

January 20, 2014

Dear Carlsbad By The Sea Resident,

On Tuesday, February 4, 2014 at 9:30 a.m. we will be holding the annual budget meeting in the Rochambeau Room. Our President, Roberta Jacobsen and Chief Financial Officer, Mary Miller will be with us to present the corporate budget. I will be presenting an overview of the Carlsbad By the Sea budget.

Roberta and Mary have asked that any questions that you might have be submitted in writing by January 28, 2014. Please submit your questions to Cindy Sibley or myself and we will forward them to Roberta and Mary. Having questions in advance will allow Roberta and Mary time to research and prepare thoughtful answers. There will not be an opportunity to ask questions from the floor at this meeting.

The agenda for this meeting has been posted. Handouts of the budget information will be available at the front desk on January 28th for those would like to review them ahead of time.

Warm regards,

Joan

Joan Johnson,
Executive Director

ANNUAL BUDGET and RATE PRESENTATION

**February 4, 2014
9:30 a.m.
Rochambeau Room**

AGENDA

Front Porch 2014/15 Budget – Mary Miller, CFO

**“Why are my Rates Increasing?” – Roberta Jacobsen,
President**

Community Budget Highlights – Joan Johnson, ED

Questions and Answers

**Materials to be distributed at this meeting will be available
from Administration**

Front Porch Launches Humanly Possible(SM)

A Groundbreaking Strategic Approach to Caused-Based Innovation and Greater Collaboration

BURBANK, CA--(Marketwired - Jan 29, 2014) - In today's aging society, organizations must evolve to successfully meet the world's dramatically emerging needs. Front Porch, a not-for-profit 'human serving' organization featuring innovative communities and programs that meet the changing needs of individuals as they age, today announced **Humanly Possible(SM)**, its groundbreaking new strategic approach to "innovation with a cause" and greater collaboration.

Front Porch's central mission is about meeting needs with excellence and Humanly Possible underscores a culture aimed at doing everything humanly possible to creatively meet emerging needs now and in the future. This bold and transformative commitment is an authentic expression of Front Porch's passion to create new opportunities and forge new directions. It will become an organization-wide focus for disruptive innovation, strategic development and partnership.

"We're facing a sea change around us," said Kari Olson, chief innovation and technology officer for Front Porch and president of the Front Porch Center for Innovation and Wellbeing. "We see changes in marketplaces, competition and regulations; these come together to create an imperative for us to transform and embrace possibilities through innovation. We are truly dedicated to investing the time, energy and resources to help Front Porch address this cultural tipping point. Through Humanly Possible, we will enhance the organization's capacity to identify, understand and deliver solutions for meeting unarticulated, emerging and future needs."

The world's aging society (as proportions of people 60 and older are rapidly outnumbering those 15 and younger) presents real-world challenges that can't be ignored. Dynamic disruptive forces are weighing in from all directions and these issues will impact people of all ages. Front Porch is ready to embrace these challenges.

"Humanly Possible is a crucible where the right chemistry of the creative spirit of people is blended with the compelling needs of the aging to achieve transformational results," said Larry Minnix, president and CEO of LeadingAge, a national association of not-for-profit organizations dedicated to making America a better place to grow old. "Humanly Possible gives us hope for the future of our field, the people we serve and work with, and the communities in which we live."

Humanly Possible is a rallying call for Front Porch to build upon its legacy, and significantly expand its work collaborating and forming innovative partnerships with other non-profits, for-profits and academia in the larger community to advance and develop new approaches, methodologies and technology applications that go beyond the traditional walls of Front Porch communities to meet community-determined needs for people of all ages.

"As a not-for-profit 'human serving' organization going new places, Front Porch must continue to innovate so we can help others thrive," said Front Porch CEO Gary Wheeler. "At Front Porch, we see the potential of human possibility every day with the remarkable people we are honored to serve, and through the compassion and resourcefulness of our team members. We see the shifts that define how people want to live their lives. So while we have celebrated many great accomplishments, we can't sit still. Humanly Possible is about every mind, every discipline and every level of our organization working together on what's possible, what's achievable and what's next."

Front Porch created its award-winning Front Porch Center for Innovation and Wellbeing (CIW) which works with a variety of partners to find new models of care and service for underserved members of the community. For example, the Model eHealth Community for Aging (MeHCA) project (formed by the CIW) uses broadband-enabled technology to support needs and improve access to care for low-income older adults at affordable housing communities, community health clinics and other anchor institutions in Los Angeles' Koreatown neighborhood.

As a lead-up to the Humanly Possible kick-off, Front Porch enrolled select members of its leadership team in the groundbreaking Innovator's Accelerator program in October 2013, becoming the first non-profit to do so. Joining a prestigious group of top Fortune 500 companies whose employees have participated, Front Porch leaders took part in the executive training course with 70 additional staff members enrolling in the program throughout 2014.

In support of Humanly Possible, Front Porch is investing system-wide in its team members, business processes and strategy through educational programs, executive training and peer-to-peer training focused around innovation. Team members will be encouraged to be creative with the support and tools necessary to initiate innovation to improve the lives of those they currently serve, and to create opportunities for the future.

A process to identify needs, generate ideas, evaluate, support and potentially scale those ideas is in place. All ideas, successful or not, will be celebrated. This approach empowers Front Porch to creatively meet needs to help the organization grow, become more efficient, and sustain its leadership position.

Since Front Porch was established in 1999, it has received numerous accolades and national awards for innovation in meeting the needs of older adults. The non-profit has also extended its care and service to those outside the older adult community through its work in areas such as affordable housing, memory care, technology, art and community outreach, and management services. Originally formed from three experienced non-profits coming together as one, Front Porch has its roots in partnership and innovation, helping other non-profits succeed as well as partnering with the private sector to incubate technology solutions to help people live well.

Editor's Note: Kari Olson is available for an in-depth discussion about Humanly Possible and how "innovation with a cause" and greater collaboration can meet some of the most pressing needs that our society is facing today.