

Theo Armour ~ Comments on Financial Review

May 2025 Financial Narrative

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Heritage continues to lose residents through their passing and a move out, putting more pressure on sales.

I remember Mary saying that on average about 10% of CCRC residents die or move every year. Are you allowing for the transitions of seven or eight residents per year?

Page 4

Maintenance: \$536k spent on \$353k budget or 52% deficit.

Curious! Of concern.

Life Enrichment: \$52k spent on 83k budget or 37% savings.

Quite evident. Life Impoverishment, perhaps. ; -)

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Variance

I would prefer to see positive and negative variances with plus and minus signs.

Guest Room

Guest room numbers seem low. The Guest room is quite well used in my opinion.

Page 6

Large and small numbers

This page suffers!

Large and small numbers in financial reports cause confusion because of the challenges they present in scale recognition, interpretation, and comparison.

Cognitive Overload: The human brain struggles to compare numbers that differ by several orders of magnitude. When reports mix large and small numbers, it becomes harder to spot relationships, patterns, or errors, increasing the risk of oversight or misinterpretation.

Salaries & Wages and Outside Services are large numbers, while the other items are are much smaller numbers.

I would like to more of a breakdown of the large items are an aggregate of smaller items.

Laundry Services !!

Page 7

Paper Shredding

Does that include the garbage sorting that occurs every night?

Page 8

Professional Fees

How do these differ from outside services?

Portfolio Summary

Typically this type of dat is presented as a chart.

In any case type is too small to read.

I don't understand the footnote. How can you take money out but not include it in the portfolio?

Capital Spend Report

No comments, but there seems to be a lot of money yet to be spent on capital improvements.

Pre Development Spread

The report would be more useful if items were listed by date rather by vendor.