

Organization of Residents Associations of New Jersey

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CCRC Governing Boards and The Law

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I. Introduction

Sixteen years ago, on October 22, 2007, Governor Corzine signed into law the Residents Organization Rights Bill. ORANJ had worked for this law for more than a decade. The photograph of the event shows that Gary Baldwin, then president of ORANJ, was at the signing. [The picture of the signing and the story of the lobbying effort are on the ORANJ website. The law is on the New Jersey website.](#)

II. New Jersey Law Concerning Residents Associations

The law has several provisions. The two that we are concerned with are the Resident Director Provision and the Quarterly Meeting Provision. We have learned over the years that compliance with the law only happens when residents associations take the lead in educating administrators and governing boards about the law and continually work toward its implementation. This paper reports on the possibilities and difficulties which seven ORANJ member associations have experienced.

A. The resident director provision

“The board of directors or other governing body of a facility shall include at least one resident as a full voting member of the board or body. Resident members shall be nominated by the elected representatives of the residents and selected by the board of directors or other governing body. If the board of directors or other governing body governs more than one facility, the occupancy of each seat on that body that is reserved for a resident member shall rotate among the facilities governed by that body on a term-by-term basis.”

B. The quarterly meetings provision

“The board of directors or other governing body, or a designated representative who is not the chief executive officer or other staff member, of a continuing care facility shall hold quarterly meetings with the residents or their elected representatives of the facility, for the purpose of free discussion of subjects which may include income, expenditures, and financial matters as they apply to the facility and proposed changes in policies, programs and services. Any questions on these subjects may be raised at each quarterly meeting, except for confidential personnel matters, and shall be answered or explained promptly when possible, or within a reasonable period of time. Residents shall be given at least seven days’ notice of each quarterly meeting.”

C. Implementation of the Resident Director Provision – seven case studies

1. Three standalone CCRCs

a. Medford Leas. The residents association nominates three people for the position and the board of directors selects one of the three. The resident members are full voting members. Everything discussed at the governing board is considered confidential and cannot be reported by the resident member of the board back to the residents or residents association council.

b. Harrogate has a board of trustees, an executive director, and a deputy director. The board of trustees meets twice a month. A council member, who is the resident trustee, attends all board meetings and has a vote. The resident trustee facilitates communication between the resident council and the board. He often brings resident concerns directly to the board of trustees at the next meeting and is able to report back on these concerns to the council. He keeps the council apprised of measures being taken by the board as well.

c. Lions Gate. The independent living residents elect members of a governing council who, in turn, elect a president of the council. The president becomes a voting member of the governing board. Matters that are discussed by the governing body, which usually meets monthly, are reported back to the residents association council.

2. Four multifacility CCRCs:

a. Oaks at Denville – Springpoint. The Oaks at Denville is one of eight Life Plan Communities (LPCs) affiliated with Springpoint Senior Living, Inc (SSL). Seven of the LPCs are in New Jersey, the other is in Delaware. Although these communities are called LPCs by SSL, they are called CCRCs by the NJ Department of Community Affairs, which provides certificates of authority in our state. SSL has a 16-member board of trustees. Each of the LPCs is governed by a separate 7-member board of trustees. One of the seven is the resident trustee (RT) and the other six are trustees or senior staff of SSL. Four times a year the six trustees from SSL meet together with the eight RTs from the eight LPCs. These fourteen people are together in one room for a meeting which serves as the meeting of the boards of trustees for all eight LPCs. Each RT is a voting member, but only on issues that affect his/her LPC. Minutes of the meeting are made available to the RTs. The Oaks RT includes the minutes along with her comments in quarterly reports to the meetings of the Oaks Residents Association. In 2022 the Oaks Residents Association followed a procedure in compliance with the New Jersey law. Members of the residents association executive committee reviewed applications for the position of RT and sent the list to the Oaks executive director, who forwarded them to the appropriate governing board, which selected the RT.

b. Cedar Crest – Erickson/NSC. Erickson Senior Living, LLC and National Senior Communities, Inc. (NSC) are separate and distinct entities. NSC is the supporting organization to Cedar Crest, Inc. which has fiduciary responsibility for Cedar Crest and hires Erickson Senior Living to manage the CCRC. The governing board of Cedar Crest consists of directors from NSC and the president of the Cedar Crest residents association council (RAC). Cedar Crest is in compliance with the

provision of law that states that resident members should be “*nominated by the elected representatives of the residents and selected by the board of directors*” because the RAC nominates candidates to the governing board and the Cedar Crest board selects from those nominees. Note that everything discussed at the governing board is considered confidential and cannot be reported back to the residents or residents association council.

c. Fellowship Village – Fellowship Life has four CCRCs, and also home care, hospice, rehab at home, and two medical groups (at Basking Ridge and Denville) that specialize in care for older adults. Each of the four CCRCs (Fellowship Village, Pines Village, Friends Village, and Riverwalk Village at the House of Good Shepherd) has a board of advisors. The members of a CCRC’s board of advisors are the members of the board of directors that governs all of Fellowship Life plus two resident members from the CCRC. When there is an opening on a CCRC’s board of advisors, three candidates are chosen by the residents association council and then one is selected by the board of directors with the advisors for a renewable three-year term.

d. Laurel Circle – Life Care Services. In 2018, Arbor Glen was purchased by Life Care Services (LCS) and became Laurel Circle. Laurel Circle is in Bridgewater and it’s the board of managers of LCS Bridgewater that governs Laurel Circle. The current president of the Laurel Circle residents association is a member of the board of managers, having been suggested by the residents association council and accepted by the board of managers.

D. Implementation of the Quarterly Meetings Provision – seven case studies

1. Three standalone CCRCs

a. Medford Leas – Because of continued push from the residents association, compliance with this provision has improved over the years. Currently governing board representatives attend four resident association meetings a year, two with the residents association council (RAC) and two general meetings. Now, in advance of the meeting of the governing board with the general membership, the RAC receives questions from residents, then decides which of these questions should be sent to the governing board in advance of their meeting. Then questions sent from residents can be discussed at the meeting of the governing board so that answers can be given at the general meeting. Although the law says that “*quarterly meetings ...may include income, expenditures, and financial matters as they apply to the facility and proposed changes in policies, programs and services,*” the board has provided only the names of Medford Leas policies, but not told residents what the policies are.

b. Harrogate – Several trustees of the governing board attend the quarterly all resident meetings. During the quarterly meetings, residents may ask questions of the board members. Once a year, the governing board trustees meet with the residents association council. At their request, we send them questions we want answered. This means they have time to prepare. ‘We can’t spring questions, and they can’t refuse to answer.

c. Lions Gate – Effective with our August meeting, the president of the governing board of directors will be meeting with the independent residents council and later the general residents meeting. It is contemplated that this will lead to regularly scheduled meetings.

2. Four multifacility CCRCs

a. Oaks at Denville – Springpoint. Aside from the quarterly meeting of the LPC board of trustees which includes the Oaks RT there are no meetings of by trustees who are not staff members with residents of the Oaks at Denville. However, as noted below in section III.B.1., our ED and her staff keep us well informed, limited only by SSL.

b. Cedar Crest – Erickson/NSC. The NSC position is that the RAC president is the designated representative to the quarterly meetings and therefore they are complying with the quarterly meeting provision.

c. Fellowship Village – Fellowship Life. The village's board of advisors (BoA) has regular meetings. As explained above, the members of the BoA are the members of the governing board of Fellowship Life plus two resident members. The BoA meetings are attended by the Executive Director (ED), the Council President (CP), and the Council President-Elect (CPE). After the CP and the CPE report to the BoA they leave the meeting. The ED and the two resident members of the BoA remain to review reports, finances, and other business pertaining to the village. Members of Fellowship Life's governing board attend the four villages' four boards of advisors in a single day, one after another. Additionally, the BoA, which includes the two residents members, meets monthly with the CEO of Fellowship Life, Brian Lawrence, and the executive director of Fellowship Village, Mark Aguilar

d. Laurel Circle – Unlike at Springpoint, Erickson, and Fellowship Life, the Laurel Circle executive director has had one to four LCS owners attend residents gatherings quarterly. His boss, the VP of the board of managers, has been to most of these quarterly meetings. The VP of the board of managers has also attended a separate meeting with the residents association council president and vice president, and also met with whole council. She is available via email or telephone.

III. Communication with Administration – seven case studies

A. Three standalone CCRCs

1. Medford Leas. The CEO holds various meetings with residents which include questions and answers. The residents association has a financial review committee that meets bimonthly with the chief financial officer (CFO). The work of that committee is described in a [2017 ORANJ Publication](#) titled "How one CCRC discusses Financial Issues." A link to the [ORANJ Finance Committee Guidebook](#) is also there. There is communication with administrators at monthly meetings of two other of the residents association committees: the health committee and the food and dining committee. Minutes of those two committees are made available to all residents on paper and electronically.

2. Harrogate has excellent communication with administration. The president of the residents association meets with the executive director and the deputy director, once a month. This meeting, which lasts about two hours, includes updating the president on a wide range of happenings and responding to many questions. They are also available to the residents association president at any time. The executive director and deputy director both attend the monthly residents association council meetings as well as updating residents on most everything.

3. Lions Gate – The CEO meets four times each year in a town hall meeting with residents which includes a question-and-answer session. In addition, the council president has bimonthly meetings with the chief operating officer (COO). A prior agenda is prepared by the president and is based on residents' questions and discussions raised in monthly resident council meetings. Answers from the meeting with the COO are reported to council at their next meeting.

B. Four multifacility CCRCs:

1. Oaks at Denville – Every month the Oaks' executive director (ED) holds a town hall meeting in the auditorium to which all residents are invited by notice. The ED conducts the meeting with a report on matters of interest affecting the community. Department heads are present, and some give a recap of events in their departments. After those presentations the meeting is open to questions or comments from residents. Staff members are present with microphones so all present can hear the questions and answers. A week after the meeting the ED prepares and distributes to each resident a recap of the meeting. This meeting usually lasts no more than an hour and is well attended. Once a month the ED holds a meeting for conversations with residents in a less formal setting. Notice of the meeting is given to residents. There is no set agenda other than residents asking any question or commenting on topics concerning the management of and life at the community. These usually attract about 25 residents but if there are "hot topics" more will attend.

2. Cedar Crest – Residents have a monthly meeting called the Open RAC Meeting, and administrators from Erickson Management are in the audience. Each of the ten members of the residents association council (RAC) has a committee assignment, and these committees communicate directly with administrators. For example, a) the finance committee meets with the CFO, b) the dining committee meets with the head of dining, c) the health and wellness committee meets with medical staff. The other seven committees, which also meet with appropriate staff, are: d) welcoming diversity & inclusion, e) resident life, f) general services, g) marketing, h) safety, security and transportation and i) the ad hoc committee which is related to construction which Cedar Crest calls "Repositioning."

3. Fellowship Village – The council president (CP) and council president-elect (CPE) meet monthly with the executive director (ED) to discuss a wide range of topics affecting Fellowship Village residents. The president and CEO of Fellowship Life, Brian Lawrence, is available if needed. The ED attends monthly residents association

council meetings, talks about community activities that affect residents, and answers questions from council members.

4. Laurel Circle – The executive director (ED) has three separate scheduled meetings: monthly with the residents association council, monthly with the council president and vice president, and monthly with all residents. Communication with Laurel Circle administration often includes administrators from LCS. Several LCS directors of different areas are frequently on site to work with staff. During a particularly challenging time, the LCS director of dining was on site often in independent living and assisted living. He was available to staff and residents for input/suggestions, in addition to bringing possible solutions. Off site, he remains accessible to residents and staff via email, as he confers with the ED. Earlier this year, the LCS Director of Marketing was present, worked with staff and mingled with residents. Similarly, the LCS director of human resources has come to work with the staff. We are grateful for continuing possibilities of communication.