

FY 19–20 Annual Report



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:



Elizabeth Mullins

I have much to reflect on as I conclude my first year as the division director for Colorado's Veterans Community Living Centers (VCLCs). With nearly two decades of skilled nursing leadership experience, I was excited to bring my knowledge, perspective and energy to this position. It has been a privilege to work closely with the tremendous staff at our VCLCs and to build relationships with the veterans themselves. While broadening my veteran service knowledge, I was also honored to lead the Veterans Community Living Center at Rifle team in the interim administrator position for a period of time. That experience provided me the opportunity to learn firsthand about our VCLC culture and to deepen my relationships with several veteran organizations, leaders, stakeholders and veteran community members.

In August 2019, the Colorado VCLC team hosted state veteran home leaders from around the country at the National Association of State Veteran Homes Conference (NASVH) in downtown Denver. This event spotlighted our excellent VCLC leaders as well as sharing our beautiful state with NASVH conference attendees. And in February, two VCLC nursing home administrators joined me in Washington, D.C., to meet with Colorado congress members to discuss legislation that would positively impact all state veterans homes across the country.

By mid-March, we were facing the realities of COVID-19 and its impacts on long-term care. With the assistance of CDHS

leadership, we followed the daily changes in pandemic management and worked feverishly to maintain a quality of life in the ever-changing landscape of our VCLCs. We implemented daily calls and embraced virtual platforms to keep each other apprised of regulatory changes, PPE needs, infection control policies and most important: resident and employee safety. We suffered terrible losses during this pandemic; however the outcomes would have been even more devastating without the commitment and initiative of the VCLC leadership who worked tirelessly to care for their teams of employees and for the residents they serve. As part of CDHS, we were able to offer all of our VCLC employees incentive pay to honor their brave commitment.

As we look forward to FY 2021, we are working in partnership with Colorado Health Institute to create a needs assessment report in conjunction with our legislative partners. We are stepping back to look at current veterans needs and needs for the next five, 10 and 20 years to better plan our approach to veteran care in the future.

Sincere thanks to all of the stakeholders, veterans organizations, CDHS leadership and each VCLC staff member who continues to demonstrate such dedication to the veterans who have served us so well.



Elizabeth Mullins, Director
Division of Veterans Community Living Centers



William Robinson

The seven members of the Board of Commissioners of Veterans Community Living Centers (VCLC) are charged by law with advising the Colorado Department of Human Services, the VCLC Division and the VCLC veteran homes located in Homelake, Florence, Rifle, Walsenburg and Aurora to provide continuity, predictability and stability in the operation of the veterans centers. In addition, the board is charged with providing guidance to future administrators at the veterans centers based on the collective institutional memory of the commissioners.

To meet that charge, the board visits each of the VCLCs annually while also conducting their meetings, touring each facility and talking with the residents. This past year, the board was able to meet in person at Rifle, Homelake and Fitzsimons. With the start of COVID-19 in March, the in-person visits were suspended and the meetings were held online for the remaining months of FY 2019-20.

During the in-person visits, the board members were able to meet with staff and, importantly, the residents at each center. We were impressed with key differences between our centers and commercial competitors, such as the fact that all residents have at least one thing in common—military service or the spouse or parent who served and the dedication of the staff to serve those residents. COVID-19 brought that dedication to the forefront, as each home fought mightily to

protect their residents from this deadly virus. By the end of FY 2019-20, our rural homes had prevented the virus from entering or spreading within the facility.

Staff worked diligently to monitor conditions, engage in infection control, and protect the residents, all while dealing with protecting their own families. Fitzsimons faced the greatest challenges and, unfortunately, some residents were lost to the virus. Heroic efforts by the staff and cooperation from the residents limited and controlled the spread of the virus. Within the centers, staff continued to find innovative ways to help maintain the morale of the VCLC veterans as they experienced increased yet essential isolation. The dedicated activity and recreational therapy staff coordinated small group events like hallway bingo, resident meetings, room visits, doorway singing programs, Zoom video chats with family members, recognition of food holidays, and rolling entertainment carts.

The board encouraged and endorsed a statewide veteran healthcare needs assessment to be conducted for planning purposes in the near and long-term future. The request for proposal was released in March 2020 and a vendor was selected. We are looking forward to this needs assessment identifying the unmet needs of Colorado veterans, which the board can assist in addressing through and beyond the COVID pandemic.

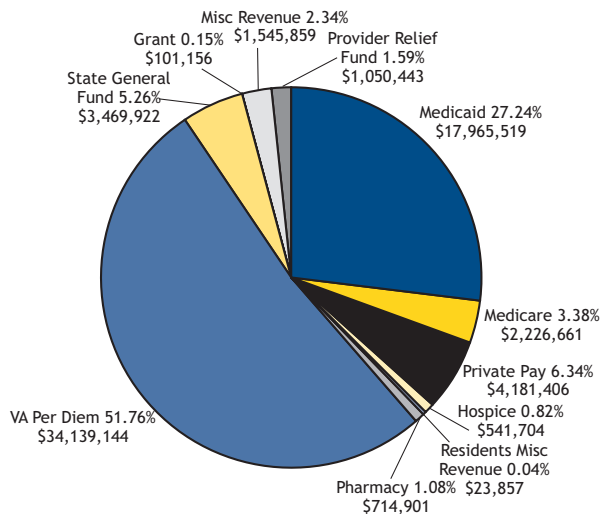


William "Robby" Robinson, MPA, Chair
Board of Commissioners of Veterans Community Living Centers

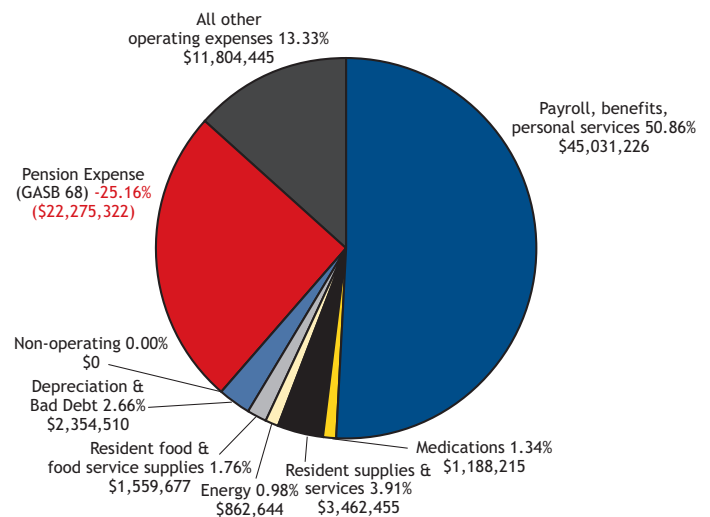
Financial Overview: Division of Veterans Community Living Centers

VETERANS COMMUNITY LIVING CENTERS	FY2017-2018	FY2018-2019	FY2019-2020
Revenue	\$59,800,224	\$60,532,375	\$65,960,572
Operating Expenses—Cash	\$56,492,571	\$56,503,750	\$63,908,662
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$3,101,620	\$2,940,945	\$2,354,510
Non-Operating Expenses (Bond Cost)	\$17,570	\$0	\$0
Profit/(Loss) Before GASB 68	\$188,463	\$1,087,680	(\$302,600)
Pension Expense—GASB 68	32,489,892	(\$11,578,802)	(\$22,275,322)
Total Profit/(Loss)	(\$32,301,429)	\$12,666,482	\$21,972,722

FY 19-20 Revenue: \$65,960,572



FY 19-20 Expenditures: \$43,987,850



FY 19-20 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
Average Census	484	488	497	507	512	507	502	505	496	479	452	437	489
Average Occupancy	80.1%	80.8%	82.3%	83.9%	84.8%	83.9%	83.1%	83.6%	82.1%	79.3%	74.8%	72.4%	81.0%

Financial Analysis

The statewide Veterans Community Living Centers (VCLCs) posted total revenue of \$65,960,572 including revenue from the General Fund of \$3,469,922 and the Provider Relief Fund of \$1,050,443. This was an increase of \$5,428,197 primarily due to funding received from the General Fund for compression pay and the Provider Relief Fund for COVID-19. The average occupancy was 81.0%, which is a 2.4% decrease in census from Fiscal Year 2018-19.

Operating cash expenses increased by \$7,404,912 in Fiscal Year 2019-20 primarily due to increases in payroll expenses, personal services and inflationary influence of purchased medical service, supplies and food. In addition, the center also increased the purchase of personal protective equipment due to COVID-19.

The total net loss of \$302,600, before Government Accounting Standard Board (GASB) 68, is primarily the result of a decrease in the census during Fiscal Year 2019-20.

For Fiscal Year 2019-20, 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 its proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statement. The VCLCs recorded pension expense of (\$22,275,322) as a non-cash operating expense in the financial statements according to GASB 68. The pension expense decreased \$10,696,520 from (\$11,578,802) to (\$22,275,322) due to the change in assumptions of calculated pension liability.

Each of our Veterans Community Living Centers continues to concentrate on improving their census through increased marketing efforts. In addition, each center has closely monitored and controlled its operating expenses in order to remain profitable, especially when the census decreases.

Letter to Stakeholders



Kimberly Longe

Throughout all of the operational challenges of COVID-19, our Veterans Community Living Center at Fitzsimons staff continued to show up and take care of veterans when they needed it the most. Even though it may sound a bit cliché, I am convinced our entire staff were the true heroes taking care of our veteran heroes. While we did have residents

and staff test positive for COVID-19, every staff member, including those outside of nursing, were integral in keeping our entire operation running without interruption.

On Veterans Day 2019, Lt. Gov. Dianne Primavera attended a female veterans tea event coordinated by our Recreational Therapy department. Both Primavera and Yolanda Webb, director of the Office of Adult, Aging and Disability Services, spoke about the incredible contribution female veterans have made throughout the years. Several active-duty female veterans from Buckley Air Force Base, members of the VCLC Board of Commissioners, and female veterans throughout the city attended this poignant and touching event.

In February 2020, the entire Fitzsimons team celebrated Valentine's Day with a special delivery from the Wish of a Lifetime organization's Cupid Crew. Every resident received a rose and a special thank you from Cupid Crew volunteers from throughout the metro area. This exciting ceremony was covered by local news stations, bringing positive attention to Fitzsimons veterans and the veterans home.

During some of the toughest times in Fitzsimons history, we had community partners show up in thoughtful and

dedicated ways. We received donations from our American Legion partners. They donated hundreds of books, magazines, puzzles and snacks that were loaded onto carts and walked through the halls for our residents in quarantine. In addition to our veteran organizations, we had several groups donate personal protective equipment (PPE), masks, shields and gloves. In addition, families and community supporters called restaurants to have lunch delivered to staff, as they knew of the hard work of the entire Fitzsimons team. For this generosity we will be eternally thankful.

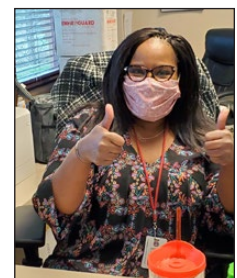
We strategized in order to incorporate several activities and events even though residents were quarantined to their rooms. We were thrilled to have a Memorial Day event held outside of our gates by local military organizations. In lieu of our annual in-person car show we were able to host a drive-by parade for our veterans. People drove along the parade route with their cars decorated with flags, signs of love and support, horns honking and flags waving as a remote salute to our veterans. Residents were able to view the parade and cheer from balconies, patios and the front entrance wearing masks

We continue to work with local, county, state and federal guidelines to keep our residents and staff safe. We look forward to the time in our future when we can invite community members and families back to Fitzsimons.

Kimberly Longe, Administrator
Veterans Community Living Center at Fitzsimons

FY 19-20 Accomplishments

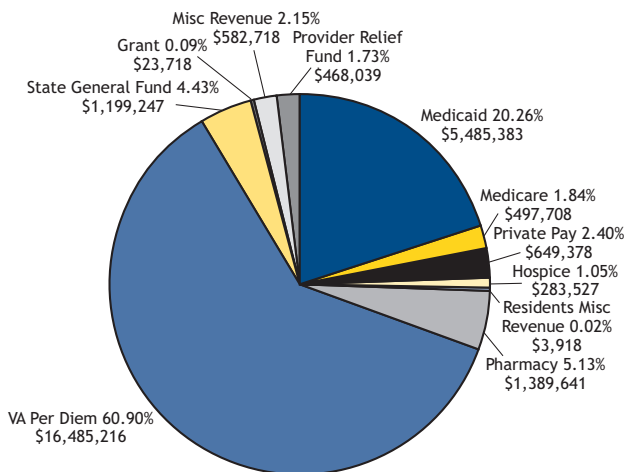
- Fitzsimons customer service satisfaction scores reached the Best in Class in Cleanliness category from Pinnacle in February 2020. The Pinnacle corporation surveys residents, families and staff throughout the year, providing customer service scores to skilled nursing centers throughout the country. Fitzsimons reached a 90.8% score in the category of Would Recommend to Others, compared to the best in class benchmark of 90%.
- The recreational therapy team hosted Colorado Rockies day, red wine day and Hawaiian shirt day as well as hundreds of activities and events.



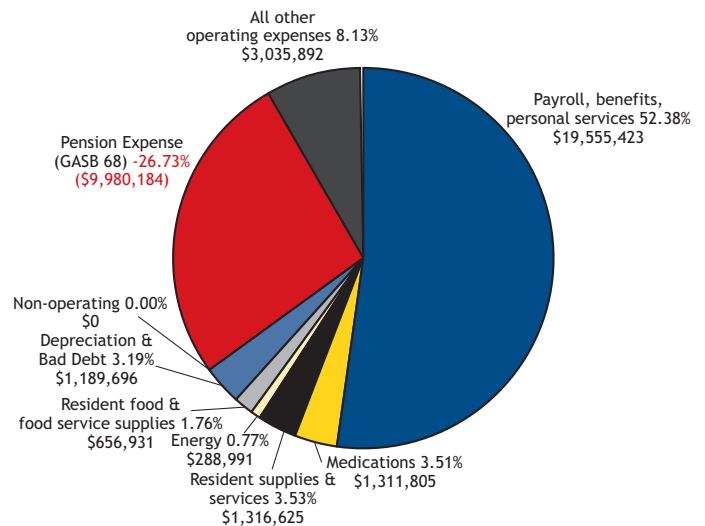
Financial Overview: Veterans Community Living Center at Fitzsimons

FITZSIMONS	FY2017-2018	FY2018-2019	FY2019-2020
Revenue	\$24,315,505	\$25,665,524	\$27,068,493
Operating Expenses—Cash	\$22,009,321	\$22,847,606	\$26,165,667
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$1,695,778	\$1,540,150	\$1,189,696
Non-Operating Expenses (Bond Cost)	\$17,569	\$0	\$0
Profit/ (Loss) Before GASB 68	\$592,837	\$1,277,768	(\$286,870)
Pension Expense—GASB 68	\$14,931,860	(\$5,172,538)	(\$9,980,184)
Total Profit/ (Loss)	(\$14,339,023)	\$6,450,306	\$9,693,314

FY 19-20 Revenue: \$27,068,493



FY 19-20 Expenditures: \$17,375,179



FY 19-20 Resident Census

FITZSIMONS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Total Beds	180	180	180	180	180	180	180	180	180	180	180	180	180
Average Census	149	153	155	158	159	159	158	160	157	149	135	121	151
Average Occupancy	82.8%	85.0%	86.1%	87.8%	88.3%	88.3%	87.8%	88.9%	87.2%	82.8%	75.0%	67.2%	83.9%

Financial Analysis

Veterans Community Living Center (VCLC) at Fitzsimons earned total revenue of \$27,068,493 including contributions from the General Fund of \$1,199,247 and the Provider Relief Fund of \$468,039. This was an increase of \$1,402,969 primarily due to funding received from the General Fund for compression pay and the Provider Relief Fund for COVID -19. The average occupancy was 83.9 %, which is a 3.3% decrease in census from Fiscal Year 2018-19. The center continues to make efforts to improve the census through increased marketing efforts and staff recruitment initiatives.

Operating cash expenses increased by \$3,318,061 in Fiscal Year 2019-20 mainly due to an increase in payroll expenses, personal services and inflationary influence of purchased medical service and supplies. In addition, the center also increased the purchase of personal protective equipment due to COVID-19. The center monitors all expenses closely by adjusting monthly operating expense according to the actual census.

The total net loss of \$286,870, before Government Accounting Standard Board (GASB) 68, is primarily the result of the decrease of the census from March 2020 to June 2020 due to the COVID-19.

For Fiscal Year 2019-20, according to 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 its proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statement. VCLC at Fitzsimons recorded pension expense of (\$9,980,184) as a non-cash operating expense in the financial statements according to GASB 68. The pension expense decreased \$4,807,646 from (\$5,172,538) to (\$9,980,184) due to the change in assumptions of calculated pension liability.

Letter to Stakeholders



Barbara Moore

It's somewhat difficult to recall the events prior to the COVID-19 pandemic. However, after taking some time to focus on FY 2019-20, it is clear that the team at Bruce McCandless Veterans Community Living Center at Florence has many accomplishments to be proud of, both before and after the pandemic arrived in our state.

The Colorado Department of Military Affairs, through the Veterans Trust Fund Grant, graciously supported our home by approving our grant request for a new Scandent system. This system is used to track items such as hearing aids, dentures, eyeglasses, cell phones and wallets. Scandent provides a chip implanted into valuable items, and when the item passes through a door, an alarm sounds and can identify the individual it belongs to. We appreciate the ability and benefits of locating the most commonly misplaced and/or lost items and our residents and their families are grateful as well.

We were awarded the second-highest score for the Colorado pay-for-performance program. This application requires significant documentation to demonstrate we have met quality of life/care metrics identified by the Colorado Department of Public Health and Environment. In February 2020, we completed our annual state survey. We successfully submitted our plan of correction and have maintained full compliance. We have completed three infection control surveys beginning in March after the COVID-19 pandemic was identified. We were not cited with any deficiencies, and we worked tirelessly to develop clear and specific infection control policies, isolation plans, visitor procedures and a cohort plan.

Prior to the pandemic, we enjoyed annual special events such as Veterans Day, Thanksgiving dinner, Christmas

gift-giving with our resident Santa, summer picnics/BBQs sponsored by various military organizations, car shows, monthly trips to Cripple Creek, local shopping, fishing trips, outings to local restaurants and much more.

Since the onset of COVID-19 in Colorado, we have been fortunate to have some group activities and daily 1:1 activities. The family visit protocol has provided the biggest change; however, we have been fortunate to offer outdoor visitation to our residents and their families. We will continue to do everything possible to maintain their relationships through meaningful communication.

Reflecting on the past year, I am continuously amazed at the level of grace, goodwill, determination, compassion, love and kindness that surrounds the McCandless team. The residents have experienced so many challenges in their lives and they teach us that strength and courage are still strongly intact with their human spirit. I am humbled by the work our staff has performed, the extended hours and multiple shifts worked to meet the needs of our residents. This staff has gone above and beyond what I have seen in my 24 years here. I am extremely grateful for the leadership at CDHS and especially through the Office of Adult, Aging and Disability Services and the Division of Veterans Community Living Centers for the constant support. We have all kept our focus on the most important thing we do: care for our American heroes.

Barbara Moore, Administrator
Bruce McCandless Veterans Community Living Center
at Florence

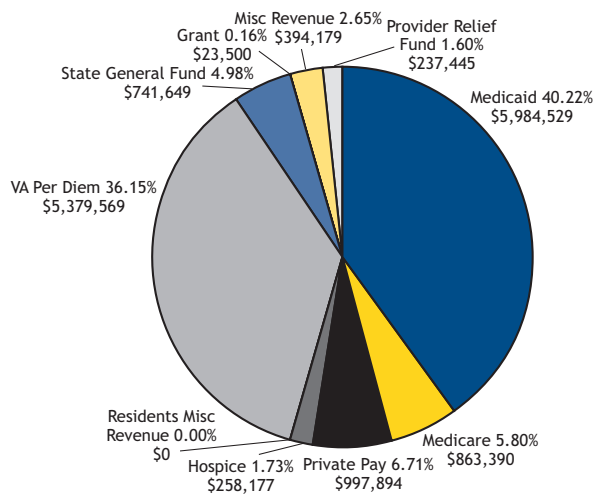
FY 19-20 Accomplishments

- Celebrated Veterans Day in 2019 with the honor of having Office of Adult, Aging and Disability Services Director Yolanda Webb and VCLC Director Elizabeth Mullins speak at our ceremony.
- During the Christmas season, we held our annual ugly sweater contest and cookie exchange. A panel of resident judges voted on the ugliest sweaters and awarded prizes for first, second and third place.
- Coordinated a meaningful Memorial Day event in spite of many COVID-19 restrictions by recognizing veterans who passed away during the previous 12 months. After the program, a dog tag, a card, a picture and video were mailed to each family member.
- Developed an improved onboarding process with several CDHS and McCandless team partners, resulting in increased customer service to our new employees.
- Celebrated 12 years as an Eden registered home. We have four Eden educators and 62% of the staff are certified Eden associates.
- The pay-for-performance team achieved a 71/100 in the second-highest scoring tier. This score translates to a \$3 reimbursement rate, thus an approximate extra \$70,000 for our home.
- The McCandless team continues to focus on customer service excellence.

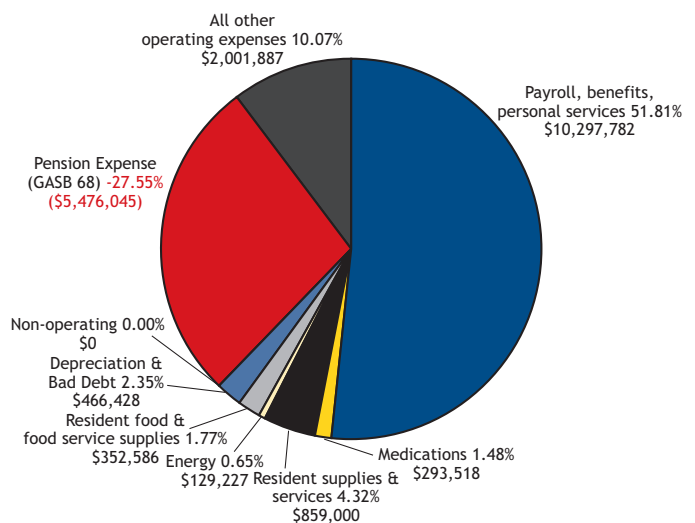
Financial Overview: Bruce McCandless Veterans Community Living Center at Florence

FLORENCE	FY2017-2018	FY2018-2019	FY2019-2020
Revenue	\$12,614,933	\$13,119,968	\$14,880,332
Operating Expenses—Cash	\$11,781,888	\$11,820,461	\$13,934,000
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$404,614	\$485,274	\$466,428
Non-Operating Expenses (Bond Cost)	\$0	\$0	\$0
Profit/(Loss) Before GASB 68	\$428,431	\$814,233	\$479,904
Pension Expense—GASB 68	\$7,344,017	(\$2,824,368)	(\$5,476,045)
Total Profit/(Loss)	(\$6,915,586)	3,638,601	\$5,955,949

FY 19-20 Revenue: \$14,880,332



FY 19-20 Expenditures: \$8,924,383



FY 19-20 Resident Census

McCANDLESS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Total Beds	105	105	105	105	105	105	105	105	105	105	105	105	105
Average Census	91	92	92	94	94	93	92	94	92	90	87	86	91
Average Occupancy	86.7%	87.6%	87.6%	89.5%	89.5%	88.6%	87.6%	89.5%	87.6%	85.7%	82.9%	81.9%	86.7%

Financial Analysis

Bruce McCandless Veterans Community Living Center (VCLC) at Florence earned total revenues of \$14,880,332 including General Fund contributions of \$741,649 and Provider Relief Fund contributions of \$237,445 which was an increase of \$1,760,364. This was primarily due to funding received from the General Fund for compression pay and Provider Relief Fund for COVID-19. The average occupancy was 86.7%, which is a 1.9% decrease in census from Fiscal Year 2018-19. The center continues to make efforts to improve the census through increased marketing efforts and staff recruitment initiatives.

Operating cash expenses increased by \$2,113,539 in Fiscal Year 2019-20 primarily due to the increase of payroll expenses, personal services and inflationary influence of purchased medical services and food. In addition, the center also increased the purchase of personal protective equipment due to COVID-19. The center monitors all expenses

closely by adjusting monthly operating expense according to the actual census.

The total net profit of \$479,904 before Government Accounting Standard Board (GASB) 68 is primarily the result of the increase of the revenue from VA per diem, General Fund and Provider Relief Fund.

For Fiscal Year 2019-20, according to 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 its proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statement. Bruce McCandless VCLC at Florence recorded pension expense of (\$5,476,045) as a non-cash operating expense in the financial statements according to GASB 68. The pension expense decreased \$2,651,677 from (\$2,824,368) to (\$5,476,045) due to the change in assumptions of calculated pension liability.

Letter to Stakeholders



Mindy Montague

The Veterans Community Living Center at Homelake is proud of its accomplishments in FY 2019-20, including successful surveys by the state and federal government. The Colorado Department of Public Health and Environment’s annual survey at Homelake resulted in three very minor deficiencies. In addition, the Veterans Administration survey team found two deficiencies in our daily operations. We solidified our status as a Five Star-rated skilled nursing center from the Centers for Medicare & Medicaid Services.

After 130 years, we were finally able to install an HVAC air conditioning system in our nursing home and administration building. Throughout the years, we did not have air conditioning for our residents and staff. This project, completed the summer of 2019, brought welcome relief from the San Luis Valley heat. In addition, the administration building entrance and the front campus entrances were paved, making it safe for residence during daily walks around campus and easier to navigate our icy winters.

In September 2019, we hosted our annual Summerfest event and hosted the VCLC Board of Commissioners. During our Summerfest event, hundreds of veterans organizations, community members and referral sources

attended to support both our veterans and staff and continue positive relationships throughout Colorado. In December, we were fortunate to partner with the community to participate in the annual Wreaths across America program. This program guarantees that every veteran grave in our cemetery has a beautiful wreath placed on the headstone for the Christmas holiday.

I had the honor of providing the welcoming address and video at the National Association of State Veterans Homes national conference held in Denver in August 2019. More than 800 people attended the event and I remain on the planning committee and continue to organize the summer and winter conferences.

I am pleased to lead a team that has continued to demonstrate commitment and longevity. We have 17 employees with 10-20 years of service and six employees with 21-25 years of service to Homelake. Their experience results in consistent veteran care and a generation of staff who know these residents and their families.

We look forward to a great FY 2020-21.

Mindy K. Montague, N.H.A.

Mindy K. Montague, Administrator
Veterans Community Living Center at Homelake

FY 19-20 Accomplishments

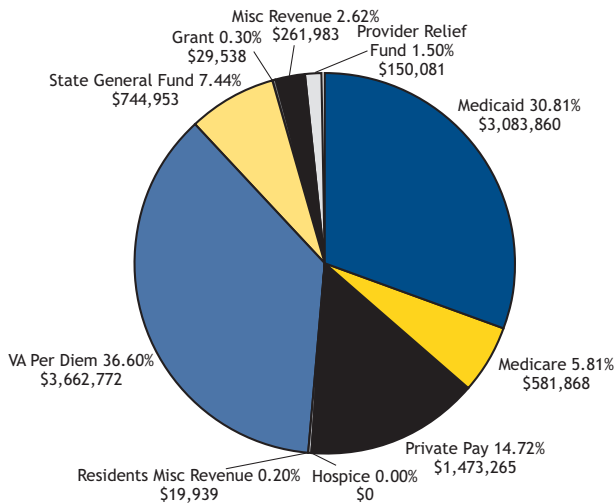
- Received window coverings, privacy curtains and blinds for each resident room from the Veterans Trust Fund grant.
- Created a YouTube video of our residents holding signs of encouragement to our Homelake staff during COVID-19.
- Took residents to the Rock Creek campground to enjoy breakfast cooked on the fire pit in August 2019.
- Achieved a 96% Would Recommend on our annual Pinnacle family satisfaction survey.
- Both Nursing Care and Communication categories scored over the average Best in Class category of the resident Pinnacle satisfaction survey.



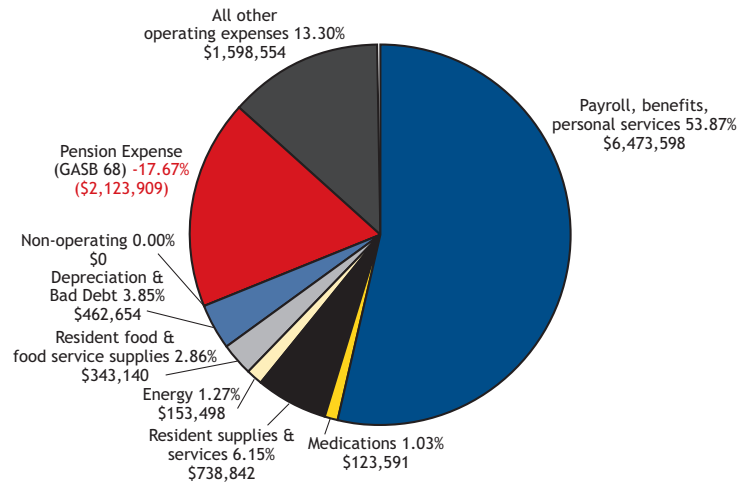
Financial Overview: Veterans Community Living Center at Homelake

HOMELAKE	FY2017-2018	FY2018-2019	FY2019-2020
Revenue	\$8,498,986	\$7,917,947	\$10,008,259
Operating Expenses—Cash	\$7,561,088	\$7,658,173	\$9,431,223
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$643,878	\$666,729	\$462,654
Non-Operating Expenses (Bond Cost)	\$0	\$0	\$0
Profit/(Loss) Before GASB 68	\$294,020	(\$406,955)	\$114,382
Pension Expense—GASB 68	\$3,084,119	(\$1,265,990)	(\$2,123,909)
Total Profit/(Loss)	(\$2,790,099)	\$859,035	\$2,238,291

FY 19-20 Revenue: \$10,008,259



FY 19-20 Expenditures: \$7,769,968



FY 19-20 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
Average Census	47	48	52	54	54	54	51	52	51	49	43	43	50
Average Occupancy	78.3%	80.0%	86.7%	90.0%	90.0%	90.0%	85.0%	86.7%	85.0%	81.7%	71.7%	71.7%	83.3%
Beds (domiciliary)	50	50	50	50	50	50	50	50	50	50	50	50	50
Average Census	47	45	46	46	48	49	50	47	46	46	44	43	46
Average Occupancy	94.0%	90.0%	92.0%	92.0%	96.0%	98.0%	100.0%	94.0%	92.0%	92.0%	88.0%	86.0%	92.0%

Financial Analysis

Veterans Community Living Center (VCLC) at Homelake earned total revenue of \$10,008,259 including contributions from the General Fund of \$744,953 and the Provider Relief Fund of \$150,081. This was an increase of \$2,090,312 primarily due to funding received from the General Fund for compression pay, the Provider Relief Fund and the increase of census in the Skilled Nursing Center and Domiciliary. The average occupancy of the Skilled Nursing Home was 83.3%, which is a 5.0 % increase in census from Fiscal Year 2018-19. The average occupancy for the domiciliary was 92.0 %, which is a 4.0 % increase in census from Fiscal Year 2018-19. The center continues to make efforts to improve the census through increased marketing efforts and staff recruitment initiatives. Operating cash expenses increased by \$1,773,050 in Fiscal Year 2019-20 primarily due to the increase of payroll expenses, personal services and inflationary influence of purchased medical service supplies and food. In addition, the center also increased the purchase of personal protective equipment due to COVID-19.

The center monitors all expenses closely by adjusting monthly operating expense according to the actual census.

The total net profit of \$114,382 before Government Accounting Standard Board (GASB) 68 is primarily the result of the increase of census, General Fund and Provider Relief Fund.

For Fiscal Year 2019-20, according to 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 its proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statement. The VCLC at Homelake recorded pension expense of (\$2,123,909) as a non-cash operating expense in the financial statements according to GASB 68. The pension expense decreased \$857,919 from (\$1,265,990) to (\$2,123,909) due to the change in assumptions of calculated pension liability.

Letter to Stakeholders



Daniel Webb

Throughout FY 2020, the Veterans Community Living Center at Rifle has made extraordinary strides in several areas of veterans' healthcare delivery.

First, we accomplished an impressive milestone by being rated a Five Star home by the Centers for Medicare & Medicaid Services. The Five Star Quality Rating System for nursing homes on the Nursing Home Compare website gives families precise and meaningful information regarding the quality of a home. Star ratings allow the public to make wise and thoughtful decisions based on the healthcare of their family members. Being rated a Five Star home is the highest ranking in a system and this prestigious distinction has been accomplished by the dedicated and committed clinical team at our veterans home.

Second, Amanda Rubalcave, a 14-year clinical employee at Rifle, received a much-deserved promotion to the director of nursing position. Our commitment to grow our own leadership and talent was realized when Rubalcave accepted this leadership role. Throughout the last 14 years, Rubalcave has played integral roles in every position throughout the nursing department. In 2006, she attended an in-house certified nursing Assistant (CNA) class and, through her

continued education, moved into roles such as CNA, licensed practical nurse (LPN), registered nurse (RN), RN supervisor and infection control RN. She is an inspiring leader and encourages staff to continue their education and create careers in the healthcare field.

In mid-March, with the onset of the COVID-19 pandemic, our Rifle team jumped in to embrace all of the safety, quality and infection control measures as outlined by state and federal guidelines. In fact, this amazing team, who demonstrated great flexibility, received a zero deficiency infection control survey by the Colorado Department of Public Health and Environment.

Finally, as the acting administrator at Rifle, I am assisting in the recruiting process of attracting a top talent administrator to take the leadership role at Rifle. VCLC Division Director Elizabeth Mullins worked for several months with the Rifle team in the fall and spring and I took the acting leadership role in early summer.

The entire team at Rifle is honored to serve America's veteran heroes, their spouses and Gold Star parents.

Daniel Webb, Deputy Director
Division of Veterans Community Living Centers

FY 19-20 Accomplishments

Through partnerships with the community, veterans and volunteers, the Recreation Therapy team worked with the following projects:

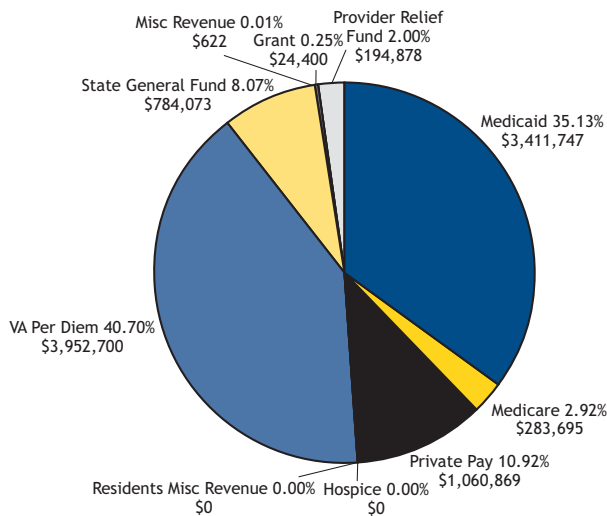
- Planted rose gardens and created decorative pillows
- Participated in the local annual golf tournament
- Reading program with veterans and an elementary school class
- Flyover for a veteran who turned 100 years old
- Veterans Day programs with local schools and community
- Armed Forces Salute and Memorial Day fun run
- Partnerships with local veterans organizations including the American Legion and VFW



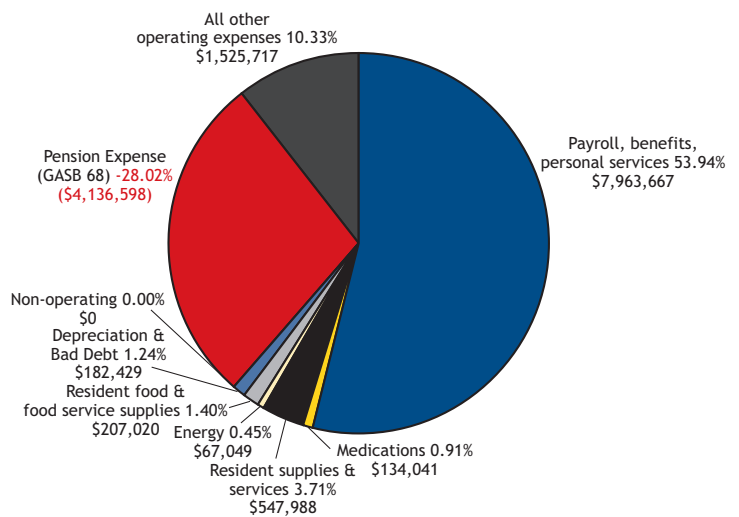
Financial Overview: Veterans Community Living Center at Rifle

RIFLE	FY2017-2018	FY2018-2019	FY2019-2020
Revenue	\$9,357,824	\$9,025,884	\$9,712,984
Operating Expenses—Cash	\$9,774,276	\$9,535,934	\$10,445,482
Operating Expenses—Non Cash (Depr. & Bad Debt)	\$357,350	\$195,562	\$182,429
Non-Operating Expenses (Bond Cost)	\$0	\$0	\$0
Profit/(Loss) Before GASB 68	(\$773,802)	(\$705,612)	(\$914,927)
Pension Expense—GASB 68	\$6,011,063	(\$2,013,896)	(\$4,136,598)
Total Profit/(Loss)	(\$6,784,865)	\$1,308,284	\$3,221,671

FY 19-20 Revenue: \$9,712,984



FY 19-20 Expenditures: \$6,491,313



FY 19-20 Resident Census

RIFLE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Total Beds	89	89	89	89	89	89	89	89	89	89	89	89	89
Average Census	61	62	65	67	66	64	65	65	64	62	61	59	63
Average Occupancy	68.5%	69.7%	73.0%	75.3%	74.2%	71.9%	73.0%	73.0%	71.9%	69.7%	68.5%	66.3%	70.8%

Financial Analysis

Veterans Community Living Center (VCLC) at Rifle earned total revenues of \$9,712,984 including contributions from the General Fund of \$784,073 and the Provider Relief Fund of \$194,878. This was an increase of \$687,100 primarily due to funding received from the General Fund for compression pay and the Provider Relief Fund for COVID-19. The average occupancy was 70.8%, which is a 5.6% decrease in census from Fiscal Year 2018-19. The center continues to make efforts to improve the census through increased marketing efforts and staff recruitment initiatives.

Operating cash expenses increased by \$909,548 in Fiscal Year 2019-20 primarily due to an increase in payroll expenses, personal services and inflationary influence of purchased medical service and supplies. In addition, the center also increased the purchase of personal protective equipment due to COVID-19. The center monitors all expenses closely by adjusting monthly operating expense according to the actual census.

The total net loss of \$914,927, before Government Accounting Standard Board (GASB) 68, is primarily the result of the decrease of the census in the Fiscal Year 2019-20.

For Fiscal Year 2019-20, according to 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 its proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity’s financial statement. The VCLC at Rifle recorded pension expense of (\$4,136,598) as a non-cash operating expense in the financial statements according to GASB 68. The pension expense decreased \$2,122,702 from (\$2,013,896) to (\$4,136,598) due to the change in assumptions of calculated pension liability.

Caring communities that honor America's heroes!

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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, the public mental health system, services for people with disabilities, the juvenile services 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