

To join this virtual meeting:

[/us02web.zoom.us/j/81668952334?pwd=NXdVMS91MFhwc0ZESk9ka25BU2VDUT09](https://us02web.zoom.us/j/81668952334?pwd=NXdVMS91MFhwc0ZESk9ka25BU2VDUT09)

AGENDA (VIDEO Meeting)

11:30 am 5 minutes		WELCOME AND CALL TO ORDER	
		<ul style="list-style-type: none"> Prayer 	
11:35 am 10 minutes	1.	CHAIRMAN'S REPORT (Mr. Gompers)	TAB 1
		<ul style="list-style-type: none"> Welcome Debra Romalia – new Foundation Board Member Welcome Tabatha Maxwell – new Grant Manager Approval of February 23, 2021 Minutes (ACTION) Approval May 4, 2021 Special Meeting Minutes (ACTION) Reminder to fill out 2021 Board Giving Form 	
11:45 am 5 minutes	2.	MISSION MOMENT (Mrs. Frye)	TAB 2
11:50 am 15 minutes	2a.	ECONOMIC IMPACT STUDY FOR CAMPAIGN FOR THE AGES (Mr. James Townsend)	TAB 2a
12:05 am 10 minutes	3.	PVM FOUNDATION GALA (Mr. Schroeder/Ms. Jackson)	TAB 3
		<ul style="list-style-type: none"> October 1st. - Dearborn Inn, 20301 Oakwood Blvd., Dearborn, MI Raffle Prize Board Raffle Donation 	
12:15 pm 50 minutes	4.	BOARD GENERATIVE DISCUSSION (Mr. Kress)	TAB 4
		<ul style="list-style-type: none"> Intentional Planned Giving 	
1:05 pm 15 minutes	5.	CAMPAIGN FOR THE AGES (Mr. Miller)	TAB 5
		<ul style="list-style-type: none"> Collateral Materials Lake Huron Woods Steering Committee Fundraising Update 	
1:20 pm 20 minutes	6.	TREASURER'S REPORT (Mr. Carnaghi)	TAB 6
		<ul style="list-style-type: none"> Motion – Motion to approve PVM management's recommendation for the Foundation to provide an unbudgeted grant to the East Jefferson Neighborhood (EJN) Condominium Association, of the Thome Rivertown Neighborhood, from unrestricted, accumulated earnings in the Thome Foundation permanent Endowment Fund for the purpose of paying off accumulated amounts due to PVM Corporate. (ACTION) 	
1:40 pm 15 minutes	7.	PRESIDENT'S REPORT (Mr. Miller)	TAB 7
		<ul style="list-style-type: none"> Executive Summary Board Generative Discussion: special PVMF Board Call regarding contingent guarantees For Campaign for the Ages (proposed dates July 20 or 21 at 9:30am, one hour meeting) Friends & Family Recap (Ms. Jackson) Grants Update (Ms. Thomas) PVM Update (Mr. Myers) Update on McFarlan Fire (Mr. Myers) 	
1:55 pm Adjourn	8.	EXECUTIVE SESSION – if needed (Mr. Gompers)	TAB 8
		ADJOURNMENT	TAB 9

NEXT: July (TBD) Special PVMF Board Call (Generative Discussion)
September 14 (Tuesday); PVM Foundation Board; 11:30 a.m., TBD
October 1 (Friday); PVMF Gala, Dearborn Inn, 20301 Oakwood Blvd., Dearborn, MI
December 7 (Tuesday); PVM Foundation Board; 11:30 a.m., TBD
Postponed until Spring 2022-Calvin, Sterling, Peterson Mission Maker/Board Recognition Luncheon



**WELCOME AND
CALL TO ORDER**



CHAIRMAN'S REPORT

(Mr. Gompers)

Tab 1

MINUTES OF THE TUESDAY, FEBRUARY 23, 2021 REGULAR BOARD OF DIRECTORS MEETING OF THE PRESBYTERIAN VILLAGES OF MICHIGAN FOUNDATION BOARD HELD AT THE HOME OFFICE OF PRESBYTERIAN VILLAGES OF MICHIGAN AND VIA ZOOM

DRAFT

	2/23 BOD Mtg.	5/4 Special BOD Mtg.	6/8 BOD Mtg.	July Special BOD Mtg.	9/14 BOD Mtg.	10/1 Gala	12/7 BOD Mtg.	TOTAL
Bomberski	X							
Carnaghi	X							
Denler	---							
Dixon	X							
Gompers	X							
Hubbard	X							
Johnson	X							
Kimble	X							
Lewis	X							
Lindow	X							
Machesky	X							
Miller	X							
Peterson	X							
Romalia								
Schroeder	X							
Utley	X							
Wallace	X							
Williams	X							
Ex-Officio								
Myers	X							
Price	X							

Foundation Staff:

Guests:

Welcome and Call to Order

1. Chairman's Report

Ms. Yalonda Jackson, Ms. Debbie Smith, Ms. Avni Thomas

Ms. Debra Romalia

Mr. Gompers called the meeting to order at 11:31 a.m., followed by prayer.

▪ Mission Moment (**Ms. Thomas**)

Ms. Thomas presented the Mission Moment. Warren Glenn resident Diane Sexton is very involved and created the Golden Frog award. This was the cover story in April Your Giving Matters.

- Welcome Guest - Potential New Board Member Candidate Debra Romalia Welcomed as guest today. From First Presbyterian of Birmingham. Donna Snider Recommended her.

- Approval of the December 1, 2020 Regular Board of Directors Meeting –

A MOTION WAS MADE BY Mr. Henry Johnson AND SECONDED BY Mr. Paul Hubbard TO APPROVE the meeting minutes from the December 1, 2020 Regular Board of Directors Meeting with correction to add Esther's name. **PASSED UNANIMOUSLY.**

- PVM 2020 System-wide Board Giving Report

Mr. Gompers reviewed the Board Giving for 2018 \$252,627; 2019 \$281,211; 2020 \$153,750 Report reviewed – drop in 2020 primarily due to large pledges paid off in 2019. There is a need for board members to give a meaningful gift. Should we focus on total giving instead of percentage? Boarder system wide orientation helping to identify giving. Mark Wallace suggested to give 6 months before formal ask and then try for a three year commitment.

DRAFT

2. Report on Investments

- Important Dates to Remember:
 - 2021 Friends and Family – April
 - 2021 Village Victory Cup – TBD (September)
 - 10/1/2021 – PVMF Gala, Dearborn Inn, 20301 Oakwood Blvd., Dearborn, MI

Report on Investments (Mr. Kurrie)

- The Investment Committee met before the board meeting. 2020 was a good investment year. Balanced portfolio is up 16%. Blended benchmark is up 12%. Convertible bond portfolio had a solid return. McQuarry presented today at the investment meeting. Trades like bonds, but also can be converted. Yield was around 3%. Large cap growth equities performed well.

3. President's Report

President's Report (Mr. Miller)

- 2021 Conflict of Interest Form (**Ms. Smith**)
Completion of form delayed due to transition to electronic format.
- Executive Summary
Fundraising totals reviewed. Just under \$5M raised. Doing well with grants – strong relationships but need other relationships.
\$450,000 was received from Thome Foundation for Westland in January.
- Board Giving Form (**Ms. Jackson**)
Foundation and Corporate Boards – please fill out the form and return.
- Calvin/Mission Maker/Sterling Society Donor Luncheon
Held every other year – 2020 could not happen and because of Gala moved to Fall – move back to spring of 2022.
- Staffing Update (**Mr. Hubbard/Ms. Thomas**)
New staff member – Grants Manager, Tabitha Maxwell from McFarlan Flint. Starts March 15th. Been with PVM since 2017. Thank you Paul Hubbard for assisting.
- Rick Kress – Consultant
Hired Rick Kress as a consultant to PVMF for planned giving and to increase more Calvin Society members. There is a need for more donors to leave PVMF in their estate. Mr. Kress will be here March 1st to August 1st to ramp up planned giving, but also work with villages who have capital campaign for campaign planning discussions. Will be a \$20,000 expense. Mr. Kress will join us at the June board meeting.
- Bequest Letters
Recommendation to annually send out letters to donors came from Major Gifts Committee. Letters will be sent out the second week in March.
- Approval of PVMF 2021 Budget (**Mr. Gompers**) (**ACTION**)
A MOTION WAS MADE BY Mr. Paul Hubbard AND SECONDED BY Mr. Bob Schroeder TO APPROVE budget as presented. **PASSED UNANIMOUSLY.**
- Friends and Family (**Ms. Jackson**)
April 1-30. Theme will be "Give Where you Live". Sending out appeal the end of March. Challenge grant: if village makes goal they receive a \$1,000 bonus, meet double the goal they receive \$5,000. Input from administrators and board members. 100% board giving not tied to incentives this year. Seven-year rolling average, drop the high and low, remaining five averaged plus 10%.
- PVM Update (**Mr. Myers**)
Paul & Roger had discussion with Kellogg Foundation. She asked for follow-up information. Their primary focus is in Detroit – Faye Nelson helped lead. Tom Kimble is working with Balmer Foundation. Working to broaden scope of funders.
Overall pandemic – PVM has had a great response to vaccinations with over 2,000 residents and 300 staff, some board members. Currently no residents with active COVID. Still a lot of state restrictions on villages.

MINUTES OF THE TUESDAY, FEBRUARY 23, 2021 REGULAR BOARD OF DIRECTORS MEETING OF THE PRESBYTERIAN VILLAGES OF MICHIGAN FOUNDATION BOARD HELD AT THE HOME OFFICE OF PRESBYTERIAN VILLAGES OF MICHIGAN AND VIA ZOOM

DRAFT

4. Board Generative Discussion	<p><u>Board Generative Discussion (Mr. Gompers/All)</u></p> <ul style="list-style-type: none"> ▪ Capital Campaign - Thome Rivertown Expansion <ul style="list-style-type: none"> ➢ Lake Huron Woods (Port Huron Area) ➢ Oakland Woods (Pontiac) ➢ Village of Westland ➢ McFarlan Village (Flint) ▪ Presentation on project and campaign (Mr. Miller/Mr. Myers/Mr. Carnaghi) Mr. Miller, Mr. Myers and Mr. Carnaghi presented on campaign. \$15M goal. They explained why these sites were selected: Oakland Woods, Westland, Lake Huron Woods, and McFarlan Villages. Mr. Carnaghi offered a few choice word or phrases – replication, renovations, repositioning, economic impact, fundraising, collaboration, and service (serving more people). He shared numbers. Mr. Miller – a lot of jargon – why should I care and feel good through the non-profit? 800-2600 older adults. Looking at Campaign for the Ages instead of Thome-like campuses. There will be around 180 new jobs with these four projects. Mr. Myers – two economic impact studies done (Westland, Lake Huron Woods) and next is McFarlan. SunAmerica is a limited partner at Oakland Woods – at the end of tax credit period general partner normally buy out limited partner, SunAmerica does not want to honor partnership agreement. PVM did not succeed in district court and is appealing to circuit court. We feel we can overcome this. ▪ Q & A Bob Peterson – Thome an example of critical and positive impact on seniors. PVM always pulls off challenges. John Utley – Considering the Oakland Woods situation, is PVM going ahead with planning or are we on hold? PVM intends to continue doing planning and parallel tracks pending outcome, plan b, plan c, but try to stay with plan a. Paul Hubbard – asked for summary of lawsuit - SunAmerica claims another offer was not legitimate.
5. Treasurer's Report	<p><u>Treasurer's Report (Mr. Carnaghi)</u></p> <ul style="list-style-type: none"> ▪ FA & OPS Line of Credit (ACTION) A MOTION WAS MADE BY Mr. Bob Peterson AND SECONDED BY Mr. John Utley TO APPROVE annual renewal of the Facilities Advancement line of credit. PASSED UNANIMOUSLY. A MOTION WAS MADE BY Mr. Bob Peterson AND SECONDED BY Mr. John Utley TO APPROVE the annual renewal of the Operating Line of Credit. PASSED UNANIMOUSLY. <p>Mr. Carnaghi indicated there needs to be further work with the Foundation so to not invade unrestricted funds. See Brian's board report. There will be a special board meeting May 4th at 10:00 a.m. to discuss further.</p>
6. PVMF Show & Tell	<p><u>PVMF Show & Tell (Mr. Schroeder/Ms. Jackson)</u></p> <ul style="list-style-type: none"> ▪ Reviewed changes to PVMF website.
7. Executive Session	<p><u>Executive Session (Mr. Gompers/Mr. Myers)</u></p> <ul style="list-style-type: none"> • Moved to Executive Session to review Paul Miller's Evaluation & Approval of Compensation.
8. Adjournment	<p>The meeting was adjourned at 1:55 p.m.</p>

NEXT MEETING: PVMF Board Meeting; June 8, 2021 (Tuesday), via Zoom.

Debbie Smith
Recording Secretary

Donald Lindow
Secretary

MINUTES OF THE TUESDAY, MAY 4, 2021 SPECIAL BOARD OF DIRECTORS MEETING OF THE
PRESBYTERIAN VILLAGES OF MICHIGAN FOUNDATION BOARD HELD AT THE HOME OFFICE OF
PRESBYTERIAN VILLAGES OF MICHIGAN AND VIA ZOOM

DRAFT

	2/23 BOD Mtg.	5/4 Special BOD Mtg.	6/8 BOD Mtg.	July Special BOD Mtg.	9/14 BOD Mtg.	10/1 Gala	12/7 BOD Mtg.	TOTAL
Bomberski	X	--						
Carnaghi	X	X						
Denler	---	X						
Dixon	X	--						
Gompers	X	X						
Hubbard	X	--						
Johnson	X	X						
Kimble	X	--						
Lewis	X	--						
Lindow	X	X						
Machesky	X	X						
Miller	X	X						
Peterson	X	X						
Romalia								
Schroeder	X	X						
Utley	X	X						
Wallace	X	--						
Williams	X	X						
Ex-Officio								
Myers	X							
Price	X							

Foundation Staff:

Ms. Debbie Smith, Ms. Avni Thomas

Guests:

None

Welcome and Call to
Order

Mr. Gompers called the meeting to order at 10:02 a.m., followed by prayer.

1. New Board
Member Vote

**A MOTION WAS MADE BY Mr. Bob Peterson AND SECONDED BY Mr. John Denler TO
APPROVE** Debra Romalia as a new PVM Foundation board member and recommend her for
approval to PVM board. **PASSED UNANIMOUSLY.**

2. Leveraging PVMF

Leveraging PVMF (Mr. Myers/Mr. Carnaghi/Mr. Miller)

- Discussion of how to leverage PVMF for future financing.

3. Adjournment

The meeting was adjourned at 11:30 a.m.

NEXT MEETING: PVMF Board Meeting; June 8, 2021 (Tuesday), via Zoom.

Debbie Smith
Recording Secretary

Donald Lindow
Secretary



Thank you for being a Board member! We hear you want your giving options up-front and early!

Use this menu to make your meaningful personal gift for 2021!



Give to PVM:

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

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

Annual Gala Event:

☐ Purchase Gala Ticket(s): \$300 ☐ Purchase your sponsorship

Number of Tickets: _____ Sponsorship amount: \$_____

☐ Sponsor a resident(s) or frontline employee to attend the gala

Sponsorship amount: \$_____



Give to your Village(s):

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

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

Village Victory Cup:

☐ Gift of: \$_____ designated for (Village names): _____



Monthly Subscriber – Set It and Forget!

Options: Use your credit card or checking account

☐ I'd like to make a monthly recurring gift

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): _____ Email: _____

Phone No: _____ Best time to contact: _____

Signature: _____ **Date:** _____

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

☐ I remembered you in my will

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

Thank you for making Michigan the best place to age!

Questions? Please contact Debbie Smith at 248.281.2042 or dsmith@pvm.org

2021 SPONSORSHIP OPPORTUNITIES

<input type="checkbox"/> Presenting Sponsor ♦ Premium Visibility & Logo Recognition at PVM Foundation Gala ♦ 20 Tickets to 2020 PVM Foundation Gala ♦ Logo Recognition as Presenting Sponsor in all Event Materials & Signage ♦ Full Page Color Spotlight (back or inside cover)	\$25,000 ♦ Logo Recognition in PVM Foundation Gala slide presentation ♦ Logo Recognition on PVM Foundation Website ♦ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2021)
<input type="checkbox"/> Village Partner Sponsor ♦ Premium Visibility & Logo Recognition at PVM Foundation Gala ♦ 12 Tickets to 2020 PVM Foundation Gala ♦ Logo Recognition as a Village Partner Sponsor on Event Materials & Signage	\$15,500 ♦ Logo Recognition on PVM Foundation Website ♦ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2021) ♦ Full Page Black & White Spotlight in Event Program
<input type="checkbox"/> Village Champion Sponsor ♦ Premium Visibility & Logo Recognition at PVM Foundation Gala ♦ 10 Tickets to 2020 PVM Foundation Gala ♦ Logo Recognition as a Village Champion Sponsor on Event Materials & Signage	\$10,500 ♦ ½ Page Black & White Spotlight in Event Program ♦ Logo Recognition on PVM Foundation Website ♦ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2021)
<input type="checkbox"/> Village Trendsetter Sponsor ♦ Name Recognition on Event Materials & Signage ♦ 10 Tickets to 2020 PVM Foundation Gala ♦ ¼ Page Black & White Spotlight in Event Program	\$ 5,500 ♦ Logo Recognition on PVM Foundation Website ♦ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2021)
<input type="checkbox"/> Gala Evening Sponsor ♦ Name Recognition on Event Materials & Signage ♦ 10 Tickets to 2020 PVM Foundation Gala	\$ 4,500 ♦ Name Recognition on PVMF Foundation Website ♦ Invitation to Gala Sponsor and Volunteer Appreciation Celebration (February 2021)
<input type="checkbox"/> Entertainment Sponsor ♦ Logo Recognition on Event Signage ♦ Logo Recognition in Event Program ♦ 2 Gala Tickets	\$2,500 <input type="checkbox"/> Video Sponsor ♦ Logo Recognition in Gala Video ♦ Logo Recognition in Event Program ♦ 2 Gala Tickets
<input type="checkbox"/> Raffle Sponsor ♦ Name Recognition on Raffle Signage ♦ Name Recognition in Event Program ♦ 2 Gala Tickets	\$1,750 <input type="checkbox"/> Coat Check Sponsor ♦ Name Recognition on Coat Check Signage ♦ Name Recognition in Event Program
<input type="checkbox"/> Sponsor a Resident/Frontline Staff \$300 <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"/> Individual Ticket** \$ 300

****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 Yalonda R. Jackson 248-281-2043 • yjackson@pvm.org



MISSION MOMENT

(Mr. Frye)

Tab 2



ECONOMIC IMPACT STUDY FOR CAMPAIGN FOR THE AGES

(Mr. James Townsend)

Tab 2a



PVM FOUNDATION GALA

**(Mr. Schroeder/Ms.
Jackson)**

Tab 3



BOARD GENERATIVE DISCUSSION

(Mr. Kress)

Tab 4

Calvin Society Growth: Gifts via Wills

Presbyterian Villages of Michigan Foundation
June 8, 2021

Calvin Society Growth

- **Goal:** Increase Calvin Society membership from 75 to 125
- **Legacy societies like the Calvin Society:**
 - **Are proven vehicles to promote planned giving**
 - **Uncover expectancies**
 - **Create a way to allow like-minded donors to gather and celebrate**

Calvin Society Growth

By far, the single most effective way to grow the Calvin Society is through bequest expectancies— giving via wills.

Why a Focus on Wills?

The opportunity for PVM is significant.

- 43.9% of nonprofits still **don't** focus on giving by wills
- More than 85% of all planned gifts are made through wills
- Over 80% of all planned gift **dollars** to nonprofits come through wills
- In the latest figures (2019), **Americans gave \$43.21 billion via bequests**
- In the past 10 years, giving via wills has grown from 7% of all charitable gift dollars to **10%, a trend likely to continue**

Why a Focus on Wills?

Bequests are undervalued by nonprofits.

- The **average gift via will** has grown from \$37,000 in 2015 to **\$78,360 in 2020**.
- A bequest is a **great multiplier** of a donor's generosity, up to **1,000% of what is given while living**.

Why a Focus on Wills?

Bequests stimulate current giving.

- Once a commitment is made via will, **annual giving increases more than 75%, on average, in following years.**

Why a Focus on Wills?

Vast Baby Boomer wealth is being transferred.

- Baby Boomers (born 1946-1964) hold about **80% of the USA's wealth.**
- Estimates vary, but in the next 20 years, **\$10-\$30 trillion will be transferred** from Baby Boomer estates. The most common way to make that transfer? Through a will!
- Nonprofits **have to work now** to reap that generosity.

Why a Focus on Wills?

Donors are actively updating their wills.

- The pandemic resulted in a **huge increase in people updating their wills and estate plans.** That is the opening for PVM to be included.
- With mortality top of mind, many more established wills and estate plans. Again, this is an opening for PVM.

Why a Focus on Wills?

Giving via wills is the simplest planned gift.

- It only takes a **few sentences** in a will to name PVM.
- It doesn't require **advanced knowledge**.
- Donors receive **great satisfaction** when making this commitment because **it represents their core beliefs and values**.

Generative Discussion

**Increasing Calvin Society
membership from 75 to 125.**



CAMPAIGN FOR THE AGES

(Mr. Miller)

Tab 5

POCKET FOLDER

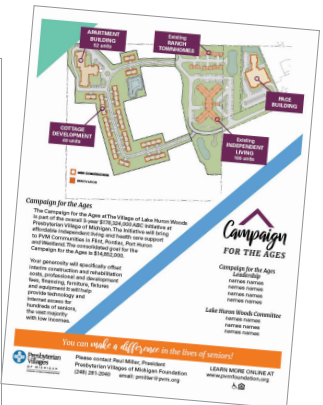
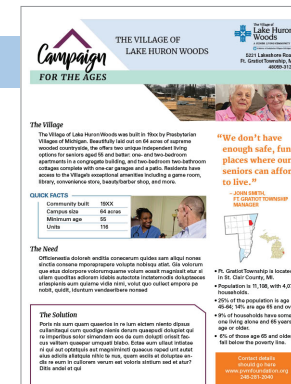
9x12 – standard,
2 pockets
1 horiz bc cut
full color, 1-side



INSERTS

8.5x11 – full color,
2-sided

- Lake Huron Woods
- Westland
- McFarlan
- Oakland Woods
- Campaign for the Ages
- ABC Solutions



PLEDGE FORM

8.5x11 – full color,
1-sided

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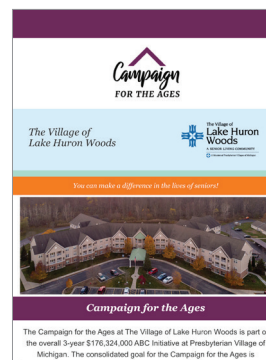
WEBSITE LANDING PAGE



CASE STATEMENT

11x17 – full color, 2-sided

OPTION A: 1 sheet (4 pages)
OPTION B: 2 sheets (8 pages)



EMAIL MASTHEAD



Campaign FOR THE AGES

THE VILLAGE OF LAKE HURON WOODS



The Village of
**Lake Huron
Woods**

A SENIOR LIVING COMMUNITY

A Mission of Presbyterian Villages of Michigan

5221 Lakeshore Road
Ft. Gratiot Township, MI
48059-3122



Delivering truly affordable health care and housing like you've never seen before!

Together, three nonprofits are expanding The Village of Lake Huron Woods for the Blue Water region, from 116 seniors served to 414.



Port Huron
HOUSING
Commission



Presbyterian
Villages
OF MICHIGAN
SERVING SENIORS & COMMUNITIES



QUICK FACTS

Seniors Served	414
Total Cost	\$40.6m
New Jobs Created	331
Fundraising Goal	\$3.8m

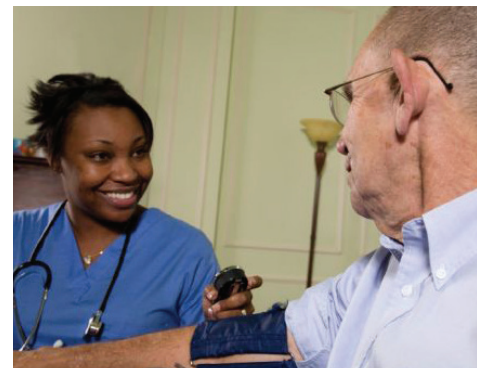
Seniors Need YOU!

Housing and healthcare are too expensive for too many seniors. We can change that together! By supporting the Campaign for the Ages, The Village of Lake Huron Woods will be truly affordable for everyone in the Blue Water region.

We all deserve a good home and care!

WE CAN SOLVE THIS

Together, we can make sure the Blue Water region has affordable independent living, assisted living, and nursing care, all on one campus. Your gift to the Campaign for the Ages Lake Huron Woods offers a senior the flexibility to stay living at home, or move to The Village of Lake Huron Woods at a price seniors can truly afford. Together, we will raise \$3.8 million to support vulnerable seniors. Thank YOU!



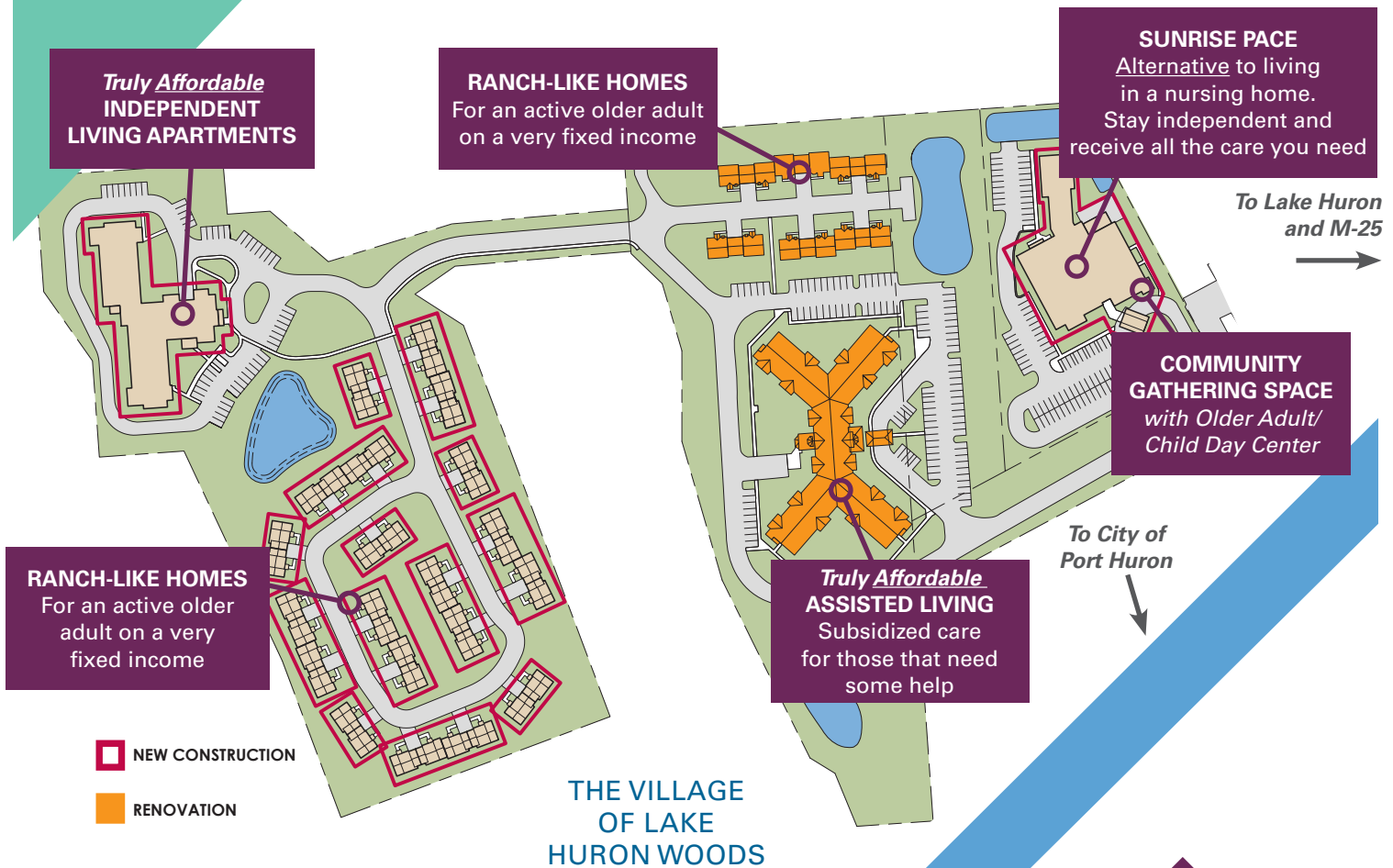
QUESTIONS? WANT TO DONATE?

Contact Paul Miller,
PVM Foundation President

www.pvmf.org/donate

248-281-2040³⁷

We all deserve a good HOME!



Campaign for the Ages

The Campaign for the Ages is a capital campaign to raise \$19.5 million to transform four senior living communities.

- FLINT: McFarlan Villages
- PONTIAC: The Village of Oakland Woods
- PORT HURON: The Village of Lake Huron Woods
- WESTLAND: The Village of Westland

PVM MISSION

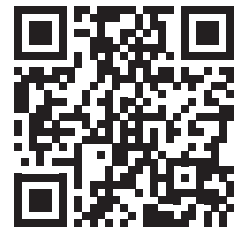
Guided by our Christian heritage, we serve seniors of all faiths and create new possibilities for quality living.

PVM VISION

To transform senior living and services and enhance the communities we serve.

Campaign FOR THE AGES

To learn more about The Campaign for the Ages, scan the code below:



pvmf.org/CampaignForTheAges

Delivering truly affordable health care and housing like you've never seen before!

Campaign FOR THE AGES

THE VILLAGE OF OAKLAND WOODS



420 South Opdyke Road
Pontiac, Michigan 48341



Delivering truly affordable health care and housing like you've never seen before!

The Campaign for the Ages Oakland Woods provides vulnerable seniors health and wellness services on one campus, and affordable housing options for seniors with low incomes. All you need is on one campus, no more moving from home to home as your needs change.

With your support, one hundred more seniors will be served with new homes and the right level of care.

Seniors Need YOU!

Housing and healthcare are too expensive for too many seniors. We can change that together! By supporting the Campaign for the Ages, The Village of Oakland Woods will be truly affordable for everyone in the Pontiac area and surrounding community.

We all deserve a good home and care!

WE CAN SOLVE THIS

With a variety of health care options, seniors can come to campus or have health care come to them. This level of service is extremely rare for seniors with low incomes. The only place PVM accomplished this has been at Thome Rivertown in Detroit, completed in 2015. Together we can apply this unique, efficient and effective idea to 4 locations in Michigan by 2025 – including this one at The Village of Oakland Woods.

Housing and healthcare are too expensive for too many seniors. Let's change this!

QUICK FACTS

Seniors Served	300
Total Cost	\$40m
New Jobs Created	37
Fundraising Goal	\$2.8m



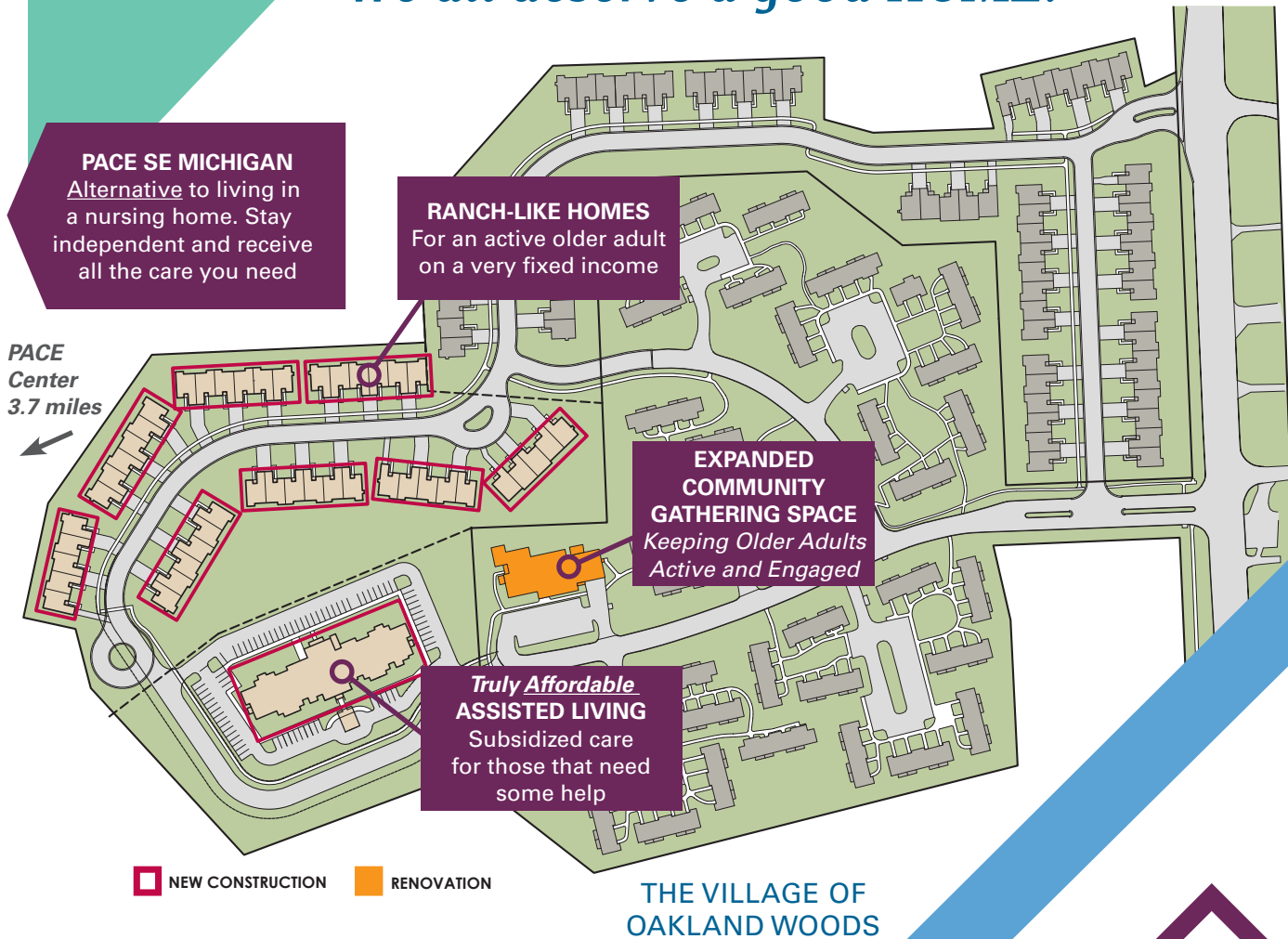
QUESTIONS? WANT TO DONATE?

Contact Paul Miller,
PVM Foundation President

www.pvmf.org/donate

248-281-2040

We all deserve a good HOME!



THE VILLAGE OF OAKLAND WOODS

Campaign for the Ages

The Campaign for the Ages is a capital campaign to raise \$19.5 million to transform four senior living communities.

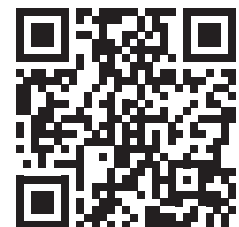
- FLINT: McFarlan Villages
- PONTIAC: The Village of Oakland Woods
- PORT HURON: The Village of Lake Huron Woods
- WESTLAND: The Village of Westland

PVM MISSION
Guided by our Christian heritage, we serve seniors of all faiths and create new possibilities for quality living.

PVM VISION
To transform senior living and services and enhance the communities we serve.

Campaign FOR THE AGES

To learn more about the Campaign for the Ages, scan the code below:



pvmf.org/CampaignForTheAges

Delivering *truly* affordable health care and housing like you've never seen before!



Please contact Paul Miller, President
Presbyterian Villages of Michigan Foundation
(248) 281-2040 email: pmiller@pvm.org

LEARN MORE ONLINE AT
www.pvmf.org/donate



Campaign FOR THE AGES

THE VILLAGE OF WESTLAND



The Village of
Westland

A SENIOR LIVING COMMUNITY

A Mission of Presbyterian Villages of Michigan

32001 Cherry Hill Road
Westland, Michigan
48186-7902



Delivering truly affordable health care and housing like you've never seen before!

The Campaign for the Ages Westland builds an innovative campus with all levels of care (from independent living to nursing) on one campus. Also, seniors have the flexibility to stay in their existing homes, not move to a senior living community and still get the affordable services offered on the campus.

Seniors Need YOU!

Housing and healthcare are too expensive for too many seniors. We can change that together! By supporting the Campaign for the Ages, The Village of Westland will be truly affordable for everyone in the Westland area and surrounding community.

We all deserve a good home and care!

**Housing and
healthcare are
too expensive for
too many seniors.
*Let's change this!***

QUICK FACTS

Seniors Served	691
Total Cost	\$5.35m
New Jobs Created	219
Fundraising Goal	\$5m



WE CAN SOLVE THIS

The Campaign for the Ages Westland offers a senior the flexibility to stay living at home, or move to The Village of Westland, and receive health care services. With a variety of health care options, seniors can come to campus or have health care come to them. Together, we will expand The Village of Westland so seniors with low incomes have options to age well.

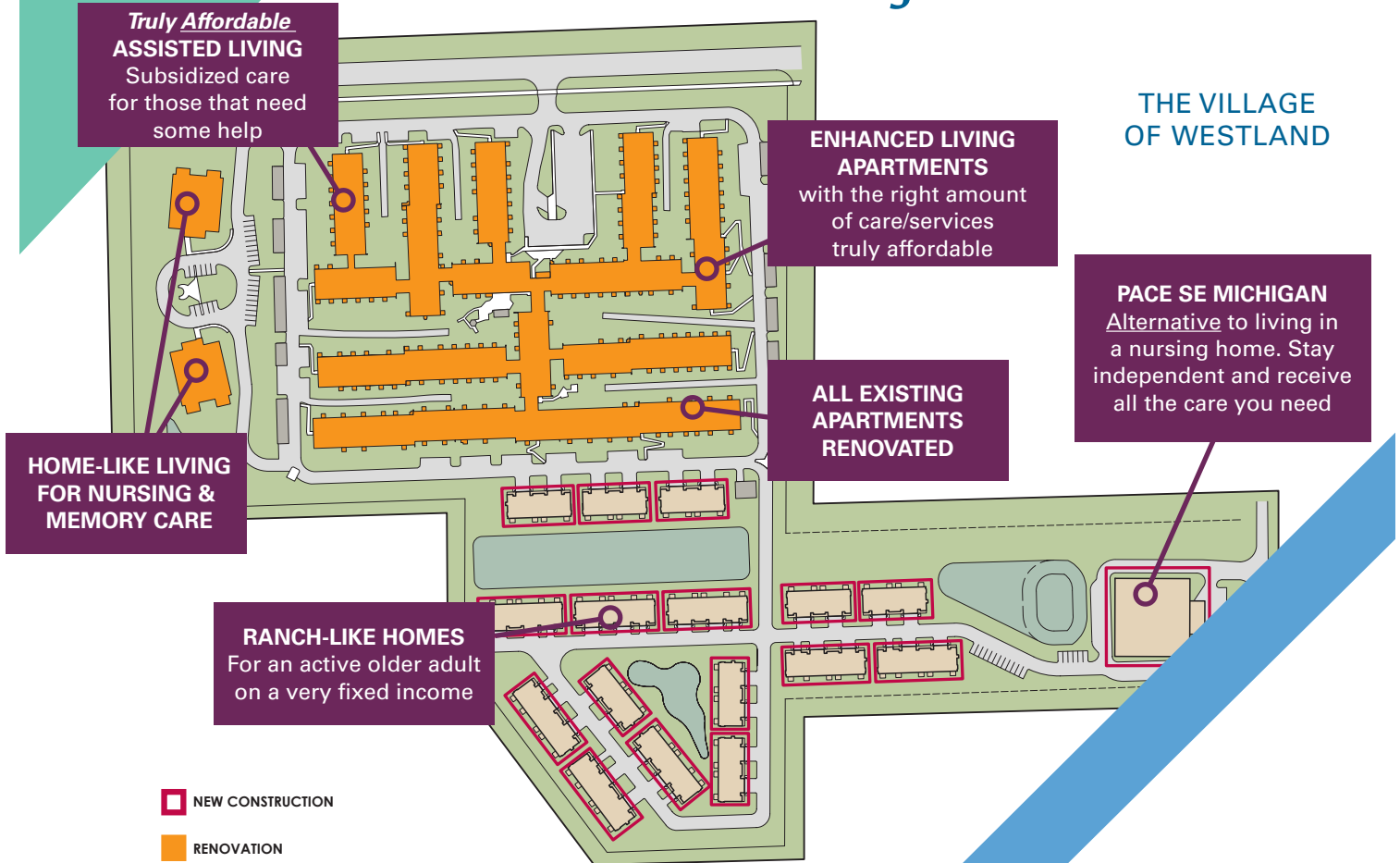
QUESTIONS? WANT TO DONATE?

Contact Paul Miller,
PVM Foundation President

www.pvmf.org/donate

248-281-2040⁴¹

We all deserve a good HOME!



Campaign for the Ages

The Campaign for the Ages is a capital campaign to raise \$19.5 million to transform four senior living communities.

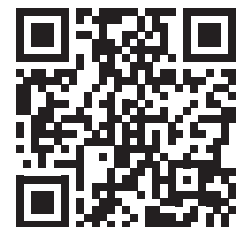
- FLINT: McFarlan Villages
- PONTIAC: The Village of Oakland Woods
- PORT HURON: The Village of Lake Huron Woods
- WESTLAND: The Village of Westland

PVM MISSION
Guided by our Christian heritage, we serve seniors of all faiths and create new possibilities for quality living.

PVM VISION
To transform senior living and services and enhance the communities we serve.

Campaign FOR THE AGES

To learn more about the Campaign for the Ages, scan the code below:



pvmf.org/CampaignForTheAges

Delivering truly affordable health care and housing like you've never seen before!



TREASURER'S REPORT

(Mr. Carnaghi)

Tab 6

Presbyterian Villages of Michigan Foundation (PVMF)
Treasurer's Report – Executive Summary
For June 8, 2021

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

Current credit facilities balances used to assist PVM are as follows:

	Current Balance Owed 5/31/21	Forecasted Balance Owed 8/31/21
\$1.5M Facilities Advancement Line of Credit (LOC) for PVM, 3/2020, Renewed 2/23/21	\$0	\$0
\$500,000 Operating Line of Credit (LOC) for PVM, 6/2018, Renewed 2/23/21	\$0	\$0

The 2021 year to date financial operating performance is contained in the President's report.

PVM has conducted economic impact analyses for the "Thome Rivertown Neighborhood Like" strategic initiatives at Lake Huron Woods, Westland and McFarlan campuses. The analyses will support the "Campaign for Ages" and other funding and community support needed to accomplish these initiatives. An economic impact analysis for Lake Huron Woods was previously distributed, and we will review the Westland report at the June 8, 2021 meeting. We will work to draw the link between the Board's work in raising funds with the economic impact. A short version of the Westland report is attached.

The overall performance of the Foundation's investment portfolio through fiscal year April 30, 2021 was 7.36%, net of fees, which is above the benchmark performance of 6.10%. The market value of all invested funds at April 30, 2021 was \$20,532,000, which was approximately \$2.5 million above cost. Management took \$500,000 in realized gains in February 2021 via a "round trip". See excerpt of April 2021 report attached.

There was approximately \$461,000 in the PVMF operating account on May 17, 2021, and \$52,000 in the HNB MMAX account. Management will raise further liquidity to cover the following grants:

1. Approximately \$100,000 will be distributed in July 2021 to PVM affiliates to cover budgeted transfers for private donations raised by the PVM Foundation for COVID-19 relief.

2. In August 2021 the Foundation will make a \$450,000 grant of Thome Foundation funds to PVM to loan to Region 7 Area Agency on Aging for Sunrise PACE program for the specific purpose as called for in the funding provided by the Thome Foundation. The PVM board will take action on the loan in July 2021, given the loans possible conversion to an investment in Sunrise PACE at some future point.
3. The Foundation will grant the remaining \$1.2 million in donations to East Harbor for the Health & Wellness Center to cover the cost of construction from July to October 2021, under the ‘first in, last out’ approach.

Relative to one other proposed distribution, PVM management is recommending to the Foundation Board the approval of an unbudgeted grant of unrestricted accumulated earnings of \$90,000 to the EJM Condominium Association to cover certain accumulated, older utility costs and unfunded association dues. The \$90,000 derives from the interest earnings from Thome Foundation permanent endowment of \$1.5 million, and represents the 5% of average annual earnings over 12 quarters that can be distributed for purposes of the Thome Rivertown Neighborhood. The Association will in turn pay the Due to PVM Corporate obligation on its books, thereby bringing the funds back into the Obligated Group. PVM management will be seeking some level of contribution from the United Methodist Retirement Communities, PVM’s partner in the affordable assisted living and HUD 202 independent senior apartment programs.

Motion – Motion to approve PVM management’s recommendation for the Foundation to provide an unbudgeted grant to the EJM Condominium Association, of the Thome Rivertown Neighborhood, from unrestricted, accumulated earnings in the Thome Foundation permanent Endowment Fund for the purpose of paying off accumulated amounts due to PVM Corporate.

PVM management finalized the 2020 PVM Obligated Group audited financial statements in April 2021 and the results were presented to the PVM Audit Committee at its regularly scheduled meeting of April 9, 2021. PVM received an internal control recommendation relative to accounting within the PVM Foundation. The finding and Management’s response, which I will briefly touch on at the meeting, will be included in the Board materials. Further, as a member of the PVM Obligated Group, we hope you would take some time to review the audited statements, sent out under separate cover by Paul.

Sincerely,
Brian W. Carnaghi, Treasurer

Village of Westland PACE / Senior Housing Development Economic Impact Analysis

Prepared for Presbyterian Villages of Michigan
and its Collaborators

By

Jim Townsend, JD, MBA, MPP
Ben Eikey, MPP

Project Advisors:

Robin Boyle, PhD
Jason Booza, PhD

November 19, 2020

Acknowledgements

This project would not have been possible without the enthusiasm and commitment of a great many people. The Village of Westland Project (VOWP) represents the extension of a groundbreaking collaboration between entities dedicated to supporting the health and well-being of seniors while maximizing the use of limited public and private resources. This commitment was clearly reflected in the way that individuals from these organizations supported this economic impact analysis with time, expertise and data. TJ1 Consulting, LLC and its collaborators wish first to thank Roger Myers, CEO of Presbyterian Villages of Michigan, and Brian Carnaghi, PVM's Senior Vice President of Finance Business Development, for championing this project and enabling our research team to contact an extraordinary group of leaders associated with the VOWP. These leaders included:

- City of Westland, Economic Development
- City of Westland, Housing
- Harry & Jeanette Weinberg Foundation
- Michigan State Housing Development Authority
- PACE of Southeast Michigan
- PVM Foundation
- Southeast Michigan Council of Governments
- TCF Bank
- The Senior Alliance
- Thome Foundation
- U.S. Department of Housing and Urban Development

A special debt of gratitude is owed to Robin Boyle, PhD., chair emeritus of Wayne State University's Department of Urban Studies and Planning, and Jason Booza, PhD., of the Wayne State Medical School, for advising the research team on this project and providing important insights that supported our efforts throughout the project.

Thanks are also due to the RIMS II staff at the U.S. Department of Commerce, Bureau of Economic Analysis, for their consultation on the best uses of their data set and Donald Grimes, of the University of Michigan Department of Economics.

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INTRODUCTION

One of the most significant social, economic, and fiscal issues facing the United States and the State of Michigan is the need to provide affordable housing and cost-effective care and support to the rapidly growing population of seniors in a manner that honors the integrity of our oldest citizens. Leading experts in homelessness warn that the next ten years could see a nearly three-fold increase in the number of elderly people experiencing homelessness in the United States as a large cohort of Baby Boom generation Americans ages.¹ This was true before the arrival COVID-19 but the unfathomable toll that the pandemic has had on seniors and the families who love them underscores the importance of making investments in housing, health care and other services upon which our seniors rely.

This is of particular importance in Southeast Michigan where it is forecasted that the region's 65+ population will grow by **59%** between 2018 and 2045.² To help address this issue, Presbyterian Villages of Michigan's (PVM) has developed plans to renovate and build new facilities at its Village of Westland facility in Westland, Michigan. Under the project (hereafter referred to as the "VOW Project"), PVM and PACE Southeast Michigan are collaborating to locate a new Program for the All-Inclusive Care for the Elderly (PACE) facility on the VOW campus. In addition, PVM will renovate a large number of housing units at the VOW campus and convert some of these units to the MSHDA affordable assisted living model and will construct new independent living cottages for seniors.

PVM and its collaborators/partners seek to build on the successful and innovative residential and healthcare model they established in 2012 at the Thome Rivertown Neighborhood, Detroit, Michigan, where over 700 seniors, who otherwise could face homelessness, live with dignity while effectively managing chronic health and social connected issues associated with aging.

This development at the Village of Westland will:

- Construct new PACE center providing services to 406 very low-income seniors;
- Construct 50 independent living cottages, serving low to moderate income households;
- Renovate existing Village of Westland wings into 24 units of affordable assisted living, serving very low income households;
- Renovate 242 units of existing affordable and market rate senior housing, for very low to moderate income households;
- Create 139 permanent jobs and 425 temporary construction jobs;
- Represent a \$53 million capital investment; and
- Generate a recurring annual economic value to the region that includes additional spin-off jobs, wages and spending in the region for years to come.

¹ Fernanda Santos, "Elderly and Homeless: America's Next Housing Crisis," *New York Times*, September 30, 2020, (<https://www.nytimes.com/2020/09/30/magazine/homeless-seniors-elderly.html>).

² Southeast Michigan Council of Government's 2045 Regional Forecast (<https://semcog.org/community-profiles>).

TJ1 Consulting, LLC³ was retained by PVM with the support of its collaborators to conduct an economic impact analysis (EIA) of the VOW Project that measures the scale and nature of the VOW Project's effect on the regional economy.

Engagement Scope

TJ1 Consulting, LLC was engaged to measure the annual and cumulative economic impact on southeast Michigan of the VOW Project's proposed construction and renovation of senior housing and the construction of the PACE center. Construction is expected to begin in 2020 and conclude near the end of 2024. Operations will reach a steady-state for all new facilities in 2025. This report covers both a single year view of the construction project and operations' economic impact and the project's ten-year cumulative impact. This work included an analysis of the relative contributions of the PACE and senior affordable housing facility and programs to the regional economic impact. The scope of the project also included measuring the effect of the facility's construction and operations on the revenues of the City of Westland and the State of Michigan.

Regional Analysis

For the purposes of this analysis, the economic region is deemed to consist of the Detroit-Warren-Livonia Metropolitan Statistical Area (MSA),⁴ which includes Wayne, Oakland, Macomb, Livingston, Lapeer and St. Clair counties. This area was chosen because MSAs are generally viewed as useful approximations of a region's economic area and are a standard population grouping in numerous economic and demographic studies. A map of the 6-county economic region used in this analysis can be found in Appendix Exhibit I of this report.

It was important to include an area large enough for the statistical models used in this study, which measure impacts at the county level, to provide a picture of the economic effects of investing in one part of the region. A smaller unit of analysis, Wayne County for example, would have excluded a significant amount of the project's economic impact, because many of the suppliers of inputs to the project, including workers, come from adjoining counties. At the same time, expanding the scope to include all of southeast Michigan or the entire state would have needlessly complicated the analysis and reduced the relevance of the findings.

Local Analysis

It was beyond the initial scope of this assignment to assess the economic impact at the local, county or regional level below the 6-county region as defined above.

³ An economic analysis consultancy based in Royal Oak, MI.

⁴ MSAs are designated by the White House's Office of Management and Budget (OMB). For additional information about MSAs, see <https://www.census.gov/programs-surveys/metro-micro/about.html>.

OVERVIEW OF METHODS

Background on Economic Impact Analysis (EIA)

An economic impact analysis (EIA) traces spending through an economy and measures the cumulative effects of that spending. The analysis estimates the direct, indirect and induced impacts of a regional economic change and traces the change through different industry groups by using a multiplier.⁵ Multipliers are predicated upon a domino theory of economic change and track the consequences of change in one industry upon others. Multipliers are ratios that estimate the “ripple” effect of economic activity throughout the economy.

To estimate the economic impact of the VOW Project, we gathered data from the project’s participants national, state and local agencies that serve the frail elder population; regional and national associations relevant to the project’s construction and operation; academic experts in regional economics, urban planning and other stakeholders.

The output of one industry is the input of another. EIAs typically use an “input-output model”, which is a statistically-derived matrix representation of a region’s economy, to predict the effect of changes in one industry on others and similar effects involving consumers and the government. The conceptual framework that supports our quantitative analysis of economic impact of the VOW Project is the Bureau of Economic Analysis’ Regional Industrial Multiplier System (RIMS II) input-output model, a well-documented regional economic accounting framework.⁶

⁵ Direct spending consists of all spending directly involved in the project. Indirect spending involves expenditures by regional industries in response to the project, while induced spending comes from workers whose earnings rise as a result of the project.

⁶ For additional information, see www.bea.gov. A helpful summary of the uses of input-output can be found at the website of the Organization of Economic Cooperation and Development (OECD), www.oecd.org/sti/inputoutput/.

FINDINGS

Economic Impact – Construction

VOW Project's economic impact is the combination of the direct, indirect and induced effects of both the construction project (2020-24) and the ongoing operations of the facilities, which is assumed to be open in stages from 2022-2024 and reach a stabilized level of performance in 2025. Overall impacts for construction are summarized in Table 1. The analysis found that new investment of \$49,177,143 in the project will generate an economic impact of **\$100,557,422 of increased regional output**, including \$72,649,393 in indirect spending and \$27,908,029 in induced spending across all sectors of the metro Detroit economy. The project will directly generate 361 new jobs in construction and related fields and a total of **659 jobs** across the economy of metro Detroit. Finally, there will be a total of **\$33,981,406 in new worker earnings** caused by the project and its spin-off effects.

TABLE 1: ECONOMIC IMPACT

	<u>Output</u>	<u>Earnings</u>	<u>Employment</u>
Construction (2020-2024) *			
Initial New Spending	\$ 49,177,143	\$ 19,504,882	361
+ Indirect Impact	\$ 72,649,393	\$ 25,749,152	452
+ Induced Impact	27,908,029	8,232,254	207
TOTAL	\$ 100,557,422	\$ 33,981,406	659
Operations (2025) **			
Initial New Spending	\$ 10,302,461	\$ 4,879,718	89
+ Indirect Impact	\$ 15,276,318	\$ 6,115,317	173
+ Induced Impact	6,628,010	1,952,808	46
TOTAL	\$ 21,904,328	\$ 8,068,125	219

* Construction impacts shown in Tables 1 and 1A are in 2020 dollars.

** Operational impacts shown in Tables 1 and 1A are in 2025 dollars.

During the construction phase, these impacts will come in the form of increased output across a fairly broad range of industries as shown in Appendix Exhibit IV (A) with particularly large impacts on construction, manufacturing, real estate, professional services and retail and wholesale trade. Appendix Exhibit V (A&B) breaks these impacts down by the PACE and Affordable Senior Housing programs. Employment across the regional economy and associated earnings will increase in proportion to these impacts.

Economic Impact - Operations

The one-year economic impact of VOWP's operation of the PACE and provision of elder care services at its Senior Affordable Housing facilities in 2025 will total **\$21,904,328** which includes \$15,276,318 in indirect spending and \$6,628,010 in induced spending across all sectors of the metro Detroit economy. In

addition, the VOWP will generate 89 new jobs at the facilities and a total of **219 new jobs** across the economy. New earnings associated with these jobs will total **\$8,068,125**.

Operations of the PACE / Affordable Senior Housing facility will trigger increased output across the regional economy with particular focus on health and social assistance, real estate, manufacturing, retail trade, accommodation and food services and wholesale trade. Appendix Exhibit IV (B) shows these impacts. Appendix Exhibit V (C&D) breaks these impacts down by program. Employment across the regional economy and associated earnings will increase in proportion to these impacts. Table 1A breaks down construction and operational impacts by program.

TABLE 1A: ECONOMIC IMPACT BY PROGRAM

	<u>Output</u>	<u>Earnings</u>	<u>Employment</u>
Construction (Year 2020-24)			
PACE	\$ 28,392,684	\$ 9,594,750	186
Affordable Senior Housing	72,164,738	24,386,656	473
TOTAL	\$ 100,557,422	\$ 33,981,406	659
Operations (Year 2025)			
PACE	\$ 21,370,076	\$ 7,871,342	214
Affordable Senior Housing	534,252	196,784	5
TOTAL	\$ 21,904,328	\$ 8,068,125	219

Cumulative Economic Impact

The economic impact of the PACE and Affordable Senior Housing operations will recur annually, provided that the programs continue to function at the level forecasted in 2025. It is therefore possible to calculate a cumulative economic impact for the VOWP that includes the one-time \$100,557,422 increase in regional output caused by the 2020-24 construction project and the present value of the annually recurring \$21,904,328 boost in output associated with operations. As shown in Table 2, the cumulative economic impact of the VOWP covering construction and ten years of operations will be **\$297,822,640** in increased regional output, **\$106,641,039** increased regional earnings and **879** jobs, of which 219 will continue during the operational phase of the project.⁷ Table 2A breaks down these impacts by program.

⁷ Cumulative impacts shown in Tables 2 and 2A are in 2020 dollars. Future annual economic impacts have been discounted at 0.70%, the 10-year Federal Funds Rate as of September 18, 2020. This approximates the cost of capital of the VOW Project, which is funded through a mix of low and no-interest sources.

TABLE 2: CUMULATIVE ECONOMIC IMPACT (2020-24 & 2026-35)*

	TOTAL		
	<u>Output</u>	<u>Earnings</u>	<u>Employment</u>
Construction (2020-24)	\$ 100,557,422	\$ 33,981,406	659
PV of Operations (2025-34)	<u>197,265,218</u>	<u>72,659,633</u>	<u>219</u>
TOTAL	\$ 297,822,640	\$ 106,641,039	879

* Employment impacts shown in Tables 2 and 2A are only from construction in 2020-24 and operations in 2025. Output and earnings are in 2020 dollars.

TABLE 2A: CUMULATIVE ECONOMIC IMPACT (2020-24 & 2025-34)

	BY PROGRAM		
	<u>Output</u>	<u>Earnings</u>	<u>Employment</u>
PACE			
Construction	\$ 28,392,684	\$ 9,594,750	186
PV of Operations	<u>192,453,871</u>	<u>70,887,447</u>	<u>214</u>
TOTAL	\$ 220,846,555	\$ 80,482,197	400
Affordable Senior Housing			
Construction	\$ 72,164,738	\$ 24,386,656	473
PV of Operations *	<u>4,811,347</u>	<u>1,772,186</u>	<u>5</u>
TOTAL	\$ 76,976,085	\$ 26,158,842	479
TOTAL – VOWP	\$ 297,822,640	\$ 106,641,039	879

* Only assisted living services provided to residents of Westland's Affordable Senior Housing.

Fiscal Impact – Revenue⁸

The VOWP Phase I will generate **\$348,153** in revenue for the City of Westland in 2020-24 from property taxes currently paid by the VOW on a vacant parcel of land and building permits and other fees associated with the project. The facility's operations in 2025 will generate annual revenue to the City of **\$20,120** consisting of a payment in lieu of taxes (PILOT) and annual operations-related permits and fees to be paid by the facility. For the State of Michigan, revenues in 2020-24 associated with the construction project will total **\$1,295,677** from personal income taxes paid by workers on the construction project, personal income taxes paid by owners of the companies engaged in the construction project,⁹ and the State's share of Unemployment Insurance taxes. Operations will generate **\$247,211** in State revenue in 2025 from personal income taxes and Unemployment Insurance taxes. A breakdown of impacts on City of Westland and State of Michigan revenue can be found in Table 3.

TABLE 3: ANNUAL TAX REVENUE IMPACTS *

	Construction FY 2020-24	Operations FY 2025
City of Westland		
Property Taxes**	148,153	
PILOT***		\$ 17,120
Permits and Fees	200,000	3,000
City of Westland - TOTAL	\$ 348,153	\$ 20,120
State of Michigan Revenues		
Personal Income	\$ 906,525	\$ 187,171
Income Tax on Business	66,152	
Unemployment Tax	323,000	60,040
State of Michigan – TOTAL	\$ 1,295,677	\$ 247,211
TOTAL – State & Local	\$ 1,643,830	\$ 267,330

* Assumes an average effective income tax rate of 3.95% for workers and contractors, assuming all companies will file taxes as LLCs or other disregarded entities.

** 4-year estimate based on Winter and Summer 2020 tax bill on TCF vacant property.

*** Study assumes PILOT will amount to 2% of Affordable Senior Housing gross revenue.

⁸ The scope of this study did not include an examination of government expenditures associated with the VOW Project or a cost-benefit analysis.

⁹ The study presumes that the general contractor and all subcontractors on the project will be organized as limited liability companies or other disregarded entities which under Michigan law would be deemed pass-through entities and taxed at the rate that applies to their owners.

DATA ANALYSIS

Accurately Measuring What's New

A key research challenge in this study of economic impact was to understand the nature of the spending associated with the project and determine whether it amounted to “new economic activity” in metro Detroit – i.e. new transactions involving the provision of a product or service in the metro Detroit region. It was also vital to account for any substitution effect associated with the project, whereby the project’s spending replaces existing activity and does not result in a net increase in output within metro Detroit. Where necessary the spending and employment associated with the project have been reduced to account for substitution; these changes are summarized in Table 4 and Table 5.

The construction of the PACE building and related facilities, the senior cottages and renovation of existing senior housing at Village of Westland were considered to be new projects that would not replace existing spending. The adjustments for the construction phase, therefore, focused solely on accounting for regional capital contributions to the project, which totaled 15% of the capital investment. These included significant direct capital contributions from regional sources and the region’s share of federal tax revenues that in turn partially supported the construction project. In operations, in addition to accounting for regional contributions to federal and regional tax payments of 7.4% of operations spending, the analysis included an 20.4% deduction in spending and employment to reflect the portion of anticipated PACE and affordable assisted living enrollees already receiving home and community-based care.

TABLE 4: CONSTRUCTION
Adjustments to Change in Regional Output - 2020-24

		<u>Pct.</u>
Total Spending	\$ 53,414,000	
Less Region's Contributions to Project Funding		
Contribution to Federal Tax Collections *	(4,493)	0.0%
Contribution to State Tax Collections **	-	0.0%
Direct Local Contribution to Project	<u>\$ (8,013,700)</u>	<u>-15.0%</u>
Subtotal	<u>\$ (8,018,193)</u>	<u>-15.0%</u>
Total Spending Net of Region's Contributions	<u>\$ 45,395,807</u>	

* Based on metro Detroit’s proportional contribution to U.S. tax revenues.

** State funds will not be used in the construction phase of the Westland Project.

TABLE 5: OPERATIONS
Initial Change in Regional Output - 2025

<u>Facility Spending</u>		<u>Pct.</u>
PACE	\$ 13,208,150	
Elder Care at Housing Facilities	151,200	
Total	\$ 13,359,350	
Less Substitution Effect Spending	\$ (2,730,195)	-20.4%
Adjusted Total Spending	\$ 10,629,155	
Less Region's Contributions to Project Budget		
a. Region's Portion of Federal Tax Collections*	\$ (145,332)	-1.1%
b. Region's Portion of State Tax Collections**	(844,723)	-6.3%
Subtotal	\$ (990,055)	-7.4%
Total Net New Spending	\$ 9,639,100	-27.8%
Total Net New Spending - 2026 Dollars	\$ 10,302,461	

* Based on metro Detroit's proportional contribution to U.S. tax revenues.

** Based on metro Detroit's proportional contribution to Michigan State tax revenues.

Approaches to Estimating Impact

The key elements of economic impact addressed in this study are output (overall production of goods & services), earnings and employment. The RIMS II model offers several means to estimate these impacts based on available data, including:

- Bill of goods
- Change in final demand
- Derived final demand based on changes in employment and earnings

Best Use of the RIMS II Model

In order to develop an accurate estimate of economic impact using the Bill of Goods approach, it is necessary to remove from the analysis spending on goods and services that are not produced within the region. Our initial data gathering revealed that it would not be possible to obtain the information necessary to estimate the proportion of the project's bill of goods sourced from metro Detroit manufacturers. Given this, the research team determined that it was infeasible to employ the Bill of Goods approach. Instead, the team decided to test the results from two different uses of the RIMS II data set that don't require the removal of spending on non-regional production. These approaches rely on multipliers that have been designed to adjust for non-regional purchases. Comparing the estimates produced by two different but well-accepted methods allows us to validate our results and provide the community with the best possible analysis, given available resources.

Comparison of Analytic Methods

The analysis involved comparing the results of both the change in final demand method (“Final Demand Multipliers”) of estimating economic impact and deriving that change by taking a ratio of final demand multipliers for earnings to the direct-effect earnings multipliers (“Derived Final Demand”). See Exhibit VI in the Appendix to this report for examples of how this calculation was done for construction and operations. After consulting with economists at the Bureau of Economic Analysis (BEA) who produce the multiplier data sets, the research team was able to examine the results of these two approaches as shown below and arrive at a conclusion as to the most reliable estimate of economic impact for both the construction and operational phases of the project.

In Table 6 (below) the results of the two methods are shown for the construction phase of the project. Both methods generated fairly similar results within 8% of each other. Such consistency suggests that the multipliers have properly accounted for the industry relationships and adjusted for spending on products and services that are not produced within metro Detroit. In this instance, it is acceptable to use the results from either Method 1 (Final Demand Multipliers) or Method 2 (Derived Final Demand). Based on experience and prior advice from the RIMS II staff at the BEA, we are using Method 2, because this approach uses the direct relationship between earnings and regional output in the multiplier data set, which is viewed as robust and likely to provide reliable estimates of impact. In addition, relying on earnings data, which is likely to be readily available, will facilitate future analysis.

TABLE 6: COMPARISON OF METHODS
Economic Impact of Construction Project

	<u>Method 1</u>	<u>Method 2</u>
Output	\$ 92,825,347	\$ 100,557,422
Earnings	\$ 31,368,503	\$ 33,981,406
Employment	609	659

TABLE 7: COMPARISON OF METHODS
Economic Impact of Operations *

	<u>Method 1</u>	<u>Method 2</u>
Output	\$ 20,731,643	\$ 21,904,328
Earnings	\$ 7,636,184	\$ 8,068,125
Employment	208	219

 * Output and Earnings are in 2025 dollars.

The results for operations generated by Method 1, shown in Table 7, differ by less than 6%, even closer than the construction results. Given this close match, it would be appropriate to select the results of either method. The research team has chosen to use the Method 2 because spending triggered by employment and earnings from a nursing and residential care facility may be more contained within the region than total operational spending and could provide a better basis upon which to estimate overall economic impact. Also, given that the services offered by PACE and the VOW assisted living facility will be fairly labor intensive, an approach using earnings as the input to the model can be expected to provide reliable results.

CONCLUSION

The spending associated with the construction and operations of the PACE / Affordable Assisted Living / Independent Living project will have a substantial impact on the metro Detroit economy during the years of construction, which is assumed to take place in 2020 - 2024, and on an annual basis once the programs reach a steady state of operation in 2025, using the most conservative set of assumptions. During the construction phase, these impacts will come in the form of increased output across a fairly broad range of industries with particularly large impacts on construction, manufacturing, real estate, professional services and retail and wholesale trade. Operations of the PACE / Affordable Senior Housing facility will trigger increased output across the regional economy with particular focus on health and social assistance, real estate, manufacturing, finance, insurance, retail trade, food services and wholesale trade. Tax revenues and other payments to the City of Westland and the State of Michigan will also rise as a result of the increased output, employment and earnings triggered by this project.

APPENDIX

The collaborating organizations on the VOW Project provided extensive data describing their detailed plans for the construction and operation of the PACE center and renovation and construction of Affordable Senior Housing. These included detailed business plans and financial pro formas for PACE and the Affordable Senior Housing. These business plans are available upon request from PVM. The information included in this appendix shows key data based on that information and other data sets and analysis completed during the study.

EXHIBIT I – MAP OF ECONOMIC REGION



EXHIBIT II – SITE PLAN OF VILLAGE OF WESTLAND PROJECT – ALTERNATIVE 1

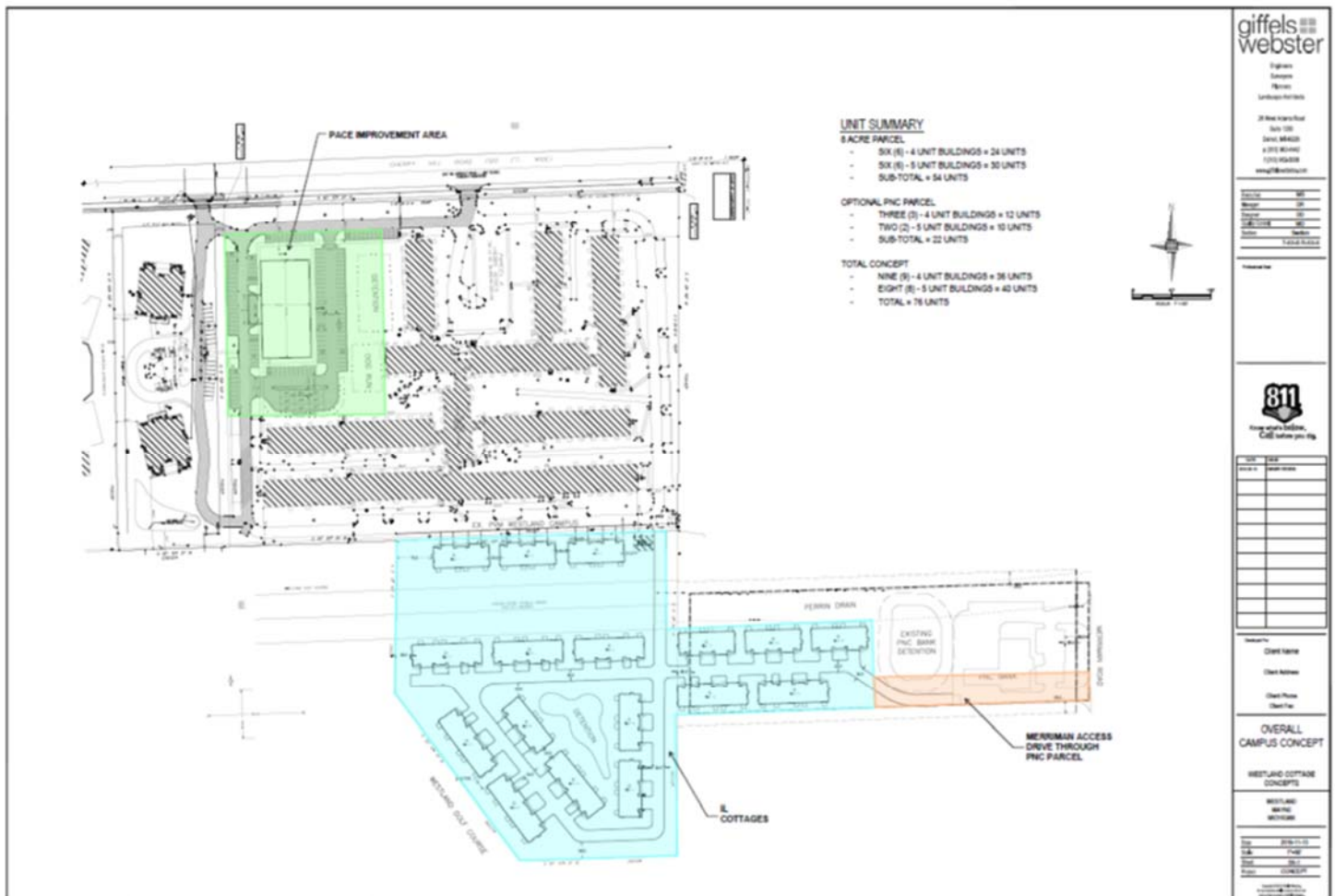


EXHIBIT III – SITE PLAN OF VILLAGE OF WESTLAND PROJECT – ALTERNATIVE 2

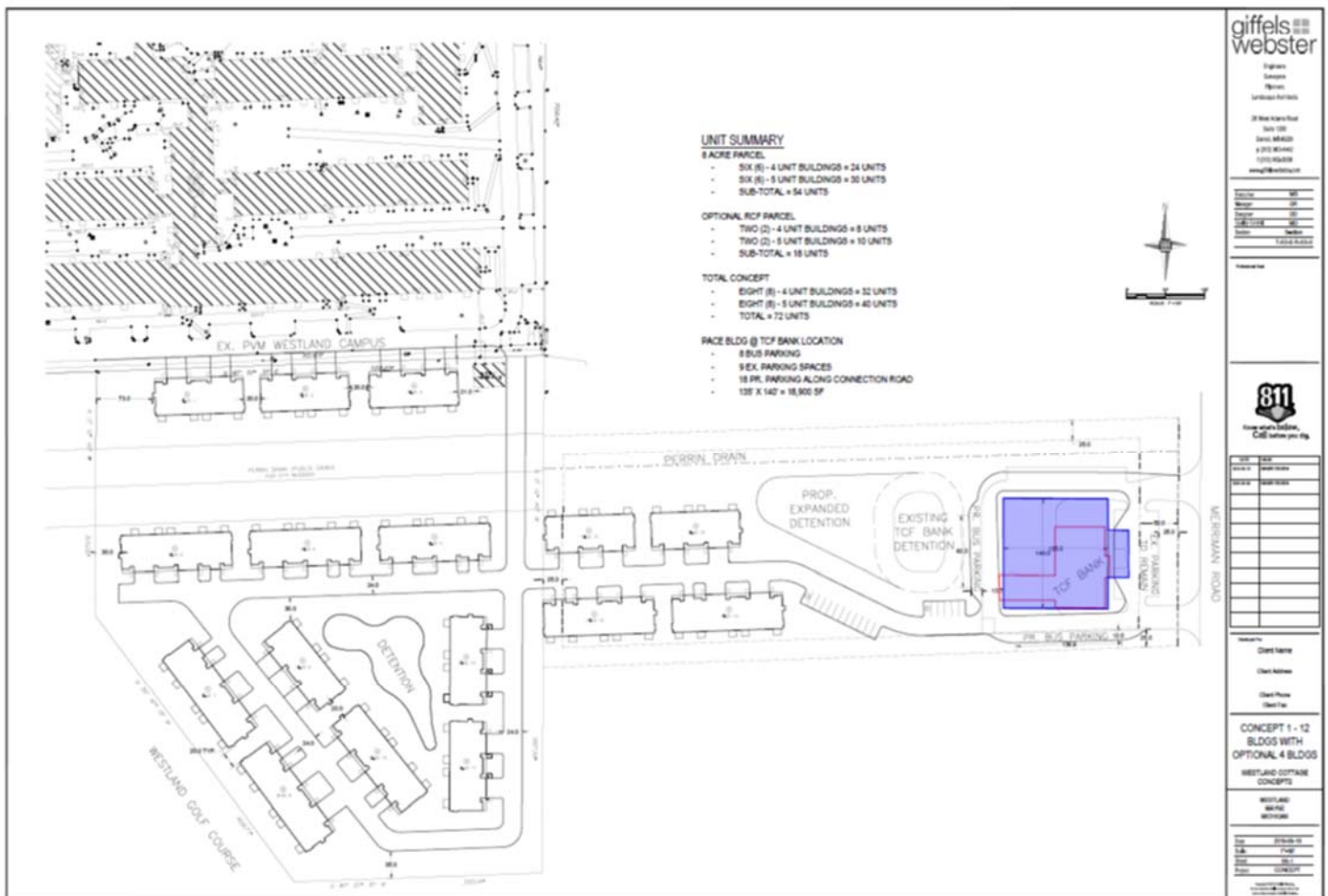


EXHIBIT IV – TOTAL VOWP IMPACTS ON OUTPUT, EARNINGS & EMPLOYMENT BY INDUSTRY GROUP

A. IMPACT OF TOTAL CONSTRUCTION SPENDING

(2020 Dollars)

Industry	Regional Economic Contribution Based on Final Demand Multipliers			Final Demand Multipliers		
	(\$ Output	(\$ Earnings	Jobs *	Output	Earnings	Employment
Agriculture, etc.	29,506	9,835	1	0.0006	0.0002	0.0105
Mining	157,367	24,589	0	0.0032	0.0005	0.0101
Utilities	1,244,182	172,120	1	0.0253	0.0035	0.0273
Construction	49,521,383	19,641,351	327	1.007	0.3994	6.8376
Durable goods manufacturing	6,152,061	1,155,663	18	0.1251	0.0235	0.3822
Nondurable goods manufacturing	4,278,411	654,056	9	0.087	0.0133	0.1931
Wholesale trade	4,750,512	1,131,074	14	0.0966	0.023	0.2902
Retail trade	5,640,618	2,006,427	72	0.1147	0.0408	1.5072
Transportation & warehousing	2,468,693	683,562	15	0.0502	0.0139	0.3141
Information	1,342,536	275,392	4	0.0273	0.0056	0.0915
Finance and insurance	3,437,482	890,106	16	0.0699	0.0181	0.3434
Real estate rental and leasing	6,245,497	968,790	35	0.127	0.0197	0.7372
Prof., scientific & tech. services	3,973,513	1,731,035	24	0.0808	0.0352	0.4969
Management	1,185,169	457,347	4	0.0241	0.0093	0.0807
Administrative support, etc.	1,750,706	781,917	23	0.0356	0.0159	0.4761
Educational services	378,664	167,202	6	0.0077	0.0034	0.1187
Health care and social assistance	4,460,367	1,947,415	39	0.0907	0.0396	0.8047
Arts, entertainment & rec.	358,993	142,614	6	0.0073	0.0029	0.126
Accommodation	354,075	93,437	3	0.0072	0.0019	0.0562
Food services & drinking places	1,362,207	418,006	22	0.0277	0.0085	0.4517
Other services	1,465,479	590,126	17	0.0298	0.0128	0.4238
Households	-	39,342	4		0.0008	0.0784
TOTAL	100,557,422	33,981,406	659			

* The employment multiplier is measured on the basis of a \$1 million change in output delivered to final demand.

B. IMPACT OF TOTAL OPERATIONS SPENDING

(2026 Dollars)

Industry	Regional Economic Contribution Based on Final Demand Multipliers			Final Demand Multipliers		
	Output	Earnings	Jobs 1/	Output	Earnings	Employment
	(\$)	(\$)				
Agriculture, etc.	6,531	2,177	0	0.001	0.0002	0.0159
Mining	2,177	-	0	0.0002	0	0.0008
Utilities	347,239	47,895	0	0.032	0.0045	0.0352
Construction	116,472	46,806	1	0.0107	0.0043	0.0742
Durable goods manufacturing	289,547	51,161	1	0.0274	0.005	0.0779
Nondurable goods manufacturing	663,998	103,410	2	0.0611	0.0098	0.1641
Wholesale trade	657,467	155,659	2	0.061	0.0148	0.1869
Retail trade	673,795	239,475	8	0.0631	0.0227	0.8107
Transportation & warehousing	416,904	114,295	3	0.0389	0.0108	0.2754
Information	304,786	62,046	1	0.0317	0.0064	0.1087
Finance and insurance	968,785	250,360	4	0.0886	0.0229	0.4224
Real estate rental and leasing	2,251,063	341,796	12	0.2019	0.0311	1.2209
Prof., scientific & tech. services	908,916	396,222	5	0.0828	0.0366	0.516
Management	391,868	152,393	1	0.0361	0.0141	0.1213
Administrative support, etc.	673,795	304,786	8	0.0626	0.0286	0.8649
Educational services	99,056	43,541	1	0.0094	0.0041	0.1452
Health care and social assistance	11,943,263	5,341,377	154	1.1004	0.4956	15.7199
Arts, entertainment & rec.	88,170	35,921	1	0.0081	0.0033	0.1409
Accommodation	151,305	41,364	1	0.0133	0.0036	0.1053
Food services & drinking places	569,297	175,252	8	0.0529	0.0164	0.8682
Other services	379,894	153,482	4			
Households	-	8,708	1	0.0353	0.0153	0.5006
TOTAL	21,904,328	8,068,125	219			

 * The employment multiplier is measured on the basis of a \$1 million change in output delivered to final demand.

EXHIBIT V – PROGRAM IMPACTS ON OUTPUT, EARNINGS & EMPLOYMENT BY INDUSTRY GROUP

A. IMPACT OF PACE CONSTRUCTION SPENDING

(2020 Dollars)

Industry	Regional Economic Contribution Based on Final Demand Multipliers			Final Demand Multipliers		
	(\$ Output	(\$ Earnings	Jobs *	Output	Earnings	Employment
Agriculture, etc.	8,331	2,777	0	0.0006	0.0002	0.0105
Mining	44,433	6,943	0	0.0032	0.0005	0.0101
Utilities	351,298	48,599	0	0.0253	0.0035	0.0273
Construction	13,982,508	5,545,793	92	1.007	0.3994	6.8376
Durable goods manufacturing	1,737,052	326,305	5	0.1251	0.0235	0.3822
Nondurable goods manufacturing	1,208,022	184,675	3	0.087	0.0133	0.1931
Wholesale trade	1,341,321	319,362	4	0.0966	0.023	0.2902
Retail trade	1,592,645	566,521	20	0.1147	0.0408	1.5072
Transportation & warehousing	697,043	193,006	4	0.0502	0.0139	0.3141
Information	379,069	77,758	1	0.0273	0.0056	0.0915
Finance and insurance	970,583	251,324	5	0.0699	0.0181	0.3434
Real estate rental and leasing	1,763,434	273,541	10	0.127	0.0197	0.7372
Prof., scientific & tech. services	1,121,933	488,763	7	0.0808	0.0352	0.4969
Management	334,636	129,133	1	0.0241	0.0093	0.0807
Administrative support, etc.	494,317	220,776	6	0.0356	0.0159	0.4761
Educational services	106,917	47,210	2	0.0077	0.0034	0.1187
Health care and social assistance	1,259,398	549,858	11	0.0907	0.0396	0.8047
Arts, entertainment & rec.	101,363	40,267	2	0.0073	0.0029	0.126
Accommodation	99,974	26,382	1	0.0072	0.0019	0.0562
Food services & drinking places	384,623	118,025	6	0.0277	0.0085	0.4517
Other services	413,782	166,624	5	0.0298	0.012	0.3454
Households	-	11,108	1		0.0008	0.0784
TOTAL	28,392,684	9,594,750	186			

* The employment multiplier is measured on the basis of a \$1 million change in output delivered to final demand.

B. IMPACT OF AFFORDABLE SENIOR HOUSING CONSTRUCTION SPENDING (2020 Dollars)

Industry	Regional Economic Contribution Based on Final Demand Multipliers			Final Demand Multipliers		
	(\$ Output	(\$ Earnings	Jobs *	Output	Earnings	Employment
Agriculture, etc.	21,175	7,058.37	0	0.0006	0.0002	0.0105
Mining	112,934	17,645.92	0	0.0032	0.0005	0.0101
Utilities	892,883	123,521.41	1	0.0253	0.0035	0.0273
Construction	35,538,875	14,095,557.68	235	1.007	0.3994	6.8376
Durable goods manufacturing	4,415,008	829,358.05	13	0.1251	0.0235	0.3822
Nondurable goods manufacturing	3,070,389	469,381.36	7	0.087	0.0133	0.1931
Wholesale trade	3,409,191	811,712.13	10	0.0966	0.023	0.2902
Retail trade	4,047,973	1,439,906.74	52	0.1147	0.0408	1.5072
Transportation & warehousing	1,771,650	490,556.46	11	0.0502	0.0139	0.3141
Information	963,467	197,634.26	3	0.0273	0.0056	0.0915
Finance and insurance	2,466,899	638,782.16	12	0.0699	0.0181	0.3434
Real estate rental and leasing	4,482,063	695,249.09	25	0.127	0.0197	0.7372
Prof., scientific & tech. services	2,851,580	1,242,272.48	17	0.0808	0.0352	0.4969
Management	850,533	328,214.04	3	0.0241	0.0093	0.0807
Administrative support, etc.	1,256,389	561,140.13	16	0.0356	0.0159	0.4761
Educational services	271,747	119,992.23	4	0.0077	0.0034	0.1187
Health care and social assistance	3,200,969	1,397,556.55	28	0.0907	0.0396	0.8047
Arts, entertainment & rec.	257,630	102,346.31	4	0.0073	0.0029	0.126
Accommodation	254,101	67,054.48	2	0.0072	0.0019	0.0562
Food services & drinking places	977,584	299,980.57	16	0.0277	0.0085	0.4517
Other services	1,051,697	423,501.98	12	0.0298	0.012	0.3454
Households	-	28,233.47	3		0.0008	0.0784
TOTAL	72,164,738	24,386,656	473			

 * The employment multiplier is measured on the basis of a \$1 million change
 in output delivered to final demand.

C. IMPACT OF PACE OPERATIONS SPENDING

(2026 Dollars)

Industry	Regional Economic Contribution Based on Final Demand Multipliers			Final Demand Multipliers		
				Output	Earnings	Employment
	(\$) Output	(\$) Earnings	Jobs 1*			
Agriculture, etc.	6,372	2,124	0	0.0006	0.0002	0.0104
Mining	2,124	-	0	0.0002	0	0.0007
Utilities	338,769	46,727	0	0.0319	0.0044	0.0345
Construction	113,631	45,665	1	0.0107	0.0043	0.073
Durable goods manufacturing	282,485	49,913	1	0.0266	0.0047	0.0732
Nondurable goods manufacturing	647,803	100,887	2	0.061	0.0095	0.1579
Wholesale trade	641,431	151,862	2	0.0604	0.0143	0.1813
Retail trade	657,361	233,634	8	0.0619	0.022	0.7857
Transportation & warehousing	406,736	111,507	3	0.0383	0.0105	0.2677
Information	297,352	60,532	1	0.028	0.0057	0.0976
Finance and insurance	945,156	244,254	4	0.089	0.023	0.4234
Real estate rental and leasing	2,196,160	333,459	12	0.2068	0.0314	1.2323
Prof., scientific & tech. services	886,747	386,558	5	0.0835	0.0364	0.5131
Management	382,310	148,676	1	0.036	0.014	0.1205
Administrative support, etc.	657,361	297,352	8	0.0619	0.028	0.8492
Educational services	96,640	42,479	1	0.0091	0.004	0.1399
Health care and social assistance	11,651,964	5,211,100	151	1.0972	0.4907	15.5837
Arts, entertainment & rec.	86,020	35,045	1	0.0081	0.0033	0.1406
Accommodation	147,614	40,355	1	0.0139	0.0038	0.1093
Food services & drinking places	555,412	170,978	8	0.0523	0.0161	0.8525
Other services	370,628	149,738	4	0.0349	0.0141	0.4042
Households	-	8,496	1	2.0123	0.0008	0.0841
TOTAL	21,370,076	7,871,342	214			

 * The employment multiplier is measured on the basis of a \$1 million change
 in output delivered to final demand.

D. IMPACT OF AFFORDABLE SENIOR HOUSING OPERATIONS SPENDING¹⁰

(2026 Dollars)

Industry	Regional Economic Contribution Based on Final Demand Multipliers			Final Demand Multipliers		
				Output	Earnings	Employment
	(\$) Output	(\$) Earnings	Jobs *			
Agriculture, etc.	159	53	0	0.0006	0.0002	0.0104
Mining	53	-	0	0.0002	0	0.0007
Utilities	8,469	1,168	0	0.0319	0.0044	0.0345
Construction	2,841	1,142	0	0.0107	0.0043	0.073
Durable goods manufacturing	7,062	1,248	0	0.0266	0.0047	0.0732
Nondurable goods manufacturing	16,195	2,522	0	0.061	0.0095	0.1579
Wholesale trade	16,036	3,797	0	0.0604	0.0143	0.1813
Retail trade	16,434	5,841	0	0.0619	0.022	0.7857
Transportation & warehousing	10,168	2,788	0	0.0383	0.0105	0.2677
Information	7,434	1,513	0	0.028	0.0057	0.0976
Finance and insurance	23,629	6,106	0	0.089	0.023	0.4234
Real estate rental and leasing	54,904	8,336	0	0.2068	0.0314	1.2323
Prof., scientific & tech. services	22,169	9,664	0	0.0835	0.0364	0.5131
Management	9,558	3,717	0	0.036	0.014	0.1205
Administrative support, etc.	16,434	7,434	0	0.0619	0.028	0.8492
Educational services	2,416	1,062	0	0.0091	0.004	0.1399
Health care and social assistance	291,299	130,277	4	1.0972	0.4907	15.5837
Arts, entertainment & rec.	2,150	876	0	0.0081	0.0033	0.1406
Accommodation	3,690	1,009	0	0.0139	0.0038	0.1093
Food services & drinking places	13,885	4,274	0	0.0523	0.0161	0.8525
Other services	9,266	3,743	0	0.0349	0.0141	0.4042
Households	-	212	0		0.0008	0.0841
TOTAL	534,252	196,784	5			

 * The employment multiplier is measured on the basis of a \$1 million change
 in output delivered to final demand.

¹⁰ Impact comes from assisted living services delivered to residents of LWH's Affordable Senior Housing.

EXHIBIT VI – DERIVING FINAL OUTPUT WITH FINAL DEMAND & DIRECT EFFECT EARNINGS MULTIPLIERS

A. CONSTRUCTION

A. Final Demand Multiplier for Regional Earnings	0.6910
B. Direct Effect Multiplier for Regional Earnings	1.7422
C. CHANGE IN EARNINGS IN FD* INDUSTRY per \$1 of final demand (A/B)	0.3966
D. Initial Change in Earnings (in \$ thousands)	19,505
E. CHANGE IN FINAL DEMAND (D/C)	49,177
F. CHANGE IN FINAL DEMAND - DEFLATED TO 2018 \$	47,861.54
G. Final Demand Multiplier	2.0448
H. FINAL OUTPUT FACTOR	97,867.28
I. FINAL OUTPUT	97,867,283
J. FINAL OUTPUT INFLATED TO CURRENT 2020 \$	100,557,422

B. OPERATIONS

A. Final Demand Multiplier for Regional Earnings	0.7412
B. Direct Effect Multiplier for Regional Earnings	1.6534
C. CHANGE IN EARNINGS IN FD** INDUSTRY per \$1 of final demand (A/B)	0.4483
D. Initial Change in Earnings (in \$ thousands)	4,566
E. CHANGE IN FINAL DEMAND (D/C)	10,184.34
F. CHANGE IN FINAL DEMAND - DEFLATED TO 2018 \$	9,911.88
G. Final Demand Multiplier	2.0123
H. FINAL OUTPUT FACTOR	19,945.68
I. FINAL OUTPUT	19,945,680
J. FINAL OUTPUT INFLATED TO 2026 \$	21,904,328

* Refers to Final Demand industry (construction).

** Refers to Final Demand industry (nursing & residential care facilities).

**PRESBYTERIAN VILLAGES OF MICHIGAN
FOUNDATION
APRIL 30, 2021**

Foundation Market Value	\$20,479,382
Increase/Decrease from March Report *	\$709,052

ASSET ALLOCATION

<u>PVMF</u>	<u>Guidelines</u>	<u>Actual</u>	<u>Delta</u>
Large Cap Equity	45%	46.7%	1.7%
Convertibles	10%	9.8%	-0.2%
Int'l Large Cap Equity	<u>10%</u>	<u>9.9%</u>	<u>-0.1%</u>
Total Equity	65%	66.4%	1.4%
US Fixed Income	<u>35%</u>	<u>33.6%</u>	-1.4%
Total Portfolio	100.0%	100.0%	

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

2021 INVESTMENT PERFORMANCE - NET OF FEES

	Return	Benchmark	Delta
PVMF	7.36%	6.20%	1.16%
Wm. Blair All Cap	10.21%	11.84%	-1.63%
Eagle Lg Cap	18.55%	11.84%	6.71%
Macquarie Conv.	5.68%	6.76%	-1.08%
Wm. Blair Int'l Eq.	4.32%	6.59%	-2.27%
Wedge Fixed Income	-0.91%	-1.38%	0.47%

INVESTMENT PERFORMANCE NET OF FEES - INCEPTION TO DATE

07/01/1996 - 04/30/2021

	Return	Benchmark	Delta
PVMF	8.88%	7.51%	1.37%
Wm. Blair All Cap (1)	11.71%	9.69%	2.02%
Eagle Lg Cap (2)	12.85%	10.53%	2.32%
Macquarie Conv. (3)	7.79%	6.10%	1.69%
Wm. Blair Int'l Eq (4)	7.65%	5.00%	2.65%
Wedge Fixed Income (5)	2.74%	2.66%	0.08%

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

1. S&P 500 Index
2. ICE Bank of America U.S. Value Convertible Bond Index
3. EAFE Index
4. Bloomberg Barclays Intermediate Govt./Credit Index

Hire Dates

- (1) William Blair All Cap: 7/01/96
- (2) Eagle Capital: 9/01/06
- (3) Macquarie Conv: 11/01/10

- (4) William Blair International: 5/01/14
- (5) Wedge Fixed Income: 5/01/14

**PRESBYTERIAN VILLAGES OF MICHIGAN
FOUNDATION
ASSET AND MANAGER ALLOCATION AS OF
APRIL 30, 2021**

	<u>Cost Value</u>	<u>Market Value</u>	<u>% Allocation</u>	<u>Target</u>
<u>Manager Allocation</u>				
Equities				
Domestic Large Cap				
William Blair (All Cap Growth)	\$4,205,209	\$4,775,601	23.3%	
Eagle (Core)	<u>3,574,648</u>	<u>4,783,760</u>	<u>23.4%</u>	
	\$7,779,856	\$9,559,361	46.7%	45.0%
Convertibles				
Macquarie	1,811,704	2,009,032	9.8%	10.0%
International Equity				
William Blair	<u>1,583,826</u>	<u>2,027,035</u>	<u>9.9%</u>	<u>10.0%</u>
Total Equities	\$11,175,386	\$13,595,428	66.4%	65.0%
Fixed Income				
Domestic Intermediate				
Wedge	<u>\$6,794,358</u>	<u>\$6,883,954</u>	<u>33.6%</u>	<u>35.0%</u>
Total Fixed	\$6,794,358	\$6,883,954	33.6%	35.0%
Total Fund	<u>\$17,969,744</u>	<u>\$20,479,382</u>	<u>100.0%</u>	<u>100.0%</u>
Huntington CDC MMAX Portfolio	<u>\$52,510</u>	<u>\$52,510</u>		
Total Fund	<u>\$18,022,254</u>	<u>\$20,531,892</u>		

- Huntington Bank provides custody



PRESIDENT'S REPORT

(Mr. Miller)

Tab 7



PVM FOUNDATION EXECUTIVE SUMMARY

June 8, 2021

Overview as of May 26, 2021

PVMF STRATEGIC PLAN FUNDRAISING UPDATE (1/1/2018 through 5/26/2021)

Cash and Pledges:	\$ 8,683,966	\$3,051,728**
<u>Earned Income*:</u>	<u>\$ 488,282</u>	
TOTAL RAISED:	\$ 9,172,248	
GOAL THROUGH 2022:	\$17,000,000	
AMOUNT TO GOAL:	\$ 7,827,752	\$13,948,272***

2021 Progress through May 26, 2021

Cash and Pledges:	\$ 886,391	
<u>Earned Income*:</u>	<u>\$ 37,850</u>	
TOTAL RAISED:	\$ 924,241	
GOAL THROUGH 2021:	\$ 3,166,000	
AMOUNT TO GOAL:	\$ 2,241,759	
 Fundraising Grants Raised for 3rd Parties	 \$ 0.00	
Fundraising Management Revenue Generated	\$ 0.00	
Total Raised including 3rd Party Funds		\$ 924,241

*Thru April 2021

**Total Raised for Campaign for the Ages

***Total left to raise for Campaign for the Ages

Campaign for the Ages

Thome-like Expansion fundraising goal: **\$17,000,000**

Total Raised to Date: **\$3,051,728**

Left to Raise: **\$13,948,272**

Campaign for the Ages: The Village of Lake Huron Woods:

Fundraising Goal **\$3,800,000** by 2023

Raised to date: **\$2,000,000**

- Finishing collateral piece for the project
- Jim Dewey, Executive Director of the Port Huron Housing Commission has agreed to serve as the Campaign Chair.
- June 4th is the kickoff meeting for the newly forming Campaign Steering Committee

Campaign for the Ages: The Village of Westland:

Fundraising Goal **\$5,000,000** by 20245

Raised to date: **\$547,478**

- Submitted a \$5.05M grant to The Thome Foundation in May.
- Village of Westland Board Members considering their campaign pledge.

Campaign for the Ages: The Village of Oakland Woods:

Fundraising Goal **\$2,800,000** by 2024

Raised to date: **\$504,250**

- Having follow up conversations with The Ballmer Group on supporting the project
- Executive Director of the Pontiac Collaborative to visit The Village of Oakland Woods.
- Developing collateral materials
- June 24th hosting the executive director of the Pontiac Funding Collaborative at Oakland Woods

Campaign for the Ages: McFarlan Villages

Fundraising Goal **\$5,400,000** by 2024

Raised to date: **\$0**

- Having follow up conversations with Mott Foundations of Flint.
- Developing collateral materials

PLANNED GIVING UPDATE

New Significant Gifts:

- \$400,000 Orville and Carrie Gascho Fund (expected to receive in June)
- \$145,704 Gene Kleemann Estate for The Village of East Harbor Kleemann Help Fund and Kleemann Chapel Fund
- \$19,350 Grace Morgan Trust for Benevolence

Project/Fundraising Update:

- PVMF forming a planned giving workgroup
- PVMF redesigning Calvin Society materials and logo

GRANT FUNDING UPDATE

New Grants Received \$10,000

\$10,000 Grosse Pointe Memorial Church

Grants Pending \$6,095,792

\$5,050,000 Thome Memorial Foundation for Thome-like Campaign
\$896,792 FCC Telehealth grant *
\$100,000 Offield Family Foundation for Memory Garden at Perry Farm
\$25,000 State Farm
\$10,000 5/3 Bank
\$7,500 Huntington Bank
\$5,000 First Presbyterian Church of Ann Arbor
\$1,500 SHAPE America- Tommy Wilson Memorial Grant

Future Submissions \$750,000

\$750,000 Thome Memorial Foundation for PACE Central Michigan*

*Grant being submitted by another organization

OPERATIONS

Operating Budget Update \$72,354 under budget for Q1 2021 (3/31/2021)

SPECIAL EVENTS

- PVM Foundation Gala celebrating PVM's 75th Anniversary: **Diamonds are Forever at The Dearborn Inn – October 1, 2021**
- Save the Date Mailed May 17, 2021 PVM Foundation Gala: **Diamonds are Forever**

UPCOMING MAILINGS

- Village Victory Cup Appeal Mailing June 21, 2021
- Your Giving Matters Vol. 2 mailing in mid-August

GIVING PERCENTAGE/DONOR UPDATE

BOARD GIVING: 78% = \$93,400

MANAGEMENT GIVING: 65% = \$11,605

EMPLOYEE GIVING: 11% = \$4,921

DONOR BASE TO-DATE: 614

NEW DONORS TO-DATE: 134

RETURNING DONORS TO-DATE: 480

Board Giving Detail (as of April 30, 2021)

Board	% Giving	# of Total Board Members
PVM Foundation	63%	16
PVM Corporate	83%	16
East Harbor	63%	16
Redford	83%	6
Westland	75%	8
Bethany Manor	88%	8
Brush Park/Woodbridge Manor	79%	14
Hampton Meadows	67%	3
Harmony Manor	83%	6
Hartford Village	88%	8
Hillside/Perry Farm	75%	12
Holly Woodlands	71%	7
Mill Creek	89%	9
Oakland Woods*	91%	13
Oakman Manor	78%	9
Our Saviour's Manor	78%	9
Peace Manor	100%	5
Rosebush	71%	14
Sage Grove	100%	5
Spring Meadows	40%	5
St. Martha's	92%	12
Thome Rivertown Neighborhood	71%	7
Warren Glenn	80%	5

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

2021 HOW VILLAGES SPENT GIFT FUNDS

	Funds Spent
Bethany Manor	\$ 178
Resident Activities	\$ -
Wellness	\$ -
Resident Activities & General Village needs	\$ 178
Resident Help Fund	\$ -
Brush Park Manor PV	\$ 28
General Village Activities and Improvement	\$ -
To support activities for residents at BPMPV and aquarium amenities	\$ 28
Delta Manor	\$ -
East Harbor	\$ 1,843,361
Chapel expenses	\$ 1,833
Health and Wellness Center	\$ 1,822,774
Removing storage area from front of campus	\$ 7,039
Bringing Telehealth to At-Risk Seniors MHEF Grant #G-2003-146093	\$ 11,714
Hampton Meadows	\$ 772
Resident Activities	\$ 772
Harmony Manor	\$ 441
Village & Resident Activities	\$ 441
Wellness	\$ -
Resident Activities (\$2450 specifically for Dr. David Robinson Library project)	\$ -
Hartford Village	\$ 21,527
Resident Activities	\$ 60
General Village Activities	\$ 21,466
Hillside	\$ 266,222
Resident Activities	\$ 29
Village Improvements	\$ -
General Village Activities	\$ 9,819
Outdoor Improvements	\$ -
Little Traverse Bay Housing Partnership	\$ -
Bay Connect - Emmet Co Transportation & 12 Core Services	\$ 256,374
Holly Woodlands	\$ 8,578
Resident Activities	\$ -
Technology F&F 2016	\$ -
Facility Improvements	\$ -
General Village Activities	\$ 2,111
Resident Assistance from 2020 United Way grant	\$ 6,467
Mill Creek	\$ 2,065
Resident Activities	\$ -
General Village Activities	\$ 2,065
Oakland Woods	\$ 13,011
General Village Activities	\$ 1,156
Wellness	\$ 82
Resident Assistance from 2020 United Way grant	\$ 11,773
Annual Westerman Funds for Resident Activities \$8,050.19 tx to Oakland Woods	
Oakman Manor	\$ 2,760
Village Improvements	\$ 2,473
Outdoor Living, including F& F 2016	\$ 287

☐ Our Saviour's Manor	\$ 972
Resident Activities	\$ 91
General Village Activities	\$ 881
☐ Peace Manor	\$ 2,827
Resident Activities	\$ 136
General Village Activities - dance classes, VVC equipment	\$ 2,269
Resident Outdoor and Community Room Enhancements	\$ 449
Technology	\$ (27)
☐ Perry Farm Village	\$ 23,716
Resident Benevolence	\$ 18,000
General Village Activities	\$ -
Employee Fund for employee events, celebrations, PFV team activities, etc	\$ 5,716
☐ Redford	\$ 3,132
Resident Wellbeing	\$ 350
Resident Transportation	\$ 2,450
Resident Activities & Grounds Improvement	\$ -
General Village Activities	\$ -
General Resident Activities (holiday luncheon, movies, resident council)	\$ 332
☐ Rosebush	\$ 29,690
Resident Activities	\$ -
Fire Suppression System Upgrade	\$ 16,752
General Village Activities	\$ 12,938
☐ Sage Grove	\$ 809
Resident Activities	\$ 809
☐ Spring Meadows	\$ 214
Resident Activities	\$ -
General Village Activities	\$ 214
☐ St. Martha's	\$ 5,499
Resident Activities	\$ -
Raised Garden Bed	\$ 175
Outdoor Living	\$ 238
Fall Risk Reduction	\$ 1,083
General Village Activities and Improvement	\$ 4,003
Transportation and Wellness	\$ -
☐ Thome Senior Apts	\$ 2,470
Resident Activities	\$ -
General Village Activities	\$ 2,470
☐ Warren Glenn	\$ 3,693
General Village Activities	\$ 3,693
☐ Wellness	\$ 102,955
Web-based system for VVC	
VVC expenses paid by sponsorships	
MHEF grant to develop Caregivers Best Friend app	\$ 102,955
⊕ Westland	
☐ Woodbridge	\$ 843
Resident Activities	\$ 204
Wellness	\$ -
General Village Activities (resident activities, village enhancements, etc)	\$ 120
2017 F&F Technology Upgrades	\$ 519
Grand Total	\$ 2,335,763

PVM Foundation Executive Summary
June 2021 Meeting
Financial Statement Highlights

The market value of Cash and Investments at April 30, 2021 was \$21,035,000. This is a net increase of \$1,160,000 from December 31, 2020. Items to note:

- \$1,046,000 of Unrealized and Realized gains/(losses)
- \$450,000 received from Edward N. and Della L. Thome Memorial Foundation for Thome Rivertown Like Campus
- \$230,000 disbursed to PVM from Unrestricted Funds for Wellness Expenses
- \$225,000 disbursed for PACE-Sunrise (\$250,000 pledge at 12/31/20 received from The Harry and Jeanette Weinberg Foundation)
- \$201,000 disbursed to Village of East Harbor and Westland for Benevolence
- \$172,000 decrease in Pledges Receivable

The increase in PVMF Net Assets from all funds of \$970,000 through April 30, 2021 is \$1,848,000 greater than budgeted expectations. This is primarily due to Realized Gains and Unrealized Gains in Adjustments to Market and less grants released than budgeted.

Other Items of Note:

Unrestricted Funds:

- Unrealized Gain/ (Loss) on Investments \$376,000 (not budgeted)
- Realized Gain/ (Loss) on Investments \$689,000 (greater than budgeted amount of \$300,000)

Temporarily Restricted Funds:

- Unrealized Gain/ (Loss) on Investments \$120,000 (not budgeted)
- Realized Gain/ (Loss) on Investments \$161,000 (not budgeted)
- Grants Released \$308,000 (less than budgeted amount of \$1, 067,000)

Presbyterian Villages of Michigan Foundation
Income Statement

	4/1/2021 4/30/2021 ACTUAL	4/1/2021 4/30/2021 BUDGET	Variances	1/1/2021 4/30/2021 ACTUAL	1/1/2021 4/30/2021 BUDGET	Variances	2021 ANNUAL BUDGET
UNRESTRICTED FUNDS							
UNRESTRICTED FUNDS OPERATING							
OPERATING REVENUES							
A CONTRIBUTIONS	\$ 43,508	\$ 65,000	\$ (21,492)	\$ 71,948	\$ 80,000	\$ (8,052)	\$ 275,000
FUNDRAISING MANAGEMENT FEE REVENUE	\$ -	\$ 10,250	\$ (10,250)	\$ 47,063	\$ 70,150	\$ (23,087)	\$ 263,000
B GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	\$ 18,738	\$ -	\$ 18,738	\$ (74,564)	\$ -	\$ (74,564)	\$ -
F INVESTMENT INCOME	\$ (3,590)	\$ 17,167	\$ (20,757)	\$ 125,963	\$ 94,417	\$ 31,547	\$ 309,000
Total OPERATING REVENUES	\$ 58,656	\$ 92,417	\$ (33,760)	\$ 170,411	\$ 244,567	\$ (74,156)	\$ 847,000
OPERATING EXPENSES							
G FOUNDATION OPERATIONS	\$ 68,261	\$ 111,082	\$ 42,821	\$ 247,186	\$ 362,361	\$ 115,175	\$ 812,411
H OTHER UNRESTRICTED	\$ -	\$ -	\$ -	\$ 8,683	\$ 1,250	\$ (7,433)	\$ 148,000
I GRANTS-EQUIPMENT	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ 20,000
P GIFTS AND GRANTS	\$ 24,150	\$ -	\$ (24,150)	\$ 535,654	\$ 510,512	\$ (25,142)	\$ 525,512
Total OPERATING EXPENSES	\$ 92,411	\$ 111,082	\$ 18,671	\$ 811,523	\$ 894,123	\$ 82,600	\$ 1,505,923
Total UNRESTRICTED FUNDS OPERATING	\$ (33,755)	\$ (18,665)	\$ (15,089)	\$ (641,113)	\$ (649,557)	\$ 8,444	\$ (658,923)
UNRESTRICTED FUNDS NON-OPERATING-REVENUES							
D ADJUSTMENT TO MARKET VALUE	\$ 506,645	\$ -	\$ 506,645	\$ 375,750	\$ -	\$ 375,750	\$ -
E GAIN ON SALES OF ASSETS	\$ 33,193	\$ -	\$ 33,193	\$ 688,863	\$ 300,000	\$ 388,863	\$ 300,000
Total UNRESTRICTED FUNDS NON-OPERATING-REVENUES	\$ 539,838	\$ -	\$ 539,838	\$ 1,064,613	\$ 300,000	\$ 764,613	\$ 300,000
UNRESTRICTED FUNDS NON-OPERATING-EXPENSES							
F AMORTIZATION EXPENSE	\$ 274	\$ 274	\$ 0	\$ 1,096	\$ 1,096	\$ 0	\$ 3,288
Total UNRESTRICTED FUNDS NON-OPERATING-EXPENSES	\$ 274	\$ 274	\$ 0	\$ 1,096	\$ 1,096	\$ 0	\$ 3,288
Total UNRESTRICTED FUNDS	\$ 505,810	\$ (18,939)	\$ 524,749	\$ 422,404	\$ (350,653)	\$ 773,057	\$ (362,211)

TEMPORARILY RESTRICTED FUNDS

REVENUES

A	CONTRIBUTIONS	\$	119,795	\$	102,500	\$	17,295	\$	623,980	\$	641,500	\$	(17,520)	\$	2,610,000
B	GRANT ALLOCATIONS/MATCHING FUND TRANSFERS	\$	(18,738)	\$	-	\$	(18,738)	\$	74,564	\$	-	\$	74,564	\$	-
D	UNREALIZED GAINS AND LOSSES	\$	163,609	\$	-	\$	163,609	\$	120,476	\$	-	\$	120,476	\$	-
E	REALIZED GAINS AND LOSSES	\$	7,660	\$	-	\$	7,660	\$	160,663	\$	-	\$	160,663	\$	-
F	INVESTMENT INCOME	\$	2,040	\$	4,583	\$	(2,544)	\$	(88,115)	\$	(7,417)	\$	(80,698)	\$	(48,000)
	CHANGE IN PLEDGES DISCOUNT	\$	-	\$	-	\$	-	\$	(2,455)	\$	(7,500)	\$	(5,045)	\$	(30,000)
	Total REVENUES	\$	274,365	\$	107,083	\$	167,282	\$	889,113	\$	626,583	\$	262,530	\$	2,532,000

EXPENSES

H	OTHER	\$	-	\$	5,833	\$	5,833	\$	1,507	\$	27,083	\$	25,576	\$	85,000
J	GRANTS-WELLNESS	\$	-	\$	-	\$	-	\$	(31)	\$	-	\$	31	\$	-
K	GRANTS-EQUIPMENT	\$	-	\$	900,000	\$	900,000	\$	225,000	\$	910,000	\$	685,000	\$	3,113,423
N	GRANTS-OTHER PROGRAM EXPENSES	\$	31,161	\$	25,000	\$	(6,161)	\$	81,273	\$	150,000	\$	68,727	\$	360,000
O	GRANTS-BENEVOLENCE	\$	-	\$	1,840	\$	1,840	\$	1,901	\$	7,362	\$	5,460	\$	22,085
	FUNDRAISING MANAGEMENT FEES	\$	-	\$	10,250	\$	10,250	\$	47,063	\$	69,150	\$	22,087	\$	261,000
	Total EXPENSES	\$	31,161	\$	942,924	\$	911,763	\$	356,714	\$	1,163,595	\$	806,881	\$	3,841,508

Total	\$	243,205	\$	(835,840)	\$	1,079,045	\$	532,399	\$	(537,012)	\$	1,069,411	\$	(1,309,508)
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Total TEMPORARILY RESTRICTED FUNDS	\$	243,205	\$	(835,840)	\$	1,079,045	\$	532,399	\$	(537,012)	\$	1,069,411	\$	(1,309,508)
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PERMANENTLY RESTRICTED FUNDS

REVENUES

A	CONTRIBUTIONS	\$	14,885	\$	-	\$	14,885	\$	14,885	\$	10,000	\$	4,885	\$	20,000
	Total REVENUES	\$	14,885	\$	-	\$	14,885	\$	14,885	\$	10,000	\$	4,885	\$	20,000

EXPENSES

H	OTHER	\$	-	\$	-	\$	-	\$	(48)	\$	1,000	\$	1,048	\$	2,000
	Total EXPENSES	\$	-	\$	-	\$	-	\$	(48)	\$	1,000	\$	1,048	\$	2,000

Total	\$	14,885	\$	-	\$	14,885	\$	14,933	\$	9,000	\$	5,933	\$	18,000
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Total PERMANENTLY RESTRICTED FUNDS	\$	14,885	\$	-	\$	14,885	\$	14,933	\$	9,000	\$	5,933	\$	18,000
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BEGINNING FUND BALANCE	\$	20,986,416	\$	20,986,416	\$	-	\$	20,780,578	\$	20,780,578	\$	-	\$	20,780,578
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NET SURPLUS/(DEFICIT)	\$	763,899	\$	(854,780)	\$	1,618,679	\$	969,736	\$	(878,664)	\$	1,848,401	\$	(1,653,719)
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ENDING FUND BALANCE	\$	21,750,315	\$	20,131,636	\$	1,618,679	\$	21,750,315	\$	19,901,914	\$	1,848,401	\$	19,126,859
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Presbyterian Villages of Michigan Foundation

Balance Sheet

	4/30/2021	12/31/2020
ASSETS		
Cash	\$442,455	\$666,418
Pledges Receivable-Current	\$558,137	\$748,468
Investments	\$20,592,668	\$19,208,614
Beneficial Interests	\$224,983	\$224,983
Beneficial Interests-Other	\$58,037	\$58,037
Pledges Receivable-Non Current	\$5,845	(\$9,033)
Loan Receivable-Perry Farm	\$0	\$0
Capital Purchases	\$0	\$0
Miscellaneous Assets	\$4,800	\$4,800
Prepaid Assets	\$1,610	\$1,610
Total ASSETS	<u>\$21,888,535</u>	<u>\$20,903,896</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$73,629	\$53,529
Due to PVM	\$15	\$0
Accrued Payroll	\$10,806	\$16,018
Liability Under Split Interest Agreements	\$53,771	\$53,771
Due To/From Interfund	\$0	\$0
Total LIABILITIES	<u>\$138,220</u>	<u>\$123,318</u>
NET ASSETS		
Unrestricted Funds	\$9,400,568	\$8,978,164
Temporarily Restricted Funds	\$6,659,600	\$6,127,201
Permanently Restricted Funds	\$5,690,147	\$5,675,214
Total NET ASSETS	<u>\$21,750,315</u>	<u>\$20,780,578</u>
Total LIABILITIES AND NET ASSETS	<u>\$21,888,535</u>	<u>\$20,903,896</u>
 BEGINNING BALANCE WITH CURRENT YEAR ADJUSTMENTS		
	\$20,780,578	\$16,058,360
 NET SURPLUS/(DEFICIT)		
	\$969,736	\$4,722,218
 ENDING FUND BALANCE		
	<u>\$21,750,315</u>	<u>\$20,780,578</u>

Presbyterian Villages of Michigan Foundation

Statement of Cash Flows

As Of 04/30/2021

	<u>Actual</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
NET SURPLUS/(DEFICIT) FOR PERIOD	\$969,736
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH	
PROVIDED (USED) BY OPERATING ACTIVITIES	
1162-000-01 Decrease in CURRENT PORTION OF SPLIT INTERES	\$0
1165-000-01 Decrease in CHARITABLE GIFT ANNUITY	\$0
1171-000-01 Decrease in REMAINDER TRUST - PCF	\$0
1172-000-01 Decrease in BENEFICIAL INTEREST - CFSM	\$0
1173-000-01 Decrease in BENEFICIAL INTEREST - PCF	\$0
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 Decrease in A/R OTHER	\$0
1299-000-01 Decrease in RESERVE FOR DOUBTFUL ACCOUNT	\$0
1300-000-01 Decrease in PLEDGES RECEIVABLE	\$190,331
1301-000-01 Decrease in ALLOWANCE FOR DOUBTFUL PLEDGE	\$1,142
1302-000-01 Increase in PLEDGES RECEIVABLE-LONG TERM	(\$18,475)
1303-000-01 Decrease in DISCOUNT ON PLEDGES RECEIVABL	\$2,455
1304-000-01 Decrease in PLEDGES RECEIVABLE-CONTRA	\$0
1330-000-01 Decrease in ACCRUED INTEREST RECEIVABLE	\$0
1340-000-01 Decrease in PREPAID INTEREST	\$0
1341-000-01 Decrease in PREPAID INSURANCE	\$0
1342-000-01 Decrease in PREPAID OTHER	\$0
1343-000-01 Decrease in PREPAID RELEASED FROM RESTRICTIO	\$0
2101-000-01 Decrease in ACCOUNTS PAYABLE	(\$947)
2102-000-01 Increase in DUE TO/DUE FROM PVM	\$15
2103-000-01 Decrease in ACCOUNTS PAYABLE OTHER	(\$4,891)
2104-000-01 Increase in GRANTS PAYABLE	\$25,938
2125-000-01 Increase in DUE TO/DUE FROM UNRESTRICTED FU	\$461,943
2126-000-02 Decrease in DUE TO/DUE FROM TEMPORARILY R	(\$532,399)
2127-000-03 Decrease in DUE TO/DUE FROM PERMANENTLY R	(\$14,933)
2128-000-04 Increase in DUE TO/DUE FROM BOARD DESIGNATE	\$85,389
2163-000-01 Decrease in CURRENT PORTION OF SPLIT INTERES	\$0
2165-000-01 Decrease in ANNUITY PAYABLE	\$0
2166-000-01 Decrease in PVMF ANNUITY PAYABLE	\$0
2170-000-01 Decrease in DISCOUNT FOR FUTURE INTEREST	\$0
2221-000-01 Decrease in ACCRUED PAYROLL	(\$5,946)
2222-000-01 Increase in ACCRUED PAYROLL WITHHOLDINGS	\$1,057
2223-000-01 Decrease in FICA EMPLOYER PORTION	(\$323)
3990-000-01 Decrease in NET ASSETS	\$0

Presbyterian Villages of Michigan Foundation

Statement of Cash Flows

As Of 04/30/2021

		Actual
		<hr/>
3990-000-02	Decrease in NET ASSETS	\$0
3990-000-03	Decrease in NET ASSETS	\$0
3990-000-04	Decrease in NET ASSETS	\$0
		<hr/>
	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$1,160,092
 CASH FLOWS FROM INVESTING ACTIVITIES		
1213-000-01	A/R PERRY FARM LAND CONTRACTS	\$0
1214-000-01	A/R OBLIGATED GROUP	\$0
1219-000-01	A/R PVM LINES OF CREDIT	\$0
1725-000-01	COMPUTER SOFTWARE	\$0
1735-000-01	A/D COMPUTER SOFTWARE	\$0
1940-000-01	CAPITAL PURCHASES - CURRENT YEAR	\$0
		<hr/>
	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$0
 CASH FLOWS FROM FINANCING ACTIVITIES		
1350-000-01	NOTE RECEIVABLE	\$0
		<hr/>
	NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	\$0
 NET INCREASE/(DECREASE) IN CASH		
		\$1,160,092
CASH AND CASH EQUIVALENTS AS OF 1/1/2021		\$19,875,031
		<hr/>
CASH AND CASH EQUIVALENTS AS OF 4/30/2021		\$21,035,123
		<hr/>

From: "Tom Ahern [Newsletter]" <tom@aherncomm.com>
Date: May 18, 2021 at 3:30:11 AM EDT
To: Lisa Machesky <lisa.m@oaklandliteracy.com>
Subject: Your guesses are Satan's sweetmeats ~ Latest Ahern e-news
Reply-To: us2-7575a52809-9aef588f55@inbound.mailchimpapp.net

Got benchmarks?

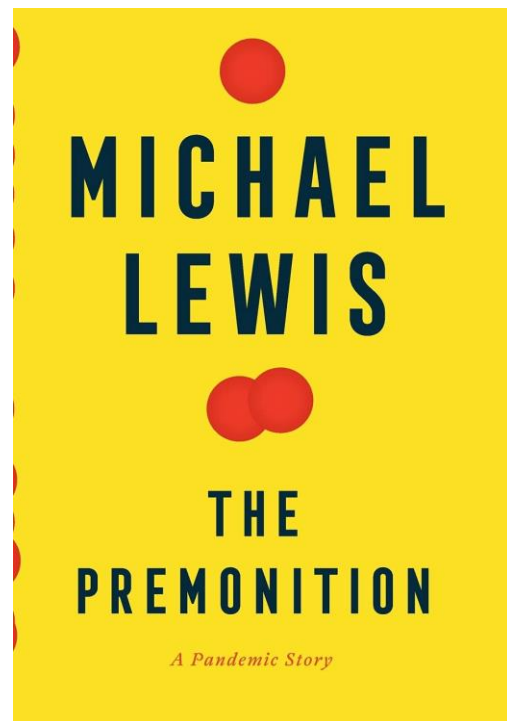
[View this email in your browser](#)

Follow me on Twitter: [@othertomahern](https://twitter.com/othertomahern)

Notably re-quotable

The pandemic in America was bad. It remains bad. Here's the shocker: it could have been SO much worse.

As of May 15, 2021, the U.S. had both the *highest* number of confirmed COVID-19 cases - and the *most* deaths from the coronavirus - of any nation on earth [[Johns Hopkins](#)].



But here's what you'll learn, if you read Michael Lewis's latest book, [The Premonition](#): America's pandemic was a runaway train ... until one obscure hero hit the brakes: **a young nonprofit in San Francisco**.

What was desperately needed to control America's outbreak? Not the CDC: that once-majestic entity was no longer trustworthy, as Lewis' book reveals. The CDC had been politically compromised for years. Certainly not the administration: the 2020 White House was fully vested in science-denial. And *for sure* not the states: they were praying to the CDC and the feds for guidance.

So then ... who **did** save America from an out-of-control medical apocalypse? "...a bunch of nonprofits stepped in to [do the game-changing tests], haphazardly, for free...." **Chief among them?** The CZ [Biohub](#) in San Francisco, co-led by MacArthur genius-fellow Joe DeRisi. A \$600 million endowment from Mark Zuckerberg and his wife, pediatrician Priscilla Chan, launched the Biohub in 2016 ... just in time, as it turned out. *Thanks, philanthropy! Thanks, philanthropists!*

From my mail bag...

"Regrets?" Turn that frown upside down!

Paul Miller, CFRE, flattered me with the following salutation (and - as a reader of this newsletter; maybe my books; maybe even a bored victim of my presentations - you've ALSO heard that flattery is a reliable and useful tool in fundraising b/cuz, neuro-scientifically, flattery is universally well-received & on occasion lucrative):

Tom, my donor communication sensei, Ahern!

Thank you for the kind words on the latest **Your Giving Matters** newsletter.

Here's the outbound envelope of the PVM donor newsletter (Paul follows the [Domain Formula](#), which found that 19 out of 20 times a donor newsletter in an envelope will return far more in gifts than a self-mailed newsletter):




**Presbyterian
Villages**
 OF MICHIGAN
 THE FOUNDATION
 26200 Lahser Rd., Suite 300
 Southfield, MI 48033-7157



<<Full Name>>
 <<Title>>
 <<Company>>
 <<Alternate 1 Address>>
 <<Delivery Address>>
 <<City>> <<St>> <<ZIP+4>>
 <<Country>>

<<IM barcode Characters>>

Here's the cover (which borrows heavily from the pioneering work of Michelle Brinson and her designer at Nashville Rescue Mission; it delivers joy in one image and just a few words, the most important of which is "you"):



I'd asked Paul to share any data he might have re: whether this intensely donor-centered newsletter was helping to raise more money.

He replied quickly:

> Average gift size has increased.

> 2020 was a very good fundraising year ~ 5M was raised (in my 15 years, this total is in the top 3 raised).

> The newsletter has confirmed we're a mission that does great things **because of donors**. I think in the past that message was muted. There is more of a buzz around our mission and helping it.

> 3 individuals added PVM in their estate with several others in process. Having the articles on bequests has helped. One individual called to confirm his existing bequest after reading the newsletter.

Paul also worried, though:

"Regretfully PVM Foundation's donor base is at the same level. We have not increased it ... but have not lost donors."

Charities can characterize success as failure, if they don't have solid benchmarks at their fingertips.

My first blistering encounter with this was with a fabulous animal welfare charity. Everyone working or volunteering there had halos ... even the abandoned llamas (neurotic SOBs in my experience).

An outside direct mail firm of good repute handled this particular charity's donor acquisition program.

But the new-to-fundraising staffer tasked to manage annual giving characterized their direct-mail response rate as "abysmal."

What WAS that "abysmal" response rate?

1.5%

1.5% at that moment (around 2017) was 3 times HIGHER than industry norms for NON-premium direct-mail charity acquisition, measured globally across 6 different English-speaking countries.

Translation?

This charity (and its direct-mail house) were succeeding wildly.

But a novice staffer trashed these fab results ... because she was ignorant. And didn't know it.

If there's a definition of an expert, it's this: "I'm ignorant ... and I DO know it." I.e., please forgive my trespasses > I'm a standard-issue human brain that assumes whatever I think is right enough.

I wrote back to Paul:

The fact the PVM's donor base is level might actually be the healthiest sign.

A more common occurrence is natural attrition steadily erodes the base; one client saw a loss of 30% of its annual donors in about 5 years ... and that was a typical loss for a charity, not atypical. They were still doing great work the entire time.

But the core message that "donors are needed!" had gotten lost.

Once that message was restored (through their print newsletter, e-news and social media posts), retention and donor participation improved immediately.

Keep it up!!!!

love

tom



EXECUTIVE SESSION

(Mr. Gompers)

Tab 8



ADJOURNMENT

Tab 9

