

Beth Haven

Retirement Community

To: Board of Directors

From: Paul Ewert, CEO

Date: December 2019

RE: Finance Report

For the month of November the Nursing Home average occupancy was 95.27 with a 12 month average of 95.11. We had a high occupancy of 100 and a low of 91. In Pleasant View we had a room occupancy of 32.93 of 35 or 94.1% with 1 unit having double occupancy. We have a 12 month average of 34.82 with double occupancy for 6 months. One of our independent living apartments was vacant, it has been made ready for occupancy and we are going through our list to find a new renter. It is a small unit and so we are having trouble finding someone to accept it. The ISL's have 1 opening in the Lake Apollo ISL and 2 at the West Ely ISL but we are not taking a loss because of it. We now have 4 opening in the 2 houses on campus. We are working through the process of converting the west house into an ISL with 4 individuals and having 8 individuals in the east house. This will give us full occupancy of both houses. Terrace had an average occupancy of 97.66 in November. With a 12 month average occupancy of 96.48 of 102

For the nursing home in November we had 31.47 private pay individuals, 54.6 Medicaid individuals, 2.83 Medicare, 1.57 managed care, 3.07 on hospice, and 1.73 Medicaid pending. We had a low occupancy of 91 and a high of 100.

Currently for the month of December the nursing home is averaging 97.44 individuals and Pleasant View is averaging 35.5 individuals.

For all organizations we are in the process of our annual audit and will have audit expenses for the next several months.

The nursing home had an unrealized gain of \$ 7,885. Our private pay census is up and our Medicare census is down so the private income is higher and Medicare is lower. That means that our Medicare related expenses like pharmacy and therapy are down. Our Dietary expenses were up about \$3000 which is usual for November, it will also be high for December, the holiday months. The accounting fees for our audit were \$8500 and our office supplies were high as we continue to replace computers. The big expense that caused us to be over our budget was employee benefits charges of \$42,000 above budget. This is related to health insurance costs. We cannot know if this is one individual or a number. Regardless we will receive reimbursement from our stop loss carrier of all funds over \$25,000 per person. This reimbursement may take a couple of months to process. Pleasant view had unrealized gain of \$2,916. Our audit expenses for the month were \$3,125. The large item of note is the Amortization expense of \$44,078. This relates to our refinancing of the Loan and is a one-time expense. We have a small independent apartment open and are working on filling it.

For November for the group homes there were no items of note financially.

For Terrace we had repair materials of \$3,300.

For Management we had audit expenses of \$600, and property expenses of \$2,165 for the property that is leased by the ISL's.

In regard to the law suit against the State for the reduction in our nursing home Medicaid rate a couple of years ago. There is a settlement in discussion that is working its way through the State offices. At this time the settlement would provide us with \$42,583.44. To date the suit has cost us \$1,811. While this is good news even after we get all the agreements we need it will still take a little time to process.

	November 2019				
	Mennonite Home Assn.	Group Homes	Terrace	Management	
Balance Sheets					
Assets					
Current Assets					
Cash and Equivalents	160,377.60	190,771.84	1,834.36	31,494.92	
Accounts Receivable	1,097,811.38	168,941.76	52,658.00	225,506.74	
Short Term Investments	1,257,230.91	73,134.00	6,008.15	3,012.38	
Prepaid Expenses	32,109.34	442,040.89	14,990.24	24,040.90	
Due from Related	72,086.46		20,250.80	6,465.77	
Misc	58,329.67			290,520.71	
Total Current Assets	<u>2,677,945.36</u>	<u>880,896.64</u>	<u>89,733.40</u>	<u>290,520.71</u>	
Assets Limited as to Use	25,825.63	4,916.31	94,796.52		
Property and Equipment, Net	4,069,509.76	250,793.22	679,016.29	166,035.30	
Other Assets					
Investment in Affiliated	157,954.70		157,954.71		
Investments					
Security Deposits					
Escrow	139,054.48	8,993.64	34,061.37	4,663.09	
Total Assets	<u>7,070,289.93</u>	<u>1,145,599.81</u>	<u>1,056,221.05</u>	<u>461,219.10</u>	
Liabilities and Net					
Current Liabilities					
Current Maturities long term debt	193,550.77		118,912.41	54,987.03	
Accounts Payable	526,869.51	59,785.83	26,886.20	58,349.46	
Accrued Payable	252,879.13	67,316.45	9,071.54	131.22	
Due to Related parties	427,042.22	343.59	15,565.96		
Resident Trust Fund	14,055.63	4,916.31			
Resident security deposits	11,695.00		34,061.37		
Total Current Liabilities	<u>1,426,092.26</u>	<u>132,362.18</u>	<u>204,497.48</u>	<u>113,467.71</u>	
Long Term liability					
Long term debt	2,033,897.43		962,479.33		
Deferred Income	362,117.61		53,324.00		
Asset Retirement obligation	60,780.00				
Stock Holders Equity					
Common stock & Retained Earnings				343,346.98	
Total Liabilities	<u>3,882,887.30</u>	<u>132,362.18</u>	<u>1,220,300.81</u>	<u>456,814.69</u>	
Unrestricted Net					
Fund Balance	3,238,568.55	937,589.31	-175,130.50	4,404.41	
Profit (loss)	-51,165.92	75,648.32	11,050.74		
Total Liabilities and Capital	<u>7,070,289.93</u>	<u>1,145,599.81</u>	<u>1,056,221.05</u>	<u>461,219.10</u>	

Combined P & L

November 19

	Nursing Home Revenue	YTD	Pleasant View	YTD	Group Homes	YTD	Terrace	YTD	Management	YTD
Private	\$198,280.60	\$415,447.33								
Medicare	\$68,538.60	\$144,076.84								
Medicaid	\$294,252.48	\$589,827.66								
Resident services			\$103,909.07	\$211,102.70	\$161,863.29	\$333,609.66	\$54,224.00	\$109,599.00		
Management fees									\$54,391.11	\$109,746.99
Other	\$3,855.60	\$7,764.77	\$2,951.00	\$6,032.77	\$961.08	\$2,760.68	\$729.00	\$1,228.75	\$1,195.00	\$2,390.00
Operating Revenue	\$564,927.28	\$1,157,116.60	\$106,860.07	\$217,135.47	\$162,824.37	\$336,370.34	\$54,953.00	\$110,827.75	\$55,586.11	\$112,136.99

Expense

Nursing	\$260,353.68	\$538,661.48	\$23,853.24	\$48,954.91	\$84,566.31	\$170,487.78				
Support services	\$104,790.97	\$214,721.34	\$25,286.19	\$53,714.11	\$6,822.12	\$13,941.49			\$36,985.27	\$75,320.14
Plant Operations	\$34,162.37	\$69,952.02	\$10,915.33	\$22,329.13	\$5,307.02	\$11,480.21	\$16,385.83	\$30,654.53	\$538.16	\$655.12
Administration	\$87,994.88	\$175,917.45	\$20,514.49	\$38,858.77	\$11,900.11	\$23,446.64	\$13,090.12	\$26,372.94	\$2,159.26	\$5,259.06
Tax and Benefits	\$106,799.44	\$164,715.32	\$7,826.21	\$15,310.73	\$21,203.38	\$39,175.24	\$7,257.90	\$12,030.38	\$9,499.28	\$18,819.91
Interest			\$9,075.03	\$16,027.68			\$3,507.28	\$6,729.70		
Misc.	\$2,119.51	\$3,670.51	\$201.66	\$354.15					\$3,968.38	\$6,211.67
Depreciation	\$10,150.40	\$20,300.77	\$11,605.58	\$23,211.08	\$1,475.29	\$2,117.24	\$12,079.02	\$24,146.21	\$882.49	\$1,765.02
Operating Expense	\$605,971.25	\$1,187,938.89	\$109,277.73	\$218,760.56	\$131,274.23	\$260,648.60	\$52,320.15	\$99,933.76	\$54,032.84	\$108,030.92

Other Income

Interest income	\$3,893.61	\$3,559.40	\$278.34	\$152.35	-\$42.66	-\$73.42	\$2.11	\$156.75		
Unrealizes L/G	\$7,885.40	\$14,221.17	\$2,916.52	\$5,259.88						
Misc	\$1,083.33	\$2,166.66	-\$44,078.00	-\$44,078.00					\$59.00	\$298.34
Total other income	\$12,862.34	\$19,947.23	-\$40,883.14	-\$38,665.77	-\$42.66	-\$73.42	\$2.11	\$156.75	\$59.00	\$298.34
Income tax expense									\$0.00	\$0.00
Net Income	-\$28,181.63	-\$10,875.06	-\$43,300.80	-\$40,290.86	\$31,507.48	\$75,648.32	\$2,634.96	\$11,050.74	\$1,612.27	\$4,404.41

Menonite Home Association Board Report

	FY	FY	2nd	September	October	November	12 Months
	17	18	2019	19	19	19	Average
Human Resources							
FTE's Nursing Home	83.36	80.67	85.46	88.10	91.69	87.34	85.60
FTE's Pleasant View	15.34	12.56	9.47	9.49	9.52	8.21	9.46
FTE's Group Homes	37.98	37.77	35.42	34.30	35.25	34.75	35.27
# new employees	10.42	10.10	7.67	11	8	8	9.67
Menonite Home Operational & Financial							
Debt Coverage Ratio	0.3	0.55	0.76	2.22	3.06	-1.37	1.37
SNF Admissions	14.42	16.80	19.00	18	20	6	18.25
SNF Dismissals	11.75	14.60	16.00	12	15	17	15.33
SNF Deaths	3.42	3.10	3.33	9	3	5	4.25
% Medicare utilization	7.15%	7.22%	7.84%	6.03%	3.50%	2.97%	6.06%
% Medicaid utilization	59.44%	67.29%	65.48%	63.67%	63.57%	62.44%	65.26%
% Private utilization	32.23%	23.48%	24.61%	26.73%	31.38%	33.02%	26.53%
% Managed Care	1.18%	2.01%	2.07%	1.57%	1.55%	1.57%	2.00%
SNF Average Daily Census from 101 units	88.23	88.57	94.47	97.83	95.71	95.30	95.11
Total SNF resident days	2684.00	2693.10	2867.00	2935	2967	2859	2893.08
SNF length of stay	711.50	667.44	577.33	558	201	542	538.33
ALF Admissions	2.83	2.60	2.67	1	1	2	1.75
ALF Dismissals	3.25	2.90	3.67	2	1	1	2.17
ALF Deaths	0.17	0.00	0.33	0	0	0	0.08
ALF Average Daily Census from 35 units	31.63	34.35	32.91	32.93	31.94	33.00	33.22
Total ALF resident days	962.00	1046.20	998.33	1018	1021	990	1016.75
ALF length of stay	1132.25	1203.02	1266.33	1181	1175	1169	1228.83
Independent Living Units	9.00	8.90	9.00	8	8	8	8.46
Adult Day Care hours	297.19	290.70	307.95	302.00	292.50	341.00	268.65
Therapy A ALOS	21.96	22.03	21.77	17.30	28.00	10.50	19.01
Therapy B ALOS	25.13	23.11	26.00	24.83	19.40	23.50	22.99
Therapy A Units Provided	738.70	933.80	939.33	651	418	356	746.17
Therapy B Units Provided	500.00	479.00	521.00	639	826	818	571.33
Managed Care Units Provided		237.75	185.33	188	176	175	197.83
Number Falls	22.33	25.70	28.00	32	50	30	31.17
Number Fractures	0.17	5.00	0.00	3	2	4	0.92
Residents with Catheters	3.42	6.50	6.67	5	4	3	6.25
Residents with UTI's	5.24	6.50	6.00	5	6	4	5.50
Residents who lost weight	10.67	9.10	9.33	5	11	8	8.42
Residents with increase in ADL's	2.00	1.90	1.33	4	4	1	1.75
Residents Restrained	0.17	0.00	0.00	0	0	0	0.00
Residents with Pressure Ulcers	4.17	6.00	9.67	9	6	7	7.42
Terrace							
Average Daily Census from 102 units	97.68	99.47	95.37	98.13	99.74	98.00	96.48
Average length of stay	1973.58	1997.03	1984.67	1933	1392	2003	1917.92
Admissions	0.92	2.00	1.67	2	2	0	1.33
Move outs	1.17	1.30	2.00	1	2	2	1.58