

Lourdes Senior Community Boards



Tuesday, November 14, 2023

1:30 – 4:30 p.m.

In-Person Meeting held at

LRHC – Main Chapel

If joining by telephone only:

Dial: 646-558-8656

Meeting ID: 846 4346 0245

Passcode: 552148

Click for Zoom meeting (with video and audio):

<https://us02web.zoom.us/j/84643460245?pwd=WTdQa0dtWGJaZ0htejd5MDh5QzBPQT09>

Agenda

Time	Subject	Presenter	Action/ Disposition	Supporting Document	Page
1:30	I. Welcome	Brian Condit	Welcome		
	II. Introduction of New Members	Brian Condit	Introduce		
1:35	III. Prayer	Rich Acho	Pray	Prayer	3
1:40	IV. Lourdes Senior Community Financial Insights	Chris Jones, Plante Moran Keegan DeBoer, Plante Moran	Presentation	Report	4-38
2:10	v. FY 2024 Budget	John Noone David Krolikowski	Recommend	FY 24 Budget	39-54
2:30	VI. Lourdes Master Plan A. Independent Living Expansion B. Marian Hall - Angela Hospice	Rich Acho	Update		
2:55	VII. Management Reports A. Human Resources B. Lourdes Rehabilitation and Healthcare Center (LRHC) C. Finance and Information Technology D. Marketing/Communications/ Development E. Clausen Manor F. Fox Manor G. Mendelson Home H. Plant Operations	Rebecca Latta Maureen McGee David Krolikowski Wendy Mosella Colleen Burke Robin McClintock Robin McClintock Jason Mize	Information	Reports	55-58 59-60 61-62 63-64 65-66 67-68 69-70 71
3:15	VIII. Break				

Lourdes Senior Community Boards



Time	Subject	Presenter	Action/ Disposition	Supporting Document	
	EXECUTIVE SESSION				
3:25	IX. Dominican Sisters of Peace	Sr. Janice Bachman, OP	Discussion		
3:35	X. Report of the Chair	Brian Condit	Discussion		
3:45	XI. CEO Metrics	Brian Condit	Discussion		
3:55	XII. Report of the President/ Chief Executive Officer	Rich Acho	Discussion	Report	72-75
4:05	XIII. Committee Reports A. Quality / Resident Care B. Audit and Compliance C. Finance D. Human Resources E. Governance and Nominating F. Philanthropy G. Continuing Support Fund	Linda Gifford Barbara Mendelson John Noone Steve Kastner Brian Condit Brian Condit Rich Acho	Information Recommend	Report	76-77
4:25	XIV. Consent Agenda: A. Approval of August 29, 2023, Meeting Minutes B. Testimonials C. Educational Article	All	Approve Information Information	Minutes Testimonials “Staffing shortage put damper on senior living...” <i>McKnights</i> , October 2023.	78-84 85-86 87
4:30	Adjournment				

Lourdes Senior Community Mission Statement

Lourdes Senior Community, inspired by the gospel of Jesus and sponsored by the Dominican Sister of Peace, provides a broad continuum of care for older adults and their families. All who minister at Lourdes honor the uniqueness of each person with compassion, love, respect and dignity.

*You are hereby notified that the meeting will be recorded.
You will be deemed to consent to the recording of the meeting by your participation.*

OPENING PRAYER
A Prayer of Thanksgiving

Loving Creator,

We asked for strength to care for our residents, and you gave us difficulties to make us strong.

We asked for wisdom to lead, and you gave us problems to solve.

We asked for prosperity to enhance our offerings, and you gave us purpose and brains to use.

We asked for courage to deal with the unknown, and you gave us fears to overcome.

We asked for patience when things get hectic, and you gave us situations where we were forced to wait.

We asked for love unconditionally, and you gave us troubled people to help.

We asked for justice to advocate for our residents, and you called us to be just and to lead with integrity.

Lord, we have received nothing that we asked for or wanted.

And yet, we received everything that we needed.

For this, we give thanks,

Amen

Adapted from an offering by Dr. Colleen Hanycz



plante moran | Audit. Tax. Consulting.
Wealth Management.

Lourdes Senior Community

REPORT TO BOARD OF DIRECTORS
November 14, 2023



Agenda

- Summary of 2022 financial statement audit
- Financial ratio analysis
- Accounting and auditing update
- Senior care and living industry update



Summary of 2022 Financial Statement Audit





Audit scope

Scope of work

Audit of the Organization's combined financial statements as of and for the year ended Dec. 31, 2022

Financial reporting framework

U.S. Generally Accepted Accounting Principles (GAAP)

Auditing standards

We perform our audit in accordance with auditing standards generally accepted in the United States of America as issued by the Auditing Standards Board of the American Institute of Certified Public Accountants (U.S. GAAS)

Independence

We are independent of the Organization based on the requirements of the AICPA Code of Professional Conduct.

Other reports issued by PM in relation to attest services

Report on Additional Information - Combining financial information



Required communications

Our responsibility under General Accepted Auditing Standards

- Express an opinion on whether the financial statements are fairly presented in conformity with U.S. GAAP.
- Plan and perform the audit to obtain reasonable, not absolute, assurance that the financial statements are free of material misstatement.
- Planning our audit includes obtaining an understanding of internal controls over financial reporting.
- The extent, timing, and nature of our procedures is determined based on risk assessments and our understanding of control and inherent risks to enable us to express an opinion on the financial statements.
- Communicate significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process.

Management's responsibilities

- Financial statements
- Selection and use of appropriate accounting policies
- Adopting and maintaining sound internal controls
- Evaluation of whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued

Opinion

Unmodified opinion – issued April 21, 2023



Required communications

Significant accounting policies

- Note 2 to the financial statements
- No significant or unusual transactions occurred

Significant accounting estimates

- Management's estimate of the following included in the combined financial statements:
 - » Allowance for doubtful accounts
 - » Employee Retention Credit
- No significant changes in methodology for allowance estimate
- We evaluated key factors and assumptions used
- Estimates are reasonable in relation to FS taken as a whole

Significant disclosures

- Note 15 – COVID-19 and Related Funding
 - Impact of COVID-19 on the Organization
 - Significant funding received by the Organization through the CARES Act
-



Required communications

Disagreements with management or difficulties encountered

- None

Corrected and uncorrected misstatements

- None

Other matters

- Discussions with management prior to and during our audit occurred in the normal course of our professional relationship
 - Management provided a management representation letter
 - No consultations with other accountants
-



Financial Ratio Analysis





Evaluating financial position and performance

We have found one of the best ways to evaluate your financial position and performance is to use financial ratios. Ratios are a valuable tool as they can:

- Identify financial strengths and weaknesses
- Identify trends or unusual operating results
- Provide comparisons among providers regardless of actual dollar amounts

The benchmarks we choose for your organization:

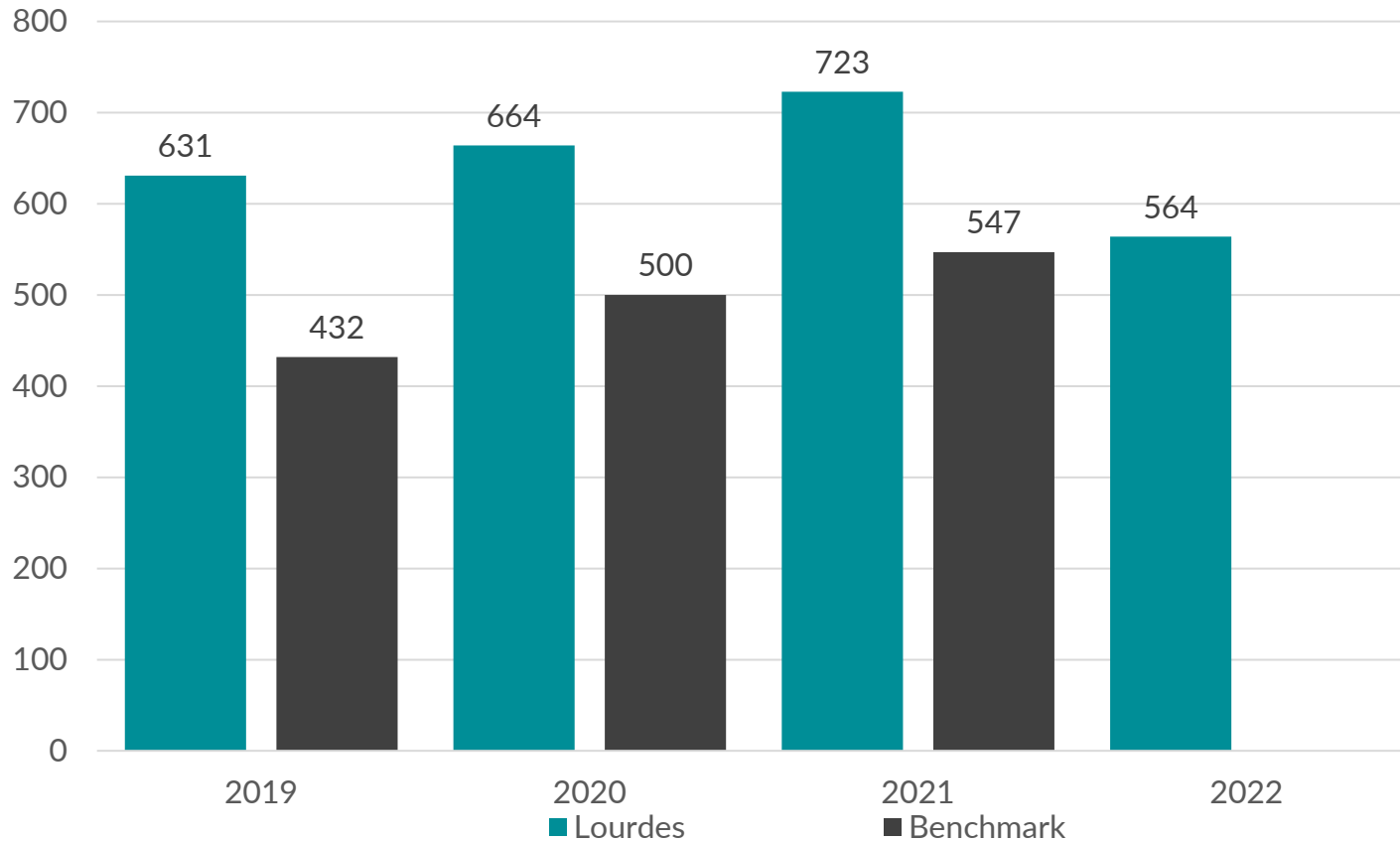
- **CARF Benchmark** – 2022 Financial Ratios and Trend Analysis of CARF-Accredited CCRC organizations (data through 2021) that were accredited by CARF. The group of organizations included in the ratios include 79 single-site providers.
- Please note that these ratios do have limitations. Specifically, CCRCs will have different characteristics such as varying bed compliment or contract type that make certain benchmark ratios difficult to obtain. If your organization’s make up is significantly different from this peer group we recommend setting your own targets for key ratios that help guide your future goals.
- The arrow indicates the favorable direction for this graph.



¹CARF-CCAC stands for Commission on Accreditation of Rehabilitation Facilities - Continuing Care Accreditation Commission



Days cash on hand

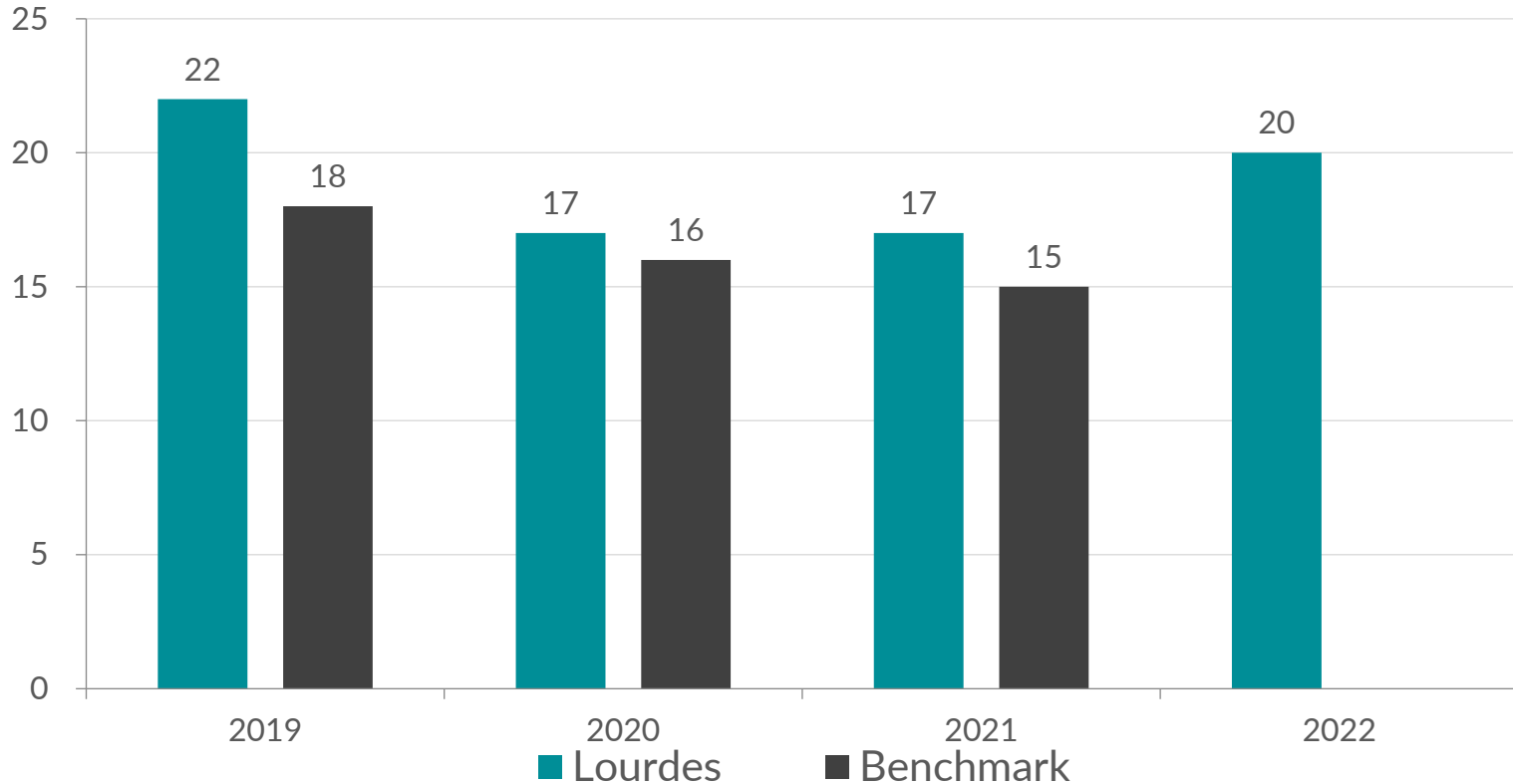


Days cash on hand is the number of days of operating expenses, excluding depreciation and other significant noncash expenses, in cash and investments at year end.

- Represents the number of days' expenses that could be paid from existing cash and investments
- Indicates the ability to sustain a period of low or no cash collections, yet continue to meet obligations
- **Covenant requirement identified is 120 days**



Days in net accounts receivable

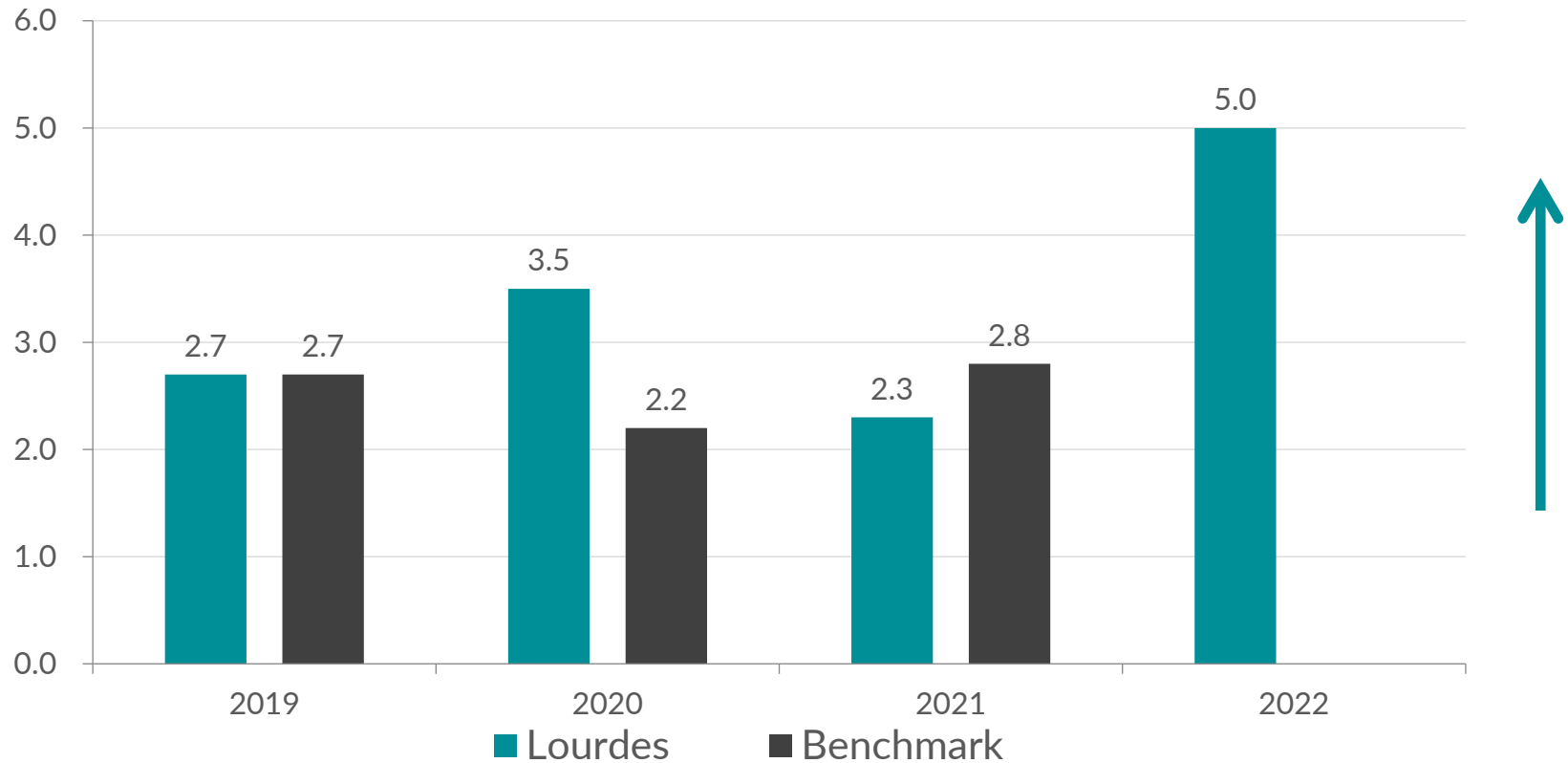


Days in accounts receivable is net resident accounts receivable divided by average daily net resident revenue.

- The ratio is an indicator of good coding, prompt billing, and timely collection efforts.
- A lower ratio indicates a reduced risk of noncollection and higher cash on hand; it should be monitored in conjunction with bad debt expense ratio.



Historical debt service coverage ratio

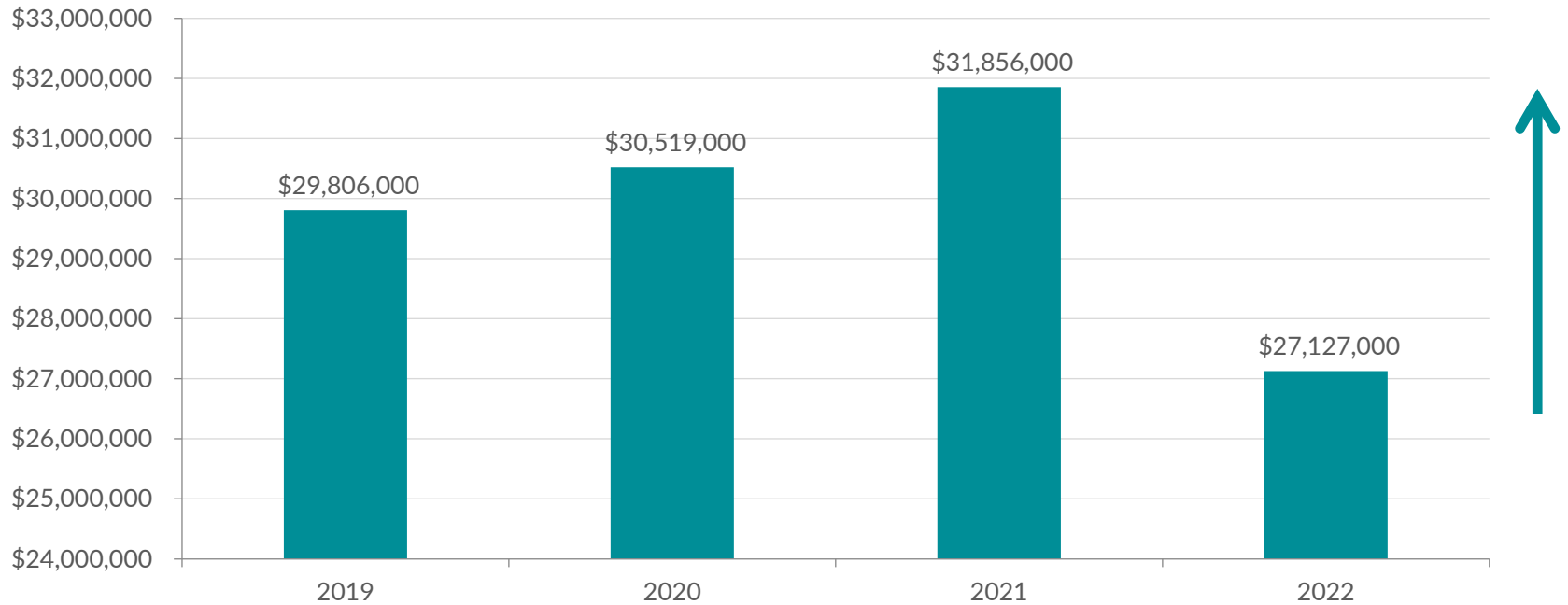


Debt service coverage ratio is the change in net assets (bottom line) plus depreciation, amortization, and interest, divided by principal and interest payments made during the year.

- The ratio is an indicator as to how many times annual principal and interest payments on all debt can be made with annual operating earnings.
- The ratio is scrutinized by institutions involved in financing arrangements.
- Covenant requirement for 2019 bond series is a 1.20 to 1.00 ratio
- 2022 ratio includes Employee Retention Credit of \$3.4 million



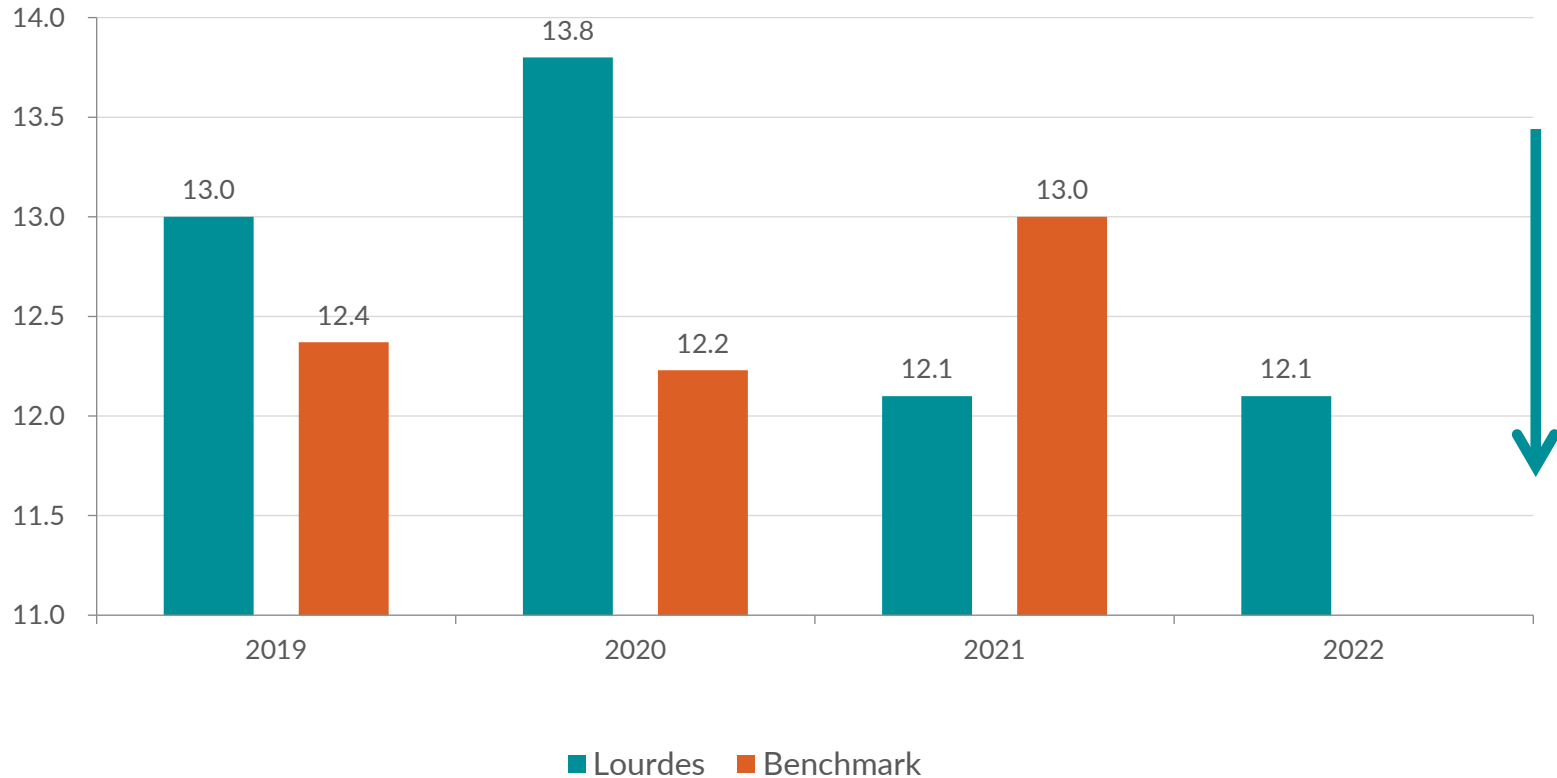
Unrestricted cash and investments



- Covenant requirement for 2019 bond series is **\$5 Million** of cash and unrestricted investment
- The covenant considers board-designated investments to be unrestricted



Average age of facility

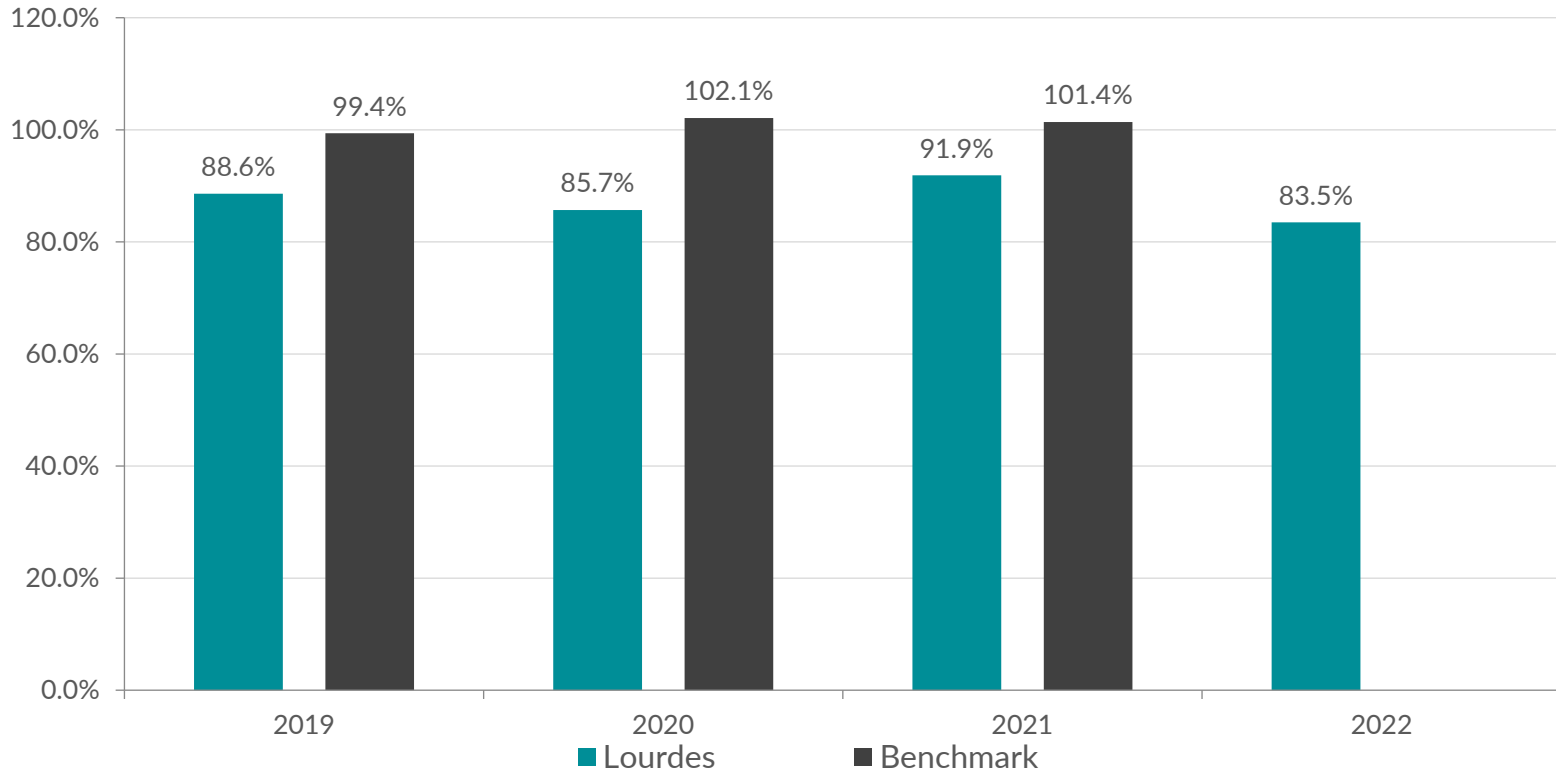


Average age of organization is accumulated depreciation divided by depreciation expense.

- The index would indicate how old are, on average, the facilities, and equipment in use.
- The index would also indicate if the organization requires significant investment in renovations and/or replacement of buildings or equipment.



Operating ratio



Operating ratio is total operating expenses (less depreciation and amortization) as a percent of total operating revenue (less amortization of deferred revenue from entrance fees).

- This ratio indicates whether current year cash operating revenue is sufficient to cover current year cash operating expenses.
- This ratio is a more stringent test of an entity's ability to support annual operating expenses than operating margin ratio.
- An operating ratio of less than 100 percent is desired.



Accounting and Auditing Update



Recent Accounting & Auditing Standards

Accounting - Measurement of Credit Losses on Financial Instruments

ASU 2016-13, *Measurement of Credit Losses on Financial Instruments (Topic 326)*

- Effective date: Organization's year ending December 31, 2023
- Application: Modified retrospective
- Summary – Require organizations to measure expected credit losses on financial instruments, including trade receivables, based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectibility of the reported amount.

Auditing - Accounting Estimates

SAS 143, *Auditing Accounting Estimates and Related Disclosures*

- Amends an auditor's responsibilities related to accounting estimates.
- Emphasizes risk assessment and design of procedures to be responsive to risks related to significant accounting estimates.
- Addresses increasingly complex scenarios that arise from new accounting standards
- Effective for AICPA audits of financial statements for periods ending on or after December 31, 2023

Auditing - Understanding the Entity, its Environment, and Risk Assessment

SAS 145, *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*

- Revises guidance and requirements primarily related to:
 - Obtaining an understanding of an entity's system of internal controls
 - Evaluation of design and implementation of certain controls within the "controls activity" component, including general IT controls
 - Separate assessment of inherent risk and control risk
 - New definition of a significant risk
- Effective for AICPA audits of financial statements for periods ending on or after December 31, 2023



Plante Moran Point of View

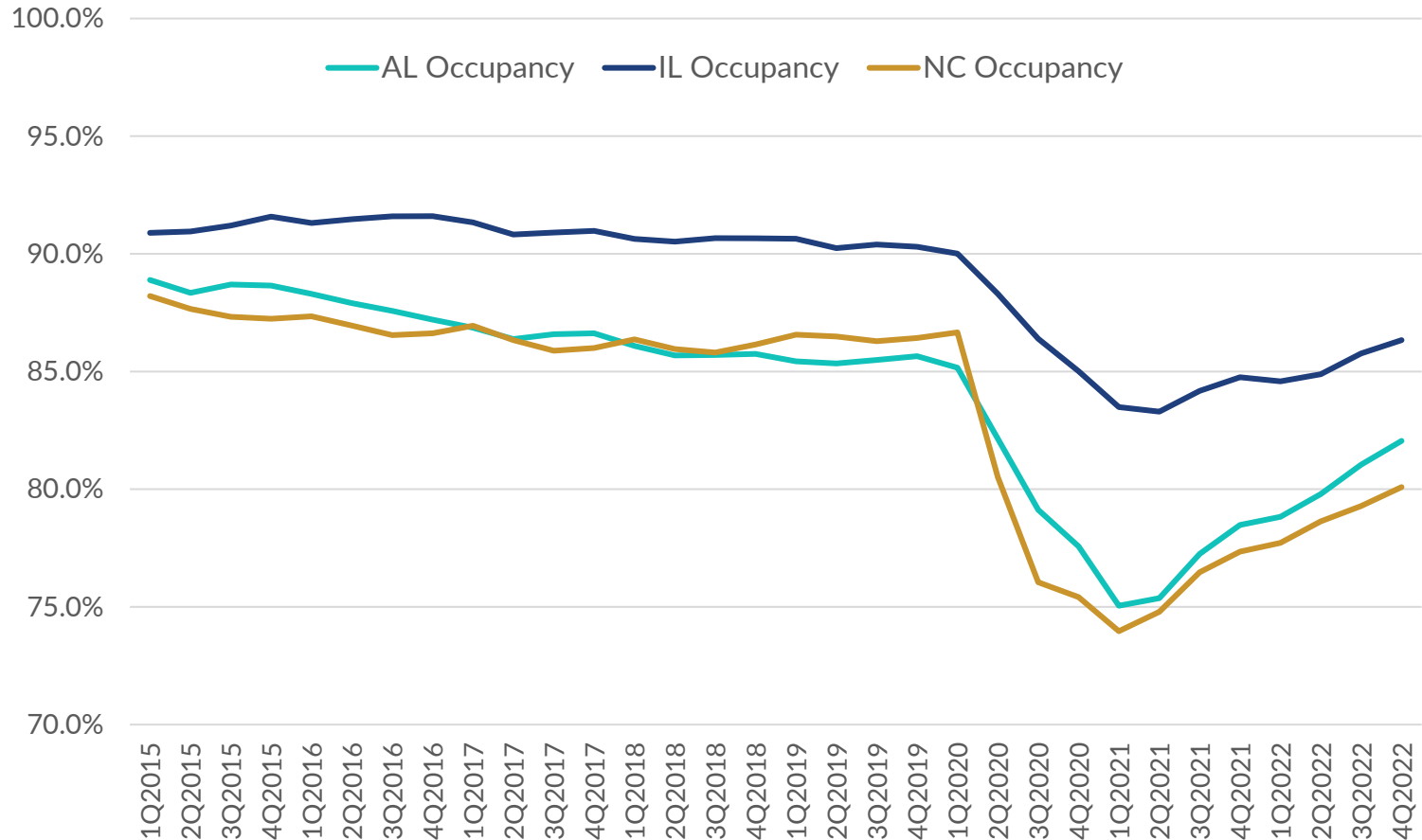
2023 Senior Care and Living Industry Update





Occupancy Trends

Occupancy Trend - All Markets (2015-2022)

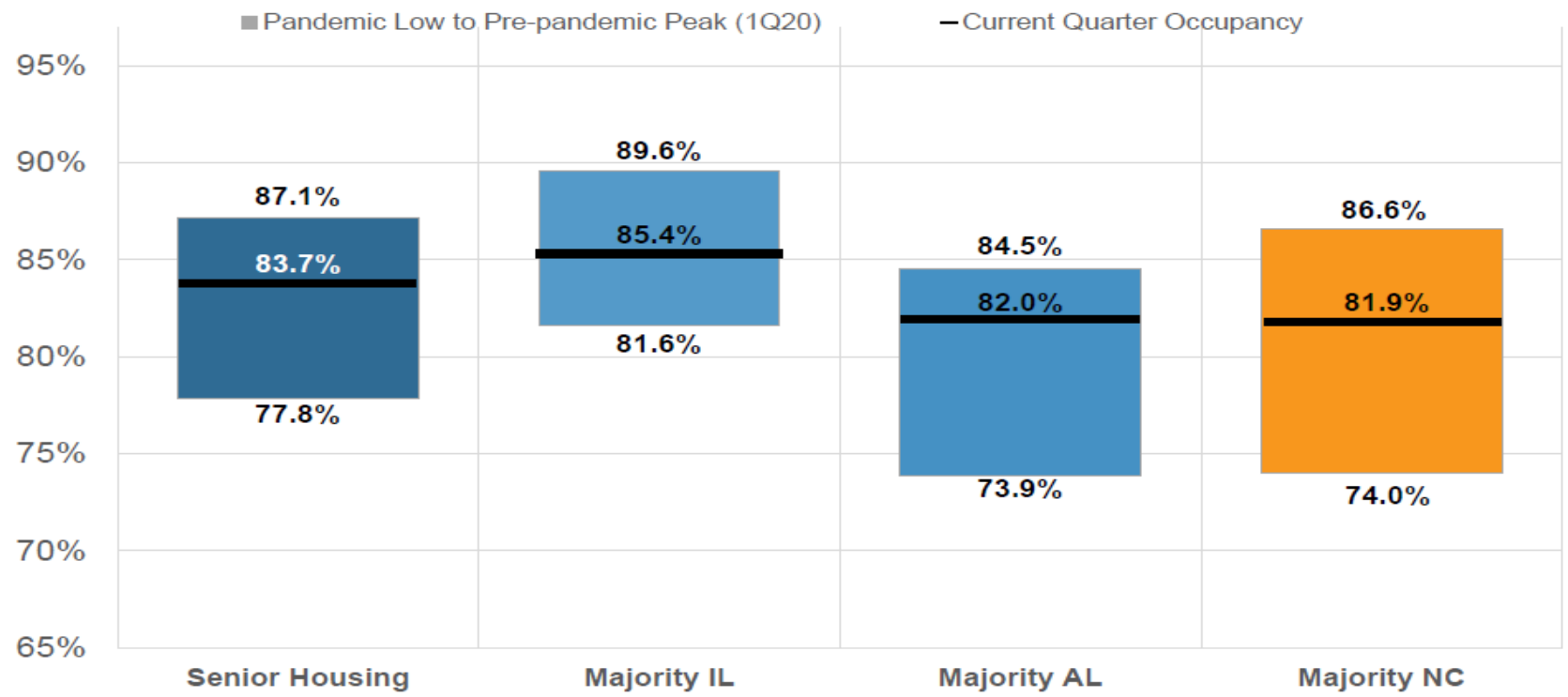


Source: NIC MAP Data Service



Industry Occupancy Recovery is still behind Pre-Pandemic Levels

Occupancy Range by Property Type | Primary Markets | As of 2Q23



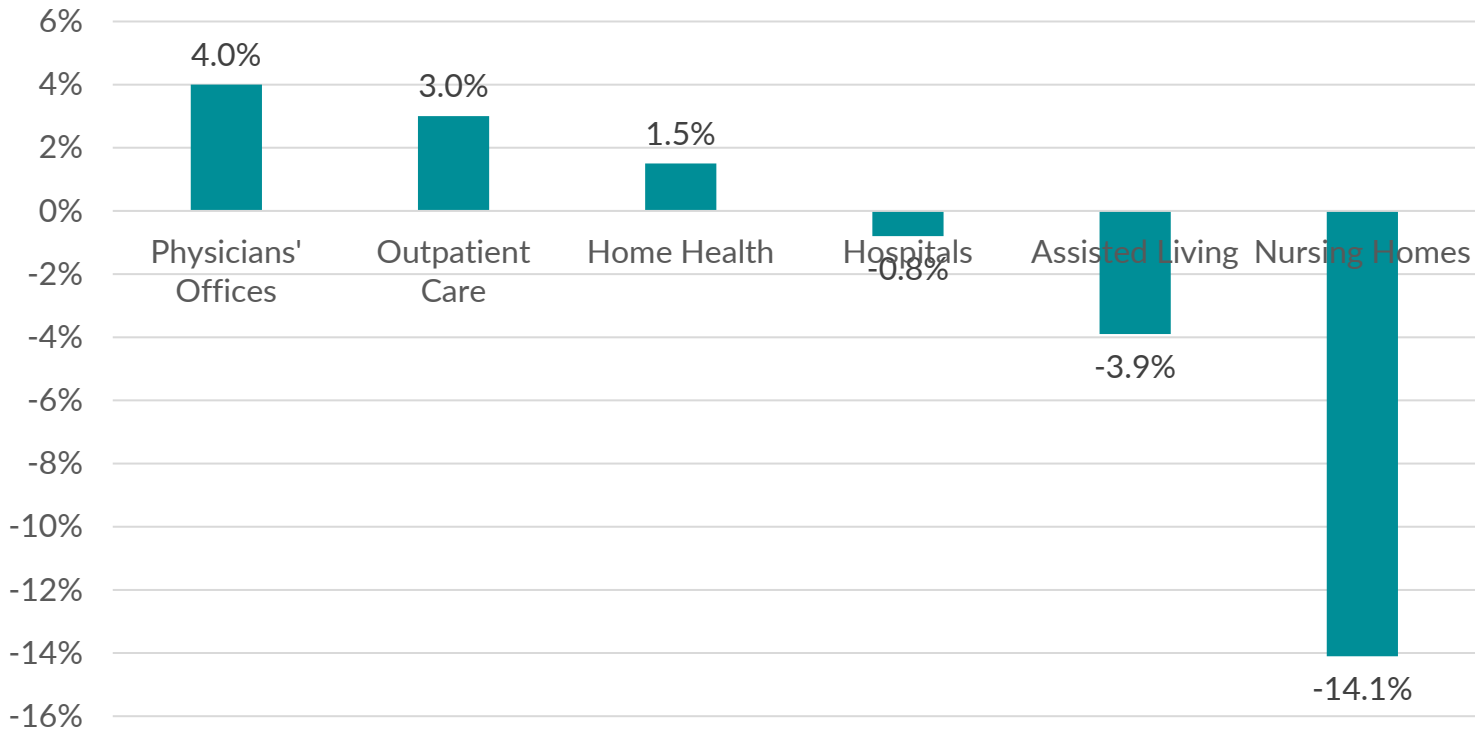
Source: NIC MAP® Data, powered by NIC MAP Vision



Workforce Challenges

Staffing Shortages

Percent change in healthcare sector employment:
February 2020 - July 2022

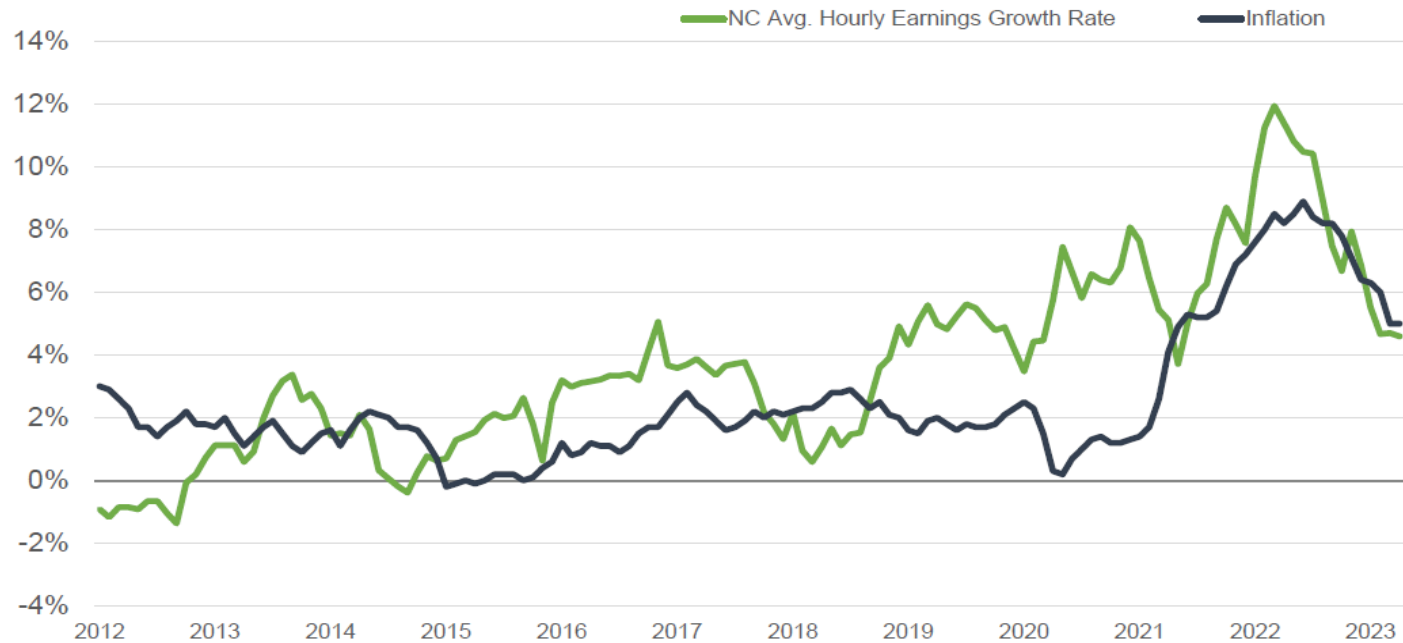


Source: American Health Care Association & National Center for Assisted Living, BLS January Jobs Report, July 2022



Nursing Care Wage Growth Stabilizing?

Nursing Care Avg. Hourly Earnings Growth Rate & Inflation Year-over-Year | January 2012 – April 2023

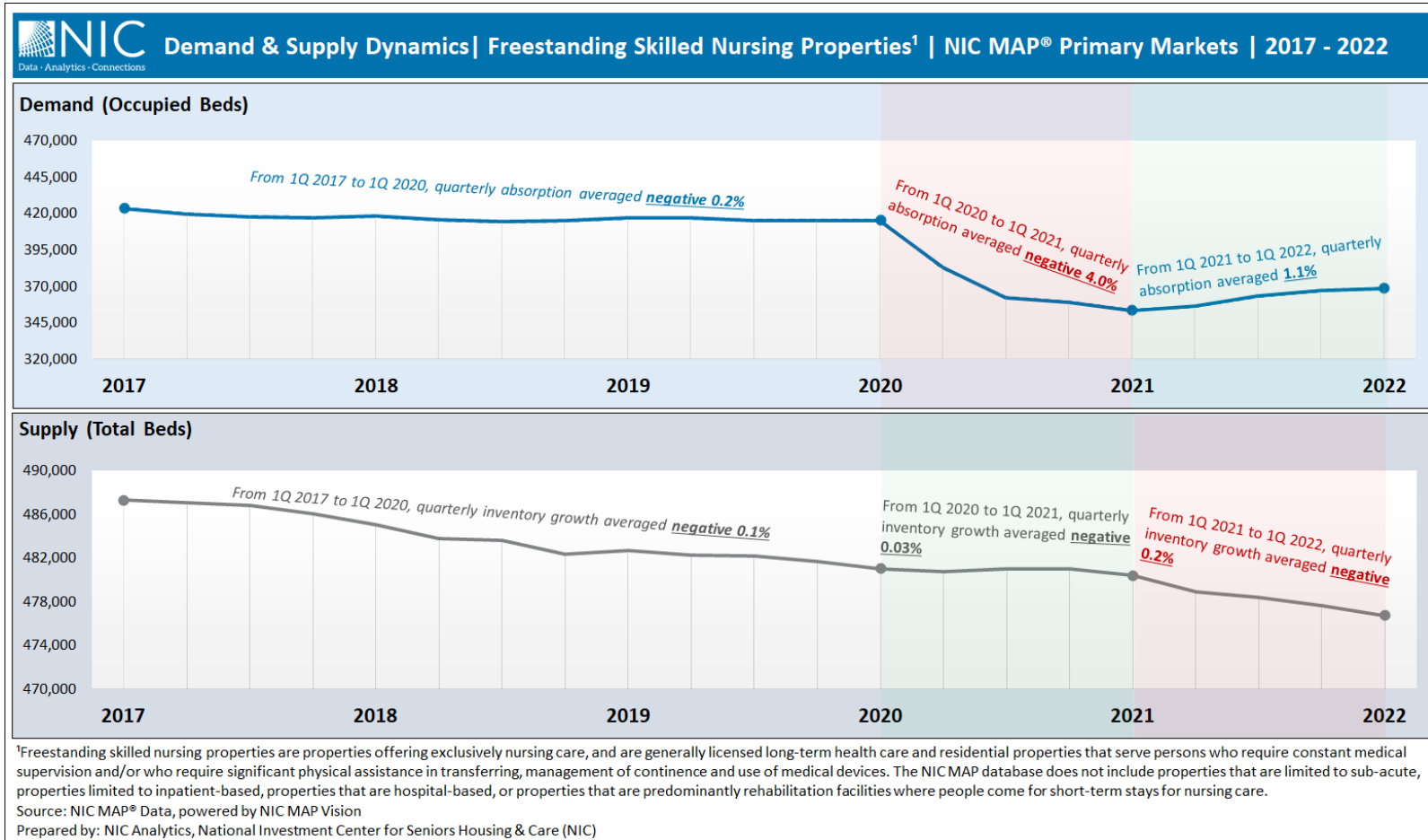


Source: NIC MAP® Data, powered by NIC MAP Vision



SNF Trends

Nursing Home Bed Reduction - National

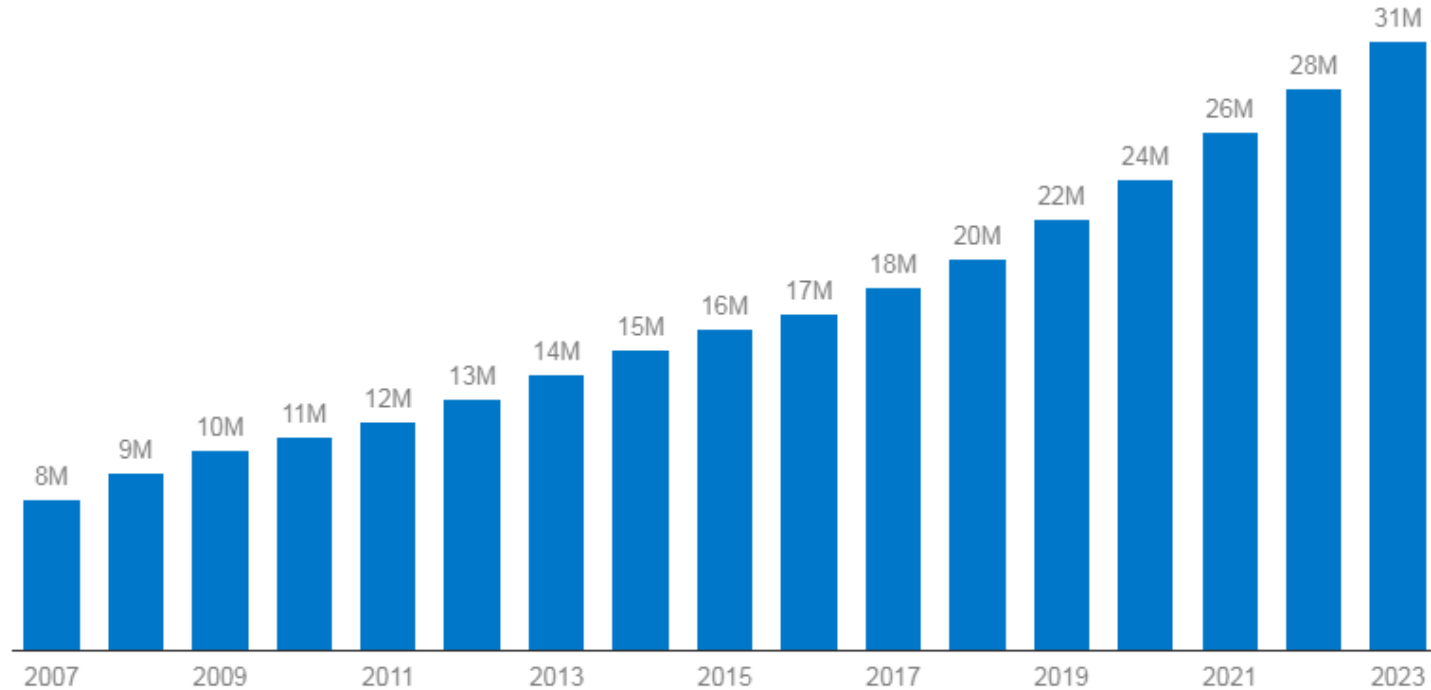




Medicare Advantage Trends

Total Medicare Advantage Enrollment, 2007-2023

Medicare Advantage Penetration **Medicare Advantage Enrollment**



NOTE: Enrollment data are from March of each year. Includes Medicare Advantage plans: HMOs, PPOs (local and regional), PFFS, and MSAs. About 60.0 million people are enrolled in Medicare Parts A and B in 2023.

SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files, 2010-2023; Medicare Chronic Conditions (CCW) Data Warehouse from 5 percent of beneficiaries, 2010-2016; CCW data from 20 percent of beneficiaries, 2017-2020; and Medicare Enrollment Dashboard 2021-2023. •

[PNG](#)





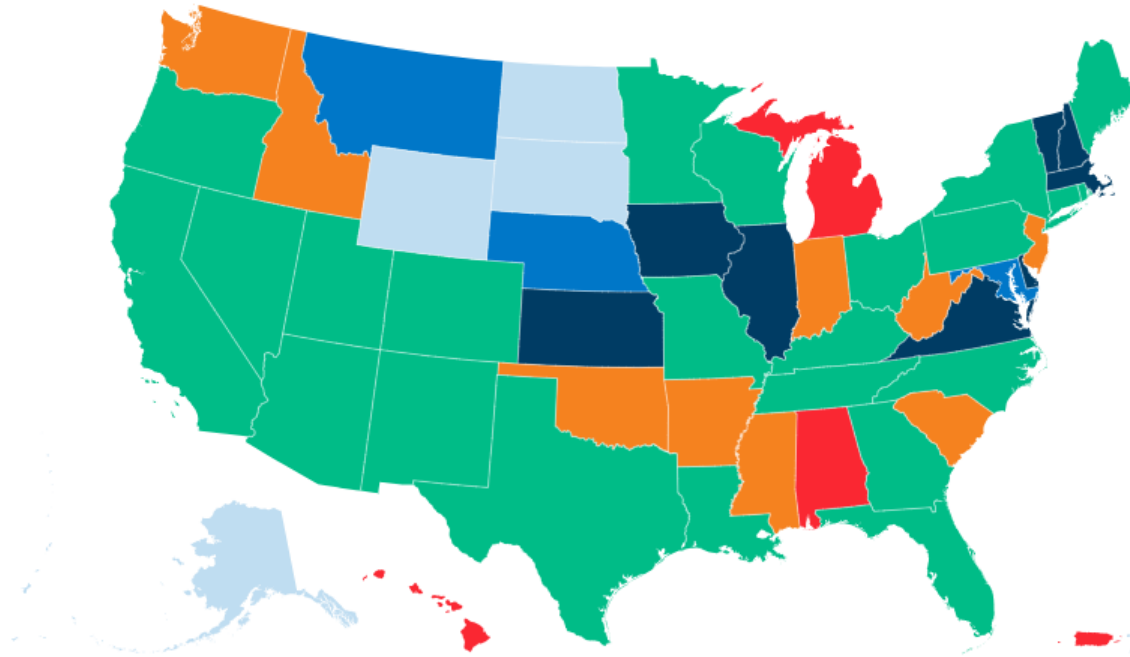
Medicare Advantage Trends

Share of Beneficiaries Enrolled in Medicare Advantage in 2023, by State

Click on the buttons below to see enrollment data for 2013 and 2023:

2013 **2023**

< 20% 20%–30% 30%–40% 40%–50% 50%–60% ≥ 60%



NOTE: Includes only Medicare beneficiaries with Part A and B coverage.

SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files and March Medicare Enrollment Dashboard, 2013 and 2023. • PNG

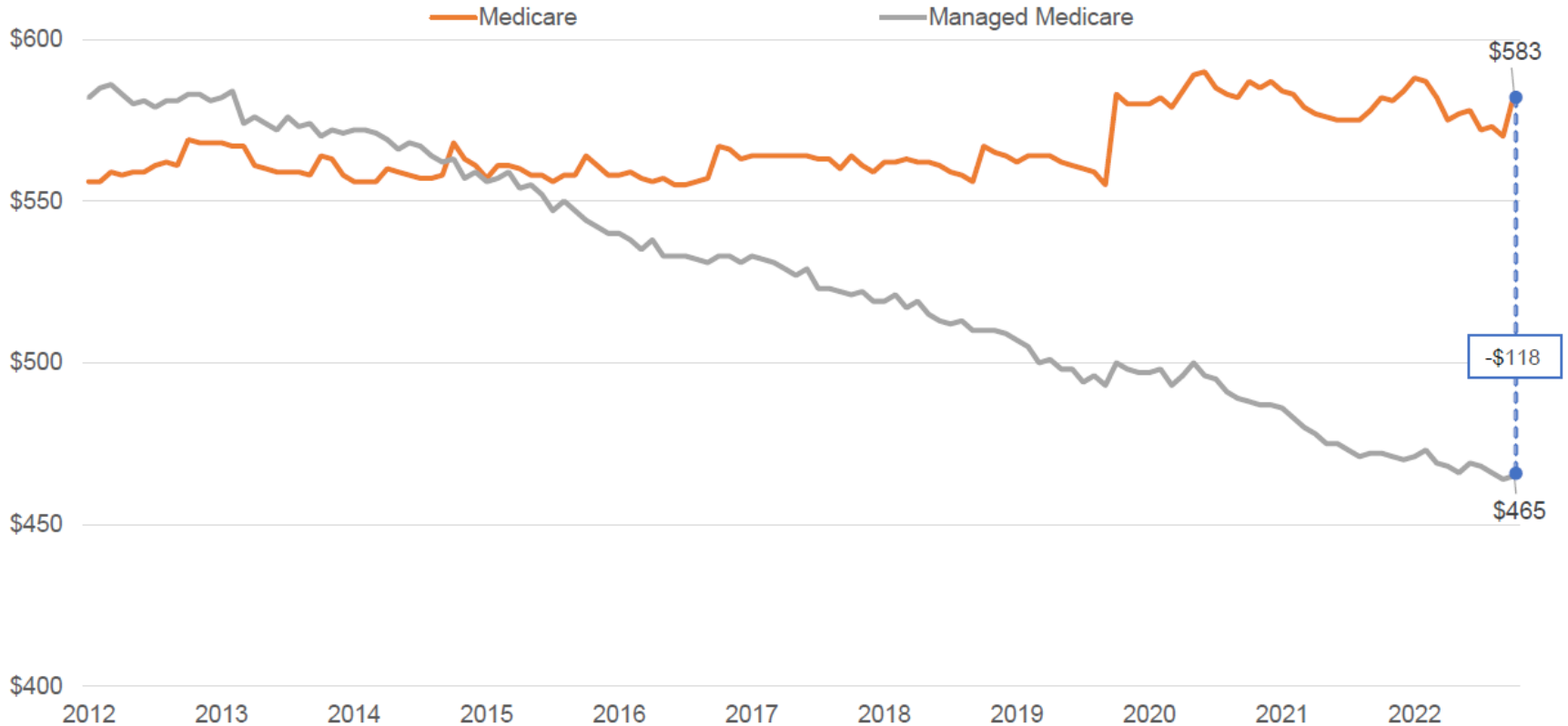
KFF



Medicare Advantage Trends

Medicare vs. Medicare Advantage Revenue Differential Widens

Revenue Per Patient Day (RPPD) | January 2012 – October 2022

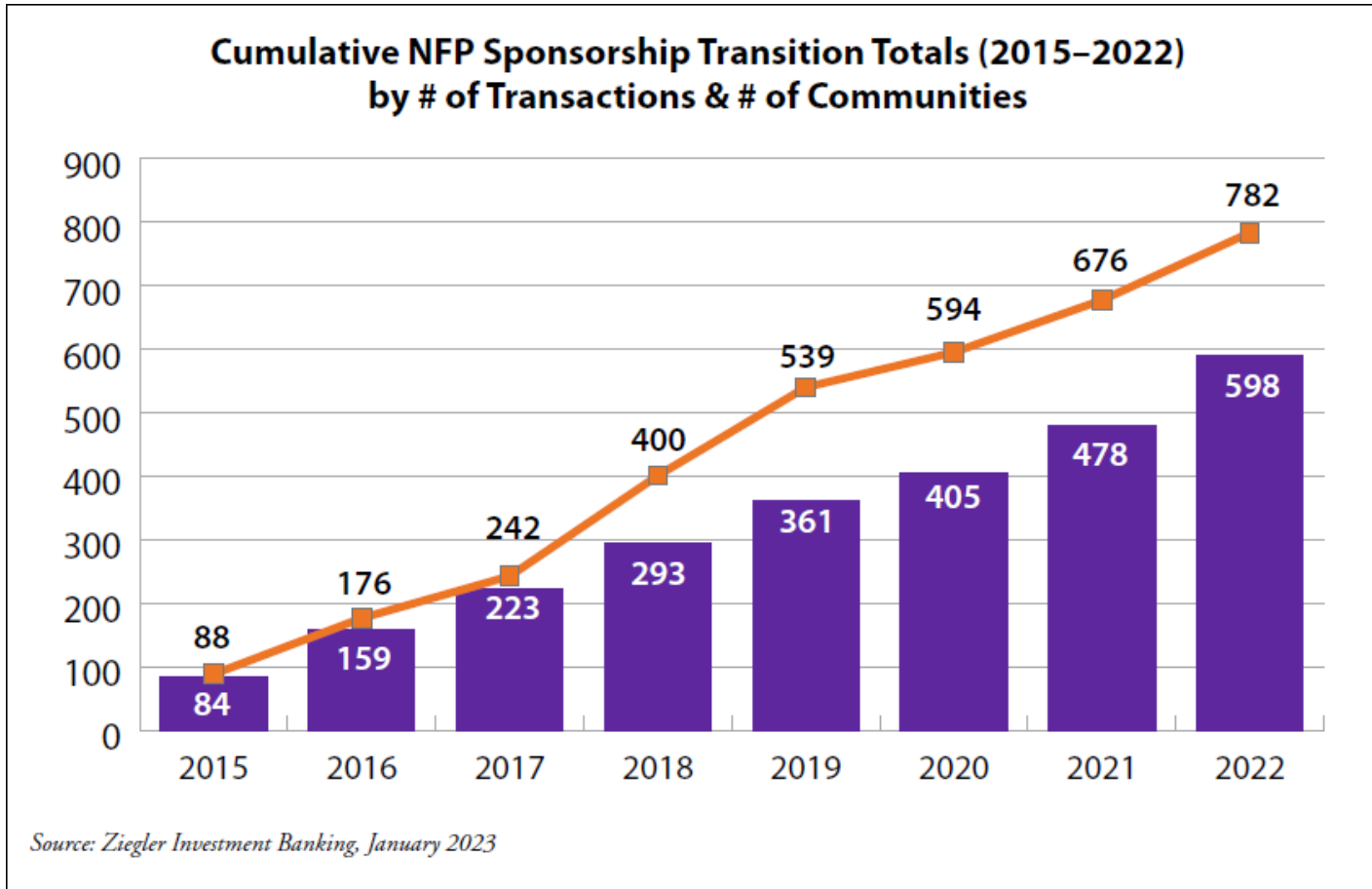


Source: NIC MAP® Data, powered by NIC MAP Vision



Senior Living Growth & Consolidation

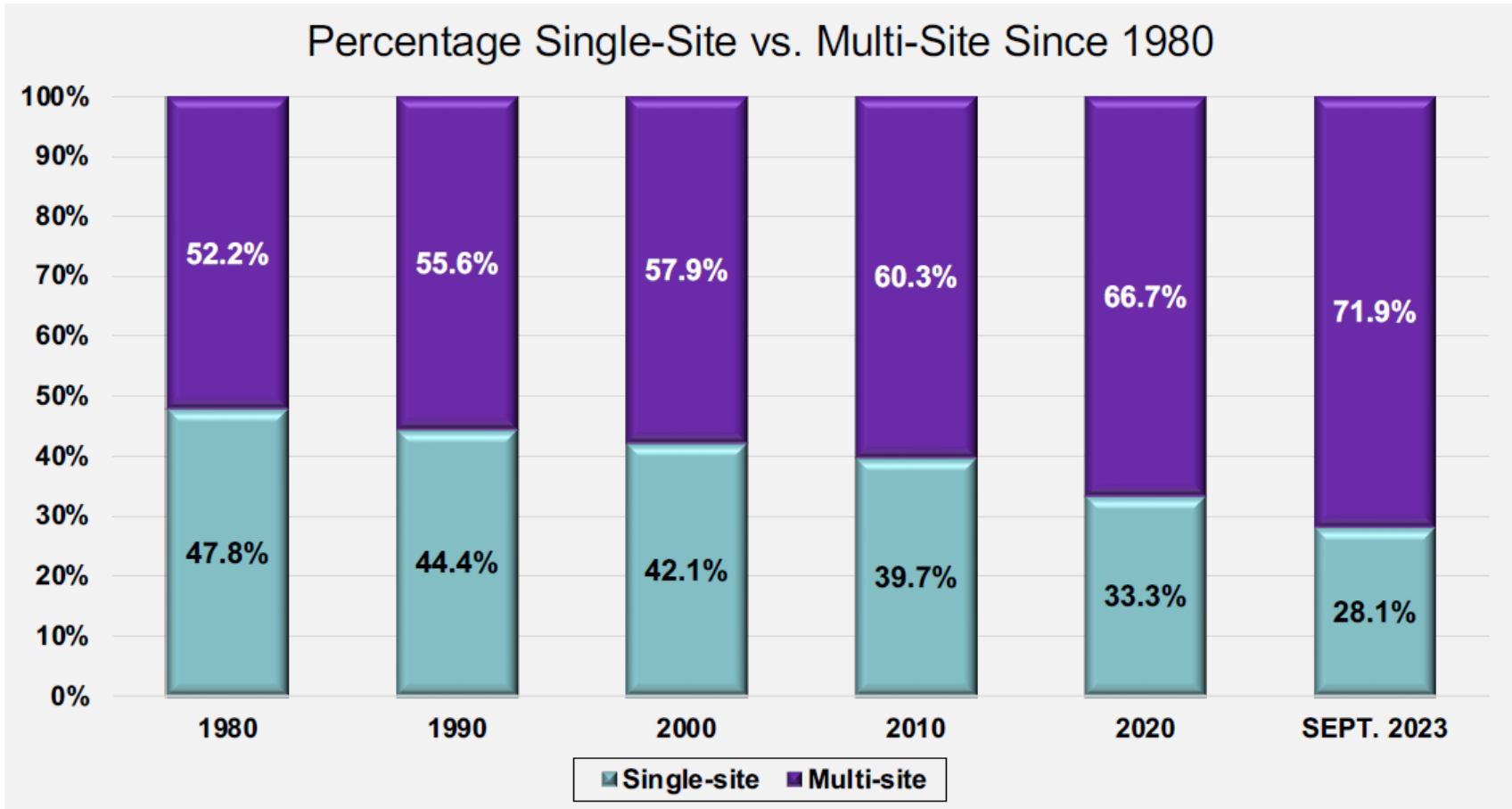
Not-for-Profit Senior Living Sector Consolidation Trends





Senior Living Growth & Consolidation

Life Plan Community/CCRC Sector Consolidation



Source: Ziegler Investment Banking National CCRC Database, 9/1/2023



Senior Living Growth & Consolidation

Drivers of Senior Living Sector Consolidation

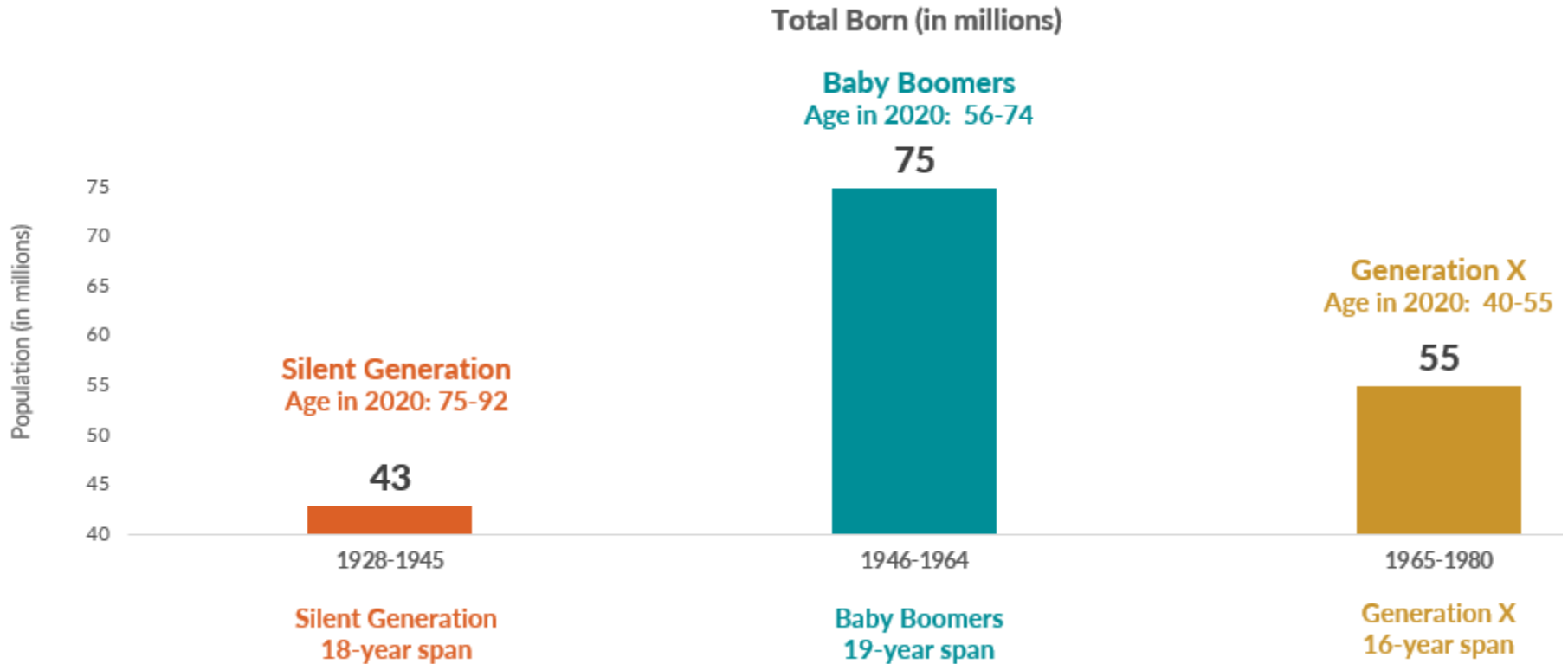
	1990	2000	2010	2022
Ability to Attract & Retain Talent		✓	✓	✓
Complexities of Healthcare		✓	✓	✓
Financial Pressures			✓	✓
Leadership Turnover		✓	✓	✓
Competition			✓	✓
Board Strength				✓
Technology Demands		✓	✓	✓
Access to Capital	✓		✓	✓
Reinvestment Requirements				✓
Health System Consolidation		✓	✓	✓
Diversify Service Lines				✓

COVID-19
ACCELERATED



Demographic Tailwinds – Long Term US

First Baby Boomers will be 80 in **2026**



Source: US Census Bureau

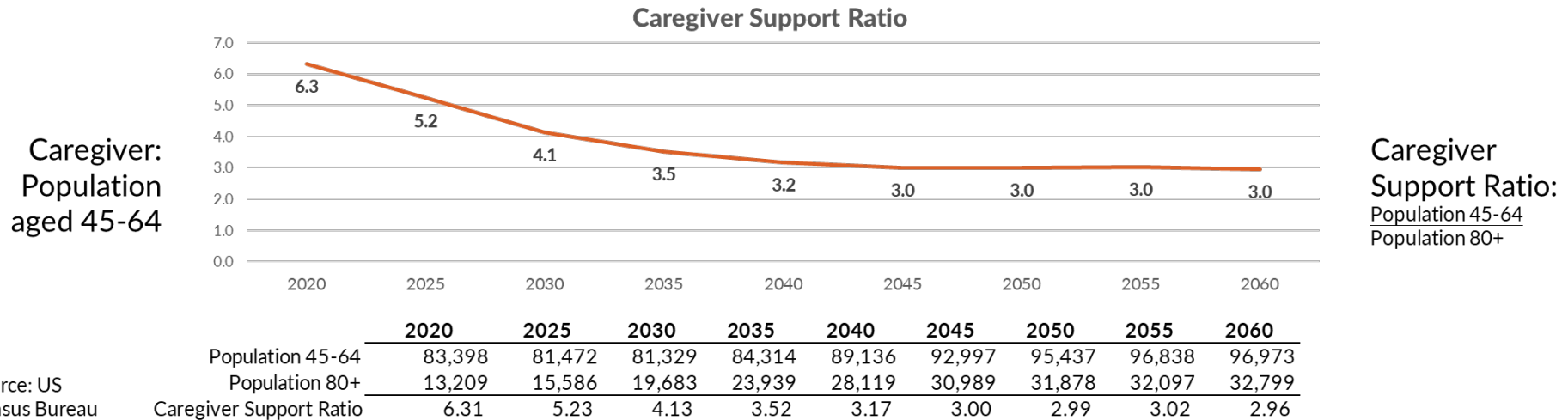


Demographic Tailwinds – Long Term US

Not only is the 80+ population growing, but the caregiver support ratio is also decreasing.

Caregiver support ratio represents the 45-64 population divided by the 80+ population. This means there will be less people to care for the 80+ population, causing more seniors to seek housing and care outside of their home.

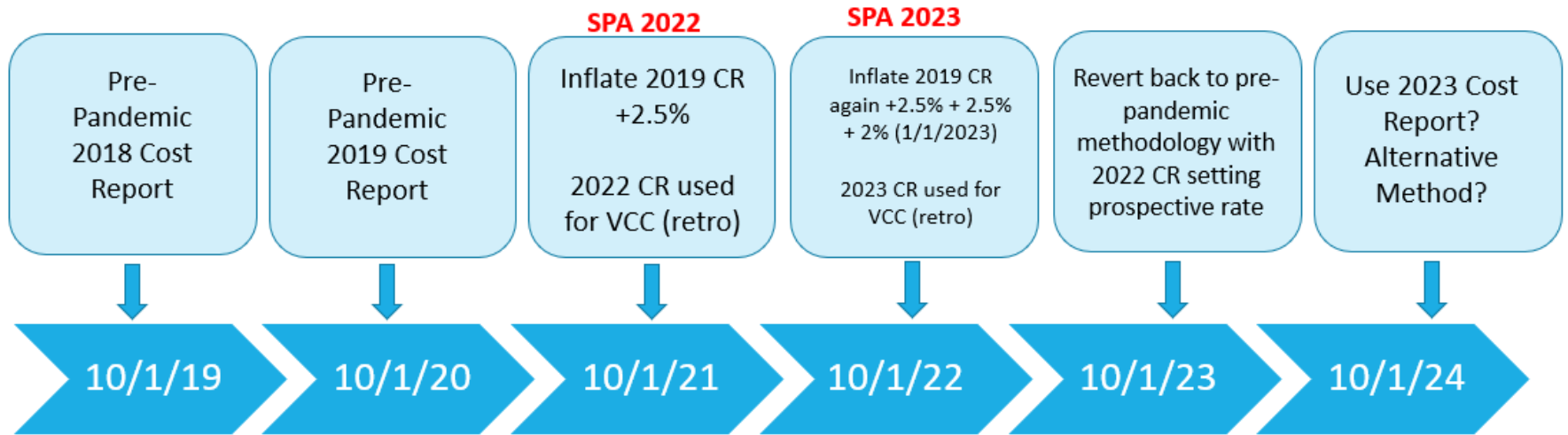
- At any given point, 6 percent of adult children serve as caregivers, and 17 percent will take on this role at some point in their lives.
- Those who do provide care devote an average of 77 hours per month, which can take a toll on both the finances and health of the caregiver.





MI Medicaid Reimbursement Updates

Medicaid SNF Rate Setting



SPA 2022 – State Plan Amendment approved by CMS on January 14, 2022

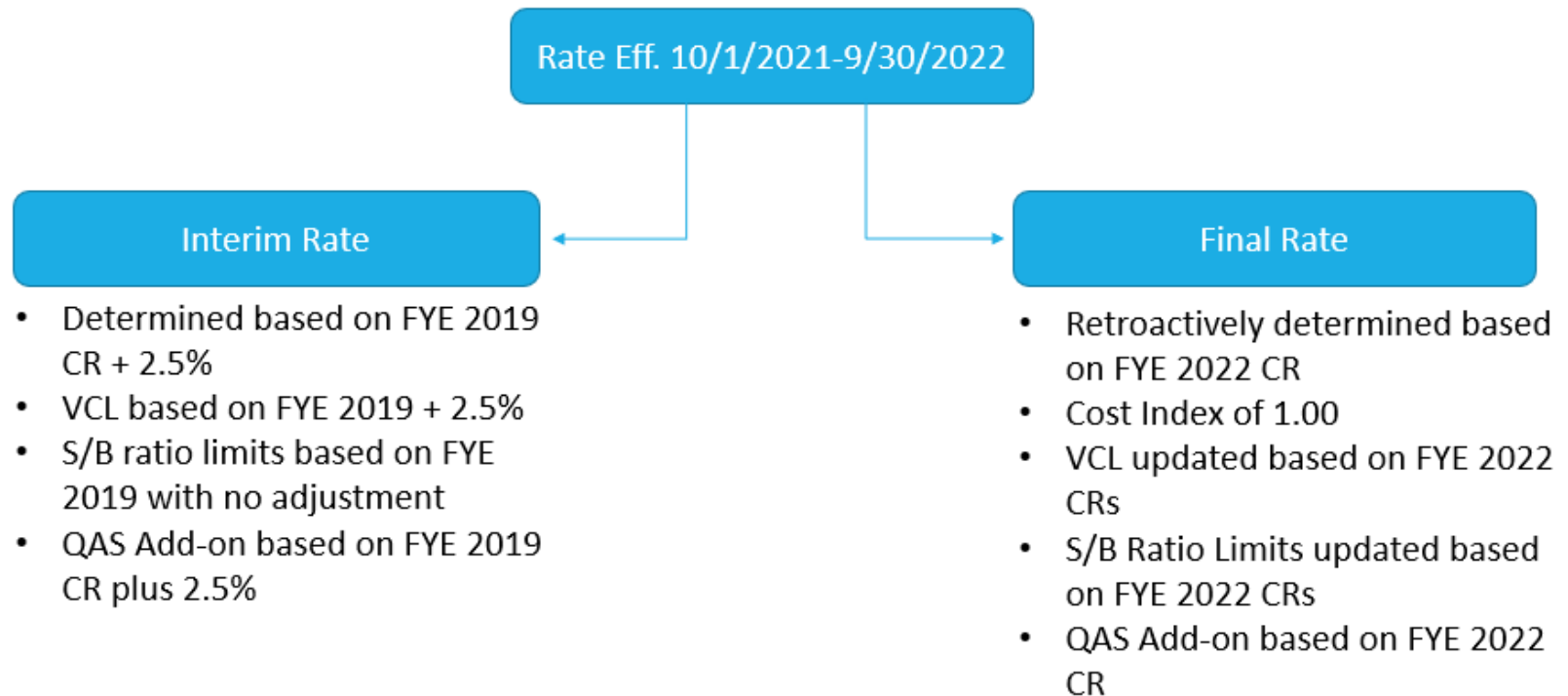
SPA 2023 – State Plan Amendment approved by CMS on April 21, 2023

Phase in of New Reimbursement System?



MI Medicaid Reimbursement Updates

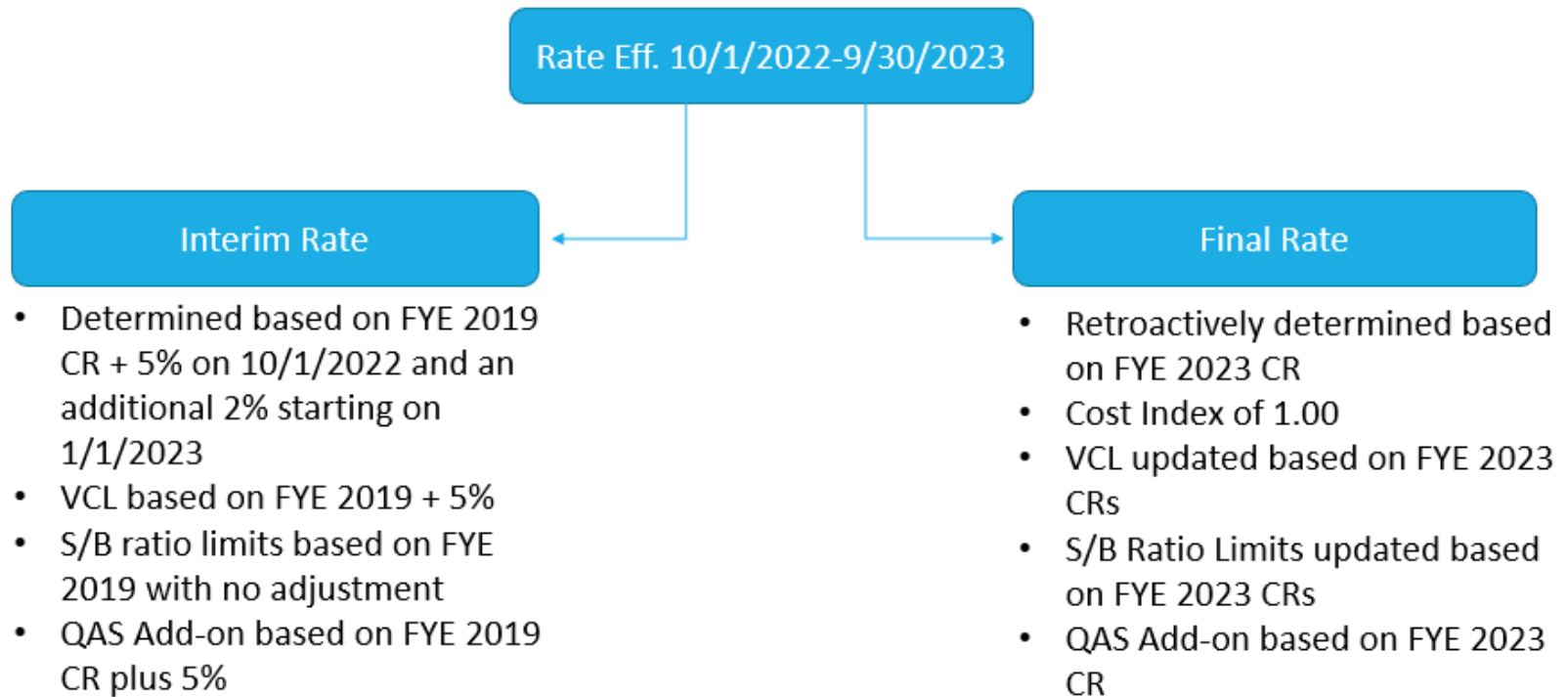
Modified Medicaid Rate Setting SFY 2022





MI Medicaid Reimbursement Updates

Modified Medicaid Rate Setting SFY 2023





Questions?





2024 BUDGET



November 14th, 2023

Presented by: David Krolkowski, Director of Finance

2023 Budget Goals – How are we doing?

Continue to provide quality care to the residents we serve

Lourdes regain 5-star facility rating

Workforce recruitment and retainment

Maintain occupancy levels at all facilities – through marketing and brand recognition

Operational breakeven results across campus

Continue to review contracts for cost efficiencies

Flex staffing as census changes

Look at strategic partnership opportunities and growth potentials with IL

2023 Budget Goals – Unforeseen Challenges in 2023

- Large Unforeseen challenges
 - Property Tax Dispute
 - Legal Fees contingency \$5K/month
 - Property Tax contingency additional \$72K for the year
 - Civil Monetary Penalty
 - Two unexpected CMPs from April 2021 and September 2022
 - One CMP in August 2023
 - \$98K in total

2023 Budget Goals



2024 Budget Goals

LOURDES SENIOR COMMUNITY 2024 BUDGET GOALS

Goal #1: Adjust rental rates to remain competitive in the market

Goal #2: Provide quality of care across all buildings

Lourdes - attain at minimum 4 star rating

Mendelson, Clausen, Fox - Based on resident surveys

Goal #3: Continue to monitor employee retention and recruit efforts

Goal #4: Work on occupancy to aim towards levels at 86% across the board

2023 Budget Goals	Census	Occupancy %
Lourdes	72	72.0%
Mendelson	53	88.3%
Clausen	18	90.0%
Fox	51	94.4%
Average		86.2%

Goal #5: Operational results yielding breakeven margins across the campus without including Marian Hall

Goal #6: Look at partnership opportunities, growth potentials with IL, Management contracts, Joint Ventures

Goal #7: Maintain paid staffing census mix - Appropriate PPD'S at each facility

	RN/LPN	CENA/RA/Clinic Tech	Housekeeping	Laundry	Dietary Aides	Dietary Cook	Activities
Lourdes	1.49	2.35	0.35	0.28	Contracted	Contracted	0.11
Mendelson	0.17	2.37	0.36	N/A	0.55	0.33	0.27
Clausen	N/A	4.47	0.24	N/A	N/A	N/A	0.24

Goal #8: Maintain a strong balance sheet, in order to meet Bond Covenants at a minimum

Goal #9: Utilize technology in resident care delivery and staff training and retention

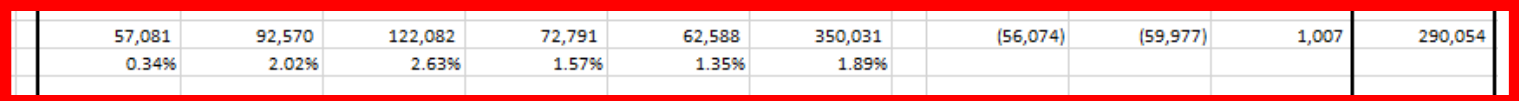
Goal #10: Begin building ranch style independent homes

2024 Budget Recap

LOURDES SENIOR COMMUNITY						
2023 PROJECTION and 2024 BUDGET						
			CAMPUS	CAMPUS	TOTAL	TOTAL
	CONSOLIDATED		FUND	FUND	CONSOLIDATED	CONSOLIDATED
	2023	2024	2023	2024	2023	2024
	PROJECTION	BUDGET	PROJECTION	BUDGET	PROJECTION	BUDGET
OPERATING REVENUE						
Net resident revenue	16,888,246	18,166,794	(257,549)	(232,540)	16,630,697	17,934,254
Net Assets released for operations	-	-	257,549	232,540	257,549	232,540
Gain on Sale /Disposal	-	-	-	-	-	-
Other Revenue	65,622	339,864	-	-	65,622	339,864
TOTAL OPERATING REVENUE	16,953,868	18,506,658	-	-	16,953,868	18,506,658
OPERATING EXPENSES						
Salaries	8,113,738	8,292,459	26,133	28,202	8,139,871	8,320,661
Benefits	1,185,363	1,548,249	14,632	13,503	1,199,995	1,561,752
Purchased Services	1,307,695	1,518,902	627	720	1,308,322	1,519,622
Professional Services	864,162	947,140	-	-	864,162	947,140
Supplies	508,824	564,629	-	-	508,824	564,629
Insurance	169,222	180,347	-	-	169,222	180,347
Bad Debt	89,160	112,416	-	-	89,160	112,416
Food	586,928	708,620	-	-	586,928	708,620
Bed Tax	636,708	744,720	-	-	636,708	744,720
Repairs and Maintenance	370,889	354,025	-	-	370,889	354,025
Other Operating Expense	384,158	379,715	14,682	17,552	398,840	397,267
Utilities	633,501	692,394	-	-	633,501	692,394
Loss on Disposal / Sale of Assets	-	-	-	-	-	-
Interest & Amortization	414,381	403,018	-	-	414,381	403,018
Depreciation	1,632,058	1,709,993	-	-	1,632,058	1,709,993
TOTAL OPERATING EXPENSES	16,896,787	18,156,627	56,074	59,977	16,952,861	18,216,604
Income (Loss) From Operations	57,081	350,031	(56,074)	(59,977)	1,007	290,054
Operating Margin	0.34%	1.89%				

2024 Budget Recap By Quarter

LOURDES SENIOR COMMUNITY FACILITIES BY QUARTER							CAMPUS FUND	CAMPUS FUND	TOTAL CONSOLIDATED	TOTAL CONSOLIDATED
CONSOLIDATED										
	2023 PROJECTION	2024 1ST QUARTER	2024 2ND QUARTER	2024 3RD QUARTER	2024 4TH QUARTER	2024 BUDGET	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET
OPERATING REVENUE										
Net resident revenue	16,888,246	4,541,691	4,541,691	4,541,691	4,541,721	18,166,794	(257,549)	(232,540)	16,630,697	17,934,254
Net Assets released for operations	-	-	-	-	-	-	257,549	232,540	257,549	232,540
Gain on Sale /Disposal	-	-	-	-	-	-			-	-
Other Revenue	65,622	42,967	98,967	98,967	98,963	339,864			65,622	339,864
TOTAL OPERATING REVENUE	16,953,868	4,584,658	4,640,658	4,640,658	4,640,684	18,506,658	-	-	16,953,868	18,506,658
OPERATING EXPENSES										
Salaries	8,113,738	2,044,718	2,067,425	2,090,152	2,090,164	8,292,459	26,133	28,202	8,139,871	8,320,661
Benefits	1,185,363	381,758	386,001	390,240	390,250	1,548,249	14,632	13,503	1,199,995	1,561,752
Purchased Services	1,307,695	374,521	378,678	382,842	382,861	1,518,902	627	720	1,308,322	1,519,622
Professional Services	864,162	233,541	236,134	238,730	238,735	947,140			864,162	947,140
Supplies	508,824	139,228	140,773	142,319	142,309	564,629			508,824	564,629
Insurance	169,222	44,471	44,962	45,458	45,456	180,347			169,222	180,347
Bad Debt	89,160	27,717	28,025	28,333	28,341	112,416			89,160	112,416
Food	586,928	174,726	176,669	178,609	178,616	708,620			586,928	708,620
Bed Tax	636,708	183,630	185,670	187,710	187,710	744,720			636,708	744,720
Repairs and Maintenance	370,889	87,293	88,264	89,234	89,234	354,025			370,889	354,025
Other Operating Expense	384,158	93,610	94,653	95,691	95,761	379,715	14,682	17,552	398,840	397,267
Utilities	633,501	185,858	164,517	165,955	176,064	692,394			633,501	692,394
Loss on Disposal / Sale of Assets	-	-	-	-	-	-			-	-
Interest & Amortization	414,381	99,375	100,477	101,582	101,584	403,018			414,381	403,018
Depreciation	1,632,058	421,642	426,328	431,012	431,011	1,709,993			1,632,058	1,709,993
TOTAL OPERATING EXPENSES	16,896,787	4,492,088	4,518,576	4,567,867	4,578,096	18,156,627	56,074	59,977	16,952,861	18,216,604
Income (Loss) From Operations	57,081	92,570	122,082	72,791	62,588	350,031	(56,074)	(59,977)	1,007	290,054
Operating Margin	0.34%	2.02%	2.63%	1.57%	1.35%	1.89%				
Operating Margin Target	2.00%	2.00%	2.00%	2.00%	2.00%					
Operating Income (Short of Target)	(281,996)	877	29,269	(20,022)	(30,226)					
EBITDA	2,103,520	613,587	648,887	605,385	595,183	2,463,042	(56,074)	(59,977)	2,047,446	2,403,065
EBITDA %	12.41%	13.38%	13.98%	13.05%	12.83%	13.31%				



2024 Budgeted Employee Rate Increases

- In 2023, gave half of budgeted rate increase on 1.5% in July.
- Moving to rate increases to align with calendar year to February
- In 2024, we have budgeted a rate increase of 3% for non-union and 3% for union employees beginning in February
- Total rate increase for the campus effective February 2023 - \$121K for eleven months
- Lourdes Nursing and Rehab Care
 - TOTAL = \$73K
- Mendelson Assisted Living
 - TOTAL = \$23K
- Clausen Memory Care
 - TOTAL = \$17K
- Fox Manor Independent Living
 - TOTAL = \$8K

2024 Capital Budget

LOURDES SENIOR COMMUNITY 2024 CAPITAL BUDGET REQUESTS				
CAMPUS-WIDE	2024 Final	CLAUSEN	2024 Final	
Tailgate Salt Spreader	\$ 6,000	Common area painting	\$ 40,000	
Lawn mower	\$ 16,000	HVAC replacement Activities Room	\$ 17,000	
Welder	\$ 1,000	Closets for rooms x5 \$5000 a piece	\$ 25,000	
Service area repave Asphalt	\$ -	HVAC replacement resident rooms x2	\$ 14,000	
Power washer	\$ 2,000	Badge access x6 doors. Estimate only	\$ 16,000	
Tree Removal maintenance	\$ -	Common area Flooring	\$ 19,957	
		Remove Kitchenette cabinets, paint and install doors for stora	\$ 3,500	
		Room upgrade. Paint, lights, countertop, mirror x5 rooms	\$ 21,300	
		Kitchen cabinet replacement and countertop	\$ 11,600	
TOTAL	\$25,000			
LRHC		TOTAL	\$ 168,356.96	
Scotsman Cooled Undercounter Medium Cube Ice Ma	\$ 2,518			
Welch Allgn Spot Vital Signs	\$ 3,722			
Bed Mattress System	\$ 2,432			
Med-Aire Plus Bariatric APM	\$ 3,440			
TOTAL	\$ 12,112.42			
MENDELSON		FOX		
Paint Interior Hallways	\$ 15,000	Hallway Painting only	\$ 60,000	
5 rooms remodled/cabinets	\$ 30,000	Exterior door replacement x6 doors	\$ 14,200	
5 Rooms flooring/Painting	\$ 20,000	Pergola for patio	\$ 7,000	
Repave front foyer entrance	\$ 15,000	Room remodels x4	\$ 65,000	
Large hallway Vacuum	\$ 3,000	Vinyl Flooring x4	\$ 11,000	
Service Entrance Flooring	\$ 10,000	Vanity/Ranges, refrigerators	\$ 19,000	
Service Entrance Paint	\$ 6,000	Sidewalk repair/curb repair	\$ 15,000	
Cameras for the building	\$ 20,000	Exterior Painting. Carry over from last year	\$ 10,000	
Conveyor Toaster	\$ 1,300	Robot Coupe	\$ 1,300	
Beds (3)	\$ 2,550	4 Well Steam Table	\$ 7,000	
Dressers (3)	\$ 1,200	Siding and Portico	\$ 800,000	
Nurse Call Button	\$ 5,000			
TOTAL	\$ 129,050.00	TOTAL	\$ 1,009,500.00	
2024 Budgeted Grand Total	\$ 1,344,019.38			
AVAILABLE SPEND FOR 2024	\$ 1,389,599.12			
CONTINGENCY	\$ 20,000.00			
VARIANCE	\$ 25,579.74			



2024 Budget Recap

LOURDES SENIOR COMMUNITY 2023 PROJECTION and 2024 BUDGET														
	LOURDES		MENDELSON		CLAUSEN		FOX		CONSOLIDATED		CAMPUS FUND	CAMPUS FUND	TOTAL CONSOLIDATED	TOTAL CONSOLIDATED
	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET	2023 PROJECTION	2024 BUDGET
OPERATING REVENUE														
Net resident revenue	10,186,213	11,091,244	3,632,989	3,864,176	1,438,970	1,487,962	1,630,074	1,723,412	16,888,246	18,166,794	(257,549)	(232,540)	16,630,697	17,934,254
Net Assets released for operations	-	-	-	-	-	-	-	-	-	-	257,549	232,540	257,549	232,540
Gain on Sale /Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	40,598	315,051	6,632	6,664	257	-	18,135	18,149	65,622	339,864	-	-	65,622	339,864
TOTAL OPERATING REVENUE	10,226,811	11,406,295	3,639,621	3,870,840	1,439,227	1,487,962	1,648,209	1,741,561	16,953,868	18,506,658	-	-	16,953,868	18,506,658
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OPERATING EXPENSES														
Salaries	4,672,342	4,829,499	2,021,375	2,042,082	906,887	918,523	513,134	502,355	8,113,738	8,292,459	26,133	28,202	8,139,871	8,320,661
Benefits	650,450	895,683	289,619	377,516	154,355	167,676	90,939	107,374	1,185,363	1,548,249	14,632	13,503	1,199,995	1,561,752
Purchased Services	1,199,575	1,373,739	56,079	77,294	24,957	33,860	27,084	34,009	1,307,695	1,518,902	627	720	1,308,322	1,519,622
Professional Services	698,117	775,768	75,415	76,602	45,210	45,537	45,420	49,233	864,162	947,140	-	-	864,162	947,140
Supplies	349,650	392,494	100,259	104,137	27,658	31,402	31,257	36,596	508,824	564,629	-	-	508,824	564,629
Insurance	83,386	85,925	40,166	43,596	14,503	16,742	31,167	34,084	169,222	180,347	-	-	169,222	180,347
Bad Debt	89,160	110,916	-	1,500	-	-	-	-	89,160	112,416	-	-	89,160	112,416
Food	201,957	301,225	203,505	214,470	68,448	72,637	113,018	120,288	586,928	708,620	-	-	586,928	708,620
Bed Tax	636,708	744,720	-	-	-	-	-	-	636,708	744,720	-	-	636,708	744,720
Repairs and Maintenance	115,157	113,884	161,329	144,954	33,576	35,016	60,827	60,171	370,889	354,025	-	-	370,889	354,025
Other Operating Expense	196,996	94,839	94,159	166,808	26,681	42,661	66,322	75,407	384,158	379,715	14,682	17,552	398,840	397,267
Utilities	345,055	387,493	134,438	144,634	48,891	51,293	105,117	108,974	633,501	692,394	-	-	633,501	692,394
Loss on Disposal / Sale of Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	414,381	403,018	-	-	-	-	-	-	414,381	403,018	-	-	414,381	403,018
Depreciation	1,062,698	1,052,999	354,843	375,000	49,747	69,997	164,770	211,997	1,632,058	1,709,993	-	-	1,632,058	1,709,993
TOTAL OPERATING EXPENSES	10,715,632	11,562,202	3,531,187	3,768,593	1,400,913	1,485,344	1,249,055	1,340,488	16,896,787	18,156,627	56,074	59,977	16,952,861	18,216,604
Income (Loss) From Operations	(488,821)	(155,907)	108,434	102,247	38,314	2,618	399,154	401,073	57,081	350,031	(56,074)	(59,977)	1,007	290,054
Operating Margin	-4.78%	-1.37%	2.98%	2.64%	2.66%	0.18%	24.2%	23.03%	0.34%	1.89%				

2024 Budget Recap Continued

LOURDES SENIOR COMMUNITY 2023 PROJECTION and 2024 BUDGET														
	LOURDES		MENDELSON		CLAUSEN		FOX		CONSOLIDATED		CAMPUS	CAMPUS	TOTAL	TOTAL
	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	FUND	FUND	CONSOLIDATED	CONSOLIDATED
	PROJECTION	BUDGET	PROJECTION	BUDGET	PROJECTION	BUDGET	PROJECTION	BUDGET	PROJECTION	BUDGET	PROJECTION	BUDGET	PROJECTION	BUDGET
Operating Margin Target									2.00%	2.00%				
Operating Income (Short of Target)									(281,996)	(20,102)				
EBITDA	988,258	1,300,110	463,277	477,247	88,061	72,615	563,924	613,070	2,103,520	2,463,042	(56,074)	(59,977)	2,047,446	2,403,065
EBITDA %	9.66%	11.40%	12.73%	12.33%	6.12%	4.88%	34.21%	35.20%	12.41%	13.31%				
INTEREST & DIVIDENDS	41,755	45,768	164,630	177,565	152,817	163,119	39,502	41,384	398,704	427,836	289,383	296,400	688,087	724,236
INVESTMENT FEES	(8,011)	(8,252)	(25,620)	(25,618)	(23,784)	(25,390)	(7,238)	(7,240)	(64,653)	(66,500)	(45,034)	(46,385)	(109,687)	(112,885)
LOSS ON SALE/DISPOSAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INTEREST - PNC SWEEP	24,878	95,995	-	-	-	-	-	-	24,878	95,995	-	-	24,878	95,995
NET INCOME	(430,199)	(22,396)	247,444	254,194	167,347	140,347	431,418	435,217	416,010	807,362	188,275	190,038	604,285	997,400
UN-RESTRICTED CONTRIBUTIONS	-	-	149	-	81	-	43	-	273	-	262	-	535	-
TEMP. RESTRICTED CONTRIBUTIONS	-	-	-	-	-	-	-	-	-	-	148,607	50,000	148,607	50,000
RESTRICTED CONTRIBUTIONS	176,454	-	76,891	-	21,723	-	-	-	275,068	-	120,626	300,000	395,694	300,000
CONTRIBUTION EXPENSES	-	-	-	-	-	-	-	-	-	-	(315,321)	(351,011)	(315,321)	(351,011)
DEBT EXTINGUISHMENT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DEVELOPMENT - SALARIES & BENEFITS	(19,140)	(29,590)	(9,315)	(14,549)	(6,891)	(7,458)	(8,510)	(12,386)	(43,856)	(63,983)	(87,534)	(94,687)	(131,390)	(158,670)
DEVELOPMENT - PROFESSIONAL FEES	(53,366)	(60,003)	-	-	-	-	-	-	(53,366)	(60,003)	(20,520)	(62,574)	(73,886)	(122,577)
DEVELOPMENT - OTHER	(32,988)	(59,544)	(675)	-	(1,618)	(4,933)	141	-	(35,140)	(64,477)	-	-	(35,140)	(64,477)
LOURDES INSTITUTE	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET CHANGE IN ASSETS	(359,239)	(171,533)	314,494	239,645	180,642	127,956	423,092	422,831	283,921	618,899	34,395	31,766	318,316	650,665

2024 Budget Expense Variances

- **Salaries:** Increase of \$178K - Budgeted a 3% increase for 2024
- **Benefits:** Increase of \$178K – Budgeted a 20% increase for Health Insurance premiums. In addition, in 2023 received a Workers' Comp credit for previous years
- **Purchased Services:** Increase of \$211K – the result of an increase in therapy costs for Lourdes due to increased volumes in Medicare and HMO, in addition to an increase in pharmacy costs. Budgeted potential implementation of performance reviews and contingent security upgrade.
- **Professional Services:** Increase of \$82K – Legal fees for property tax dispute, contingency for agency services, contracted dietary services at Lourdes Rehab
- **Supplies:** Increase of \$55K in supplies, increase for Marian Hall housekeeping, laundry, dietary supplies and inflation factors of 3%
- **Insurance:** Increase of \$11K –cyber insurance policy increase

2024 Budget Expense Variances

- **Food Costs:** Increase of \$122K – Angela Hospice beginning March 2024. In addition, the result of a higher census budgeted, and inflation factored in of about 3% across the board
- **Provider Bed Tax:** Increase of \$108K – Based on increase in census
- **Repairs and Maintenance:** Decrease of \$17K – the result of building mechanical repairs which we have lowered the anticipated spend
- **Other Expense:** Decrease of \$4K, multiple accounts in this category. Three CMPs in 2023 no anticipation of any penalties in 2024. Increase for potential property taxes for full year.
- **Utilities:** Increase of \$59K – Marian Hall usage increase and the result of electricity, gas and water increases across the board
- **Interest and Amortization:** Decrease of \$11K – lower principal balance on loan
- **Depreciation:** Increase of \$78K, siding and portico replacement at Fox. Continuation of room and common area upgrades.

2024 Budget Changes/Challenges

Cost of doing business
inflation

Managed Care HMOs
dictating level of acuity
for treatment

Medicaid potentially
converting to an acuity-
based reimbursement
system. Like Medicare
PDP

QMI star rating
reimbursement,
dependent on star
rating

Staffing shortages /
Union across the
industry... all industries

The uncertainty with
COVID19, imposed
restrictions, fear in
potential residents, etc.



2024 Budget – Questions?



Rebecca Latta, Director – Human Resources
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

WeCare Connect (through the LeadingAge Michigan Workforce Stabilization Grant)

Lourdes is excited to be part of a new grant with WeCare Connect. WeCare Connect will be conducting employee surveys for Lourdes. The survey will be conducted on new hires and exits. When an individual responds to a survey question in a way that is concerning, we will receive an email notification with the individual's name and details of the potential issue or concern. We will promptly follow up with the individual to address their concerns and/or resolve their issue. There will also be surveys conducted on all existing employees once a year for the next three years. Feedback from the survey will be provided by WeCare Connect. The first survey will be December 4, 2023. The grant is for Nursing Home members to gain insight into our workforce with the employee surveys, as well as grant sponsored employee education opportunities. This was all made possible through a grant from the State of Michigan.

Turnover – The average turnover of all four homes through November 2023 is 42%, as compared to 58% in 2022. We continue to see a decrease in turnover at all the facilities. Our staffing remains consistent with last year's numbers.

Work Force

Recruiting –

We continue to seek new avenues to gain new talent to our community.

- Online recruiting – we continue to see an increase in applications and interviews for our open positions.
- New Hire Bonuses – we have increased new hire bonuses for LPN/RN and CENA positions. Other open positions are reviewed pending the need and applications received.
- Response time – we are using a new method with online recruiting to increase our response time to less than 72 hours.
- On Site Open Interviews – This is on hold as we have had so many applications through online recruiting.
- Facebook recruiting – we have had some success with posting Resident Assistant positions on Facebook.
- International hiring – We have requested two RNs through the agency.

Retention –

Our employees are our best asset. Retaining our current talent is a top priority.

- Medical Benefits – For the 2024 Benefit Year, we have lowered the out-of-pocket maximum for Brand Rx cost, reduced the cost of lab claims covering the cost 100% if lower than \$300, and all nominated out-of-network providers will be treated as in-network providers. Employee rates increased slightly – under \$6.00 per pay period.

- Wages – continue to monitor the market to ensure our wages are competitive.
- Reduced work weeks – This continues to be a popular benefit for our employees. We have had four successful transitions to a four-day work week.
- Same day pay –We have not received enough interest to pursue this with our current payroll company. We have placed this on hold.
- Employee Engagement– We continue to have fun activities for our employees. Crossword puzzles, candy jar contests and our annual picnic. The coloring poster has been a big hit at most of the homes with two of the homes completing theirs already.

This is all a work in progress, and we are constantly reassessing to see what other changes we can make to improve our employee's lives.

Requested Action: For Your Information

Rebecca Latta, Director - Human Resources
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
 November 2023

STAFFING:			
CLAUSEN MANOR	2021	2022	November 2023
HIRES	20	10	11
TERMINATIONS	18	18	15
TURNOVER RATE	86%	86%	62%
FTE'S*	13.4	15.3	16.6

FOX MANOR	2021	2022	November 2023
HIRES	7	12	7
TERMINATIONS	11	11	8
TURNOVER RATE	61%	57%	33%
FTE'S*	8.0	9.2	9.6

LOURDES REHABILITATION AND HEALTHCARE CENTER	2021	2022	November 2023
HIRES	32	31	27
TERMINATIONS	58	50	24
TURNOVER RATE	59%	51%	28%
FTE'S*	72.8	73.0	74.2

MENDELSON	2021	2022	November 2023
HIRES	25	36	22
TERMINATIONS	32	45	27
TURNOVER RATE	38%	71%	45%
FTE'S*	44.4	47.0	45.6

CAMPUS	2021	2022	November 2023
HIRES	21	22.3	17
TERMINATIONS	30	31	19
TURNOVER RATE	61%	66%	42%

* FTE's are based on actual employee count.

Requested Action: For Your Information

Rebecca Latta, Director - Human Resources
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

Breakdown of Terminations			
CLAUSEN MANOR	2021	2022	November 2023
Resident Assistants	16	15	14
Housekeeper	0	0	1
Activities Assistant	2	3	0
Total	18	18	15

FOX MANOR	2021	2022	November 2023
Housekeeping	3	5	1
Dietary Aides	7	5	5
Massage Therapist	1	0	2
Administration		1 (retire)	0
Total	11	11	8

LOURDES REHABILITATION AND HEALTHCARE CENTER	2021	2022	November 2023
Nurses	16	15	12
Nurse Aides	20	13	8
Housekeeping/Laundry	5	9 (1 retire)	1
Dietary	13	5 (transfer to unidine)	0
Administration	3	5 (2 retire)	2
Activities	1	3	1
Total	58	50	24

MENDELSON	2021	2022	November 2023
Resident Assistants	22	30	18
Dietary	4	9	3
Activities	3	3	2
Administration	0	1	1
Housekeeping	2	2	3
Massage Therapist	1	0	0
Total	32	45	27

Total all four facilities	119	124	74
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Requested Action: For Your Information

**Maureen McGee, Administrator - Lourdes Rehabilitation and Healthcare Center
 REPORT TO THE LOURDES SENIOR COMMUNITY BOARD
 November 2023**

Census 2023

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
MNG	12	10	13	14	13	13	12	12	11	14		
MCD	35	38	39	43	43	42	39	39	39	39		
MCR	15	13	10	7	8	8	8	9	11	7		
PVT	7	7	9	6	4	4	5	6	8	8		
OTH	0	1	1	0	0	0	0	0	2	2		
Total	69	68	72	70	68	67	64	66	71	70		

MNG – Managed Care

MCD – Medicaid

MCR – Medicare

PVT - Private

OTH – Other

COVID Update:

Lourdes had 2 residents and 1 staff member with COVID in October 2023. All CDC guidelines were implemented. Testing of all staff and residents was completed until we had no further cases for 14 days.

Director of Nursing:

Judy Murray will be retiring effective December 1, 2023. Judy has been with Lourdes for 11 years and we wish her well on her new adventure. Beth Merlo RN, BSN will be taking over the role. Beth has over 30 years of experience in nursing including both acute and long-term care. Beth’s email address is bmerlo@lourdes-sc.org. Please welcome her to Lourdes.

Annual State Survey:

The Bureau of Survey and Certification conducted a revisit on September 27, 2023. Lourdes was found to be in substantial compliance with participation requirements, therefore the Denial of Payment did not go into effect.

Long Term Care Surveyor:

Lourdes was requested to host a surveyor in training by the Michigan Department of Licensing and Regulatory Affairs. This training follows the Michigan Public Act 187 of 2022 requirement that:

“Each newly hired nursing home surveyor, as part of his or her basic training, is assigned full-time to a licensed nursing home for at least 10 days within a 14-day period to observe actual operations outside of the survey process before the trainee begins oversight responsibilities.”

This is intended to be an educational experience, unrelated to the survey process. The purpose of the program is to acclimate newly hired surveyors, who may have limited long-term care experience, to the long-term care arena. This program will be “observation only”.

The surveyor will be training at Lourdes from November 6 through November 17th.

Health Care Administration Student

Lourdes will be working with Oakland Community College and their HCA externship program. The student will be working at Lourdes starting Winter 2024, 8 hours per week for a total of 180 hours of experience for a 3-credit course. The student will be exposed to all facets of the operation and will complete a project while working with us.

Care Compare

	FIVE STAR REPORT				
	Lourdes	White Lake	Canterbury	Regency	Wellbridge
Overall	5 Star	5 Star	1 star	1 Star	4 Star
Inspection	4 Star	5 Star	1 Star	1 Star	5 Star
Staffing	4 Star	4 Star	4 Star	3 Star	3 Star
QM's	5 Star	5 Star	4 Star	3 Star	5 Star
Hours of Nursing Care /24 hr	3.6 hrs	4.7 hrs	4 hrs	4.4 hrs`	3.3 hrs
Staff Turnover	34%	46%	35%	68%	80%

David Krolikowski, Director of Finance
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

September 2023 YTD Financial Statements:

Statement of Operations – Entity specific and consolidated financial statements for YTD ending September 30, 2023, are summarized below. The Consolidated Loss from operations was (-\$50,535) to a budget of \$21,846 an unfavorable variance of (-\$72,381). The consolidated operating margin is -0.40% to a budget of 0.16%. The September 2023 YTD results are reflected by entity as follows:

	Actual	Budget	Variance	Operating Margin
Lourdes	(392,221)	(274,985)	(117,236)	-5.13%
Mendelson	87,094	152,950	(65,856)	3.19%
Clausen	33,902	24,619	9,283	3.19%
Fox	319,944	169,314	150,630	25.61%
Campus	(99,254)	(50,052)	(49,202)	0.00%
Total	(50,535)	21,846	(72,381)	
Consolidated Margin				-0.40%

Lourdes occupancy has operated at an average YTD level of 68.9 residents (68.87% of occupancy) with a Medicare/HMO mix of 22.4 residents or 32.5% of actual occupancy. We are receiving an average per day revenue on those payors of \$537, budgeted to be \$563, so we are seeing a \$26 decrease per patient day due to more managed-level payors.

On a YTD basis, Mendelson has operated at an occupancy rate of 85.95%, to a budget of 88.3% and Fox has operated at 94.42% occupancy to a budget of 90.57%, Clausen has a YTD occupancy rate of 88.55%, budgeted to be 90.0%.

On a consolidated YTD basis, revenue is unfavorable (-\$1,214,147), and expenses are favorable \$1,141,766. The YTD operating loss is (-\$50,535), compared to last year’s YTD loss through September of (-\$1,278,413), favorable by \$1,227,878 year-over-year. In the third quarter, significant efforts were made to right size staff across the campus by consolidation of job duties.

Since last reporting, Lourdes had an additional civil monetary penalty from the annual survey. YTD civil monetary penalties have totaled \$98K.

Statement of Financial Position - Consolidated operating cash as of September 30, 2023, is \$3.99MM.

We have received the ERC credit of \$3.427M. In addition, we have received \$327K in interest from the IRS. Philanthropy efforts for nine months totaled about \$206.4K netted

down to (-\$91K) when factoring in direct costs to raise the contributions (excluding salaries) and utilization of the funds. Investment valuations increased \$525.6K, a 1.95% return from December 2022. A/R has decreased (-\$248K) from December 31, 2022. This is because of bringing our billing 100% in house resulting in less days in accounts receivable.

SBA/IRS – ERC and Paycheck Protection Program 1 and 2

As stated above we have received the majority of the ERC money \$3.427MM including additional interest.

The PPP loan of \$2,051,000 was officially forgiven on June 5, 2021.

HHS Stimulus Provider Relief Funds and Grant Opportunities

We applied for and received grant funding related to COVID for 2020, 2021, 2022 and 2023. COVID testing reimbursement ended as of May 11, 2023.

Total for 2020 = \$3,579,000
 Total for 2021 = \$902,971
 Total for 2022 = \$336,808
 Total for 2023 = \$33,127

Source of Funding 2023	Type	Lourdes	Mendelson	Clausen	Fox	Consolidated
covid testing reimbursement	Grant	\$ 24,167	\$ 7,813	\$ 1,148	\$ -	\$ 33,127
CMP Grant Air Purifier		\$ -				\$ -
HHS Grant		\$ -	\$ -	\$ -		\$ -
Total of all received funds		\$ 24,167	\$ 7,813	\$ 1,148	\$ -	\$ 33,127

Audit Status / Tax Return / Cost Report:

The workers’ comp audit was completed, as well as we currently have a Medicaid audit for FYE 2021.

2023 Capital Spend:

As of September 2023, the total capital spend was \$382K compared to a budget of \$741.5K.

2023 Continuing Support Fund:

The continuing support committee met on December 15, 2022. The committee approved spending for 2023 of \$121K based on the residents at the time who applied. In 2023, we have spent about \$58.7K thus far. Lourdes Rehabilitation has been added to the charter. An amendment to the Charter that was recommended by the Continuing Support Committee was approved at the August board meeting to give immediate assistance up to \$1,000 on a case-by-case basis to resident’s families. Through September 2023, we have given courtesy discounts of \$151K.

Wendy Mosella, Director of Development
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

Marketing/Advertising

As we attend local health expos and senior events, we are tracking attendance estimates and the quality of leads or interested parties. This will allow us to use our time more wisely next year with event sponsorships and brand exposure opportunities.

Promotional Items

Getting the company name out to the public is always important. We have been trying to use promotional items that people will use more regularly instead of disposing of them. The more touchpoints we can make the better in terms of them thinking of us when the opportunity for our services arises. Currently, we are featuring eyeglass cleaning cloths, collapsible cups with a pill holder, and puzzles featuring the Lourdes campus in return for submitting their contact information. We have found all these items to be well received.

After we have attended these events, those who entered our drawings with their information are sent a follow-up letter thanking them for their participation and ways to encourage them to review what services and options we offer on campus, even how to schedule a tour.

Website

Many updates have occurred on the website in the past few months including updated photos and virtual tours, tour registrations, and keywords for internet searches. Continuous updates are ongoing to improve the use of the site and achieve a greater presence in online searches for our area. The website now provides information from reviews of our facilities. There has been a large push to update our reviews and there have been great results from that effort. Potential families can read about the wonderful experiences that have been had here at Lourdes, spotlighting what we have done well.

Grants

Currently, four grants are pending – Pulte, Hess, Catholic Foundation of Michigan, and Father Thomas Fairbrother.

Funded grants include – The Mary Thompson Fund and the Serra Family Foundation.

Year End Appeal

The direct mail appeal is heading to print as of November 1. The list is targeted to those who have given a gift in the last five years, current and former families of residents, and board and committee members.

Autumn Raffle

We have launched a large cash raffle this fall. Our initial goal was to sell 1,000 tickets and award a cash prize of \$25,000. As this is the first year, we have noted it reverts to a 50/50 drawing if less than 1,000 tickets are sold. It is being promoted online, through emails, and social media. They are available for purchase at the reception desks of each building. We have learned so far that our audience still prefers to purchase through the mail on reply forms or directly being mailed the

tickets. As the generations age, this could potentially happen in a more automated and online process.

Major Donors

This month we will be actively calling donors to “thank” them for their previous support of Lourdes Senior Community. Moving forward contacting donors will allow us to gather more information on how they have become involved with Lourdes and what their areas of interest are. The more information we gather and relationships we keep up and create the better options we will have moving forward with major gifts for large projects or campaigns. Aligning the right people with the right project for their passions increases gift size.

Notable Gifts

- Serra Foundation \$10,000
- Anonymous \$10,000
- Anonymous \$10,000

Total donations year to date as of 11/1/2023 \$241,554

Colleen Burke – Director of Clausen Manor
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

CENSUS INFORMATION: As of November 1, 2023	
CURRENT NUMBER OF RESIDENTS	17 (2 receiving hospice)
TOTAL NUMBER OF ADMISSIONS 2022	13
FROM CAMPUS 2022	5
TOTAL NUMBER OF ADMISSIONS 2023	14
FROM CAMPUS 2023	8
TOTAL NUMBER OF DISCHARGES 2022	16
DISCHARGES TO CAMPUS FACILITIES 2022	1
OFF-CAMPUS DISCHARGES 2022	3 (1 back home with husband, 1 back home at end of life, 1 closer to son)
NUMBER OF DEATHS 2022	12 (all under hospice services)
TOTAL NUMBER OF DISCHARGES 2023	11
DISCHARGES TO CAMPUS FACILITIES 2023	1 (to MAL)
OFF-CAMPUS DISCHARGES 2023	2 (to family home, inhouse hospice)
NUMBER OF DEATHS 2023	8 (six on hospice, one at hospital, one to another AL)
MAJOR ACTIVITIES FOR RESIDENTS	
<ul style="list-style-type: none"> • Lunch outings continue along with twice-monthly entertainers, music therapy, Drums Alive, and baking programs. • Family Christmas party set for December 10. • Everest Academy 12th graders played BINGO with the residents on 10/30 and will return for a spring prom. • Deacon Paul Latcha continues to meet the pastoral needs of Clausen residents through in-person visits with the residents every Tuesday and Thursday. He also says the Rosary with them. Chaplain Mary from Pastoral Care now does 1:1 visits with those residents who have fewer visitors and passive activity participation. • The vegetable garden produced a lot of fresh tomatoes and radishes for the residents to eat. Next year we are going to try potatoes and onions along with tomatoes. 	
MAJOR FACILITY ISSUES	
<ul style="list-style-type: none"> • We are replacing the common area locks with badge access. This will make it easier to come and go from these rooms for the team. • We have been replacing carpeting in the apartments with laminate for cleanliness and ease of cleaning. Currently, we have five remaining to be replaced. 	
COVID 19 UPDATE 2023	
<ul style="list-style-type: none"> • Residents: confirmed = 0 Probable = 0 • Staff: 0 • We have a rosary on a shrub outside to keep COVID out. It seems to be working. (S Roslyn taught me this many years ago for the golf outing to bring good weather.) • Vaccine booster clinic will be held next week. 16 residents are expected to receive the vaccine. 	
FLU SHOTS:	
<ul style="list-style-type: none"> • 100% of the residents received the flu vaccine in October 2023. 	

<p>TRENDS</p> <ul style="list-style-type: none"> • Average Age: 87.16 (men=80.17, women=87.08) • Range of ages: 63-95 • Length of Stay: 591 Days • There are currently six men and eleven women. We have one married couple. • All residents are under the care of Dr. F. Salloum (our Medical Director). • Two residents receive services from Mercy Hospice. • Occupancy END 2022: 81.5% Budget 2022: 87.5% YTD 2023: 86.8% Budget 2023: 90%

<p>DIRECTOR'S ADDITIONAL THOUGHTS:</p> <ul style="list-style-type: none"> • We were able to purchase Tovertafel through gifts. The residents are enjoying their time on this system. The various levels of “play” make it possible for all to participate. • The new music program includes exercise to music, yoga to music, and continued sing-alongs. This is working well. • Staffing is stable now but this remains a challenge.

STAFFING (All categories not applicable at all facilities)	Days	Afternoons	Midnights
DIRECT CARE	Total of 22 team members		
STATE REQUIREMENTS	3.0	2.0	2.0
FACILITY GOALS (census of 18)	4.0	4.0	2.0
ACTUAL STAFFING	3.8	3.8	2.0
RN	(Shared with Mendelson)		
DIETARY	(Shared with Mendelson)		
ACTIVITIES	1 FT (pastoral care services from LSC)		
HOUSEKEEPING/DIETARY	1 70 hours per pay		
ADMINISTRATION	1 (+ share LSC Campus MSW and Admissions Coordinator)		

RESIDENT STORY: I am introducing you to Ed P. Ed is young, only 69 and comes to us from another facility. He lives with a work-related head injury he received in his early 30's as a police officer in Pontiac. Ed and his wife, Vicky, were married just out of high school and they have two children and four grandchildren together. The family visits often and is very dedicated to their husband/dad. Ed loves TOVERTAFEL, the computer game system we have installed. He is challenged and two of his grandkids who are 8ish can play it with him. He is a great guy, cordial, friendly, talkative, and enjoys everything he does. Ed goes on every outing, all the boat rides, participates in every activity, and enjoys visiting with everyone. Just a great guy.

Robin McClintock, CTRS, CALD – Fox Manor
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

CENSUS INFORMATION: As of November 1, 2023	
NUMBER OF RESIDENTS	57
TOTAL NUMBER OF ADMISSIONS 2023	15
FROM CAMPUS 2023	3 (MAL)
TOTAL NUMBER OF DISCHARGES 2023	10
DISCHARGES TO CAMPUS FACILITIES 2023	6
OFF CAMPUS DISCHARGES 2023	1
NUMBER OF DEATHS 2023	3 (two were on hospice)
MAJOR ACTIVITIES FOR RESIDENTS	
<ul style="list-style-type: none"> • In September, a group of residents traveled down to Greektown Casino to try their luck at the slot machines. No millionaires were made, but they had a wonderful time and a delicious lunch • In September, the residents visited and took a tour of an Alpaca Farm. • The annual scarecrow contest took place again in October. The activity staff and residents of each facility develop a theme and create a figure around that theme. Fox Manor’s theme this year was “The Fox Manor Flight School.” Pictures are included in this report. • Halloween is a big event at Fox Manor. There is a party and costume contest with entertainment. The residents really get involved and dress up. Pictures are included in this report. 	
MAJOR FACILITY ISSUES	
COVID 19 Strategies	
<ul style="list-style-type: none"> • Reporting to the Oakland County Health Department must be completed only if the facility has a positive COVID case. • Fox Manor had a COVID outbreak between the end of September and the beginning of October. There were seven resident positives and 2 employees. 	
COVID 19 Cases:	
<ul style="list-style-type: none"> • Residents: 2023= 11 • Employees: 2023 = 3 	
Vaccines:	
<ul style="list-style-type: none"> • The vaccine clinic is scheduled on November 8th to provide the current COVID-19 vaccine to the residents and staff who want it. 	
TRENDS	
<ul style="list-style-type: none"> • The average age is 85 years old. The mode is 88. • The average length of stay is 3.41 years. The resident with the longest length of stay is 15.42 years. • The youngest resident is 69 years old, and the oldest resident is 99 (she will be 100 in January). • 46 of our 57 residents (80.7%) are Catholic. • 46 women and 11 men • Six married couples are living at Fox Manor. • Occupancy YTD 2023: 94.4% Budget 2023: 88.9% 	
STAFFING	
DIETARY	2 full-time cooks 12 part-time wait staff
ACTIVITIES	1 part-time activities coordinator
HOUSEKEEPING/LAUNDRY	1 full-time resident apartment housekeeper 1 part-time resident apartment housekeeper 1 part-time common area housekeeper

DIRECTOR'S ADDITIONAL THOUGHTS:

- Currently Fox has three vacancies. There are two discharges planned to Mendelson and one admission scheduled for the end of November.
- Six residents are currently receiving support services from home healthcare and non-medical assist companies.
- Admissions from referral sources: one
- Fox Manor has always had two in-house security staff members who are responsible for the building after hours. The security staff would receive room and board for performing the duties of this position. In September, one of the security staff left the position. It was decided that the position would not be filled with someone who received room and board. It would be filled by a current resident who would receive a stipend for duties performed. The apartment the former security person lived in was turned back into a rentable apartment. A current resident has accepted the position and has been in the position for a month.



Robin McClintock, CTRS, CALD - Mendelson Home
REPORT TO THE LOURDES SENIOR COMMUNITY BOARDS
November 2023

CENSUS INFORMATION: As of November 1, 2023	
NUMBER OF RESIDENTS	54
TOTAL NUMBER OF ADMISSIONS 2023	44 (5 respite)
FROM CAMPUS 2023	25
TOTAL NUMBER OF DISCHARGES 2023	45
DISCHARGES TO CAMPUS FACILITIES 2023	13
OFF CAMPUS DISCHARGES 2023	10 (3 respite)
NUMBER OF DEATHS 2023	22
MAJOR ACTIVITIES FOR RESIDENTS	
<ul style="list-style-type: none"> • Starting on October 13th, the decision was made to shut down the group activities and the dining room due to the COVID outbreak. The activities transitioned to hallway/unit activities with social distancing instead of big groups. The schedule was modified and the staff provided the same activities multiple times a day in the different units. We were able to reopen both dining and group activities on October 30th, when the building cleared the positive cases. • The annual scarecrow contest took place again in October. The activity staff and residents of each facility develop a theme and create a figure around that theme. Mendelson's theme this year was Gnomes. Pictures are included in this report. • The Halloween social was a success. The residents enjoyed spooky music, goodies, and warm apple cider. The winners of the pumpkin decorating contest were announced as well. Pictures are included in this report. 	
MAJOR FACILITY ISSUES	
COVID 19 Strategies	
<ul style="list-style-type: none"> • MDHHS has removed most of the COVID rules they had in place. If a resident tests positive, testing will have to begin. If contact tracing limits the possible exposure to others, only those in contact would need to be tested. Isolation protocols remain unchanged for a residents and staff with COVID. • Vaccination status no longer needs to be tracked. • Reporting occurs to the Oakland County Health Department only if a resident or employee tests positive. • Mendelson had a COVID outbreak between October 9th and October 30th. During that time 10 residents and two employees tested positive. Testing was initiated and masks were mandated in the building. 	
COVID 19 Cases:	
<ul style="list-style-type: none"> • Residents: 2023 = 13 • Employees: 2023 = 7 	
Vaccines:	
<ul style="list-style-type: none"> • The vaccine clinic is scheduled on November 8th to provide the current COVID-19 vaccine to the residents and staff who want it. 	
TRENDS	
<ul style="list-style-type: none"> • Average Age: 88 • Average Length of Stay: 658 days • Currently there are forty-five women and nine men. • No married couples are living at Mendelson. • There are three residents currently receiving hospice. • Forty-six residents utilize the services of Dr. Grivej. • Occupancy YTD 2023: 90.0% Budgeted occupancy 2023: 89.2% 	

DIRECTOR'S ADDITIONAL THOUGHTS:

- There are currently six openings. Two admissions are scheduled in the next three weeks. Both are transitioning over from Fox Manor. There are four potential admissions in the works, pending assessment. There are two planned discharges- one home and one to Lourdes for increased care needs.
- There is currently one resident under respite care.
- Admissions from referral sources: five (unchanged from previous report in August)
- Staff Openings: 1 part-time day shift, 1 full-time day shift, 1 full-time afternoon shift
- Apartment remodels are well received by those who are touring and moving in. There is going to be a much-needed paint color change to the common areas on the second floor. The first floor is already complete. New wall sconces have been added throughout the building.

STAFFING (All categories not applicable at all facilities)		Days	Afternoon	Midnight
DIRECT CARE		Total Direct Care staff: 30 resident assistants		
STATE REQUIREMENTS		There are no state requirements. Staffing is mandated to be whatever is needed to provide care based on the acuity of the residents.		
FACILITY GOALS (at budgeted occupancy)		6.0	5.5	4.0
ACTUAL STAFFING		6.0	5.5	4.0
RN	1 full time (shared with Clausen) 1 part-time			
DIETARY	1 full-time Manager, 3 cooks, 6 servers/dishwashers, 1 stock (some positions are shared with Clausen)			
ACTIVITIES	1 full-time director, 1 assistant, 1 contingent assistant			
HOUSEKEEPING	1 full-time Supervisor, 2 part-time (Supervisor shared with Clausen)			
HOUSEKEEPING/ROOM ATTN	2 full-time			
ADMINISTRATION	6 (3 are shared with Clausen)			



Jason Mize- Director of Plant Operations
REPORT TO THE LOURDES SENIOR COMMUNITY BOARD
Novembers 2023

FOX:

- Quotes for updating exterior siding are coming in.
- New exterior metal storage doors were replaced due to the old ones being rotted.
- Hallway lights were updated in some areas to replace the 12” x 48” with recessed lighting.
- Quotes to replace the portico are coming in.

LOURDES:

- Quotes for the front door communication with exiting guests are being received.
- Quotes for electronics to be attached to the new doors leading into Angela Hospice’s space are coming in.

CLAUSEN:

- Odor coming from the sunroom was investigated. Chipmunks had breached the building and caused a lot of damage to the insulation and walls. The bedding was removed, the walls repaired, and the odor is gone.
- Quotes for the extension of the Clausen/MAL parking lot are coming in.
- The carpet at the front door and office was replaced with vinyl.
- Quote to add badge access for 6 interior doors was approved.

MENDELSON:

- New doors for the dining room and activities room are complete.
- All wall scones have been replaced with LED.
- The four public bathrooms will receive new tile and paint.
- The addition of 12 cameras was approved.

CAMPUS

- Quotes are being reviewed to update brickwork at road signage.

- We have hired a new Director of Nursing for Lourdes who started on 10/30/2023; Judy Murray will retire on 12/1/23.
- Met with Representative Mike Harris about pushing forward a bill that LeadingAge put together regarding property taxes related to CCRC'S.
- We have submitted our petition to the Tax Tribunal (at the end of May) to fight our property tax ruling for Mendelson, Clausen, and the maintenance building. We are waiting to hear what the next steps will be.
- We are continuing to renovate our campus buildings. Due to the age of our buildings, we will be making significant capital improvements in them to remain competitive in the senior living space. Mendelson, Clausen, and Fox Manor will be impacted by these renovation projects.
 - We will be remodeling the exterior part of the buildings in addition to common areas and resident rooms.
- Humanitarian Najah Bazy RN visited Lourdes on November 1, 2023. She was impressed with our organization and was excited to see the space Angela Hospice will occupy.

Business Growth

- Trinity Oakland – We continue to work with Trinity to solidify our provider partnership.
- Physicians - I am working with our rotating physicians to ensure the relationship is reciprocal.
- Affiliation / partnerships / joint ventures – I have met with Ziegler to discuss our desire to potentially engage in a sponsorship transaction with another organization.
- Looking at creating programs at Lourdes, such as CHF, or COPD and also joining into other types of ACO organizations
- Workforce recruitment/retainment changes to speed up the hiring process.
 - We have begun the process of recruiting two international RNs from the Philippines to join Lourdes – we anticipate them arriving in late 2024/ early 2025. We put this request in back in Q1 2023.
 - The stats continue to indicate a worker shortage in the healthcare workforce for years to come.
- Marian Hall in the Lourdes building remains closed.
 - The Marian Hall remains closed under the Non-Available Bed Plan (NABP) until we concretely decide on next steps.
 - We have submitted our fourth NABP which will leave 23 beds offline thru May 2024.
 - Once there is a vote by the Provincial committee at the Felician Sisters, we will move forward with delicensing the beds (if no option for a sale)
- New Marketing initiatives continue.
 - Looking at a TV station or a streaming service to air our commercial.

- We continue to be more active on social media with daily posts, offerings, and other activities.
- We have sent out postcards. We also created a senior life magazine that has been developed and paid for by donors which is being used as marketing material and provided to residents.
- We now have a QR code for Google reviews to increase positive reviews across the campus. If you have not left us one, please do so 😊
- We have hired an innovative marketing company to provide Google SEO services to us and manage the website.

Dominican Sisters of Peace Founded Ministries Meeting

Mark Butler and Claire Crane will be visiting Lourdes on December 5th, 2023.

The next meeting will be held in Columbus in February 2024.

Governance and Nominating Committee

The meeting was held on October 30th. We discussed recruiting more board members onto our board, discussed board members terming off, and some areas of expertise we are seeking. A couple of other highlights:

- I am going to meet with Steve Kastner's recommendation Kym Sharpe, a clinical pharmacist, as she has expressed interest in joining our board or a committee.
- I have a meeting set up with Karen Sparks, who came highly recommended by Linda Gifford.
- Discussed creating a sub-committee for the construction project.
- Discussed allowing a non-board member to Chair a committee if there isn't anyone else willing to do so on an interim basis.

Risk Management

We have an active lawsuit. We had a resident fall with a fracture in June 2022 who then left Lourdes and went to another nursing facility. She was with us for 5 days. She had a fall with a fracture in our care. A plan of action had been developed due to her fall, but she left to the hospital and never came back to us. She was 84 years old. She eventually passed away in July 2022. We have asked her attorney what monetary damages they are seeking.

Clausen Manor has cleared their State complaint and the Plan of Correction was accepted. Thank you to the team at Clausen for their work on clearing this complaint.

Lourdes had its annual survey. They received 6 citations, one a G level. This caused us to incur a civil monetary penalty. When they came back to do a revisit, they cleared the matter, and a denial of

payment for our new admissions was avoided. We are thankful to the Lourdes team for their ability to clear the matter.

Information Technology

We continue to upgrade network switches and aged devices across the campus, in addition to computer device upgrades. No cyber breaches were reported in 2023.

Advocacy Group Participation

I am the board chair for the MEWA we created with Leading Age called Mission Based Health Benefits. We have looked at enhancing the plan.

I am part of a Senior Living Advisory Council with Marsh and McLennan. We meet quarterly to discuss the industry and the challenges we all are facing. We discussed the increase in lawsuits occurring across our industry.

Priests and Religious

Currently, one priest (Father Lang) resides at Fox Manor. He is serving as our campus chaplain in a part-time capacity at the moment. He has been extremely accommodating to our resident needs, last rites, sacraments, rituals, etc. We currently have one Dominican associate residing at Lourdes Rehabilitation and Healthcare Center.

Upcoming Events

11/15/2023 – Fox Manor Town Hall Meeting

1/23/24 – Lourdes Governance and Nominating Committee

2/6/24 – Lourdes Board meeting

External Events

None

Personal Wellness

11/23/23 – 11/27/23 – Personal wellness in Marco Island

A. Quality / Resident Care Committee

- The Quality/Resident Care Committee met on September 20, 2023. The following topics were discussed:
 - Administrator's report
 - Facility reports
 - Lourdes' nursing report
 - Psychiatric services report
 - Strategic imperatives

The next meeting date is scheduled for November 15, 2023.

Requested Action: For your information.

B. Audit and Compliance Committee

- The Audit and Compliance Committee met on November 3, 2023. The following topics were discussed:
 - 2023 Audit selection
 - 2023 CECL accounting standards
 - Risk lawsuit
 - Compliance update

The next meeting date is for April 19, 2024.

Requested Action: For your information.

C. Finance Committee

- The Finance Committee will meet on November 8, 2023. The following topics will be discussed:
 - Ziegler Linkage Fund
 - Financial statements
 - Investment summary
 - Lourdes dashboard
 - FY 2024 Budget
 - Waterford Township property tax update

The next meeting date is scheduled for January 31, 2024.

Requested Action: Recommend the FY 2024 Budget to the Corporate Members for approval.

D. Human Resources Committee

- The HR Committee has not met since the last meeting of the Boards.

The next meeting date is not scheduled at this time.

Requested Action: For your information.

E. Governance and Nominating Committee

- The Governance and Nominating Committee met on October 30, 2023. The following topics were discussed:
 - Board/Committee member update
 - Committee membership
 - Independent living expansion sub-committee

The next meeting date is scheduled for January 23, 2024.

Requested Action: For your information.

F. Philanthropy Committee

- The Philanthropy Committee has not met since the last meeting of the Boards.

The next meeting date is scheduled for December 21, 2023.

Requested Action: For your information.

G. Continuing Support Fund Committee

- The Continuing Support Fund Committee has not met since the last meeting of the Boards.

The next meeting date is scheduled for December 14, 2023.

Requested Action: For your information.

Ourdes Senior Community Boards

Tuesday, August 29, 2023, 1:30 p.m., LRHC Chapel

Note: Includes Board of Directors for Ourdes, Inc., Fox Manor, Clausen Manor (Ourdes Alzheimer's Special Care Center), Joseph T. Mendelson Assisted Living Home (Ourdes Assisted Living), Dominican Health Care and Ourdes Campus Fund

BOARD MEMBERS PRESENT

Richard Acho, President and CEO
Beth Cafaro
Brian Condit, Chair
Linda Gifford
Henrietta Juras, MD
Steven Kastner (via Zoom)
Msgr. Michael LeFevre
Lynne Lepisto-Golling, RN, MS
Joseph Manuszak
Sister Peggy Martin, OP
John Noone, Secretary/Treasurer
Barbara Mendelson, Vice President (via Zoom)
Sister Barbara Rund, OP

EXCUSED

Sister Janice Bachman, OP

STAFF PRESENT

Colleen Burke, Director, Clausen Manor
David Krolkowski, Director, Finance
Rebecca Latta, Director, Human Resources
Robin McClintock, CTRS, CASP, Director, Fox Manor and Mendelson Home
Maureen McGee, Administrator, Ourdes Rehabilitation and Healthcare Center
Jason Mize, Director, Plant Operations
Wendy Mosella, Director, Development and Marketing

CALL TO ORDER

The meeting was called together at 1:36 p.m. by Mr. Condit. A full quorum was present.

OPENING PRAYER

Mr. Rich Acho led the group in prayer.

LOURDES STRATEGIC PLANS

Mr. Acho briefed the group on the different areas of the Ourdes Campus. Areas designated as Marian Hall, the St. Jude home, and the Triangle will be the major areas of focus for the strategic plan. Changes to the skilled nursing industry have required strategic thinking. Regulations for SNFs continue to be added. Reimbursement rates are simultaneously being cut. Nursing shortages continue. Demand for independent living is up, with Fox Manor being 100% occupied. The ratio of independent living and assisted living beds to skilled nursing beds is upside down.

Many options for repurposing Marian Hall were explored. Angela Hospice continued to rise to the top. Angela Hospice operates an inpatient hospice facility in Livonia along with home hospice care. Angela Hospice is sponsored by the Felician Sisters. They are looking to open another inpatient facility in Oakland County. Their mission and values align well with Ourdes. Mr. Acho is working with Angela Hospice's CEO to enter into a lease agreement. Angela Hospice would lease 13,278 square feet of space within Marian Hall from Ourdes Senior Community. The terms of the lease would span for three years, beginning March 1, 2024. Twenty resident rooms will be included in the space along with the beds that are in the rooms, TVs, built-in armoire, dining room, living room, and the nurse call system. A memo of understanding has been signed between the two parties.

In order to lease out the space, 23 beds will need to be delicensed. Currently, the census at LRHC is 76, with 77 beds online. In July, the census was a steady 62. Mr. Acho and Ms. Maureen McGee met with the head of discharge planning at Trinity Health Oakland Hospital on August 7. Since this meeting, referrals from THOH have increased drastically. However, there is no plan to reopen Marian Hall and the extra 23 beds. THOH is changing its referral method and hinted that LRHC would be one of its top three referral facilities.

Ourdes Senior Community Boards

Tuesday, August 29, 2023, 1:30 p.m., LRHC Chapel

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Pros of renting out Marian Hall to Angela Hospice include the good cultural fit, extra revenue stream for LSC, and the ability to offer inpatient hospice care to LSC residents. Cons of renting the space include the possibility of being taxed on the property that Marian Hall sits which Angela Hospice has agreed to cover any property tax assessment up to \$80K per year. Once the 23 beds are delicensed, LSC will more than likely never be able to get those licenses back. This will allow LRHC to maintain the 85% occupancy requirement as set by the government.

The commitment from Angela Hospice is for a three-year lease with auto-renew for another three-year term. The rent will be \$28,500 per month and cover the costs of food, one housekeeper, Direct TV, and utilities. Angela Hospice will cover their own insurance. Maintenance issues that are part of a larger building problem will be covered by LSC. Smaller maintenance issues within the space will be covered by Angela Hospice. The rent will have a 2% increase each year after the first year. Angela Hospice currently does not have any other partnerships such as this. The Felician Sisters have a few nursing facilities that they sponsor and senior housing for clergy members. Marywood in Livonia is one of these. The space will be renamed Angela Hospice at Ourdes.

The St. Jude home was used as office space in recent years. The home is no longer safe. The land that the home sits on is approximately 2 acres. Tearing down the St. Jude home and constructing 8 ranch-style homes is being explored. The units would have 2 bedrooms, 2 bathrooms, and approximately 1,200 square feet each. One unit will be a duplex, the others single ranch-style homes. The homes will most likely have a one-car garage and be accessible from the Ourdes campus. The thought is to pay for the homes using the LSC investment portfolio. Estimated costs are \$2.7 million. The rent for each home will be \$3,600 per month. A pro forma was included in the packet. The first residents could move in within a year. The residents will be welcome to participate in dinner at Fox Manor along with all the activities. This plan is preliminary.

The Waterford Township Fire Department has asked the township to not approve any additional independent living permits due to the stress on their department. Mr. Acho spoke to the building and planning directors at the township to discuss our future plans. And for them to take the plans to their higher ups for a tentative approval of sorts.

Following the recommendation at the April Board Retreat, the concept of the addition of independent living units was explored. Mr. Acho and Sr. Janice Bachman, OP, met with the leadership team of the Dominican Sisters of Peace to determine their interest in making some of the campus property which is owned by the DSoP available to Ourdes for an expansion project. The Dominican Sisters of Peace own a triangular-shaped parcel of land which includes the convent, Vivian Via Rosa, and a rental house. On July 24th, Sr. Pat Twohill, OP, the prioress of the DSoP, Sr. Cathy Arnold, OP, the Founded Ministry representative for Ourdes, and Sr. Janice Bachman, OP, met with the four sisters currently living in the convent. During the visit, the future of the convent and the sisters living there was discussed. The sisters agreed they would be willing to move to another location on the campus in order to make the land where the convent now sits available for additional independent living units. In planning the expansion, Mr. Acho agreed to provide a living space for the sisters with enough space for their guests. Mr. and Mrs. Mendelson agree with the move as they understand the safety issues in the older structure. The sisters and Mr. and Mrs. Mendelson would like to see some of the things within the convent used in the new building and a memorial constructed to honor the original donor.

The plan will be to meet with an architect. The goal will be to level the convent, level Vivian Via Rosa, potentially level the rental house and build a three/four-story structure of approximately 50 – 60 independent living units. The units will all have two bedrooms and two bathrooms with a lakefront patio or balcony overlooking Scott Lake. Focus groups will be created to determine exactly what the wants and needs are of the individuals in our community who could potentially be living here. A pro forma was included in the packet. This portion of the

Ourdes Senior Community Boards

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project will cost approximately \$20M. Of the Ourdes investment plan, \$5M would be used. The rent for these units will be around \$5,800 per month.

It has been discovered that the township has approved a permit for an independent-living apartment building on Crescent Lake Road. The permit was pulled in 2019. Nothing has been built on the property. The property is owned by a contractor. Mr. Acho spoke to the property owner, Robert Slade. Mr. Slade provided plans for the building he had hoped to construct but has been unable to secure funding. Mr. Slade would like to sell the property as is for \$3M. He has approximately \$500K into the property. The township may not grant Ourdes a permit for additional independent units unless the permit is revoked by Mr. Slade. Potentially Ourdes could buy the property from Mr. Slade to prevent him from building the independent units and then this allows us to construct our building.

MOTION: BETH CAFARO MADE A MOTION TO RECOMMEND TO THE CORPORATE MEMBERS THE DELICENSING OF 23 BEDS AT LRHC, REDUCING THE NUMBER OF LICENSED BEDS FROM 100 TO 77 EFFECTIVE AS OF NOVEMBER 1, 2023. SECONDED BY SR. PEGGY MARTIN, OP. ALL IN FAVOR. MOTION CARRIED.

MOTION: JOHN NOONE MADE A MOTION TO RECOMMEND TO THE CORPORATE MEMBERS THE SUBLEASE OF SPACE FORMERLY KNOWN AS MAIRAN HALL TO ANGELA HOSPICE WITH THE FINAL TERMS OF THE LEASE DELIGATED TO THE LOURDES BOARD. SECONDED BY SR. PEGGY MARTIN, OP. ALL IN FAVOR. MOTION CARRIED.

MOTION: STEVE KASTNER MADE A MOTION TO RECOMMEND TO THE CORPORATE MEMBERS THE ABILITY FOR LSC TO DEVELOP A MASTER PLAN OF THE PROPERTY AND GO THROUGH A DUE DILIGENCE PROCESS ON THESE CONCEPTS. SECONDED BY DR. HENRIETTA JURAS. ALL IN FAVOR. MOTION CARRIED.

LSC PLANT OPERATIONS AND HEALING GARDEN

Mr. Jason Mize reported on the Healing Garden and displayed pictures as the garden was being completed. Tours will be given to the Board members following the meeting.

Quotes are coming in for the demolition of the St. Jude home. It is estimated to cost approximately \$26K for abatement and demolition.

Mendelson Home has new dining room windows. Eighteen apartments have been remodeled. Nine apartments have new flooring with the original cabinets. Thirty-three apartments need complete remodeling.

Fox Manor has 25 remodeled apartments with the new design. 24 apartments have been partially remodeled through the years.

Seventeen sidewalks across the campus have been raised to satisfy safety concerns.

MANAGEMENT REPORTS

Fox Manor – Robin McClintock: Two residents moved from Fox Manor to Mendelson Home the past week. One resident is moving from Mendelson Home to Fox Manor. The hospice resident noted in the report has moved to Mendelson Home. The Resident Satisfaction Survey was included in the packet. Requests that were noted in the comment section of the survey are being addressed.

Lourdes Senior Community Boards

Tuesday, August 29, 2023, 1:30 p.m., LRHC Chapel

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Mendelson Assisted Living – Robin McClintock: Mendelson Home currently has 10 openings with one move-in on August 30. Four potential new move-ins will take place in the next month.

Human Resources – Rebecca Latta: Staffing is holding steady at all of the buildings. The Michigan Wage Pass-Through Program has been extended through October 1, 2024, with significant changes. Currently, direct care and clinical workers in qualifying SNFs, AFCs, and HFAs receive an additional \$2.35 per hour. Effective October 1, 2023, the rate will increase to \$3.20 per hour. Staff in other qualifying departments such as housekeeping, laundry, dietary workers, etc. will receive an additional \$.85 per hour. This only affects LRHC staff.

Lourdes Rehabilitation and Healthcare Center – Maureen McGee: The annual State survey took place August 22 – August 24. There were six areas of concern with four that involved medication issues, one regarding a formulation of an advanced directive, and one a fall accident with a resident. This was the result of a communication error.

Finance and Information Technology – David Krolkowski: Significant improvements have been made over this time last year. Last year at July month end LSC had a consolidated operating loss of \$743K. This year the July consolidated operating loss is \$58K. The expenses recouped with the closure of Marian Hall, the renegotiation of contracts, and bringing billing in-house are some of the items attributing to the improved numbers. Civil monetary penalties dating back to 2021 and 2022 which were unexpected resulted in an \$84K expense. Capital spending is down from budget. The capital spending will be reevaluated for the 2024 budget.

Marketing/Communications/Development – Wendy Mosella: Regina Mayes has taken a position outside of Lourdes. A shift in duties has taken place to absorb Regina's responsibilities. The focus is to honor the wishes of donors regarding the healing garden. Garden tiles and benches are being ordered. The 2024 golf outing will be held at the Fountains in Clarkston again.

Clausen Manor – Colleen Burke: Discharges are at 9 for the year. There are 4 residents currently receiving hospice care. The Tovertafel game projector has been installed to the delight of the residents. The game was purchased through a grant and donations from families. All residents are now being monitored for falls by SafelyYou.

ACKNOWLEDGEMENTS

Mr. Condit acknowledged Mrs. Beth Cafaro and Mrs. Lynne Lepisto-Golling for their many years of service on the LSC Board. A brick paver will be engraved in their honor and placed near the peace pole at LRHC. Both Mrs. Cafaro and Mrs. Lepisto-Golling will be continuing on their committees.

Ourdes Senior Community Boards

Tuesday, August 29, 2023, 1:30 p.m., LRHC Chapel

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EXECUTIVE SESSION

DOMINICAN SISTERS OF PEACE

Sr. Peggy Martin, OP, reported for Sr. Janice Bachman, OP. The Office of Founded Ministries recently hired Claire Crane as Resource and Education Coordinator. Her purpose is to work with staff in their various ministries.

REPORT OF THE CHAIR

Mr. Condit mentioned the union bargaining that is getting attention. The SEIU, which represents the unionized employees at LRHC, anticipates striking a specific nursing home provider. Historically the SEIU staff representing the LRHC unionized employees have not been acting in the best interest of the Ourdes' employees. This will be something to keep an eye on going into next year's union contract negotiations.

The HR Compensation Committee met the third week of August. The timing for compensation changes for the management team is shifting slightly to align better with the budgeting process. Historically, blanket raises have been given. In 2024, performance metrics will be tied to the increases. A one-and-a-half percent raise was given to everyone in the second payroll of July. In February 2024, performance reviews will be held to notify staff as to the metrics they will be held to. This is for all staff.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Certain personnel changes are being made. Census challenges require these changes. Pre-COVID, Baker Tilley did a study on our operations. Baker Tilley made recommendations to the LSC management to right-size the organization. The items that were recommended were never implemented. The leadership team took the opportunity to realign personnel. The full-time medical records person that was needed when we had 108 residents was decreased to part-time. Medical record requests are less frequent due to the electronic medical record systems in place. The medical supply clerk's hours were based on 108 residents. This position is now part-time.

Mr. Acho stressed the fact that LRHC would like to become one of Trinity Health Oakland's three preferred providers and will work to achieve that status.

An active lawsuit is pending for the resident who fell with a fracture while in LRHC's care. A plan was in place due to the knowledge that she was a fall risk, but at the time of implementing the plan the resident fell and returned to the hospital. The resident passed away shortly after a stay at a different facility.

A complaint was made to the State at Clausen Manor regarding a previous resident. He was treating female residents inappropriately and was asked to move out. A former employee made the complaint. The State sighted Clausen Manor for failing to update the resident's plan of care, failing to provide enough protection for the female resident, and failing to intervene when we knew what was happening. It is felt that the team did everything they could to protect the resident. The official report has not yet been received. Once received, Clausen Manor will have fifteen days to provide a plan of correction on how to correct these deficiencies.

It was asked if PPD is being monitored. Mr. Acho replied that the staffing model has changed to reflect the number of residents, with fewer staff working afternoons and midnights. Nurses and CNAs are running at 3.4 nursing hours per resident. Previously this was running at upwards of 3.7. We do this while not disrupting the quality of care. The biggest hindrance for staff is the amount of square footage each unit has.

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COMMITTEE REPORTS

Governance and Nominating Committee – Brian Condit: The Committee has requested the recommendation of three individuals for inclusion on the Board.

MOTION: SR. PEGGY MARTIN, OP, MADE A MOTION TO RECOMMEND ERIN ASDELL, PEGGY HOLDEN, AND PAUL PROPSON TO THE LSC BOARD EFFECTIVE NOVEMBER 1, 2023 FOR APPROVAL OF THE CORPORATE MEMBERS. SECONDED BY BETH CAFARO. ALL IN FAVOR. MOTION CARRIED.

The Committee has determined that the number one need at the moment is to add some clinicians as committee members. Board Members that have termed off the Board can remain on their assigned committee(s) for another term of three years, however, not in the chair position. This is prospective. Grandfathered members will be addressed at the next Committee meeting.

Philanthropy Committee – Brian Condit: Report stands as written.

Quality Resident Care Committee – Lynne Lepisto-Golling: At the last meeting of the Committee on May 17, LRHC was rated as a 4-star facility. Since then, LRHC has dropped to a 3-star overall. Two of the strategic imperatives have been addressed by the Committee. The first is the home health care providers. A list of recommendations has been created. The list will be revised twice a year. The second imperative was the transition of care. A policy is being created for LRHC to follow when a resident has transitioned home. This can help to address deficiencies in the resident's care to prevent readmission to the hospital or LRHC.

Audit and Compliance Committee – Barbara Mendelson: Report stands as written.

Finance Committee – John Noone: The Finance Committee met the third week of August. The budget process has begun. The next meeting is November 8.

Human Resources Committee – Beth Cafaro: The employee opinion survey results were reviewed at the Committee's May meeting. The Committee will work on a clever way to get staff engaged for the survey that will be conducted in conjunction with LeadingAge Michigan. Staff of LSC management were offered DEI training in June.

Continuing Support Fund Committee – Rich Acho: The Continuing Support Fund currently is worth \$4.9M. The money is to assist residents who can no longer afford to live on the LSC campus. Rules to apply for the fund were previously very strict. Given what is being seen at the assisted living home since the start of 2023, more residents than ever cannot afford the LSC market rate. The Committee is requesting a revision to the charter to allow residents who have not lived at LSC for two or more years to receive financial assistance of up to \$1,000 per month. Once the resident reaches the two-year mark, they may apply for the fund for further assistance. This may also help our appeal to the Tax Tribunal to ensure our charitable works are being recognized.

MOTION: SR. PEGGY MARTIN, OP, MADE A MOTION TO APPROVE THE REVISED CONTINUING SUPPORT FUND CHARTER. SECONDED BY JOE MANUSZAK. ALL IN FAVOR. MOTION CARRIED.

Ourdes Senior Community Boards

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CONSENT AGENDA

- Meeting minutes of April 18, 2023
- 2024 LSC Board Meeting Dates
- Board Education
- Testimonials
- Educational Article

The minutes presented in the original Board packet have been revised to note that Sr. Peggy Martin, OP, was excused from the April 18, 2023, meeting. The presented 2024 LSC Board meeting date list should state the date Tuesday, August 27, 2024, as the meeting date, not Tuesday, August 7, 2024.

MOTION: JOHN NOONE MADE A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED. BETH CAFARO SECONDED. ALL IN FAVOR. MOTION CARRIED.

ADJOURNMENT

The meeting adjourned at 4:31 p.m.

Brian Condit, Board Chair

Debi Batchelder, Recorder

PLEASE DO
SOMETHING NICE
FOR THE STAFF!



...FOR EVERYTHING!

PLEASE ACCEPT THE ENCLOSED
DONATION IN MEMORY OF
OUR DEAR FRIEND AND MENTOR
BILL LACY, WHO WAS RECENTLY
IN YOUR CARE. HE TAUGHT
US BOTH TO RIDE YOUNG GIRLS.
WHEN WE WERE A SIGNIFICANT
AND REMAINED IN OUR DEATH.
PRESENT HIS RECENT CARING FOR
UNTIL YOU FOR PATTY WALTERS
THANK HIM - SHELLY DUKE

THE MENDELSON STAFF,
ERNIE AND I VALUED THE
SUPPORT AND FRIENDSHIP
YOU OFFERED US THESE LAST
DIFFICULT SIX MONTHS.
THANK YOU FOR EVERYTHING.
WITH SINCERE GRATITUDE & LOVE.
Loogie

*Your expressions of love and concern
are greatly appreciated
and have given more
comfort than you know.*

*The family of
Ernest G. Kramar*

Staffing shortages put damper on senior living and care growth

CCRCs, in particular, are feeling the crunch in their skilled nursing divisions

BY KATHLEEN STEELE GAVIN

While investment activity seems to have picked up in senior living and care, one problem is still casting a shadow on expansion: the staffing crisis.

"Increasing demand, combined with notable pandemic recovery, make memory care an attractive prospect for investors, but senior housing stakeholders looking to capitalize on the trend need to understand supply and demand trends, including workforce supply and availability," noted a National Investment Center for Seniors Housing & Care analysis published in June.

"I would say the investment environment seems to be very much focused on expanding independent living and/or reducing skilled nursing," Margaret Johnson, Fitch Ratings' head of analytics for US life plan communities, told *McKnight's*.

She noted that continuing care retirement/life plan communities are really feeling the staffing crunch in skilled nursing. To wit: Fitch Ratings revised its sector outlook for CCRCs to "deteriorating" in 2023 from "neutral/stable" the previous year due to continued labor challenges and a "softening broader economy."

"Nursing markets are particularly tight, given the demand for qualified staff, vaccine mandates and the willingness of hospitals and healthcare systems to offer higher compensation than [life plan communities]," a July report from Fitch Ratings said.

Attracting, retaining workers

Long-term care providers are not sitting idle. Since the pandemic started, Eskaton, which is based in Carmichael, CA, has been experimenting with many different strategies to attract and retain its workforce,



according to President Sheri Piefer. Whatever the company is doing seems to be working, she said.

"We do have incredible, loyal employees," she said. "Through navigating these difficult times, especially with inflation and the uncertainty of the environment and burnout from COVID, we've done a lot with reaching out to our employees with our wellness program, offering many different types of support from wellness exercise programs to meditation to financial planning.

"We also have focused on culture-building and taking care of one another," she added. "And that, I think, really helps the field because we, of course, are in a field that cares for other people. It's important to take those moments and care for one another and understand that if people need

breaks, they can have the breaks and flexibility they need."

To fill open positions, Eskaton relies on some agency support for its communities. While some of them are 100% agency-free, Piefer said, some markets in the Bay Area are not.

Meanwhile, PruittHealth has gone to a strictly nonagency staff policy. The organization put the rule in place early in the pandemic. It meant closing parts of buildings or putting a "cap and hold" on admissions when staffing levels at given buildings fell below internal thresholds.

Pre-pandemic, the company had close to 16,000 employees, PruittHealth Chairman and CEO Neil Pruitt told *McKnight's*. Today, the employee count is around 13,700, with approximately 4,213 openings in the firm's skilled nursing facilities and 4,893 openings companywide.

Initially during the pandemic, PruittHealth tried the agency route. But Pruitt said, it was "quite frankly, a disaster. It was very expensive. The agency staff, contract staff, did not know [our] patients, and we decided early on that we were going to limit our census to get rid of agency."

Instead, PruittHealth beefed up its talent acquisition management team. Additionally, he said, the company has taken to hiring foreign nurses to help offset shortages.

"We have 200 currently working with us, and we have about 800 more that are in the pipeline that are scheduled to come on board," Pruitt said. "The foreign route has been very good for us, and that's something to explore. But we started this process two years ago. It takes at least two years by the time you sign a contract to get a nurse on board, so it's a longer process." ■