



# Winter Newsletter

February 2024

## Creating connections

At ECS, connection happens through caring for seniors' physical, intellectual, spiritual, emotional, and social wellbeing. It is through this beautiful connection that residents enjoy the company of old and new friends, team members, the community, and a lifestyle as unique as they are.

As I began to think about this winter's newsletter regarding the theme of "connection", the interconnection of the people that inspired, designed, built, and operate the communities came to mind. The founders of ECS in the early 1920s had a vision for a property that would provide seniors with residential and healthcare security. Today, ECS's communities provide not only residential and healthcare security, but an array of customized services and creative programs.

What began as a passion of one person, Deaconess Sophie Miller, soon spread. Residents, team members, management, and the boards of directors have all contributed to developing and operating ECS's communities. And as we were reminded during the latest successful financing in January, our capital partners trust and faith is also essential to growing the mission.

Every director plays an essential role in operating vibrant communities. And because connection is the theme of this newsletter, I want to acknowledge one of our fantastic directors and the program she leads. Jackie Stevens is the Director of Creative Living at MonteCedro and provides oversight for Creative Living at all four of our locations.

Creative Living allows residents to explore their passions or discover new ones with a robust array of social events and outings, educational and artistic pursuits, and cultural and social opportunities. In collaboration with residents, Jackie has developed a model of social, and intellectual engagement — connecting residents with their passions and one another.

Creative Living is just one example of vibrant connection in action at ECS. May each of you thrive through the benefits of connection.

**James Rothrock**  
President and CEO



## Highlights

This newsletter features stories of connection throughout our communities.

### Twelve Oaks

Music and memories

### The Canterbury

Connections run deep in Palos Verdes

### MonteCedro

Giving drives support

### The Covington

Vibrant partnerships

### The foundation of connection

ECS's capital partners



## Twelve Oaks

### Music and memories

#### *Creating connection through community*

In the La Crescenta neighborhood of North Glendale, the Twelve Oaks community offers residents an opportunity to connect regularly through impromptu and organized events.

"We have two main areas where the residents really connect with each other," says Denise Gotto, Executive Director of Twelve Oaks.

Each evening, a large group of residents come together to play cards after dinner. It's a favorite ritual for many of us. Over the poker table, we laugh, tease each other and connect through jokes and silliness. "When a new resident moves in, they are invited to join in," Denise says. Even those who don't play cards often participate by watching the games and being part of the fun.

Twelve Oaks also hosts organized opportunities for connection. "Each week, we try to have live entertainment, incorporating all genres of music," Denise says. Music is a profound source of connection for us all.

"The residents love singing along, shouting out answers to music trivia that the entertainers ask, and just being together. It is amazing to witness the deep emotions that songs from the past evoke. Tears, laughter and deep conversations come to the surface as we reflect on and appreciate the music of the past," she says.

## The Canterbury

### Connections run deep in Palos Verdes

#### *Events and activities enrich the community*

Palos Verdes and the surrounding area have a vibrant range of nonprofit organizations and The Canterbury is an active participating partner. The events and lectures offered are ever-changing, and there is always something new to learn.

A long-term partner of the community is the Palos Verdes Art Center, located across the street from the community. The residents are able to experience the many art exhibits throughout the year either individually or as a group in a private, docent-led tour.



Once a month, residents are invited to lectures held at El Camino College Center for the Arts. These lectures explore worlds of wonder as part the World Travel Adventure Series.

The many connections with local libraries extend the opportunity for discovery. Peninsula Friends of The Library brings a pop-up shop to the community, which is always well received by residents.

Recently Monique Sugimoto, of the Palos Verdes Library District Archivist came to The Canterbury and gave a presentation about the past 100 years in the Palos Verdes Peninsula. Many residents are from the area, and particularly loved hearing about its history.

The Creative Living team organizes opportunities to attend the Peninsula Seniors Cannon lecture series. Topics vary from the arts and travel to updates on civic policies and plans.

Regularly high school students from the Palos Verdes Connection volunteer their time at The Canterbury, performing concerts for the residents.

The Creative Living Team is dedicated and committed to enriching and enhancing the daily lives of the residents of The Canterbury. Diana Ernandes, Director of Creative Living says, "it is very important for the residents to continue to be connected with the community they cherish."





## MonteCedro

### **Giving drives support** *MonteCedro volunteers*

The residents of MonteCedro are active participants in the community, and their volunteerism reflects their commitment to connection.

"Altadena Arts Elementary School is nearby," says Jackie Stevens, Regional Director of Creative Living. At Hallowe'en, the entire school comes to the entrance of MonteCedro, and residents come out for the children to trick or treat. Accompanied by a parent, the youngest students in their costumes visit residents in MonteCedro's Memory Care community. The connection with the elementary school continues through the year. Residents volunteer to read to a class of children every week. "One of the residents speaks French, so has read to the French Immersion students," Jackie says.

MonteCedro is partners with the nonprofit Friends in Deed, for food and clothing drives. Recently residents supported the school supply drive, donating backpacks

and school supplies for children starting the school year.

"More than half the residents participate in volunteer opportunities," Jackie says, "either through contribution of time or funds or gifts of items. We even have a resident who is 99 and volunteers every day at the zoo."

Another source of connection is ACTS, Altadena Congressional Together Society, which brings together representatives from the various faith groups. The largest event is the Thanksgiving service, which was held this past year at MonteCedro. "The service welcomed speakers from various faiths talking about how they give thanks through the lens of their tradition," says Chaplain Liz.

Through volunteering and support, MonteCedro creates connection with the neighborhood and those who call it home.

## The Covington

### **Vibrant partnerships** *Connections through local organizations*

Located in the heart of Aliso Viejo, The Covington prides itself on its location in the community and its connection to it.

Tracy Beam, Director of Creative Living at The Covington has been developing relationships with some of the local and regional organizations dedicated to the arts and other nonprofits. Through the partnership with

the Laguna Playhouse, for example, the Playhouse hosts a reception for residents before the performance, making the event extra special.

Through LOCA Arts, artists working in various mediums come to The Covington. "We recently hosted an artist who works in tile," Tracy says. "We followed his talk with a tour of locations around Laguna where his art has been installed."

The Laguna Art Museum organizes private tours to view a new exhibit, and the SOKA University art gallery welcomes residents to their receptions.



The partnerships don't focus solely on the arts. Tracy says that "the Shea Therapy Center provides horseback riding for the developmentally disabled. We take small groups to meet the horses." The Pacific Marine Mammal Center is also a popular partner.

Residents can also take advantage of these partnerships directly. If they have family visiting and wish to attend a play, for example, Tracy can book tickets for them at the Playhouse. "Our residents love to visit the area," she says.

# Our stories



## Ensuring continued connection through growth and fiscal stability

**By Charlie Rahilly, EVP and CFO**

The strength of ECS's financial position allows us to continue our mission to deliver exceptional communities and services for seniors. ECS's recent bond issuance is an example of the power of this financial stability.

### MonteCedro II

One of our areas of growth is construction of MonteCedro II. This second phase of construction began in late January, with occupancy scheduled for the end of 2025 or early 2026.

The homes were so well received, we already have 10% deposits on 38 of the 40 new residences, most with investments in upgrades.

The construction of MonteCedro II is financed with a significant portion of ECS's Series 2024 bond proceeds.

### Fitch A- rating

As part of our bond financing process, ECS engaged Fitch Ratings for the new bond issue.

Fitch affirmed ECS's Issuer Default Rating at 'A-' with a Stable Outlook, assigning this A- to the Series 2024 bonds. In their words: "Overall, Fitch believes ECS's market position, which reflects healthy demand for independent living units and affordability, coupled with satisfactory balance sheet and leverage metrics that rebound post-series 2024



debt issuance and project fill-up support rating stability at this time."

### Closing of Series 2024 bonds

ECS issued \$105.5 million in tax-exempt bonds with maturities beginning in 2027 and extending through 2058.

Together with ECS's 2022 refinancing (executed by ECS's Investment Banker Cain Brothers), ECS's combined long-term cost of capital is just below 4%. For comparison, on the day the Series 2024 bonds priced, the rate for a 30-year fixed-rate mortgage was 7.1%. The lower interest rate allows for significant savings over the life of the bonds.

The bond proceeds together with considerable equity will fund the MonteCedro expansion and completion as well as significant improvements at ECS sister communities The Canterbury and The Covington.

ECS's Board of Directors and leadership are committed to using long-term borrowings prudently to maintain or improve resident safety, care and comfort while keeping communities like new.