



APPLEWOOD

A Senior Living Community



2015
ANNUAL
REPORT

Mission Statement

Applewood, New Jersey's premier retirement community is committed to providing mature adults opportunities to explore an engaged living lifestyle while providing abundant amenities and supportive services to enhance their independence at every stage. Through participation in cultural, recreational and educational opportunities, our residents can shape their environment through meaningful contributions. As part of CentraState Healthcare System, Applewood residents benefit from superior healthcare services provided by professionals devoted to clinical excellence.

Core Values

At Applewood, we believe in and are dedicated to:

- Assuring integrity and ethics through responsible proactive leadership
- Achieving standards of excellence through innovative leadership
- Maintaining fiscal responsibility
- Fostering mutual respect among all internal and external stakeholders
- Encouraging community enhancements and physical plant improvements through cooperation and communication between management and residents
- Recruiting, developing, and retaining the highest quality staff
- Providing opportunities for growth and enrichment through engagement of all residents and staff
- Delivering quality customer service that exceeds the expectations of all stakeholders



Social Accountability

Strengthening our own community by supporting those around us.

At Applewood, it is equally important that we not only work to make our own community the best it can be, but also support and participate in the community around us. As a nonprofit organization, Applewood has a responsibility and is committed to giving back to the surrounding communities. Residents regularly volunteer with and donate to the Freehold Area Open Door food pantry and other local agencies. Through CentraState we offer a number of free healthcare resources to those citizens in need. The Applewood Performing Arts Center is also available for use by the region's many music, theater, and arts groups, and as a resident, you can jump in any time for an impromptu performance.

Applewood is an active member of *LeadingAge New Jersey*, a statewide association of not-for-profit senior care organizations dedicated to advancing quality aging services in New Jersey through advocacy, education, and fellowship. Together with *LeadingAge*, Applewood affirms the enduring value of seniors to society, to family and to the community; promoting quality, stewardship and choice in aging services; advancing mission-driven values, compassionate services and public trust; being accountable to those we serve; and developing ethical leadership.

In 2015, Applewood provided subsidized funding of approximately \$180,000 to allow residents to remain in their homes. These funds are a combination of generous gifts from current and past residents and from other donations secured through the efforts of the CentraState Healthcare Foundation.



Letter from Keith Grady, Executive Director

2015 has been an exciting year at Applewood. New programs were developed and implemented to improve and enhance resident life at Applewood. The Engaged Living Program evolved from a concept to a reality and is being explored and enjoyed by more and more residents each week. Participation in resident committees and at resident functions has increased.

*Our new marketing approach
has resulted in a most successful year.*

The successful realignment of the Applewood senior leadership team has positioned us for a bright future. Along with increased transparency and improved communication with residents, we believe we have developed a true partnership.

I am grateful for the support of Virginia Allen, President of the Applewood Residents' Association and the Executive Committee as they are an integral part of Applewood's accomplishments and vision for the future. Special thanks to all the residents, managers and staff who strive every day to make Applewood the premier community it is. We are proud of our achievements; however, there is still work to be done. We are ready to roll up our sleeves and make 2016 Applewood's best year yet!



Achievements for 2015

Marketing Repositioning

Change in consulting firms aided in the transition to a person-centered marketing plan that is reviewed quarterly: asking prospects what is important to them, what their concerns are. Emphasis is on selling a lifestyle, not just an apartment. Lunch with the Executive Director, marketing functions outside of Applewood, and home visits have been successful marketing strategies.

Master Plan Survey Outcomes

This survey was developed as a blueprint for our future. Every resident and staff member had an opportunity for input. This is an example of true cooperative leadership. We continue to implement recommendations identified through the Master Plan survey including improvements to programming.

Environment

Plans were completed and approved for the front lobby re-decoration project. In 2016, we look forward to the implementation of Applewood's casual elegance theme.

Technological Improvements

Applewood is installing a new emergency response system offering residents the assurance of a community-wide system. This system will notify staff if a resident is in need of assistance – both inside and on the grounds of Applewood.

Foundation

The Foundation received a \$2 million gift for Applewood. In addition, a \$200,000 gift was received for enhancements to the future Memory Care Center.

Scholarship Recipients

This resident funded program is open to Applewood employees and their children. Total granted in 2015 = \$15,000. Julianne DiZenzo: \$5,000, Jaclene Ruffler: \$4,000, Samantha Mohammed: \$3,000, MaryAnn Biggs: \$2,000, Jose Gonzalez: \$1,000.

First Innovation Awards

Program was established in 2015 to encourage staff to participate in the development of new ideas, programs and improvements in three categories: problem solving, beautification and service improvements. 2015 Innovators are: Lydia Harter (Maintenance), Bill Hunter (Maintenance), Antoinette Kozlowski (Nursing) Joe Messenger (Dining Services), Sharon Trotta (Nursing), Toni Vono (Nursing).

Outdoor Recreation

Plans were developed and approved for this recreation area which will feature a six hole putting green, bocce court, shuffleboard court, croquet court, lighted strolling/walking path, shaded pergola and memorial garden.

Financial Highlights

Move Ins

37 for the year

16%

Increased Sub-Acute Occupancy

Financial Results 2014/2015 (in thousands)

	2014	2015
Resident Fees	15,571	16,261
Investment Income-Realized	754	588
Other Income (non-cash)	3,798	3,408
Total Operating Revenue	20,123	20,257
Payroll & Benefits	8,946	9,155
Interest Expense	790	776
Depreciation (non-cash)	2,320	2,409
Other Expenses	6,461	7,252
Total Expenses	18,517	19,592
Net Operating (Loss)/Gain	1,606	665



Days Cash
on Hand

\$544.11

\$400.00 Required*

3.88

Debt Service

Ratio

1.20 Required*

* Standard requirement per Letter of Credit

Applewood Restricted Funds 2015 (in thousands)

	<u>Balance</u>
Residents' Assistance	1,380,100
Employee Scholarships	276,255
Arts & Education	19,595
Programs & Services	206,057
Healthcare Services	46,357
Endowment	138,452
Memory Care Unit	200,368 (single donation)
Special Projects	8,437 (Thrift Shop sales)

Engaged Living

This year Applewood has seen a directional shift for programming with the implementation of the Engaged Living Program, which explores the whole person's wellbeing. "A person's general well-being cannot be measured by one's possessions but by the beauty and security of their surroundings, the quality of their culture and the strengths of their relationships". At Applewood, "Engaged Living" works to re-engage residents through actively participating in shaping their environment. The residents have welcomed Daniel Piereth, our very own full time Engaged Living Fitness & Wellness Coordinator. Daniel has developed many new fitness classes as well as a monthly lecture series to help promote a healthy lifestyle.





“A person’s general well-being cannot be measured by one’s possessions but by the beauty and security of their surroundings, the quality of their culture and the strengths of their relationships”.

The birth of CIA, Culinary Institute of Applewood™, has been a great success with the average attendance at each education session topping 40 residents. The 12 monthly courses focus on food knowledge, techniques and preparation. Residents enjoy the hands on opportunities each class offers. In 2015, several interactive opportunities were added including “Paint and Wine Party” and “Cake Decorating Classes” where residents can create a masterpiece, socialize with friends, and enjoy delicious wines. We have also seen the rebranding of the resident’s recreation committee which is now called CREATE™: the Committee for Culture Recreation Entertainment Art Theater and Education. This directional shift is proof Engaged Living is working well by encouraging residents to “actively participate in shaping their environment”.



Leadership

<i>Keith Grady</i>	Executive Director
<i>Linda Rizzo</i>	Director of Healthcare Services
<i>Heath Braunstein</i>	Director of Dining Services
<i>Eric Eichhorst</i>	Director of Marketing
<i>Mary Cannon</i>	Director of Nursing
<i>Lucinda Cadigan</i>	Healthcare Director of Activities
<i>Joan Cinque</i>	Manager of Resident Services
<i>Ray Vargas</i>	Manager of Building Services
<i>Olga Byer</i>	Engaged Living Coordinator
<i>Robert Deegan</i>	Safety & Security Coordinator
<i>Kerry Piscitelli</i>	Assisted Living Coordinator
<i>Toni Vono</i>	Wellness Center Coordinator
<i>Susan Gelbard</i>	Customer Relations

Resident Committees

Resident Association	Finance
Executive Committee	Health & Wellness
Building Services	Library
CREATE	Safety & Security
Dining	Newcomers



CentraState Healthcare System

Excerpts from John Gribbin's (President & CEO) remarks given at CentraState Healthcare System's annual meeting on January 14, 2016:

CentraState has been a community-based, community-focused healthcare organization for the past 45 years. It is because of our historical values and the support of this tight-knit community that we choose to remain an independent hospital and not forsake our community-based core values. We also learned that for some people, access to care means having healthcare services closer to home with more emphasis on convenience. So just a few weeks ago, with resounding support from the Jackson community, we broke ground on the new CentraState Healthcare Pavilion in the heart of Jackson. We will soon be opening up this same model in nearby East Windsor.

As a not-for-profit entity, the money we earn in excess of our expenses continues to get reinvested into the community through the funding of new medical technology, expanded medical services and upgrades and improvements in our physical plant:

- Expansion of Star & Barry Tobias Women's Health Center featuring three-dimensional mammography & ultrasound all under one roof
- Lung CT scanning to detect lung cancer at earlier stages than ever before
- Expansion of Comprehensive Community Cancer program with the addition of genetic counseling
- Value and Quality – CentraState ranks among the best regarded hospitals in New Jersey

Awards & Distinctions

- CentraState was reaccredited with Magnet status by the American Nurses Credentialing Center – has achieved this Magnet Recognition for nursing excellence three times
- Designated by the American Hospital Association for the sixth consecutive year as one the nation's Most Wired healthcare organizations
- Recognized in 2015 by Verras Healthcare International as being one of New Jersey's top 10 "Best Value Hospitals" for 2014 in the category of more than 250 beds.
- Placed on Women's Choice Awards list as one of America's 50 Best Hospitals for Stroke Care
- Three year re-certification of Cardiac Rehabilitation Program



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 **CentraState Healthcare System**[®]

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