



**GREENCROFT.**  
Retirement Communities

# **An Assessment of the Economic and Social Impact of Greencroft**

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# Acknowledgements

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## *Greencroft, Inc.*

Gene Yoder – CEO, President

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John Bender – Public Relations Manager

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Park Pharmacy

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# Executive Summary

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## **Economic Impacts**

Greencroft creates economic impacts to the surrounding community through its business activities, residents, staff, and visitors. In fiscal 2003, Greencroft was responsible for \$41.2 million in total economic output to Elkhart County, including \$24 million in Goshen. This economic activity resulted in 685 Full Time Equivalent (FTE) jobs in Elkhart County, as well as 552 jobs in Goshen.

Despite a negative tax impact of \$(150,000) to Elkhart County government, Greencroft activities generate sufficient tax revenues to create a positive net impact of \$45,000 to the county. Also, despite a negative tax impact of \$ (427,000) to Goshen City government, Greencroft activities generate sufficient tax revenues to reduce the net city loss to \$(154,000).

The net economic impact to the Fire, Police, Schools, and Welfare is neutral.

## **Social Impacts**

In keeping with its mission and values, Greencroft has positive social impacts in a multitude of ways. In the spirit of Christian service and giving, last year Greencroft donated \$2.1 million in gifts to charities and uncompensated care to healthcare residents, while Greencroft residents donated approximately \$860,000 to local churches and charities. Residents also donated approximately 43,420 hours through the Greencroft volunteer program and at various community organizations.

Greencroft is a significant provider to the needs of older adults in Elkhart County, representing 47% of independent living facilities, 28% of assisted living facilities, and 20% of Healthcare facilities available. Additionally, if Greencroft ceased to exist, at least 37% (90 people) of Greencroft's healthcare residents would have to leave the county to find similar care, a significant and difficult move for someone with Healthcare/Nursing needs. Greencroft's residents represent 30% of the Goshen population over age 65.

Greencroft creates significant community involvement through its daily activities, with approximately 8% of Goshen's population stepping on campus each day. Greencroft's Senior Center attracts an average of 125 people each week day, as well as many other community visitors who take advantage of flexible rental rates and beautiful gathering facilities.

Greencroft is a strong contributor to the Mennonite community through payments to Mennonite sponsored businesses such as MMA (\$1.2 million in 2002), resident membership and charitable support of local Mennonite churches (20% of College Mennonite Church), and a close relationship with the Mennonite sponsored Goshen College, including significant donations by residents to the college each year.

# Purpose and Goals of the Study

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As a 501(c)(3), Greencroft, Inc. strives to operate its business in a socially accountable manner that will benefit the residents, employees, volunteers, and the members of the surrounding community. A review of Greencroft's stated mission and values will reveal concepts such as Christian compassion, financial responsibility, servant leadership, and social accountability, to name a few. It is these Christian ideals which have led Greencroft to undertake an assessment of its value in an effort to remain socially accountable in all its endeavors.

The principal goals of the study are as follows:

- To assess the economic impact of Greencroft's residents, employees, and business activities
- To assess the fiscal impact of Greencroft, including the city and county governments
- To assess the social impact of Greencroft on the surrounding community

The intended uses of the study are as follows:

- As a strategic planning tool for executive management
- As a communication tool with outside parties such as local government, community organizations, community residents, charitable donors, etc.
- As a measure of social accountability, in keeping with the Greencroft mission

The study was performed with the following principal stakeholders in mind:

- Greencroft's board of directors
- Greencroft executive management
- Residents
- City of Goshen
- Elkhart County
- Goshen Chamber of Commerce
- Greater Elkhart Chamber of Commerce
- Other area businesses
- The Mennonite Church

*A Note about Information in This Report:* This study was prepared using information from a variety of channels, including people, businesses, academic resources, surveys, interviews with staff/residents, and the internet. In all cases, information has been represented as fairly and accurately as possible, with conservative estimates used for all financial and accounting data. Please assume that information was obtained from Greencroft staff, literature, and publications unless otherwise noted. This report was prepared by a Notre Dame student, but is not endorsed by or representative of the university or its staff.

# Profile of the Study Area

The boundaries of the study included all of Elkhart County, Indiana. Elkhart is the 6<sup>th</sup> largest county in Indiana, located in the north-central region, with the northern edge creating part of the Indiana-Michigan state line. The county was founded in 1830 and is named for the Elkhart Potawatomi Nation, Native Americans once common to this area. The total area comprises 463.8 square miles, with 186,465 people calling Elkhart County home as of 2002. The largest cities and towns by population are shown below in Table 1.

**Table 1: Cities and Towns in Elkhart County**

City	Population in 2000	% of County
Elkhart	51,874	28.4%
Goshen	29,383	16.1%
Nappanee	6,400	3.5%
Middlebury	2,956	1.6%
Wakarusa	1,618	0.9%
Bristol	1,382	0.8%
Millersburg	868	0.5%

Source: [www.stats.indiana.edu/profiles](http://www.stats.indiana.edu/profiles)

The population age distribution for the county is typical for Indiana. Table 2 outlines the population for each age category and the percentages of the distribution.

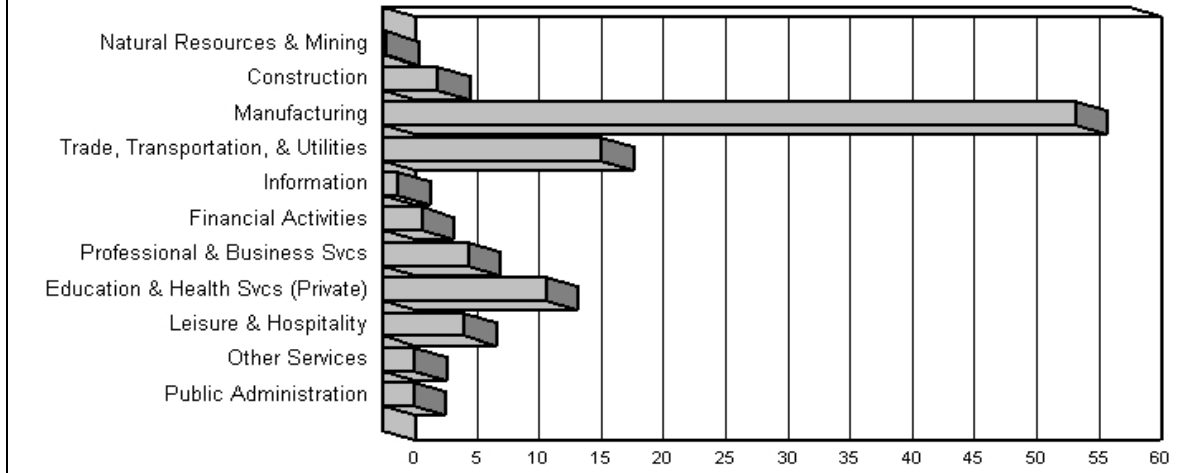
**Table 2: Elkhart County Population Distribution by Age**

Category	Population	% Distribution
Preschool (0 to 4)	14,800	8.1%
School Age (5 to 17)	37,999	20.8%
Adult (18 to 64)	110,151	60.3%
Older (65 plus)	19,841	10.9%
<b>Total</b>	<b>182,791</b>	<b>100%</b>

Source: [www.stats.indiana.edu/profiles](http://www.stats.indiana.edu/profiles)

Elkhart County's economy supports 269 different industries, with over \$4.6 billion in total earnings as of the 2000 census. Manufacturing is the dominant economic sector, employing about 49% of the workforce as of 2001. Other large industries are Trade, Transportation and Utilities (15.4% of workforce) and Education/Private Health Services (11.4 % of workforce). Greencroft's business activity could be classified under Education/Private Health Services. With approximately 550 employees, Greencroft represents about 5% of the total employment for that industry in Elkhart County. Figure 1 details the 2001 county employment by industry.

**Figure 1: Elkhart County Average Industry Employment, Year 2001**



Source: www.nidataplus.com

As of March 2003, there are approximately 99,000 in the county workforce and 94,660 employed, representing an unemployment rate of 4.4%. This compares favorably to the statewide unemployment rate of 4.8% and to the unemployment rates of the surrounding counties. An understanding of the unemployment rate is important to this study because it indicates how easily workers could find jobs if a business would cease to exist. Table 3 contrasts the unemployment rate for Elkhart County and several other counties in the same region.

**Table 3: Area Unemployment Rate (March 2003)**

County	Labor Force	Employed	% Unemployed
Elkhart	99,000	94,660	4.4
St. Joseph	136,720	130,360	4.7
Kosciusko	39,780	37,830	4.9
LaGrange	16,290	15,490	4.9
Noble	23,830	22,300	6.4
Whitley	16,550	15,620	5.6
Marshall	23,460	22,110	5.8

Source: www.nidataplus.com

# Profile of Greencroft

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## Core Values of the Organization:

**Christian Compassion** - demonstrating grace, mercy, and tender love for all in our care.

**Financial Responsibility** - seeking honest, competent, and reliable financial practices.

**Straightforwardness** - providing forthright, open, and direct communication.

**Creativity** - pursuing innovative solutions, creative ideas, and ongoing improvement.

**Servant Leadership** - leading with consideration, care, service for others.

**Customer Satisfaction** - providing quality service that exceeds expectations.

**Staff Development** - enhancing personal and team competencies.

Let's begin with some quotes from current residents that speak for the success of Greencroft in maintaining its core values:

“Greencroft is about as near to heaven as I'll ever get on earth.”

-- Chester “Chet” Detwiler

“Greencroft is a community in a real sense, not just people living next to each other.”

-- Luke Birky

“Greencroft is a very caring community, and I always get good responses when I ask for help.”

-- Lucinda Bachman

The Greencroft Board of Directors was organized in 1962, and the first facilities opened in 1967. In the 36 years since then, Greencroft has been committed to serving the residential and social needs of older adults through a “continuum of care and service” that is the hallmark of the company. Residents at Greencroft enjoy a community rooted in the Christian beliefs of the Mennonite faith, with management and staff that strives to reach the highest standards of excellence and quality. This commitment to quality is evident as Greencroft became one of the nation's first 100 continuing care retirement communities (CCRC) to gain accreditation. Over the years, Greencroft has worked tirelessly to build a close-knit community that is now recognized as one of the nation's top CCRCs by *New Choices* magazine.

## ◆ Residents and Living Facilities in Goshen

Greencroft’s 165-acre Goshen campus is home to almost 1200 residents, gorgeous landscaping, and beautiful modern living facilities. As part of the “continuum of care,” Greencroft Goshen offers different levels of care to meet each resident’s needs, including independent living, assisted living, and healthcare facilities. Table 4 shows the number and type of units and residents that Greencroft currently services.

**Table 4: Number of Residents by Type of Housing at Greencroft Goshen**

<b>Type of Housing</b>	<b># Units</b>	<b># Residents</b>
Private Pay Units	426	568
HUD Units	250	256
Assisted Living	130	133
Healthcare	240	236
<b>Total</b>	<b>1040</b>	<b>1193</b>

The residents of Greencroft are a diverse group of people representing many backgrounds, beliefs, and regional origins. Here is a snapshot of some of the key demographics of the residents:

- 74% females, 26% males
- Over 17 faiths represented, including:
  - 39% Mennonite
  - 14% Church of the Brethren
  - 11% Methodist,
  - 6% Missionary
  - 5% Non-denominational
  - 4% Baptist, 4% Lutheran
  - 3% Presbyterian
  - 14% other
- Average age of the residents: 81.3 years
- 69% of residents are from Elkhart County, 12% from other Indiana locations, 19% from other states and countries.

## ◆ The Senior Center

One of the highlights of the Goshen campus is the Greencroft Senior Center, a beautiful facility that offers catering and meeting rooms for up to 500 people. The idea for the facility was originally conceived in 1983 as the board of directors sought a way to best serve the needs of people on the Greencroft waiting list as well as members of the surrounding community who chose to remain in private housing. Almost 20 years later, the results have been tremendous. Every week day, the Senior Center attracts an average of 125 people from across Greencroft and the surrounding community. The extensive list of programs and activities offered at the Senior Center include health and fitness, social, cultural, recreational, travel opportunities, nutritious

meals, and many more. The Senior Center is a wonderful facility that serves to enrich the lives of Greencroft and community residents alike.

## ◆ **Business Operation**

Greencroft's daily operation is supported by 550 employees and 614 volunteers serving over 53,000 hours annually. The annual operating budget is approximately \$27 million, of which \$8 million is paid to vendors in Elkhart County, \$7 million is paid to vendors outside the county, \$1 million is non-economic transfers to the residents, and \$10 million is distributed to employees as payroll (94% of which live inside Elkhart County). Considering the magnitude of these payments made, it is clear that Greencroft business activities affect the lives of many people across Elkhart County. One of the later sections of the report will provide evidence of how strongly Greencroft contributes to the overall economic activity of Elkhart County.

## ◆ **Other Highlights**

Through gifts of cash, assets, bequests, and other financial resources, Greencroft Foundation assists the organization in providing housing, services, and care for residents. In 2002, gifts were made by over 800 different businesses, organizations, families and individuals, amounting to over \$340,000 added to the Foundation. As a result, distributions of over \$430,000 were made to support Greencroft programs and services. This generosity to the Foundation is an important show of support for the Greencroft mission. Fundraising campaigns and donations have made wonderful parts of Greencroft possible, such as the Senior Center.

Mennonite Mutual Aid (MMA) is a \$1 billion organization that provides financial services such as health insurance, pension plans, estate planning, etc to the Greencroft business, employees and residents. Approximately 50% of Greencroft's residents use MMA services and Greencroft employees have MMA health insurance. While MMA provided a counselor on campus for many years, in 2002 MMA opened an office on the Greencroft campus to support residents and employees who use MMA's services, furthering an already close relationship between the two companies. Greencroft and MMA each have a role in strategic direction of the other company through seats on the corresponding boards of directors. This is a mutually beneficial relationship that is rooted in a common Mennonite spirit of Christian service to the community.

Greencroft has a new regional focus, and they have begun construction and sales of a new retirement community in Middlebury. Phase I will include 46 duplex and four-plex homes. This regional expansion will help Greencroft serve even more Elkhart County residents with the same commitment to quality and excellence that Goshen has always enjoyed.

# Discussion of Economic Modeling

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## ◆ Software Application

The software application used for the economic portions of this impact analysis was IMPLAN Pro 2.0 made by the Minnesota IMPLAN Group (MIG). IMPLAN (IMpact Analysis for PLANning) was originally designed in 1979 by the USDA Forest Service in partnership with the Federal Emergency Management Agency to assist the Forest Service in land and resource planning. IMPLAN Pro is now widely used in the academic arena and for strategic business planning. Some of the highlights of the software and its applications are:

- The software employs an input-output accounting system which allows the user to specify inputs such as spending or employment data and then calculate the resulting changes to output, employment, profits and taxes in the study area.
- The software uses real economic data that is based on the industries, trade flows, and specific characteristics of the study area, in this case Elkhart County's 2000 Census data.
- The software was ideal for the Greencroft study because it is specifically designed for impact analysis such as the economic effects of a business.

## ◆ Key Economic Impacts Modeled

Economic impacts are created as a result of increased personal income or increased spending on goods and services. Greencroft's business activities, employees, and residents generate numerous economic impacts that contribute to the health of the Elkhart County economy. This study will focus on 4 major economic impacts that are created as a result of Greencroft existing in Elkhart County. A description of each impact will follow.

### **Payroll Income Distributed to Greencroft Employees**

A large economic effect is created as Greencroft employees spend their disposable income in the county. As a starting point, Greencroft's employee payroll in 2002 was \$10,363,303. Greencroft's human resources records show that 94% of the employees on payroll live in Elkhart County. A very conservative assumption is that only the employees in Elkhart County will spend money inside the county. In reality this estimate would be higher since some of the employees living outside the county will undoubtedly spend some portion of their income inside the county that they work. Next, a factor of 75% was applied to convert income to disposable income (typical conversion due to income tax losses). The net result is disposable income in Elkhart County of \$7,306,129. Table 5 summarizes the employee income effects that were applied to the model.

**Table 5: Greencroft Employees, Disposable Income for Fiscal 2003**

<b>Description</b>	<b>Value</b>
Total Greencroft Payroll Fiscal 2003	\$10,363,303
% Employees Residing Elkhart Co	94%
Payroll, Elkhart County	\$9,741,505
% Disposable Income Factor	75%
<b>Employee Disposable Income, Elkhart Co</b>	<b>\$7,306,129</b>

### **Income from Greencroft Residents Attracted to the County**

Greencroft attracts 28.9% of its residents from outside of Elkhart County (Greencroft Statistical Report, 2002). These residents provide disposable income and spending that otherwise would not have been in the county's economy. The first step in determining how much new disposable income is attracted was to profile each class of residents (Private Pay, HUD, Assisted Living, Healthcare) by the amount of expenditures they create compared to the average income they reported. What followed was that the majority of HUD, Healthcare, and Assisted Living residents pay Greencroft fees that are in excess of the average income they receive in a given year. The economic effect of these fees can not be counted because they are revenues to Greencroft and will already be accounted for in the Greencroft business expenditures. The result then is that the HUD, Assisted Living and Healthcare residents were ignored for this calculation (a conservative approach).

That leaves only the 568 Private Pay residents to consider. Table 6 shows the calculations for disposable income provided to the economy by Private Pay residents that have moved to Greencroft from outside the county. First we reduce 568 residents down to 164 that moved in from outside the county. Second we multiply those 164 residents by the average income of \$19,065 per year (self-reported), leaving us with \$3,129,558 total income. As mentioned above, Greencroft fees must be subtracted to avoid double-counting the economic effect, leaving \$1,794,017 in total disposable income attracted to Elkhart County. Please note that this situation requires no reduction from income to disposable income, simply because the income level and primary source of income (Social Security) will not require significant tax payments.

**Table 6: Resident Disposable Income Attracted From Out of County**

<b>Description</b>	<b>Value</b>
Total Private Pay Residents	568
Residents From Out of County	28.9%
Number of Residents Attracted to County	164
Average Resident Income (reported)	\$19,065
Resident Income Attracted to County	\$3,129,558
Subtract Greencroft Fees	\$1,335,541
<b>Resident Disposable Income Attracted to Elkhart Co</b>	<b>\$1,794,017</b>

## **Business Expenditures to Elkhart County Vendors**

Any Greencroft business expenditures for goods and services in the county will generate an economic effect. In fiscal 2003, Greencroft made \$16,546,537 in total payments. Of those, \$1,337,292 was non-economic transfer payments which did not create any economic benefit (mostly refunds to residents). Another \$7,335,090 was payments made to vendors and financing sources outside of Elkhart County, therefore not generating any economic effect for the study area. The remaining \$7,874,155 was payments to vendors and financing sources inside of Elkhart County, and this amount was applied to the financial model. Table 7 summarizes the payments made in fiscal 2003.

**Table 7: Fiscal 2003 Payment Profile**

<b>Description</b>	<b>Annual \$</b>	<b>% of Total</b>
Transfer Payments (non-economic)	\$1,337,292	8.1%
Payments Outside Elkhart County	\$7,335,090	44.3%
Payments In Elkhart County	\$7,874,155	47.6%
Total	\$16,546,537	100%

In order to apply the \$7.8 million of in-county payments to the model, estimations had to be made about the type of spending that would occur with those funds. An analysis of Greencroft's income statement was performed to get a rough estimation of what % of total spending goes to different business activities. The analysis yielded the following estimations shown in Table 8:

**Table 8: Fiscal 2003 Greencroft Business Spending Profile (Estimates)**

<b>Description</b>	<b>Annual \$</b>	<b>% of Total</b>
Nursing Services	30%	\$ 2,362,247
Plant Operations	25%	\$ 1,968,539
Dietary Services	25%	\$ 1,968,539
Resident Services	20%	\$ 1,574,831
Total	100%	\$ 7,874,155

Once these estimations were made, the expenditures could be applied to the model in a similar economic sector. For example, the Resident Services expenditures were applied to the "residential maintenance and repair" sector. The model will then apply the appropriate effects to different industries in that sector, according to data from the year 2000 census.

## **Expenditures Due to Out-of-County Visitors**

Another important economic impact that Greencroft has is the visitors that come from outside the county to spend time with residents. In order to measure this impact, a survey was administered to residents to determine the length of stay, number of visitors, frequency of visits, and spending habits during the visits. Appendix I shows the actual survey that was given to the residents. The survey was handed out to all residents in Independent and Assisted Living, as well as a few in the Healthcare category. There were 389 survey responses out of the roughly 950 people given the survey (about 40% response rate). Because the response rate was higher than 1/3, it is

reasonable to draw statistically sound conclusions about the entire population based on the survey sample size. Once the responses were tabulated, assumptions were made about each type of activity and what would typically be spent on, for example, a trip to the movies. Table 9 shows the assumed per person costs that were used to calculate total visitor spending.

**Table 9: Assumed Per Person Costs of Different Activities**

<b>Activity</b>	<b>Cost</b>	<b>Basis</b>
Movie	\$8	Per person
Shopping trip	\$20	Per person
Out to eat	\$15	Per person
Clothing, Household Items	\$75	Per resident
Groceries	\$60	Per resident
Nightly Hotel Cost	\$50	Per 4 visitors

Each of these costs was tabulated for each survey response to find an average spending per visitation. Each survey response required the incorporation of different mixes of the spending elements. For example, only a small percentage of surveys reported that visitors stayed in a hotel. However, a large percentage of surveys reported eating out as a normal activity during visitation. Table 9 shows that the more infrequent events such as purchases of clothing/household items or groceries received a higher cost and are calculated on a *per resident* basis (as opposed to a per person basis for other activities like movies). This convention was used because household purchases would typically be only made for the residents, while other activities such as movies would include the residents and the visitors. Also, the nightly hotel cost was applied for anything up to 4 visitors, which is a conservative estimate considering that it would be rare for 4 people to stay in one room for an extended visit. All of the survey calculations were done in a manner that would not artificially inflate the results. Table 10 summarizes the total calculated visitor expenditures by category:

**Table 10: Expenditures Due to Out-of-County Visitors**

<b>Description</b>	<b>Annual \$</b>	<b>% of Total</b>
Spending from Eating Out	\$422,978	41%
Spending from Retail Shopping	\$197,296	19%
Spending on Groceries	\$172,333	17%
Spending on Hotel	\$155,597	15%
Spending on Clothing, Household items	\$67,938	7%
Spending on Movies/entertainment	\$18,027	2%
<b>Total</b>	<b>\$1,034,068</b>	<b>100%</b>

The total visitor expenditures per year is \$1,034,068. There is an especially large impact on the restaurant industry as a large percentage of residents tend to eat out when they have visitors. The results of these surveys conclude that visitors are contributing a healthy amount of spending to the county's economy on a yearly basis.

## **Summary of Economic Impacts Applied to the Model**

Table 11 shows a summary of the 4 main economic impacts that were applied to the model. The business payments in Elkhart County and Disposable Payroll Income will provide the majority of the impact, roughly 84% of the \$18 million total. The next section will provide an analysis of the model results derived from these impacts.

**Table 11: Summary of Economic Impacts Modeled**

<b>Description</b>	<b>Annual \$</b>	<b>% of Total</b>
Payments In Elkhart County	\$ 7,874,155	43.7%
Disposable payroll income	\$ 7,306,129	40.6%
Disposable Resident Income	\$ 1,794,017	10.0%
Expenditures due to Visitors	\$ 1,034,168	5.7%
<b>Total</b>	<b>\$ 18,008,469</b>	<b>100.0%</b>

## **◆ Model Results and Interpretation**

Any increase in economic impacts can be classified into 3 categories:

**Direct Impact** – the economic expenditure value that was applied to the model, a direct result of Greencroft activities from the business, residents, and visitors

**Secondary Impact** - the economic activity that was generated as a result of the direct impact, this is often referred to as indirect/induced effects by economists

**Total Impact** - the summation of the Direct and Secondary Impacts, i.e. the total economic impact that is due to Greencroft's existence

For example, a Direct Impact increase in spending on airline travel will result in increased purchases related to aircraft manufacturing, maintenance, and operation. That increase in demand will lead to more output, new jobs created, and more income in the hands of workers. That additional income will then cause more spending and further increase the demand for goods and services, which begins the cycle again. The total of all the related secondary effects is what is defined as the Secondary Impact. The sum total of all economic activity generated for the airline industry is the Total Impact. The Greencroft Direct Impacts and the corresponding Secondary/Total Impacts (model results) are summarized in Table 12.

**Table 12: Economic Impacts Generated From the Model, Year 2003 Dollars**

<b>Variable</b>	<b>Direct Impact</b>	<b>Secondary Impact</b>	<b>Total Impact</b>
Total Output	\$18,008,469	\$23,229,541	\$41,238,010
Total Value Added	\$10,363,303	\$13,120,334	\$23,483,637
Labor Income	\$10,363,303	\$8,304,980	\$18,668,283
Other Property Type Income	-	\$3,696,282	\$3,696,282
Secondary Tax Impact Federal	-	\$2,194,866	\$2,194,866

Net Tax Impact, State/Local	\$ (2,014,504)	\$1,026,404	\$ (988,100)
Employment (FTE)	375	310	685

**Total Output** – This is the total amount of goods and services produced, or the total economic activity. In this case, a Direct Impact of \$18 million led to \$23.2 million in secondary effects, for a Total Impact of \$41.2 million. This is a significant increase in the overall economic activity for the county, and an estimated 60-70% of the impact will be seen right in the City of Goshen.

**Total Value Added** – This is the sum of all income and taxes that are created in the economy. Income (or profit) is the primary source of value to individuals and businesses, while taxes are the primary source of funds for the federal, state, and local governments. Total Value Added is the sum all of these payments of value in the economy. In this case, the Direct Impact is Greencroft’s \$10.3 million payroll and that creates Secondary Impacts of \$13.1 million for a Total Value Added of \$23.5 million.

**Labor Income** – This is the total income that is received by both workers and individual business owners (proprietors). The \$10.3 million Direct Impact is the amount of payroll that Greencroft distributes to employees, and the \$8.3 million Secondary Impact is the income that is created as a result. The Total Impact of \$18.6 million is the income in Elkhart County that can be attributed to Greencroft’s existence.

**Other Property Type Income** – This is the total of incomes other than personal or proprietor, including: rents, royalties, dividends, corporate profits, etc. In this case, there is no Direct Impact so the Total and Model Impact is the same, \$3.7 million.

**Secondary Tax Impacts** – Tax implications are of particular concern because Greencroft has 501(c)(3) tax exempt status. In this case of the federal government, there is no Direct Impact because Greencroft has a nearly balanced budget, meaning that there is little or no profit and no corresponding income tax lost. There is a Secondary Impact of approximately \$2.2 million, with a Total Impact of the same. This means that Greencroft is adding \$2.2 million in taxes to the federal government through its existence.

State and local governments are the other taxing units to consider. In this case, a negative Direct Impact of \$(2 million) occurs due to taxes not paid by Greencroft. There is a positive Secondary Impact of about \$1 million, which is tax money generated by the economic activity related to Greencroft. The Total Impact is \$(1 million), which at first glance appears to be a very undesirable outcome. However we must consider who will pick up the burden in lost taxes from the Greencroft business: individuals and businesses that pay taxes. Please recall from above that Greencroft economic activities have created \$23.5 million in value added income and profits for those other taxpayers. In other words, Greencroft has shifted some of its tax burden (about 50%) onto other taxpayers, but at the same time has provided the means necessary (income/profits) to cover the additional taxes. The negative tax impact is only about 4.3% of the total value added (income and profit) impact. Look for more discussion about state/local taxes in the Public Sector Impact section that follows later in the report.

**Employment** – Greencroft employs 375 Full Time Equivalent (FTE) workers, and this is the Direct Impact to employment. The Secondary Impact in this case is 310, which means that Greencroft activities created 310 additional jobs in Elkhart County. The Total Impact is 685, which mean that 685 full-time jobs were created as a result of Greencroft activities. This number would be significantly higher if you consider the number of people who have jobs, not FTE jobs. The model software manufacturer (IMPLAN) recommended employment as the best true measure of the impact that an organization has on the economy.

# Private Sector Impact – Goshen City

Many of Greencroft’s Private Sector Impacts have been discussed in the Economic Modeling section of the report. In an effort to avoid duplication, this section will focus on Greencroft’s impact on the local Goshen economy.

Based on the modeling work presented in the Economic Modeling section, it is easy to draw parallels about the economic impact on Goshen City. As mentioned earlier, Greencroft spends \$4.1 million to vendors in Goshen each year. Additionally, a conservative estimate is that 50% of the Greencroft employees live in the Goshen area, contributing about \$3.6 million income to Goshen. Also, nearly all of the attracted visitor spending and the Greencroft resident income will be inside Goshen, amounting to about \$1 million and \$1.8 million, respectively. When summing those effects up, the Direct Impact to the Goshen economy will be approximately \$10.5 million. This Direct Impact will generate about \$24 million in local economic output when considering direct and secondary effects. This economic activity will also result in approximately 552 FTE jobs in the Goshen area (including 375 FTE from Greencroft and 177 secondary jobs created). Table 13 summarizes the economic impacts to Goshen City.

**Table 13: Economic Impacts to Goshen City**

<b>Variable</b>	<b>Direct Impact</b>	<b>Secondary Impact</b>	<b>Total Impact</b>
Total Output	\$10.5 million	\$13.5 million	\$24 million
Employment (FTE)	375	177	552

Based on Greencroft’s spending patterns, the majority of local economic impact is on industries such as construction/maintenance, food/catering, healthcare, retail, and anything related to older adults (funeral homes, etc). A few highlights from local impact data:

- Greencroft’s business spent about \$1.3 million on Mennonite related services
- Greencroft makes payments to 364 different Goshen vendors per year
- Greencroft was responsible for 5% of DJ Construction’s Sales in 2002
- Greencroft was responsible for 7% of Tri-County Ambulances runs last year
- Greencroft residents make up approximately 10% of the local MMA membership
- Greencroft residents are responsible for approximately 2-3% of business at the high-volume Park Pharmacy in Goshen
- Greencroft residents represent 4.9% of Goshen Hospital admittances
- Greencroft generates enough business for First State Bank and MMA to support office locations directly on the campus

# Public Sector Impact

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In this section, Greencroft's impacts to the public sector will be quantified, both in terms of Elkhart County and the City of Goshen. As a 501(c)(3), most aspects of Greencroft's business are exempt from taxation. This will have a negative impact to the city and county government, as well as schools, welfare, etc. Please note that Greencroft does own a few taxable properties and does in fact pay taxes on those properties, just over \$26,000 in 2002. In an effort to be conservative, this study will ignore any positive effects those taxable properties might have on the net impact calculations. Instead, this section will focus on the potential tax liability of Greencroft's tax-free business holdings, and the net effects of increased economic activity and new taxes generated.

Table 14 shows a summary of the property tax liability that Greencroft would have encountered if it were a taxable entity.

**Table 14: Greencroft's Potential Tax Liability if It Were a For-Profit Entity**

Variable	2002 Payable	2003 Estimated	% of Total
Schools	\$ 781,448	\$797,077	52.6%
City	\$ 419,521	\$427,911	28.3%
County	\$ 147,913	\$150,870	10.0%
Welfare	\$ 83,966	\$85,646	5.7%
Other	\$ 51,960	\$52,999	3.5%
Total	\$ 1,484,808	\$ 1,514,504	100%

As discussed in the Economic Modeling section, Greencroft's economic impacts help to generate secondary tax dollars for all forms of government. The next two sections will explore what the net effect is on the city and county government budgets. All data and calculations are *best estimates* using available sources of information from the local governments, internet, and Greencroft.

## ◆ Elkhart County Government

As shown in Table 14, Elkhart County government lost \$150,870 in potential property taxes from Greencroft (payable in 2002). However, this loss is offset by the secondary taxes generated by Greencroft activities, as outlined in the Economic Modeling section earlier. The secondary taxes generated for the city and county governments come from 2 sources: 1) Property Taxes and other fees, and 2) Income Taxes. For the county, the Property Taxes and other fees was determined by finding the total State/Local Taxes generated according the model, removing the income tax portion, and then taking the appropriate % of the remaining taxes (10.0% for the county, as shown in Table 14 above). Please refer to Appendix 2 for details of all Secondary Tax Impacts generated in the model. The Secondary Income Tax Impact was calculated by finding the total Secondary Income generated by the model, and multiplying that by the County Adjusted Gross Income Tax (CAGIT) and County Economic Development Initiative Tax (CEDIT), which represent 1.25% of county adjusted gross income. Detailed Explanations of these calculations

can be found in Appendix 1. Now, adding the Loss of potential taxes to the secondary tax effects, we find that the net impact on the county government is \$44,504. Table 15 summarizes these results.

**Table 15: Summary of Elkhart County Government Impacts**

<b>Variable</b>	<b>2002 Payable</b>
Loss of Potential Taxes	\$ (150,871)
Secondary Property Taxes/Fees Generated	\$ 85,068
Secondary Income Taxes Generated	\$ 110,307
Net Benefit to County	\$ 44,504

### ◆ City Of Goshen Government

The calculation for the City of Goshen net impact is identical to the one performed for Elkhart County. Again, please refer to Appendices 1 and 2 for the detailed tax values and calculations performed. In this case, the Potential Tax Loss is \$ (427,911), as shown in Table 14 above. After adding the Secondary Tax Impacts due to Property Taxes/Fees and Income, the net effect to the city government is \$ (154,425). Table 16 summarizes these results.

**Table 16: Summary of Goshen City Government Impacts**

<b>Variable</b>	<b>2002 Payable</b>
Loss of Potential Taxes	\$ (427,911)
Secondary Property Taxes/Fees Generated	\$ 241,278
Secondary Income Taxes Generated	\$ 32,208
Net Benefit to City	\$ (154,425)

### ◆ Schools, Welfare, Other Taxes

As shown in Table 16 above, 52% of local tax dollars goes to funding the school systems and the Potential Tax Loss to schools is \$797,077. When evaluating this loss, it is important to consider the degree of burden that Greencroft would create on the school systems. First of all, no impact will be considered by the residents because they will not have school age children that they are responsible for or attracting to the area. Also, the volunteer impact is negligible because they will likely have sources of income outside Greencroft and will pay taxes accordingly. That leaves only the employees to consider. Based on the 2000 U.S. census data, about 21.5% of the Goshen population is school-age children, grades K-12. That means that there will be about 151 school-age children corresponding to the 550 Greencroft employees. Goshen City has about 29,000 residents, and about 6235 of those residents are school-age children. That means that Greencroft is responsible for roughly 2.4% of the total school age children in Goshen, a very small impact to the school system. When considering Elkhart County, the impact is only 0.37% of school-age children, an even smaller effect. The estimated impact on the school system is

consistent with the findings of a study performed by the National Association of Home Builders ([www.nahb.org](http://www.nahb.org)). Antonio Giordoano, chair of the NAHB Seniors Housing Council, commented that seniors “utilize fewer public services, particularly schools” (“Selling to Seniors”, April 2003, CD Publications).

In conclusion, Greencroft does have a negative tax impact on the school system, however, Greencroft’s business and residents are not creating a significant burden on the county or city school systems, so the **negative tax impact on schools is immaterial**.

Data was not available to analyze effects on Welfare and Other Taxes, and it is not one of the focal areas of this study. It is reasonably safe to assume that the effects on Welfare and Other Taxes will be similar to those described above in the paragraph on school impacts.

## ◆ Impact on the Fire and Police Departments

### **Fire Department**

Greencroft accounted for about 215 EMS calls in 2001, each of which creates a charge of \$324 to the person or organization requesting the call. This results in added revenue to the city budget of \$69,660. Also, there were 100 fire calls made which are funded directly by the city tax budget. The total number of fire calls was 750, meaning that Greencroft accounted for about 13% of total calls. However, the assistant chief reported that a fair number of calls to Greencroft are a result of false alarms where no action is taken, usually requiring only a 10-15 minute visit. The net result of this is that Greencroft does not have a significant negative or positive impact on the fire department activities.

### **Police Department**

Good data was not available to draw any statistical conclusions about Greencroft’s effect on the police department. However, logic would say that, based on location and resident profile, police activity would be normal or less than normal. The net impact based on the information available is probably neutral.

# Social Impact of Greencroft

It is the intangible feelings that make an organization great, and these are just a few of the many wonderful feelings I gathered from talking to Greencroft residents. When walking around the campus of Greencroft, it doesn't matter which residence building, office space, or meeting room you enter, there are some common elements you will always find: caring people, lots of positive energy, and many smiles. Greencroft is a unique organization, and it is truly inspiring to see so many people devoted to a common goal of creating the best retirement community possible. Perhaps the best way to measure the social impact of an organization is to simply analyze the many ways that it positively impacts people's lives each day.

## ◆ Community Involvement

When considering residents (1200), volunteers (550), employees (550), and visitors to the Senior Center (125, probably 1/4 of which are not residents), it is estimated that 7.5-8% of Goshen's population will spend time on Greencroft's campus during any given day. That statistic does not even consider things such as vendors, deliveries, residents' visitors, mail carriers, etc. At the center of all this activity is Greencroft's Senior Center, which was built with the specific purpose of serving the needs of the community as well as the residents. Just a few of the resident and community activities that take place at the Senior Center include:

<p>REAL Meals          Living Waters Mennonite Church meetings          Cardiac Rehab Club          Indiana Institute of Technology Classes          Diabetes Support Group          Goshen College Secretarial Lunch &amp; Learn          Goshen College Family Business Mtgs          Proms and Formal dances          Conference on Positive Aging          National Senior Health and Fitness Day Fair          AARP Chapter meetings</p>	<p>Variety of Health Screenings          Oaklawn Depression Screening          Holiday Market Place for Local Artisans          Special Interest Groups (Cards, Music, etc)          Goshen Chamber of Commerce          The Window          Bridal Show for Local Vendors To Display Services          Goshen Kiwanis group          Goshen Rotary          Ivy Tech night classes</p>
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The Senior Center staff works with each group to provide the Center at a cost that is reasonable. Rental rates are almost always below what would normally be charged. In that way, Greencroft is providing a service to the community, and a place where people can enrich their lives in a variety of ways.

## ◆ Accessibility of Services

One of the remarkable things about Greencroft is that over **37% of the independent living units are subsidized** by the federal government's Housing and Urban Development (HUD) program. This is evidence of the Greencroft commitment to provide opportunities to residents regardless of wealth, and outside observers will not be able to distinguish between HUD housing and the

other units on the property. Also significant in the effort for accessibility is the number of Medicaid certified beds offered in the healthcare facility (**50% of beds**). Additionally, **Greencroft provides uncompensated services of \$2.1 million** to help subsidize the cost of these Medicaid beds. In many cases, they provide the difference between what Medicaid pays and the overall cost of care. In this way, Greencroft ensures that their facilities are accessible to everyone and all residents get the care and attention they deserve.

## ◆ A Spirit of Service and Giving

Whether it's through service to the residents, service to the community, or service to each other, there is a pervasive spirit of giving throughout everything that Greencroft employees and residents do. The sections below discuss some of the many ways Greencroft employees, residents and volunteers give to each other and the community:

### Charitable Gifts

In 2002, Greencroft made charitable donations totaling about **\$2.2 million**, including gifts to the following organizations and causes:

- Anabaptist Center for Healthcare Ethics
- Oaklawn mental health center
- AAHSA (American Association of Homes and Services for the Aging)
- Goshen College Music Center
- Boys and Girls Club of Greater Goshen
- Community Classes offered (CNA)
- Gifts to indigent care in Healthcare (difference between private pay rate and Medicaid reimbursement rate for all Medicaid residents in Healthcare)

The average Greencroft resident reported spending **8% of annual income** on churches or other charity, amounting to approximately **\$800,000** in annual donations (using only Private Pay residents). In addition, Greencroft residents make donations to Goshen College, which are used for things such as fundraising, gifts of memory, and general operations. Finally, about **20% of the College Mennonite Church** is Greencroft residents. These members and their donations help to support the Mennonite community and make Goshen a wonderful place to live.

### Volunteer Efforts

Volunteers can be found in all aspects of the Greencroft community, and the high level of interest is a testament to how many people believe in the Greencroft mission. Greencroft's Volunteer Program has 614 active volunteers on record, at least 552 of which are currently active. In 2002, these volunteers donated over **53,000 hours** of care and services that help to enrich the lives of Greencroft residents. A large percentage of these volunteers are residents at Greencroft, as shown by the 366 volunteers over age 71. In the resident survey, Greencroft residents reported donating an average of 3.8 hours per month, both in Greencroft and community programs. Excluding healthcare residents, that calculates to about **43,000 hours** per year. Listed below are some of the other community programs that Greencroft residents donate time to:

Goshen College  
 The Window  
 Meals on Wheels  
 RSVP (YWCA- Elkhart)  
 School Programs (Reading, Pen Pals)

Goshen General Hospital  
 Elkhart Co Parks & Recreation  
 Oaklawn  
 Goshen Adult Literacy Program

## ◆ Providing Much Needed Services

**According to the 2000 census, 30% of Goshen’s population over age 65 lives in Greencroft facilities**

The above statistic provides a clear picture of how critical Greencroft is to the older adult population of Goshen. Along that line of thinking, Greencroft’s marketing department has done some competitive analysis studies to determine how Greencroft fits into the profile of Elkhart County’s older adult living facilities. These living facilities were profiled by the 3 major care categories: Independent Living, Assisted Living, and Healthcare. Table 17 shows that Greencroft maintains **47% of older adult Independent Living facilities in Elkhart County.**

**Table17: Major Independent Living Facilities in Elkhart County**

<b>Community</b>	<b># Units</b>	<b>% of Total</b>
Schrock Homes - College Green	250	17%
Schrock Homes - Spring Brooke	210	15%
Schrock Homes - Keystone Crossing	160	11%
Brentwood Apartments	92	6%
Waterford Crossing	9	1%
Hubbard Hill	42	3%
<b>Greencroft</b>	<b>676</b>	<b>47%</b>
<b>Total</b>	<b>1439</b>	<b>100%</b>

There is also a large impact in the Assisted Living category. Among the major facilities that provide similar Assisted Living care, Greencroft represents **28% of the Assisted Living facilities in Elkhart County.** Table 18 summarizes the county’s Assisted Living facilities and the number of units.

**Table 18: Major Assisted Living Facilities in Elkhart County**

<b>Community</b>	<b># Units</b>	<b>% of Total</b>
Brentwood Apartments	92	20%
Hubbard Hill	105	23%
Beardsley House Assisted Living	39	9%
East Lake Terraces Assisted Living	91	20%
Greencroft	130	28%
Total	457	100%

Finally, Greencroft’s contribution to the Healthcare (nursing) facilities in Elkhart County is likely the most critical. Table 19 summarizes the county’s Healthcare facilities, the number of units, and the occupancy rates of each facility. Greencroft represents about **20% of the total Healthcare beds in the county**, and the occupancy rate is 98%. Using the information in Table 19, there are 140 total Healthcare beds available in Elkhart County. Therefore, if Greencroft were forced to shut down for any reason, **at least 94 people (39%) of Greencroft’s Healthcare residents would have to leave to the county** just to find similar care. Furthermore, that calculation is based on the conservative assumption that every single bed in the other facilities would be filled before any residents left the county (which is practice would be false, as resident and family preferences would lead to some moving elsewhere to find appropriate care).

**Table 19: Major Healthcare (Nursing) Facilities in Elkhart County**

<b>Community</b>	<b># Units</b>	<b>% of Total</b>	<b>% Occupancy</b>
Hubbard Hill	66	5%	91%
Americare	144	12%	88%
LuAnne	50	4%	70%
East Lake	160	13%	98%
Sunbridge	99	8%	70%
Elkhart Rehab	70	6%	66%
Rosewood Terraces	240	20%	91%
Valley View	140	12%	79%
Greencroft	240	20%	98%
Total	1209	100%	85% (County)

The overall conclusion of this analysis is that Greencroft plays a vital role in providing for all of Elkhart County’s older adults. If Greencroft were not able to keep operating, Elkhart County’s ability to serve the needs of older adults would be heavily impacted in each care category. This is a tremendous social impact when considering the ripple effects of how many lives would be altered as 1200 people needed to find new residence.

# Appendices

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## ◆ Appendix 1: Example of Resident Survey Used

1. How many times per week do you go away from Greencroft for shopping?  
 1    2    3    4    Other (please specify) \_\_\_\_\_
2. Of those shopping trips, how many per week are outside of Elkhart County?  
 1    2    3    4    Other (please specify) \_\_\_\_\_
3. Approximately how much money do you spend in an average shopping trip?  
 \$25    \$50    \$75    \$100    \$150    \$200    Other (please specify)
4. Please estimate what percentage of your total yearly spending occurs outside of Elkhart County (in other counties, on the Internet, etc.)? \_\_\_\_\_%
5. How often do you have visitors that come from outside of Elkhart County?  
 Once a week  
 Once a month  
 Once every 3 months  
 Once every 6 months  
 All of my visitors live inside of Elkhart County  
 Other (please specify) \_\_\_\_\_
6. When those visitors come, how many people are typically with them?  
 1    2    3    4    Other (please specify) \_\_\_\_\_
7. How long do they typically stay to visit?  
 A Few Hours  
 1 Day  
 2-3 Days  
 1 Week  
 Other (please specify) \_\_\_\_\_
8. Where do the visitors typically stay?  
 With me  
 Hotel  
 With friends or family in the area  
 Other (please specify) \_\_\_\_\_
9. Please check all things that you usually do when you have visitors:  
 Go shopping in Elkhart County  
 Go shopping outside of Elkhart County  
 Go out to eat  
 Go to a movie  
 Relax and spend time at home  
 Other (please specify) \_\_\_\_\_

10. Do these visitors typically buy things for you?
- Food
  - Clothing, Furniture, Decorations, other household items
  - Gifts such as jewelry, money, etc
  - Other (please specify)\_\_\_\_\_
11. What is your yearly income (estimate): \$\_\_\_\_\_
12. Please estimate what percentage of your income you use on the following items:
- \_\_\_\_ % Medical Expenses (insurance, doctors, prescriptions, etc)
  - \_\_\_\_ % Greencroft fees, services, meals, etc
  - \_\_\_\_ % Personal expenses outside of Greencroft, such as movies, shopping, food, etc.
  - \_\_\_\_ % Gifts
  - \_\_\_\_ % Savings
  - \_\_\_\_ % Other (please specify)\_\_\_\_\_
13. How many hours per month do you spend doing volunteer work outside of Greencroft?
- None
  - 1-5
  - 5-10
  - 10-15
  - 20 or more

## ◆ Appendix 2: Resident Survey Results

<b><i>Resident Spending Habits</i></b>		
Shopping trips away from Greencroft	1.72	per week
% of Shopping Trips Outside the county	7.5%	
Money spent in an average shopping trip	\$ 39.53	
% Total Income Spent Outside the County	5.7%	
<b><i>Visitation Habits</i></b>		
Frequency of Visits from Outside the County	8.62	per year, per resident
How many people usually visit?	2.15	people
Average # of days visitors stay	1.08	days
<b><i>Frequency of Activities While Visiting</i></b>		
Shopping in Elkhart Co	36%	
Shopping outside Elkhart Co	7%	
Eating Out	80%	
Movies	4%	
Relax at home	85%	
<b><i>Frequency that Visitors Buy Goods for Residents</i></b>		
Food	38%	
Clothing, household items	13%	
Gifts, jewelry, etc	7%	
Other	2%	
<b><i>Visitor Spending Statistics</i></b>		
Yearly Visitor Spending	\$ 867	per year, per resident
Total spending due to Greencroft Visitors	\$ 1,034,168	
<b><i>Uses of Disposable Income that Residents Reported</i></b>		
Greencroft fees	39%	
Medical Expenses	23%	
Personal expenses	16%	
Gifts	8%	
Savings	6%	
Other (church, charity)	8%	
<b><i>Other Survey Items of Interest</i></b>		
Self-reported Resident Income:	\$ 19,065	per year, per resident
Average Hours Each Resident Volunteered	3.8	hours per month
Total Resident Hours Donated	43,320	hours/year
Total Church/Charity Donations by Residents	\$863,360	(approximately)

## ◆ Appendix 3: Employee Survey Results

127 of Greencroft’s staff and management were surveyed to determine what they felt were the economic and social impacts of Greencroft’s business and residents on Elkhart County. Each employee was asked to name about 5 economic and 5 social impacts. Below are some of the most frequent responses given, and the percentage of people responding that indicated those answers.

### Local Business Impacts by Greencroft

<b>Impact</b>	<b>% of Survey Responses</b>
Hardware Supplies	39%
Retail	35%
Landscaping	34%
Groceries	33%
Pharmacies	28%
Banks	20%
Restaurants	19%
Funeral Homes	17%
Construction Contractors/Suppliers	17%
Food Services and Suppliers	15%
Ambulance Services	10%
Medical Supply	7%

### Social Impacts by Greencroft

<b>Impact</b>	<b>% of Survey Responses</b>
Churches	57%
Volunteer Hours	45%
Schools/Colleges	41%
Goshen General Hospital	31%
Doctors	28%
Fire/Police Department	17%
Housing Opportunities	10%
Employment Opportunities	10%
Senior Center Activities	9%
Transportation Services	7%
Meals on Wheels	6%
4-H Fair	5%
Boys and Girls Club	5%
Charities	3%

## ◆ Appendix 4: County and City Tax Impacts

### County Government Impacts

<b>Secondary Tax Impact Property Tax, Fees, etc</b>	County	\$	85,068	21%
	City	\$	241,278	60%
	Welfare	\$	48,291	12%
	Other	\$	29,883	7%
		\$	404,521	

<b>Secondary Tax Impact Income Related</b>	Employee Income	\$	7,292,310	
	Proprietor's Income	\$	1,012,670	
	Other Property Income	\$	3,696,282	
	Total Secondary Income Generated	\$	12,001,261	
	Factor to reduce AGI			95%
	CAGIT/CEDIT			1.25%
	County's Share of CAGIT/CEDIT			77.40%
	Income Taxes Generated	\$	110,307	

<b>Net Results, All Taxes</b>	Secondary Property Taxes/Fees	\$	85,068	
	Secondary Income Taxes	\$	110,307	
	Loss of Potential Taxes	\$	(150,871)	
	Net Benefit to County	\$	44,504	

### City Government Impacts

<b>Secondary Tax Impact Property Tax, Fees, etc</b>	County	\$	85,068	21%
	City	\$	241,278	60%
	Welfare	\$	48,291	12%
	Other	\$	29,883	7%
		\$	404,521	

<b>Secondary Tax Impact Income Related</b>	Employee Income	\$	7,292,310	
	Proprietor's Income	\$	1,012,670	
	Other Property Income	\$	3,696,282	
	Total Secondary Income Generated	\$	12,001,261	
	Factor to reduce AGI			95%
	CAGIT/CEDIT			1.25%
	City's Share of CAGIT/CEDIT			22.60%
	Income Taxes Generated	\$	32,208	

<b>Net Results, All Taxes</b>	Secondary Property Taxes/Fees	\$	241,278	
	Secondary Income Taxes	\$	32,208	
	Loss of Potential Taxes	\$	(427,911)	
	Net Loss to City	\$	(154,425)	

## ◆ Appendix 5: Secondary Tax Impacts, As Defined by the Model

		Employee Compensation	Proprietary Income	Household Expenditures	Enterprises (Corporations)	Indirect Business Taxes	Total
Enterprises (Corporations)	Transfers	34	0	0	0	0	34
	Total	34	0	0	0	0	34
Federal Government NonDefense	Corporate Profits Tax	0	0	0	275,462	0	275,462
	Indirect Bus Tax: Custom Duty	0	0	0	0	265,790	265,790
	Indirect Bus Tax: Excise Taxes	0	0	0	0	84,776	84,776
	Indirect Bus Tax: Fed NonTaxes	0	0	0	0	26,075	26,075
	Personal Tax: Estate and Gift Tax	0	0	0	0	0	0
	Personal Tax: Income Tax	0	0	577,127	0	0	577,127
	Personal Tax: NonTaxes (Fines- Fees	0	0	7,099	0	0	7,099
	Social Ins Tax- Employee Contribution	386,548	45,390	0	0	0	431,939
	Social Ins Tax- Employer Contribution	400,018	0	0	0	0	400,018
	Total	786,566	45,390	584,227	275,462	376,641	2,068,287
State/Local Govt NonEducation	Corporate Profits Tax	0	0	0	62,553	0	62,553
	Dividends	0	0	0	98	0	98
	Indirect Bus Tax: Motor Vehicle Lic	0	0	0	0	2,860	2,860
	Indirect Bus Tax: Other Taxes	0	0	0	0	9,087	9,087
	Indirect Bus Tax: Property Tax	0	0	0	0	298,470	298,470
	Indirect Bus Tax: S/L NonTaxes	0	0	0	0	34,083	34,083
	Indirect Bus Tax: Sales Tax	0	0	0	0	333,346	333,346
	Indirect Bus Tax: Severance Tax	0	0	0	0	47	47
	Personal Tax: Estate and Gift Tax	0	0	0	0	0	0
	Personal Tax: Income Tax	0	0	190,120	0	0	190,120
	Personal Tax: Motor Vehicle License	0	0	3,366	0	0	3,366
	Personal Tax: NonTaxes (Fines- Fees	0	0	26,152	0	0	26,152
	Personal Tax: Other Tax (Fish/Hunt)	0	0	1,351	0	0	1,351
	Personal Tax: Property Taxes	0	0	3,168	0	0	3,168
	Social Ins Tax- Employee Contribution	518	0	0	0	0	518
	Social Ins Tax- Employer Contribution	1,990	0	0	0	0	1,990
Total	2,508	0	224,158	62,651	677,894	967,211	
Total		789,109	45,390	808,385	338,114	1,054,534	3,035,532

## **Profile of the Author**

Josh Barnett is a native of Nashville, TN, where his parents and one brother still live. He first came to the University of Notre Dame in 1994, and in 1998 he graduated as a bachelor of science in chemical engineering. He spent the next 4 years working in research and development as a process engineer, area engineer, and line supervisor with DuPont in Nashville. After developing an in interest in business and finance, he returned to Notre Dame as an MBA candidate in 2002. In addition to studies, he has served as a Stock Analyst for the Finance Club and as an Admissions Counselor for the MBA office. In the spring of 2004, he will finish the 2-year program with concentrations in corporate finance and investments.