

## **MINUTES**

### **MASONIC AND EASTERN STAR HOME OF NORTH CAROLINA INC**

**August 9<sup>th</sup>, 2025**

The Board of Directors of the Masonic and Eastern Star Home of North Carolina Inc. convened its regular session at 9:00 am on Saturday August 9<sup>th</sup>, 2025.

#### **MESH BOARD MEMBERS PRESENT**

Mr. Gene Jernigan, Chairman; Mr. Steve Norris, DGM; Mr. Edward Johnson, II; Mr. Randy Browning, III; Mr. David Sawyer, Mr. Tommy Mills Jr.; Mrs. Norma Underwood, WGM; Mr. William Ireland, WGP; Mrs. Lori Adams, AGM; Mr. Allen Hughes, Mrs. Linda Bonner, Mr. David Griffith, and Mr. Dennis Edwards

#### **MESH BOARD MEMBERS ABSENT**

Mr. Robert Rideout, GM; Mr. Gilbert Bailey, SGW; Mr. Joey Transou, Mr. Bryant Webster, Mr. Rick Patton, Mr. Edward Earl Wells, and Mrs. Debbie Owen, PGM

#### **ALSO PRESENT**

Mr. Mark Lewis, Executive Director; Mrs. Archana Patel, Executive Assistant; Mrs. Tracy Armwood, Director of Human Resources; Mrs. Nikki Stafford, Director of Financial Services; Mr. Josh Hillegass, Administrator; Mrs. Debi Bryant, Director of Sales and Marketing; Mrs. Gina Prevost, Director of Community Life Services; Mr. Joel King, Director of Plant Operations; Mrs. Misty McAden, Chaplain; Mrs. Jenna Grant, Director of Fraternal Friendship; Mrs. Jill Sorenson, SVP Director of Operations Management, Life Care Services; Mrs. Marie Dunn, LCS Regional Sales and Marketing Director; Mr. Ted Dresie, Resident; Mrs. Jo Ann Cox, Resident; Mr. Allen Greenstein, Resident Council President; Mrs. Anita Greenstein, Resident; Mr. Lewis Ledford, Grand Treasurer; Mrs. Cheryl Haynes, GC; Mrs. Sandra Johnson, AGC; Mr. Alvin Billings, JGD; Mr. John Burns, NCMF Board Chair; Mrs. Susan Matney, OES Foundation Chair; Mr. Steve Owen, Committee on WhiteStone; Mr. Clifford Shrewsberry, Committee on WhiteStone; Mr. Doug Calhoun

## INVOCATION

Mr. Edward Johnson, II led the invocation.

## CALL TO ORDER

Chairman, Mr. Gene Jernigan called the meeting to order at 9:00 am. A quorum was present.

## MEETING MINUTES / BOARD COMMUNICATION

**Motion: It was moved, seconded, and approved by majority to accept the minutes for the Regular Board Meeting May 10<sup>th</sup>, 2025.**

## COMMITTEE REPORTS

### Long Range Planning Committee

In the absence of Mr. Joey Transou, Chair of the Long Range Planning Committee, Mr. Gene Jernigan introduced Mr. Mark Lewis to provide the committee update.

Mr. Mark Lewis presented the Long Range Planning Committee's report, emphasizing the importance of proactive strategic development to guide Whitestone's future growth and sustainability. A dedicated Strategic Planning Session is scheduled for November 12–14, 2025, which will be facilitated by LCS (Life Care Services). This session is designed to critically evaluate Whitestone's current master plan and identify areas for enhancement, innovation, and alignment with evolving resident needs and industry trends. The committee aims to address long-term priorities such as infrastructure upgrades, service expansion, and financial sustainability. There was a strong emphasis on collaboration between board members, staff, and residents to ensure the strategic plan reflects shared values and aspirations. The committee also intends to incorporate feedback from recent surveys and operational data to inform decision-making.

Mrs. Debi Bryant, Director of Sales and Marketing, delivered a comprehensive update on WhiteStone's sales and marketing performance, highlighting a strong occupancy rate of 97%, with 99.9% of units currently reserved. She noted that the waitlist remains robust, with 142 depositors across various unit types, reflecting sustained demand and community appeal. The Legacy building (Bennette) is undergoing a light refresh to maintain its appeal amid high occupancy. Mrs. Bryant also celebrated staff achievements, including Mrs. Monica Hurd's

selection for the LCS Accelerator Program, which supports emerging leaders, and Mrs. Meredith Cooper's appointment as a mentor in the LCS Smart Program, recognizing her leadership and contributions. Year-to-date performance has exceeded expectations, with 20 sales and 20 closings, compared to a budgeted 14, underscoring the effectiveness of WhiteStone's hospitality-driven approach and the strength of its brand in the market.

Mrs. Marie Dunn, LCS Regional Sales and Marketing Director, was introduced for remarks. Mrs. Dunn recognized the efforts of Mrs. Debi Bryant and her team in achieving high occupancy and overall sales achievements.

Mr. Gene Jernigan expressed appreciation for the leadership of Mrs. Bryant.

### **Finance Committee**

Mr. Gene Jernigan introduced Mr. Steve Norris, Chair of the Finance Committee, who introduced Mrs. Nikki Stafford, Director of Financial Services, to report on community finances through June 30, 2025, based on unaudited financials.

#### **Net Operating Income (NOI):**

The second quarter closed with a NOI of 1.6M on a budgeted NOI of 506k, for a positive variance of 1.1M.

#### **Operating Revenues:**

- Revenue is over budget by 610k.
- Each level of care is performing over budget due to census numbers and for the health center, payer rates have slightly exceeded budget.
- Financials show that assisted living is under budget, but this is due to the free care day adjustment in March, which was previously discussed at the May board meeting.
- Contributions are over budget by 146k.

#### **Operating Expenses:**

- Operating expenses were under budget by 458k.

#### **Debt Covenants:**

- Second quarter debt covenants are 276 DCOH on a covenant of 150.
- DSCR is 6.95 for Q2. This is a 12-month trailing calculation so financial activity from July 1, 2024, to June 30, 2025, is used for this calculation. All 1<sup>st</sup> generation entrance fees on the expansion building are excluded from this calculation.
- As a reminder debt covenants are calculated quarterly and reported on EMMA for bond holders to review. The final calculation is done on 12/31. Currently our max annual debt service (MADS) is 1.4M. However, due to the 2020 bond financing that increases the 1<sup>st</sup>

year following stabilization which will be 12/31/2025 and will go to approximately 5.1M. The estimated and forecasted DSCR using Jan to June data 1.41.

**Accounts Receivable:**

- There are zero Medicaid Pending Applications, which is an incredible accomplishment.
- Nikki provided lunch for DHHS Medicaid Caseworkers in July.
- We have three approved Unmet Medical Needs, two O/S awaiting approval, one account with collections (resident signed Unmet Medical then discharged) and one that has no PML anyway, so monthly amount is being applied to delinquent balance.
- Days in account receivable continues to show progress; January 20.60, March 17.10, and June 16.40. The benchmark set by LCS is 18.00.

**Other Items to Note / Capital Projects:**

- The generator project for the Care and Wellness Center is complete.
- The finance committee met in July and approved an additional project to run fiber to the Villa Home and Cottages given our service issues with trees and greenery. This project will start in 2025 but may not be completed until 2026
- We have been working to get a project / equipment quote for an upgrade to the buffet room in the main dining room. This information was just received this week, and we will be reviewing it for the 2026 budget or partial 2025 and partial 2026. This project took the approach of only the buffet room and equipment upgrade for the current space and NO mechanical work. We will have to work on flooring for this area that we have not yet been able to address other than high level conversations. In reviewing the space given the limited amount of space we are proposing to replace the equipment with a similar design as layout goes to allow for a safe and effective flow of traffic through the buffet line.

**Motion: It was moved, seconded, and approved by the majority to approve the financial report as submitted.**

Mr. Mark Lewis referred to the investment statements contained in tab 3. Additionally, the Investment Policy Statements are contained in the board packet, which are reviewed and approved by the Board of Directors annually.

**Motion: It was moved, seconded, and approved by the majority to retain the investment policy statements as written.**

## **Charity Committee**

Mr. Gene Jernigan recognized Mr. Mark Lewis to provide an update on charity.

Through June, our charity has totaled 711,924, which is under budget for the year by 64,396. Compared to this time last year, charity care is up 80,290. The Fraternal Friendship Program has accounted for approximately 59,472 in charity care through June, which is slightly under budget by 528.

Mrs. Jenna Grant, Director of the Fraternal Friendship Program was introduced for an update. We are currently providing long-term financial assistance to 6 outreach members through the Fraternal Friendship Program and 16 WhiteStone residents. This includes 13 residing in independent living, 2 residing in assisted living, and 1 residing in memory care. We currently have four fraternal members who are interested in moving to WhiteStone and are actively working on their applications for assistance. One of them is an Eastern Star member whose mother lived at WhiteStone for many years, in the Latham building and later in the care center.

We recently had the opportunity to assist a Mason who was struggling with severe dental issues that made it difficult for him to eat. He required extensive dental work before he could receive dentures, and the cost was significant. Thanks to the support of the program, we were able to provide financial assistance. After multiple procedures and visits, he now has a full set of dentures and is overjoyed to be able to eat comfortably again. He's truly thankful for the support he received through the program and has shared how much it's meant to him. "I can't express enough gratitude to make everyone realize what a wonderful gift this has been. I can't tell you how much I appreciate the foundation."

We were also able to support a resident who needed to transition to Assisted Living but was unable to afford the increased monthly fees. Through the program, we provided financial assistance to help cover the costs and also offered hands-on support with packing and unpacking during her move. This helped ease the transition and ensured she could settle into her new apartment with comfort and peace of mind.

Over the next few months, I have multiple lodge presentations scheduled to share more about the program and its impact. Through these outreach efforts, we hope to increase donations and grow the program. We recognize that the need within our community far exceeds the number of members we're currently able to assist. Our goal is to expand our reach and support as many individuals as possible through this program. I'd also like to extend a heartfelt thank you to board member Mr. Joey Transou for his outstanding work in visiting lodges and presenting on behalf of the program.

Also contained in tab 4 is the summary of contributions through June. Donations totaled 1,046,381, which was better than budget this year by 146,383, and up from this time last year by 46,176. Major contributions YTD are highlighted in yellow, including the 4th quarter hardship reimbursement for 2024 in the amount of 211,762, 1st quarter hardship reimbursement of 2025 in the amount of 191,214, the Betty Barberee endowment in the amount of 183,953, and the OES RUCK Fund in the amount of 305,731.

Board member donations through quarters end (as reported in tab 4) totaled 4,254, with twenty-seven (27) donations received by fourteen (14) board members. This time last year, donations totaled 5,896 with thirty-seven (37) contributions from seventeen (17) board members.

Mr. Gene Jernigan spoke to the Board Member donations through June and requested members that have not yet contributed to please donate in order to achieve our goal of 100% Board participation.

### **North Carolina Masonic Foundation**

Mr. Gene Jernigan introduced Mr. John Burns, Chairman of the North Carolina Masonic Foundation Board, for remarks.

Mr. John Burns provided a brief update on the North Carolina Masonic Foundation, focusing on its role in supporting members during times of crisis. He highlighted the success of the Disaster Recovery Fund, which provided timely assistance to members affected by Hurricane Helene, helping them recover and rebuild. The Foundation also plans to expand the Fraternal Friendship Program's outreach, aiming to reach more individuals in need. Lastly, Mr. John Burns emphasized the importance of growing the Foundation's capacity to respond to future challenges and deepen its impact.

Mr. Gene Jernigan thanked Mr. Burns and the NCMF Board for their support.

### **Resident Communication**

Mr. Mark Lewis directed the board to tab 7 of the board packet for minutes from committee meetings during the 1<sup>st</sup> quarter. Resident Council President, Mr. Alan Greenstein, was called upon for remarks.

Mr. Greenstein shared updates from the Resident Council, noting that meetings have been reformatted for brevity and increased engagement, making them more accessible and productive

for residents. The Resident Council is actively pursuing recycling initiatives and fundraising efforts to address community needs, demonstrating a strong commitment to sustainability and resident-led problem-solving. Mr. Greenstein also mentioned that the nominating committee is preparing for upcoming leadership transitions, ensuring continuity and fresh perspectives in council leadership. His report reflected a vibrant and proactive resident community that plays a vital role in shaping life at WhiteStone.

Mr. Ted Dresie, resident, and Chair of the WhiteStone Employee Gratitude Initiative (WEGI) presented the Committee's achievements, reporting that the group raised \$64,562 in 2024, with an ambitious goal of raising \$100,000 for 2025. Monthly donations continue to flow in, and a generosity celebration is being planned to honor contributors and inspire further giving. The funds raised support staff appreciation initiatives and holiday gifts, reinforcing WhiteStone's culture of gratitude and recognition. Mr. Dresie shared stories of how these efforts have boosted staff morale and strengthened the bond between residents and employees, making WhiteStone a more connected and caring community.

### **Management Report**

Mr. Mark Lewis referred the board to tab 8 of the board packet for the management reports for the months April, May, and June.

Mrs. Tracy Armwood, Director of Human Resources, was introduced and presented the following update, beginning with a positive report on staff retention. She noted that WhiteStone's turnover rate stands at 22.21%, which is below the national average for similar communities, indicating a stable and engaged workforce. Mrs. Armwood outlined ongoing recruitment efforts, including strategic partnerships with local colleges and participation in regional job fairs, aimed at attracting qualified candidates who align with WhiteStone's values and culture. She also highlighted several staff engagement initiatives, such as regular happy hours and a back-to-school backpack program, which have been well received and contribute to a supportive work environment. These programs are designed to foster community among staff and recognize their contributions beyond the workplace.

Mrs. Armwood shared insights from stay interviews, which revealed that employees value the sense of purpose and connection they experience at WhiteStone. Her report reflected a thoughtful and people-centered HR strategy focused on retention, morale, and professional development.

Mr. Josh Hillegass, Health Center Administrator, was introduced to provide a report on the Health Center and Assisted Living.

## 2025 Q2 Health Center Review

- Occupancy
  - Throughout the 2<sup>nd</sup> Quarter of 2025, our Health Center (Assisted Living, Memory Care, and Care and Wellness Center) has averaged 89% Occupancy.
- Financials
  - Following the strong census in the Health Center, we saw those same results carry over to our financial performance as can be seen in both our NOI and Operating Margin:
    - NOI: \$217,420
    - Operating Margin: 19.1%

## 2025 Q2 Care and Wellness Center Review

- Occupancy
  - Looking specifically at our Care and Wellness Center Occupancy, we've maintained anywhere between 88% to 90% Occupancy throughout the 2<sup>nd</sup> Quarter.
  - In addition to the overall census, our Center maintained an average skilled census (Medicare and Managed Care) of 26.5 or 30% of our occupancy.
- Financials
  - Thanks to our strong occupancy and skilled census, we've had a successful 2<sup>nd</sup> Quarter for the Care and Wellness Center which can be seen through our NOI and Operating Margin:
    - NOI: \$116,896
    - Operating Margin: 12.9%

## 2025 Q2 Assisted Living & Memory Care Review

- Occupancy
  - Our Assisted Living and Memory Care have continued to see great success in growing and maintaining occupancy as throughout the 2<sup>nd</sup> Quarter we were at 85% to 90% Occupancy.
- Financials
  - Assisted Living and Memory Care performed as expected now that we've reached our occupancy goals with both strong NOI and Operating Margin:
    - NOI: \$100,524
    - Operating Margin: 43.0%

## Person-Centered Care Training

- Sharon Roth Maguire MS, RN, GNP-BC, APNP
  - Senior Vice President / Chief Health & Wellness / Resident Experience Officer
  - Sharon has over 30 years of experience in the healthcare industry and a background in advanced practice nursing, executive management, and education.
  - Sharon and her teams are focused on person-centered, outcome-oriented healthcare delivery and the people and systems that support that.
- Sharon conducted training on July 22<sup>nd</sup> and July 23<sup>rd</sup> for both Staff and Residents on Person-Centered Care which was well received by both Staff and Residents.

- Since this training, we've challenged our teams to think differently about person-centered care, along with encouraging them to identify ways to exemplify their commitment to person-centered care.

#### Health Center Leadership Update

- Over the past few months, we've grown our Health Center Leadership Team, and I'd like to take a moment to introduce you to our newest Team Members:
  - Director of Nursing
    - Rachel Seibert
  - Assistant Director of Nursing
    - Amanda Montgomery
  - Staff Development Coordinator
    - Abby Williams
  - Assisted Living Manager
    - Ginger Cottrell

#### LCS Internship

- Marline Senessie
  - Marline is a current undergraduate student at North Carolina A&T State University majoring in Health Services Management with an expected graduation date of December 2025.
  - Marline will finish her internship at WhiteStone on Thursday, August 14<sup>th</sup>.

Mrs. Jill Sorenson, LCS Senior Vice President, Director of Operations Management, was introduced and delivered a forward-looking update on market trends and strategic insights relevant to WhiteStone's positioning. She shared that recent market research indicates a rise in financial optimism among prospective residents, with many expressing increased confidence in their ability to afford senior living and a readiness to make move-in decisions. Mrs. Sorenson emphasized that this shift reflects broader economic recovery and a growing trust in the value and stability of communities like WhiteStone. She also noted that housing confidence is trending positively, which bodes well for future occupancy and sales. Mrs. Sorenson praised WhiteStone's hospitality culture, resident engagement, and leadership team, stating that these elements continue to differentiate the community in a competitive market. Her remarks reinforced the importance of aligning marketing strategies with evolving consumer expectations and leveraging WhiteStone's strengths to attract and retain residents.

Mrs. Norma Underwood, Worthy Grand Matron, expressed appreciation to the staff of WhiteStone for everything they do for our residents.

Mr. William Ireland, Worthy Grand Patron, expressed excitement about being on campus and learning of all the wonderful things happening at WhiteStone.

Mr. Steve Norris, Deputy Grand Master, echoed the comments of the Worthy Grand Patron, and thanked everyone in attendance for their effort and service. With the passing of the Grand Master of South Carolina two things came to mind, how fragile our lives are, and how fast life transitions. He was reminded of a poem by Saxon White Kessinger;

Sometime when you're feeling important;  
Sometime when your ego 's in bloom;  
Sometime when you take it for granted,  
You're the best qualified in the room:  
Sometime when you feel that your going,  
Would leave an unfillable hole,  
Just follow these simple instructions,  
And see how they humble your soul.

Take a bucket and fill it with water,  
Put your hand in it up to the wrist,  
Pull it out and the hole that's remaining,  
Is a measure of how much you'll be missed.  
You can splash all you wish when you enter,  
You may stir up the water galore,  
But stop, and you'll find that in no time,  
It looks quite the same as before.

The moral of this quaint example,  
Is to do just the best that you can,  
Be proud of yourself but remember,  
There's no indispensable man.

Mr. Gene Jernigan thanked those in attendance before adjourning to Executive Session.