



RAC FINANCE COMMITTEE MINUTES

December 20, 2023

Club Room, Freedom Plaza

Members Present: Neil Rothfeld, Chair, Al Roberts, Jane Keegan, John Lang, and Veanna Cape, RAC Liaison

Absent: Doug Atkins, Dave Lowe, Joyce McCutcheon and Joan Walker

Freedom Plaza: Dennis Kimble, Director of Finance

Chair Rothfeld called the meeting to order at 2:30 pm. He asked the secretary if a quorum was present. The secretary confirmed a quorum.

The minutes of November 15, 2023, were approved by the members present, upon a motion made by John Lang and seconded by Veanna Cape. All in favor, motion so carried.

REPORTS:

Cost of Living: Doug Atkins reported that the November CPI for Class A South, which governs most of our resident contracts, was 3.9%, which was similar to last month. Doug also noted that we are still higher than the 3.1% for the U.S. city average.

Health Peak Stock: Neil Rothfeld stated that the stock closed on November 14, 2023 at \$19.82, and he also noted that the lowest price for the year was \$15.24. He further stated that Morningstar reported that at a valuation on \$32.50, it was a good value.

Move-ins/ outs: Neil reported that there were 42 Move ins and 38 Move outs with a gain of four.

Financials: The reports prepared by Dennis covered the costs of skilled nursing wages as well as taxes and benefits. Dennis discussed the YTD total general and administrative expenses as well as the YTD life care discounts. Dennis further explained G & A wages and benefits and why Freedom Plaza is still discounting for sales when we are financially ahead of budget.

Old Business:

An open and lengthy discussion was held in regard to large payouts through "SPIFF" rewarding the sales team and their ability to meet goals and objectives and the fluctuation that is involved.

Al questioned page 18, other expenses \$395,000 when there was no budgeted amount. Dennis will get back on that.

OIR September statement listed \$20 M in receivables. Dennis explained that \$10 M is the normal outstanding billing

New Business:

Chair Rothfeld set the next meeting date as Wednesday, January 17, 2024, at 2:30 p.m. He then asked for a motion to adjourn. A motion was made by Al Roberts and seconded by John Lang. Motion so carried. Meeting adjourned at 3:05 p.m.

Respectfully submitted,

Jane Keegan, Secretary