

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

December 6, 2023

*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**

<b>Board of Directors, attending</b>		
Jeffrey Ernico, Chair	Barbara Harbison	Efonda Sproles
Richard Shuman		
<b>Board of Directors, absent</b>		
none		
<b>Staff</b>		
Todd Andrews, President Community Living Division	Terra Bennett, Administrative Services Manager for minutes	
Sue Paul, Sr. Director of Well-Being, and Brain Health	Kim Ehrenfried, Comptroller	
Doug Leidig, President & CEO		

**Note: The meeting was held virtually.**

**ITEM: CALL TO ORDER: (5 minutes)**

The meeting of the Board of Directors of Asbury Atlantic, Inc. (“Atlantic”) was called to order by Mr. Jeffrey Ernico at approximately 4:14 p.m. Mr. Andrews offered a prayer.

Mr. Ernico referred to the agenda and consent resolution contained in the Board Packet for the December 6, 2023, Asbury Atlantic, Inc. Board of Directors meeting (“Board Packet”) and asked for a motion to approve.

**The following motions were 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 December 6, 2023, Board of Directors meeting

*as it appears in the Board Packet.*

2. Approval of Minutes. *The minutes for the October 25, 2023, Meeting of the Board of Directors as it appears in the Board Packet.*

**ITEM: FINANCIAL REVIEW: (15 minutes)**

Ms. Ehrenfried began the financial review by discussing the 2024 Budget Assumptions and explaining the comprehensive budget process. She highlighted the following during the agenda item:

- Occupancy projections
- Skilled payer mix
- Resident rate increases
- Entry fee increases
- Entrance fee information
- Cost of labor increases

Next, Ms. Ehrenfried reviewed the budgeted operating statements and key performance indicators. To conclude the financial review, Ms. Ehrenfried confirmed that both the MD and PA Obligated Groups meet their bond covenants.

Then, Mr. Andrews discussed economic influencers that drive budget assumptions, such as:

- Occupancy and revenue
- Associate salary increases (the 2024 Average is 3%)
- Associate benefits costs (Increases is about 8% for next year)
- Supply costs
- Recruitment and retention costs
- Utility contracts

Mr. Andrews also discussed Asbury's 2024 resident fee increases relative to other senior living providers. The Board discussed strategies for AMV's occupancy as the last topic related to the financial review.

**ITEM: OPERATIONS REVIEW: (30 minutes)**

Mr. Andrews began the operations review by sharing the following star ratings:

- AMV – 5 stars
- AS – 5 Stars
- BV – 5 Stars
- SH – 3 Stars

Then, he discussed how the clinical team continues to drive quality measures proactively. Each campus has a QAPI team that meets monthly to discuss quality measures, which Mr. Andrews now attends. After discussing the quality measures, Mr. Andrews shared operations highlights:

- All four communities continue strong resident satisfaction focus and action plan delivery
- Dining enhancements will continue with an RFP in January

- Leadership teams shifted to Smart Recruiter, a new applicant tracking system for talent acquisition, complemented by an enhanced internal employer branding function
- Well-being organizational shifts completed by 12/15
- The rollout of ICON (the new Resident Engagement Platform) is nearly complete
- Memory Care Program is in Stage 2 of redesign and enhancements

Next, Mr. Andrews provided the following updates about the Strategic Blueprint:

Goal 1: Operating Ratio

- The target is a 97.5% Operating Ratio, and the actual is 96.1%.

Goal 2: Employee Turnover

- 38.7% (excludes AP).

Goal 3: Cognitive Brain Health Program/Well-being

- EngAge Well and Kinnections Brain Health are implemented in all communities, and both programs are progressing as scheduled.

Lastly, Mr. Andrews discussed bond capital projects happening across each campus. He showed a video and slides of the new Bethany Village dining room.

**ITEM: EDUCATION: CONTINUING EVOLUTION OF SALES AND MARKETING: (30 Minutes)**

Mr. Andrews invited Ms. Stewart to provide sales and marketing updates. She discussed the following topics:

- Census updates
- AMV
  - AMV Spark Plan strategy and results for residential living
  - The strategy to address attrition at Kindley Assisted Living
- Sales tool updates

**ITEM: OPEN DISCUSSION (2 minutes)**

Mr. Andrews discussed the dates of the 2024 Asbury Atlantic meetings.

**ITEM: ADJOURNMENT**

The meeting was adjourned at approximately 5:35 p.m.

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Todd Andrews, President Community Living Division