



**CADBURY AT LEWES  
AFTERNOON EXCHANGE  
April 4, 2017**

Carol Holzman, Executive Director, opened the meeting by welcoming everyone and thanking them for coming.

She gave the microphone to Chuck Rendulic, Director of Support Services, who provided an update on his area. He said that during the month of March, 183 work orders were received with 90% of them being completed within 24 hours. There is one work order outstanding that was just submitted on 3/31/17. It is an issue with a roof and we're waiting for the roofer to come.

Chuck advised that the mulching is done and the fountains are back in. The groundskeepers started cutting the grass last week and their goal is to try and cut every week on Wednesdays and Thursdays and have Friday as a buffer in case of bad weather. He said that lots of bulbs are blooming and encouraged residents to get outside and take a look. Wild flowers were planted around the East Wing pond. Next year they will look even better because they re-seed themselves.

Maintenance is back to working on the 2<sup>nd</sup> floor porches to fix some weak spots. They are starting with porches above people that have closed-in porches, then will finish the remainder.

Jack Chapin asked when the siding will be replaced. Chuck responded that the siding has been ordered and they will start replacing on the Community Building and then move to the cottages. They will be replacing the area at the bottom where the weed whackers damaged it.

At that time, Carol introduced Ruthanne Jacobs, the new Director of Nursing. Carol said that she is thrilled to have her working here. She had previously worked as the Director of Nursing at Manor House and Harbor Healthcare. She comes to us with a lot of experience and treats everyone with respect. Ruthanne told residents that she is thrilled to be working in their home. She feels we have great staff and said that she maintains an open door policy, so residents are welcome to talk with her about any concerns.

Carol said that the census in Independent Living is 118 for an 88% occupancy. The Assisted Living census is 37/45 for an 83% occupancy. We are working with Georgiann Deist, the Admissions Coordinator for Assisted Living, on increasing the census. The Skilled census is currently 39/40 for a 99% occupancy.

Carol asked residents if they had any interest in Cadbury having a masseuse come in. Any residents that are interested in this service should let Carol know.

The Resident Reserve Fund balance is nearly \$413,000. Donations from residents total \$175 each month and donations from employees total \$140 per month.

In March, we had 3 new move-ins: Tom and Barbara Reed in Cottage 35 on March 13, Roberta Horst in Apt. #220 on March 13, and Larry Knapp (Adele Trout's brother), closed on Cottage #22 on March 31.

Carol reminded residents that the Memorial Service honoring residents that have passed will be held on Wednesday at 3:00 pm in the Auditorium. Carol explained that we recognize each resident by placing a shell in the sand and ringing a bell to celebrate their life.

We have a golf (putting) tournament scheduled for Saturday, May 6<sup>th</sup> for vendors. The course will be open for residents to play on Friday, May 5<sup>th</sup>. The purpose of the tournament is to raise money for an awning on the back patio. We look forward to having some shade this summer and hopefully it will be in place for our 10 year anniversary celebration in August.

Carol reviewed PMI's she had received:

- A pool table that is a small bar size can also be used for ping pong. Carol said it appears that some residents are not interested in letting the pool table idea go.
- I would like to respectfully request assistance from the bus drivers when we are physically challenged by having difficulty getting on that high first step on the bus. Could they please help us by putting the stool down? Carol stated that Deb Hamilton had responded to the resident and Jean Carpenter spoke with the drivers, so this should be happening now.

At that time, Carol said that the next PMI was moving into Springpoint territory, so she acknowledged that David Woodward, Senior Vice President of Operations at Springpoint was here to help us all understand the affiliation and answer any questions. She added that she and Gil and Ruth Kaufman had dinner with David last week and Carol said that it's been a positive experience working with him. She continued with one additional PMI:

- Who are the members of the Senior Leadership Team? Carol advised that the Senior Leadership Team is comprised of all the Executive Directors from the Cadbury organizations, i.e., Cecily Laidman from Cadbury at Home, Susan Hawkins from Cadbury Consulting, Arnie Weiner, CFO, Megan Nessell, the Chief Human Resources Officer and herself. She explained that the group meets every other month to provide updates on their respective areas, challenges we're facing, and exchange ideas to move forward.

Did Cadbury reach out to Springpoint or did they reach out to us? Carol said that Vic and Anthony Argondizza, President of Springpoint, have been peers for many years and sat on the Board of LeadingAge together. She explained that things evolved from

conversations they had and they had spoken about a week before Cherry Hill was put on the market. That's how it started.

What other communities did Cadbury investigate and is Springpoint affiliated with any groups such as Quakers, Presbyterians, Methodists, etc.? Carol answered that they used to be. They used to be known as Presbyterian Homes for the Aging. In 2009, Springpoint changed their name from Presbyterian Homes. Since then, the Presbyterian affiliation might be what's left of it and guided.

At that time, Carol opened the floor for questions and comments.

Dick Cleaveland commented that the Cadbury website has not been changed to reflect the new management. Will it be done soon? Carol said that some of the things that she and David have been talking about is the fact that this needs to be a slow, deliberate process and we need to do things in due time. Yes, it will be done, but it will take some time. She said we have other things to do that are more important like paying our employees and our bills.

Rebecca Rogers said that she understood from the last meeting that someone from Springpoint will be here once a month. David Woodward responded that once a month is an understatement. In the beginning, it will be much more than that. For example, there are four different individuals that are scheduled to visit. He will be here much more and as often as he can. It's important for people to get to know him and Springpoint and for Carol to feel that they're supporting her work here. Rebecca asked if he will maintain an office here. David responded that he will not maintain an office, but will have some space that will be a designated area for him and some other folks to work. Rebecca said several residents heard Vic is retiring, and are wondering what happens to his office. Carol said Vic is not retiring for another 2 years and will be working with Springpoint on some other ventures. It hasn't been determined what his role is going to be but we should know that shortly. Carol said she is moving into the office once he moves out. Rebecca said that the residents want a pool table to go there!

Adele Trout said that the meeting about the affiliation was interesting and that she visited Springpoint's website. She was impressed about what she heard at the meeting and saw on the website. She asked what attributes Springpoint sees in Cadbury as an advantage to having this affiliation. What does Cadbury have that is measurable and very good for Springpoint? David responded that Cadbury is a nice, solid organization that provides good care, is financially stable, is in a very nice market, and resident satisfaction appears to be good. Springpoint is opportunistic as to who they would choose to affiliate with. It is important that they affiliate with organizations that have similar mission and values. Springpoint is not a Quaker organization or Quaker guided, but they have roots in the Presbyterian faith, some of that stays with them today. Springpoint also provides good care and operates with transparency. Measurable opportunities for both Cadbury and Springpoint include purchasing power, a national presence, the ability to negotiate with the accountable care organizations, and the cost of providing services will come down a little bit. In his opinion, it's a mutually beneficial arrangement.

Bunny Guerrin said she is confused about exactly what the business arrangement is. Residents have been told that it's an affiliation but that an affiliation doesn't have a real meaning. They've been told it is a merger, but it is a limited merger, and nobody can tell us

what the limits were. Some people have said it's a sale, others have said it is not, yet papers have been signed and contracts have been drawn up. She said that a lot of residents are uneasy not knowing what that is. The question, for example, about the website reminds her that she thinks the only website that the people here use is the resident's website, and there's no reason for the resident's website to change at all. It all seems vague and she is wondering if the residents could have a more precise definition of what the legal arrangement is that connects us. David said first he would like everyone to know that notes are being taken today so all the questions and answers will be summarized. So, the answers will be in written form for everyone and will be distributed soon after these meetings take place. The intent is to better inform everyone to make sure there is a consistent message getting out. David said that he is not an attorney, but will do his best to explain the legal definition of affiliation; he will talk briefly about a merger, change of control and hopefully that will help. The first term to talk about is a purchase. This was not a purchase; no money was transacted and this was not an acquisition. His definition of a merger is two equal entities that merge into one. This is not a merger either, this is an affiliation. David explained that Springpoint retains their corporate identity. The affiliation is a change of control at the Cadbury Senior Services Board level. The parent board for Cadbury Senior Services will collapse and be superseded with Springpoint's Board, so it will only be a change in control at the Board level.

In response to Bunny's 2<sup>nd</sup> question regarding websites, David said that Springpoint's website is [www.springpointsl.org](http://www.springpointsl.org) and if you visit that site you'll see lots of information. They are very proud of that and over time they will be thoughtful how they incorporate the Cadbury website into that. David said there will be a Cadbury page on the Springpoint website, no different than the other communities that they have. He added that the change will be thoughtful and deliberate. They're not going to turn off the website on May 1<sup>st</sup> and put up Springpoint's. There will be a migration to that and there are some folks that have some work to do. He shared that Springpoint does have a Director of Digital Strategy, Julia Zauner, and an agency that helps them with the website. Julia has already been communicating with David and Carol. Regarding the resident website, there is some accountability with the Parent.

Gil Kaufman asked for an update on the state review of the affiliation and what they are interested in, as well as when they expect this to happen. David said the goal is to have this settled by the first week in May. He is confident that the agencies that govern Springpoint and Cadbury will want to make sure it's a thoughtful affiliation and the transaction makes sense. He can't say what exactly they would look for in those environments, but one aspect, he believes, is that the Department of Health will have an opinion and they will want to make sure that the care continues to be compliant.

Sharon Hoover said that where Cadbury is located, plenty of people want to come here. One thing that does concern her is our ability to attract good staff because staff is very much in demand in this area and will continue to grow. Hiring may not be the same as it is in other places. Also, we have a new Director of Nursing and Assistant Director of Nursing and now new oversight of nursing in Springpoint, and she assumes that will all work out well. Carol said that this is going to work out very well. She said that Ruthanne is a breath of fresh air and her due diligence and expertise is outstanding. She assured residents they are in good hands if they are in health care. She is very confident of that and, with the Assistant Director of Nursing, the two of them communicate well together and think alike. Carol feels very privileged to have them working here.

Carol said she and David have talked about being in a resort community. She explained that Springpoint has other organizations in resort areas such as Red Bank. So, that will help them understand the environment. She said the good news is that there is lots of building going on which brings new staff to the area.

Bill Gehron asked David to define the Mission of Springpoint. David said the Mission Statement was provided in the presentation he gave and is included in the Annual Report, but Springpoint's Mission is "Improve the lives of seniors and those we work with." He said they like to leave work every day feeling like they've done something positive.

Ron Trupp asked if there will be any changes in the CALRA Board and Cadbury at Lewes Board of Directors. David responded that the Resident Association Board and its bylaws are the resident's. All the Springpoint communities have resident associations. They are all just a little bit different and some of their bylaws are substantially different. Some are very loosely run and others follow very strict rules of order, and there is everything in between. There would be no changes unless there is something illegal. They will continue to have a Board of Directors in Lewes. There has been some transition on that Board, but there will be a Board here and they will report up to Springpoint's Parent Board.

Mildred Wiedmann reminded Carol that there is a book located in the Library that Springpoint put together about their 100 year anniversary if residents are interested to see it.

Dick Kauffman asked for help in understanding "control" and asked if there was any impact on resident agreements. Who is in charge of enforcing or changing contracts? David advised residents that their contract is with Cadbury and their agreements will be honored. He said he had the opportunity to see the Cadbury agreements and they are very similar to Springpoint's. There will be some changes to the agreements going forward because of the change in the Parent Board and there is an obligation to disclose that Springpoint is the Parent Board. The control piece is no different than it was before. For example, if the local board here or Carol decided to encumber a large debt or if something was done to substantially alter the building or its purpose, that would be something they cannot do.

Tom Lord said the transaction doesn't take place until the first of May. If there was a disaster, who would be responsible? David replied that Springpoint has signed a binding agreement to affiliate with Cadbury and they have a vested interest in making sure that things go well. If the community were hit by a tornado, they are still in; they are in it for the long haul. He said that two of their communities on the shore were impacted by Superstorm Sandy. David explained that one community had to be evacuated. Springpoint has some people in the Home Office to provide support. They have a Vice President of Asset Management who is very talented. He is coming to meet with Chuck next week and to get to know the community and make sure the equipment is working right. Their Director of Risk Management, known as the "Master of Disaster," is the guy that navigates through situations like that with third party remediation companies by getting contractors on site, getting the support needed, making sure insurance adjusters come out, etc. The Atrium at Red Bank was terribly impacted by the Storm. Navesink Harbor had water come up to chest level. The doors held until a boat broke loose and broke the doors open. They kept the building occupied by bringing in temporary generators, and food and services were walked up the stairs for about a week until all the water was pumped out and the power was restored. The Asbury

Tower was not as fortunate. The power lines in the street corroded to a point that they became unstable and caught on fire. That building, which is a high rise, had to be evacuated. About 10 days after the storm, they were able to get in temporary generators, daily fuel deliveries and got the building powered back up and reheated to get residents back in. Their Chief Financial Officer is very adept navigating through insurance issues and had the courage and foresight to bring that equipment on site because he knew it would be paid for. David said his message is that Springpoint is in it for the long haul. He assured everyone that Cadbury would be as good or better off with having Springpoint also helping.

Pat Bock asked if new resident contracts are with Springpoint or Cadbury and are they compatible with the current contracts. David said that Cadbury is a completely separate legal entity and the new contracts will be with Cadbury, but will be managed by Springpoint. He doesn't anticipate any changes.

Kathleen Dynan said that regarding sales, she called one of the other affiliates and was directed to a number that was a Springpoint department that answers some questions and then refers the call to the individual affiliates for marketing from there. David said that is Springpoint's call center. He explained that if they were trying to generate a media campaign, or trying to generate leads or interest in a community, they instruct people to call the 800 number. Springpoint has some folks that are trained to answer the phone, take the information and route that to the appropriate community. They can staff it 7 days/week and pretty close to 24 hours a day, so when somebody calls about the community and that initial contact has been made, there is a hand-off that goes to the community that the prospective resident has an interest in exploring.

Jane Lord said that in the Springpoint presentation, the word repositioning in terms of several other communities was used. What does that mean? Does Springpoint have something in mind for repositioning for Cadbury? David explained that other Springpoint communities are much older and there is no plan to reposition Cadbury. Cadbury is a beautiful community that is well constructed and fits into the market. There's no reason to do anything different with it.

Joe Boyle asked David if Springpoint anticipates centralized sales and marketing. David responded no; Springpoint believes very strongly in on-site sales. Those folks know the community and are connected to the community. However, additional support will be provided. He explained that they have a lead scoring system they use for when somebody visits the website. They're going to know how much time they spend on it, what communities they click on, and if that person has responded to a print ad or a phone call. Springpoint assigns a value to that lead and those folks that are highly motivated to learn about who they are will get more attention quickly from the sales team.

Maryanne Jarvis asked who will own the real estate and any improvements after May 1st. David said that Cadbury at Lewes would be the owner, although it is a non-profit there really is no owner, but Springpoint will be the managing entity.

Vi Cribb asked if resident's bills will come from Cherry Hill or Springpoint. Financial control of each community is at that community, but the business office function will cease to be in Cherry Hill and bills will come from Springpoint's Home Office.

Rebecca Rogers stated that management is well represented at the meeting today so she's not worried about them losing their jobs. She is very concerned for the good folks that work here day after day and night after night, always have a smile on their face and know the resident's names. What is going to happen to landscapers, housekeeping, and security after May 1<sup>st</sup>? David said hopefully they will continue to provide all the great services they are providing now. There is no agenda to do anything different with them. He said that one of the most important things he can do is to generate some trust with residents and staff. We need everyone here and it is nice to know that residents are pleased with the services they are providing. David added that he and Carol met with employees around the clock and they will continue those meetings until everyone is comfortable. He can't change the anxiety but wants to earn their trust over time by being consistent and predictable. It will take time as this is an uneasy time for many people. David believes that Springpoint is a good organization; they are non-profit and an organization that does the right thing. Over time, residents and staff will believe that too. He has talked with Carol to best communicate with staff. David said he had the opportunity to meet with the department heads and hear their concerns and questions first hand. That's not going to be a one and done meeting, it will be an ongoing thing. We'll keep working through this until we get to know one another. Carol encouraged residents to have employees come see her to help ease their minds. We want the employees to stay as we have work to do here.

Don Ziegler said that all the residents here today are major stakeholders, but there is only one resident member on the Board of Directors. What's Springpoint's position with respect to the companies within the affiliated group as members of the Board of Directors being represented by just one resident or no resident at all? David said the exact composition of the Board is yet to be determined. David shared that other Springpoint communities have one resident trustee that sits on that board and those resident trustees do have a voice in what they do. He acknowledged that the residents are stakeholders and have made a significant investment. He said the Mission and Values align with that. Springpoint is a non-profit and is going to do the right thing. He said that from a financial perspective, the most effective marketing is resident referrals and if Springpoint were to come here and start treating residents with a heavy hand, impacting their quality of life and making them unhappy, they know that the residents would tell their peers about that. They want it to be the resident's choice to be here and feel good about Springpoint. They are vested in having great resident referrals and testimonials.

Tom Lord said he thinks it tremendous that we do have employment for the people, but he's curious to know where Vic fits into the future. David said he is reluctant to talk about Vic's role because he has not been part of the conversation. However, he acknowledged that Springpoint is very interested in his counsel, advice and help with development in the Mid-Atlantic and he is an expert with respect to the At Home product line. This is something new for Springpoint and they are very excited about it.

Dick Cleaveland asked if Cadbury is the first affiliate outside New Jersey. David answered, "Yes." Dick said, "Welcome to Lower Slower Delaware!" David said he likes it here and he's happy to be a part of it. Kathleen Dynan added that we have some cottages available!

Lois Wills asked if the mailing address will change in any way. The answer was no.

David closed by saying that this is not a one and done meeting. He will continue to attend these meetings until everyone is satisfied and has all their questions answered. He believes transparency is important and looks forward to the next exchange.

Jane Hood stated that we're certainly doing something right with the wait staff in the Dining Room. They are the nicest people and nothing is too much trouble for them.

Carol thanked everyone for coming and the meeting was ended.

Barbara White, Recorder  
4/12/17