the FUTURE is now

KALEIDA HEALTH FOUNDATION
Kaleida Health Leadership

James R. Kaskie
Kaleida Health President & Chief Executive Officer

Michael Nagowski
President, Buffalo General Hospital

Tamara Oxen
President, DeGraff Memorial Hospital

Donald Boyd
President, Millard Fillmore Gates Circle Hospital

Christopher Lane
President, Millard Fillmore Suburban Hospital

Margaret Mary Wagner
Vice President, Long-Term Care

Lawrence Zielinski
President, Visiting Nursing Association of WNY, Inc.

Michael P. Hughes
Vice President, Public Relations & Government Affairs

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Pictured on cover: Brooke Pinelli with daughter Tina. Find out why she thought she’d never see her baby grow up on page 5.
Dear friends:

There is an old saying regarding philanthropy: "real generosity toward the future lies in giving all to the present."

Philanthropy is playing a vital role toward better health within our community through our Kaleida Health Foundation – and you.

Because of your extraordinary commitment today, we are building a better healthcare delivery model for generations to come.

Evidenced by key investments in our cardiac and stroke programs, as well as the $64 million expansion at Millard Fillmore Suburban Hospital, you will see in the coming pages of this report the difference your support of the Kaleida Health Foundation is making every day in the lives of those we serve.

You are among hundreds of volunteers, donors, friends, staff, alumni, companies and organizations that gave generously to help our hospitals continue delivering quality, compassionate care with the most advanced technology and expertise available.

Our growth and continual positive impact on the people of Western New York could not be achieved without you. For that, we thank you.

Best of luck in 2007, and we look forward to your on-going support.

James R. Kaskie
President & CEO, Kaleida Health

Peter S. Marlette, Esq.
Chair, Kaleida Health Foundation Board

LEFT: Peter S. Marlette, Esq., Kaleida Health Foundation Board Chair and James R. Kaskie, Kaleida Health President & CEO
The future now looks bright for the Pinelli family. However, in 2006, a major stroke nearly took the life of 27-year-old wife and mother, Brooke Pinelli. Unable to be treated at a medical facility close to her home in the Southtowns, Brooke was transferred immediately to Millard Fillmore Gates Circle Hospital where the stroke team, led by L. Nelson Hopkins, M.D., used minimally invasive techniques to save Brooke’s life. Some of these techniques were developed and perfected by Dr. Hopkins and his team right here in Buffalo.

Today stroke patients have access to a variety of treatment options that minimize trauma to the body, as well as improve recovery times. Brooke, photographed with her family just seven months after her stroke, knows that first-hand.

The comprehensive stroke care program at Millard Fillmore Gates Circle Hospital is one of the finest stroke programs in the nation, with outcomes comparable to the best in the world. In 2006, the hospital was designated by the New York State Department of Health as a comprehensive stroke care center “hub.” An innovative telemedicine initiative known as REACHMD enables the hospital’s physicians to provide “real-time” consultation and treatment for patients with suspected stroke who arrive at several Emergency Rooms throughout the eight-county region of Western New York.

Virtually instant assessment, visualization and consultation by Kaleida Health neurosurgeons assures stroke patients in both rural and urban communities immediate access to the most advanced care and treatment for the best results.

Innovative programs like these are helping physicians at Millard Fillmore Gates Circle Hospital reshape and redefine the delivery of stroke care in the region - today and in the future.
Unprecedented population growth in Erie County’s Northtown communities has left the talented team at Millard Fillmore Suburban Hospital with limited space to perform their life-saving work.

To address the ever-increasing number of people who have come to rely on this community hospital for health care, we began a $64 million expansion with the help of Millard Fillmore Suburban’s local community. M&T Bank, Northtown Automotive Companies and the hospital’s own Women’s Board each made a commitment of $500,000 to serve as the foundation for a $5 million campaign that provided seed money for this ambitious project.

The construction “start-date” arrived with great fanfare in 2006, paving the way for realignment of the Maple Road entrance with McArthur Drive and improving the safety of hospital visitors entering or exiting from Maple Road. An additional 100,000 square feet of space will house a dramatically enlarged emergency department; new surgical, laboratory and clinical space; and will increase the number of patient rooms. Finally, a new lobby featuring the Women’s Board Gift Harbour, registration and waiting areas will serve as the cornerstone for the entrance to this newly renovated facility.

Thanks to the determined leadership of Campaign Chairman, Reginald B. Newman, II, the volunteer committee and generous community support, Millard Fillmore Suburban Hospital will be prepared to continue meeting the medical needs of its growing Northtowns community.

 Buford Sears, M&T Bank Senior Vice President & Manager of the Healthcare Services Group

Knowing what’s important to our community, our employees and their families is M&T Bank’s motivation for lending our support to Kaleida Health. By investing in this expansion project, we are making an investment in Kaleida Health and the future of health care for everyone in our community.”

Future expansion starts now

“The construction “start-date” arrived with great fanfare in 2006, paving the way for realignment of the Maple Road entrance with McArthur Drive and improving the safety of hospital visitors entering or exiting from Maple Road. An additional 100,000 square feet of space will house a dramatically enlarged emergency department; new surgical, laboratory and clinical space; and will increase the number of patient rooms. Finally, a new lobby featuring the Women’s Board Gift Harbour, registration and waiting areas will serve as the cornerstone for the entrance to this newly renovated facility.

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Future expansion starts now
The New York State Department of Health named the combined cardiac services at Buffalo General Hospital and Millard Fillmore Gates Circle Hospital the number one heart program for key quality indicators in Western New York. The program has also been ranked among the top 10 percent for heart surgery and the top five percent in the nation for coronary angioplasty.

As the largest heart program in Upstate New York and the third largest in New York State, our specialists perform 75 percent of all heart procedures in the region. In 2006, Kaleida Health invested $22 million in cardiac technology and facilities to meet the growing heart health needs of our community.

"Buffalo General Hospital is the best place to go for treatment of heart disorders."  
FATHER JOHN RUSSELL

"I look like a candidate for a heart attack," said Father John Russell. "In fact, my father died that way."

Father John had many of the classic risk factors associated with heart attack, but it wasn’t until he chose to access the technology and cardiac expertise at Buffalo General Hospital that he discovered just how vulnerable his heart actually was.

With the help of the hospital’s newly acquired non-invasive cardiac computed tomography angiography (CTA) 64-Slice technology, precise three dimensional images of the blocked arteries in Fr. John’s heart became evident in less than five seconds.

His doctor quickly referred him for an interventional procedure in one of the hospital’s new, state-of-the-art catheterization labs, and soon the special heart that beats in Fr. Russell’s chest was beating a healthy rhythm once more.

“Buffalo General Hospital is the best place to go for treatment of heart disorders.”

FATHER JOHN RUSSELL
Mayor Byron W. Brown and Dr. & Mrs. Paresh Dandona

The wonders of WNY: our donors

"One of the true wonders of Western New York is the incredible team of experts in the Kaleida Health network of hospitals. As a Kaleida Health Foundation Board member and chairman of the Kaleida Ball, I applaud all who have chosen to make excellence in health care for our community their life's work."

JOHN R. KOELMEL
President & CEO, First Niagara Bank

The Buffalo/Niagara Convention Center in downtown Buffalo was the site for the 2006 Kaleida Ball. Gallery size photographs and illustrations of famous local architecture and historic landmarks served as the backdrop for this special black-tie event celebrating the "Wonders of Western New York."

Two local community leaders were recognized for their significant and spirited support of the Kaleida Health network of hospitals. Cash Cunningham, founder of Cash Realty & Auctions and Cash Industrial Services and Reginald B. Newman, II, Chairman of the Board, NOCO Energy Corporation, were both honored for their gifts of time and talent toward improving the health of our community. More than 1,000 guests turned out to lend their support to the Cardiac Care Program at Buffalo General Hospital and Millard Fillmore Gates Circle Hospital. Event proceeds will be re-invested in both facilities where some of the brightest and best experts are leading the way in diagnosis and treatment of heart disease.

New Era Cap, Premier Gourmet, Jenss/Reeds, Canisius College Press, Parkside Candy and the Albright–Knox Gallery Shop were among the local merchants who offered a unique selection of items exclusive to Western New York.
Michael A. Vasquez, M.D., a clinical assistant professor of surgery at SUNY Buffalo, has brought clinical advancements and recognition in vascular surgery to the DeGraff Memorial Hospital campus. Specializing in superficial venous reflux disease, which is caused by insufficient blood flow from the legs back to the heart, Dr. Vasquez was the first in Western New York to perform the VNUS® Closure® procedure to treat this problem. Left untreated, the results can range from severe varicose veins and discoloration to painful leg ulcers.

Dr. Vasquez was also the first in New York State to perform the improved ClosureFAST®, an improved vascular procedure that offers patients a rapid and nearly pain free solution to leg discomfort due to superficial venous reflux disease.

Dr. Vasquez has delivered six major national presentations and will be recognized internationally at the European Venous Forum in Istanbul, Turkey. His international expertise is recognized in the manuscript entitled “The Utility of the Venous Clinical Severity Score in 682 Limbs Treated by Radiofrequency Saphenous Vein Ablation” that will appear in the Journal of Vascular Surgery in 2007.

“In 2003 DeGraff provided me the resources to enter a new arena in venous surgery. Now, over 2000 cases later, we can present research that all vascular surgeons find valuable. It remains amazing to me how those underutilized tools, trust and communication, can result in something that so benefits our community.”

MICHAEL A. VASQUEZ, M.D., F.A.C.S., R.V.T.
Support for the future

Kaleida Health is fortunate to have a legion of volunteers that provide the backbone for our efforts to care for and improve the health of our families, friends and neighbors.

At the core of each hospital is a Women’s Board, whose members invest volunteer time and talent to help us improve the many services our hospitals provide every day.

In service to the patients and families, the Women’s Boards operate hospital gift shops where items can be purchased to provide gestures of kindness, comfort and hope. In support, they provide funding for special holiday meals or gifts for someone celebrating a birthday. Women’s Boards also fund equipment and facility improvements so our health professionals can care for patients with the most advanced equipment and technology available. They also provide a friendly smile and warm greeting that often eases a troubling moment.

In 2006, over 675 Women’s Board members invested countless hours in service and nearly $300,000 in support. They are truly the backbone of our hospitals.
Canisius College Math Professor Sheila Moesch is fighting a painful battle with osteoarthritis, with help from Buffalo General Hospital and orthopedic surgeon Kenneth Krackow, M.D.

Sheila learned to cope with excruciating osteoarthritis when it began spreading through her body, but she eventually found help when fellow mathematician and internationally renowned orthopedic surgeon Kenneth Krackow, M.D., added a new option to the equation for the pain in her knees.

As the chief of orthopedics at Kaleida Health, Dr. Krackow developed the software and performed the first computer-assisted orthopedic surgery for total knee replacement at Buffalo General Hospital in 1997. Today surgeons around the world recognize the value of Dr. Krackow’s innovation.

Dr. Krackow developed computer-assisted orthopedic surgery to assist the orthopedic surgeon with knee replacement procedures using a real-time information-processing system that provides in-depth information when it matters most: during surgery. The system assists surgeons in properly aligning the implants for greater accuracy and control.

Sheila’s left knee had grown severely debilitated, preventing her from walking independently across the span of a department store and requiring her to teach her students from a stool.

After her successful left knee replacement, Sheila underwent the same procedure on her right knee and gratefully reclaimed her independence from the effects of osteoarthritis.
In 2006, it was estimated that hospitals across the U.S. needed to fill 118,000 vacant nursing positions. Experts agree that the present nursing shortage is expected to more than double by the year 2020 as baby boomers age and the need for health care grows.

Here at home, Kaleida Health is taking action to ensure that our patients will always be cared for by the very best people and the most modern medicine.

We know that our nurses are an essential part of the healthcare team. That is why Kaleida Health has taken the lead in implementing training programs and offering unique incentives that will ensure we are able to recruit and retain the most talented and committed nursing force – today and into the future.

- The Building Bridges Program is a three-phase recruitment program emphasizing preceptorship, mentoring and employee commitment
- The “Adopt-A-Nurse” Program provides scholarships to students seeking a career in nursing and tuition reimbursement for Kaleida Health nurses who achieve specialized in-service certification
- The Primary Nursing Program enables a single RN to coordinate each patient’s care with the capability to make collaborative decisions with the physician and other healthcare providers

The 2006 Kaleida Classic Committee, led by Co-Chairmen Dan Dy and William Pearce, recognized the importance of this mission and elected to designate all Tournament proceeds for nursing scholarship funding, education and training programs.

For all who support the efforts of the Kaleida Classic Committee, thank you for making health care for our community your priority in 2006.
Community events that benefit Kaleida Health hospitals:

- Cathie Rice Scott Memorial Walk
- Chamber of the Tonawandas Clam Bake
- Chicken Barbeque
- Employee Friendship Christmas Basket Fundraiser
- Halloween Fundraiser
- Rick Shanor Memorial Golf Tournament
- Donald Spoth Farm & Greenhouse Brooms & Blooms
- Tee-off for Tots

Community focus on the future

Events take place every year in support of Kaleida Health hospitals, providing an important forum for family and friends to honor a loved one, focus awareness on issues and inspire hope for generations to come.

We recognize the significant contributions of volunteers, donors and medical personnel who support events like the Rick Shanor Memorial Golf Tournament, an event that benefits families and patients of the Kaleida Multi-Organ Transplant Center. This Center was recently ranked number one in the region and one of the strongest in the nation for kidney and pancreas transplantation by the Scientific Registry of Transplant Recipients.

In 2006, Kaleida Health welcomed family and friends of Cathie Rice Scott when they participated in the very first Memorial Walk in her name. The family hopes to raise awareness about the risks of stroke; while providing funds for the innovative treatments she experienced that are only available at the Stroke Care Center at Millard Fillmore Gates Circle Hospital.

Events like these, and so many others, are vital to the future health of our community. They support Kaleida Health hospitals with funding that enhances important programs and services, helping our experts care for our community today and in the future.
Financial highlights

**Total Assets** $ 55,520,706

- **Other Long-Term Assets** 9,970
- **Restricted Assets** 48,117,721

**Current Assets** $ 7,393,015

Total 2006 Increase in Foundation Net Assets $ 3,565,438

Total Expenditures (Restricted and Unrestricted) $ 8,767,788

- **Transfers to Kaleida Health for Capital Purchases** $ 1,050,788
- **Expenditures-Restricted** $ 6,851,294

Total Net Assets $ 54,603,317

Total Support and Investment Income $ 12,333,226

- **Expenditures-Unrestricted** $ 865,706
- **Contributions and Other Restricted Support** $ 5,513,314

2006 activity Report

**Kaleida Health Foundation 2006 Activity Report**

Contributions and Other Restricted Support

- Investment Income (Realized and Unrealized) $ 6,819,912

Total Support and Investment Income $ 12,333,226

Expenditures-Unrestricted $ 885,706

Expenditures-Restricted $ 6,851,294

Transfers to Kaleida Health for Capital Purchases $ 1,050,788

Total Expenditures (Restricted and Unrestricted) $ 8,767,788

Total 2006 Increase in Foundation Net Assets $ 3,565,438

Our donors

Each gift, no matter the size, plays an important role in helping us improve our hospitals. We appreciate the generosity of our friends and acknowledge their support on the following pages.

**Balance Sheet**

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**Kaleida Health Foundation**

**2006 Activity Report**

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Gifts in kind

We thank the many people, organizations, clubs and businesses that have made the health of our community a priority in 2006:

The Advantage Company/Stereo Advantage
Buffalo Bills
Buffalo Sabres
Cardinal Health
Charlie the Butcher
Chris Louiios
Delta Sonic
Premiere Gourmet & Wine
Randy Strauss, StraussGroup, Inc.
Tantalos’s of Rochester
Thundering Waters Golf Club
Tuxedo Junction, Inc.

The Kaleida Health Foundation is sincerely grateful for all donations made in support of the efforts to bring good health to families. If we did not include your contribution, or recognized your gift incorrectly, please contact the Foundation office.

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foundation.kaleidahealth.org
KALEIDA HEALTH FOUNDATION

A not-for-profit charitable organization supporting:

Buffalo General Hospital
DeGraff Memorial Hospital
Millard Fillmore Gates Circle Hospital
Millard Fillmore Suburban Hospital

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