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AN EPISCOPAL RETIREMENT COMMUNITY









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Strategic Plan Overview 2018

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Engage | Grow | Celebrate

Deerfield's mission is to operate a nonprofit retirement community guided by Christian ideals, to offer a continuum of care to all people, to promote independence and the highest quality of life, and to provide physical and financial security. Planning for the growth of an organization is a continuously evolving process. Success comes with a plan that is based on the foundations built in the past and expectations of the future, with readiness to seize opportunity. The history of Deerfield is a solid foundation. In 1952, Bishop Matthew George Henry expressed a need for a home for the aging in his address given at the convention of the Episcopal Diocese of Western North Carolina. Two years later Mr. and Mrs. Charles E. Timson gifted their home and thirty acres of land to the Diocese for that purpose. Deerfield has remained strong since those early days, and with the acquisition of additional parcels of land over the years has created a campus on 125 beautiful acres. Today, Deerfield is a full service, Life Care community, and will continue to meet the needs of the growing older population, by being intuitive, forward thinking, and responsive. In this publication we share highlights of our strategic plan as we look toward the future with confidence and purpose.



GOVERNANCE

Strategy: To maintain a participatory, strong and diverse board of directors to provide effective leadership.

Our board of directors bring more than their professional qualifications to the table – they also bring history and promise. Many current board members have family who reside at Deerfield, have family who are members of the Future Residency Program or are on the wait list themselves.



Chris Dismukes, current board chair, has experienced the full continuum of care with her loved ones.

"Having experienced all levels of care at Deerfield has brought a peace of mind to me and my family. Knowing that my parents have everything they need to age in place as long as possible is a huge gift. My parents valued their independence, and at 95, my Mom still fosters that need. She continues to meet new and interesting friends, finds her world stimulating and engaging as she participates socially in assisted living as well as the surrounding

community. Communication with caring, professional staff insures the safety and well being of my parent. I could not be more pleased."

The board of directors and the Deerfield executive team welcome the input of Deerfield residents, through not only the two seats they hold on the board, but also through the many resident committees that also includes the participation of a member of the management team. Working sessions which include the participation of the Residents Council, Board of Directors, and Management Team are in progress as we review and update the Deerfield mission statement. This statement is a reflection of the values we adhere to as we serve all in the community.



RESIDENT REPRESENTATION

Strategy: To continue to maintain open lines of communication and gather input and feedback from the residents council and committees.

Day to day, Deerfield is abuzz with activity that has been planned and organized by the many committees in place in the community from programming and communications to sustainability practices. Research and information gathering is in progress for a future campus wi-fi project, as well as numerous other projects geared toward the enhancement of the many amenities and services already in place. Residents also serve in top positions on the North Carolina Continuing Care Residents Association (NorCCRA) as well as the National Continuing Care Residents Association (NCCRA) which gives residents access to information that keeps them in the forefront of industry changes. This level of participation by residents, working closely with staff, helps keep Deerfield moving forward and making a positive difference for current and future residents.





FROM "SQUARE DONUT" TO 913,187 SF COMMUNITY

A dream and a vision becomes reality when people come together for a common goal, each bringing their strengths and skills with the understanding that they are an integral part of a team, with intention to create something great ... together. We will continue to cultivate relationships with industry professionals in order to be ready to embrace opportunity for continued positive growth.

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STRATEGIC DIRECTION

Strategy: To utilize industry advisors to assist in development of growth strategy.

AV Powell & Associates, LLC has provided actuarial services to Deerfield since 1997. Deerfield's regional reputation extends nationally as one of the premier single-site CCRCs. Deerfield has consistently achieved the AVP Satisfactory Actuarial Balance seal since the inception of the designation in 2013.



"As the former CFO for three southeastern CCRCs I personally know how challenging it can be to develop a financially secure organization. On behalf of AV Powell & Assoc., we are grateful for the opportunity to have provided actuarial services to Deerfield for the past 20 years and extend best wishes for another 20 years of success!"

– Mike Hopper, CPA,CFO

CliftonLarsenAllen, a business and accounting consulting firm, partnered with Deerfield in 2002. They were an integral part of the planning for the second major expansion and enhancement of the community.



"On behalf of CLA, we have been proud to watch you grow successfully while serving your mission faithfully over the past 15 years, and have been honored to have served you during this period. We hope that the next 15 years see you accomplish even greater things! Thank you for your trust in us! Over the years, Bob and Robert have demonstrated great leadership and I am proud to call them my friends."

- Mario McKenzie, Partner, CliftonLarsenAllen



Retirement Dynamics joined Deerfield to provide marketing consulting services during the repositioning in 2010 which added skilled nursing and assisted living suites, enhanced community spaces, and Tuton Hall, an 83-unit residential building. A part of Deerfield's growth for more than two decades, Bonnie Blair has been a common thread throughout our transformation, from the first expansion in the late '90s to today.



"I always remember Deerfield as my first major expansion development. It was special to me then and now...a great team and great collaboration. The community has grown from about 25 detached cottages and villas, the 'square doughnut,' and the nursing home to one of the top communities in the country, providing a stimulating environment for seniors to enjoy life with the best security of all, true Life Care." – Bonnie Blair, Founding Principal, Retirement Dynamics

THW Design was instrumental in bringing to life the vision of Deerfield as a community providing a full continuum of care. Once residents moved into their new homes the "square donut" was dismantled, but the Timson House - the very first version of Deerfield, and St. Giles Chapel remained. The first of two major expansions were completed and today Deerfield is a Life Care community serving more than 600 residents.



"Deerfield entered a paradigm shift in senior living much like THW Design did in 1993; with a leap of faith backed by committed, purpose-driven individuals. As both of our organizations have grown to be respected leaders in our industry, it continues to be our privilege to be a part of your team. It's been a long, amazing journey and one that we hope continues to bring excitement and value to you and your residents." – James H. Hudgins, Jr., AIA, LEED AP, CASP, President, THW Design



CARF ACCREDITATION

Strategy: To maintain Accreditation from CARF by participating in the self-study process and hosting a CARF Accreditation team visit.

One of the main goals for 2018 is CARF reaccreditation. CARF is the Commission on Accreditation of Rehabilitation Facilities, an independent, nonprofit organization focused on advancing the quality of services used in retirement communities. CARF provides accreditation services worldwide at the request of health and human service providers - those providers that meet CARF standards have a demonstrated commitment to being among the best communities.

Deerfield is in the process of their fourth reaccreditation. This process requires the review and enhancement of dozens of standards, and a site visit every five years from a CARF survey team that consists of senior living professionals from top communities around the country. Of the almost 2,000 communities in the United States, 10% become accredited. This is a voluntary process that Deerfield chooses to commit to knowing that it continually makes us better.





SATISFACTION SURVEYS

Strategy: Conduct consumer and employee engagement and satisfaction surveys for all levels of the community.

Residents and Employees

Deerfield provides surveys annually, alternating between residents and staff. The survey responses, initially created and analyzed by Deerfield staff, are now processed through Halloran Consulting Group, providing a confidential process and enabling employees and residents to share confidentially and anonymously.

"Surveys are a crucial self-evaluation tool to help guide us to be able to offer better facilities and services for our residents and to help us foster a warm and positive work environment for our staff." – Matt Sharpe, Director of Operations





WORKFORCE

Strategy: To continue to develop plans for recruitment and retention of staff based on changing market conditions and to create work environments that will maintain the highest quality workforce.

Developing Future Leadership

Deerfield embraces servant leadership which prioritizes a cooperative team effort to maximize job satisfaction and resident care. Through the Preceptor Program, Preceptor CNAs are tasked with setting the example of quality care and acting as mentors to others. Our new "Stay on TraC" initiative embodies our core beliefs of "Team Trust", "Respect and Responsibility", and the "Communication of Care" and will move us forward with continued efforts to maintain a strong work and care environment in our community.

Cindy Clampett's story is not unique, as many have benefited from the support and opportunity presented at Deerfield, but her story exemplifies the tremendous growth that can be obtained with the shared commitment between Deerfield and its employees.

Cindy, a CNA, began her employment at Deerfield in 2000, when she accepted a position as a med tech after taking a newly mandated state exam. She worked full time while raising a family, and going to school part time. She applied to the Danny Boone Scholarship Fund, a joint ministry of St. Giles Chapel and Deerfield to aid students pursuing higher education, to help with a portion of her tuition. She worked the night shift, evening shift, and part of the day shift before transitioning to a 16-hour weekend shift in order to continue her studies while raising her family. She became an RN working as a staff nurse, then transitioned to the role of Resident Care Coordinator, then Care Plan Coordinator, then MDS Coordinator, and she didn't stop there. She was the Director of Clinical Services for Assisted Living when she was offered and accepted the position of Assistant Director of Nursing, and as of 2016 holds the position of Director of Nursing.

Cindy credits the Danny Boone Scholarship Fund for her success today.





"I have been so fortunate and blessed to be a part of this community and to have been offered so many wonderful and beautiful opportunities to learn, grow, and pay it forward. It is truly a part of me, and my home away from home." – Cindy Clampett, MSN, RN, CDP

In 2010 Mitzi Odom began her employment at Deerfield as a Certified Nursing Assistant working in Assisted Living and Skilled Nursing care. With the help of the Danny Boone Scholarship she continued her education over the course of two years and received her RN Associates Degree. Much like Cindy, she worked in a variety of roles, as a floor nurse and then transitioned into an administrative role overseeing wound care and other behind the scenes care programs. Another shift to Community Nurse/Shift Supervisor for the campus allowed her to practice her clinical skills and help manage the team and the care being delivered. Soon after, she accepted the opportunity to supervise the Skilled Care CNA team as the Staff Development Coordinator. This role included a clinical support piece enabling Mitzi to remain involved in the bedside care of the residents, an important connection that she finds most rewarding. Today Mitzi continues to do what she loves, providing education, leadership, and bringing people together to provide care for others as the Assistant Director of Nursing.



"The 'Deerfield Family' is something that truly, I am so very thankful for. This team, especially the frontline staff who are working so hard at the bedside, truly amaze me every day. To see staff work through care delivery challenges, and be victorious in their pursuit of giving the best care possible, is my absolute favorite aspect of this job. To see the light go on in an employee's eyes as they 'get it' and knowing the education has been successful means a positive

outcome for the resident, and is literally soul food for me. I love people, and I love being surrounded by people who love people." – Mitzi Odom, RN ADON



PHYSICAL PLANT

Strategy: To perform physical assessments and update the 20-year Capital Plan.

Five-year Building Plan/Improvements

Deerfield uses a multi-level approach to the assessment and facilitation of the five-year capital plan. Work orders for both staff and resident needs are placed through the WorxHub program. WorxHub is a cloud-based maintenance management solution designed specifically for healthcare organizations and senior living communities. The system provides a platform for the Facilities Department to manage both preventative maintenance and current work requests. In addition to those applications that help users coordinate activities, this program also enables a thorough study of any requests that have been made and provides data that can be analyzed for trends.

The WorxHub system includes a Capital Planner function. This system contains all assets on Deerfield property. The tool includes a useful life tool enabling us to look at the estimated useful life of every item to see what needs to be replaced, and when that replacement is needed.

Vendors from all areas of facility structures including the fire alarm system, elevator, mechanical, carpentry, are interviewed to see what is obsolete, inform us of new technology, and help us to plan for upgrade options or replacement.

Freeman White, a healthcare consulting and design firm that uses a patientcentered approach was hired to perform a complete facility assessment. They spent several days on campus in 2017 investigating the condition of our infrastructure. They are working to compile a facility assessment report and plan. The Freeman White site team included an architect, electrical engineer, mechanical engineer, and construction estimator.



Strategy: To maintain an attractive, comfortable, enriching and functional residential environment.

The THW team completed a site visit in August 2017 to review the three-year interior design plan. The forthcoming report will consist of a timeline for interior renovations for all public areas throughout the community center, as well as hallways and community areas in each of the residential buildings, Henry Hall, Timson Hall, and Tuton Hall. Efforts will be made to assess global resident input into the final design plans.



"The financial stability of Deerfield allows the Facilities Department to invest in projects needed to maintain all of Deerfield buildings and property, as well as make future system and building improvements as technology presents opportunity to do so." – Keith Einsmann, CHFM, Director of Facility Services



INNOVATIONS AND TECHNOLOGY

Strategy: To consider technology solutions that make Deerfield more efficient and better able to serve residents.

Deerfield is committed to the exploration of new technology and innovations that will enhance the care and services received by residents, and implementation of those that will be most beneficial. Some of that technology is in use currently:

- Call light response monitoring allows us the ability to track and trend average response times for the unit as well as individual rooms, improving our quality assurance initiatives by giving objective data to review for care implementation audits.
- Our Wanderguard system allows our cognitively impaired residents the freedom to traverse throughout our skilled care unit while insuring safety.
- In the coming year improvements will be layered on our existing call bell system to account for those individuals who are unable to consistently utilize a traditional call bell due to cognitive deficits.
- IN2L is an activity based system that is built on a picture-based, touch-screen interface that allows users to simply "touch" their way to find engaging, educational, spiritual and personalized content that is appropriate to their own level of ability.
- MatrixCare EHR software improves communication among caregivers and increases coordination between care settings to help you provide more effective, person-centered care, improving resident satisfaction and quality of care.



"Technology is having a growing impact on our daily lives through all ages and settings. In healthcare we are seeing an explosion in the use of technological advances to address clinical, regulatory and quality of life needs among our workforce and resident population. I believe we will see a fully integrated 'smart' healthcare implementation within our lifetimes that will grant the individual greater freedom and autonomy without sacrificing quality in healthcare delivery. Deerfield Episcopal Retirement Community is dedicated to the enhancement of our community through a pragmatic implementation of these improvements." – Brian King, NHA, OTR/L, Director of Health & Wellness



FINANCIAL PLANNING

Strategy: To maintain level "A" rating by Fitch; To maintain appropriate reserves for long term financial planning.

There are many facets to managing the short term and long term finances of a community the size of Deerfield. Robert Chandler states our goal is to be financially sound, establish appropriate reserves and provide good value to our residents.

After years of careful planning and evaluation, the Deerfield Board of Directors decided the timing was right and the appropriate reserves had been established to enable the community to pay off \$30 million of variable debt. On top of the payoff, our current capital debt structure has recently been refinanced and the all in interest rate is approximately 3.2%. This great financing structure will serve our community well for years to come.

Our goal is to be among the elite few communities awarded an "A" rating. Last year we reestablished an A- rating from Fitch. As noted in the June 29, 2016 Fitch report, "The upgrade reflects Deerfield's strong demand indicators. Occupancy in its Independent Living Units has been at 95% in each of the last 3 fiscal years."

Moreover, Fitch views Deerfield's national draw positively as it insulates the community from changes in the local economy and real estate prices. The residents have been rewarded this year with an unprecedented one per cent rate increase on the monthly service fees.

"We are constantly working to be good stewards of our financial resources and always looking at new technologies and state-of-the-art practices to be efficient and provide high quality services. We are not required to perform an actuary update each year, but we feel it is prudent financial planning practice and provides us with the most up-to-date data for planning purposes." – Robert Chandler, CFO

A Message from the President/CEO

Strategy: To monitor local and regional senior living providers for potential partnerships or affiliations.

Over the past two decades the Deerfield Community has grown and flourished. When recently asked what one characteristic enabled us to achieve successful and thoughtful growth, it was difficult for me to come up with one answer. The thought that came to mind is that we are "opportunistic." We have been able to successfully navigate the purchase of five different contiguous properties expanding our campus from 30 to 125 acres. Each of these purchases required cultivating relationships with the owners, and Deerfield had to be prepared to move quickly when the acquisition opportunities came our way. We were told by some of the previous property owners that they would probably never sell, but when they came knocking on our door we were already prepared for the potential purchase. That is how many of our strategic decisions are made.

Over the years, Deerfield has also been approached about possibly acquiring other local senior living facilities. While we are always receptive to looking and evaluating each opportunity, to date we have declined other acquisitions. We have a team of professional advisors that know us well and are able to help us quickly evaluate new opportunities. We have also seen single site retirement communities like Deerfield develop smaller satellite campuses in close-by urban settings to help serve their waiting lists. We are still watching, learning, and evaluating as others are proceeding with new developments of this type.

Our community is somewhat unique in the fact that we own 30 contiguous undeveloped acres of land. Many communities like Deerfield are landlocked and have no possible options for expansion of their current campus. We purchased the 30-acre tract of land in 2004 from Biltmore Farms for the sole purpose of future growth of our community. While we have no immediate plans to commence with the development of this property, we recognize that demand for the Deerfield lifestyle is going to continue to exceed the availability. As we evolve through the maze of possibilities for expansion, we always remain cognizant of the impact that growth has on our current and future residents.

Robert F. Wernet, Jr., President & CEO

Additional Strategic Goals for the coming year:

- To continue to explore options to serve the future waitlist
- To continue to maintain and enhance opportunities for social accountability purposes
- To maintain and enhance a diversity plan in respect to culture, age, gender, sexual orientation, spiritual beliefs, socioeconomic status, and language
- To maintain our Medicare Part A certification and continue to be a five-star rated facility
- To consider innovative ways to serve older adults of Western North Carolina
- To continue to assess the possibility of creating a supporting 501c3 charitable foundation



AN EPISCOPAL RETIREMENT COMMUNITY

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