



ElderSource, Inc. (Parent) Board
Meeting December 29, 2020
Time: 3:00pm

Agenda

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|------|-------------------------------------|----------------|
| I. | Call to Order | Stu Gaines |
| II. | Review of Minutes | Stu Gaines |
| III. | Committee Reports | |
| | A. Development Committee | Catherine Kell |
| IV. | Presentation of 2021 Revised Budget | James Lee |
| V. | New Business | Linda Levin |
| VI. | Adjourn | |

Vision: Older adults and adults with disabilities are valued and have the resources they need to live with dignity and security in an age- and ability-friendly community.

Mission: ElderSource empowers people to live and age with independence and dignity in their homes and their communities.

Inclusion Statement: ElderSource values all people – including but not limited to all nationalities, socio-economic backgrounds, abilities, races, genders, religious perspectives, sexual orientations and gender identities – in everything we do. We welcome the unique insights and perspectives of all persons in our quest to fulfill our mission.

MINUTES

ElderSource, Inc. (Parent)
Board of Directors Conference Call
September 16, 2020,
12:00 PM
Via Zoom

PRESENT VIA ZOOM:

Stuart Gaines, President
Sue Krall, Secretary
Melissa Gilreath
Catherine Kelly
Sandy Robinson
Fran Pepis
Brenda Ezell
Elizabeth Gunn, Treasurer

ABSENT:

Coley Jones, Vice President- (Exc.)
Don Roberts- (Exc.)

STAFF PRESENT:

Linda Levin, Chief Executive Officer
JaLynne Santiago, Chief Financial Officer
Tameka Gaines-Holly, Chief Operations Officer
Jessica Del Rio, Executive Administrative Assistant

GUEST:

Amy Miller, CRI

CALL TO ORDER:

President, Stuart Gaines called the meeting to order at 12:05 PM

ROLL CALL:

Jessica Del Rio, Executive Administrative Assistant, called the roll. A quorum was present.

APPROVAL OF MINUTES:

Elizabeth Gunn moved approval of the minutes of the July 8, 2020 meeting of ElderSource, Inc. Board of Directors. Fran Pepis seconded the motion. The motion carried without opposition.

2019 DRAFT AUDIT REVIEW:

Amy Miller presented the 2019 Draft Audit. She stated that on page two of the draft audit is the auditor's opinion on the financial statements. This opinion is an unmodified opinion of the auditor. There were no findings in this audit report and no findings in the prior year's audit report.

Statement of Financial Position

Amy highlighted the Statement of Financial Position section. She stated that the total assets had increased over a million dollars. That is a 19% increase in total compared to the prior year. The high increase is directly related to the rise in revenue for those grants and contracts with the government.

Amy stated that there is an increase in cash; this is directly related to the "due-to-providers"

timing issue. There was a \$90,000 increase in property and equipment that is primarily associated with building renovations throughout the year. Total liabilities increased by about \$870,000, and this is related to the “due-to-providers” balance. Total net assets increased by approximately \$180,000.

Statement of Activities

Amy highlighted the Statement of Activities. Amy stated that under the section “grant and contract revenues”, the Department of Elder Affairs has increased by 7%, and the Department of Veterans Affairs has increased by 24% compared to the prior year. The increase in the Department of Veterans Affairs is due to an increase in enrollment this year. Total revenues increased by about 1.3 million this year, and expenses increased by about 1.5 million this year. That gives us a change in net assets of about \$180,000.

Statement of Functional Expenses

Amy highlighted the Statement of Functional Expenses. She stated that under personnel expenses, it increased about \$300,000, which is related to new employees and salary increases. The most significant increase in total expenses this year was the payment-to-providers. Amy noted that program services are about 95% of your total expenses.

Statement of Cash Flows

Amy highlighted the Statement of Cash Flows. She stated that there is an increase in cash, mainly due to the operations increase in net assets and the amount due-to-provider. There was also an increase in investing activities such as building renovations, which is under the Purchase of Property and Equipment category. For the year, there was about a \$400,000 net increase in cash.

Notes to Financial Statements

Amy highlighted the Notes to Financial Statements. She stated that on page 10 in note number one, there is a new accounting standard for revenue recognition. Due to the main revenue stream of ElderSource being from grant-related, this new standard did not have much of an impact on the financial statements. There was a terminology change; what was called deferred revenue on the balance sheet, it is now called grant liability or refundable advances. Amy stated that under note ten, we gave a brief discussion on COVID-19 and the impact of it on ElderSource as well as explaining that we received additional funding due to COVID-19.

Consolidated Schedule of Expenses

Amy highlighted the Consolidated Schedule of Expenses. She stated that on page 15, everything was very similar to last year in terms of the total expenses per program. The total program services expenses have increased, and this is due to an increase in funding.

Motion

The Parent Finance Committee recommends the approval of the 2019 draft audit. Walette seconded the motion. Motion carried without opposition.

COMMITTEE REPORTS:

Strategic Planning Committee:

Linda Levin reviewed the Strategic Planning Committee Report. She encouraged the Board to review the full Strategic Plan update report located in the Board portal. She stated that the work in this status report had changed significantly in 2020 to what was in the original strategic plan. With COVID-19 some of the work that was planned was not possible to complete, but there has been new unexpected activity that still ties back to the original strategic plan.

Linda highlighted the following goals on the Strategic Plan Summary report:

❖ Goal 1: Continue High-Quality Core Services

- We have received additional grants to help with this goal
 - DOEA, Family First Act, CARES Act, Community Care Corps, and Private funders to offer crisis assistance during Covid19 and to expand our Caring Connections telephone reassurance program.

❖ Goal 2: Improve Quality of Life/Reduce Isolation

- Expanding the Telephone Reassurance Program
 - Community Care Corps is funding the program
- We are increasing access to our Helpline and resources as well as addressing senior isolation.
 - The Administration for Community Living, No Wrong Door grant will fund efforts. We will work with an app called Uniper to give resource access to seniors and to address isolation via television
- We applied for two grants for mental health and suicide intervention
- We applied for a grant for caregiver support.
- We applied for a grant to support grandparents raising grandchildren.

❖ Goal 3: Explore Innovative, Net Income Generating Service Lines

- We launched quality assurance reviews with a Medicaid Managed Care Long Term Care Plan that is resulting in revenue under MMS
- After COVID-19 we hope to resume finding other revenue generating services

❖ Goal 4: Increase Awareness of Eldersource

- We are working with Daigle Creative to increase awareness
- We have seen a significant increase in awareness with

multiple news interviews and newspaper articles.

❖ Goal 5: Advance ElderSource Operations

- We plan to update our phone system
- We have been updating our technology to improve remote working
- We continue to ensure we have an inclusive work environment
 - Training for staff
 - Employee Resource Group activities
 - Adding a diversity logo

Budget/Finance Committee

Elizabeth Gunn, Treasurer, presented the report of the Budget/Finance Committee. In advance of their meeting, the members of the ElderSource, Inc. Board of Directors received

copies of the Balance Sheet Dashboard, Statement of Activities, and 2021 Draft Budgets via email.

Elizabeth stated that on the Year-to-Date financial statement, our expenses are running under budget; the only issue we have under variance is due to timing issues. Everything continues to show a strong Net Operating Margin for the organization.

At the last meeting, we reviewed draft budgets for each subsidiary. JaLynne stated that the Wise Owl budget does not reflect the building expenses for building 10696 since the building is in the process of being sold. The 10688 building is able to support itself, and there should be no transfers in to support Wise Owl unless a new venture arises. JaLynne noted that we budgeted \$135,000 in rental income for 2021.

JaLynne stated that on the 2021 budget for the ElderSource, Inc. did not change from the previous year as it relates to revenue. Under Consulting and Professional Fees we budgeted \$20,000 for the possible continuation of fundraising efforts with Liz Morgan PR. JaLynne mentioned that Under Salaries and Employee benefits, we have budgeted increases. The Parent organization does not support itself but we anticipate a transfer in of \$250,000 from the AAA organization in 2021.

JaLynne reviewed the 2021 budget for ElderSource Institute and MMS. She stated that Eldersource Institute continues to stay the same when it comes to revenue. MMS however continues to increase its revenue under the Quality Assurance Contract with Florida Community Care. The Quality Assurance contract increases monthly by about 5-10 files. There is an anticipated Gross Margin of \$70,420. Under Program Revenue we anticipate \$44,325. There are no personnel expenses since this is all contracted out to subcontractors.

Motion

Fran Pepis moved to approve the 2021 draft budgets for Wise Owl, ElderSource Inc., ElderSource Institute and MMS. Elizabeth Gunn seconded the motion. Motion passes without opposition.

SUBSIDIARY REPORTS:

Wise Owl Properties

Fran Pepis presented the Wise Owl Properties report. Fran stated that we put the 10696 building under contract on September 8, 2020. Our purchase price of the building is \$1,860,914. We purchased the building in 2015 for \$1,960,000; we are very close to what we paid for the building five years ago. We are selling the building to the current tenants San Jose Imaging. Their Parent Organization is Innovative Imaging and they are purchasing the property and keeping the tenant in place. The inspection period goes through October 8, 2020. Once inspection period is over, we plan on closing the building on November 30, 2020. There is one caveat that they provide us with a commitment letter from their lender by October 30, 2020. We do not believe that there is concerns with the total amount approved by lender.

We have the following cost associated with the closing:

- Title insurance
- Document stamps to record sale
- Broker fees

Fran stated that the total Net after closing fees will be approximately \$ 1,340,779 which is not including the debt we have on the building. As of our last board meeting we had debt of about \$ 795,000. Once we retire the debt on the property, we are estimating a return of 22% on our initial investments.

Fran mentioned that we recently got assessed on real estate taxes on the property since the building permits were pulled during construction period. For 2019 property taxes we were assessed and have to pay \$21,760. The buyer and seller are both paying a pro-rated share of the property taxes.

Fran thanked Ray Parkhurst for his work and commitment to the building improvement and maintenance projects for both the 10688 and 10696 buildings. Previously, an ElderSource staff member was assigned to manage these projects.

OTHER BUSINESS:

The Board recognized JaLynne Santiago for all her hard work with her time at ElderSource.

ADJOURNMENT:

Having no further business, the meeting was adjourned at 12:52 PM Jessica Del Rio, Executive Administrative Assistant, prepared the minutes.

ElderSource, Inc.
Development Committee Meeting
<https://us02web.zoom.us/j/86803023179>
Thursday, November 12, 2020
@ 11:30 AM

Present

Catherine Kelly, Chair
Catherine Whitworth
Danielle McGrath
Brenda Ezell
Joseph Zimmerman

Staff

Linda Levin
Andrea Spencer
Jessica Del Rio

Absent

Kathy Jones

Meeting Called to Order

The meeting was called to order at 11:33 AM. The purpose of the meeting was to review the proposal from Inspire Philanthropy.

The Proposal from Inspire Philanthropy

The Committee reviewed the proposal from Inspire Philanthropy. The proposal was sent out to the Committee members before the meeting. Andrea stated that she and Linda recently had a meeting with John Erstling. He recommended that 2021 is a good year to revisit his proposal and start laying the foundation to expand our development efforts.

Linda stated that his recommended plan would result in the development of a three year timetable. The first part of the plan would take about three months and that is to interview board members and create a case of support. The timeframe may vary depending on how many Board members, staff, and donors John would interview. After Phase one is complete, John will create a three-year plan. The plan would include hiring a Development professional.

Danielle mentioned that in order to hire a person to do the Development Director work, the minimum salary range would be about \$60,000-\$65,000. Linda stated that if we decide to go forward with the plan, we will look further into the Development Director's salary. Linda mentioned that we might not have to hire this Development Director until the end of phase one, so we would know what strengths we would need in this position. Linda suggested that the Board commit funding for the position for three years to allow the development efforts build.

Motion

Brenda Ezell moved to approve John Erstling's proposal and a three year commitment to add a Development staff person being added to the 2021 Budget. Joseph Zimmerman seconded the motion. The motion passed without opposition.

Other Business

Joseph Zimmerman offered to talk to the President of the Jacksonville Jaguars to see how we could integrate a fundraiser or another type of opportunity.

Meeting Adjourned at 12:25 PM

Minutes prepared by Jessica Del Rio, Executive Administrative Assistant

**Eldersource, Inc
2021 Draft Budget**

	Parent 2023 Budget Projected	Parent 2022 Budget Projected	Parent 2021 Budget Revised	Parent 2021 Budget Approve	NOTES
Revenue					
Parent Bank Projection 2022-2023	84,360.80	196,377.61			Beginning Balance from Parent Bank
Fundraising	50,000.00	40,000.00	30,000.00	30,000.00	
Board Contributions	6,500.00	6,500.00	6,500.00	6,500.00	
Total Program Revenues	140,860.80	242,877.61	36,500.00	36,500.00	
Operating Expenses					
Salaries	66,803.00	68,803.00	91,803.00	91,803.00	Sal/Fringes/Ben for 2022 & 23 will decrease COO and Communication Specialist time and add a portion of CFO time for 22 & 23
Employee Benefits	9,607.00	12,607.00	17,607.00	17,607.00	
Payroll Taxes	5,110.43	5,263.43	7,869.00	7,869.00	
Payroll Fees	557.00	557.00	557.00	557.00	
Bank Fees	-	-	-	-	
Taxes & Licenses	61.25	61.25	61.25	61.25	
Consulting & Professional Fees	20,000.00	20,000.00	20,000.00	20,000.00	Daigel - Marketing and Communication
Total Operating Expenses	82,138.68	87,291.68	117,897.25	117,897.25	
Net Operating Margin	58,722.12	155,585.93	(81,397.25)	(81,397.25)	
Plus: Transfer In	125,000.00	0.00	250,000.00	250,000.00	
Less: Transfer Out	0.00	0.00	0.00	0.00	
Net Transfers	125,000.00	0.00	250,000.00	250,000.00	
Net Margin	183,722.12	155,585.93	168,602.75	168,602.75	
Less: Depreciation & Amortization	0.00	0.00	0.00	0.00	
Total Net Margin	183,722.12	155,585.93	168,602.75	168,602.75	
Below The Line for Board Approval					
Development Director - Sal/Fring	70,636.50	65,241.02	65,241.02		Will Help Raise Funds during the year
Benefits	5,984.12	5,984.12	5,984.12		
Consultant Inspire Philanthropy			15,000.00		Will outline a comprehensive, annual strategy for the organization's development program
Net Margin	107,101.50	84,360.80	82,377.61	168,602.75	
Parent 2020 Bank Acct After Exp YTD			114,000.00		2020 Year end Projection after Expense
Total Net After Bank Exp YTD	107,101.50	84,360.80	196,377.61	168,602.75	