

Kavod Senior Life  
Board of Directors  
Board Meeting  
December 13, 2021

Due to the COVID-19 Pandemic, the board meeting was held electronically via ZOOM. Present: Sharon Caulfield, Rob Friedman, Sarah Golombek, Ondalee Kline, Rodi Liv, Alexandria Mannerings, Connell Saltzman, Jamie Sarche, Jan Schorr, Melanie Siegel, Steven Summer, Yolanda Webb, David Zaterman, and Molly Zwerdlinger. Staff: Michael Klein, Michael Belieu, Tracy Kapaun, Christine Dewhurst and Gaile Weisbly Waldinger. Guest: Steven Siegel, former Board chair and Kyle Fritch of Eide Bailey. Each person in attendance acknowledged the ability to hear and speak during the meeting.

A quorum being established, Mr. Steven Summer called the meeting to order.

The Consent Agenda: approval of the October 2021 Board minutes, Committee Reports: – August/September/October Financials, Construction Schedule, Fiscal Committee Minutes, Kavod Foundation Board Minutes and Resident & Community Services Minutes (all items were distributed prior to the meeting were presented for approval). Mr. C. Saltzman moved to approve the Consent Agenda with a second from Ms. Zwerdlinger. The motion passed.

The KSL Board honored Mr. Steven Siegel, who has retired from the Kavod Senior Housing and Services Board, for his long association and service to Kavod Senior Life. Mr. Siegel was Board chair in the early 90's. Mr. Klein provide a brief summary of Mr. Siegel's service to Kavod as well as showed a video about him. Mr. Summer thanked Mr. Siegel for his service and his guidance throughout the years. It was noted that Mr. Siegel will be placed back on the Kavod Senior Life's Life Board, as he had stepped aside to serve on the Kavod Senior Housing and Services Board for 12 years.

Mr. Connell Saltzman introduced Kyle Fritch of Eide Bailey who went over the 990s. Mr. Fritch advised that all documents and tax forms are all in compliance with all government policies. He advised that Schedule A, which listed all major and high level donors, was in compliance with all governance and rules. It was noted that Kavod Senior Life was at 75.94% of charitable contributions, Schedule D reconciled all audited financials with booked tax differences, while Schedule R included all related entities. Mr. Fritch stated that all documents and tax forms were prepared and scheduled on time. Seeing there were no questions, Mr. Saltzman thanked Mr. Fritch for Eide Bailey's efforts to prepare the 990s as well as the taxes.

Mr. Saltzman presented the 2022 Budget for the organization. He reviewed high level income and expense line items. The net income is budgeted at \$300,813 versus \$758K which was budgeted in 2021. Mr. Saltzman went over the changes in the 2022 budget versus 2021. It was noted the PPE one-time loan forgiveness was not include in 2022 number; therefore the actual operations results are projected to be better than the previous year. The following categories have the largest impact on the budget: property and casualty rate decrease, lower rental revenue, and increase in salaries. He noted that operating cash is expected to increase in 2022 by \$96K due to higher net income and lower interest costs. He advised that the Fiscal Committee agrees with the staff recommend a 2022 salary increases pool increase of 6%. Mr. Saltzman advised the recommendation for the increase is based upon review of current compensation benchmarks, an understanding of the rapidly changing workforce challenges within the metro area as well as aligning with increase in the minimum wage in the state. Benefit costs are expected to rise less than 4.8%. There are 14 vacant apartments; however staff anticipates an increase in rents of \$77K as well as an increase in HUD funds thus projecting an increase of revenue by \$222K. After questions regarding various items of the budget, Mr. Freidman moved to approve the budget which has presented with a second from Ms. Kline. The 2022 Budget was approved by the Board.

Ms. Caulfield and Ms. Webb provided the board with an update regarding compliance policy as well as the status of the Compliance Committee. They noted that a draft of the compliance policy for the board was presented in 2019; however due to COVID-19 the finalization of the policy was placed on hold. Ms. Caulfield advised that the policy will be reviewed and brought to the board for finalization in the 1<sup>st</sup> half of 2022. Ms. Webb advised as part of the policy that staff will be asked to provide regular compliance updates on a quarterly basis to the board and will work on cross compliance between departments and across management. Ms. Caulfield advised that the CEO of Kavod will be the compliance officer and will oversee compliance. The C-level staff and other staff will have the availability to go directly to the board with any compliance concerns which concerns the CEO. The board requested that the policy be brought back to the board for further review at the February 2022, which is the first meeting of 2022, for review and update.

Ms. Cohen was unable to attend, therefore Mr. Klein provided the board with an update on the strategic planning process. He noted an RFP was sent to strategic planning consultants with 3 companies being interviewed. He advised that 2 companies, both with over 20 years of experience, will team together to oversee Kavod's strategic planning process. The 2 companies are interSector and Elder Dynamics. The strategic planning process will be underwritten by a Next50 grant. Mr. Klein assured the members that the Board will be kept apprised during all phases of the process.

Mr. Klein provided an updated regarding the REAC Inspection appeal. He noted that once HUD was able to review the Kavod's appeal the score was changed to 75 out of 100. The last quarter of the year has been very good in regards to grants from foundations. Kavod received a \$5k grant from Rose Hospital, a \$30k grant, as stated from Next50 and finally a 2 year grant with the first year being for \$91k from the Philips Foundation for Kavod's health & wellness programs. He advised that donations from ColoradoGives was also very profitable with Kavod receiving \$5,700. Mr. Klein advised that CU Clinic is doing well and that Kavod is working on having a dental clinic for CU Medicine onsite. Construction is going along well. As part of the upgrades Kavod is installing walk in showers in 79 units and Mr. Klein played a video of 2 residents thanking staff and the board for their new walk-in showers. He advised that as of the date of the board meeting Kavod residents and staff were staying healthy as the organization didn't have any COVID-19 case. Finally, Mr. Klein thanked his staff, the Board and the Chairman of the Board for their help during 2021.

Mr. Summer thanked the staff and board for all that has been accomplished during the year despite the uncertainty of pandemic.

The meeting was adjourned at 7:02pm.