

**MINUTES OF THE
ASBURY ATLANTIC, INC.
MEETING OF THE BOARD OF DIRECTORS**

FOR PUBLIC POSTING

February 3, 2021

Asbury Atlantic, Inc. is a not-for-profit, tax-exempt corporation. 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.

MEETING ATTENDEES

Board of Directors, attending		
Jeffrey Ernico, Chair	Barbara Harbison	Melissa Fors
Todd Andrews	Richard Findley	Efonda Sproles
Louis Grammes		
* <i>Attended as indicated</i>		
Board of Directors, absent		
Staff		
Kim Ehrenfried, VP & Controller	Henry Moehring, VP of Healthcare Svcs & Ops	
Salome Nengean, Staff Counsel	Douglas Leidig, CEO, Asbury Communities	
Andrew Joseph, General Counsel	Sue DaCamara, Chief Strategy Officer	

Note: the meeting was held via teleconference due to COVID-19 pandemic.

ITEM: CALL TO ORDER

The meeting of the Board of Directors of Asbury Atlantic, Inc. (“Atlantic”) was called to order by the Chair at approximately 3:15 p.m. Mr. Grammes offered a prayer.

ITEM: OPENING REMARKS & SELF INTRO OF NEW DIRECTORS

The Chair welcome the new Directors and thanked them for their willingness to serve. He also provided a brief overview of the Board’s responsibilities to ensure quality, governance and fiduciary duties of the organization. He then asked the three (3) Directors to self-introduce; they did. The Chair again thanked the Directors.

The Chair then referred to the agenda and consent resolution contained in the Board packet for the February 3, 2021 Asbury Atlantic, Inc. Board of Directors meeting (“Board Packet”) and asked for a motion to approve.

The following motion was made, duly seconded and unanimously approved.

IT IS HEREBY RESOLVED that the following be, and they are hereby, adopted, ratified, and/or approved as applicable:

1. *Set Agenda. The agenda for the February 3, 2021 Board of Directors meeting as it appears in the Board Packet for the February 3, 2021 Board of Directors meeting.*
2. *Approval of Minutes. The minutes of the December 2, 2020 Meeting of the Board of Directors as it appears in the Board Packet, on Board Effect, for the February 3, 2021 Board of Directors Meeting (“Board Packet”).*

Approval of Change of Registered Agent. That the Registered Agent of the Corporation is hereby changed from Peggy Crespi Kaplan to CT Corporation

ITEM: 4TH QUARTER RESULTS

The Chair recognized Ms. Ehrenfried and Mr. Andrews to present the fourth quarter results. Ms. Ehrenfried referred to the detailed report provided in the Board packet and provided an overview of the communities which are encompassed in Asbury Atlantic. She noted that the balance sheet is preliminary, pending a finalized audit report although she does not anticipate much movement in the financials at the conclusion of that audit. Next, she reviewed the balance sheet reviewed occupancy levels on each campus.

Quality

Next, Mr. Andrews reported on the quality measures. First, no vacancies exist in nursing home administrator positions. He then reviewed the 5-star ratings of all Atlantic communities as of January 4, 2021 when Centers for Medicare/Medicaid (“CMS”) released the new data. Mr. Andrews also noted that the all communities remain in good standing with all accreditations. Mr. Moehring noted that all Atlantic communities are deficiency-free on all infection control surveys. Mr. Moehring credited the work of Skip Margot, VP of Clinical Excellence and Martha Gurzick, Director of Education. Mr. Andrews then shared the factors that undergird the ratings and how those stars are calculated.

Mr. Andrews shared that although COVID-19 has taken up a big share of all associates’ time, there are still other innovative projects happening. He reviewed some of the innovative pilots that are happening on the Atlantic communities.

Operations

Mr. Moehring provided an overview of some operational details that continue to happen on campuses while managing COVID-19. He noted that each community continues to reopen and

offer amenities as local, state, and federal regulations allow. Following his report, the Board asked about the effect of vaccination of screening protocols, visitations, and greater reopening plans.

Occupancy

Mr. Andrews referred to Ms. Ehrenfried's report regarding occupancy levels but noted that although occupancy is a challenge, AMV's healthcare center's is very close to meeting its occupancy levels as of the end of January. He also reported on some of the incentives being offered to improve those occupancy levels.

Strategic Plan

Ms. DaCamara provided an overview of how Asbury is building the future and planning ahead while incorporating some of the challenges that COVID-19 presents to the strategic planning. She noted that with the presence of COVID-19, 2021 will be a bridge year which would allow Asbury to update its strategic plan and goals for 2022 through 2026. She noted that there will be one overarching strategic plan for the entire organization but also have plan specific to the various business lines.

ITEM: PAOG REFINANCING

The Chair again recognized Ms. Ehrenfried to present the details related to the Pennsylvania Obligated Group's refinancing. Ms. Ehrenfried reported that the finance team has been considering a refinance of the Pennsylvania Obligated Group's long-term debt based on the current low interest rates to realize significant savings as previously reported to the Board during its December meeting. She reported that the refinancing is anticipated to realize \$10 million dollars in savings. Finally, she referred to the resolution included in the Board meeting packet and noted that the Board would need to approve for the finance team to proceed.

The Chair asked whether there were questions or comments. Mr. Joseph noted that from a fiduciary perspective, the Audit & Finance/Investment Committee is working closely with the Chief Financial Officer on this and other financial matters.

A motion was made, duly seconded and unanimous to approve the resolutions authorizing the refinancing of the Pennsylvania Obligated Group, attached and incorporated.

ITEM: PA BIOGRAPHICAL AFFIDAVIT & OIG EXCLUSION LIST

The Chair recognized Ms. Nengean and asked her to brief the Board on the requirements of the biographical affidavit and the Office of Inspector General Exclusion List. Ms. Nengean provided the Board with an overview of the Commonwealth of Pennsylvania's requirements that all Directors of Asbury Atlantic, Inc. annually submit a biographical affidavit in accordance with state law. She also noted that the Office of Inspector General ("OIG") requires that Directors' names be run against its exclusion list to ensure that excluded individuals do not serve as Directors of any healthcare organization which receives reimbursements from Medicare and/or

Medicaid. Ms. Nengean referred to the forms provided in the Board packet and asked Directors to provide the information requested to comply with both requirements.

Following her presentation, the Chair asked whether there were questions or comments.

ITEM: MASTER PLANNING UPDATES

The Chair again asked Mr. Andrews to provide the master planning update to the Board. Mr. Andrews reported on some repositioning and projects that are occurring on campuses.

ITEM: COVID-19 VACCINE STRATEGY AND DEPLOYMENT

Mr. Andrews provided an update of the COVID-19 vaccination efforts on the Atlantic campuses. He reported on where each campus is in its vaccination of residential living residents and staff. Finally, he reported on the effects of increased vaccination of current COVID-19 related policies.

ITEM: EDUCATION TOPIC: 5-STAR QUALITY PROCESS

The Chair recognized Mr. Moehring to present the education topic. Mr. Moehring began by providing an overview of the Board's role in oversight of the Atlantic communities. Next, he reviewed the CMS 5 star quality system, how it is calculated and the factors that influence those stars. Next, he reviewed the F837 governing body oversight, the Board's role, and the requirement that the contact information of all Directors be provided to CMS. Third, Mr. Moehring reviewed the Board reporting, monitoring, and understanding, including the quality assurance performance improvement ("QAPI") program and the initiatives each community is specifically undertaking.

Following the presentations, the Chair asked whether there were questions or comments.

ITEM: OTHER ITEMS

The Chair asked whether there was further business to come before the Board.

ITEM: ADJOURNMENT

The meeting was adjourned at approximately 5:15 p.m.