

Report on Examination

of

Acts Retirement-Life Communities, Inc.

d/b/a

Edgewater at Boca Pointe

Boca Raton, Florida

as of December 31, 2021



Contents

Scope of Examination	1
Company History.....	1
Summary of Findings	2
Minimum Liquid Reserve	3
Summary of Recommendations.....	3
Conclusion	4

SCOPE OF EXAMINATION

The Florida Office of Insurance Regulation (“OIR”), Life & Health Financial Oversight unit conducted a routine examination of Acts Retirement-Life Communities, Inc. d/b/a Edgewater at Boca Pointe, pursuant to Section 651.105, Florida Statutes. The objective of the examination was to determine the extent of compliance with the provisions of Chapter 651, Florida Statutes, and Rule Chapter 69O-193, Florida Administrative Code. The examination covered the period of January 1, 2014, to December 31, 2021.

COMPANY HISTORY

Acts Retirement-Life Communities, Inc., a Florida not-for-profit corporation was granted a certificate of authority by the OIR to offer continuing care contracts on August 5, 1982. Acts Retirement-Life Communities, Inc., operates the continuing care retirement community facility Edgewater at Boca Pointe located in Boca Raton, Florida. Edgewater at Boca Pointe is managed by ACTS Management Services, Inc., an affiliated entity.

Edgewater at Boca Pointe operates on the calendar year January 1 through December 31. As of December 31, 2021, Edgewater at Boca Pointe reported in its Annual Report filed with the OIR: There are 501 Continuing Care Units consisting of 316 Independent Living Units, 54 Assisted Living Units, and 101 Skilled Nursing Units. As of December 31, 2021, there were 386 Continuing Care residents and 43 Renters, totaling 429 individuals residing at Edgewater at Boca Pointe. The facility reports, pursuant to a continuing care contract, 323 residents in independent living, 27 residents in assisted living and memory care, and 36 residents in skilled nursing.

SUMMARY OF FINDINGS

The following is a summary of findings.

Notifications to the OIR

Finding 1:

In seven instances, pursuant to Sections 651.026(2)(a) and 654.043(2), Florida Statutes, Edgewater at Boca Pointe failed to notify the OIR of any change in status with respect to the information required to be filed under Section 651.022(2), Florida Statutes, for each new management company or manager not employed by a management company.

Finding 2:

In six instances, pursuant to Section 654.043(2), Florida Statutes (effective July 1, 2019), Edgewater at Boca Pointe failed to notify the office, in writing or electronically, of any change in management within 10 business days.

Residents' Council Required Disclosures

Finding 3:

In one instance, pursuant to Sections 651.091(2)(f) and 651.091(2)(h), Florida Statutes, Edgewater at Boca Pointe failed to provide documentation to demonstrate that the 2017 annual statement, third-party financial audit, and the summary of entrance fees were supplied to the Residents' Council President within 30 days of filing the annual report with OIR.

Finding 4:

In three instances, pursuant to Section 651.091(2)(i), Florida Statutes, Edgewater at Boca Pointe failed to provide documentation to demonstrate that a copy of each quarterly statement was delivered to the President or Chair of the Residents' Council within 30 days after the quarterly statement is filed with the OIR.

Quarterly Meetings with Residents

Finding 5:

In one instance, pursuant to Section 651.085(1), Florida Statutes, Edgewater at Boca Pointe failed to provide documentation to demonstrate that at least 7 days' advance notice of a quarterly meeting was provided to the residents.

MINIMUM LIQUID RESERVE

As of December 31, 2021, the Edgewater at Boca Pointe's Minimum Liquid Reserve was funded in accordance with Section 651.035, Florida Statutes.

SUMMARY OF RECOMMENDATIONS

Notifications to the OIR

Findings 1 and 2: The OIR recommends Edgewater at Boca Pointe ensures the OIR is timely provided information and documentation for managers or management companies, in accordance with requirements of Chapter 651, Florida Statutes and Rule Chapter 69O-193, Florida Administrative Code.

Residents' Council Required Disclosures

Findings 3 and 4: The OIR recommends Edgewater at Boca Pointe establish adequate procedures and controls to ensure the statutory availability, distribution, and posting of reports and records are distributed to the President or Chair of the Residents' Council, in accordance with Section 651.091(2), Florida Statutes.

Quarterly Meetings with Residents

Finding 5: The OIR recommends Edgewater at Boca Pointe maintains documentation to demonstrate that the statutory quarterly meetings with residents are properly noticed, in accordance with Section 651.085(1), Florida Statutes.

CONCLUSION

This Report of the Examination is based upon the information provided to the OIR from Edgewater at Boca Pointe and additional research conducted by the OIR.

The following individuals from the Florida Office of Insurance Regulation participated in the examination: Michael Rockwell, Senior Management Analyst Supervisor and Steven Waites, Financial Specialist.

Respectfully submitted,



Carolyn M. Morgan, APIR
Director, Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date Signed: 6/7/23