

June 9, 2011

Dear Maris Grove Residents:

We are very pleased to present this Annual Report to the residents of Maris Grove. The Annual Report includes a review of our community's activities in 2010, goals for 2011, the financial summary report for 2010, and important information regarding your Board of Directors.

Thank you to the residents of Maris Grove for contributing your gifts to make Maris Grove a great place to live. In particular, we would like to thank the members of your Residents Advisory Council for their hard work, candid feedback and thoughtful advice. The excellent feedback from the Resident Advisory Council helps Maris Grove management to focus on what is most important to you, the residents. We also want to thank Maris Grove's wonderful staff members, who are committed to fulfilling the Maris Grove mission every day.

We hope you will attend the annual meeting on Thursday, June 16, to meet the Maris Grove Board of Directors and ask any questions you may have. Thank you for the trust you have given us by choosing Maris Grove as your home.



Maureen K. Heckler  
William Kennedy  
Executive Director



Maris Grove Board Chair

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**Mission:**  
**“SHARING OUR GIFTS TO CREATE COMMUNITIES  
THAT CELEBRATE LIFE”**

**The Independent Boards of Directors of National Senior Campuses, Inc. and its  
Supported Organizations are committed to achieving the Mission by:**

- 1. Promoting an active quality of life for seniors:**
  - Creating large-scale retirement campuses to promote activity and healthy living
  - Providing a resident-centered service culture
  - Encouraging resident-run activities with professional support
  
- 2. Achieving excellence in services and programs:**
  - Exercising its authority in services, programs, fees, facilities and financing
  - Embracing compliance, ethics and integrity
  - Overseeing services and programs personally and in meetings with the Residents Advisory Council
  - Taking a long-term fiduciary responsibility vs. short-term resident view and medium term for-profit view
  
- 3. Insuring affordability to middle income seniors:**
  - Focusing on the long-term viability of the community for current and future residents
  - Using advantageous tax-exempt financing to lower the cost of capital
  - Qualifying for exemption from federal and state income tax
  - Obtaining property tax reductions from local governments
  - Accumulating net income to benefit the community
  - Maintaining a policy for 100% refundable entrance deposit
  - Offering fee-for-service health care
  
- 4. Making a life-care commitment:**
  - Ensuring that no resident should ever have to leave a community as a result of financial inability to pay for the cost of their care
  - Encouraging fundraising efforts in support of Benevolent Care
  
- 5. Fostering growth:**
  - Committing to making this lifestyle available to an increasing number of seniors
  - Increasing efforts to achieve affordability

## **2010 In Review**

### **Community Profile**

In 2010, Maris Grove continued to build upon its strong reputation as a great place to live in Delaware County. In a year when the economy was still uncertain we settled 131 units to a budget of 121. The breakdown of the 131 units was 76 new and 55 resales. The 131 settlements brought the number of occupied units to 890 out of an available 958 for overall occupancy of 93%. The community ended the year with 1,214 residents residing in the apartments and 63 residents residing in Renaissance Gardens.

Our work force grew to 650 employees, of which 202 were part-time student servers working in the restaurants and café.

### **Summary of 2010 Financial Results**

#### **Operating Revenue**

Independent living occupancy fee revenue was favorable to budget by approximately \$695,000 due to an increase in move-ins, resulting in favorable billable units of 289. Lower census than anticipated in Renaissance Gardens resulted in unfavorable revenues compared to plan. Skilled Care was unfavorable to plan by \$674,000 and Personal Care was unfavorable by \$489,000. This was due to lower than anticipated demand in the first full year of operations. The delay in opening Certified Home Health also generated an unfavorable variance of \$175,000 compared to the plan.

#### **Operating Expenses & Net Income**

Operating expenses were \$114,000 better than the business plan due to savings in wages and benefits as a result of lower census in Renaissance Gardens and the realization of operational efficiencies in Independent Living resulting in 19 fewer FTEs (full time equivalents). Other significant variances included Workers Compensation savings of \$334,000, savings in real estate taxes of \$149,000, unfavorable utility costs of \$264,000 and \$290,000 unfavorable snow removal cost from winter storms. A 2010 net operating loss totaling \$4,398,132 was unfavorable to 2010 budget by \$3,561,000 due to a capital lease that began April 30, 2010 that increased depreciation expense by \$2,052,000 and losses incurred in the operations of Renaissance Gardens.

Other Income was recorded in 2010 with a \$25,641,890 million gain on forgiveness of working capital loan and related accrued interest by Erickson Living Management LLC as a result of the purchase of Concord Campus. Therefore, excess revenue over expenses totaled \$21.2 million.

At the end of this report, you will find a Summary Financial Statement that includes the 2010 results. Copies of the 2010 Audited Financial Statements are available to you upon request from the Executive Director's office.

## **Resident Satisfaction**

Holleran Consulting, on behalf of Maris Grove, conducted the annual Resident Satisfaction Survey in the late fall.

	<b>2010 Results</b>	<b>2009 Results</b>
Overall Satisfaction	89.5%	89.9%
Dining Satisfaction	82.6%	81.2%
Fulfilling mission statement	89.7%	89.2%
Would You Recommend Maris Grove?	96.1%	97.2%

The community received Holleran's Highest Honors award for outstanding efforts in achieving scores that exceeded the 90% percentile and were significantly above the national benchmark. The community was recognized for the following areas that were measured in the survey: the buildings, stairways and grounds are kept safe and secure; the repairs and general upkeep of buildings are done as needed; the landscaping and exterior grounds are attractive and kept clean; the confidence that security and/or emergency services would respond quickly and competently if a resident were to have an accident or emergency; that staff responds promptly and effectively to complaints or inquiries; that staff has been available after hours and on weekends when needed; and that residents feel well informed about the activities and events at Maris Grove.

## **Community Highlights and Initiatives**

### **General Services**

The General Services Department had another strong year. For the year they averaged 1,125 calls per month to the General Services Coordinators. They completed 28,160 work orders and 4,798 preventive maintenance work orders. The Transportation Department provided 96 special trips and 2,089 taxi trips. The Security Department responded to 1,129 emergency calls with an average response time of 1 minute, 51 seconds.

Resident satisfaction scores across the departments within General Services scored 92.68%, which is a .20% increase year over year. General Services continued to make upgrades to the community by adding plantings, benches, tables and the horseshoe pits.

### **Dining Services**

Dining Services has been working on a number of initiatives in 2010. Menus were revised for breakfast and lunch at the Coebourn Café to create more options. Examples of these options include: Saturday morning breakfast buffet; Sunday's hot dog and hamburger bar; rotating pasta bar; noodle bar; soup, salad, & bread bar; cheese steak bar; and carved meat stations. In the 3rd quarter, the pub bistro menu was modified, adding made-to-order individual pizzas, a burger cooked to order, a daily chef's special and a soup of the day. The Brinton Market added more grab-and-go items for staff and residents, added fresh

baked goods, house made crab cakes to order, a new line of Mediterranean food items and fresh produce. In 2010, 304,500 meals of the day were served; 23,000 Pub transactions and 15,000 catering transactions.

## **Resident Life**

The total number of clubs, groups and activities grew to 155 for 2010. Fourteen new resident run clubs were added including the German Club, Italian Class, Summer Bocce League, Women's Poker, Sign language, Tai Chi and Wii Bowling league. This reflects the variety of interests on campus as well as the diversity and talents of Maris Grove residents. The TV studio continues to grow with the production of 301 shows this year. This is accomplished thanks to the efforts of 80 volunteers contributing more than 2,021 hours to the studio. The TV studio is an outlet for resident's creativity and an opportunity to find their niche in TV production. The Festival of the Arts event was held for the third year showcasing the artistic talents of 40 residents. A portion of the sale proceeds are donated to the Resident Care Fund. The Resident Life team continued balance and mobility classes with the newly revised balance and mobility class designed by Erickson Living. It has been well-received by residents and the new criteria for participation in the class allows more residents to take advantage of this program and the Erickson Advantage benefit.

The Resident Life Department supported the Resident Advisory Council (RAC) in raising and distributing nearly \$125,000 to hourly employees through the Staff Appreciation Fund. The 4<sup>th</sup> annual Club Expo, showcasing the numerous clubs and groups at Maris Grove, was held in March. This annual event attracted over 400 guests who visited the club/group representatives to learn more about club opportunities at Maris Grove. The Fitness Center and Aquatic Center was busy this year with a total of 30,326 Fitness and Aquatic visits. Thirty-nine residents completed Memory Fitness, a research-based memory enhancement program designed to increase memory skills through stress management, diet, exercise and memory techniques.

## **Renaissance Gardens**

Renaissance Gardens (RG), the extended care neighborhood at Maris Grove, offers residents personal care, long-term care, short-term rehabilitation and respite care.

Renaissance Gardens provides expert care using a unique approach not found at other extended care centers. Activities, schedules and menus are based on individual preferences. The care model is a strength-based care approach that fosters resident-driven independence and dignity, celebrating residents' uniqueness, values, strength and spirit of mind and body.

In the household model, in the Renaissance Gardens, we have seen residents thrive by exercising their personal choices, enhancing and maximizing their function and cognitive abilities. We value knowing the resident's story and having the privilege to continue it.

Results from the 2010 Holleran Resident Satisfaction Survey resulted in recognition by Holleran for our outstanding efforts in providing the highest level of care and service to

our residents in Personal Care. For Personal Care survey factors our scores exceeded the 90<sup>th</sup> percentile significantly above the survey’s national benchmarks.

**Philanthropy**

Maris Grove residents, staff, family, friends and area businesses contributed substantial amounts to the two major charitable funds that benefit the community, but also reached out to people they will never meet in their hour of need. After the terrible earthquake in Haiti in January of 2010, the residents requested a separate fundraising effort to assist those who had been affected. Over \$11,000 was raised in January and February of 2010, and presented to the American Red Cross for its relief efforts in that area.

In 2010, twenty Maris Grove residents made the decision to leave a planned gift to their community. \$533,958 was pledged to the Resident Care Fund, and \$50,000 to other areas of need. The goal for the year was \$150,000 in planned giving.

The two efforts in particular which provide charitable funds that directly support the Maris Grove community are:

- *Resident Care Fund*: This provides support for those residents who have depleted their assets due to extraordinary financial circumstances. (The name was changed from “Benevolent Care Fund” after input by the residents; they felt it more aptly described how the fund would help their friends and neighbors).
- *Scholars’ Fund*: This provides scholarship funds of up to \$1,000 per year for our students who are pursuing post-secondary education. Students must meet certain criteria to qualify for this scholarship.

The following is a summary of activity in 2010 for these funds:

	<b>Resident Care Fund</b>	<b>Scholars’ Fund</b>
2010 Beginning	\$555,135	\$113,409
Funds Raised, 2010	\$346,062	\$92,107
Funds Expended, 2010	\$25,725	\$44,044
2010 Ending Balance	\$875,472	\$161,472
Resident Participation*	47%	64%

\*Percentage of Resident Households

In recognition of the importance and value of the RCF, all of the members of the Maris Grove, Inc. Board of Directors contributed to the fund in 2010.

In 2008, the National Senior Campuses, Inc. (NSC) Board formalized the creation of a separate Investment Committee of NSC to assist the Maris Grove Board in closely monitoring the Restricted Funds (charitable funds) collected from each Community’s residents. The Investment Committee’s chosen objective is for these funds to provide current income and a relatively stable market value (a Fixed-Income portfolio approach). The Restricted Funds portfolio’s return matched the benchmark for the period. The returns earned on the portfolio amounted to 1.94% (net of fees) for 2010. The portfolio mix at year-end was as follows, and it will continue to be monitored on a monthly, quarterly and annual basis:

<b>Cash</b>	<b>6.0%</b>
<b>Fixed Income</b>	<b>94.0%</b>
Corporate	54.0 %
US Government	22.0 %
Other	18.0 %

## **Community Outreach**

Maris Grove remains committed to helping residents and staff to achieve their philanthropic goals of sharing time, talent and treasure in our surrounding community. Throughout 2010, resident and staff have had an opportunity to volunteer, donate cash or other goods or share their gifts with the local community.

As a community, Maris Grove was a financial corporate sponsor for: Susan G. Komen for the Cure by donating almost \$600, donating almost \$400 to the American Diabetes Association, and donating \$340 to the Alzheimer's Association from our Jeans Day efforts. We also held a fundraiser to help the victims of the Haitian Earthquake and gave a check of \$10,200 to the American Red Cross International Disaster Relief.

The following is a partial listing of the organizations at which Maris Grove residents volunteer their time and talent: Thresholds, Riddle Memorial Hospital, American Red Cross, Friendly Visitors, Garnett Valley Schools, PetSmart, Heartland Hospice, Hagley Museum and Library, Project Linus, Alzheimer's Association, Delaware County Literacy, Faithful Friends, Taylor Hospital, Chester County Hospital, Stockings for Soldiers and St. Agnes Outreach program. The residents reported giving 32,738 hours of their time in the community through various clubs and at Renaissance Gardens.

The fifth annual Turkey Trot was held in partnership with the Chadds-Ford Concordville Rotary and Garnett Valley Wrestling team, which provided much needed food for the local food banks. Two blood drives, coordinated with the American Red Cross, exceeded donations goals for the community.

Due to the downturn in the national and local economy, Maris Grove residents targeted the needs of the hungry this year with donations of food to the Gift of Life Family House in Philadelphia. They also partnered with the Saint Agnes Outreach program in West Chester, PA. In addition to food, the residents collected summer care packages for children through the donations of swim suits, towels and flip flops.

The Maris Grove Executive Team has representatives volunteering at the following not-for-profit organizations: Family and Community Service of Delaware County, CRC Watersheds Association, Health Care Community of Delaware County Community Foundation, Delaware County Workforce Investment Board and Neumann University Advisory Committee.

## **Diversity**

In 2008, National Senior Campuses, Inc. Board of Directors chartered a Diversity and Inclusion Committee to work with Erickson Management, focusing on a long-term strategy promoting a culture of diversity and inclusion. The Diversity and Inclusion Council helps to develop an enterprise strategy focused on defining an inclusive strategy that leverages diversity, creating an environment where residents, staff, and management felt heard and supported. The strategy capitalizes on the value of a diverse management team, staff complement and resident population. Our focus has been on establishing diversity and inclusion as key values. While we will not achieve success overnight, we view this strategy as a business imperative given the changes in the American workforce. Success with this strategy will help position Erickson to compete for the best talent and thereby continue to provide top quality services to our residents.

The community focus will be to create the mission and values for this resident and employee sponsored committee. The committee initiatives will include diversity and inclusion training and cultural awareness and inclusion programs. The community also has representatives sitting on the national diversity counsel to insure strategic alignment between the community and the enterprise. In addition, the community continues to support a work-study program for disabled teens from Garnett Valley School District and disabled teens from Elwyn who work mornings in our Dining Services Department. Advertisements are strategically placed in minority publications in our area and Philadelphia City to increase awareness of what we offer.

## **Green Initiatives**

The residents, board and management, together, have been good stewards of the community's natural resources through our business conduct in areas of energy management, community initiatives, design, development and construction. As an enterprise, we are committed to becoming more aware of how we can "go greener" and we will take action, where we can, to initiate change within the enterprise to reduce our carbon footprint and minimize the effects of global warming. This process will evolve over time.

The purposes for "going green" are to support the reduction for our carbon footprint which equates into the reduction of our overall carbon emissions. This will minimize our impact on global warming. We also want to be good stewards of our resident resources by developing energy-efficient communities that require less direct utility cost. This in turn supports our financial/business objectives to provide affordable retirement living and services to our residents.

In the past year, Maris Grove has continued to implement green initiatives and has started a new energy and environmental committee chaired by the General Services Senior Facilities Manager. General Services initiatives included: giving out CFL light bulbs to every resident who moves in; installing automatic paper towel dispensers to reduce paper waste; planting a "new day" tree by the front entrance; continued recycling of all lights bulbs, ballasts and batteries used by the community; continued recycling by residents of their own batteries; installing additional motion sensors for the lighting in various areas; using some green chemicals in the housekeeping department; recycling of our fryer grease by a contractor into vehicle fuel; and completing the lighting project on one of our three

main bridges, which connected the lighting into our energy management system and turns the lights off during the day. Finally, we plan to complete the HVAC load-shedding program in the last two residential buildings in 2011.

### **Erickson Advantage**

The Erickson Advantage (EA) Health Plan at Maris Grove had another successful year in 2010. The Erickson Advantage team enrolled 82 residents in 2010. The Erickson Advantage team increased the total number of residents enrolled in the health plan to 518, which is a penetration rate of 41.59%. Member satisfaction continued to achieve very high results with 92% of current members saying they are likely to continue with their current coverage.

In the 2010 National Benchmark Comparison of Health Plans as viewed by members, Erickson Advantage scored ten to fifteen points higher than the competition on questions regarding overall member satisfaction with the Health Plan, the overall value of the Health Plan, the likelihood of a member to recommend EA to others, and the likelihood to continue with current coverage. The Erickson Advantage Member Services Representative, Nurse Care Coordinator and Health Insurance Resource Manager at Maris Grove also received strong satisfaction scores among members.

### **Resident Accomplishments and Highlights**

The Resident Advisory Council plays an important role in keeping the focus on what is important to residents through their support, guidance and communication. The Resident Advisory Council held its fifth election in March of 2011 for members and officers. The following are serving on your behalf: Eleanor Davis, Joseph Debler, Ralph DeLucia, Richard Signorelli, John Caskie, Walter Copper, Hazel Gregory, and Peg Showalter.

**We are grateful for the tremendous contribution of outgoing Resident Advisory Council members Barbara Creighton, Joseph Peronace, Joseph'O'Grady and Barbara Dougherty.**

In 2009, the Resident Advisory Council created the Finance Committee to meet with the Executive Director and Finance Director on a quarterly basis to review the community's balance sheet, cash flow, budget items and the restricted funds. The following have served on your behalf: Walt Copper, John Kaufman, John Larkin, Larry Lembo, Guy Sileo, Dick Smyth and Don Yost.

The residents presented two great stage shows in 2010, including the fourth annual "Follies," where residents with the occasional staff member showcase their many talents involving song, dance and comedy. The fall brought the annual production of the Maris Grove Players, S.S. Shippenshore.

Residents joined together to raise more than \$6,000 for the Resident Care Fund through "Souper Sunday," a Christmas card sale featuring a photo of residents in a Nativity scene, sale of a holiday music CD featuring two residents, Festival of the Arts and the Not-So-Newlywed Game.

## **Staff Accomplishments and Highlights**

Maris Grove continued to set high standards in the marketplace as a great place to work. Retention for the year was 74.5%, an improvement year over year of 3.73%. For the fourth year Maris Grove was selected as a Top 50 Places to Work in Pennsylvania. The Human Resources Department was recognized for our work on diversity. The community received, from the Friends of the Delaware County Women's Commission, the Delaware County Employer of the Year for Excellence in the Professional Advancement of Women.

## **2011: Looking Forward:**

### **Areas of Focus**

In 2010, the Maris Grove management team met in a positive way the many challenges that were presented to us. The focus in managing the campus was to assure continuity in programs and services and working to be good stewards of resident monies while making Maris Grove a great place to work. In 2011, we will continue to be tested by the economic times in which we live and work, but our commitment continues to be delivering effective and affordable services to the residents. The areas of focus will be:

- Utilize various initiatives designed to incentivize and facilitate settlements for new residents to meet the goal of 93 settlements for the year
- Market Renaissance Gardens services to the external community to increase census.
- Reduce expenses where possible while not compromising on superior quality to strengthen cash management.
- Utilize appeal process in reconsideration of community taxes.

### **Financial Plans**

In 2011, as a developing campus, Maris Grove's business plan calls for a net operating income of \$1,610,000. The community's operations and results are consistent with other communities at the same phase of development.

The ongoing economic times and challenges have been cause for a sharp, continued focus on market conditions and our business plan. As a result, we have been careful in our holding off on the hiring of some planned staff, corresponding to the somewhat slower pace of new residents moving in due to the housing market, and in tightening of our other expense lines. This has been thoughtfully and deliberately approached in our 2011 plan while focusing on the continued high level of service and programming.

Additionally, in order to meet the financial goals of the community, it continues to be necessary to accept direct admissions into Renaissance Gardens from people who have not previously lived in one of Maris Grove's residential buildings. These individuals will be required to submit a refundable entrance deposit in addition to meeting financial criteria.

The Board of Directors annually approves the delivery of community services, programs and operations, and adopts a resident fee schedule, through approval of the community business plan or budget. The budget is formulated by management during the fall of each

year and approved by the Board on or before December 1, for the ensuing calendar year. Management's proposed budget to the Board takes into consideration suggestions from the community Resident Advisory Committee and attempts to attain spending levels that meet the Board's standards for community quality of life while maintaining affordability to the residents. In approving each annual Budget, the Board seeks to provide a viable annual financial plan that is premised upon sustaining long term financial stability.

### **Campus Development**

Discussion on the future development plans for the completion of the fifth resident building in the Cardinal neighborhood, Eagle Glen, began in the last quarter of 2010. The work done in the latter half of 2010 will continue into 2011.

### **Programs and Initiative to Maintain Service, Culture, Mission and Values**

We have a number of goals related to resident satisfaction, employee satisfaction, and financial performance in 2010. While our goals may evolve during the year based on emerging priorities, some of the goals are:

- Meet changing needs of residents through expansion of services and programs offered for Out-Patient Rehabilitation.
- Licensure of Home Health in accordance with newly released Pennsylvania regulations.
- Addition of a Mental Health Practitioner in the Medical Center to meet increased resident demand in both the Medical Center and Renaissance Gardens.
- Exploration of a Flexible Meal Plan Program
- Approval of plans for expansion of Woodshop in 2011
- Implementation of Memory Fit programming, a program designed to enhance memory skills.

## **Executive Management Team**

### **Maureen Heckler, Executive Director**

**Maureen** joined Erickson in 2005 having worked as the Associate Executive Director at Ann's Choice until her appointment as Executive Director for Maris Grove in January of 2006. Maureen brings 28 years of healthcare executive experience to her position at Maris Grove. She holds a B.A. from Villanova University and a Masters in Business Administration from Pennsylvania State University. Prior to joining Erickson Retirement she was the regional director of operations for Marriott Senior Living in Delaware and New Jersey. She is a licensed nursing home administrator and serves on the Board of Family and Community Services of Delaware County.

### **Kelley Arredondo, Human Resources Director**

**Kelley** joined Erickson in 2011 as the Human Resources Director at Maris Grove. She brings to her position over 20 years of operational and human resources experience. Kelley has a BS in Business and Hospitality Management from Brigham Young University – Hawaii and a MS in Organizational Development and Training from St. Joseph's University. Additionally, she earned her Professional Human Resources (PHR) designation and holds a Certificate in Human Resource Management from Villanova University. Prior to coming to Maris Grove, Kelley had a successful career with Marriott International and the United States Navy.

### **Barbara Burri, Philanthropy Director**

**Barbara** joined Erickson in 2006 having been hired by Retirement Living Television to help create their advertising sales program. She started at her current position of Director of Philanthropy in July of 2008. Barbara brings ten years of fundraising experience to her position at Maris Grove. Prior to joining Erickson, Barbara worked for Northern Michigan University's Foundation in Marquette, MI beginning as Supervisor of Phonathons and rising to Major Gifts Officer. She holds a BS in Communications and Performance Studies from NMU, is a graduate of the charter class of the Leadership Academy in Marquette, MI.

### **Randall Cox, Finance Director**

**Randall** joined Erickson in 2006 and is currently the Financial Director of Maris Grove. Some of Randall's responsibilities include Enterprise Risk Management, Budget Establishment and Compliance, Internal Audit and Monthly Financial Preparation and Review. Prior to joining Erickson, he worked 16 years as the Controller for Dunwoody Village, a CCRC in Newtown Square, PA. Randall earned his Bachelors Degree in Accounting at Bloomsburg University.

### **Marie DiCostanza, Resident Life Director**

**Marie** joined Erickson in 2003. Marie was appointed Director of Resident Life at Maris Grove on March 2006. As Director of Resident Life, she is responsible for providing leadership and support to the community Resident Life Managers; serves as a member of the Maris Grove Executive Management Team and the Corporate Resident Life Operations Team. Previously she was Director of Resident Life at Fox Run in Michigan. Marie has 15 years experience in the field of aging. Prior to working at Erickson, Marie worked as the Director of Education and Training for the Alzheimer's Association, Greater Michigan Chapter. She remains active with the Alzheimer's Association. Marie holds a BS in Gerontology from Madonna University in Livonia Michigan and a Master in Administration from Central Michigan University.

### **Joseph Guidetti, Dining Services Director**

**Joe** joined Erickson in 1999 and was appointed the Director of Dining Services at Maris Grove in May 2006, having worked as the Assistant Dining Director at Seabrook Village and Director of Dining Services at Ann's Choice. Joe has over 29 years of experience in Dining Services. He began his career in the food service industry while in the United States Navy, where he was a cook and a baker and graduated from the US Navy Food Services School. Prior to working at Erickson, he held a number of positions including Food Production Manager, Service Manager and Restaurant Manager.

### **Erik Jost, CPMM, General Services Director**

**Erik** joined Erickson in May of 2006. He started as the Senior Facilities Manager in General Services. He was promoted to the Director of General Services in August of 2008. He has over thirteen years of experience in the various departments within General Services, including Maintenance, Engineering, Security, Housekeeping and Laundry. Erik has served on many teams over the past three years including the Maintenance and Engineering Peer Team Leader and the Subject Matter Expert (SME) for the maintenance and engineering/preventative maintenance requirements during the recent work order system replacement project throughout Erickson. Erik was also awarded the Leadership Award-Manager of the Year in 2006. Prior to coming to Maris Grove, Erik has had a successful career in the area of management and engineering with the United States Navy, Federal Building Management and with Sunrise Senior Living. Erik holds a Bachelor of Science degree from Newman University.

### **Kathy McCrossin, Marketing Director**

**Kathy** joined Maris Grove in 2006 and was promoted to Marketing Director in 2010. She was a member of the team who launched the most successful openings in Erickson history. A graduate of Delaware County Community College, Kathy came to Maris Grove with extensive real estate experience.

## **Steven Rovner, Administrator for Renaissance Gardens**

**Steve** joined Erickson in June 2006 as Associate Executive Director and transitioned in 2010 to assume overall responsibility for Renaissance Gardens. Steve brings more than 25 years of healthcare executive experience to his position at Maris Grove. He holds a B.A. from Pennsylvania State University, and a Masters in Public Administration from American University in Washington, D.C. Prior to joining Erickson Retirement communities, he served in an operations position for Marriott/Sunrise Senior Living. He is a licensed Nursing Home Administrator in Pennsylvania and Delaware and served as a board member with the Delaware Health Care Facilities Association.

## **Phillip C. Taylor, MD, Medical Director (retired June 2011)**

**Phil** joined Erickson in 2006 as Maris Grove's Medical Director. Dr. Taylor has a BS from Haverford College and his MD from Temple University School of Medicine. His most recent faculty appointments included Clinical Assistant Professor of Medicine and Associate Fellow of the Institute of Aging at the University of Pennsylvania Health System. From 1996-2002 he was a Clinical Associate at the University of Pennsylvania School of Medicine. He has been an active staff member at Chestnut Hill, Presbyterian and Hospital of the University of Pennsylvania. He has specialty certification in both Internal and Geriatric Medicine. Dr. Taylor has held various medical directorships in area nursing facilities. He is currently a member of the American Geriatrics Society and the American Medical Directors Association.

We would like to take this opportunity to thank Dr. Taylor for his service to the residents of Maris Grove. He has been an integral part of the success of this community and we wish him well as he begins traveling the road to retirement.

## **Current Resident Advisory Council (RAC)**

### **Eleanor Davis- Chair**

Eleanor was born in Philadelphia, PA and then moved to Delaware. Eleanor attended the University of Delaware for 2 years and worked for Vick Chemical Company for 11 years. She then went to work for Atlas Chemical Industries as a clerk moving up to Manager after becoming a certified Employee benefit Specialist. Eleanor retired in 1991 and returned to the University of Delaware at age 62 to get her long delayed Bachelor Degree. After a year long battle with cancer, Eleanor worked as a volunteer for the American Cancer Society where she received a number of awards for services rendered. During this time she also served as president on the board of the condominium association where she lived. After another bout with cancer, Eleanor decided to sell her condo and move to Maris Grove where she is learning to play billiards, bocce and is making lots of new friends.

### **Ralph DeLucia, Vice Chair/Finance Committee Liaison**

Ralph served in the US Army during the Korean War (1951-1953). After discharge, he worked for MetLife as a licensed Life-Health-HO-Auto Insurance-Variable Annuities and member of NSAD. He retired after 25 years and spent the next 15 years as a field auditor

for the Attorney General of the commonwealth of Pennsylvania, auditing financial and procedures in District Courts. His activities in politics include 16 years as a Councilman in the borough of Clifton Heights, PA; 12 of those years as President. His activities in community affairs include being past President, Board Member and current Treasurer of the Delaware Co. Assoc. of Boroughs. Before moving to Maris Grove he was President and Trustee of Holiday City, an adult community in Monroe Township, New Jersey. Maris Grove activities include being a member of the Veteran Club, Italian American Social Club, Computer Club/Treasurer and the Woodwork Club; served on the Christmas Craft Committee. Ralph has been married for 57 years to Rosemarie. They have two sons and seven grandchildren.

**Peg Showalter, Secretary**

Peg was born and raised in Coatesville, PA, but moved to Wilmington, DE, after college to work for Du Pont. She and her now deceased husband, Bill, lived in Claymont until moving here in 2007. They have three children and five grandchildren, all in Delaware. After her children were born, Peg spent many hours volunteering for her church, serving on Boards and working in the Food Pantry & Clothing Closet. For close to 40 years, she has been volunteering for FISH, which is an organization providing free transportation for those who have no other means to get to their doctor or hospital appointments. She does both telephone duty and driving. She also led two women's church groups and recently returned from her second trip to New Orleans where she does repair work on houses devastated by Hurricane Katrina.

**John Caskie-General Services Liaison**

John was born in Kilmarnock, Scotland. He graduated from Sir George Williams University Montreal Canada with a BSc in Chemistry and a minor in Physics. John worked for C.I.L. Paints and Sherwin Williams for the first half of his career, the last 21 years of his career he was part owner of Mac Specialty Coatings in South Jersey. He retired in 2001. John enjoys rugby, golf, tennis, cricket, building and flying radio controlled model gliders. He has been married to his wife Elinor for 54 years. They have two children and five grandchildren.

**Walter Copper – Renaissance Gardens Liaison**

Walter is a retired Business Logistics Manager who worked for Procter & Gamble. He is a Navy veteran with 30 years total active and reserve service. He retired in 1986 with the rank of Captain. He has a BA degree from Duke University and an MS degree from the University of Tennessee. He moved to Maris Grove from Wilmington, DE in November 2008.

**Joseph Debler, Medical Center Liaison**

Joe was born in New York City and raised in Queens, New York. After marrying his wife, Diane, they moved to Piscataway, New Jersey where they lived for 38 years and raised a daughter, Barbara. Joe has a Master of Science Degree from St. John's University. He has held various jobs from salesman, police officer and fire commissioner but his main profession was that of a biologist working for the Federal Government. He spent six years working for the Navy in their biological weapons defense program. He worked the

remaining 24 years with the Army Corps of Engineers preparing environmental reports and doing environmental field studies. The Deblers enjoy spending their vacation time cruising the high seas.

### **Hazel Gregory –Dining Services Liaison**

Hazel was born in Canton, Illinois. She went to business college in Peoria, Illinois and in 1942 went to Washington D.C to work for the Federal Bureau of Investigations as secretary to the Inspector in charge of the Identification Division. She met and married her husband in Washington, he was in the Navy. After the war they moved to Madison, Wisconsin, where her husband did graduate work and she went to night school at the University of Wisconsin. After her husband completed his study there, he accepted a position with Hercules Inc. and they moved to Wilmington, DE. After their three children were in school, Hazel became involved with volunteer work. She joined the Junior Board of the Wilmington General Division Hospital, which later became part of Christiana Care Hospital. Hazel moved to Maris Grove in 2006 and still volunteers once a week at the Westminster Presbyterian Church in Wilmington.

### **Dick Signorelli, Resident Life Liaison**

Dick is a native of northern New Jersey. He is a graduate of Newark College of engineering, earning a Bachelor and Master Degree in Chemical Engineering. He did his Graduate work toward an MBA at Fairleigh Dickinson and Columbia Universities. Upon completing his military service as a Chemical Engineer at Frankford Arsenal in the Frankford section of Philadelphia, he entered corporate life beginning his corporate career in the technical area and eventually gravitating into corporate management. Dick has traveled and lived in several foreign countries: Japan, Ireland, Italy and Switzerland where he was made President of US operations for a Swiss Polymer Company. His final corporate assignment, prior to retiring, was as the General Manager of the Specialty Paper Chemical Division and Director of the Specialty Chemical Group for Celanese Corporation. Upon retiring, Dick became an adjunct Professor at the University of North Carolina, Charlotte, where he taught, “Long Range Planning” to the senior graduating class of the business school. He also was a lecturer for the American Management Association (AMA). Dick has a daughter living in Northern New Jersey and one in Berkeley, California. He is the grandfather of two granddaughters.

# **Organization and Governance**

## **Organization**

Maris Grove, Inc. is organized as a not-for-profit corporation and is an affiliate of National Senior Campuses, Inc. (NSC). Maris Grove, Inc. is governed by its Board of Directors, whose members are independent of Erickson Living Management, LLC (Erickson Living) and its affiliated organizations. No Erickson Living employees may serve on the Board of Directors.

The Maris Grove Board is responsible for oversight of the development, financing and operations of the Community. The Board has retained Erickson Living to provide management services to the Community pursuant to a Management and Marketing Agreement. With no private shareholders to pay, the Community's net assets are retained for the long-term benefit of current and future residents and to further the Community's charitable mission.

Maris Grove, Inc. is one of 15 communities supported by National Senior Campuses, Inc. (NSC). NSC acts as an umbrella organization by organizing separate not-for-profit corporations that operate retirement communities (such as Maris Grove) and providing ongoing strategic planning, governance and operational resources to the community boards. It also develops and monitors overall policies and guidelines for operations and standards of care in order to promote efficiency while preserving the high-quality standards of its supported organizations. NSC develops long-range strategic plans and formulates relationships that are beneficial to its supported organizations and promote cost savings within the system.

The Board of NSC currently consists of nine (9) independent Directors, each of whom brings a particular expertise to the Board. To assure that NSC is responsive to its Supported Organizations that own and operate the communities at least one of the Directors of each Supported Organization is also a Director of NSC. This allows each Supported Organization to have representation and direct involvement in the formulation of the policies and activities of NSC that affect the community.

For more information about the organization and governance of Maris Grove, Inc. and NSC, please visit our web site [www.NationalSeniorCampuses.org](http://www.NationalSeniorCampuses.org).

## **Board of Directors**

All corporate authority resides in the Maris Grove, Inc. Board of Directors as fiduciaries of the Corporation, subject to the requirements and restrictions set forth in the Corporation's Charter, Bylaws and applicable law. As fiduciaries, the Directors are the stewards of the corporation's assets and have the responsibility for seeing that the corporate mission is being fulfilled and that the assets of the corporation are being effectively used for that purpose.

Erickson Living is responsible for the day-to-day management of Maris Grove, Inc. pursuant to a Management and Marketing Agreement between Maris Grove, Inc. and Erickson Living. The Board of Directors regularly monitors the quality and effectiveness of management performance and decisions including the execution of its strategies in support of the mission.

The Board of Directors comprises a maximum of 11 and a minimum of 6 people. At least one of the Directors of Maris Grove, Inc. must be a member of the Board of Directors of NSC and is appointed by NSC to a one-year term. One of the members of the Board of Directors must be a resident of Maris Grove.

Maris Grove Inc.'s Board of Directors is committed to maintaining strong corporate governance principles and practices. The Board periodically reviews evolving legal, regulatory and best practice developments to determine those that will best serve the interests of our stakeholders.

If you would like additional information about our corporate governance practices, you may view many of the documents listed below at [www.NationalSeniorCampuses.org](http://www.NationalSeniorCampuses.org) or visit the Executive Director's office where you will be provided access to review the contents of the Community Reading File:

- Corporate Governance Guidelines
- Amended and Restated Articles of Incorporation
- Bylaws
- Form 1023 – Application for Recognition of Exemption
- IRS 990, Return Of Organization Exempt From Income Tax (most recent year)
- IRS determination letter recognizing exempt status under 501(c)(3)
- Management and Marketing Agreement
- Official Statement of Bond Issue (as applicable)
- Audit Committee Charter
- Conflict of Interest Policy
- Community Board Resident Director Recruitment Policy and Procedure
- RAC Handbook
- Summary copy of current year budget and rolling three-year business plan
- Annual Report (most recent copy) which contains the Mission Statement, Management Report, Director Biographies, and Organization Chart
- Audited Financial Statements

### **Corporate Governance Guidelines and Committee Charters**

The Corporate Governance Guidelines and the charters of the committees of the Board of Directors describe our corporate governance practices. The Corporate Governance Guidelines and charters are intended to ensure that the Board has the necessary authority and practices in place to review and evaluate our business operations and to make decisions that are independent of the Management Company. The Corporate Governance Guidelines establish the practices the Board follows with respect to board composition and selection, board meetings, board committees and Director compensation. Members of the Board of Directors are expected to participate in continuing education activities designed to maintain their knowledge of current industry developments and corporate governance

practices. To achieve the Board education objective the Board maintains memberships in leading corporate governance trade associations such as the National Association of Corporate Directors and Board Source. The Board annually conducts a self-evaluation to assess compliance with the Corporate Governance Guidelines and identify opportunities to improve Board performance.

The Corporate Governance Guidelines and committee charters are reviewed periodically and updated as necessary to reflect changes in regulatory requirements and evolving oversight practices.

### **Board Activities 2010-2011**

In April 2010, the sale of assets of the prior manager, Erickson Retirement Communities, was approved by the bankruptcy court. Erickson Living Management was organized by the purchaser as a new company. As the community's independent, not-for-profit board, the Maris Grove Board entered into a management contract with the new Erickson Living organization and will continue its oversight role in this relationship.

As the sale of the Erickson Retirement Communities assets was being undertaken, the Board carried on its work at the community and regional level and the "Residence and Care Agreement" currently in effect continued to be honored. The Board will continue its dedicated service to residents working together with the local management team and with the support of Erickson Living.

During 2010, the Board held its formal quarterly meetings and additional meetings, as necessary. Among the actions taken by the Board during 2010-2011 were:

- Approval of the Budget for 2011.
- Meetings with the Residents Advisory Council to receive their input on the effectiveness of community operations and priorities.
- Review of the results of the annual Residents' Satisfaction Survey including the Action Plans proposed by Erickson Retirement Communities to address matters needing corrective action as reported in the survey.
- Meeting with the residents at the Annual Town Meeting to review the operations of Maris Grove, Inc.
- Special meetings and all board meetings to discuss Erickson issues and Maris Grove, Inc. issues.
- Special RAC meetings, town meetings, and letters regarding governance, Erickson and Maris Grove, Inc. issues with residents.
- Meeting with residents to discuss the 2011 budget and fees.
- Numerous meetings with the Executive Director and management staff to review operating, compliance and financial reports.
- Maris Grove, Inc. Board and NSC Board member support of the Benevolent Care Fund and gala, and other fund-raising efforts.

Maris Grove, Inc. requires Erickson Living to adhere to a Code of Business Conduct, a Compliance Plan and a Whistleblower Policy. The Board regularly receives reports from Erickson Living on the continued adherence to these policies.

During 2010, the Board recruited additional regional Directors to expand the skill sets of the Board and to help build Maris Grove, Inc.'s relationships with and connections to the community in which it is located. A full listing of the Board of Directors appears at the end of this section of the report.

The end of the 2010 Board year ended with the annual Forum of the Boards of NSC and all 15 NSC Communities, as well as with Erickson Living's senior leaders. Both the Erickson people and the Directors found the Forum to be an enthusiastic, productive, and positive meeting in which we explored and discussed such issues as:

- the state of the senior housing market,
- the financial health of our community,
- budgetary issues,
- the delivery of health care,
- marketing strategies and results,
- compliance with a myriad of governmental and financial requirements,
- Legal issues and many more.

For new Directors at any of the Communities, our time included a thorough orientation program that explained the Board's governance role, its oversight of the Community's financial health, and its operation. The Forum also saw the passing of the Chair's gavel. Long-time Chair Stan Elwell decided to step away from the Chair's duties. Bill Kennedy, another long-time Board member, now serves as Chair of Maris Grove, Inc. The Board is very grateful, however, that Mr. Elwell will remain on the Board.

## **Committees of the Board of Directors**

The Board of Directors has appointed various Committees to undertake certain aspects of the Board's duties. Each Committee is governed by a Committee Charter that was approved by the Board of Directors. The Committee members are shown with the organization chart at the end of the Governance section.

### **Executive Committee**

The Executive Committee comprises the Chairperson of the Board, President, Treasurer and Secretary; and has the authority to act for the Board of Directors between meetings in accordance with powers granted by State law and bylaws provisions.

### **Audit Committee**

The purpose of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control over financial reporting and the qualifications and performance of the independent public accounting firm engaged as the Community's independent auditor.

The Committee relies on the expertise and knowledge of the Management Company and the independent auditor in carrying out its oversight responsibilities. The Management Company is responsible for the preparation, presentation, and integrity of our financial

statements, accounting and financial reporting principles, internal control over financial reporting, and disclosure controls and procedures designed to ensure compliance with accounting standards, applicable laws, and regulations. The Management Company is responsible for objectively reviewing and evaluating the adequacy, effectiveness, and quality of our system of internal control. The Community's independent auditor, PricewaterhouseCoopers LLC, is responsible for performing an independent audit of the financial statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in the United States.

With respect to 2010, the Audit Committee met with PriceWaterhouseCoopers to review the audited financial statements and the auditor's report, to review the auditor's report on internal controls as well as the management company's response and planned corrective actions, and to review other matters that the auditors are required to discuss with the Audit Committee. Upon completion of its work with respect to the 2010 audit, the Audit Committee will deliver its report to the residents at a Town Meeting.

### **Investment Committee**

The purpose of the NSC Investment Committee is to assist Board of Directors to fulfill its oversight responsibilities with respect to the investment, monitoring, accountability and control of Benevolent Care Funds, Excess Cash and other community funds as may be appropriate. The Committee is an Advisory Committee with Director Representatives drawn from the Boards of Directors of NSC and the Communities. The Investment Committee was formally established as a separate Committee in January 2009. Previously the monitoring of investment activities was provided through an Investment Subcommittee of the Finance & Acquisitions Committee, which is no longer a functioning committee. The Boards of Directors of NSC and its Supported Communities decided to create a separate Investment Committee in recognition of the growing levels of investment dollars across the communities and the need to provide a singularly focused committee to oversee these funds.

### **Director Compensation**

In 2010, Maris Grove, Inc. paid a total of \$54,000 in compensation to the members of the Board of Directors of Maris Grove, Inc.

Directors' compensation for Maris Grove, Inc. was recommended by NSC and was approved by the Maris Grove, Inc.'s Board of Directors based upon the recommendations of an independent compensation consultant retained to review the reasonableness of Directors' compensation. In determining the amounts of compensation, the Board and the consultant considered the time and expertise requirements of Directors and fees paid to Directors of comparable companies, both for-profit and not-for-profit.

### **Form 990**

A copy of the most recent Form 990, Return of Organization Exempt from Income Tax, can be reviewed in the Executive Director's Office or online at [www.NationalSeniorCampuses.org](http://www.NationalSeniorCampuses.org).

## **Board of Directors**

### **Bill Kennedy, Chair**

Mr. Kennedy is a litigation partner in White and Williams, LLP, a large civil law firm with offices throughout the Mid-Atlantic, where he defends hospitals, doctors, and nurses against claims of medical negligence. Mr. Kennedy received his B.A. from Bucknell University and his Juris Doctor from the Dickinson School of Law.

### **Barbara C. Bisgaier**

Ms. Bisgaier has more than thirty-six years of experience in government and public finance. Currently, she serves as managing director of Public Financial Management (PFM) and the financial advisor to the City of Philadelphia. Past clients include the New Jersey Environmental Infrastructure Trust, the New Jersey Turnpike Authority and the State of Delaware. Prior to joining PFM, Ms. Bisgaier was an associate at the Philadelphia-based real estate firm of Strouse, Greenberg & Co. Ms. Bisgaier is a graduate of Mount Holyoke College and received a master of City and Regional Planning degree from Rutgers University.

### **Walter Burdick**

A current resident of Maris Grove and former Director of Strategic Program Marketing for UNISYS Corporation, Mr. Burdick combines 27 years of management expertise with active involvement in the community to provide a unique combination of professional skills and personal experience. Strong interpersonal skills, objectivity, and commitment to consensus enhance his ability to help create strategies that contribute to lasting improvement. In addition to his activities at Maris Grove, Mr. Burdick also serves as a trustee on the executive board of Unisys Blue Bell retirees.

### **Mary DiGiacomo Colins**

For fourteen years, Judge Colins served on the Court of Common Pleas of Philadelphia County. In 2004, she was appointed a member of the Pennsylvania Gaming Control Board by Governor Rendell and later served as Chairman. Her teaching and lecturing credits include Rutgers University Law School, Temple University School of Hospitality and Management and University of Virginia School of Law, among others. She is currently Mediator/Arbitrator for ADR Options, Inc.

### **Stan Elwell**

Mr. Elwell is the former President, Chief Executive Officer and Trustee of Episcopal Hospital in Philadelphia having served this major community teaching hospital for twenty five years. While at Episcopal he was also active in health association activities including a term as Chairman of the Hospital Association of Pennsylvania. His career in healthcare management began on the administrative staff of Duke University Medical Center. He earned a Masters in Hospital Administration from Duke University and a Bachelors of Science from Iowa State University.

**Fred Gruel**

Mr. Gruel is a graduate of Fordham University in New York and holds a Masters in Business Administration from Florida State University. Currently, he is President and CEO of AAA New Jersey Automobile Club and its subsidiaries and a member of the AAA Foundation for Traffic Safety Research and Development Advisory Board and the AAA Public Affairs Committee. Mr. Gruel is the former Chairman of the Morris County Chamber of Commerce, the current Treasurer of the Board of the Employees Association of New Jersey and Vice Chairman of the Newark Regional Business Partnership. He also served on the boards of the New Jersey State Safety Council, Jersey Battered Women's Service, William Paterson University of New Jersey and New Jersey Association of State Colleges and Universities.

**Fred Haas**

Mr. Haas received his B.A. in accounting from Penn State University in 1966. After joining the air force, Mr. Haas was commissioned as a 2<sup>nd</sup> Lieutenant in 1967. He served as an aircraft maintenance officer until his discharge in 1971. Following his military career, Fred joined the accounting firm of Coopers and Lybrand in Philadelphia, became a CPA in 1973, and was admitted to the partnership in 1978. In 1983, Mr. Haas transferred to the Baltimore office, where he headed the tax practice until he retired in 2001. After retiring in 2001, Mr. Haas returned to the Philadelphia area where he continues to serve individual tax clients on a part time basis.

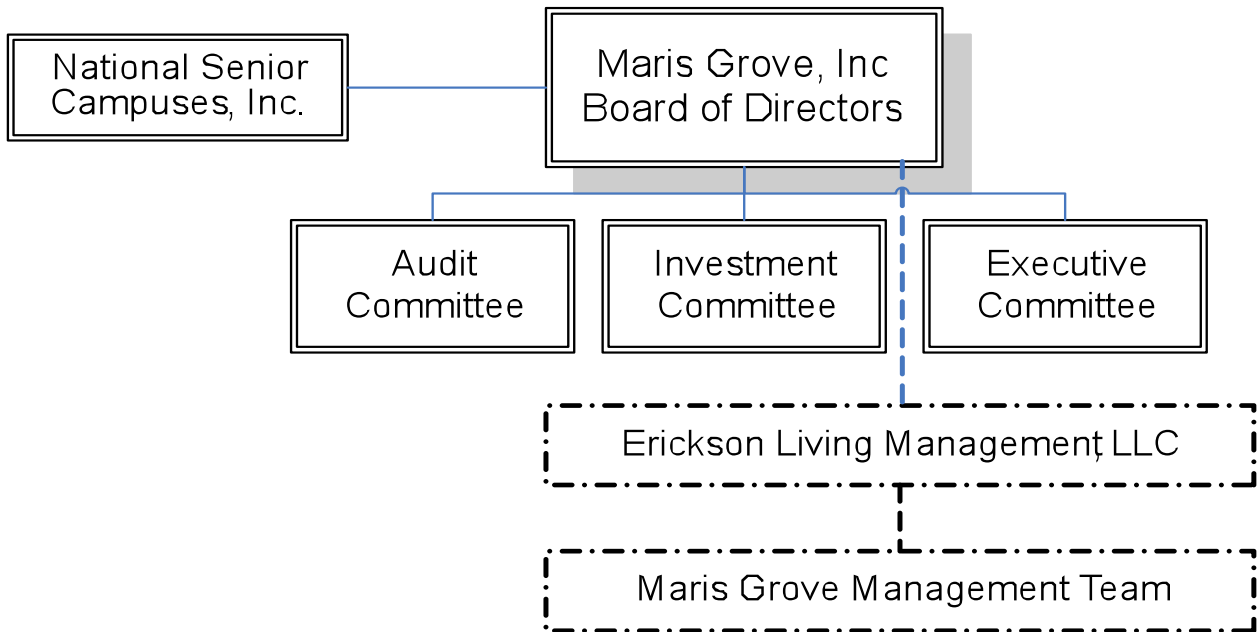
**Ken Longman**

Mr. Longman worked for over 20 years in a partnership in a marketing modeling firm in Greenwich, CT and Princeton, NJ. He has served as adjunct professor of Marketing at the University of North Carolina at Chapel Hill. He has held top positions with Young and Rubicam, NW Ayer & Son, and J. Walter Thompson Company. Mr. Longman has published articles in various Marketing trade journals, and published a text book on advertising. He has been active with Canine Companions for Independence in both New Jersey and Philadelphia. Mr. Longman has lived at Ann's Choice since 2003 and has served as Chair of the Ann's Choice Resident Advisory Council.

**Arnold Speert**

Dr. Speert served as the sixth president of William Paterson University from 1985 until his retirement in July 2010. He earned his Ph.D. in Chemistry from Princeton University where he was a National Institutes of Health Fellow. He has served on the boards of seven non-profit institutions, two of which he chaired. In addition he has served on the boards of the State Farm Indemnity Company, The Ramapo Bank and the Broadway Bank and Trust Company. Dr. Speert also was a founding commissioner of the Passaic County (NJ) Improvement Authority. His areas of expertise include institutional governance, institutional community building, diversity and the mutual dependence of the three.

## Maris Grove Organizational Chart



**LEGEND:**

- \_\_\_\_\_ = governance relationship (by charter or bylaws )
- = contractual relationship

**Executive Committee:**

- William Kennedy
- Fred Haas
- Barbara Bisgaier
- Walter Burdick

**Audit Committee:**

- Fred Haas
- William Kennedy
- Walter Burdick

**Investment Committee:**

- Jim Anders
- Fred Haas
- Willow Pasley
- Larry Shubnell
- Jim Hayes

There is a great deal of time, commitment, professionalism, dedication, respect, trust, and just plain old hard work that goes into making Maris Grove the warm and welcoming Community that you have come to enjoy. As a Board, we are proud of the job our managers have done during some extraordinarily trying times. We look forward to continued success as we share our gifts to create and maintain a Community that celebrates life!

**Maris Grove, Inc.**  
**Statements of Operations**  
**for the years ended December 31, 2010 and 2009**

	2010	2009
Unrestricted revenues, gains and other support:		
Resident occupancy revenue	\$ 27,074,718	\$ 19,474,880
Ancillary fees	3,361,709	3,048,356
Amortization of resident deposits, net of marketing expenses	5,105,205	4,883,695
Interest income	11,763,331	10,027,750
Processing fees	13,650	44,850
Other revenue	364,661	277,344
Net assets released from restriction	<u>69,768</u>	<u>76,758</u>
Total revenues, gains and other support	<u>47,753,042</u>	<u>37,833,633</u>
Expenses:		
Salaries, wages and benefits	14,700,396	11,522,583
Rent	4,711,134	13,306,022
Professional and contracted services	3,191,546	2,981,668
Supplies	1,381,428	803,890
Dietary and other supplies	2,318,184	1,867,045
Building grounds and maintenance	658,188	651,361
Utilities	2,057,739	1,415,424
Administrative and other	883,480	464,076
Management fees	1,345,056	782,783
Resident relations	523,331	416,586
Insurance	282,943	311,353
Interest	12,036,174	791,423
Real estate taxes	3,786,498	3,000,133
Depreciation	4,205,309	1,596,051
Expenses incurred related to temporarily restricted net assets	<u>69,768</u>	<u>76,758</u>
Total expenses	<u>52,151,174</u>	<u>39,987,156</u>
Operating loss	(4,398,132)	(2,153,523)
Other income:		
Gain on forgiveness of working capital loan and related accrued interest	<u>25,641,890</u>	<u>-</u>
Excess of revenues over expenses / (expenses over revenues)	<u>\$ 21,243,758</u>	<u>\$ (2,153,523)</u>