



## RAC FINANCE COMMITTEE MINUTES

April 20, 2022

Club Room, Freedom Plaza

Members Present: Chair Neil Rothfeld, Joyce McCutcheon, Cor Snoeren, Joan Walker & Al Roberts,

RAC Liason.

Absent: Sandee Braddy, Jane Keegan and Bill Krueger

Note: Chuk Roth will be RAC Liason commencing 4/24/22 & Al Roberts will relinquish his dual role as member and liason.

FP Management

Present: Mary Leidecker, Director of Finance

Chairman Neil Rothfeld called the meeting to order at 2:30 pm. Neil asked Joan if a quorum was present. The Secretary confirmed a quorum.

The minutes for March 16, 2022 were approved by the members present, upon a motion made by Al Roberts and seconded by Cor Snoeren.

### REPORTS:

Cost of Living: Cor Snoeren stated that the CPI Class A, under which our contract falls, from March 2021 to March 2022 was 9.2%. It was noted that the Tampa-St. Petersburg-Clearwater area was 10.2%

Health Peak Stock: Chairman Rothfeld stated that the stock closed on 4/19/22 at \$34.87. He further stated that Morningstar reported that at a valuation of \$36.00 it was fairly valued. Neil went on to say that the contribution of the CCRC's to the Net Operating Income was only 10%. He further stated that Morningstar reported that Health Peak's focus on Medical Office and Life Sciences Assets should provide steady growth for the company.

New Hires Sandee Braddy had previously submitted a report stating that there were 17 new hires in March. Neil mentioned that he and Al had discussed that a better report would be on open job positions. Mary Leidecker stated that there were approximately 40 full time and 40 part time vacancies, with many of the part timers being in an on-call status.

Move Ins/Outs        Mary Leidecker stated that there were two closings in the month and five move outs. Neil Rothfeld asked if Mary could provide the Committee with the month by month move-in and move-out list in the same format as previously submitted by Joey Mingione.

Financials:            Chairman Rothfeld asked Mary Leidecker if she would report the April Financials to the Committee in the format used by the former Director of Finance. That report listed payroll taxes and other items that are not broken out in Salaries and Wages in the current report. He also asked for the April Report to show all the Income and Expenses below the Net Operating Income (NOI) line such as interest, other income and other expenses not previously listed. Cor Snoeren asked if he could have a copy of the spreadsheets sent to him and Mary agreed. Neil stated that the financial reports, delivered to the committee the day before the meeting were too late. Mary said that they come to her by the 10<sup>th</sup> of the month and she would get the reports to the committee a week before the monthly meeting.

Mary was asked why Innovative Home Services revenues were way below budget. She will report back. In response to questions as to why LCS has reduced management fees substantially and why utilities and skilled nursing were below budget, she did state that accruals were not made and that LCS is now doing those correctly. Neil noted that the Insurance expense is now favorable to budget, unlike last year when many claims were settled.

Joyce McCutcheon raised a question regarding the number of apartments being used to calculate the number of available apartments that could be occupied in Independent Living. She stated that 450 had been referenced. Neil said that there may be 450 units, but that some were being used for offices and recreation and at the present time the number of units that could be occupied was 425. However, for budgeting purposes, 376 is the goal to determine occupancy rate.

Neil then segued into a discussion of sales and what the Sales Dept. is doing to increase the volume of sales. After further discussion, Chris Hall will be invited to a Finance Committee meeting to discuss current marketing plans, including but not limited to entry standards, financial approvals, rentals.

OLD BUSINESS:

Mission Statement: A final draft of the Mission Statement had been provided to all members. A motion was made by Al Roberts to adopt the mission statement, seconded by Joan Walker. The Chair opened the proposal for discussion after which, Al Roberts agreed to amend his motion to add a new line 5. "The Committee has a responsibility to see that the prepaid medical allocation letter goes out to the residents no later than November of each year." Joyce McCutcheon made a second amendment to remove the word "filing" in line 1. Neil Rothfeld asked for a vote on the Mission Statement as amended. All present voted aye. Motion so carried.

NEW BUSINESS: Chairman Rothfeld appointed Jane Keegan to the committee to fill the unexpired term of David Mohl, until June 30, 2022. At that time, she can be appointed for a full two-year term.

NEW BUSINESS: Chairman Rothfeld announced that he and Al Roberts will represent the Finance Committee on May 13 at the annual RAC Volunteer Fair. He invited any other member to come and sit for a few hours.

Chairman Rothfeld set the date of the next meeting as May 18 at 2:30 p.m. in the Club Room.

A motion to adjourn was made by Al Roberts, seconded by Cor Snoeren. All in favor. Motion so carried. Meeting adjourned at 3:38 p.m.

Respectfully submitted,

Joan Feehan Walker, Secretary