

**2008**

**Presbyterian Senior Living**

**Annual Report**



## President's Message

### Growth and Change

2008 was marked by a number of important developments in our ministry to seniors. The most obvious is a change in name and corporate logo. The change in name to Presbyterian Senior Living is acknowledgement of a continuing evolution in the way we deliver services. The colors and images used in our new logo were selected to illustrate the quality of life and personal growth that occurs when someone becomes a part of our family as a volunteer, staff member, or is served in our continuum of care.

Growth has many dimensions. Some are obvious – like new building and programs. Others are equally important, but less visual – like person-centered care, investments in staff development, or efforts to expand our service across a broad economic spectrum. The message of growth and change is not new. Our entire history could be described in terms of growth and change, and this past year is no exception. This annual report outlines activities in 2008 that illustrate how we continue to grow and change while remaining faithful to the call to serve seniors and the values articulated in our mission statement ... Christian understanding, compassion and belonging.

These accomplishments are only possible through the coordinated effort and teamwork of a remarkable group of people:



- Outstanding board members who give freely of their time and attention, providing wisdom, oversight, and direction to this ministry to seniors.
- 2,700 dedicated and compassionate staff members who bring our mission to life every hour of every day.
- Hundreds of volunteers who serve faithfully at all 22 of our locations, reaching out with kindness and love.
- Committed donors who enable us to provide top quality care to persons with limited resources.
- The people we serve, who create a warm and inviting community, embracing each new person when they become a part of the Presbyterian Senior Living family.

It is our privilege to claim you as our colleagues.  
You are the very hands and feet of God.

Robert Hormel  
Vice Chairman

David Wolff  
Chairman

Steve Proctor  
CEO

## What's in a Name

Names are important. Our name connects us with our family history and the generations that have preceded us. The name of an organization contains much of the same meaning and value as our family names. A good name should identify who we are, what we stand for, and what people can expect from us. A good reputation and long history add value to a corporate name.

Coca Cola, Exxon, IBM, and other corporate giants can quantify the enormous value of their corporate name. The book of Proverbs (22:1) exclaims that "A good name is to be chosen over great riches." Even in ancient times, people knew that it was possible to collect and store valuable goodwill in a name.

In the field of aging services names have evolved over time. Terms like "The Cathcart Home for Incurables, The Home for the Friendless, The Long Asylum, The Easton Old Ladies Home," were names of Aging Service providers that seem antiquated now, but seemed appropriate for an earlier period of history.

PHI has had several names in its 80+ years of service – The Presbyterian Home of Central

# PRESBYTERIAN HOMES OF CENTRAL PENNSYLVANIA

Pennsylvania, Presbyterian Homes of Central Pennsylvania, Presbyterian Homes, Inc., and PHI have been names that have described our ministry to seniors. This progression of corporate names

illustrates a change in the number of facilities, growing geography, and increased range of services. PHI was

considered by many to be shorthand for Presbyterian Homes, Inc. Given the range of services we currently provide and the expectations of our present and future customers, constituents, and employees, it is obvious that we were in need of a more modern and descriptive name to carry us into the future.

After much deliberation (and market research), the board selected the name

### **Presbyterian Senior Living**

as the name that best describes what we do and who we are. The board discussion of our new name was focused and intentional.

Continuing the name "Presbyterian" retains the connection to our faith-based roots and the driving force behind why we provide millions



*Presbyterian Homes, Inc.*



of dollars of subsidized care annually.

The term Presbyterian is less indicative of a distinct theological perspective and more of

a general marker of our Christian heritage, enabling us to embrace other denominational groups, like the Quincy Retirement Community with its strong Methodist connection.

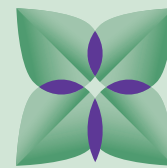
Replacing the term Home or Homes with "Senior Living" is recognition of the wide range of services that we currently provide – Continuing Care Retirement Communities, Independent Living, post-acute Skilled Nursing Care, Assisted Living, Home and Community based services, and the LIFE program, our newest extension of the continuum of care to seniors. In addition to an increased focus on enriching life and delivering services in a variety of settings, we engage seniors and their families more broadly in the process of how services are delivered. We believe that our new name also reflects this evolution.



## RETIREMENT AND SENIOR CARE SERVICES

A change in name by its nature necessitates a change in logo. The new logo for Presbyterian Senior Living includes colors and images that reinforce the positive outlook and faith-based foundation of the organization. We chose the image of green leaves to emphasize that growth and change occur at every stage of life - a common experience in the seniors we are called to serve. The purple cross and the Presbyterian name underscore that our calling to serve seniors and commitment to charity is based on our Judeo Christian heritage.

What's in a name? Quite a lot actually – the value of more than eighty years of history, the call to grow and change as we look to the future, and an



## PRESBYTERIAN SENIOR LIVING

opportunity to emphasize the timeless values that inspire us in this ministry.

## A Growing Ministry

Grace Manor • Indiana, PA

Growth within organizations can take many forms. Most commonly organizational growth is described as horizontal or vertical – like acquiring more facilities in new locations or extending a particular service to include a wider economic range or establishing a completely new service within a vertical continuum of care. Measured in this way, Presbyterian Senior Living is growing in both directions.

The affiliation that brought the Grace Manor apartments into the St. Andrew's Village continuum of care provided another opportunity to serve seniors in a community where Presbyterian Senior Living had an established presence. The affiliation with the historic Long Home in Lancaster offered an opportunity to establish a new Presbyterian Senior Living location to be developed next to Highland Presbyterian Church. Other Presbyterian Senior Living campuses also experienced incremental growth.

Presbyterian Senior Living has also strengthened its commitment to serving people with fewer resources with a combination of housing and services designed to help people age in place. The development of tax credit housing, like Schartner House and Westminster House at Parkesburg are examples of this growth. Other locations have been targeted for a similar expansion in the coming years.



With the development of the LIFE program scheduled to open in early 2009 in Bethlehem, Presbyterian Senior Living has expanded into a completely new model of care delivery that provides a comprehensive, all inclusive approach to providing services to persons with limited incomes who have



Schartner House • Dillsburg, PA

been certified as physically needing nursing home care. The new service will be the first of several sites to be located in the Lehigh Valley.

Growth is also measured in new initiatives. In 2008, Westminster Village in Allentown was a prime example of how physical plant expansion, programmatic changes, and community and staff

educational efforts are combined to establish a new level of excellence in dementia care for seniors.

Our system-wide focus on environmental stewardship and growing greener, from daily operations to the design and construction of new buildings, is another important area of growth.

All of these are examples of a ministry that is growing and changing to meet the need of an increasingly diverse and demanding consumer.

The Long Home • Lancaster, PA



This growth enabled Presbyterian Senior Living to expand our historic focus on subsidized care last year. More than \$12.8 million in subsidized care was provided to 1,172 individuals.



everyday LIFE Center • Bethlehem, PA



## Quality of Life

The addition of “Living” in our new name is indicative of the spirit demonstrated every day by our Presbyterian Senior Living team and the desires of those who have chosen to live with us during their retirement years. How one chooses to live is very personal, so placing the person served in a position to exercise personal choice is the centerpiece of physical and programmatic change taking place at our communities. We are in the midst of an exciting transformation focused on fostering personal growth, wellness and independence in those we serve.

Physical changes are the most conspicuous of the changes we are making. Presbyterian Senior Living has always been committed to constructing and maintaining high-quality buildings. In our nursing centers, the renewal of our physical plant is being undertaken to promote community building, provide

a more residential setting, and take full advantage of technology to provide greater safety with fewer restrictions.

The introduction of “Choice Dining” to all Presbyterian Senior Living programs can be experienced when you walk into one of our new “country kitchens” in our nursing centers and assisted living communities. The smell of food being prepared provides our residents with a homelike environment where they can choose, when, what and how much they would like to eat. The setting not only encourages resident choice but residents tell us how much they appreciate smaller and more personal dining and social spaces to share with other



residents or family. Choice Dining provides our CCRC residents with dining options that support their varied lifestyles. New flexible payment programs empower residents to decide from choices in menu, venue and dining times. Bistros and cafes are becoming common at our CCRCs providing a casual dining option in addition to more formal programs. The newest addition to our choice dining program is our grab and go program, which provides residents, family and staff with healthy take out food.

Spending time with residents who participate in a Presbyterian Senior Living Fitness program is a great



way to learn the importance of physical fitness in maintaining or improving the quality of life. Fitness programs are part of every community. Whether it occurs in one of our state of the art fitness centers or in a relaxed community room atmosphere, the benefits are enormous. There is a growing body of knowledge regarding the benefits of fitness training in seniors. Many experts claim the benefits for seniors to be more profound than in younger persons. Fitness increases muscle and bone mass, increases balance and circulation, and impacts a general sense of well being. Combining these programs with healthy eating and brain health programs helps our residents achieve an overall fitness that was thought to be out of reach just a few years ago.

Resident and family engagement has become a hallmark of transformation within Presbyterian Senior Living. Residents and families are actively involved in our mission – from traditional roles of volunteer service to assuming a leadership role in shaping the direction of our programs. In addition to



resident involvement in governance, involvement in our newly formed community advisory boards provides our Board and Staff leadership with knowledgeable advice and guidance on how to best serve our various constituencies, now and in the future.

Environmental stewardship programs are blossoming at our campuses because of the leadership and work of residents. Fitness and brain health programs are being conducted by credentialed residents who share their talents with their neighbors. Residents are also actively involved in community organizations and initiatives.

Presbyterian Senior Living fosters this commitment to sharing of knowledge and experience between its 22 locations. In regular meetings throughout the year, residents and staff from across the organization join together to collectively share information and successful programs and bring them back to their home environment.

Jim Bernardo, Chief Operating Officer





## Resources

One hears the word “resources” a lot these days usually referring to natural resources such as timber and water, or financial resources such as money and stocks. However, in the dictionary first definition of resources is **“A source of supply, support, or aid, especially one that can be readily drawn upon when needed.”**

This is an accurate description of our employees as a source of support and aid to our residents. They readily respond to requests and selflessly render service to meet the needs of our residents. A valuable resource to be sure! Our resident centered care initiatives allow staff to engage even more with residents, empowering them to meet resident needs in new and more personal ways.

The second definition of resources is **“an available means afforded by the mind or one’s personal capabilities.”** This too typifies our employees. The individual ability to care for and love our residents is a priceless resource - it is a personal commitment each one of our staff makes to our residents every day. Promoting staff engagement—rather than focusing on tasks to be performed—is a key to our employee relations strategy to provide a more rewarding work experience for our employees and a better quality of life for those we serve.

The third definition also has some applicability: **“the collective wealth of a country.”** While Presbyterian Senior Living is not a country, the collective wealth of expertise, dedication and Christian compassion in our employees certainly fits this description. Our people are obviously our most important resource. Our strategic goal is to be the employer of choice in every market we serve. Actualizing this strategic objective means making an investment in our people.

Any mention of investment leads to the most commonly recognized definition of resource: financial resources. Even though financial resources occupy an unusually large part of the business



landscape it is especially relevant when we talk about those employees who work with us in this ministry. We spend more on employee wages and benefits than any other single area and our employees act as stewards of almost all of our remaining financial resources. Employee stewardship is exhibited in the way we purchase goods and services, manage the time and attention of our workforce, and make decisions about new programs and services.

Our investment in people includes competitive wages and benefits as a baseline. At the end of 2008 when many employers are not awarding wage increases and cutting benefits, the Presbyterian Senior Living Board of Trustees authorized increases in wages and reduced the amount employees contribute to health insurance costs. Employees understand and appreciate the distinctiveness of our approach and the message it sends about how we value them as partners in ministry.

In 2008, we have also implemented a new information system to manage time keeping, payroll and benefits. This investment will provide tools to more effectively manage our human resources by providing more timely and accurate information. We expect to realize efficiencies that will provide a more



effective use of staff time to benefit those we serve.

Finally, but most importantly, as an ethical employer, Presbyterian Senior Living is committed to fair and equitable treatment of all who work for us. An organization cannot simply “announce” that they are an ethical employer. This claim must be evidenced in our policies, our orientation and in our day to day interaction

with staff. Treating people ethically also involves an investment in leadership skills. To strengthen the ability of our leadership team at every

location, we have invested in a training program that combines computer-based training and live interaction. This computer-based training can be done in short segments at the manager’s convenience, with interactive training scheduled so that all may participate. This new approach has been well received by our managers. More importantly, it is being used every day.

As we grow and change, Presbyterian Senior Living is committed to cultivating our human resources to meet the challenges of serving seniors in the coming years.

MaryAnne Adamczyk, Senior VP for Corporate Affairs



## Living and Growing in Challenging Economic Times

A winter storm hit my neighborhood in early 2008. Several inches of snow were followed by a heavy glaze of ice that weighted down everything it fell on. Tree limbs and power lines were down everywhere. I was thankful that the damage to my home was limited to a single tree - a beautiful birch tree in my front yard. The top fifteen feet of the tree were pretty much destroyed, along with several lower branches. It was a sad sight. I wondered if the tree would ever recover and tried to help it by pruning some of the broken branches. In the spring, it started to grow once again. Over the summer, the

tree picked up where it had left off the previous fall, returning much to its old shape; shorter but almost as beautiful. I am sure next spring it will look even better.

This past year we have been in an economic storm. Like an ice storm, many organizations and people have been damaged, and it is difficult to anticipate which trees or organizations are best able to make it through.

The current economic crisis and its effect on organizations only confirm what we know to be true in nature. While size is important, the lack of flexibility can bring down even the largest and oldest specimens. In addition to putting down deep roots for a solid foundation, careful feeding and support is essential preparation for the storms that will





eventually come. As financial stewards of Presbyterian Senior Living, we understand these concepts.

This past year has certainly been a challenging financial environment. Presbyterian Senior Living is weathering the financial storm well. Built upon the roots of Christian service, and nurtured by eighty years of support from our donors, families,

employees, and vendors - we are continuing to live, serve and grow.

We are not sure if the worst of the storm is behind or in front of us. It is possible that the financial environment may get worse. There is likely to be a negative impact of the recession on government funding of Medicaid and Medicare and financial contributions to fund our charity work. This is at a time when the needs of those we serve will be greater. With the roots of our past, the support of our present, and God's grace for the future we will strive to continue to be good and wise stewards of the finances which have been entrusted to us.

Jeff Davis, Chief Financial Officer

Assets  
as of December 31 (000's)

	2008	2007
Cash and unrestricted investments	\$ 56,138	70,841
Restricted investments and funds	45,304	35,254
Accounts receivable	14,524	12,891
Property and equipment	230,653	212,603
Other assets	10,885	7,786
Total	<u>\$ 357,504</u>	<u>339,375</u>

Liabilities and Deferred Revenues  
as of December 31 (000's)

	2008	2007
Accounts payable and accrued expenses	\$ 27,470	21,087
Resident deposits	2,051	2,332
Annuities payable	1,286	1,201
Other liabilities	4,174	361
Loans and mortgages	<u>189,501</u>	<u>163,238</u>
Amounts due to external parties	<u>224,482</u>	<u>188,219</u>
Deferred entrance fee revenues	77,142	78,268
Net assets	<u>55,880</u>	<u>72,888</u>
Total	<u>\$ 357,504</u>	<u>339,375</u>

**Subsidized Care (millions)**



Our independent accountants have reviewed our financial statements and issued clean opinions on them. This is the highest level of assurance provided by auditors. If you would like any of these reports, please visit our website, [www.presbyterianseniorliving.org](http://www.presbyterianseniorliving.org) and click on the financials link located on the home page.

# Our Locations

## ALLENTOWN, PA

### Westminster Village

803 North Wahneta Street  
Allentown, PA 18109-2491  
(610) 782-8300  
[www.wmvallentown.org](http://www.wmvallentown.org)

## BETHLEHEM, PA

### everyday LIFE

Bethlehem Center  
2045 Westgate Drive • Suite 100  
Bethlehem, PA 18017-7487  
(610) 954-5433  
[www.everydaylifecenters.org](http://www.everydaylifecenters.org)

### Kirkland Village

One Kirkland Village Circle  
Bethlehem, PA 18017-3846  
(610) 691-4500  
[www.kirklandvillage.org](http://www.kirklandvillage.org)

## DILLSBURG, PA

### Presbyterian Senior Living

*\* Corporate Administrative Office*  
One Trinity Drive East • Suite 201  
Dillsburg, PA 17019-8522  
(717) 502-8840  
[www.presbyterianseniorliving.org](http://www.presbyterianseniorliving.org)

### Schartner House

1271 Gettysburg Pike  
Dillsburg, PA 17019-9404  
(717) 432-1670  
[www.schartnerhouse.org](http://www.schartnerhouse.org)

## DOVER, DE

### Westminster Village

1175 McKee Road  
Dover, DE 19904-2268  
(302) 744-3600  
[www.wmvdover.org](http://www.wmvdover.org)

## EASTON, PA

### The Easton Home

1022 Northampton Street  
Easton, PA 18042-4292  
(610) 250-5000  
[www.eastonhome.org](http://www.eastonhome.org)

## GLEN ARM, MD

### Glen Meadows Retirement Community

11630 Glen Arm Road  
Glen Arm, MD 21057-9403  
(410) 319-5000  
[www.glenmeadows.org](http://www.glenmeadows.org)

## HARRISBURG, PA

### Presbyterian Apartments

322 North Second Street  
Harrisburg, PA 17101-1359  
(717) 233-5114  
[www.presbyterianapartments.org](http://www.presbyterianapartments.org)

## HOLLIDAYSBURG, PA

### Presbyterian Village at Hollidaysburg

220 Newry Street  
Hollidaysburg, PA 16648-1626  
(814) 693-4000  
[www.hollidaysburgretirement.org](http://www.hollidaysburgretirement.org)

## HUNTINGDON, PA

### Westminster Woods at Huntingdon

360 Westminster Drive  
Huntingdon, PA 16652-2737  
(814) 644-2000  
[www.westminsterretirement.org](http://www.westminsterretirement.org)

## INDIANA, PA

### Grace Manor

580 North Ninth Street  
Indiana, PA 15701-1228  
(724) 464-1600  
[www.standrewsvillage.org](http://www.standrewsvillage.org)

### St. Andrew's Village

1155 Indian Springs Road  
Indiana, PA 15701-3494  
(724) 464-1600  
[www.standrewsvillage.org](http://www.standrewsvillage.org)

## LANCASTER, PA

### The Long Community

200 N. West End Avenue  
Lancaster, PA 17603-3216  
(717) 397-3926  
[www.thelonghome.org](http://www.thelonghome.org)

## MONTOURSVILLE, PA

### Sycamore Manor Health Center

1445 Sycamore Road  
Montoursville, PA 17754-9520  
(570) 601-8100  
[www.sycamoremanor.org](http://www.sycamoremanor.org)

## NEWVILLE, PA

### Green Ridge Village

210 Big Spring Road  
Newville, PA 17241-9486  
(717) 776-8200  
[www.greenridgevillage.org](http://www.greenridgevillage.org)

## ORBISONIA, PA

### Woodland Retirement Community

18889 Croghan Pike  
PO Box 280  
Orbisonia, PA 17243-0280  
(814) 447-0300  
[www.woodlandretirement.org](http://www.woodlandretirement.org)

## OXFORD, PA

### Ware Presbyterian Village

7 East Locust Street  
Oxford, PA 19363-1399  
(610) 998-2400  
[www.warepresbyterian.org](http://www.warepresbyterian.org)

## PHILIPSBURG, PA

### Windy Hill Village

100 Dogwood Drive  
P.O. Box 551  
Philipsburg, PA 16866-1982  
(814) 342-8400  
[www.windyhillvillage.org](http://www.windyhillvillage.org)

## QUINCY, PA

### Quincy Village

6596 Orphanage Road  
PO Box 217  
Quincy, PA 17247-0217  
(717) 749-2300  
[www.quincyvillage.org](http://www.quincyvillage.org)

## SCRANTON, PA

### Geneva House

323 Adams Avenue  
Scranton, PA 18503-1609  
(570) 347-4885  
[www.genevahouse.org](http://www.genevahouse.org)

## ST. CLAIRSVILLE, OH

### Mark H. Kennedy Park

108 Pine Avenue  
St. Clairsville, OH 43950-9739  
(740) 695-7275  
[www.markkennedypark.org](http://www.markkennedypark.org)

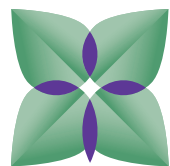
## WILLIAMSPORT, PA

### Presbyterian Home at Williamsport

810 Louisa Street  
Williamsport, PA 17701-3098  
(570) 601-8350  
[www.williamsportpresby.org](http://www.williamsportpresby.org)

## **Our Mission**

The mission of  
Presbyterian Senior Living  
is to offer Christian  
understanding, compassion and  
a sense of belonging  
to those whose needs may be  
physical, psychological, social,  
financial or spiritual in nature, by  
providing a full range of  
high-quality health care,  
housing and other  
related community services  
directed primarily to seniors,  
and which contribute to the  
wholeness of body, mind and spirit.



**PRESBYTERIAN**  
**SENIOR LIVING**

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