



ANNUAL REPORT 2011

From the Board Chair:

This past year (2011) has been a historic and exciting year for Sierra View Homes Retirement Community. Sierra View Homes Retirement Community continues to fulfill its Mission Statement: *“To maximize the quality and enjoyment of the lives we serve through the Christian ministry of healing, hospitality, and community created and maintained within the tradition of the First Mennonite Church of Reedley.”* Sierra View Homes Retirement Community continues to be an outstanding full service retirement community that celebrates and enhances the life of each resident and all staff members.

Much time has been spent this year on the completion of Phase II and III of our expansion projects. Marden’s Place opened in August 2011 and the Sierra View Terraces opened the first of February 2012. A grand opening and open house for the Sierra View Terraces will be held on February 23, 2012. As in any construction project, many challenges had to be addressed and overcome during the construction process. Sierra View Board of Directors commends Executive Director Vito Genna and the Sierra View staff for bringing these projects to completion. We also thank Pickett and Sons Construction for their cooperation and dedication to complete these projects in a timely fashion.

Besides the new construction projects, there has been capital investments on our campus. Capital improvements include:

- Installing energy efficient windows in apartments.
- New roofs on the Assisted Living building and the Administration building.
- Roof repair on many of the apartments.
- Refurbishing apartments which include installing new showers, carpet, and sheet vinyl.
- Replacement of several AC units on various buildings.

As our campus ages, these repairs are necessary. With these capital improvements and our construction projects, Sierra View ended the year in the black.

Laura Neufeld, our Chaplain will be leaving us at the end of March. She has taken a pastoral position in Kansas. We thank her for her work at Sierra View Homes and wish her the best as she takes on her new position.

I would like to thank the Sierra View Board of Directors for their commitment and dedication to Sierra View Homes. Special thanks goes to Bob Mason, chair of the Building and Grounds committee and the members of the committee for their work on making the campus an attractive place in the community. Thanks also to the staff for their commitment and dedication to making Sierra View Homes Retirement Community the great place that it is. Special thanks go to Executive Director Vito Genna for his commitment and countless hours of work to make this past year very successful.

Irvin Isaak, Chairman of the Board of Directors

From the Executive Director/CEO:

Together as Sierra View Homes Retirement Community, we work hard to make sure our roots and traditions stay strong as we continue to grow. Together – residents, families, board, staff and volunteers – we work to provide responsible, affordable and attractive health care, living arrangements and services. 2011 has been a year of tremendous growth, excitement and major changes as well as some frustration and angst. With God’s help, Sierra View is a stronger community for all we have been through. We managed to build two state of the art structures, grow to the very ends of our 13 acre property lines, and continued to fully operate all our service lines even in the midst of construction deadlines and dilemmas, major state funding cutbacks and an economic downturn.

Sierra View’s residents, staff and supporters, all the more stepped up to ensure and fulfill our vision of creating and fostering an outstanding retirement community. We struggled to “live” and uphold our mission daily when we were forced to make difficult decisions that impacted staff and the residents we serve. Some staff benefits were pared back to deal with the reduction in Medi-Cal reimbursement and the state bed tax. Both amounted to a whopping \$400,000 loss to our revenue. Residents had to literally sidestep and be inconvenienced in their comings and goings and parking due to the active construction areas. Medicare also began its cutbacks in October adding to the revenue deficits.

As our new projects developed, some of the original architectural drawings were problematic. Many decisions needed to be made to keep the cost of the buildings within budget. Having an out of town architect added to the frustration as changes were made.

With God’s help and all of us working together, we were able to turn 2011 into a year of growth, both in structure and spirit. Residents demonstrated great understanding and gave us good feedback. Management staff were stretched in their skills and perseverance. Sierra View is fortunate to have key managers that go above and beyond and demonstrate humility in continuing to learn from our residents. Sierra View is fortunate to have Estella and Donna guiding the nursing care, Ro marketing our services, Chris feeding us, Nancy and Jenny providing social services and activities, Joyce assessing care needs, Janice billing statements and budgeting, John keeping our aging plant moving. Karen continues to keep our newsletter and other correspondence literate. All in all these key people together with each one of our staff assures that Sierra View is a place that recognizes each resident as more than a patient or resident, but a person with a past and who contributed to society. Together we take to heart Psalm 71:9, “Do not cast me away when I am old. Do not forsake me when my strength is gone.”

I thank God and each of you for bringing our community the warmth of friendship through this togetherness. It is a joy for me to be a part of Sierra View Homes Retirement Community. Together we will embrace the challenges and opportunities that lie ahead during this unprecedented, fast changing time. Thank you!

Vito J. Genna, Executive Director/CEO

STRATEGIC PLAN

The Strategic Plan secures the ongoing mission of Sierra View Homes in Reedley and expands our services for the benefit of our community as amended 12/31/2011:

1. **Revitalize** the campus and invest in the infrastructure:
 - a. Replace older equipment with more energy efficient equipment.
 - b. Partner with current residents to upgrade their apartments.
 - c. Work with community to assist “ownership” with surrounding homes.

2. **Expand services and programs** to assist our residents to stay in place for longer periods before they need to adjust to a more intense service line.
 - a. Expand housekeeping, convenient meal services, medication supervision.
 - b. Provide outpatient therapy services and expand Wellness programs.
 - c. Expand lite medical service as an option to Assisted Living residents.
 - d. Offer healthier meals with less salt, sugar, and processed foods.
 - e. Offer spiritual and psychological well-being through chaplaincy program.
 - f. “Clinic” hours for campus living.

3. **Marden’s Place:**
 - a. Achieve full utilization with programs such as strong/recognized therapy for residents struggling with dementia and their families.
 - b. Ensure all equipment and materials are on a preventative maintenance schedule.

4. **Sierra View Homes Terraces:**
 - a. Complete construction on time with little cost overrun.
 - b. Achieve full occupancy through the utilization of a strong marketing plan.
 - c. Ensure all equipment and materials are on a preventative maintenance schedule.
 - d. Create a sense of community with the newest part of our neighborhood.

5. **Foundation Fund Raising:**
 - a. Pursue donors to financially supplement residents who run out of money.
 - b. Explore credit card and direct payment options, and annuities.

6. **Pursue off campus ventures** that are compatible with our Sierra View Homes Retirement Community stability and mission:
 - a. Pursue contractual arrangements to develop, manage and operate other facilities such as Twin Palms in Kingsburg.
 - b. Look at developing partnerships with other types of providers such as home health care and hospitals as well as services such as I.V. therapy.
 - c. Partner with colleges and universities such as Fresno State for internships.
 - d. Watch for neighboring real estate for expansion opportunities.
 - e. Utilize better techniques for branding our name as a regional leader.

RESIDENT PROFILE

Although many residents move to our retirement community and stay in place for many years, there are some who, because of declining health or change of circumstance, will move to other levels of care or to other locations all together. This is especially true with residents of Residential Care and the Care Center.

Retirement Living Apartments

- Terraces: Open February 1, 2012
- Garden Apartments: All 63 apartments were rented at the close of 2011. There were 83 people residing in the apartments (55 women and 28 men) and the residents included 20 married couples. This year, new residents came from Reedley, Kingsburg, Fresno, and other parts of California and Texas. A waiting list remains for the Garden Apartments

Residential Care

- Assisted Living: As of December 31, 2011, we had 17 men and 19 women residing in our assisting living section. Seven residents were renting the double-occupancy room as a single room. During the year we averaged 96% occupancy.
- Marden's Place: Marden's Place opened on August 29, 2011. Within a month, Marden's Place had seven residents. Marden's Place was dedicated in September and can house up to 21 residents.

Nursing Care Center

- Our Care Center has a Therapy Center that provides rehabilitation services. The goal of the Therapy Center is to return the resident to their prior level of function with the possibility of returning home. We were able to send 21 residents back to their homes. We also provided ongoing care for people who need 24-hour, 7-days a week care. During the year we averaged 98-99% occupancy.

ASSOCIATIONS

Sierra View Homes Retirement Community is a participating member of several associations:

Aging Services of California	Mennonite Health Services Alliance
Peace Church Risk Retention Group	Reedley Greater Chamber of Commerce
California Long Term Care Medicine	California Assisted Living Association
Leading Age	

Guiding Principles:

- *Respect each other's individuality*
- *Be good stewards in the use of resources*
- *Be a Christian ministry*
- *Employ committed, engaged staff members*
- *Provide warmth of friendship*

RECOGNIZING OUTSTANDING COMMITMENT

The commitment of staff is evident as we continue with a high retention rate as we averaged 112 employees in 2011. Management staff members and most licensed nursing staff have been with us for more than three years. Fifteen employees were recognized and received pins for their years of service:

5 Years of Service

Vito Genna, Executive Director
Zarka Gueorgieva, LVN
Maria Arreola, Housekeeper
Donna Friedenberg, R.N., Residential Care
Yolanda Rios, Personal Care Attendant
Terry Filarca, Maintenance

10 Years of Service

Ma. Angelica Balallo, CNA
Karen Anderson, Administrative Assistant
Julia Duran, SNF Activities

15 Years of Service

Jodi Botello, RCF/RLC Activities

20 Years of Service

Teresa Jimenez, LVN
Judy Stater, Dietary Aide
Minerva Rodriguez, Cook

25 Years of Service

Nelda Newell, Personal Care Attendant

40 Years of Service

Teresita Zamora, CNA

Seven active employees are members of the **Circle of Silver Stars** – serving our residents for twenty-five (25) years or more:

Teresita Zamora, Certified Nurse Assistant	40 years
Delinda Martin, Laundry	38 years
Nancy Petinak, Activities Director/Social Services	36 years
Virginia Cruz, Certified Nurse Assistant	33 years
Escolastica Andres, Certified Nurse Assistant	31 years
Norma Andres, Personal Care Attendant	31 years
Nelda Newell, Personal Care Attendant	25 years

Administrative team:

Executive Director/CEO, Vito J. Genna	Director of Nursing, Estella Pena, R.N.
Activities/Social Services, Nancy Petinak	Dining Services, Christopher Lopez
Plant Operations, John Long	Residential Care, Donna Friedenberg, R.N.
Controller, Janice Gray	Admissions/Marketing, Ro Linscheid
Administrative Assistant, Karen Anderson	MDS Coordinator, Joyce Gregory, R.N.

Consultants who provided support services to our staff and residents during the year were:

Accounting - Jeffrey L. Carter, C.P.A.	Dental - Chestnut Family Dentistry
Registered Dietician - John Varin, R.D.	Laboratory Services - Sierra Kings Hospital
Legal - Ken Fransen; Gary Bethel	Pharmacy - Joe Wilson, PharMerica
Psychologist - Jeffrey Mar, Ph.D., C.P.	Social Services/Gerontology: Caitlin Gipson
X-Ray Services - Diagnostic X-Ray	Medical Director - Janet Habegger, M.D.
Rehabilitation Services (Physical, Occupational, and Speech Therapy): L & J Telesmanic	

ACTIVITIES, EVENTS AND HAPPENINGS

Our **Wellness Center** continues to be a hub of activity where we offer balance classes, open gym, and Water Aerobic classes. The Wellness Center received a new electric door and treadmill donated by the Sierra View Homes Auxiliary. The Golden Agers, under the continued direction and able leadership of president, Marjorie Ratzlaff, have kept a busy schedule with their monthly gatherings. New activity programs have proven to be effective: Chats with the Chaplain, Ladies Crafts, Men's Coffee, Walmart shopping, Advent Bible study, hymn sing with Erna Garner, and barbeques in the courtyard to name a few. There were multiple outings to restaurants and sightseeing trips along the Blossom Trail, into the foothills to see wild flowers, to Christmas Tree Lane and Three Rivers. Residents enjoyed attending the Fresno Fair, West Coast Mennonite Men's Concert, and Fresno Pacific University's Lesson and Carol concert. New monthly outings included Southern Gospel Sing Time in Fresno, ROMEO Club (Retired Old Men Eat Out), and JULIET Club (Just Us Ladies Interested in Eating Together). Several apartment residents traveled to Cambria for a day, many attended the annual Concerts in the Park in Kingsburg, had a nice Bar-B-Q at the river, attended New Wrinkles in Fresno and the Electric Parade in Reedley. Our bus was entered in the Fiesta Parade and was awarded a 2nd Place ribbon. Laura Neufeld, Chaplain, established a support group, open to the public, for families of those suffering with all forms of dementia. Sierra View Homes once again hosted the Kiwanis All-You-Can-Eat Crab Feed and several Reedley Historical Society dinners. Our campus is home to several cockatiels and parrots who entertain and interact with the residents. Mark your calendars for our 2012 fund raiser on **Saturday, June 2**. This year's entertainment will feature **Barry McGuire**, formerly with the Christy Minstrels. His love of music and God will surely be enjoyable.

BOARD OF DIRECTORS

The members of the Board of Directors during 2011 were:

Irvin Isaak, Chair	Linda Ewy, R.N.
Bob Mason, Vice Chair	Louise Auernheimer
John Rogalsky, Secretary	Ted Loewen
Barbara Boldt, Chief Financial Officer	Jorge Romero
	Chuck Bohn

There are seven standing committees of the Board of Directors which provide direction and recommendations to the Board for consideration. The **Strategic Planning Committee** has worked closely with the Executive Director on the planning and construction of Phase II and Phase III and continued upgrading of our infrastructure. The committees and members were as follows:

Building and Grounds: Bob Mason, Chair; Joleen Siebert, Karen Peterson

Finance: Barbara Boldt, Chair; Ted Loewen

Public Relations/Marketing: Irvin Isaak, Chair; Ro Linscheid, Ethel Harder, Joyce Klippenstein, Louise Auernheimer

Personnel: Ted Loewen, Chair; Jorge Romero

Audit: Linda Ewy, Chair; Barbara Boldt, John Rogalsky

Strategic Planning: Chuck Bohn, Chair; Dick Peterson, Dorothy Boldt, Wayne Zimmerman, Bob Mason, Judy Warkentin, Joleen Siebert, Ro Linscheid, Donna Friedenber, Vito Genna

Builders Oversight Task Force (ends 3/01/2012): Vito Genna, Chuck Bohn, Chuck Rodriguez (Chandler Construction), Dick Peterson, Irvin Isaak, John Long

Board of Directors Highlights for 2011:

- a. Approved capital and operating budgets for each service level as well as modifications to employee benefits.
- b. Approved value engineering changes for new construction.
- c. Approved the addition of a linking corridor between Residential Care and Marden's Place.
- d. Approved surveillance camera system for eleven strategic locations on campus.
- e. Approved new marketing and information brochure.
- f. Approved new names for Terraces, Marden's Place, Welcome Way, Harmony Court.
- g. Approved roof repair for Residential Care and Garden apartments.
- h. Worked closely with Strategic Planning Committee and Builders Oversight Task Force to ensure our efforts were always Mission driven.

THE SPIRIT OF GIVING

Time, treasure and talent are ways that you can give to Sierra View Homes Retirement Community. Volunteers, both individuals and groups, are always welcome. By giving your time to our residents, you allow them to have additional personal time talking to and interacting with people. Monetary donations allow us to enhance the lives of our residents. We are grateful for memorial donations given in memory of residents who have touched your life; planned giving, such as estate bequeaths and annuities; and donations of cash for either daily support of our mission or for a restricted reason such as the building fund. This past year, Sierra View Homes Retirement Community received \$192,512.62 in total contributions. Thank you for your generous spirit of giving:

Frank & Pat Arnold
Edra Parmenter
Bill & Joyce Braun
Harley Buller
Derold & Barbara Franks
Henry Haney
Arthur & Lora Monge
Jim & Julia Ishimaru
Donna McBrien
David & Carol Krehbiel
Karen Enns & Mark Flaming

Wendell and Aleta Rempel
Estate of Ernest Lichti
Ethel Harder
Irvin & Bernice Isaak
Carroll & Geraldine Strader
Linda Ewy
Herbert & Elsie Lichti Revocable Trust
Jin S. Cha, DDS
Escolastica Andres
Ernesto & Norma Andres

John & Frances Rogalsky
Martha Longoria
Alfred & Nellie Habegger
Valerie Habegger
Eric Habegger
Marianna Habegger
Vito & Adriana Genna
Gary & Helen Highman
Irvin Regier
Vernon & Olga Brandt

Marie Quenzer Doerksen Trust
Sierra View Homes Auxiliary
Estella Pena
Johanna Genna
David & Donna Dyck
Carl & Jeanne Crouthamel
Edwin & Mildred Ewy
Larry & Gail Harder
George & Lynette Brietigam
Dick & Karen Peterson

Contributions to the **Memorial Fund** given in memory of a friend or loved one totaled \$13,295.00 for the year. Memorial contributions received during the year were **in memory of:**

Velsie Bennett
Marie Boldt
Christie Brady
Rose Calerame
Kenneth Dale
Marion Enns
Marynell Ford

Robert Harder
Bernita Hovsepian
Bertha Huber
Pearl Janzen
Esther Jones
LaRae McFarlin
Vivian Petinak

Billie Preheim
Robert Sigler
Clark Skogsberg
Jane Thonesen
Hal Thoren
Clara Unruh

FINANCIAL HEALTH

The 2011 Financial Statement as audited by Jeffrey Carter, CPA, and reviewed by the Audit Committee and Board of Directors, demonstrates a good operating year despite financial angst caused by the State of California budgetary problems. The nursing services were saddled with a 10% cut in the Medi-Cal rate which equates to \$100,000 annually and also the bed tax of \$300,000 for 2011. The occupancy for all service lines was very favorable. Marden's Place opened at the end of August and had a slow fill up, until the end of the year when we doubled the occupancy. Construction for the Terraces continued through the end of 2011. There was a net increase of \$214,925 that leaves our assets at \$20,167,203. Last year's financial strength through operational efficiencies, donations, and an expectation of a continued strong census allowed Sierra View Homes to keep the rate increase to only 3% for 2012.

Sierra View Homes Retirement Community is a non-profit community benefit corporation. It has no paid share holders and the Board of Directors is voluntary. All proceeds are reinvested into Sierra View Homes' infrastructure and for the benefit of the residents we serve. Sierra View Homes is authorized by the authority of the Internal Revenue Service Code Section 501(c)3.

In the next few pages you will find the Balance Sheet and Statement of Activities and Changes in Net Assets of the audited Financial Statements for the period ending December 31, 2011. The complete Financial Statements including narratives may be requested from the office.

Sierra View Homes

Balance Sheet

December 31, 2011

ASSETS

Current assets:

Cash	\$992,307
Accounts receivable, net of \$49,645 allowance for doubtful collections	760,534
Prepaid expenses	50,859
Marketable short-term investments	626,457
Restricted assets, certificate debt trust agreement (for use in paying current principal and interest on certificate debt)	863,012
Total current assets	3,293,169

Property and equipment:

Land, buildings, and improvements	10,677,012
Equipment, furniture, and fixtures	1,640,477
Transportation equipment	84,225
Construction in progress	5,269,361
Less accumulated depreciation	(4,911,270)
Total property and equipment	12,759,805

Other assets:

Restricted assets, certificate debt trust agreement (for use in paying construction costs of new apartment complex and held as reserves)	2,856,159
Investments in captive insurance companies	110,899
Debt issue costs	1,147,171
Total other assets	4,114,229

Total assets	\$20,167,203
---------------------	---------------------

LIABILITIES and NET ASSETS

Current liabilities:

Accounts payable	\$287,461
Wages and related benefits payable	206,584
Interest payable	201,014
Current portion of long-term debt	298,251
Total current liabilities	993,310

Long-term liabilities:

Other accrued liabilities	49,922
Long-term debt:	
Certificate debt (net of discount of \$64,977 and current portion of \$260,000)	12,890,023
California Health Facilities Financing Authority (net of \$38,251 current portion)	590,800
Total long-term liabilities	13,530,745

Total liabilities	14,524,055
--------------------------	-------------------

Net assets: Unrestricted	5,643,148
---------------------------------	------------------

Total liabilities and net assets	\$20,167,203
---	---------------------

The accompanying notes are an integral part of these financial statements.

Sierra View Homes

Statement of Activities and Changes in Net Assets

For the Year Ended December 31, 2011

Unrestricted revenue:

Skilled nursing services	\$4,219,644
Residential care services and housing revenue	1,696,283
Other operating revenue	70,729
Investment income (including realized and unrealized losses of \$16,861)	24,164
Charitable contributions	213,031
Total unrestricted revenue	6,223,851

Unrestricted expenses:

Nursing services	2,581,328
Dietary services	689,472
Operation and maintenance	534,276
Administration	477,143
Activities and social services	165,941
Housekeeping	108,776
Laundry and linen	74,309
Education	48,267
Depreciation (\$349,533) and amortization	389,966
Interest (net of \$165,378 capitalized into new building construction during the year)	461,026
State regulatory department licenses and fees	309,346
Insurance and property taxes	106,397
Uncollectible accounts receivable	62,679
Total unrestricted expenses	6,008,926

Increase in net assets **214,925**

Beginning net assets **5,428,223**

Ending net assets **\$5,643,148**

The accompanying notes are an integral part of these financial statements.