

Wesley
Willows



An extraordinary senior living experience

THE JOURNEY 2018

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Recently, I was looking over an article from an Annual Report I wrote in 2009. The theme was “Stones of Remembrance”. Since that time at Wesley Willows, we have planted many more “Stones of Remembrance”. One of the “Stones” was the opening of the Town Center and the first phase of Willows Suites that year. That was a promise kept and was the theme of our capital campaign for that building. This year in November we will celebrate our 10th Anniversary of that anchor on the Wesley Willows Campus. As we reflect on our fiscal 2018 which ended June 30, it reminds me of our ongoing focus on follow through and other promises we have kept this past year. It may seem like a simplistic concept, one in which you might say well of course! But it is easier said than done, and I find it is always important to reflect on those things we did achieve through great planning, great execution and follow through.

This year, we reflected during each of our six Board meetings on the progress in our strategic plan. We completed each of the three year goals in two years with the exception of one which is still in progress.

One strategic plan goal was to have 90% Occupancy across the campus – we fell shy of that by less than 1% as you will see in our Report Card for 2018. This is an ongoing goal. Another strategic goal was Financial Strength. As you review our financial results later in the report it is easy to see this has been accomplished and it will remain as an ongoing strategic goal every year, I imagine as Fiscal Responsibility is one of Wesley Willows’ core values. A third strategic goal

was to have the Best Staff with an eye on Succession Planning. You will see this focus described in the article about our Leading Age Illinois education presentations. It too is an ongoing goal that will assure with some certainty that leadership will remain strong in the years ahead as changes occur with our most senior staff. The fourth strategic goal was the development of an early to mid-stage Dementia program. This goal is well on its way to becoming a reality. You can learn about just one element of helping our staff develop an understanding of what it is like to have dementia when you read the article about the Virtual Dementia Tour. Our Board Chair, Mark McClenathan, went through the training program and couldn’t believe how it brought the reality of dementia front and center.

I’m not a person who dwells in the past with accomplishments or resting on the work we have already done, no matter how wonderful it might be. Still, there is a value in celebrating those promises we have kept and our achievements, whether they be ongoing or one time goals. For Wesley Willows, part of reflecting on what is past, “Stones of Remembrance”, is to remind us that there is much more to do – more plans to realize and promises to keep. I can’t wait to see what 2019 will bring!



*Bill Pratt,
President & CEO*

MISSION STATEMENT:

We promote active secure lifestyles for Seniors through ongoing personalized care.

VISION STATEMENT:

Wesley Willows will be the leader in providing exceptional programs, services, and amenities for seniors.

BOARD OF TRUSTEES

**Mark McClenathan,
Chairman**

Linda F. Chang

Joe Clinton

Michael Davis

Rebecca Epperson

Anne Hammes

Denise Popp

Bill Pratt

Joe Scandrolì

Dave Schmitt

John Shockey

Don Williams

MENTORSHIP: A PATH TO SUCCESSION PLANNING

The first class of the Wesley Willows Mentoring Program will graduate in December of 2018. We cannot wait to celebrate them, and their achievement will be the outcome of a year of planning in FY18.

The strategic plan for Wesley Willows calls for succession planning, and a part of a strong succession plan is a pathway for internal leadership development. In the summer of 2017 a Mentorship Committee comprised of a cross-section of campus leadership was formed to begin plotting a course for training.

After six months of planning, the selection process began. Leadership staff could submit nominations or staff could apply for the program. There were 17 applicants for the program and after completing interviews, six



Mentee Class of 2018



I wanted to join this program to help me to continue to grow in my current position and have possible leadership opportunities.

– Natalie Armstrong

staff members representing five departments from both Wesley Willows and Peterson Meadows were selected to take part in the program. A kick off was held in June, and course work began. Participants will complete monthly training sessions as well as meet with their mentors twice per month.

The Mentoring Program is made possible through a gift from Jack Packard, who has generously invested in leadership training on our campus.



I thought the mentorship program would be a great way for me to continue my professional and personal development.

– Brandon Burkel

CORE VALUES:

Integrity in all we do, embracing transparency and a 'do-the-right-thing' focus as a faith based, not-for-profit organization.

Relationships creating a community which exemplifies caring and respect.

Operational Excellence in programs, services, facilities, and grounds.

Fiscal Responsibility for Wesley Willows, residents, and employees

Safe and Secure practices and environments

LEADING AGE ILLINOIS: SHARING WHAT WE'VE LEARNED

Our Vision: Wesley Willows will be the leader in providing exceptional programs, services and amenities for Seniors

Being a leader, in the eyes of Wesley Willows, doesn't mean just excelling in all we do. It also means sharing what we have learned – leading others to new levels of service and helping them creatively think of ways they can excel as well.

One way we are able to do that is by presenting educational sessions at the meetings of our Senior Living Advocacy Associations. In April of 2018, five staff from Wesley Willows made presentations at the annual conference of Leading Age Illinois, our state association. The topics presented included: *creative recruitment and retention of staff; becoming a donor centered organization through meaningful relationships; building a strong annual fund; developing an Administrator in Training program for staff development and succession planning; and participating in a Senior Management Leadership and Board Forum discussing industry trends and case studies.* This range of focus was an indicator of the

Part of our Wesley Willows culture is to share and shape aging services in other Senior Living Communities.

initiatives we felt were important as an organization and in our industry as well as those we felt were areas of expertise.

As often happens in this sort of process, the presenter learns as much as the audience. In putting together educational sessions, we were able to reinforce what we knew and what our practices are. We noted areas

we could refine and improve and used the process as a reflection of our success and what our next steps might be. As we explain our processes and programs, other organizations are able to utilize them to create or enhance their own. Part of our Wesley Willows culture is to share and shape aging services in other Senior Living Communities.

In sharing our expertise, not only were we able to help realize our vision, but the topics were timely in their relationship to our strategic plan – recruitment and succession planning; financial strength; and developing new programs and services.

We think the experience is so valuable that we've already submitted proposals for speaking at the 2019 Leading Age Conference!

GRATEFUL FOR GIFTS AND LEGACIES

The Robert Ash Legacy Society (RALS) welcomed 10 new members (2 individuals and 4 couples) in FY18. They have chosen to include Wesley Willows as a part of their legacy plan through an estate gift, the creation of an annuity or entrance fee commitment. This sets a record for new members in a single fiscal year. It is a testament to how invested our community is in the long term wellness of our campus.



*Former CEO
Robert E. Ash and
Wife Sharon Ash*



*RALS Event
2018*

We received two major gifts in FY18 from the Martin Campbell Family Foundation, totaling more than \$200,000. The first gift was in response to a successful grant proposal submission for renovating the Hunt Terrace Patio. That proposal outlined the

first phase of renovations, and the subsequent phases were outlined for them as pending later funding. When the Foundation later donated a single family home, the proceeds of that gift were able to fully fund the project.

What is unique about these gifts is that they are the result of a 32 day rehabilitation stay. The mother of the family members behind the Foundation had such a good experience at Wesley Willows that they have directed their philanthropy toward our organization, and that has helped us serve residents in wonderful ways. We are proud of being able to keep our promises to them, and grateful for the trust and generosity they have shown us.

OUR COMMITMENT TO DEMENTIA CARE



Erica Figurin, Director of Life Enrichment & Memory Support Specialist training staff on the tour procedures

Wesley Willows has focused on creative programs and services for Seniors with dementia or Alzheimer's Disease since its first day program began in 1996. In 2006 we developed a residential program to complement the day program and it became Kirk's Place with 24/7 programs specific to those with dementia. In the years since, we have continued to provide dementia education to our staff, residents, resident families and the community. Combined, on the Wesley Willows and Peterson Meadows campuses, we have a total of nine Certified Dementia Practitioners.

We wanted to take this progression to yet another level so in 2018, two of our Certified Dementia Practitioners completed training to be Virtual Dementia Tour facilitators. The Virtual Dementia Tour is a window into the world of dementia through experiential learning. Those taking the Tour

don a variety of equipment or items and that impact their senses to accurately simulate the dementia experience. While still wearing the equipment including headphones that garble the sound, they are asked to complete five common, everyday tasks. It may seem simple but it has proven to be quite difficult and the Tour enables caregivers to experience for themselves the physical and cognitive challenges those with dementia face.

We set out to offer the Tour to as many staff as possible and to date over 70 staff from Nursing, Housekeeping, Maintenance, Life Enrichment, Resident Services, marketing and more have "taken the Tour". What we hear over and over is how much more patient, compassionate, and empathetic our staff feel after the experience.



Wesley Willows Staff Training on Virtual Dementia Tour

The Virtual Dementia Tour has been by far the most transformational training we have offered to date. In the coming months we hope to offer it to resident families and then into the community. Hopefully this experiential understanding of dementia will help in further developing programs and services for those with dementia.

COMMUNITY AND EMPLOYEE ENGAGEMENT: THE PRATT PACK



The Pratt Pack, April 2018

up in 2018 – and bring as many with her as she could. A campus committee was formed to recruit employees and inspire participation. 45 employees signed up to be a part of the Pratt Pack, the name given to the group, and Bill Pratt offset each registration fee as well as hosted a packet pick up party for the runners.

In this first run of the Pratt Pack, \$1300 was donated in support of the mission of donor awareness, which represented one third of individual contributions. Plans have been made to continue this as an employee engagement opportunity.

When Wesley Willows CEO Bill Pratt was the recipient of a kidney 16 years ago, he never could have imagined that one day 41 members of his team from 12 different departments would run a 5K in his honor on a brutally cold April day.

A Wesley Willows employee ran the Red Shoe Run in 2017. When she told Bill Pratt she had signed up, he told her that the cause was close to his heart, as it raises money and awareness for organ and tissue donations, and he supported her efforts by donating. This gesture inspired this employee to again sign



The start of the Red Shoe Run

PETERSON MEADOWS – ANOTHER GOOD YEAR



New Construction at Peterson Meadows

When Wesley Willows decided to add Peterson Meadows to its family of business in 2014 it was exciting. It was a new venture for us to expand off of our campus. Each year since, we have celebrated successes. Once again, we celebrate 2018 with some monumental advancements.

We have watched new residents move to the campus at a steady pace, improving each year. 2018 was a great year with 29 move-ins – 45 new residents. Some of those residents moved into new construction on the campus and others moved into homes and apartments our maintenance staff had renovated. Between the two, we spent over \$1.3MM in capital during the year.

Having new residents join us is always a thrill. But with those additions comes the responsibility to ensure they have a great experience once they arrive and call Peterson Meadows home. As a result, we made changes in our dining menus and options; we increased our Life Enrichment (Activity) programs, both

those initiated by our staff as well as those that were resident driven; and we enhanced our fitness offerings with the opportunity to utilize the fitness trainers who work on the Wesley Willows campus. None of this happens without creative thinking and great partnerships between staff and residents.

That partnership is successful on the Peterson Meadows campus in another way – community outreach. The residents and staff have ongoing collections for the Rockford Food Pantry and participated in Rockford Christian High School's Day of Service. Our staff also volunteered for Stroll on State and the Salvation Army Toy Drive.

Relationships is one of our core values. Finding and taking opportunities to build relationships both

on and off the campus, with each other and the community is something we will continue to do. As more new residents join us at Peterson Meadows, we'll be able to have an even larger impact.



Valentine's Day Dessert

BY THE NUMBERS

Condensed Combined Financial Summary

June 30, 2018 and 2017	2018 Combined	2017 Combined
FINANCIAL POSITION		
Total Assets	\$ 166,958,486	\$ 162,032,290
Total Liabilities	\$ 124,717,757	\$ 121,527,226
Net Assets:		
Unrestricted	\$ 39,204,879	\$ 37,470,306
Temporarily Restricted	\$ 50,417	\$ 200,503
Permanently Restricted	\$ 2,985,433	\$ 2,834,255
Total Net Assets	\$ 42,240,729	\$ 40,505,064
Total Liabilities and Net Assets	\$ 166,958,486	\$ 162,032,290
RESULTS OF OPERATIONS		
Total Revenues	\$ 30,762,475	\$ 28,186,424
Total Expenses	\$ 29,798,013	\$ 27,658,983
Operating Income	\$ 964,462	\$ 527,441
Interest Expense	\$ (1,281,814)	\$ (902,449)
Accretion of discount on refundable EF	\$ (360,194)	\$ (329,329)
Amortization of Intangibles	\$ (708,000)	\$ (708,000)
Contributions	\$ 552,971	\$ 733,749
Investment Income	\$ 2,414,316	\$ 3,213,190
Net Assets released for construction	\$ 152,832	\$ 34,998
Change in Unrestricted Net Assets	\$ 1,734,573	\$ 2,569,600

Revenues and Expenses

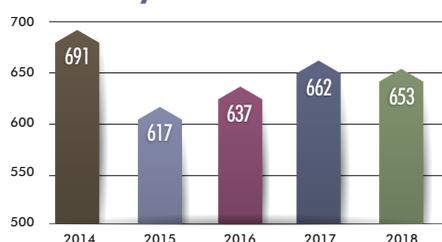
Combined Revenues for the year ended June 30, 2018		
Net resident services	\$ 25,731,655	83.6%
Other operating revenue	\$ 2,449,871	8.0%
Amortization of entrance fees	\$ 2,085,345	6.8%
Amortization of deferred facility improvement revenue	\$ 495,604	1.6%
Total \$	\$ 30,762,475	100.0%

Combined Expenses for the year ended June 30, 2018		
Nursing services	\$ 7,548,660	25.3%
Depreciation and amortization	\$ 5,467,147	18.3%
Administration	\$ 4,867,066	16.3%
Food service	\$ 4,574,825	15.4%
Maintenance	\$ 4,335,137	14.5%
Human resources and marketing	\$ 1,028,979	3.5%
Housekeeping	\$ 767,703	2.6%
Chaplaincy and resident services	\$ 730,720	2.5%
Development	\$ 272,127	0.9%
Laundry	\$ 205,649	0.7%
Total	\$ 29,798,013	100.0%

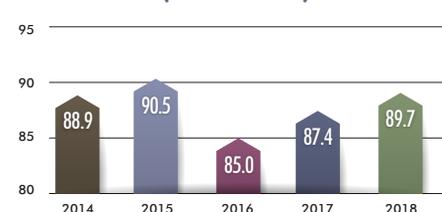
Total Assets (\$ millions)



Days Cash on Hand



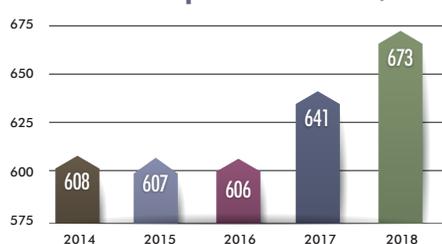
Wesley Willows Total Occupancy % (excludes PM)



Total Occupancy % (including PM)



Total Occupied Units at 6/30



Resident Services Revenue (\$ millions)





THE JOURNEY INTO 2019



An extraordinary senior living experience

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