WHAT DO THE WORDS “LOOKING FORWARD” MEAN TO YOU?

In the short term, you may look forward to spending time with special people, attending an event or learning something new. Or, you might simply look forward to elements of a familiar daily routine, like sipping hot coffee while catching up on the morning news.

But there’s also a bigger picture. When you first learned to drive, you may have been given the instruction to “look where you want to go.” That’s good advice for driving and, for Presbyterian Homes, it’s an essential practice that means having a bold vision and a culture that keeps us looking toward the future.

THINK AHEAD. PLAN FOR THE FUTURE. SET A VISION. INNOVATE. LOOK FORWARD.

Join us as we explore some of the many ways residents and staff at Presbyterian Homes are looking forward — enhancing their communities today and laying the groundwork for an even better tomorrow.

There’s so much to look forward to.
DEAR FRIENDS:

There are two important practices that apply whether you’re driving a car or steering an organization. First, look where you want to go. Being intentional and focused on your goal will help you reach it. And second, look as far down the road as you can see. Doing so enables you to spot opportunities, plan and anticipate potential obstacles early enough to be proactive. In short, always look forward.

Because Presbyterian Homes is a faith-based, not-for-profit organization, we are accountable to the people we serve. Rather than answering to stockholders, we direct our resources for the benefit of the residents who live on our campuses and for the betterment of the surrounding communities to which we belong.

On a daily basis, we seek to create vibrant communities where residents look forward to embracing each new day.

On a daily basis, we seek to create vibrant communities where residents look forward to embracing each new day and well-trained teams provide personalized, state-of-the-art care that gives peace of mind to both residents and their families. Through sound financial management, fiscal stewardship, and bold vision that keeps us always looking forward, we not only ensure that we are meeting the needs of today’s residents, but also are prepared to respond to the evolving needs of future generations of older adults.

Looking forward also means investing in the careers of our team members. The employees and staff of Presbyterian Homes are the heart and hands of our organization — the people we count on to make sure each and every resident is
well cared for. Presbyterian Homes supports team members’ personal and professional development through ongoing training and tuition assistance for those who desire to continue their education. It is an investment that pays both immediate and long-term dividends.

Several years ago, Community Engagement initiatives were established at all Presbyterian Homes communities to create a network of good works and serve the world beyond our walls. Our communities support various local organizations through the use of our facilities for swimming lessons, concerts, meetings and other activities. Residents also gain a sense of purpose by participating in volunteer efforts that include reading to young school children, helping immigrants practice conversational English, conducting food pantry and school supply drives, and so much more.

As we peer down the road, the future looks bright for Presbyterian Homes. We invite you to join us in looking forward and planning for what comes next.

TODD F. SWORTZEL  
President and Chief Executive Officer

PAULA NOBLE  
Chair of the Board of Directors
In response to demand, larger townhouses were created by combining two smaller residences into one at Westminster Place. The new homes were reserved faster than they could be completed.
Presbyterian Homes expanded its wellness program, *Choices*, offering a wide selection of exercise classes, wellness programs and health-related activities across all four communities in 2019.

As Ed and Rosemary Welch of East Lansing, MI, looked toward the future, they knew they wanted to move to a community that would provide a continuum of care. And they wanted to do it long before they needed help. Their three adult children gave unanimous support — with one condition. The Welches needed to choose a community in Detroit, Chicago or Atlanta to be near at least one of their children.

“We spent a year shopping around,” says Ed. “We knew we wanted a not-for-profit community and I wanted a home large enough to accommodate my model trains and a garage for my woodworking shop.”

Rosemary adds, “We found a community in Atlanta, but there was a two- to four-year waiting list for one of the larger homes. We also liked Westminster Place and it came highly recommended, but none of the homes had the space we needed.” For a little while it seemed the Welches were stuck.

Seth Awes, Director of Sales and Marketing at Westminster Place, was aware that many couples like the Welches were looking for homes with more space for entertaining or hobbies. Together with the management team, he worked out a plan that would combine some of the existing one- and two-bedroom townhouses into larger homes offering more than 2,000 square feet. Then, he called Ed and Rosemary. “Once the architect did the drawings,” Seth explains, “the new homes were getting scooped up right away — even before the renovations began. I knew this would be just what the Welches were looking for.”

Seth was right, and today Ed and Rosemary say they are happy they chose Westminster Place. “Moving to a retirement community is a major change in your life,” Rosemary observes. “Although Ed is very handy, it’s nice not to have to do all the chores and maintenance.”

Ed adds, “Because the Westminster Place team worked to meet our needs, we have space that is not usually available in a retirement community. The people are really the best thing about living here. The staff — and even other residents — are always looking out for you and thinking ahead to what you might need or want.”

Presbyterian Homes’ Ten Twenty Grove was converted to a rental option without an entrance fee for retirees who prefer an urban setting.

4,402 WELLNESS PROGRAM ACTIVITIES

47 URBAN APARTMENTS
Thanks to a generous gift from an anonymous benefactor, the lower level remodeling project at Lake Forest Place is proceeding. The planning team consists of staff, residents and associated professionals.
Walk into any Presbyterian Homes community and you will quickly understand our deep and abiding commitment to doing what’s best for those we serve. Part of this commitment includes looking forward and planning ahead to meet the needs of current and future residents and staff.

Lake Forest Place is one example. The community is currently planning a remodel of its lower level. While not originally scheduled to start for a few years, a generous gift designated for this purpose has put the project on a faster track.

Glenn Brichacek, Executive Director at Lake Forest Place is leading the planning team. “We began with roundtable discussions that included both residents and staff members,” he says. “There were no limits on ideas as we brainstormed ways to best use the space both now and in the future.”

“We have been very intentional about resident engagement in this process,” he adds. “Being active, participative and collaborative is central to the engaged lifestyle at Lake Forest Place.” Several residents have since become members of the planning team that is combining ideas gleaned from those roundtable sessions as it creates a preliminary plan document.

Tentative plans call for several changes and additions to the fitness center, the therapy space, and the salon and massage areas. The committee is also considering ways to make the existing hallways — which residents often use for walking in inclement weather — more inviting and interesting.

Changes to the lower level will also include improvements and updates to the employee lounge and locker rooms. “Presbyterian Homes is an employer of choice, in part, because we believe it’s important to show employees how much they are valued,” says Brichacek. “I often hear that it’s the people who make Lake Forest Place a great place to live. Our community includes both residents and staff — and we’re invested in making this a great place to live and to work for generations to come.”

INVESTING IN THE FUTURE OF OUR COMMUNITIES

50 RESIDENTS

In several roundtable discussions, residents and staff brainstormed ways the lower level space at Lake Forest Place could best be used both now and in the future.

$41 MILLION INVESTED

Presbyterian Homes invested in physical improvements, updated equipment and new programming across all four campuses.
RUTH LUNDSTEDT, THE HIGHLANDS AT THE MOORINGS RESIDENT AND DAUGHTER-IN-LAW, KARIN LUNDSTEDT

In the past year we celebrated the opening of The Highlands and Highlands Memory Support to provide state-of-the-art assisted living and memory care for residents at The Moorings.

$83 MILLION INVESTMENT

TRANSFORMING LIVES TODAY; ANTICIPATING TOMORROW’S NEEDS
When Ruth Lundstedt moved to an independent living Villa at The Moorings, she was quite self-sufficient. She simply enjoyed not having to worry about the chores and maintenance that came with taking care of the home where she and her late husband raised their family.

Ruth lived happily in her Villa for three and a half years until, one day, she fell and hit her head while walking to the mailbox. As a result of her injury, Ruth experienced a loss of motor skills and moved to The Moorings’ skilled nursing center.

“After I fell, I don’t think my family thought I would ever move out of the healthcare center,” Ruth recalls. “I needed physical therapy to relearn how to walk, how to dress myself, how to do almost everything. But 18 months later, I had recovered enough to move to an apartment in assisted living.”

Now a resident of The Highlands at The Moorings for just over a year, Ruth says she looks forward to each new day. “This is like a four-star hotel. The people couldn’t be nicer and it’s a compliment to management. I am very lucky to be here.”

Mary Tremont, Director of Sales and Marketing for The Highlands at The Moorings, notes that the new assisted living and memory support residences were designed to provide the security of 24-hour assistance while also enhancing each resident’s individual potential for independence. “From the building design to our care partners,” she says, “we have been very intentional to ensure that residents receive individualized support, guidance and assistance that meet their physical, social, emotional, intellectual and spiritual needs.”

Ruth’s daughter-in-law, Karin Lundstedt, visits every week and has observed Ruth’s progress. “She chose well,” says Karin. “The staff at The Moorings are very responsive and provide great care. They are always looking forward — anticipating her needs and finding new ways to help maintain her independence.”
# Financial Overview

**Year Ended March 31, 2019**  (Dollars in Thousands)

## Consolidated Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents, investments in trading portfolio, excluding those whose use is limited</td>
<td>$185,934</td>
<td>$171,276</td>
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<tr>
<td>Assets whose use is limited</td>
<td>5,609</td>
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<tr>
<td>Accounts receivable and other receivables</td>
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<td>6,607</td>
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<tr>
<td>Due from Geneva Foundation</td>
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<td>1,355</td>
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<tr>
<td>Prepaid insurance and other</td>
<td>1,735</td>
<td>1,008</td>
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<tr>
<td>Property and equipment, net</td>
<td>366,434</td>
<td>353,337</td>
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<tr>
<td>Other long-term assets</td>
<td>1,262</td>
<td>2,703</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>$568,352</td>
<td>$541,823</td>
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<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable, deposits and accrued liabilities</td>
<td>$27,322</td>
<td>$26,870</td>
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<tr>
<td>Entrance fee refunds</td>
<td>13,306</td>
<td>9,704</td>
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<tr>
<td>Notes and bonds payable</td>
<td>167,336</td>
<td>158,680</td>
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<tr>
<td>Deferred entrance fees</td>
<td>122,723</td>
<td>112,667</td>
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<tr>
<td>Refundable entrance fees</td>
<td>136,324</td>
<td>134,328</td>
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<tr>
<td>Other long-term liability</td>
<td>895</td>
<td>969</td>
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<tr>
<td>Net assets</td>
<td>100,446</td>
<td>98,605</td>
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<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$568,352</td>
<td>$541,823</td>
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</tbody>
</table>

## Bottom Line

**Operating Revenue**

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly fees</td>
<td>$98,226</td>
<td>$92,644</td>
</tr>
<tr>
<td>Other revenue</td>
<td>2,629</td>
<td>2,558</td>
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<tr>
<td><strong>Total Residential Revenue</strong></td>
<td>$100,852</td>
<td>$95,202</td>
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<tr>
<td>Entrance fee amortization</td>
<td>17,206</td>
<td>15,939</td>
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<tr>
<td>Reimbursement from Geneva Foundation</td>
<td>4,900</td>
<td>6,390</td>
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<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>$122,961</td>
<td>$117,531</td>
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</table>

**Operating Expenses**

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>$58,051</td>
<td>$56,776</td>
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<tr>
<td>Supplies</td>
<td>8,192</td>
<td>8,503</td>
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<tr>
<td>Purchased services</td>
<td>17,644</td>
<td>16,628</td>
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<tr>
<td>Utilities</td>
<td>4,176</td>
<td>3,917</td>
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<tr>
<td>Other</td>
<td>5,492</td>
<td>3,006</td>
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<tr>
<td>Depreciation</td>
<td>25,977</td>
<td>22,276</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$119,532</td>
<td>$111,106</td>
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</table>

**Operating Income**

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Income</strong></td>
<td>$3,429</td>
<td>$6,425</td>
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</table>
COMMUNITY ENGAGEMENT: BUILDING RELATIONSHIPS

Community engagement is about many things. It’s about being a good neighbor and sharing our time, talents and resources. It’s making an investment in the people and neighborhoods around us — as well as inviting their interest and participation in the work of Presbyterian Homes. It’s working hand-in-hand, with a sense of purpose, to make our cities and towns better places to live. Following are just a few highlights of ways Presbyterian Homes’ communities have engaged with our neighbors in 2019. We look forward to continuing to build these relationships and more in ways that are a blessing to all.

768 STAFF HOURS were devoted to community engagement projects in FY2019.

Residents and staff participated in several hunger-prevention initiatives including packing meals for Feed My Starving Children and holding food drives.

For the fifth year, a team of residents and staff representing all four Presbyterian Homes communities participated in the Walk to End Alzheimer’s.

In FY2019, Presbyterian Homes partnered with 48 CHARITABLE ORGANIZATIONS.

$540,000 worth of items has been donated to Habitat for Humanity since Presbyterian Homes began partnering with them.

For the sixth year, the Westminster Place pool was used for the Evanston Swims! program which provides swimming lessons to 2nd graders in the Evanston school district.

Lake Forest Place hosted thirteen performances by musical groups from local schools, churches and clubs.

5,387 ITEMS were donated by residents and employees in FY2019 for the benefit of a partner charitable organization.
Presbyterian Homes has been serving the Chicago area for 115 years. In that time, we have seen many changes — but we have never wavered in our mission to create vibrant communities that inspire wellness, independence, joy and security.

Written into our core values is a commitment to strive for growth that embraces innovation and approaches the future with vigor, cooperation, and dedication to each other and those we serve. These values inspire us to set a bold vision for the future — to be the organization that sets the standard rather than merely meeting it.

As we look toward a bright future, we welcome your interest and participation.

To learn more about Presbyterian Homes or any of our communities or programs, please contact Bob Werdan, Vice President, Marketing and Public Relations at 847-979-3910 or BWerdan@PresbyterianHomes.org.
OUR MISSION STATEMENTS

Presbyterian Homes, a faith-based not-for-profit, creates vibrant communities for older adults that inspire wellness, independence, joy and security—enriching the lives of residents and their families.

The Geneva Foundation transforms lives by enriching Presbyterian Homes communities through generous and responsible philanthropy.
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PRESBYTERIAN HOMES COMMUNITIES

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1100 Pembridge Drive
Lake Forest, IL 60045
phone: 847-604-8800

WESTMINSTER PLACE
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Evanston, IL 60201
phone: 847-570-3422

THE MOORINGS OF ARLINGTON HEIGHTS
811 E. Central Road
Arlington Heights, IL 60005
phone: 847-956-4304

TEN TWENTY GROVE
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Evanston, IL 60201
phone: 847-733-2323

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PHONE 847-979-3902
WEBSITE PresbyterianHomes.org
EMAIL Info.Corporate@PresbyterianHomes.org

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PHONE 847-979-3922
WEBSITE PresbyterianHomes.org/Foundation
EMAIL GenevaFoundation@PresbyterianHomes.org

ACCREDITATION
Commission on Accreditation of Rehabilitation Facilities
Fitch Group
Standard and Poor’s

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Presbyterian Association of Homes and Services for the Aging