



To: Martha & Mary Board of Trustees

From: Lynette L. Ladenburg, CEO

Re: CEO Report

Date: July 26, 2018

Financial Overview

In June, LeadingAge Washington notified all Group Retrospective Rate members of the results for the 2018 Group Retro Refund. Martha and Mary once again had excellent results and will receive a check in mid-July of \$211,721. This amount was recorded in June financials based on the date of the notice and was allocated among all corporations based on Labor and Industry taxes paid by each corporation. The below information for the June financials represents this refund.

Consolidated Change in Net Assets for the month of June was a gain of \$227,846 and an overall gain for the year of \$321,185. Cash flow continues to grow and remain strong at 70 days with an increase of \$691,662 since last year. Lutheran Services net income for June was \$64,539 and \$116,692 year-to-date. Health Services census averaged 170 for the month and 165 year-to-date, representing a net profit for June of \$128,946 and overall for the year \$144,562. Children Services, after management fee has a net loss of \$1,258 and a year-to-date loss of \$34,173. At Home, after management fee, has a monthly net income of \$ 29,206 and for the year \$53,698. Ebenezer ended the month with a net gain of \$6,415 and year to date, Ebenezer is currently at a \$40,406 gain.

Board Retreat - Facilitator

In July, I attended the LeadingAge Washington Board Retreat where we had a professional facilitator from Aspire; Dr. Christopher McNiven who led the discussion and exercises exploring questions about the future of aging services. The day was filled with looking at possible scenarios for the future. We challenged some of these scenarios with great conversation and teamwork, and were able to start setting goals for the organization and LeadingAge Washington membership.

Dr. McNiven used the Aging Services 2030 Scenarios Report (attached) to provide the scenario planning for what the future might unfold. Katie Smith Sloan, President & CEO of LeadingAge encourages us to consider the scenarios in the context of our strategic planning and to engage the leadership of the organization. At the retreat, I talked with Chris about facilitating Martha & Mary's retreat in September and he saved the date for us. After discussing the day and topics with Helen, we both agreed this would be a valuable exercise for the board and staff. Further discussion will take place at the board meeting.



Children's - Early Learning Center Flood

On July 9, 2018 the ELC opened for business. The kids, parents and staff were all excited to be back "home". Again, many thanks to all who were involved in the repairs and reopening of the center. Great job!

Health Services

The renovation is in full gear once again. The roofers have now moved to the front of the building and the Marina Unit is coming along nicely. All the paperwork is now approved and we will file the Deed of Trust this week. Once the deed is recorded we will be able to make the first financial reimbursement request to replenish the cash that has been paid out to date, including the first payment to the roofing company. We are all very pleased with the progress and work.

We still are awaiting the survey team's arrival, which is anticipated at any time.

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.*