

Call-in to join this meeting: 1-512-823-0450; Ext. 493545#; Passcode 2468#

AGENDA

11:30 am 15 minutes	1. WELCOME AND CALL TO ORDER	Tab 1
	CHAIRMAN'S REPORT (Mr. Gompers)	
	<ul style="list-style-type: none"> Prayer Mission Moment (Mr. Miller) Approval of October 9th Board of Directors Minutes (ACTION) Year End Appeal (Ms. Jackson) 2020 PVMF BOD Meeting Schedule (11:30 a.m. – 2:00 p.m.) March 10, PVM Home Office, Southfield, MI June 9, The Village of Oakland Woods, Pontiac, MI October 6, The Village of Westland, Westland, MI December 1, PVM Home Office, Southfield, MI 2019 PVMF Board Giving & 2019 PVM Board Giving System-wide Motion to Change PVM Foundation Bylaws – Article III, Section 8 - (ACTION) 	
11:45 pm 15 minutes	2. SECRETARY'S REPORT (Mr. Lindow/Mr. Miller)	Tab 2
	<ul style="list-style-type: none"> 2020 Slate of Directors (ACTION) 2020 Slate of Officers (ACTION) Approval of New PVMF Board Members/Village Board Members (ACTION) 	
12:00 pm 30 minutes	3. PRESIDENT'S REPORT (Mr. Miller)	Tab 3
	<ul style="list-style-type: none"> Executive Summary Approval of 2020 PVMF Budget (ACTION) New Policy on Pledges (ACTION) Thome Foundation Calvin, Sterling & Mission Makers Luncheon (Ms. Jackson) PVM Update (Mr. Myers) 	
	BREAK FOR LUNCH 12:30 pm	
12:40 pm 60 minutes	4. GENERATIVE DISCUSSION (Mr. Gompers/Mr. Miller)	Tab 4
	<ul style="list-style-type: none"> Continuation – Next Fundraising Campaign Projects 	
1:40pm 10 minutes	5. TREASURER'S REPORT (Mr. Carnaghi)	Tab 5
	<ul style="list-style-type: none"> FA allocation for Redford Manor & Oakland Wood II (ACTION) Motion to approve the changes to the PVMF Investment Policy as presented (ACTION) 	
1:50pm 5 minutes	6. Donor Stewardship (Ms. Smith)	Tab 6
	<ul style="list-style-type: none"> Handwritten Thank You Notes to Donors 	
1:55pm 15 minutes	7. PVMF GALA REPORT (Mr. Schroeder)	Tab 7
	<ul style="list-style-type: none"> Final Fundraising Numbers Feedback on the Event PVM's 75th Year in 2020 2021 PVMF Gala 	
	8. EXECUTIVE SESSION (IF NEEDED)	Tab 8
2:10 pm adjourn	9. ADJOURNMENT	Tab 9
	NEXT: March 10 (Tuesday); PVM Foundation Board; 11:30 a.m., PVM Home Office, Southfield, MI TBD; Winter Governance Summit May 15 (Friday); Calvin, Sterling, Peterson Mission Maker/Board Recognition Luncheon; 10:00 a.m., N'Namdi Center for Contemporary Art, 52 E. Forest, Detroit, MI 48201 June 9 (Tuesday); PVM Foundation Board; 11:30 a.m., The Village of Oakland Woods, Pontiac, MI June 5 (Friday); Village Victory Cup, (Time, TBD), The Suburban Collection Showcase Diamond Ballroom, Novi, MI October 6 (Tuesday); PVM Foundation Board; 11:30 a.m., The Village of Westland, Westland, MI December 1 (Tuesday); PVM Foundation Board; 11:30 a.m., PVM Home Office, Southfield, MI	



**WELCOME AND
CALL TO ORDER**

Presbyterian Villages of Michigan Foundation

Strategic Directions and Initiatives 2018-2022: SIDE

- I. **Strengthen Donor Loyalty** *(Increasing and strengthening donor loyalty through new approaches to enhanced communications.)*
 - 1.1: Rebalance and strengthen focus on partnerships with donors who give at a more significant level.
 - 1.2: Develop a better understanding of donor expectations and implement action strategies to meet or exceed them.
 - 1.3: Evaluate and revise the current PVM Foundation Mission Statement in 2018.
 - 1.4: Identify and implement methods to improve telling PVM stories that are compelling.
 - 1.5: Increase the number of first-time donors making a second gift from 145 (5-year average) to 190 donors.
 - 1.6: Continue to retain donors who have given consecutively for 3+ years.
- II. **Improve Campaign Planning** *(Continually scanning internal/external markets to proactively plan and determine PVM's major campaign needs requiring philanthropic support – in order to maximize charitable funds raised.)*
 - 2.1: Support high-value and high-impact initiatives, where the most important and transformational projects PVM can envision are targeted.
 - 2.2: Raise aspirations beyond transactional fundraising (i.e., special events).
- III. **Diversify the Fundraising Portfolio** *(Raising \$1.5M annually by expanding the individual, non-grant related donor base and reducing reliance on grant funding.)*
 - 3.1: Increase PVM system-wide Board giving by raising \$500,000 annually by 2022.
 - 3.2: Increase leadership giving (\$100,000+ donors) by raising \$750,000 annually by 2022.
 - 3.3: Develop new corporate giving initiatives in 2018.
 - 3.4: Raise at least \$7.5 Million by 2022 through grants.
 - 3.5: Increase Calvin Society (planned giving) membership from 75 to 125 members by 2022.
 - 3.6: Improve and increase technology, website and social media usage to reach a wider audience for fundraising purposes.
- IV. **Engage Volunteers and Staff in Philanthropy** *(Ensuring Board members and staff are involved in the fundraising process to achieve success.)*
 - 4.1: Ensure every PVM system-wide Board member is engaged in the fundraising process and champions the appropriate use of charitable funds to achieve success.
 - 4.2: Create an environment that supports high performance.
 - 4.3: Examine and consider leadership responsibilities, size and talent of the PVMF Board and staff.

CHAIRMAN'S REPORT

(Mr. Gompers)

Tab 1

	1/22 BOD Mtg.	2/13 Gala Volunteer & Sponsor Celebration	2/1 Winter Governance Summit	6/11 BOD Mtg.	6/21 Village Victory Cup	9/27 Strategic Leadership Advance	10/8 BOD Mtg.	11/8 Gala	12/3 BOD Mtg.	TOTAL
Bomberski	--			--			X			
Carnaghi	X			X			X			
Denler	--			X			X			
Dixon	--			--			--			
Gompers	X			X			X			
Hubbard	--			X			X			
Johnson	X			X			--			
Kimble	X			X			--			
Lau	X			--			--			
Lindow	X			X			--			
Miller	X			X			X			
Peterson	--			X			X			
Schroeder	X			--			X			
Snider	X			--			X			
Utle	Phone			X			--			
Wallace	X			X			X			
Ex-Officio										
Ball	X			X			X			
Myers	X			X			X			

Foundation Staff:

Ms. Joanna Hlavacek, Ms. Yalonda Jackson, Ms. Debbie Smith, and Ms. Avni Thomas

Guests:

None

Welcome and Call to Order

Mr. Gompers called the meeting to order at 11:30 a.m., followed by prayer remembering David Lau. Welcomed David Miller, Executive Director The Village of East Harbor and Elaine Walton, resident of East Harbor.

1. Chairman's Report

Approval of the June 11, 2019 Regular Board of Directors Meeting –

A MOTION WAS MADE BY Mr. Brian Carnaghi AND SECONDED BY Mr. Bob Peterson TO APPROVE the meeting minutes from the June 11, 2019 Regular Board of Directors Meeting.

PASSED UNANIMOUSLY.

Mr. Gompers presented the 2020 PVMF Board of Directors meeting schedule.

- March 10, 2020 – PVM Home Office
- June 9, 2020 – Village of Oakland Woods
- October 6, 2020 – The Village of Westland
- December 1, 2020 – PVM Home Office

2. PVMF Gala

PVMF GALA, 4 WEEKS & COUNTING (Bob Schroeder)

- Friday, November 8, 2019 at Michigan First Conference Center The Mint, 6:00 p.m.
- Goal \$285,000, currently raised \$201,300
- Invitations have gone out to Ready, Set, Dance!
- Decorate to the hilt, some surprises, bowling party afterglow
- \$1,000 raffle supported by Foundation Board; adding early bird special to offer additional tickets for \$250. Turn in paperwork and/or checks to Debbie.

3. Major Gift Committee Update	<p><u>Major Gift Committee Update (Paul Hubbard)</u></p> <ul style="list-style-type: none"> Committee met. Goal is to add prospects who can donate \$50,000 plus gifts. Ways to connect with current and future donors – social media, facility tours, campaigns and projects that appeal to donors (i.e. Marygrove College); PVM villages enhance quality of life – get this story out more; build relationships with tv stations, radio hosts, talk show hosts, families of residents. Committee to meet again in December or January to prioritize and then present to PVMF board at March 2020 meeting.
4. President's Report	<p>Jim Gompers asked Paul Miller to explain his receiving Dr. John S. Lore Award for Outstanding Fundraising Executive on November 6th from AFP. Very deserving. Email to Roger Myers from John Lore congratulating Paul.</p> <p><u>PVMF Executive Summary (Paul Miller)</u></p> <ul style="list-style-type: none"> Executive Summary reviewed. VEH no longer listed because goal has been met. New fundraising campaign by March. Took five years to complete VEH campaign. Latest Giving Matters newsletter reviewed. <p><u>PVM Village Board Members</u></p> <ul style="list-style-type: none"> Recommendation from Strategic Plan was need to have village representatives on Foundation Board starting now. Simple questionnaire to all village boards to seek interest. Received three applications. At December meeting Foundation Board will vote on new members. <p><u>Grant Update – Weinberg & Thome Foundations</u></p> <ul style="list-style-type: none"> \$750,000 grant from Weinberg to partner with Develop Detroit project at University Meadows. PACE SE MI \$500,000 and UMRC also received some funds. Donna Snider helped us connect with Paula Pretlow while here in Detroit. Avni helped write a grant through MI Masonic Homes to Thome Foundation for PACE Central MI – grant officer off on leave so grant decision may be delayed to 2020. <p><u>Mailings/Publications</u></p> <ul style="list-style-type: none"> Giving Matters newsletter should be hitting mailboxes this week. New piece - Donor Stewardship letter to all donors giving \$25 or more in last 18 months telling them what their donations are doing. Scheduled to go out early November. Yearend Appeal by Yalonda going out around Thanksgiving. Fourth Giving Matters newsletter in mid-December with a giving envelope. <p><u>Family Outreach Coordinator Project</u></p> <ul style="list-style-type: none"> Seasonal employee went to all villages and captured family member names, address, etc. Will be around 2,000 names. Will mail Giving Matters with a cover letter thanking them for letting us care for their loved one and thought you would enjoy this publication. Then they would receive the Outlook newsletter. First ask to them will be F&F in 2020. <p><u>Calvin Society</u></p> <ul style="list-style-type: none"> Planned Giving Task Force recommendations in action. Paul Miller and John Denler talking to village board members, planned giving signage at all villages with administrator's name if questions. Foundation Board members encouraged to consider leaving PVMF a gift in their estate. <p><u>PVM Update (Roger Myers)</u></p> <ul style="list-style-type: none"> AARP meeting in Lansing this week on Aging. MSU to have senior housing by school. McLaren building a new hospital. Florida State University has similar housing for seniors and has received \$25M in gifts from seniors living in those facilities.
5. Board Generative Discussion	<p><u>Next Fundraising Campaign Projects (Paul Miller/Roger Myers/Brian Carnaghi)</u></p> <ul style="list-style-type: none"> Four campaign ideas presented for discussion: Expanding alternatives to keep older adults independent for low income and moderately low income seniors for independent living and

	<p>seniors living in communities unique because all levels of service for seniors with low incomes on same campus. \$10-15M for three NEW Thome-like campuses, Green House style, at Lake Huron Woods, Westland and Oakland Woods.</p> <ul style="list-style-type: none"> • Resident Enabling Technology – Create a virtual center and space to try out virtual reality at East Harbor, Westland, Weinberg Green Houses, Brush Park, & Oakland Woods. Tech ideas risky to invest in virtual reality tech as its constantly changing, we may need to change virtual reality content providers which can disrupt service delivery. Perhaps partner with organizations already providing these services. • Grandfamilies – Children bring in lots of funders. \$8M need to raise ongoing funds for sustainability. Fundraising consultants to assist in raising funds. Marygrove College for housing location in Detroit. Excitement in this area to partner with Starfish Services for wrap around services. Program of grandparent raising grandchildren has no age limits, also raising non-biological children. Send out one-page concept paper for board to review. • Leader in Fall Reduction – Most people know someone who has fallen and concerned about falls. Felt it could resonate with general population. Risk Management produced a video on fall reduction that has caught the attention of insurance company to save up to \$2M in operating costs for PVM. • Continue discussion on all these topics at the December meeting.
6. Donor Stewardship	<p><u>Handwritten thank you notes by PVMF Board members (Joanna Hlavacek)</u></p> <ul style="list-style-type: none"> • Criteria – A gift of at least \$100 to Friends & Family.
7. Treasurer's Report	<p><u>Treasurer's Report (Brian Carnaghi)</u></p> <ul style="list-style-type: none"> • Urge board to adopt a policy in December that allows spending of unrestricted funds for pledges not received yet. • Pulling together next large capital financing for multiple projects such as new independent living at VEH. Looking at mid-December for special meeting to approve resolutions. • Working on five year proforma for Foundation. • Provided Facility Advancement line of credit for University Meadows project -\$250,000. Money not yet received from Weinberg to bridge until received. Drawing down line of credit to start phase II construction VEH. • Investment Committee met this morning, good strong returns. Full report in March on 2019 performance.
8. Executive Session	<p><u>Not Needed</u></p>
Adjourn	<p>The meeting was adjourned at 2:07 p.m.</p>

Debbie Smith
Recording Secretary

Donald Lindow
Secretary

NEXT MEETING: PVMF Board Meeting; December 3rd (Tuesday), PVM Home Office, Southfield, MI

Presbyterian Villages of Michigan Foundation 2020 BOARD OF DIRECTORS MEETING DATES & OTHER IMPORTANT EVENT DATES

NOTE: Board meetings will be held at PVM Home Office/PVM Villages location

Per meeting discussion in coordination with the Finance Committee, PVM Corporate Board and PVM Foundation Board the dates listed below follow the PVM Corporate Board and the Finance Committee meetings.

Call-in to join this meeting: 1-512-823-0450; Ext. 49354#; Passcode 2468#

Below are the Foundation board meeting, Investment Committee dates and other event dates.

- March 10 (Tuesday); PVMF Investment Committee; 9:30 a.m., PVM Home Office, Southfield, MI
- March 10 (Tuesday); PVM Foundation Board; 11:30 a.m., PVM Home Office, Southfield, MI
- June 9 (Tuesday); PVMF Investment Committee; 9:30 a.m., Village of Oakland Woods, Pontiac, MI
- June 9 (Tuesday); PVM Foundation Board; 11:30 a.m., Village of Oakland Woods, Pontiac, MI
- October 6 (Tuesday); PVMF Investment Committee; 9:30 a.m., The Village of Westland, Westland, MI
- October 6 (Tuesday); PVM Foundation Board; 11:30 a.m., The Village of Westland, Westland, MI
- December 1 (Tuesday); PVM Foundation Board; 11:30 a.m., PVM Home Office, Southfield, MI

Other PVM & PVM Foundation Events

- February 2020 – TBD Winter Governance (Date/Time/Location to TBD)
- May 15, 2020 – Calvin, Sterling & Peterson Mission Maker Luncheon, 10:00 a.m., N'Namdi Center for Contemporary Art, 52 E. Forest, Detroit, MI 48201
- August 2020 – TBD Summer Governance (Date/Time/Location to TBD)
- September 2020 - Leadership Advance (Date/Time/Location to TBD)
- November 2020 - PVMF Gala (Date/Time/Location to TBD)

Presbyterian Villages of Michigan Foundation

December 3, 2019

ACTION ITEM

Approval to change PVM Foundation Bylaws – Article III, Section 8

The PVM Foundation Board moves to change date of the annual meeting from the first quarter of each year to the 4th quarter of each year. The PVM Foundation Bylaws Article III Section 8 (Regular Annual Meeting) will reflect this change.

8. REGULAR ANNUAL MEETING. The Board of Directors' annual meeting for the election of Directors shall be held during the first quarter of each year on a date determined by the Board of Directors. Immediately after the election of Directors, the newly-elected Board of Directors shall convene without notice for purposes of electing officers and to transact any other appropriate business.

SECRETARY'S REPORT

(Mr. Lindow/Mr. Miller)

Tab 2



PRESBYTERIAN VILLAGES OF MICHIGAN FOUNDATION

Slate of Officers

2020 Officers

Chair.....James S. Gompers
Vice Chair.....Robert S. Schroeder
Treasurer.....Brian W. Carnaghi
Secretary.....Donald A. Lindow
President.....Paul J. Miller

Board of Directors

Class of December 31, 2020

Linda Bomberski
John Denler
Elmer Dixon
Paul Hubbard
Henry Johnson
Thomas E. Kimble
Donald Lindow

Class of December 31, 2021

Robert R. Schroeder
Donna Snider
John Utley

Class of December 31, 2022

James S. Gompers
Robert V. Peterson
Mark Wallace
Three (3) Village Board
Members

Ex-Officio:

Roger L. Myers
William Ball



Thank you for being a Village Board Member. Without committed volunteer leadership, PVM cannot fulfill its mission.

Thank you for your interest in serving on the PVM Foundation Board.

Please fill out the questionnaire below and submit to Paul Miller, PVM Foundation President at pmiller@pvm.org or 26200 Lahser Rd., Southfield, MI 48033. 248-281-2045

Name: Duane M. Lewis

1. What Village(s) boards do you currently serve on and for how many years?

The Village of St. Martha's since 2014.

2. Why do you want to be part of the PVM Foundation Board?

I want to personally contribute ideas to enhance PVM Foundation's portfolio including increasing its stature in and support from diverse communities. I want to learn in more detail of the Foundation's tactical approaches and participate in the Boards' strategic growth enhancement planning efforts.

3. Why is it important to have a Village Board Member on the PVM Foundation Board?

Such appointments can foster meaningful melding of ideas, support, governance stability, and innovation.

4. Anything else you would like to share?

I expect that participation on the Foundation team can help me be better able to leverage my experiences in Healthcare, Government, Business Development, Property Management, Community Development, Housing, and Entertainment Arts. I want to help PVMF Board configure future-state, leading collaborative(s) that can enhance the stature of PVM Foundation's initiatives nationally and globally.



Presbyterian
Villages
OF MICHIGAN

BOARD CANDIDATE INFORMATION SHEET

Please Indicate Board Preference(s), The Village of:

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> BETHANY MANOR | <input type="checkbox"/> HARMONY MANOR | <input type="checkbox"/> OAKLAND WOODS | <input type="checkbox"/> ROSEBUSH MANOR |
| <input type="checkbox"/> BRUSH PARK MANOR | <input type="checkbox"/> HILLSIDE | <input type="checkbox"/> OUR SAVIOUR'S MANOR | <input type="checkbox"/> WARREN GLENN |
| <input type="checkbox"/> EAST HARBOR | <input type="checkbox"/> HOLLY WOODLANDS | <input type="checkbox"/> PEACE MANOR | <input type="checkbox"/> WESTLAND |
| <input type="checkbox"/> FOUNDATION | <input type="checkbox"/> LAKE HURON WOODS | <input type="checkbox"/> PERRY FARM | <input type="checkbox"/> WOODBRIDGE MANOR |
| <input type="checkbox"/> GIBRALTAR MANOR | <input checked="" type="checkbox"/> PVM BOARD OF DIRECTORS | <input type="checkbox"/> REDFORD MANOR | <input type="checkbox"/> OTHER _____ |
| <input type="checkbox"/> MILL CREEK | <input type="checkbox"/> OAKMAN MANOR | <input type="checkbox"/> HAMPTON MEADOWS | <input type="checkbox"/> ST. MARTHA'S |

NAME **Duane M. Lewis** DATE SUBMITTED **10-25-2014**

HOME ADDRESS _____ CITY: _____ ZIP CODE: _____

HOME TELEPHONE NUMBER **248-948-9707**

E-MAIL ADDRESS **motownlaw@aol.com**

NAME OF SPOUSE **Kathi Goggin-Lewis**

PLACE OF BUSINESS (or previous) **Michigan Civil Service Commission**

JOB TITLE (or previous) **Director, Detroit Regional Office**

BUSINESS ADDRESS **3042 W. Grand Blvd., Suite 4-400, Detroit, MI**

BUSINESS TELEPHONE NUMBER **313-456-4405**

PREVIOUS WORK EXPERIENCES: (List organizations you have worked with and the type of work. Include special skills such as: marketing, building, finance, healthcare, service, etc.)
Strategic Planning, Human Resources, etc. _____

10/28/14

**Presbyterian Villages of Michigan Villages
Board Candidate Information Sheet
Page Two of Four**

EDUCATIONAL BACKGROUND (Include post-high school curricula such as college work and degrees received, in-service training, institutes or other special training)

NAMES AND AGES OF CHILDREN
Sunday L. Brock

**II. AFFILIATIONS
CHURCH AND CHURCH ACTIVITIES**

SERVICE ORGANIZATIONS AND ACTIVITIES

PROFESSIONAL AND COMMUNITY ORGANIZATIONS/ACTIVITIES

State Bar of Michigan

POLITICAL OFFICE AND/OR APPOINTMENTS HELD

**CURRENT AND PRIOR SERVICE ON OTHER BOARDS. PLEASE LIST:
BOARD/ORGANIZATION NAME(S)**

SW Solutions – 1st Vice President,
Advantage Health Centers
NSO
VISION, LDHA Chairman

OFFICE HELD (if any) _____ **TERM**

FLUENCY IN A FOREIGN LANGUAGE? (Include signing and/or braille)?

10/28/14

**Presbyterian Villages of Michigan
Board Candidate Information Sheet
Page Three of Four**

III. IN WHAT WAYS WOULD YOU HOPE TO BENEFIT FROM BEING A PRESBYTERIAN VILLAGE BOARD MEMBER?

IV. WHAT ARE YOUR STRENGTHS REGARDING HELPING THE VILLAGES? THAT IS, WHAT KNOWLEDGE, SKILLS, RELATIONSHIPS, INFLUENCE, ETC. DO YOU HAVE THAT MIGHT BE HELPFUL TO THE VILLAGES?

V. ON WHICH BOARD AND COMMITTEES WOULD YOU PREFER TO SERVE?

VI. PLACE A CHECK BY EACH ACTIVITY THAT YOU ARE WILLING TO DO FOR THE VILLAGES:

Board Committee

- ☒ **Consult with Administration with your expertise in a specific area (please specify)**
☐ **Tell people at their church, school, workplace, club, etc. about the Villages**
☐ **Sign a personal "P.S." to a letter going out to prospective donors or to prospective volunteers**
☐ **Assist a Village staff member make a presentation about the Villages**
☐ **With training and materials, make presentations about the Villages on your own**
☐ **Make telephone calls asking for assistance**
☐ **Help plan a function such as a fundraising campaign, golf outing, etc.**

Other (please specify)

**Presbyterian Villages of Michigan
Board Candidate Information Sheet
Page 4 of 4**

VII. THE BEST TIME FOR ME TO ATTEND MEETINGS, WORK ON PROJECTS, ETC., IS:

 X Daytime Evening
 Weekday Weekend

I PREFER TO BE CONTACTED: X AT WORK AT HOME

Please list any extended periods of time when you are routinely out of town or otherwise unavailable:

VIII. WHEN BEING ADDRESSED BY MAIL, IN PRINT, ON NAME TAGS, ETC., PLEASE INDICATE HOW YOU PREFER TO HAVE YOUR NAME PRINTED:

Duane Lewis, Esq. _____

IX. SUBMITTED/NOMINATED BY: _____



Thank you for being a Village Board Member. Without committed volunteer leadership, PVM cannot fulfill its mission.

Thank you for your interest in serving on the PVM Foundation Board.

Please fill out the questionnaire below and submit to Paul Miller, PVM Foundation President at pmiller@pvm.org or 26200 Lahser Rd., Southfield, MI 48033. 248-281-2045

Name: _____ Lisa Machesky _____

1. What Village(s) boards do you currently serve on and for how many years?

Oakland Woods- board member since 2015, chair since 2018

2. Why do you want to be part of the PVM Foundation Board?

I believe my skills and interest align well with the work of the Foundation Board and I can be an asset to the Board. Additionally, Oakland Woods is on track for expansion which will require philanthropy dollars and it would be important to be involved in the development plans and relationship building.

3. Why is it important to have a Village Board Member on the PVM Foundation Board?

By design the Village Boards are close to the community they serve and can provide valuable insight, connections, and context to the strategy developed to raise funds for the work of PVM.

4. Anything else you would like to share?

I am also very passionate about developing funding around wellness programs, I think Oakland Woods has an amazing program and it needs stable funding and the programming should be advanced throughout the network.

Executive Director, Oakland Literacy Council, Oakland University – MBA; Albion College – BA/Political Economy. Member of St. James Episcopal Church.



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Name: Michelle Williams (248) 910-6878

1. What Village(s) boards do you currently serve on and for how many years? Currently a OSM board member for over 9 years.
2. Why do you want to be part of the PVM Foundation Board ? I am passionate about our aging population. I have been apart of the senior population for over 30 years. I believe no matter the economic challenge everyone should be treated with dignity and respect. Sitting on this board PVM foundation board will allow me to serve this population and make a difference through PVM.
3. Why is it important to have a Village Board Member on the PVM Foundation Board? I believe it makes difference, because we can bring the perspective and challenges of the villages to the PVM board. This ensures the changes that may occur is reached and heard by the entire PVM system this will also assist with realistic expectation.
4. Anything else you would like to share? I want to make a difference by bringing my knowledge and understanding to the need of our senior population. Its important to be apart of an organization that will enhance the quality of life for all seniors.

Williams, Michelle The Village of Our Saviour's Manor
28950 Brookslane Home: 248-910-6878
Southfield, MI 48034 Office: 248-203-6623
Email: mwsWilliams@aol.com

Vice President, Business Development, Home Health Services, Inc. B.A., Nursing, Excelsior University,
NY



PRESIDENT'S REPORT

(Mr. Miller)

Tab 3



PVM FOUNDATION EXECUTIVE SUMMARY

December 3, 2019

Overview as of November 21, 2019

PVMF STRATEGIC PLAN FUNDRAISING UPDATE (1/1/2018 through 11/21/2019)

Cash and Pledges:	\$ 3,917,319
CFSEM Gifts:	\$ 0
Unrealized Planned Gifts:	\$ 0
Federal Grants:	\$ 0
Earned Income*:	\$ 256,760
TOTAL RAISED:	\$ 4,174,079
GOAL THROUGH 2022:	\$15,000,000
AMOUNT TO GOAL:	\$10,825,921

2019 Progress through October 28, 2019

Cash and Pledges:	\$ 1,765,268
CFSEM Gifts:	\$ 0
Unrealized Planned Gifts:	\$ 0
Federal Grants <i>(none budgeted for 2018):</i>	\$ 0
Earned Income*:	\$ 87,844
TOTAL RAISED:	\$ 1,853,112
GOAL THROUGH 2019:	\$ 3,962,000
AMOUNT TO GOAL:	\$ 2,108,888

**Thru September 2019*

Fundraising Grants Raised for 3 rd Parties	\$660,000.00	
Fundraising Management Revenue Generated	\$ 66,000.00	
Total Raised including 3 rd Party Funds		\$2,513,112

Fundraising Update: Bay Connect/Northern Michigan

Goal: \$900,000 Amount Raised: \$333,385 Left to Raise: \$566,615

New Significant Gifts:

- None for this period.

Project/Fundraising Update:

- Planning Weinberg Foundation ask for 2nd grant

PLANNED GIVING UPDATE

New Significant Gifts:

- \$15,010.25 – Grace Morgan Trust
- \$ 5,000.00 – Michael G. Damone Estate

Project/Fundraising Update:

- Follow up with residents on the charitable gift annuity letters sent to Hartford, Perry Farm, East Harbor & Westland residents.

- Paul Miller and PVM board member are presenting at Village board meetings on joining the Calvin Society (Calvin Society recognizes donors who have made planned gifts to PVM).

GRANT FUNDING UPDATE

New Grants Received \$658,500

\$650,000	Edward and Della Thome Memorial Foundation for PACE Central Michigan*
\$6,000	St. John's Episcopal Church for Bay Connect
\$2,500	Huntington Bank for Village Victory Cup

Grants Pending \$22,000

\$15,000	Petoskey-Harbor Springs Area Community Foundation
\$7,000	Village Club for Village Victory Cup 2020

Future Submissions \$5,429,000

\$5,000,000	Thome Memorial Foundation (postponed to 2020)
\$250,000	Kresge Foundation
\$160,000	Harry and Jeanette Weinberg Foundation for Bay Connect year 2
\$15,000	ITC (April 2019 application denied, yet PVMF encouraged to reapply)
\$4,000	Michigan Council for Arts and Cultural Affairs for outdoor mural at Warren Glenn

*PVMF is collaborating with others on the grant, which is submitted by another organization

OPERATIONS

Operating Budget Update: \$105,109 under budget as of the end of September

SPECIAL EVENTS

- **“Ready, Set, Dance”** was held Friday, November 8th. The gala steering committee has a wrap-up meeting planned in 2019. A volunteer/sponsor appreciation dinner will be held in February 2020.

UPCOMING MAILINGS

- **Year-End Appeal** will be mailed week of November 18th.
- “Your Giving Matters” #4 (the last of the year) will arrive in mailboxes sometime in December.
- **Two stewardship letters** will be sent during the remainder of 2019: One will be sent to anyone who has made a gift of \$25 or more within the last 18 months. The other will be sent, along with YGM #4, as a “welcome letter” to residents’ family members.

CHURCH RELATIONS UPDATE

- Paul working with Kirk in the Hills & Grosse Pointe Memorial Church
- Researching churches to visit and pursue as prospective donors, including those near Villages
- Year End Appeal going to all churches in same zip code as a Village
- Submitting request to the First Foundation – First Presbyterian Church of Birmingham by end of year and to Kirk in the Hills in 2020 quarter 1

GIVING PERCENTAGE/DONOR UPDATE

BOARD GIVING: 88%

MANAGEMENT GIVING: 92%

EMPLOYEE GIVING: 21%

DONOR BASE TO-DATE: 1,005

NEW DONORS TO-DATE: 275

RETURNING DONORS TO-DATE: 730

Board Giving Detail *(as of November 21, 2019)*

Board	% Giving	# of Total Board Members
PVM Foundation	93%	14
PVM Corporate	100%	17
East Harbor	81%	16
Redford	100%	4
Westland	100%	8
Bethany Manor	100%	8
Brush Park/Woodbridge Manor	77%	13
Hampton Meadows	100%	4
Harmony Manor	67%	6
Hartford Village	100%	6
Hillside/Perry Farm	67%	9
Holly Woodlands	100%	7
Mill Creek	100%	7
Oakland Woods	88%	8
Oakman Manor	100%	9
Our Saviour's Manor	67%	9
Peace Manor	60%	5
Rosebush	100%	15
Sage Grove	100%	5
Spring Meadows	83%	6
St. Martha's	75%	12
Thome Rivertown Neighborhood	88%	8
Warren Glenn	100%	5

***Board and Management Staff giving not expected until after 90 days of membership**

GRANT ALLOCATIONS UPDATE

	Sum of Funds
Bethany Manor	\$ 3,331
Resident Activities	\$ 2,872
Wellness	\$ 459
Brush Park Manor PV	\$ 214
Resident Activities	\$ 214
Department of Technology	\$ 5,006
Update Conferencing Equipment	\$ 5,006
East Harbor	\$ 1,056,054
Chapel expenses	\$ 18,852
Health and Wellness Center	\$ 976,726
Removal of storage area	\$ 60,476
Hampton Meadows	\$ 2,019
Resident Activities	\$ 2,019
Harmony Manor	\$ 3,575
Resident Activities	\$ 1,917
Village & Resident Activities	\$ 1,474
Wellness	\$ 184
Hartford Village	\$ 1,537
general Village Activities	\$ 1,537
Hillside	\$ 251,821
2017 Friends & Family for outdoor improvements	\$ 3,500
Bay Connect	\$ 240,836
Facility Improvements: \$5,000 grant from Henry and Consuelo Wenger Fdn for sound baffling panels, printers, garden	\$ 3,078
Resident Activities	\$ 2,127
Little Traverse Bay Housing Partnership grant	\$ 2,280
Holly Woodlands	\$ 2,864
Village Needs	\$ 2,864
Mill Creek	\$ 2,721
Resident Activities	\$ 1,390
Village Needs	\$ 1,330
Oakland Woods	\$ 29,231
Annual Westerman Funds for Resident Activities	\$ 7,511
Friends & Family 2019	\$ 5,654
Grounds Beautification	\$ 15,945
Wellness	\$ 120
Oakman Manor	\$ 6,067
2018 Friends & Family	\$ 3,204
Outdoor Living, including Friends & Family 2016	\$ 1,645
Village Improvements	\$ 1,218
Our Saviour's Manor	\$ 1,053
Resident Activities	\$ 1,053
Peace Manor	\$ 3,730
General Village Activities - dance classes, VVC equipment	\$ 2,647
Resident Activities	\$ 368

Resident Outdoor and Community Room Enhancements	\$ 715
Perry Farm Village	\$ 41,935
Employee Fund	\$ -
Kitchen upgrade	\$ 4,810
Resident Benevolence	\$ 26,400
Village Needs	\$ 10,725
Redford	\$ 21,234
Grounds Improvement	\$ 14,608
Resident Activities & Grounds Improvement	\$ 948
Resident Activities (holiday luncheon, movies, resident council)	\$ 1,958
Resident Transportation	\$ 959
Resident Wellbeing	\$ 2,760
Rosebush	\$ 11,120
Fire Suppression System Upgrade	\$ 4,146
Friends & Family 2018 for general projects	\$ 6,974
Sage Grove	\$ 1,049
Resident Activities	\$ 800
Wellness Grant for Chair Exercise Training	\$ 249
Spring Meadows	\$ 743
Resident Activities	\$ 628
Transportation	\$ 115
St. Martha's	\$ 3,959
for Village Activities and Improvement	\$ 2,458
Outdoor Living	\$ 101
Raised Garden Bed	\$ 171
Resident Activities	\$ 873
Transportation and Wellness	\$ 355
Warren Glenn	\$ 3,560
Resident Activities	\$ 262
Resident Activities and Village Improvements	\$ 3,299
Wellness	\$ 91,860
Caregivers Best Friend grant	\$ 74,555
Web-based system for VVC	\$ 15,000
Wellness Team Retreat	\$ 2,306
Wellness St. Martha's	\$ 12,159
Fall Risk Reduction	\$ 12,159
Westland	\$ 100
Friends & Family 2018	\$ 100
Woodbridge	\$ 5,081
Friends & Family	\$ 4,078
Resident Activities	\$ 20
Wellness	\$ 983
Grand Total	\$ 1,562,022

PVM Foundation Executive Summary
December 3, 2019 Meeting
Financial Statement Highlights

The market value of Cash and Investments at October 31, 2019 was \$13,904,000, including \$12,811,000 in investments. This is a net increase of \$909,000 from December 31, 2018.

Items to note:

- \$1,876,000 of Unrealized and Realized gains/(losses) reinvested in portfolio
- \$ 675,000 Disbursed to PVM for University Meadows
- \$ 195,000 disbursed to Village of East Harbor and Westland for Benevolence
- \$ 170,000 disbursed to Village of Redford OG for bond payments from Pratt Funds
- \$ 160,000 disbursed to Weinberg Green Houses for Debt repayment on Loan to PVM
- \$ 59,000 disbursed for Care Giver's Best Friend Program Funding

The increase in PVMF Net Assets from all funds of \$1,508,000 through October 31, 2019 is \$2,198,000 greater than budgeted expectations. This is primarily due to Realized Gains and Unrealized Gains in Adjustments to Market and the delay in grant disbursements to the East Harbor Wellness Center.

Other Items of Note:

Unrestricted Funds:

- Contributions \$178,000 greater than budget
- Grant to Weinberg Green House of \$160,000 greater than budget
- Grant to PVM for University Meadows \$675,000 (less than budgeted amount of \$1,000,000)
- Realized Gain/ (Loss) on Investments \$1,138,000 (greater than budgeted amount of \$400,000)

Temporarily Restricted Funds:

- Contributions \$636,000 less than budget, however a \$650,000 grant from the Thome Foundation to support PACE Central MI was received in October. The money went directly to PACE Central MI and PVMF received a \$65,000 Fundraising Management Fee.
- Realized Gain/ (Loss) on Investments \$305,000. Realized Gains/ (Losses) are not budgeted.
- Grant payments \$2,163,000 less than budgeted due to timing of work and payments
- \$145,000 In Kind Gift of Condo at Perry Farm

Presbyterian Villages of Michigan Foundation

Balance Sheet

	10/31/2019	12/31/2018
ASSETS		
Cash	\$260,447	\$382,349
Accrued Interest Receivable	\$0	\$55,690
Pledges Receivable-Current	\$286,295	\$510,941
Investments	\$13,643,545	\$12,612,772
Beneficial Interests	\$222,647	\$224,083
Beneficial Interests-Other	\$47,343	\$58,520
Pledges Receivable-Non Current	\$1,135,834	\$857,813
Loan Receivable-Perry Farm	\$0	\$0
Capital Purchases	\$0	\$0
Miscellaneous Assets	\$4,800	\$4,800
Prepaid Assets	\$1,610	\$1,610
Total ASSETS	\$15,602,521	\$14,708,579
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$40,655	\$20,410
Due to PVM	(\$166,016)	\$0
Accrued Payroll	\$30,600	\$48,703
Liability Under Split Interest Agreements	\$464	\$1,049
Due To/From Interfund	\$0	\$0
Total LIABILITIES	(\$94,298)	\$70,162
NET ASSETS		
Unrestricted Funds	\$6,182,659	\$6,004,555
Temporarily Restricted Funds	\$3,888,553	\$3,006,626
Permanently Restricted Funds	\$5,625,606	\$5,627,236
Total NET ASSETS	\$15,696,819	\$14,638,417
Total LIABILITIES AND NET ASSETS	\$15,602,521	\$14,708,579
BEGINNING BALANCE WITH CURRENT YEAR ADJUSTMENTS		
	\$14,638,417	\$15,967,833
NET SURPLUS/(DEFICIT)		
	\$1,058,401	(\$1,329,416)
ENDING FUND BALANCE		
	\$15,696,819	\$14,638,417

Presbyterian Villages of Michigan Foundation

Income Statement

	10/1/2019 10/31/2019 ACTUAL	10/1/2019 10/31/2019 BUDGET	Variances	1/1/2019 10/31/2019 ACTUAL	1/1/2019 10/31/2019 BUDGET	Variances	2019 ANNUAL BUDGET
UNRESTRICTED FUNDS							
UNRESTRICTED FUNDS OPERATING							
OPERATING REVENUES							
A CONTRIBUTIONS	\$60,763	\$67,000	(\$6,237)	\$415,714	\$238,000	\$177,714	\$460,000
FUNDRAISING MANAGEMENT FEE REVENUE	\$0	\$2,700	(\$2,700)	\$120,735	\$191,250	(\$70,515)	\$313,200
B GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	\$75,061	\$0	\$75,061	(\$123,235)	\$0	(\$123,235)	\$0
F INVESTMENT INCOME	(\$36,032)	\$26,250	(\$62,282)	\$375,941	\$337,500	\$38,441	\$415,000
Total OPERATING REVENUES	\$99,792	\$95,950	\$3,842	\$789,155	\$766,750	\$22,405	\$1,188,200
OPERATING EXPENSES							
G FOUNDATION OPERATIONS	\$85,593	\$65,154	(\$20,439)	\$639,546	\$724,216	\$84,670	\$910,185
H OTHER UNRESTRICTED	\$0	\$0	\$0	\$4,532	\$5,250	\$718	\$7,000
I GRANTS-EQUIPMENT	\$0	\$0	\$0	\$15,000	\$15,000	\$0	\$15,000
P GIFTS AND GRANTS	\$682,189	\$0	(\$682,189)	\$1,482,156	\$538,443	(\$943,713)	\$588,943
Total OPERATING EXPENSES	\$767,782	\$65,154	(\$702,628)	\$2,141,235	\$1,282,909	(\$858,325)	\$1,521,128
Total UNRESTRICTED FUNDS OPERATING	(\$667,990)	\$30,796	(\$698,786)	(\$1,352,080)	(\$516,159)	(\$835,920)	(\$332,928)
UNRESTRICTED FUNDS NON-OPERATING-REVENUES							
D 4805-050-01 ADJUSTMENT TO MARKET VALUE	\$155,843	\$0	\$155,843	\$63,308	\$0	\$63,308	\$0
E 4820-050-01 GAIN ON SALES OF ASSETS	\$64,444	\$33,333	\$31,111	\$1,471,052	\$333,333	\$1,137,718	\$400,000
5811-910-01 CHANGE IN ACTUARIAL VALUE - PCF	\$0	\$0	\$0	\$136	\$0	(\$136)	\$0
5822-910-01 CHANGE IN ACTUARIAL VALUE - PVM GIFT AN	\$0	\$0	\$0	\$1,301	\$0	(\$1,301)	\$0
Total UNRESTRICTED FUNDS NON-OPERATING-REVENUES	\$220,288	\$33,333	\$186,954	\$1,532,923	\$333,333	\$1,199,589	\$400,000
UNRESTRICTED FUNDS NON-OPERATING-EXPENSES							
F 5681-910-01 AMORTIZATION EXPENSE	\$274	\$274	\$0	\$2,739	\$2,740	\$1	\$3,288
Total UNRESTRICTED FUNDS NON-OPERATING-EXPENSES	\$274	\$274	\$0	\$2,739	\$2,740	\$1	\$3,288
Total UNRESTRICTED FUNDS	(\$447,976)	\$63,856	(\$511,832)	\$178,104	(\$185,566)	\$363,670	\$63,784
TEMPORARILY RESTRICTED FUNDS							

Presbyterian Villages of Michigan Foundation

Income Statement

		10/1/2019 10/31/2019 ACTUAL	10/1/2019 10/31/2019 BUDGET	Variances	1/1/2019 10/31/2019 ACTUAL	1/1/2019 10/31/2019 BUDGET	Variances	2019 ANNUAL BUDGET
REVENUES								
A	CONTRIBUTIONS	\$18,415	\$27,000	(\$8,585)	\$1,276,200	\$1,912,500	(\$636,300)	\$3,132,000
B	GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	(\$75,061)	\$0	(\$75,061)	\$131,635	\$0	\$131,635	\$0
D	UNREALIZED GAINS AND LOSSES	\$44,315	\$0	\$44,315	\$36,034	\$0	\$36,034	\$0
E	REALIZED GAINS AND LOSSES	\$11,794	\$0	\$11,794	\$305,235	\$0	\$305,235	\$0
F	INVESTMENT INCOME	(\$6,690)	\$4,583	(\$11,273)	(\$288,098)	(\$29,167)	(\$258,932)	(\$45,000)
	CHANGE IN PLEDGES DISCOUNT	\$0	\$0	\$0	(\$19,679)	(\$22,500)	(\$2,821)	(\$30,000)
	Total REVENUES	(\$7,227)	\$31,583	(\$38,810)	\$1,441,326	\$1,860,833	(\$419,507)	\$3,057,000
EXPENSES								
H	OTHER	\$0	\$1,000	\$1,000	\$4,256	\$25,000	\$20,744	\$32,000
J	GRANTS-WELLNESS	\$2,250	\$4,333	\$2,083	\$7,942	\$43,333	\$35,391	\$52,000
K	GRANTS-EQUIPMENT	\$0	\$0	\$0	\$61,748	\$2,224,621	\$2,162,873	\$2,224,621
N	GRANTS-OTHER PROGRAM EXPENSES	\$7,194	\$31,411	\$24,217	\$189,981	\$314,110	\$124,129	\$376,932
O	GRANTS-BENEVOLENCE	\$987	\$1,667	\$680	\$30,222	\$16,667	(\$13,555)	\$20,000
P	GIFTS AND GRANTS	\$66	\$0	(\$66)	\$145,516	\$0	(\$145,516)	\$0
	FUNDRAISING MANAGEMENT FEES	\$0	\$2,700	\$2,700	\$119,735	\$191,250	\$71,515	\$313,200
	Total EXPENSES	\$10,498	\$41,111	\$30,613	\$559,400	\$2,814,981	\$2,255,581	\$3,018,753
	Total	(\$17,725)	(\$9,528)	(\$8,197)	\$881,927	(\$954,148)	\$1,836,074	\$38,247
	Total TEMPORARILY RESTRICTED FUNDS	(\$17,725)	(\$9,528)	(\$8,197)	\$881,927	(\$954,148)	\$1,836,074	\$38,247
PERMANENTLY RESTRICTED FUNDS								
REVENUES								
A	CONTRIBUTIONS	\$2	\$0	\$2	\$9,548	\$0	\$9,548	\$0
	Total REVENUES	\$2	\$0	\$2	\$9,548	\$0	\$9,548	\$0
EXPENSES								
H	OTHER	\$0	\$0	\$0	\$11,177	\$75	(\$11,102)	\$100
	Total EXPENSES	\$0	\$0	\$0	\$11,177	\$75	(\$11,102)	\$100

Presbyterian Villages of Michigan Foundation

Income Statement

	10/1/2019 10/31/2019 ACTUAL	10/1/2019 10/31/2019 BUDGET	Variances	1/1/2019 10/31/2019 ACTUAL	1/1/2019 10/31/2019 BUDGET	Variances	2019 ANNUAL BUDGET
Total	\$2	\$0	\$2	(\$1,630)	(\$75)	(\$1,555)	(\$100)
Total PERMANENTLY RESTRICTED FUNDS	\$2	\$0	\$2	(\$1,630)	(\$75)	(\$1,555)	(\$100)
BEGINNING FUND BALANCE	\$16,162,517	\$16,162,517	\$0	\$14,638,417	\$14,638,417	\$0	\$14,638,417
NET SURPLUS/(DEFICIT)	(\$465,699)	\$54,328	(\$520,027)	\$1,058,401	(\$1,139,789)	\$2,198,190	\$101,931
ENDING FUND BALANCE	\$15,696,819	\$16,216,845	(\$520,027)	\$15,696,819	\$13,498,629	\$2,198,190	\$14,740,348

Presbyterian Villages of Michigan Foundation

Statement of Cash Flows

As Of 10/31/19

	<u>Actual</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
NET SURPLUS/(DEFICIT) FOR PERIOD	\$1,058,401
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH	
PROVIDED (USED) BY OPERATING ACTIVITIES	
1162-000-01 Decrease in CURRENT PORTION OF SPLIT INTERES	\$0
1165-000-01 Decrease in CHARITABLE GIFT ANNUITY	\$0
1171-000-01 Decrease in REMAINDER TRUST - PCF	\$136
1172-000-01 Decrease in BENEFICIAL INTEREST - CFSM	\$0
1173-000-01 Decrease in BENEFICIAL INTEREST - PCF	\$11,177
1174-000-01 Decrease in SPLIT-INTEREST AGREEMENTS - PVM	\$1,301
1175-000-01 Decrease in SPLIT-INTEREST AGREEMENTS - CFS	\$0
1176-000-01 Decrease in BENEFICIAL INTEREST - GASCHO TRU	\$0
1177-000-01 Decrease in CFSEM - GREEN HOUSE END	\$0
1178-000-01 Decrease in CFSEM - CHAPLAINCY FUND FOR PV	\$0
1179-000-01 Decrease in CFSEM - FAMILY CHAPLAINCY FUND	\$0
1180-000-01 Decrease in MISCELLANEOUS DONATED ASSETS	\$0
1216-000-01 Decrease in ACCOUNTS RECEIVABLE	\$0
1224-000-01 Decrease in A/R OTHER	\$0
1299-000-01 Decrease in RESERVE FOR DOUBTFUL ACCOUNT	\$0
1300-000-01 Decrease in PLEDGES RECEIVABLE	\$224,646
1301-000-01 Increase in ALLOWANCE FOR DOUBTFUL PLEDGE	(\$22,212)
1302-000-01 Increase in PLEDGES RECEIVABLE-LONG TERM	(\$275,488)
1303-000-01 Decrease in DISCOUNT ON PLEDGES RECEIVABL	\$19,679
1330-000-01 Decrease in ACCRUED INTEREST RECEIVABLE	\$55,690
1340-000-01 Decrease in PREPAID INTEREST	\$0
1341-000-01 Decrease in PREPAID INSURANCE	\$0
1342-000-01 Decrease in PREPAID OTHER	\$0
1343-000-01 Decrease in PREPAID RELEASED FROM RESTRICTIO	\$0
2101-000-01 Increase in ACCOUNTS PAYABLE	\$592
2102-000-01 Decrease in DUE TO/DUE FROM PVM	(\$166,016)
2103-000-01 Decrease in ACCOUNTS PAYABLE OTHER	\$0
2104-000-01 Increase in GRANTS PAYABLE	\$19,652
2125-000-01 Increase in DUE TO/DUE FROM UNRESTRICTED FU	\$876,397
2126-000-02 Decrease in DUE TO/DUE FROM TEMPORARILY R	(\$881,927)
2127-000-03 Increase in DUE TO/DUE FROM PREMANENTLY RE	\$1,630
2128-000-04 Increase in DUE TO/DUE FROM BOARD DESIGNATE	\$3,900
2163-000-01 Decrease in CURRENT PORTION OF SPLIT INTERES	(\$585)
2165-000-01 Decrease in ANNUITY PAYABLE	\$0
2166-000-01 Decrease in PVMF ANNUITY PAYABLE	\$0
2170-000-01 Decrease in DISCOUNT FOR FUTURE INTEREST	\$0
2221-000-01 Decrease in ACCRUED PAYROLL	(\$25,360)
2222-000-01 Increase in ACCRUED PAYROLL WITHHOLDINGS	\$5,449
2223-000-01 Increase in FICA EMPLOYER PORTION	\$1,808
3990-000-01 Decrease in NET ASSETS	\$0
3990-000-02 Decrease in NET ASSETS	\$0

Presbyterian Villages of Michigan Foundation

Statement of Cash Flows

As Of 10/31/19

		Actual
		<hr/>
3990-000-03	Decrease in NET ASSETS	\$0
3990-000-04	Decrease in NET ASSETS	\$0
		<hr/>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		\$908,870
 CASH FLOWS FROM INVESTING ACTIVITIES		
1213-000-01	A/R PERRY FARM LAND CONTRACTS	\$0
1214-000-01	A/R OBLIGATED GROUP	\$0
1219-000-01	A/R PVM LINES OF CREDIT	\$0
1725-000-01	COMPUTER SOFTWARE	\$0
1735-000-01	A/D COMPUTER SOFTWARE	\$0
1940-000-01	CAPITAL PURCHASES - CURRENT YEAR	\$0
		<hr/>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		\$0
 CASH FLOWS FROM FINANCING ACTIVITIES		
1350-000-01	NOTE RECEIVABLE	\$0
		<hr/>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES		\$0
 NET INCREASE/(DECREASE) IN CASH		
		\$908,870
CASH AND CASH EQUIVALENTS AS OF 1/1/2019		\$12,995,122
		<hr/>
CASH AND CASH EQUIVALENTS AS OF 10/31/2019		\$13,903,992
		<hr/>



2020 BUDGET ASSUMPTIONS

In developing the Foundation budget for 2020, we are making the following assumptions:

REVENUES

DONATIONS

- Donations are budgeted at \$4,152,000 for 2020. This includes:
 - \$ 360,000 in unrestricted donations, conservative with historical performance
 - \$ 3,792,000 in temporarily restricted donations
 - \$ 0 in permanently restricted donations
- The Temporarily Restricted donations are planned as follows (these are expected gross donations, actual cash available will be net Special Fundraising Expenses and Grant Admin Fees):
 - \$3,575,000-Campaigns
 - \$ 152,000-Various Villages/Projects
 - \$ 35,000-Benevolence
 - \$ 30,000-Miscellaneous

OTHER

- Continued minimized unrestricted donations due to donor gift designation
- Realized planned gifts \$0
- Realized gains on investments of \$300,000; no unrealized gains/losses budgeted
- Assuming an estimated average of 3.49% for interest and dividend income; 2.74% net with investment fees
- \$379,000 Fundraising Management Fee Revenue (10% of Temporarily Restricted Donations of \$3,792,000)
- Assumed no draws on PVMF operating and facilities advancement lines of credit, and thus, no interest earnings.

EXPENSES

OPERATIONS

- Overall Operating Expense Budget is \$91,000 lower than the 2019 Operating Budget (or 10%), highlights as follows:
 - Decrease in Payroll and Benefits \$30,000
 - Decrease in Travel, Training and Mileage \$18,000
 - Decrease in Print & web Publications \$9,000
 - Increase in Special Events \$7,000
 - Decrease in Consultant \$35,000
 - Decrease in Campaign Expenses \$4,000

ENDOWMENT GRANTS AND ALLOCATIONS

- \$198,000 for Benevolence at East & Westland from 3 Endowment Funds
- \$ 31,000 for The Village of East Harbor Chapel from Lonyo Chapel Endowment Fund at CFSEM
- \$ 28,000 for Weinberg Green Houses from PVM held Green House Endowment Fund
- \$ 23,000 for Thome Endowment @ 5%, Directed towards WGH
- \$ 19,000 for Weinberg Green Houses from CFSEM
- \$ 8,000 for Oakland Woods (PV North) resident activities from Westerman Endowment
- \$ 6,000 for Rosebush Benevolence (may be reinvested)
- \$ 3,000 for Kleemann Fund Resident/Employee Help Fund at Village of East Harbor

OTHER GRANTS AND ALLOCATIONS

- \$204,000 to The Village of Redford, OG from PVM Fund for Bond Principal and Interest Payments for Redford OG Bonds
- \$ 2,000 for Matching Programs

RELEASES FROM TEMPORARILY RESTRICTED FUNDS

- Funds budgeted to be released for specific projects include:
 - \$ 700,000-The Village of East Harbor H&WC for remaining capital campaign funds
 - \$ 379,000-Grant Administration Fees
 - \$ 350,000-Estimate of Village Spending
 - \$ 225,000-Resident Enabling Technology
 - \$ 180,000-Westland IL Cottages
 - \$ 80,000-Bay Connect
 - \$ 35,000-Wellness Projects/Programs
 - \$ 35,000-Resident Assistance Fund
 - \$ 10,000-Schroeder Leadership Fund
- All Village expenditures are limited so that fund balances can build to purchase Board-approved projects.
- Donor specific gifts will be released throughout the year as gifts are received and cash is in hand:
 - *For example, a Village receives a grant from XYZ Foundation for \$10,000 for a specific equipment and/or program and no additional funding is necessary, the funds would be released upon receipt. A community member wants to donate \$2000 for a grill for the resident common area patio; the funds are released immediately to purchase a grill.*

OTHER EXPENSES

- Pledge reserves and discounts \$30,000, and \$20,000 for bad-debt, or approx. 1.73% and 1.15% of pledge receivable balance at 12/31/19

	A	B	C	D	E
1	Presbyterian Villages of Michigan Foundation				
2	Budget 2020				
3			2020		
4			BUDGET	PVM Fund	Other U
5	UNRESTRICTED FUNDS	UNRESTRICTED FUNDS			
6	OPERATING REVENUES	OPERATING REVENUES			
7	4100-050-01	CONTRIBUTIONS	\$ 285,000	\$ 285,000	\$ -
8	4100-050-01	CONTRIBUTIONS	\$ 75,000	\$ 75,000	\$ -
9	4400-050-01	FUNDRAISING MANAGEMENT FEE	\$ 379,200	\$ 379,200	\$ -
10	4820-050-01	GAIN ON SALES OF ASSETS (realized)	\$ 300,000	\$ 225,000	\$ 75,000
11	4835-050-01	INVESTMENT INCOME	\$ 310,000	\$ 232,500	\$ 77,500
12	4850-050-01	INVESTMENT INCOME - RELEASED FROM TR	\$ 100,000	\$ -	\$ 100,000
13	5915-910-01	FUNDRAISING MANAGEMENT FEE	\$ -	\$ -	\$ -
14	TOTAL OPERATING REVENUES	TOTAL OPERATING REVENUES	\$ 1,449,200	\$ 1,196,700	\$ 252,500
15					
16	FOUNDATION OPERATIONS	FOUNDATION OPERATIONS			
17	5015-910-01	SALARIES - DEVELOPMENT	\$ 358,035	\$ 358,035	\$ -
18	5050-910-01	FICA EXPENSE	\$ 27,390	\$ 27,390	\$ -
19	5060-910-01	GROUP LIFE INSURANCE	\$ 919	\$ 919	\$ -
20	5065-910-01	GROUP HEALTH INSURANCE	\$ 18,335	\$ 18,335	\$ -
21	5070-910-01	WORKERS COMENSATION	\$ 735	\$ 735	\$ -
22	5075-910-01	GROUP PENSION	\$ 3,644	\$ 3,644	\$ -
23	5085-910-01	TRAVEL, TRAINING AND MILEAGE	\$ 18,850	\$ 18,850	\$ -
24	5100-910-01	OFFICE SUPPLIES	\$ 9,959	\$ 9,959	\$ -
25	5110-910-01	POSTAGE	\$ 10,740	\$ 10,740	\$ -
26	5120-910-01	PRINT AND WEB PUBLICATIONS	\$ 72,200	\$ 72,200	\$ -
27	5165-910-01	SPECIAL EVENTS	\$ 8,900	\$ 8,900	\$ -
28	5200-910-01	PURCHASED SERVICES	\$ 500	\$ 500	\$ -
29	5202-910-01	CONSULTANT	\$ 60,000	\$ 60,000	\$ -
30	5255-910-01	LEGAL FEES	\$ -	\$ -	\$ -
31	5260-910-01	AUDITING FEES	\$ 15,150	\$ 15,150	\$ -
32	5265-910-01	MANAGEMENT FEE	\$ 50,600	\$ 50,600	\$ -
33	5280-910-01	DUES AND SUBSCRIPTIONS	\$ 7,150	\$ 7,150	\$ -
34	5320-910-01	CONNECTIVITY	\$ 3,200	\$ 3,200	\$ -
35	5350-910-01	DOT SYSTEM SUPPORT	\$ 7,284	\$ 7,284	\$ -
36	5353-910-01	SOFTWARE PURCHASE AND LICENSES	\$ 17,648	\$ 17,648	\$ -
37	5354-910-01	MINOR SYSTEM PURCHASES	\$ 4,714	\$ 4,714	\$ -
38	5450-910-01	OFFICE RENT	\$ 21,635	\$ 21,635	\$ -
39	5474-910-01	CAMPAIGN EXPENSE	\$ 1,500	\$ 1,500	\$ -
40	5475-910-01	MISC EXPENSE	\$ 996	\$ 996	\$ -
41	5590-910-01	PROPERTY TAXES	\$ 750	\$ 750	\$ -
42	5902-920-01	GRANTS-SPECIAL EVENTS	\$ 100,000	\$ -	\$ 100,000

	A	B	C	D	E
1	Presbyterian Villages of Michigan Foundation				
2	Budget 2020				
3			2020		
4			BUDGET	PVM Fund	Other U
43					
44	TOTAL OPERATING EXPENSES	TOTAL OPERATING EXPENSES	\$ 820,833	\$ 720,833	\$ 100,000
45					
46	OTHER EXPENSES	OTHER EXPENSES			
47	5680-910-01	DEPRECIATION COMPUTER SOFTWARE EXPENSE	\$ -	\$ -	\$ -
48	5681-910-01	AMORTIZATION EXPENSE	\$ 3,288	\$ 3,288	\$ -
49	5700-910-01	BAD DEBT EXPENSE	\$ 5,000	\$ 5,000	\$ -
50	5700-910-04	BAD DEBT EXPENSE	\$ -	\$ -	\$ -
51	5901-920-01	GRANTS-RVT Weinberg Green Houses	\$ 22,500	\$ -	\$ 22,500
52	6001-910-01	GRANT TO REDFORD	\$ 204,000	\$ 204,000	\$ -
53	6004-910-01	GRANT RELATED TO EH	\$ 3,360	\$ -	\$ 3,360
54	6004-910-01	GRANT RELATED TO EH	\$ 31,436	\$ -	\$ 31,436
55	6002-910-01	GRANT TO EAST HARBOR	\$ 168,586	\$ -	\$ 168,586
56	6002-910-01	GRANT TO EAST HARBOR	\$ -	\$ -	\$ -
57	6002-910-01	GRANTS-Forster Estate	\$ -	\$ -	\$ -
58	6003-910-01	GRANT TO WESTLAND	\$ 29,751	\$ -	\$ 29,751
59	6010-910-01	GRANT TO PVM	\$ -	\$ -	\$ -
60	6020-910-01	GRANT RELATED TO PV NORTH	\$ 7,966	\$ -	\$ 7,966
61	6901-910-01	GRANT TO ROSEBUSH	\$ 6,130	\$ -	\$ 6,130
62	6005-910-01	GRANT TO WGH	\$ 28,080	\$ -	\$ 28,080
63	6990-910-01	MATCHING PROGRAMS	\$ 2,000	\$ 2,000	\$ -
64			\$ 512,097	\$ 214,288	\$ 297,809
65					
66	TOTAL OPER & OTHER EXP	TOTAL OPER & OTHER EXP	\$ 1,332,930	\$ 935,121	\$ 397,809
67					
68	CHANGE IN UNRESTRICTED FUNDS	CHANGE IN UNRESTRICTED FUNDS	\$ 116,270	\$ 261,579	\$ (145,309)
69					

	A	B	C	D	E
1		Presbyterian Villages of Michigan Foundation			
2		Budget 2020			
3			2020		
4			BUDGET	PVM Fund	Other U
70	TEMPORARILY RESTRICTED FUNDS	TEMPORARILY RESTRICTED FUNDS			
71	REVENUES	REVENUES			
72	4100-050-02	CONTRIBUTIONS-Various Village Projects	\$ 152,000		
73	4100-050-02	CONTRIBUTIONS-Campaigns	\$ 3,575,000		
74	4100-050-02	CONTRIBUTIONS-Misc	\$ 30,000		
75	4100-050-02	CONTRIBUTIONS-Wellness	\$ -		
76	4100-050-02	CONTRIBUTIONS-EH Rehab & Wellness	\$ -		
77	4100-050-02	CONTRIBUTIONS-Benevolence	\$ 35,000		
78	4835-050-02	INVESTMENT INCOME	\$ 55,000		
79	4855-050-02	INVESTMENT INCOME - RELEASED TO U	\$ (100,000)		
80	5824-910-02	CHANGE IN PLEDGES DISCOUNT	\$ (30,000)		
81	TOTAL REVENUES	TOTAL REVENUES	\$ 3,717,000		
82					
83	EXPENSES	EXPENSES			
84	5700-910-02	BAD DEBT EXPENSE	\$ 15,000		
85	5900-930-02	GRANTS-WELLNESS	\$ 35,000		
86	5901-930-02	GRANTS-RVT Weinberg Green Houses	\$ 19,053		
87	5901-920-02	GRANTS-EH Rehab & Wellness	\$ 700,000		
88	5901-920-02	Grants-Westland IL Cottages	\$ 180,000		
89	5901-920-02	Grants-Resident Enabling Technologies	\$ 225,000		
90	5904-920-02	GRANTS-OTHER/Schroeder Leadership	\$ 10,000		
91	5904-930-02	GRANTS-OTHER/Undetermined Village Spending	\$ 350,000		
92	5905-920-02	GRANTS-OTHER/Housing Resident Assistance	\$ 35,003		
93	5901-920-02	GRANTS-PACE CM	\$ -		

	A	B	C	D	E
1	Presbyterian Villages of Michigan Foundation				
2	Budget 2020				
3			2020		
4			BUDGET	PVM Fund	Other U
	5901-920-02	GRANTS-University Meadows			
94			\$	-	
95	5904-920-02	Grant for Bay Connect	\$	80,000	
96	5910-910-02	Project -budget expenses to the project in 2018	\$	7,000	
97	5915-910-02	GRANT ADMINISTRATION FEE	\$	379,200	
98	TOTAL EXPENSES	TOTAL EXPENSES	\$	2,035,256	
99					
100	CHANGE IN TEMP RESTRICTED FUNDS	CHANGE IN TEMP RESTR FUNDS	\$	1,681,744	
101					
102					
103	PERMANENTLY RESTRICTED FUNDS	PERMANENTLY RESTRICTED FUNDS			
104	REVENUES	REVENUES			
105	4100-050-03	CONTRIBUTIONS	\$	-	
106	TOTAL REVENUES	TOTAL REVENUES	\$	-	
107					
108	EXPENSES	EXPENSES			
109	5700-910-03	BAD DEBT EXPENSE	\$	-	
110	TOTAL EXPENSES	TOTAL EXPENSES	\$	-	
111					
112	CHANGE IN PERMANENTLY RESTRICTED FUNDS	CHANGE IN PERM RESTR FUNDS	\$	-	
113					
114	GAIN IN NET ASSETS	GAIN(LOSS) IN NET ASSETS	\$	1,798,014	

Presbyterian Villages of Michigan Foundation

December 3, 2019

ACTION ITEM

Motion to approve New Policy on Pledges

Policy allows the release of unrestricted funds for projects and initiatives where pledges of temporarily restricted donations **have not** been received. The PVMF President has the authority to release up to 75% of the cash value of all temporarily restricted pledge donations for their restricted purposes.

GENERATIVE DISCUSSION

(Mr. Gompers/Mr. Miller)

Tab 4



PVM Next Great Fundraising Campaign\$\$\$\$

Campaign Ideas:

1. Expanding alternatives to keep older adults independent:
 - a. Thome East (Lake Huron Woods, Port Huron)
 - b. Thome West (Village of Westland)
 - c. Thome North (Village of Oakland Woods, Pontiac)
 - d. ~~Thome Flint (McFarlan Village)~~
2. Resident Enabling Technology (increase independence)
3. Grandfamilies (dissolution of the nuclear family)
4. Leader in Fall Reduction (Village Victory Cup, Wellness, etc.)

the projects are in priority order based on their readiness to execute/case development

Thome-Like Campuses

As a direct result of the Edward N. and Della L. Thome Memorial Foundation, 500+ seniors are no longer homeless, managing chronic health issues well, and living with dignity. Detroit's Thome Rivertown Neighborhood helps over 500 vulnerable seniors with low incomes through safe and affordable housing, affordable health care and the continuum of services offered all on the one campus.

At Thome Rivertown, seniors have options to choose the best living arrangement for them. Seniors can live on their own at an independent living apartment overlooking the Detroit River. For seniors who need more health care, there is affordable assisted living. For seniors who are eligible to live in a nursing home, but do not want to, there are options – live in the cozy and innovative Weinberg Green Houses or live in their own home and participate in the PACE program. All levels of care are available at Thome Rivertown, so once you move in, you do not need to find a different home if health care needs change. And all of this is for seniors with low incomes, like David S.

David loves art, and started his music career in his brother's band. He recorded hits with musicians like Rare Essence, and performed during a Piston basketball halftime show. However, the music life was hard on his family and his marriage ended. David's health worsened with cancer and heart problems, and he soon found himself bankrupt, struggling to find a place to go. David's career as a singer and performer was no longer possible. After his heart transplant, David was living off his niece's couch, feeling he's a burden on his family and losing hope.

David's niece found him a home at Thome Rivertown Neighborhood. David also enrolled a health program for seniors with low incomes called PACE. David is no longer homeless, he's not a burden to his family, and his health is well looked after. Shortly after moving in, David found a different avenue to art – sketching. David says it [Thome Rivertown] saved his life.

Presbyterian Villages of Michigan (PVM) aims to help more seniors like David by applying the Thome Rivertown model to additional locations in Michigan. With a grant of \$10 million, the _____ Foundation can build three more Rivertown-like campuses to expand the housing and service options available to seniors with limited means.

A grant to PVM will *bring independence and health care support to Pontiac, Port Huron, and Westland, Michigan*. PVM selected these sites strategically, for the number of seniors living in

poverty, the existing PVM properties this project can build on, nearby support services and our ability to begin construction quickly.

What is the need?

In Michigan alone, the number of seniors is projected to rise 38%, from 1.5 million in 2014 to 2 million in 2030¹. With over 17% of seniors in poverty, Michigan exceeds the national average in how many seniors living on \$11,511 or less annually.

What is the solution?

In response to the rising number of seniors, seniors with low incomes and seniors with increasing need of health care, we propose building three Rivertown-like campuses across Michigan. The new campuses would have affordable independent living, assisted living, and nursing home-level care. All three locations will also have a PACE center nearby. PACE – Program of All-Inclusive Care for the Elderly – provides comprehensive health care at a center, and transports seniors to and from the center. This enables seniors who want to remain living independently to do so, while still having their complex health care needs met.

Who benefits?

Hundreds of seniors with low incomes immediately benefit. Their caregivers and family also benefit by having their loved ones well cared for at Rivertown-like campuses. The surrounding community benefits from the financial investment, construction jobs and creating new jobs that pay livable wages.

Why now?

Seniors are living longer than they expected. When planning for retirement in 1980, the life expectancy was 73.7 years old. Today, seniors are expected to live past 78, another 5 years!

The latter 5 years can require complex health care, which leads to higher costs. A senior can live 15 years longer than planned, and run out of savings. A senior can have more diagnoses, which also depletes one's savings. We have more seniors today than ever before, and so many of them require complex health care. A successful way to meet these growing needs is to replicate the Rivertown model with affordable care at every level – independent, assisted and nursing-home living. PVM has three locations eager to serve more seniors and ready to become the cutting-edge campus serving our elders!

¹ <https://www.seniorcare.com/directory/mi/#key-senior-statistics> accessed July 23, 2019

With the support of the ____ Foundation, the three Rivertown-like campuses will provide all levels of care one would need – independent, assisted and nursing-home living. All for seniors with low incomes. This is what makes Thome Rivertown in Detroit so unique; seniors with low incomes often do not have all the options their peers in higher income brackets do. Because of your support, three campuses will change this disparity so seniors across income brackets can age with dignity and the appropriate level of care.

The three PVM locations ready to grow into Rivertown-like campuses are in Pontiac, Fort Gratiot and Westland, Michigan. Pontiac is an urban city, home to nearly 9,000 seniors, 15% living below the poverty line. Fort Gratiot is a suburban/rural community with 2,350 seniors, 7% in poverty. Westland is a popular suburb with an average income of \$48,172. Unfortunately, Westland also has 10% of seniors living in poverty.

Why PVM?

PVM saves and changes lives with housing and services. Our leaders do not turn away an opportunity since 1 in 6 seniors in Michigan are below the poverty line. There are also 1.5 million seniors in Michigan whom we need participating in our communities and economy for a healthy state. The ____ Foundation can make senior-centered housing and service a reality through capital grants to PVM.

How will this be accomplished?

With PVM, the ____ Foundation will meet the goal of *providing dignified and quality care for seniors with low incomes*. We will do this by . . .

- ✓ Building and renovating cottages for seniors living independently
- ✓ Renovating existing structures for affordable assisted living
- ✓ Building 2 PACE sites
- ✓ Building 1-2 Green Houses, “the most comprehensive effort to reinvent the nursing home” – The New York Times
- ✓ Enriching technology opportunities at the three locations

How will we know we’re successful?

Success will be measured in multiple ways, both during and after construction. During construction, PVM will track the number of construction jobs created by the project, and the number of full time jobs created at the housing facilities and PACE sites. We will also note an area’s economy boost from new homes in the area, new jobs and keeping seniors local. As a result of Affordable Senior Living times 3, we will secure economic and age diversity in the target communities.

Staff such as service coordinators at each location will report on the following:

- Seniors' usage of service coordination
- Hospital admissions
- Moves into nursing homes
- Reduced use of ER
- Resident and PACE participant surveys

What are our goals?

Affordable Senior Living x 3 aims to achieve the following:

Short Term Goals

1. More seniors have support services (like service coordination and receiving the appropriate level of care so they do not move into a nursing home prematurely)
2. Fewer nursing home move-ins
3. Fewer preventable hospital visits
4. Economy boost from construction

Medium Term Goals

5. Seniors are more social because of technology, PACE and neighbors at Villages
6. Caregivers have a break from taking care of their loved one while the senior is at PACE or in an affordable senior living community
7. Project is sustainable as market-rate homes will generate revenue to support the affordable housing and services
8. Affordable assisted living and PACE save money for the senior, their families and tax payers
9. Anchoring neighborhoods by building homes
10. Economy boost from additional jobs and seniors living in area

Long Term Goals

11. Seniors live independently, safely, longer and happier
12. Regardless of income, seniors access health care at the level they need
13. Save Medicare and Medicaid dollars by reducing seniors' use of high-cost emergency rooms and nursing homes

How will the funds be spent? What is the project budget?

Our ask of ___ Foundation: \$10 million (can be over a few years) provides technology and internet access for hundreds of seniors, the vast majority with low incomes. The costs of the different projects follow. A grant of \$10 million will specifically offset interim construction and

rehabilitation costs, professional and development fees, financing, furniture, fixtures and equipment.

	The Village of Lake Huron Woods Fort Gratiot, MI	The Village of Oakland Woods, Pontiac, MI	The Village of Westland, Westland, MI	
Capital Investment	\$ 26,800,000	\$ 24,100,000	\$ 30,900,000	\$ 81,800,000
Philanthropy Goal	\$ 3,450,000 13%	\$ 4,500,000 19%	\$ 5,600,000 18%	\$ 13,550,000 17%
Seniors Served	526	375	613	1514
Construction Jobs Created	65	30	175	270
Ongoing Jobs Created	120	25	100	245

Uses of Capital
Investment

Land & Unit Acquisition	\$ 250,000	\$ 600,000	\$ 2,050,000	\$ 2,900,000
Construction / Rehabilitation	\$ 7,600,000	\$ 17,670,000	\$ 18,795,000	\$ 44,065,000
Professional Fees	\$ 760,000	\$ 1,767,000	\$ 1,879,500	\$ 4,406,500
Development Fees	\$ 960,000	\$ 2,000,000	\$ 3,450,000	\$ 6,410,000
Interim Construction Costs	\$ 600,000	\$ 500,000	\$ 1,300,000	\$ 2,400,000
Permanent Financing Costs	\$ 400,000	\$ 400,000	\$ 1,050,000	\$ 1,850,000
Other Costs like furniture, fixtures, equipment, environment, marketing	\$ 890,000	\$ 300,000	\$ 1,300,000	\$ 2,490,000
Miscellaneous	\$ 300,000	\$ 500,000	\$ 800,000	\$ 1,600,000
Project Reserves or Debt Service Reserve	\$ 190,000	\$ 300,000	\$ 350,000	\$ 840,000
	\$ 11,950,000	\$ 24,037,000	\$ 30,974,500	\$ 66,961,500

Budget Narrative

Location A: The Village of Lake Huron Woods, Fort Gratiot, Michigan

Capital Investment: \$26,800,000

Sources of Capital Financing: Medicare/Medicaid Capitated Rate, Rents, Medicaid Waiver Vouchers, _____, Housing Comm & MSHDA Section 8 Housing Vouchers, HUD 202 Payment Rental Assist, Annual Fundraising

Seniors Served:

Ongoing Jobs created:

Location B: The Village of Oakland Woods

Capital Investment: \$ 24,100,000

Sources of Capital Financing:

Seniors Served:

Ongoing Jobs created:

Location C: The Village of Westland

Capital Investment: \$30,900,000

Sources of Capital Financing: Medicare/Medicaid Capitated Rate, Medicaid Waiver Vouchers, Housing Comm & MSHDA Section 8 Housing Vouchers, PVM Benevolence Fund, HUD 202 Payment Rental Assist, Annual Fundraising

Seniors Served:

Ongoing Jobs created:

Grandfamilies

1. Concept – In line with Detroit’s invigoration, Presbyterian Villages of Michigan (PVM) is planning housing specifically for grandparents raising grandchildren. Over 11,000 Detroiters are responsible for their grandchildren (Data Driven Detroit’s State of the Detroit Child). As the vast majority of senior housing prohibits children from also living in senior housing, there is strong need for safe and inexpensive housing for grandparents that is also conducive to raising children. Compounding this need is the opioid epidemic and the broken families left in its wake. PVM requests support today to build a suitable home for Detroit’s fragile grand-families.

PVM proposes building 33 homes for approximately 100 seniors and the children they are raising. In addition the project calls for 12,000 square feet of community space for programming for both the children and the older adults living on-site and the surrounding neighborhood. A prospective partner PVM is reaching out to is Marygrove College, a vital and active part of the community. Beyond child and senior friendly housing, PVM is collaborating with area organizations to ensure grandfamilies easily access support services.

2. Organization description – Since 1945, PVM has been Michigan’s premier senior living provider. As a nonprofit, faith-based organization, PVM is committed to serving senior citizens of all faiths and financial means. Today, PVM’s 32 senior living communities span across the lower peninsula of Michigan and fulfill the full spectrum of residential options and health care services for Michigan seniors and their families. PVM serves over 5,000 older adults annually through its senior living communities and provides essential home and community-based services.

3. Project description – Nationally, approximately 7.8 million children in the U.S. live in households headed by about 2.5 million grandparents or other relatives. Grandparents and other older caregivers often take on full time care for young children with little or no warning, providing nearly no time to plan. Estimates from Grandfamilies United tell us that up to one third of public housing households may be grandfamilies. Even in instances where grandparents or other older adult caregivers may be able to qualify for housing subsidies, they may not be able to secure a suitably sized apartment because they lack a legal relationship with the children. The presence of children, or any additional person, may violate private lease agreements and occupancy standards.

After taking on the extra expense of raising children, the older caregiver may not be able to afford their existing housing. Additionally, these families face legal, educational, medical and

social services needs they now need to navigate. PVM has been in consultation with the organization Generations United, an organization that believes “in a world that values and engages all generations,” to gain information on the best practices in developing a Grandfamily community.

Since the vast majority of senior living communities do not allow children, grandparents who need the many benefits of senior living cannot access these support services while raising grandchildren. Not only does this cause stress on grandparents, which can manifest in physical ways and precipitate a nursing home placement, but also children are then at risk of losing their home. In effort to support grandparents and children, Presbyterian Villages of Michigan proposes the Grandfamily project in Detroit.

Grandfamily homes will strive to meet two specific goals for the families we serve.

One: Provide safe, economical and situationally appropriate housing for families with children and older adults.

We propose building 33 townhomes, which will consist of two- and three-bedroom units. This will enable us to serve between 33 and 66 older adults and approximately 75 children under the age of 18. Outdoor green space will be utilized for recreation and wellness. For younger children, having play areas both indoors and outside is important; for teens and young adults, separate lounge space. Townhomes will be energy efficient and designed with our residents in mind, i.e. lower countertops, braille signage, wider doorways for wheelchairs and walkers.

Two: Provide the necessary support services to ensure healthy and productive families.

Support services include tutoring and mentoring programs, fitness, arts and music programs, as well as classes for both adults and youth education (cooking, budgeting, financial planning, college prep etc.). We look to partner and provide space for medical professionals, legal and social services organizations.

When looking at the fourteen existing grandfamily programs across the country, it is clear that housing alone is not the answer. These families typically live with complicated situations and we are committed to assisting them in gaining access to the specific support services they desire, such as childcare. The onsite team will consist of staff who have experience working with both seniors and youth. Together, the families and team will work with each family to map out their keys to success.

PVM is working with Generations United, the national organization which brings together children and senior service organizations, to develop intergenerational and innovative programs for seniors and the children they are raising.

Additionally, PVM will optimize its relationships with Northwest Activities Center, Hartford Memorial Baptist Church, Marygrove College, Schultz Academy, and Mumford High School - all concentrated in a 2 mile neighborhood of Northwest Detroit. This will be the only project of its kind in Detroit or in Michigan.

4. Budget – The total project budget of PVM’s Grandfamily Housing project is \$11,165,000. Funding is anticipated from foundation gifts, City of Detroit HOME funds, Housing Choice Vouchers, and other federal, city and state funds as appropriate.

Construction Budget

Land Acquisition - land to be donated	450,000
Construction Hard Costs	8,795,000
Non-Construction ("Soft") Costs i.e., architecture, fundraising, furniture and fixtures	1,320,000
Developer Overhead and Fee	600,000
Development Cost	\$ 11,165,000

PVM is discussing Grandfamily support with the Harry and Jeanette Weinberg Foundation and Kresge Foundation.

Fall Reduction Through Technology LOI

On the Cutting Edge of Fall Reduction and Fewer Falls

Need

We all know a senior who has fallen. Sometimes, it is a small bruise and s/he gets right back up. Other times, a senior is immobilized, on the floor, with a broken bone. Since we cannot predict when that bad fall will occur, seniors have a growing fear of falling. And now we have something that can help with that fear.

Solution

Presbyterian Villages of Michigan (PVM) has a vision to combine proven programming with the latest technology advancements to help reduce falls in older adults. While other senior living organizations offer classes with proven records of reducing falls, or enlist the latest smart home devices to help predict and identify falls, PVM wants to use both simultaneously in a way that values the senior's dignity. While many older adults do not want their children "spying" on them by using different monitoring devices to see if they are doing what they are "supposed to", PVM proposes implementing smart home technology that older adults want and will help them directly benefit from the latest innovations.

PVM proposes to integrate voice command tech with specific smart home devices to aid seniors in strengthening themselves to avoid falls, detecting when they are prone to falling, and requesting help quickly when a fall does occur. Moreover, since over 65% of the seniors PVM serves have low incomes (below \$23,400 annually), PVM is piloting sustainable models to keep this tech affordable for older adults of all income levels.

The National Kidney Association has shown the Enhanced Fitness program strengthens its participants and reduces the likelihood of falls. Common tasks like getting in and out of a chair, walking a short distance, and picking up items of different weights are all practiced and tested during the Enhanced Fitness program.

Since Enhanced Fitness costs approximately \$100 per class, the majority of older adults PVM serves – seniors at 100-150% of the poverty line – cannot afford regular classes with a live instructor. This is where technology comes in. With an initial investment, PVM can increase internet access and hardware so older adults with low incomes can join an Enhanced Fitness class virtually or access an expansive library recordings of previous classes.

PVM has provided older adults of all economic means multiple evidence-based classes to help reduce the likelihood of falls, including A Matter of Balance, Chair yoga and Enhanced Fitness.

We see the participation levels start strong, but older adults are not able to sustain the ongoing costs. Accessing virtual classes will continue to provide new classes for seniors at a significantly reduced cost.

With technology and interact access, older adults can connect with friends and family (reducing social isolation), learn a new skill or hobby (increasing brain health), schedule appointments with experts like social workers, lawyers and service coordinators (increasing access to resources), exercise (increasing physical strength), connecting with healthcare professionals without leaving home (increasing access to healthcare), join a virtual senior center, visit popular landmarks around the world (increasing social engagement) and attend religious services. The possibilities are endless for one to explore, learn, connect, strengthen and grow.

Why PVM

PVM is ideally suited to reach 5,000+ older adults across Michigan through housing sites, local partnerships and in-home services. PVM has 32 senior living communities spread across urban, suburban and rural areas. Over 65% of the older adults PVM serves have low incomes and cannot afford the initial expense to get connected to the world wide web. With a technology investment in our seniors, ___ Foundation can quickly connect (in 12-18 months) thousands of older adults with tech and internet access, which will help reduce social isolation, reduce the likelihood of falling, strengthen physical and brain muscle.

Award Amount

With a grant of \$___, we can promote healthy lifestyles so older adults are independent and thriving. Through a one-time start-up investment, older adults will be able to view classes streaming live across Michigan, play recordings and connect their smart home devices, all to help reduce the likelihood of falling. Upgraded technology and internet access will make this and so much more possible.

Older adults can visit senior centers, places of worship and popular travel destinations virtually. ___ Foundation will also aid older adults, their family and caregivers experience the different affects of aging through Virtual Reality. We can walk a mile in our loved ones shoes.

This grant bring the latest and greatest technology to older adults. For example, Care Merge provides an easy-to-use application to communicate with residents in any senior living community. Through Care Merge, community calendars, reminders and maintenance request are easily submitted and accessed through audio commands. While Care Merge has a low monthly subscription, we need ___ Foundation to help get us to the point where Care Merge is accessible to older adults of all income levels, not only the ones with high net worth. Care Merge is only 1 example of the possibilities older adults can explore with advanced tech. An initial investment of \$___ opens up a wealth of possibilities to help reduce an older adults' likelihood to fall and significant injury.



TREASURER'S REPORT

(Mr. Carnaghi)

Tab 5

Presbyterian Villages of Michigan Foundation (PVMF)
Treasurer's Report – Executive Summary
For November 21, 2019

From time to time, PVMF has supported PVM through boutique financing and credit enhancement for key initiatives.

Current credit facilities used to assist PVM are as follows:

	Current Balance Owed 10/31/19	Forecasted Balance Owed 3/31/20
\$1M Facilities Advancement Line of Credit (LOC) for PVM, 3/2013	\$250,000	\$1,000,000
\$500,000 Operating Line of Credit (LOC) for PVM, 6/2018	\$0	\$0

The 2019 financial operating performance is contained in the President's report.

The proposed 2020 operating budget is contained in the President's report.

The Treasurer encourages the Board's adoption of the draft policy to allow the release of unrestricted funds for projects and initiatives where pledges of temporarily restricted donations have not yet been received. Management currently has no authority to spend these unrestricted funds.

Management is urging the Board to take action on approving the next round of capital campaigns to avoid delays in funding key PVM strategic initiatives. Management is working on a capital financing for the Obligated Group that will need the Board's approval, as a member of the OG, at a special meeting in the first quarter 2020. As a part of this financing, management is updating the Foundation's 5-year financial proformas, and needs to incorporate key assumptions relative to the amount of funds raised in a Capital Campaign.

The PVM Board has approved recommending to the PVM Foundation Executive Committee the approval of the use of the FA Line of Credit to cover the cost of transferring the Limited Partners interest in Redford Manor and Oakland Woods II LDHAs.

The overall performance of the investment portfolio through October 31, 2019 was 16.64%, net of fees, which is above the benchmark performance of 15.59%.

Management directed Aileron to instruct Wm. Blair and Eagle to sell and repurchase investments to convert \$1.4 million in unrealized gains into realized gains in September 2019. This was designed to allow the Obligated Group to meet its debt service coverage ratio covenant at September 30 and December 31, 2019. \$400,000 of realized gains were budgeted for 2019. Then in October, management directed Aileron to work with portfolio managers to raise \$750,000, in anticipation of funds being deployed for the FA Line of Credit in December 2019. Further, in anticipation of grants budgeted to be released in late January 2020 to PVM affiliates, management will be directing Aileron in early January 2020 to instruct the portfolio managers to raise \$400,000 in cash, and take realized gains. No funds were invested in the managed portfolio since the February 2018 report. The Investment Committee will meet again February 2020.

**Presbyterian Villages of Michigan Foundation (PVMF)
Treasurer's Report – Detailed Report and Related Motions
For November 21, 2019**

PVMF \$1 Million Line of Credit to PVM for Facilities Advancement

The LOC available to PVM Corporate at October 31, 2019 is \$750,000.

Recent History and Forecast of Line of Credit Activity:

	Initial Approval and Purpose	Withdrawal	Returned	Balance Available
10/2/19	Loan to University Meadows.	\$250,000		\$750,000
12/20/19	Advance to Redford Manor and Oakland Woods II LHDAs.	\$750,000		\$0
8/31/20	Recover of Advance to University Meadows		\$250,000	\$750,000

The PVM Board approved recommending to the PVM Foundation's Executive Committee the use of the FA Line of Credit of \$750,000 to cover the cost of taking transfer of the Limited Partner's interests in Redford Manor and Oakland Woods II LDHAs. PVM affiliates will become the sole owners of these two Low Income Housing Tax Credit entities, which have reached the end of their 15-year tax credit compliance period. In 2020 management will seek alternative sources of financing to repay the Line of Credit. The previously approved use of the FA Line of Credit for the East Harbor Harbor Inn project has been withdrawn.

Motion – Action necessary. Moved to approve the use of the FA Line of Credit for the Transfer of LP Interests in Redford Manor and Oakland Woods II. See attached.

PVMF Line of Credit to PVM for General Operations of \$500,000

The LOC available to PVM Corporate at May 31, 2019 is \$500,000.

Recent History and Forecast of Line of Credit Activity:

	Initial Approval and Purpose	Withdrawal	Returned	Balance Available
	No loans/advances outstanding.			\$500,000

Motion – No action necessary. No attachment.

Policy on Advancing Funds from *Unrestricted Funds* to a PVM Affiliate Project or Initiative in Advance of Pledges Being Received

The Foundation receives long term pledges for capital campaigns and other fund raising initiatives, whereby Unrestricted Funds need to be advanced to the project or initiative in order to complete the project. Currently, there is no authorization to advance such funds. Management is recommending the Board approve the draft policy to approve such funding.

Motion – See President’s Report.

Investment Policy, Portfolio Performance, and Activities

The year to date October 31, 2019 performance was up 16.64%, net of fee adjustment, compared to the benchmark of 15.59%. The return is up from the negative 1.17% in the December 31, 2018 report. There was a \$668,000 positive spread between market value and cost on October 31, 2019, down from the \$1.9 million spread reported at August 31, 2019. \$1,400,000 of the unrealized gains were realized in September 2019 to assist the PVM Obligated Group in meeting its debt service coverage covenant.

Then in October, management directed Aileron to work with portfolio managers to raise \$750,000 to be placed in the HNB MMAX account, in anticipation of funds being deployed for the FA Line of Credit in December 2019. Further, in anticipation of grants budgeted to be released in late January 2020 to PVM affiliates, management will be directing Aileron in early January 2020 to instruct the portfolio managers to raise \$400,000 in cash, and take realized gains. No funds were invested in the managed portfolio since the February 2018 report.

The portfolio’s equity position is at 65.2%, not including the HNB MMAX funds, which is just over the investment policy of 65%. The full October 31, 2019 investment report was sent electronically to the PVMF Board on November 21, 2019. See excerpt attached.

Motion – No Action Necessary. Attachment.

Presbyterian Villages of Michigan Foundation

Certification for Authorization of Draw on Facilities Advancement Line of Credit

Date of Request: December 3, 2019

Amount of Request: Six Hundred & Eighty Thousand and 00/100 Dollars (\$680,000)

Project Description: Advance funds to PVM to secure the transfer of the Limited Partner's interest in Redford Manor and Oakland Woods II.

Date Project Approved by PVM Board: September 24, 2019.

Source of Funding From Which the Advance Will Be Repaid: The \$680,000 advance will be repaid from debt proceeds received from a yet to be determined lender, or from PVM OG cash.

Conditions Which Must Be Satisfied Prior to Such Repayment Funding Will Become Available, and Associated Risk: Either \$680,000 would be borrowed from a CDFI lender by June 2020 or PVM OG will generate the necessary cash from operating performance. The risk of not receiving the debt financing is medium, on a scale of low, medium, and high. The risk of not generating the cash from operating performance is high, on a scale of low, medium, and high.

Timing of Repayment: When debt financing is close, no later than June 2020.

Acknowledgements:

- 1) Repayment shall include interest on the amount of the Advance for the time the Advance was outstanding at the rate of 8% per annum.
- 2) The draw of such Advance and the use of such funds will not violate or impede PVM's ability to meet the Days Cash on Hand or Debt Service Coverage loan covenants with Huntington National Bank or the Master Trust Indenture, or any other loan covenants with other lenders.

PVM CFO Certification: _____ **Date:** _____

**PRESBYTERIAN VILLAGES OF MICHIGAN
FOUNDATION
OCTOBER 31, 2019**

Foundation Market Value \$12,810,916
Increase/Decrease from September Report -\$518,816 *
* Includes \$750,000 withdrawal from portfolio.

ASSET ALLOCATION

	<u>Guidelines</u>	<u>Actual</u>	<u>Delta</u>
Large Cap Equity	45%	45.0%	0.0%
Convertibles	10%	10.3%	0.3%
Int'l Large Cap Equity	<u>10%</u>	<u>9.9%</u>	<u>-0.1%</u>
Total Equity	65%	65.2%	0.2%
US Fixed Income	35%	34.8%	-0.2%

Note: Portfolio is rebalanced if an asset class exceeds 10% or more of PVMF Guidelines

2019 INVESTMENT PERFORMANCE - FEE ADJUSTMENT

	Net of Fees	Benchmark	
	Return	Return	Delta
PVMF	16.64%	15.59%	1.05%
Wm. Blair All Cap	25.12%	23.16%	1.96%
Eagle Lg Cap	22.35%	23.16%	-0.81%
Macquarie Conv.	17.26%	17.83%	-0.57%
Wm. Blair Int'l Eq.	21.22%	16.86%	4.36%
Wedge Fixed Income	6.74%	6.84%	-0.10%

**INVESTMENT PERFORMANCE - INCEPTION TO DATE ANNUALIZED FEE ADJUSTMENT
07/01/1996 - 10/31/2019**

	Net of Fees	Benchmark	
	Return	Return	Delta
PVMF	8.28%	7.01%	1.27%
Wm. Blair All Cap (1)	10.34%	8.72%	1.62%
Eagle Lg Cap (2)	11.36%	8.90%	2.46%
Macquarie Conv. (3)	7.13%	4.16%	2.97%
Wm. Blair Int'l Eq (4)	4.19%	2.93%	1.26%
Wedge Fixed Income (5)	2.47%	2.49%	-0.02%

PVMF goal is to exceed a blended return of the following indices net of fees:

- 1. S&P 500 Index**
- 2. Merrill Lynch U.S. Value Convertible Index**
- 3. EAFE Index**
- 4. Bloomberg Barclays Intermediate Govt./Credit Index**

(1) William Blair All Cap hired on 7/01/96

(2) Eagle Capital hired on 9/01/06

(3) Macquarie (Delaware) hired on 11/01/10

(4) William Blair International hired on 5/01/14

(5) Wedge Fixed Income hired on 5/01/14

**PRESBYTERIAN VILLAGES OF MICHIGAN
FOUNDATION
ASSET AND MANAGER ALLOCATION AS OF
OCTOBER 31, 2019**

	<u>Cost Value</u>	<u>Market Value</u>	<u>% Allocation</u>	<u>Target</u>
<u>Manager Allocation</u>				
<u>Equities</u>				
Domestic Large Cap				
William Blair (All Cap Growth)	\$2,665,879	\$2,752,214	21.5%	
Eagle (Core)	<u>2,831,886</u>	<u>3,017,967</u>	<u>23.6%</u>	
	\$5,497,765	\$5,770,181	45.0%	45.0%
Convertibles				
Macquarie	1,228,022	1,320,168	10.3%	10.0%
International Equity				
William Blair	<u>1,082,990</u>	<u>1,262,184</u>	<u>9.9%</u>	<u>10.0%</u>
Total Equities	\$7,808,776	\$8,352,533	65.2%	65.0%
<u>Fixed Income</u>				
Domestic Intermediate				
Wedge	<u>\$4,332,354</u>	<u>\$4,457,000</u>	<u>34.8%</u>	<u>35.0%</u>
Total Fixed	\$4,332,354	\$4,457,000	34.8%	35.0%
Cash				
Cash Equivalents	<u>0</u>	<u>0</u>	<u>0.0%</u>	<u>0.0%</u>
Total Fund	<u>\$12,141,130</u>	<u>\$12,809,533</u>	<u>100.0%</u>	<u>100.0%</u>
<u>Sub Fund</u>				
Huntington MMAX Money Market	<u>\$1,383</u>	<u>\$1,383</u>		
Total Fund	<u>\$12,142,513</u>	<u>\$12,810,916</u>		

- Huntington Bank provides custody

Presbyterian Villages of Michigan Foundation
Investment Committee

Minutes

Wednesday, October 9, 2019 (10:00 – 11:00 pm ET)
Village of East Harbor

Participants:

- Jim Gompers, Chair
- Robert Schroeder, Vice Chair
- Paul Miller, PVMF President
- Brian Carnaghi, Treasurer
- Roger Myers, PVM CEO (by phone)
- Donna Snider
- Don Lindow (absent)
- Robert Peterson
- Ray Steben
- Peter Kurrie, Aileron

Guests: Caldwell Calame and Brad Fisher, Wedge Capital.

The Chair called the meeting to order at 10 AM and reviewed the agenda. Minutes from June 11, 2019 meeting were approved.

Pete K. reviewed the portfolio account status and performance for the time period ending September 30, 2019. The portfolio is in line with the Investment Policy asset allocation targets and all managers are in compliance with the Investment Policy requirements. The total account year to date rate of return as of 9/30/19 was ahead of the blended benchmark. Eagle and Macquarie/Convertibles were slightly under their respective bench markets year to date due to a recent underperformance of Banks, Techs, GE, etc. The total portfolio year to date total return was driven by US equities, especially the Wm. Blair All Cap Growth securities and Wm. Blair International equities. It was noted the returns on a rolling 12 month quarterly basis. Pete K. noted the appointment of Alaina Anderson at Wm. Blair as lead portfolio manager for the international equity strategy, with the retirement of David Merjan. It was also noted our returns were positive when compared to major university endowment portfolios.

Pete K. reviewed the suggested revisions to the Investment Policy in Derivatives, Bonds, a benchmark for the Investment Performance Objective, and a couple housekeeping edits. The Committee members discussed the context of the changes suggested moving Derivatives from “AA or better” to “Investment grade or higher at the time of purchase”, the relative magnitude of holdings in the portfolio (i.e. 1 or 2%), and noting that the duration band was really the key. That the S&P 400 Index would be eliminated. The Committee also discussed the ordering with the Investment Policy. Management would work with Aileron to make the necessary adjustments.

Motion was made by to approve the recommended changes to the Policy. Motion approved.

Representatives from Wedge were introduced, noting their visit in January 2019. Mr. Calame reviewed the strength of Wedge and its financial footing, and their move from 12 to 16 partners in 2019. A performance overview was provided. There was considerable discussion regarding the 10-year Treasury compared to the Feds Fund Rate, and whether this situation is indicative a looming recession. The yield curve remains flat, yields remain low, and the inversion of the yield curve had dissipated. Ray S. noted the book – Empty Planet.

The next meeting is scheduled for March 10, 2020, 9:30 AM, at the PVM Offices. Eagle/investment manager will be invited to present.

The meeting was adjourned by the Chair at 11:10 AM.



Presbyterian Villages of Michigan Foundation **INVESTMENT POLICY**

EFFECTIVE DATE: FEBRUARY 2007

AMENDED NOVEMBER 17, 2009

AMENDED SEPTEMBER 30, 2014

AMENDED APRIL 14, 2015

AMENDED JUNE 14, 2016

AMENDED OCTOBER 9, 2018

AMENDED JUNE 11, 2019

AMENDED OCTOBER 9, 2019

SUBJECT: INVESTMENT GUIDELINES

OBJECTIVE: LONG TERM FOCUS ON GROWTH IN PRINCIPAL WITH
SPECIFIC 5% ANNUAL LIQUIDITY NEEDS

SCOPE: All Accounts and Investment Managers

GUIDELINES: The Investment Instrument Characteristics and Maturities
Requirements

A. General

Investments are limited to the following:

- Debt securities issued by U.S. Government
- Debt securities guaranteed by U.S. Government
- Debt securities issued by U.S. Corporations
- Debt securities issued by governmental entities within the U.S.
- Debt securities issued by a foreign subsidiary of a U.S. Parent Corporation which are guaranteed by a U.S. Parent Corporation
- Deposits, including Certificates of Deposits in a U.S. Bank or its Foreign subsidiaries
- Eurodollar Bonds
- International Government AAA debt
- Equity securities listed on a U.S. stock exchange or OTC

B. Bonds

1. Minimum Bond Grade = BBB-
2. Minimum Weighted Average of Bond Portfolio = AA
In the event that a fixed income security falls below investment grade, the investment manager will be responsible for immediately notifying the investment committee and detailing a course of action to be taken with regard to each downgraded security.
3. No single issuer to represent more than 2.5% of total market value of bonds at any time, with the exception of U.S. Treasury and Agency obligations or those obligations guaranteed by the U.S. Government and AAA Int'l Government bonds within that specific mandate.
4. Duration Requirements: The duration of the Bond Portfolios should approximate the duration of the Bloomberg Barclays Intermediate Government/Credit Bond Index, but at no time should the duration be greater than 115% of the Index or less than 85% of the index.

Ratings refer to ~~those U.S. recognized securities rating organizations~~ any NRSRO (Nationally Recognized Statistical Rating Organization).

C. Derivatives.

To control the level of risk inherent in derivative securities by specifying quality, duration and concentration for all Fixed Income accounts and all Investment Managers.

Investments in derivative securities are permitted for the purposes of yield enhancement, duration management, and sector diversification. These standard types of securities would include: asset backed securities, collateralized mortgage obligations (such as PACs and TACs), strip treasury and agency bonds and other like securities in which total investment performance (i.e. income return and principal value change) is not dependent upon the single direction of market interest rates.

Such investments must meet the following requirements:

1. ~~AA or better.~~ Minimum Bond Grade = BBB-
2. The expected average duration must comply with the portfolios' duration requirements as specified in the investment guidelines.
3. Investments in derivative securities are not permitted for the sole purpose of speculating on the direction of market interest rates. Included in this prohibition are leveraging, shorting, swaps, futures, options, forwards and like strategies. These speculative types of securities would include: I.O.'s, P.O.'s, and inverse floaters and other like securities where total investment performance (i.e. income return and principal value change) is solely dependent upon the single direction of market interest rates.

D. Equities

Investment in any specific equity or convertible issue is limited to 7.5% of the total equity or convertible portfolio investment at market.

E. Cash Equivalents – See Cash Management Investment Guidelines, Section O. – Minimum Cash Equivalent Grade = A2, P2

F. Asset Allocation	Target
Domestic Equities	45%
Convertibles	10%
International Equities	<u>10%</u>
Total Equities	65%
Domestic Fixed Income/Intermediate	<u>35%</u>
Total Portfolio	100%

Asset Allocation Rebalancing Procedure

The procedure to follow for allocating portfolio assets within the guidelines is:

1. The portfolio's actual asset allocation versus the guidelines will be monitored and a determination to rebalance the asset mix will occur annually:
 - a) Except for temporary investments, if an asset class exceeds its target by 10% or more of its asset class value, the assets will be rebalanced back to its target.
 - b) If the asset allocation remains within the 10% minimum and maximum ranges stated above, no action is required.
 - c) The asset mix may violate the guidelines during a six-month period; however, rebalancing should occur based on end of period market value.
2. Rebalancing based on the guidelines stated above will minimize any major asset shifts and prevents any significant deviation from the target asset mix. Target asset allocation is reviewed on an ongoing basis.

G. Investment Performance Objective

The investment performance objective is to exceed a blended return of the following indices net of fees based on the weighting of the asset allocation set forth in Section F. above:

- S&P 500 Index
- Merrill Lynch U.S. Value Convertible Bond Index
- ~~○ S&P 400 Index~~
- EAFE Index
- Bloomberg Barclays Intermediate Government/Credit Bond Index

H. Currency - U.S. Dollars Only.

- I. **Securities lending** -- prohibited.
- J. **Pooled funds** -- may be utilized if they comply as a portfolio with these stated guidelines.
- K. **Fixed Income investments** -- restricted to those, which, at the time pay interest, if any, without the deduction of withholding tax.
- L. **Approvals** -- Investments outside the terms and restrictions above must first be approved by the PVM Foundation President and Treasurer and confirmed in writing.
- M. **Realized Losses** -- A threshold of \$50,000 per month is the maximum allowable realized loss per investment manager. Any realized losses greater than \$50,000 per month must be approved by PVM Treasurer and confirmed in writing.
- N. **Investment Manager Review and Evaluation**
To establish guidelines for review, evaluation and termination of the investment managers.

Investment performance and policy compliance will be reviewed monthly. Formal reports to the PVM Foundation will be prepared monthly.

In the event an investment manager fails to meet an established guideline, the following steps shall be taken:

- 1. Policy Compliance
 - a. Manager is contacted and required to correct the situation or justify the variation in writing.
 - b. After a second consecutive month below the guideline, the investment manager will receive written notification with immediate action expected or justification in writing.
 - c. Further failure to comply, or inadequate justification for variation, will lead to a review by the ~~Company~~ PVM Foundation for possible termination of the investment manager.

2. Investment Performance

The investment manager may be terminated if their historical annualized return over three years has not met the specific fund objective over the time period.

The three-year rule for terminating managers may be waived and termination proceedings may go into effect if any one of the following situations occur:

- a. Failure to comply with the investment guidelines as detailed in the Monthly Review and Evaluation.
- b. The portfolio's return falls below the objective for four consecutive quarters.

- c. After two years, the investment manager is 200 basis points below the objective.
- d. The investment manager substantially increases fees.
- e. Any change at the investment manager's firm that is not acceptable to the PVM Foundation.

O. Cash Management Investment Guidelines (see attached)

P. Spending Guidelines (see attached)

Q. Framework for Investments (see attached)



DONOR STEWARDSHIP

(Ms. Smith)

Tab 6



PVMF GALA REPORT

(Mr. Schroeder)

Tab 7

<u>INCOME</u>	<u>2019 Estimate - Strolling Dinner</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>	
Sponsorships	\$185,000	\$182,000	\$180,000.00	\$199,250.00	
Tickets	\$62,000	\$50,700	\$61,500.00	\$50,025.00	
On-site Fundraising	\$20,250	\$13,400	\$18,540.00	\$21,760.00	
Donations	\$18,550	\$30,160	\$31,427.00	\$14,035.62	
<u>TOTAL</u>	<u>\$285,800</u>	<u>\$276,260</u>	<u>\$291,467</u>	<u>\$285,070.62</u>	<u>\$285k bu</u> <u>\$315k Str</u>
<u>EXPENSES</u>					
<u>Venue</u>	<u>2019 Estimate</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>	
Rental Fee	\$3,000.00	\$3,000.00	\$6,120.00	\$6,825.00	
Dinner	\$34,500.00	\$34,500.00	\$35,124.00	\$36,266.00	
Service Charge	\$9,048.00	\$12,710.00	\$11,090.30	\$11,975.23	
Volunteer Refreshments	\$500.00	\$400.00	\$530.50	\$589.00	
Alcohol/Beverages/Bartenders	\$10,000.00	\$10,000.00	\$9,409.00	\$12,762.50	
Valet Parking			\$2,926.00	\$2,750.00	
Top Talent	\$16,595.00	\$16,307.00	\$350.00	\$500.00	
Valet Parking			\$1,600.00	\$320.00	
Coat Check			\$450.00	\$450.00	
Bowling Alley	\$4,000.00	\$4,100.00			
<u>AV</u>					
Stage, Lighting, Sound & Labor	\$800	\$1,140	\$9,430.00	\$7,450.00	
Security	\$200	\$200			
<i>Subtotal</i>	<i>\$78,643</i>	<i>\$82,357</i>	<i>\$77,030</i>	<i>\$79,887.73</i>	
<u>Printed Material</u>	<u>2019 Estimate</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>	
Save the Date - Qty 2250	\$1,700.00	\$1,328.00			
Invitations/Response - Qty 2,500	\$3,191.00	\$3,192.00	\$2,504.00	\$2,571.00	
Postage	\$325.00	\$324.00	\$294.00	\$318.35	
Program Book - Qty 200			\$1,540.00	\$1,540.00	
<i>Subtotal</i>	<i>\$5,216</i>	<i>\$4,844</i>	<i>\$4,338</i>	<i>\$4,429.35</i>	
<u>Program</u>	<u>2019 Estimate</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>	
Video Production				\$1,200.00	
Main Program Entertainment/Speakers	\$795.00	\$795.00	\$2,295.00	\$2,925.00	
			\$200.00		

<u>Raffle</u>				
Raffle Prizes	\$300.00		\$479.00	\$184.74
Board Donations	\$400.00			\$600.00
Raffle Sellers	\$300.00	\$200		
State License	\$50	\$50	\$50.00	
<i>Subtotal</i>	\$1,845	\$1,045	\$3,024	\$4,909.74
<u>Resident Engagement</u>	<u>2019 Estimate</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
Resident Identification				\$42.50
<u>Decorations</u>	<u>2019 Estimate</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
Centerpieces			\$28.62	\$293.40
Other Decorations/Venue Setup			\$98.75	
<i>Subtotal</i>	\$0	\$0	\$127	\$335.90
<u>Logistics</u>	<u>2019 Estimate</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>2017 Actual</u>
Sponsor Signage	\$495.00	\$150.00	\$495.00	\$495.00
Photography	\$350.00	\$350.00	\$350.00	\$350.00
WOW factor	\$3,600.00	\$3,600.00	\$3,231.71	\$580.00
Entertainment Committee				
Raffle Committee				
On-site Fundraising Committee				
Registration				
Misc./Steering Meetings	\$225.00	\$225.00	\$220.00	\$216.61
Volunteer and Sponsor Party	\$1,000.00	\$1,000.00	<i>\$1,000.00</i>	\$1,000.00
<i>Subtotal</i>	\$5,670	\$5,325	\$5,297	\$2,641.61
TOTAL	\$91,374	\$93,571	\$89,816	\$92,204.33
TOTAL NET	\$194,426	\$182,689	\$201,651	\$192,866.29
	\$185k net budgeted			

EXECUTIVE SESSION

(if needed)

Tab 8

ADJOURNMENT

Tab 9