

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

July 29, 2022

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	Efonda Sproles
Christina Croll		
* <i>Attended as indicated</i>		
Board of Directors, absent		
Staff		
Todd Andrews, President CCRC	Terra Bennett, Minutes	
Andrew Jeanneret, CFO		
Doug Leidig, CEO		

Note: the meeting was held via teleconference.

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 10 am.

The Chair then referred to the agenda and consent resolution contained in the Board packet for July 29, 2022, Asbury Atlantic, Inc. Board of Directors meeting (“Board Packet”) and asked for a motion to approve.

The following motion was made, duly seconded, and 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 July 29, 2022, Board of Directors meeting as it appears in the Board Packet for the July 29, 2022, Board of Directors meeting.

2. *Approval of Minutes. The minutes of April 18, 2022, Meeting of the Board of Directors as it appears in the Board Packet, on Board Effect, for July 29, 2022, Board of Directors Meeting (“Board Packet”).*

ITEM: 2nd QUARTER 2022 FINANCIAL REVIEW

Mr. Jeanneret provided the Q2 financial results, noting the following:

- Investments and cash have improved slightly; however, overall the financial portfolio has declined due to market performance to date.
- Asbury Atlantic is missing its revenue targets primarily due to lingering occupancy challenges at AMV; the other AATL communities are close to occupancy and census targets.
- Financial support from COVID relief funding and \$1M contractual from Sodexo offsets some of the revenue shortfalls.
- COVID relief funding is ending, continuing to pursue some remaining opportunities for FEMA reimbursements for COVID costs.
- Foundation activity is very solid in 2022, including receipt of large gifts that will impact Q3.
- Contract labor continues to be a challenge across the system, including the AATL communities; leadership teams are working to manage expenses to offset much higher than budgeted costs for agency labor.

ITEM: 2nd QUARTER FINANCIAL & OPERATIONS REVIEW

Quality

Current Medicare 5-Star (overall) ratings for health care centers:

AMV – 5 stars

AS – 5 Stars

BV – 5 Stars

SH – 3 Stars

Mr. Andrews noted the following:

- AMV improved back to 5-star rating by focusing on resident mobility and limiting falls
- Bethany Village is only health care center to undergo its annual survey, all others are pending
- All communities working on survey readiness and quality improvement with a focus on falls prevention
- Overall leadership and staffing has stabilized from 2021, with beginning trend to reduce reliance on agency staffing

The Board and staff engaged in discuss regarding impact of COVID on quality improvement

efforts

Operations

- COVID testing continue when community transmission rates are yellow or red; Asbury not requiring COVID boosters for staff at this time; does not affect testing in any case.
- Due to improvements in the supply chain, reduced PPE target inventory to 60-days.
- All staff continues to mask on campus.

Strategic Blueprint Focus

- Lagging year end Operating Ratio (OR) target of 101.5, with current OR of 103.1 (lower is better)
- Employee turnover ratio is improved over 2021 and close to target; significant efforts to improve onboarding efficiency and implementation of mentors is helping; most challenging position by turnover are dining and health care (CNAs)
 - Continues to be difficult to compete with high pay rates offered in hospitality and other service industries that do not require the health screenings/testing and PPE usage required for senior living and health services.
 - Paying refer a friend bonus (\$80K to date), as well as retention bonuses; dropping sign-on bonuses because just encourages hiring of people willing to job hope for continuing bonus pay.
- Brain Health/Well-being programming implemented at two of four communities with all to be completed in Q4 of 2022; this is the initial phase with continued development and evolving of this programming.
 - Significant donor secured for BV program; similar to AMV which really helped to launch the program.

ITEM: MASTER PLANNING

- Completed financing for both the MD and PA Obligated Group to support capital needs for infrastructure at the communities.
- Soliciting resident input through planning committees that will support prioritization of projects and deployment of this capital spend; five such meetings have occurred in Q2.
- HVAC replacement at the Wallace building (AMV) is almost completed; should be completed by August, ahead of schedule and under budget.

ITEM: EDUCATION TOPIC: SYSTEM-WIDE FALLS PREVENTION

Mr. Andrews reviewed initiative by the ASCC clinical team to implement systemic program to eliminate/mitigate falls.

ITEM: OPEN DISCUSSION

The Board and staff engaged in a discussion regarding staff fatigue and burnout; initiatives to address, including recently implemented Belonging Counsel.

ITEM: ADJOURNMENT

The meeting was adjourned at approximately 11:55 a.m.

Todd Andrews, President Community Living Division

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