As we celebrate our 50th Anniversary, I am pleased to report that all members of the Heath Alliance for Care family—Heath Village and Canterbury Village—once again enjoyed a strong fiscal year ending June 2016.

Much of 2016 was dedicated to reflecting on our many achievements over the past 50 years as well as planning for the future. Taking center stage this year has been the planning of Heath Village West, which will include a new, state-of-the-art 90,000 square foot health care center and new independent senior living cottage-style units. The Board is looking forward to the beginning of this new chapter in the Heath Village story.

Several terrific events all with the central theme of Happy Birthday Heath Village were held in 2016 and enjoyed by residents, board members, employees and the extended Heath Alliance for Care family. Kicking off the festivities was a fun-filled Family Day. For over 35 years, this annual tradition allows residents and staff, along with their respective families, to enjoy a special day together.

The annual Benefit Gala in support of the Friendship Fund, which was created years ago to help current residents who have exhausted their financial resources remain at Heath Village, set its goal this year at $50,000 for 50 years. It gives me great pleasure to announce that not only did we meet this goal, but exceeded it with donations reaching nearly $58,000. Through this event and other fundraising efforts, the combination of the Friendship Fund and Gift Annuity Fund stands at close to $4.3 million.

And, finally, the 50th Anniversary celebration held on October 8, 2016, allowed the community to celebrate the realization of a dream begun more than 50 years ago by Founders and residents, The Reverend Clarence W. Sickles and his wife Jean, and other dedicated individuals who had the vision and foresight to make retirement living as it should be.

On behalf of the Board, I would like to commend the extremely capable management team, led by Patrick Brady. He is surrounded by a most caring staff, which provides a remarkable level of service to our residents and has since the very first day our doors opened on October 30, 1966. Their commitment to maintaining and upgrading the services and amenities is what makes both Heath Village and Canterbury Village such wonderful communities.

Special thanks must also be extended to the Heath Village Residents’ Council for their continued input and valuable suggestions in helping to create a vibrant community which they and all of our residents are proud to call home. I also wish to thank my fellow Board members who volunteer their time and expertise to ensure our residents live in one of the finest retirement communities in New Jersey.

I look forward to continuing the work of my predecessors begun so many years ago as we enter an exciting new phase for our community. I am confident that the next 50 years will be as successful as the last, with the help and support of my colleagues on the Board, our caring staff, our friends, vendors, community partners and the residents of our communities.
DONALD BARCAN
LONG VALLEY
President/Owner Dunbar Industries, Inc.
HAC Treasurer

THERESA BORZELLI, ESQ.
MENDHAM
Partner Steiker, Greenapple & Croscut, P.C.
HAC Trustee
CV Vice Chair

PATRICK BRADY
NEWTON
Chief Executive Officer, Heath Alliance for Care, Inc.
Executive Director, Heath Village
HV CEO/Trustee
CV Secretary/Treasurer

ROBERT BURNS
COLUMBIA
Managing Director, Marsh & McLennan Companies
HAC Secretary

WILLIAM (TIM) CARPENTER
VERONA
AIG Domestic, Inc.
HAC Trustee/Immediate Past President
CV Trustee

SANDERS DAVIS, MD
MENDHAM
Medical Rehabilitation, Rehabilitation Institute Morristown Memorial Hospital
HAC Trustee
HV Trustee

L. ALLISON GARDE, ESQ.
MORRISTOWN
Attorney
HAC Trustee
HV Vice Chair

JUDITH GRIFFITHS
BEDMINSTER
Retiree, NJ Media Specialist/Librarian
HV Trustee

MARY ALICE HORN
MENDHAM
Retiree, Educator
HV Trustee

NORRIS HORN
MENDHAM
Chief Financial Officer, Artegraft
HAC Trustee

HERBERT KORTE
MENDHAM
Retiree, Senior Bank Officer
HAC Vice President
HV Trustee
CV Chair

HAROLD S. LAPPIN, MD
HACKETTSTOWN
Ophthalmologist, Private Practice
HAC President
HV Secretary/Treasurer

CAROL MCKINNEY
HACKETTSTOWN
Retiree, NPO Executive
HAC Assistant Secretary
HV Trustee

ARTHUR SHENINGER
OXFORD
Retiree, Elementary School Principal
HV Trustee

FLOYD SMITH
HACKETTSTOWN
Retiree, Manager/Consultant
HV Resident Representative

MARK TOMKINS
CALDWELL
Owner/Consultant, Tomkins and Associates, LLC
HAC Trustee

PAUL TOMKINS
ESSEX FELLS
Senior Financial Officer
HAC Assistant Treasurer

PETER R. VAN BRUNT
LONG VALLEY
Partner, Moderne Partners
HAC Trustee
HV Chair

Seated (L-R) Judith Griffiths, Carol McKinney, Theresa Borzelli, Mary Alice Horn
Standing (L-R) Mark Tomkins, Harold Lappin, Tim Carpenter, Herbert Korte, Jr.,
Donald Barcan, Peter Van Brunt, Sanders Davis
Missing from Photo: Robert Burns, L. Allison Garde, Norris Horn, Arthur Sheninger,
Paul Tomkins
The year 2016 was a time of continued improvement and extensive planning for the future of Heath Village as well as one of reflection upon the community’s amazing 50 years of service to the senior population.

Specifically during, the last twelve months staff focused on the repair of our infrastructure and apartment renovations and updates. Part one of our two year plan to resurface all of our roadways and parking lots was completed. Nearly 25 apartments were updated and improved to have a modern look and feel. We are certain that these improvements will make life better for newly arriving residents.

Administration has also expended much energy during 2016, on the planning of Heath Village West. A new and exciting Health Care Center and Rehabilitation Facility is expected to see groundbreaking in 2017. On the heels of this state-of-the-art health care center will be the development of a 140 Unit Cottage Community.

Once again, this year Heath Village held an array of events including Family Day and the Friendship Fund Gala, for which our staff works extra diligently to make successful. Unique to each event this year was a special emphasis on Heath Village’s celebration of its Golden Anniversary.

The Heath Village story has been a great one. Achieving this significant milestone stands as a great testament to many dedicated individuals who have played important roles in Heath Village’s long history. Chief among those individuals are our Founders and residents, The Reverend Clarence Sickles and his wife Jean, who I am very grateful were able to participate in our anniversary celebration held in October. Having Reverend Sickles deliver the invocation was especially meaningful. We were pleased to also have in attendance our keynote speaker Congressman Leonard Lance and New Jersey State Assemblyman Anthony Bucco.

Fundraising efforts this year produced nearly $320,000 for the Heath Village Friendship Fund. The Gala raised nearly $58,000 while the Friendship Store and Village Gift Shoppe contributed $18,000. As of this writing, the combination of the Friendship Fund and the Gift Annuity Fund equal nearly $4.3 million.

We commend the Village’s Residents’ Council for their continued input and ideas on how to improve life and services at the Village. Since the very beginning they have played a vital role in making our community a unique one.

Finally, we thank the Board of Trustees who volunteer their time and expertise to ensure our residents live in the best retirement community in the state.

The thoughtful input of our resident groups, the guidance of our trustees and the great services, which are a product of our caring staff, truly make Heath Village a special place to live.

The development of Heath Village West represents an exciting new chapter in the Heath Village story. We look forward to the next 50 years.
50 years ago on October 30, 1966, Heath Village was officially dedicated. Only two months later the Residents’ Council was established. Their first meeting was held in January 1967. At that time, there were only five apartment areas with one representative from each serving on the Council. These residents welcomed newcomers and served as liaisons between residents and the administration.

In those early days the residents planted their own gardens and yes, had flower shows with sometimes up to 100 entries. In 1967, the library was dedicated and a ribbon cutting was held for the new Village Shoppe which, at that time, had 30 volunteers participating in its management.

Today, the Residents’ Council meets monthly with the exception of July and August. Each meeting is attended by members of the Administration as well as a Board of Trustees representative. The Executive Board consists of Barbara Hall, President, Pat Taylor, Vice President, Frank Reitz, Secretary and Clif Heidel, Treasurer. Pat Taylor also serves as Chairperson At-Large and coordinates the Nominating Committee with Floyd Smith who serves as the resident representative to the Board of Trustees.

The Council consists of nine residents who are elected to three year terms. Council members chair one of the following subcommittees: Newcomers (Susan Sumner), Dining (Judy Verblaauw), Friendly Visitors (Barbara Cardinali), and Maintenance and Operations (Michael Aron).

On behalf of the Council, I would like to thank all of our resident volunteers for their many contributions. We are fortunate to be able to enjoy so many activities here at Heath Village and to do so in such a beautiful setting. We encourage all residents to get involved and to contact the Residents’ Council with suggestions or questions.

During our 50 year history, thousands of residents have had the good fortune to live at Heath Village. Our community wouldn’t be what it is today without our residents who from the very beginning have served as partners in creating a living environment they are proud to call home. We will always be thankful to Clarence and Jean Sickles for their foresight in founding Heath Village.

BARBARA HALL
RESIDENTS’ COUNCIL PRESIDENT

Founder and resident, The Reverend Clarence W. Sickles, delivers the invocation.

Dear Friends:

On behalf of the State of New Jersey, I am gathered for Heath Village Retirement Community.

Since its foundation in 1966, Heath Village is a choice for today's retiree who wants to be a part of a community that is independent, involved and active. The Village recognizes the importance of security, dignity, fellowship and pride of an individual resident. As Governor, I commend everyone continuously improve the quality of life of those who continue the Village's work into the future.

Congratulations and best wishes for continued success.

Sincerely,

Chris Christie
Governor
Celebrating Years of Caring

Standing from left to right are Executive Director Patrick Brady, Assemblyman Anthony Bucco, Clarence & Jean Sickles, Board of Trustee member and emcee for the day Carol McKinney, and Keynote Speaker Congressman Leonard Lance.

Celebrating with a special anniversary carriage ride is none other than employee Michael Ort who has proudly worked for Heath Village for 49 out of our 50 years.
INTRODUCING OUR NEWEST NEIGHBORHOOD:

Patriot’s Point
Canterbury Village, our assisted living facility in West Orange, NJ, remains a beautiful, well maintained community. With an average census of 95%, we are pleased to report we have a waiting list of interested applicants.

The staff at Canterbury is dedicated to providing residents with the most comprehensive healthcare services possible. Towards that end, we are excited to announce that in 2016 we were successful in partnering with several area healthcare providers and are now able to offer residents dental, psychiatric and psychological, and dermatological services on-site. In addition, we now have several physicians who come to our community to visit their patients. Thanks to these new services, the majority of our residents no longer have to leave the facility to receive medical treatment or to see their primary care physician—a very welcome and appreciated benefit by residents and family members alike.

Building upon an already diverse list of health and wellness programs, this past year Canterbury introduced several new activities, including new board games, weekly pet therapy visits, Yoga and Tai Chi. A book and knitting club as well as hand massages are also enjoyed regularly. Off-site trips included two outings to the shore this summer, with a stop for ice cream. Our volunteer program continues to grow, with high school and college students visiting regularly to assist with activities and visit with our residents.

We continue to look for opportunities to enhance our daily menu, and are now offering weekly specials in addition to the regular selections.

As a vibrant part of our Heath Alliance family, Canterbury Village prides itself on seeing to it that our residents enjoy the highest quality of living possible throughout their stay with us. We look forward to another successful year of serving our residents.
Employee Service Milestones

25 years

Catherine De Paola
Heath Village-Dining Services

Kathleen Nowicki
Heath Village-Nursing

Kelly Stiles
Heath Village-Human Resources

Jeanne Kristiansen
Heath Village-Nursing

20 years

Heath Village

Helen Buenconsejo
Nursing

Kelly Clark
Occupational Therapy

Gary Cox
Maintenance

Nicholas Cristo
Physical Therapy

Marilou Dagangon
Mayflower House

Beatrice David
Nursing

Carmen de Jesus
Dining Services

Melina Fuchs
Dining Services

Karina Galletto
Dining Services

Leah Grauso
Occupational Therapy

Michael Heath
Housekeeping

Marie Igot
Occupational Therapy

James Irving
Dining Services

5 years

Heath Village

Mireille Johnson
Nursing

Gultekin Karakus
Maintenance

Lolita Lisankie
Social Service

Sam Manna
Nursing

Jonathan Manuel
Physical Therapy

Anthony John Pangalilangan
Nursing

Erika Parra
Nursing

Emperatriz Rojas
Housekeeping

Brian Stukes
Grounds

Pauline Turner
Nursing

Ma Eliza Vigo
Nursing

Mary Kay Vivo
Housing Services

Mary Wellman
Nursing

Canterbury Village

Maria Castro
Housekeeping

Eunice Jerome
Nursing

Josefina Moreno
Housekeeping

Cadet Norzil
Nursing

15 years

Luisa Barreneche
Heath Village-Housekeeping

Nicholas Fialcowitz
Heath Village-Grounds

Luis Lebel
Heath Village-Housekeeping

Cynthia Livingstone
Heath Village-Activities

Jhannier Martinez
Heath Village-Nursing

Diane McAlear
Heath Village-Housing Services

Kevin Newport
Heath Village-Grounds

Lourdes Reyes
Heath Village-Housekeeping

Lyubov Yatskiv
Heath Village-Mayflower House

10 years

Flora Bautista
Heath Village-Mayflower House

Paul Bodei
Heath Village-Maintenance

Melissa Buzych
Heath Village-Dining Services

Siswintari Goble
Heath Village-Housekeeping

Velesha Johnson
Canterbury Village-Dining Services

Bryan Jones
Canterbury Village-Maintenance

Agnes Nianiem
Canterbury Village-Nursing

Done Poppy
Heath Village-Mayflower House

Carole Scott
Heath Village-Nursing

Wendy Young
Heath Village-Nursing

Missing from Photos:

15 Years

Rhonda Daum
Heath Village-Housekeeping

Tatiana Lesiv
Heath Village-Nursing

Dale Rush
Heath Village-Grounds

10 Years

Deanna Kerr
Heath Village-Nursing
HEATH ALLIANCE FOR CARE, INC. CONSOLIDATED BALANCE SHEET FOR 2016 VS. 2015

**Financials**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$9,232,015</td>
<td>$7,528,590</td>
</tr>
<tr>
<td>Investments</td>
<td>5,747,395</td>
<td>6,351,040</td>
</tr>
<tr>
<td>Property &amp; Equipment (Net)</td>
<td>36,225,396</td>
<td>35,382,038</td>
</tr>
<tr>
<td>Other</td>
<td>1,115,029</td>
<td>1,166,957</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$52,319,835</strong></td>
<td><strong>$50,428,625</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES &amp; FUND BALANCE</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td>$5,850,245</td>
<td>$5,696,397</td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>6,276,071</td>
<td>7,748,634</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>40,193,519</td>
<td>36,983,594</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Net Assets</strong></td>
<td><strong>$52,319,835</strong></td>
<td><strong>$50,428,625</strong></td>
</tr>
</tbody>
</table>
HEATH ALLIANCE FOR CARE, INC.
MISSION STATEMENT

PHILOSOPHY:
Heath Alliance for Care, Inc. is dedicated to providing seniors with a full range of care, services and opportunities in a secure, dignified, spiritually fulfilling and stimulating environment.

PURPOSE OF CORPORATION:
Heath Alliance for Care, Inc., a not-for-profit New Jersey corporation*, develops, manages and/or provides consulting services to senior care programs, senior housing, and long term care facilities.

The chief focus of Heath Alliance for Care, Inc. is to provide a full range of care and services which includes, but is not limited to, retirement communities, residential health care and nursing home properties, Alzheimer care, social adult day care centers and intergenerational child care center.

*Heath Alliance for Care, Inc. is a not-for-profit corporation organized pursuant to the New Jersey Nonprofit Corporation Act (N.J.S.A. 15A:1-1 et seq.) recognized by the Internal Revenue Service as a tax-exempt charitable organization pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.