

ALBERTINA KERR CENTERS
Joint Governing Board & Foundation Trustees Meeting Minutes
November 18, 2019

5 to 7 p.m.

Offices of Buchalter Ater Wynne, 1331 NW Lovejoy St, Portland, OR 97209

Governing Board Members Present

Terri Barichello, David Boxberger, David Connell, Miki Herman, Susan Hobbel, David Lake, Jill Nickerson, Lisa Powell, Karen Rasmussen, Laura Shipley, John Thoma, Dennis Warneke, David Wilson

Governing Board Members Excused

Paul Litwinczuk, Craig Payne, Melissa May

A quorum was present.

Foundation Members Present

Kim Curry, Miki Herman, Sarah Robinson, Heidi Steeves, Catherine Bekooy, Jeff Carr

Foundation Members Excused

Rod Malone

A quorum was present.

Staff Present

Anne Adler, Christine Andersen, Chris Canter, Jeff Carr, Janice Jacobs, Craig Rusch, Matthew Warner, Derrick Perry

Convene (David Boxberger, Governing Board Chair; Miki Herman, Foundation Chair)

David convened the meeting at 5:01 pm.

Consent Agenda: Foundation (Miki Herman)

Miki reviewed the consent agenda and asked for any discussion or questions.

ACTION: Kim Curry moved that the consent agenda be approved. Jeff Carr seconded. The motion passed via unanimous vote.

Consent Agenda: Governing Board (David Boxberger)

David asked for any discussion or questions regarding items on the consent agenda.

ACTION: Susan Hobbel moved that the consent agenda be approved. David Wilson seconded. The motion passed via unanimous vote.

Accept CEO Written Report

ACTION: David Connell moved to accept the CEO written report approved. The motion passed via unanimous vote.

Review FY2018-2019 Financial Audit (Gary McGee)

Kerr audit report in draft format was provided to attendees. The audit report is broken down into four sections. The first section is the letter to Board of Directors; audit was a little more difficult based on Kerr turnover in key accounting positions; however, the Auditor is very comfortable with the issues and controls needing to continue to keep Kerr successful in reporting. The second section is the consolidated financial statements. Growth was near 3% over last year, despite a mid-year operations loss. The third section is a management letter of comments and recommendations about systems, procedures and internal controls. The last section is additional analysis, comparing FY17-18 vs. FY18-19 operating changes.

The group discussed some of the noted areas of improvement from the Auditor report. Jeff Carr thanked the work of McGee & Company for their efforts to keep Kerr on track, along with Janice Jacobs and members of the new Kerr Accounting team.

Finance, Audit & Compliance Report (Karen Rasmussen)

Capital projects will be managed differently with the adoption of new rules related to depreciation (ex. Forest Grove home). Another focus area is internal controls. The Finance, Audit & Compliance Committee will be seeking reports to move toward compliance. Kerr auditors, McGee & Associates, will be asked to review early in FY20 (Feb/ March) versus the traditional review in May. RFP for Auditors scheduled for FY20-21, RFP scheduled for August 2020. The FAC Committee recommended acceptance of the audit.

Discuss/ Accept the FY2018-2019 Financial Audit Report

ACTION: Miki Herman moved to accept the financial audit. David Connell seconded. The motion passed via unanimous vote.

Financial Report (Janice Jacobs)

Starting with Operations of Programs revenue, the first quarter was strong due to census gains and programmatic strength. September shows the payroll salary adjustments. Outpatient mental health shows productivity at 50%, as opposed to 19% a year ago. Seasonal changes affected subacute in July/ August. September did not experience the same historical referrals. YTD, Kerr is well ahead of the planned budget. Review of expenses shows all on track for the budget overall. Kerr balance sheet review shows cash went down a little because of a third-party system issue. The balance sheet looks reasonable and strong.

Fundraising Update (Anne Adler)

Anne thanked the group for their support of 24 Hours of Kerr event, sharing accomplishment of a 54% net contribution increase over last year's event. Kerr Development team fundraising efforts are slightly ahead of last year. Exciting Kerr news happened in current support for the Workforce Housing project: a new campaign of 10 gifts for \$30k with two of the 10 contributors procured. Key Kerr supporters, Ken Thrasher and Mark Edlen, will be helping with the prospecting for this campaign through networking efforts toward approximately 30 new supporters. Individual Giving goals are looking more and more attainable. We are hoping to close WFH campaign by the end of the year.

Marketing & Media plan is going well. Channel 6/ KOIN news produced a segment on Albertina Kerr that is airing this evening. The Development team is looking at additional media relations opportunities to further our efforts. Anne encouraged the group to think of business partners for Kerr to talk with about holistic Race for the Roses and 24 Hours of Kerr sponsorships.

Upcoming Kerr events: Saturday, November 30th, TOKNA's Sparkle, Shine & Shop event; Saturday, December 7th, PALS Holiday Art Show; Friday, December 13th, Kerr Boards Holiday Happy Hour

Executive Session

Board members entered executive session at 6:21 p.m.

Adjourn

David Boxberger adjourned the meeting at 6:38 p.m.

Recorded by Christine Andersen, Kerr Development staff member