

2013 ANNUAL REPORT

MARTHASM & MARY

Everyday Heroes



Mission Statement

MARTHA & MARY PROVIDES QUALITY, COMPASSIONATE CARE AND INTERGENERATIONAL EXPERIENCES FOR CHILDREN, ADULTS AND SENIORS REGARDLESS OF FAITH, ETHNICITY OR ECONOMIC STATUS. WE DO THIS IN A CHRISTIAN MANNER BY OFFERING THOSE WE SERVE CARING REHABILITATION, A SAFE PLACE TO GROW AND LEARN AND AN OPPORTUNITY TO LIVE WITH DIGNITY, HONOR AND INDIVIDUALITY.

Founded in 1891 in Poulsbo, Martha & Mary has served West Puget Sound's children, adults and seniors for more than 120 years, treating those we care for like family. In 2013, this meant providing care or serving more than 2,100 people with child care and early learning classes, long-term care, rehab and senior housing.

Opposite page: Richard MacFarlane, retired US Navy Gunner's Mate, reads the daily paper at Bay Vista Commons.



Dear Friends,



When asked about Martha & Mary, I typically begin with two words to summarize the unique character of our organization: access and excellence.

Both epitomize what our everyday heroes—employees, volunteers, donors, and

trustees—strive for and embrace every day. Each year, those two qualities inspire us to put shape to Martha & Mary's mission and values in a tangible way for the thousands of lives that are touched by the family of services we offer to the West Sound region.

As you peruse our 2013 Annual Report, I hope you are encouraged by the noteworthy achievements that demonstrate our commitment to this mission:

- Opened the Village Green Senior Apartments, completing our first joint venture
- Celebrated 30 years of putting kids first in our community
- Improved our clinical expertise by employing our first full-time physician to better support the increasing medical needs of our clients and residents
- Received national customer satisfaction awards for senior programs
- Employed our largest workforce ever and achieved our best record in overall safety

All of these milestones are the work of many people. On behalf of the heroes that make Martha & Mary a

special place, my heartfelt thanks to our friends and families. It's a privilege to serve the West Sound region. We appreciate your trust and support—it helps affirm our commitment to access and excellence so they continue to be the hallmarks of Martha & Mary.

Sincerely,

A handwritten signature in blue ink that reads "Chad Solvie".

Chad Solvie, CEO

Martha & Mary Health and Rehab
Center front entrance.



Our Heroes at Martha & Mary

The heroes among us come in many forms—the child whose passion for play and desire to share ensures the shyest kid in class gets a turn, the nursing mentor who coaches colleagues with patience and encouraging words, or the home care aide who gently wins the trust and affection of the frail senior she’s helping. Acting from kindness of heart, giving freely of oneself, and making a difference in the moment when it is most needed—all are hallmarks of the everyday heroism that we’re so proud of at Martha & Mary.

CELEBRATING EMPLOYEE ACHIEVEMENT

Caring for others is challenging, gratifying work, and celebrating employee achievements is an annual tradition at Martha & Mary. In 2013, our employees and their families gathered at Island Lake Camp for a summertime BBQ, games and special recognition. Our awards program acknowledges years-of-service milestones as well as the many ways staff go above and beyond.



DR. RON TACKER

nationwide who believe today’s skilled nursing patients benefit from the immediate care that a doctor on staff provides. Dr. Tacker’s presence and close familiarity with patients means faster care decisions and less trips to the emergency room because appropriate care is offered on the spot.

FULL-TIME PHYSICIAN NOW ON STAFF

In June 2013, Dr. Ron Tacker joined our staff as the on-site physician at the Health and Rehab Center and Bay Vista Commons. With a physician on staff, Martha & Mary joins the progressive ranks of a small and growing group of providers

2,177
PEOPLE SERVED,
CHILDREN AND ADULTS



Teaching Assistant,
Helen Pungowiyi,
snuggles an infant at
Martha & Mary’s
Child Care Center

Heroes in the Community

COMMUNITY PARTNERS

Our community partners are many, and they provide valuable connections to many important aspects of Kitsap County. Their support of Martha & Mary, embedded in the desire to assist and care for others, lifts spirits and helps us meet our mission of service to all generations.

Here are a few examples of our 2013 community heroes:

- The loyal volunteers in our resident life programs, who lead classes and support activities, accompany residents on outings, and work in the gift shop
- The 10 Lutheran member churches and many of their congregants, who provide financial support, friendly visits, and serve on our Board

- Thrivent Community, who, as a new partner, sponsored a sold-out educational event and raised nearly \$3,000 for Martha & Mary programs and activities

Two special individuals were recognized in 2013 for outstanding contributions:

- Arch Wirth, shown at right with Chad Solvie, received the 2013 Philanthropy Award for his extraordinary and steadfast support of Martha & Mary for 12 consecutive years. Arch is joined in his generosity by more than 300 donors who made gifts in 2013, totaling more than \$346,000.
- Cora George, a former Board member and volunteer, who made Martha & Mary the beneficiary of a very generous legacy gift, inspired the Cora Challenge and doubled the impact of 90 donors who gave to the year-end fund raising appeal.



361
VOLUNTEERS WITH
18,635
HOURS OF SERVICE

Gift Shop volunteers,
LaVerne Walter and
Carol LaGrandeur.

Social Accountability

Social accountability helps us measure our commitment to mission in the community at large and reflects our values as a good corporate citizen.

INVESTED IN COMMUNITY

Martha & Mary makes a significant investment in the well-being of our region's most at-risk citizens. In 2013, we provided more than \$1.8 million in undercompensated care for financially disadvantaged seniors and kids. Our focus on quality and personalized care for all who need our services helps ensure that access and excellence go hand-in-hand.

A COMMUNITY RESOURCE

Martha & Mary is increasingly recognized for our expertise in the fields of aging and early childhood education. In that capacity, we participated in speaking engagements and business and civic alliances, consulted

with other service providers and hosted events sponsored by others at our main campus. Here are some highlights from 2013:

- Partnered with AARP to serve as a site for its Tax-Aide Program—trained and certified advisers prepared income taxes for free for taxpayers of all ages.
- Provided training for Nurse Assistant Certification and Home Care Aides, available at no or low cost, helping ensure a caring and professional work force for important caregiver positions.
- Collected food and clothing donations at our child care locations during the winter months, helping area families and teaching children the importance of caring for others.
- Hosted a broad array of community groups and organizations at our main campus, from the Boy Scouts to Toastmasters to memory loss support groups, and participated in initiatives such as National Memory Screening Day, the Older Americans Conference and the Senior Games.
- Provided more than 20 presentations, free of charge, to community groups all over Kitsap County on a variety of topics vitally important to seniors and their families.



\$1.8
MILLION
IN UNDERFUNDED CARE



In 2013, Martha & Mary KIDS celebrated a significant milestone—its 30th Anniversary. Since its inception, the program has grown from serving a handful of employees' children to caring for more than 1,200 kids in twelve locations. Our intergenerational program, which brings kids together with seniors to share experiences, has been recognized as a national best practice.

Helping kids get off to a healthy start is good for everyone, including the regional economy. Martha & Mary's quality child care and before and after school programs in North and Central Kitsap are vital resources for employers and working parents. As the Washington State Department of Early Learning attests, many people and partners in our communities—not just parents and educators—have a role in ensuring that children are prepared for success in Kindergarten and beyond.

Martha & Mary KIDS has continued putting kids first with a special emphasis on early learning. Research confirms that quality early childhood education is an essential building block for later success. "Our staff



are some of the best heroes around," said Tammi Palodichuk, Administrator, "and the kids—they inspire us beyond measure."

This page: A Child Care Center preschooler dons a graduation cap during play time. Opposite page: Children's Learning Center Kindergarten pals.



1,232
CHILDREN

CARED FOR AND TAUGHT
IN CHILD CARE AND EARLY
LEARNING PROGRAMS

In November, Martha & Mary celebrated the grand opening of Village Green Senior Apartments in Kingston. Made up of one- and two-bedroom apartments, this 35-unit senior independent living community combines affordability with proximity to Kingston's waterfront. More than 300 guests toured and enjoyed the ribbon cutting as part of the open house. This project, a partnership between Shelter Resources, Inc. in Bellevue and Martha & Mary, received the prestigious Puget Sound Regional Council's VISION 2040 Award, the only project in Kitsap County so recognized in 2013.

We continued our management of Bay Vista Commons for the Bremerton Housing Authority. This unique campus, built as a national demonstration project, provides 72 units of assisted living and memory care with unparalleled financial security for residents.

The Ebenezer, our first senior living campus, serves seniors age 62 and older with 24 comfortable, independent living apartments in Poulsbo.



Staff member, Janise Sherman, with Major "Rocky" Hoffman, retired Marine, Pearl Harbor Survivor and Bay Vista Commons resident.

Resident, Betty Coe, dining at Bay Vista Commons.



3 SENIOR LIVING CAMPUSES

172  RESIDENTS IN ASSISTED AND INDEPENDENT LIVING

MARTHA & MARY At HomeSM

AT HOME continued to find new ways to address the increasing care needs of West Sound seniors living at home, from Gig Harbor to Bainbridge Island and in Jefferson and Mason Counties. In 2013, the AT HOME program successfully demonstrated its collaborative leadership in two exciting ways:

- Launched a partnership with Holiday Retirement and their Peninsula Independent Living campus in Gig Harbor. AT HOME provides services that help residents of this campus maintain a high quality of life, allowing them to thrive and continue to live independently.
- Selected as one of the key organizations in Kitsap County to help lead Washington State's program to manage and reduce the cost of health care for some of

the State's most vulnerable citizens. This innovative initiative partners local healthcare providers like AT HOME with private insurance companies to help coordinate care and improve the quality of life for this fragile population.

Finally, for the fourth consecutive year, the AT HOME team received the Best of Home Care Award from Home Care Pulse for outstanding customer satisfaction. "It is another reflection of the heroes among us, showing Martha & Mary's strong commitment to exceptional, personal care."—Randy Hardin, AT HOME Administrator.



MORE THAN
140,000
HOURS OF LIVE-IN CARE SERVICE

MARTHA & MARY Rehab

With installation completed in fall 2013, the Health and Rehab Center's new nurse call light system advanced our commitment to excellent care and increased client and family satisfaction. Daily, this powerful communication tool makes a dramatic impact for those in our care. Handheld pagers allow us to respond to client needs faster. Valuable data on call light use is quickly integrated into care plans, improving quality and efficiency. Leveraging support from individual, foundation and government donors, we secured \$160,000 to upgrade our technology with this 21st century solution that helps us deliver efficient, patient-centered care.

We made some other important capital investments. These included the make-over of the Marina Unit bathing room by installing a state-of-the-art therapeutic whirlpool tub, non-skid flooring and an in-floor scale; modernizing the Bay Unit Dining Room and new landscaping in the adjacent courtyard.

The results of these improvements are reflected in our customer satisfaction ratings. For the second consecutive year, Martha & Mary's REHAB program received Pinnacle Quality Insight's Customer Experience Award. The staff also achieved a greater than 90 percent overall satisfaction score from families and residents in our long-term care program.



"The really exciting thing is that tools like our surveys and new call light response technology are helping us make immediate changes and thus, better care for those that we're serving."—Holly Shepherd, Administrator.

Opposite page: [Audrey Larson](#) practices cooking with Occupational Therapy Assistant [Tanya Borah](#).



APPROXIMATELY
12,000
CALL LIGHTS PER
MONTH IN 2013

56,822
DAYS OF CARE PROVIDED
TO 508 RESIDENTS
AND PATIENTS

Giving Thanks

Martha & Mary is the grateful recipient of many gifts from our friends, neighbors, employees and others who believe in our mission.

BENEFACITOR SOCIETY

Employees Community Fund
of Boeing Puget Sound

PATRON SOCIETY

Norcliffe Foundation

PRESIDENT'S SOCIETY

Ruth Owens
Chad and Melanie Solvie

TOLLEFSON SOCIETY

Bainbridge Community Foundation
Bethany Lutheran Church
Bill and Kathy Brueggemann
Chevron Humankind Matching
Gift Program

ELCA, Region 1 Financial
Services Office

First Lutheran Church

Dave and Sue Gitch

Kathy E. Glick

Peggy Grigg

Helen Heins and Cory Heins,
Heins Global Foundation

Marjory Lakewold Kallem

Gale Kirsopp

Kiwanis Club of Poulsbo Foundation

Ed and Karen Kushner

Don Lachata

Julie Lightfoot

Doug Love and Rachel Running

Steve B. and Cathy Maxim

Glenn and Sally Nelson

Bob and Sharon Nichols

Northwestern Mutual

Ken and Trish Oliver

Shirley Olsen

Optum

Pete and Andrea Paup

Port Madison Lutheran Church

Puget Sound Energy Foundation

Ken and Sandy Robinson

Phil and Anita Rockefeller

Lois Rolfe

Nadean Ross

Paul and Holly Shepherd

Silverdale Lutheran Church

Meredith and Helen Langer Smith

Sodexo Senior Services

Jere and Paulette Solvie

Thrivent Community - Silverdale

Delores Van Wyck

Vinland Lutheran Church

Chris and Gail Whitley

Arch Wirth

Roger and LouAnn Wood

LIBERTY CIRCLE

Ben and Liv Borson

Kathy Gallington

Randy and Jerrine Hardin

Kitsap Credit Union

Carolyn and John Mikkeltborg

Larry and Sandy Nakata

National Financial Services LLC

Jay and Linda H. Newkirk

Paula Rimmer

Rosalyn Sarion

Mark and Anna Winney

HERITAGE CIRCLE

Tom and Carol Anderson

Barnes & Noble Silverdale

Carl Behnke

Clark Nuber, PS

Jeffery and Irmgard Davis

Emmanuel Lutheran Church

William and Shirley Fuhrmeister

Mary Ann Guerrero

Chuck and Lynn Harvey

Betty Herman

Walter Hill

Virgle Knight

Lutheran Community Foundation

J. Christian Madison, CLU

Martha & Mary Auxiliary

Hugh and Alice Millis

Jeanne M. Moshner

Jim and Judy Rowson

Thrivent Financial Foundation

Turning Point Group

David and Ann Wetter

Harry and Nancy Wetzler

SUPPORTER

Agate Pass Sail and
Power Squadron

John and Catherine Ahl

John Armstrong

Robert and Peggy Aronson

Delfin and Linda Arreola

Elaine Aske

Charles Ballew

Dianna Blom

Natalie Bryson

Michael B. Coleman

Steve and Lee Coleman

Community of Christ
at Memorial Lutheran

Beatrice Poore Cope

Donald and Jean Danielson

Dieter and Audrey Ebeling

Robert and Geneva Ellerby

Family of God Lutheran Church

Steve and Cindy Garfein

Stephen and Hildur Gleason

Howard and Edna Goll

Larry and Dee Grigsby

Rick and Cathy Gunderson

Ed and Janice Hakanson

Patricia Hannan

Giving Thanks

Rand Hillier
Helen Kaupanger
Hilda Keyes
JoEllen Klempan
Craig and Sally Kvam
Dean and Janet Lammers
Raymond and Elizabeth Landry
Richard and Shirley Larsen
Marlene LeMire
Jessie Lutz
James Madison
Lisa Martin
Anthony and Maria McCafferty
Ardis Morrow
North Kitsap UU Church
Alan and Marlene Orwiler
Warren and Mary Polensky
Port Madison Lutheran
Church Women

Dick and Chris Portmann
William and Wilma Ridley
Bruce and Ronine Riggins
Marian Rova
Aaron and Mari Schielke
Barbara F. Seavy
Silverdale Lutheran Church Women
Patrick and Tracy Sullivan
Ed and Elsie Sund
Donna Svarthumle
Arlene Thompson
Eugene Thompson
Helen Glad Toliver
Sue and Brian Tucker
Diana Wasson
Wade and Karen Watson
Donald S. Willett
Women of Vinland,
Vinland Lutheran Church
Kirk and Jacqueline Youngman
Vreni Zweifel

FRIEND

Deanna Albrecht
Dale and Beverly Anderson
Joseph and Maureen Ardizzone
William and Janice Asplund
Kenneth Avery
Peter and Jill Bang-Knudsen
Ron and Adele Bergerson
Rita Boddy
John and Gloria Boettcher
Terry and Karen Bow
Mark and Karen Brody
Harriette Bryant
William and Barbara Burke
Jane Callahan
Dolores Carosso
John and Sylvia Castleman
Ron and Mary Anne Cleveland
CM Travel 4FUN
Louise Cothary
Orion Culver

Daniel Denman
Timothy and Connie Diccico
Steven and Allene Dodge
Leonard and Carol Donato
Rosalie Dormaier
Toni Fahey
Donald Fisk
Brenda Forcade
Bob and Susie Fordyce
Gene and Sandra Fullerton
Richard Gilchrist
Harry and Laura Gilger
Tom and Marti Goishi
Frank and Kathy Gomes
Rosemarie Good
Myron D. Groat
Beatrice Hagen
Herbert Hammond
Michael and Kathy Havers
Viola Hinz
William and Marilyn Hoots

Doris Ivans
Andrew and Alice Jordan
Karen Lindsey
Eleanor Magnuson
Bill and Margaret Mathisson
Joseph and Twila McArdle
Paul and Loretta Meeker
Zecharias Mesgane
Alan Miller
Norm and Elaine Moehring
Doug and LeAnn Mong
Michael and Melinda Monroe
David and Glenda Negrones
Carin Nelson
John and Laura Nesby
Merna Nordstrom
Gregory and Nancy Parrott
Winnifred Pedersen
Barbara Purcell
Tordis O. Rasmussen
Jessica Rude

Gerald and Sylvia Rutledge
Kim Sather
Kathy Sawaka
Harold Seaberg
The Seattle Foundation
Bernice Shafarik
Violet Siegel
Aldeen and Leota Smaaladen
Mr. and Mrs. Glen Sunderlin
Colleen R. Swanson
Florence Swanson
Debra Tertocha
Clyde and Carol Thorne
Matthew and Trudy Thuring
United Way of Kitsap County
Susan Vitale-Olson
Debra Warden
Wells Fargo Community
Support Campaign
Jennifer Wilcox
Zeiders Enterprises, Inc.

Giving Thanks

MEMBER CONGREGATIONS

Bethany Lutheran Church
Community of Christ at
Memorial Lutheran Church
Emmanuel Lutheran Church
Family of God Lutheran Church
First Lutheran Church
Our Saviour's Lutheran Church
Peace Lutheran Church
Port Madison Lutheran Church
Silverdale Lutheran Church
Vinland Lutheran Church

MARTHA & MARY 2013 TRIBUTES

*Martha & Mary is the grateful
recipient of many tribute gifts
in honor and remembrance of
loved ones.*

In Honor of

Joanna Carlson
Emmalia Monroe
Mary Whittaker

In Memory of

Delfin D. Arreola
Margrethe Bang-Knudsen
James J. Coleman
Phyllis Coleman
Lisa Crabtree
Dale Fullerton
Cora George

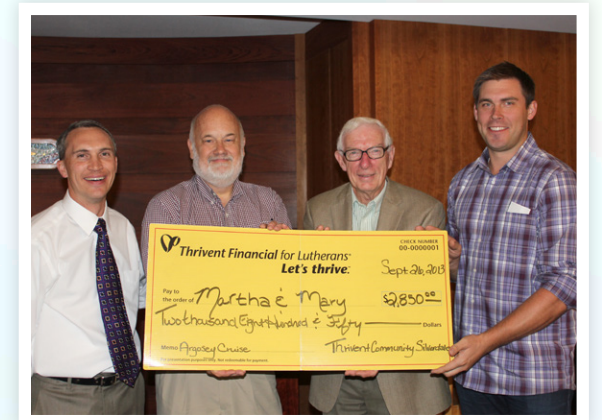
Delight Grigsby
Joanne Hanson
Janet Hoots
Helga Husby
Gerry Jensch
Frances Knight
Carol Ann Lode
Laura Lutz
Joyce E. Martin
Hilda Matson
Juanita Morrow
Grant Moshner
Hazel Shuman
Patricia Siemiller
Rodney Siemiller
Harriet Stenwick
Barry Teppola
Edith Waag

COMMUNITY CONNECTIONS

Martha & Mary connects with a wide array of health care providers, governmental agencies, insurance carriers and vendors to ensure safety and quality of care for seniors and children. We have long-standing partnerships with many of these organizations to care for those we serve, including:

Bremerton Housing Authority
Central Kitsap School District
Group Health
Harrison Medical Center
Jefferson Healthcare
Kitsap Community Resources
Kitsap Medical Group
Kitsap Mental Health Services
North Kitsap Family Practice
North Kitsap School District

Olympic College
Optum
Sound Family Health
The Doctors Clinic
Village Green Foundation



From left to right: Chad Solvie, Jim Rowson, Bob Nichols, and Brian Deely of Thrivent Community presenting Thrivent Community's donation to Martha & Mary.

Financials

STATEMENT OF FINANCIAL POSITION, December 31, 2013

Assets

| | | | |
|------------------------------|-----------|-------------------|-----|
| Current | \$ | 7,118,715 | 26% |
| PP&E | \$ | 16,734,340 | 62% |
| Reserves & Restrictions | \$ | 1,167,590 | 4% |
| Beneficial Interest in Trust | \$ | 898,610 | 3% |
| Goodwill | \$ | 797,067 | 3% |
| Other | \$ | 413,526 | 2% |
| Total Assets: | \$ | 27,129,848 | |

Liabilities & Net Assets

Liabilities

| | | | |
|---------------------------|-----------|-------------------|-----|
| Current Liabilities | \$ | 3,352,508 | 12% |
| Long-term Debt | \$ | 20,485,625 | 76% |
| Other Liabilities | \$ | 31,741 | <1% |
| Total Liabilities: | \$ | 23,869,874 | |

| | | | |
|--------------------|-----------|------------------|------------|
| Net Assets: | \$ | 3,259,974 | 12% |
|--------------------|-----------|------------------|------------|

| | | | |
|--|-----------|-------------------|--|
| Total Liabilities and Net Assets: | \$ | 27,129,848 | |
|--|-----------|-------------------|--|

STATEMENT OF ACTIVITIES

Revenue

| | | | |
|---------------------------------|-----------|-------------------|-----|
| Resident Care | \$ | 14,865,085 | 66% |
| Children's Tuition | \$ | 2,535,995 | 11% |
| Home Care Services | \$ | 2,514,921 | 11% |
| Management Services | \$ | 1,233,544 | 5% |
| Miscellaneous Services and Fees | \$ | 706,208 | 3% |
| Rental Income | \$ | 291,768 | 1% |
| Other Income | \$ | 218,877 | 1% |
| Contributions and Grants | \$ | 340,154 | 2% |
| Total Revenue: | \$ | 22,706,552 | |

Expenses

| | | | |
|--------------------------------|-----------|-------------------|-----|
| Salaries and Wages | \$ | 13,279,589 | 59% |
| Employee Benefits | \$ | 3,315,691 | 15% |
| Supplies | \$ | 1,828,547 | 8% |
| Depreciation and Amortization | \$ | 991,813 | 4% |
| Utilities, Insurance and Other | \$ | 1,312,851 | 7% |
| Interest | \$ | 695,887 | 3% |
| Professional Services | \$ | 919,986 | 4% |
| Total Expenses: | \$ | 22,344,364 | |

| | | | |
|------------------------------|-----------|----------------|--|
| Change in Net Assets: | \$ | 362,188 | |
|------------------------------|-----------|----------------|--|

Leadership

ORGANIZATIONAL LEADERSHIP

Chad Solvie, *CEO*

Tammi Palodichuk, *Administrator*
Martha & Mary KIDS

Martin R. Blevins, *CPA*
Director of Finance

Randy Hardin, *Administrator*
Martha & Mary AT HOME

Paula Rimmer
Director of Development

Holly Shepherd, *Administrator*
Martha & Mary Health Services

Tonya Stone, *RN, Administrator*
Bay Vista Commons

BOARD OF TRUSTEES

Jim Rowson
President

Dave Gitch
Vice President

Gail Whitley, *CPA*
Secretary/Treasurer

Bill Brueggemann

Kathy Gallington

Don Lachata

Marlene LeMire

Doug Love

Steve Maxim

Bob Nichols

Mary Polensky

Phil Rockefeller

Aaron Schielke

Helen Stoll

Opposite page: Ribbon cutting at the opening
of the Village Green Senior Apartments.



Locations

MARTHA & MARY KIDS

Child Care Center, Poulsbo

100-child capacity child care center for infants, toddlers and preschoolers.

Children's Learning Center, Poulsbo

53-child capacity preschool and Kindergarten.

Early Learning Center, Silverdale

149-child capacity child care center for infants, toddlers and preschoolers, before and after school care program for preschool and kindergarten.

Before and After School Care Program, Silverdale, Poulsbo and Kingston

On-campus programs at nine area elementary schools in Central and North Kitsap School Districts.

SENIOR LIVING

Bay Vista Commons, Bremerton

72-unit assisted living apartment and memory care campus for seniors.

Ebenezer Retirement Apartments, Poulsbo

24-unit independent living apartments for residents age 62 and older.

Village Green Retirement Apartments, Kingston

35-unit independent senior living campus for residents age 62 and older.

HEALTH AND REHAB

Health and Rehab Center, Poulsbo

190-bed skilled nursing facility provides short-term rehab, memory care, palliative and long-term care.

AT HOME

AT HOME Headquarters, Port Orchard

Caring for clients throughout the West Sound region from Gig Harbor to Bainbridge Island and Jefferson and Mason Counties.





19160 Front St. NE, PO Box 127
Poulsbo, WA 98370

Non-Profit Org.
US Postage

PAID

Silverdale, WA
Permit No. 111