



Our Family Caring for Yours

OUR MISSION

*Valley Senior Living
provides compassionate
Christian care and service
to enhance the quality
of life for those
we serve.*

2019 Annual Report

2018-2019 BOARD OF DIRECTORS

Executive Committee of the Board of Directors

Garth Rydland	President/Chief Executive Officer
Bruce Newhouse	Chairperson, Fisher Lutheran Church – Fisher, MN
John Snustad	Vice Chairperson, Appointed
Charles “Bud” Johnson	Secretary, Member Congregation Clergy
Clark Piepkorn	Appointed
Pete Hoistad	Treasurer, Calvary Lutheran Church – Grand Forks, ND
David Loer	Our Saviors Lutheran Church – East Grand Forks, MN
Patrick Moore	Appointed
Margaret Reed	Appointed

Board Members

Marilyn Nyberg	Ascension Lutheran Church – Emerado, ND
Carol Snortland	Augustana Lutheran Church – Grand Forks, ND
Sue Moe	Bethany Lutheran Church – East Grand Forks, MN
Larissa Campbell	Bethel Lutheran Brethren Church – Grand Forks, ND
Wendy Waller	Bygland Lutheran Church – Fisher, MN
Duane Hanson	East Walle Lutheran Church - Thompson, ND
Tara O’Hearn	Evanger Lutheran Church – Thompson, ND
Ellis Larson	Family of God Lutheran Church – Grand Forks, ND
Roger Stadstad	Middle Grove Lutheran Church – Grand Forks, ND
Sharon Bakke	Ness Lutheran Church – Mekinock, ND
Lawrence Heuchert	Redeemer Lutheran Church – Grand Forks, ND
Susan Kuster	Reynolds Lutheran Church – Grand Forks, ND
Olive Weber	St. Mark’s Lutheran Church – Grand Forks, ND
Sharon Gustafson	St. Matthew’s Lutheran Church – Thompson, ND
Marilyn Nyberg	St. Paul’s Lutheran Church – Honeyford, ND
Milt Kinzler	Sharon Lutheran Church – Grand Forks, ND
Lisa Piche	Trinity Lutheran Church – Manvel, ND
JoAnn Miller	Trinity Free Lutheran Church – Grand Forks, ND
Gary Masilko	United Lutheran Church – Grand Forks, ND
Betty Bloomquist	University Lutheran Church – Grand Forks, ND
Ron Holte	Walle Lutheran Church – Thompson, ND
Jacky Jones	Zion Lutheran Church – Oslo, MN
Eunice Vold/Olive Weber	Bethesda Society
Joanne Becker	Valley Memorial Club

Our Executive Leadership Team

Garth Rydland – President/CEO

Mindy Marcus – Administrator, Valley Senior Living on 42nd

Angie Goulet – Administrator/Director of Nursing, Tufte Manor

Cheryl Ekren – Housing Manager, Wheatland Terrace and Country Estates

Lori Bott – Chief Financial Officer

Barb Barta – Director of Human Resources

Jenny Schultz – Director of Nursing, Woodside Village

Jess Baumgarten – Director of Nursing, Valley Senior Living on Columbia

Gina Roller – Administrator of Valley Transitions, Valley Senior Living on Columbia

Megan Anderson – Administrative Project Coordinator

Employee of the Month:

Jacob Koponen, RN
Vickie Demuth, PCA
Debbie Jeans, CNA
Jonathan Bartel, CNA
Jane Cable, Dining Services
Janet Moen, Receptionist
Sarah Jacobson, LPN
Kendra Nelson, LPN
Talus McCowan, CNA
Kayla Bina, RN
Dave Loranger, Recreation Assistant
Jodi Dub, Administrative Assistant

Employees Honored for 2018 Longevity Awards:

35 Years:

Ione Lautt

30 Years:

Darci Bohn
Shannon Holte
Lorrie Lansing
Robbin Ness

25 Years:

Shelley Garcia
Sheila Nygaard
Judee Schmidt

20 Years:

Joan Houde
Deb Nelson

DID YOU KNOW?

25 Member Congregations
200 Adult and nearly **100** youth volunteers
569 Apartments / Resident rooms
800 employees in three communities
46,500,000 Annual Budget



OUR VISION

*As a family,
we strive
to enrich lives
and honor
individuality.*



Valley Senior Living on 42nd

Valley Senior Living on 42nd provides a full continuum of care of **independent living** (*Country Estates*), **assisted living** (*Wheatland Terrace*), **skilled nursing**, and **memory care** (*Woodside Village*) in cozy residential neighborhoods. At the heart of this community is the Town Square. Enjoy a cup of coffee or lunch at the Myra Café. Attend a concert or religious service in our auditorium. Take advantage of the fitness equipment in the exercise room. Pamper yourself with a visit to our hair salon. Have fun with your family and friends in our social game room and outdoor living areas. Take part in our intergenerational activities with our Head Start classrooms. The multiple levels of care and services at Valley Senior Living on 42nd offer a wonderful advantage for couples, siblings, and friends to be able to live in the same community.

Valley Senior Living on Cherry

Valley Senior Living on Cherry provides two communities in separate buildings joined by a connecting link. Nestled in a quiet neighborhood, this **independent senior living** community (*Cherrywood Village*) offers affordable apartments for seniors age 62 or older who qualify as low-income. Our **basic care** (*Tufte Manor*) offers 24 hour nursing and personal care assistance in a warm inviting environment. Basic care is Medicaid certified and is designed for people who need support services, yet it allows them to maximize their independence. Residents at this community enjoy a private room along with the many amenities such as daily recreation, hair salon, and transportation to medical appointments and shopping.





Embracing the Eden Alternative

As a registered member of the Eden Alternative, we are dedicated to embracing the aging experience by following the Eden Alternative philosophy. First and foremost, the Eden Alternative ensures our residents remain at the center of their lives. Our communities are filled with growing plants, music therapy, companion pets and visiting youth. You'll find a warm environment filled with laughter and joy, along with a sense of family and community. We honor the voices and choices of residents and the care partners working most closely with them.



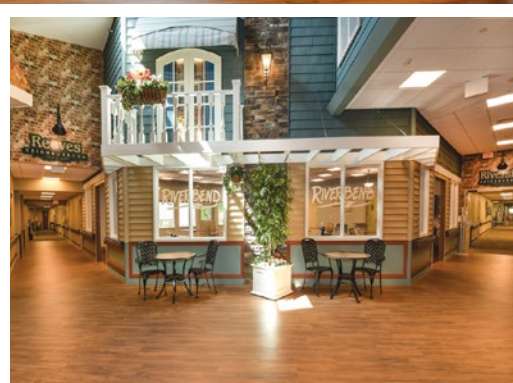
"The Eden Alternative is the beginning, not the end, of an epic journey. It shows us what is possible and encourages us to continue exploring — to continue asking how we can improve the well-being of our Elders, and in doing so, bring a new Elderhood into being."

~ Dr. Bill Thomas
Co-founder of
The Eden Alternative



Valley Senior Living on Columbia

Valley Senior Living on Columbia offers **skilled nursing** and **transitional care**. We are connected to Altru Health System's main campus. Residents will enjoy cozy neighborhood settings and the many amenities this community has to offer. Enjoy a cup of coffee or lunch at Bully Brew. Our



Bethesda Crossings room hosts weekly religious services, large group activities and concerts. Spend time outdoors in our spacious courtyards with family and friends. Take part in intergenerational activities with children from our community.

Life Enrichment & Well-Being

At Valley Senior Living we believe that life enrichment and well-being is the key to a thriving community. We strive to keep residents active. Our recreation staff offer an excellent balance of activities, outings, exercise and entertainment. We operate on the goal of providing purpose and meaning to everyday life.

Spiritual care is also an integral part of daily life for our residents. Our two chaplains provide care for residents and families, through worship services, Bible studies and one-on-one visits.

Our Transition to Valley Senior Living

After 96 years of caring for the long term care needs of our community, we are proud to continue to be locally-owned, not-for-profit, and governed by our 25 area Lutheran member churches.

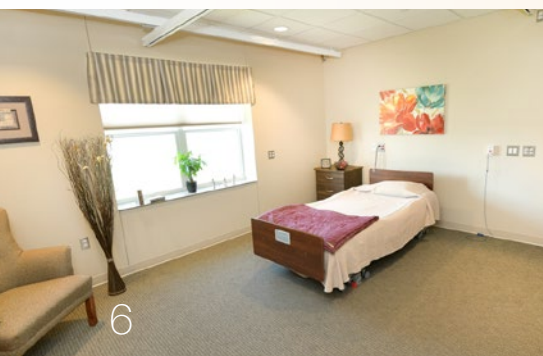
The decision to leave the name “Valley Memorial Homes” behind was rooted in a desire to have a name that reflects who we are as an organization and what we envision for the people who come to us for care. With this name change, we are linking our organization’s name to each of our communities:

- **Valley Senior Living on Columbia** – We have renamed Valley Eldercare Center to Valley Senior Living on Columbia. Skilled nursing and transitional care continue to be provided at this location.
- **Valley Senior Living on 42nd** – We are retiring the name 4000 Valley Square and renaming the community Valley Senior Living on 42nd. Woodside Village provides skilled nursing and memory care, Wheatland Terrace provides assisted living, and Country Estates continues to be independent senior living.
- **Valley Senior Living on Cherry** – This community includes Tufte Manor, our basic care community, and Cherrywood Village, the independent senior living community that provides affordable apartment living for seniors who need rent assistance.

Although not everyone that we care for is a senior, the addition of the word ‘Senior’ helps to clearly define the primary purpose of our organization. With the addition of the word ‘Living’, our new name better reflects our mission of providing compassionate Christian care and service to enhance the quality of life for those we serve. There are a number of other ways that ‘living’ has been a focus of our organization’s improvements in the last year.

New Living Spaces

In the fall of 2018 we opened our new addition at Woodside Village. Two new areas provide room for 20 residents living in spacious private rooms. Each room has its own bathroom with a shower and the ceilings are equipped with tracking which provides for easy transfers of residents within the living area.





Outdoor Living Areas

This past year we invested significantly in the outdoor living areas of our communities. At Valley Senior Living on 42nd, many landscaping improvements have been completed. Additionally, the courtyards at Woodside Village and the patio at Wheatland Terrace have been upgraded. At Valley Senior Living on Columbia, doors were added from each of the neighborhood family rooms to give access to two newly renovated courtyards.

A Living Wage for Staff

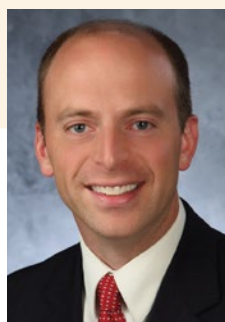
The success that we have is a direct result of our dedicated staff throughout the organization. An important component to recruit and retain dedicated staff is a well-funded reimbursement system for nursing homes. Due to the state budget challenges, nursing homes have not received an annual inflator as a component of our nursing home rate since 2016.

In the 2019 North Dakota legislative session, the legislature restored an annual inflator for human service providers. This will result in a 2 percent inflator for 2020 and a 2.5 percent inflator for 2021. We would like to thank our Grand Forks legislative delegation for their support in restoring this important piece of the reimbursement system. It will help us keep pace so staff can continue to receive a living wage for working in the long term care profession.

Living Through Our Philosophy of Care

As we care for residents, we recognize that growth is a necessary part of life. We are constantly growing, learning, and changing at all stages of our lives. In an effort to promote growth in our communities, we have partnered with the Eden Alternative. The Eden Alternative is an organization whose mission is to improve the well-being of residents and their care partners by transforming the communities in which they live and work.

In conclusion, our name change is another step in our transformation as an organization. The name Valley Senior Living represents the transformation of our physical environment and our organization's culture. People come to our communities to live!



Garth Rydland

Garth Rydland
President/CEO



Bruce Newhouse

Bruce Newhouse
Chairperson

VALLEY SENIOR LIVING FOUNDATION

This year the Foundation provided \$377,587 of support to help meet the needs of our residents, their families and our staff. We provided support to over 40 programs and areas within Valley Senior Living.

Chaplaincy Ministry is one of those programs and is an important part of caring for the whole person – Body, Mind and Spirit. Chaplains Gwenn Bazajou and Bud Johnson lead worship, provide sacraments, lead Bible studies, fellowships, special services, Abider Ministry volunteers and one-on-one visits.



Support for this program came from:

- Congregational Support
- Around Our Table Special Event
- Endowment Interest Earnings
- Bethesda Society

Honoring our Heritage

As 2019 comes to a close so does an era of dedication and support from the Bethesda Society. Since 1914 the Bethesda Society has been providing prayers, volunteer hours and financial support to our residents, families and staff.

"And though your beginning was small, your latter days will be very great." Job 8:7

These words hold the true meaning of where the Bethesda Society started and what they have become over the past 105 years. In 1914, this group of women from area congregations saw a need for a home for the aged and formed the Bethesda Society. In 1924, they had raised \$30,000 to build the first of our communities on Almonte Avenue. For decades, the members of the Bethesda Society have generously shared their time and resources to fund numerous projects to enrich the lives of our residents.

Their main focus was to provide support to the Chaplaincy Ministry program. Over the years they have contributed over \$50,000 towards the Bethesda Society Chaplaincy Endowment. Interest earnings from this endowment will be used to continue to support this program on an annual basis. They have also provided support to many programs and projects for the residents and their families.

In December, as they hold their final meeting, we will say our final "Thank You" to this wonderful group of ladies (and gentlemen) who have given so much over so many years. God Bless and well done, my good and faithful servant(s)!

A heartfelt thank you to all our volunteers and donors from the Valley Senior Living Foundation staff, Sue Bjornstad, Director of Development and Jolene Schmitz, Administrative Assistant.

Honoring our Donors

We appreciate the generous hearts of our gracious donors and are grateful to be part of such a caring community. It is through these gifts that we are able to provide compassionate Christian care that enhances the daily lives of those who call Valley Senior Living 'home'. We honored these individuals and businesses over the past year:

Founders Award

Sally J. Page Estate

Bethesda Award

Hugo's – Magnuson Family
Widseth Smith Nolting & Associates
Alerus Financial

Cornerstone Award

Altru Health System
Brady Martz & Associates
Bremer Bank
Frandsen Bank & Trust
Olga Neal Estate

Heritage Award

Stephen Robinson
Paul Howard
Sue & Mark Bjornstad
Barb & Ben Holien
Camrud Maddock Olson & Larson
North Risk Partners
Lunseth Plumbing & Heating

Builders Award

Amundson Funeral Home
Meredith & Tim Baumann
Chaplain Kerwin & Wendy Sletto
Les & Patty Howard
Clive & Jacky Jones
Missy & Joe Miedema
Oscar C. & H. Louise Nord
C. L. Linfoot
Dennis & Brian Martin
Brian Woinarowicz
Greg & Susan Opp
Marco Business Products

Golden Circle Award

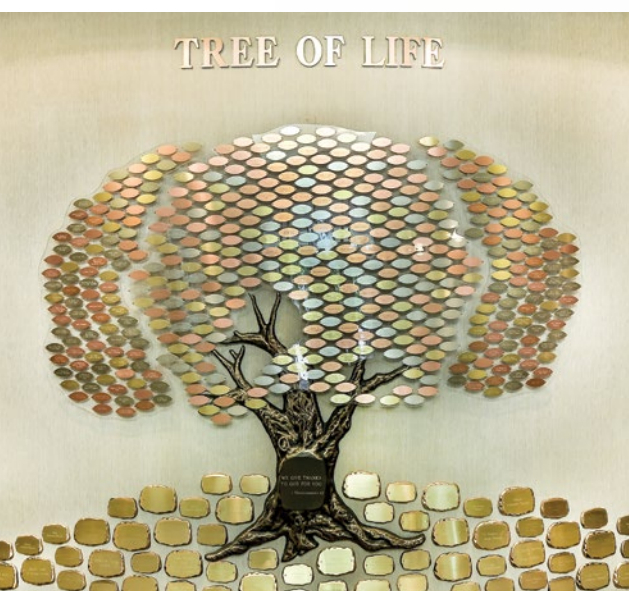
Thirty-two individuals and businesses

Grand Giver Award

Thirty-seven individuals and businesses

Bronze Circle Award

Forty-two individuals and businesses



Valley Senior Living Foundation Tree of Life Awards

Lifetime Giving	Giving Level	Tree of Life
\$250,000	Founders Award	Plaque
\$50,000	Bethesda Award	Plaque
\$25,000	Cornerstone Award	Plaque
\$10,000	Heritage Award	Large Stone
\$5,000	Builders Award	Small Stone
\$2,500	Golden Circle Award	Gold Leaf
\$1,000	Grand Giver Award	Silver Leaf
\$500	Bronze Circle Award	Bronze Leaf

FINANCIAL OVERVIEW — 2018/2019 FISCAL YEAR HIGHLIGHTS

For the year ended June 30, 2019 the organization experienced an increase in net assets of \$889,455, which equates to a 2% margin for the year. This past fiscal year there were a few key areas that impacted financial performance: Medicare and state reimbursement, census, a loss on bond refunding, impairment loss on investment in long term care beds and construction projects. The organization remains financially stable with Net Assets of \$7.9 million and \$13.1 million in Cash the equivalent of 118 Days Cash on Hand.

Reimbursement Update

This past year Valley Senior Living faced some financial challenges revolving around limited reimbursement for skilled nursing facilities and basic care. Valley Senior Living on Columbia, Woodside Village and Tufte Manor experienced another year of reimbursement with zero annual inflator in their rates issued by the state. Funding passed for the next biennium includes inflation factors for both years. Additionally, Valley Senior Living on Columbia and Woodside Village experienced a reduction in their Medicare rates effective October 1, 2018. Medicare is revising the payment system for skilled nursing facilities October 1, 2019; we are anticipating an increase in Medicare revenue as a result of these changes. Improved reimbursement allowed us to budget for market adjustments to staff wages in January.

Census Update

Fluctuating occupancy for nursing home beds continued to be a challenge this past fiscal year. Valley Senior Living on Columbia downsized from a 212 bed facility to 176 with the conversion of 16 side by side double rooms to deluxe private room accommodations on the Riverside neighborhood. Woodside Village increased its license by 20 beds to 138. These license changes had a net increase of four nursing home beds. Basic Care, assisted and independent living census remained strong during the year.

Loss on Refunding and Impairment Loss

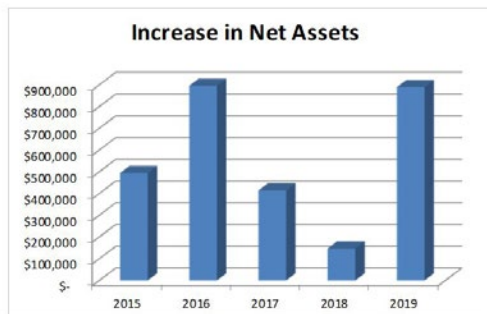
In 2016 the organization restructured its existing debt under the Valley Homes Obligated Group. The 2012 series for Valley Homes and Services were advanced refunded and placed in escrow until November 2018. Redemption of these bonds resulted in a Loss on Refunding of \$118,549. Following the sale of beds it was determined the market value of existing licenses were \$10,000/bed. The Investment in Long Term Care License asset was adjusted, resulting in an Impairment Loss of \$35,511. These transactions do not have any impact on cash.

Construction Update

During the year there was continued progress on construction and renovation projects at both Valley Senior Living on 42nd and Valley Senior Living on Columbia. During the 2018-2019 fiscal year the following projects were completed: Neighborhood and Town Square Renovations at Valley Senior Living on Columbia, 20 bed addition at Woodside Village, Wheatland Terrace landscaping and flooring, second elevator at Country Estates, Head Start Classroom, Myra Café and various Town Square renovations. We look forward to these projects and enhancements better serving our current and future residents in a more home-like environment.

A copy of audited financial statements is available upon request by contacting Lori Bott at 701.787.7912 or lbott@valleyseniorliving.org. See also financial statistics provided below.

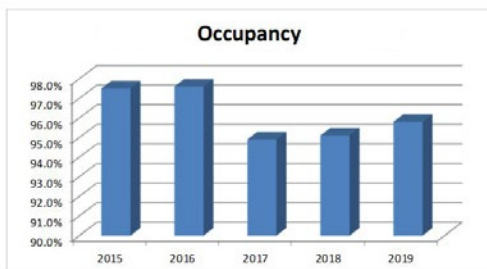
Financial Performance – Ratios and Statistics



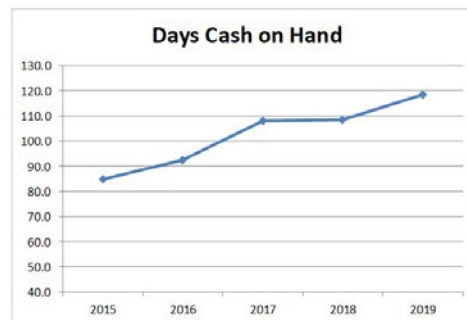
	2015	2016	2017	2018	2019
Valley Homes and Services	\$ (246,934)	\$ 347,650	\$ (31,797)	\$ (572,219)	\$ (512,734)
4000 Valley Square	\$ 741,450	\$ 548,232	\$ 446,343	\$ 719,605	\$ 1,402,189
Valley Senior Living	\$ 494,516	\$ 895,882	\$ 414,546	\$ 147,386	\$ 889,455



	2015	2016	2017	2018	2019
Valley Homes and Services	-1.1%	1.4%	-0.1%	-2.1%	-1.9%
4000 Valley Square	5.1%	3.7%	3.0%	4.7%	8.1%
Valley Senior Living	1.3%	2.2%	1.0%	0.4%	2.0%



	2015	2016	2017	2018	2019
Valley Senior Living	97.5%	97.6%	94.9%	95.1%	95.8%
Valley on Columbia	96.8%	97.0%	91.9%	90.8%	94.8%
Tufts Manor	97.6%	97.5%	95.9%	97.6%	96.0%
Woodside Village	99.3%	98.8%	98.2%	98.3%	98.0%
Wheatland Terrace	95.2%	96.4%	95.4%	98.4%	96.5%
Country Estates	99.2%	98.7%	98.3%	98.1%	95.0%



	2015	2016	2017	2018	2019
Valley Senior Living	\$8,685,347	\$10,007,996	\$11,206,472	\$11,890,665	\$13,121,567
Days Cash on Hand	84.7	92.3	107.8	108.4	118.3

Our Caring Communities

VALLEY SENIOR LIVING ON 42nd

INDEPENDENT SENIOR LIVING *Country Estates*

4002 24th Avenue South
Grand Forks, ND 58201
701.787.7621

ASSISTED LIVING *Wheatland Terrace*

4006 24th Avenue South
Grand Forks, ND 58201
701.787.7621

SKILLED NURSING AND MEMORY CARE *Woodside Village*

4004 24th Avenue South
Grand Forks, ND 58201
701.787.7500

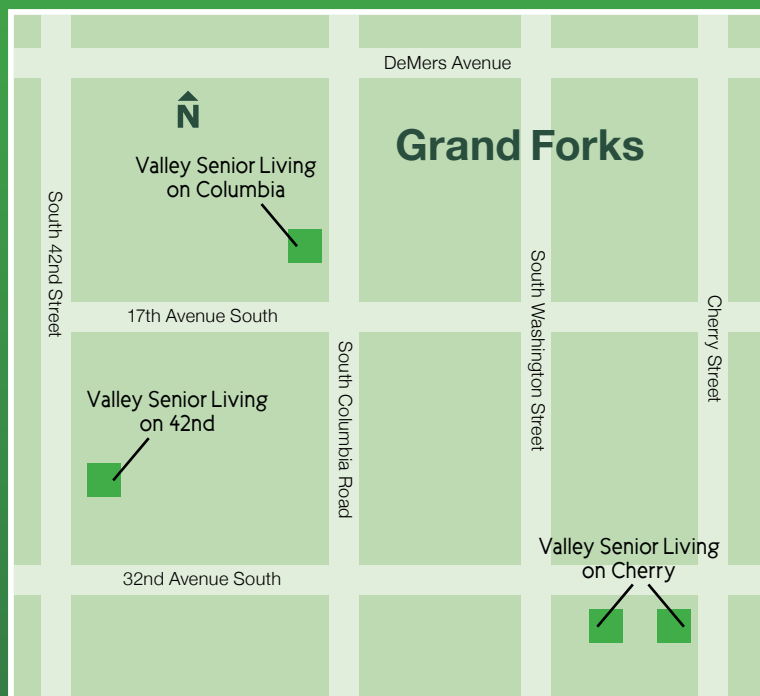
VALLEY SENIOR LIVING ON CHERRY

INDEPENDENT SENIOR LIVING *Cherrywood Village*

3350 Cherry Street
Grand Forks, ND 58201
701.746.2545

BASIC CARE *Tufts Manor*

3300 Cherry Street
Grand Forks, ND 58201
701.787.7600



VALLEY SENIOR LIVING ON COLUMBIA

CORPORATE OFFICE

SKILLED NURSING AND TRANSITIONAL CARE

2900 14th Avenue South
Grand Forks, ND 58201
701.787.7900

VALLEY SENIOR LIVING FOUNDATION

2900 14th Avenue South
Grand Forks, ND 58201
701.787.7984



valleyseniorliving.org