IN SERVICE
OUR MISS
“You are not here to shrink down to less, but to blossom into more of who you really are”

Oprah Winfrey

Oprah... Who would have guessed we’d be quoting her in the RiverWoods Annual Report? But I think she’s nailed it with that thought.

If you ask the staff at RiverWoods what our motto is, they would reply, “Be Better.” Not “be perfect” mind you, just better, better every day. We believe that no matter how good you are, there is always room to grow.

We are in a constant state of blossoming into who we really are, as individuals and as a community. This is true for our residents, for our Board, and for our staff. That blossoming can take the form of new relationships, friendships and even love. We see it every day. All you need is a heart that is open to opportunity.

The blossoming can take the form of new and continuing learnings for residents and for staff. All you need is a mind that is open to challenge.

It can take the form of outreach, as we do every year by working with another local nonprofit that serves our Seacoast Region. All you need is a mission that is open to partnering and possibilities.

Blossoming can take the form of building a deeper connection within our RiverWoods community, as we did this year when a team of residents organized and designed a program to teach critical business skills to our staff. All you need are people who appreciate how interdependent we all are.
It turns out that “Better” may be challenging, but it can also be pretty fun. Years ago our previous CEO defined RiverWoods by saying, “This is not a parking lot.” Well, amen to that. We are a community where learning and growing are the price of admission – at 30, at 50, at 75 and at 90. And we are not done yet. Part of our “be better” this year has been to take a good hard look at ourselves – to challenge what we mean when we say we are a charitable nonprofit.

We are proud of our successful operations, but it isn’t enough. We can be better. So this year our Board wrote a Charitable Intent Philosophy that defined our intentions in six strong points:

- We will responsibly serve the growing need – the older adult population is growing; there is more to do.

- We will serve deeply, not cursorily – better is about making a real difference in lives, not about selling services.

- We will use the skills we have developed to meet the need – our responsibility is to use our success and knowledge wisely.

- We will be directly and intentionally charitable – better is about doing what is right, not what is easy.

- We will serve the broadest spectrum of seniors possible.

- We will use the financial success of our work to serve in other aspects.

We will blossom into what we really are through our work together and by following these tenets. We are good but we will be even better. And we are not done yet. None of us are. Just ask Oprah.
The RiverWoods Gala
Since its founding, RiverWoods has hosted a fundraiser for a different local non-profit. Over the years, the fundraisers have taken many forms, but in the last ten years RiverWoods has hosted a gala every other year. The gala recipient is chosen by a group of residents and staff, and RiverWoods then partners with the organization for 18 months leading up to the major fundraiser. This year, the Exeter branch of Society of Saint Vincent de Paul was the recipient because of their work in helping people in need, through a variety of ways, including a food pantry, job hunting resource, dental van, and more. During the past 18 months, RiverWoods residents and staff have grown vegetables, fixed wiring, collected supplies, painted buildings, worked in the food pantry and even joined together to create an award-winning float for the Exeter Holiday Parade. The culmination of that partnership was held on October 15, when community leaders, RiverWoods residents, neighbors and friends came together for the tenth RiverWoods Gala. The elegant evening attracted 400 people, who dined on a sumptuous menu, enjoyed wine and champagne, and joined eagerly in the auction activities. More than $115,000 was raised, which broke all records for the past 22 years.

‘Best In Class’ In Resident Satisfaction
Each year, RiverWoods contracts with a national performance measurement company, Hollaran, to track our resident satisfaction, and measure it against national CCRC industry standards. This year, RiverWoods received 32 Highest Honors Awards, which lands RiverWoods in the 90th percentile nationally in satisfaction. Most communities are regarded as ‘Best in Class’ with 5-7 Highest Honors, but RiverWoods significantly outpaced the others. Our highest survey scores were received in friendliness and courtesy of staff, confidence in the Nurse Practitioners, the opportunity to engage in a variety of suitable activities, the quality of Fitness Centers and programs, and the quality of the transportation services.

The results are used to help guide our community in ongoing improvement efforts. Each campus has identified specific areas for improvement, and will report progress at monthly resident meetings.

Third Year For Spring Break Credit
For the third year in a row, RiverWoods has returned a percentage of surplus margin to residents and staff, due to a stronger than anticipated financial performance. This is a truly unique initiative and virtually unheard of in our industry. An innovation conceived of by RiverWoods leadership, and approved by the Board, it allows for RiverWoods to return up to 75% of its surplus margin to residents through a year-end credit, as well as up to 25% of the surplus to employees through their 403(b) retirement plans. Similar to 2014 and 2015, in 2016 high occupancy combined with expense cost control has produced positive financial results and this program allowed RiverWoods to share the benefits with residents and employees.

Business of the Year
This year, the Exeter Area Chamber of Commerce recognized RiverWoods as 2016 Business of the Year in the Health Care, Large Employer category. RiverWoods was selected for its focus on innovation and collaboration, as well as an ongoing commitment to the RiverWoods Community, the greater Exeter area community and the senior living industry as a whole. With more than 80 businesses nominated in all categories, the team of judges had their work cut out for them.

Fitness Launches Two Outdoor Initiatives
The RiverWoods Fitness team is always leading the way in health and wellness activities for both residents and staff. The new RiverWoods Outdoor Adventure Program is the most recent example of innovation at work and at play. This year-round program launched this past summer is to help residents and staff connect with each other and the great outdoors. The program has already featured hiking, kayaking and cycling trips. This winter the team hopes to schedule some snowshoe trips and possibly a ski trip if the snowfall is hearty enough. The fall kayak trip was a great example of the program in action, combining fun, safety, learning and camaraderie. This was the community’s first resident and staff kayak trip. Another fitness initiative gaining popularity is the new RiverWoods Bike Share program which was launched this summer to provide bicycles with baskets and helmets at each building for residents and staff to use when they travel around campus.
**Independent Unit Occupancy**

- The Ridge: 100% (2004)
- The Boulders: 100% (2010)

**Year of opening:**
- The Woods: 1994
- The Ridge: 2004
- The Boulders: 2010

**Number of residents:**
- The Woods: 636

**Number of employees:**
- The Woods: 550

**Average occupancy per month:**
- The Woods: 99%

**Pounds of mulch spread annually:**
- The Woods: 136,000

**Number of residents who are Board members:**
- The Woods: 3

**Resident committees & interest groups:**
- The Woods: 100

**Resident activities held annually:**
- The Woods: 9,783

**Number of fitness classes held per year:**
- The Woods: 3,432

**Pounds of laundry processed annually:**
- The Woods: 413,095

**Number of acres mowed annually:**
- The Woods: 444

**Miles driven by Campus Services per year:**
- The Woods: 235,900

**Meals served per month:**
- The Woods: 26,510

**On-campus Wellness Center visits:**
- The Woods: 19,388

**Number of states our residents come from:**
- The Woods: 26

### Fiscal Year 2016

- **Unrestricted cash and investments:** $78,135,000
- **Cash Margin from Operations:** $1,849,000
- **Long term debt outstanding:** $59,970,000

### Employee Retention

- **Number of individuals employed by RiverWoods for 10 years or more:** 84
MAKING A DIFFERENCE

Item #: L003

Boston Getaway

Two tickets to the Boston Symphony Orchestra on Thursday, March 14 at 8pm. The seats are Section 101, Row A, Seats 15 & 16, which includes parking at the First Church of Christ Scientist parking garage. One might stay at the Colonnade Hotel and a $100 gift certificate for dinner at the Capital Grill.

THE CAPITAL

Homemade
At the heart of who we are, RiverWoods residents, staff and board seek to make a difference in the world. Our founders were seasoned community volunteers and change-makers, and that sensibility is woven into our Mission and core values. We seek to make a difference in the greater Seacoast community that we call home. This is done in numerous ways, including multiple annual sponsorships, donating our space, medical equipment, various supplies and volunteering our time and talents to other local non-profits throughout the year.

Ever since we opened, RiverWoods has had a unique tradition of raising money for fellow local non-profits, from Planet Playground, to Seacoast Hospice and New Teen Outlook (now New Heights), among others. For the past several years, we have been supporting St. Vincent de Paul through a number of initiatives including two major fundraising galas; the first of which raised $100,000 for St. Vincent de Paul in October 2014. The second gala held in October of 2016 raised more than $115,000 which broke all records for the past 22 years. To date, the RiverWoods Gala has raised over half a million dollars.

Scholarship Program – Celebrating 10 Years

Education is a value that is highly prized by RiverWoods residents, who established scholarship funds for RiverWoods staff and their families. Since 2007, when the first scholarships were established, 58 scholarships have been distributed, worth more than $125,000 toward goals of higher education. 2016 was the largest year to date, as more than $27,000 was awarded to nine recipients.

Resident Volunteers

Our residents make a difference in the community through their volunteer efforts. More than 150 Seacoast area organizations of all kinds, from environmental causes to arts and culture, benefit from RiverWoods’ residents time and talent.
One challenge facing the RiverWoods senior management team is how to provide opportunities and training for RiverWoods employees, especially front-line leadership, so they can grow professionally in their careers here. Although RiverWoods has created our own host of learning programs, Justine Vogel, CEO, hit upon a radical idea; Create our own version of a business school geared toward new front-line leaders, developed and taught by RiverWoods’ residents. Not every RiverWoods’ employee has had an opportunity to take basic business management classes such as critical thinking and written communications. But the one thing that RiverWoods does have is a wealth of smart, interested adults who have an interest in giving back.

Justine recruited Dick Aplin, a Cornell University professor and veteran resident leader, to spearhead the program. As Dean, Dick approached a variety of residents and recruited them to both teach and develop the course materials for the program. The resident faculty taught through the traditional business case model; Bob Jones, a resident at The Boulders, wrote the business case.

The 12 member resident faculty approached their role with great enthusiasm and serious intent, working through the details of how the curriculum would be shaped and taught. The inaugural group of nine students were front-line leaders who had received formal recommendations from their supervisors. They were provided time off during their work day to attend the seminars. The program lasted six months, and included time for students and faculty to work together on assignments.

This program accomplished two critical objectives; while it provided staff with real world tools that will help them grow professionally, it also provided residents with a meaningful way to give back. It engaged both residents and students from different campuses and staff with varying areas of responsibility. Mentoring and personal relationships flourished naturally as a result of the interaction.

The first class graduated this June. One resident stated that she has not felt this intellectually engaged in over 30 years. The staff members who took part say they valued the opportunity to work closely with residents as much as they did the opportunity to sharpen their professional skills.

The program was so innovative that a panel of residents and staff were invited to present their work at our industry’s national conference, Leading Age, in Indianapolis this fall. In addition, Dean Dick Aplin was recognized with a Chair’s Citation by Leading Age for his exemplary volunteer work in leading the innovative RiverWoods Business Management Program.
Financial Statements for the Fiscal Year ended June 30, 2016

Statement of Operations and Changes in Net Assets

<table>
<thead>
<tr>
<th>Operating Revenue</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Service Fees</td>
<td>$22,875,000</td>
</tr>
<tr>
<td>Earned Entrance Fees</td>
<td>$2,748,000</td>
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<tr>
<td>Health Center Fees</td>
<td>$7,543,000</td>
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<tr>
<td>Investment Income</td>
<td>$1,681,000</td>
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<tr>
<td>Other Operating Revenue</td>
<td>$781,000</td>
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<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>$35,628,000</strong></td>
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<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>Amount</th>
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<tbody>
<tr>
<td>General and Administrative</td>
<td>$8,636,000</td>
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<tr>
<td>Resident Services</td>
<td>$1,593,000</td>
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<tr>
<td>Dining Services</td>
<td>$4,168,000</td>
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<tr>
<td>Health Services</td>
<td>$7,202,000</td>
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<tr>
<td>Environmental Services</td>
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<td>Facility Costs and Utilities</td>
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<td>Depreciation and Amortization</td>
<td>$6,104,000</td>
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<tr>
<td>Interest</td>
<td>$1,770,000</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
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<table>
<thead>
<tr>
<th>Income From Operations</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Non Operating Gains and Losses</td>
<td>$268,000</td>
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<tr>
<td>Other Changes in Net Assets</td>
<td>($1,990,000)</td>
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<tr>
<td><strong>Change in Net Assets</strong></td>
<td><strong>($3,229,000)</strong></td>
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Statement of Financial Position (Balance Sheet)

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<thead>
<tr>
<th>Assets</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Unrestricted Cash and Investments</td>
<td>$78,135,000</td>
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<tr>
<td>Property and Equipment (Net)</td>
<td>$102,558,000</td>
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<td>Other Current Assets</td>
<td>$2,459,000</td>
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<tr>
<td>Other Assets</td>
<td>$3,608,000</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$186,760,000</strong></td>
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<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td>$5,193,000</td>
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<tr>
<td>Debt, net of current maturities</td>
<td>$58,290,000</td>
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<tr>
<td>Entrance Fee Liability/E.F. Deferred Revenue</td>
<td>$178,967,000</td>
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<tr>
<td>Other Liabilities</td>
<td>$10,496,000</td>
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<tr>
<td>Net Assets (deficiency)</td>
<td>($66,186,000)</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets (deficiency)</strong></td>
<td><strong>$186,760,000</strong></td>
</tr>
</tbody>
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Leadership
Board of Trustees*
Bruce Mast, Chair
Patty McCartan Prue, Vice Chair
Dianne Mercier, Treasurer
Cathy Trower, Clerk
Carla Braveman
Jack Dunn, Resident Trustee
Ross Gittell
David Hanson
Tammy Michaud
Patrick Parisi
Eric Robb
Beth-Ann Roberts
Nate Tennant
Howie Ulfelder, Resident Trustee
Justine Vogel
Brian F. Walsh
Sidney Wanzer, M.D., Resident Trustee

Management Team
Justine Vogel, President and CEO
Susanne Anzalone, Dir. of Finance
Dawn Barker, VP of Human Resources
Colleen Buzzell, Dir. of Nursing, Woods
Jim Collins, Dir. of Dining Services
Lionel Dube, Dir. of IT
Kevin Goyette, CFO
Christine Hegarty, Dir. of Social Services
Timothy Keenan, M.D., Medical Director
Charles Kelsey, VP of Resident Life
Kathleen LaFave, Dir. of Resident Services, Woods
Cindy Martin, VP of Health Services
Carolyn O'Driscoll, Dir. of Nursing, Ridge
Jay Rego, Dir. of Facilities
Carol Stevenson, Dir. of Resident Services, Boulders
Linda Thurston, Dir. of Nursing, Boulders
Cathleen Toomey, VP of Marketing

Resident Council
Dick Martin, Council Chair
Amy Ross, Council Vice Chair
Sarah Donnelly, Council Secretary
Bob Jones, Committee Liaison, Boulders
Nancy DeLong, Committee Liaison, Ridge
Mary Lamb, Committee Liaison Woods
Jack Dunn, Resident Trustee
Howie Ulfelder, Resident Trustee
Sidney Wanzer, M.D., Resident Trustee
Edward Dunn
Luke Hill
Bob Jones
Pat Scarborough
Jack Taylor
Nancy Winterbottom

15+ Year Employees
Dawn Barker
Jean Borden
Ann Cannon
Virginia Cole
Eliza Condelli
Amy Dermondy
Carl Dupuis
Mary Flanagan
Stacy Friedman
Elizabeth Hanscom
Christine Hegarty
Jill Hersey
Michael Hoyt
John Isabel
Olivia Kepner
Kathleen LaFave
Jesse Lannoo
Karyn-Beth Mercer
Wendy Michaud
Terri Ottati
Carlos Rodriguez
Katrina Smith
Donna Snow
Penny Teodorczyk
Justine Vogel
Tammy Whitman
* As of June 30, 2016
The RiverWoods Group (TRWG) was created in 2012, by the Board of Trustees of RiverWoods, as the result of a multiple year process of work and discussion. The Group was founded as the parent company of RiverWoods, and RiverWoods became the inaugural affiliate.

The creation of this parent company enabled RiverWoods to ensure the financial strength of its core campuses, and empowered TRWG to focus on future growth and affiliation opportunities. The new structure enables TRWG to expand its reach, and provide this way of life for more people, in the spirit of RiverWoods' original founders.

"Our founders created RiverWoods for hundreds of people they had not even met," said Justine Vogel, President and CEO of RiverWoods. "Embedded in their original vision was to be able to share this way of life with more people. The creation of TRWG will enable us to do this in a way that will serve the growing number of seniors, without putting our original campuses in financial risk."

TRWG secured its first new affiliate in July of 2016, Birch Hill, a CCRC in Manchester. The affiliation was the result of a two year intensive process of discussion and analysis on the part of both organizations. Birch Hill met TRWG's goals of affiliating with an organization with similar values, mission and culture.

Both RiverWoods and Birch Hill are non-profit CCRCs founded by local residents, with missions to improve the lives of seniors. The selection of a first affiliate was a critical step for the organization, and the matching of mission and values is imperative.

"We are looking forward to working together with Birch Hill," said Justine Vogel. "We will be able to share ideas and best practices with a fellow CCRC, and to enable them to secure a strong future for their residents."

As part of the first work of the affiliation, Birch Hill is engaged in a $9 million renovation of their campus, and the Birch Hill and RiverWoods residents have planned a Resident Idea Exchange Day, as an opportunity to visit each other's campuses.

The RiverWoods Group Board
Beth-Ann Roberts, Chair
John Prochilo, Vice-Chair
Patrick Parisi, Treasurer
Justine Vogel, Clerk
Janet Bamberg
Steve McPherson
Dianne Mercier
OUR NEWEST AFFILIATE,
Birch Hill, Manchester, NH.

SECURING A STRONG FUTURE

Our newest affiliate,
Birch Hill, Manchester, NH.