



# TOGETHER

2020 ANNUAL REPORT

“Jabez was more honorable than his brothers. His mother had named him Jabez, saying, ‘I gave birth to him in pain.’ Jabez cried out to the God of Israel, ‘Oh, that you would bless me and enlarge my territory! Let your hand be with me, and keep me from harm so that I will be free from pain.’ And God granted his request.”

1 Chronicles 4:9-10



We dedicate this report to those we lost to the COVID pandemic and to all those who helped us to live together in the presence of God’s love despite the pain of this year.

1 Chronicles 4:9-10 is one of our PHS Biblical Framework verses and it took on new meaning for us this year. As Optage Hospice Chaplain Steve Richards wrote in a reflection this year:

“The story of Jabez is one of God working against seemingly impossible odds to bring someone from a place of pain and into blessing. Despite his lowly position, Jabez is totally committed to the idea that God can and will transform his life. He has chosen to have faith in God to change the story of his life and to help him live abundantly.”

“We, too, can ask God to bless us: to enlarge our borders for service and ministry. With Jabez we see the hope that the old can go and the new can come. When we live in the presence of God’s love, we can and WE WILL be transformed, and as this happens, God’s love radiates through us to others.”

Read more at: [PresHomes.org/Jabez](https://PresHomes.org/Jabez)

Dear Friends of Presbyterian Homes & Services,

How exactly does one try to summarize 2020? We might use words like unprecedented, relentless or heartbreaking. But we are choosing another word – **TOGETHER.**

This year has re-awakened us to the power of community, and not just as something we are yearning for after the pandemic, but as the precious connections at the heart of our mission. We have witnessed that God’s light, reflected in acts of love, is most brilliant in times of darkness. We have persevered together and through the Holy Spirit we have accomplished so much more than we would have thought possible.

**In 2020, our 65th year of ministry, we:**

- made a difference in the lives of 26,079 older adults
- partnered with 7,192 employees and 3,833 volunteers
- were named #1 Best Employer in Minnesota by Forbes
- received \$7.8 million in charitable support from nearly 3,000 donors to meet the needs of low-income older adults, fund our commitments to spiritual care and help fund \$3.5 million dollars in COVID appreciation pay for employees
- grew Presbyterian Homes & Services (PHS) endowment to \$76.3 million
- repositioned Interlude™ Restorative Suites in Fridley to provide dedicated COVID care to PHS residents and the broader community
- offered our former Langton Place care center to become Minnesota’s first alternative acute care site as part of the state’s COVID preparedness plan
- welcomed residents at several new communities to bring years of planning and investment to fruition despite difficult circumstances

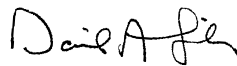
We were blessed to be in a stable financial position coming into the pandemic as operating costs increased significantly. We invested heavily in areas of safety, personal protective equipment and testing. We prioritized capital spending in existing communities through initiatives like installation of bi-polar ionization technology to reduce the risk and spread of COVID-19. As many businesses had to lay off or furlough staff, we worked hard to keep employees whole and meet the great needs around us. Lord willing, we look forward to coming out of this pandemic stronger than ever.

On behalf of the Board of Directors, thank you for your partnership in ministry.

Together in Christ,



**John A. Clymer**  
Board Chair  
Presbyterian Homes & Services

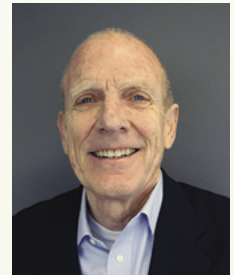


**Daniel A. Lindh**  
President & CEO  
Presbyterian Homes & Services

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“For God has not given us a spirit of fear, but of power and of love and a sound mind.”  
2 Timothy 1:7

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John A. Clymer



Daniel A. Lindh

# PHS BOARD OF DIRECTORS

2021

## Board Members

Norman Wenck  
*Chair*

James Green  
*Vice Chair*

John Clymer  
*Immediate Past Chair*

Julie White  
*Past Chair*

Theodore Chien

Brad Hewitt

Molly Lagermeier

Paula Norbom

Jeffrey Rageth

Sheryl Ramstad

Janet Sommers

David Wessner

### Ex-officio

Elona Street-Stewart  
*Synod Representative*

### Officers

Daniel Lindh  
*President and CEO*

Mark Meyer  
*Treasurer and CFO*

Janna Severance  
*Co-Secretary and  
Co-Legal Counsel*

Peter Gregory  
*Co-Secretary and  
Co-Legal Counsel*

Since 1953, when PHS was incorporated, strong volunteer leadership and governance have been a hallmark of our ministry. The purpose of the Board of Directors is to be a steward in ensuring that the mission of PHS is achieved. Governance is about creating the future; about building what can be out of what is; about creating a dynamic community by linking the organization to an even wider and more involved community of stakeholders. Modeled after Acts 6, board members are selected because they “are known to be full of the Spirit and wisdom.”

## Outgoing Members



**Don Berglund** joined the PHS Board of Directors in 2011 and has chaired the Board Growth Committee and has served on the Finance and Health Care Reform Planning committees. Don is the retired Chief Executive Officer for Innovative Blood Resources and previously served in executive roles at Norton Healthcare and Fairview Health Services.



**Kenny Larson** joined the PHS Board of Directors in 2011 and served as Board Chair from 2015-2016. Kenny has served on the Finance, Board Growth, Workforce and Geographic Expansion committees. Kenny is second generation President of Slumberland Furniture based in the Twin Cities of Minnesota.

## Incoming Members



**Molly Lagermeier** leads the consulting practice Engaging Solutions Group, Inc. Prior to that she held roles at IBM as Global Portfolio Leader for Healthcare & Life Sciences in Consumer Engagement and at UnitedHealth Group, Optum, as VP of Operations Strategy & Senior Director Case & Disease Management, leading a team of over 1,000 nurses.



**Brad Hewitt** is the former CEO of Thrivent Financial. He made it his work at Thrivent to help Americans rediscover a healthy relationship with money and he championed several company-wide diversity, equity and inclusion efforts. He also served as chief administrative officer of the Lutheran Church—Missouri Synod.

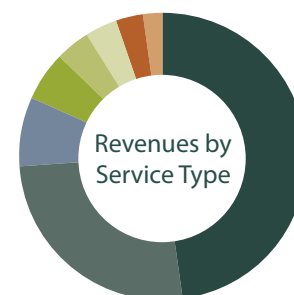


**Janet Sommers** is the Provost and Senior Vice President for Academic Affairs at the University of Northwestern in St. Paul, Minnesota. She is passionate about developing aspiring leaders. Dr. Sommers joined the University of Northwestern faculty in 1991 and served as chair of the Department of English and Literature.

## Total Revenues

Excluding Partnered Revenue (dollar amount in millions)

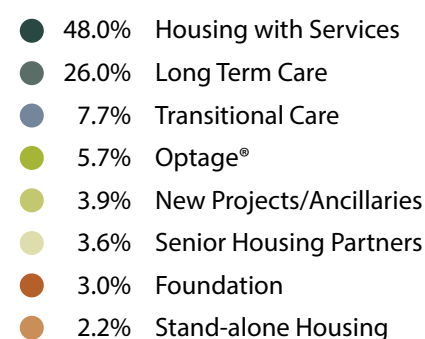
2015	2016	2017	2018	2019	2020
\$340.5	\$369.1	\$390.6	\$420.6	\$454.3	\$464.4



## Consolidated Statements of Operations

(dollar amount in thousands)

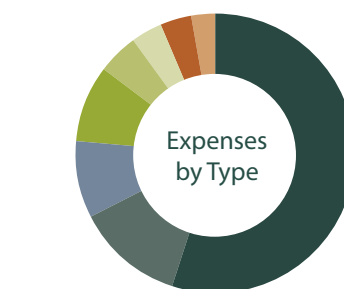
	2019	2020
<b>Total Revenue</b>	<b>\$454,339</b>	<b>\$464,379</b>
Operating Revenue	\$446,714	\$450,621
Contribution Revenue	\$7,625	\$7,762
COVID Grants	\$0	\$5,996
<b>Total Expenses</b>	<b>\$436,181</b>	<b>\$442,429</b>
Services to Residents	\$272,399	\$277,947
General and Administrative	\$57,820	\$66,147
Interest	\$39,610	\$39,261
Depreciation and Amortization	\$51,656	\$54,015
Other Non-Operating Losses	\$14,696	\$5,059
<b>Excess of Revenue Over Expense</b>	<b>\$18,158</b>	<b>\$21,950</b>



## Consolidated Statements of Financial Position

(dollar amount in thousands)

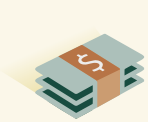
	2019	2020
<b>Total Assets</b>	<b>\$1,577,612</b>	<b>\$1,641,824</b>
Current Assets	\$156,257	\$158,168
Endowment	\$70,473	\$76,266
Other Investments and Assets	\$197,611	\$180,531
Property and Equipment	\$1,153,271	\$1,226,859
<b>Total Liabilities and Net Assets</b>	<b>\$1,577,612</b>	<b>\$1,641,824</b>
Current Liabilities	\$112,330	\$110,733
Long-Term Debt and Other Obligations	\$1,159,383	\$1,203,242
Net Assets	\$305,899	\$327,849



# SOCIAL ACCOUNTABILITY, DONORS & VOLUNTEERS

One of the ways that PHS lives out its mission is through a dedication to social accountability—the community benefit that is provided as a not-for-profit, faith-based organization. Added together, the services in this report have returned over five percent of PHS’ net revenues back to the community. We know that much more is offered, but not recorded. The COVID pandemic presented significant operational challenges, but also missional opportunities. Staff, residents and volunteers invested thousands of hours supporting their communities.

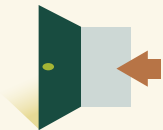
## 2020 Community Benefit: **\$26,969,133**



**\$3.8M** Containing Cost of Care  
The Benevolence Fund and Elderly Waiver help individuals bridge financial challenges.



**\$6.8M** Quality of Life  
Music, art, education, spiritual care and volunteering enhance quality of life.



**\$3.4M** Access Improvement  
Financial support helps ensure care and services for lower income individuals. Transportation and on-site medical clinics, COVID testing and vaccination clinics increase ease of access.



**\$440K** Leadership  
PHS staff offer time and talents to local community and non-profit organizations serving older adults.



**\$6.2M** Health & Wellness  
Health outcomes were improved through wellness and disease prevention programs and converting double rooms to private care suites.



**\$6.4M** Serving the Underserved  
Optage® Senior Dining Choices served 1.6 million meals to seniors in 2020, the majority of whom are lower income, often with no obligation to pay. Residents and staff organize food and clothing drives, outreach initiatives, veterans’ recognitions and made thousands of cloth masks when supplies were thin early in the pandemic.

## 2020 Donor, Grant and Volunteer Contributions: **\$16,694,000**

**\$7.762M** in charitable gifts plus COVID grants of **\$5.996M** plus volunteer equivalent of **\$2.936M**



**3K** Financial Donors



**3.8K** Volunteers

In 2020, **\$16.7M** was contributed to our ministry through gifts of time by volunteers, financial gifts from donors and COVID-related grants.

**THANK YOU!**



When COVID restrictions went into place in March, our operations transformed to meet the needs around us. An early example came from **Optage Senior Dining Choices**, which serves nearly 2 million meals each year, mostly to low-income seniors. As congregate dining sites were closed due to the pandemic, Optage ramped up home-delivered meal capacity. The team was receiving calls from seniors who had not had a meal in days and we were truly blessed to be able to deliver.



On April 20, **Interlude™ Restorative Suites** in Fridley transformed itself into a dedicated COVID-19 treatment site in partnership with Allina Health. When residents at PHS locations became COVID positive, Interlude became a destination for specialized and effective care. Interlude helped contain and minimize the spread and impact of COVID at PHS communities and for guests from other providers and the broader community—548 individuals in total!



In early April we offered up our former **Langton Place** care center to assist in the public response to the COVID pandemic. On April 29 Governor Tim Walz announced that Langton Place had been selected as the state's first alternative acute care site in the event that area hospitals were at capacity. Governor Walz and others expressed sincere gratitude to PHS for offering up the building and its significance in the state's COVID preparedness plan.



In May **COVID testing** was ramping up to help identify and prevent the spread of the virus. In this photo, Minnesota National Guard members arrived at Johanna Shores to set up for the site's initial round of COVID testing. Not long after, PHS deployed our own internal testing program. By the end of 2020 PHS had conducted over 50,000 tests (at a cost of nearly \$4 million dollars). Each positive case was a painful reminder of the pandemic, but prayerful work resulted in a resident positivity rate around 2.5%, much lower than the general public.



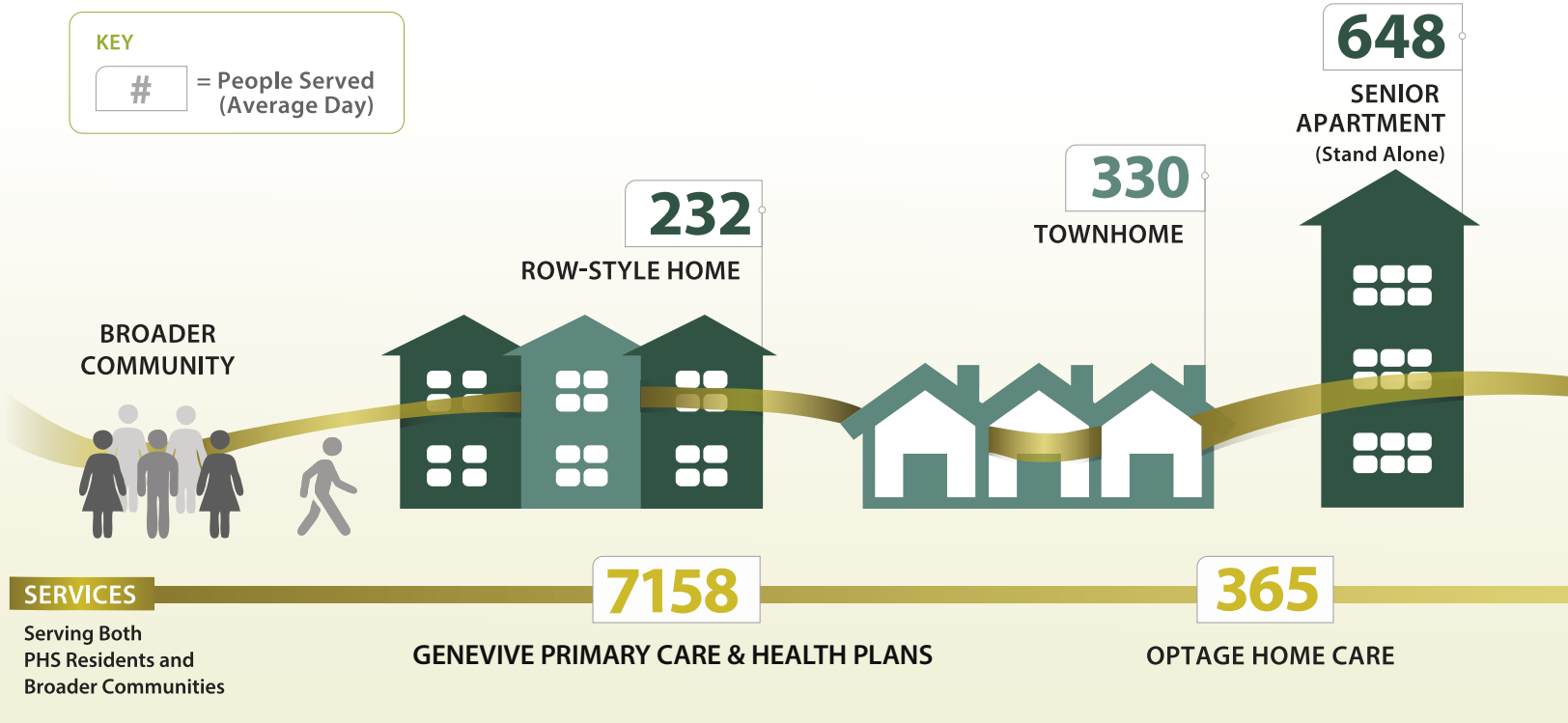
As physical distancing, visitor restrictions and other measures were helping to keep people physically safe, our life enrichment, fitness and spiritual care teams sprang into action to **prevent social isolation**. Staff helped residents connect to their loved ones in new ways, made people laugh by donning silly costumes, led virtual hymn sings and shared hundreds of hours of online content with residents and the general public. Check it out at: [TinyURL.com/PHSlife](https://TinyURL.com/PHSlife)  
[TinyURL.com/PHSpastor](https://TinyURL.com/PHSpastor)



Throughout 2020 we witnessed the power of the Holy Spirit moving through staff, volunteers, neighbors, family members and seemingly total strangers. We were truly surrounded by angels. As the **vaccine rollout** and reduction in cases gives us new signs of hope, we are truly grateful for our many partners in this ministry—we have not stopped praying for you.

# PHS LIVING OPTIONS & SERVICES

Presbyterian Homes & Services (PHS) offers more than 15 distinct living options and service divisions and we continue to enhance our overall model to expand choices and ease transitions for each individual.



## Our Safer COVID-19 Approach

With the COVID pandemic, we have worked hard to create a place where community life can resume, families can visit residents and there is freedom to live well—safely.



### Cleaning and Disinfection

Protocols for deep cleaning and sanitization are in practice. We continue to take extra measures to clean and disinfect all high-touch areas throughout buildings. This includes using electrostatic sprayers and other large-scale disinfection equipment. Handwashing stations and/or hand sanitizer dispensers are at all entrances.



### Clean Air

PHS installed air disinfection and purification equipment. This bipolar ionization technology safely cleans the air inside buildings by using an electronic charge to create a field of ions that kills pathogens, reduces the airborne concentration of the COVID virus and increases the effectiveness of HVAC filtration. This is accomplished without using unsafe chemicals or creating any unwanted byproducts.



### Physical Distancing and Masks

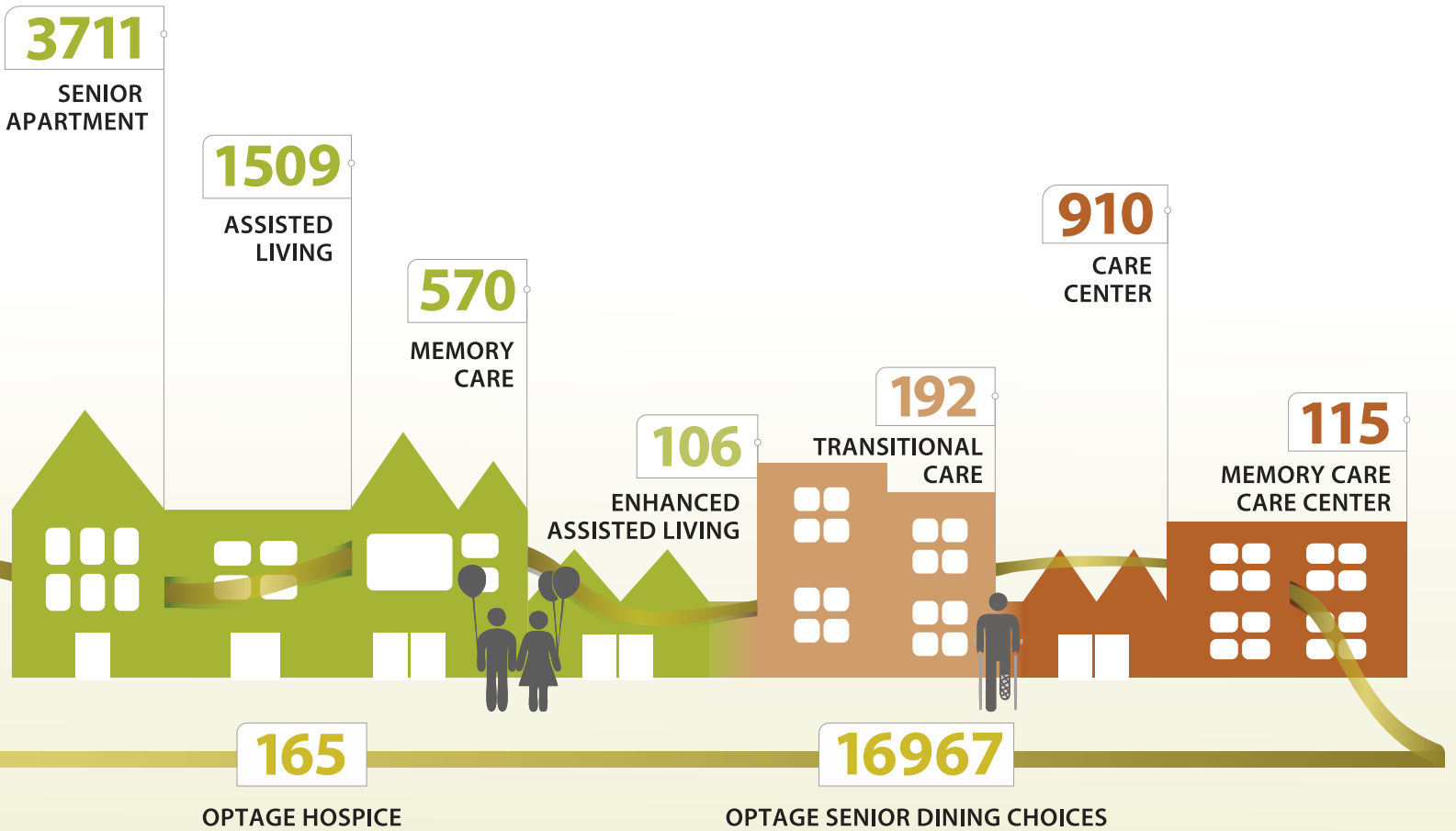
Spacious environments, along with protocols around mask-wearing and proper physical distancing, enable community amenities and fellowship.



### Private Rooms

As a commitment to our superior resident experience, we offer over 95% private rooms in our care settings.





### Screening and Testing

We have a screening process for anyone entering a community and we assist residents and staff who are symptomatic or have known COVID-19 exposure to be tested. On-site asymptomatic testing is provided when warranted, following confirmed cases or elevated risk from the broader community.



### Primary Care Telemedicine

In partnership with primary care providers, we use telemedicine to conduct phone-based visits. This reduces physical contact while maintaining exceptional care.



### Vaccine

We strongly encourage all residents and staff to get the COVID-19 vaccination to protect each other and take a big step towards ending this pandemic. We are pleased to be hosting convenient on-site vaccination clinics for residents and staff.



### Visitors

Physical separation helps control the spread of the virus, but it can also increase isolation. We offer a variety of options for visitors including indoor and outdoor visits, compassionate and essential caregiver visits, and virtual visits.

Read more about our safer approach at [PresHomes.org/COVID](https://www.preshomes.org/COVID).

## NEW COMMUNITIES & EXPANSIONS



### **Prairie Gate** | *Council Bluffs, Iowa* | [PrairieGatePHS.org](http://PrairieGatePHS.org)

We continue to expand services to seniors in Iowa with Prairie Gate. The new community, with an updated prairie architectural style, opened in March 2020 with 36 senior living apartments, 24 assisted living apartments, 18 memory care apartments. The care center with 72 care center suites opened in October 2020. The town center includes an auditorium and chapel, wellness center, library, bistro and club lounge.



### **Lexington Landing** | *St. Paul, Minnesota* | [LexingtonLanding.org](http://LexingtonLanding.org)

Situated in the prime St. Paul location of Highland Park, Lexington Landing offers a sophisticated urban architectural design and stylish interior spaces. Owned by J. A. Wedum Foundation and managed by PHS, Lexington Landing opened in December 2020 offering 97 senior apartments, 36 assisted living apartments, 21 memory care apartments and standard PHS social programs and amenities.



### **Flagstone** | *Eden Prairie, Minnesota* | [FlagstonePHS.org](http://FlagstonePHS.org)

This master-planned redevelopment featuring senior housing, market rate apartments and retail is transforming the property adjacent to PHS' Castle Ridge community. The new community planned for fall of 2021 will include 148 senior apartments, 40 assisted living apartments, 18 memory care apartments and 72 care center suites. A town center will offer residents a variety of amenities, including a pool, pickleball court, firepit, outdoor yoga studio and putting green to enhance community life.



### **Mount Carmel Bluffs** | *Dubuque, Iowa* | [MountCarmelBluffs.org](http://MountCarmelBluffs.org)

A shared ministry of the Sisters of Charity of the Blessed Virgin Mary and PHS, this new community is situated on the Sisters' Mount Carmel campus atop the Mississippi River bluffs. The first phase of construction opened in February 2021 with 40 enriched living apartments, 21 memory care apartments and 60 long term care center suites. A second phase will provide 115 senior living apartments and repurpose the existing Motherhouse to offer town center amenities.



### **Wesley at Tehaleh** | *Bonney Lake, Washington* | [WesleyChoice.org](http://WesleyChoice.org)

A shared ministry of Wesley Homes and PHS, Wesley at Tehaleh is part of the master-planned Tehaleh community with views of Mount Rainier. The community is opening in phases, beginning with 32 brownstone apartments that opened late 2020. A second phase will bring 136 independent living apartments, 42 catered living apartments and 18 memory care suites opening spring 2021. PHS began working with Wesley in 2005 through Senior Housing Partners. Wesley at Tehaleh is the first community under shared ownership by the two organizations.

Senior Housing Partners, the development arm of PHS, also provides consulting, project development and marketing services to other non-profit senior housing organizations across the nation. Demand is growing for their services.



**Towner Crest** | *Oconomowoc, Wisconsin* | [TownerCrest.org](http://TownerCrest.org)

Our fifth community in collaboration with Presbyterian Homes of Wisconsin, Towner Crest opened in January 2020. Named for Margaret Towner, the first woman ordained as a pastor in the Presbyterian Church (USA), the community offers a sophisticated lodge-style architectural design including 120 senior living apartments, 20 assisted living apartments, 18 memory care apartments and a town center.



**Future Community at Highland Bridge** | *St. Paul, Minnesota* | [PresHomes.org](http://PresHomes.org)

PHS is pleased to continue to serve the Highland Park neighborhood in St. Paul at the former Ford Motor Company location. Coming in 2023, the campus will span two buildings connected by a pedestrian bridge and offer independent living, assisted living and memory care as well as on-site town center conveniences. Located in an amenity-rich section of the Highland Bridge master development, residents will be just steps away from restaurants, grocery and walkable greenspace.



**Walnut Ridge Care Center** | *Clive, Iowa* | [WalnutRidgeAtClive.org](http://WalnutRidgeAtClive.org)

Walnut Ridge extended their continuum of living options with the addition of a new care center in fall 2020. The expansion added 60 long term private nursing care suites and new common spaces, including a community room/chapel, restorative therapy suite, spa, salon and administrative offices to benefit all residents who call Walnut Ridge home.



**Founders Ridge Phase 2** | *Bloomington, Minnesota* | [FoundersRidgePHS.org](http://FoundersRidgePHS.org)

Construction has been completed on the addition of 71 senior apartments and 40 stand-alone brownstones that were part of the original master plan for this community. Apartment homes, an expanded dining room, a larger group fitness room, more underground parking, electric car charging stations and other site improvements are now available for all residents to enjoy.



**Langton Shores Phase 2** | *Roseville, Minnesota* | [LangtonShores.org](http://LangtonShores.org)

The redevelopment of Langton Place care center got underway in January 2020 with the opening of newly named Langton Shores. The first phase of the campus welcomed guests for rehabilitation and therapy within the 50 hospitality-focused transitional care suites. This second phase will provide 80 senior living apartments and town center amenities.

Senior Lifestyle Design is the interior design team of PHS. SLD oversees around \$10M in apartment and common space renovations each year at PHS in addition to work for other organizations. In 2020 COVID limited the ability to have contractors in existing communities, causing many projects to be deferred until 2021.

## WHO WE ARE

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Presbyterian Homes & Services (PHS), based in St. Paul, Minnesota, is a non-profit, faith-based organization providing a broad array of high quality housing choices, care and service options for older adults. Over 7,000 employees serve 27,000 older adults through 50 PHS-affiliated senior living communities in Minnesota, Wisconsin and Iowa, and through Optage® home and community services. PHS is also co-owner of Genevive, a progressive model of primary care, care navigation and value-based services for over 7,000 older adults in Minnesota. Established in 1955, PHS has earned the reputation as an innovative leader concerned with promoting independence, vitality and well-being for those they serve.

### MISSION

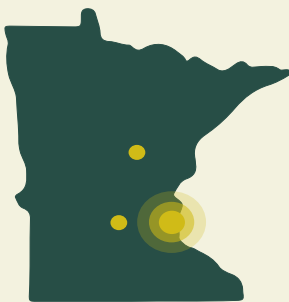
To honor God by enriching the lives  
and touching the hearts of older adults.

### VISION

To provide more choices and opportunities  
for more older adults to live well.

### VALUES

Christian Ministry  
Ready & Engaged People  
Operational Integrity  
Service Excellence  
Stewardship



#### MINNESOTA - 38

Minneapolis-St. Paul Metro (36)  
Hutchinson • Crosby



#### WISCONSIN - 7

Milwaukee Suburbs (5)  
Hudson • New Richmond



#### IOWA - 5

Ankeny • Clive • Council Bluffs  
Dubuque • Williamsburg



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