

**Call-in to join this meeting: 1-800-704-9804; participant code 39554427#**

## AGENDA

### WELCOME AND CALL TO ORDER

#### CHAIRMAN'S REPORT (Mr. Gompers)

- Approval of December 5 Minutes (**ACTION**)
- Charity Challenge – We Won!
- 100% PVMF Board Giving – Thank you!
- 78% Board Giving System-wide
- Dates
  - 2/15 – Gala Volunteer/Sponsorship Appreciation Dinner, The Village of Redford
  - 2/23 – Winter Governance Summit, First Presbyterian Church of Dearborn, Dearborn, MI
  - 5/18 – Donor Appreciation Luncheon, Detroit Yacht Club on Belle Isle, Detroit, MI
  - 6/22 – Village Victory Cup, The Suburban Collection Showcase Diamond Ballroom, Novi, MI
- PVMF 2018 Gala Chairs (Thomas & Diandria Kimble and Peter Kurrie with Aileron)

#### REPORT ON INVESTMENTS (Mr. Kurrie)

- PVMF Investment Reports

#### DONOR STEWARDSHIP (Mr. Schroeder)

- Handwritten Thank You Notes to PVMF Donors

**BREAK FOR LUNCH 12:25 pm**

#### BOARD GENERATIVE DISCUSSION (Mr. Kimble/Mr. Miller)

- PVMF Strategic Plan Task Forces
- March – Board Giving Month
- Continuous discussion on the objectives in the plan

#### PRESIDENT'S REPORT (Mr. Miller)

- 2018 Revised Operating Budget (Mr. Miller) (**ACTION**)
- Executive Summary
- Donor Stories (Mrs. Clement)
- PVMF Policies and Procedures (Mrs. Clement)
- Board Retreat – Village Victory Cup
  - 6/22 – Village Victory Cup, The Suburban Collection Showcase Diamond Ballroom, Novi, MI
  - Social Event?
- PVM Update (**Roger Myers**)

#### Treasurer's Report (Mr. Miller)

- Grant of \$232,000 in Unrestricted Funds to Replenish Temporarily Restricted Funds Overdrawn on Rivertown Green Houses (**ACTION**)

#### EXECUTIVE SESSION

- Review of Paul Miller's Evaluation & Approval of Compensation (**ACTION**)

#### NEXT:

February 6 (Tuesday): PVM Foundation Board; 11:30 a.m., PVM Home Office, Southfield, MI  
 February 15 (Thursday): Gala Volunteer/Sponsorship Appreciation Dinner; 5:30 p.m., The Village of Redford, Redford, MI  
 February 23 (Friday): Winter Governance Summit; 8:30 a.m., First Presbyterian Church of Dearborn, Dearborn, MI  
 May 18 (Friday): Donor Appreciation Luncheon; 11:00 a.m., Detroit Yacht Club on Belle Isle, Detroit, MI  
 June 12 (Tuesday): PVM Foundation Board; 11:30 a.m., Lakeshore Senior Living, St. Clair Shores, MI  
 June 22 (Friday): Village Victory Cup; (Time, TBD), The Suburban Collection Showcase Diamond Ballroom, Novi, MI  
 August, Summer Governance (Date/Time/Location to TBD)  
 September, Leadership Advance (Date/Time/Location to TBD)  
 October 9 (Tuesday): PVM Foundation Board; 11:30 a.m., The Park at Trowbridge, Southfield, MI  
 November, PVMF Gala, (Date/Time/Location to TBD)  
 December 4 (Tuesday): PVM Foundation Board; 11:30 a.m., PVM Home Office, Southfield, MI

## 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**

***(Jim Gompers)***

**Tab 1**

	2/7 BOD Mtg.	2/23 Gala Sponsor & Volunteer Celebration	2/17 Winter Gvance. Summit	5/19 IP Brkf. Grse Pte.	6/13 BOD Mtg.	6/23 VVC – Board Retrea t	8/10 Summer Gvance. Summit	9/14 IP Brkf. Mcmb	9/22 Strgc. LDSHP Advance	10/10 BOD Mtg.	11/17 Gala	12/5 BOD Mtg.	TOTAL
Bomberski	Phone	No	No	No	Phone	No	No	No	No	No	No	X	3
Carnaghi	X	X	X	No	X	X	X	No	X	X	X	X	10
Denler	N/A	N/A	N/A	N/A	N/A	N/A	N/A	X	N/A	X	X	X	4
Dixon	X	X	No	No	No	No	No	No	No	No	X	No	3
Gompers	X	X	No	X	X	X	No	No	X	X	No	X	8
Johnson	X	X	X	X	X	X	X	No	X	X	X	No	10
Kimble	X	X	X	No	No	X	No	No	X	Phone	No	X	7
Lau	No	No	No	No	Phone	No	No	No	No	Phone	X	X	4
Lindow	Phone	No	No	X	No	No	No	No	No	X	No	X	4
Miller	X	X	X	X	X	X	X	X	X	X	X	X	12
Morgan	No	No	No	No	Phone	No	No	No	No	No	No	No	1
Peterson	X	No	No	X	X	No	No	No	No	X	No	X	5
Rabbideau	Phone	No	No	No	X	No	No	No	No	Phone	X	No	4
Schroeder	X	X	X	X	X	No	X	X	X	X	X	X	11
Snider	X	No	No	X	X	No	X	No	X	X	X	Phone	8
Turman	Phone	No	No	No	Phone	No	X	No	No	No	X		4
Utley	No	No	No	X	X	No	No	No	No	No	No	X	3
Wallace	X	No	No	No	No	No	No	No	No	No	No	X	2
Ex-Officio													
Millush	X	No	X	X	X	X	X	No	X	No	X	No	8
Myers	X	X	X	X	X	X	X	No	X	X	X	X	11

Foundation Staff:

Ms. Bobie Clement, Ms. Delilah Moore, Ms. Avni Thomas, and Ms. Paige Vanzo

Guests:

Mr. Bill Ball, Chair-Elect

Welcome and  
Call to Order

Mr. Schroeder, acting as Chairman due to Mr. Gompers' recovery, called the meeting to order at 11:34a.m. and opened with a prayer.

1. Chairman's Report

Approval of the October 10, 2017 Regular Board of Directors Meeting minutes.

**A MOTION WAS MADE BY Mr. Bob Peterson AND SECONDED BY Mr. John Denler to APPROVE the meeting minutes from the October 10, 2017 Regular Board of Directors Meeting PASSED UNANIMOUSLY.**

#### **Year End Appeal**

Budgeted Fundraising Goal: \$30,000

Changes to the Year End letter included more personalization including first name, Board affiliations, first gift date, last gift date, customized ask amount and handwritten notes to select donors. No matching funds are available. Mailed 2,800 letters to the following segments: board members, first-time donors, IP Breakfast attendees, donors in 2016 & 2017, prospective donors, memorial donors, employees and donors whose last gift was in 2015. Board members were encouraged to send additional year end letters to family and friends.

#### **2018 PVMF BOD Meeting Schedule**

- 2/6 – Home Office, Southfield
- 6/12 – Lakeshore Senior Living, St. Clair Shores
- 10/9 – The Park at Trowbridge, Southfield
- 12/4 – Home Office, Southfield

**2017 PVMF Board Giving & System-wide Giving**

PVMF Board giving is 85% as of 12/5/17. Overall, system-wide giving is 66%. Two Villages have 100% giving: East Harbor & Thome Rivertown Neighborhood. Hampton Meadows giving is at 0%. A pledge form was distributed and board members were encouraged to make a donation. Bill Ball suggested that a month or time frame be instituted to encourage board giving. A \$5,000 minimum giving floor was suggested for board giving.

**2. Secretary report****2018 Slate of Officers (Action)**

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, 2018**

David F. Lau  
 Richard E. Rabbideau  
 Robert R. Schroeder  
 Donna Snider  
 Denise Turman  
 John Utley

**Class of December 31, 2019**

Robert V. Peterson  
 James S. Gompers  
 Mark Wallace

**Class of December 31, 2020**

Jerome Morgan  
 Donald Lindow  
 Linda Bomberski  
 Henry Johnson  
 Elmer Dixon  
 Thomas E. Kimble  
 John Denler

**Ex-Officio:** Roger L. Myers  
 William Ball

**A MOTION WAS MADE BY** Mr. Don Lindow **and** **SECONDED BY** Mr. David Lau **to APPROVE** the 2018 Slate of Officers.

**PASSED UNANIMOUSLY.**

**Suggestions of Prospective Board Members**

No suggestions for Prospective Board Members provided.

**3. Gala****Final Fundraising numbers:**

\$285,070 raised; the stretch goal was \$300K. Total expenses to-date for the gala were \$91,400. Net funds to the Foundation are \$193,670.

**Feedback on the Strolling Dinner:**

Consider another date for the gala; the later date had many conflicts. The venue was nice. Many enjoyed the strolling dinner; the food was good. The event was fresh and energizing, but difficult to capture the audience's attention or engage them in what was occurring onstage. Acoustics and visuals can be improved. Minute for Mission amount raised was down, but that was anticipated. The Friends & Family incentive for Board members saw the largest gathering ever of Board members and staff at a gala. Raffle ticket sellers need to stand out more to make it easier for attendees to locate them, perhaps uniforms. Valet parking experienced many delays. The board signed thank you cards for Gala co-chairs Bob & Sally Bessert and Elmer Dixon.

**Volunteer & Sponsor Appreciation Dinner:**

Possible dates for the Volunteer & Sponsor Appreciation Dinner are being considered for the week of February 12-16, 2018. A date will be established after the Gala Steering Committee Meeting on December 8<sup>th</sup> at the Home Office.

**4. Donor Stewardship**

**Handwritten thank you notes by PVMF Board members:**

Board members prepared individual thank you notes to pre-selected first-time donors who gave in 2017.

**5. PVMF Strategic Plan Draft: Generative Discussion**

**Generative Discussion: PVMF Strategic Plan**

**PVMF Strategic Planning Task Force Update:**

The PVMF Strategic Plan Initiatives will be on every PVMF Board Meeting Agenda. The plan will move forward and necessary modifications will be made.

**Feedback from PVM Corporate BOD, Strategic Planning Committee, and Governance Committee:**

The feedback from the PVM Corporate Board, Strategic Planning Committee and Governance Committee was positive with regard to raising more money. Two issues continued to be discussed: board giving and continuing to do grants while recognizing the need to diversify the 90% grant funding with individuals.

General areas of concerns with regard to Initiative 3.1 on Board giving:

- Board expectations and the ability to retain current board member, particularly at Village, Foundation and Corporate levels
- Giving amounts – PVM Board members support board giving, but there were varying views on how much board members should give.
- Standardizing communications and reinforcing a clear message of board giving
- Impact to operations at the Village level

In all, feedback was constructive and all committees now understand the big goals; some members didn't realize or understand the key role philanthropy plays. For example, some members thought buying a gala ticket supported board giving.

**Further Discussion on Strategic Plan:**

Next step is to develop a task force for each strategic direction in the acronym "SIDE" to carry out the PVMF Strategic Plan goals, with a blend of Foundation, Corporate and Village Board members as well as staff. Some members circled the strategic direction they desired to join and passed them to Tom Kimble. Further discussion will be forthcoming regarding each task force.

Continued better communication of the PVMF Strategic Plan initiatives was reiterated.

**6. President's Report**

**PVMF Executive Summary**

The Executive Summary was highlighted. An inquiry was made regarding the future submission of grants. Avni Thomas is working on a \$500,000 grant request to Michigan Health Endowment Fund for a healthy eating program in partnership with Gleaners Community Food Bank.

**Donor Spotlight (Avni Thomas): St. John's Episcopal Church & The Village Club**

St. John's: Contributed to the Friendship Center of Harbor Springs and will now give annually to Hillside each fall. The main contact at St. John's is Margie Fitzsimmons.

The Village Club: Made a gift in 2013 and we had little contact with them. In 2017, after meeting with them, they supported Village Victory Cup and suggested PVMF apply every year. Linda Bomberski is a member.

**2017 Fundraising Numbers:**

The 2017 Fundraising goal is \$2.7K; currently \$50,000-\$60,000 short, but confident goals will be met.

**Approval of 2018 PVMF Budget (ACTION)**

**A MOTION WAS MADE BY Mr. Donald Lindow AND SECONDED BY Mr. David Lau to APPROVE**

the 2018 PVMF Budget.

**PASSED UNANIMOUSLY.**

**2018 Winter Governance Summit (Who can attend?):**

The Winter Governance will be held on February 23, 2018 (8:30 a.m. – 3:00 p.m.) at the First Presbyterian Church in Dearborn, 600 N Brady Rd, Dearborn, MI 48124. The summit will be centered on PVM overall performance, occupancy, and philanthropy.

**Updates on new PVM Projects (Roger Myers):**

- Lakeshore Senior Living grand opening is January 18, 2018
- East Harbor renovations are underway
- PACE Southeast MI will open a Dearborn location in February 2018
- PACE Central MI, in collaboration with Masonic Pathways, will open in Fall 2018
- PVM and Develop Detroit are in collaborations to acquire University Meadows for senior housing, with a new development in Phase 2.
- Ford Foundation – potential bus tour with funders

**7. Treasurer's Report**

**Treasurer's report (Brian Carnaghi)**

Reviewed items in the treasurer's report and the financial history of action taken on various projects funded by the Foundation; not leaving much in projects due to recovering them. Investment performance is balanced; noted PVM is taking realized gains in December to improve debt-service coverage ratio and leverage them for future borrowing.

**8. Correspondence/ Announcements**

Several positive closing comments were made:

- PVM is blessed with great residents, facilities, staff and Board members.
- Norma & Charlie Peltz were able to move into Cedarbrook with PVM's help.
- Thanks to Tom Kimble, he was able to help a senior move into Oakland Woods after her house burned down in April and he made a call to Paul Miller.

**9. Executive Session**

N/A

Adjourn

The meeting was adjourned at 2:08 p.m.

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Delilah Moore  
Recording Secretary

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Donald Lindow  
Secretary

**NEXT MEETING:** PVMF Board Meeting; February 6, 2018 (Tuesday), PVM Home Office, Southfield, MI

# Report of Investments

*(Mr. Kurrie)*

Tab 2



**Presbyterian Villages of Michigan**

**Foundation**

**Investment Performance Report**

**December 31, 2017**

***Aileron Ltd.***

**January, 2018**

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
INVESTMENT PERFORMANCE REPORT**

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# **PRESBYTERIAN VILLAGES OF MICHIGAN**

## **INVESTMENT PERFORMANCE SUMMARY**

**December 2017**

*Year in review* – US equities posted exceptional gains in 2017 and, for the first time since 2012, international equities performed even better. The primary catalysts were a synchronized pickup in growth around the world, modest inflation which kept interest rates low, solid corporate earnings, a declining US dollar, and a broad based rally in the technology sector. Reduced regulations and tax overhaul expectations for lower taxes also helped fuel the rally. The US economy should grow at 2.3% in 2017 (consensus estimate). The Eurozone and Japan appear to have grown at their best rates since 2007 and 2013, respectively. (source: JPM) Oil prices stabilized and then began to climb in 2017 up approximately 12% (as measured by WTI). Due largely to major exporters production cuts, increased demand from solid global economic growth, as well as rising geo-political tensions in the Middle East and worsening prospects in Venezuela.

Equity valuations reflected the rally. At year end, the S&P 500 was trading at roughly 23 times their past 12 months earnings which were ahead of their 10 year average of approximately 17 times earnings. (source: FactSet). For context, the technology sector weight of the S&P 500 ended the year at 24% which was still below the dot-com bubble weight of 35% in 2000. While many assets increased in value in 2017, yields on intermediate and longer term bonds remained low and essentially flat for the year. Low bond yields have generally been good for investors by keeping borrowing costs low and bolstering stocks in terms of larger discounted cash flows and dividend yields. The shorter maturities saw an increase in yields in 2017. For context, the 2 year US Treasury is above 2% for the first time since 2008. This was reflective of the Federal Reserve's well-communicated, three policy rate increases throughout the year given the improving US economy and labor markets. The expectations are for another three rate hikes in 2018 and the Fed could increase the pace and/or magnitude if labor markets further tighten and/or if wages and price inflation picks up.

There was a lot of optimism in 2017 and we should not assume that what's past is prologue. Focusing on long term objectives, high quality securities,

**maintaining asset allocation targets, and continuous risk profile review allow investors the opportunity to remain disciplined and not chase investment returns.**

## **Client Performance**

**The year 2017 will be remembered for an equity bull market in full force and synchronized global growth. Equity markets rose throughout the year with major indices setting several new all-time closing highs. For the first time, the S&P 500 Index had a positive return for each calendar month. Growth stocks outperformed Value stocks by a wide margin across the market cap range. With returns over 34%, the Technology sector was the best performing sector of the market. A small group of large cap stocks known as FAANG (Facebook, Amazon, Apple, Netflix, and Google) were the main drivers of the Technology sector's performance. These five stocks averaged over 47% return for the year whereas defensive sectors that paid higher dividends had positive, but lower returns. William Blair (ACG) and Eagle finished the year up 25.3% and 22.9% respectively, which outpaced the S&P 500 Index return of 21.8%. International equity indices also posted double digit returns for 2017. William Blair (ADR) finished the year up 24.2% trailing the EAFE Index return of 25.0%. Convertibles participated in the US mid cap equity rally returning 7.8% but trailed the benchmark due to a rally in low quality securities. For fixed income, short term interest rates rose, and intermediate and long rates essentially remained the same. This resulted in a coupon-like rate of return for the year. Due to the intermediate return profile, Wedge was up 2.43% and exceeded the benchmark for the year. Total account return was up 14.4% for the year outpacing the blended benchmark of 13.2%.**

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**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
DECEMBER 31, 2017**

**Foundation Market Value** **\$12,592,348**  
**Increase/Decrease from November Report** \* **-\$746,151**  
 \* Includes \$1,000,000 w/d from Mmax

**ASSET ALLOCATION**

	<u><b>Guidelines</b></u>	<u><b>Actual</b></u>	<u><b>Delta</b></u>
<b>Large Cap Equity</b>	<b>45%</b>	<b>43.3%</b>	<b>-1.7%</b>
<b>Convertibles</b>	<b>10%</b>	<b>10.2%</b>	<b>0.2%</b>
<b>Int'l Large Cap Equity</b>	<u><b>10%</b></u>	<u><b>11.2%</b></u>	<u><b>1.2%</b></u>
<b>Total Equity</b>	<b>65%</b>	<b>64.7%</b>	<b>-0.3%</b>
<b>US Fixed Income</b>	<b>35%</b>	<b>35.3%</b>	<b>0.3%</b>

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

**2017 INVESTMENT PERFORMANCE - FEE ADJUSTMENT**

	<b>Net of Fees</b>	<b>Benchmark</b>	
	<b>Return</b>	<b>Return</b>	<b>Delta</b>
<b>PVMF</b>	<b>13.95%</b>	<b>13.28%</b>	<b>0.67%</b>
<b>Wm. Blair All Cap</b>	<b>24.93%</b>	<b>21.83%</b>	<b>3.10%</b>
<b>Eagle Lg Cap</b>	<b>21.80%</b>	<b>21.83%</b>	<b>-0.03%</b>
<b>Macquarie Conv. *</b>	<b>7.66%</b>	<b>11.21%</b>	<b>-3.55%</b>
<b>Wm. Blair Int'l Eq</b>	<b>23.58%</b>	<b>25.03%</b>	<b>-1.45%</b>
<b>Wedge Fixed Income</b>	<b>2.24%</b>	<b>2.15%</b>	<b>0.09%</b>

**INVESTMENT PERFORMANCE - INCEPTION TO DATE ANNUALIZED FEE ADJUSTMENT  
07/01/1996 - 12/31/2017**

	<b>Net of Fees</b>	<b>Benchmark</b>	
	<b>Return</b>	<b>Return</b>	<b>Delta</b>
<b>PVMF</b>	<b>8.30%</b>	<b>7.08%</b>	<b>1.22%</b>
<b>Wm. Blair All Cap (1)</b>	<b>9.87%</b>	<b>8.67%</b>	<b>1.20%</b>
<b>Eagle Lg Cap (2)</b>	<b>11.74%</b>	<b>8.83%</b>	<b>2.91%</b>
<b>Macquarie Conv. * (3)</b>	<b>7.33%</b>	<b>3.47%</b>	<b>3.86%</b>
<b>Wm. Blair Int'l Eq (4)</b>	<b>5.01%</b>	<b>4.22%</b>	<b>0.79%</b>
<b>Wedge Fixed Income (5)</b>	<b>1.64%</b>	<b>1.65%</b>	<b>-0.01%</b>

**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

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

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

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

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

\* Delaware rebranded as Macquarie Investments as of 3/31/17

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
ASSET AND MANAGER ALLOCATION AS OF  
DECEMBER 31, 2017**

	<u>Cost Value</u>	<u>Market Value</u>	<u>% Allocation</u>	<u>Target</u>
<b>Manager Allocation</b>				
<b>Equities</b>				
<b>Domestic Large Cap</b>				
William Blair	2,331,194	2,777,818	22.1%	
Eagle	<u>1,649,932</u>	<u>2,671,787</u>	<u>21.2%</u>	
	\$3,981,126	\$5,449,605	43.3%	45.0%
<b>Convertibles</b>				
Macquarie *	1,211,295	1,279,016	10.2%	10.0%
<b>International Equity</b>				
William Blair	<u>1,141,737</u>	<u>1,405,424</u>	<u>11.2%</u>	<u>10.0%</u>
<b>Total Equities</b>	6,334,158	8,134,045	64.7%	65.0%
<b>Fixed Income</b>				
<b>Domestic Intermediate</b>				
Wedge	<u>4,433,641</u>	<u>4,444,115</u>	<u>35.3%</u>	<u>35.0%</u>
<b>Total Fixed</b>	4,433,641	4,444,115	35.3%	35.0%
<b>Cash</b>				
Cash Equivalents	<u>0</u>	<u>0</u>	<u>0.0%</u>	<u>0.0</u>
<b>Total Fund</b>	<u>\$10,767,799</u>	<u>\$12,578,160</u>	<u>100.0%</u>	<u>100.0%</u>
<b>Sub Fund</b>				
Huntington MMAX Money Market	<u>14,188</u>	<u>14,188</u>		
<b>Total Fund</b>	<u>\$10,781,987</u>	<u>\$12,592,348</u>		
<b>Total By Manager</b>				
William Blair	2,331,194	2,777,818	22.1%	
Eagle	1,649,932	2,671,787	21.2%	
Macquarie *	1,211,295	1,279,016	10.2%	
William Blair - International	1,141,737	1,405,424	11.2%	
Wedge	4,433,641	4,444,115	35.3%	
Cash Equivalents	0	0	0.0%	
Huntington MMAX Money Market	<u>14,188</u>	<u>14,188</u>	<u>0.1%</u>	
<b>Total</b>	<u>\$10,781,987</u>	<u>\$12,592,348</u>	<u>100.0%</u>	

\* Delaware Investments rebranded as Macquarie Investments as of 3/31/17

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
FUND MEASUREMENTS  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2017**

		INDEX	MONTH OF DECEMBER	CALENDAR YTD TOTAL
<b>EQUITY MEASUREMENT</b>				
S&P 500	Current Month	1.11%	0.45%	
S&P 500	Calendar YTD	21.83%		25.02%
Merrill Lynch U.S. Value Conv.	Current Month	-0.11%	-0.16%	
Merrill Lynch U.S. Value Conv.	Calendar YTD	11.21%		8.17%
EAFE	Current Month	1.61%	2.85%	
EAFE	Calendar YTD	25.03%		25.12%
<b>TOTAL EQUITY</b>			0.76%	21.58%
<b>FIXED INCOME MEASUREMENT</b>				
Bloomberg Barclays Intermediate Govt./Cr.	Current Month	0.11%	0.10%	
Bloomberg Barclays Intermediate Govt./Cr.	Calendar YTD	2.15%		2.44%
<b>TOTAL FIXED</b>			0.10%	2.44%
<b>SHORT TERM INDEX MEASUREMENT</b>				
91-Day Treasury Bills	Current Month	0.10%	0.09%	
91-Day Treasury Bills	Calendar YTD	0.81%		0.80%
<b>TOTAL RETURN</b>			0.52%	14.40%
<b>FEE ADJUSTED TOTAL RETURN</b>			0.46%	13.95%
<b>INDEX BENCHMARK RETURN</b>			0.68%	13.28%
<b>INDEX BENCHMARK NET OF IMPLIED INDEX FEES</b>			0.65%	12.93%

**AVERAGE ASSET ALLOCATION**

**CALENDAR**

EQUITY	62.69%
FIXED INCOME	34.79%
TEMPORARY INVESTMENTS	<u>2.52%</u>
	100.00%

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
FOR THE PERIOD ENDED DECEMBER 31, 2017**

	<u>ACTUAL RATE OF RETURN</u>				<u>ANNUALIZED RATE OF RETURN</u>			
	<u>1 MONTH</u>	<u>CURRENT QUARTER</u>	<u>CALENDAR YTD</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>5 YEARS</u>	<u>10 YEARS</u>
<b>TOTAL ACCOUNT RETURN</b>	0.52%	4.00%	14.40%	14.40%	10.40%	7.81%	9.30%	6.96%
<b>BLENDED BENCHMARK</b>	0.68%	3.34%	13.28%	13.28%	9.84%	6.29%	8.23%	5.53%
<b>CONSUMER PRICE INDEX (CORE)</b>	0.30%	0.60%	1.70%	1.70%	2.00%	2.10%	1.90%	1.80%
<b>TOTAL EQUITY</b>	<b>0.74%</b>	<b>6.20%</b>	<b>20.84%</b>	<b>20.84%</b>	<b>14.78%</b>	<b>10.90%</b>	<b>13.61%</b>	<b>8.82%</b>
<u><b>LARGE CAP</b></u>								
Eagle	1.15%	8.47%	22.89%	22.89%	20.22%	14.84%	17.70%	11.78%
William Blair	-0.24%	7.30%	25.28%	25.28%	12.23%	9.95%	14.25%	8.93%
S&P 500	1.11%	6.64%	21.83%	21.83%	16.79%	11.41%	15.79%	8.49%
<u><b>CONVERTIBLES</b></u>								
Macquarie *	-0.15%	0.99%	7.81%	7.81%	9.76%	5.52%	7.89%	n/a
VVAL - US VALUE	-0.11%	2.06%	11.21%	11.21%	8.44%	1.15%	4.32%	n/a
<u><b>INTERNATIONAL</b></u>								
William Blair	2.74%	5.12%	24.18%	24.18%	12.47%	8.23%	n/a	n/a
MSCI EAFE	1.61%	4.23%	25.03%	25.03%	12.37%	7.79%	n/a	n/a
<b>TOTAL FIXED INCOME</b>	<b>0.10%</b>	<b>-0.10%</b>	<b>2.43%</b>	<b>2.43%</b>	<b>2.26%</b>	<b>2.07%</b>	<b>1.29%</b>	<b>3.50%</b>
<u><b>INTERMEDIATE</b></u>								
Wedge	0.10%	-0.10%	2.43%	2.43%	2.26%	2.07%	n/a	n/a
BLOOMBERG BARCLAYS INT. GOVT./CR.	0.11%	-0.21%	2.15%	2.15%	2.11%	1.77%	n/a	n/a

**Blended Benchmark Composition**

45% S&P 500 Index, 10% Merrill Lynch Conv. US Value Index, 10% MSCI EAFE Index, 35% Bloomberg Barclays Intermediate Govt./Credit Index

Blended benchmark consists of a monthly weighted average of asset values and return by asset class and are geometrically linked. Variances in average asset totals can differ from target weights due to market fluctuations.

n/a : Not enough data to compute a return for the given time period

Core CPI represents all items less Food and Energy

Past performance of the blended benchmark is not static and reflects changes to the asset allocation

Returns are gross of fees

Composite returns include terminated managers

\* Delaware rebranded as Macquarie Investments as of 3/31/17



**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
MANAGER INVESTMENT PERFORMANCE  
FOR THE PERIOD JANUARY 1, 2017 TO DECEMBER 31, 2017**

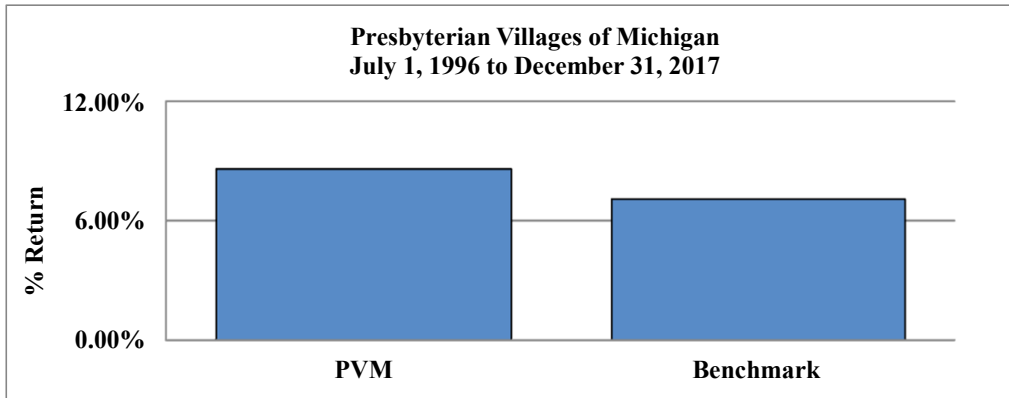
	INDEX	Wm. Blair All Cap RETURN	Eagle Large Cap RETURN	Macquarie Convertibles RETURN *	Wm. Blair Int'l Equity RETURN	Wedge Fixed Income RETURN	Foundation Total RETURN
<b>EQUITY MEASUREMENT</b>							
S&P 500	21.83%	25.85%	24.15%				25.02%
MERRILL LYNCH US VALUE CONV.	11.21%			8.17%			8.17%
EAFE	25.03%				25.12%		25.12%
<b>FIXED INCOME MEASUREMENT</b>							
BLOOMBERG BARCLAYS INTER. GOVT./CR.	2.15%					2.44%	2.44%
<b>SHORT TERM INDEX MEASUREMENT</b>							
91-DAY TREASURY BILLS	0.81%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%
<b>TOTAL RETURN</b>		25.28%	22.89%	7.81%	24.18%	2.43%	14.40%
<b>FEE ADJUSTED TOTAL RETURN</b>		24.93%	21.80%	7.66%	23.58%	2.24%	13.95%
<b>INDEX INVESTMENT PERFORMANCE RETURN</b>		21.83%	21.83%	11.21%	25.03%	2.15%	13.28%
<b>BENCHMARK NET OF IMPLIED INDEX FEES</b>							12.93%

\* Delaware rebranded as Macquarie Investments as of 3/31/17

**AVERAGE ASSET ALLOCATION**

EQUITY	98.31%	94.89%	94.88%	96.38%	0.00%	62.69%
FIXED INCOME	0.00%	0.00%	0.00%	0.00%	99.69%	34.79%
TEMPORARY INVESTMENTS	<u>1.69%</u>	<u>5.11%</u>	<u>5.12%</u>	<u>3.62%</u>	<u>0.31%</u>	<u>2.52%</u>
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
INCEPTION-TO-DATE INVESTMENT PERFORMANCE  
FOR THE PERIOD ENDED DECEMBER 31, 2017**



	<u>PVM</u>	<u>Benchmark *</u>
07/01/96-12/31/96	7.92%	8.94%
01/01/97-12/31/97	13.39%	24.99%
01/01/98-12/31/98	26.18%	20.74%
01/01/99-12/31/99	8.81%	13.66%
01/01/00-12/31/00	13.76%	-1.76%
01/01/01-12/31/01	-0.16%	-3.48%
01/01/02-12/31/02	-5.50%	-6.91%
01/01/03-12/31/03	18.58%	17.00%
01/01/04-12/31/04	7.09%	8.17%
01/01/05-12/31/05	7.68%	3.50%
01/01/06-12/31/06	9.44%	10.56%
01/01/07-12/31/07	11.36%	6.34%
01/01/08-12/31/08	-21.37%	-20.93%
01/01/09-12/31/09	24.26%	17.30%
01/01/10-12/31/10	13.01%	10.69%
01/01/11-12/31/11	1.83%	1.47%
01/01/12-12/31/12	11.74%	10.68%
01/01/13-12/31/13	18.06%	17.56%
01/01/14-12/31/14	5.43%	5.20%
01/01/15-12/31/15	2.80%	-0.48%
01/01/16-12/31/16	6.55%	6.51%
01/01/17-12/31/17	<u>14.40%</u>	<u>13.28%</u>
<b>Inception to Date</b>	<b>8.60%</b>	<b>7.08%</b>
<b>Annualized</b>		

**\* Blended Benchmark Composition**

**45% S&P 500 Index**

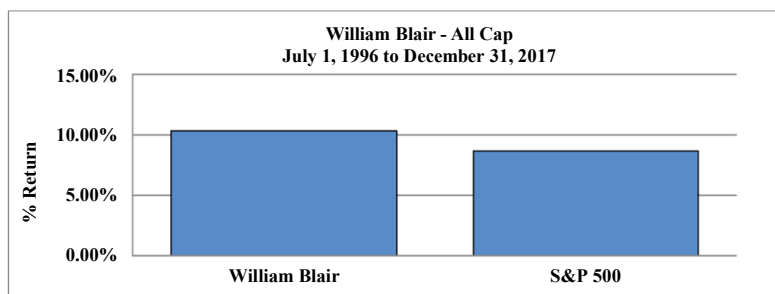
**10% Merrill Lynch U.S. Value Conv. Index**

**10% MSCI EAFE Index**

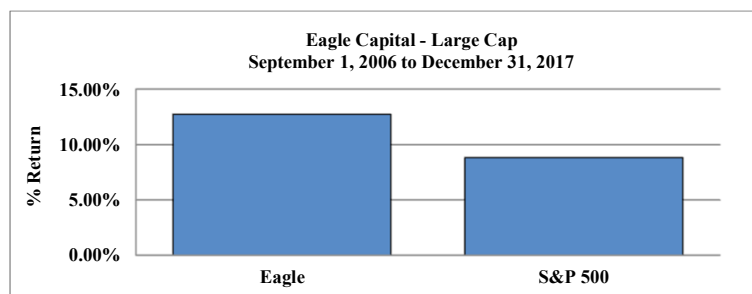
**35% Bloomberg Barclays Intermediate Govt./Credit Index**

**Blended benchmark consists of a monthly weighted average of asset values and return by asset class and are geometrically linked. Variances in average asset totals can differ from target weights due to market fluctuations.**

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
INCEPTION-TO-DATE INVESTMENT PERFORMANCE  
FOR THE PERIOD ENDED DECEMBER 31, 2017**

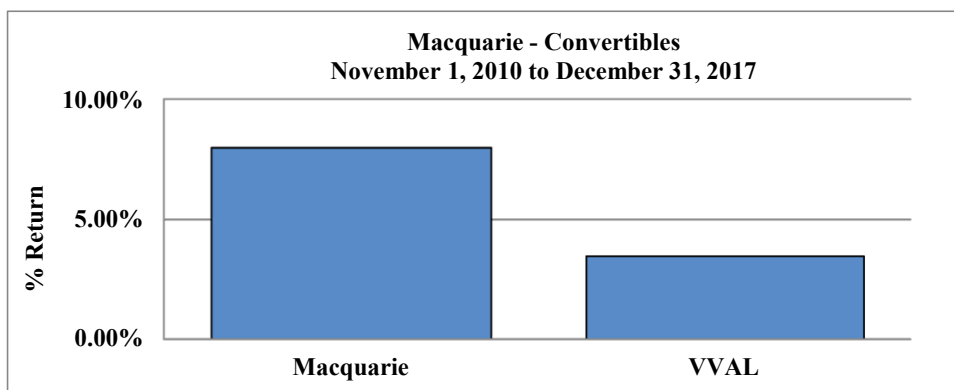


	<u>William Blair</u>	<u>S&amp;P 500</u>	<u>Russell 3000</u>
07/01/96-12/31/96	8.21%	11.64%	8.77%
01/01/97-12/31/97	15.13%	33.37%	28.74%
01/01/98-12/31/98	38.02%	28.58%	35.02%
01/01/99-12/31/99	13.56%	21.03%	33.82%
01/01/00-12/31/00	14.83%	-9.11%	-22.42%
01/01/01-12/31/01	-7.01%	-11.88%	-19.63%
01/01/02-12/31/02	-20.22%	-22.11%	-28.04%
01/01/03-12/31/03	31.76%	28.69%	30.97%
01/01/04-12/31/04	9.16%	10.87%	6.93%
01/01/05-12/31/05	11.22%	4.89%	5.17%
01/01/06-12/31/06	13.25%	15.81%	9.46%
01/01/07-12/31/07	14.76%	5.50%	11.40%
01/01/08-12/31/08	-38.56%	-36.99%	-38.44%
01/01/09-12/31/09	41.53%	26.45%	37.01%
01/01/10-12/31/10	15.81%	15.04%	17.64%
01/01/11-12/31/11	-0.60%	2.12%	2.18%
01/01/12-12/31/12	19.02%	15.99%	15.21%
01/01/13-12/31/13	38.31%	32.40%	34.23%
01/01/14-12/31/14	8.17%	13.69%	12.44%
01/01/15-12/31/15	5.99%	1.38%	0.29%
01/01/16-12/31/16	0.58%	11.96%	12.74%
01/01/17-12/31/17	<u>25.85%</u>	<u>21.83%</u>	<u>21.13%</u>
<b>Inception to Date Annualized</b>	10.33%	8.67%	7.69%



	<u>Eagle</u>	<u>S&amp;P 500</u>
09/01/06-12/31/06	9.02%	9.45%
01/01/07-12/31/07	10.88%	5.50%
01/01/08-12/31/08	-35.90%	-36.99%
01/01/09-12/31/09	36.24%	26.45%
01/01/10-12/31/10	21.82%	15.04%
01/01/11-12/31/11	6.47%	2.12%
01/01/12-12/31/12	18.60%	15.99%
01/01/13-12/31/13	36.72%	32.40%
01/01/14-12/31/14	12.74%	13.69%
01/01/15-12/31/15	5.08%	1.38%
01/01/16-12/31/16	19.17%	11.96%
01/01/17-12/31/17	<u>24.15%</u>	<u>21.83%</u>
<b>Inception to Date Annualized</b>	12.74%	8.83%

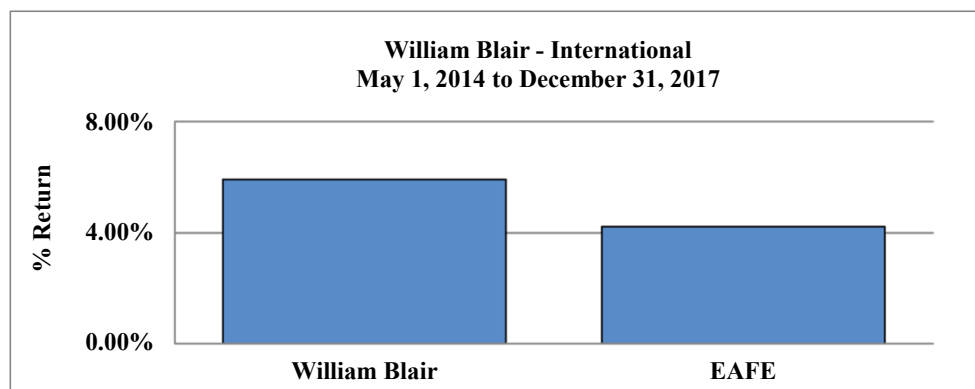
**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
INCEPTION-TO-DATE INVESTMENT PERFORMANCE  
FOR THE PERIOD ENDED DECEMBER 31, 2017**



	<u>Macquarie *</u>	<u>VVAL *</u>
11/01/10-12/31/10	5.30%	2.75%
01/01/11-12/31/11	-0.25%	-8.36%
01/01/12-12/31/12	11.70%	9.77%
01/01/13-12/31/13	16.28%	13.31%
01/01/14-12/31/14	7.63%	5.35%
01/01/15-12/31/15	-2.49%	-11.99%
01/01/16-12/31/16	11.92%	5.73%
01/01/17-12/31/17	<u>8.17%</u>	<u>11.21%</u>
<b>Inception to Date Annualized</b>	7.98%	3.47%

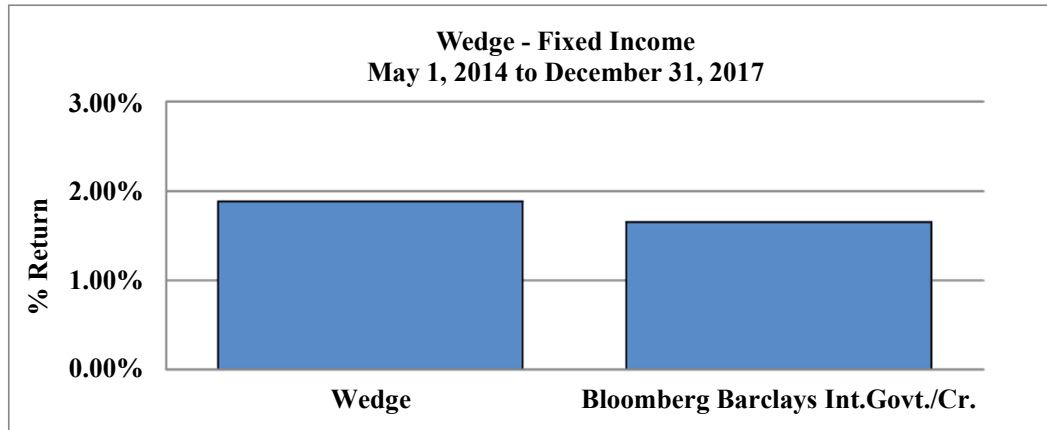
\* Delaware rebranded as Macquarie Investments as of 3/31/17

\* VVAL represents the Bank of America Merrill Lynch U.S. Value Convertible Bond Index.



	<u>William Blair</u>	<u>EAFE</u>
05/01/14-12/31/14	-3.60%	-7.08%
01/01/15-12/31/15	0.39%	-0.82%
01/01/16-12/31/16	1.96%	1.00%
01/01/17-12/31/17	<u>25.12%</u>	<u>25.03%</u>
<b>Inception to Date Annualized</b>	5.92%	4.22%

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
INCEPTION-TO-DATE INVESTMENT PERFORMANCE  
FOR THE PERIOD ENDED DECEMBER 31, 2017**



	<u>Wedge</u>	<u>Bloomberg Barclays Int.Govt./Cr.</u>
05/01/14-12/31/14	0.68%	0.77%
01/01/15-12/31/15	1.67%	1.07%
01/01/16-12/31/16	2.13%	2.08%
01/01/17-12/31/17	<u>2.44%</u>	<u>2.15%</u>
<b>Inception to Date</b>	1.89%	1.65%
<b>Annualized</b>		

## **Investment Index Definitions**

The **S&P 500 Large Cap Index** is a representative sample of 500 leading companies in leading industries of the U.S. economy. Although the S&P 500 Index focuses on the large-cap segment of the market, with approximately 75% coverage of the U.S. equities, it is also an ideal proxy for the total market.

The **S&P 400 Mid Cap Index** is representative of 400 stocks that have a market capitalization ranging from \$2 billion to \$10 billion, representing all major industries.

The **S&P 600 Small Cap Index** is representative of 600 stocks that have a market capitalization from \$300 million and \$2 billion. Since this index contains small firms, it represents only 3% of the value of the overall market.

The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on total market capitalization which represents approximately 98% of the investable U.S. equity markets

The **Russell 2000 Index** measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

The **MSCI EAFE (Europe, Australia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada. The index consists of the following 21 developed market country indexes: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. The index consists of the following 23 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The **NAREIT Equity REIT Index** contains all tax qualified REITs with more than fifty percent of total assets in qualifying real estate assets other than mortgages secured by real property that also meet minimum size and liquidity criteria.

The **Bank of America Merrill Lynch Convertible Bond Index (U.S. Value)** tracks the performance of domestic corporate convertible bonds and convertible preferred stock issues that have a market value of \$50 million or more at issuance, not currently in bankruptcy. Convertible into US dollar denominated common stock, ADR's, or cash equivalent, and have a significant company footprint in the U.S.

## **Investment Index Definitions**

The **Bloomberg Barclays Capital U.S. Aggregate Index** measures the performance of the U.S. investment grade bond market. The index invests in a wide spectrum of public, investment-grade, taxable, fixed income securities in the U.S. - including government, corporate, mortgage-backed, and asset-backed securities, all with maturities of more than five years.

The **Bloomberg Barclays Capital Intermediate Government/Credit Index** measures the performance of U.S. dollar denominated U.S. Treasuries, government related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years.

The **Bloomberg Barclays Capital Intermediate U.S. Government Index** represents of fixed income obligations issued by the U.S. Treasury, government agencies and quasi-federal corporations that have a remaining maturity of greater than three years and less than ten years.

The **Citigroup World Government Bond Index (Un-Hedged)** consists of global government bonds with maturities greater than one year. It includes fixed-rate sovereign debt issued in the domestic market of fifteen countries, excluding the U.S.

The **Citigroup World Government Bond Index (Hedged)** consists of global government bonds with maturities greater than one year. It includes fixed-rate sovereign debt issued in the domestic market of fifteen countries, excluding the U.S., hedged to the U.S. dollar.

The **91-Day Treasury Bill Index** is a short-term debt obligation backed by the U.S. government with a maturity of less than one year. T-bills are sold in denominations of \$1,000 up to a maximum purchase of \$5 million and commonly have maturities of one month, three months or six months.

## **Disclosure**

The performance data quoted represents past performance. Past performance is no guarantee of future results. Investing entails risks, including possible loss of principal. This report is provided for informational purposes only and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell, or hold a security or pursue a particular investment strategy. The information in this report reflects prevailing market conditions and our judgment as of this date, which are subject to change. This information is obtained from sources deemed reliable, but there is no representation or warranty as to its accuracy, completeness or reliability.

# **Donor Stewardship**

## ***(Mr. Schroeder)***

**Tab 3**



# **Board Generative Discussion**

***(Mr. Kimble/Mr.  
Miller)***

**Tab 4**

First Name	Last Name	Task Force Committee	Staff Lead	Staff Support	NOTES
<b>Bob*</b>	<b>Peterson</b>	<b>Strengthen Donor Loyalty</b>	<b>Paige Vanzo</b>	<b>Bobie Clement</b>	
Linda	Bomberski	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	
Lynn	Alexander	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	
Karin	Flint	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	has not confirmed
Carolyn	Hastings	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	
Andrea	Felice	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	
Dick	Rabbideau	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	
Jayne	Zellers	Strengthen Donor Loyalty	Paige Vanzo	Bobie Clement	
<b>Henry*</b>	<b>Johnson</b>	<b>Improve Campaign Planning</b>	<b>Avni Thomas</b>	<b>Paul Miller</b>	
Donna	Snider	Improve Campaign Planning	Avni Thomas	Paul Miller	
Brian	Carnaghi	Improve Campaign Planning	Avni Thomas	Paul Miller	
Elmer	Dixon	Improve Campaign Planning	Avni Thomas	Paul Miller	
Deanna	Coggins	Improve Campaign Planning	Avni Thomas	Paul Miller	
Don	Lindow	Improve Campaign Planning	Avni Thomas	Paul Miller	will join meetings only by phone
Roger	Myers	Improve Campaign Planning	Avni Thomas	Paul Miller	
Mark	Wallace	Improve Campaign Planning	Avni Thomas	Paul Miller	
<b>Tom*</b>	<b>Kimble</b>	<b>Board Giving</b>	<b>Paul Miller</b>	<b>Bobie Clement</b>	
Bill	Ball	Board Giving	Paul Miller	Bobie Clement	
Lynda	Jeffries	Board Giving	Paul Miller	Bobie Clement	
Deborah	Beard	Board Giving	Paul Miller	Bobie Clement	
George	Millush	Board Giving	Paul Miller	Bobie Clement	
Roshunda	Price	Board Giving	Paul Miller	Bobie Clement	
Deb	Denler	Board Giving	Paul Miller	Bobie Clement	
Maynard	Timm	Board Giving	Paul Miller	Bobie Clement	
Jessica	Gross	Board Giving	Paul Miller	Bobie Clement	
Kern	Tomlin	Board Giving	Paul Miller	Bobie Clement	
Connie	McCann	Board Giving	Paul Miller	Bobie Clement	after July 1st, would consider
<b>Jim*</b>	<b>Gompers</b>	<b>Leadership Level Giving</b>	<b>Paul Miller</b>	<b>Bobie Clement</b>	
John	Denler	Leadership Level Giving	Paul Miller	Bobie Clement	
Kay	Flavin	Leadership Level Giving	Paul Miller	Bobie Clement	
Jerome	Morgan	Leadership Level Giving	Paul Miller	Bobie Clement	
Roger	Myers	Leadership Level Giving	Paul Miller	Bobie Clement	
Tom	McAskin	Leadership Level Giving	Paul Miller	Bobie Clement	
Bob	Peterson	Leadership Level Giving	Paul Miller	Bobie Clement	
Gloria	Robinson	Leadership Level Giving	Paul Miller	Bobie Clement	
John	Utle	Leadership Level Giving	Paul Miller	Bobie Clement	
Mark	Wallace	Leadership Level Giving	Paul Miller	Bobie Clement	
<b>John*</b>	<b>Denler</b>	<b>Planned Giving</b>	<b>Paul Miller</b>	<b>Bobie Clement</b>	
Jim	Gompers	Planned Giving	Paul Miller	Bobie Clement	
David	Lau	Planned Giving	Paul Miller	Bobie Clement	
Susan	Hammersmith	Planned Giving	Paul Miller	Bobie Clement	
Tom	Kimble	Planned Giving	Paul Miller	Bobie Clement	
Mary Catherine	Hannah	Planned Giving	Paul Miller	Bobie Clement	
David	Miller	Planned Giving	Paul Miller	Bobie Clement	
Roger	Myers	Planned Giving	Paul Miller	Bobie Clement	
<b>Bob*</b>	<b>Schroeder</b>	<b>Engage Volunteers &amp; Staff</b>	<b>Paige Vanzo</b>	<b>Avni Thomas</b>	
Kathryn	Bartz	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	
Marla	Johnson	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	
LaDonna	Holley	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	
Dana	Phelan	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	
Katrina	Summersett	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	has not confirmed
Denise	Turman	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	
Rochelle	Upfal	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	
Michele	White	Engage Volunteers & Staff	Paige Vanzo	Avni Thomas	

**\*Task Force Chair**

Multiple task force committees

## March is Board Giving Month!

**Thank you for your service!** Board members—we hear you!

You want to know your giving options up-front and early.

**This month is for you! Use this menu to make your meaningful personal gift for 2018!**



Presbyterian  
Villages  
OF MICHIGAN  
THE FOUNDATION

**100% board  
commitment in  
March = extra \$700  
for your Village!**  
*Details on back!*

### ★ **Give to your Village(s):**

**Friends & Family** (supports activities/projects at the Village):

☐ Gift of: \$\_\_\_\_\_ designated for (Village name): \_\_\_\_\_

**Make a second gift to a Village.**

☐ Gift of: \$\_\_\_\_\_ designated for (Village name): \_\_\_\_\_

**Village Victory Cup:**

☐ Gift of: \$\_\_\_\_\_ designated for (Village name): \_\_\_\_\_

### ★ **Give to PVM:**

**Greatest needs of seniors** (supports things like resident activities, resident help funds & more!):

☐ Gift of: \$\_\_\_\_\_

**Annual Gala Event:**

☐ Purchase Gala Ticket(s): \$300      ☐ Sponsor, or help a Resident to attend (\$300 per resident)

Number of Tickets: \_\_\_\_\_ Sponsorship amount: \$\_\_\_\_\_

#### **Options:**

☐ I'd like to make monthly payments      ☐ Also use these as my selections for 2019

*Please note, as a Board member, you will continue to receive communications and letters asking for donations to remain aware of giving opportunities to share with others. You may choose to make additional gifts at those times.*

Printed Name(s): \_\_\_\_\_

Best number & time to reach you: \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

I/We agree to the giving commitment as documented above.

Please mail the completed form to: **PVM Foundation, 26200 Lahser Road, Suite 300, Southfield, MI 48033** or email to [dsmith@pvm.org](mailto:dsmith@pvm.org) or fax to 248.281.2080.

**Thank you for making Michigan the best place to age!**

**Questions?** Please contact Bobie Clement at 248.281.7252 or [bclement@pvm.org](mailto:bclement@pvm.org)

**Have you remembered PVM in your will?**  
27

## **Get an extra \$700 for your Village!**

### ***Here's how:***

- 100% of board members at your Village make a gift commitment during the month of March.
- 100% of board members at your Village complete/sign this form and return it to the PVM Foundation **BEFORE** March 31, 2018.

***Thank you!***

**As leaders in our organization, your giving  
sets up your Village and PVM for success!**

## March is Board Giving Month!



**Thank you for your service!** Board members—we hear you!

You want to know your giving options up-front and early.

**This month is for you! Use this menu to make your meaningful personal gift for 2018!**

### ★ **Give to PVM:**

**Greatest needs of seniors** (supports things like resident activities, resident help funds & more!):

☐ Gift of: \$\_\_\_\_\_ ☐ this is a pledge payment

☐ Additional Gift of: \$\_\_\_\_\_

### **Annual Gala Event:**

☐ Purchase Gala Ticket(s): \$300 ☐ Purchase your sponsorship (**details on back**)

Number of Tickets: \_\_\_\_\_ Sponsorship amount: \$\_\_\_\_\_

☐ Sponsor a resident(s) to attend the gala

Sponsorship amount: \$\_\_\_\_\_

### ★ **Give to your Village(s):**

**Friends & Family** (supports activities/projects at the Village):

☐ Gift of: \$\_\_\_\_\_ designated for (Village name): \_\_\_\_\_ ☐ this is a pledge payment

### **Make a second gift to a Village.**

☐ Gift of: \$\_\_\_\_\_ designated for (Village name): \_\_\_\_\_

### **Village Victory Cup:**

☐ Gift of: \$\_\_\_\_\_ designated for (Village name): \_\_\_\_\_

### **Options:**

☐ I'd like to make monthly payments ☐ Also use these as my selections for 2019

*Please note, as a Board member, you will continue to receive communications and letters asking for donations to remain aware of giving opportunities to share with others. You may choose to make additional gifts at those times.*

Printed Name(s): \_\_\_\_\_ Best number & time to call you: \_\_\_\_\_

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

I/We agree to the giving commitment as documented above.

Please mail the completed form to: **PVM Foundation, 26200 Lahser Road, Suite 300, Southfield, MI 48033** or email to [dsmith@pvm.org](mailto:dsmith@pvm.org) or fax to 248.281.2080.

**Thank you for making Michigan the best place to age!**

**Questions?** Please contact Bobie Clement at 248.281.7252 or [bclement@pvm.org](mailto:bclement@pvm.org)

**Have you remembered PVM in your will?**

# 15<sup>th</sup> Annual PVM Foundation Gala

## 2018 SPONSORSHIP OPPORTUNITIES

<input type="checkbox"/> <b>Presenting Sponsor</b> ◇ Premium Visibility & Logo Recognition at PVMF Gala ◇ 20 Tickets to 2018 PVMF Gala ◇ Logo Recognition as Presenting Sponsor in all Event Materials & Signage ◇ Full Page Color Program Ad (back or inside cover)	<b>\$25,000</b> ◇ Logo Recognition in PVMF Gala Video ◇ Logo Recognition on PVM Foundation Website ◇ VIP Tour/Breakfast with the PVM CEO ◇ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2019)
<input type="checkbox"/> <b>Village Partner Sponsor</b> ◇ Premium Visibility & Logo Recognition at PVMF Gala ◇ 12 Tickets to 2018 PVMF Gala ◇ Logo Recognition as a Village Partner Sponsor on Event Materials & Signage ◇ Full Page Black & White Ad	<b>\$15,500</b> ◇ Logo Recognition on PVM Foundation Website ◇ VIP Tour/Breakfast with the PVM CEO ◇ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2019)
<input type="checkbox"/> <b>Village Champion Sponsor</b> ◇ Premium Visibility & Logo Recognition at PVMF Gala ◇ 10 Tickets to 2018 PVMF Gala ◇ Logo Recognition as a Village Champion Sponsor on Event Materials & Signage	<b>\$10,500</b> ◇ ½ Page Black & White Ad ◇ Logo Recognition on PVM Foundation Website ◇ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2019)
<input type="checkbox"/> <b>Village Trendsetter Sponsor</b> ◇ Name Recognition on Event Materials & Signage ◇ 10 Tickets to 2018 PVMF Gala ◇ ¼ Page Black & White Ad in Event Program	<b>\$ 5,500</b> ◇ Logo Recognition on PVM Foundation Website ◇ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2019)
<input type="checkbox"/> <b>Gala Evening Sponsor</b> (Previously Table Sponsor) ◇ Name Recognition on Event Materials & Signage ◇ 10 Tickets to 2018 PVMF Gala	<b>\$ 4,500</b> ◇ Name Recognition on PVMF Foundation Website ◇ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2019)
<input type="checkbox"/> <b>Raffle Sponsor</b> <b>\$1,750</b> ◇ Name Recognition on Raffle Signage ◇ Name Recognition in Event Program ◇ (2) Gala Tickets	<input type="checkbox"/> <b>Coat Check Sponsor</b> <b>\$1,250</b> ◇ Logo Recognition on Coat Check Signage ◇ Logo Recognition in Event Program
<input type="checkbox"/> <b>Sponsor a Resident</b> <b>\$300</b> <i>You can help meet the goal of sending 25* residents who cannot afford to attend the party!                      Give them a great night!</i> <i>*Additional funds will serve the greatest needs of seniors*</i>	<input type="checkbox"/> <b>Individual Ticket**</b> <b>\$ 300</b>

**\*\*No tickets will be issued. Reserved names will be on guest list upon arrival.**

**Other sponsorship opportunities can be available! Let us know your thoughts!**  
**Contact Paige Vanzo 248-281-2043 • [pvanzo@pvm.org](mailto:pvanzo@pvm.org)**

**Have you remembered PVM in your will?**

## An Idea from Jerold Panas in 44 seconds

### Some Things I Have Learned in My Years of Fundraising

1. People don't want to give money away. They want to invest in bold, exciting, and inspiring ventures.
2. Individuals contribute approximately ninety percent of all philanthropy, year in and year out, through gifts and bequests. It doesn't come from foundations or corporations.
3. Averaging what a group of people will give is a guaranteed way to fail. (If 500 alumni gave us \$1,000 each . . .)
4. People don't give money because they should. They give money because you asked.
5. You should ask for a specific amount, not a range.
6. More than ever before, donors want to know the results of their investment.
7. If you have three to four passionate and committed fundraising volunteers, you are luckier than most.
8. The 80-20 Rule doesn't work now. It's closer to 90% of the money comes from 4 to 5% of the donors.
9. Donors give to exciting and audacious dreams.
10. Always keep a board member between you and a problem.
11. Donors give to change lives and save lives.
12. No organization will rise above the strength and commitment of its board.
13. Expensive brochures are often a negative. Like children- much beloved by their parents, but barely tolerated by others.
14. A Donor wants to know: Why should I give to this organization? Why this project? Why now? Why me?
15. You can't sell a vision and ask for a gift in 45 minutes. Sometimes you have to marry the girl.
16. It often takes a long period of cultivation. You don't make a pickle by sprinkling a little vinegar over it. You have to immerse it.
17. You can be certain that any left-over bagels or cookies will find their way to the development office following a board or committee meeting.

# President's Report

*(Mr. Miller)*

Tab 5





## **2018 BUDGET ASSUMPTIONS**

### **January 2018**

In developing the Foundation budget for 2018 we are making the following assumptions:

## **REVENUES**

### **DONATIONS**

- Donations are budgeted at \$2,450,000 for 2018. This includes:
  - \$ 460,000 in unrestricted donations
  - \$1,990,000 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):
  - \$1,680,000-Undetermined Miscellaneous
  - \$ 200,000-East Harbor Health & Wellness Center
  - \$ 80,000-Various Villages/Projects
  - \$ 30,000-Benevolence

### **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 3.75% for interest and dividend income; 2.95% net with investment fees
- \$199,000 Grant Administration Revenue

## **EXPENSES**

### **OPERATIONS**

- Overall Operating Expense Budget is \$21,000 higher than the 2017 Operating Budget (or 2.87%), highlights as follows:
  - Increase in Payroll and Benefits \$33,000 (5% increase in wages)
  - Decrease in Travel, Training and Mileage \$1,000
  - Increase in Postage \$4,000
  - Increase in Print and Web Publications \$26,000
  - Decrease in Special Events \$1,000
  - Decrease in Consultant \$50,000
  - Increase in Auditing Fees \$2,000 (due to additional services for new reporting requirements)
  - Increase in Connectivity \$3,000
  - Increase in DOT Support \$1,500
  - Increase in Minor System Purchases \$4,000
  - Decrease in Campaign Expenses \$7,000

## **ENDOWMENT GRANTS AND ALLOCATIONS**

- \$195,000 from 3 endowment funds for Benevolence at East & Westland
- \$ 23,000 for Weinberg Green Houses from PVM held Green House Endowment Fund
- \$ 29,000 for The Village of East Harbor Chapel from the Lonyo Chapel Endowment Fund at CFSEM
- \$ 19,000 from CFSEM for Weinberg Green Houses
- \$ 8,000 for Oakland Woods (PV North) resident activities from Westerman Endowment
- \$ 5,000 for Rosebush Benevolence
- \$ 3,000 for Kleemann Fund Resident/Employee Help Fund at Village of East Harbor

## **OTHER GRANTS AND ALLOCATIONS**

- \$300,000 from Forster Project for East Harbor New Independent Living Apts & Cottages
- \$204,000 from Pratt Project for Principal and Interest Payments for Redford OG Bonds
- \$ 9,000 for PVM for the 2018 Longevity Fund

## **RELEASES FROM TEMPORARILY RESTRICTED FUNDS**

- Funds budgeted to be released for specific projects include:
  - \$1,052,000-East Harbor Wellness Center
  - \$ 900,000-PACE CM
  - \$ 250,000-Undetermined spending from Villages
  - \$ 250,000-Bay Connect
  - \$ 199,000-Grant Administration Fees
  - \$ 57,000-Wellness Projects/Programs
  - \$ 15,000-Schroeder Leadership Fund
  - \$ 12,000-Resident Assistance 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 \$27,000 for bad-debt

	A	B	L	M	N
1	Presbyterian Villages of Michigan Foundation				
2	Budget 2018				
3			2018		
4			BUDGET	PVM Fund	Other U
5	<b>UNRESTRICTED FUNDS</b>	<b>UNRESTRICTED FUNDS</b>			
6	OPERATING REVENUES	OPERATING REVENUES			
7	4100-050-01	CONTRIBUTIONS	\$ 285,000	\$ 185,000	\$ 100,000
8	4100-050-01	CONTRIBUTIONS	\$ 175,000	\$ 175,000	\$ -
9	4400-050-01	GRANT ADMINISTRATION REVENUE	\$ 199,000	\$ 199,000	\$ -
10	4820-050-01	GAIN ON SALES OF ASSETS (realized)	\$ 300,000	\$ 225,000	\$ 75,000
11	4835-050-01	INTEREST AND DIVIDEND INCOME	\$ 200,000	\$ 150,000	\$ 50,000
12	4850-050-01	INT & DIV INCOME-RELEASED FROM TRF	\$ 100,000	\$ -	\$ 100,000
13	TOTAL OPERATING REVENUES	TOTAL OPERATING REVENUES	\$ 1,259,000	\$ 934,000	\$ 325,000
14					
15	FOUNDATION OPERATIONS	FOUNDATION OPERATIONS			
16	5015-910-01	SALARIES - DEVELOPMENT	\$ 409,346	\$ 409,346	\$ -
17	5050-910-01	FICA EXPENSE	\$ 31,315	\$ 31,315	\$ -
18	5060-910-01	GROUP LIFE INSURANCE	\$ 3,765	\$ 3,765	\$ -
19	5065-910-01	GROUP HEALTH INSURANCE	\$ 10,500	\$ 10,500	\$ -
20	5070-910-01	WORKERS COMENSATION	\$ 850	\$ 850	\$ -
21	5075-910-01	GROUP PENSION	\$ 6,140	\$ 6,140	\$ -
22	5085-910-01	TRAVEL, TRAINING AND MILEAGE	\$ 26,050	\$ 26,050	\$ -
23	5100-910-01	OFFICE SUPPLIES	\$ 3,500	\$ 3,500	\$ -
24	5110-910-01	POSTAGE	\$ 11,705	\$ 11,705	\$ -
25	5120-910-01	PRINT AND WEB PUBLICATIONS	\$ 79,750	\$ 79,750	\$ -
26	5165-910-01	SPECIAL EVENTS	\$ 9,000	\$ 9,000	\$ -
27	5200-910-01	PURCHASED SERVICES	\$ 500	\$ 500	\$ -
28	5202-910-01	CONSULTANT	\$ 28,000	\$ 28,000	\$ -
29	5255-910-01	LEGAL FEES	\$ -	\$ -	\$ -
30	5260-910-01	AUDITING FEES	\$ 16,580	\$ 16,580	\$ -
31	5265-910-01	MANAGEMENT FEE	\$ 39,398	\$ 39,398	\$ -
32	5280-910-01	DUES AND SUBSCRIPTIONS	\$ 8,900	\$ 8,900	\$ -
33	5320-910-01	CONNECTIVITY	\$ 4,404	\$ 4,404	\$ -
34	5350-910-01	DOT SYSTEM SUPPORT	\$ 9,084	\$ 9,084	\$ -
35	5353-910-01	SOFTWARE PURCHASE AND LICENSES	\$ 16,406	\$ 16,406	\$ -
36	5354-910-01	MINOR SYSTEM PURCHASES	\$ 6,264	\$ 6,264	\$ -
37	5450-910-01	OFFICE RENT	\$ 21,410	\$ 21,410	\$ -
38	5474-910-01	CAMPAIGN EXPENSE	\$ 10,000	\$ 10,000	\$ -
39	5475-910-01	MISC EXPENSE	\$ 1,000	\$ 1,000	\$ -
40	5590-910-01	PROPERTY TAXES	\$ 750	\$ 750	\$ -
41	5902-920-01	GRANTS-SPECIAL EVENTS	\$ 100,000	\$ -	\$ 100,000
42	TOTAL OPERATING EXPENSES	TOTAL OPERATING EXPENSES	\$ 854,616	\$ 754,616	\$ 100,000
43					
44	OTHER EXPENSES	OTHER EXPENSES			
45	5680-910-01	DEPRECIATION COMPUTER SOFTWARE EXPENSE	\$ -	\$ -	\$ -
46	5681-910-01	AMORTIZATION EXPENSE	\$ 3,288	\$ 3,288	\$ -
47	5700-910-01	BAD DEBT EXPENSE	\$ 7,000	\$ 7,000	\$ -
48	5700-910-04	BAD DEBT EXPENSE	\$ -	\$ -	\$ -

	A	B	L	M	N
1	Presbyterian Villages of Michigan Foundation				
2	Budget 2018				
3			2018		
4			BUDGET	PVM Fund	Other U
49	5904-920-01	GRANTS-OTHER PROGRAM EXPENSES	\$ -	\$ -	\$ -
50	6001-910-01	GRANT TO REDFORD	\$ 203,976	\$ -	\$ 203,976
51	6002-910-01	GRANT TO EAST HARBOR	\$ 3,314	\$ -	\$ 3,314
52	6002-910-01	GRANT TO EAST HARBOR	\$ 28,947	\$ -	\$ 28,947
53	6002-910-01	GRANT TO EAST HARBOR	\$ 165,883	\$ -	\$ 165,883
54	6002-910-01	GRANTS-Forster Estate	\$ 300,000	\$ -	\$ 300,000
55	6003-910-01	GRANT TO WESTLAND	\$ 29,273	\$ -	\$ 29,273
56	6010-910-01	GRANT TO PVM	\$ 9,375	\$ 9,375	\$ -
57	6020-910-01	GRANT TO PV NORTH	\$ 7,695	\$ -	\$ 7,695
58	6901-910-01	GRANT TO ROSEBUSH	\$ 5,481	\$ -	\$ 5,481
59	6010-910-01	GRANT FOR GREEN HOUSES	\$ 23,075	\$ -	\$ 23,075
60	6990-910-01	MATCHING PROGRAMS	\$ -	\$ -	\$ -
61			\$ 787,307	\$ 19,663	\$ 767,644
62					
63	TOTAL OPER & OTHER EXP	TOTAL OPER & OTHER EXP	\$ 1,641,923	\$ 774,279	\$ 867,644
64					
65	CHANGE IN UNRESTRICTED FUNDS	CHANGE IN UNRESTRICTED FUNDS	\$ (382,923)	\$ 159,721	\$ (542,644)
66					
67	TEMPORARILY RESTRICTED FUNDS	TEMPORARILY RESTRICTED FUNDS			
68	REVENUES	REVENUES			
69	4100-050-02	CONTRIBUTIONS-Various Village Projects	\$ 80,000		
70	4100-050-02	CONTRIBUTIONS-Misc	\$ 1,680,000		
71	4100-050-02	CONTRIBUTIONS-Wellness	\$ -		
72	4100-050-02	CONTRIBUTIONS-EH Rehab & Wellness	\$ 200,000		
73	4100-050-02	CONTRIBUTIONS-Benevolence	\$ 30,000		
74	4835-050-02	INVESTMENT INCOME	\$ 40,000		
75	4855-050-02	INVESTMENT INCOME - RELEASED TO TR	\$ (100,000)		
76	TOTAL REVENUES	TOTAL REVENUES	\$ 1,930,000		
77					
78	EXPENSES	EXPENSES			
79	5700-910-02	BAD DEBT EXPENSE	\$ 20,000		
80	5824-910-02	CHANGE IN PLEDGES DISCOUNT	\$ 30,000		
81	5900-930-02	GRANTS-WELLNESS	\$ 56,500		
82	5901-920-02	GRANTS-RVT Weinberg Green Houses	\$ 18,820		
83	5901-920-02	GRANTS-RVT Weinberg Green Houses	\$ 9,000		
84	5901-920-02	GRANTS-RVT Thome/GH & Café	\$ -		
85	5901-920-02	GRANTS-EH Rehab & Wellness	\$ 1,052,000		
86	5901-920-02	GRANTS-Cameron Café (non-CON project)	\$ -		
87	5901-930-02	GRANTS-Hillside & Friendship Center	\$ -		
88	5901-930-02	GRANTS-PVM & HDF for Hartford Village	\$ -		
89	5904-920-02	GRANTS-OTHER/Schroeder Leadership	\$ 15,000		
90	5904-930-02	GRANTS-OTHER/Undetermined Village Spending	\$ 250,000		
91	5905-920-02	GRANTS-OTHER/Housing Resident Assistance	\$ 12,000		

	A	B	L	M	N
1		Presbyterian Villages of Michigan Foundation			
2		Budget 2018			
3			2018		
4			BUDGET	PVM Fund	Other U
92	5904-930-02	GRANTS-PACE CM	\$ 900,000		
93	5904-920-02	Grant for Bay Connect	\$ 250,000		
94	5910-910-02	Project -budget expenses to the project in 2018	\$ 7,000		
95	5915-910-02	GRANT ADMINISTRATION FEE	\$ 199,000		
96	TOTAL EXPENSES	TOTAL EXPENSES	\$ 2,819,320		
97					
98	CHANGE IN TEMP RESTRICTED FUNDS	CHANGE IN TEMP RESTR FUNDS	\$ (889,320)		
99					
100					
101	PERMANENTLY RESTRICTED FUNDS	PERMANENTLY RESTRICTED FUNDS			
102	REVENUES	REVENUES			
103	4100-050-03	CONTRIBUTIONS	\$ -		
104	TOTAL REVENUES	TOTAL REVENUES	\$ -		
105					
106	EXPENSES	EXPENSES			
107	5700-910-03	BAD DEBT EXPENSE	\$ 100		
108	TOTAL EXPENSES	TOTAL EXPENSES	\$ 100		
109					
110	CHANGE IN PERMANENTLY RESTRICTED FUNDS	CHANGE IN PERM RESTR FUNDS	\$ (100)		
111					
112	GAIN IN NET ASSETS	GAIN(LOSS) IN NET ASSETS	\$ (1,272,343)		
113					



## PVM FOUNDATION EXECUTIVE SUMMARY

January 25, 2018

*Overview as of December 31, 2017*

### **OVERALL FUNDRAISING UPDATE (1-1-2010 through 12-31-2017)**

Cash and Pledges:	\$24,976,569
CFSEM Gifts:	\$ 900,452
Unrealized Planned Gifts:	\$ 386,445
Federal Grants:	\$ 165,649
Earned Income*:	\$ 2,422,634
In-Kind Gifts:	\$ 358,644
<b>TOTAL RAISED:</b>	<b>\$29,210,393</b>
<b>GOAL THROUGH 2017:</b>	<b>\$27,400,000</b>
<b>AMOUNT OVER GOAL:</b>	<b>\$ 1,810,393</b>

### **2017 Progress through December 31, 2017**

Cash and Pledges:	\$ 2,554,084
CFSEM Gifts:	\$ 7,261
Unrealized Planned Gifts:	\$ 6,763
Federal Grants <i>(none budgeted for 2017)*</i> :	\$ -
Earned Income*:	\$ 181,548
<b>TOTAL RAISED:</b>	<b>\$ 2,749,656</b>
<b>GOAL THROUGH 2017:</b>	<b>\$ 2,681,000</b>
<b>AMOUNT OVER GOAL:</b>	<b>\$ 68,656</b>

*\*Thru November 2017*

### **Fundraising Update: Bay Connect/Northern Michigan**

Goal: \$400,000

Amount Raised: \$320,970

Left to Raise: \$79,030

#### **New Significant Gifts:**

- \$ 5,000 – Henry E. & Consuelo S. Wenger Foundation Inc.
- \$15,000 – Petoskey-Harbor Springs Area Community Foundation

#### **Project/Fundraising Update (*looking forward*):**

- Submitting a second grant to the Weinberg Foundation in Q2 2018.
- Submitting annual report of the activities of Bay Connect/Emmet County Transit to the Michigan Health Endowment Fund.

### **Fundraising Update: The Village of East Harbor Health & Wellness Center**

Goal: \$2.1 Million

Amount Raised: \$1,733,393

**Left to Raise: \$366,607**

**New Significant Gifts:**

- **\$100,000 – PVMF Board Member**
- **\$ 20,000 – PVMF Board Member**

**Project/Fundraising Update (*looking forward*):**

- Setting up a \$50,000 ask meeting this March with a current donor.
- Planning a resident fundraising reception for Q2 2018.
- Developing a new major gift prospect list for the final \$367K.

**PLANNED GIVING UPDATE**

**New Significant Gifts:**

- **\$99,076 – Estate of Helen R. Pelling (Unrestricted)**

**GRANT FUNDING UPDATE**

**New Grants Received: \$1,015,000**

\$ 1,000,000 Weinberg for PACE Central Michigan  
\$ 15,000 Petoskey Harbor Springs Area Community Foundation for Bay Connect

**Grants Pending: \$640,000**

\$ 500,000 Michigan Health Endowment Fund for Nutrition Program  
\$ 50,000 Midland Area Community Foundation for PACE Central Michigan  
\$ 25,000 Mt. Pleasant Community Foundation for PACE Central Michigan  
\$ 15,000 Clare County Community Foundation for PACE Central Michigan  
\$ 15,000 Gladwin County Community Foundation for PACE Central Michigan  
\$ 10,000 Bay Harbor Foundation for Emmet County Transit Connection

**Future Submissions: \$14,775,000+**

\$13,000,000 Ralph C. Wilson, Jr. Foundation  
\$ 1,000,000 Gerstacker Foundation for PACE Central Michigan (Due 4/1)  
\$ 300,000 Charles J. Strosacker Foundation for PACE Central Michigan (Due 5/1)  
\$ 300,000 Henry A. and Margaret D. Towsley Foundation for PACE Central Michigan  
\$ 160,000 Harry & Jeanette Weinberg Foundation for Bay Connect Year 2 (Q2 2018)  
\$ 15,000 Gratiot County Community Foundation for PACE Central Michigan (Due 2/1)  
\$ TBD Community Foundation for Southeast Michigan  
\$ TBD First Foundation/First Presbyterian Birmingham  
\$ TBD Orchard Lake Community Church

**OPERATIONS**

**Operating (expenses) Budget Update:**

- Through Nov. 2017, PVM Foundation departmental expenses are \$24,168 under budget, due to the timing of purchases/projects. Preliminary December financial reports are in progress.
- 2017 projected expenses are \$755,000 and includes \$28,000 in consultant fees.

**Updates:**

- Audit preparations have begun and will continue through Q1.

**SPECIAL EVENTS**

- PVMF **Gala Volunteer and Sponsor Appreciation Party** will be held Thursday, Feb. 15<sup>th</sup> at 5:30pm. Location TBD.
- The 2018 **Calvin, Sterling & Peterson Mission Makers Societies & Board Recognition Luncheon** will be May 18<sup>th</sup> at 11:30am at the Detroit Yacht Club.
- PVM's annual **Village Victory Cup** will be held Friday, June 22<sup>nd</sup> at Suburban Collection Showcase in Novi.

## **UPCOMING MAILINGS**

- PVMF ***Giving Matters*** 1<sup>st</sup> issue expected to mail in February; 4 issues total planned for 2018.
- PVM ***Outlook*** newsletter expected to mail in February.
- ***Valentine's Day*** mailing to select donors expected to mail the week of February 5<sup>th</sup>.
- ***Friends & Family Campaign*** will be held in April, with a mailing expected in late March.

## **CHURCH RELATIONS UPDATE**

- Researching churches to visit and pursue as prospective donors, including those near Villages.
- Stewarding gifts from Kirk in the Hills, Grosse Ile Presbyterian and Grosse Pointe Memorial Church.
- Submitting request to First Foundation/First Presbyterian Birmingham in early 2018.

## **GIVING PERCENTAGE/DONOR UPDATE**

**BOARD GIVING:** 78%

**MANAGEMENT GIVING:** 94%\*

**EMPLOYEE GIVING:** 22%

**DONOR BASE TO-DATE:** 1,212

**NEW DONORS TO-DATE:** 327

**RETURNING DONORS TO-DATE:** 885

**Board Giving Detail** (as of December 31, 2017)

<b>Board</b>	<b>% Giving</b>	<b># of Total Board Members</b>
<b>PVM Foundation</b>	<b>100%</b>	20
<b>PVM Corporate*</b>	<b>100%</b>	18
<b>East Harbor</b>	<b>100%</b>	14
Redford	88%	8
Westland	90%	10
Bethany Manor	50%	10
Brush Park/Woodbridge Manor	69%	13
Hampton Meadows	0%	6
Harmony Manor	88%	8
Hartford Village	67%	6
Hillside/Perry Farm	79%	14
<b>Holly Woodlands</b>	<b>100%</b>	8
Mill Creek	71%	7
Oakland Woods	56%	9
Oakman Manor	69%	13
Our Saviour's Manor	78%	9
<b>Peace Manor</b>	<b>100%</b>	6
Rosebush	79%	14
Sage Grove	67%	6
Spring Meadows	67%	6
St. Martha's	92%	13
<b>Thome Rivertown Neighborhood^</b>	<b>100%</b>	4
Warren Glenn	60%	5

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

^UMRC representatives not included, only PVM members



## GRANT ALLOCATIONS UPDATE

	2016 Grants Rolled Over	2017 Grants Awarded
<b>Bethany Manor</b>	\$ 1,860	\$ 4,435
Resident Activities	\$ -	\$ 4,035
Wellness	\$ 1,860	\$ 399
<b>Brush Park Manor PV</b>	\$ 1,592	\$ 1,550
Resident Activities	\$ 1,592	\$ 1,550
<b>East Harbor</b>	\$ 1,136,108	\$ 910,091
Facility Improvement	\$ 1,135,708	\$ 887,091
Resident Activities	\$ 400	\$ 23,000
<b>Hillside</b>	\$ 118,310	\$ -
Facility Improvement	\$ 18,310	\$ -
Transportation	\$ 100,000	\$ -
<b>Mill Creek</b>	\$ 342	\$ 1,628
Resident Activities	\$ 342	\$ 1,628
<b>Oakland Woods</b>	\$ 16,841	\$ 46,771
Facility Improvement	\$ 12,500	\$ 38,771
Resident Activities	\$ 2,141	\$ 8,000
Wellness	\$ 2,200	\$ -
<b>Our Saviour's Manor</b>	\$ 3,927	\$ 582
Facility Improvement	\$ 3,927	\$ -
Resident Activities	\$ -	\$ 582
<b>Peace Manor</b>	\$ 7,525	\$ 1,000
Facility Improvement	\$ 5,785	\$ -
Resident Activities	\$ 1,740	\$ 1,000
<b>Perry Farm Village</b>	\$ 35,272	\$ 21,485
Employee	\$ 5,000	\$ -
Facility Improvement	\$ 24,605	\$ 21,345
Resident Activities	\$ -	\$ 140
Transportation	\$ 5,667	\$ -
<b>Redford</b>	\$ 3,325	\$ 14,231
Resident Activities	\$ 3,325	\$ 3,250
Transportation	\$ -	\$ 10,981
<b>Rosebush</b>	\$ 89,048	\$ 21,925
Facility Improvement	\$ 89,048	\$ 21,878
Resident Activities	\$ -	\$ 47
<b>St. Martha's</b>	\$ 599	\$ 2,236
Resident Activities	\$ 599	\$ 2,236
<b>Warren Glenn</b>	\$ 12,724	\$ -
Resident Activities	\$ 12,724	\$ -
<b>Woodbridge</b>	\$ 4,167	\$ 4,605
Resident Activities	\$ 4,167	\$ -
Transportation	\$ -	\$ 4,605
<b>Grand Total</b>	\$ 1,431,640	\$ 1,030,538

## PVM Foundation Executive Summary

### February 2018 Meeting

#### Financial Statement Highlights

The market value of Cash and Investments at December 31, 2017 was \$12,970,000. This is a net increase of \$903,000 from December 31, 2016. The net increase was primarily due to:

- Repayment of \$262,000 from the Thome Rivertown Weinberg Green House Project Loan
- Receipt of a \$150,000 Pledge Payment for the Thome Endowment
- Increase in Pledge Receivables of (\$985,000)
- Market generated \$506,000 in unrealized gains and \$836,000 in realized gains.

The increase in PVMF Net Assets (Net Surplus) from all funds of \$1,739,000 through year to date December 31, 2017, is \$1,914,000 greater than budgeted expectations, primarily due to the unrealized and realized gains on investments and timing of releases for East Harbor Health and Wellness Center.

#### Items of Note:

##### Unrestricted Funds Variance through 12/31/17

- Contributions \$129,000 greater than budget
- Grant Admin Revenue \$18,000 under budget
- Investment Income \$66,000 greater than budget
- Printing and Publications \$13,000 under budget due to timing
- Grants-Special Events \$18,000 under budget
- Grants-East Harbor \$898,000 under budget due to timing of work incurred.
- Unrealized Gain/(Loss) on Investments \$394,000
- Realized Gain/ (Loss) on investments \$498,000 greater than budget.

##### Temporarily Restricted Funds Variance through 12/31/17

- Contributions \$139,000 less than budgeted
- Unrealized Gain/(Loss) on Investments \$112,000
- Realized Gain/(Loss) on Investments \$138,000
- Grant payments \$416,000 higher than budgeted due to timing of work and payments. PVM drew down \$800,000 in December to fund a portion of the East Harbor Health and Wellness Center.

# Presbyterian Villages of Michigan Foundation

## Balance Sheet

	12/31/2017	12/31/2016
<b>ASSETS</b>		
Cash	\$320,514	\$1,217,072
Accrued Interest Receivable	\$57,544	\$29,437
Pledges Receivable-Current	\$1,312,449	\$266,767
Investments	\$12,649,251	\$10,849,540
Beneficial Interests	\$223,139	\$222,788
Beneficial Interests-Other	\$58,520	\$51,108
Pledges Receivable-Non Current	\$1,424,501	\$1,425,488
Loan Receivable-Perry Farm	\$0	\$0
Lines of Credit Receivable	\$0	\$263,846
Capital Purchases	\$0	\$2,180
Miscellaneous Assets	\$4,800	\$4,800
Prepaid Assets	\$1,610	\$1,610
Other Receivables	\$583	\$0
Total ASSETS	\$16,052,911	\$14,334,635
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$42,216	\$24,013
Due to PVM	\$1,559	\$0
Accrued Payroll	\$32,479	\$52,159
Liability Under Split Interest Agreements	(\$11,198)	\$9,415
Due To/From Interfund	\$0	\$0
Total LIABILITIES	\$65,056	\$85,587
<b>NET ASSETS</b>		
Unrestricted Funds	\$6,794,363	\$5,847,244
Temporarily Restricted Funds	\$4,866,865	\$4,251,435
Permanently Restricted Funds	\$4,326,628	\$4,150,370
Total NET ASSETS	\$15,987,856	\$14,249,048
Total LIABILITIES AND NET ASSETS	\$16,052,911	\$14,334,635
<b>BEGINNING BALANCE WITH CURRENT YEAR ADJUSTMENTS</b>	<b>\$14,249,048</b>	<b>\$19,549,720</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>\$1,738,807</b>	<b>(\$5,300,672)</b>
<b>ENDING FUND BALANCE</b>	<b>\$15,987,856</b>	<b>\$14,249,048</b>

# Presbyterian Villages of Michigan Foundation

## Income Statement

		12/1/2017 12/31/2017 ACTUAL	12/1/2017 12/31/2017 BUDGET	Variances	1/1/2017 12/31/2017 ACTUAL	1/1/2017 12/31/2017 BUDGET	Variances	2017 ANNUAL BUDGET
UNRESTRICTED FUNDS								
UNRESTRICTED FUNDS OPERATING								
OPERATING REVENUES								
<b>A</b>	CONTRIBUTIONS	\$82,633	\$105,000	(\$22,367)	\$578,638	\$450,000	\$128,638	\$450,000
	GRANT ADMINISTRATION REVENUE	\$141,889	\$66,500	\$75,389	\$194,280	\$212,000	(\$17,720)	\$212,000
<b>B</b>	GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	\$24,503	\$0	\$24,503	(\$23,729)	\$0	(\$23,729)	\$0
<b>F</b>	INVESTMENT INCOME	\$85,799	\$18,333	\$67,465	\$368,421	\$140,000	\$228,421	\$140,000
	Total OPERATING REVENUES	\$334,824	\$189,833	\$144,990	\$1,117,610	\$802,000	\$315,610	\$802,000
OPERATING EXPENSES								
<b>G</b>	FOUNDATION OPERATIONS	\$59,741	\$62,117	\$2,376	\$710,259	\$736,803	\$26,544	\$736,803
<b>H</b>	OTHER UNRESTRICTED	(\$3,093)	\$1,525	\$4,618	(\$1,407)	\$6,100	\$7,507	\$6,100
<b>L</b>	GRANTS-SPECIAL EVENTS	\$838	\$2,000	\$1,162	\$92,489	\$110,000	\$17,511	\$110,000
<b>P</b>	GIFTS AND GRANTS	\$40,344	\$433,893	\$393,548	\$460,212	\$1,362,701	\$902,489	\$1,362,701
	Total OPERATING EXPENSES	\$97,831	\$499,535	\$401,704	\$1,261,553	\$2,215,604	\$954,051	\$2,215,604
	Total UNRESTRICTED FUNDS OPERATING	\$236,993	(\$309,701)	\$546,695	(\$143,943)	(\$1,413,604)	\$1,269,661	(\$1,413,604)
UNRESTRICTED FUNDS NON-OPERATING-REVENUES								
<b>D</b>	4805-050-01 ADJUSTMENT TO MARKET VALUE	(\$112,787)	\$0	(\$112,787)	\$394,325	\$0	\$394,325	\$0
<b>E</b>	4820-050-01 GAIN ON SALES OF ASSETS	\$159,212	\$16,667	\$142,545	\$697,594	\$200,000	\$497,594	\$200,000
	5811-910-01 CHANGE IN ACTUARIAL VALUE - PCF	(\$305)	\$0	\$305	(\$351)	\$0	\$351	\$0
	5820-910-01 CHANGE IN ACTUARIAL VALUE - PIF	(\$20,594)	\$0	\$20,594	(\$20,594)	\$0	\$20,594	\$0
	5822-910-01 CHANGE IN ACTUARIAL VALUE - PVM GIFT AN	\$2,286	\$0	(\$2,286)	\$7,127	\$0	(\$7,127)	\$0
	5851-910-01 CHANGE IN VALUE - PIF	\$9,208	\$0	(\$9,208)	\$9,208	\$0	(\$9,208)	\$0
	Total UNRESTRICTED FUNDS NON-OPERATING-REVENUES	\$55,829	\$16,667	\$39,163	\$1,096,529	\$200,000	\$896,529	\$200,000
UNRESTRICTED FUNDS NON-OPERATING-EXPENSES								
<b>I</b>	5680-910-01 DEPRECIATION COMPUTER SOFTWARE EXPEN	\$0	\$364	\$364	\$2,180	\$4,368	\$2,188	\$4,368
<b>I</b>	5681-910-01 AMORTIZATION EXPENSE	\$274	\$274	\$0	\$3,287	\$3,288	\$1	\$3,288
	Total UNRESTRICTED FUNDS NON-OPERATING-EXPENSES	\$274	\$638	\$364	\$5,466	\$7,656	\$2,190	\$7,656
	Total UNRESTRICTED FUNDS	\$292,549	(\$293,673)	\$586,221	\$947,119	(\$1,221,260)	\$2,168,379	(\$1,221,260)

# Presbyterian Villages of Michigan Foundation

## Income Statement

	12/1/2017 12/31/2017 ACTUAL	12/1/2017 12/31/2017 BUDGET	Variances	1/1/2017 12/31/2017 ACTUAL	1/1/2017 12/31/2017 BUDGET	Variances	2017 ANNUAL BUDGET
TEMPORARILY RESTRICTED FUNDS							
REVENUES							
A CONTRIBUTIONS	\$135,891	\$665,000	(\$529,109)	\$1,980,565	\$2,120,000	(\$139,435)	\$2,120,000
B GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	(\$27,622)	\$0	(\$27,622)	(\$125,218)	\$0	(\$125,218)	\$0
D UNREALIZED GAINS AND LOSSES	(\$29,963)	\$0	(\$29,963)	\$111,932	\$0	\$111,932	\$0
E REALIZED GAINS AND LOSSES	\$29,383	\$0	\$29,383	\$138,079	\$0	\$138,079	\$0
F INVESTMENT INCOME	(\$68,838)	(\$9,083)	(\$59,755)	(\$169,912)	(\$29,000)	(\$140,912)	(\$29,000)
CHANGE IN PLEDGES DISCOUNT	\$82,534	(\$7,500)	(\$90,034)	\$56,580	(\$30,000)	(\$86,580)	(\$30,000)
Total REVENUES	\$121,385	\$648,417	(\$527,032)	\$1,992,026	\$2,061,000	(\$68,974)	\$2,061,000
EXPENSES							
H OTHER	\$1,623	\$5,125	\$3,502	\$8,107	\$30,000	\$21,893	\$30,000
J GRANTS-WELLNESS	\$71	\$2,917	\$2,846	\$4,725	\$35,000	\$30,275	\$35,000
K GRANTS-EQUIPMENT	\$837,846	\$0	(\$837,846)	\$922,633	\$680,136	(\$242,497)	\$680,136
N GRANTS-OTHER PROGRAM EXPENSES	\$158,253	\$21,250	(\$137,003)	\$417,297	\$255,000	(\$162,297)	\$255,000
O GRANTS-BENEVOLENCE	\$1,655	\$1,250	(\$405)	\$21,611	\$15,000	(\$6,611)	\$15,000
P GIFTS AND GRANTS	\$100	\$0	(\$100)	\$2,223	\$0	(\$2,223)	\$0
Total EXPENSES	\$999,547	\$30,542	(\$969,006)	\$1,376,595	\$1,015,136	(\$361,459)	\$1,015,136
Total	(\$878,162)	\$617,875	(\$1,496,037)	\$615,431	\$1,045,864	(\$430,433)	\$1,045,864
Total TEMPORARILY RESTRICTED FUNDS	(\$878,162)	\$617,875	(\$1,496,037)	\$615,431	\$1,045,864	(\$430,433)	\$1,045,864
PERMANENTLY RESTRICTED FUNDS							
REVENUES							
A CONTRIBUTIONS	\$9,414	\$100	\$9,314	\$18,846	\$100	\$18,746	\$100
B GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	\$0	\$0	\$0	\$150,000	\$0	\$150,000	\$0
Total REVENUES	\$9,414	\$100	\$9,314	\$168,846	\$100	\$168,746	\$100
EXPENSES							
H OTHER	(\$11,510)	\$25	\$11,535	(\$7,412)	\$100	\$7,512	\$100

# Presbyterian Villages of Michigan Foundation

## Income Statement

	12/1/2017 12/31/2017 ACTUAL	12/1/2017 12/31/2017 BUDGET	Variances	1/1/2017 12/31/2017 ACTUAL	1/1/2017 12/31/2017 BUDGET	Variances	2017 ANNUAL BUDGET
Total EXPENSES	(\$11,510)	\$25	\$11,535	(\$7,412)	\$100	\$7,512	\$100
Total	\$20,924	\$75	\$20,849	\$176,258	\$0	\$176,258	\$0
Total PERMANENTLY RESTRICTED FUNDS	\$20,924	\$75	\$20,849	\$176,258	\$0	\$176,258	\$0
 BEGINNING FUND BALANCE	 \$16,552,545	 \$16,552,545	 \$0	 \$14,249,048	 \$14,249,048	 \$0	 \$14,249,048
NET SURPLUS/(DEFICIT)	(\$564,690)	\$324,277	(\$888,967)	\$1,738,807	(\$175,396)	\$1,914,203	(\$175,396)
ENDING FUND BALANCE	\$15,987,856	\$16,876,823	(\$888,967)	\$15,987,856	\$14,073,652	\$1,914,203	\$14,073,652

## Statement of Cash Flows

As Of 12/31/17

	<u>Actual</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
NET SURPLUS/(DEFICIT) FOR PERIOD	\$1,738,807
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 Increase in REMAINDER TRUST - PCF	(\$351)
1172-000-01 Decrease in BENEFICIAL INTEREST - CFSM	\$0
1173-000-01 Increase in BENEFICIAL INTEREST - PCF	(\$7,412)
1174-000-01 Decrease in SPLIT-INTEREST AGREEMENTS - PVM	\$0
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 Increase in A/R OTHER	(\$583)
1299-000-01 Decrease in RESERVE FOR DOUBTFUL ACCOUNT	\$0
1300-000-01 Increase in PLEDGES RECEIVABLE	(\$985,319)
1301-000-01 Increase in ALLOWANCE FOR DOUBTFUL PLEDGE	(\$3,783)
1302-000-01 Decrease in PLEDGES RECEIVABLE-LONG TERM	\$987
1303-000-01 Increase in DISCOUNT ON PLEDGES RECEIVABLE	(\$56,580)
1330-000-01 Increase in ACCRUED INTEREST RECEIVABLE	(\$28,108)
1340-000-01 Decrease in PREPAID INTEREST	\$0
1341-000-01 Decrease in PREPAID INSURANCE	\$0
1342-000-01 Decrease in PREPAID OTHER	\$0
2101-000-01 Decrease in ACCOUNTS PAYABLE	(\$8,554)
2102-000-01 Increase in DUE TO/DUE FROM PVM	\$1,559
2103-000-01 Increase in ACCOUNTS PAYABLE OTHER	\$26,558
2104-000-01 Increase in GRANTS PAYABLE	\$199
2125-000-01 Increase in DUE TO/DUE FROM UNRESTRICTED FU	\$791,690
2126-000-02 Decrease in DUE TO/DUE FROM TEMPORARILY R	(\$615,431)
2127-000-03 Decrease in DUE TO/DUE FROM PERMANENTLY R	(\$176,258)
2128-000-04 Decrease in DUE TO/DUE FROM BOARD DESIGNATE	(\$2)
2163-000-01 Decrease in CURRENT PORTION OF SPLIT INTERES	(\$2,198)
2165-000-01 Decrease in ANNUITY PAYABLE	\$0
2166-000-01 Decrease in PVMF ANNUITY PAYABLE	(\$429)
2170-000-01 Decrease in DISCOUNT FOR FUTURE INTEREST	(\$17,986)
2221-000-01 Decrease in ACCRUED PAYROLL	(\$19,829)
2222-000-01 Increase in ACCRUED PAYROLL WITHHOLDINGS	\$541
2223-000-01 Decrease in FICA EMPLOYER PORTION	(\$392)
3990-000-01 Decrease in NET ASSETS	\$0
3990-000-02 Decrease in NET ASSETS	\$0
3990-000-03 Decrease in NET ASSETS	\$0

## Statement of Cash Flows

As Of 12/31/17

		Actual
		<hr/>
3990-000-04	Decrease in NET ASSETS	\$0
		<hr/>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		\$637,128
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
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	\$263,846
1725-000-01	COMPUTER SOFTWARE	\$0
1735-000-01	A/D COMPUTER SOFTWARE	\$2,180
1940-000-01	CAPITAL PURCHASES - CURRENT YEAR	\$0
		<hr/>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		\$266,025
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>\$903,153</b>
<b>CASH AND CASH EQUIVALENTS AS OF 1/1/2017</b>		<b>\$12,066,612</b>
		<hr/>
<b>CASH AND CASH EQUIVALENTS AS OF 12/31/2017</b>		<b>\$12,969,765</b>
		<hr/>





**Elaine Walton**

Calvin Society Member  
2<sup>nd</sup> Generation Resident  
East Harbor Board Member



**Bob & Pat Healy**

East Harbor Residents  
Former East Harbor Board Member (Bob)  
Harbor Lights Choir (Bob)

# **Treasurer's Report**

***(Mr. Miller)***

**Tab 6**

**Presbyterian Villages of Michigan Foundation (PVMF)  
Treasurer's Report – One Page Executive Summary  
For February 6, 2018**

From time to time, PVMF supports PVM through boutique financing and credit enhancements for key initiatives.

Current instruments used to assist PVM are as follows:

	<b>Current 12/31/17</b>	<b>Forecasted 3/31/18</b>
<b>FA Line of Credit (LOC) for PVM, 3/2013</b>	\$0	\$0

Management may propose to the PVM Board in March 2018 the re-establishment of a line of credit for PVM operations that the PVM Foundation board may be asked to take action on in June 2018.

The 2017 financial operating performance is contained in the President's report.

A revision to the 2018 operating budget will be presented for approval by the President from that which was approved by the Board in December 2017 for the following material changes:

- The disbursement of \$900,000 to PVM and Michigan Masonic Home for their respective investments in the PACE Central Michigan joint venture, from the proceeds of the Weinberg Foundation grant accrued in 2017.
- A \$600,000 reduction in the disbursement of unrestricted Forrester Estate funds designated to East Harbor for its investment in the proposed new independent living cottages and apartments on the East Harbor campus.

Management is seeking approval to correct an error by the Treasurer in over-drawing the temporarily restricted funds for the Rivertown Green Houses.

The overall performance of the investment portfolio of 13.95% is above the benchmark performance of 13.28% for 2017. Significant changes in funds drawn and/or reinvested since the November 2017 report include the following:

- \$800,000 in temporarily restricted, capital campaign funds drawn in December 2017 to finance East Harbor's new Rehabilitation construction,
- \$300,000 in realized gains generated from portfolio in December 2017 to improve the Obligated Group's 2017 debt service coverage ratio, with gains re-invested, and,
- \$300,000 raised in January 2018 to fund the 2018 benevolence grants approved in the 2018 budget.

**Presbyterian Villages of Michigan Foundation (PVMF)  
Treasurer's Report – Detailed Report and Related Motions  
For February 6, 2018**

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

The LOC available to the PVM Corporate at October 31, 2017 is \$1 million.

***History of Actions Taken:***

The PVMF Board approved the following:

- A \$1 million line to the PVM Corporate entity for facilities advancement purposes (3/2013), including rigor and due diligence around the request, approvals, and estimates of risk to paying the advance back.
- Generative discussion on Foundation's support of LOC (2/2014).
- Approved continuation of FA LOC resolution (2/2015).
- Numerous loans have been draw and repaid since inception of the facility.

***History and Forecast of Line of Credit Activity:***

	Initial Approval and Purpose	Withdrawal	Returned	Balance Available
				\$0

***Motion – No action necessary. No attachment.***

**PVMF Line of Credit to PVM for General Operations (Amount TBD)**

Management may propose in June 2018 the re-establishment of LOC available to the PVM Corporate.

***History of LOC for Operations:***

The PVMF Board previously approved the following:

- Expanded use of FA LOC to cover operating costs of PVM and its affiliates (7/2009).
- Changed the reporting treatment of a grant to a LOC (5/2010).
- Increase LOC for operations to \$2M to cover current and projected needs of PVM (2/2011).
- Conversion of FA LOC to conversion for operations only (3/2013).
- Generative discussions on use of the LOC (6/2011, 2/2014, 4/2015).
- \$2 million in accumulated LOC advances were contributed to PVM Corporate as part of overall capital restructuring (4/2015).

***Preliminary Rationale for Re-establishing LOC for Operations***

A proposed line could assist in short term advances needed to supported operations until such time that PVM Corporate can generate more fee based

income from management agreements and Facilities Advancement developments, avoid the use of Huntington National Bank line of credit, avoid special governance sessions to approve such advances, whether possible future temporary US government shutdowns, etc.

***Motion – No action necessary. No attachment.***

### **Correction of Overdrawn Position in Weinberg Foundation Temporarily Restricted Funds**

The Treasurer had inadvertently overdrawn \$232,000 of Temporarily Restricted Funds (TRFs) for the Harry & Jeannette Weinberg Green Houses at Rivertown Neighborhood (the “Project”) on the Thome Rivertown campus. This resulted from a mix up in the Project proformas on the amount of funds thought to be remaining and available from the Thome and Weinberg Foundation grants. Subsequently, the Treasurer believed savings in the Project’s development contingencies would allow the restoration of the overdrawn funds in 2017 from the Project’s other sources. This did not turn out to be the case. As a result of material expenditures in DTEs re-design and construction of the electrical grid and a new generator to accommodate the construction of Building 82, and the material re-work of the elevator system to accommodate the rooftop garden, the contingencies were fully expended and the restoration of TRFs could not be made from the Project’s other sources. PVM is not in a position to restore these funds to the Foundation. While regular reports on TRFs provided by PVM Finance disclosed this situation to the Treasurer, stronger controls have recently been established to eliminate overdrawing Temporarily Restricted Funds, even on a temporary basis.

***Motion – Approve the Treasurer’s recommendation to transfer \$232,000 of Unrestricted Funds to Temporarily Restricted Funds (TRF) at December 31, 2017 to restore the TRFs overdrawn for the Harry and Jeanette Weinberg Green Houses at Rivertown Neighborhood. No attachments.***

### **Investment Policy, Portfolio Performance, and Activities**

The 2017 performance was up 13.95%, net of fee adjustment, compared to the benchmark of 13.28%. There was a \$1,810,000 positive spread between market value and cost on December 31, 2017, up from \$1,160,000 at December 31, 2016. The market value at December 31, 2017 and 2016 was \$12,592,000 (including \$14,000 in the HNB MMAX account) and \$10,768,000, respectively, for an increase of \$1,824,000. The increase is mostly attributed to the restoration of funds withdrawn in 2016 for the Weinberg Green Houses and

market value improvement, offset by \$800,000 of temporarily restricted capital campaign funds withdrawn in December 2017 to finance the East Harbor Healthcare project. The portfolio's equity position is at 65.3%, in line with the policy. The full December 2017 investment report was sent electronically to the PVMF Board and will be briefly reviewed by Aileron at the February meeting.

The Investment Committee is to meet on February 6, 2018. The Committee is expected to review the 2018 investment performance and JP Morgan market metrics.

***No Action Necessary. Attachment.***

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
DECEMBER 31, 2017**

**Foundation Market Value** **\$12,592,348**  
**Increase/Decrease from November Report** \* **-\$746,151**  
 \* Includes \$1,000,000 w/d from Mmax

**ASSET ALLOCATION**

	<u><b>Guidelines</b></u>	<u><b>Actual</b></u>	<u><b>Delta</b></u>
<b>Large Cap Equity</b>	<b>45%</b>	<b>43.3%</b>	<b>-1.7%</b>
<b>Convertibles</b>	<b>10%</b>	<b>10.2%</b>	<b>0.2%</b>
<b>Int'l Large Cap Equity</b>	<u><b>10%</b></u>	<u><b>11.2%</b></u>	<u><b>1.2%</b></u>
<b>Total Equity</b>	<b>65%</b>	<b>64.7%</b>	<b>-0.3%</b>
<b>US Fixed Income</b>	<b>35%</b>	<b>35.3%</b>	<b>0.3%</b>

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

**2017 INVESTMENT PERFORMANCE - FEE ADJUSTMENT**

	<b>Net of Fees</b>	<b>Benchmark</b>	
	<b>Return</b>	<b>Return</b>	<b>Delta</b>
<b>PVMF</b>	<b>13.95%</b>	<b>13.28%</b>	<b>0.67%</b>
<b>Wm. Blair All Cap</b>	<b>24.93%</b>	<b>21.83%</b>	<b>3.10%</b>
<b>Eagle Lg Cap</b>	<b>21.80%</b>	<b>21.83%</b>	<b>-0.03%</b>
<b>Macquarie Conv. *</b>	<b>7.66%</b>	<b>11.21%</b>	<b>-3.55%</b>
<b>Wm. Blair Int'l Eq</b>	<b>23.58%</b>	<b>25.03%</b>	<b>-1.45%</b>
<b>Wedge Fixed Income</b>	<b>2.24%</b>	<b>2.15%</b>	<b>0.09%</b>

**INVESTMENT PERFORMANCE - INCEPTION TO DATE ANNUALIZED FEE ADJUSTMENT  
07/01/1996 - 12/31/2017**

	<b>Net of Fees</b>	<b>Benchmark</b>	
	<b>Return</b>	<b>Return</b>	<b>Delta</b>
<b>PVMF</b>	<b>8.30%</b>	<b>7.08%</b>	<b>1.22%</b>
<b>Wm. Blair All Cap (1)</b>	<b>9.87%</b>	<b>8.67%</b>	<b>1.20%</b>
<b>Eagle Lg Cap (2)</b>	<b>11.74%</b>	<b>8.83%</b>	<b>2.91%</b>
<b>Macquarie Conv. * (3)</b>	<b>7.33%</b>	<b>3.47%</b>	<b>3.86%</b>
<b>Wm. Blair Int'l Eq (4)</b>	<b>5.01%</b>	<b>4.22%</b>	<b>0.79%</b>
<b>Wedge Fixed Income (5)</b>	<b>1.64%</b>	<b>1.65%</b>	<b>-0.01%</b>

**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

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

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

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

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

\* Delaware rebranded as Macquarie Investments as of 3/31/17

**PRESBYTERIAN VILLAGES OF MICHIGAN  
FOUNDATION  
ASSET AND MANAGER ALLOCATION AS OF  
DECEMBER 31, 2017**

	<u>Cost Value</u>	<u>Market Value</u>	<u>% Allocation</u>	<u>Target</u>
<b>Manager Allocation</b>				
<b>Equities</b>				
Domestic Large Cap				
William Blair	2,331,194	2,777,818	22.1%	
Eagle	<u>1,649,932</u>	<u>2,671,787</u>	<u>21.2%</u>	
	\$3,981,126	\$5,449,605	43.3%	45.0%
Convertibles				
Macquarie *	1,211,295	1,279,016	10.2%	10.0%
International Equity				
William Blair	<u>1,141,737</u>	<u>1,405,424</u>	<u>11.2%</u>	<u>10.0%</u>
Total Equities	6,334,158	8,134,045	64.7%	65.0%
<b>Fixed Income</b>				
Domestic Intermediate				
Wedge	<u>4,433,641</u>	<u>4,444,115</u>	<u>35.3%</u>	<u>35.0%</u>
Total Fixed	4,433,641	4,444,115	35.3%	35.0%
Cash				
Cash Equivalents	<u>0</u>	<u>0</u>	<u>0.0%</u>	<u>0.0</u>
Total Fund	<u>\$10,767,799</u>	<u>\$12,578,160</u>	<u>100.0%</u>	<u>100.0%</u>
<b>Sub Fund</b>				
Huntington MMAX Money Market	<u>14,188</u>	<u>14,188</u>		
Total Fund	<u>\$10,781,987</u>	<u>\$12,592,348</u>		
<b>Total By Manager</b>				
William Blair	2,331,194	2,777,818	22.1%	
Eagle	1,649,932	2,671,787	21.2%	
Macquarie *	1,211,295	1,279,016	10.2%	
William Blair - International	1,141,737	1,405,424	11.2%	
Wedge	4,433,641	4,444,115	35.3%	
Cash Equivalents	0	0	0.0%	
Huntington MMAX Money Market	<u>14,188</u>	<u>14,188</u>	<u>0.1%</u>	
Total	<u>\$10,781,987</u>	<u>\$12,592,348</u>	<u>100.0%</u>	

\* Delaware Investments rebranded as Macquarie Investments as of 3/31/17



# Executive Session

**Tab 7**