

Arbutus Park Retirement Community

BOARD OF DIRECTORS MEETING MINUTES

Tuesday March 30, 2021 at 7:00 PM

Those in attendance:

Julian Beglin
Earl Butterfield
Charles Darr
Nancy Grove
Chad Kamler

Sarah Kelley
Richard Knavel
James Knipple
Louis Nicoletti
Ronald Reinbold

Sue Strohm
Dennis Tawney
Richard Wilson

Those unable to attend: Rev. Chung

Those absent: Roger Luther, John Rezk, Ryan Sedlack, Donato Zucco

The March board meeting was called to order online by Dr. Reinbold, President.
Ms. Strohm opened with prayer.

APPROVAL OF MINUTES: Dr. Reinbold made two date corrections to the September board meeting minutes. Both December and February special meeting minutes were approved.

UNFINISHED BUSINESS: No unfinished business to report.

TREASURER'S REPORT: Mrs. Allison Macy, Director of Finance reported.
(Please refer to copies circulated 6-1, 6-2, 6-3).

6-1 Statement of Activities report ending December 31, 2020 for a half fiscal year shows an operating income of \$7,030,507 and a budget of \$7,678,393. (*Unfavorable variance of \$647,886 due to COVID*). Our census YTD is currently 3,848 resident days below this time last year. The Total Operating Expense Summary shows we budgeted \$7,519,444 and the actual Operating Expense came in at \$7,515,973. (*Unfavorable variance \$3,471*)

The EBITDA (*Earnings Before Interest, Taxes, Depreciation and Amortization*) was \$485,466, and the budgeted amount was \$158,949. This was a EBITDA margin of -6.91% actual with a budget amount of 2.07%. Unfavorable variance of 99.46% or \$644,415. Under Non-Operating Income, we budgeted \$278,488 and we came in at \$84,174. This is an unfavorable variance of \$194,314. Under Non-Operating Expenses, we budgeted \$459,106 and our actual was \$455,335. The budgeted Net Loss \$21,669 and the actual Net Loss \$856,627. Contribution margin is -12.18% with a budget margin of -0.28%.

Mrs. Macy also explained that as part of the capital campaign we have paid for the replacement of the Doerr wing roof and three installments of windows in the manor at a total of \$160,000. Mr. Wilson explained the impact that COVID has had on admissions, and expects it to be a slow recovery process.

6-2 Investments report was reviewed by Mrs. Macy. The Total Value of our investments as of February 26, 2021 is at \$740,128.90 to a cost of \$576,209.27. Mrs. Macy indicated our investments are doing very well.

DEVELOPMENT COMMITTEE: Ms. Strohm reported that the Christmas Angel annual mail appeal was successful. We collected \$25,739 with 43 new donors which was an increase over past years. We have nine donors who have completed their pledges to the capital campaign. Specialized gifts are being sent to those individuals. We have had five pledges cancelled for non-payment. Pepsi Johnstown and the capital campaign funded the construction of the 'Indoor Chatterbox.' We are applying for grants to potentially fund CPR and telehealth options. A postcard mailing encouraging the donation of stimulus

funds has successfully generated donations. The 'Light the Way' direct mail campaign (formerly 'Memory Star') will go out in May.

FINANCE COMMITTEE: Mr. Wilson reported for Mr. Luther. We are making a change for our employee 401k from AmeriServ to Transamerica for better rates and better customer service. This new company will provide financial advisors to our employees, which was not available with AmeriServ. Motion made by Mr. Knipple and second by Mr. Beglin. Motion passed.

PERSONNEL COMMITTEE:
Mr. Knipple indicated no report.

BUILDING AND GROUNDS: Mr. Beglin reported on the sewage project which has been ongoing. All the cottages have been completed. Our challenge now is with the townhomes in that they have radiant floor heat and no crawl space. Geno Shore is having to tunnel under the townhomes. It is expensive, tedious, and painstaking work to complete. The 100 block is currently being worked on. Once the 100 are complete, we will have a better feel for the total expense. It is expected that this method is cheaper than replacing the heating source for these townhomes. We currently have 2 townhomes, 1 single cottage, and 3 patio homes available. #51 Wesley is interested in enclosing their porch and adding a deck. An application has been sent for a variance from the township hearing board, and we expect it to be approved. Upcoming cottage sales will potentially be put towards the sewage work fees from Geno Shore. All in favor.

NOMINATION COMMITTEE: Dr. Sarah Kelley indicated no report.

HOME COMMITTEE: Dr. Reinbold reported the Home Committee was unable to meet in but we have been responsive to cottager needs and issues. Mr. Wilson reported that we have about 47 cottagers, volunteers, and employees participating in our upcoming vaccine clinic administered by Giant Eagle. Hoping to be able to hold the May Town Hall meeting.

ADMINISTRATOR'S REPORT: Mr. Wilson reported that based on industry experts, we would be better positioned if we were to sell some of our beds and lower our capacity. Staffing continues to be an issue, there are generational changes, and a push for more home health options. Mr. Wilson indicated this would allow us to create more desired private rooms. We are losing potential residents by having four people sharing a restroom or not having access to a private room. Mr. Kamler is going to research how this potentially works. Motion to research options approved.

Mr. Chad Kamler reported.

13-1 Quality Assurance Performance Improvement program update. For quarter 1 we are focusing on COVID recovery and re-opening, CPR certification, and infection control.

MISCELLANEOUS: Mr. Wilson reported that we are due for our annual inspection anytime now. They have been to all the other area homes except for LaurelView Village. Remember the board website password has been updated. Dr. Reinbold moved that the meeting be adjourned and thanked everyone for their service. Motion made by Mr. Beglin and second by Mr. Butterfield. Motion passed.

Respectfully submitted,



Charles Darr, Secretary