

BOARD OF TRUSTEES

Thomas D. Anthony

Phyllis Atkinson
(Confident Living Board)

Steve Black

James L. Bowersox

Mike Brandy

Larry Brueshaber
(Confident Living Board)

Bob Carroll

Ruby Crawford-Hemphill

William Culp
(LEC Foundation Chair)

Richard H. Davis
(Confident Living Board)

Mary Helen Dunham
(Resident Rep for Twin Towers)

Robyn Hildal
(TL Board Chair)

Leigh Ismael

Peggy Kite

Mark Kuenning

Pastor David Mack

Scott McQuinn

Fred Moore
(Resident Rep for TL)

Ken Parchman
(TT Board Chair)

Rev. Greg Stover
(West OH Conf UMC Rep)

Jack Wild

Jerry Wissel
(LEC Board Chair)

LEC EXECUTIVE TEAM

Scott McQuinn
President and CEO

Jim Bowersox
Vice President Finance and CFO

Connie Schmitt Kingsbury
Vice President Marketing and
Public Relations

Jim Lay
Executive Director, Twin Towers

Jim Mayer
Executive Director, Twin Lakes

Dan McManus
Executive Director, LEC
Foundation

Life Enriching Communities 2017 ANNUAL REPORT

Throughout 2017, Life Enriching Communities focused on improving services, amenities and accommodations for residents and associates. By all accounts, it was a year of transition, progress and success for our organization.

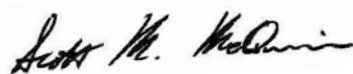
Construction continued on the Twin Lakes expansion that includes 45 new independent living apartments with an underground parking garage, the Shirley M. Davies Community Center and a new casual dining venue all of which opened in the Spring of 2018. Twin Lakes also broke ground for an additional 22 villa homes that will be completed by late 2019. Further, planning and research efforts began to evaluate resident and prospect preferences regarding independent living dining services that will be used in re-designing the dining venues at Twin Towers.

It is gratifying to see our progress and the great strides we are making as reflected in this report, but we know there is still much work to be done. We are blessed that our organization is financially healthy and our balance sheet is strong. This has enabled us to continually enhance and expand our ministry through the expansion and improvement of our communities and the establishment of newer programs such as Confident Living, our Continuing Care at Home program. This program has been available in Hamilton County for the past two years and has expanded into surrounding counties in 2018.

As you join us in reflecting on a successful year, we extend our gratitude to all of those who support our organization. We are blessed to be a part of such a committed organization. Looking ahead, Life Enriching Communities is well positioned for future success and growth of our mission, and we anticipate that through new relationships, technologies and programs, we will continue to strengthen our organization and enhance the services we provide.

Thank you to the residents, associates, family members, donors, volunteers, and the many friends of Life Enriching Communities for your continued participation in and commitment to our shared mission. We never take for granted your trust and confidence in all that we do, and we ask for your continued prayers and support for our ministry as we strive together to make a positive difference in the lives of all of the people who live and work in our communities or participate in our programs.

The future is bright. There is more work to be done. It will not be easy. The only limit to our realization of tomorrow will be our doubts of today. We will move forward with strong and active faith. The question is not "How big will we get?", the question is "How big is the heart of God?"



Scott M. McQuinn
President/CEO
Life Enriching Communities

Growth Continues for Confident Living

Confident Living, designed to help people live independently in their own homes as they age, enjoyed a year of growth in 2017. A Continuing Care at Home program, Confident Living is a viable retirement planning option that helps members preserve their savings and prepare for future long term care needs while providing options to increase their health and vitality. By year's end, forty (40) members had enrolled in this innovative program.

"We made the decision for several practical reasons: we like the variety of plans from which we can choose, with different service levels," said Confident Living members Thom and Sarah Moon. "More important are the emotional reasons. Having Confident Living allows us to stay safely in our home longer than we might otherwise. And it relieves our sons from having to spend their time helping us as we age. We want to enjoy our time with them and their families more fully."

To further strengthen the program, a Board of Managers was formed to provide guidance and support in the areas of marketing and education. The following individuals were appointed to the Confident Living Board: Jerry Wissel, Chair of the Life Enriching Communities Board, Phyllis Atkinson, Jim Bowersox, Larry Brueshaber, Bob Carroll, Richard Davis and Scott McQuinn. Further growth is expected in 2018.



Thom and Sarah Moon



A Musical Feast Exceeds Expectations

The 2nd Annual Musical Feast featuring the talents of the University of Cincinnati College-Conservatory of Music (CCM) students and Twin Towers "Artists-in-Residence" set records for attendance, fund-raising and overall enjoyment. The evening of classical entertainment and fine dining raised \$104,000 to support the mission of the Life Enriching Communities Foundation.

"A Musical Feast is our largest and most impactful fundraising event supporting the many needs throughout Life Enriching Communities, including the Benevolent Care Fund, the Pastoral Care Fund and the General Fund" said Scott McQuinn, President/CEO, Life Enriching Communities.

Twin Towers/CCM Artists-in-Residence Graduate

Inaugural "Artists-in-Residence" students Annie Barr and Alyssa Griffith completed their Master's Degrees in May, 2017. Annie will continue as an "Artist-in-Residence" while she pursues her Doctoral Degree at CCM.

This is the third year of our relationship with CCM, resulting in six students calling Twin Towers home where they showcase and refine their talents through monthly concerts for the enjoyment of our residents.



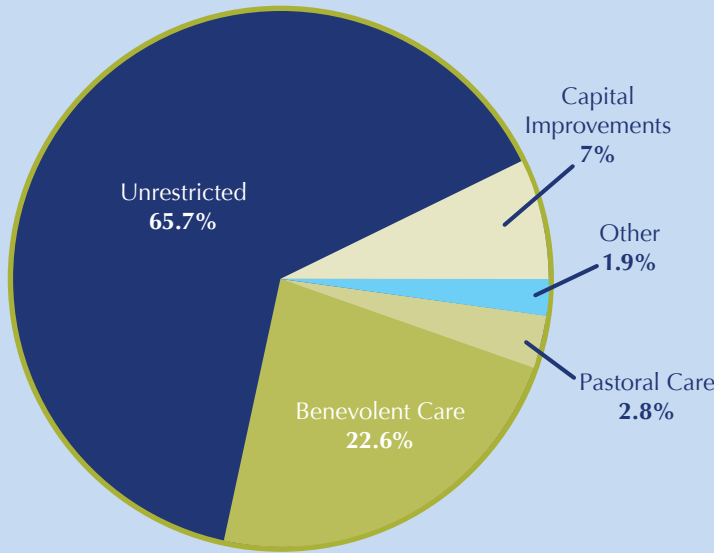
Annie Barr



Alyssa Griffith

Financial Highlights for 2017

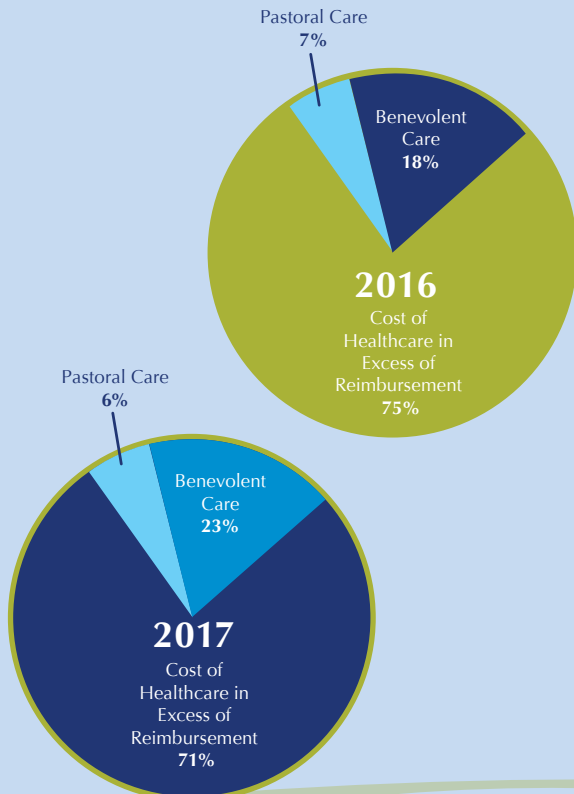
DONATIONS BY PURPOSE
 TOTAL FOR 2017 - \$893,000
 TOTAL FOR 2016 - \$1,077,000



2017 & 2016 OPERATING EXPENSE BY CLASSIFICATION (000's)

2017	2016	
\$47,749	\$47,382	Program Activities
5,796	5,440	Non-Program Support
454	439	Fundraising
\$53,999	\$53,261	Total Expenses
10.7%	10.2%	General & Administrative Expenses as % of Total Expenses

UNCOMPENSATED MINISTRY EXPENSE
 TOTAL FOR 2017 - \$5,067,000
 TOTAL FOR 2016 - \$4,901,000



TOTAL RESIDENTS AND COMMUNITY MEMBERS SERVED AT TWIN TOWERS AND TWIN LAKES IN 2017

2017	Twin Lakes	Twin Towers	Confident Living	Totals
Independent Living	292	286		578
Assisted Living	36	159		195
Nursing Care	222	258		480
Connection	46	389		435
Confident Living Members			40	40
Totals	596	1,092	40	1,728

Condensed Consolidated Financial Statements

For the Years Ending December 31 (in thousands of dollars)

BALANCE SHEET		
ASSETS	2017	2016
Current Assets	\$19,038	\$15,424
Investments	75,678	64,885
Investments Whose Use is Limited by Bond Indenture	59,874	66,068
Property and Equipment (Net)	186,601	160,536
Other Long Term Assets	3,006	3,547
Total Assets	\$344,197	\$310,460
LIABILITIES AND NET ASSETS		
Current Liabilities	\$30,053	\$21,618
Long Term Refundable Entrance Fees	66,094	59,553
Long Term Debt	196,625	180,794
Other Liabilities	1,466	1,223
Total Liabilities	\$294,238	\$263,188
NET ASSETS		
Unrestricted Net Assets	\$37,840	\$35,656
Temporarily and Permanently Restricted	12,119	11,616
Total Net Assets	\$49,959	\$47,272
Total Liabilities and Net Assets	\$344,197	\$310,460
CONDENSED STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN NET ASSETS		
REVENUE AND SUPPORT	2017	2016
Net Resident Revenue	\$43,144	\$42,463
Amortization of Refundable Life Use and Entrance Fees	3,095	3,134
Interest and Dividend Income	1,775	1,365
Unrestricted Contributions	587	221
Other Revenue	837	897
Net Resident Services Revenue and Support	\$49,438	\$48,080
EXPENSES		
Salary, Wages, Benefits and Contract Services	27,058	26,385
General and Administrative	3,748	3,819
Food, Supplies and Other Expense	4,382	4,229
Utilities, Insurance and Real Estate Taxes	4,648	4,956
Depreciation and Amortization	8,274	8,201
Interest	5,889	5,669
Total Operating Expenses	\$53,999	\$53,259
Excess of Revenue Under Expenses	(4,561)	(5,179)
Realized and Unrealized Gains on Investments	5,965	2,649
Interest, Dividends and Gains From Endowments	1,309	682
Loss on Debt Extinguishment	-	(4,686)
Other Non-Operating (Losses) Gains	(332)	195
Temporarily and Permanently Restricted Contributions	306	856
Total Non-operating Income (Expense)/Income	7,248	(304)
CHANGE IN NET ASSETS	\$2,687	(\$5,483)

Certain reclassifications for 2016 were made to conform to 2017 presentation.