



PRESBYTERIAN
SENIOR LIVING

Mission Driven Values

Annual Stewardship Report

2 0 1 6

INCLUSIVE • TRANSPARENCY / INTEGRITY • QUALITY • STEWARDSHIP • PEOPLE • COMMUNITY BENEFIT

ORGANIZATIONAL VALUES



*Tim Beaver,
Chair*



*Thomas Paisley,
Vice Chair*



*Steve Proctor,
CEO*

Mission Driven Values

Since its inception nearly 90 years ago, PSL has been a mission driven organization. Founded at a time when there were no governmental services or programs to meet the needs of seniors, many older persons lived lives of extreme hardship. In this environment, the newly formed organization focused on serving primarily widows or single women without family support. Over the years PSL has evolved to expand in scope and size, but the focus on mission has remained.

In 2016 the PSL Board undertook a major effort to update its mission and values to reflect its historic commitment to its faith based roots and to emphasize the values that undergird the work of staff and drive the organization forward as we plan for the future.

The following is the revised PSL Mission and Values as approved by the PSL board.

Presbyterian Senior Living Mission Statement

Guided by the life and teachings of Jesus, the mission of Presbyterian Senior Living is to provide compassionate, vibrant, and supportive communities and services to promote wholeness of body, mind and spirit.

Organizational Values

1. **Inclusive** – Reach out to include all persons in the communities in which we serve, as recipients of service, employees, and volunteers.
2. **Transparency / Integrity** – Adhere to the highest standards of transparency, honesty and impartiality to assure the public trust in the organization and its mission.
3. **Quality** – Promote successful aging and enhance the quality of life of those we serve through the provision of exceptional services, innovation, maximizing the options available to seniors, and empowering them to choose the services that best meet their needs.
4. **Stewardship** – Be good stewards of the resources available to the organization with the goal of achieving the greatest good to the greatest number of seniors in the most cost effective manner possible, and to focus on environmentally sustainable practices in every aspect of PSL's ministry.
5. **People** – Provide PSL staff and volunteers with a supportive, rewarding and challenging environment that gives opportunity for a satisfying experience in the service of others.
6. **Community Benefit** – In addition to providing subsidized care to those with limited financial resources, offering support to local people, clubs, schools, churches and social service agencies, and governmental entities to strengthen the fabric of the communities we service.

Many aspects of the mission statement are similar to the previous mission statement: like compassion; vibrant, supportive communities (Belonging); and wholeness of body mind and spirit.

The new term “Guided by the life and teachings of Jesus” replaced the previous phrase “Christian understanding”. It was felt that this revision affirmed PSL's faith-based reason for existence better than the term “Christian” that in recent years has been used in a more politicized context.

So what is meant when we say that PSL is “Guided by the life and teachings of Jesus”? First of all, as a Jew, his teachings were based on the Old Testament concepts of justice, love of God, and love of neighbor. This would include the words found in Micah 6:8 –

“What does the Lord require of you but to do justice, to love kindness, and walk humbly with your God?” Jesus own words from Matt 22:37 illustrates this foundation – When asked by a group of Pharisees, which is the great commandment in the Law, he replied, quoting from Deuteronomy 6:5 and Leviticus 19:18: “You shall love the Lord your God with all your heart and with all your soul and with all your mind. This is the great and first commandment. And the second is like it: You shall love your neighbor as yourself. On these two commandments rest all the Law and the Prophets.”

But Jesus expanded these on these concepts, often taking them to somewhat uncomfortable dimensions. For example:

- Love means being inclusive, reaching out to all. Jesus was known as the friend of sinners and the outcasts of his time, even those considered untouchable by the rest of society. (Mark 1:40- 42) (Mark 2:16-17).
- To whom should love be extended? We should love even those who are considered our enemies (Luke 6:35).
- Who is your neighbor, and what does compassion look like? The parable of the Good Samaritan in the 10th chapter of Luke illustrates that everyone is your neighbor, and compassion is the expectation for every person. Sometimes the most virtuous among us are the least outwardly religious.
- Is there a limit to forgiveness to those who have wronged us? Forgiveness should be extended indefinitely – seventy times seven. (Matthew 18:21 – 22).
- What is generosity? Generosity is measured by the intention and depth of sacrifice – as illustrated in the Widows mite (Luke 21, 3-4).

These are just a few of the examples of what it means to be guided by the life and teachings of Jesus in the work of Presbyterian Senior Living.

The following Annual Stewardship and Community Benefit report focuses on how the values of PSL come to life each and every day.



Embracing Our
D I F F E R E N C E S

Awareness, Understanding, Acceptance, Respect & Support

INCLUSIVE

PSL's commitment to inclusion and diversity extends to include all persons in the communities in which we serve, as recipients of service, employees and volunteers.



In 2016 PSL embarked on a new initiative to embrace diversity through awareness, understanding, acceptance, respect and support. This led to a variety of activities at the corporate and campus level to create accountability for recognizing and celebrating diversity in residents, resident family members, staff and all stakeholders.

A Diversity and Inclusion statement was developed and was the call to action for all of PSL:

As a faith-based organization, Presbyterian Senior Living is founded on the belief that every human being is of infinite worth as a unique creation of God. Based on this premise, Presbyterian Senior Living is committed to fully embracing the diversity of all persons served, so that together, we can foster a culture of inclusion in an environment free of all forms of discrimination, where all people are treated with dignity and respect. Our goal is to create awareness and understanding of personal differences and biases so that an environment of understanding, acceptance, and support is established.

Seven Pillars of Diversity and Inclusion were identified for concentrated focus: Culture, Age, Gender, Sexual Orientation, Spiritual Beliefs, Social Economic Status and Language.

Brochures and posters were created and displayed at all locations. Throughout our communities, resident

and staff led programs raising awareness in diversity and inclusion have been held. Approximately 125 events were held in 2016 at the community level; including an annual Black Arts Festival featuring artists from the local area, resident lead book clubs featuring themed topics, and virtual field trips to countries such as Italy and France. There is an outreach to local diverse colleges and universities for employment, clinical rotations and internships. This commitment to diversity is an acknowledgment that differences do exist; these differences are celebrated and they allow residents and staff to live and work together in harmony and increase engagement.

This commitment to diversity and inclusion is extended to economic diversity in services offered to persons in healthcare, housing, personal care, and the entire spectrum of services to seniors, with a conscious effort to provide access to persons with limited incomes. Continued growth in PSL's affordable housing offerings is augmented by the initiation of various approaches to provide supportive services to assist seniors to age in place consistent with PSL's offerings to individuals with higher incomes.



TRANSPARENCY / INTEGRITY

Adhere to the highest standards of transparency, honesty and impartiality to assure the public trust in the organization and its mission.

Presbyterian Senior Living is committed to integrity and transparency by creating and sustaining a culture that is both honest and open. Living these values on a daily basis requires a multifaceted approach starting with Governance, and extending the entire organization and PSL's various constituent groups.



Governance

Board members are given all the information they need to make informed decisions in their governance of the organization. Information may be distilled to make it more understandable and clear, but is not filtered in order to tilt the discussion toward a predetermined outcome.



Business Partners

Suppliers of goods and services are selected based on articulated criteria that represent the best value to the organization and the people we serve. The best product, service and price take precedent over personal relationships in making these choices. Relationships with our business partners are critical to providing consistently superior service. That being said, long-term relationships are a reason to expect more, not less from our business partners.



Staff

Transparency means that the leaders of the organization continually reinforce how the employee's work contributes to achieving the mission of the organization, and what is expected of them in the role for which they were hired. It also means that employees can count on openness and evenhandedness of the application of policies related to employment, compensation, and discipline.



Those We Serve

The people we have been called to serve need to be aware of their financial obligations and have access to financial information (before and after the decision to become a resident or client) to assure them that the organization is secure and will be there for them in the future.

PSL engages residents in the annual budget process and the regular disclosure of financial information that will help them determine the effectiveness of the leadership in fulfilling its stewardship responsibility.

Constituents

The way we articulate the values of the organization and hold ourselves accountable to those standards assures our constituents that we are being faithful to our Presbyterian roots and the wider public. This involves regular reporting of the extent to which Presbyterian Senior Living



provides charitable care to those who cannot pay for the care they need, and the need for financial support to continue to provide charitable care in the future.

Regulatory Agencies

Full disclosure to governmental and accrediting organizations is a part of fulfilling the legal, moral and ethical responsibilities of the organization. The spirit and the letter of the law will be observed in this disclosure process as it is in all aspects of operation.

Donors

From a donor's perspective, transparency involves honesty in the interpretation of the needs of the organization and the open accounting of the sources and use of donations to support the mission of the organization. This includes the assurance that contributed dollars are applied for the purpose intended by the donor.

QUALITY

Promote successful aging and enhance the quality of life of those we serve through the provision of exceptional services, innovation, maximizing the options available to seniors and empowering them to choose the services that best meet their needs.

To advance this goal, PSL embraces a successful aging philosophy throughout its continuum, focusing on the physical, social, spiritual and intellectual domains of successful aging. Person-centered care, Masterpiece Living, and the creation of Household Models are critical components in this effort.



Person-centered Care –

Presbyterian Senior Living has a long history of person-centered care in all levels of service. In addition to the constant evolution of programmatic changes that reflect this philosophy, design features in new construction as well as repositioning of existing campus physical plant is focused on the best ways to respond to the individual needs and desires of each person served by PSL.



Masterpiece Living – In 2011 Presbyterian Senior Living made a commitment to transform their communities from places where older persons move to comfortably retire into destinations where older adults go to live at their fullest potential. In partnership with Masterpiece Living, and as a result of the dedication and hard work of community leadership, cultures have been transformed into the model of what senior living will become. Through this change in culture, PSL communities have encouraged residents to challenge the societal norms of aging and as a result have improved individual health and well-being, and gained local, regional and national attention. PSL leadership and communities have done an exemplary job of utilizing the Masterpiece Living tools, resources, and processes to create an environment that allows individuals to function at the highest level possible for as long as possible.



Household Models – Parker House at Quincy is the most recent example of applying the person-centered model to create an environment where small neighborhoods, flexible staffing, and a home-like atmosphere combine to provide a truly person-centered experience in personal care. The person-centered design and strategy of the Parker House prototype will be utilized in other PSL locations in the coming months and years.



Community Repositioning – Central to the effective execution of PSL's person centered strategy is the ongoing plan to upgrade skilled nursing environments. This means that repositioning will maximize the number of private room accommodations while moving to a smaller scale neighborhood model to fully realize the person-centered approach.



Quality Medical Services – With shortened lengths of stay and increasingly complex medical and rehabilitation needs of residents in skilled nursing, PSL is engaged in a constant effort to increase our capabilities in meeting these changing needs. The addition of a new Vice President and Corporate Medical Director to lead these efforts has resulted in a number of positive steps to engage the campus-based medical directors and staff to focus on evidence based solutions to provide higher quality care in PSL skilled nursing centers.

FINANCIAL STEWARDSHIP

Be good stewards of the resources available to the organization with the goal of achieving the greatest good to the greatest number of seniors in the most cost effective manner possible, and to focus on environmentally sustainable practices in every aspect of PSL's ministry.

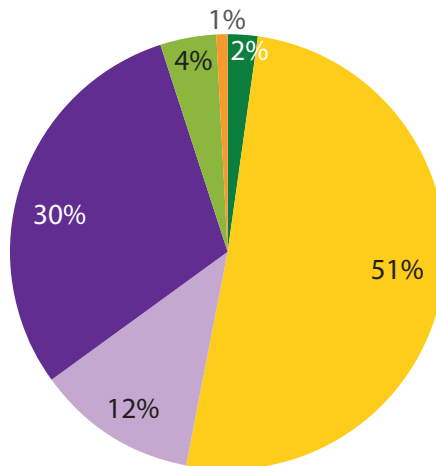


Jeff Davis, Chief Financial Officer

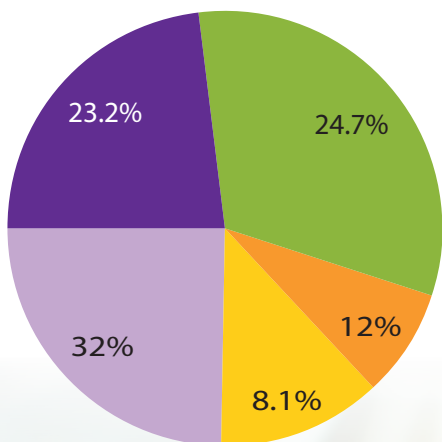
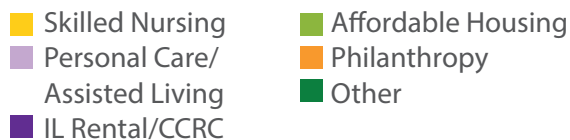
For PSL, achieving the greatest good for the greatest number of seniors includes a commitment to support seniors with limited resources in all levels of service – skilled nursing, assisted living, personal care, and independent living.

As a practical matter this involves minimizing waste and

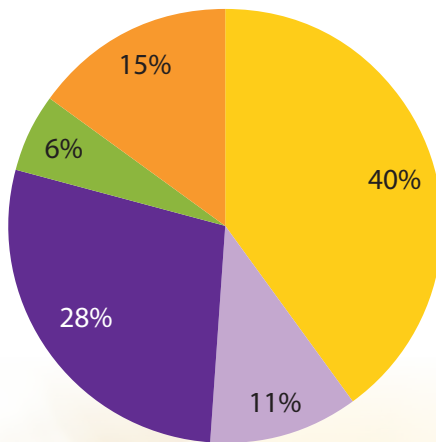
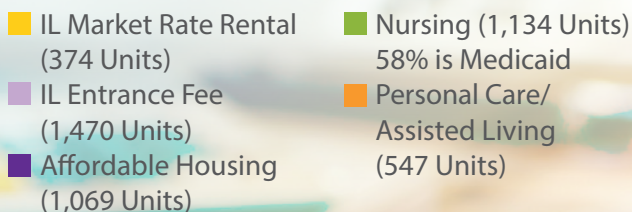
maximizing the impact of the resources available to meet the needs of the people we are called to serve. But it also involves investing resources in new programs and services to meet the changing needs of seniors. 2016 marked another year of solid financial performance.



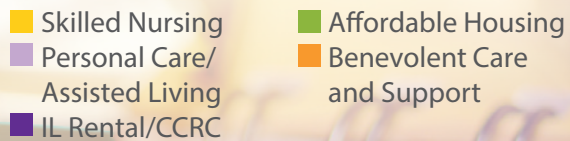
Total Revenue \$229,663,345



Services Provided



Total Expenses \$226,691,227



2016 Capital Investments

\$55,821,978

A constant stream of information is provided on PSL's website throughout the year – monthly operating results as well as annual audited financial statements. The direct link to the financial information part of our web-site is: www.presbyterianseniorliving.org/about-us/corporate-information-and-financials.

The PSL staff and leadership team works hard to meet the expectations of the financial community as a fiscally responsible enterprise. But this requirement is viewed through a lens that goes beyond the numbers. Financial performance is not an end in itself, but a tool to most effectively achieve PSL's mission.



ENVIRONMENTAL STEWARDSHIP

Environmental Stewardship activities are a focus on every PSL campus. From planting trees to energy conservation, recycling, reducing PSL's carbon footprint, to environmentally sustainable construction, responsible stewardship is deeply engrained in PSL's DNA.

The commitment to environmental stewardship has a definite financial impact, but that is not the major consideration in PSL's commitment in this area. The Bible teaches us that the resources of the earth and everything we possess in this life are gifts from God, the creator of all things. In addition to holding these gifts in trust for future generations, we are accountable to God for how these gifts are used. Environmental Stewardship is a heartfelt expression of our most deeply held beliefs about our relationship with God and our role as caretakers of His creation.





PEOPLE

Provide PSL staff and volunteers with a supportive, rewarding and challenging environment that gives opportunity for a satisfying experience in the service of others.

At its very core, Presbyterian Senior Living is a human enterprise. Our mission of serving seniors can only be realized through the efforts of a fully engaged and productive workforce of over 3,000 individuals, working together to improve the lives of seniors at every PSL location. Human Resources strategies are aimed at building a prepared and satisfied group of direct and professional caregivers lead by committed and capable leaders.

In addition to PSL's historic commitment to maintaining the "basics" of open communication, visibility, transparency, fairness and respect, PSL has begun the process of introducing the person-centered approach to all aspects of recruitment, hiring, training, and staff engagement.

Providing workers input into workplace decisions enriches the organization as well as validating the work of staff. Engaging staff in Masterpiece Living



and development of the Household Model of person-centered care is instrumental not only in developing services to residents, but have empowered staff to participate fully in the workplace.

As the PSL workforce becomes increasingly diverse there is an intentional effort to foster inclusion in the workplace. Overcoming language barriers, cultural orientation and differing expectations of four generations in a workplace are just a few of the steps taken in 2016 that move the goal of diversity forward within PSL.

Growing leadership talent from within, finding resources to identify, develop and mentor leaders at all levels, and prioritizing succession planning throughout the organization is being undertaken to assure high quality PSL leadership in the future. Leadership staff participation in the Leading Age Academy, the Leading Age PA Fellows in Leadership program, and PSL's Talent Management program are some of the focal points of this effort.

From the volunteer Board of trustees that governs the entire enterprise to the compassionate touch offered at the bedside of a person at the end of life, the impact of volunteers have a profound effect on PSL's culture of care and compassion. Many of these hours are spent in providing physical care, intellectual engagement, and spiritual enrichment to support PSL's mission to promote wholeness of body, mind, and spirit. Over 120,000 volunteer hours were logged in 2016 on PSL campus locations.





COMMUNITY BENEFIT

In addition to providing subsidized care to those with limited financial resources, offering support to local people, clubs, schools, churches and social service agencies, and governmental entities to strengthen the fabric of the communities we serve.

Benevolent Care

As a not-for-profit faith-based senior care provider, PSL is committed to providing care and services to persons with limited incomes. System wide, this means that 18.6 percent of persons served by PSL require some kind of subsidy in order to receive the services that they need in Independent Living, Assisted Living, Personal Care or Skilled Nursing. This commitment to provide financial support to seniors with limited incomes has been a central feature of PSL's ministry. For our entire 89 year history, no one has had to leave the PSL system of care because they could not afford the care they needed.

In addition, the PSL Resource Development Department offers estate planning information and vehicles to assist individuals achieve their philanthropic goals. A variety of tools are available including charitable gift annuities, gifts through IRAs,

and bequests. Gifts may be designated to a specific community or project. Please contact the Resource Development Department at 800-382-1385 or by email at lsagnolo@psl.org, with any questions or to receive a confidential, customized proposal tailored to your personal situation.

Other community benefit activities include:

- Education and Training – On-site educational offerings extended to the wider community in conjunction with other community groups.
- Community Outreach – Sponsoring and hosting programs, both on-site and in conjunction with local schools, churches, senior centers, and other community groups.
- Resident and staff volunteer efforts directed to help neighbors and improve the health and vitality of the wider community.

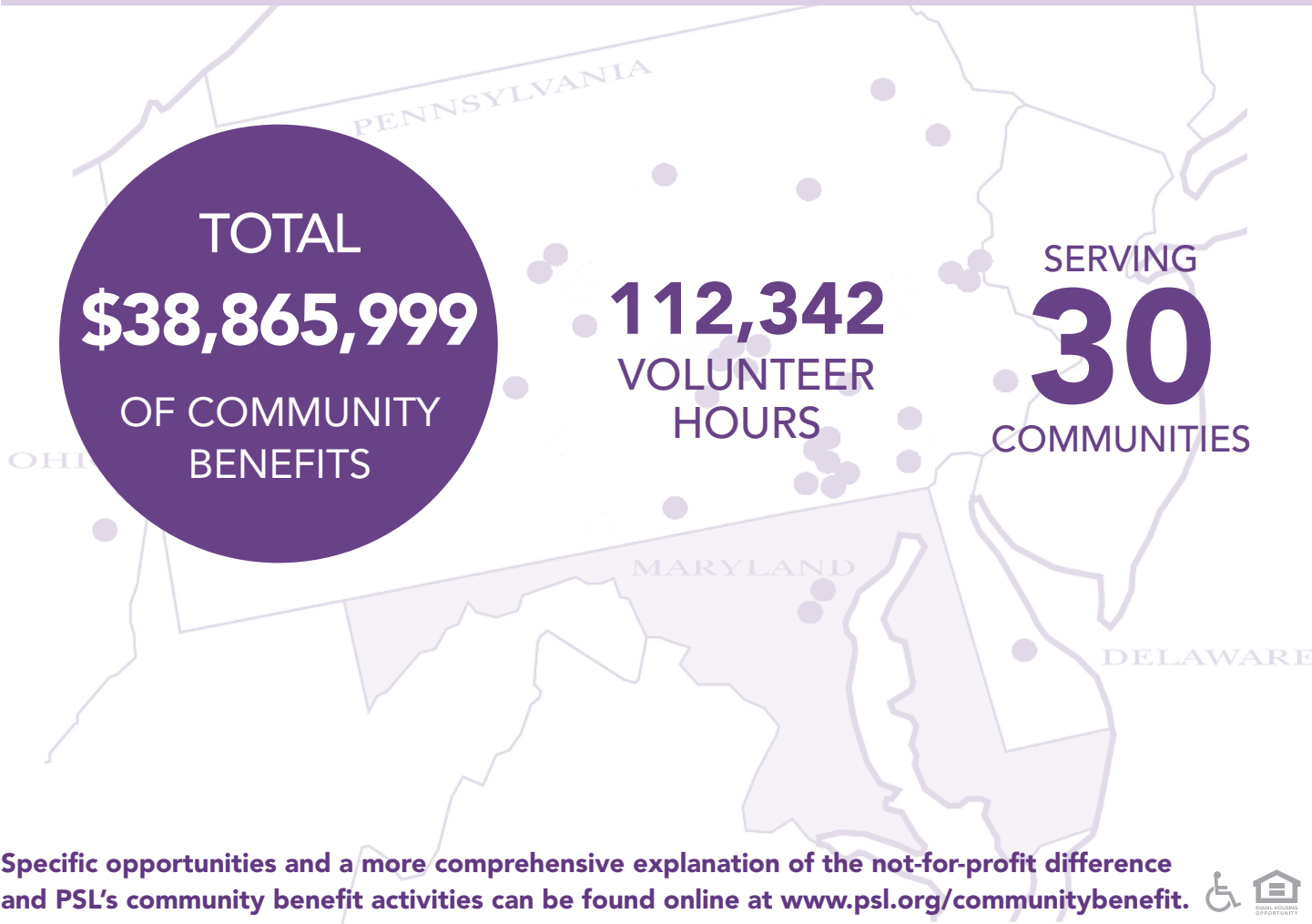
- Civic engagement – Participate in civic activities that foster an awareness of issues and provide direct assistance in solving issues as they are identified.
- Paying Taxes – Even though PSL is exempt from many forms of taxation as a charitable, tax exempt organization, PSL pays over \$4.7 million dollars in taxes annually to support the health of the communities in which we reside.
- Employment – PSL employs nearly 3,000 individuals, supporting families and adding millions of dollars to the economic vitality of the community.

There are a number of ways that individuals and organizations participate in PSL’s benevolent care program and contribute to enhance the living environment on PSL’s campus locations.

Persons Served

Independent Living	3,116
Skilled Nursing	3,736
Personal Care/Assisted Living	680
Community Based Housing	1,765
Total Persons Served	9,297

Benevolent Support to Residents	\$5,560,364
Payments and Contributions to Municipalities	\$4,721,463
Community Outreach	\$762,046
Civic Engagement	\$1,501,482
Education and Training	\$348,215
Benevolent Care (provided at less than pre-established charges)	\$28,584,172



Presbyterian Senior Living Locations



ALLENTOWN, PA
Westminster Village at Allentown



BALTIMORE, MD
Heritage Run at Stadium Place



BETHLEHEM, PA
Kirkland Village



BLOOMSBURG, PA
Westminster Place at Bloomsburg



CRESCO, PA
The Shepherds (Hawk's Nest, Wisteria Commons and The Oaks Apartments)



DILLSBURG, PA
CARROLL VILLAGE
Westminster Place at Carroll Village
Moyer House
Schartner House



DOVER, DE
Westminster Village at Dover



EASTON, PA
The Easton Home



GLEN ARM, MD
Glen Meadows
Retirement Community



HARRISBURG, PA
Presbyterian Apartments



HOLLIDAYSBURG, PA
Presbyterian Village at Hollidaysburg



HUNTINGDON, PA
Westminster Woods at Huntingdon



INDIANA, PA
Grace Manor
St. Andrew's Village



LANCASTER, PA
The Long Community at Highland
Westminster Place at Long Community



MECHANICSBURG, PA
Silver Spring Courtyards
Silver Spring Gardens



NEWVILLE, PA
Green Ridge Village



OXFORD, PA
Ware Presbyterian Village



PARKESBURG, PA
Westminster Place at Parkesburg



PHILADELPHIA, PA
Cathedral Village



PHILIPSBURG, PA
Windy Hill Village
Westminster Place at Windy Hill Village



SCRANTON, PA
Geneva House



SHREWSBURY, PA
Shrewsbury Courtyards
Shrewsbury Courtyards II



ST. CLAIRSVILLE, OH
Mark H. Kennedy Park



STEWARTSTOWN, PA
Westminster Place at Stewartstown



WAYNESBORO, PA
Quincy Village
Parker House Assisted Living at Quincy Village
Wesley House at Quincy Village



WILLIAMSPORT, PA
Presbyterian Home at Williamsport



YORK, PA
Stony Brook Gardens
Springwood Overlook
Westminster Place at Queen Street



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