



RAC FINANCE COMMITTEE MINUTES

May 15, 2024

4th Floor Meeting Room, Freedom Plaza

Members Present: Neil Rothfeld, Chair, Doug Atkins, John Lang, Dave Lowe, Joyce McCutcheon, Al Roberts, Acting Chair, Joan Feehan Walker, Veanna Cape, RAC Liaison & Sondra Thorson, DRR

Absent: Jane Keegan

Freedom Plaza Dennis Kimble, Director of Finance

Chair Roberts called the meeting to order at 2:25 pm. He asked the Secretary if a quorum was present. The Secretary confirmed a quorum. He stated that he was Acting Chair as Neil Rothfeld was going to be late.

REPORTS:

Cost of Living: Doug Atkins reported that the February CPI for Class A South, which governs most of our resident contracts, was 3.6%.

Health Peak Stock: Neil Rothfeld stated that the stock closed on 4/14/24 at \$19.82. He further stated that Morningstar reported that at a valuation of \$30.50, it was fairly-valued and that the yield was 6.1%. Al Roberts distributed a copy of an interview with Healthpeak Properties President CEO Scott Brinker regarding their long-term strategy stating that they were not thinking of selling the CCRC's now but may consider it in the future.

Move-ins/ outs: Dennis Kimble reported that there were 5 Move ins in April and 6 Move outs. He stated that although currently there were 7 more Move outs than Move in, he expected by the end of the second quarter they would be even. Dennis stated that AL and Memory care were at capacity, while IL was at 86.6%. Al Roberts asked about the existing availability for residents wanting to move to a higher level of care. Dennis said that there is a small waiting list for people wanting a specific kind of unit.

Financials: Dennis Kimble reviewed a commentary he had distributed to the members. Neil Rothfeld asked for the dollar amount that was being reimbursed to Freedom Plaza for the wine and beer. Dennis stated that YTD it was \$32,410. He also said that catering and employee meals offsets are included elsewhere in the report. Al Roberts suggested that when preparing the report for the Town Hall meeting that the offsets be mentioned and that figures be given in thousands to reduce the detail to a more readable product for residents.

Neil Rothfeld stated that Food Wages appear headed towards \$250,000 over budget. Dennis said it looks more like \$150,000 to \$200,000. Dennis said that two Full Time Employees (FTE) had been hired. Also, he said that the 2023 holiday accruals were posted in 2024; that the grill was utilized more with the implementation of the Preferred Dining and that the residents, who had moved to a higher level of care, wanted the food quality at those facilities to come closer to the food served at the IL facility. Joyce McCutcheon asked what entity initiated the change in the dining plan. Dennis replied that it was Life Care Services at selected CCRC's. He also stated that the Net Operating Income to date is 10.4%.

Minutes: The minutes of April 17, 2024 were approved by the members present, upon a motion made by Dave Lowe, seconded by Veanna Cape. All in favor, motion so carried.

Elections: Al Roberts stated that there would be two openings, rather than four. He said that he and Neil had requested extensions of their terms and that there were two vacancies for the positions now currently held by Jane Keegan and Dave Lowe. Veanna Cape reported on the timing of the volunteer forms. She stated that the forms would be distributed to residents on May 20. They were to be returned to RAC by June 8 and that they would be given to the chairs of the various committees by June 9.

As there was no New Business, Acting Chair Roberts set the next meeting date as Wednesday, June 19 at 2:30 p.m. He then asked for a motion to adjourn. A motion to adjourn was made by John Lang, seconded by Doug Atkins.

All in favor. Meeting adjourned at 3:30 p.m.

Respectfully submitted,

Joan Feehan Walker, Secretary