



## *2015 Annual Report*

Riverview Terrace  
Riverview Care Center  
Riverview Village

# Mission Statement

*Riverview Retirement Community provides health care, housing and services in a Christ-centered environment. Our caring staff, board and volunteers are dedicated to serving the spiritual, physical and social needs of our residents.*

*Church Affiliation: Riverview Retirement Community was founded by area Lutheran congregations and continues to be affiliated with the Evangelical Lutheran Church in America and the Lutheran Church-Missouri Synod. We are dedicated to serving residents of all faiths.*

# President's Message



**Charles Tirrell**  
*President/  
Chief Executive Officer*

Dear Friends,

This past year has provided Riverview with significant growth and ongoing focus on providing quality services. We are poised to confidently embrace Riverview's future as we embark on new conversations envisioning the possibilities. Riverview remains at the forefront of an ever-changing landscape of services and programs for our stakeholders. We continue to make investments in our campus as noted by the following: expanding the Rehabilitation Therapy area in our Care Center; adding a new coffee lounge and conversation area; remodel of the Chapel; resident safety system; community garden area; upgraded our computer system and added new kitchen equipment. We have updated many apartments in our Terrace Assisted Living area. We have raised our wages to continue to attract and retain our talented employees and increased staff to our healthcare areas. This year, we have focused on added training for staff in clinical areas as well as continued compliance with all levels of regulations. During this past year, we have named Nancy Simien as Director of Nursing for our Terrace Assisted Living. Sunny

Matteson has joined our team as our Director of Sales and Marketing. Our website has been enhanced with more user-friendly applications to assist current and prospective residents to our community. Residents can access selective parts of the website by using their assigned password. Emergency generators are being reviewed for increased coverage throughout the community as a result of the fierce windstorm of last fall. Fortunately, we weathered the event without any significant damage. However, this event served as a wakeup call for emergency preparedness within our community boundaries.

Our regular interactive monthly meetings with residents and quarterly meetings with staff continue to expand our communication opportunities.

We have transitioned into one corporation with a single board of directors to better prepare for the future.

As we focus on the present while preparing for the future, we are engaged in developing our master plan for the community. This plan will be a guide for our success while addressing the needs of our current and future residents and stakeholders.

We have completed an agreement with Avista Corporation to acquire a parcel of land adjacent to Riverview on the corner of Upriver Drive and Granite Street. This parcel provides Riverview a host of possible options as we build for the future. This is the first significant land acquisition in over a decade.

We continue to accomplish our financial goals as noted in this annual report. Our financial operations remain strong and bode well for our capacity to provide an extraordinary level of services to our residents and staff. We remain focused on resident satisfaction as well as enhancing and expanding programs and services to help enrich and enhance the lives of those who depend on us. Our future remains bright as we follow the path of excellence established by our founders and reinforced each day by our residents, staff and board. We look forward to creating a successful 2016. I extend my thanks and gratitude to all for their ongoing commitment and support of excellence to each other and Riverview.

# Riverview Retirement Community History

The gradual progression from the Parkview Girls Club to Riverview Retirement Community began in 1919 when a group of Lutheran laymen first organized the Evangelical Lutheran Deaconess and Hospital Association of Spokane. In the year 1956, the original property on Spruce was sold to Emmanuel Lutheran Church. Shortly thereafter, the property on East Upriver Drive was donated by Mr. John R. Nolen to be used as a retirement community and in 1957 our name became Riverview Lutheran Home of Spokane, Washington.

## **Three Corporations**

**Riverview Terrace** opened its doors in 1959 as the first home in the United States built under the FHA's Homes for the Aged program. Affiliated with both the Evangelical Lutheran Church in America and the Lutheran Church Missouri Synod, the home consists of 135 studio, one and two bedroom apartments. 1997 saw the remodel of the first floor to accommodate an assisted living program.

In 1967, the 75-bed **Riverview Care Center** was completed only to see 20+ years later a 1989 remodel to provide for an ever increasing need for Medicare and Medicaid certified skilled nursing care in Spokane. The 1998 dementia wing was added to offer continuing and long-term care when needed to all residents of Riverview as well as the Spokane community at large.

**Riverview Village** is comprised of 165 independent living homes, built between 1985 and 2014. These homes offer a variety of sizes and floor plans, from cottages and large apartments along the river in Villages South, North, and East, to larger custom homes in Village West. In 2013, a state-of-the-art Aquatics and Fitness Center and a comprehensive wood working shop were added to the campus, complimenting the full range of amenities offered to Riverview residents.

## Chaplain's Report



**Rev. Gary Moore**  
Chaplain

The psalm reading for this years' Easter Sunday rings out, "O give thanks to the Lord, for he is good; his steadfast love endures forever...The Lord is my strength and my might; he has become my salvation...This IS the day that the Lord has made, let us rejoice and be glad in it."

The Word of God comes to us, not to frighten or tire us, not to bring us to the brink of insanity, but to give us peace, to bring comfort, to challenge and inspire us to be better people right where we are!

It has been my privilege over the past 16<sup>1</sup>/<sub>2</sub> years---some 6000+ days that comes out to be to date...my privilege to share God's Word with the Riverview Community---residents, resident families, staff, and even the community at large. I am grateful to be able to proclaim God's Word of peace and comfort right where we are. THANKS BE TO GOD!

As always, I am grateful for those who share their musical gifts, our accompanists Dottie Calvert, Marilyn Kraftenberg, Pat Moylan, and Priscilla Reems, Bob and Lois Iller and Pat Moylan for their work with the Riverview Bellringers and Riversong. AND, those who serve through Riverview Presents.

Riverview strives to assist our area churches in seeing this community as a vital social ministry extension of those same congregations, for in these efforts we learn to be better stewards of and to all God's people.

## *VP - Administrative Services Report*



**Peggy Soden**  
*Vice President  
Administrative Services*

In 2015 we made several additions and improvements with technology on the Riverview campus. One item was the upgrade and changes on our website. There are now portals for residents, employees and board members that contain information that pertains to them and cannot be seen by the general public. We also added some videos that tell a nice story of who lives and works at Riverview. You can see them at [www.RiverviewRetirement.org](http://www.RiverviewRetirement.org).

We have put a number of monitors up in the public spaces in the buildings. We have a program that scrolls through with information regarding upcoming activities, menus and other announcements. Terrace residents can also view this on their TVs in their rooms and Village residents can view it on their computers.

We have a new automated system that can phone or e-mail groups of people. Our staffing office uses it when they need to reach out to groups of employees. We have also used it when we needed to reach the Village residents quickly.

As technology is more and more vital to Riverview we need to assure that we will not have unplanned downtimes with our internet connection. We have a primary internet connection and a backup connection through another provider. We have tested it and it worked as it is intended without any loss of internet connection.

We work hard to provide competitive pay and benefits for our talented, dedicated and hard-working employees. This year we joined a group called the Lutheran Services of the Northwest to provide our employee benefits. This is a group of Lutheran retirement communities throughout the state who pool together for employee benefits. As a result of joining in with a larger group we were able to see a decrease in the cost of medical insurance for the employees with no change in the health plan. Therefore we decided to increase the amount that Riverview contributes from 75% of the cost to 80% of the cost on insurance for the employees.

We also encourage our employees to have a work/life balance. In 2015 we paid for three activities where employees were encouraged to bring their families. We went to an Indians baseball game (complete with a buffet supper), provided tickets to the circus and had a Riverview night at a Chiefs hockey game. We will continue to look for additional family oriented activities that we can provide.

## *2015 Employees of the Year*



**Alan Justice**  
*Maintenance*



**Carlos Boullard**  
*Grounds*

# VP-Finance Report



**Mike Drew**  
Vice President  
Finance

We are pleased to report that Riverview's financial position strengthened again throughout 2015. Our goal is to advance our mission with financial sustainability by means of (1) planning strategically for the future, (2) controlling costs appropriately, (3) making targeted campus improvements, (4) building strong financial reserves and (5) implementing reasonable pricing strategies.

Please be aware of the following financial highlights and achievements that took place in 2015:

- Financial Reserves – Maintaining strong financial reserves is vital to Riverview's success and sustainability. In 2015 our undesignated reserves grew 14.7% to end at \$13.6 million on December 31, 2015.
- Charitable Care – We are committed to serving our residents. When a resident runs out of funds, we rely on Medicaid reimbursements which are lower than our costs of care. Charitable care write-offs totaled \$3,034,000 in 2015.
- Balance Sheet – Riverview ended 2015 with a strong balance sheet. Current assets of \$16.2 million exceeded current liabilities of \$3.4 million. Net assets increased from \$48.3 million to \$49.0 million.
- Bond Covenants – In December 2012 Riverview issued \$15.7 million in tax-exempt bonds. As of December 31, 2015 Riverview was in full compliance with all covenants required by our bond holders including (1) days cash on hand and (2) debt service coverage ratio.
- Corporate Merger – Work continued throughout 2015 on a merger of the three Riverview corporations and the merger was effective January 1, 2016. Though this change has no direct impact on residents, it served to streamline many governance and planning processes.
- Line of Credit – Riverview has a \$2.0 million line of credit. This line allows us to fund unexpected cash needs without liquidating investments. The \$0.5 million that was outstanding on December 31, 2015 was paid in full in January 2016.
- Campus Improvements – 2015 projects included: chapel remodel, new security system, acquisition of one lot, and development of a new community garden. Construction was started in late 2015 on a new coffee shop in the Care Center that opened in February 2016.

Though there will be many new opportunities and challenges in the future, we remain committed to advancing Riverview's mission. This is made possible with the help of our valued residents, effective boards and strong staff.

# VP-Finance Report

(Continued)

## RIVERVIEW RETIREMENT COMMUNITY COMBINED STATEMENTS OF FINANCIAL POSITION

At December 31, 2015 and 2014

	2015	2014
<b>ASSETS</b>		
Cash and Cash Equivalents	\$1,091,244	\$1,010,708
Short-term Investments	13,683,717	11,925,728
Accounts Receivable	1,309,729	984,676
Other Current Assets	73,347	73,699
<b>Total Current Assets</b>	<b>16,158,037</b>	<b>13,994,811</b>
Assets Limited or Restricted as to Use	2,418,539	2,477,468
Property, Buildings and Equipment, Net	29,860,755	31,301,473
Other Assets	541,516	558,260
<b>TOTAL ASSETS</b>	<b>48,978,847</b>	<b>48,332,012</b>
<b>LIABILITIES</b>		
Accounts Payable	\$793,695	\$319,644
Refundable Accommodation Fees Payable	727,800	554,750
Accrued Payroll and Payroll Related Liabilities	680,215	648,454
Line of Credit Payable	500,000	-
Accrued Interest Payable	384,510	388,323
Current Maturities of Long-term Debt	180,000	170,000
Applicant Deposits	114,000	112,000
Other Current Liabilities	9,460	8,999
<b>Total Current Liabilities</b>	<b>3,389,680</b>	<b>2,202,170</b>
Long-term Debt, Less Current Maturities	15,180,000	15,360,000
Retirement Obligation Payable	352,187	371,161
Deferred Revenue from Life-Tenency Contracts	16,429,810	17,128,174
Other Non-current Liabilities	86,801	99,351
<b>TOTAL LIABILITIES</b>	<b>35,438,478</b>	<b>35,160,856</b>
<b>NET ASSETS</b>	<b>13,540,369</b>	<b>13,171,156</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$48,978,847</b>	<b>\$48,332,012</b>

# VP-Finance Report

(Continued)

RIVERVIEW RETIREMENT COMMUNITY  
**COMBINED STATEMENTS OF ACTIVITIES AND  
CHANGES IN UNRESTRICTED NET ASSETS**  
For the Years Ended December 31, 2015 and 2014

	2015	2014
<b>REVENUE</b>		
Monthly Service Fees	\$18,623,515	\$16,757,637
Amortization of Life Tenancy Contracts	1,845,690	1,751,401
Investment Income, Net	(263,984)	629,104
Other Revenue	378,219	322,523
<b>Total Revenue</b>	<b>\$20,583,440</b>	<b>\$19,460,665</b>
<b>EXPENSES</b>		
Health Services	\$7,718,978	\$7,142,588
Fiscal and Administrative	2,559,498	2,532,888
Plant Operating and Security	2,543,874	2,226,269
Dietary	2,407,709	2,362,743
Depreciation	2,100,912	2,056,611
Housekeeping and Laundry	771,629	854,749
Interest	834,627	800,447
Activities	616,184	620,099
Turnover Renovation Costs	565,663	451,624
Chaplaincy	78,714	83,258
Amortization of Bond Insurance Costs	16,439	16,439
<b>Total Expenses</b>	<b>\$20,214,227</b>	<b>\$19,147,715</b>
<b>TOTAL CHANGE IN UNRESTRICTED NET ASSETS</b>	<b>\$369,213</b>	<b>\$312,950</b>

See Note to Financial Statements. No assurance is provided on these financial statements.

**Note to Financial Statements**

*Management's Election to Omit Disclosures - Management has elected to omit substantially all of the disclosures required by the generally accepted accounting principles as issued by the U.S. Financial Accounting Standards Board. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the corporation's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.*

# *Riverview by the Numbers*

## **2015**

	<b><i>Terrace</i></b>	<b><i>Care Center</i></b>	<b><i>Village</i></b>
<b>Facility Type</b>	<i>Assisted Living and Independent Living (boarding home)</i>	<i>Skilled Nursing Facility</i>	<i>Independent Living</i>
<b>Fed Tax Status</b>	<i>Tax Exempt under IRS Section 501(c)(3)</i>	<i>Tax Exempt under IRS Section 501(c)(3)</i>	<i>Tax Exempt under IRS Section 501(c)(3)</i>
<b>Year Operations Began</b>	1959	1967	1985
<b>Units</b>	135 rooms	75 beds	165 units
<b>Fiscal Year</b>	Jan 1 thru Dec 31	Jan 1 thru Dec 31	Jan 1 thru Dec 31
<b>Total Operating and Non-operating Income</b>	\$7,091,955	\$10,379,250	\$3,112,235
<b>Net Fixed Assets</b>	\$8,045,947	\$4,188,043	\$17,626,765
<b>Employees (Full and Part Time)</b>	142	135	<i>None. (Labor is purchased from Terrace)</i>
<b>Employee Pay, Payroll Taxes and Benefits</b>	\$4,459,105	\$5,025,800	\$496,508
<b>Residents at Year End</b>	133	74	238
<b>Percent Occupancy</b>	91.1%	98.7%	95.8%
<b>Charitable Care</b>	\$359,294	\$2,674,909	\$0



# Riverview Terrace

## 2015 Board of Trustees

Shanna Cejka (Chair)

Dennis Fiess

Sylvia Hedrick (Vice Chair)

Brian Albrecht (Secretary/Treasurer)

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Resident Council President, Harriette Goebel  
President/CEO, Charles Tirrell

Legal Counsel, Alan Rubens  
Medical Director, Dr. Tiffany Hanf

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**Shanna Cejka**  
*Chair*  
*Riverview Terrace*

### ***Report from the Chair***

Throughout 2015 our three Riverview boards worked together on a merger of the three corporations. With the help of CEO Charles Tirrell, together with the executive team of Mike Drew (VP-Finance) and Peggy Soden (VP-Administrative Services) plus the remarkable commitment of the members of all three boards, the January 1, 2016 transition was almost seamless. Capital investments in 2015 included: remodel of the chapel, purchase of one new parcel of land, installation of a wander system, purchase of kitchen equipment, remodel of several restrooms and the addition of a massage therapy room. In late 2015 Riverview reached an agreement with Avista to acquire more land to the west of Riverview Terrace for future expansion.

The Terrace has continued to see high occupancy rates while moving through the challenges of upgrading our facilities. We credit the compassion, quality of care and attention to detail of our amazingly dedicated employees. We would like to thank Harriette Goebel for her volunteer service as President of the Resident Council.

Finally, we want to thank the members of the Terrace Board for their service and dedication this past year. We are all looking forward to another great year for Riverview in 2016!.

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RIVERVIEW LUTHERAN HOME OF SPOKANE, WASHINGTON  
dba RIVERVIEW TERRACE

### **MINUTES FROM ANNUAL MEETING - MARCH 13, 2015**

Donn Gehret, Chair of the Riverview Terrace Board of Trustees, called the meeting to order. He introduced the 2014 Terrace Board members and thanked them for their service.

Mr. Gehret referred the attendees to his written report in the annual report.

Mr. Gehret called for a **MOTION** from the floor to accept the minutes of the 2013 Annual Meeting. **MOTION** made, seconded and carried.

There was no old business.

Mr. Gehret announced that he and Pam Indahl are going off the Board after serving for six years.

There being no further business, Mr. Gehret called for a **MOTION** to adjourn the Terrace Annual Meeting. **MOTION** made, seconded and carried. Meeting adjourned.

# Riverview Care Center

## 2015 Board of Trustees

Larry Mundahl (Chair)  
Steve Walker (Vice Chair)  
Don Kennedy (Secretary)

Dave Troyke (Treasurer)

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President/CEO, Charles Tirrell

Legal Counsel, Alan Rubens  
Medical Director, Dr. Tiffany Hanf

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**Larry Mundahl**  
Chair  
Riverview Care Center

## Report from the Chair

Riverview Care Center had a very strong year in terms of providing high quality medical care to its residents under the leadership of Charles Tirrell (President & CEO) and Jon Dresback (Director of Nursing). The excellence of our 75-bed skilled nursing facility is well known by hospital discharge planners as evidenced by increasing occupancy levels. Care Center occupancy averaged a strong 95% in 2015.

Facility improvements made in 2015 included: expansion of the therapy gym, purchase of new HVAC compressors, remodel of the special care unit, purchase of a new system server and construction of the RiverBrew coffee shop (in late 2015). The electronic medical records system (Point Click Care) was introduced in 2013 and was fully functional throughout 2015...adding to both the accuracy and efficiency of our medical records. The provision of therapy services was enhanced in April of 2015 by engaging a new provider, Consonus, thereby adding days of service and expanding in aquatic therapy.

Finally, throughout 2015 the Riverview boards worked collaboratively to successfully merge the three corporations into a single entity. This change in governance should strengthen our strategic decision-making, efficiency and effectiveness. I want to thank all of the Care Center Board members who are dedicated to advancing our mission and commitment to providing the highest level of care to the patients we serve.

## RIVERVIEW LUTHERAN CARE CENTER MINUTES FROM ANNUAL MEETING - MARCH 13, 2015

Larry Mundahl, Chair of the Riverview Lutheran Care Center Board of Trustees, called the meeting to order. He introduced the 2014 Care Center Board of Trustees and expressed appreciation for their service.

Mr. Mundahl encouraged the delegates to read his comments in the annual report.

Mr. Mundahl called for a **MOTION** from the floor to accept the minutes of the 2013 Annual Meeting. **MOTION** made, seconded and carried.

There was no old business.

Mr. Mundahl announced the nominee for a second three-year term on the Care Center Board of Trustees: Steve Walker. Steve Walker was not in attendance. He called for other nominations. There were none. Mr. Mundahl called for a **MOTION** from the floor to accept the nomination. **MOTION** made, seconded and carried.

Mr. Mundahl gave an update on corporate structure and board governance:

While management of operations has been integrated, historically, Riverview Retirement Community has conducted business as three separate corporations, each with an independent governing board responsible for providing oversight over a particular aspect of Riverview's programs and facilities. In mid-2014, Riverview began to explore the possibility of merging the three separate Riverview corporations into one, providing for more streamlined governance. The respective governing boards of the three Riverview corporations have determined that it is in the best interests of each corporation with an ultimate goal of completing the merger by December 31, 2015.

There being no further business, Mr. Mundahl called for a **MOTION** to adjourn the Care Center Annual Meeting. **MOTION** made, seconded and carried. Meeting adjourned.

# Riverview Village

## **2015 Board of Trustees**

Steve Carlson (Chair)

Gary Clark (Vice Chair)

Kristine Walker (Secretary)

Donn Gehret (Treasurer)

David Cook

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President/CEO, Charles Tirrell

Legal Counsel, Alan Rubens

Resident Council President, Milo Ball

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**Steve Carlson**  
Chair  
Riverview Village

### ***Report from the Chair***

2015 was another excellent year at Riverview Village. Our average occupancy averaged a strong 96% thanks to the efforts of our Marketing Specialist, Alison Hockett and positive referrals from our current residents. Though we have 165 units, two units were offline in 2015. We made the following capital investments: the addition of a new community garden, the installation of air conditioning in the Riverview Workshop and the purchase of new curtains for the Aquatic Center. In late 2015, we reached an agreement with Avista to add river view property to the west of our Terrace for future expansion. Finally, our governance was streamlined with the merger of our three Riverview corporations into one new corporation.

I want to express my appreciation for each of the volunteers who served on our Village board for their thoughtful decisions and strategic oversight. We are looking forward to an exciting 2016 as we put together a long-range campus master plan.

This plan will serve as a detailed blueprint for expanding and improving service to current and future residents.

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## RIVERVIEW VILLAGE

### **MINUTES FROM ANNUAL MEETING - MARCH 13, 2015**

David Cook, Chair of the Riverview Village Board of Trustees, called the meeting to order. He introduced the 2014 Village Board of Trustees and thanked them for their service.

Mr. Cook asked those in attendance to read his report in the annual report.

Mr. Cook called for a **MOTION** from the floor to accept the minutes of the 2013 Annual Meeting. **MOTION** made, seconded and carried.

There was no old business.

Mr. Cook acknowledged Frank Gebhardt, Betsy Newman and Diane McHenry who are going off the Board after serving for six years.

Mr. Cook introduced the nominee for a first three-year term on the Village Board of Trustees: Donn Gehret. He called for other nominations. There were none. Mr. Cook called for a **MOTION** from the floor to accept the nomination. **MOTION** made, seconded and carried. The nominee was installed by Pastor Gary Moore.

There being no further business, Mr. Cook called for a **MOTION** to adjourn the Village Annual Meeting. **MOTION** made, seconded and carried. Meeting adjourned.

# Our Sponsoring Congregations

Advent Lutheran Church	Peace Lutheran Church
All Saints Lutheran Church	Pilgrim Lutheran Church
Beautiful Savior Lutheran Church	Prince of Peace Lutheran Church
Bethlehem Lutheran Church	Redeemer Lutheran Church
Central Lutheran Church	St. John's Lutheran Church
Fairfield Community Church	St. Luke Lutheran Church
Holy Cross Lutheran Church	St. Mark's Lutheran Church
Hope Lutheran Church	St. Peter Lutheran Church
Messiah Lutheran Church	Salem Lutheran Church
New Vision Lutheran Church	Zion Lutheran Church



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Affiliated with:

*Riverview Terrace (Assisted Living Apartments & Independent Apartments)*

*Riverview Lutheran Care Center (Skilled Nursing Facility)*

*Riverview Village (Independent Living Homes)*