767          | 112,875          | 3,892         | 225,750          | 100.00%       |
| Salary Allocation to AHJ                            | (18,751)       | (18,813)       | 62            | (112,506)        | (113,209)        | 703           | (225,750)        | 100.00%       |
| Labor - Food Service Manager                        | 4,866          | 4,912          | (46)          | 31,573           | 31,930           | (357)         | 63,860           | 50.56%        |
| Labor - Leasing                                     | 15,089         | 13,561         | 1,529         | 90,524           | 88,144           | 2,380         | 176,288          | 48.65%        |
| Labor - Front Office Staff                          | 5,798          | 7,749          | (1,951)       | 48,543           | 50,370           | (1,827)       | 100,740          | 51.81%        |
| Labor - Community Relations/Marketing               | 9,147          | 9,077          | 70            | 58,865           | 59,000           | (135)         | 118,000          | 50.11%        |
| Labor - Accounting/Human Resources/Director         | 37,903         | 38,299         | (396)         | 246,995          | 248,941          | (1,947)       | 497,883          | 50.39%        |
| Labor - Potential Bonus                             | 0              | 0              | 0             | 63,638           | 63,821           | (183)         | 65,001           | 2.10%         |
| Labor - Payroll Taxes                               | 5,139          | 5,269          | (130)         | 38,478           | 34,248           | 4,230         | 68,495           | 43.82%        |
| Labor - Payroll Taxes - FS Admin                    | 375            | 382            | (6)           | 2,834            | 2,481            | 353           | 4,962            | 42.89%        |
| Labor - Workers Comp Expense                        | 393            | 563            | (170)         | 1,033            | 3,380            | (2,346)       | 6,759            | 84.71%        |
| Labor - Workers Comp Expense - FS Admin             | 132            | 153            | (21)          | 957              | 915              | 42            | 1,830            | 47.73%        |
| Labor - Employee Benefits                           | 16,812         | 13,347         | 3,465         | 101,372          | 80,082           | 21,289        | 160,165          | 36.71%        |
| Labor - Employee Benefits - FS Admin                | 1,023          | 1,073          | (50)          | 6,226            | 6,438            | (211)         | 12,875           | 51.64%        |
| Labor - Help Wanted Advertising                     | 89             | 167            | (78)          | 389              | 1,000            | (611)         | 2,000            | 80.54%        |
| Labor - Screening/Background Checks                 | 17             | 250            | (233)         | 925              | 1,500            | (575)         | 3,000            | 69.17%        |
| Labor - Training and Development                    | 959            | 3,333          | (2,374)       | 23,501           | 20,000           | 3,501         | 40,000           | 41.25%        |
| Employee Recognition                                | 869            | 2,583          | (1,715)       | 9,080            | 15,500           | (6,420)       | 31,000           | 70.71%        |
| Employee Wellness                                   | 0              | 917            | (917)         | 1,000            | 5,500            | (4,500)       | 11,000           | 90.91%        |
| Marketing - Ad Placement, Brochures, etc.           | 174            | 1,833          | (1,659)       | 7,724            | 11,000           | (3,276)       | 22,000           | 64.89%        |
| Marketing - Community Outreach/Open House           | 1,371          | 2,892          | (1,521)       | 13,350           | 17,350           | (4,000)       | 34,700           | 61.53%        |
| Board Development                                   | 426            | 650            | (224)         | 3,229            | 3,900            | (671)         | 7,800            | 58.61%        |
| Bank Charges                                        | 285            | 167            | 118           | 239              | 1,000            | (761)         | 2,000            | 88.05%        |
| Mileage Reimbursements                              | 487            | 275            | 212           | 1,049            | 1,650            | (601)         | 3,300            | 68.20%        |
| Supplies/Postage/FedEx                              | 11,921         | 5,333          | 6,588         | 40,998           | 32,001           | 8,998         | 64,001           | 35.94%        |
| Telephone/Answering/DSL                             | 3,124          | 2,750          | 374           | 17,497           | 16,500           | 997           | 33,000           | 46.98%        |
| Outside Services & Labor                            | 4,653          | 3,417          | 1,236         | 33,659           | 20,500           | 13,159        | 41,000           | 17.91%        |
| Dues and Subscriptions                              | 3,460          | 1,567          | 1,893         | 23,978           | 27,983           | (4,006)       | 38,000           | 36.90%        |
| License Expense                                     | 0              | 625            | (625)         | 5,173            | 3,750            | 1,423         | 7,500            | 31.03%        |
| Accounting & Audit Expense                          | 0              | 781            | (781)         | 29,793           | 38,315           | (8,522)       | 43,000           | 30.71%        |
| Legal Expense                                       | 610            | 1,083          | (473)         | 4,436            | 6,500            | (2,064)       | 13,000           | 65.88%        |
| Other Renting Expense                               | 314            | 875            | (561)         | 12,545           | 5,250            | 7,295         | 10,500           | -19.47%       |
| Hardware - CIS                                      | 1,070          | 2,333          | (1,263)       | 6,266            | 10,225           | (3,960)       | 22,000           | 71.52%        |
| Software - CIS                                      | 360            | 167            | 193           | 532              | 1,000            | (468)         | 2,000            | 73.42%        |
| Support, Repairs & Maintenance - CIS                | 4,395          | 5,833          | (1,438)       | 31,872           | 35,000           | (3,128)       | 70,000           | 54.47%        |
| Property & Liability Insurance                      | 19,521         | 19,583         | (63)          | 117,125          | 117,500          | (375)         | 235,001          | 50.16%        |
| <b>Total General &amp; Administrative</b>           | <b>151,181</b> | <b>151,799</b> | <b>(618)</b>  | <b>1,079,659</b> | <b>1,062,340</b> | <b>17,319</b> | <b>2,012,660</b> | <b>51.96%</b> |
| <b>Food Service</b>                                 |                |                |               |                  |                  |               |                  |               |
| Labor - Hourly Cooks                                | 24,915         | 24,738         | 177           | 134,356          | 160,800          | (26,444)      | 321,600          | 58.22%        |
| Labor - Hourly Servers                              | 16,784         | 17,380         | (596)         | 113,081          | 112,972          | 109           | 225,944          | 49.95%        |
| Labor - Assistant Manager                           | 7,488          | 7,277          | 211           | 48,454           | 47,300           | 1,154         | 94,599           | 48.78%        |
| Labor - Catering                                    | 1,455          | 1,380          | 75            | 9,625            | 8,280            | 1,345         | 16,560           | 41.88%        |
| Labor - Special Staffing                            | 625            | 642            | (17)          | 3,750            | 3,850            | (100)         | 7,700            | 51.30%        |
| Labor - Outside Services Labor Expense              | 0              | 2,042          | (2,042)       | 24,522           | 12,250           | 12,272        | 24,500           | -0.09%        |
| Labor - Payroll Taxes                               | 4,158          | 4,400          | (242)         | 25,834           | 26,400           | (566)         | 52,800           | 51.07%        |
| Labor - Workers Comp Expense                        | 5,966          | 1,875          | 4,091         | 20,459           | 11,250           | 9,209         | 22,500           | 9.07%         |
| Labor - Employee Benefits                           | 8,850          | 9,417          | (566)         | 46,232           | 56,500           | (10,268)      | 113,000          | 59.09%        |
| Food & Beverage Expense                             | 44,683         | 41,660         | 3,023         | 280,030          | 249,962          | 30,068        | 499,923          | 43.99%        |
| Food Paper Products Expense                         | 4,586          | 4,025          | 561           | 25,994           | 24,150           | 1,844         | 48,300           | 46.18%        |
| Cleaning Supplies & Service Expense                 | 596            | 584            | 12            | 3,899            | 3,503            | 396           | 7,005            | 44.34%        |
| Laundry & Linen Expense                             | 953            | 750            | 203           | 4,319            | 4,500            | (181)         | 9,000            | 52.01%        |
| Equipment Expense                                   | 1,189          | 1,667          | (478)         | 10,035           | 10,000           | 35            | 20,000           | 49.83%        |

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending June 30, 2019

|                                                | June    |         |          | Year to Date |           |          | Annual Budget | % Remain |
|------------------------------------------------|---------|---------|----------|--------------|-----------|----------|---------------|----------|
|                                                | Actual  | Budget  | Variance | Actual       | Budget    | Variance |               |          |
| Uniforms Expense                               | 783     | 542     | 241      | 5,669        | 3,250     | 2,419    | 6,500         | 12.78%   |
| Dining Room Decorating Expense                 | 0       | 300     | (300)    | 2,243        | 1,800     | 443      | 3,600         | 37.68%   |
| Total Food Service                             | 123,029 | 118,678 | 4,351    | 758,503      | 736,766   | 21,737   | 1,473,531     | 48.52%   |
| <b>Assisted Living Program</b>                 |         |         |          |              |           |          |               |          |
| Labor - Manager                                | 5,410   | 5,420   | (10)     | 35,088       | 35,227    | (139)    | 70,454        | 50.20%   |
| Labor - Care Givers, CC & Aides                | 30,772  | 28,765  | 2,007    | 190,640      | 186,975   | 3,665    | 373,950       | 49.02%   |
| Labor - Payroll Taxes                          | 2,987   | 2,908   | 79       | 19,331       | 18,901    | 431      | 37,801        | 48.86%   |
| Labor - Workers Comp Expense                   | 2,662   | 1,923   | 740      | 10,481       | 11,536    | (1,055)  | 23,072        | 49.31%   |
| Labor - Employee Benefits                      | 7,481   | 7,333   | 148      | 44,605       | 43,999    | 606      | 87,998        | 49.31%   |
| Labor - Medical Required Testing               | 228     | 133     | 94       | 698          | 800       | (102)    | 1,600         | 56.41%   |
| Dietary Supplies                               | 18,765  | 18,621  | 144      | 110,889      | 111,725   | (836)    | 223,450       | 50.37%   |
| Medication Set-ups                             | 0       | 83      | (83)     | 414          | 500       | (86)     | 1,000         | 58.64%   |
| Other ALP expenses                             | 983     | 117     | 866      | 1,708        | 700       | 1,008    | 1,400         | -21.98%  |
| A/L Marketing                                  | 0       | 892     | (892)    | 0            | 5,350     | (5,350)  | 10,700        | 100.00%  |
| Recreation & Rehabilitation                    | 1,614   | 3,250   | (1,636)  | 16,772       | 19,500    | (2,728)  | 39,000        | 56.99%   |
| Total Assisted Living Program                  | 70,902  | 68,553  | 2,349    | 430,625      | 429,862   | 763      | 859,725       | 49.91%   |
| <b>Operations &amp; Maintenance</b>            |         |         |          |              |           |          |               |          |
| Labor - Housekeeping Supervisor                | 4,466   | 4,582   | (115)    | 30,415       | 29,000    | 1,415    | 58,000        | 47.56%   |
| Labor - Housekeeping Staff                     | 10,282  | 11,257  | (975)    | 66,553       | 71,254    | (4,701)  | 142,508       | 53.30%   |
| Labor - Maintenance Manager/Director           | 15,772  | 14,861  | 910      | 102,432      | 94,068    | 8,365    | 188,136       | 45.55%   |
| Labor - Maintenance Staff                      | 10,131  | 16,667  | (6,536)  | 72,250       | 103,919   | (31,669) | 207,838       | 65.24%   |
| Labor - Protection (Security)                  | 5,239   | 5,285   | (45)     | 33,965       | 33,450    | 514      | 66,901        | 49.23%   |
| Labor - Payroll Taxes                          | 3,600   | 3,806   | (206)    | 25,420       | 23,227    | 2,193    | 46,453        | 45.28%   |
| Labor - Workers Comp Expense                   | 3,923   | 1,311   | 2,612    | 10,174       | 7,865     | 2,310    | 15,729        | 35.32%   |
| Labor - Employee Benefits                      | 8,766   | 9,914   | (1,147)  | 60,167       | 59,483    | 684      | 118,965       | 49.42%   |
| Labor - Temporary                              | 4,393   | 1,250   | 3,143    | 23,946       | 7,501     | 16,446   | 15,001        | -59.63%  |
| Outside Services - Cleaning                    | 1,695   | 6,667   | (4,972)  | 30,843       | 40,000    | (9,157)  | 80,000        | 61.45%   |
| Outside Services - Exterminating               | 500     | 2,583   | (2,083)  | 12,450       | 15,500    | (3,050)  | 31,000        | 59.84%   |
| Outside Services - Grounds                     | 2,583   | 2,083   | 500      | 10,751       | 12,500    | (1,750)  | 25,001        | 57.00%   |
| Outside Services - Repairs                     | 43,380  | 38,332  | 5,048    | 251,385      | 229,990   | 21,395   | 459,980       | 45.35%   |
| Outside Services - Elevator Maintenance        | 4,008   | 4,167   | (158)    | 21,115       | 25,000    | (3,885)  | 50,000        | 57.77%   |
| Outside Services - Snow Removal                | 0       | 1,250   | (1,250)  | 2,055        | 7,501     | (5,446)  | 15,001        | 86.30%   |
| Outside Services - Garbage and Trash Removal   | 4,518   | 3,917   | 601      | 26,519       | 23,500    | 3,019    | 47,000        | 43.58%   |
| Outside Services - Life Safety & Security      | 6,700   | 2,917   | 3,783    | 31,045       | 17,501    | 13,545   | 35,001        | 11.30%   |
| License & Permit Expense                       | 0       | 83      | (83)     | 2,551        | 500       | 2,051    | 1,000         | -155.05% |
| Maintenance Supplies & Repairs                 | 17,656  | 20,833  | (3,178)  | 112,459      | 125,000   | (12,541) | 250,000       | 55.02%   |
| Decorating Expense - Common Area               | 231     | 142     | 89       | 722          | 850       | (128)    | 1,700         | 57.53%   |
| Utilities - Electric                           | 16,906  | 15,833  | 1,072    | 83,512       | 92,250    | (8,738)  | 190,000       | 56.05%   |
| Utilities - Water                              | 3,369   | 3,750   | (381)    | 21,245       | 22,501    | (1,255)  | 45,001        | 52.79%   |
| Utilities - Gas                                | 3,644   | 4,117   | (472)    | 46,810       | 37,101    | 9,710    | 65,001        | 27.99%   |
| Utilities - Sewer                              | 5,175   | 5,417   | (242)    | 32,776       | 32,501    | 276      | 65,001        | 49.58%   |
| Mileage Reimbursement                          | 0       | 33      | (33)     | 55           | 200       | (145)    | 400           | 86.37%   |
| Total Operations & Maintenance                 | 176,936 | 181,056 | (4,120)  | 1,111,615    | 1,112,158 | (544)    | 2,220,617     | 49.94%   |
| Total Expenses                                 | 522,048 | 520,086 | 1,962    | 3,380,402    | 3,341,126 | 39,274   | 6,566,533     | 50.29%   |
| Operating Excess/(Deficit)                     | 294,866 | 283,272 | 11,594   | 1,423,212    | 1,428,774 | (5,559)  | 3,022,766     | 48.96%   |
| <b>OTHER ELDER CARE INCOME &amp; (EXPENSE)</b> |         |         |          |              |           |          |               |          |
| <b>Activities Program</b>                      |         |         |          |              |           |          |               |          |
| Activities Revenue - Resident Receipts         | (1,519) | (2,167) | 648      | (8,470)      | (12,999)  | 4,530    | (25,999)      | 67.42%   |
| Activities Revenue - ALP Receipts              | (1,614) | (3,250) | 1,636    | (16,772)     | (19,500)  | 2,728    | (39,000)      | 56.99%   |
| Activities Revenue - Donations                 | 0       | (8)     | 8        | (70)         | (50)      | (20)     | (100)         | 29.97%   |
| Assisted Living Activities Expense             | 1,614   | 3,250   | (1,636)  | 16,772       | 19,500    | (2,728)  | 39,000        | 56.99%   |
| Newsletter expense                             | 1,849   | 2,083   | (235)    | 12,899       | 12,500    | 398      | 25,001        | 48.41%   |
| Activities Outreach/ Food                      | 263     | 1,833   | (1,570)  | 4,985        | 11,000    | (6,015)  | 22,000        | 77.34%   |
| Classes Expense                                | 750     | 917     | (167)    | 6,188        | 5,500     | 688      | 11,000        | 43.74%   |
| Health & Wellness Expense                      | 754     | 2,773   | (2,019)  | 12,881       | 16,636    | (3,755)  | 33,272        | 61.29%   |
| Outings Expense                                | 2,924   | 6,058   | (3,134)  | 18,600       | 36,350    | (17,750) | 72,699        | 74.42%   |
| Family Events                                  | 350     | 250     | 100      | 1,672        | 1,500     | 172      | 3,000         | 44.27%   |
| Total Core Program (Inc)/Exp                   | 5,371   | 11,739  | (6,368)  | 48,685       | 70,436    | (21,752) | 140,873       | 65.44%   |
| Labor - Activities Staff                       | 12,804  | 14,436  | (1,632)  | 95,644       | 92,163    | 3,482    | 184,325       | 48.11%   |
| Labor - Payroll Taxes                          | 1,102   | 1,133   | (31)     | 7,707        | 7,045     | 662      | 14,090        | 45.30%   |
| Labor - Workers Comp                           | 407     | 389     | 18       | 2,698        | 2,421     | 277      | 4,841         | 44.28%   |
| Labor - Employee Benefits                      | 4,041   | 3,365   | 676      | 24,060       | 20,188    | 3,872    | 40,376        | 40.41%   |
| Van Expense                                    | 819     | 1,167   | (347)    | 4,584        | 7,001     | (2,417)  | 14,001        | 67.26%   |
| Net Gift Shop Activity                         | 363     | 142     | 221      | 657          | 850       | (193)    | 1,700         | 61.38%   |
| Net Library Activity                           | 0       | 42      | (42)     | 0            | 250       | (250)    | 500           | 100.00%  |

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending June 30, 2019

|                                                | June     |         |          | Year to Date |          |          | Annual Budget | % Remain |
|------------------------------------------------|----------|---------|----------|--------------|----------|----------|---------------|----------|
|                                                | Actual   | Budget  | Variance | Actual       | Budget   | Variance |               |          |
| Total Other Program Expense                    | 19,536   | 20,673  | (1,137)  | 135,350      | 129,917  | 5,433    | 259,833       | 47.91%   |
| Total Activities Program (Inc)/Exp             | 24,907   | 32,412  | (7,506)  | 184,034      | 200,353  | (16,319) | 400,706       | 54.07%   |
| Resident Computer Center                       |          |         |          |              |          |          |               |          |
| RCC - Wages - RCC Staff                        | 4,248    | 4,107   | 141      | 28,030       | 26,695   | 1,335    | 53,390        | 47.50%   |
| RCC - Payroll Taxes                            | 292      | 365     | (73)     | 2,055        | 2,331    | (276)    | 4,662         | 55.91%   |
| RCC - Workers Comp Expense                     | 129      | 167     | (38)     | 851          | 1,005    | (153)    | 2,009         | 57.63%   |
| RCC - Employee Benefits                        | 1,486    | 1,267   | 220      | 8,947        | 7,600    | 1,347    | 15,200        | 41.14%   |
| Total RCC Expense                              | 6,156    | 5,906   | 250      | 39,884       | 37,631   | 2,254    | 75,261        | 47.01%   |
| Service Coordinator Program                    |          |         |          |              |          |          |               |          |
| Labor - Service Coordinator                    | 23,302   | 21,644  | 1,657    | 158,485      | 137,004  | 21,482   | 274,007       | 42.16%   |
| Labor - Payroll Taxes                          | 1,664    | 1,418   | 247      | 12,261       | 8,652    | 3,609    | 17,304        | 29.14%   |
| Labor - Workers Comp Expense                   | 498      | 588     | (90)     | 3,518        | 3,529    | (10)     | 7,057         | 50.15%   |
| Labor - Employee Benefits                      | 3,575    | 3,554   | 21       | 21,229       | 21,321   | (93)     | 42,643        | 50.22%   |
| Activities Outreach                            | 67       | 375     | (308)    | 1,640        | 2,250    | (610)    | 4,500         | 63.55%   |
| Total Service Coordinator (Inc)/Exp            | 29,106   | 27,579  | 1,527    | 197,133      | 172,756  | 24,378   | 345,511       | 42.94%   |
| Total Other Elder Care (Inc)/Exp               | 60,169   | 65,897  | (5,728)  | 421,052      | 410,739  | 10,313   | 821,478       | 48.74%   |
| OTHER (INCOME) & EXPENSE                       |          |         |          |              |          |          |               |          |
| Other Income                                   |          |         |          |              |          |          |               |          |
| Revenue - Interest Income - Project Operations | (4,602)  | (1,500) | (3,102)  | (13,109)     | (9,000)  | (4,109)  | (18,000)      | 27.17%   |
| Revenue - Investments - Replacement Reserves   | (4,730)  | (125)   | (4,605)  | (4,730)      | (750)    | (3,980)  | (1,500)       | -215.35% |
| Revenue - Laundry and Vending Revenue          | (940)    | (958)   | 18       | (5,257)      | (5,750)  | 493      | (11,500)      | 54.28%   |
| Revenue - Miscellaneous - Buildings            | (372)    | (1,333) | 961      | (7,361)      | (8,000)  | 638      | (15,999)      | 53.99%   |
| Total Other Income                             | (10,645) | (3,917) | (6,728)  | (30,458)     | (23,499) | (6,959)  | (46,999)      | 35.19%   |
| Capital Improvements                           |          |         |          |              |          |          |               |          |
| Special Projects                               | 13,287   | 2,167   | 11,120   | 24,829       | 12,999   | 11,830   | 25,999        | 4.50%    |
| Total Capital Improvements                     | 13,287   | 2,167   | 11,120   | 24,829       | 12,999   | 11,830   | 25,999        | 4.50%    |
| Debt Service                                   |          |         |          |              |          |          |               |          |
| Interest on Mortgage Payable                   | 31,000   | 34,667  | (3,667)  | 182,000      | 203,500  | (21,500) | 422,000       | 56.87%   |
| Depreciation & Amort                           |          |         |          |              |          |          |               |          |
| Depreciation - Buildings                       | 79,259   | 77,083  | 2,175    | 462,163      | 462,500  | (337)    | 925,001       | 50.04%   |
| Total Depreciation & Amortization              | 79,259   | 77,083  | 2,175    | 462,163      | 462,500  | (337)    | 925,001       | 50.04%   |
| Total Other (Income)/Expense                   | 112,901  | 110,000 | 2,901    | 638,534      | 655,500  | (16,966) | 1,336,701     | 52.23%   |
| Net Excess/(Deficit)                           | 122,197  | 87,671  | 34,526   | 363,626      | 362,535  | 123,915  | 638,836       | 42.41%   |

## **Kavod Senior Life**

### **Fiscal Committee Meeting Minutes from August 20**

---

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

Staff: Michael Klein, Mike Belieu, and Tracy Kapaun

Connell called the committee meeting to order at 8 a.m. The July minutes were reviewed. The group approved the minutes from July meetings with the motion made by Rob and seconded by Perry. Motion passed. The meeting was conducted via Zoom and all participants were able to hear the conversation.

Connell asked if there was any questions on the July 2019 financials. The July monthly financial statements were reviewed. Rob asked about grant/contribution income and program expenses and how each are classified. Mike explained that multiple accounts make up the balance. Mike offered to identify which accounts make up each balance on future statements. Mike mentioned there were openings in two Assisted Living units in June. And three units had couples. Kavod continues to market the Assisted Living units to keep vacancies low. The group approved the July financial statements with the motion made by Rob and seconded by Perry. Motion passed.

Tracy gave an update on the construction progress. She started with an asbestos update with Wade and the additional set up measures that the State of Colorado is requesting for the project. Tracy also mentioned Kavod hired attorney Melanie Granberg to assist with the process. Melanie will first try and send a cover letter to CDPHE (health department) requesting a variance. If this is not successful, Melanie will sit down with CDPHE and request a formal meeting. Rob asked how much time would this process take. Tracy responded that Kavod does not know as of yet. Tracy then detailed the permit status and what Kavod can expect in the next month.

Mike requested approval on the Oakleaf contract from the Fiscal Committee. The Committee agreed and a Motion was made by Connell and a second was received by Rob.

The meeting was adjourned. The next regular Fiscal Committee meeting will be held on August 20, 2019 via Zoom conference call.

## Notes to July 2019 Financial Statements

Prepared by Mike Belieu, CFO, Kavod Senior Life

I have prepared a summary of some key items on the July 2019 statements. These are preliminary numbers and subject to change.

### Cash:

- Operating cash balance as of July 2019 is \$5,300,000, down from \$5,602,000 in June 2019. Please see chart on first page of financial summary. This balance includes reserves invested at Morgan Stanley and the \$3.05 million in cash funded by the MidFirst loan.

### Net Income:

- Through July 2019, the net income less capital costs is \$566,020 versus the budgeted net income of \$435,083.
  - The 2019 OCAF adjustment from HUD took effect April 2019. This increase reflects an additional \$29,076 in tenant assistant payments in July.
  - Food and beverage expense continues to run higher than budget. Licensing fees are higher than budget due to West real estate taxes being paid. Employee benefits, labor temporary for Food Service and Maintenance are higher than budget. Some of these costs are offset by lower costs in Hourly Cooks and Labor Maintenance Staff.

### Revenue:

- Total revenue YTD through July 2019 is \$6,188,907 compared to the budgeted amount of \$6,028,703, a difference of \$160,204 or 3 percent.
- Other revenue consists of income from Independent and Assisted Living activities, laundry, cleaning, and interest income.
- Rental revenue is over budget by \$68,889 through July 2019. The Allied Housing Inc. (AHI) statement includes property management fees in the amount of \$135,917 versus a budget of \$131,688. These fees are paid by the three HUD buildings to AHI on a monthly basis for overall management of the properties. See further explanation under expenses.
- Assisted Living revenue YTD is over budget by \$17,118. For July 2019 there were two market rate units vacant. Kavod currently has three couples in the Assisted Living units which increase monthly revenue.
- Dining revenue is under budget YTD by \$16,749 due to the 2019 meal increase that was budgeted for February took effect in April 2019. The delay was due to the government shut down and HUD office being closed. *There were 32 meal exceptions in July. Please see chart on first page of financial summary.*
- **Grant revenue is under budget by \$33,719 through July. In August, Kavod received the Rose Community grant for \$110,000 to fund software and IT server upgrades. Add all grants this year.**
- Contribution revenue is higher than budget by \$113,831 through July 2019. *General contributions and contributions for the annual meeting are above budget by \$34,817 and above last year's total.* This number includes grant income of \$81,008 that was received in 2018 that were budgeted in 2019 but classified as donor restricted by Eide Bailly for audit purposes. This is for budget purposes only and will not be reflected on the 2019 audit. The \$81,008 represents five months of the total amount of \$138,870.



## Expenses:

- Total operating expenses YTD 2019 were \$4,820,182 compared to the budgeted amount of \$4,757,186 a difference of \$62,997 or 1 percent higher than budget.
- Net Operating Income (NOI) came in higher than budget through July at \$1,368,725 versus the budgeted amount of \$1,271,517.
- Assisted Living expenses year to date are higher than budget by \$2,855. Most categories are slightly under budget. Due to staff turnover, Labor for Care Givers is over budget in July and YTD.
- The Operations and Maintenance category is under budget by \$5,492 due to lower labor costs and outside cleaning costs. Repairs are higher than budget due front door access maintenance and higher apartment renovation costs. Life and Safety is over budget due to yearly inspections conducted in June.
- Food Service costs are over budget by \$30,342. Food costs are over budget due to additional purchase week in July and higher overall food costs. Passover food costs were \$13,000 higher than 2018.
- Program costs are over budget by \$28,407. Labor, supplies, and grant expenses contributed to the higher expenses. Some of these additional costs are part of the OMA and MM programs which are covered by grant funds. Outing Expense is lower due to Activities being short staffed creating fewer trips than planned.
- Fundraising costs are under budget by \$2,725. Most categories are under budget including outreach and labor. The majority of these costs will be spent in July and August.
- General and Admin expenses are over budget \$9,610 through July 2019. Employee benefit expense is over budget due to the number of employees on Kavod's benefit plans and outside services is higher due to language translation and temp labor costs. License expense is over budget in July due to payment of 2018 property taxes for the West building in the amount of \$8,900.
- Property management fees are over budget \$4,229 through July with \$135,917 actual expenses versus a budget of \$131,688. Property management fees in the AHI entity are paid by the three buildings and show as revenue on the AHI books and expenses on the three LLLPs. The income and expenses for the fees net out on Kavod's financial statements. These costs are offset by the salaries of some Kavod employees who are now expensed through the AHI.

## Non-Operating Expenses and Other Information

- Non-operating expenses including debt service (excluding capital costs) came in at \$33,729 under budget. Consulting costs are under budget by \$9,400. 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 no special project costs in July. These costs represent only the capital expenses that were budgeted for 2019 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 07/31/2019**

| Revenues                                | LPs                      | AHI              | Total YTD 2019           | 2019 YTD Budget          | 2019 Budget              | % Change from YTD |
|-----------------------------------------|--------------------------|------------------|--------------------------|--------------------------|--------------------------|-------------------|
| Rental Income/Property Man Fees         | \$ 4,444,863             | \$ 135,917       | \$ 4,580,780             | \$ 4,511,891             | \$ 7,773,172             | 2%                |
| Food Services                           | 601,901                  | 0                | 601,901                  | 618,650                  | 1,060,543                | -3%               |
| Assisted Living                         | 591,273                  | 0                | 591,273                  | 574,155                  | 1,005,694                | 3%                |
| Grant Income                            | 0                        | 127,573          | 127,573                  | 161,292                  | 276,500                  | -21%              |
| *Contributions                          | 0                        | 211,156          | 211,156                  | 97,325                   | 302,570                  | 117%              |
|                                         | <u>5,638,037</u>         | <u>474,646</u>   | <u>6,112,683</u>         | <u>5,963,313</u>         | <u>10,418,479</u>        | <u>3%</u>         |
| Other Revenue/Interest Income           | 67,065                   | 9,160            | 76,225                   | 65,390                   | 112,098                  | 17%               |
| <b>Total Revenues</b>                   | <b>5,705,102</b>         | <b>483,805</b>   | <b>\$ 6,188,907</b>      | <b>6,028,703</b>         | <b>10,530,577</b>        | <b>3%</b>         |
| <b>Operating Expense</b>                |                          |                  |                          |                          |                          |                   |
| General & Admin/Other Expenses          | 1,225,439                | 131,257          | 1,356,696                | 1,347,086                | 2,239,410                | 1%                |
| Operations & Maintenance                | 1,288,723                | 0                | 1,288,723                | 1,294,215                | 2,220,617                | 0%                |
| **Program Expenses                      | 515,275                  | 213,558          | 728,833                  | 700,426                  | 1,189,178                | 4%                |
| Fundraising Costs                       | 0                        | 58,875           | 58,875                   | 61,600                   | 122,100                  | -4%               |
| Food Services                           | 885,785                  | 0                | 885,785                  | 855,444                  | 1,473,531                | 4%                |
| Assisted Living Program                 | 501,270                  | 0                | 501,270                  | 498,415                  | 859,725                  | 1%                |
| <b>Total Operating Expense</b>          | <b>4,416,492</b>         | <b>403,690</b>   | <b>4,820,182</b>         | <b>4,757,186</b>         | <b>8,104,561</b>         | <b>1%</b>         |
| <b>Net Operating Income</b>             | <b>1,288,610</b>         | <b>80,115</b>    | <b>1,368,725</b>         | <b>1,271,517</b>         | <b>2,426,016</b>         | <b>8%</b>         |
| <b>Non-Operating Expense</b>            |                          |                  |                          |                          |                          |                   |
| Capital/Non Capital Improvements        | 24,829                   | 0                | 24,829                   | 15,166                   | 25,999                   | 64%               |
| Depreciation/Amortization               | 541,422                  | 0                | 541,422                  | 539,584                  | 925,001                  | 0%                |
| Consultants                             | 0                        | 49,283           | 49,283                   | 58,683                   | 100,600                  | -16%              |
| Debt Service                            | 212,000                  | 0                | 212,000                  | 238,167                  | 422,000                  | -11%              |
| <b>Total Non-Operating Expense</b>      | <b>778,251</b>           | <b>49,283</b>    | <b>827,534</b>           | <b>851,600</b>           | <b>1,473,600</b>         | <b>-3%</b>        |
| <b>Net Income</b>                       | <b>\$ 510,359</b>        | <b>\$ 30,832</b> | <b>\$ 541,191</b>        | <b>\$ 419,917</b>        | <b>\$ 952,416</b>        | <b>29%</b>        |
| <b>Net Income after Cap Exp Removed</b> | <b><u>\$ 535,188</u></b> |                  | <b><u>\$ 566,020</u></b> | <b><u>\$ 435,083</u></b> | <b><u>\$ 978,415</u></b> |                   |

**DRAFT ONLY-FOR DISCUSSION PURPOSES ONLY**

| Monthly Operating Cash Balance | July 19      | June 19      | May 19       | April 19     | March 19  |
|--------------------------------|--------------|--------------|--------------|--------------|-----------|
| Cash on Hand                   | \$ 5,300,000 | \$ 5,602,000 | \$ 5,704,000 | \$ 5,621,000 | 5,678,000 |

| Kavod Meal Exceptions | July 19 | June 19 | May 19 | April 19 | March 19 |
|-----------------------|---------|---------|--------|----------|----------|
| Number of Residents   | 32      | 33      | 34     |          |          |

**Total Special Projects 2019**

|                                            | Cost to Date            |      | Total Budget            | Variance                |
|--------------------------------------------|-------------------------|------|-------------------------|-------------------------|
| <b>South Special Projects</b>              | \$ -                    |      | \$ -                    | \$ -                    |
| <b>West Special Projects</b>               |                         |      |                         |                         |
| Wireless Access Point Upgrades             | \$ 1,208                | 40%  | \$ 4,500                | \$ 3,292                |
| Raised flower beds behind West building    | \$ 10,334               | 100% | \$ 10,000               | \$ (334)                |
| <b>East Special Projects</b>               |                         |      |                         |                         |
| Dining Room China                          | \$ 13,287               | 40%  | \$ 25,000               | \$ 11,713               |
| <b>Total Special Projects Through June</b> | <b><u>\$ 24,829</u></b> |      | <b><u>\$ 39,500</u></b> | <b><u>\$ 14,671</u></b> |

\* Contribution income is made up of Kavod on the Road, Event, and general donation revenue, and one time revenue from 2018

\*\* Program Expenses are made up of Kavod on the Road, grant, care coordinator, resident services, and religious costs.



**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**July 2019**

|                                            | YTD Through<br>July 2019 | YTD<br>Budget  | Annual<br>Budget | Budget<br>Variance | % of Budget<br>YTD Budget |
|--------------------------------------------|--------------------------|----------------|------------------|--------------------|---------------------------|
| <b>Ordinary Income/Expense</b>             |                          |                |                  |                    |                           |
| <b>Income</b>                              |                          |                |                  |                    |                           |
| Management Fee Revenue                     | 135,917                  | 131,688        | 250,110          | 4,229              |                           |
| Grant Income                               | 127,573                  | 161,292        | 276,500          | (33,719)           | 46%                       |
| A'la Carte Services                        | 9,143                    | 9,333          | 16,000           | (190)              | 57%                       |
| Donation Income/Special Events             | 100,150                  | 65,333         | 112,000          | 34,817             | 89%                       |
| 2018 Contributions with Donor Restrictions | 81,008                   | -              | 138,870          | 81,008             | 58%                       |
| Kavod On The Road                          | 25,623                   | 17,500         | 30,000           | 8,123              | 85%                       |
| <b>Kavod Foundation</b>                    |                          |                |                  |                    |                           |
| Rose Endowment Income                      | 4,139                    | 4,400          | 4,400            | (261)              | 0%                        |
| <b>Shul Income</b>                         |                          |                |                  |                    |                           |
| Shul Donations                             | 236                      | 758            | 1,300            | (522)              | 18%                       |
| <b>Total Shul Income</b>                   | <b>236</b>               | <b>758</b>     | <b>1,300</b>     | <b>(522)</b>       | <b>18%</b>                |
| <b>Total Income</b>                        | <b>483,789</b>           | <b>390,305</b> | <b>829,180</b>   | <b>93,484</b>      | <b>58%</b>                |
| <b>Expense</b>                             |                          |                |                  |                    |                           |
| Management Salary and Benefit Expense      | 131,257                  | 132,271        | 226,750          | (1,014)            | 58%                       |
| <b>L'Chaim</b>                             |                          |                |                  |                    |                           |
| Supplies                                   | 4,131                    | 5,000          | 5,000            | (869)              | 83%                       |
| <b>Total L'Chaim</b>                       | <b>13,272</b>            | <b>14,000</b>  | <b>12,900</b>    | <b>-</b>           | <b>103%</b>               |
| <b>Kavod On The Road</b>                   |                          |                |                  |                    |                           |
| Meetings/Classes                           | 3,263                    | 2,917          | 5,000            | 347                | 65%                       |
| Program Expenses                           | 6,202                    | 9,567          | 16,400           | (3,365)            | 0%                        |
| Payroll                                    | 41,451                   | 35,583         | 61,000           | 5,868              | 68%                       |
| Mileage                                    | 575                      | 1,167          | 2,000            | (591)              | 29%                       |
| Supplies                                   | 13,900                   | 5,600          | 9,600            | 8,300              | 145%                      |
| Events                                     | 2,379                    | 2,042          | 3,500            | 337                | 68%                       |
| Entertainment                              | 3,361                    | 2,917          | 5,000            | 445                | 67%                       |
| Kavod On The Road - Other                  | -                        | 525            | 900              | (525)              | 0%                        |
| <b>Total Kavod On The Road</b>             | <b>71,132</b>            | <b>60,317</b>  | <b>103,400</b>   | <b>10,815</b>      | <b>69%</b>                |
| A'la Carte Labor                           | 6,509                    | 7,583          | 13,000           | (1,074)            | 50%                       |
| OMA Grant Expense                          | 29,910                   | 20,125         | 34,500           | 9,785              | 87%                       |
| Accounting Services                        | 6,478                    | 4,667          | 8,000            | 1,812              |                           |
| Bank Charges & CC Fees                     | 4,475                    | 6,125          | 10,500           | (1,650)            | 43%                       |
| Chaplain Services                          | 38,665                   | 36,750         | 63,000           | 1,915              | 61%                       |
| Charity & Donations                        | 100                      | 1,750          | 3,000            | (1,650)            | 3%                        |
| <b>Consulting Expense</b>                  |                          |                |                  |                    |                           |
| Strategic Plan Consulting                  | 3,229                    | 4,375          | 7,500            | (1,146)            | 43%                       |
| A/L-Financial Software Consulting          | 16,288                   | 14,583         | 25,000           | 1,705              | 65%                       |
| Grant Writing                              | 16,550                   | 16,392         | 28,100           | 158                | 59%                       |
| Data/Housing Consultant                    | 13,216                   | 23,333         | 40,000           | (10,117)           | 33%                       |
| <b>Total Consulting Expense</b>            | <b>49,283</b>            | <b>58,683</b>  | <b>100,600</b>   | <b>(9,400)</b>     | <b>49%</b>                |
| <b>Events</b>                              |                          |                |                  |                    |                           |
| Annual Meeting                             | 9,530                    | 14,500         | 18,000           | (4,970)            | 53%                       |
| <b>Total Events</b>                        | <b>9,530</b>             | <b>14,500</b>  | <b>18,000</b>    | <b>(4,970)</b>     | <b>53%</b>                |

**Allied Housing, Inc. - Unrestricted Accounts**  
**Profit Loss**  
**July 2019**

|                                            | YTD Through<br>July 2019 | YTD<br>Budget   | Annual<br>Budget | Budget<br>Variance | % of Budget<br>YTD Budget |
|--------------------------------------------|--------------------------|-----------------|------------------|--------------------|---------------------------|
| <b>Fundraising Expense</b>                 |                          |                 |                  |                    |                           |
| Memberships                                | 422                      | 233             | 400              | 189                | 106%                      |
| Security                                   | -                        | 292             | 500              | (292)              | 0%                        |
| Training                                   | 1,166                    | 2,042           | 3,500            | (876)              | 33%                       |
| Outreach/Printing                          | 1,987                    | 7,000           | 12,000           | (5,013)            | 17%                       |
| Entertainment/Space Rental                 | 7,175                    | 2,042           | 3,500            | 5,134              | 205%                      |
| Fundraising Labor                          | 46,908                   | 49,000          | 84,000           | (2,092)            | 56%                       |
| Supplies                                   | 1,217                    | 992             | 1,700            | 226                | 72%                       |
| <b>Total Fundraising Expense</b>           | <b>58,875</b>            | <b>61,600</b>   | <b>105,600</b>   | <b>(2,725)</b>     | <b>56%</b>                |
| <b>Legal Expense</b>                       | <b>10</b>                | <b>1,750</b>    | <b>3,000</b>     | <b>(1,740)</b>     | <b>0%</b>                 |
| <b>Mailing &amp; Postage</b>               | <b>16,243</b>            | <b>11,083</b>   | <b>19,000</b>    | <b>5,160</b>       | <b>85%</b>                |
| <b>Other Religious Services</b>            | <b>2,775</b>             | <b>2,158</b>    | <b>3,700</b>     | <b>617</b>         | <b>75%</b>                |
| <b>Shul Books &amp; Religious Supplies</b> | <b>759</b>               | <b>1,050</b>    | <b>1,800</b>     | <b>(291)</b>       | <b>42%</b>                |
| <b>Tree of Life</b>                        | <b>-</b>                 | <b>175</b>      | <b>300</b>       | <b>(175)</b>       | <b>0%</b>                 |
| <b>Shul Kiddish</b>                        | <b>1,851</b>             | <b>2,333</b>    | <b>4,000</b>     | <b>(483)</b>       | <b>46%</b>                |
| <b>Shul Religious Services</b>             | <b>3,396</b>             | <b>4,083</b>    | <b>7,000</b>     | <b>(687)</b>       | <b>49%</b>                |
| <b>Shul Religious Classes &amp; Events</b> | <b>19</b>                | <b>467</b>      | <b>800</b>       | <b>(448)</b>       | <b>2%</b>                 |
| <b>Shul - Training</b>                     | <b>8,435</b>             | <b>2,500</b>    | <b>2,500</b>     | <b>5,935</b>       | <b>337%</b>               |
| <b>Total Expense</b>                       | <b>452,973</b>           | <b>443,971</b>  | <b>741,350</b>   | <b>9,003</b>       | <b>61%</b>                |
| <b>Other Income/Expense</b>                |                          |                 |                  |                    |                           |
| <b>Other Income</b>                        |                          |                 |                  |                    |                           |
| Dividend Income                            | 17                       | 175             | 300              | (158)              | 6%                        |
| <b>Total Other Income</b>                  | <b>17</b>                | <b>175</b>      | <b>300</b>       | <b>(158)</b>       |                           |
| <b>Net Other Income/Expense</b>            | <b>-</b>                 | <b>175</b>      | <b>300</b>       | <b>(300)</b>       | <b>0%</b>                 |
| <b>Net Income</b>                          | <b>30,832</b>            | <b>(53,666)</b> | <b>87,830</b>    | <b>(22,834)</b>    | <b>35%</b>                |

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending July 31, 2019

|                                                     | July           |                |                | Year to Date     |                  |               | Annual Budget    | % Remain      |
|-----------------------------------------------------|----------------|----------------|----------------|------------------|------------------|---------------|------------------|---------------|
|                                                     | Actual         | Budget         | Variance       | Actual           | Budget           | Variance      |                  |               |
| <b>REVENUE</b>                                      |                |                |                |                  |                  |               |                  |               |
| Revenue - Rent Income From Apartments - Independent | \$133,211      | \$136,974      | (\$3,763)      | \$906,317        | \$940,066        | (\$33,749)    | \$1,625,685      | 44.25%        |
| Revenue - Tenant Assistance Payments                | 520,524        | 491,448        | 29,076         | 3,538,546        | 3,440,137        | 98,409        | 5,897,377        | 40.00%        |
| Revenue - ALP Program Full Pay Residents            | 59,643         | 55,417         | 4,226          | 337,848          | 357,917          | (20,069)      | 635,000          | 46.80%        |
| Revenue - ALP Program Partial Pay Tenants           | 10,996         | 13,691         | (2,695)        | 86,657           | 95,838           | (9,181)       | 164,294          | 47.25%        |
| Revenue - ALP Program Medicaid Contributions        | 22,098         | 17,200         | 4,898          | 166,769          | 120,400          | 46,369        | 206,400          | 19.20%        |
| Revenue - Food Service/Receipts                     | 76,270         | 78,836         | (2,567)        | 542,566          | 551,853          | (9,286)       | 946,033          | 42.65%        |
| Revenue - Meal Subsidy                              | (9,171)        | (10,117)       | 946            | (77,688)         | (70,817)         | (6,871)       | (121,400)        | 36.01%        |
| Revenue - ALP Supplement                            | 19,683         | 18,621         | 1,062          | 130,572          | 130,346          | 226           | 223,450          | 41.57%        |
| Revenue - Meal Delivery, Guest Meals, etc.          | 1,170          | 1,038          | 132            | 6,451            | 7,268            | (818)         | 12,460           | 48.23%        |
| <b>Total Revenue</b>                                | <b>834,424</b> | <b>803,108</b> | <b>31,315</b>  | <b>5,638,038</b> | <b>5,573,008</b> | <b>65,030</b> | <b>9,589,299</b> | <b>41.20%</b> |
| <b>EXPENSE</b>                                      |                |                |                |                  |                  |               |                  |               |
| <b>General &amp; Administrative</b>                 |                |                |                |                  |                  |               |                  |               |
| Property Management Fees                            | 19,150         | 18,813         | 337            | 135,917          | 131,688          | 4,229         | 225,750          | 100.00%       |
| Salary Allocation to AHI                            | (18,751)       | (18,813)       | 62             | (131,257)        | (132,022)        | 765           | (225,750)        | 100.00%       |
| Labor - Food Service Manager                        | 4,866          | 4,912          | (46)           | 36,439           | 36,842           | (403)         | 63,860           | 42.94%        |
| Labor - Leasing                                     | 13,048         | 13,561         | (512)          | 103,572          | 101,705          | 1,868         | 176,288          | 41.25%        |
| Labor - Front Office Staff                          | 7,398          | 7,749          | (351)          | 55,941           | 58,119           | (2,178)       | 100,740          | 44.47%        |
| Labor - Community Relations/Marketing               | 9,107          | 9,077          | 30             | 67,972           | 68,077           | (104)         | 118,000          | 42.40%        |
| Labor - Accounting/Human Resources/Director         | 38,016         | 38,299         | (283)          | 285,011          | 287,240          | (2,229)       | 497,883          | 42.76%        |
| Labor - Potential Bonus                             | 0              | 0              | 0              | 63,638           | 63,821           | (183)         | 65,001           | 2.10%         |
| Labor - Payroll Taxes                               | 4,265          | 5,269          | (1,004)        | 42,743           | 39,516           | 3,227         | 68,495           | 37.60%        |
| Labor - Payroll Taxes - FS Admin                    | 375            | 382            | (6)            | 3,209            | 2,863            | 347           | 4,962            | 35.32%        |
| Labor - Workers Comp Expense                        | 136            | 563            | (427)          | 1,170            | 3,943            | (2,773)       | 6,759            | 82.69%        |
| Labor - Workers Comp Expense - FS Admin             | 132            | 153            | (21)           | 1,088            | 1,068            | 21            | 1,830            | 40.54%        |
| Labor - Employee Benefits                           | 16,401         | 13,347         | 3,054          | 117,773          | 93,430           | 24,344        | 160,165          | 26.47%        |
| Labor - Employee Benefits - FS Admin                | 999            | 1,073          | (74)           | 7,225            | 7,510            | (286)         | 12,875           | 43.89%        |
| Labor - Help Wanted Advertising                     | 17             | 167            | (150)          | 406              | 1,167            | (761)         | 2,000            | 79.71%        |
| Labor - Screening/Background Checks                 | 520            | 250            | 270            | 1,445            | 1,750            | (305)         | 3,000            | 51.83%        |
| Labor - Training and Development                    | 1,990          | 3,333          | (1,343)        | 25,491           | 23,333           | 2,158         | 40,000           | 36.27%        |
| Employee Recognition                                | 779            | 2,583          | (1,804)        | 9,859            | 18,083           | (8,224)       | 31,000           | 68.20%        |
| Employee Wellness                                   | 400            | 917            | (517)          | 1,400            | 6,417            | (5,017)       | 11,000           | 87.27%        |
| Marketing - Ad Placement, Brochures, etc.           | 2,862          | 1,833          | 1,029          | 10,587           | 12,833           | (2,247)       | 22,000           | 51.88%        |
| Marketing - Community Outreach/Open House           | 1,314          | 2,892          | (1,578)        | 14,664           | 20,242           | (5,578)       | 34,700           | 57.74%        |
| Board Development                                   | 402            | 650            | (248)          | 3,630            | 4,550            | (920)         | 7,800            | 53.46%        |
| Bank Charges                                        | 8              | 167            | (159)          | 247              | 1,167            | (920)         | 2,000            | 87.65%        |
| Mileage Reimbursements                              | 156            | 275            | (119)          | 1,205            | 1,925            | (720)         | 3,300            | 63.48%        |
| Supplies/Postage/FedEx                              | 3,469          | 5,333          | (1,864)        | 44,467           | 37,334           | 7,133         | 64,001           | 30.52%        |
| Telephone/Answering/DSL                             | 2,463          | 2,750          | (287)          | 19,960           | 19,250           | 710           | 33,000           | 39.51%        |
| Outside Services & Labor                            | 2,894          | 3,417          | (522)          | 36,553           | 23,917           | 12,637        | 41,000           | 10.85%        |
| Dues and Subscriptions                              | 43             | 2,567          | (2,524)        | 24,020           | 30,550           | (6,530)       | 38,000           | 36.79%        |
| License Expense                                     | 8,473          | 625            | 7,848          | 13,646           | 4,375            | 9,271         | 7,500            | -81.94%       |
| Accounting & Audit Expense                          | 0              | 781            | (781)          | 29,793           | 39,096           | (9,303)       | 43,000           | 30.71%        |
| Legal Expense                                       | 1,783          | 1,083          | 699            | 6,219            | 7,583            | (1,365)       | 13,000           | 52.17%        |
| Other Renting Expense                               | 263            | 875            | (612)          | 12,308           | 6,125            | 6,183         | 10,500           | -17.22%       |
| Hardware - CIS                                      | 95             | 1,833          | (1,738)        | 6,361            | 12,059           | (5,698)       | 22,000           | 71.09%        |
| Software - CIS                                      | 0              | 167            | (167)          | 532              | 1,167            | (635)         | 2,000            | 73.42%        |
| Support, Repairs & Maintenance - CIS                | 3,687          | 5,833          | (2,146)        | 35,559           | 40,833           | (5,274)       | 70,000           | 49.20%        |
| Property & Liability Insurance                      | 19,521         | 19,583         | (63)           | 136,646          | 137,084          | (438)         | 235,001          | 41.85%        |
| <b>Total General &amp; Administrative</b>           | <b>146,281</b> | <b>152,299</b> | <b>(6,017)</b> | <b>1,225,439</b> | <b>1,214,640</b> | <b>10,802</b> | <b>2,012,660</b> | <b>45.46%</b> |
| <b>Food Service</b>                                 |                |                |                |                  |                  |               |                  |               |
| Labor - Hourly Cooks                                | 25,244         | 24,738         | 505            | 159,599          | 185,538          | (25,939)      | 321,600          | 50.37%        |
| Labor - Hourly Servers                              | 17,196         | 17,380         | (185)          | 130,277          | 130,352          | (76)          | 225,944          | 42.34%        |
| Labor - Assistant Manager                           | 7,488          | 7,277          | 211            | 55,942           | 54,576           | 1,365         | 94,599           | 40.86%        |
| Labor - Catering                                    | 1,340          | 1,380          | (40)           | 10,965           | 9,660            | 1,305         | 16,560           | 33.78%        |
| Labor - Special Staffing                            | 625            | 642            | (17)           | 4,375            | 4,492            | (117)         | 7,700            | 43.18%        |
| Labor - Outside Services Labor Expense              | 0              | 2,042          | (2,042)        | 24,522           | 14,292           | 10,230        | 24,500           | -0.09%        |
| Labor - Payroll Taxes                               | 4,163          | 4,400          | (237)          | 29,998           | 30,800           | (802)         | 52,800           | 43.19%        |
| Labor - Workers Comp Expense                        | 2,662          | 1,875          | 787            | 23,122           | 13,125           | 9,997         | 22,500           | -2.76%        |
| Labor - Employee Benefits                           | 7,745          | 9,417          | (1,672)        | 53,978           | 65,917           | (11,939)      | 113,000          | 52.23%        |
| Food & Beverage Expense                             | 53,417         | 41,660         | 11,756         | 333,447          | 291,622          | 41,825        | 499,923          | 33.30%        |
| Food Paper Products Expense                         | 5,502          | 4,025          | 1,477          | 31,496           | 28,175           | 3,321         | 48,300           | 34.79%        |
| Cleaning Supplies & Service Expense                 | 1,176          | 584            | 593            | 5,075            | 4,086            | 989           | 7,005            | 27.55%        |
| Laundry & Linen Expense                             | 514            | 750            | (236)          | 4,834            | 5,250            | (416)         | 9,000            | 46.29%        |
| Equipment Expense                                   | 114            | 1,667          | (1,553)        | 10,149           | 11,667           | (1,518)       | 20,000           | 49.26%        |

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending July 31, 2019

|                                                | July           |                |                | Year to Date     |                  |                 | Annual Budget    | % Remain      |
|------------------------------------------------|----------------|----------------|----------------|------------------|------------------|-----------------|------------------|---------------|
|                                                | Actual         | Budget         | Variance       | Actual           | Budget           | Variance        |                  |               |
| Uniforms Expense                               | 96             | 542            | (446)          | 5,765            | 3,792            | 1,973           | 6,500            | 11.31%        |
| Dining Room Decorating Expense                 | 0              | 300            | (300)          | 2,243            | 2,100            | 143             | 3,600            | 37.68%        |
| <b>Total Food Service</b>                      | <b>127,282</b> | <b>118,678</b> | <b>8,604</b>   | <b>885,785</b>   | <b>855,444</b>   | <b>30,342</b>   | <b>1,473,531</b> | <b>39.89%</b> |
| <b>Assisted Living Program</b>                 |                |                |                |                  |                  |                 |                  |               |
| Labor - Manager                                | 5,410          | 5,420          | (10)           | 40,498           | 40,647           | (149)           | 70,454           | 42.52%        |
| Labor - Care Givers, CC & Aides                | 30,554         | 28,765         | 1,789          | 221,194          | 215,740          | 5,453           | 373,950          | 40.85%        |
| Labor - Payroll Taxes                          | 2,905          | 2,908          | (3)            | 22,236           | 21,808           | 428             | 37,801           | 41.18%        |
| Labor - Workers Comp Expense                   | 1,487          | 1,923          | (436)          | 11,968           | 13,459           | (1,491)         | 23,072           | 48.13%        |
| Labor - Employee Benefits                      | 6,864          | 7,333          | (469)          | 51,470           | 51,332           | 138             | 87,998           | 41.51%        |
| Labor - Medical Required Testing               | 310            | 133            | 176            | 1,007            | 933              | 74              | 1,600            | 37.06%        |
| Dietary Supplies                               | 19,683         | 18,621         | 1,062          | 130,572          | 130,346          | 226             | 223,450          | 41.57%        |
| Medication Set-ups                             | 0              | 83             | (83)           | 414              | 583              | (170)           | 1,000            | 58.64%        |
| Other ALP expenses                             | 42             | 117            | (75)           | 1,750            | 817              | 933             | 1,400            | -24.97%       |
| A/L Marketing                                  | 0              | 892            | (892)          | 0                | 6,242            | (6,242)         | 10,700           | 100.00%       |
| Recreation & Rehabilitation                    | 3,390          | 3,250          | 140            | 20,162           | 22,750           | (2,588)         | 39,000           | 48.30%        |
| <b>Total Assisted Living Program</b>           | <b>70,645</b>  | <b>68,553</b>  | <b>2,092</b>   | <b>501,270</b>   | <b>498,415</b>   | <b>2,855</b>    | <b>859,725</b>   | <b>41.69%</b> |
| <b>Operations &amp; Maintenance</b>            |                |                |                |                  |                  |                 |                  |               |
| Labor - Housekeeping Supervisor                | 4,464          | 4,582          | (117)          | 34,879           | 33,582           | 1,297           | 58,000           | 39.86%        |
| Labor - Housekeeping Staff                     | 10,185         | 11,257         | (1,072)        | 76,738           | 82,511           | (5,773)         | 142,508          | 46.15%        |
| Labor - Maintenance Manager/Director           | 15,800         | 14,861         | 938            | 118,232          | 108,929          | 9,303           | 188,136          | 37.16%        |
| Labor - Maintenance Staff                      | 10,314         | 16,417         | (6,103)        | 82,564           | 120,336          | (37,772)        | 207,838          | 60.27%        |
| Labor - Protection (Security)                  | 5,239          | 5,285          | (45)           | 39,204           | 38,735           | 469             | 66,901           | 41.40%        |
| Labor - Payroll Taxes                          | 3,583          | 3,806          | (223)          | 29,003           | 27,033           | 1,970           | 46,453           | 37.57%        |
| Labor - Workers Comp Expense                   | 1,321          | 1,311          | 11             | 11,496           | 9,175            | 2,320           | 15,729           | 26.92%        |
| Labor - Employee Benefits                      | 10,818         | 9,914          | 905            | 70,985           | 69,396           | 1,589           | 118,965          | 40.33%        |
| Labor - Temporary                              | 4,003          | 1,250          | 2,753          | 27,949           | 8,751            | 19,198          | 15,001           | -86.31%       |
| Outside Services - Cleaning                    | 780            | 6,667          | (5,887)        | 31,622           | 46,667           | (15,044)        | 80,000           | 60.47%        |
| Outside Services - Exterminating               | 5,800          | 2,583          | 3,217          | 18,250           | 18,083           | 167             | 31,000           | 41.13%        |
| Outside Services - Grounds                     | 1,468          | 2,083          | (615)          | 12,219           | 14,584           | (2,365)         | 25,001           | 51.13%        |
| Outside Services - Repairs                     | 52,216         | 38,332         | 13,885         | 303,601          | 268,322          | 35,279          | 459,980          | 34.00%        |
| Outside Services - Elevator Maintenance        | 2,908          | 4,167          | (1,258)        | 24,023           | 29,167           | (5,143)         | 50,000           | 51.95%        |
| Outside Services - Snow Removal                | 0              | 1,250          | (1,250)        | 2,055            | 8,751            | (6,696)         | 15,001           | 86.30%        |
| Outside Services - Garbage and Trash Removal   | 4,501          | 3,917          | 585            | 31,021           | 27,417           | 3,604           | 47,000           | 34.00%        |
| Outside Services - Life Safety & Security      | 504            | 2,917          | (2,413)        | 31,549           | 20,417           | 11,132          | 35,001           | 9.86%         |
| License & Permit Expense                       | 150            | 83             | 67             | 2,701            | 583              | 2,117           | 1,000            | -170.05%      |
| Maintenance Supplies                           | 12,046         | 20,833         | (8,787)        | 124,506          | 145,833          | (21,328)        | 250,000          | 50.20%        |
| Decorating Expense - Common Area               | 106            | 142            | (35)           | 828              | 992              | (163)           | 1,700            | 51.27%        |
| Utilities - Electric                           | 19,607         | 17,083         | 2,523          | 103,119          | 109,333          | (6,215)         | 190,000          | 45.73%        |
| Utilities - Water                              | 4,090          | 3,750          | 339            | 25,335           | 26,251           | (916)           | 45,001           | 43.70%        |
| Utilities - Gas                                | 2,030          | 4,117          | (2,087)        | 48,840           | 41,217           | 7,623           | 65,001           | 24.86%        |
| Utilities - Sewer                              | 5,175          | 5,417          | (242)          | 37,951           | 37,917           | 33              | 65,001           | 41.62%        |
| Mileage Reimbursement                          | 0              | 33             | (33)           | 55               | 233              | (179)           | 400              | 86.37%        |
| <b>Total Operations &amp; Maintenance</b>      | <b>177,108</b> | <b>182,056</b> | <b>(4,948)</b> | <b>1,288,723</b> | <b>1,294,215</b> | <b>(5,492)</b>  | <b>2,220,617</b> | <b>41.97%</b> |
| <b>Total Expenses</b>                          | <b>521,316</b> | <b>521,586</b> | <b>(269)</b>   | <b>3,901,217</b> | <b>3,862,714</b> | <b>38,507</b>   | <b>6,566,533</b> | <b>42.63%</b> |
| <b>Operating Excess/(Deficit)</b>              | <b>313,108</b> | <b>281,522</b> | <b>31,584</b>  | <b>1,736,821</b> | <b>1,710,294</b> | <b>26,527</b>   | <b>3,022,766</b> | <b>48.96%</b> |
| <b>OTHER ELDER CARE INCOME &amp; (EXPENSE)</b> |                |                |                |                  |                  |                 |                  |               |
| <b>Activities Program</b>                      |                |                |                |                  |                  |                 |                  |               |
| Activities Revenue - Resident Receipts         | (2,578)        | (2,167)        | (411)          | (11,048)         | (15,166)         | 4,119           | (25,999)         | 57.51%        |
| Activities Revenue - ALP Receipts              | (3,390)        | (3,250)        | (140)          | (20,162)         | (22,750)         | 2,588           | (39,000)         | 48.30%        |
| Activities Revenue - Donations                 | 0              | (8)            | 8              | (70)             | (58)             | (12)            | (100)            | 29.97%        |
| Assisted Living Activities Expense             | 3,390          | 3,250          | 140            | 20,162           | 22,750           | (2,588)         | 39,000           | 48.30%        |
| Newsletter expense                             | 1,763          | 2,083          | (321)          | 14,661           | 14,584           | 77              | 25,001           | 41.36%        |
| Activities Outreach/ Food                      | 1,028          | 1,833          | (806)          | 6,013            | 12,833           | (6,821)         | 22,000           | 72.67%        |
| Classes Expense                                | 1,120          | 917            | 203            | 7,308            | 6,417            | 892             | 11,000           | 33.56%        |
| Health & Wellness Expense                      | 1,951          | 2,773          | (822)          | 14,832           | 19,409           | (4,577)         | 33,272           | 55.42%        |
| Outings Expense                                | 4,097          | 6,058          | (1,961)        | 22,697           | 42,408           | (19,711)        | 72,699           | 68.78%        |
| Family Events                                  | 0              | 250            | (250)          | 1,672            | 1,750            | (78)            | 3,000            | 44.27%        |
| <b>Total Core Program (Inc)/Exp</b>            | <b>7,380</b>   | <b>11,739</b>  | <b>(4,359)</b> | <b>56,065</b>    | <b>82,176</b>    | <b>(26,111)</b> | <b>140,873</b>   | <b>60.20%</b> |
| Labor - Activities Staff                       | 14,593         | 14,436         | 156            | 110,237          | 106,599          | 3,638           | 184,325          | 40.19%        |
| Labor - Payroll Taxes                          | 1,061          | 1,133          | (72)           | 8,768            | 8,178            | 591             | 14,090           | 37.77%        |
| Labor - Workers Comp                           | 391            | 389            | 2              | 3,089            | 2,810            | 279             | 4,841            | 36.20%        |
| Labor - Employee Benefits                      | 3,962          | 3,365          | 598            | 28,022           | 23,553           | 4,470           | 40,376           | 30.60%        |
| Van Expense                                    | 527            | 1,167          | (640)          | 5,111            | 8,167            | (3,056)         | 14,001           | 63.49%        |
| Net Gift Shop Activity                         | (144)          | 142            | (285)          | 513              | 992              | (479)           | 1,700            | 69.82%        |
| Net Library Activity                           | 0              | 42             | (42)           | 0                | 292              | (292)           | 500              | 100.00%       |

ALLIED HOUSING, INC.  
PRELIMINARY  
YTD Profit and Loss Statement  
For the Month Ending July 31, 2019

|                                                | July    |         |          | Year to Date |          |          | Annual Budget | % Remain |
|------------------------------------------------|---------|---------|----------|--------------|----------|----------|---------------|----------|
|                                                | Actual  | Budget  | Variance | Actual       | Budget   | Variance |               |          |
| Total Other Program Expense                    | 20,391  | 20,673  | (282)    | 155,740      | 150,590  | 5,151    | 259,833       | 40.06%   |
| Total Activities Program (Inc)/Exp             | 27,771  | 32,412  | (4,641)  | 211,806      | 232,765  | (20,960) | 400,706       | 47.14%   |
| Resident Computer Center                       |         |         |          |              |          |          |               |          |
| RCC - Wages - RCC Staff                        | 4,367   | 4,107   | 260      | 32,398       | 30,802   | 1,596    | 53,390        | 39.32%   |
| RCC - Payroll Taxes                            | 301     | 365     | (64)     | 2,357        | 2,696    | (339)    | 4,662         | 49.44%   |
| RCC - Workers Comp Expense                     | 130     | 167     | (37)     | 981          | 1,172    | (190)    | 2,009         | 51.15%   |
| RCC - Employee Benefits                        | 1,474   | 1,267   | 207      | 10,421       | 8,867    | 1,555    | 15,200        | 31.44%   |
| Total RCC Expense                              | 6,273   | 5,906   | 367      | 46,157       | 43,537   | 2,621    | 75,261        | 38.67%   |
| Service Coordinator Program                    |         |         |          |              |          |          |               |          |
| Labor - Service Coordinator                    | 23,019  | 21,644  | 1,375    | 181,504      | 158,648  | 22,857   | 274,007       | 33.76%   |
| Labor - Payroll Taxes                          | 1,665   | 1,418   | 247      | 13,926       | 10,070   | 3,856    | 17,304        | 19.52%   |
| Labor - Workers Comp Expense                   | 491     | 588     | (97)     | 4,009        | 4,117    | (107)    | 7,057         | 43.19%   |
| Labor - Employee Benefits                      | 3,225   | 3,554   | (329)    | 24,453       | 24,875   | (422)    | 42,643        | 42.66%   |
| Activities Outreach                            | 0       | 375     | (375)    | 2,139        | 2,625    | (486)    | 4,500         | 52.47%   |
| Total Service Coordinator (Inc)/Exp            | 28,399  | 27,579  | 821      | 226,032      | 200,334  | 25,697   | 345,511       | 34.58%   |
| Total Other Elder Care (Inc)/Exp               | 62,444  | 65,897  | (3,454)  | 483,995      | 476,636  | 7,358    | 821,478       | 41.08%   |
| OTHER (INCOME) & EXPENSE                       |         |         |          |              |          |          |               |          |
| Other Income                                   |         |         |          |              |          |          |               |          |
| Revenue - Interest Income - Project Operations | (1,755) | (1,500) | (255)    | (14,864)     | (10,500) | (4,364)  | (18,000)      | 17.42%   |
| Revenue - Investments - Replacement Reserves   | 0       | (125)   | 125      | (4,730)      | (875)    | (3,855)  | (1,500)       | -215.35% |
| Revenue - Laundry and Vending Revenue          | (1,022) | (958)   | (63)     | (6,279)      | (6,708)  | 429      | (11,500)      | 45.40%   |
| Revenue - Miscellaneous - Buildings            | (2,550) | (1,333) | (1,217)  | (9,911)      | (9,333)  | (579)    | (15,999)      | 38.05%   |
| Total Other Income                             | (5,326) | (3,917) | (1,410)  | (35,785)     | (27,416) | (8,369)  | (46,999)      | 23.86%   |
| Capital Improvements                           |         |         |          |              |          |          |               |          |
| Special Projects                               | 0       | 2,167   | (2,167)  | 24,829       | 15,166   | 9,663    | 25,999        | 4.50%    |
| Total Capital Improvements                     | 0       | 2,167   | (2,167)  | 24,829       | 15,166   | 9,663    | 25,999        | 4.50%    |
| Debt Service                                   |         |         |          |              |          |          |               |          |
| Interest on Mortgage Payable                   | 30,000  | 34,667  | (4,667)  | 212,000      | 238,167  | (26,167) | 422,000       | 49.76%   |
| Total Debt Service                             | 30,000  | 34,667  | (4,667)  | 212,000      | 238,167  | (26,167) | 422,000       | 49.76%   |
| Depreciation & Amort                           |         |         |          |              |          |          |               |          |
| Depreciation - Buildings                       | 79,259  | 77,083  | 2,175    | 541,422      | 539,584  | 1,838    | 925,001       | 41.47%   |
| Total Depreciation & Amortization              | 79,259  | 77,083  | 2,175    | 541,422      | 539,584  | 1,838    | 925,001       | 41.47%   |
| Total Other (Income)/Expense                   | 103,932 | 110,000 | (6,068)  | 742,466      | 765,501  | (23,035) | 1,336,701     | 44.46%   |
| Net Excess/(Deficit)                           | 146,731 | 105,625 | 41,106   | 510,360      | 473,583  | 36,777   | 638,836       | 19.38%   |

**Kavod Senior Life**  
**MidFirst Refi Loan Tracking**  
**As of September 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)        |
| <b>Loan Draw down amount</b>                  | <b>\$ (5,084,008)</b> |
| <b>Available Loan Proceeds</b>                | <b>\$ 11,915,992</b>  |
| Donations for the Bistro Project              | \$ 150,000            |
| Grant for door hardware                       | \$ 51,000             |
| <b>Total available for construction costs</b> | <b>\$ 12,116,992</b>  |
| <b>Total Loan proceeds advanced to Kavod</b>  | <b>\$ 3,915,992</b>   |

**Current Active Projects**

|                                                                                    | Total Budget       | Revised Budget | Percentage     |               | Available Budget | Total Spent  | Supervising Entity |
|------------------------------------------------------------------------------------|--------------------|----------------|----------------|---------------|------------------|--------------|--------------------|
|                                                                                    |                    |                | Spent Complete | Work Complete |                  |              |                    |
| <b>Project Oversight</b>                                                           |                    |                |                |               |                  |              |                    |
| Marx Okubo 1st Invoice                                                             | \$ (25,886)        | 511,331        | 52%            | 52%           | \$ 300,240       | \$ (225,672) | 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)         |                |                |               |                  |              |                    |
| Marx Okubo 9th Invoice                                                             | \$ (20,116)        |                |                |               |                  |              |                    |
| Marx Okubo 10th Invoice                                                            | \$ (10,834)        |                |                |               |                  |              |                    |
| Marx Okubo 11th Invoice                                                            | \$ (10,570)        |                |                |               |                  |              |                    |
| Marx Okubo 12th Invoice                                                            | \$ (11,974)        |                |                |               |                  |              |                    |
| Marx Okubo 13th Invoice                                                            | \$ (10,760)        |                |                |               |                  |              |                    |
| Marx Okubo 14th Invoice                                                            | \$ (14,291)        |                |                |               |                  |              |                    |
| Marx Okubo 15th Invoice                                                            | \$ (28,869)        |                |                |               |                  |              |                    |
| <b>Marx Okubo 16th Invoice</b>                                                     | <b>\$ (14,581)</b> |                |                |               |                  |              |                    |
| <p>This invoice includes fire suppression consulting work.</p>                     |                    |                |                |               |                  |              |                    |
| <p>This invoice includes MEP engineering work for the Fire Department Permits.</p> |                    |                |                |               |                  |              |                    |
| <b>Fire/Sprinkler Consulting</b>                                                   |                    |                |                |               |                  |              |                    |
| Jensen Hughes                                                                      | \$ (5,496)         | 36,500         | 90%            | 85%           | \$ (32,850)      | \$ (32,850)  | Kavod              |
| Jensen Hughes                                                                      | \$ (10,220)        |                |                |               |                  |              |                    |
| Jensen Hughes                                                                      | \$ (17,134)        |                |                |               |                  |              |                    |
| <b>Architectural Fees</b>                                                          |                    |                |                |               |                  |              |                    |
| Hord Coplan Macht, Inc-May                                                         | \$ (13,144)        | 65,208         | 78%            | 85%           | \$ 19,021        | \$ (50,867)  | Kavod              |
| Hord Coplan Macht, Inc-June                                                        | \$ (11,520)        | 1              |                |               |                  |              |                    |

|                                             |               |                         |      |      |            |              |       |  |
|---------------------------------------------|---------------|-------------------------|------|------|------------|--------------|-------|--|
| Horl Coplan Macht, Inc-October              | \$ (13,155)   |                         |      |      |            |              |       |  |
| Horl Coplan Macht, Inc-November/Dec         | \$ (6,744)    |                         |      |      |            |              |       |  |
| Horl Coplan Macht, Inc-April                | \$ (1,624)    |                         |      |      |            |              |       |  |
| Horl Coplan Macht, Inc-June                 | \$ (4,680)    |                         |      |      |            |              |       |  |
| <b>West Building Rise Project</b>           |               |                         |      |      |            |              |       |  |
| Bram Construction(Abatement)                | \$ (16,363)   | \$ 120,000              | 100% | 100% | \$ (7,727) | \$ (127,727) | Kavod |  |
| PasterKamp Heating and Air                  | \$ (48,000)   | <b>Project Complete</b> |      |      |            |              |       |  |
| Bram Construction(Abatement)                | \$ (16,363)   |                         |      |      |            |              |       |  |
| PasterKamp Heating and Air                  | \$ (47,000)   |                         |      |      |            |              |       |  |
| <b>Chiller Replacement</b>                  |               |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (1,625)    | \$ 375,000              | 51%  | 100% | \$ 183,246 | \$ (191,754) | Kavod |  |
| Johnson Controls                            | \$ (12,500)   |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (73,375)   |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (16,379)   |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (50,240)   |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (16,379)   |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (375)      |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (13,875)   |                         |      |      |            |              |       |  |
| Johnson Controls                            | \$ (7,006)    |                         |      |      |            |              |       |  |
| <b>Unit Mockups/Construction Management</b> |               |                         |      |      |            |              |       |  |
| Pinkard                                     | \$ (16,199)   | \$ 63,000               | 30%  | 50%  | \$ (576)   | \$ (63,576)  | Kavod |  |
| Trane US                                    | \$ (2,842)    | 122,000                 |      |      |            |              |       |  |
| Pinkard                                     | \$ (44,535)   |                         |      |      |            |              |       |  |
| <b>Domestic Hot Water</b>                   |               |                         |      |      |            |              |       |  |
| Climate Engineering                         | \$ (18,870)   | \$ 20,000               | 100% | 100% | \$ 1,130   | \$ (18,870)  | Kavod |  |
| <b>West Roof and East circle railings</b>   |               |                         |      |      |            |              |       |  |
| First Choice Fabrication                    | \$ (5,992)    | <b>Project Complete</b> |      |      |            |              |       |  |
| Larry's Mobile Welding                      | \$ (5,981)    | \$ 32,000               | 100% | 100% | \$ 5,855   | \$ (26,145)  | Kavod |  |
| First Choice Fabrication                    | \$ (14,172)   | <b>Project Complete</b> |      |      |            |              |       |  |
| <b>Replace Boilers/Valves-South</b>         |               |                         |      |      |            |              |       |  |
| Climate Engineering                         | \$ (11,780)   | \$ 120,000              | 100% | 100% | \$ 43,920  | \$ (76,080)  | Kavod |  |
| Climate Engineering                         | \$ (64,300)   | <b>Project Complete</b> |      |      |            |              |       |  |
| <b>Total Costs to Date</b>                  | \$ (813,541)  |                         |      |      |            |              |       |  |
| <b>Total Loan Proceeds Available</b>        | \$ 11,303,451 |                         |      |      |            |              |       |  |

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



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

**Committed Projects- payment for material only as of July 2019**

|                                      | Bid                 | Percentage Spent                                                                                                                   |                | Percentage Work Complete |          | Available Budget              |
|--------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------|----------|-------------------------------|
|                                      |                     | Total Budget                                                                                                                       | Revised Budget | Complete                 | Complete |                               |
| New door Hardware                    |                     |                                                                                                                                    |                |                          |          |                               |
| Anixer                               | \$ (56,293)         | \$ 60,000                                                                                                                          | \$ 317,812     | 100%                     | 0%       | \$ 3,707 \$ (56,293) Pinkard  |
|                                      |                     | This cost is for material only. \$56,293 represents 100% of material costs Pinkard will install door hardware under their contract |                |                          |          |                               |
| East building Elevator Upgrades      |                     |                                                                                                                                    |                |                          |          |                               |
| Thyssenkrupp-Deposit                 | \$ (143,117)        | \$ 280,000                                                                                                                         | \$ 317,812     | 51%                      | 0%       | \$ 174,695 \$ (143,117) Kavod |
| <b>Total Committed Costs to Date</b> | <b>\$ (199,410)</b> | <b>1/2 down for materials. Job to start in August 2019</b>                                                                         |                |                          |          |                               |

**Interest on MidFirst Loan**

|                               | 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         | \$ 33,167         | \$ 2,167          |
| February Interest Paid        | \$ 31,000         | \$ 33,167         | \$ 2,167          |
| March Interest Paid           | \$ 28,000         | \$ 33,167         | \$ 5,167          |
| April Interest Paid           | \$ 31,000         | \$ 34,667         | \$ 3,667          |
| May Interest Paid             | \$ 30,000         | \$ 34,667         | \$ 4,667          |
| June Interest Paid            | \$ 30,000         | \$ 34,667         | \$ 4,667          |
| July Interest Paid            | \$ 31,000         | \$ 34,667         | \$ 3,667          |
| August Interest Paid          | \$ 30,000         | \$ 34,667         | \$ 4,667          |
| <b>Total Interest to date</b> | <b>\$ 594,796</b> | <b>\$ 858,237</b> | <b>\$ 263,441</b> |

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



## Resident and Community Services Committee

July 11, 2019

11:45 in the Kavod Shul/Classroom

Present: Dr. Kerry Hildreth, Mollie Zwerdinger, Ondalee Kline, Denise Lutz, Jay Mactas, Sara Golombek, Jamie Sarche, Doug Krug, and Fran Stern. Staff: Michael Klein, Rabbi Stephen Booth Nadav, Tracy Kapaun, Connie Moore, Jennifer Grant, Gabriel Sanders, Grace Honce, and Doug McCaw

Dr. Kerry Hildreth welcomed committee members to the meeting and members introduced themselves. Previous minutes were reviewed and approved.

Grace Honce reviewed the results of the Happenings Survey. Survey attached. Grace discussed that we had a 20% response rate and highlighted the results. The group focused much of their attention on why 25% of the residents identified cost as a barrier. Staff will do a more in-depth analysis on whether this is connected to food shopping trips or the cultural and dining events. Given we are a HUD building with a very low income population is 25% actually a good percentage? Ondalee asked if we would also study why fewer residents are attending resident council meetings. We will also work with the resident council on their questions related to participation.

Connie Moore gave an update on Opening Minds through Art (OMA) and Music and Memory (MM). Her two staff that are overseeing the program could not present today as they were conducting both these programs. We have students from Regis, University of Denver and Temple Emanuel all participating with Denver Academy of Torah also soon to become involved. There is an upcoming art show where we will invite the community. There has been very positive feedback from the residents and the students. This is part of a 3 year grant which Michael secured the Strear Foundation and AJAS.

Rabbi Steve presented a written handout (attached) and highlighted a number of items from it. There are a wide number of Jewish and Christian programs which are now offered including two resident led Christian Bible study groups. He regularly leads with Gaile and Michael a Friday afternoon Shabbat service in our assisted living program. Two new classes which have been well received include Mindfulness Training and Soul of Aging.

Tracy explained our meal exemption procedure. Kavod has a mandatory meal program and there are two ways residents can seek an exemption. The first is if they have a job which schedule conflicts with our meal times and the second is for special diets which Kavod is unable to meet. In the second case, the resident needs to fill out a third party release which allows our leasing department to gather additional information from their doctor. Once the form is returned from the doctor it is reviewed by Tracy and Doug McCaw, who is a registered dietician. Often times a resident care coordinator is also brought into the discussion. We also have an outside consultant who is a registered dietician and she is available if we have a complex case to evaluate. Staff review the health issues documented as well as the diet order requested. If the information is unclear, Doug will call the doctor's office and speak to the doctor or their nurse to clarify their information. Based on this information a decision is made to either allow an exemption or to inform the resident we can meet their diet order. Doug is available to meet with the resident and create a diet to meet their needs. There are certain diets we are unable to provide and

examples of this would include feeding tubes and liquid diet. Another area we carefully review are residents who have severe colitis. Exemptions can be short-term based on a resident having had surgery or may be granted for up to a year. A question was raised if residents can be proactive and approach us about an upcoming surgery. Doug responded that if a resident knows about an upcoming surgery which could affect their diet that he is available to help plan for this in advance.

Jennifer gave an update on their upcoming conversion from a paper system of documentation to an electronic record. Kavod selected Point Click and Care and Jennifer and her staff are actively working on the implementation. She is aiming for an August date to go live.

Denise Lutz gave a resident council update. That have seen a decline in residents who want to be engaged in a resident council leadership position and therefore she said they have had to go from monthly to quarterly meetings. There will meetings in September and December. Elections will be in December.

Gabriel gave an update on the 6<sup>th</sup> L'Chaim2Life Conference. We had approximately 330 attendees and Rabbi Dayle Friedman was the keynote speaker. Between Kavod staff and Board members, we were involved in 7 of the 24 sessions offered. We had 15 residents attend. Twenty percent of the attendees filled out a survey. 96% ranked the conference as Satisfied or Highly Satisfied and 100% ranked the conference as being Satisfied or Highly Satisfied with the Value. The committee thanked Gabriel and his team for a wonderful conference.

Board Meeting Onsite at Kavod

August 16, 2019

8:00 a.m.

Present: Perry Moss, chair, Jay Mactas, Via Zoom Joey Simon, Beth Shanker, and Molly Zwerdlinger

Staff: Mike Belieu. Syntrinsic staff: Ben Valore-Caplan, and Beth Zawde

Minutes from the May 17, 2019 were reviewed. Perry made a motion to approve and Jay seconded. Minutes approved.

Ben introduced Beth Zawde. She gave a brief background on herself and her investment experience. Beth started by giving an overview of the 2019 semiannual sentiment worksheet. Beth talked about the volatility in the market emphasizing the trade talks with the US and China having an impact on the markets. Beth also discussed asset class performance in the 2<sup>nd</sup> quarter of 2019 with most asset classes having a positive return in 2019. She noted that global growth is slowing, with inflation remaining low during the first six months of the year.

Ben then talked about the Kavod 2<sup>nd</sup> Quarter report. Ben reviewed the investment material he had sent out in advance. Ben went over YTD returns and highlighted some areas that he and his staff have reviewed. He reminded the group that the return goal is inflation plus 5%. Ben reviewed page 7, 8, and 9 of the quarterly report. The balance as of June 30, 2019 was \$5,618,407, with a 3.7% increase during the second quarter. He discussed the June termination of Boston Partners Long/Short Research Fund. Ben also discussed the market volatility and went into detail regarding the Yield Curve Inversion. This inversion occurs when long term interest rate yields are actually lower than short term. (10 year treasury versus 3-month US treasuries). He explained that this could mean a recession is coming to the US but is not a certainty.

Ben also asked the group if they thought the Asset Class Contribution Analysis is meaningful and is a report that should be produced. Jay indicated he liked the report and it was helpful to him. Perry also had positive comments and concluded that the report should continue. Ben agreed with the group.

Meeting adjourned.