

One seasonal highlight is a bus trip hosted by our President, Nelson Kling, to see the sparkling lights and colorful decorations. Nelson really knows his way around Lancaster and he is a right jolly old... well, you know. Other bus trips may include holiday dinners or other special events.

Also, during the Christmas season staff members may assist residents to express their personal preferences in nail polish color, accessories



or that perfect sweater. Music is a big part of the season and residents join in joyfully. They appreciate the church groups, students and families who carol, perform or bring cookies to share. There are lots of Christmas games, puzzles, movies, trivia and Christmas reminiscences. Residents enjoy helping to bake cookies and other Christmas goodies for special meals.

On Christmas Eve the administration and staff whisk cheerfully through all buildings caroling. Residents in wheelchairs especially appreciate the

volunteers who wheel them around to enjoy the lovely decorations.

Most importantly, the Christ of Christmas is not forgotten. Advent is a season of hope and reflection as we anticipate the celebration of the Nativity of the Christ Child. Worship services make the holidays a "hallowed" time; not a "hollowed" time; hope for a future that rests in God, not life without substance or worth. The Pastoral Care Team seeks to be "living greeting cards" that reflect the very life of the God of Christmas.

Christmas day arrives, the culmination of our preparations! Residents delight in festive meals, gift giving and precious time with family and friends. Most folks reflect on the greatest gift of all, Jesus.



Our cover photo features resident **Kathleen Heckman** and staff person **Gina Campbell**as they view the nativity set and consider the significance of Jesus Christ's birth. Merry
Christmas and Happy New Year from everyone at Mennonite Home Communities!



CHRISTMAS In Oakvue

Our Oakvue unit has unique traditions requiring months of careful preparation by volunteers, chaplains, nursing, social workers and therapeutic recreation staff. The music, menus and decorations must be perfect for our special guest!

For many years, Santa Claus has been coming to Oakvue. In the afternoon families and grandchildren arrive. After opening prayers and singing, Santa delivers clothing, toiletries and gifts to each resident. Mrs. Claus always helps distribute the gifts and sometimes

an elf or two appears. The staff, residents and their families eagerly await this special celebration.



ANNUAL REPORT 2006

Lennonite Home Communities continues to be a beehive of activity. This year we all enjoyed the transformation of our old lobby to welcoming spaces that embrace residents and their families. The new lobby used the main street design concept

and now includes a beautiful country store, Main Street Café, library, sun room and other gathering spaces. The chapel and dining rooms are more inviting and functional. We are clearly on a journey of transformation and this will include the Rosevue nursing center in the next few years.

The Woodcrest Villa campus is also in transition as we added 32 villas and started a major renovation project in our apartment units. As in the past, decisions on future expansion will be market-driven.

We are thankful for the continued financial strength of the Mennonite Home Communities. This does not happen by accident but is through the concerted effort of our board members, staff, volunteers and donors. Each of us plays an important role in the future of this great community. May God bless us as we face the challenges of the new year.





Statement of Revenue and Expenses

RESIDENT SERVICE REVENUE:

| Gross billings for room, board and ancillary services Amount written off for required contractual allowances | \$31,527,858 |
|---|---|
| and inability of some residents to pay | (2,970,018) |
| NET RESIDENT SERVICE REVENUE | 28,557,840 |
| Pennsylvania nursing home assessment Other revenue | 191,561 455,136 |
| TOTAL OPERATING REVENUE | 29,204,537 |
| OPERATING EXPENSES: | |
| Salary, wages and outside services Payroll taxes and employee benefits Food, medical supplies and other expenses Pennsylvania nursing home assessment Depreciation and interest | 12,300,556 3,281,584 8,290,541 90,908 4,428,667 |
| TOTAL OPERATING EXPENSES | 28,392,256 |
| RESULTING IN A NET INCOME FROM OPERATIONS OF | 812,281 |
| NON OPERATING REVENUE: | |
| Unrestricted contributions Income from investments and adjustment reflected | 304,925 |
| from changes in market value | 701,348 |
| INCREASE IN UNRESTRICTED NET ASSETS | \$1,818,554 |



THE GIVING IMPERATIVE

Mennonite Home Communities is a faith-based organization formed to meet the needs of "the elderly, widows and widowers" in a Christ-like manner. After one hundred years of providing care, no resident has ever been asked to leave our facility due to financial hardship. Christians are charged to support those less fortunate, "Even as you do this to the least of these...you do it unto me."

Our residents fear running out of money. It is an enormous comfort to them to trust in the generosity of others. We rely on folks like you, friends and family members of the people served here, to help us maintain our caring traditions.

We encourage various forms of gifting to suit everyone's budget and circumstances. Many people participate in events like our Golf Tournament and JuneFest. Others support the Annual Campaign. Retired folks who need more income find Charitable Gift Annuities a great tool. Those who remember us in their wills are a real blessing.

The Development Department helps you find the most tax-friendly way to contribute. Did you know you can offset taxes owed on bonds and eliminate capital gains taxes? Our seminars inform you about the changing tax laws.

"It is wonderful that people help financially and it is greatly appreciated by those who receive the benevolent care. Donors have a heart of love. Their gifts make me feel secure in my home."

Anna Brubaker,
 a resident since 1978



The Mennonite Home Communities 2006-2007 Annual Campaign has just begun and provides a fresh opportunity to support the MHC Benevolent Care Fund for individuals whose resources have been depleted. Please call Nancy Parmer at (717) 390-4105 if you would like to receive a brochure.

Supporters of the 2006-2007 campaign can receive a Suk Shuglie print based on their gift level.

THANK YOU

We would like to thank our generous supporters from last fiscal year by category of donation.

June Fest - \$16,214

Benevolent Care - \$350,494 includes:

Golf Tournament - \$26,524

Memorial Gifts - \$9,100

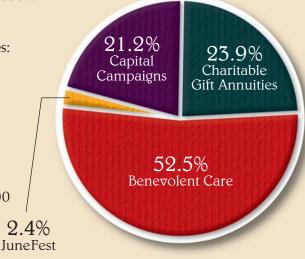
Annual Campaign - \$80,314

Bequests - \$115,821

Unspecified - \$118,735

Capital Campaigns - \$141,485

Charitable Gift Annuities - \$160,000



The Gift of Parkvue Lobby Renovations

Imagine improving the lives of residents and families for the next 100 years! A special thanks to the many caring people who made possible this generous gift. Call Nancy Parmer at (717)390-4105 for information on obtaining a leaf for your loved ones.

THE VOLUNTEER CONNECTION

It's Monday morning and one of the residents sees the bus entering Mennonite Home. "He's here," and they all stand up and eagerly prepare to go "Out to Lunch" at a favorite restaurant. After John Gingrich parks the bus, he helps our residents climb up the steps and off they go. John has taken residents to parks and concerts, shopping and sight seeing, and on more trips then we have space to mention. Since Mennonite Home purchased the first bus, John has taken residents from both Mennonite Home and Woodcrest Villa on a multitude of trips.

John grew up on a dairy farm in East Hempfield Township. In fact, the land that his family owned was purchased by Mennonite Home and became Woodcrest Villa. The oldest of five children, John fondly remembers when his father finally purchased a tractor. In 1947 he married his wife, Blanche, and started his own dairy farm a short distance away. The Lord richly blessed them with four sons, three daughters, fourteen grandchildren and seven great-grandchildren. After turning the farm over to his son, Kenny, he still helps wherever he can as his love of farming still burns bright.

John has always had a love for helping other people. From the early days of driving the van at Mennonite Home, visiting many of our residents, and pushing around the food carts, he has been someone we could always depend upon. When asked, "Why do you devote so much of your time volunteering?" John simply answers "I just get a lot of satisfaction out of helping others. It is extremely rewarding for me."



Special Volunteer Wish List:

Wheelchair Transport – Our greatest need at this time is for volunteers willing to push a wheelchair and escort a resident to their in-house physical therapy appointments. This would simply be a commitment of once or twice a month for approximately three hours.

Gift Giving – Each year we try to make Christmas special for each of our residents by giving them a few small gifts to enjoy. If you would like to contribute to this wonderful program, please contact me ASAP.

If you would like to make a difference in the life of someone else, please contact Kathy Maule at (717) 390-7971. Thank you!



VOLUNTEER BANQUET

by Kathy Maule, Volunteer Coordinator

"Let your light shine before men in such a way that they may see your good works, and glorify your Father who is in heaven."

(Matthew 5:16) Every day when you see one of our volunteers helping our residents, you are seeing their "light shine." Our volunteers make a difference in the lives of others by pushing wheelchairs, helping with events, delivering papers, manning the gift and thrift shops and the list goes on and on. This past year, our volunteers gave over 42,000 hours of their time providing quality care for our residents.

Each year we hold a Volunteer Banquet to show our appreciation for all they do. On November 1st, our Food Service Department prepared an incredible meal. Many of our staff members then gave their time to serve this meal to our very special volunteers. Afterwards we were treated to a wonderful program by harpist Louis Lynch.

Each of us is so very busy with our families, jobs and everyday life. But as the holiday season approaches, I would like to give you a challenge. Please follow the example that our many volunteers live everyday. Reach out to someone else and "Let your light shine."

Shining Stars

Recognizing employees for the dedication and hard work that is done each and every day to make Mennonite Home and Woodcrest Villa a wonderful place for residents to live.

July



Dorcas Martzall
Pastoral Care



Mim Cruz Pastoral Care



Christina Cruz
Therapeutic Recreation

August



Sue Markovich Housekeeping



Terry Godfrey Staff Trainer



Vicky Ruckert Housekeeping Leader

eptember



Johanna Rivera Certified Resident Assistant



Shirley Cuevas Certified Resident Assistant Lead



Debra Simon Resident Assistant

Mennonite Home Communities

1520 Harrisburg Pike Lancaster, PA, 17601

RETURN SERVICE REQUESTED

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SOLICITATION POLICY

If you wish to have your name removed from the mailing list to receive future newsletters or fundraising materials supporting Mennonite Home Communities, please send a written request to:

Mennonite Home Communities Marketing Department, 2001 Harrisburg Pike, Lancaster, PA 17601.

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YEAR-END GIFTING IDEAS

At this season of thanksgiving and celebration, many people share their blessings with charitable organizations that are doing important work. We encourage donors to do that in a manner that provides the very best tax advantages for their family.

In August, Congress provided an important new charitable gifting mechanism. The Pension Protection Act allows direct Charitable Roll-overs from IRAs. The rules are specific:

WHO – IRA owners over the age of $70^{1/2}$.

WHEN – Only during 2006 and 2007.

WHAT – Direct roll-over gifts up to \$100,000 (per spouse) from an IRA to a 501c3 charity, like Mennonite Home Communities.

PROCEDURE – The money is transferred directly from your IRA custodian to your charity. It does not count in your income and you do not get a tax deduction.

PROHIBITED – Charitable Gift Annuities, trusts, foundations or donor advised funds.

BENEFITS – This qualifies towards your minimum required distribution, incurs no tax and does not affect your Adjusted Gross Income.

ELIMINATE — It also removes the gift from future federal and PA estate taxes, and income tax on your heirs.

ACT QUICKLY - Please call Greg Pierce, Director of Development (717) 390-4903 for a sample letter for your IRA custodian (they need time to do the transfer!)

TRADITIONAL GIFTING APPROACHES

Cash – The easiest gift is cash. Just make sure your envelope is post marked by December 31 for a 2006 deduction.

Stock – Gifts of appreciated stock earn a full tax deduction and avoid the capital gains tax. Call us for details and helpful directions.

Charitable Gift Annuities – Can pay up to 11% income (depending on age), largely tax free, and provide other tax deductions.

Real Estate – Gifting appreciated property can avoid capital gains taxes and generate large charitable deductions. It is even possible to maintain the right to live in your house throughout your lifetime.

See www.mennonitehome.org/donations for information and forms.