

**Heather Hills Continuing Care
Retirement Community
Organizational History**



Our Mission

Heather Hill's mission is to foster independence, growth, and the opportunities in elderhood by supporting a dynamic community, providing exceptional health services, developing collaborative relationships and upholding Quaker values.

Our Vision

Heather Hill's vision is to be a leader in the development of high quality, innovative solutions that enrich the lives of older people in a changing world; promote relationships; and create opportunities as it extends its mission of service in the Quaker tradition.

Heather Hills was preceded by several homes for the aged and visitors to the City of Baltimore. From 1897-1903 Baltimore Yearly Meeting ran a home to accommodate guests and residents in Baltimore. In 1917 it opened another, which was closed by the creation of the Bradley Home. In the early 1920's Quaker philanthropists gave \$50,000 to establish a home for "dependent members of the Society of Friends." A later bequest permitted the building of an addition on the building, which housed Johns Hopkins University students as well as others. This building, the Bradley, moved in 1957, but was closed due to its inability to meet the needs of the aging in 1973.

Heather Hills was established in June 1975, on the recommendation of a committee made up of members of the Meeting with representatives from three other area Meetings. That group recommended the construction of an entirely new facility that would have 200 apartments and 60 nursing beds and would meet the needs of the elderly by providing both independent living and all stages of care. The group had visited Quaker-run Continuing Care Retirement Communities outside of Philadelphia.

The Meeting was aware that this community would require moderate income, at least. The previous homes had been available to Friends with fewer resources. The Meeting had the expectation the new institution would at some time also provide services for those less well-to-do.

A 23 member Board of Trustees with a majority appointed by Rock Creek meeting was established in January 1976. Funds from the income of the Bradley Fund (\$57,000) and a loan of nearly \$500,000 from the Bradley bequest were available.

The first Executive Director was a Quaker engineer who had served as the associate director of a Quaker CCRC and then director of a non-Quaker retirement community. He began employment in July 1976.

An office was established at Rock Creek Meeting, and a newsletter launched. An admission committee began to interview applicants and within four months 195 of the 240 planned apartments had been reserved. Nine percent of the charter applicants were Quakers. At this time, 34% were Episcopalian, 19% Presbyterian, and 11% Methodist. The committee had hoped for more diversity and a few members promoted Heather Hills among Jewish and African American friends and mailings were sent to retirees who had attended Park School, Morgan State University, Rock Creek Quaker School and Bryn Mawr.

Finding a suitable site took some time and it was after consideration of dozens of sites that 81 acres of a rolling farm property was purchased in fall of 1977. Zoning issues had to be resolved. Although only 65 acres could be built on, the committee was comfortable with the remaining forest and flood plain as they felt these features enhanced the site. The seller donated all of the furniture, including antiques and oriental rugs in the brick farm-house. Many of these are still used 25 years later.

Architectural plans were presented in January 1977 and ground was broken on November 13, 1977. The site was challenging, with steep hillsides and flood plains. Building was planned on about 40 acres, and included covered walkways connecting individual units and the community and health centers.

Occupancy was initially planned for August 1979, but snowstorms and rainstorms created delays. In addition, a problem with instability of soil was discovered and solved. However, some residents moved in by late September. 48 apartments were occupied by the end of the year. Temporary arrangements were set up for dining, lighting, reception, and other things.

On January 31, 1980 the Heather Hills Residents Association formed, although a committee of future residents had met since December 1978. 130 residents were present. The Association has five major committees: health care, building and grounds, budget and finance, food service and house committee. The Association sponsors four income producing activities to support itself: a twice-yearly Barn Sale, a Country Store, the "Sew & So" volunteers, and a wood shop. There are also more than 40 other BRA committees and services and an equal number of educational, social, and recreational activities. Beginning in 1982 its meetings have been open to all residents, although the formal Board holds a limited session for the first part of the meeting.

On September 1981 the Heather Hills Resident Assistance Fund for residents who need financial help was established by the residents. It is administered by a board of directors composed of three residents appointed by the president of HHRA and two members of the Board of Trustees. The Executive Director receives applications and ensures that other possible sources of financial help are used first. The identities of applicants are known only to the Director or Associate Director.

During the 1990's Rock Creek Meeting again began to raise concerns about elder care options for persons who didn't desire or couldn't afford Heather Hills. The staff at Heather Hills began to look for projects. The work was done by the Executive Director and the Social Worker. Several possibilities were explored but none came to fruition. One project that was reported at Rock Creek Meeting was the possibility of remodeling an abandoned Baltimore County school into lower income senior housing. This project was subsequently done by someone else. Residents at Heather Hills were not enthusiastic about any work outside of Heather Hills, as they anticipated that their own investment might be at risk. Consequently, in 1997, the Board of Heather Hills asked Rock Creek Meeting to establish a new organization to carry out these other projects and to appoint the Board of Heather Hills. Rock Creek agreed, but not without considerable discussion. Subsequently, Rock Creek's relationship to Heather Hills was subordinated to its relationship to Quaker Senior Services. The Meeting no longer appointed

Heather Hills Board, and did not even have a record of the Board's members. Many Meeting members still lived at or moved to Heather Hills, and an informal relationship flourished. The formal relationship however, became limited to the requirement that a majority of Trustees be members of the Society of Friends and that "all meetings of the Board of Trustees and all committees thereof shall be conducted in conformity with the customs and practices of the Religious Society of Friends."

Heather Hills Board has a nominating committee which recommends members, who are appointed, since 1997, by Quaker Senior Services. Many of these are members of Rock Creek Meeting, but have neither received directions from nor made reports to the Meeting. The Meeting receives a list of Board members only as a part of the report which Heather Hills may make annually to the Meeting.

In 2008, Heather Hills Board, staff and representatives of the residents worked hard to create a new mission statement. The Executive Director believes that a time has come to express a new vision of the work of CCRCs. Most of the Board concurs, but a number, including but not limited to current residents, cannot concur with any of several wordings which have been approved. The matter was not concluded at the end of the project's observation period. Heather Hills is experiencing the difficulty of being a single, free-standing, unit with no wider affiliations. Some exploration into collaboration with other facilities has led to concerns about the fact that QSS, which appoints the Board of Heather Hills, is appointed by Rock Creek. Rock Creek would prefer to directly appoint the Board of Heather Hills, and be free of QSS, but the three groups have been unable to agree on a workable relationship.

Timeline:

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| 1973 | A committee was established. |
| 1975 | The proposal for a new facility was approved in June. |
| 1976 | A Board of Trustees was established. |
| 1976 | Executive Director employed. Admissions and selection begin. |
| 1977 | Land purchased and plans reviewed. |
| 1979 | September 24, 1979 First residents move in. |
| 1980 | January 31, 1980 Heather Hills Residents Association formed. |

- 1980 Heather Hills Residents Association appoints representatives to the Board of Trustees.
- 1981 Cluster Care begins providing medical staff visits to cluster residents at home. Heather Hills Resident Assistance Fund begins.
- 1984 14 single rooms, opened on northeast side of nursing area, funded by resident contributions.
- 1986 First Executive Director leaves. Jeff serves as interim. Mark returns to serve as ED.
- 1987 10 single rooms added to northwest side of nursing area, funded through operating revenues.
- 1989 - 1991 Rock Creek Hall approved and built.
- 1996-1998 Heather Hill's debt advantageously refinanced, apartment updates begun and a new Residence and Care Agreement approved. A marketing expert also added to staff.
- 1997 Formation of Ad Hoc Committee on Community Inclusiveness made up of four trustees, four residents appointed by the HHRA president, the executive director and four staff. An additional 'resource person' from each constituency also serves. The purpose of this committee is to find ways of bringing more diversity into the membership and activities of HH.
- 1998 HHRA representative was appointed as a member of the Board. Another was appointed in 1999. Many Board members have subsequently become residents.
- 2004 Heather Hills celebrates 25th anniversary. Publishes history.
- 2008 Board decides to permit wine and beer to be served at dinner.
Board decides to permit naming opportunities in response to financial donations.
Changes in administration due to the retirement of long-time employee who served as Chief Financial Officer and Assistant Director.

Agency Financial History:

The total cost of building Heather Hills was \$22 million. Entry fees covered one-half of that cost. The remainder was financed by two loans, one of \$487,000 from the principal of the Bradley bequest from Rock Creek Meeting which was repaid beginning in 1983. The other loan was a \$10.5 million mortgage from Penn Mutual Life Insurance Company.

Heather Hills expanded gradually. In 1984, resident contributions made it possible to build 14 new single rooms. Operating revenues supported 10 new rooms in 1987. Then Rock Creek Hall was approved in 1989 and built. This \$3.5 million project included a three-story addition to the main building including a pool and 27 apartments for residents who wanted to live close to the center building and medical facilities. It was financed by repaying the Bradley bequest to Rock Creek Meeting, paying off the mortgage through tax free state bonds, contributions from the HHRA and Rock Creek Meeting and an estimated \$2 million in entry fees from new residents who would occupy the apartments in the clusters after that number of residents moved into the new facility. The next construction occurred in 2008; nine one and two bedroom apartments, some with dens. Overlooking the watershed area, these apartments have a larger footprint than existing apartments, as well as a cathedral ceiling in the great room, a larger kitchen and beautiful views.

Financial Report (2007)

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| Total Liabilities | 38,358,218 |
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|--------------|-------------------|
| Total Assets | <u>25,914,281</u> |
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|----------------------------------|--------------|
| Total Liabilities and Net Assets | \$64,272,499 |
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Revenue:

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| Resident Care Services | 13,135,149 | (67%) |
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| Medical revenue | 404,113 | (2%) |
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| Amortization of def ent fee | 2,945,672 | (15%) |
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| Processing fees | 10,450 | (0%) |
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| Investment income | 958,817 | (5%) |
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| Realized gains | 1,435,542 | (7%) |
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| Contributions | 152,168 | (1%) |
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| Other income | <u>419,950</u> | (2%) |
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| Total Revenue | \$ | 19,461,861 |
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Analysis:

Sources of funds for this CCRC are, as would be expected, fees for services and membership (82%). Medical care services also contribute 2%. The organization makes 12% of its income from its investments, and only 1% from contributions. It does not keep records of contributors by faith group. Quakers, however, represent 10% or less of residents and generally make lower contributions than other members, so we would expect that around \$15,000 or less came from Quakers. Some Friends outside of residence may make donations, of course.

Quakers as an organization no longer support Heather Hills financially. There is, however, a good deal of informal connection between Rock Creek Meeting and Heather Hills. Many members of the Meeting take advantage of the Heather Hills Residents Association semi-annual Barn Sales, for example. The staff of Heather Hills includes at least one Quaker. At least 10 of 16 members of the board in 2007 were Quakers. These Friends are actively involved.



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