

# STONERIDGE RETIREMENT LIVING

“All In”. This year’s conference theme is in direct conflict with the current state of the workforce in America - at least in our geographic locations. The theme does, however, resonate with the expectation of how we need to deliver services to today’s seniors. With these two key critical components of the organization in conflict I am certain there is no need for me to elaborate and belabor the point of how hard it has become to deliver 5-star service and be a desirable community to which everyone looks when the need arises.

In my report last year, I shared we were in the initial phases of the feasibility studies needed to move forward in developing the 300 plus acres in Carlisle into a continuing care retirement community. The planning stages have steadily progressed and we will actually begin reviewing conceptual designs at our April Board of Trustee meeting. Cost estimates are being prepared which will be utilized to determine the financial viability and sustainability of the project. With that said, we anticipate having an answer toward the end of May if the project will receive the green light.

Maintaining a full census continues to be a primary focus of the Senior Leadership Team and the individual communities’ leadership. We have experienced, as reported last year, sustained occupancy in our Popular Run Independent Living which in the past was always the challenge. We have become a preferred partner with WellSpan which has helped to stabilize our skilled nursing census in Myerstown. We are currently struggling to get regular referrals in Carlisle as the two area hospitals work through their recent affiliation with UPMC. We did experience that same challenge through the second half of 2017 in Myerstown as Good Samaritan was merging with WellSpan. Personal Care also tends to go in waves of demand, and we are faced with a lower census in that continuum of care as well.

The healthcare industry continues to change as government is concerned with the ever-increasing cost of health expenditures for our senior population. We are forced to change with it and have done so willingly even though it means working twice as hard. The trend of shorter nursing stays during a Medicare qualified stay continues, moving the desired average length of stay to under 20 days. This has put great pressure on admissions to keep beds full, and even more pressure on staff to rehabilitate a resident in a shorter period of time to discharge them back home.

We have decided to focus our efforts on partnering with a home health care provider rather than venture into it ourselves. We understand most retirement communities lose money when they develop and manage the program on their own, and with already tight margins, management felt it would be best not to enter into this service line at the present time. Ensuring our residents have a successful stay with positive outcomes has always been our primary focus, so having a strong partner to continue care at home achieves the ultimate goal of restoration. This has allowed for better dialogue with the hospitals to ensure we assist them in not having a re-admission for the same medical occurrence.

We continue to offer benevolent care at all communities, but have had to limit the number of residents who receive benefits from the program. We also limit the dollar amount we can provide to fund this program. The church plays a significant role in helping to keep this program alive by contributing to the Mother’s Day offering. Additional contributions are always welcome and we encourage and ask you to share this need within your church.

We spent significant time at the end of 2017 developing a Wellness Program to support our team members with everyday life challenges. Our program was developed around five pillars: Physical, Emotional, Intellectual, Financial and Spiritual. We have made a concerted effort to open the spiritual conversation within the organization with the hope of reaching the lost. Team members have opportunities to meet with our Chaplains, attend prayer meetings and Bible studies. In April we rolled out the Grief Share program and we will be starting a Life Tree Café in the fall. We are opening both of these not only to team members and residents but also to the surrounding Myerstown

Community. Fortunately, we are getting some support from the Myerstown Churches who did not have the resources to offer this program on their own or facilities conducive to this type of program.

Recruitment and retention continues to be our most difficult challenge. With unemployment at an all-time low, a generation that has been raised with an "IT'S ALL ABOUT ME ATTITUDE," and worrying about everything other than their job, we find ourselves with a multitude of frustrations and concerns on how to continue delivering quality care with a very limited, available and willing workforce. We are spending significant time educating on the core values and mission of StoneRidge to develop and build a culture of service within the organization. We are focusing on engaging our team members to create a work place where they want to be. We want our team members to be proud they work for a StoneRidge Retirement Living Community. We are working to re-invent ourselves to the "new" consumer, aka – the prospective team member, to build brand loyalty.

We have been fairly successful in creating a Christian atmosphere for residents to enjoy. We are ready to take the next step – a Christian atmosphere where team members feel appreciated and want to return that appreciation into satisfaction for our residents. Join us in this effort through your time by volunteering and being a positive presence. Join us in your continued financial support for both special contributions to projects and our on-going benevolent care program. Join us in prayer as we seek to let this Ministry be an example of our Father's love, grace, compassion and mercy.

Respectfully submitted in Christ's Service,

**Steven J. Reiter, CPA**  
**President & CEO**