

# FY 16–17 Annual Report



VCLC Homelake's visiting lamb, Kiwi.



## MISSION

Under the direction of the Colorado Department of Human Services, the mission of the Division of Veterans Community Living Centers is to honor and serve our nation's veterans, their spouses and Gold Star Parents by creating opportunities for meaningful activity, continued growth and feelings of self-worth in resident-centered long-term care and supportive living environments.



**COLORADO**

**Department of Human Services**

Veterans Community Living Centers

## Dear Stakeholders:



Aaron Termain

As I close my second year as the Director of the Veterans Community Living Centers of Colorado (VCLCs), I wanted to share with you some of the significant accomplishments we have realized in the past year.

First and foremost, our team is continuously striving to provide exceptional care to veterans, spouses and Gold Star Families. I personally

spend time in each home every month to meet with the leadership teams, staff, residents and families. I also hold listening sessions to obtain feedback from all levels of our organization. I have taken these steps to fulfill the purpose of the VCLCs, which is to provide the best care, therapies and support to our residents in an environment of honor, dignity and respect and thereby create opportunities for meaningful activity, growth, self-worth and quality of life.

This past year, we have continued our mission of partnership—expanded relationships with veterans’ organizations, veterans, healthcare providers, community organizations and members of the communities in the areas we serve.

Our teams continue to streamline the admission process to meet the needs of both our healthcare partners and our veterans. We have also participated in statewide VFW, American Legion, Disabled American Veteran (both in Colorado and Wyoming), and Veterans Service Officer conferences as well as the annual Veterans Salute event. We

remain humbled and thankful for the generous donations our homes receive from our community partners. These funds are used for resident needs, activities and events.

An important initiative for our homes is to make sure we have the staff to care for our veterans, spouses and Gold Star families. In a very competitive health care hiring environment, we initiated ongoing recruitment and retention initiatives, including hosting job fairs and hiring events to recruit staff to care for our veterans.

Our VCLC Commission had the opportunity to once again travel to all of our homes this past year to meet with our veterans, spouses and staff.

Our teams accomplish their responsibilities collaboratively and with compassion and professionalism. I have observed how they build strong, positive relationships with our residents, our communities and partners. Each of our homes in the VCLC system is well along the path in their efforts to develop and sustain these relationships and share our culture of dignity and respect across our homes, division, CDHS, communities and stakeholders.

I remain humbled by the heroic veterans and families I meet every day. It is an honor to share my commitment that our teams will continue to carry out the exceptional care our veterans and families deserve.

Aaron M. Termain, Director



Kathleen N. Dunemn

The Commission on Veterans Community Living Centers (VCLCs) was created by statute in 2007 to provide continuity, predictability and stability in the operation of the homes, and to advise the VCLC Division Office and each of the communities with its recommendations. The Commission meets six times a year, and again this year we have met

at each of the four veterans’ communities.

Reports received and topics discussed at our meetings include the quality of care provided to the residents, the results of surveys conducted by the State and the VA, and updates on the census and financial conditions of each community. An important series of reports has kept the Commission informed on the development of the parcels north and south of the Fitzsimons VCLC. These discussions may lead to recommendations, as appropriate, to the Division Office or to the leadership of the Department of Human Services.

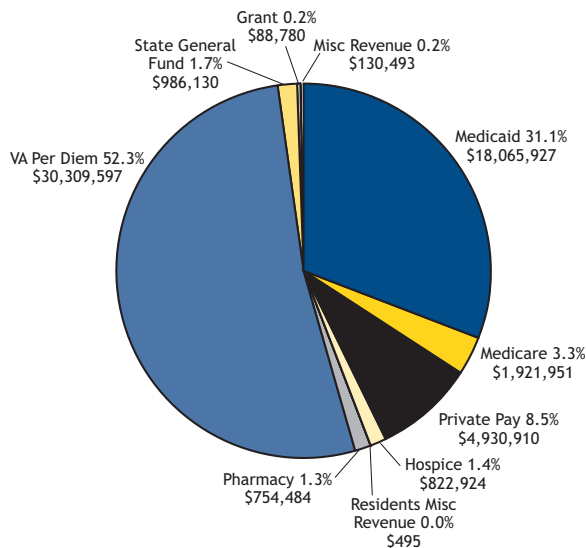
Traveling to the homes has given the Commission members the opportunity to interact with the residents and staff and to hear directly from the leaders of each home. In addition, the visits offer the opportunity to see first-hand the physical condition of the facilities and to discuss the improvements needed for maintenance and equipment. We have benefited from the feedback received and the concerns expressed by these sources. Our travel and time taken to visit the homes has been seen as a positive departure from holding our meetings only in Denver. For example, the residents we have met have appreciated our visits and they have spoken highly of their experience as residents at the homes. Because of the beneficial outcomes of our on-site visits to the veterans’ communities, the commission will continue the practice of meeting at each of the VCLCs in the next year.

Kathleen N. Dunemn, Ph.D., APRN, CNM, Chair  
Colonel (Retired) US Army  
Commission on Veterans Community Living Centers

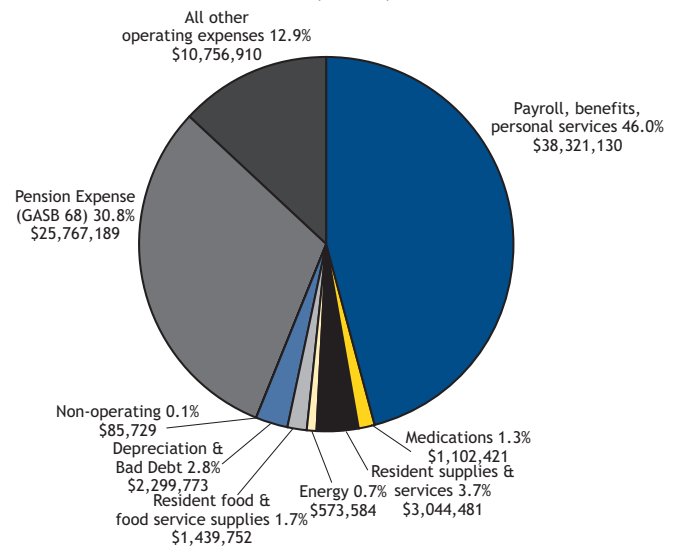
# Financial Overview: Division of Veterans Community Living Centers

Veterans Community Living Centers	FY 14-15	FY 15-16	FY 16-17
Revenue	\$55,960,719	\$55,200,826	\$58,011,691
Operating Expenses—Cash	\$52,636,671	\$53,216,678	\$55,238,278
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$2,445,014	\$2,203,346	\$2,299,773
Non-Operating Expenses (Bond Cost)	\$86,706	\$68,679	\$85,729
Pension Expense—GASB 68	\$2,217,283	\$2,945,820	\$25,767,189
Total Expenses	\$57,385,674	\$58,434,523	\$83,390,969
Profit/(Loss)	(\$1,424,955)	(\$3,233,697)	(\$25,379,278)

## FY 16-17 Revenue: \$58,011,691



## FY 16-17 Expenditures: \$83,390,969



## FY 16-17 Resident Census

Veterans Community Living Centers	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Total Beds	604	604	604	604	604	604	604	604	604	604	604	604	604.0
Average Census	499	509	497	503	495	495	507	509	508	501	502	504	502.4
Average Occupancy	82.6%	84.3%	82.3%	83.3%	82.0%	82.0%	83.9%	84.3%	84.1%	82.9%	83.1%	83.4%	83.2%

## Financial Analysis

The Division posted a net loss of \$25,379,278 for Fiscal Year 2016-17 compared to a loss of \$3,233,697 for Fiscal Year 2015-16. As will be discussed below, the main reason for the significant increase in the size of loss this year was an increase in pension expense.

Revenue increased by 5.1 percent due to a higher census than the previous fiscal year. The average occupancy for the VCLCs increased by 1.6 percentage points from 81.6 percent in FY 2015-16 to 83.2 percent in FY 2016-17.

Operating Cash Expenses increased by \$2,021,600 due to an increase in State employees' benefits expenses and inflation.

For FY 2016-17, according to the GASB Statement No. 68—Accounting and Financial Reporting for Pensions, the

State, as a cost-sharing employer participating in a defined benefit plan, was required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity's financial statements as a non-cash operating expense. The pension expense recorded by the VCLCs increased by \$22,821,369 from \$2,945,820 in FY 2015-16 to \$25,767,189 in FY 2016-17 due to the change in assumptions of calculated pension liability.

Each Center continues to concentrate on improving their census through increased marketing efforts. In addition, each VCLC must closely monitor and control its operating expenses to remain profitable, especially if its census decreases.

## Letter to Stakeholders



Carrie Escalante

Veterans Community Living Center (VCLC) at Fitzsimons employees are dedicated to our mission of providing extraordinary veteran-centered care through initiatives fostering growth and development of sustainable operating systems and avenues which cultivate positive relations with residents, families and employees.

The VCLC at Fitzsimons experienced changes in leadership during Fiscal Year 2016-17. The new Director of Nursing, Joan Schwaninger, brings over 30 years of long-term care experience and a wealth of clinical knowledge. As the new Administrator, I bring over 20 years of long-term care experience and a desire to lead a team that embraces excellence and dignity for the people we support. Over the next year, Fitzsimons will focus on the following key priorities: employee relations, providing quality services embracing person-centered care and financial stewardship.

The heart of Fitzsimons is our dedicated team of employees. The longevity and compassion of this team demonstrates daily our commitment to serving our nation's veterans. Strengthening our employee relations is an essential component to our ongoing and future success. As a result, we are implementing initiatives promoting retention, fellowship and education for staff. Embracing person-centered care will be achieved through consistent implementation of manageable systems designed to

monitor compliance and quality measures. An example of an upcoming quality improvement is the transformation of our memory care unit, in addition to specialized staff training. Environmental changes such as specialized multi-sensory interactive installations will also engage our residents.

Financial stewardship is a key priority for Fitzsimons and will be obtained through census development and by providing exceptional customer service to internal and external customers. Fitzsimons works closely with many hospitals, care facilities and veteran service organizations assisting veterans transitioning to our home. Our Admissions and Marketing team work diligently to build and strengthen community relationships, provide relevant information and expand our visibility in the marketplace. Meeting and exceeding our budgeted census will ensure that Fitzsimons can provide exceptional service and maintain a team of quality employees.

The residents at Fitzsimons have a voice when it comes to the care and services they receive. Our residents appreciate the level of involvement with outside entities such as hosting legislative tours, Governor Hickenlooper's visit to sign a Veteran Education Bill and the 150 volunteers that support their home.

Carrie Escalante, Administrator

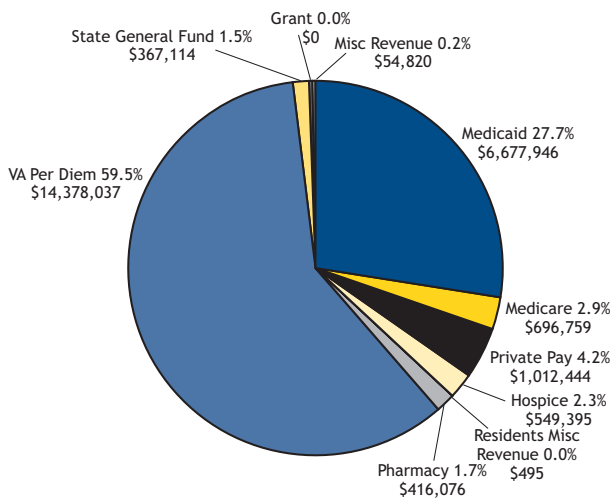
## FY 16-17 Accomplishments

- Awarded Advanced Quality Assurance Performance Improvement 2017, one of 13 nursing facilities in Colorado
- Awarded Embracing Quality Award 2016 for our efforts in continuous quality improvement, one of 2 facilities in Colorado
- Deficiency free 2017 VA survey
- Centers for Medicare and Medicaid Services (CMS) Awarded Fitzsimons a quality rating score of 4 out of 5 stars.
- Pharmacy medical records integration with current electronic medical records system Point Click Care.
- Participated in the Annual CDHS Cook Off—Recipient of Team Spirit Award
- Launched employee recognition peer nominated awards: Employee of the Year, Can Do It Award, and the Team Spirit Award.
- Alasana Bah, RN recognized as a CDHS People Serving People Award recipient—highlighting his exceptional clinical skills and person centered care philosophy.
- Transitioning to our electronic medical records system and decreasing paper charting.
- Training site for: Children's Hospital Colorado Dietetic Internship, Concord School of Nursing, and University of Colorado School of Pharmacy Internship.
- Clinical Study site for Insight Therapeutics High-Dose Flu Vaccination Study, UCH Physical Performance Battery Measures Study, and UCH Clostridium Difficile Study.

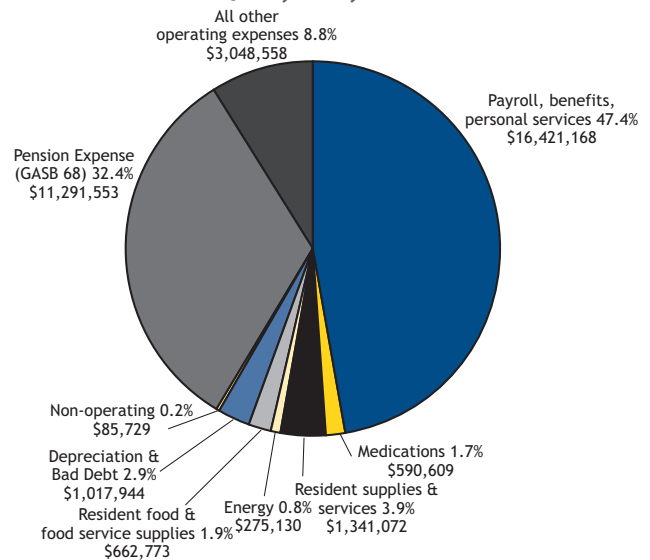
## Financial Overview: Veterans Community Living Center at Fitzsimons

FITZSIMONS	FY 14-15	FY 15-16	FY 16-17
Revenue	\$23,706,103	\$23,295,293	\$24,153,086
Operating Expenses—Cash	\$20,722,066	\$21,031,632	\$22,339,310
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$961,066	\$876,054	\$1,017,944
Non-Operating Expenses (Bond Cost)	\$86,706	\$68,679	\$85,729
Pension Expense—GASB 68	\$790,340	\$977,756	\$11,291,553
Total Expenses			\$34,734,536
Profit/(Loss)	\$1,145,925	\$341,172	(\$10,581,450)

### FY 16-17 Revenue: \$24,153,086



### FY 16-17 Expenditures: \$34,734,536



### FY 16-17 Resident Census

FITZSIMONS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds	180	180	180	180	180	180	180	180	180	180	180	180	180.0
Average Census	161	163	162	168	161	158	164	168	168	168	170	167	164.7
Occupancy	89.3%	90.4%	90.2%	93.1%	89.2%	87.7%	91.3%	93.3%	93.2%	93.4%	94.3%	92.6%	91.5%

## Financial Analysis

Operating revenues for the Veterans Community Living Center (VCLC) at Fitzsimons are derived from private resident payments, Medicaid, Medicare, US Department of Veterans Affairs (VA) and various pension payments. There are 180 dually certified Medicare and Medicaid beds available at the facility. The census goal for the VCLC at Fitzsimons was 94.0 percent or above.

The VCLC at Fitzsimons continued to be profitable for Fiscal Year 2016-17. Revenue increased by \$857,793 mainly due to an increase in census and the VA per diem. The total profit was \$710,103 before considering GASB 68 expense (discussed below). The average census increased by 1.1 percentage points from 90.4 percent in FY 2015-16 to 91.5 percent in FY 2016-17.

Operating Cash Expenses increased by \$1,307,678 in FY 2016-17 due to an increase in the acuity of service-

connected veterans admitted to the facility and to inflation. The facility monitors all expenses closely and conducts monthly reviews with each manager to discuss departmental expenses.

For FY 2016-17, according to the GASB Statement No. 68—Accounting and Financial Reporting for Pensions, the State, as a cost-sharing employer participating in a defined benefit plan, was required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statements as a non-cash operating expense. The pension expense recorded by the VCLC at Fitzsimons increased by \$10,313,797 from \$977,756 in FY 2015-16 to \$11,291,553 in FY 2016-17 due to the change in assumptions of calculated pension liability.

## Letter to Stakeholders



Barbara Moore

We have proudly served our community and the State of Colorado for 40 years! The Bruce McCandless Veterans Community Living Center celebrated our 40th Anniversary on Veterans Day 2016 with strong support from the local community, food and entertainment as well as special recognition for resident John Ferretti who has lived in our home for 36 years. The Mayor of Florence declared the

day “John Ferretti Day” and all who attended had the great pleasure of visiting with him and all the residents of our home throughout the day. The event also featured Navy themed décor and the dedication of two Navy Bells and a large anchor that now rests in the front plaza near the flagpoles.

This past year our home successfully completed our annual State and VA surveys with exceptional performance and achieved a 5-star rating through CMS. In addition, we have increased our clinical focus on fall management, wound care, and dementia care.

Our home recently completed renovations to our resident library and computer room with funding through the Veterans Trust Fund. The Fund also supported the creation of a Sensorium that helps residents with cognitive impairments to participate in low stimulus activities that focus on all senses. The room is equipped with bubble lights, a tactile board, aroma therapy, sound machine, various lights machines, a weighted blanket, heated blankets, and a multi-use massage chair. The room is available for relaxation and non-pharmacological approaches to calming residents with anxiety and agitation. Anyone can benefit from the modules available in the fabulous new space!

As always, we want to thank the many generous military and civic organizations as well as private individuals who support our home through volunteerism and donations. We sincerely appreciate the countless volunteer hours and monetary donations that make it possible for us to participate in community events, fund various projects, outings and special activities. Most of all, our residents enjoy the personal visits and cards from our wonderful friends throughout the year.

Barbara Moore, Administrator

## FY 16–17 Accomplishments

Our most exciting accomplishment in FY 2016-17 was celebrating 40 years of Caring for America’s Heroes! We spent one week celebrating our history, the men and women living in our beautiful home, and the dedicated men and women who work as part of our team. We had an action-packed week, all of which culminated with the official 40th Anniversary Celebration on Veterans Day. With our place decked out with a Navy theme, the event included many heart-warming moments, great food and music, and some very excited and proud residents and staff!

Providing quality care is always a focus, and our efforts paid off in several ways including:

- 5-star Rating through Centers for Medicare and Medicaid Services (CMS)
- Completed annual State Survey with 5 minor deficiencies
- Completed annual VA Survey with 0 deficiencies for fifth consecutive year

It is appropriately difficult to separate quality care from culture change practices and initiatives. Here are some examples of culture change accomplishments for FY 2016-17:

- Received Pay 4 Performance award through CMS for Culture Change initiatives

- Participated in the annual Pioneer Day Parade for nine consecutive years
- Completed leadership training for 10 new staff to serve as Neighborhood Guides and Advocates. Leadership training focuses on mentoring new leaders, creating neighborhood activities, team building, problem solving, and decision making in a team leadership model using established modules
- Completed annual Eden Re-registration, maintaining our Eden Certification for nine consecutive years; application for Milestone 3 is in progress
- Completed Certified Eden Associate training for staff

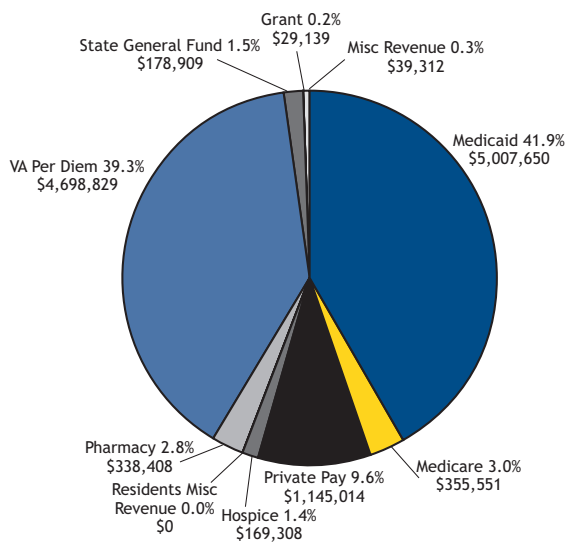
Our Four Seasons Trail Neighborhood, which provides secured memory care, has been enriched with several new and refreshing renovations and additions including:

- Sensory room with soothing lights and music, a massage chair, aromatherapy, a tactile board, and a weighted blanket to soothe anxiety or agitation
- Two wall murals and a fresh coat of paint
- Large covered gazebo

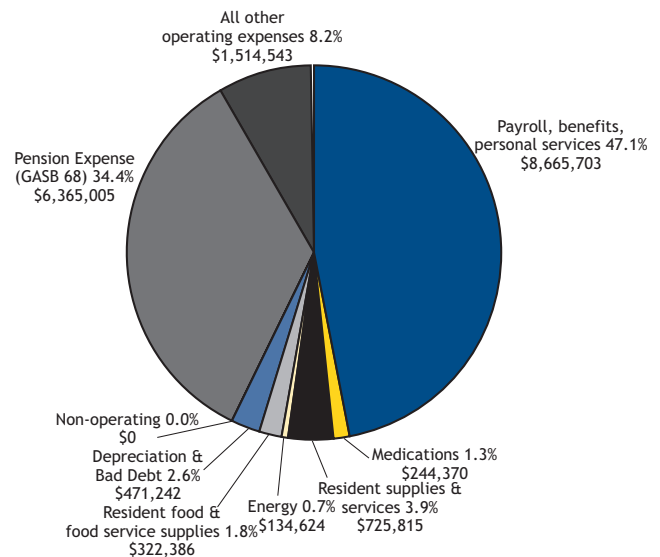
## Financial Overview: Bruce McCandless Veterans Community Living Center at Florence

McCANDLESS	FY 14-15	FY 15-16	FY 16-17
Revenue	\$11,755,555	\$11,170,103	\$11,962,120
Operating Expenses—Cash	\$11,289,750	\$11,450,651	\$11,607,441
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$519,212	\$471,432	\$471,242
Non-Operating Expenses			
Pension Expense—GASB 68	\$772,839	\$1,256,906	\$6,365,005
Total Expenses	\$12,581,801	\$13,178,989	\$18,443,688
Profit/(Loss)	(\$826,246)	(\$2,008,886)	(\$6,481,568)

### FY 16-17 Revenue: \$11,962,120



### FY 16-17 Expenditures: \$18,443,688



### FY 16-17 Resident Census

McCANDLESS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds	105	105	105	105	105	105	105	105	105	105	105	105	105.0
Average Census	85	93	89	88	85	88	90	92	92	92	91	91	89.5
Occupancy	81.4%	88.7%	85.0%	84.2%	80.5%	83.4%	85.6%	87.1%	87.2%	87.2%	86.6%	86.5%	85.2%

## Financial Analysis

The Bruce McCandless Veterans Community Living Center (VCLC) at Florence earned total revenue of \$11,962,120 for Fiscal Year 2016-17. Revenue increased by \$792,017 mainly due to a higher average census than the previous fiscal year and an increase in VA per diem. The average occupancy for the VCLC at Florence increased by 4 percentage points from 81.2 percent in FY2015-16 to 85.2 percent in FY 2016-17. The center continues its efforts to increase the census. Operating Cash Expenses increased by \$156,790 in FY 2016-17 compared to FY 2015-16 mainly due to the increase of State employees' benefits expenses and the inflationary influence in the area of purchased medical services. The center monitors all expenses closely by adjusting monthly spending according to the actual resident census. The use

of a monthly spending sheet has been beneficial to the department managers in controlling variable expenses in accordance with the number of residents in our care.

For FY 2016-17, according to the GASB Statement No. 68—Accounting and Financial Reporting for Pensions, the State, as a cost-sharing employer participating in a defined benefit plan, was required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity's financial statements as a non-cash operating expense. The pension expense recorded by the VCLC at Florence increased by \$5,108,099 from \$1,256,906 in FY 2015-16 to \$6,365,005 in FY 2016-17 due to the change in assumptions of calculated pension liability.

## Letter to Stakeholders



Mindy Montague

The Veterans Community Living Center at Homelake is unique in the fact that with the two levels of care that we provide, our residents can receive a continuum of care if they have any changes in their health care needs. Homelake is dedicated to providing quality long-term care and domiciliary health services with a desire to continuously strive for improving resident care

and satisfaction. Due to our unique campus and the spectrum of care we provide, marketing and visibility to increase our census is always a priority.

Staff welcome all veterans and family members to Homelake and encourage them to live and grow with us. Our residents foster meaningful connections and relationships with staff and are able to be active participants with decisions related to their health care. Our goal is to assist our residents with living fuller lives by promoting quality of life and care through moments of engagement with our dedicated and experienced team. This is accomplished through continuous monitoring and improving quality through our satisfaction surveys to ensure our residents are happy, healthy and safe.

We are able to achieve our mission of providing quality services to our residents through the commitment and longevity of our staff. This commitment is demonstrated through the many compliments received from residents

and family members. This is also evident through the great surveys we received this year by the State and the VA.

Through the continued support of the Community Advisory Board and Homelake Historic Preservation and Restoration Foundation, improvements throughout our campus are continuing. Homelake received a generous donation through the Ralph Outcalt Foundation, which funded a renovation to the Payden Meyer Memorial Chapel. The Chapel is scheduled to be reopened November 2017.

Some major improvements to the nursing home were also completed this year including a telephone system upgrade, floor finish upgrades, roof replacement, interior door refinishing, and a complete kitchen and dining room renovation. To enhance the dining room remodel, new tables and chairs were purchased through the generosity of the Colorado Division of Veterans Affairs/Veterans Trust Fund Grant. Through their kindness we were also eligible to receive additional funding for the Scandent program which is a system for reducing the number of lost and misplaced items such as dentures, hearing aids, glasses and any personal property labeled with the system.

Homelake strives to train and educate our team to deliver the best resident-centered care and services to our residents and family members. It is always a privilege to honor, respect and serve the veterans who have served our great country.

Mindy K. Montague, Administrator

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## FY 16–17 Accomplishments

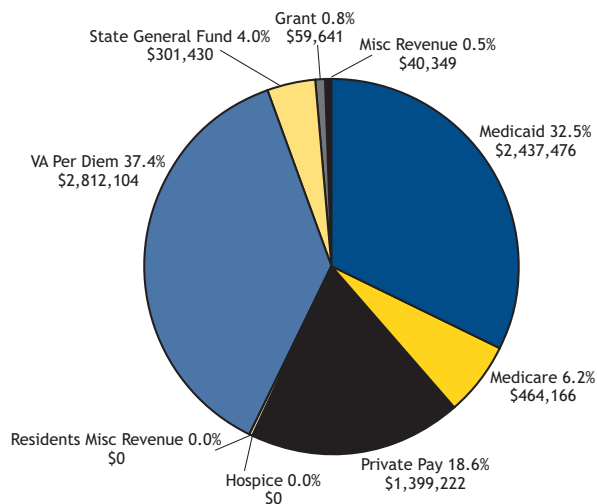
- Homelake was once again given a 5-star rating from Nursing Home Compare which provides quality ratings for each of the nation’s 16,000 Medicare and/or Medicaid-certified nursing homes. Each facility is rated from a low of one star to a high of five stars based on three critical areas: health inspection results, quality measures, and staffing levels. An overall rating is also provided. Homelake is proud to consistently receive an overall rating of four to five stars.
- Homelake continues to provide quality care through consistent assignments. Our staff turnover rate was 2.22% for the year which results in our ability to provide consistent assignments, which promotes strong and lasting relationships between residents and staff.
- The Colorado Department of Public Health and Environment’s annual survey resulted in 12 minor areas for improvement. Our annual VA resulted in two minor deficiencies while the Life Safety and Financial Audit was deficiency free.
- Homelake became a Commemorative Partner for The United States of America Vietnam War Commemoration. Commemorative Partners participate in the commemoration of the Vietnam War by planning and conducting events or activities that will recognize Vietnam veterans and their families’ service, valor and sacrifice. Homelake hosted an event that honored 36 Vietnam veterans.
- Homelake chose to participate in a pilot program that was a collaboration between other Veterans Community Living Centers, the Veterans Health Administration, the National Center for Patient Safety and the Office of Geriatrics and Extended Care Operation to prevent falls and fall-related injuries. The goals were to reduce preventable falls, reduce repeated falls, discuss post fall huddles and reduce serious fall-related injuries.
- Homelake utilizes Abaqis, which is a quality management program that gives us immediate access to performance results and the opportunity to immediately address any deficits which helps to optimize our customer satisfaction. This increases efficiencies in our quality of care and services that we provide.



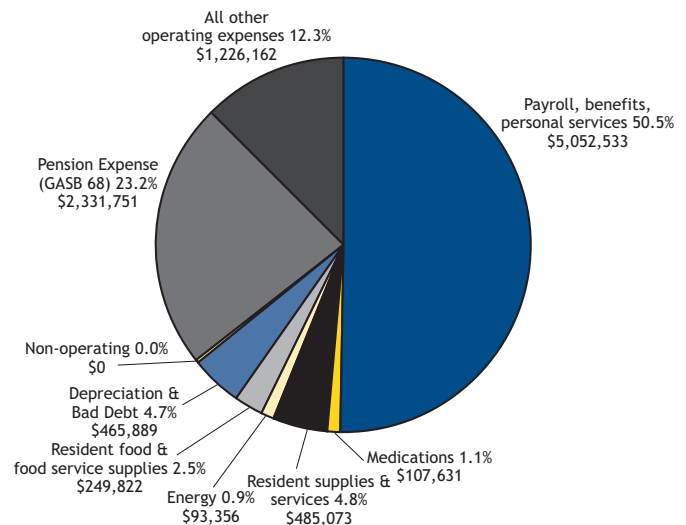
## Financial Overview: Veterans Community Living Center at Homelake

HOMELAKE	FY 14-15	FY 15-16	FY 16-17
Revenue	\$7,381,776	\$7,302,492	\$7,514,388
Operating Expenses—Cash	\$7,164,058	\$7,125,369	\$7,214,577
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$487,892	\$479,257	\$465,889
Non-Operating Expenses			
Pension Expense—GASB 68	\$243,591	\$794,068	\$2,331,751
Total Expenses	\$7,895,541	\$8,398,694	\$10,012,217
Profit/(Loss)	(\$513,765)	(\$1,096,202)	(\$2,497,829)

### FY 16-17 Revenue: \$7,514,388



### FY 16-17 Expenditures: \$10,012,217



### FY 16-17 Resident Census

HOMELAKE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds (nursing home)	60	60	60	60	60	60	60	60	60	60	60	60	60.0
Average Census	52	50	48	48	49	50	52	46	45	46	45	45	48.0
Occupancy	86.1%	83.7%	80.6%	79.8%	81.1%	83.8%	86.8%	77.4%	75.7%	75.8%	74.8%	75.2%	80.0%
Beds (domiciliary)	50	50	50	50	50	50	50	50	50	50	50	50	50.0
Average Census	39	39	39	38	36	35	36	38	38	37	39	40	38.0
Occupancy	77.6%	78.4%	78.6%	76.0%	72.9%	70.8%	72.5%	76.7%	76.0%	74.5%	78.6%	79.9%	76.0%

## Financial Analysis

Total revenue of the Veterans Community Living Center (VCLC) at Homelake increased by \$211,896 from \$7,302,492 for FY 2015-16 to \$7,514,388 for FY 2016-17, mainly because of an increase in the census of the domiciliary. The average occupancy for the domiciliary increased by 11.4 percentage points from 64.6 percent in FY 2015-16 to 76 percent in FY 2016-17. The center is actively marketing the domiciliary and the nursing home to improve their censuses.

Operating Cash Expenses increased by \$89,208 in FY 2016-17 compared to FY 2015-16 mainly due to the increase of the inflationary influence in the area of purchased food and some medical services. The VCLC at Homelake has

been closely monitoring expenses by adjusting monthly operating expenses according to the actual census.

For FY 2016-17, according to the GASB Statement No. 68—Accounting and Financial Reporting for Pensions, the State, as a cost-sharing employer participating in a defined benefit plan, was required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statements as a non-cash operating expense. The pension expense recorded by the VCLC at Homelake increased by \$1,537,683 from \$794,068 in FY 2015-16 to \$2,331,751 in FY 2016-17 due to the change in assumptions of calculated pension liability.

## Letter to Stakeholders



Barbara Grossman

It seems as though this year has passed quickly with little time to catch a breath. The Veterans Community Living Center (VCLC) at Rifle continues to meet the necessary challenges placed before us while providing quality care to our veterans and their families. Rifle passionately embraces meeting and exceeding our expected goals. We accomplish

these goals by maintaining a stable census, executing financial stability and continuing to serve veterans, spouses and Gold Star families throughout the Grand River area.

The VCLC at Rifle remains true to our community connections, and we market our services throughout the six connecting counties. Many of the veterans admitted to the VCLC at Rifle are family members of long-time ranchers and generational laborers of our community. The history of our communities is well known and discussed often throughout our hallways. Our veteran residents are teachers, politicians, coaches, community leaders and mentors of the staff now caring for them in our facility.

We underwent a lengthy remodel this past year. While the project took longer than expected, the end result is a completely new kitchen and two new bathing suites. New equipment and furnishings were a significant highlight of the project. The long awaited completion was met with great excitement by our veterans and families. Construction is always a challenge; however, I am proud of the team efforts and patience delivered by residents, families and my staff.

With a new season approaching we are currently again under construction. A new porte-cochère entryway, indoor lighting remodel, painting throughout hallways, new windows, and new upper level parking area should be com-

pleted before the end of Calendar Year 2017. Our Western Slope communities reflect the pride that each person working at the VCLC at Rifle feels.

Our staff enjoy making our home unique from any other nursing home in the area. We have the ability to directly change lives in both meeting the medical and, most importantly, emotional needs for our veterans. Watching our staff listen to stories, offer a tender touch, or provide comfort to our veterans and families gives us a great sense of being.

Our halls are filled with laughter, music and dance. Our shuffleboard competitors remain strong and in control of the afternoon games. We seem to find many reasons to celebrate with food, such as our chili cook-off, barbecues and many potlucks throughout the year. Once again, we hosted the Western Slope Memorial Day motorcycle rally and exceeded the participation numbers from previous years.

We continue to work collaboratively with the Veterans Hospital in Grand Junction, Grand River Hospital (both mental health needs and wound care consulting), Valley View Hospital and St. Mary's Hospital. I continue to stay involved in the efforts of Mesa County and Garfield County adult protection services and the ADRC-Aging & Disability Resources of Colorado program.

Our staffing efforts in our rural location will always be a challenge; however we continue to recruit from Colorado Mountain College, Colorado Mesa University and other area educational institutions. We maintain a vision of enhancing the educational desires of our staff, mentoring, coaching and encouraging higher levels of education.

Barbara Grossman, MHA, LNHA, Administrator

## FY 16-17 Accomplishments

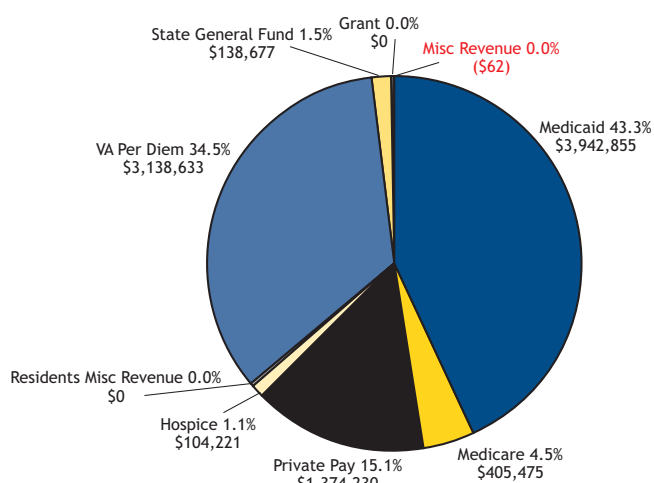
The VCLC at Rifle is proud of our accomplishments; we have improved our retention, decreased our workers' compensation claims, and have hired some of the best employees. Our team of leaders remains strong in our conviction to provide the best service to those who have served our country. Our beautiful backdrop of the Rocky Mountains and the Colorado River enhances the respect and passion we each bring to make the VCLC at Rifle unique.



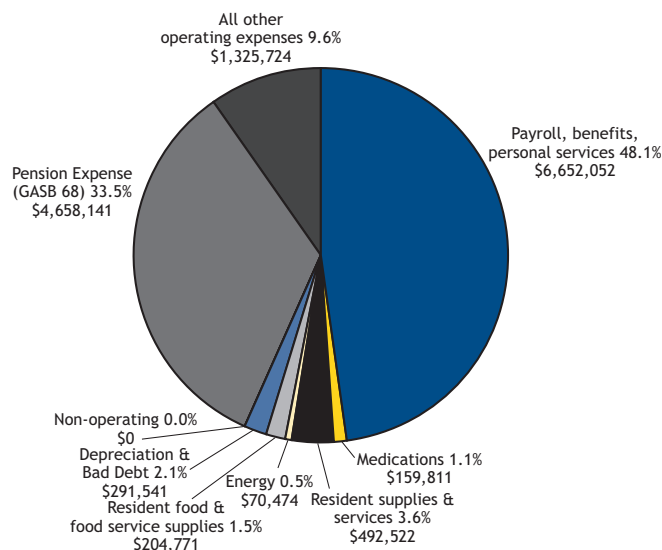
## Financial Overview: Veterans Community Living Center at Rifle

RIFLE	FY 14-15	FY 15-16	FY 16-17
Revenue	\$8,048,798	\$8,487,167	\$9,104,029
Operating Expenses—Cash	\$8,330,886	\$8,754,978	\$8,905,354
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$427,906	\$323,373	\$291,541
Non-Operating Expenses (Bond Cost)			
Pension Expense—GASB 68	\$311,967	\$309,526	\$4,658,141
Total Expenses	\$9,070,759	\$9,387,877	\$13,855,036
Profit/(Loss)	(\$1,021,961)	(\$900,710)	(\$4,751,007)

### FY 16-17 Revenue: \$9,104,029



### FY 16-17 Expenditures: \$13,855,036



### FY 16-17 Resident Census

RIFLE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds	89	89	89	89	89	89	89	89	89	89	89	89	89.0
Average Census	73	72	69	70	72	72	72	74	73	69	71	71	71.5
Occupancy	82.2%	81.4%	77.7%	78.9%	80.7%	80.9%	80.8%	82.8%	82.3%	77.8%	79.6%	79.3%	80.3%

## Financial Analysis

Revenue of the Veterans Community Living Center (VCLC) at Rifle increased by \$616,862 from \$8,487,167 in FY 2015-16 to \$9,104,029 in FY 2016-17 mainly due to an increase in its census and VA per diem. The average occupancy increased by 6 percentage points from 74.3 percent in FY 2015-16 to 80.3 percent in FY 2016-17. The center continues to make efforts to improve the census through increased marketing efforts.

Operating Cash Expenses increased by \$150,376 in FY 2016-17 compared to FY 2015-16 mainly due to the increase of State employees' benefits expenses and inflation. The center has closely monitored operating expenses by the use of monthly budgets and spending reports for all departments.

For FY 2016-17, according to the GASB Statement No. 68—Accounting and Financial Reporting for Pensions, the State, as a cost-sharing employer participating in a defined benefit plan, was required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity's financial statements as a non-cash operating expense. The pension expense recorded by the VCLC at Rifle increased by \$4,348,615 from \$309,526 in FY 2015-16 to \$4,658,141 in FY 2016-17 due to the change in assumptions of calculated pension liability.

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Tony Gherardini, Deputy Executive Director of Operations

Mark Wester, Director, Office of Community Access and Independence

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**Our vision is that residents experience compassion, dignity and companionship in communities filled with life, love and laughter.**

Colorado's Veterans Community Living Centers are operated as self-funded enterprises by the Colorado Department of Human Services (CDHS). CDHS oversees Colorado's 64-county departments of human services, public mental health system, system of services for people with disabilities, juvenile corrections system, vocational rehabilitation system and all veterans community living centers, through more than 5,000 employees and thousands of community-based service providers.



**COLORADO**  
**Department of Human Services**

Veterans Community Living Centers