

Rannie Webster Holding Corporation
Board of Directors Meeting
October 27, 2022

Present: Charles Riopel, Chair; Dave Timmerman, Vice Chair; Linda Toumpas, Treasurer; Jeff Mitchell, Treasurer; Allan Moses, At Large; Tom Argue, President- CEO, Todd Fernald, Nursing Home Administrator/Human Resources Director.

Absent: None.

Board Chair Charles Riopel reviewed the Silverstone Living Affiliation documents that were just approved by the Rannie Webster Foundation and asked for a vote to approve the votes of the Rannie Webster Foundation to proceed with the affiliation with Silverstone, with all related documents as follows, and with the related Change of Ownership/Transfer of Physical Asset with HUD. The terms of the Affiliation Agreement between Webster and Silverstone, the Rannie Webster Foundation (RWF) and Rannie Webster Holding Corporation (RWHC) board members have considered in good faith and complied with all of the requirements of NH RSA 7:19-b(II), which includes the determination the proposed transaction is permitted by applicable law, that due diligence was exercised, that there is no undisclosed conflict of interest (there are none), there is no pecuniary benefit to any trustee, no proceeds will be paid or received, the assets of RWF will continue to be devoted to charitable purposes, that each party is a NH health care charitable trust, and that reasonable notice of the proposed transaction has been provided to communities served by RWF through a well-noticed public meeting and that all public testimony and input has been carefully considered. A motion to endorse this document was made by Charles Riopel and seconded by Jeff Mitchell and passed unanimously. All RWF Trustees and RWHC Directors affixed their signatures to this certification.

The final version of the following documents were reviewed by board members:

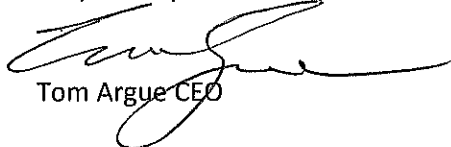
- Silverstone by Hunt and Rannie Webster Holding Corporation Affiliation Agreement.
- Management Services Agreement.
- Revolving Credit Loan Agreement.
- Revolving Credit Promissory Note.

A motion to approve all four of the forgoing documents was made by Charles Riopel, seconded by Dave Timmerman, and unanimously approved.

A motion to approve the FY '2023 Webster at Rye budget was made by Linda Toumpas, seconded by Dave Timmerman, and passed unanimously.

There being no further business to come before the board, the meeting adjourned.

Respectfully submitted,



Tom Argue CEO

Rannie Webster Foundation
Board of Trustees Meeting
October 27, 2022

Present: David Timmerman, Chair; Charles Riopel, Vice Chair; Linda Toumpas (by phone), Treasurer; Jeff Mitchell, Treasurer; Allan Moses, Nancy Clayburgh, Anne Cignoli, Tom Argue, CEO, Todd Fernald, Nursing Home Administrator/Human Resources Director and Angel Blais, Business Office Manager.

Absent: None.

The minutes of the September 22nd Board of Trustees meeting were approved as written.

Board Chair David Timmerman welcomed Anne Cignoli to the board. He nominated Jeff Mitchell as Secretary through the December annual meeting when elections for a full term will be voted on. Per the holding corporation Bylaws, Jeff also becomes a member of the Rannie Webster Holding Corporation. Marcia Menes who recently resigned was the At Large member of the holding corporation. Dave nominated Allan Moses to serve in that position until the December annual meeting. A motion to approve both nominations was made, seconded, and passed unanimously. He also appointed Jeff Mitchell and Nancy Clayburgh to the Nominating Committee and Anne Cignoli to the Investments Committee. He noted that all trustees are members of the Strategic Planning committee.

Tom distributed Conflict of Interest forms to the new Trustees to complete.

Silverstone affiliation: The Listening Session went well, with good attendance in person and via Zoom. A recording of the session was posted to the Webster at Rye web site.

Tom reviewed several documents that attorney Eills had asked for the board to review and vote on.

- Standards Certification: This document certifies to the NH Director of Charitable Trusts that in approving the terms of the Affiliation Agreement between Webster and Silverstone, the Rannie Webster Foundation (RWF) and Rannie Webster Holding Corporation (RWHC) board members have considered in good faith and complied with all of the requirements of NH RSA 7:19-b(II), which includes the determination the proposed transaction is permitted by applicable law, that due diligence was exercised, that there is no undisclosed conflict of interest (there are none), there is no pecuniary benefit to any trustee, no proceeds will be paid or received, the assets of RWF will continue to be devoted to charitable purposes, that each party is a NH health care charitable trust, and that reasonable notice of the proposed transaction has been provided to communities served by RWF through a well-noticed public meeting and that all public testimony and input has been carefully considered. A motion to endorse this document was made by Charles Riopel and seconded by Jeff Mitchell and passed unanimously. All RWF Trustees and RWHC Directors affixed their signatures to this certification.
- The final version of the following documents were reviewed by board members:
 - Silverstone by Hunt and Rannie Webster Holding Corporation Affiliation Agreement.
 - Management Services Agreement.

- Revolving Credit Loan Agreement.
- Revolving Credit Promissory Note.

A motion to approve all four of the forgoing documents was made by Charles Riopel, seconded by Dave Timmerman, and unanimously approved.

- Tom reported a first draft of the Notice to the New Hampshire Director of Charitable Trusts Pursuant to New Hampshire RSA 7:19-b Re: Rannie Webster Foundation and Rannie Webster Holding Corporation (the Notice), has been completed by attorney Eills and revised based on Tom's recommendations. Upon all revisions, a copy will be provided to board members for their review prior to submission to Charitable Trusts.
- The HUD Change of Ownership application is moving forward. Silverstone and Webster have both submitted requested documents for inclusion in the application.

Tom met again with prior board member Alan Gould to review the current P.I.L.O.T. 'Shelter Rent' report. Tom noted he has reviewed the report's format on two occasions over the years with attorneys to discuss whether there was a different approach that might be an improvement. The recommendation has been to remain with the existing approach. Alan Gould was previously Chief of Police and also Town Manager for the Town of Rye, and now works as Senior Vice President for an organization that assists municipalities with organizational issues. His recommendation coincided with prior recommendations to leave the Shelter Rent calculation unchanged.

Tom has been gathering documentation for completion of the Employee Retention Tax Credit (ERTC) application, including attending seminars and speaking with Wipfli. There have been six different pieces of federal legislation that have impacted and modified the application process. At this point the IRS has said there can be no further modifications to the program, and they will issue no further interpretive guidelines of the application process. Recent changes have however made it more likely that Webster may qualify for the program. The eligibility changed from 'fewer than 100 employees' for 2020 to 'fewer than 500 employees' for 2021, which means Webster would only qualify for the second year of the pandemic. Tom plans to complete the application and submit to Wipfli for them to complete calculations that will identify the actual tax rebate amount Webster is eligible for.

Nurse agency charges and short staffing have had a significant impact on cash reserves, which continue to decline. Tom is taking steps to move unrestricted funds into the operating account.

Suzanne Nixon, Assisted Living Admissions Coordinator reviewed admissions and marketing activities with the board. She said she is giving an average of 14 tours per month, there were 22 tours in May, plus numerous phone call inquiries. Additionally, she receives inquiries via the Webster web site. She emails marketing packets in response to inquiries. There are currently wait lists for memory care and the new assisted living community. The older first-floor assisted living is more challenging to fill, especially the two-bedroom apartments. She attends senior events such as the Seacoast Wellness Expo, and the Alzheimer's Walk, but word of mouth continues to be the best advertising. Suzanne reviewed the medical and financial assessment process. Todd noted the hits on the website care options page are up 15%-20% this year.

Todd reviewed open staff positions. There are 22 nurse aide openings, 7 dietary aides, 3 activity aides, and 2 housekeeping aides. Starting rates for dietary aides was increased from \$15 to \$17 because there weren't enough staff to serve meals. Tom and Todd are reviewing nurse aide starting wages; Todd noted Cornerstone in Hampton has been starting nurse aides at \$20 or higher for some time. Webster is currently at \$18 and may need to go to \$20 which would be a lot less than what nurse agencies are charging. The Town of Rye has been dealing with e coli in the water. Webster has been unable to use its water for over three weeks and is purchasing pallet after pallet of water and using hand sanitizer rather than soap and water. The e coli has been eliminated from the water but there is still coliform being detected. It appears likely the situation will continue for another week or two while the town tries to address the situation. A HUD REAC survey of the physical property was conducted, and Webster received a failing score. Webster's windows in the new addition only open 6 inches to prevent elopements or fall, per NH regulations, but HUD cited these as violations. There is an appeals process that Todd has filed; once those citations are reversed Webster will have a passing grade. Centers for Medicare & Medicaid Services (CMS) implemented new regulations a few years ago which have been phased in since then. Requirements of Participation Phase 3 just went into effect in October. Staff have been attending seminars and on-line training to implement the new regulatory requirements. The 8% rate increase for nursing, assisted living and memory care became effective on November 1st. On November 9th Todd and Webster department heads will be traveling to Nashua to meet with their counterparts at Hunt Community and The Huntington

There being no further business to come before the board, the meeting adjourned.

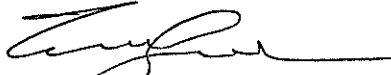
Meeting schedule:

Board of Trustees:

Tuesday, November 22nd at 3:00 pm

Please note this is a different day and time than usual.

Respectfully submitted,



Tom Argue CEO