

Heritage Heights Resident Association Meeting  
TADS Place October 9, 2024 2:00 PM

**WELCOME** Bev McGuire, president, welcomed all to the meeting. She introduced Michelle DeCoste for the **INVOCATION**.

**INTRODUCTION OF NEW RESIDENTS** Elise Carter, Vice Chair, introduced the five of the seven new residents: Chuck and Irene Gassek - 51G, Area 4 Moved from Frostproof, FL in July; Lois Bradley, 52 E, Area 3 Moved from Concord, NH.in June; Dolores Worth, 52 D, Area 3, Moved from Sarasota, FL, in September; Nancy Gesen, 52B, Area 3, Moved from Bow in June

**SECRETARY'S REPORT**, Betsey Patten, Secretary had two corrections to the minutes. "The proposed tax rate increase of 3.89 % was reduced to 3.5% tax rate increase. " The budget for employee wages is  $\frac{3}{4}$  of the operating budget." The minutes were accepted as amended.

**TREASURER'S REPORT** Marty Graves, Treasurer reported that the beginning balance September 1 was \$2543.97. Total expenditures for month of September was \$273.40. Balance ending September 30 is \$2270.57. The monthly report is posted in the Executive Council's display case in the south corridor at Barrows. The report was accepted unanimously.

**SPECIAL GUEST** Tracy Judd, CFO, VP Finance (Presentation Summary supplied by Tracy Judd)

**2024 Forecast**: We expect to finish close to budget, with a \$2M operating loss forecasted. Census levels are right a budget levels, however licensed levels of care are lower that budget, and a bit unpredictable thus far in 2024.

**2025 Budget** The overall focus for the 2025 Budget preparation management's directive is to eliminate the \$2M operating deficit the next two years. To achieve this goal, it will require significant changes in both revenues and expense. Key components of the 2025 Budget preparation include, but not limited to:

**Revenues**: A realistic census, particularly in the Health Services Center, (HSC) which is currently 4.5 units below budget for 2024. The annual rate increase is expected to be comparable to the 20224 rate increase of 6%.

**Expenses**: We have seen increases in many areas over the past several years which have caused expenses to exceed revenues. Examples include

- (1)Labor rates – not only in Nursing but in all direct care areas. Merit increases are budgeted at 3%, but required market adjustments have increased pay rates (5%-6%) even higher. Pay rate expectations for new employees are also higher.
- (2)Employee health insurance: another 8% increase expected for 2025. 2024 was also an 8% increase
- (3)Food: up 5%+ for the past few years.
- (4)Utilities: 2024 rates have come down from the high in 2022 and 2023, but the 2024 winter was also milder. Fixed rate contracts for large electric accounts have helped.
- (5)Snow removal up 19% for 2024/2025 season and the previous year was a 10% increase.
- (6)A new enterprise software system has recently been implemented for clinical, billing and financial administration, due to a sale by our original software vendor. Although pricing is comparable for 2025, rates will significantly increase in 2026 and beyond.
- (7)Higher Interest rates will impact our outstanding debt. HHH trying to refinance sooner to hopefully get a better deal.

**Strategies:** Our strategies to reduce expenses will include the evaluation of staffing levels and positions, given that labor and fringe benefits are approximately 70% of operating expenses. We have also asked the Department Directors to submit cost saving opportunities (5%, 10% and 15%) and the programmatic impact from these potential reductions. We are leaving “no stone unturned” in our review of expenses and opportunities to reduce costs and increase efficiency. With Mike leading the charge, the management team is also reviewing active contracts, particularly service contracts, and renegotiating rates at renewal to reduce costs.

#### **STANDING COMMITTEES**

**DINING:** Carol Knieriem, representing Chair Judy Waldert, noted that there is an Orange Notebook, located near the resident kitchen, with Nutrition Facts. Please fill out the comment cards found next to the register. Menus are located on the counter over “the grab and go” cooler. Each week the menu from the Barrows dining room is read aloud on Channel 918. The phone number is located on the printed menus. Also it is possible to get “grab and go” item even if the register is closed. Just leave your name on the clipboard. A survey is going to be mailed so that the Dining Staff can meet your needs.

**GROUNDS** Chair Bob Butler reported that year over 30 residents planted a garden and a good crop was harvested. October 6 was the date for having all vegetable

gardens cleaned out. The budget balance is \$93.99 out of a starting fund of \$200. Residents can bring plants to the greenhouse is October 14. Contact Joyce Benson or Charlotte Cross for a time to bring your plants. The Grounds committee will vote on the proposed slate of officers at the October meeting. This will be Bob's last year a chairman, having served for 11 years in that capacity. There is an opening for Vice Chairman and hopefully another resident will volunteer. Mark Jenks has ordered a composter for the North Garden. Succulents will be planted in the concrete pots along the croquet garden

PROGRAMS Chair Drinelle Michaud reported that the schedule of programs is filled for 2024 and the committee is working on 2025 programs. Cosy Sheridan, songwriter, will be at Tad's Place on October 10. Dan and Missy Dustin will be at Tads on October 31 with Sergie Novikov on November 14. A full slate of activities are slated for the month of December so come and enjoy.

WELLNESS Chair Drinelle Michaud noted that 2024 was a great year and they are looking forward to next years exciting events.

LIBRARY Chair Janet Zeller noted how many books and DVDs are available. Janet also conducts an introduction to the library monthly. See N&P for details. Also Concord Public Library(CPL) books can be delivered to the HH library if your CPL card has been coded. Talk to Janet to get your card coded for this service.

Other announcements:

Nan Nutt, Co-Chair of the **Recycling** Committee, noted that the residents have recycled 350-400 batteries, 400 plastic plant containers and 3 carloads of electronic devices.

The Bylaws have been done and the report will be sent to the Executive Council on November 20 and the final version will be sent out to the residents to be voted on at the Resident Association at the Annual Meeting on December 11, 2024.

## **ADMINISTRATIVE REPORTS**

**Jane Poitras**, VP Housing Services, stated that window washing will be finished soon. Phase 2 is on track for completion by late November and December. Unit 41 is slated for some time in January. The Certificates of Occupancies will need to be received. Ten of the twenty-three applicants are ready for the residency agreement.

An open house will be held for the residents soon. The videotaping, picture taking and upgrading the website is ongoing. . More followers are needed on OPTIMA by residents. There are personal resident stories on the website. Marketing gets about 30 leads monthly for Independent Living and LAL. Emergency Response System (ERS) testing is going very well.

**Mike Palmieri**, CEO thanked Tracy Judd for here report and transparency of the budget process. The budget needs to stand on its own feet to be able to go out in the coming years to more than one bank for renegotiating our debt. This year HHH had to integrate a new computer system\_(PCC) in order to bring all our processes on-line instead of a manual input. This includes having the maintenance requests submitted by residents electronically It will be about 6 months before the project is completed. Health Direct will also be utilized. Personnel interviewing is going on for the IT replacement along with landscaping. In order to have sustainability for the future HHH has to upgrade or replace 50-60 units that will be ADA compliant. Originally there were 427 units and currently we have 380 units. The continuation of Phases 3 and 4 are about 4-5 years out. The renegotiating with Comcast is ongoing and they are freezing prices through 2025.

Next Council Meeting is November 20 and the Resident Association Annual Meeting is December 11, 2024.

The meeting was adjourned at 3:30 PM.

Respectfully Submitted Betsey Patten, Secretary