



Named Endowment Funds

Generous friends and benefactors have, over the years, established the following named funds for a number of purposes, which enhance the Manor's ministry. The minimum gift to establish an endowment fund is \$25,000. Additional gifts to any of these funds are greatly welcomed.

Elizabeth A. (Reese) Beecher Memorial Trust Fund

The Elizabeth A. (Reese) Beecher Memorial Trust Fund was established in 1972 by a bequest from the estate of J. Franklin Beecher. Income can be used for the relief, assistance, and support of aged women of the Congregations belonging to the Moravian Church of the Northern Province of the United States.

Mildred L. Bender Memorial Fund

The Mildred L. Bender Memorial Fund is a donor restricted fund established in 1995 by family and friends of Mrs. Bender, a resident of Moravian Manor from 1988 to 1994, as a tribute to this woman whose life and work exemplified a spirit of ministry to others. The memorial has a two-fold purpose. First, to recognize each year outstanding service by a staff member, a resident, and a volunteer; and second, to assist health center residents whose funds have been depleted and cannot meet the full cost of care.

John and Edna Bonham Memorial Fund

The John and Edna Bonham Memorial Fund was established in 2011 with a gift from the estate of Mr. and Mrs. Bonham. John and Edna had been residents of Moravian Manor from April of 1986, when they moved into a Manor Greene Apartment, until their respective deaths in 2010 and 2007. Their memorial fund is designated for general endowment purposes.

Portia A. Bowman Memorial Fund

The Portia A. Bowman Memorial Endowment Fund was established in 2012 with a gift from Miss Bowman's estate. The proceeds from the Fund are designated for benevolent care. Portia was a life-long Moravian and was active in both the church and in Moravian Manor. She served on the board of trustees from 1994 to 2005 and served as board treasurer during that time. Portia was an active volunteer and a member of the Lamplighters Association, Moravian Manor's auxiliary. She served on the Archives Committee and was instrumental in the formation of the Lititz Porch Walk held annually in October and sponsored by the Manor. Portia was honored in 2010 as the recipient of the Mildred Bender Volunteer Award.

Bricker Memorial Endowment Fund

The Bricker Memorial Endowment Fund was established in 2006 by Manor resident Victoria H. Badorf and family in memory of her aunts, Sophia Lucinda Bricker (1872-1945), Eve Magdalene Bricker (1880-1961), and Elizabeth Bausman Bricker, M.D. (1877-1979). Proceeds from the Bricker Memorial Endowment Fund are dedicated to the care and maintenance of the Beck Memorial Garden at Moravian Manor.

Richard G. Davis Memorial Fund

The Richard G. Davis Memorial Fund is a donor restricted fund established in 1996 by Manor resident H. Stella Davis in memory of her husband. Income from this fund helps residents whose funds are depleted and cannot cover the cost of services and care they need.

Cynthia Jones Eastman Memorial Fund

The Cynthia Jones Eastman Memorial Fund was created in the year 2000 by her brother Philip Harris Jones in his sister's memory. The fund was established to restore and maintain the Steinway Grand Piano that was donated to Moravian Manor by Cynthia's family in her memory. Cynthia Jones Eastman was a resident of Moravian Manor where she resided in cottage 107. The piano was a gift to Cynthia from her parents on her sixteenth birthday.

Doris A. Henly Memorial Fund

The Doris A. Henly Memorial Fund was established in 2005 by her family and friends to honor her loving, altruistic memory. Mrs. Henly was a resident of Moravian Manor where she resided in cottage

115 from 1995 until her death on November 19, 2004. Mrs. Henly was an active and compassionate member of the Manor's community, and she spent most Mondays, beginning in the fall of 1996, serving as a volunteer in the Children's Corner, the Manor's child care center. The fund's purpose is to enrich the literacy program of the Children's Corner. Proceeds will be used to purchase books and related materials, to create and maintain an intimate outdoor reading garden in Doris's memory, and to enhance the literacy program as needs are identified.

"Poss" McCloud Memorial Fund

The "Poss" McCloud Memorial Fund was established in 1984 in memory of Paul "Poss" McCloud, who served on the Board of Trustees from 1970 to 1983 and held the office of Board President from 1978 through 1983. Interest from this fund is used to purchase personal items for residents whose funds have been depleted.

Moravian Home of Lititz for Aged Women Trust Fund

The Moravian Home of Lititz for Aged Women Trust Fund was established by the Association for the relief, assistance, and support of aged women of the Congregations belonging to the Moravian Church of the Northern Province of the United States.

New Horizons Permanent Endowment Fund

The New Horizons Permanent Endowment Fund was established in 1984 with gifts from an Eastern District Campaign. Income is used to provide care for less-than-full-pay residents.

Mr. and Mrs. William R. Parsil Memorial Fund

The Mr. and Mrs. William R. Parsil Memorial Fund was established in 1999 by the Parsil Family. The fund's interest has been designated for the Moravian Manor Alzheimer's Program.

The Ernest T. Selig, Jr. and Dorothy Ferree Selig Memorial Endowment Fund

The Ernest T. Selig, Jr. and Dorothy Ferree Selig Memorial Endowment Fund was established by their estate in 2011 in memory of Ted and Dorothy's longstanding relationship with Moravian Manor, beginning as charter residents of Herbst Haus until Ted died in 1998 at age 93. After transferring to assisted living in the Manor, Dorothy later moved from Lititz to Connecticut in 2005 to be closer to her

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Moravian Manor has been the recipient of a number of endowment funds that have been established in honor and in memory of cherished individuals. The funds, which were gifted by family and friends, support various aspects of the Manor's ministry. In 2018, \$422,626 was transferred from the Manor's endowment funds into operations to support the designated purpose of the funds.

	Balance 12/31/18	Original Balance	Date Established
Elizabeth A. (Reese) Beecher Memorial Trust Fund	\$100,492	\$32,000	1996
Mildred L. Bender Memorial Fund	\$161,698	\$50,000	1995
John and Edna Bonham Memorial Fund	\$ 675,965	\$435,906	2011
Portia A. Bowman Memorial Fund	\$55,035	\$20,000	2012
Bricker Memorial Endowment Fund	\$47,095	\$20,000	2006
Richard G. Davis Memorial Fund	\$48,007	\$10,000	1996
Cynthia Jones Eastman Memorial Fund	\$5,144	\$10,000	2000
Doris A. Henly Memorial Fund	\$32,025	\$11,447	2005
"Poss" McCloud Memorial Fund	\$33,254	\$10,000	1984
Moravian Home of Lititz for Aged Women Trust Fund	\$699,219	\$221,410	1996
New Horizons Permanent Endowment Fund	\$809,764	\$270,000	1984
Mr. and Mrs. William R. Parsil Memorial Fund	\$31,845	\$10,000	1999
Ernest T. Selig, Jr. and Dorothy Ferree Selig Memorial Endowment Fund	\$147,354	\$90,944	2012
John Traeger Memorial Endowment Fund	\$123,609	\$21,000	1958
Dean Worth Dementia Education Fund	\$37,800	\$35,000	2017

Endowment Funds established by the Board of Trustees	
Balance 12/31/18	Date Established
Benevolent Care Fund	
\$4,475,211	1985
General Endowment Fund	
\$3,862,941	1988
Benjamin G. Forrest Memorial Fund	
\$518,281	1984
Paul W. McCloud Memorial Fund	
\$675,965	1984

children. She died in 2011 at age 105. The income from this endowment is to assist residents whose personal resources have been depleted and cannot meet their costs for services needed.

John Traeger Memorial Endowment Fund

The John Traeger Memorial Fund was established in 1958 from a bequest established by Mr. Traeger of Bethlehem, Pennsylvania. Interest from this fund can be used at the discretion of the Board of Trustees.

Dean Worth Dementia Education Fund

The Dean Worth Dementia Education Fund was established in 2017 by Emily Klenin to honor the legacy of learning, compassion and excellence

that embodied the life of Professor Worth. It is with this focus on excellence in understanding the neuroscience of the brain with the diagnosis of Dementia, that the fund will provide training experiences for staff in the latest education by nationally recognized experts in the treatment and care of those with this diagnosis.

Dean Stoddard Worth was a Distinguished Professor (Emeritus) of Slavic Languages and Literatures at UCLA, longtime chair of the International Committee of Slavists, Foreign Member of the Russian Academy of Sciences, and a life member of the Centre d' Études Slaves of the University of Paris (Sorbonne).

2018 FINANCIAL REPORT

Over the past several years, Moravian Manor has strategically positioned itself for the future of health care. While Skilled Nursing remains our largest area of care, we recognize that reimbursement from Medicare, Medicaid, and Managed Care are becoming increasing pressure points as we strive to provide quality care in shorter timeframes; with higher complexities; and stagnant, sometimes lower reimbursement rates. These pressures necessitate that we diversify our offerings and continue to increase the number of Residential Living units we have, thus our continued commitment to expanding Warwick Woodlands.

In 2018, Moravian Manor recognized an overall net loss of assets of \$1,973,574. Factors that contributed to these losses included lower than budgeted census, increased tax expense (due to the tax assessment of Warwick Woodlands), and unrealized losses on investments of over \$2.2 million. As we confront our revenue challenges, a concentrated effort was made to control expenses, including staffing levels, to assure we continued to provide the high standards of care we are committed to delivering.

Financially, fiscal year 2018 was a challenging year. The crux of our financial difficulties was due to low census in Nursing. Although a budget of 95% was forecasted for the year, our actual year-to-date census was 92.6%. The first six months of occupancy in Nursing dropped significantly lower than budget, and despite a resurgence of census in the later part of the year, we could not recoup the loss of revenue already recognized. Unfortunately, low census is an industry wide trend. Throughout 2018 a record number of admissions came to Nursing; however, discharges kept up at the same pace, making the task of increasing census difficult. In 2018, Moravian Manor

did lower the nursing bed count from 127 beds to 119 beds. This reduction of beds allowed Moravian Manor to transition to more private rooms for our residents while effectively increasing our Medicaid reimbursement. We also were fortunate that our Assisted Living, Personal Care and Residential Living areas realized a healthy census, helping to lessen losses.

As we continue to focus on our core operations, we are excited to continue to grow our Residential Living units count. Throughout 2018, construction continued at Warwick Woodlands. The Woods 54-unit apartment building, five additional carriage homes and a facility building with a woodshop were constructed. Move-in's to the apartment units and carriage homes are currently underway. Moravian Manor is also in the home stretch to secure financing for an additional 71 carriage homes at Warwick Woodlands. As we continue to expand rapidly, it also comes with growing pains, as we strive to integrate our new units with our existing operations. While the new expansion has exceeded expectations, we are working to resolve higher than anticipated real estate taxes. Moving forward, Moravian Manor recognizes that diversification will help mitigate the rapidly changing world of health care.

Despite a challenging year, Moravian Manor continues to meet its mission as we provided over \$2.9M of assistance to residents in 2018. The ability to continue to serve our residents is an honor for all of us, and we thank you for continuing to donate of your time and funds to make this a reality. We are grateful for your support, and we will continue to strive to assure that your confidence and trust in the Manor is well placed.

Revenue and Expenses

Year Ending
Dec. 31, 2018

REVENUE WITHOUT DONOR RESTRICTIONS

Moravian Manor billed Medicare, Medicaid, insurance companies & individual residents	\$14,281,255
Other Resident Revenue	\$9,219,372
Entrance Fees Earned	\$1,973,562
Due to contractual allowances and the inability of some residents to pay, our billings were reduced by	-\$2,900,000
Other operating revenue from Daycare, Therapies, Investments and other ancillary services amounted to	\$2,134,162

Total Operating Revenues **\$24,708,351**

OPERATING EXPENSES:

Expenses to provide the basic services including Nursing, Dietary, Housekeeping, Social Services, Chaplaincy & Activities	\$15,325,779
Administrative, Admissions & Marketing	\$2,910,754
Plant Operations and Maintenance including Wages, Utilities, Purchased Services	\$2,420,045
Real Estate Tax	\$753,948
Depreciation Expense	\$2,817,428
Interest Expense	\$966,867
Other	\$321,296

Total Operating Expenses **\$25,516,117**

Total Operating Loss **-\$807,766**

NET ASSETS WITHOUT DONOR RESTRICTIONS:.....

Unrealized Gain (Loss) on Investments & Assets Released from Restrictions	-\$941,084
Change in Investment (YNC)	-\$79,904
Change in fair Value of Derivative Financial Investment (SWAP)	\$404,894

NET ASSETS WITH DONOR RESTRICTIONS:

Contributions (less fundraising expense)	\$121,875
Unrealized Gain (Loss) on Investments & Assets Released from Restrictions	-\$1,514,989
Interest & Dividends	\$98,724
Realized Gains	\$755,516
Changes in Beneficial Trust	-\$10,840

CHANGE IN NET ASSETS WITH AND WITHOUT DONOR RESTRICTIONS **-\$1,165,808**

DECREASE IN NET ASSETS **-\$1,973,574**

TOTAL FUNDS DEFICIT **-\$1,973,574**

Balance Sheet

Dec. 31, 2018

ASSETS:

Current Assets	\$3,851,678
Investments	\$8,493,121
Pledges	\$133,104
Assets Whose Use is Limited	\$7,841,739
Property & Equipment	\$99,964,045
Other	\$1,854,675
TOTAL ASSETS	\$122,138,362

LIABILITIES:

Current Liabilities	\$7,808,915
Annuities Payable & Claims Payable	\$46,110
Long-Term Debt	\$51,030,978
Unearned Entrance Fees	\$37,467,846
Guest Deposits	\$3,900,309
TOTAL LIABILITIES	\$100,254,158

BOARD DESIGNATED ASSETS ENDOWMENT (WITHOUT RESTRICTIONS)	\$4,701,228
UNDESIGNED ASSETS (WITHOUT RESTRICTIONS)	\$10,084,266
ASSETS WITH DONOR RESTRICTIONS	\$7,098,710
TOTAL FUND BALANCES & LIABILITIES	\$122,138,362

