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Form **990****Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)



OMB No. 1545-0047

**2007**Department of the Treasury  
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public  
Inspection**A** For the 2007 calendar year, or tax year beginning

and ending

**B** Check if applicable:

- ☐ Address change  
☐ Name change  
☐ Initial return  
☐ Termination  
☐ Amended return  
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

**C** Name of organization**PIONEER HOME, INC.**

Number and street (or P.O. box if mail is not delivered to street address)

**1006 SOUTH SHERIDAN STREET**

City or town, state or country, and ZIP + 4

**FERGUS FALLS, MN 56537****D** Employer identification number**41-0711612****E** Telephone number**218-739-7701****F** Accounting method: ☐ Cash ☒ Accrual  
☐ Other (specify):

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

**H** and **I** are not applicable to section 527 organizations.**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates: **N/A****H(c)** Are all affiliates included? **N/A** ☐ Yes ☐ No  
(If "No," attach a list.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number: **N/A****G** Website: **PIONEERCARE.ORG****J** Organization type (check only one) ☒ 501(c) ( **3** ) (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12**10,273,674.****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, and similar amounts received:			
	<b>a</b> Contributions to donor advised funds	<b>1a</b>		
	<b>b</b> Direct public support (not included on line 1a)	<b>1b</b>	<b>213,400.</b>	
	<b>c</b> Indirect public support (not included on line 1a)	<b>1c</b>		
	<b>d</b> Government contributions (grants) (not included on line 1a)	<b>1d</b>	<b>26,164.</b>	
	<b>e</b> Total (add lines 1a through 1d) (cash \$ <b>239,564.</b> noncash \$ )	<b>1e</b>	<b>239,564.</b>	
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>	<b>9,895,565.</b>	
	<b>3</b> Membership dues and assessments	<b>3</b>		
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>	<b>135,295.</b>	
	<b>5</b> Dividends and interest from securities	<b>5</b>		
	<b>6a</b> Gross rents	<b>6a</b>		
	<b>b</b> Less: rental expenses	<b>6b</b>		
<b>c</b> Net rental income or (loss). Subtract line 6b from line 6a	<b>6c</b>			
<b>7</b> Other investment income (describe )	<b>7</b>			
<b>Expenses</b>	<b>8a</b> Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
		<b>8a</b>	<b>3,250.</b>	
	<b>b</b> Less: cost or other basis and sales expenses	<b>8b</b>		
	<b>c</b> Gain or (loss) (attach schedule)	<b>8c</b>	<b>3,250.</b>	
	<b>d</b> Net gain or (loss). Combine line 8c, columns (A) and (B)	<b>8d</b>	<b>3,250.</b>	
	<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
	<b>a</b> Gross revenue (not including \$ of contributions reported on line 1b)	<b>9a</b>		
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>		
	<b>c</b> Net income or (loss) from special events. Subtract line 9b from line 9a	<b>9c</b>		
	<b>10a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>		
	<b>b</b> Less: cost of goods sold	<b>10b</b>		
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	<b>10c</b>		
<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>			
<b>12</b> Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	<b>12</b>	<b>10,273,674.</b>		
<b>Net Assets</b>	<b>13</b> Program services (from line 44, column (B))	<b>13</b>	<b>8,831,696.</b>	
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>	<b>893,002.</b>	
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>		
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>		
	<b>17</b> Total expenses. Add lines 16 and 44, column (A)	<b>17</b>	<b>9,724,698.</b>	
	<b>18</b> Excess or (deficit) for the year. Subtract line 17 from line 12	<b>18</b>	<b>548,976.</b>	
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>	<b>1,366,714.</b>	
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>	<b>&lt;134,685.&gt;</b>	
	<b>21</b> Net assets or fund balances at end of year. Combine lines 18, 19, and 20	<b>21</b>	<b>1,781,005.</b>	

723001  
12-27-07

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

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**Part II** Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0, noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 2,000, noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	2,000.	2,000.		STATEMENT 4
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	125,228.	0.	125,228.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	4,809,369.	4,414,151.	395,218.	
27 Pension plan contributions not included on lines 25a, b, and c	157,843.	150,029.	7,814.	
28 Employee benefits not included on lines 25a - 27	836,640.	778,475.	58,165.	
29 Payroll taxes	355,973.	319,448.	36,525.	
30 Professional fundraising fees				
31 Accounting fees	27,650.	7,866.	19,784.	
32 Legal fees	9,084.	5,176.	3,908.	
33 Supplies	720,458.	697,938.	22,520.	
34 Telephone	34,776.	34,776.		
35 Postage and shipping	7,542.		7,542.	
36 Occupancy	652,770.	541,062.	111,708.	
37 Equipment rental and maintenance	84,478.	52,635.	31,843.	
38 Printing and publications				
39 Travel	13,457.	7,308.	6,149.	
40 Conferences, conventions, and meetings	8,120.	7,440.	680.	
41 Interest	395,085.	395,085.		
42 Depreciation, depletion, etc. (attach schedule)	532,770.	532,770.		
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 3	951,455.	885,537.	65,918.	
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	9,724,698.	8,831,696.	893,002.	0.

Joint Costs. Check ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?

Yes ☐ No ☒

If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;

(iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

**Part III** Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 6

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

**a** SEE STATEMENT 5

(Grants and allocations \$ ) If this amount includes foreign grants, check here ► ☐

8,831,696.

**b**

(Grants and allocations \$ ) If this amount includes foreign grants, check here ► ☐

**c**

(Grants and allocations \$ ) If this amount includes foreign grants, check here ► ☐

**d**

(Grants and allocations \$ ) If this amount includes foreign grants, check here ► ☐

**e** Other program services (attach schedule)

(Grants and allocations \$ ) If this amount includes foreign grants, check here ► ☐

**f** Total of Program Service Expenses (should equal line 44, column (B), Program services) ►

8,831,696.

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**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing		45
	46 Savings and temporary cash investments	1,132,941.	46 1,679,527.
	47 a Accounts receivable	47a 624,431.	
	b Less: allowance for doubtful accounts	47b 5,773.	47c 618,658.
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 a Receivables from current and former officers, directors, trustees, and key employees		50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b
	51 a Other notes and loans receivable	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use	43,602.	52 38,554.
	53 Prepaid expenses and deferred charges	60,268.	53 65,414.
	54 a Investments - publicly-traded securities <b>STMT 11</b> <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	965,439.	54a 981,758.
b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV	4,223.	54b	
55 a Investments - land, buildings, and equipment: basis	55a		
b Less: accumulated depreciation	55b	55c	
56 Investments - other		56	
57 a Land, buildings, and equipment: basis	57a 14,167,438.		
b Less: accumulated depreciation <b>STMT 7</b>	57b 6,936,411.	57c 7,231,027.	
58 Other assets, including program-related investments (describe <b>SEE STATEMENT 8</b> )	932,812.	58 79,697.	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58	8,901,441.	59 10,694,635.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses	755,361.	60 907,870.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable <b>STMT 9</b>	6,531,013.	64b 7,657,532.
	65 Other liabilities (describe <b>SEE STATEMENT 10</b> )	248,353.	65 348,228.
66 <b>Total liabilities.</b> Add lines 60 through 65	7,534,727.	66 8,913,630.	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	1,366,714.	67 1,781,005.
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	1,366,714.	73 1,781,005.	
74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	8,901,441.	74 10,694,635.	

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**Part VI Other Information** (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	N/A
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85 a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3?	88a	X
b	If "Yes," complete Part IX		
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	N/A
90 a	List the states with which a copy of this return is filed <u>MN</u>		
b	Number of employees employed in the pay period that includes March 12, 2007	90b	244
91 a	The books are in care of <u>PAUL LEVANG</u> Telephone no. <u>218-739-7703</u> Located at <u>1006 SOUTH SHERIDAN STREET, FERGUS FALLS, MN</u> ZIP + 4 <u>56537</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country <u>N/A</u>	91b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts			

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**Part VI** Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States?

91c ☐ Yes ☒ No

If "Yes," enter the name of the foreign country **N/A**

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ☐

and enter the amount of tax-exempt interest received or accrued during the tax year

92 **N/A**

**Part VII** Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue					
a <b>RESIDENT SERVICE REVENUE</b>					9,530,226.
b <b>OTHER REVENUE</b>					179,532.
c <b>MEALS OTTER TAIL</b>					
d <b>POWER/A'VIANDS</b>	722320	185,807.			
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	135,295.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					3,250.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		185,807.		135,295.	9,713,008.
105 Total (add line 104, columns (B), (D), and (E))					10,034,110.

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII** Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

SEE STATEMENT 15

**Part IX** Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

**Part X** Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

☐ Yes ☒ No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

**Part XI** Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	----- ----- -----			
b	----- ----- -----			
c	----- ----- -----			
<b>Totals</b>				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

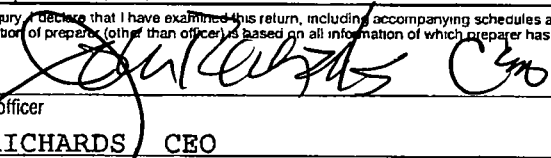
Yes	No
X	

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	PIONEER HOME FOUNDATION 1006 SHERIDAN STREET SOUTH FERGUS FALLS, MN 56537	36-3497297		187,591.
b	----- ----- -----			
c	----- ----- -----			
<b>Totals</b>				187,591.

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Date: 10-14/2010

Signature of officer: JOHN RICHARDS CEO  
Type or print name and title

Paid Preparer's Use Only: Preparer's signature: LISA CHAFFEE, CPA Date: 10/14/10 Check if self-employed: ☐ Preparer's SSN or PTIN (See Gen. Inst. X):  
Firm's name (or yours if self-employed), address, and ZIP + 4: EIDE BAILLY LLP  
4310 17TH AVE S PO BOX 2545  
FARGO, ND 58108-2545 EIN: Phone no.: 701-239-8500

Form 990 (2007)

**SCHEDULE A**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information-(See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

**2007**

Name of the organization

**PIONEER HOME, INC.**

Employer identification number

**41-0711612**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<b>AMY OLSON</b> 1006 SOUTH SHERIDAN STREET, FERGUS FA	<b>DIRECTOR OF NURSING</b> 40.00	58,840.	6,682.	
<b>HEATHER NELSON</b> 1006 SOUTH SHERIDAN STREET, FERGUS FA	<b>ASSISTANT DON</b> 40.00	50,750.	9,227.	
<b>PAUL LEVANG</b> 1006 SOUTH SHERIDAN STREET, FERGUS FA	<b>BUSINESS ADMINIST</b> 40.00	47,258.	7,834.	
<b>BRAD BUSHINGER</b> 1006 SOUTH SHERIDAN STREET, FERGUS FA	<b>DIRECTOR OF ENVIRONM</b> 40.00	48,371.	5,956.	
<b>HARRY OLSON</b> 1006 SOUTH SHERIDAN STREET, FERGUS FA	<b>CHAPLAIN</b> 40.00	44,878.	5,951.	
Total number of other employees paid over \$50,000	1			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	0	

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services	0	

**Part III** **Statements About Activities** (See page 2 of the instructions.)**Yes** **No**

<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities <b>\$</b> _____ <b>\$</b> _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	<b>1</b>		<b>X</b>
<b>2</b> During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)			
<b>a</b> Sale, exchange, or leasing of property?	<b>2a</b>		<b>X</b>
<b>b</b> Lending of money or other extension of credit?	<b>2b</b>		<b>X</b>
<b>c</b> Furnishing of goods, services, or facilities?	<b>2c</b>		<b>X</b>
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? <b>SEE PART V-A, FORM 990</b>	<b>2d</b>	<b>X</b>	
<b>e</b> Transfer of any part of its income or assets?	<b>2e</b>		<b>X</b>
<b>3 a</b> Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) <b>SEE STATEMENT 16</b>	<b>3a</b>	<b>X</b>	
<b>b</b> Did the organization have a section 403(b) annuity plan for its employees?	<b>3b</b>		<b>X</b>
<b>c</b> Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	<b>3c</b>		<b>X</b>
<b>d</b> Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	<b>3d</b>		<b>X</b>
<b>4 a</b> Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	<b>4a</b>		<b>X</b>
<b>b</b> Did the organization make any taxable distributions under section 4966? <b>N/A</b>	<b>4b</b>		
<b>c</b> Did the organization make a distribution to a donor, donor advisor, or related person? <b>N/A</b>	<b>4c</b>		
<b>d</b> Enter the total number of donor advised funds owned at the end of the tax year			<b>0</b>
<b>e</b> Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year			<b>N/A</b>
<b>f</b> Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts			<b>0.</b>
<b>g</b> Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year			<b>0.</b>



**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	49,182.	12,031.	22,141.	142,352.	225,706.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	8,977,687.	8,579,988.	7,825,808.	8,072,257.	33,455,740.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	92,064.	41,783.	67,935.	20,389.	222,171.
19 Net income from unrelated business activities not included in line 18	126,337.	110,505.	126,420.		363,262.
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	9,245,270.	8,744,307.	8,042,304.	8,234,998.	34,266,879.
24 Line 23 minus line 17	267,583.	164,319.	216,496.	162,741.	811,139.
25 Enter 1% of line 23	92,453.	87,443.	80,423.	82,350.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	26b	N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)	26c	N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____	26d	N/A
e Public support (line 26c minus line 26d total)	26e	N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	N/A %

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2006) 0. (2005) 0. (2004) 0. (2003) 0.	
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) 0. (2005) 0. (2004) 0. (2003) 0.	
c Add: Amounts from column (e) for lines: 15 225,706. 16 _____ 17 33,455,740. 20 _____ 21 _____	27c 33,681,446.
d Add: Line 27a total 0. and line 27b total 0.	27d 0.
e Public support (line 27c total minus line 27d total)	27e 33,681,446.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	27f 34,266,879.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g 98.2915%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h .6484%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

**Private School Questionnaire** (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges?		
<b>b</b> Admissions policies?		
<b>c</b> Employment of faculty or administrative staff?		
<b>d</b> Scholarships or other financial assistance?		
<b>e</b> Educational policies?		
<b>f</b> Use of facilities?		
<b>g</b> Athletic programs?		
<b>h</b> Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>34 a</b> Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions.)

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check ☐ a ☐ if the organization belongs to an affiliated group. Check ☐ b ☐ if you checked "a" and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

	(a) Affiliated group totals	(b) To be completed for all electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying) . . . . .	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .	37	
38 Total lobbying expenditures (add lines 36 and 37) . . . . .	38	
39 Other exempt purpose expenditures . . . . .	39	
40 Total exempt purpose expenditures (add lines 38 and 39) . . . . .	40	
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is -		
Not over \$500,000 . . . . .	20% of the amount on line 40 . . . . .	
Over \$500,000 but not over \$1,000,000 . . . . .	\$100,000 plus 15% of the excess over \$500,000 . . . . .	
Over \$1,000,000 but not over \$1,500,000 . . . . .	\$175,000 plus 10% of the excess over \$1,000,000 . . . . .	
Over \$1,500,000 but not over \$17,000,000 . . . . .	\$225,000 plus 5% of the excess over \$1,500,000 . . . . .	
Over \$17,000,000 . . . . .	\$1,000,000 . . . . .	
42 Grassroots nontaxable amount (enter 25% of line 41) . . . . .	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	44	

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount . . . . .					0.
46 Lobbying ceiling amount (150% of line 45(e)) . . . . .					0.
47 Total lobbying expenditures . . . . .					0.
48 Grassroots nontaxable amount . . . . .					0.
49 Grassroots ceiling amount (150% of line 48(e)) . . . . .					0.
50 Grassroots lobbying expenditures . . . . .					0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

	Yes	No	Amount
a Volunteers . . . . .		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .		X	
c Media advertisements . . . . .		X	
d Mailings to members, legislators, or the public . . . . .		X	
e Publications, or published or broadcast statements . . . . .		X	
f Grants to other organizations for lobbying purposes . . . . .		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .		X	
i Total lobbying expenditures (Add lines c through h.) . . . . .			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.





BYLAWS OF PIONEER HOME, INCORPORATED

ARTICLE I.  
OFFICES

Section 1.01. Registered Office. The registered office of this corporation shall be as set forth in the Articles of Incorporation or in the most recent amendment of the Articles of Incorporation of this corporation.

Section 1.02. Other Offices. This corporation may have such other offices, within or without the State of Minnesota, as the directors shall from time to time determine.

ARTICLE II.  
MEMBERS

Section 2.01. Initial Members. The members of this corporation shall be individuals who, from time to time, are the members of Pioneer Home, Incorporated, as they are referred to in Article VII of the Articles of Amendment to Articles of Incorporation of Pioneer Home, Incorporated.

Section 2.02. Qualifications and Election. The voting membership of annual corporation meeting and of any specially called meeting of Pioneer Home, Incorporated, shall consist of the following:

1. Two lay delegates elected at the annual meeting or any regularly called meeting of such congregation and the senior pastor from each of the following congregations:

- A. Bethlehem Lutheran Church, 102 Junius Avenue West, Fergus Falls, Minnesota 56537

- B. First Lutheran Church, 402 South Court,  
Fergus Falls, Minnesota 56537
  - C. Zion Norwegian Evangelical Lutheran  
Church, 202 East Summit, Fergus Falls,  
Minnesota 56537
  - D. Augustana Lutheran Church, 308 East  
Douglas, Fergus Falls, Minnesota 56537
  - E. Hope Evangelical Lutheran Church, P.O.  
Box 375, Fergus Falls, Minnesota 56537
- 2. The members of the Board of Directors of  
Pioneer Home, Incorporated, at the time of  
the annual corporation meeting and of any  
specially called meeting.
  - 3. The Board of Directors of Pioneer Home,  
Incorporated, may, at its discretion, appoint  
not more than eight (8) delegates at large to  
represent other concerned citizens in the  
Fergus Falls, Minnesota, area who are  
interested in the management and Christian  
development of the Pioneer Home,  
Incorporated.

Section 2.03. Annual Meetings. The annual meeting of the members shall be held in November of each year, after the first Monday therein, on a date set by the Board of Directors.

Section 2.04. Special Meetings. Special meetings of the members for any purpose or purposes may be called in the manner specified in the Minnesota Non-Profit Corporation Act.

Section 2.05. Notice of Meetings. Written notice of a time and place for an annual or special meeting shall be delivered personally to the member or sent by first-class, registered or certified mail to the address of each member as it appears on the corporation's records, or if no address is given, at the place where the principal office of the corporation is located, not

less than five (5) nor more than thirty (30) days before the date of the meeting. Notice may be alternatively given on ten days published notice. Such notice, if of a special meeting, shall state the general nature of the business to be transacted. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is delivered or mailed.

Section 2.06. Quorum. A quorum shall be considered to exist when a majority of the eligible voting members or delegates, including not less than ten delegates or members who are voting members of the congregations set forth in Section 2.02 (1), A through E, are present at the annual corporation meeting and of any specially called meeting. The act of the majority of the voting power at any meeting at which a quorum is present shall be considered the act of the members, subject, however, to any provision of these Bylaws specifically to the contrary, or any applicable provision of law.

Section 2.07. Validation of Transactions. The transactions of the members of this corporation occurring at any meeting, however called or noticed, shall be as valid as though such meeting were duly held after regular call and notice if a quorum be present, and if, either before or after the meeting, the members entitled to vote at a meeting for that purpose not present sign a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof, and such writings are filed with the Secretary.

Section 2.08. Action by Written Consent. Any action which may be taken at any regular or special meeting of the members may be taken without a meeting if all members entitled to vote consent in writing to such action. All written consents shall be filed with the Secretary of the corporation and maintained in the corporate records. Directors may be elected by written consent as provided hereinabove.

Section 2.09. Responsibility of Members. The members shall elect directors to replace directors whose terms expire at the annual meeting of the membership at which such director's term expires. The members shall endeavor to interpret the goals and purposes of the corporation and shall have, individually or collectively, such other duties as may be prescribed by the Board from time to time.

ARTICLE III.  
BOARD OF DIRECTORS

Section 3.01. General Powers. The property, business, and affairs of this corporation shall be managed by its Board of Directors.

Section 3.02. Number, Qualifications, Methods of Selection, and Term of Office.

(a) General. There shall be a Board of Directors consisting of eleven (11) directors, of whom not less than six (6) shall be voting members of the congregations set forth in Section 2.02 (1), A through E, inclusive, of whom not less than five shall be voting members of said corporations, respectively. Each director shall serve for a term of three (3) years, or until his or her successor shall be elected and qualified. Directors

may be reelected to membership on the Board, provided, however, that no director may serve more than three (3) consecutive terms, or any part thereof, unless there is a break in tenure of one (1) year or more.

(b) Qualification and Election. At each annual meeting of the members, the members shall elect successor directors for those directors whose terms expire at such annual meeting. Whenever a vacancy occurs in a director position other than by the natural expiration of a director's term, the remaining directors shall elect a successor director to fill out the unexpired term at any regular or special meeting of the directors of the corporation. In electing successor directors, the Board of Directors shall endeavor to select persons experienced in organizational and community activities and persons who are willing and able to participate effectively in fulfilling the Board's responsibilities.

(c) Voting Rights of Directors. All directors of this corporation shall have full and equal voting rights as directors of this corporation.

(d) Terms of Office of Directors. Elected directors' terms of office shall be established in such a manner that approximately one-third (1/3) of such directors' terms expire each year. In the event of a change in the number of directors, the staggering of terms shall be preserved.

Section 3.03. Organization. At each meeting of the Board of Directors, the Chairman of this corporation or, in his or her absence, a chairman chosen by a majority of the directors

present, shall preside. The Secretary of this corporation or, in his or her absence, any person whom the Chairman shall appoint, shall act as secretary of the meeting.

Section 3.04. Place of Meetings. The Board of Directors may hold its meetings at such place or places, within or without the State of Minnesota, as it may from time to time determine.

Section 3.05. Annual Meeting. As soon as practicable after each annual election of the elected directors, the Board of Directors shall meet at such place within or without the State of Minnesota as may be designated by the Board of Directors, for the purpose of electing the officers of this corporation and for the transaction of such other business as shall come before the meeting. Notice of such meeting need not be given if it is held at the place where the annual election of the elected directors is held, but if such annual meeting of the directors is to be held at any other place, such other place shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or in a consent and waiver of notice thereof signed by all the directors.

Section 3.06. Regular Meetings. Regular meetings of the Board of Directors shall be held from time to time at such time and place within or without the State of Minnesota as the Board may determine by resolution adopted by a majority of the whole Board of Directors. Notice of regular meetings need not be given.

Section 3.07. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the President or by any two (2) of the directors. Notice of each such special meeting shall be mailed to each director, addressed to him or her at his or her residence or usual place of business, at least two (2) days before the day on which the meeting is to be held, or be delivered personally or by telephone, not later than one (1) day before the day on which the meeting is to be held. Each such notice shall state the time and place of the meeting, but need not state the purposes thereof, except as otherwise herein expressly provided. Notice of any meeting of the Board need not be given to any director who shall be present at such meeting; and any meeting of the Board shall be a legal meeting without any notice thereof having been given, if all of the directors of the corporation then in office shall be present thereat.

Section 3.08. Quorum and Manner of Acting. Except as a greater proportion is otherwise provided by statute or by these Bylaws, a majority of the total number of directors shall be required to constitute a quorum for the transaction of business at any meeting. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given.



ARTICLE IV.  
BOARD OFFICERS

Section 4.01. Board Officers. The officers of this corporation shall be a Chairman, a Vice Chairman, a Secretary, a Treasurer, and, if the Board of Directors shall so elect, such other officers as may be appointed by the Board of Directors. Any two (2) or more officers, except those of Chairman and Vice Chairman, may be held by the same person.

Section 4.02. Election, Term of Office and Qualification. The Board officers, all of whom shall be directors, shall be elected annually by the Board of Directors, and, except in the case of officers appointed in accordance with the provisions of Section 4.08, each shall hold office until the next annual election of officers or until his or her successor shall have been duly elected and qualified, or until his or her death or resignation, or until he or she shall have been removed in the manner hereinafter provided. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled for the unexpired term at any Board meeting.

Section 4.03. Removal. Any officer may be removed, with or without cause, by a vote of the Board of Directors at a meeting called for the purpose, and such purpose shall be stated in the notice or waiver of notice of such meeting unless all of the directors of the corporation shall be present thereat.

Section 4.04. Chairman. The Chairman shall, when present, preside at all meetings of the Board of Directors and shall

perform such other duties as may from time to time be prescribed by the Board of Directors of this corporation.

Section 4.05. Vice Chairman. In the absence of the Chairman or in the event of the Chairman's disability, inability, or refusal to act, the Vice Chairman shall perform all the duties of the Chairman and in so acting shall have all the powers of the Chairman. The Vice Chairman shall have such other powers and duties as may be prescribed from time to time by the Board or by the Chairman.

Section 4.06. Secretary. The Secretary shall be Secretary of, and when present, shall record proceedings of meetings of the Board of Directors; shall, when directed to do so, give proper notice of meetings of directors; shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President of this corporation; and, in general, shall perform all duties incident to the office of Secretary.

Section 4.07. Treasurer. The Treasurer shall be responsible for funds of the corporation. Acting under the direction of the Board, the Treasurer shall see that a true and accurate accounting of the financial transactions of the corporation is made, that reports of such transactions are presented to the Board regularly and that all accounts payable are presented to such representative as the Board may designate for authorization to pay. The books of account shall at all times be open to inspection by any director and by the member. The Treasurer shall be charged with safeguarding the assets of

the corporation in accordance with the established policies of the Board. The Treasurer shall have such other powers and perform such other duties as may be prescribed by the Board from time to time.

Section 4.08. Other Officers. This corporation may have such other officers and agents as may be deemed necessary by the Board of Directors, and they shall be appointed in such manner, have such duties, and hold their offices for such terms as may be determined by resolution of the Board of Directors.

#### ARTICLE V. COMMITTEES

Section 5.01. Committees. The Board of Directors may act by and through such committees as may be specified by resolution adopted by a majority of the Board of Directors of this corporation. Each such committee shall have such membership, duties, and responsibilities as are, from time to time, granted to it by the Board of Directors of this corporation and shall at all times be subject to the direction and control of the Board of Directors. The chairman of any such committee shall be appointed by the Board of Directors.

#### ARTICLE VI. BOOKS AND RECORDS, FISCAL YEAR

Section 6.01. Books and Records. The Board of Directors of this corporation shall cause records of all proceedings of the members and the directors to be kept.

Section 6.02. Fiscal Year. The fiscal year of this corporation shall be determined by resolution of the Board of Directors of this corporation.

ARTICLE VII.  
WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given by these Bylaws or the Articles of Incorporation of this corporation or any of the corporate laws of the State of Minnesota, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at or after the time stated therein or before, at or after the meeting.

ARTICLE VIII.  
AUTHORIZATION WITHOUT A MEETING

Any action that may be taken at a meeting of the Board of Directors or of any committee may be taken without a meeting if authorized in writing and signed by all the directors or all of the members of such committee, as the case may be, who are entitled to notice of the meeting for such purpose.

ARTICLE IX.  
INDEMNIFICATION

This corporation may, in the exercise of the power granted to Minnesota non-profit corporations generally by Section 317.16, Subd. 2(14), of the Minnesota Statutes, as now enacted and as hereafter amended, indemnify its officers, directors, employees, and agents against certain expenses and liabilities, in the manner and to the extent provided in Section 300.082 of the Minnesota Statutes, as now enacted or as hereafter amended.

ARTICLE X.

AMENDMENT OF ARTICLES OF INCORPORATION AND BYLAWS

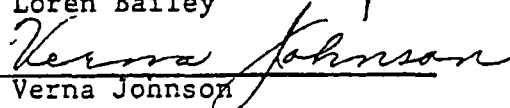
Section 10.01. Extent. This corporation may amend its Articles of Incorporation and Bylaws to include or omit any provisions which it could lawfully include or omit from the original Articles of Incorporation or Bylaws were they to be adopted at the time the Amendment is made. Any number of amendments or an entire revision of the Articles of Incorporation or Bylaws may be submitted and voted upon at a single meeting.

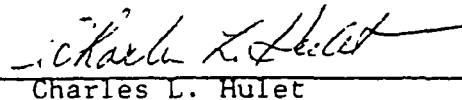
Section 10.02. Procedure to Amend Articles. Amendments to the Articles must be approved by a majority of the Board of Directors and a majority of the members with voting rights. Notice of the meeting and the proposed amendment shall be given.



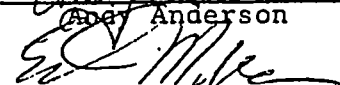
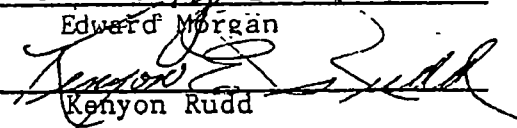

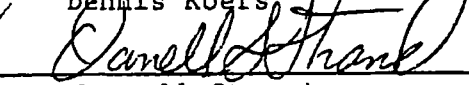
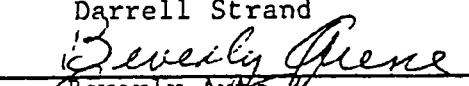
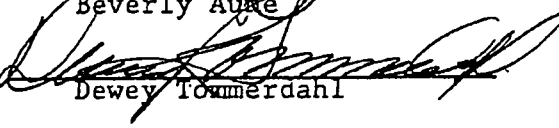
Section 10.03. Procedure to Amend Bylaws. Amendments to the Bylaws must be approved by a majority of the Board of Directors. Notice of the meeting and the proposed amendment shall be given.

We, the undersigned, being the Board of Directors of Pioneer Home, Inc., do hereby acknowledge that we have read, discussed and do hereby adopt as the Bylaws of this corporation the above stated Bylaws consisting of thirteen (13) typewritten pages, effective the 21st day of November, 1989.

  
Loren Bailey



  
Verna Johnson

  
Charles L. Hulet

  
 Tom Arneson  
  
 Andy Anderson  
  
 Edward Morgan  
  
 Kenyon Rudd  
  
 Dennis Roers  
  
 Darrell Strand  
  
 Beverly Aune  
  
 Dewey Tommerdahl

STATE OF MINNESOTA  
 COUNTY OF OTTER TAIL

The foregoing Bylaws was acknowledged before me this 21st  
 day of November, 1989, by Loren Bailey, Verna Johnson, Tom  
 Charles L. Hulet, Edward Morgan  
 Arneson, Andy Anderson, ~~Jack Asbury~~, Kenyon Rudd, Dennis Roers,  
 Darrell Strand  
~~Mary Beck~~, Beverly Aune and Dewey Tommerdahl.

  
 Notary Public  

 DAVID NYCKLEMOE  
 NOTARY PUBLIC-MINNESOTA  
 OTTER TAIL COUNTY  
 My Commission Expires JULY 2, 1992

FORM 990	GAIN (LOSS) FROM SALE OF OTHER ASSETS	STATEMENT	1
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DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
VARIOUS			PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
VARIOUS	3,250.	0.	0.	3,250.
TO FM 990, PART I, LN 8	3,250.	0.	0.	3,250.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	2
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DESCRIPTION	AMOUNT
UNREALIZED LOSS	<29,816.>
CHANGE IN FAIR VALUE OF SWAP AGREEMENTS	<104,869.>
TOTAL TO FORM 990, PART I, LINE 20	<134,685.>

FORM 990	OTHER EXPENSES	STATEMENT	3
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DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
RESIDENT ACTIVITIES	21,890.	21,890.		
ADVERTISING	22,728.	19,934.	2,794.	
TRAINING	15,658.	15,658.		
PURCHASED SERVICES	191,664.	191,664.		
DIETARY	462,352.	462,352.		
BAD DEBT	18,358.	18,358.		
INSURANCE	96,332.	95,008.	1,324.	
LICENSES AND PERMITS	18,777.	18,737.	40.	
LAUNDRY	6,734.	6,734.		
MISCELLANEOUS	71,108.	16,703.	54,405.	
DUES AND SUBSCRIPTIONS	16,459.	16,459.		
PROFESSIONAL SERVICES	7,355.		7,355.	
INCOME TAXES	2,040.	2,040.		
TOTAL TO FM 990, LN 43	951,455.	885,537.	65,918.	

FORM 990

CASH GRANTS AND ALLOCATIONS  
TO INDIVIDUALS

STATEMENT 4

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
SCHOLARSHIP SAMANTHA LOOCK 26817 COUNTY RD. #73 DEER CREEK, MN 56527	NONE	500.
SCHOLARSHIP TAMERA SCHWANTES 1120 SOMERSET RD #308 FERGUS FALLS, MN 56537	NONE	500.
SCHOLARSHIP BRITTANY MEEMKEN 19257 CO. HWY. #5 CLITHERALL, MN 56524	NONE	500.
SCHOLARSHIP TERESA DUTCHER 33651 US HWY #59 ERHARD, MN 56534	NONE	500.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B		2,000.



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FORM 990	STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	STATEMENT	5
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## DESCRIPTION OF PROGRAM SERVICE ONE

PIONEER HOME INCORPORATED OPERATED A 105-BED NURSING FACILITY, 52-UNIT MEMORY CARE ASSISTED LIVING COMPLEX, 44-UNIT HOUSING WITH SERVICES COMPLEX, AND 9 APARTMENTS IN FERGUS FALLS, MINNESOTA, AND A 18-UNIT MEMORY CARE ASSISTED LIVING COMPLEX IN BRECKENRIDGE, MINNESOTA. THE HOME ALSO PROVIDES ADULT DAY CARE AND CATERING SERVICES. THE HOME IS AFFILIATED WITH THE EVANGELICAL LUTHERAN CHURCH OF AMERICA AND THE HOME'S MISSION IS AN EXTENSION OF THE MEMBER CHURCHES OUTREACH SERVICES TO THE COMMUNITY. IN 2007, PIONEER HAD 37,524 RESIDENT SERVICE DAYS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		8,831,696.

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FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	6
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## EXPLANATION

PIONEER HOME, INC. WAS ESTABLISHED TO CARE FOR THE NEEDS OF THE AGED AND INFIRM IN A BENEVOLENT AND CHARITABLE MANNER WITHOUT EXPLICIT PURPOSE OF PROFIT.

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FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	7
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LAND	518,263.	0.	518,263.
IMPROVEMENTS ON LAND	265,809.	113,098.	152,711.
BUILDINGS AND IMPROVEMENTS	10,678,012.	5,003,936.	5,674,076.
EQUIPMENT AND FURNISHINGS	2,292,090.	1,659,010.	633,080.
VEHICLES	118,976.	90,838.	28,138.
CONSTRUCTION IN PROGRESS	51,892.	0.	51,892.
PROPERTY	242,396.	69,529.	172,867.
TOTAL TO FORM 990, PART IV, LN 57	14,167,438.	6,936,411.	7,231,027.

FORM 990	OTHER ASSETS	STATEMENT	8
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DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
UNAMORTIZED FINANCING COSTS	43,740.	79,697.
DUE FROM PIONEER FOUNDATION	889,072.	
TOTAL TO FORM 990, PART IV, LINE 58	932,812.	79,697.

FORM 990	MORTGAGES PAYABLE	STATEMENT	9
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DESCRIPTION	BALANCE DUE
BANK OF THE WEST	770,624.
BANK OF THE WEST	526,823.
BANK OF THE WEST	5,580,359.
BANK OF THE WEST	779,726.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B	7,657,532.

FORM 990	OTHER LIABILITIES	STATEMENT	10
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DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
TENANT SECURITY DEPOSITS	25,413.	20,421.
INTERST RATE SWAP OBLIGATION	222,940.	327,807.
TOTAL TO FORM 990, PART IV, LINE 65	248,353.	348,228.

FORM 990	NON-GOVERNMENT SECURITIES	STATEMENT	11
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SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
STOCK	FMV	134,830.			134,830.
MUTUAL FUNDS	FMV			655,117.	655,117.
BONDS	FMV		191,811.		191,811.
TO FORM 990, LINE 54A, COL B		134,830.	191,811.	655,117.	981,758.

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FORM 990	OTHER REVENUE INCLUDED ON FORM 990	STATEMENT 12
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DESCRIPTION	AMOUNT
TAX INCOME FINANCING	26,164.
ROUNDING	1.
TOTAL TO FORM 990, PART IV-A	26,165.

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FORM 990	OTHER EXPENSES INCLUDED ON FORM 990	STATEMENT 13
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DESCRIPTION	AMOUNT
INCOME TAXES	2,040.
ROUNDING	<1.>
TOTAL TO FORM 990, PART IV-B	2,039.

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FORM 990	PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES	STATEMENT 14
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
RICHARD MUELHAUSEN 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	CHAIRPERSON 3.00	0.	0.	0.
DAVID SCHNEEBERGER 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	TREASURER 3.00	0.	0.	0.
ORLA MAAHS 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	SECRETARY 3.00	0.	0.	0.
ANGELA BERGE 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
MARK EIFERT 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.

PIONEER HOME, INC.

41-0711612

DORIS ENDERSON 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
BRAD LARSON 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
SUE LEWIS 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
REV. JON OLSON 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
JOHN SETHRE 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
RICHARD WERNER 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	DIRECTOR 1.50	0.	0.	0.
JOHN RICHARDS 1006 SOUTH SHERIDAN STREET FERGUS FALLS, MN 56537	CEO 40.00	109,484.	15,744.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		109,484.	15,744.	0.

FORM 990	PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES	STATEMENT 15
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LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	REVENUE FROM RESIDENT SERVICES ARE PART OF OUR EFFORT TO MEET EXPECTATIONS AND DESIRED SERVICES OF OUR RESIDENTS.
93B	REVENUE FROM OTHER REVENUE, SUCH AS CATERING SERVICES ARE OPERATED TO KEEP OUR DIETARY OPERATIONS MORE EFFICIENT AND IF INCIDENTAL PROFITS RESULT, THEY ARE USED TO ENHANCE OUR OVERALL ABILITY TO SERVE OUR RESIDENTS.

SCHEDULE A	EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS PART III, LINE 3A	STATEMENT 16
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SCHOLARSHIPS RECIPIENTS ARE CHOSEN BY AN AUXILIARY ORGANIZATION THAT VOLUNTEERS TIME TO WORK THROUGH AN APPLICATION AND SELECTION PROCESS FOR AWARDS TO WORTHY NURSING STUDENTS AT THE LOCAL COLLEGE.