



## RAC FINANCE COMMITTEE MINUTES

May 19, 2021

Club Room, Freedom Plaza

Members Present: Chairman Dave Mohl, Sandee Braddy , Bill Ciota (RAC Rep), Bob Cochran, Bill Krueger, Rocco Nenarella, Al Roberts, Neil Rothfeld & Joan Walker

FP Management

Present: Joey Mingione, Director of Financial Services

The Chairman conducted a roll call and determined that a quorum was present. Meeting commenced at 2:25 pm.

The Chairman called for a vote to adopt the agenda as e-mailed to all members. Motion made by Neil Rothfeld. All in favor, motion so carried.

The minutes for April 21, 2021 were approved by the members present, upon a motion made by Neil Rothfeld, seconded by Bob Cochran.

Chairman Mohl then asked for reports.

### REPORTS:

Cost of Living: Bob Cochran stated that for the Southeast Area from April, 2020 to April 2021, the CPI was 4.2%, up .07% from April to May, with gas, along with used cars and trucks, having a big impact on the rate.

Health Peak Stock: Bob Cochran stated that on May 18, the stock was @\$33.40. Bob further stated that the dividend yield per share was \$1.20 with a yield of 3.6% and that the earnings per share were \$.51. He also stated that the P/E was 53.02, noting that Morgan Stanley classifies the stock as a hold.

New Hires: Sandee Braddy stated that there were 15 new hires and close to 80 job openings. Joey Mingione stated that again this month, most openings were in the facilities with the higher level of care. Joey went on to say that they are still using Agency Staff on weekends in these facilities.

Move Ins/Outs: Joey Mingione stated that there were 2 move ins during April and 5 move outs for a total of 7 move ins and 25 move outs year to date. He stated that some of the move outs are transfers to a higher level of care within the community. Joey stated that they expect to finish the quarter with 12 deposits.

April Financials Dave Mohl went over the analysis that he had prepared for the committee. He stated that there was a net operating income of \$95,963. The amount of the insurance costs allocated to Freedom Plaza was questioned by some committee members. Joey Mingione explained that it was all done at the home office level. Al Roberts stated that it would be helpful to know if the amount charged to the community was allocated by experience at Freedom Plaza or if it was a general corporate allocation. If the former, then perhaps some mitigation efforts could be implemented.

Chairman Mohl and Neil Rothfeld addressed the reserves currently being maintained by LCS. Both felt that since the Audit Report showed a mortgage on the property that the reserves should be increased. However, further investigation needs to be done regarding titling of the entity that holds the mortgage.

Chairman Mohl noted that Food Expenses were \$81,000 below budget, in spite of in room dining extra disposables expenses. Approximately 112 residents are still not using the dining rooms, a contributing factor to the costs. Starting in July a \$2.00 a day delivery charge will be implemented for IRD, with a two meal grace period.

The Audit Review was tabled until the June meeting, with Chairman Mohl appointing Al Roberts to prepare the review for the committee.

Under NEW BUSINESS, Chairman Mohl stated that he attended the RAC Committee Fair and that He received 5 applications for a position on the Finance Committee. He stated that he will be interviewing the applicants and making his recommendation next month.

There being no further business, Chairman Mohl, upon a motion made by Bill Kueger, seconded by Neil Rothfeld, the chairman adjourned the meeting at 3:17 p.m.

The next meeting will be held on June 16, 2021 at 2:30 p.m. in the Club Room, Freedom Plaza.

Respectfully submitted,  
Joan Feehan Walker, Secretary