



National
Lutheran
Communities
& Services

Annual Report

2016

Our Mission:

To fulfill its Christian ministry, National Lutheran Communities & Services provides an array of options for seniors including residential living, along with home and health care services which are designed to meet individual needs.

3 Inspiring Service to Seniors

Lawrence R. Bradshaw, President & CEO
National Lutheran Communities & Services

4 Mission-Minded

Dr. Tommie L. Robinson, Jr., Ph.D, Chair
National Lutheran Communities & Services
Board of Trustees

5 Board Chairs

2016 HIGHLIGHTS

7 myPotential at Home

Denise Kozlowski, Executive Director

8 The Village at Rockville

Jason Gottschalk, Executive Director

9 The Village at Rockville Auxiliary

Elizabeth Henricksen, Auxiliary President

10 The Village at Orchard Ridge

Melissa Fortner, Executive Director

11 The Legacy at North Augusta

Cherie Powers, Executive Director

12 The Village at Crystal Spring

Courtney Malengo, Director of Communications

INSPIRED GIVING

13 Modeling Generosity

Featuring Jeanne Buster, Donor

14 A Gift From the Heart

Featuring Heather Humphries, Donor

15 A Legacy of Compassion

Featuring Fred Meier, Donor

16 Donors

FINANCIAL DIRECTION

26 Financial Performance and Stewardship

28 Consolidated Financial Statements



Inspiring Service to Seniors



Every year, I am in awe of the wonderful work our staff, volunteers and Board members do, each day, on behalf of National Lutheran Communities & Services (NLCS) and the seniors we serve. In 2016, the National Lutheran family served more than 1,700 seniors and employed 600 professionals in our growing ranks. Our combined charitable care and unreimbursed care totals exceeded \$8 million, allowing us to keep our 126-year-promise of never asking anyone to leave because they could no longer afford the cost of care.

As you will read in the coming pages, the National Lutheran family is proud of numerous accomplishments. Purposeful growth allowed us to expand and offer home health services in Virginia, along with home care services in Maryland, through myPotential at Home. The Phase II expansion at The Village at Orchard Ridge brought new apartments, an indoor aquatic center (Engage Center) and expanded dining venues. The Village at Rockville began preparing for an expansion that will add independent living apartments and a wellness center to the campus. The Legacy at North Augusta continued to adjust to the ever-changing needs of seniors looking for assisted living services, and the NLCS development team continued to focus on making retirement living in Annapolis a reality.

We have also created several initiatives on staff education to ensure we are providing opportunities for employees to grow and advance, including a new partnership with American Public University. National Lutheran Communities & Services believes that if staff feel valued, engaged and cared about, the seniors we serve will feel that too. Here's to another year of inspiring service to seniors and cultivating opportunities for both seniors and staff to thrive.

Lawrence R. Bradshaw, President & CEO
National Lutheran Communities & Services



Mission-Minded

The National Lutheran Communities & Services Board of Trustees is charged with ensuring the mission is the main thing, in everything. Our mission alignment and shepherding National Lutheran's strategic vision is an important responsibility, one that our talented and dedicated members take to heart.

I joined this Board because of its mission. As baby boomers age and our country is getting older, there is a need to offer services to all individuals, meeting specific needs. While I work in pediatrics, I see my work on this board as a way to address issues across the life span. In other words, I get to do God's work with my hands, and this is why National Lutheran's work is important to me.

In my role as Board Chair, I have seen first-hand the dedication of staff living our mission daily. It inspires the Board to continue to explore how we can serve seniors beyond our retirement communities. This past year the Board honed in on that with the expansion of our home care and home health services through myPotential at Home—A National Lutheran Service. This is an exciting venture, because it allows us to serve seniors who may never choose to live at one of our communities—and, we can serve them where they are most comfortable, at home.

We also supported new plans to provide health care clinics on the campus of each retirement community. myPotential Care Centers will allow us to provide health and wellness offerings to seniors and staff alike, along with their loved ones—eventually expanding to reach those in the surrounding communities in which we operate. Our commitment to see a retirement community in Annapolis has never wavered, despite some of the challenges. Progress has renewed our efforts and we look forward to making this vision a reality.

I know great things are in store for National Lutheran Communities & Services. Thank you for your continued support of our mission with your time, talent and treasure.

Dr. Tommie L. Robinson, Jr., Ph.D., Chair
National Lutheran Communities & Services Board of Trustees

Board Chair Biographies

National Lutheran Communities & Services

Dr. Tommie L. Robinson, Jr., Ph.D., Chair, Board of Trustees

Dr. Robinson is the Director of the Scottish Rite Center for Childhood Language Disorders in the Hearing and Speech Center at Children's National Health System, and is an Associate Professor of Pediatrics at The George Washington University School of Medicine and Health Sciences in Washington, D.C. He joined National Lutheran Communities & Services' Board in January of 2013 bringing with him a wealth of knowledge and experience in attending to those with special needs from culturally and linguistically diverse backgrounds.

Dr. Robinson's accomplishments are many, and he is widely acclaimed for his work in speech and language disorders, having served as president of the American Speech-Language-Hearing Association; received the Lifetime Achievement Award from the District of Columbia Speech-Language-Hearing Association; Thomas A. Crowe Alumni Award from The University of Mississippi, School of Applied Sciences; Establishment of the Tommie L. Robinson Jr. Excellence Award by the NSSLHA Chapter in the Department of Communicative Disorders at the University of Mississippi; and other distinguished awards and recognitions. He is an adjunct professor at Howard University, University of the District of Columbia among other schools and universities. Dr. Robinson has served, and continues to serve on various boards, presented and lectured nationally and internationally, and is a published author.

Dr. Robinson holds a B.A. in Communicative Disorders from The University of Mississippi and an M.A. and Ph.D. in Speech-Language Pathology from Howard University.



The Village at Rockville—A National Lutheran Community

Rev. Dr. Scott S. Ickert, Chair, Board of Trustees

Pastor Ickert serves on National Lutheran Communities & Services Board of Trustees as well as The Village at Rockville Board. He has been the Senior Pastor of Resurrection since 1995, having previously served parishes in Richmond and Leesburg, Va. Early in his career, he was a full time graduate student at The Catholic University of America, earning a Ph.D. in Church History in 1985. In 1990 he was called by the Lutheran World Federation to a research/teaching post at Mansfield College, in Oxford, (and to part-time teaching at Ripon College Cuddesdon), leaving that position to accept the call to Resurrection five years later.

He has been active in ecumenical and inter-religious work for most of his ministry, having served a term on the U.S. Lutheran-Roman Catholic Dialog (Round #10); was appointed by the Evangelical Lutheran Church in America (ELCA) Church Council to serve as observer/participant for two consecutive rounds of the U.S. Catholic-Reformed Dialog; was appointed to serve a term on the Theological Commission of the Reformed Church in America; is a founding member of the Lutheran Episcopal Coordinating Committee; a member of a Lutheran-Catholic Dialog; and is Lutheran convener of a Lutheran-Jewish Dialog.

Board Chair Biographies *continued*



The Legacy at North Augusta—A National Lutheran Community Rev. John Wertz, Jr., *Interim Chair, Board of Directors*

Pastor Wertz, M.Div. has served as the pastor of St. Michael Lutheran Church in Blacksburg, Va. since 2004. A graduate of the Lutheran Theological Southern Seminary in Columbia, S.C., Pastor Wertz was ordained by the South Carolina Synod in 1997 and served his first call at Good Shepherd Lutheran Church in Walterboro, S.C., from 1997 until 2004.

Pastor Wertz has a passion for putting God's Word into action. While at Good Shepherd, he helped launch Shepherd's Care—an Alzheimer's Respite program—and expanded a food pantry. At St. Michael, Pastor Wertz helped create Micah's Caring Initiative (www.micahci.org), a community partnership sponsored by St. Michael, which works with more than 200 partner organizations to provide weekend meals for hungry students, monthly meals to low income senior adults and fresh food in the summer to local food pantries. Pastor Wertz currently serves on the Council of the Virginia Synod, Evangelical Lutheran Church in America (ELCA), on the Synod Finance Committee and is the President of the Lutheran Partners in Mission Board.

In addition to his work in the parish, Pastor Wertz oversees the Mission Leaders Network and is a partner in D647.com, which has produced an iPhone application entitled *66 People of the Bible*.

The Village at Orchard Ridge—A National Lutheran Community Mr. Doug McCarthy, *Chair, Board of Directors*

Mr. McCarthy is currently the founding partner of J. Douglas McCarthy & Associates, P.C. His practice focuses on transactional law dealing with estate planning, real estate and corporate matters.

He has provided legal and volunteer services for the Adult Care Center of the Northern Shenandoah Valley, New Eve Ministries, Habitat for Humanity, and other organizations.

Mr. McCarthy is a member of the Virginia State Bar, West Virginia State Bar, National Academy of Elder Law Attorneys, Thomas More Law Center and the Winchester/Frederick County Bar Association.

He received his J.D. from the Keller School of Law at The University of Dayton in Dayton, Ohio where he earned honors in the fields of taxation, wills, and trusts. His B.S. is from Shepherd University in Shepherdstown, W.Va. where he majored in Political Science and History.



myPotential at Home 2016 Highlights



30,000
hours
of
personal
care

110
clients in
Virginia

Average home
care client is
female, age 84
years old

Throughout 2016, myPotential at Home—A National Lutheran Service continued to fulfill National Lutheran Communities & Services' mission of providing high-quality senior care to those living at National Lutheran communities, and individuals residing in the outlying areas of both Virginia and Maryland.

myPotential at Home provided close to 30,000 hours of personal care to seniors in Virginia. From assisting with bathing, preparing nutritious meals, transporting seniors to important medical appointments and even walking some four-legged friends, the myPotential at Home team helped keep over 110 people safe and happy in their homes in multiple counties in Virginia including Frederick, Shenandoah and Warren. Some of this care was given in short, one-to-two-hour increments a few times a week, while other visits were for as long as 12 hours daily for seven days. Seventy percent of the clients that our team visited were female with the average age being 84 years old.

In September, myPotential at Home expanded Virginia services to include home health, covering skilled nursing, physical therapy, occupational therapy and social services. Offering these clinical services to people in their home allows physically compromised clients to recover from medical conditions or surgeries in their favorite place—home! Since September, myPotential at Home's home-health services have provided care to 21 adults averaging 78 years old. Eighty-six percent of those seniors live in the greater-Winchester-area.

In December, myPotential at Home received a Residential Service Agency license allowing our team to provide home care services such as personal care and medication management to seniors in Montgomery County, Md. Although just beginning to take off, our small staff has been able to assist 10 clients on the campus of The Village of Rockville—A National Lutheran Community with taking medications, dressing, exercising, companionship and safety.

In addition to providing seniors with the one-on-one personal care they need to stay healthy and independent, myPotential at Home has provided various educational and wellness opportunities. Our clinical experts provided eight educational sessions open to all seniors, on topics such as nutrition, memory loss and heart disease, which reached a total of 159 seniors. Additionally, myPotential at Home hosted three evening sessions in the spring for family caregivers on topics ranging from protecting seniors from scams to estate planning.

As we continue to grow and expand in 2017, myPotential at Home is anticipating a very exciting year. We are projecting double the clients, allowing us to serve 288 seniors throughout 2017.

Denise Kozlowski, *Executive Director*

57,071
call lights
answered

123,574 work
orders completed by
housekeeping

6
MAGNIFY
concerts with
575
attendees



The Village at Rockville 2016 Highlights

After the completion of a four-and-a-half year renovation project, and the celebration of our 125th anniversary in 2015, The Village at Rockville—A National Lutheran Community focused 2016 on expanding our primary mission of serving seniors with the highest quality care and customer service possible.

The year marked the opening of the myPotential Rehabilitation Outpatient Therapy gym and services. This new service line enables us to serve seniors that live in the surrounding area in addition to residents on campus. The year also marked a period of planning for future mission expansion; myPotential Care Center will become a new offering line in 2017. It will provide medical care—primary physicians, nurse practitioners, and ancillary services such as podiatry, dentistry, ophthalmology, and psychology—wellness services such as nutrition counseling and social services, and care coordination services to seniors that live in the surrounding community, in addition to our residents and staff. Additionally, 2016 was filled with planning for an expansion project, which includes a 130-unit independent living apartment building, wellness space, and new dining venues, slated to open in 2020.

During 2016, we also witnessed the beginning of MAGNIFY; a philanthropic campaign to enrich worship, music, and the arts on the campus, and specifically within the Chapel space. One aspect of MAGNIFY was the development of a partnership with Strathmore, a world-class performing and visual arts campus five miles from our community. Through this partnership, The Village at Rockville hosted exceptional performances that have attracted people of all ages from around the region.

We rejoice in the expansion of our mission at The Village at Rockville in 2016, and we trust in God for continued growth and renewal.

[Jason Gottschalk, Executive Director](#)



The Village at Rockville Auxiliary



\$18,000
raised at the
Bloomin' Spring
Sale and Fall
Festival

In 2016 The Auxiliary of The Village at Rockville—A National Lutheran Community continued to provide the energy and resources needed to improve the lives of the residents in assisted living and long-term care. Our members, who regularly visit The Village at Rockville, see first-hand opportunities to enrich lives and work hard to fulfill them.

We are proud to say that The Auxiliary was able to make the final two payments on the small bus used by residents for transportation to off-site activities and appointments. The ability for residents to travel off-campus to visit their home churches, attend events or even run basic errands is a simple but important aspect of enriching their lives—and The Auxiliary was happy to be a part of that.

In order to provide resources like transportation to residents, The Auxiliary worked hard to fundraise year-round. The tradition of a spring fundraiser returned in May with the Bloomin' Spring Sale, and the annual Fall Festival was held in November. Both events sold plants, jewelry, note cards, baked goods, candy and more, and collectively raised \$18,000.

The Auxiliary continued to provide a series of activities for the residents, many in partnership with Life Enrichment. During 2016 some of the much loved activities included monthly birthday parties, bingo, Founder's Day Tea in the spring, luncheon outings

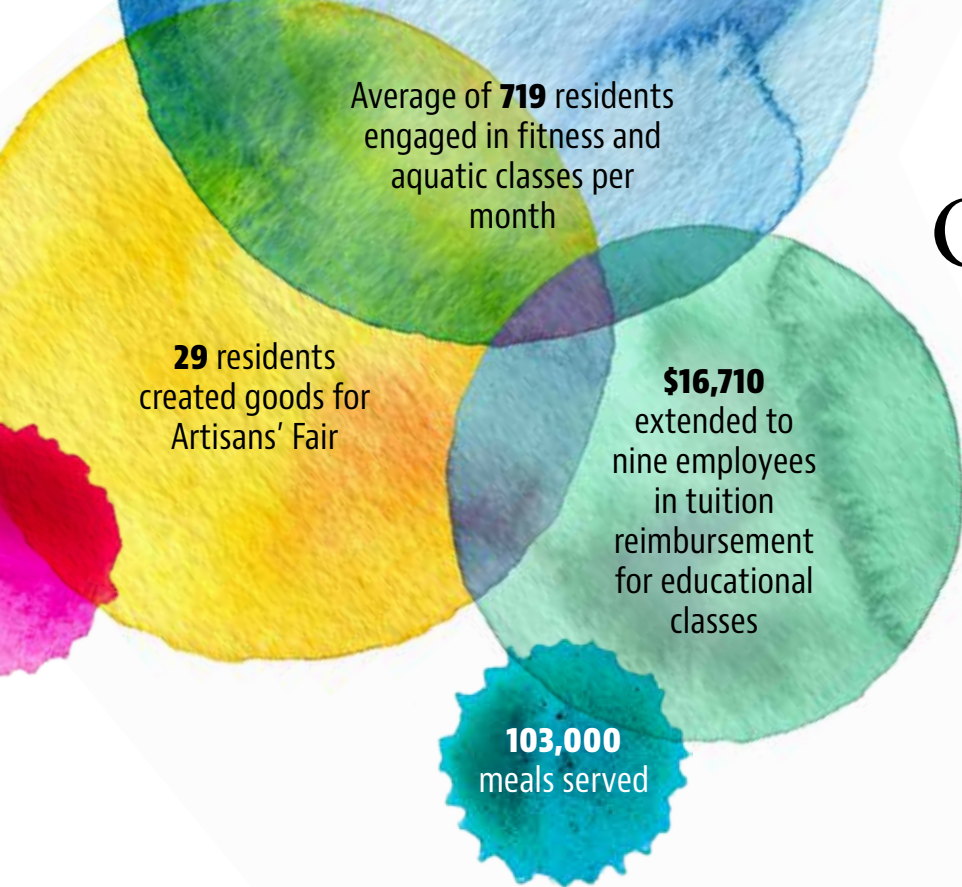
to local restaurants, and programs such as Squeals on Wheels. Many events included music and dance entertainment too.

Annual events like the Oktoberfest and Christmas Cookie Party were also a tremendous hit—and residents thoroughly enjoyed the 43-year-old tradition of a fall trip to St. John's Lutheran Church in Martinsburg, W.Va.

Every day in 2016, The Auxiliary looked for new ways to provide something extra for residents. Through hard work and perseverance, we were able to accomplish what we set out to do 75 years ago; enrich the lives of residents.

[Elizabeth Henriksen, Auxiliary President](#)

The Village at Orchard Ridge 2016 Highlights



The Village at Orchard Ridge—A National Lutheran Community impacted seniors lives in 2016 through engaging new holistic program offerings, and prepared for 150 new community members moving on campus in December.

The new Engage Center opened in May with cutting-edge programs, services and a transformed culture. The Village at Orchard Ridge met the mission to engage residents in a holistic and deliberate lifestyle of wellness that promotes intellectual growth, physical fitness, social engagement, spiritual expression and vocational connectivity.

Life enrichment services expanded to adopt 13 elements of holistic wellness and engagement, which furthers the opportunities for resident growth and connection. One of the 77 residents who Engage Center staff contacted and encouraged to be more physically active is now faithful to exercising at least three to four days a week. That resident said she is glad to be working out and that she has seen improved range of motion in her upper body and legs.

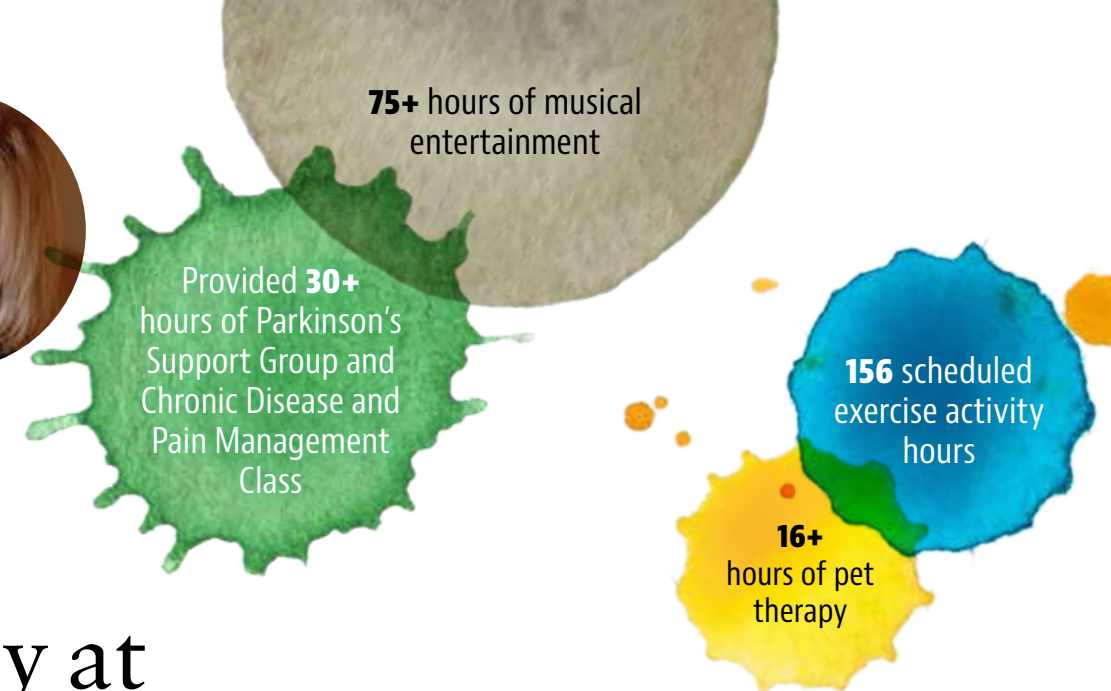
To help the 150 incoming residents preparing to move to The Village at Orchard Ridge between December 2016 and July 2017, seven formal presentations occurred offering information and strategies for downsizing belongings and selling homes through

the *Let's GO Move* program. One of the most successful elements of this program was the opportunity to build relationships with one another. This custom and unique program enabled incoming residents to move into the community knowing one another, as well as existing residents.

Finally, The Village at Orchard Ridge welcomed two Clinical Pastoral Education (CPE) students in September of 2016 for an experiential learning program held through the Mid-Atlantic Region of the Association for Clinical Pastoral Education (ACPE), a satellite site of Eastern Mennonite Seminary's CPE program. This program is intended to help provide spiritual life programming and support to residents and their loved ones, along with daily support to Orchard Woods Health Center team members.

At The Village at Orchard Ridge, we are building community one neighborhood at a time—amongst residents and team members alike.

[Melissa Fortner, Executive Director](#)



The Legacy at North Augusta 2016 Highlights



To The Legacy at North Augusta—A National Lutheran Community, *Legacy* is much more than a namesake. It stretches from the sign out front, through our front door and into the individualized work we do for each and every resident.

In November we met Robyn, an Emerald Isle, N.C. retiree with a passion for helping special needs children. She was also interested in learning more about preventing falls, and was already an expert in the differences between Wagner and Beethoven. More than providing a care plan, we made sure to recognize her interests. From the three staff members with special needs children to other residents who vacation at Emerald Isle Beach, and her soon-to-be neighbor—who shared her advanced sound system for cranking up the classical tunes—we made sure Robyn felt at home.

We know that serving residents starts with understanding their personal needs, and honoring what their legacy will be. We have not lost sight of this holistic vision of care as our number of assisted living residents has risen. Our individualized approach has translated into a higher level of acuity among our residents. It has inspired us to find new ways to provide support, connection and education to foster bonds among the seniors in our community, and has led to successes that stretch well beyond our walls.

A monthly Parkinson's support group provided an outlet for residents and families to share their stories and provide guidance to others dealing with the disease. Our collaboration with the Valley Program for Aging Services allowed us to hold two courses that addressed how seniors can better cope with managing chronic disease and pain. More than providing practical support about healthy meal selections and education, residents took away something else; many expressed the comfort of being able to gather with one another and connect over common challenges associated with aging.

We continued to raise money for the Alzheimer's Association, honored military veterans, and offered classes on hearing impairment, sign language, and pet therapy. We hosted memorial services for deceased residents, provided short-term hospice care for several families, and offered a variety of activities to meet the individual interests of each resident. All of these small groups and specific focuses provided support and meaningful engagement for long-term holistic care. Day-by-day, service-by-service, we're working to meet seniors where they are and provide the individualized care that positively impacts their lives.

The Legacy at North Augusta continues to strive to improve the services that make a difference for each resident, one-by-one.

[Cherie Powers, Executive Director](#)

The Village at Crystal Spring 2016 Highlights

2,888
interested
seniors

694
are from
out of
state

638 are from
Annapolis

1,753
are Maryland
residents

The Village at Crystal Spring—A National Lutheran Community was in a state of change during 2016. Originally, the retirement community was envisioned to anchor a planned, mixed-use development called Crystal Spring Annapolis, located at Forest Drive and Spa Road. After six years working to garner approvals for the mixed-use concept, the National Lutheran project team changed direction to ultimately pursue development of only the continuing care retirement community.

With this new direction came a new name, site concept and project team. National Lutheran Communities & Services is now the sole developer and operator, and moving forward, the retirement community will be known as The Village at Providence Point—A National Lutheran Community. The new name holds significant meaning for the project team. It was chosen because Providence was the original name of Annapolis; providence is also defined as God's divine care and guidance, and timely preparation for future eventualities.

New plans will be filed in the Spring of 2017 with the City of Annapolis and the Maryland Department of Aging. The Village at Providence Point will offer seniors a variety of residential, lifestyle and health care options in the charming city of Annapolis. Health care services will include assisted living, memory support, long-term skilled nursing care and short-term rehabilitation.

Courtney Malengo, Director of Communications

To learn about the latest updates and site plan, please visit www.nationallutheran.org

Modeling Generosity

Jeanne Buster first encountered The Village at Rockville—A National Lutheran Community as a volunteer with the Auxiliary many years ago. The Auxiliary is a dedicated group of volunteers which represent area congregations—they support residents by sharing their time, talents, and treasure through countless volunteer hours, activities, and generous financial support. When invited to volunteer by Nan Rehnquist, former Auxiliary President, Jeanne quickly discovered that she already knew some of the residents at The Village at Rockville. After many years as a dedicated volunteer, Jeanne eventually became Auxiliary President. When asked to join the Board of Trustees, she relinquished her role with the Auxiliary to raise up new leadership, while bringing her years of knowledge and expertise in strategically stewarding the community.

Most recently, she agreed to serve as the Chair of the MAGNIFY Campaign; a philanthropic campaign aimed to enhance worship through music and art with the installation of a custom-built, Holtkamp organ and the completion of the set of stained glass windows in the Chapel. Her support of MAGNIFY was early and strong.

"I did this to enhance the Chapel for the residents, because many consider the Chapel their church home, and I wanted to do all I could to make that the best place for worship," Jeanne said.

Jeanne credits the Auxiliary as her model for generosity.

"I'm really doing this in honor of Auxiliary volunteers. The Auxiliary volunteers have been instrumental in giving time and financial support to meet the needs of the residents. This is my way of giving thanks for that important work," Jeanne shared.

Jeanne gave a gift from her Individual Retirement Account (IRA), which allowed her to give generously to MAGNIFY. Many who give through their IRA can take advantage of the benefits of making a qualified charitable distribution and receive a reduction in their income taxes.

Jeanne felt compelled to direct her gift to MAGNIFY, because she understands the important role that sacred music plays in worship.

"We have a strong tradition of organ music as a part of our Sunday service, and I wanted to make sure others could have a similarly moving worship experience for many years to come," Jeanne said, speaking about her home congregation, Christ Lutheran in Washington, D.C., pictured above.

Marta Spangler, Director of Philanthropy

For more information on charitable giving, please visit www.thevillageatrockville.org/donate



A Gift From the Heart



There are places that create joyful moments in our hearts and minds that carry us forward, always making us smile. Such a place came to fruition in the midst of a small grove of trees on the campus of The Village at Orchard Ridge—A National Lutheran Community, called The Glen. In the middle of a sprawling green field lives a tree oasis that no one paid much attention to until Heather Humphries, a resident at The Village at Orchard Ridge and outdoor enthusiast, saw something different.

One of many joyful moments for Heather is a memory of horseback riding with her husband, George, through the Virginia countryside. The woods and open fields, the wildlife and beautiful plants all paint a wonderful portrait of native Virginia. She knew what joy it brought to them and she thought about creating the same joyful experience for her friends and neighbors to share.

From a heartfelt memory, to a vision that saw past the underutilized wooded area, sprouted a revitalizing donation that preserves natural Virginian species of plants and trees, while also stimulating a wildlife preserve. With Heather's thoughtful donation and advice from expert naturalists from the Piedmont Chapter of the Virginia Native Plant Society, the Northern Shenandoah Valley Audubon Society, and a retired forestry expert from the Virginia Department of Forestry, The Glen became a reality.

This donation reveals the natural beauty of Virginia from the vision of a true outdoor enthusiast. Unique and special gifts like this are cherished treasures for years to come, which grow from the passion of one person who makes a difference.

[Tim Peifer, Director of Philanthropy](#)

For more information on charitable giving, please visit www.thevillageatorchardridge.org/donate



A Legacy of Compassion

While Fred Meier found pleasure living at a senior community in Stuarts Draft, Va., he began seeing a need for assisted living help. That's when he and his daughter found The Legacy at North Augusta—A National Lutheran Community in 2015. Once Fred was at The Legacy at North Augusta, he felt a presence of stewardship and compassion from the staff, and a family atmosphere with the other residents. He saw how strong leadership created an efficient and caring staff, and how that trickled down to create a positive and fulfilling experience for all of the residents—it was this observation that inspired Fred to make a generous donation to the Staunton Benevolent Fund; a gift that he hopes will help his fellow residents remain at The Legacy at North Augusta.

Fred began working for DuPont in the early 60's after graduating from the University of Wisconsin with a B.S. in Chemical Engineering. He started working in West Virginia, but before long he was transferred to the Waynesboro, Va. plant. As a young man with the world at his feet, he also met and married his lovely wife Judy and settled in the Shenandoah Valley. They have two children—Cindy who lives in the Richmond-area and Steve who lives in Waynesboro—and three grandchildren. Fred and Judy had 28 wonderful years together until cancer took Judy before her time.

Fred gave DuPont 33 years where he focused on capital improvements to their physical plant. Over time, Fred was part of over \$250 million

in plant growth as DuPont's innovations helped change the world around us. After retiring from DuPont, Fred worked for a little over eight years at Augusta Health, where as a pharmacy technician he was tasked with maintaining a fully stocked emergency room.

Layered between careers and family life, the Meiers have been long-time members of Grace Lutheran Church in Waynesboro. Fred served on the council as both a member and Council President, and Judy was a founding member of the bell choir and a Sunday school teacher for high school kids. Fred served as the Finance Ministry Chair for Grace Lutheran for 35 years, and also served as the Finance Chair for the United Church Nursery Day Care.

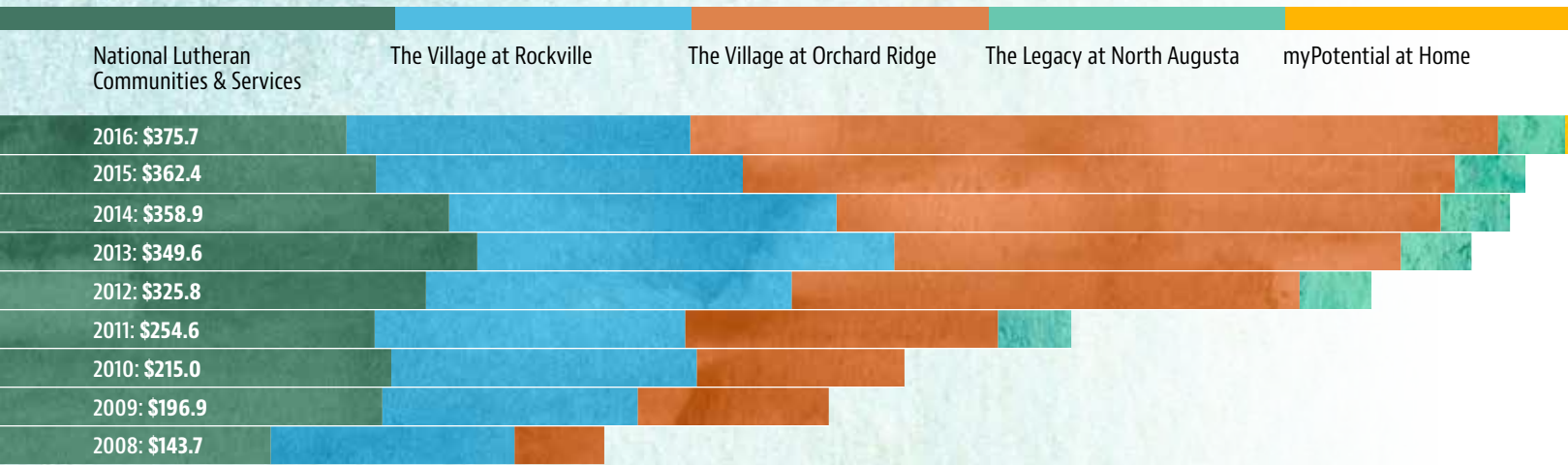
Fred says that he could sum up his experience at The Legacy in one word, grateful.

[Tim Peifer, Director of Philanthropy](#)

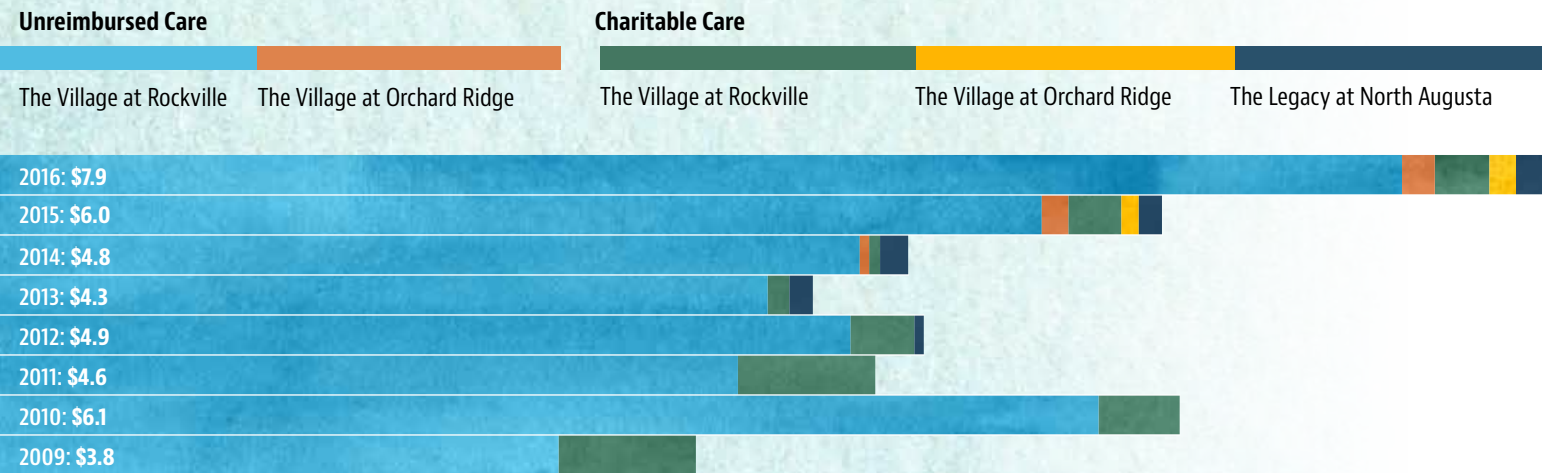
For more information on charitable giving, please visit www.thelegacyatnorthaugusta.org/donate

Financial Performance and Stewardship

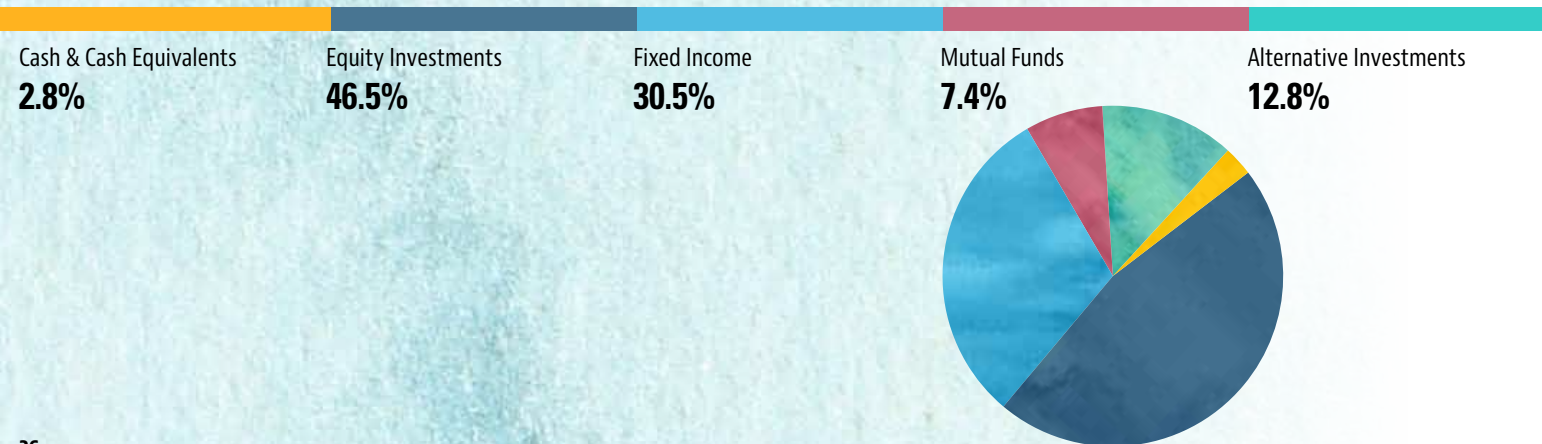
Total Assets IN MILLIONS



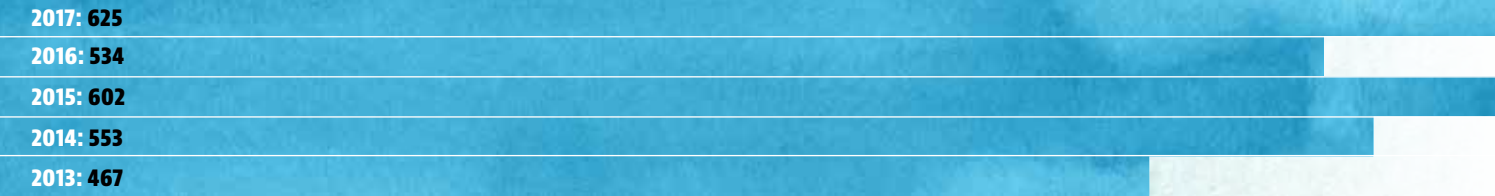
Benevolent Care IN MILLIONS



Investment Allocation



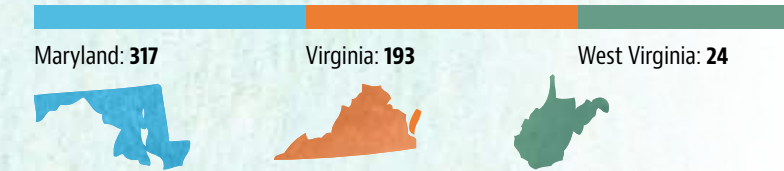
Our Employees



What areas our employees work in:



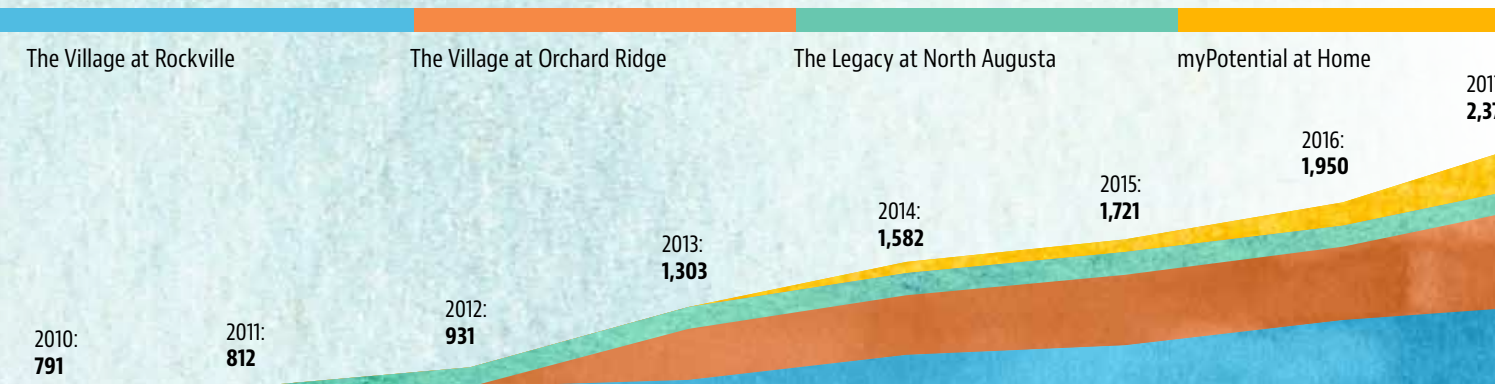
Employees that commute from:



Employee Tenure:



Seniors Served



	2015	2016
Assets		
Current Assets		
Cash and cash equivalents	\$1,287,931	\$5,928,510
Accounts receivable	1,939,094	2,391,939
Accounts receivable, other	-	-
Notes receivable-residents	-	-
Inventory	311,109	296,433
Prepaid expenses and other assets	1,236,596	1,144,365
Pledges receivable	115,353	105,312
Current portion of assets whose use is limited	7,729,351	6,214,672
Total current assets	12,619,434	16,081,231
Assets whose use is limited, net	18,173,416	20,184,494
Investments	93,493,384	84,747,783
Property and equipment, net	222,318,823	244,259,558
Funds held in trust by others	2,125,292	1,939,999
Pledges receivable, net	75,465	38,073
Deferred costs, net	8,013,374	8,461,649
Total assets	\$ 356,819,188	\$ 375,712,787

	2015	2016
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$1,903,212	\$1,384,144
Accrued payable, construction	3,599,764	1,499,819
Accrued interest	3,084,587	3,774,853
Accrued expenses	2,465,278	2,910,230
Current portion of long-term debt	1,045,000	940,000
Current portion of annuities payable	38,135	38,885
Total current liabilities	12,135,976	10,547,931
Resident deposits	2,258,288	2,076,230
Monthly fees paid in advance	53,437	-
Deferred revenues from entrance fees	37,685,902	36,765,521
Refundable entrance fees	28,344,309	33,536,332
Future project refundable deposits	-	-
Long-term debt, net	110,011,816	138,683,005
Annuities payable, net	228,832	219,431
Total liabilities	190,718,560	221,828,450
Net Assets		
Unrestricted	161,387,088	148,943,402
Temporarily restricted	2,725,473	2,586,671
Permanently restricted	1,988,067	2,354,264
Total net assets	166,100,628	153,884,337
Total liabilities and net assets	\$ 356,819,188	\$ 375,712,787

	2015	2016
Unrestricted Revenues		
Net resident service revenues	\$42,473,391	\$46,194,372
Contributions	177,180	139,874
Management fee	539,955	500,000
Interest and dividends	2,812,988	1,976,311
Realized gains	2,294,372	550,800
Other than temporary losses	-	-
Other income	572,653	463,213
Net assets released from restriction - operations	-	50,122
Total unrestricted revenues	\$48,870,539	\$49,874,692

	2015	2016
Expenses		
Salaries and wages	\$23,577,918	\$25,535,465
Employee benefits and payroll taxes	5,608,220	6,134,611
Medicare services	3,542,961	3,325,994
Other resident care	737,318	832,901
Professional fees	3,023,783	1,377,535
Supplies	1,140,099	1,085,362
Food services	2,035,069	1,988,624
Utilities and other occupancy	2,907,414	3,348,071
Depreciation and amortization	9,789,679	10,367,659
Interest	5,319,389	5,103,681
Insurance and licenses	587,244	595,099
Minor equipment	238,960	284,100
Repairs and maintenance	1,482,171	1,214,470
Advertising and recruitment	589,815	735,563
Information technology	1,245,441	1,241,316
Legal and accounting	227,841	235,932
Dues and subscriptions	1,205,597	1,334,552
Miscellaneous	1,665,377	1,304,831
Bad debt expense	636,440	762,126
Annuities	20,545	30,192
Loss on sale/disposal of assets	152,100	-
Total expenses	\$65,733,381	\$66,838,084
Operating loss	(16,862,842)	(16,963,392)
Net Assets Released from Restriction – Capital Purchases	-	269,135
Unrealized Losses (Gains)	(7,037,627)	4,250,571
Change in Unrestricted Net Assets	\$ (23,900,469)	\$ (12,443,686)

	2015	2016
Unrestricted Net Assets		
Operating Loss	\$(16,862,842)	\$(16,963,392)
Net assets released from restriction – capital purchases	-	269,135
Unrealized gains (losses)	(7,037,627)	4,250,571
Change in unrestricted net assets	(23,900,469)	(12,443,686)
Temporarily Restricted Net Assets		
Contributions	1,373,144	474,057
Contributions of funds held in trust by others	271,783	-
Change in value of funds held in trust by others	(10,832)	(21,819)
Distributions of funds held in trust by others	-	(271,783)
Net assets released from restriction – operations	-	(50,122)
Net assets released from restriction – capital purchases	-	(269,135)
Change in temporarily restricted net assets	1,634,095	(138,802)
Permanently Restricted Net Assets		
Contributions	78,745	332,898
Contributions of funds held in trust by others	-	128,281
Change in value of funds held in trust by others	23,600	(19,972)
Uncollectible pledges receivable	-	(75,010)
Change in permanently restricted net assets	102,345	366,197
Change in net assets	(22,164,029)	(12,216,291)
Net Assets, Beginning	188,264,657	166,100,628
Net Assets, Ending	\$166,100,628	\$153,884,337

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CONTACT US:

National Lutheran Communities & Services
 2301 Research Boulevard, Suite 310
 Rockville, MD 20850
 P: 301-354-2710
 F: 240-386-8623
www.nationallutheran.org

The Village at Rockville
 9701 Veirs Drive
 Rockville, MD 20850
 P: 301-424-9560
 F: 301-424-9574
www.thevillageatrockville.org

The Village at Orchard Ridge
 400 Clocktower Ridge Drive
 Winchester, VA 22603
 P: 540-431-2800
 F: 540-678-3534
www.thevillageatorchardridge.org

The Legacy at North Augusta
 1410A North Augusta Street
 Staunton, VA 24401
 P: 540-885-5454
 F: 540-885-5598
www.thelegacyatnorthaugusta.org

**The Village at Providence Point
Information Center**
 1997 Annapolis Exchange Parkway
 Suite 300
 Annapolis, MD 21401
 P: 410-972-4597
www.nationallutheran.org

myPotential at Home
 320 Westside Station Drive
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 P: 540-450-0343
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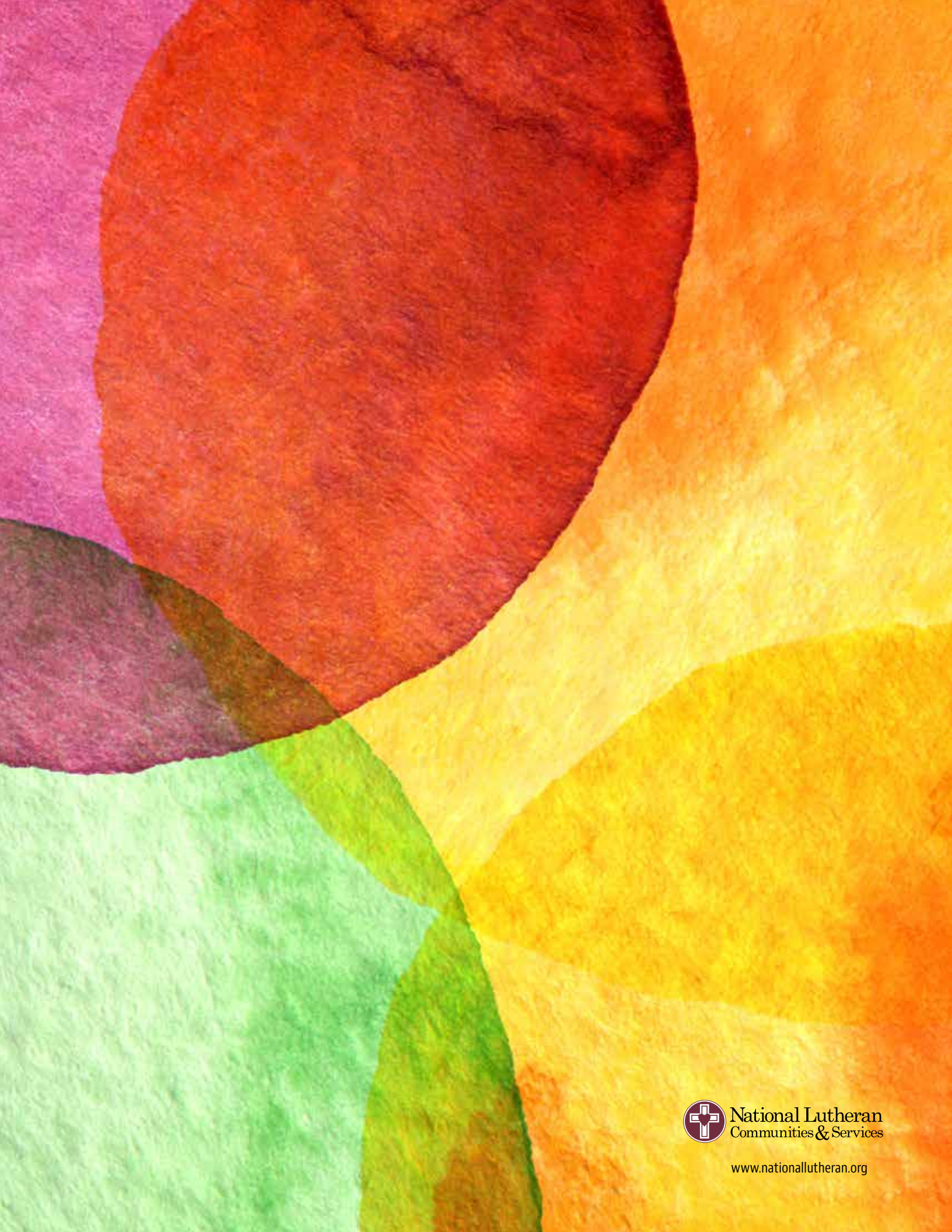
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CREDITS:

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Editors: Hannah Albers, Christopher Enders, Emily Foster, Courtney Malengo
Contributors: Gale Adams, Kathryn Baerwald, Larry Bradshaw, Michael Brady, Melissa Fortner, Jason Gottschalk, Elizabeth Henriksen, Denise Kozlowski, Courtney Malengo, Tim Peifer, Cherie Powers, Tommie Robinson, Marta Spangler

National Lutheran Communities & Services (NLCS) is a faith based, not-for-profit ministry of the Evangelical Lutheran Church in America's (ELCA) Delaware-Maryland, Metropolitan Washington, D.C. and Virginia Synods, serving people of all beliefs. NLCS provides seniors with a variety of lifestyle, residential and health care options through retirement communities and services in Maryland and Virginia.





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