Dear Loretto Family & Friends

2011 was a year of change and a year of growth here at Loretto. As we look back on the past year, we recognize that this is a time for celebration and gratitude. We celebrate Loretto for the expanse and quality of services offered to our elders. We celebrate our dedicated staff for their commitment to providing our elders with excellent care and a meaningful, enjoyable lifestyle. We celebrate our families who entrust the care of their loved ones to us. It is a responsibility we take very seriously; and it is a privilege. We celebrate our volunteers and supporters for their continuing dedication to Loretto and those we serve.

With our focus on person centered care, Loretto provides a variety of services that can be tailored to meet the needs of each elder. As you will see, Loretto serves elders across a variety of settings, including community based programs, independent living, assisted living and traditional skilled nursing. And our customized rehabilitation programs are second to none in Central New York.

As Loretto moves into the future, we are transforming the face of Elder Care in Central New York!

Thank you for being a part of our progress.

Sincerely,

Kimberly Townsend
Chair of the Loretto Board of Trustees

Bruce F. Buchanan, FACHE
President & CEO of Loretto

---

Loretto Awarded Grant to Expand O’Brien Road Apartments

Loretto and Christopher Community applied to HUD for a grant to build a second apartment building at the site of the O’Brien Road Senior Apartments in the Town of Van Buren. Expanding the site was part of PACE CNY’s long range strategic plan. PACE provides services to qualifying residents at these apartments. The first structure, consisting of 39 apartments, opened in 2009. Loretto was awarded a $3.3 million grant in November of 2011 in a very competitive federal bid in HUD’s Section 202 Supportive Housing for the Elderly Program. The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly.

In 2011 Loretto’s The Bernardine, a senior living community, received notification from the NYS Department of Health to expand its Assisted Living Program (ALP) from 16 to 70 beds. The expansion is part of the NYS HEAL 12 grant to downsize the number of nursing home beds in Central New York. The ALP is a Medicaid program designed to care for medically stable elders, who may otherwise qualify for nursing home level of care.

The Bernardine Received 54 Additional Assisted Living Program Beds

In 2011 Loretto’s The Bernardine, a senior living community, received notification from the NYS Department of Health to expand its Assisted Living Program (ALP) from 16 to 70 beds. The expansion is part of the NYS HEAL 12 grant to downsize the number of nursing home beds in Central New York. The ALP is a Medicaid program designed to care for medically stable elders, who may otherwise qualify for nursing home level of care.

Other highlights:

• Renovated 9 apartments and created a resident lounge on the 19th floor
• Replaced fire sprinkler pump and emergency generator resulting in state of the art fire safety and emergency power
• Created new affordable housing for low income elders
• Through 2011, 9 phases of renovation were completed and 2 remained.

Loretto Legends Concert Series

Neil Sedaka, the legendary singer-songwriter, wowed a crowd of more than 1500 fans at the Civic Center in Syracuse last October as part of the Loretto Legends Concert Series. The energetic 72 year old Sedaka turned back the hands of time showcasing his top hits from the 50’s, 60’s and 70’s. Following the performance, a patron reception was held on stage where Mr. Sedaka generously greeted guests and posed for photos.

Proceeds from the event help support Loretto’s eldercare programs and services throughout Central New York.
The Loretto Foundation

A sincere thank you to all who contributed so generously to supporting the work of Loretto through the fundraising efforts of the Loretto Foundation. So many of the elders that we serve have limited resources but with the help of people in our community, we continue to provide the quality of care that every elder deserves.

Through the A Wonderful Life Tribute Tree Giving program, one example of the many giving opportunities available to our supporters, a tax deductible gift is given in honor or memory of someone special. There are Tribute Trees located in several of our facilities.

2011 Service Statistics

**Home & Community-Based Care Services**

<table>
<thead>
<tr>
<th>Service</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daybreak Adult Medical</td>
<td>213</td>
</tr>
<tr>
<td>Day Centers</td>
<td></td>
</tr>
<tr>
<td>Loretto Lifeline</td>
<td>2,027</td>
</tr>
<tr>
<td>PACE CNY</td>
<td>525</td>
</tr>
</tbody>
</table>

**Senior Housing**

<table>
<thead>
<tr>
<th>Housing</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Bernardine</td>
<td>221</td>
</tr>
<tr>
<td>Buckley Landing</td>
<td>127</td>
</tr>
<tr>
<td>Community Residences</td>
<td>32</td>
</tr>
<tr>
<td>Forest View at Fayette</td>
<td>17</td>
</tr>
<tr>
<td>The Heritage</td>
<td>151</td>
</tr>
<tr>
<td>Highland House</td>
<td>13</td>
</tr>
<tr>
<td>Malta House/Malta Manor</td>
<td>100</td>
</tr>
<tr>
<td>The Nottingham</td>
<td>299</td>
</tr>
<tr>
<td>O’Brien Road Apartments</td>
<td>48</td>
</tr>
<tr>
<td>Sedgwick Heights</td>
<td>188</td>
</tr>
</tbody>
</table>

**Skilled Nursing**

<table>
<thead>
<tr>
<th>Skilled Nursing</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loretto Health &amp; Rehabilitation Center</td>
<td>1,736</td>
</tr>
<tr>
<td>Cunningham Skilled Nursing</td>
<td></td>
</tr>
<tr>
<td>Fahey Rehabilitation Center</td>
<td></td>
</tr>
<tr>
<td>The Nottingham Residential Health Care Facility</td>
<td>56</td>
</tr>
</tbody>
</table>

Total: 5,753

For more information about Loretto programs and services, please call (315) 469-1991 or go to www.loretto-cny.org.

The total number of individuals served by Loretto Programs and Services in 2011 was 5,753.

2011 Revenue by Service Area

- Fundraising/Other: 2%
- Housing: 23%
- Clinical Services/PACE/Daycare: 28%
- Skilled Nursing: 47%

2011 Expenses by Service Area

- Fundraising/Other: 2%
- Housing: 21%
- Clinical Services/PACE/Daycare: 27%
- Skilled Nursing: 50%

Total: $117 million

2011 Revenue by Source

- Grants/Fundraising: 3%
- Medicare: 22%
- Private & Commercial: 28%
- Medicaid: 47%

For more information about Loretto programs and services, please call (315) 469-1991 or go to www.loretto-cny.org.

Specialized Health Care Services

<table>
<thead>
<tr>
<th>Service</th>
<th>Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>McAuliffe Health Center</td>
<td></td>
</tr>
<tr>
<td>Dental</td>
<td>2,592</td>
</tr>
<tr>
<td>Podiatry</td>
<td>2,220</td>
</tr>
<tr>
<td>Vision</td>
<td>181</td>
</tr>
<tr>
<td>Total Visits</td>
<td>4,993</td>
</tr>
</tbody>
</table>

Food Services

- AdvanceMeal
  - In addition to Loretto, AdvanceMeal also serves non-affiliated skilled nursing facilities and community-based nutrition programs. In total, AdvanceMeal served 5,800,000 meals in 2011.
2011 Care Programs & Services

Home & Community-Based Care Services
Daybreak Adult Medical Day Centers
Loretto Lifeline
PACE CNY (Program of All-inclusive Care for the Elderly)

Food Services
AdvancedMeal

Senior Housing
The Bernardine
Buckley Landing
Community Residences
Forest View at Fayette
The Heritage
Highland House
Malta House
Malta Manor
The Nottingham
O’Brien Road Apartments
Sedgwick Heights

Skilled Nursing
Loretto Health & Rehabilitation Center
Cunningham Skilled Nursing
Fahey Rehabilitation
The Nottingham Residential Health Care Facility

Specialized Health Care Services
McAuliffe Health Center

Loretto Management Corporation Board of Trustees
John D. Burke
Joyce Carmen
Susan Clancy-Magley
Hadwen Fuller, II
D. Jeffrey Gosch
Amelia Greiner
F. Philip Kessler, Jr.
James Mackin, Esq., Secretary
Pierre Morriseau
Ellen M. O’Connor, Vice Chair
Vicki O’Neill
Matt Skinner
Kimberly Townsend, Chair
Helene Wallace
Mary Anne Winfield

PACE CNY Board of Trustees
Joyce Carmen
Gregory Fernandez
Amelia Greiner
Sharon McAuliffe, Esq.
Mark Murphy
Frank Smith
Vince Sweeney
Kimberly Townsend, Chair

Loretto Foundation Board of Trustees
Cora Alsante
Karen Anthony
Jim Barger
James V. Breuer
Donald Byers
Susan Clancy-Magley
Gregory Cohen
Philip Kessler, Jr.
Pierre Morriseau, Chair
Paul Predmore
Patricia Volza
Michael Zandri

Loretto Health & Rehabilitation Center Board of Trustees
R. Daniel Bordoni
Adam Brown, Chair
Steven Chase
John A. Cirando, Vice Chair
Michele Jones-Galvin
Sally Kelly, Secretary
John Medvecko