

Kavod Senior Life  
Board of Directors  
Board Meeting  
April 27, 2020

Due to the COVID-19 Pandemic, the board meeting was held electronically via ZOOM. Present: Brian Botnick, Sharon Caulfield, Rachel Cohen, Glenn Cooper, Rob Friedman, Carl Gladstein, Sarah Golombek, Ondalee Kline, Perry Moss, Debbie Reinberg, Gary Saltzman, Connell Saltzman, Jamie Sarche, Melanie Siegel, Steven Summer, and Molly Zwerdlinger. Staff: Michael Klein, Michael Belieu, Tracy Kapaun, Christine Dewhurst, and Mandie Birchem. Guests: Ms. Ksenia Popke and Mr. Zach Jastrom of Eide Bailly, Mr. Michael Silverman and Mr. Marx Reiner of Marx/Okubo.

A quorum being established, Mr. Rob Friedman called the meeting to order.

The Consent Agenda: approval of the February 24, 2020 Board minutes, Committee Reports: – January/February Financials, Fiscal Committee Minutes, Construction Schedule, Resident and Community Services Committee, Kavod Senior Housing and Services Board Minutes (all items were distributed prior to the meeting were presented for approval.) Mr. Moss moved to approve the consent agenda and Ms. Cohen seconded the motion. The motion passed.

Mr. Summer advised there was an open position on the Board of Directors. The Board Leadership and Development Committee (Nominating Committee) has reviewed Jan Schorr's credentials and recommended Ms. Schorr's nomination to the Board of Directors. Mr. Summer outlined Ms. Schorr's background. Mr. Summer moved to accept Ms. Schorr's nomination with a second from Sara Golombek. The motion passed.

Ms. Schorr joined the meeting and gave a brief overview of her work and community experience.

Mr. Connell Saltzman introduced Ms. Ksenia Popke and Mr. Zach Jastrom of Eide Bailly who are our external auditors. Prior to Eide Bailly's report, Mr. Saltzman reminded the Board they are approving a consolidated audit report which includes an audit of the Foundation. Ms. Popke presented the 2019 Consolidated Audit to the Board. Ms. Popke indicated unlike last year, which was a more-in-depth audit and was a single year presentation, this year's audit is a comparison between 2018 and 2019.

Ms. Popke advised they are providing a clean opinion for the 2019 audit. Mr. Jastram explained the new revenue standards that were applied to this year's audit. Mr. Jastram advised the Board that HUD and Section 8 audit went very well and there were no issues. Ms. Popke advised the non-profit audit went smoothly and there were no findings with very few adjusting entries. She then reviewed the consolidated Statements of Financial Position and Consolidating Schedule of Activities shown on pages 25 and 26. These schedules show the individual entities included in the Consolidated Audit. Ms. Popke briefly reviewed the results of each of these entities as reflected in the 2019 audited financials. Due to the pandemic, Kavod Senior Life was able to obtain one of the PPP loans from the Federal Government. Ms. Popke informed the Board on how the PPP loan will be tracked and audited next year.

Mr. Saltzman thanked Ms. Popke and Mr. Jastrom for their report and advised the Board that the Fiscal Committee recommends approval of the audit as presented. He moved to accept the 2019 Consolidated Audit as presented. It was seconded by Mr. Moss. The motion was approved.

Mr. Max Reiner and Mr. Michael Silverman of Marx/Okubo provided the Board an update on the current construction taking place during the COVID-19 Pandemic at Kavod Senior Life. Mr. Reiner advised there are certain construction projects Pinkard has been able to work on, which were isolated from residents. The West Laundry has been completed and turned over to Kavod for resident use. The West office space is completed except for the fire alarm and sprinkler system as both systems must be integrated into the overall West building system. Construction on the bistro, fire pump room as well as exterior and basement projects have continued as well. Mr. Reiner advised that Pinkard has enough work through June 2020. Mr. Reiner advised that shared common areas as well as abatement in the resident apartments have been placed on hold due to COVID-19. With the delays the construction schedule has been revised to an anticipated completion date of May of 2021. Pinkard is developing various project and schedule iterations which will be presented to the management within the next week. It was noted that as of this meeting all cost and schedule impacts are dependent upon when construction can resume in the residential and common areas. Management will keep the Board apprised of any changes and costs that are incurred due to the pandemic.

Mr. Klein along with Ms. Kapaun, Mr. Belieu, Ms. Dewhurst, and Ms. Birchem, provided the board with an in-depth overview of steps Leadership are taking to keep residents, staff, visitors and family members safe at Kavod Senior Life with regards to the COVID-19 Pandemic. Mr. Klein indicated that to date there are no active COVID-19 cases at Kavod due to the due diligence of staff. Staff noted that no Assisted Living residents are moving in; however due to HUD regulations we are still moving in/out residents with appropriate safety measures. As noted in the audit Kavod applied for and was granted a PPP loan to help with payroll and utilities. Mr. Belieu noted that grant revenue is down as is rental revenue. He did advise we are seeing an increase in expenses concerning PPE supplies and kitchen costs. Ms. Birchem explained Kavod's COVID-19 tracking system, which encompasses which residents are quarantined, for what reason and for how long. To acknowledge those essential workers who have remained on site, an hourly shift differential has been given as well as a one-time only \$200 bonus.

Mr. Klein presented a brief CEO report to the Board. He advised that Kavod was able to sign a contact with CU Medical School. Staff is anticipating the clinic coming onboard in July. He also showed a video of media coverage we have received during the pandemic as well as employee snippets about working at Kavod during a pandemic which are shared on our Facebook page.

Due to the time, Mr. Friedman presented a short Chairman's report. Mr. Friedman noted that the annual summer fundraising will have a different look this year due to the pandemic. Staff is exploring doing a virtual fundraiser. He also noted the annual meeting will be postponed until a later date. On behalf of the Board Mr. Friedman offer condolences to Mr. Klein on the death of his father-in-law.

Meeting adjourned at 6:55pm