



To: Martha & Mary Board of Trustees

From: Lynette L. Ladenburg, CEO

Re: CEO Report

Date: May 31, 2018

Financial Overview

Consolidated Change in Net Assets for the month of April was a gain of \$16,919 and an overall gain for the year of \$62,526. Investment earnings are improving but still contributing a loss on earnings to the bottom line. Cash flow continues to grow and remain strong. Health Services census averaged 166 for the month and 164 year-to-date, representing a net profit for April of \$19,538 and overall for the year \$5,908. Health Services accounts receivable aging continues to improve. Children Services, after management fee has a net loss of \$22,629 and a year-to-date loss of \$30,447. At Home, after management fee, has a monthly net income of \$ 1,942 and for the year \$13,947. Ebenezer ended the month with a net gain of \$6,197 and year to date, Ebenezer is currently at a \$24,125 gain. Overall, the corporation is starting to stabilize. Cash continues to stay strong with almost 70 days of cash on hand. Financial stability means never taking your eye off the management of the operations. The health and childcare industries continue to struggle with census, staffing and over regulation. However, Martha & Mary continues to move forward.

Recruitment and Retention

Last month I attended the Kitsap Economic Development Alliance board retreat. Workforce was one of the top concerns of this group. Government officials stressed concern along with business owners small and large both Public and Private sectors are feeling the crunch of finding qualified employees to hire. In addition, unemployment is at an all-time low in Kitsap, which puts pressure on the entire workforce system.

Healthcare has been dealing with this issue for at least a decade while others are just now starting to feel the stress. The group is looking at ways of attracting people from outside the community. Martha & Mary is also looking beyond Kitsap while continuing our mission to be the employer of choice.

Last week during the mock survey, the consultant noted staffing as an issue. However, it was not that we do not have enough but she stressed the need to focus on "organization" of staff and duties. She indicated that we have some of the best staffing she has seen in buildings for years but we need to reorganize how we work. This will be a major focus for the future.



Operational Efficiencies

We continue to look at supplies and using all resources to the best of our ability. KIDS have changed the way they purchase monthly supplies and the Health and Rehab Center continues to improve its operations in purchasing and monitoring resources. As noted above, we will be focusing on staffing of all departments and how they work together supporting a more organized approach. We will be performing a deep dive into staffing, duties, activities and available resources like hospitality aides, feeding assistants and volunteers to see how we can rearrange schedules to meet the needs of those we have the privilege to serve. We will focus on using our talents and resources wisely.

Development

The Gala was a great success. Financial results will be out in June, as we are waiting on the final expenses.

A Special Thank You

Thank you everyone who joined us for the Annual Meeting in April. The meeting was a great success with new and renewed friendships for Martha & Mary in addition to a packed agenda. We celebrated our member congregations and those Trustees who finished their tour of duty with us as we welcomed our two new board members. A special thank you to Jennifer Bailey who worked very hard on the event, along with Kathleen Monahan and Paula Rimmer. Great job everyone. We are all looking forward to the 2018-2019 Board year.

2017 Planning Retreat - 2018 Directions, Goals, Vision

*Operational efficiencies, recruitment and retention are the focus for 2018, along with opportunities of growth, development, partnerships and expansion. We are setting priorities by thinking differently. Our message needs to be simple, engaging and results driven. As we work on workforce investment and using our talent and resources wisely, we will focus on the **"right person, right job"**, regular communication to staff, outreach to the community, and in restructuring employee relations - separating day-to-day human resource management from employee recruitment strategies and activities. Senior Leadership maintained, in order to thrive and continue to grow, Martha & Mary needs to focus on accountability, continuous improvement and stability.*