

A summary of the non-confidential portion of the meeting minutes made available via posting on public website in accordance with Human Services Article of the Maryland Code § 10-427(c).

MINUTES OF THE JOINT ASBURY ATLANTIC, INC.,

ASBURY SOLOMONS, INC., & CALVERT COUNTY NURSING CENTER, INC.

BOARDS OF DIRECTORS MEETING

April 20, 2017

Asbury Atlantic, Inc., Asbury Solomons, Inc. and Calvert County Nursing Center, Inc. are not-for-profit, tax-exempt corporations. Our charitable purpose is to create services for older adults that enhance the value of the entire span of life. The Asbury organization provides housing, healthcare, and other services to residents of its continuing care retirement communities, with a sense of financial security through our benevolent care program. Our charitable purpose and faith-based heritage guide our decisions and direction as we serve our residents and future generations of seniors. Asbury also reaches out to individuals and other organizations serving older adults in the communities in which its communities exist. Asbury Atlantic, Inc., Asbury Solomons, Inc. and Calvert County Nursing Center, Inc. share common interests and geographic locations, therefore, the three entities frequently hold joint board meetings.

MEETING ATTENDEES

| Directors | | |
|---|--|------------------|
| Carolyn Stamatakis, Chair | Rev. Mearle Griffith* | Nick Serenyi |
| Robert Boyd, Vice Chair | Thomas Holets | Lowell Starling* |
| Annice Cody | Nancy Kuhn* | Doug Leidig |
| Jeff Ernico | Patricia Neuman* | Richard Findley |
| Lou Grammes | Lorraine Sexton | David Lingrell |
| Staff | | |
| Kim Ehrenfried, Controller± | Rhonda Teranto, Interim Chief Financial Officer± | |
| Peggy Kaplan, Chief Legal Officer± | Michele Weikert, Office of the President/CEO & Board Liaison | |
| Guests | | |
| Matt Claeys, CliftonLarsenAllen± | Larry Parks, Member of the Finance & Investment Committee | |
| Tim Crouch, CliftonLarsenAllen± | | |
| * <i>Attended meeting via telephone</i> | | |
| ± <i>Joined only for the Audit Presentation</i> | | |

ITEM: CALL TO ORDER

The meeting of the Board of Directors (“Corporation”) was called to order at approximately 10:01 a.m. in the Board Room of the Corporation. Ms. Stamatakis called the Board to order at approximately 10:01 a.m. and welcomed the meeting guests.

ITEM: CONSENT RESOLUTIONS

Next, the Chair asked if there were any changes to the slate of candidates being recommended for election for a three (3) year term to the Boards for which they are nominated. **Mr. Parks requested that his name be corrected from Lawrence to Larry. A motion was made, which was duly seconded to approve the Election of Directors with the above noted change. The motion was unanimously adopted.**

Ms. Stamatakis asked if there were any changes to the Election and Ratification of Officers that are being recommended. **Mr. Boyd amended the motion to reflect that Mr. Andrew Jeanneret will become Assistant Treasurer effective April 27, 2017. The amended motion was duly seconded by Mr. Holets and unanimously adopted.**

ITEM: AUDIT & COMPLIANCE COMMITTEE UPDATE

Ms. Sexton reported that the Audit & Compliance Committee met on April 19, 2017 to review the 2016 Audit Report and Draft Financial Statements. She commented that the Audit & Compliance Committee accepted the 2016 Audit Report and Draft Financial Statements and is recommending them to the Board of Directors for ratification.

Mr. Crouch shared that the 2016 Auditors Report showed very good results and that an audit opinion has been issued for:

- Pennsylvania Obligated Group of Asbury Atlantic, Inc. (Bethany Village and Springhill)
- Maryland Obligated Group of Asbury Communities, Inc. (Asbury Methodist Village and Asbury Solomons, Inc.)
- Asbury Solomons, Inc.
- Asbury Atlantic, Inc. (Asbury Methodist Village, Bethany Village and Springhill)

He also stated that all reports were unmodified, which is the highest form of assurance that you can get from an audit firm. Mr. Crouch also confirmed that there were no material weaknesses or deficiencies.

Ms. Sexton made the following motion, which was duly seconded by Mr. Grammes.

RESOLVED: that the Report of the System Audit & Compliance Committee be, and it is hereby, accepted.

FURTHER RESOLVED: that the Maryland Obligated Group Combined Financial Statements and Other Financial Information, the Pennsylvania Obligated Group Combined Financial Statements and Other Financial Information, the Asbury Atlantic,

Inc. Combined Financial Statements and Other Financial Information, The Asbury Solomons, Inc. Financial Statements all for fiscal year ended December 31, 2016, as audited by the independent accounting firm of CliftonLarsenAllen LLP, be, and they are hereby accepted.

The motion was unanimously approved.

ITEM: BOARD EDUCATION

Ms. Kaplan and Ms. Teranto presented an overview of the corporate, governance and financial structure of the Asbury Communities, Inc. (“Asbury”) system of senior living and health care providers. The purpose of this education is to provide an understanding of the Asbury’s corporate structure, what it means to be a supporting or supported organization, an understanding of the terms obligated groups, affiliation and master service agreements as well as the central treasury function.

The meeting was adjourned at approximately 12:00 noon.

A handwritten signature in cursive script that reads "Carolyn M. Stamatakis".

Carolyn Stamatakis, Chair