

AGENDA for NILMA MEETING

2:00 PM, DECEMBER 10, 2015

Great Meadow Hall

Call to Order

Len Green

Approval of November 12, 2015 Meeting Minutes

Welcome Kim Brooks, Vice President, Senior Living, for Hebrew Senior Life

Report of the Appreciation Committee

John Averell

Finance Committee Report

Paul Hardiman

a. Fiscal year 2015, year-end financial report

b. Basis for retention of Entrance Fees after moving to another part of NBOC campus

Old Business

New Business

Adjourn

Call to Order

Len Green

Meeting was called to order at 2 PM by Len Green, President.

Present: NILMA council members: President Len Green, Betty Rosencranz, John Averell, Arnie Heiger, Murray Staub, Gloria Lerner, Howard Cohen, Sue Waxman, Nancy Kummer, Jay Berkson, Betty Taymor;

with Steve Colwell, Executive Director NBOC

Absent: none

Guests: Kim Brooks

Approval of November 12, 2015 Meeting Minutes

Len asked for approval of the minutes. John moved to amend the minutes to include an email clarification sent by President Len Green to all members, as follows:

In order to avoid any misunderstanding emanating from the recently distributed Minutes of the NILMA meeting held on Nov. 12, I want to clarify that any update to the Residents' Handbook is the sole responsibility of Steve Colwell, Executive Director of NBOC, and nothing in those Minutes are intended to imply that such revision or update to that handbook will be issued by the Medical Practices Committee.

The minutes of the November 12, 2015 NILMA meeting, as amended, were approved unanimously.

Welcome Kim Brooks, Vice President, Senior Living, for Hebrew Senior Life

Kim explained her role at HSL within the broader structure of the organization. Lou Woolf is President. Kim oversees the Senior Living business block; Mary Moscato oversees the Health Care block. Dr. Lewis Lipsitz oversees IFAR (Aging Research).

Senior Living encompasses NBOC, Orchard Cove, and several other facilities. Kim's direct reports are Steve, as well as the Executive Directors of the other Senior Living facilities. She coordinates aims and goals. Real Estate and Multigenerational functions also report to Kim as well as new business opportunities, such as China, continuing care at home and Vitalize360.

Jay asked what the value to us is the China program.

Kim explained the "indirect business" that is being developed now, of which China represents a possible opportunity. HSL is seen internationally as a resource of teaching and consultation for other Senior Living facilities and business. She hopes to monetize this knowledge for revenue for HSL facilities.

Len asked if she foresees a future presence of HSL in China. Kim stated that this has been under study for at least a year. It is not yet clear that the return for HSL would be commensurate with the cost to undertake such an ambitious program.

Nancy asked for more details on the Vitalize360 program. Kim gave some details of wellness coaching, originally started at Orchard Cove. This has been expanded, and now is a joint venture with Kendall, a real estate company with a number of CCRCs properties. This is now a real business, supplying software base and coaching to 10 paying Senior Living organizations, which is just beginning to generate positive revenue.

Independent Living Receipts (Fall 2015)			12/09/2015	Expected	\$280.00
Total Contributors	318	Contributing	303	No Gift	15
Total Expected	\$89,040.00	Contributed	\$86,922.00	Reached	98%
Assisted Living Receipts (Fall 2015)					
Total Contributors	51	Contributing	39	No Gift	12
Total Expected	\$14,280.00	Contributed	\$11,795.00	Reached	83%
Memory Support Receipts (Fall 2015)					
Total Contributors	31	Contributing	17	No Gift	14
Total Expected	\$8,680.00	Contributed	\$4,990.00	Reached	57%
Total Receipts (Fall 2015)					
Total Contributors	400	Contributing	359		
Total Expected	\$112,000.00	Contributed	\$103,707.00	Reached	93%
STAFF APPRECIATION FUND DISTRIBUTION: Fall 2015					
Total Distributed			Total Qualified Employees		
\$105,000.00			265		
Average Check	Median Check	Maximum Check			
\$396.00	\$445.00	\$635.00			

The above summary slide was projected for all to see. A similar sheet was handed to council members with the summary from the June Spring campaign, for comparison purposes. John gave the following report:

As Assistant Treasurer of the NewBridge Appreciation Fund, I'm pleased to report the successful conclusion of the Fall 2015 Appreciation Fund campaign.

The Fund received contributions from 400 NewBridge residents totaling about \$104,000. Out of 318 Independent Living residents, 305 gave a total of about \$87,500. (Since two checks have come in since the slide was prepared, I am correcting slightly what you see on the slide.)

You also have in hand a comparison of this campaign to the 2015 Spring campaign.

A total of \$105,000 was distributed to 265 NewBridge hourly employees. The median check amount was \$445. The amount distributed to each employee is based on the total number of hours each employee worked during the 26 weeks from the first Saturday in May through the first Saturday in November 2015.

To show the residents' thanks and appreciation to the many hard working hourly workers who labor throughout the year in the Independent Living, Assisted Living and Memory Support communities, Appreciation checks are being distributed to those employees in the Winter Garden as I speak.

The whole success of the Appreciation Fund is possible only through the devoted efforts of many dedicated members of the committee, responsible for the distribution of letters, collection and recording of checks, follow-up contacts of residents, and organization and distribution of checks. We thank each person of the committee for making this such a happy day for our employees.

If you were able already to stop by Nosh/Winter Garden to see employees receive their checks, you realized how pleased and thankful they are to get these checks. They are very appreciative for them, just as we are appreciative for their support of us residents in so many ways.

This fund is completely resident-driven, meaning the success of each semi-annual campaign depends on the willingness of NBOC residents to step up to committing some time, twice a year, to work with committee members on a tight timeline. We are appealing to a few residents with technical expertise in spreadsheets who are needed both in the collection and distribution phases, to record giving and to do online banking for issuing the employee checks. It is imperative that we broaden our reservoir of members, especially in the technical arena. For that reason we are reaching out especially to newly arrived residents, or to many who are not aware of the needs for this committee, to contact Jack Goldberg or myself for more details on technical needs.

Please stop by Nosh to observe the employee distributions, if you have not done so yet.

Jay asked if there is an explanation for the decrease in giving compared to last Spring.

John said that there is not a clear answer. Checks are still coming in slowly, which will be deposited and recorded, do not impact the current campaign distribution. Our main goal is to have every resident participate in whatever way they are able. We suggested \$280 per person in this campaign. Some give more, some less, a few none at all, some simply are late givers. In giving from Assisted Living and Memory Support, giving was as good as last campaign.

Finance Committee Report

Paul Hardiman

Len handed out copies of two slides that would be projected on screen. He stated that Paul's presentation would be made in two parts, as noted in the agenda.

Fiscal year 2015, year-end financial report

Paul displayed Slide 1 as the basis for taking us through Fiscal Year 2015 for the performance of Independent Living. Slide 2 will then put this in context of the whole Campus.

Independent Living	
Fiscal year 9/30/2015	(\$Thousands\$)
Revenue	\$14,725
Expenses	\$14,115
Income After Expenses	\$607
Other Costs	
Mortgage Payment	\$5,953
Capital Expenditures [corrected by PH]	\$838
Total Other Costs	\$6,791
Cash after Other Costs	-\$6,184
Net Entrance Fees	\$6,100
Net cash After Other Costs	-\$84

The top line of 14.7 Million\$ is the total revenue of IL, including the rents we all pay, about 13.7 M\$. The remaining million is from Culinary charges or unused allowance. The expenses of 14.1 M\$ from various sources offset the revenue, leaving a net cash flow of 607 Thousand\$, effectively free disposable income. Other costs are displayed for a total of 6.8 M\$, leaving the net cash after costs as negative 6.2 M\$. With an income from net Entrance Fees of 6.1 M\$, the negative net cash of \$84,000 is virtually break-even in a business sense.

The net entrance fees resulted from 5 individuals transitioning out of IL, leaving their entrance fees unrefunded. This is a major source of income in the business model, and is satisfactory.

New Bridge on the Charles	
Financial Results Summary Whole CAMPUS (IL, AL, HCC)	
Fiscal Year Ending 9/30/2015	
Campus Income and Revenue After Expenses	(\$Thousands\$)
Independent Living	\$607
Assisted Living	\$3,039
HCC Rent payment	\$7,827
Net Entrance Fees	\$6,100
Campus Income After Expenses	\$17,573
Campus Mortgage Payment	\$12,666
Campus Capital Expenditures [corrected by PH]	\$1,243
Sub Total	\$13,909
Net Cash Before Other Costs	\$3,364
Other Campus Costs	
Loan Closing	\$2,580
Investment Income	\$547
Sub Total	\$3,127
Net Cash Flow	\$537

Paul displayed the second slide, detailing the year-end financial report for the whole campus: IL, AL, and HCC (Health Care Center). He detailed the entries on the above slide. The overall cash flow for the whole campus, after paying all their bills, was 537 thousand\$.

Council members were given a more detailed breakdown of the numbers in the slides. Questions from the Council Members were solicited.

Betty asked what was the budget and cost overrun for snow removal. Steve said that 59" of snow were budgeted, while 110 inches were removed. Same is budgeted for the upcoming year. Rashi pays for some shared items and for some areas wholly used by Rashi, with respect to snow removal.

Len noted that the Finance Committee examines in complete detail the items presented here when evaluating the budget. Murray asked for an explanation of HSL obligations for mortgage payments of NBOC. The summary by Paul and Steve indicated that HSL is responsible for about \$12 Million\$ of the total \$254 Million\$. NBOC is responsible for the remaining indebtedness. More technical discussion ensued.

As to Marketing costs, all NBOC marketing is paid by NBOC. Costs are shared by Orchard cove when appropriate. Facilities overage was totally due to snow removal costs.

Arnie asked if next year's budget includes provision for improving acoustics in Centro and Copper Beach. Steve's stated that at this time, there is an earmark of \$25,000 available for allocation by NILMA and residents for any purpose that residents determine. No specific allocation is made for acoustics remediation.

In answer to Nancy Kummer's question, Steve is pursuing the notice that Dedham has excess net cash. Our lawyers are attempting to negotiate with the town on the issue of taxes, to lower the current liability. Any saving would remain in NBOC to be applied to other needs. At best there would be a relatively modest saving, say \$100,000.

Basis for retention of Entrance Fees after moving to another part of NBOC campus

Len introduced this portion by noting that there continues to be questions from residents on the entrance fee retention. Paul noted that this is a financial necessity, and went on to explain how the business model of NBOC has included this provision from the start. He asserted that it is customary for CCRCs of our type to use this practice. Paul has formed a committee headed by Jay Fialkow, to develop a list of other CCRCs that have this practice, and report back to NILMA on their practices

At present NBOC has about \$34 million\$ in the bank, of which about \$10M represents un-refunded entrance fees. When the financial structure of NBOC was designed, the retention of entrance fees through transitions to other than IL was a critical provision. The money is used for our benefit. Other plans are used by some other facilities, but this is what we signed up for when NBOC was instituted. Documentation will be presented to NILMA in a future meeting.

In response to Murray's question, Steve stated that everyone leaving NBOC and having their unit resold, has been repaid their portion of the entrance fee within 30 days. Fees remaining with NBOC belong to NBOC, and are invested with the advice of an HSL committee. Jay asked that in future, if a report in detail like this, the council could receive it at least a day before for evaluation and preparation of questions. Paul agreed. Len asked to have it circulated in time to submit written questions to Paul.

Jay complained about lights left on adding to utility bills. He turns them off; Sue offered to have cottage outside lights turned off when possible. Steve explained that our net light bill is only \$4000/year, because of rebates by power company for upgrading our light system here. By far the biggest power costs are in heating and air conditioning. Bulb light costs are nearly negligible in comparison. Solar panel areas here are so small that payback time does not make this attractive to any electric company.

Arnie suggested that heating and cooling in hallways is very erratic and inefficient. He asked if an expert could look into examining these costs. Steve said that Honeywell studied the system and reported the control at ducts was excellent. However, between ducts perhaps should be further studied, and he invited suggestions on this.

Len thanked Paul Hardiman for his presentation, and looked forward to a future report on his studies.

Old Business

John has continued to receive many complaints on the telephone problems of residents using the NBOC phone system, such as slow voice mail updates, and not enough rings before going to voice mail. He asked Steve when this will be fixed.

Steve said that I.T. is working on two possibilities: replace the present phone system or upgrade of the phone system. His preference is to replace, but there is not enough information on cost or time to fix at present. He is working to fix the problems as soon as possible.

Len asked Steve if he has worked with Bob Pierce to bring I.T. together to fix the various problems that residents are experiencing with computers, printers, and operating systems. Steve said he has, including the new CIO (Chief Information Officer) of HSL, Peter Ingram.

New Business

No New Business

Adjourn

A motion was made and seconded to adjourn the meeting. The motion was carried. The meeting was adjourned at 2:15 PM.

Respectfully submitted, John Averell, Recording Secretary

A handwritten signature in cursive script that reads "John P. Averell". The signature is written in black ink and is positioned below the typed name of the Recording Secretary.