



# Friends & Neighbors

2015 ANNUAL REPORT



# About Dunwoody Village

## 1. Community

Dunwoody Village  
3500 West Chester Pike  
Newtown Square, PA 19073-4168

## 2. Licensed Provider

Dunwoody Village  
3500 West Chester Pike  
Newtown Square, PA 19073-4168

## 3. To Discuss Admissions Call or Write:

Elaine Kaiser  
*Director of Marketing and Admissions*  
Dunwoody Village  
3500 West Chester Pike  
Newtown Square, PA 19073-4168  
610-359-4400 or 1-800-DUNWOODY  
e-mail: [marketing@dunwoody.org](mailto:marketing@dunwoody.org)  
web site: [www.dunwoody.org](http://www.dunwoody.org)  
*Hearing and Speech impaired may reach us via the  
PA Relay Center: 1-800-654-5984*

## 4. Community Description

The community is located in a suburban setting on 83 acres and contains a three-story apartment building with studio, junior, one and two bedroom apartments, one-story country houses with one and two bedrooms, one-story country houses with two bedrooms and a den, and 40 Carriage Homes. There are 81 private Personal Care rooms and 81 private Skilled Nursing rooms on the campus. The community is masonry construction with heated and enclosed walkways. Common areas include an auditorium, board room, several dining areas, arts and crafts room, library, a swimming pool and Jacuzzi, fitness center, club room, computer station, woodworking shop, gift shop, hair salon, bank, and game room.

## 5. Minimum Age for Admission

The minimum age for admission is 60.

## 6. Affiliates

Dunwoody Village does not have any affiliation with any religious, charitable or other not-for-profit organizations except for Dunwoody Allied Services (d.b.a. Dunwoody at Home) a private duty companion services provider. Dunwoody Village is the sole member of Dunwoody at Home. Both organizations are Pennsylvania not-for-profit corporations and tax exempt under IRS Code 501 (c) (3).

## 7. The Current Resident Population

The current resident population is 420.

## 8. Sample 2016 Fees

One-bedroom apartment: *(Non-refundable option)*

	<i>Single</i>	<i>Double</i>
Entrance Fee	\$150,000	\$165,000
Monthly Fee	\$ 3,290	\$ 5,640

One-bedroom apartment: *(50% Refundable option)*

	<i>Single</i>	<i>Double</i>
Entrance Fee	\$225,000	\$247,500
Monthly Fee	\$ 3,290	\$ 5,640

## Investment Consultant

Dunwoody employs Vanguard as the investment consultant who recommends investment managers.

Vanguard is a family of more than 180 member mutual funds with more than \$3 trillion in assets under administration.

## Disclosure Statement

The issuance of a certificate of authority by the Insurance Department of Pennsylvania does not constitute that Department's approval, recommendation or endorsement of the universal care facility, nor is it evidence of, nor does it attest to, the accuracy or completeness of the information set forth in this disclosure statement. The Springton Lake Village disclosure statement and fee schedule are located in the *Services for Non-Residents* section.



## Statement of Intentions

1. To carry out our mission in ways that are always ethical and in the expressed spirit of our stated mission.
2. To create an atmosphere of caring that treats all residents in a dignified manner respecting individuality, privacy and personal choices.
3. To create health and wellness programs that serve residents along the full continuum of care.
4. To support a quality management program that identifies, develops and implements on-going performance improvement projects.
5. To cultivate teamwork in providing distinctive high quality services.
6. To provide a homelike and welcoming environment that is safe and secure.
7. To support our mission in a cost-efficient and effective manner.
8. To provide charitable Personal Care services to a limited number of qualified individuals, in keeping with the vision of our founder, William Hood Dunwoody.
9. To promote and develop strong community affiliations through residents, employees, and Trustees.
10. To create an atmosphere of growth and opportunity in order to attract and maintain employees who are committed to our Core Values of Teamwork, Respect, Integrity, Compassion and Quality.
11. To provide education and training for staff, residents and Trustees aimed at broadening knowledge related to the needs of Seniors.
12. To maintain an open door policy that encourages open channels of communication among all levels of employees, residents, families and Trustees.
13. To embrace the efficiencies and quality of life advantages delivered by new technologies.
14. To advocate for Seniors with law makers and regulators.

## The LeadingAge Quality First Elements of Quality

Dunwoody Village participates in the LeadingAge Quality First program, which helps organizations to achieve excellence in aging services and earn public trust. By endorsing the Quality First principles, Dunwoody pledges to work in partnership with consumers and the government to create an environment of high-quality care and service.

### The ten elements of quality are:

- Commitment
- Governance and Accountability
- Leading-Edge Care and Services
- Community Involvement
- Continuous Quality Improvement
- Human Resources Development
- Consumer-Friendly Information
- Consumer Participation
- Research Findings and Education
- Public Trust and Consumer Confidence



Staff and residents are amazing here!

I love coming to work!!

I got tired of doing dishes  
😊

I can relax!

Fit our financial goals

Great medicine reputation!

Nice place and great food!

EVERYONE TAKES GREAT CARE OF MY MOM!

NO CLAUDES

because it's warm and friendly

Beautiful grounds

Smiles from everyone here  
😊

Dunwoody does it right

NO POWER OUTAGES

My BIG dog could come too!

Can walk to the Acme!

my mail comes to my door!

Gardens and Gardens

Recently, Dunwoody Village residents, staff, and family members were asked to grab a marker and (anonymously) write down why they chose Dunwoody Village. The question — posed on a flip chart in a common area — gave residents a chance to highlight what they love about us.

# The Future Starts Now.



*Location! Location! Location!*

*My friends were already here.*

*Quality of life.*

*A big, supportive family.*

*Wonderful medical care.*

*Great food.*

These are just a few of the reasons why people have chosen to make Dunwoody Village their home. While every Dunwoody resident has their own personal story about why they came here, we do hear some similar themes emerging. Usually, they know the time is right—they're ready to make a change, ready to simplify their life, or looking forward to getting to all the interests they never had enough time to pursue.

When prospective residents visit Dunwoody, it all clicks into place. One step onto the expansive grounds and it's clear that this friendly, well-appointed Continuing Care Community has everything they're looking for. Whether it's an apartment, a Country House, or one of our brand-new Penrose Carriage Homes, they can settle into a comfortable new living space, customizing it to their liking. They can bring everything they need, while letting go of the worries of day-to-day upkeep and chores. They can join a new neighborhood of friends, enjoy socializing over dinner they don't have to cook, work on their golf game or learn Tai Chi, take a day trip to the Art Museum, or brush up on their French. They can have fun and relax, with the security of knowing they have round-the-clock access to top-notch medical care.

The biggest complaint we hear? Many residents tell us they only wish they hadn't waited so long, that they regret putting off the decision to move because they could have been here sooner, enjoying all that Dunwoody has to offer.

There's no reason to wait for some distant, perfect time in the future. Dunwoody Village is already here, ready to welcome you. Contact us today and find out how you can make that time now.





*(Top) Lucy Irwin (left) admires the merchandise at the Dunwoody Village Gift Shop with fellow resident Bobbie Fischer (right). While his wife Lucy shops, John Irwin gathers office supplies for his accounting job where he still works two days a week. Dunwoody Village's gift shop is unique in that it carries a wide assortment of merchandise, including clothes, office supplies, toiletries, unique gifts, handmade items and toys for grandchildren.*

## *Your Life, Here*

Indeed, Dunwoody is a place to engage in the very activities that make your own lifestyle unique.

Moving into a retirement community feels like a major life change but for the residents of Dunwoody Village, it's anything but a sacrifice. Indeed, Dunwoody is a place to engage in the very activities that make your own lifestyle unique.

After having lived in a single family home for many years, it can be difficult to imagine life at a community like Dunwoody. "Before we got here we honestly weren't quite sure how we would fit in," says Lucy Irwin, who moved to Dunwoody three months ago with her husband John. "But we immediately found that it felt like home."



Within days, Lucy was happily engaged in stimulating conversation over dinner and drinks in the lounge with new friends, walking the well manicured grounds and discovering new interests.

At the same time, however, she and her husband continue to participate in the same activities outside of Dunwoody that they've enjoyed for years. John still works as an accountant two days a week, commuting to his office 10 minutes each way. Lucy still goes to a fitness center that she has belonged to for several years. They attend their same church five miles away. The Irwins travel together regularly, with a timeshare in Arizona and trips to see her children. They also enjoy day trips to nearby towns to browse antique shops.

What she's realized is that her Dunwoody experience is her own to create—there's no one way to live here. "Everyone is having fun. People aren't getting old like they used to," Lucy says. "You don't have to give up what's important to you, and there's so much to explore."

**"You don't have to give up what's important to you, and there's so much to explore."**



*(Above) As chair of the Dunwoody Village Library Committee, resident librarian Marilyn Caltabiano oversees its collection, an important resource for those who live here. The library offers approximately 7,000 hardback titles, and over 1,500 new large print books, audio books and DVDs.*

*(Left) Dunwoody Village has so many ways for you to explore your interests, including aqua and fitness classes as well as a game room where you can make new friends or spend time with visiting family.*

*Resident Linda Gruber (left) gathers with newfound friends at her Adult Coloring Group, which has been a surprise hit among residents this year. “It’s not about what the picture looks like but how you feel when making it,” she says.*

That sense of individuality and the diversity of resident lives is reflected in the activities they choose or initiate. Before she retired, Linda Gruber studied the connections between stress and physical illness, and the impact of meditation on well being. At Dunwoody she has brought that expertise to bear on the Adult Coloring Group she created.



**“People don’t  
come to  
Dunwoody  
empty-handed.  
They bring with  
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“It was something I was interested in and it has proven to be interesting to others as well. You may not want to meditate but if you can open a coloring book and get out your pencils it puts you in touch with a happy place,” she says. “It’s not about what the picture looks like but how you feel when making it.” The group now numbers between 12 and 15 regular members, including Lucy Irwin.

Linda, who has always valued keeping her own schedule, enjoys her independence at Dunwoody and being able to walk the grounds and climate-controlled hallways at her leisure. Yet she also likes to make use of the social opportunities in the newly added bar and lounge. “It’s a great place to linger and talk and take in the lightness and fun of an evening.”

Linda’s experience has been enriched by the sense that she is among fascinating neighbors with infinite contributions to the social fabric of Dunwoody. “People don’t come to Dunwoody empty-handed,” she says. “They bring with them the gifts of a lifetime.”



*The newly added bar and lounge give residents a warm, hospitable place to connect and socialize without having to leave the premises.*





# More Doing; Less Worrying



*With dining services ranging from elegant sit-down meals to quick-service takeout and options for every dietary preference, Dunwoody residents find that daily living is simple and delicious.*

**“All the household activities you would normally worry about are done for you.”**

By the time most people come to Dunwoody Village they’ve paid their dues with decades of household chores. They’re ready for fewer nagging obligations and more time to enjoy the full slate of activities Dunwoody offers.

At Dunwoody, maintenance and housekeeping staff take care of all the tedious work from window washing to changing extra-high light bulbs. “All the household activities you would normally do and worry about are done for you, starting with the outside,” says resident Chuck Ladner. “We had a snowstorm earlier this year and by the time we were up in the morning they had already plowed our driveway and shoveled the walk. Any time we need to have a leaky faucet fixed, we call and someone comes over to take care of it.”



Dunwoody simplifies everyday living in innumerable ways. U.S. Mail is delivered and picked up at the door. Newspapers are left, unsullied, in grabbable distance. There's only one monthly bill to pay. Weekly housekeeping service handles the dusting and vacuuming.

And of course, with full-service dining, residents need not worry about cooking unless they want to. "My wife and I just got back from a cruise in the Caribbean and the food here is equally good," Chuck says. "You can dine out with your friends and you don't need to worry about who's covering the check."

There's no overestimating the impact that convenience can have on day-to-day quality of life. With all his free time, Chuck is able to enjoy the occasional live classical music concert onsite or the bus trips to the art museum that eliminate the need to worry about parking and traffic. Meanwhile, his wife takes advantage of the sewing club, art classes and fitness center.



*Weekly housekeeping and flat linen services leave more time for fun. Dunwoody also offers convenient door-to-door mail delivery and pickup—a rarity among similar communities.*

## Every Dunwoody Village resident enjoys the same day-to-day services. Here is a partial list of services and amenities open to you.

- 83 Beautifully Landscaped Acres
- Convenient to shopping and the Main Line
- Heated walkways connect Country Houses and Apartments to the Dunwoody complex
- Weekly housekeeping
- Weekly flat linen service
- Door-to-door mail delivery and pickup
- Three dining venues (formal, casual, and buffet), and take-out
- Private dining room for guests
- Special dietary service
- Three meals available daily, one included
- Flexible meal plans
- Tenant Preferred Cable TV
- Emergency Call System
- Security System available\*
- 24 hour security
- All-campus generator
- Meeting rooms
- Arts and crafts studio
- Woodshop
- Gift Shop
- ReSale shop
- Hair Salon
- Post Office
- UPS station
- Notary Public
- Library
- Lounges
- Heated indoor pool with lifeguard
- Jacuzzi
- Fitness Center with trainer
- Planned activities and entertainment
- Scheduled trips\*
- Private transportation\*
- Public transportation at Village entrance
- Wellness programs
- On-site, round-the-clock healthcare
- Doctors and Specialists on site
- Physical, Occupational, and Speech Therapies on site
- Rehabilitation Services on site
- Medical appointment transportation
- Personal Care on site
- Skilled Nursing on site
- Memory Support on site

\* Additional cost may be associated

And when there's a storm and the lights go out? Chuck doesn't worry one bit. "Our all-campus generator kicks on immediately. If you live anywhere in the suburbs around here, you understand how easy it is to lose power and how great it is to not have to think about outages."



*Joseph and Betty Reger chose Dunwoody for both its friendly ambiance and the ability to customize their own apartment with an enlarged kitchen, shown here. An avid baker, Betty has made great use of her new workspace.*

**"If you're looking for a comfortable, easy place to live, this is it."**

Betty Reger has lived at Dunwoody with her husband Joseph for four months. They knew they could see themselves at Dunwoody when they saw the friendly atmosphere and the possibility of customizing their apartment with a larger kitchen to accommodate Betty's passion for cooking and baking. Walls were moved, cabinets were added and the appliances were upgraded for an overall ease of living. "It looks magnificent. We had a very nice home but this is even better."

At Dunwoody, Betty has continued to be active, walking to do her errands and taking advantage of the convenient location, but if she needs groceries she likes that they're close at hand. "I'm almost too busy these days—but I'm busy doing new activities that have opened up new horizons for me," she says. "If you're looking for a comfortable, easy place to live, this is it."



*The Nailors take advantage of  
Dunwoody's Take-Out meals.*







*Resident Doug Curley (rear, center) joins friends heading out on the Dunwoody Village bus to an event in Center City Philadelphia.*

## Real Connections. Real Community.

*"It's such a friendly, familiar place. You meet people from all sorts of backgrounds."*

*Dunwoody Village is proud of the many residents who have served our country—pictured here are our World War II veterans.*

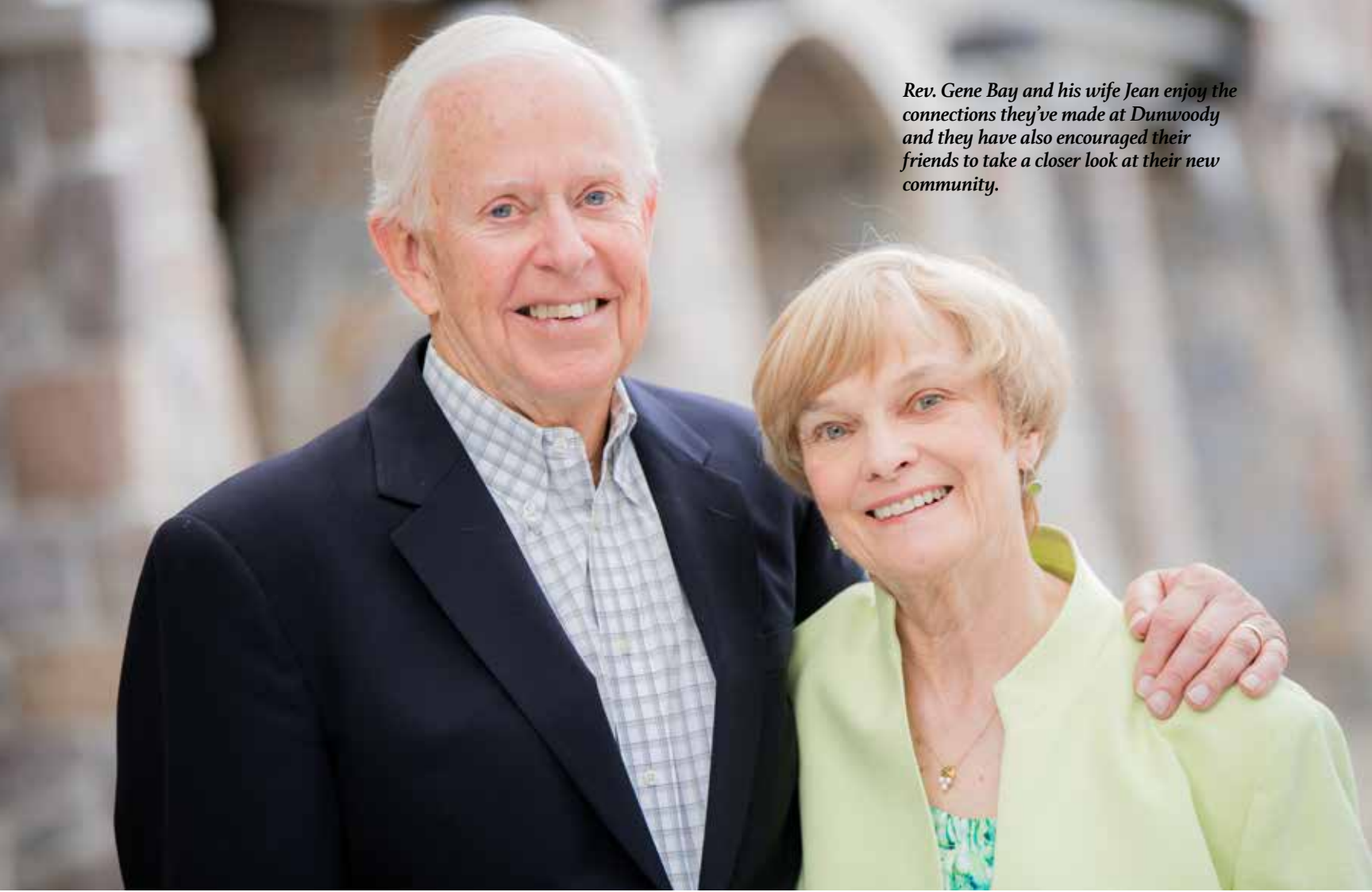
If anything, the success of social media in recent years highlights our shared desire for community. At Dunwoody Village, the community is warm, open and dynamic, and the connections residents make with one another are very real.

Often, residents choose Dunwoody because they already know residents who have recommended it. Doug Curley was aware that a few acquaintances already lived at Dunwoody when he decided to move here. But he was surprised when he arrived to find that some of his tennis playing friends lived here, too. "It's such a friendly, familiar place. You meet people from all sorts of backgrounds—among my neighbors there's a biochemist, a lawyer, an economist and an anthropologist. I never met an anthropologist before coming here." Doug heads the twice-monthly Current Affairs discussion group, another place where he has built and encouraged a sense of community.

The lure of friendly neighbors is hard to ignore. "I was resisting the idea of moving, and then we arrived here and saw how welcoming it was," says Jean Bay, who moved to Dunwoody over a year ago with her husband Rev. Gene Bay. The Bays soon found that members of







*Rev. Gene Bay and his wife Jean enjoy the connections they've made at Dunwoody and they have also encouraged their friends to take a closer look at their new community.*

the congregation Rev. Bay led at Bryn Mawr Presbyterian were already living at Dunwoody. Since moving in, they've happily recommended it to others, inviting friends and acquaintances for dinner and a look around. A new resident moving in next door to the Bays is another contact from their church community.

The Bays have also made numerous new connections through their involvement with various committees, the fitness center, and interest groups. "One of the best things about living here is meeting people of all ages," Jean Bay says. "Their interests and expertise are so wide-ranging. It's very enriching."

But Dunwoody isn't an island. It's also part of the community at large, and residents stay connected through a number of activities. Clara Hilberts runs the Casseroles for St. John's Hospice program, which coordinates the delivery of meals to a local homeless shelter. "We now have about 60 residents helping, which is extraordinary," Clara says. "Some make their own casseroles; others buy them

**"One of the best things about living here is the people you meet."**

*Residents aren't the only ones making new friends. Many of our dogs have too. Dunwoody Village welcomes pets with no size restrictions.*







*Pete and Francie Hubbard often stroll Dunwoody's beautiful grounds with their dog Bentley.*



*For Peggy Bodkin, who has been working at Dunwoody for 36 years, it's much more than a job—it's a home away from home. "Dunwoody is almost like my second family."*



**"There's a real pleasure in being engaged with other people... that may be the best part of Dunwoody life."**

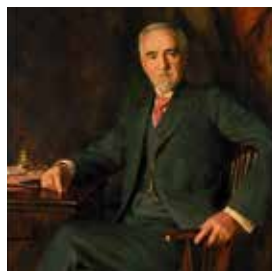
from the dining room, but we can feed 350 men for one day each month. Our goal now is to make enough to feed the men for a second day. People here are truly generous and kind, willing to support one another and contribute to the world outside." Residents can get involved with tutoring programs, blood drives and other volunteer opportunities.

All of this adds to an overall feeling of connectedness, of shared experience and affirmation, says Chuck Ladner. "It's almost like being in college—you have real camaraderie, the experience of communal living. There's a real pleasure in being engaged with other people. In a nutshell, that may be the best part of Dunwoody life."

*(Right) Bob and Clara Hilberts are thrilled to be a part of something larger than themselves, and many fellow residents join them in their pursuit to feed those in need. (Left) The guests at Saint John's Hospice are grateful for the delicious meals.*







*William Hood Dunwoody (left) and the 1924 Dunwoody Home (above) were the beginning of a long tradition of compassionate care. The Hood Octagonal School (far left) is currently a site for visits from local schoolchildren.*

## *Our Shared History*

Even as the brand new Penrose Carriage Homes are constructed, featuring all the modern conveniences—from high-end appliances to a light-filled open floor plan, Dunwoody Village remains solidly rooted in history.

Dunwoody Village itself has been around for over 40 years, though the land ownership can be traced back to William Penn in 1681. William Hood Dunwoody's ancestors bought it in 1712, establishing a dairy farm. Those scenic acres later became the grounds for the Dunwoody Home for convalescent men, founded in 1924 as stipulated by William Hood Dunwoody's will. And in 1974, Dunwoody Village as it is known today was established, one of the earliest forerunners among modern Continuing Care Retirement Communities. Dunwoody Village continues its charitable mission by providing subsidized personal care to a limited number of qualified people under the Dunwoody Trust.

The original Dunwoody Home no longer exists but the Hood Octagonal School still stands, a testament to time past. Built in 1842, it's listed on the National Register of Historic Places, and area schoolchildren continue to visit it today.

*"There's a real tradition of quality here, starting with the medical care, which comes from the fact that Dunwoody's mission has always been to care for residents."*

# Dunwoody Faces.

Upon entry to Dunwoody Village, every resident automatically becomes a member of the Residents' Association. An independent, self-governing body, the Residents' Association holds monthly meetings, except during the summer. It gives collective voice to the needs and desires of Dunwoody Village residents, and through its numerous committees and initiatives, Association volunteers help organize activities to further enhance life at Dunwoody. Officers and the Association's Executive Committee are elected annually.

## *Our 2015 Residents' Association Executive Committee members proudly welcome you.*

**Top row:** Fran Northrup, Member-at-Large; Cynthia Bredikin, Member-at-Large; Doug Curley, Assistant Treasurer; Connie Stuckert, Second Vice President; Larry Pethick, Treasurer.

**Bottom row:** Ellen Jackson, Member-at-Large; Chuck Ladner, First Vice President; Pat McCarter, President; Norma Winther, Member-at-Large.

**Not Pictured:** Mardie Zehner, Recording Secretary



That sense of longevity is central to the ethic of Dunwoody, which is not a corporate entity, but instead a long-tested not-for-profit organization. "There's a real tradition of quality here, starting with the medical care, which comes from the fact that Dunwoody's mission has always been to care for residents," says resident Pat McCarter, who is also President of the Residents' Association and member of the Board of Trustees. "Dunwoody has changed over the years—we've added housing, renovated hallways, kept up with necessary changes to stay current, but it's always been first class."

As a member of the History Committee, Pat and her fellow members maintain an archive of minutes and memorabilia dating back to 1924. They organize celebrations on important anniversaries. They also work with the Newtown Square Historical Society which meets in Dunwoody's auditorium once monthly.

When residents come to Dunwoody, they know they're joining something bigger, something meaningful, Pat says. "We know we have that history, that legacy to live up to."

When residents  
come to Dunwoody,  
they know they're  
joining something  
bigger, something  
meaningful.





*Avid gardener Anita Kneass is happy to have a place to exercise her green thumb.*





*New Penrose Carriage Home residents Dick and Carol Lynn Greene couldn't be happier with their choice. Their light-filled Great Room overlooks a wooded hillside.*

## Welcome to Our New Neighborhood

The newest addition to Dunwoody Village is, of course, the stunning Penrose Carriage Homes. The stone and stucco exteriors on these handsome villa style houses showcase their stately elegance.



*Carol Lynn's cat Nook likes it too because the abundance of trees mean more birds to watch.*

With 2,300 to 4,000 square feet of living space, open floor plans and two car garages, downsizing is not much of an issue for residents. "We moved out of a 5,000 square foot home and it was a very easy transition," says Chuck Ladner, who moved with his wife Diane and sister-in-law Charlotte to a Penrose Home last year.

Both single floor and two-story models are available and the 40 twin homes have been appointed with tray ceilings, great rooms, covered patios and/or decks, and ample closet and storage space. Gas fireplaces invite cozy family gatherings. "The living space is very spacious and the

Like all Dunwoody residences, the Carriage Homes can be customized to suit an incoming resident's tastes.



**"This is first-rate living."**



*Chuck and Diane Ladner were the first to move into their Penrose Carriage Home and can't say enough wonderful things about it. They customized their lower level (top right) to accommodate family visits.*

entire wall of the living room is covered in windows so it's extremely bright and airy," Chuck says.

Like all Dunwoody residences, the Carriage Homes can be customized to suit an incoming resident's tastes. Chuck's home features a modified kitchen—he and Diane chose to make it smaller to allow for a larger dining space.

And as with all residences, Penrose living includes maintenance, dining options from formal to casual, and all the amenities of Dunwoody living. The one-time entrance fee allows residents to transfer seamlessly between styles of living if and when more support is needed.

For his part, Ladner couldn't be more pleased with his choice to move to Penrose. "This is first-rate living." 🏡





*Chuck and Diane Ladner enjoy relaxing on their covered porch.*



## MISSION

■ *Dunwoody Village is a not-for-profit organization that provides residential services and amenities, and healthcare-related services to age-qualified individuals. Our mission is to provide an environment that is safe and secure, promotes quality of life, dignity, respect and compassionate care for all residents.*

## VISION

■ *is for Dunwoody Village to be the community of choice for residents, their families and employees.*

# A letter from our Chairman of the Board



*Patrick J. Burke, CFA, CFP, CPA*

Feeling connected with the staff, fellow residents, and the broader community is, and should be, one of the most important considerations potential residents face when selecting a new home.

As an investment advisor, I'm often involved in many aspects of my clients' lives, including occasionally helping them decide whether a retirement community is appropriate for them or their parents. In some respects, this challenging decision is akin to the one many high-school students face this time of year when choosing a college.

One of my clients recently asked me about a retirement community she was considering for her parents. This community is similar in many ways to Dunwoody and we initially discussed the services they provide, from meal plans and housekeeping to medical care. Despite some important differences, it was easy to see the similarities between this community and Dunwoody. When the conversation turned to the culture and atmosphere of the community, however, her tone was less enthusiastic. She was disappointed because both she and her parents really liked many aspects of the community, but they did not connect with the staff and residents they met. She questioned how much weight they should place on the culture of the community over the spacious living quarters and other amenities they liked.

It was a good question, and one that's familiar to many Dunwoody board and management team members. To our minds, culture is critical. Feeling connected with the staff, fellow residents, and the broader community is, and should be, one of the most important considerations potential residents face when selecting a new home.

I'm honored to serve on the board of such a beautiful, financially stable, and well-kept community. But it's the time spent with Dunwoody's talented, interesting, and engaged residents, staff, and board members that is most rewarding. We have collectively created an environment that is friendly, caring, and warm, a sharp contrast to the experience my client had.

Over the last few years we have continued to invest in Dunwoody's physical plant. We added a community-wide generator, enhanced the hallways, added a bar and lounge area, and started to build 40 carriage homes to offer another housing option for future residents. As challenging as each of these individual projects may have been to undertake, physical changes are much easier than building and sustaining the sort of welcoming culture that's native to Dunwoody.

Dunwoody has a long history of serving the community dating back to the original Dunwoody Home that was established over 90 years ago. While the service of the staff to the residents is our core responsibility, it's the commitment of the residents to each other and their own growth that makes Dunwoody unique. Other communities can imitate our living space and replicate our services, but they can't emulate our culture. And that's the Dunwoody difference.



# 2015 Officers and Board of Trustees

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*Second Vice Chairman*

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*2016 President of the  
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**Massy Williams, CFA**

The Vanguard Group  
100 Vanguard Boulevard  
Malvern, PA 19355

## Chairmen Emeritus

**Joseph Neff Ewing, Jr.**

Dunwoody Village  
3500 West Chester Pike  
Newtown Square, PA 19073

## Trustees Emeriti

**Sara Spedden Senior**

54 Merbrook Lane  
Merion, PA 19066

**Henderson Supplee, III**

180 Highland Lane  
Bryn Mawr, PA 19010

› *The Dunwoody Board and Officers of the Corporation have no equity or beneficial interest in the Corporation.*

› *No professional service, firm, association, trust, partnership or corporation provides goods, leases, or services to the facility in which a board member or officer has any equity or beneficial interest.*



**Peter E. Bort, JD**  
Second Vice Chairman



**Theodore Bredikin**



**Patrick J. Burke**  
Chairman



**Edward A. Chiosso**



**Kenneth T. Engle**



**Christopher R. Getman**



**Jane Gulick, Ph.D.**



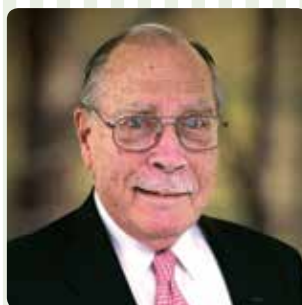
**Erin L. Haas**



**Caswell F. Holloway, III**



**Charles Ladner**



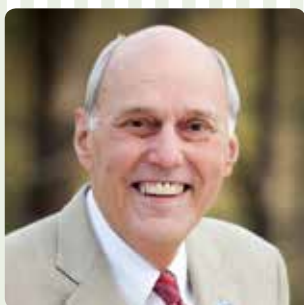
**John W. Lear**  
Secretary



**Timothy Malarkey**



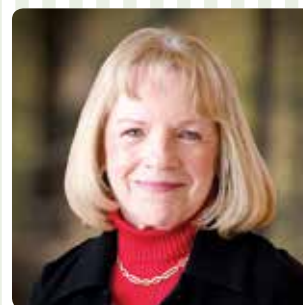
**Patricia P. McCarter**  
2016 President of the  
Residents' Association



**Charles E. Rammel**



**Kathleen A. Shelmerdine**



**Sherry L. Smyth**  
President / CEO



**Mary Anne M. Stetzer**



**Stephanie Strid-Davis**



**Elizabeth K. Unger**  
First Vice Chairman



**Massy Williams, CFA**



# Services

## For Non-Residents

You don't have to live at Dunwoody Village to take advantage of our Five-Star rated health care. Programs for non-residents include the following:

### Short-Term Rehabilitation

Dunwoody Village's Short-Term Rehabilitation services are designed for patients recovering from joint replacement, cardiac surgery, stroke and other conditions, easing the transition between hospital and home. Our 41-private-room program includes occupational, physical and speech therapy, as well as nutrition management, recreation and Skilled Nursing care. For more information on Short-Term Rehabilitation Services, contact us at (610) 723-4787.

### Skilled Nursing Personal Care Memory Support

Dunwoody Village's Care Center provides Skilled Nursing Care, Personal Care and Memory Support (for patients with Alzheimer's and Dementia). For more information on Skilled Nursing, Personal Care and Memory Support, contact us at (610) 723-4787.

### *Five-Star Rated Healthcare*



### Dunwoody at Home



Dunwoody at Home is a proud subsidiary of Dunwoody Village. We provide individualized care that allows you to safely enjoy the comfort of home in whichever place you call home.

Dunwoody at Home offers a variety of services that allows you to manage all of your in-home health needs. Our services range from skilled home health care such as nursing and therapy, to private duty services such as personal care, medication reminders, and light housekeeping/shopping. Due to our close affiliation with Dunwoody Village, you have the peace of mind knowing your care is being provided by experienced and compassionate professionals who are passionate about your wellbeing. We strive to provide the highest standard of care, exceeding your expectations and allowing you to remain independent and enjoy life to the fullest. Our goal is to get to know everything we can about you, your health and your needs so that we can provide personalized care that fits your lifestyle. For more information on Dunwoody at Home, call (610) 359-4503 or visit our website at [www.dunwoodyathome.org](http://www.dunwoodyathome.org).



## Springton Lake

Since November, 2003, Dunwoody Village has offered a Long Term Care Service Program to residents of Springton Lake Village (“Springton”), a housing community for individuals over the age of 62, located nearby in Media, Pennsylvania. Residents of Springton who elect to participate in the Long Term Care Service Program have access to Dunwoody’s Nursing and Personal Care services on a priority basis before individuals who do not reside at Dunwoody Village. The Residents of Springton who elect to participate in the program are required to pay monthly fees and certain additional fees on admission to the Health Care Center operated by Dunwoody Village. Springton participants also have access to companion services provided by Dunwoody Homecare, a subsidiary of Dunwoody Village.

Residents of Springton have to meet certain financial and health eligibility requirements in order to participate in the Long Term Care Service Program. The fees charged to participants will be in an amount sufficient to ensure that the program is financially self-sufficient. The amount of the fees charged to participants has been established in reliance on the opinion of an actuary. Dunwoody Village residents will continue to have priority access to the Dunwoody Village Care Center over the Springton residents who participate in the Long Term Care Service Program. Dunwoody Village is responsible for the maintenance, operation, financial solvency and liabilities which may arise from the Long Term Care Service Program. Dunwoody Village believes that it has adequate insurance to cover any potential liabilities and sufficient financial resources to cover any operational losses, which losses are not anticipated, which may arise from the Long Term Care Service Program.

### *Financial Provisions*

Participant will be responsible to pay Community a Monthly Fee of \$542.50 in advance each month. In the event of a Co-Participant, a second person fee of \$187.50 shall also be paid in addition to the Monthly Fee. Statements will be issued monthly and will contain applicable Monthly Fee, Second Person Fee when necessary and all other miscellaneous charges incurred by Participant.

The Following additional fees associated with in-patient care are broken down as follows:

Years	Payment by Participant	Daily Rate Credit
0 to 5 years	95% of Daily Rate	5% of Daily Rate
5+ to 10 years	75% of Daily Rate	25% of Daily Rate
After 10 years	0% of Daily Rate	100% of Daily Rate

(As of January 1, 2016, the daily rates start at \$233 for Personal Care and \$364 for Skilled Nursing care, both subject to future increases.)



# Financial

## Audited Consolidated Financial Statements And Other Financial Information

*Years ended December 31, 2015 and 2014 with Report of Independent Auditors*

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### 2015 DISCLOSURE STATEMENT AND ANNUAL REPORT

Dunwoody Village is a not-for-profit Continuing Care Retirement Community consisting of 168 apartments, 65 country houses, and is in the process of constructing 40 Penrose carriage homes to be completed before the end of 2016. These are all clustered on a beautiful 83 acre tract of fields, woods, lawns and gardens in the center of Newtown Square, Pennsylvania. There are 81 private Personal Care rooms and 81 private Skilled Nursing rooms in the Care Center. Amenities include fully enclosed and heated walkways, two dining rooms, casual dining and “take-out” meals, lounges, an auditorium, a library, a board room, a swimming pool, a fitness center, a gift shop, a game room, a wood shop, a club room, a craft room, a hair salon, weekly housekeeping and linen service, transportation, door-to-door mail delivery, and an all-campus generator.



CliftonLarsonAllen LLP  
CLAconnect.com

## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Dunwoody Village  
Newtown Square, Pennsylvania

### *Report on the Financial Statements*

We have audited the accompanying consolidated financial statements of Dunwoody Village, which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dunwoody Village as of December 31, 2015 and 2014, and the results of their operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheet and statement of operations and changes in net assets are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Plymouth Meeting, Pennsylvania  
April 13, 2016

DUNWOODY VILLAGE  
**CONSOLIDATED BALANCE SHEETS**  
 DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 2,536,418	\$ 2,709,337
Accounts Receivable, Net	1,935,214	1,667,947
Accounts Receivable – Entrance Fees and Other	240,641	1,040,324
Prepaid Expenses and Other Current Assets	<u>460,879</u>	<u>533,856</u>
Total Current Assets	5,173,152	5,951,464
<b>ASSETS LIMITED AS TO USE</b>		
Internally Designated by Board of Trustees	19,379,837	18,991,869
Statutory Minimum Liquid Reserve	3,050,910	2,832,321
Externally Designated by Donors	<u>1,100,000</u>	<u>1,100,000</u>
Total Assets Limited as to Use	23,530,747	22,924,190
<b>PROPERTY AND EQUIPMENT, NET</b>	52,366,550	37,674,430
<b>DEFERRED FINANCING COSTS, NET</b>	412,732	427,473
<b>OTHER ASSETS</b>	<u>163,140</u>	<u>163,581</u>
Total Assets	<u><u>\$ 81,646,321</u></u>	<u><u>\$ 67,141,138</u></u>

*See accompanying Notes to Consolidated Financial Statements.*



	<u>2015</u>	<u>2014</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current Portion of Long-Term Debt	\$ 659,492	\$ 326,077
Accounts Payable and Accrued Expenses	4,817,186	3,486,283
Retainage Payable	638,207	—
Refundable Deposits from Prospective Residents	<u>3,657,100</u>	<u>1,872,595</u>
Total Current Liabilities	9,771,985	5,684,955
<b>INTEREST RATE SWAP AGREEMENT</b>	1,722,180	1,807,641
<b>LONG-TERM DEBT, LESS CURRENT PORTION</b>	30,820,318	23,003,806
<b>DEFERRED REVENUE FROM ADVANCE FEES</b>	<u>27,065,928</u>	<u>24,215,542</u>
Total Liabilities	69,380,411	54,711,944
<b>NET ASSETS</b>		
Unrestricted	8,203,420	8,266,097
Temporarily Restricted	2,962,490	3,063,097
Permanently Restricted	<u>1,100,000</u>	<u>1,100,000</u>
Total Net Assets	<u>12,265,910</u>	<u>12,429,194</u>
Total Liabilities and Net Assets	<u><u>\$ 81,646,321</u></u>	<u><u>\$ 67,141,138</u></u>

DUNWOODY VILLAGE

# CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
<b>REVENUE, GAINS, AND OTHER SUPPORT</b>		
Resident Care Fees	\$ 15,855,163	\$ 14,897,475
Medical Care Fees	9,795,433	8,961,337
Amortization of Deferred Entry Fees	4,249,589	3,716,072
Resident Services Fees	1,513,466	1,373,510
Investment Income (Loss)	(253,798)	1,335,910
Other	613,439	97,669
Net Assets Released From Restrictions	103,188	58,253
Total Revenue, Gains, and Other Support	31,876,480	30,440,226
<b>EXPENSES</b>		
Medical and Personal Care	12,848,181	11,705,965
Resident Services	972,760	865,444
Food Service	3,899,197	3,636,734
General and Administrative	4,244,461	3,965,478
Maintenance	2,831,699	2,242,444
Housekeeping and Laundry	1,643,051	1,517,199
Utilities	1,165,962	1,083,778
Real Estate Taxes	799,780	792,353
Depreciation and Amortization	2,914,936	3,457,080
Interest	704,591	805,273
Total Expenses	32,024,618	30,071,748
<b>OPERATING INCOME (LOSS) BEFORE CHANGE IN VALUE OF INTEREST RATE SWAP</b>	(148,138)	368,478
Change in Value of Interest Rate Swap	85,461	(431,167)
<b>OPERATING LOSS AND DECREASE IN UNRESTRICTED NET ASSETS</b>	(62,677)	(62,689)
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions	2,581	537,197
Net Assets Released from Restrictions – Used for Operations	(103,188)	(58,253)
Total Increase (Decrease) in Temporarily Restricted Net Assets	(100,607)	478,944
<b>INCREASE (DECREASE) IN NET ASSETS</b>	(163,284)	416,255
Net Assets - Beginning of Year	12,429,194	12,012,939
<b>NET ASSETS - END OF YEAR</b>	\$ 12,265,910	\$ 12,429,194

*See accompanying Notes to Consolidated Financial Statements.*



DUNWOODY VILLAGE

## CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (163,284)	\$ 416,255
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Change in Value of Interest Rate Swap	(85,461)	431,167
Restricted Contributions	(2,581)	(537,197)
Depreciation and Amortization	2,914,936	3,457,080
Net Realized and Unrealized (Gain) Loss on Investments	723,093	(876,983)
Amortization of Deferred Entry Fees	(4,249,589)	(3,716,072)
Proceeds from Resident Deferred Entry Fees and Advance Deposits		
- Preexisting Units	6,741,680	6,916,465
Proceeds from Resident Deferred Entry Fees and Advance Deposits		
- Penrose Carriage Homes	4,409,800	—
Proceeds from Resident for Apartment Refurbishment	514,339	221,447
Refunds of Deposits and Refundable Fees	(2,781,339)	(243,100)
(Increase) Decrease In:		
Accounts Receivable and Accounts Receivable - Entrance Fees and Other	532,417	(925,114)
Prepaid Expenses and Other Current Assets	72,977	(82,440)
Increase In:		
Accounts Payable and Accrued Expenses	1,330,903	321,023
Net Cash Provided by Operating Activities	9,957,891	5,382,531
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(6,468,010)	(2,045,819)
Sales of Investments	5,138,360	770,149
Acquisition of Property and Equipment	(16,954,109)	(7,802,450)
Deposit of Other Assets	441	(79,912)
Net Cash Used by Investing Activities	(18,283,318)	(9,158,032)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of Long-Term Debt	(295,091)	(352,982)
Proceeds from Long-Term Debt	8,445,018	1,517,708
Restricted Contributions	2,581	537,197
Net Cash Provided by Financing Activities	8,152,508	1,701,923
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(172,919)	(2,073,578)
Cash and Cash Equivalents - Beginning of Year	2,709,337	4,782,915
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 2,536,418	\$ 2,709,337
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest, Net of Capitalized Interest	\$ 656,770	\$ 780,250

*See accompanying Notes to Consolidated Financial Statements.*

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The consolidated financial statements include the consolidated accounts of Dunwoody Village (Dunwoody), Dunwoody Homecare, the Dunwoody Trust (the Trust) and Dunwoody Long Term Care Services.

Dunwoody is a Pennsylvania not-for-profit corporation that owns and operates a continuing care retirement community which provides residential, personal and medical care to its residents, and provides similar personal and medical care to members living outside of the retirement community operating under the trade name of Dunwoody Long Term Care Services. Dunwoody includes 235 independent living units, 81 skilled nursing beds and 81 personal care beds, which includes a 20 bed dementia unit.

Dunwoody Homecare is a separate Pennsylvania not-for-profit corporation that primarily provides private-duty companion services to Dunwoody residents.

The Trust provides funding for a portion of Dunwoody's charitable rates to community residents in financial need.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Dunwoody, Dunwoody Homecare, the Trust and Dunwoody Long Term Care Services. All significant intercompany transactions have been eliminated in consolidation.

**Mission Statement**

The mission of Dunwoody is to have a dynamic community providing residential amenities and health care-related services to individuals over age 65 in a cost-effective manner.

**New Accounting Pronouncements**

During the year ended December 31, 2015, Dunwoody early adopted a provision of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-01, Financial Instruments – Overall: Recognition and Measurement of Financial Assets and Financial Liabilities. This provision eliminates the requirement for entities, other than public business entities, to disclose the fair values of financial instruments carried at amortized cost, as previously required by Accounting Standards Codification (ASC) 825-10-50. As such, Dunwoody has omitted this disclosure for the years ended December 31, 2015 and 2014. The early adoption of this provision did not have an impact on the entity's financial position or results of operations.



DUNWOODY VILLAGE

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**New Accounting Pronouncements (Continued)**

In April 2015, FASB issued amended guidance to simplify the presentation of debt issuance costs as discussed within ASU 2015-03, Interest – Imputation of Interest. Debt financing costs will be presented in the balance sheet as a direct deduction from the debt liability effective for fiscal years beginning after December 15, 2015. Management is evaluating the impact of this guidance on the entity's consolidated financial statements.

In May 2014, the Financial Accounting Standards Board (FASB) issued amended guidance to clarify the principles of recognizing revenue from contracts with customers as discussed within ASU No. 2014-09 – Revenue from Contracts with Customers. The guidance requires an entity to recognize revenue to depict the transfer of goods or services to customers in an account that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The guidance also requires expanded disclosure relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. Additionally, qualitative and quantitative disclosures are required regarding customers contracts, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. The guidance will initially be applied retrospectively using one of two methods. The standard will be effective for the entity for annuals reporting periods beginning after December 15, 2017. Management is evaluating the impact of the amended revenue recognition guidance on the entity's consolidated financial statements.

**Use of Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Charity Care**

Dunwoody provides charity care to residents in the Trust program who meet certain criteria under the provisions of the William Hood Dunwoody Trust Under Will, provides financial assistance to residents in need through the Resident Reserve Fund, and provides financial assistance to residents in need that have depleted their funds in the Care Center. For the years ended December 31, 2015 and 2014, Dunwoody Village provided charity care of \$392,934 and \$525,128, respectively. These amounts represent the costs associated with providing this care. This charity care was funded by transfers from temporarily restricted net assets, contributions, and investment income and operations.

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash and Cash Equivalents**

Dunwoody considers cash and cash equivalents to include cash in bank accounts and other liquid investments with original maturities of three months or less. Dunwoody deposits cash in financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to certain limits. At times, the cash in the bank may exceed FDIC insurable limits.

**Allowance for Doubtful Accounts**

Dunwoody provides an allowance for uncollectible accounts using management's estimate about the collectability of past due accounts. Residents are not required to provide collateral for services rendered. Payment for services is required upon receipt of invoice or claim submitted. Accounts more than 30 days past due are individually analyzed for collectability. When all collection efforts have been exhausted, the accounts are written off against the related allowance. Management believes that the allowance for doubtful accounts is adequate to provide for estimated uncollectible accounts associated with the accounts receivable balances. The allowance for doubtful accounts at December 31, 2015 and 2014 was approximately \$539,000 and \$382,000, respectively.

**Assets Limited as to Use**

Assets limited as to use include assets set aside by the Board of Trustees for future capital improvements and other purposes over which the Board retains control and donor-restricted assets under will.

Investments in mutual funds, complementary strategies and real assets with readily determinable fair values are measured at fair value in the consolidated balance sheets. Investment return (loss) (dividends and interest income, realized and unrealized gains and losses on investments) is included in operating income unless the income or loss is restricted by donor or law.

Assets limited as to use consist primarily of mutual funds, complementary strategies and real assets and are stated at market value.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near-term and that such changes could materially affect the amounts reported in the balance sheet.

**Property and Equipment**

In 1914, land and a trust fund of \$1,000,000 were received under the will of Mr. William Hood Dunwoody to establish Dunwoody. The land was not recorded at an accounting value.



DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment (Continued)**

Dunwoody capitalizes all expenditures for property and equipment with costs over \$2,000 and an estimated life greater than one year. The cost of maintenance and repairs are charged against operations as incurred. Property and equipment is stated at cost or at fair value at the date of donation. Land improvements, building and improvements, furniture and equipment, and vehicles are stated at cost. Depreciation is recorded using the straight-line method over the estimated useful lives of the respective assets, generally 5 to 40 years.

Long lived assets, such as property and equipment, are reviewed periodically for impairment based on comparison of carrying value against undiscounted future cash flows. If impairment is identified, the assets' carrying amounts are adjusted to fair value. There were no such adjustments during the years ended December 31, 2015 and 2014.

It is the policy of Dunwoody to capitalize interest cost incurred on borrowed funds during the period of construction of capital assets as a component of the cost of acquiring those assets.

**Deferred Financing Costs**

Deferred financing costs, which represent bond issuance costs, are amortized on a straight line basis over the term of the related indebtedness, which approximates the effective interest method.

**Deferred Revenue from Advance Fees**

Advance fees are initially refundable upon receipt, but become nonrefundable at the rate of 2% per month until becoming fully nonrefundable after 50 months. At December 31, 2015 and 2014, the portion of advance fees subject to refund provisions amounted to \$12,245,774 and \$10,699,844, respectively. Advance fees are recorded as deferred revenue and amortized into operating revenue over the actuarially determined life expectancy of each resident or resident couple, adjusted annually. Upon death of a sole surviving resident, any remaining unamortized portion of the entry fee is recognized as revenue.

**Refundable Deposits from Prospective Residents**

Refundable deposits from prospective residents represent waiting list deposits and partial payments made on entry fees. Such deposits by prospective residents or resident couples are fully refundable and are credited toward the entry fee upon move in.

**Obligation to Provide Future Services**

Dunwoody calculates the present value of the cost of future services and use of facilities to be provided to current residents and compares that amount with the balance of deferred entry fees to determine if a liability and corresponding charge to income need to be recorded. As of December 31, 2015 and 2014, the present value of the net cost of future services and use of facilities does not exceed the balance of deferred entry fees and as such, no liability for the obligation to provide future services is required to be recorded in the accompanying consolidated balance sheets.

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Interest Rate Swap Agreement**

Pursuant to the accounting guidance for derivative instruments, Dunwoody recognizes the derivative financial instrument in the balance sheets at fair value. The interest rate swap was not designated as a hedge for financial reporting purposes. As a result, the change in fair value is reported as a separate component of operating income in the consolidated statement of operations and changes in net assets.

**Net Assets**

Dunwoody reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted (subject to donor or time restrictions), and permanently restricted (principal maintained in perpetuity).

Temporarily restricted net assets are net assets whose use has been limited by donors to a specific purpose. These amounts are principally restricted to resident care. Gifts are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of operations and changes in net assets as other revenue.

Permanently restricted net assets have been restricted by donors to be maintained in perpetuity.

**Income Taxes**

Dunwoody, Dunwoody Homecare, and the Trust are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state codes.

Dunwoody follows the guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The guidance clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The guidance further prescribes recognition and measurement of tax provisions taken or expected to be taken on a tax return that are not certain to be realized. The application of this standard has no impact on Dunwoody's consolidated financial statements.

**Fair Value Measurements**

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. Dunwoody emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.



DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements (Continued)**

The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

*Level 1* – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that Dunwoody has the ability to access.

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair values of financial instruments are summarized further in Note 2.

**Operating Indicator**

For purposes of display, the operating income (loss) is the operating indicator for Dunwoody. Included in the operating indicator is the change in the interest rate swap, since the swap has not been designated as a cash flow hedge. There are no other changes in unrestricted net assets that are excluded from the operating indicator.

**Subsequent Events**

In preparing these consolidated financial statements, Dunwoody has evaluated events and transactions for potential recognition or disclosure through April 13, 2016, the date the consolidated financial statements were issued. The results of this evaluation indicated that there are no subsequent events or transactions that are required to be disclosed in these consolidated financial statements.

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
 DECEMBER 31, 2015 AND 2014

**NOTE 2 ASSETS LIMITED AS TO USE**

The functional composition of assets limited as to use internally designated by the Board and externally designated by donors at December 31, 2015 and 2014, is set forth below:

	2015	2014
Internally Designated by the Board of Trustees:		
Board-Designated Funds	\$ 9,379,627	\$ 11,031,620
Residents' Reserve Fund	3,152,011	3,368,221
Trust under Will	1,316,224	1,658,455
Dunwoody Homecare Board-Designated Fund	1,066,093	1,321,254
Entrance Fees Escrow	4,187,725	1,335,676
Other Dunwoody Funds	278,157	276,643
Total	19,379,837	18,991,869
Statutory Minimum Liquid Reserve	3,050,910	2,832,321
Externally Designated by Donors:		
Trust under Will and Bequest	1,100,000	1,100,000
Total	\$ 23,530,747	\$ 22,924,190

Assets designated for resident care include the Trust Under Will and Residents' Reserve Fund. The Trust Under Will provides funds to help support the care of certain residents in the Trust program. If a resident of Dunwoody Village is unable to pay the monthly service fee due to circumstances beyond his or her control, the resident will be evaluated for potential subsidy from the Residents' Reserve Fund.

Assets limited as to use externally designated by donors represent a charitable trust established under the will of Mr. William Hood Dunwoody and a restricted bequest. The income and gains earned by the trust are unrestricted and available for use as designated by the Board of Trustees.

Under the provisions of the Pennsylvania Continuing Care Provider Registration and Disclosure Act (the Act), Dunwoody must maintain a statutory minimum liquid reserve that is equal to the greater of 10% of the total projected operating expenses for the next twelve months, exclusive of depreciation and amortization, or the total of all debt service (principal and interest) due during the upcoming twelve months 2016 debt service requirements. The statutory minimum liquid reserve requirement as of December 31, 2015 and 2014 is \$3,050,910 and \$2,832,321, respectively, and is based on 10% of the total projected operating expenses, exclusive of depreciation and amortization, for the next twelve months. Under the provisions and related amendments of the Act, cash and cash equivalents and investments of Dunwoody satisfy this requirement.



DUNWOODY VILLAGE

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

**NOTE 2 ASSETS LIMITED AS TO USE (CONTINUED)**

The statutory minimum liquid reserve requirement as of December 31, 2015 and 2014 is as follows:

	2015	2014
Projected Annual Interest Expense	\$ 1,453,533	\$ 787,370
Principal Payments Due on Long-Term Debt	659,492	326,077
Liquid Reserve Requirement	<u>\$ 2,113,025</u>	<u>\$ 1,113,447</u>
Projected Annual Operating Expenses	\$ 30,509,097	\$ 28,323,210
Minimum Rate	10%	10%
Liquid Reserve Requirement	<u>\$ 3,050,910</u>	<u>\$ 2,832,321</u>
Statutory Minimum Liquid Reserve	<u>\$ 3,050,910</u>	<u>\$ 2,832,321</u>

Management believes that Dunwoody is in compliance with all other requirements of the Act as of December 31, 2015 and 2014.

The composition of assets limited as to use at December 31, 2015 and 2014 is set forth in the following table. Investments are stated at fair value.

	2015	2014
Assets Limited as to Use		
Cash and Cash Equivalents	\$ 4,347,875	\$ 2,874,440
Mutual Funds - Fixed Income	7,440,221	7,152,077
Mutual Funds - Domestic Equity	7,034,790	10,147,148
Mutual Funds - International Equity	4,221,372	2,228,044
Complementary Strategies	227,812	234,480
Real Assets	258,677	288,001
Total Assets Limited as to Use	<u>\$ 23,530,747</u>	<u>\$ 22,924,190</u>

Investment income (loss) and gains (losses) on assets limited as to use and cash equivalents are comprised of the following for the years ended December 31, 2015 and 2014:

	2015	2014
Investment Income (Loss)		
Dividends and Interest Income	\$ 469,295	\$ 458,927
Realized Gains on Sales of Securities	1,868,761	120,005
Net Unrealized Gains (Losses) on Investments	(2,591,854)	756,978
Total Investment Income (Loss)	<u>\$ (253,798)</u>	<u>\$ 1,335,910</u>

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 2 ASSETS LIMITED AS TO USE (CONTINUED)**

Financial assets and liabilities carried at fair value as of December 31, 2015 and 2014 are classified in the table below in one of the three categories described in Note 1:

	Total Fair Value	Level 1	Level 2	Level 3
<b>December 31, 2015</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 6,884,293	\$ 6,884,293	\$ —	\$ —
Mutual Funds – Fixed Income	7,440,221	7,440,221	—	—
Mutual Funds – Domestic Equity	7,034,790	7,034,790	—	—
Mutual Funds – International Equity	4,221,372	4,221,372	—	—
Complementary Strategies	227,812	227,812	—	—
Real Assets	258,677	258,677	—	—
Total Assets	<u>\$ 26,067,165</u>	<u>\$ 26,067,165</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Liabilities</b>				
Interest Rate Swap	<u>\$ 1,722,180</u>	<u>\$ —</u>	<u>\$ 1,722,180</u>	<u>\$ —</u>
	Total Fair Value	Level 1	Level 2	Level 3
<b>December 31, 2014</b>				
<b>Assets</b>				
Cash and Cash Equivalents	\$ 5,583,777	\$ 5,583,777	\$ —	\$ —
Mutual Funds – Fixed Income	7,152,077	7,152,077	—	—
Mutual Funds – Domestic Equity	10,147,148	10,147,148	—	—
Mutual Funds – International Equity	2,228,044	2,228,044	—	—
Complementary Strategies	234,480	234,480	—	—
Real Assets	288,001	288,001	—	—
Total Assets	<u>\$ 25,633,527</u>	<u>\$ 25,633,527</u>	<u>\$ —</u>	<u>\$ —</u>
<b>Liabilities</b>				
Interest Rate Swap	<u>\$ 1,807,641</u>	<u>\$ —</u>	<u>\$ 1,807,641</u>	<u>\$ —</u>

Fair values for interest rate swap contracts are determined based upon good faith estimates of mid-market transactions using valuation models, such as bid-offer spreads and credit reserves, and accordingly, are classified as Level 2 inputs.

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
 DECEMBER 31, 2015 AND 2014

**NOTE 3 PROPERTY AND EQUIPMENT**

A summary of property and equipment at December 31, 2015 and 2014 follows:

	2015	2014
Property and equipment:		
Land Improvements	\$ 1,435,106	\$ 1,435,106
Buildings and Improvements	73,674,196	68,539,065
Furniture and Equipment	11,246,186	10,877,144
Vehicles	541,138	430,428
Construction in Progress	14,626,843	2,649,411
Total	101,523,469	83,931,154
Less Accumulated Depreciation	(49,156,919)	(46,256,724)
Total Property and Equipment, Net	<u>\$ 52,366,550</u>	<u>\$ 37,674,430</u>

Depreciation expense for the years ended December 31, 2015 and 2014 was \$2,900,196 and \$3,442,340, respectively.

**NOTE 4 LONG-TERM DEBT**

Long-term debt consists of:

	2015	2014
Delaware County Authority Revenue Bonds, Series 2013 Bonds, principal payments due monthly through 2043 at variable interest rates	\$ 31,479,810	\$ 23,329,883
Total	31,479,810	23,329,883
Less Current Portion	659,492	326,077
Total Long-Term Debt	<u>\$ 30,820,318</u>	<u>\$ 23,003,806</u>

On December 20, 2013, Dunwoody entered into a bond purchase and loan agreement with the Delaware County Authority (the "Authority") pursuant to which the Authority authorized \$35,000,000 of the Series 2013 revenue bonds. From the proceeds of this issuance, the Authority advanced a total of \$22,165,157 at closing to be used as follows: 1) \$19,272,220 will be applied to refund the outstanding balance of the Delaware County Authority's Revenue Bonds, Series 2006 and Series 2003, 2) \$2,075,656 will be used to fund the Campus Project and 3) \$817,281 will be used to fund the Carriage Home Project. The remaining amounts from the proceeds of issuance will be loaned and advanced to Dunwoody as a draw-down loan, to be used as for the Campus project and the Carriage Home Project. The interest rate is a variable rate equal to 70% applied to one month LIBOR plus 2.15%. Of the remaining \$12,834,843 from the proceeds at closing, an additional \$8,445,018 and \$1,517,708 was drawn down during the year ended December 31, 2015 and 2014, respectively. Interest capitalized during the year ended December 31, 2015 and 2014 was \$214,902 and \$0, respectively.



DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
 DECEMBER 31, 2015 AND 2014

**NOTE 4 LONG-TERM DEBT (CONTINUED)**

Aggregate annual principal maturities for the Series 2013 bonds, respectively, for each of the next five years and thereafter are as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2016	\$ 659,492
2017	691,280
2018	720,394
2019	750,751
2020	723,024
Thereafter	<u>27,934,869</u>
Total	<u>\$ 31,479,810</u>

Under the Series 2013 bond purchase and loan agreement, Dunwoody must comply with certain restrictive covenants relating to liquidity and debt service coverage computed quarterly. As defined by the agreements, Dunwoody is required, among other things, to maintain a debt service coverage

ratio of at least 1.20, and a liquidity requirement equal to 175 days' budgeted cash operating expenses. Management has represented that Dunwoody was in compliance with the debt service coverage and liquidity requirements at December 31, 2015.

The bonds are secured by real property, operating, non-operating revenues, receipts, income, and other funds.

**NOTE 5 DERIVATIVE FINANCIAL INSTRUMENTS**

Dunwoody entered into an interest rate swap agreement with Citizens/RBS in March 2009 in order to eliminate the exposure to interest rate fluctuations associated with the 2006 Bonds. The interest rate swap agreement effectively fixed the interest rate on these bonds at 3.65%. The notional amount of the interest rate swap agreement is \$13,875,000 and it matures on April 1, 2024. At December 31, 2015 and 2014, the fair value of this interest rate swap agreement represented a liability in the accompanying consolidated balance sheets of \$1,722,180 and \$1,807,641, respectively. The interest rate swap was not designated as a hedge for financial reporting purposes. As a result, the change in fair value is reported as a separate component of operating income (loss) in the consolidated statement of operations and changes in net assets.

**NOTE 6 PENSION PLAN**

Dunwoody sponsored a 403 (b) pension plan which provides a 50% match of employee contributions up to a maximum of 6% of annual compensation and also an annual discretionary contribution. The plan also offers auto enrollment for all new employees at the time of hire, with investment into a Target fund closest to their estimated retirement age.

DUNWOODY VILLAGE

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2015 AND 2014

**NOTE 6 PENSION PLAN (CONTINUED)**

For the years ended December 31, 2015 and 2014, the annual contribution was 2%. Total pension expense for the years ended December 31, 2015 and 2014 related to this plan was \$434,404 and \$396,351, respectively.

**NOTE 7 CONCENTRATION OF CREDIT RISK**

Dunwoody grants credit without collateral to their residents, most of whom are local residents and are insured under third-party payor agreements. The mix of Dunwoody's net receivables from residents and third-party payors as of December 31 was as follows:

	<u>2015</u>	<u>2014</u>
Medicare	23%	22%
Residents and Other	<u>77%</u>	<u>78%</u>
Total	<u>100%</u>	<u>100%</u>

**NOTE 8 TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Resident Benevolence	\$ 2,855,720	\$ 2,910,400
Memorial Garden and Other	<u>106,770</u>	<u>152,697</u>
Total	<u>\$ 2,962,490</u>	<u>\$ 3,063,097</u>

**NOTE 9 FUNCTIONAL EXPENSES**

Dunwoody and Dunwoody Homecare provide services for the elderly. Expenses related to providing these services were as follows:

	<u>2015</u>	<u>2014</u>
Continuing and Long-Term Care	\$ 28,036,591	\$ 26,570,388
General and Administrative	<u>3,988,027</u>	<u>3,501,360</u>
	<u>\$ 32,024,618</u>	<u>\$ 30,071,748</u>

DUNWOODY VILLAGE  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
DECEMBER 31, 2015 AND 2014

**NOTE 10 COMMITMENTS AND CONTINGENCIES**

**Compliance**

Laws and regulations governing the Medicare program are complex and subject to interpretation. Dunwoody believes it is in compliance with all other applicable laws and regulations and is not aware of any other current pending or threatened investigations involving allegations of potential wrongdoing. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare program.

**Other**

There are various legal actions that can occur in the ordinary course of business, and management is not aware of any such matters that would have a material effect on the financial condition or results of operations of Dunwoody. In the opinion of management, after consultation with legal counsel, these matters are expected to be resolved without material adverse effect to the Community's financial position.

**Captive and Self-Insurance Insurance Plans**

In August 2013, Dunwoody elected to participate in a captive insurance plan for medical and pharmacy claims and has recorded a subscriber interest of \$163,581 in other assets. Dunwoody assumes the risk for paying the health care claim costs up to \$35,000 per participant per year. Claims in excess of \$35,000 and less than \$250,000 are reimbursed by the captive. Claims in excess of \$250,000 would be reimbursed by stop-loss insurance, which was purchased by Dunwoody as condition of entering the plan. A receivable of \$514,633 was recorded as of December 31, 2014 for claims that Dunwoody has not been reimbursed for as of December 31, 2014. No receivable is necessary as December 31, 2015. The plan is based on a shared-risk pool plan.

In October 2015, Dunwoody decided not to renew with the captive insurance plan for medical and pharmacy claims. Dunwoody decided to go with a self-insured health care plan. This plan works similar to the captive, in that Dunwoody assumes the risk for paying the health care claim costs up to \$ 75,000 per participant per year. Claims in excess of \$75,000 would be reimbursed by the stop-loss insurance, which was purchased by Dunwoody at the time of inception. Dunwoody expects to receive the subscriber interest back from the captive insurance after all obligations under the agreement have been met.

A liability of approximately \$91,922 and \$157,921 has been recorded for incurred but not reported claims as of December 31, 2015 and 2014, respectively.

**Expansion and Renovation**

In 2014 Dunwoody Village received all regulatory approvals to move ahead on the strategic plan for 40 new carriage homes, of which 20 will have bank financing. The carriage homes offer larger living spaces and other amenities not currently available in Dunwoody. The construction is due to be completed in the 3rd quarter of 2016. The renovation of the Farmhouse was completed and Dunwoody Homecare relocated in February 2016. The historic Barn will be completed in spring of 2016 to be used by the grounds department. A retainage payable has been recorded as of December 31, 2015 in the amount of \$638,207.



## 2016 CONSOLIDATED OPERATING BUDGET

	<u>Total Budget (000s omitted)</u>
<b>REVENUE, GAINS, AND OTHER SUPPORT:</b>	
Resident Care Fees	\$ 13,811
Medical Care Fees	15,039
Earned Entrance Fees	4,948
Resident Service Fees	1,528
Interest and Dividends	445
Other Revenue	<u>126</u>
<b>Total Revenue</b>	<b>\$ 35,897</b>
<b>EXPENSES:</b>	
Medical and Personal Care	\$ 13,008
Resident Services	511
Food Services	4,044
General and Administrative	4,807
Maintenance	2,817
Housekeeping and Laundry	1,797
Utilities	1,338
Real Estate Taxes	908
Depreciation & Amortization	4,433
Interest	<u>1,454</u>
<b>Total Expenses</b>	<b>\$ 35,117</b>
<b>Operating Income (Loss)</b>	<b><u>\$ 780</u></b>

*Note - All figures are in rounded thousand dollars.*

## Summary of

# Services Provided by Dunwoody

*From and after the Designated Occupancy Date, Dunwoody will provide for the Resident the amenities and services set forth below, for and during the balance of the Resident's life.*

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## A. Meals

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### *Full Service Dining Choices*

Dunwoody dining services are available for three meals per day with a choice of standard menus. The Monthly Fee includes the cost of one daily meal. Residents desiring additional meals may arrange for such meals at the charges currently in effect.

### *Guest Meals*

Provisions are available for guest meals; reservations are preferred. The charge for guest meals is subject to change from time to time. Guests are expected to observe the dress code in effect for the selected dining room.

### *Missed Meals and Meal Options*

If you choose to forego a meal at Dunwoody Village on a given day, you are entitled to a coupon called a "meal option." The option may be redeemed within thirty days for another meal including a guest meal. To receive the benefit of this arrangement, you must notify the reception desk prior to the meal time on the day that you will skip dinner. Options are not provided if advanced notification is not given. There are some limitations on the use of the options. Please consult the Dining Room Manager or refer to the option policy which is available in the Lincoln Dining Room.

### *Meal Allowance*

If Resident will be away from Dunwoody for thirty (30) or more consecutive days, the Resident will be credited with a Meal Allowance at a rate to be set by Dunwoody. Arrangements for the Meal Allowance must be made in advance, as set forth in the Meal Allowance policy, which is subject to change from time to time.

### *Tray Service*

When ordered by a Dunwoody Physician or the Theurkauf Wellness Center, tray service will be provided to Resident during minor short term illnesses. A fee will be charged to the Resident for tray service not ordered by a Dunwoody Physician or the Theurkauf Wellness Center.

### *Care Center Meals*

When a Resident transfers to the Care Center on a temporary or permanent basis, Residents are required to be served three meals a day to comply with the applicable Commonwealth of Pennsylvania licensure regulations. Resident will be charged the rate currently in effect for additional meals unless reimbursed under the Medicare program.

## B. Housekeeping Services

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The Resident agrees to maintain his or her Residential Home in a clean, sanitary and orderly condition, and to be responsible for all usual light housekeeping tasks. Once a week, Dunwoody will furnish cleaning services, bed linens and bath towels.

Should the Resident be unable or unwilling to maintain his or her Residential Home in a clean and orderly condition, or is unable to assume light housekeeping responsibilities, Dunwoody shall, after notice to the Resident, arrange for the provision of such services and the cost will be charged to the Resident. The Resident agrees to maintain his or her Residential Home free of safety and health hazards as determined by Dunwoody. Should the Resident fail to do so, Dunwoody, upon notice to Resident, will make necessary arrangements to make the Residential Home free of safety and health hazards and such costs will be charged to the Resident.

## C. Maintenance and Repair Services

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### *Repair Responsibility*

Dunwoody will repair, maintain and replace property and equipment owned by Dunwoody. The Resident is

responsible for repairs, maintenance and replacement of the Resident's personal property and improvements.

### ***Painting and Re-carpeting***

The Resident may request to have his or her Residential Home repainted or re-carpeted at the expense of the Resident and will be charged according to the current Schedule of Charges. Subject to the approval of Dunwoody, after eight years of Occupancy in the same Residential Home, the cost of painting and carpeting will be paid by Dunwoody.

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## **D. Grounds Services**

Dunwoody will furnish basic grounds-keeping care including lawn service and snow removal as part of the Monthly Fee. If Resident occupies a ground-level Residential Home, then Resident may plant and must maintain areas approved by Dunwoody adjacent to the Residential Home in accordance with Dunwoody policy, which is subject to change from time to time. If the Resident fails to maintain his or her garden area, Dunwoody may maintain this area and charge the Resident an hourly fee for this service.

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## **E. Utilities**

Dunwoody will furnish hot and cold water, electricity, heating and air conditioning, sewer, trash removal, community-wide generator, basic cable service and one basic cable TV hook-up. Premium channel service charges and internet access are not included in the Monthly Fee and shall be paid by the Resident. Telephone wiring is available to each apartment; however, installation of telephones and monthly service costs are not part of the Monthly Fee and shall be the Resident's financial responsibility.

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## **F. Transportation Outside Dunwoody**

Dunwoody will provide limited transportation for medical appointments to the Dunwoody Physicians in accordance with Dunwoody policy, which is subject to change from time to time. Transportation is provided to the local shopping centers periodically, at no charge.

On Sundays, Dunwoody provides transportation to a limited number of nearby churches. Private drivers are available on a fee-for-service basis. All transportation is provided in accordance with Dunwoody policy, which is subject to change from time to time.

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## **G. Transportation Within Dunwoody**

Transportation by wheelchair within Dunwoody may be provided according to Dunwoody policy, which may be changed from time to time.

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## **H. Additional Services Provided by Dunwoody**

Other miscellaneous services provided by Dunwoody: use of a living accommodation; use of community facilities such as lobbies, dining rooms, auditorium, lounges, library, game room, art studio, wood shop, swimming pool and Jacuzzi, social and recreational amenities, and other public facilities; open parking spaces; washers and dryers for personal use; property insurance for Dunwoody's buildings, improvements, equipment, furniture, and liability; Township, County and School taxes; Community wide generator.

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## **I. Additional Miscellaneous Services not included in the Monthly Fee**

Miscellaneous services available but not included in the monthly fee: Beauty and Barbershop services; personal laundry; carports; telephone service.

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## **J. Changes in services**

Dunwoody reserves the right, in its sole and absolute discretion, to provide additional services or delete existing services from those services included in the Monthly Fee. Thirty (30) days advance notice of any such changes in services shall be provided.



# Summary of Health Care

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## A. Role of Dunwoody's Medical Director

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Dunwoody will appoint a Physician licensed to practice medicine in the Commonwealth of Pennsylvania as Dunwoody's Medical Director, to oversee the medical affairs of Dunwoody and to coordinate the provision of Personal Care services and Routine Nursing Care services to the Resident.

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## B. Physicians

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Resident may choose a Dunwoody Physician as his/her primary physician or Resident may retain his/her own physician. Non-Dunwoody physicians will agree to the rules and regulations of Dunwoody Village established by Dunwoody's Medical Director.

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## C. Response Call System/ Dunwoody Medical Response

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Dunwoody provides a response call system used to alert staff of medical and non-medical situations and emergencies. Residents have access to devices in their home that, when activated, will alert nursing and security staff of an event. Nursing personnel will respond to urgent matters within a reasonable timeframe as defined by Dunwoody Village. Calling 911 for medical assistance may expedite emergency treatment.

***Dunwoody does not provide Emergency Medical Services (EMS) or Emergency Medical Technicians (EMT).***

Dunwoody disclaims any and all responsibility for responding to medical emergencies and for any liability for any injury or damages resulting from the mechanical failure of the Response Call System.

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## D. Prescription Drugs

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Resident is responsible for all prescription drug charges.

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## E. The Care Center

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Dunwoody shall provide Routine Nursing Care and/or Personal Care services in the Care Center for temporary and permanent illnesses. Upon transfer to the

Care Center, Resident shall sign a separate admission agreement. In the event that any payment provisions of the admission agreement for the Care Center are in conflict or inconsistent with any of the terms or provisions of this Agreement, then this Agreement shall control and govern the relationship between Resident and Dunwoody.

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## F. Costs in the Care Center

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### *Single Occupancy*

The Monthly Fee covers Routine Nursing Care or Personal Care services in the Care Center but it will be adjusted for the cost of meals in accordance with the Residence Agreement and with the rules and regulations promulgated for the operation of the Care Center. The licensure regulations of the Commonwealth of Pennsylvania require a Care Center Resident to be served three meals a day.

### *Double Occupancy*

Upon transfer of one or both Co-Residents to the Care Center, the obligation to pay the Monthly Fee shall continue. The Monthly Fee covers Routine Nursing Care or Personal Care services, and may be adjusted, if necessary, for the cost of meals in accordance with the Residence Agreement and with the rules and regulations promulgated for the operation of the Care Center.

If one of two Co-Residents occupying a Residential Home has been permanently transferred to the Care Center, the Co-Resident in the Care Center will be billed one-half (1/2) of the Monthly Fee for Double Occupancy of the Residential Home occupied prior to the time of the permanent transfer. The other Co-Resident shall be billed one-half (1/2) of the Monthly Fee for Occupancy of the Residential Home then being occupied. Both Co-Residents remain jointly and severally obligated to pay for these separately billed amounts. If the Co-Resident remaining in the Residential Home transfers to a smaller Residential Home, the charge for the Co-Resident in the Care Center will not be adjusted, but will remain at one-half (1/2) of the Monthly Fee for Double Occupancy of the Residential Home occupied at the time of the permanent transfer. The Co-Resident remaining in the

Residential Home may move to a smaller Residential Home, if available, and shall be obligated to pay one-half (1/2) of the Monthly Fee for Double Occupancy for the Residential Home into which the Co-Resident transfers or the Studio rate if the Co-Resident transfers to a Studio. In the event the Co-Resident remaining in the Residential Home transfers to a smaller Residential Home, then no refund of any portion of the Entry Fee shall be paid.

### ***Monthly Fee Coverage and Ancillary Charges***

The Monthly Fee covers only Routine Nursing Care and Personal Care services. All miscellaneous charges and fees for Ancillary Services not included in Routine Nursing Care or Personal Care services are an additional charge and shall be paid by Resident. A description of Ancillary Services not covered by or included in Routine Nursing Care or Personal Care services is provided to Resident upon admission to the Care Center and upon any change in such charges, or upon request.

### ***Exclusions***

The following items are not covered by the Monthly Fee: prescription drugs, over-the-counter drugs, hospitalization, ambulance services, therapy or rehabilitation services, physician services, Medicare deductibles and co-payments, medical or diagnostic tests, psychotherapy and psychiatric consultations or services, diagnostic services, dental services, dental surgery, chiropractic services, massage therapy, transplants, private duty nurses or companions, podiatry, refractions, eyeglasses, contact lenses, hearing aids, orthopedic devices and appliances such as walkers, braces, wheelchairs, special beds or chairs, incontinence supplies, personal care supplies such as disposable under-pads, toiletries, digestive aids and over-the-counter pharmaceutical and other health supplies, medical equipment and supplies, such as respirators, ventilators, intravenous equipment, catheterization materials, specialized treatment including ventilator dependent treatment, dialysis, and all services such as chemotherapy, blood transfusions, special rehabilitation services, or services in the Care Center in excess of Routine Nursing Care, and any other health or medical service not specifically set forth in this Agreement. Dunwoody at its discretion may provide any or all of the services not covered by the Monthly Fee at an additional charge, or refer Resident to another provider capable of providing higher acuity services.

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## **G. Other Health Care Services**

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### ***Nursing or Companion Services***

Resident may utilize the services of private duty nurses or companions providing personal or health care services in the Residential Home. Such services must be approved in advance and in writing by Dunwoody. Resident is responsible to pay for all such services.

Dunwoody employees, voluntarily or involuntarily separated from DV may not be engaged as private duty nurses or companions without the approval of DV. Dunwoody reserves the right to interview and approve all nurses and companions and are required to abide by Dunwoody policies.

Resident is required, at Dunwoody's sole discretion, to provide proof that use of private funds to pay for such services will not imperil the financial resources of Resident. In exchange for Dunwoody's consent to Resident's request for the services of a private duty nurse, companion, or other assistant, Resident releases Dunwoody from any liability for the acts or omissions of any such individual providing services to Resident in the Living Accommodation. Furthermore, Resident is responsible to pay for any damages or injuries caused to Resident, other persons, Residents or staff by any private duty nurses, companions or individuals providing companion, personal or nursing care services to the Resident in the Living Accommodation, and shall indemnify and hold Dunwoody harmless from any claims, actions, proceedings or damages of any kind, including attorneys' fees and legal costs, resulting from any of the actions or omissions of the private duty nurse or companion services utilized by Resident. Dunwoody Village does not permit live-in companions.

### ***Hospitalization or Special Service Facility Care***

Resident shall continue to pay the Dunwoody Monthly Fee while residing at another facility unless this Agreement is terminated.

### ***Accident or Illness Away From Dunwoody***

In the event Resident suffers an accident or illness while away from Dunwoody, and Resident relies on health care and support services available in the area

where the accident or illness occurred, Resident's health insurance or other personal resources available must be used for payment for such services. Resident shall make every reasonable effort to notify Dunwoody of the accident or illness, and upon Resident's return to Dunwoody, Resident shall be entitled to all benefits under the Residence Agreement.

### ***Limitations on Care***

The Care Center is not designed to care for persons who are afflicted with uncontrolled or untreated mental illness resulting in behavior contrary to the Conditions of Occupancy, active alcohol or drug abuse or who require specialized psychiatric care or services not authorized or permitted under the applicable licensure regulations. If Dunwoody determines that Resident's mental or physical condition is such that Resident's, or in the case of Double Occupancy, one Co-Resident's continued presence in Dunwoody is either dangerous or detrimental to the life, health, or safety of Resident, Co-Resident, or other residents or staff or the peaceful enjoyment of Dunwoody by other residents, Dunwoody may transfer Resident to an appropriate outside care facility. If the transfer is for a temporary period, then the Resident shall continue to pay the applicable Monthly Fee and also shall be responsible to pay for the cost of Resident's, or in the case of Double Occupancy, Co-Resident's care in such other facility. If the transfer is to be permanent, then the Termination provisions of this Agreement shall apply, except that only such notice of Termination as is reasonable under the circumstances shall be given in any situation where the Resident is a danger to self or others, or to the health, safety or peace of Dunwoody.

### ***Limitation on Resident's Liability***

If a health care provider seeks payment from Resident for health care services which are the responsibility of Dunwoody to pay under this Agreement, then Dunwoody shall hold Resident harmless from all loss or liability arising from such claims for payment.



# General Information

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## PRICING HISTORY

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The 5-year History of Entrance and Monthly Fees for a One-Bedroom Apartment (Non-refundable option):

	ENTRANCE FEE		MONTHLY FEE	
	SINGLE	DOUBLE	SINGLE	DOUBLE
2016	\$ 150,000	\$ 165,000	\$ 3,180	\$ 5,450
2015	\$ 150,000	\$ 165,000	\$ 3,180	\$ 5,450
2014	\$ 147,000	\$ 162,000	\$ 3,089	\$ 5,292
2013	\$ 147,500	\$ 162,500	\$ 2,999	\$ 5,138
2012	\$ 144,500	\$ 159,500	\$ 2,926	\$ 5,013

The entrance fee is a one time fee paid by new residents upon completion of the admission process and is not subject to any change or increase during the duration of the agreed upon care. Entrance fees are adjusted annually based on market conditions. Monthly fees are adjusted annually based on operating costs.

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## MEDICAL DEDUCTION

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A substantial portion of the Entrance Fee and Monthly Fee at Dunwoody Village is tax deductible. The deductible percentage has averaged approximately 33% over the last 5 years.

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## NOTICE OF RIGHT TO RESCIND

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Date rescission period begins \_\_\_\_\_. You may rescind and terminate your Residence Agreement without penalty or forfeiture within seven (7) days of the above date. You are not required to move into the continuing care facility (i.e. Dunwoody) before the expiration of this seven (7) day period. No other agreement or statement you sign shall constitute a waiver of your right to rescind your Agreement within this seven (7) day period.

To rescind your Residence Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating your desire to rescind to the following address:

Dunwoody Village  
3500 West Chester Pike  
Newtown Square, Pennsylvania 19073-4168  
*Attention: President/CEO*

Not later than midnight of \_\_\_\_\_ (last day for rescission).

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## DUNWOODY VILLAGE CANCELLATION FORM

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Pursuant to this notice, I hereby cancel my Residence Agreement.

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PROSPECTIVE RESIDENT'S SIGNATURE

DATE





A Non-Denominational,  
Not-for-Profit  
Continuing Care  
Retirement Community

 **Pet Friendly**

3500 West Chester Pike • Newtown Square, PA 19073 • 1-800-DUNWOODY • [www.dunwoody.org](http://www.dunwoody.org)

