

# DISCLOSURE STATEMENT

October 2024

**FILED**

Commonwealth of Virginia  
State Corporation Commission  
Bureau of Insurance

December 27, 2024

Commissioner of Insurance

BY: *Youngu Jones*



Westminster Canterbury  
OF THE BLUE RIDGE

Westminster-Canterbury of the Blue Ridge  
250 Pantops Mountain Road, Charlottesville, VA 22911

[www.westminstercanterbury.org](http://www.westminstercanterbury.org)





## **DISCLOSURE STATEMENT**

**October 2024**

The filing of the disclosure statement with the State Corporation Commission does not constitute approval, recommendation or endorsement of the facility by the State Corporation Commission.



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## Required Information

### I. CONTINUING CARE PROVIDER

**Give the name and business address of the provider and a statement of whether the provider is a partnership, foundation, association, corporation or other type of business or legal entity. Such statement shall also set forth the jurisdiction in which the provider is organized if applicable. If the provider is composed of multiple legal entities, give the required information for all such entities and provide a specific description of their relationship to each other.**

Westminster-Canterbury of the Blue Ridge (the "Corporation") is a non-stock, not-for-profit corporation. It was organized in July 1985 under the laws of the Commonwealth of Virginia according to guidelines established in 1981 by the executive committees of Westminster Presbyterian Homes, Inc. and Virginia Diocesan Homes, Inc. The purpose of the Corporation is to operate a life-care facility to serve the Charlottesville/Albemarle area. Under the Lifecare concept, it is the aim of the Corporation to ensure that the residents of its community receive all necessary medical and nursing care for life, without incurring catastrophic losses due to the expense of such care.

The business address of the Corporation is:

250 Pantops Mountain Road  
Charlottesville, VA 22911  
(434) 972-3100

The registered agent for the Corporation is:

J. Brian Jackson, Esq.  
McGuire Woods  
323 2nd St., SE  
Suite 700  
Charlottesville, Virginia 22902  
(434) 977-2500

### II. OFFICERS AND TRUSTEES

**Give the names and business addresses of the officers, directors, trustees, managing or general partners, and any person having a ten percent or greater equity or beneficial interest in the provider, and a description of such person's interest in or occupation with the provider. In the case of a non-stock corporation also provide the required information for members of the non-stock corporation.**

Board of Trustees. The business and affairs of the Corporation are managed by a voluntary Board of Trustees, all of whom are elected by Westminster-Canterbury of the Blue Ridge. Trustees are elected for three-year terms and may serve three consecutive terms.

The members of the Board of Trustees for the 2024 board year, their business affiliations and addresses are as follows:

| <b>Board Member</b>  | <b>Principal Business Affiliation and Address</b>  |
|--|--|
| Allison Agarwal Novak<br>Chair<br><i>Term expires 12/31/24</i>     | Retired Registered Nurse<br>2771 Peppervine Court<br>Charlottesville, VA 22911   |
| Carol F. Ham<br>Vice Chair<br><i>Term expires 12/31/24</i>         | Wealth Management Advisor<br>Merrill Lynch<br>3218 Wallingford Lane<br>Keswick, VA 22947                                       |
| Anna D. Buchanan<br>Treasurer<br><i>Non-Trustee</i>                | Westminster-Canterbury of the Blue Ridge<br>Chief Financial Officer<br>2734 Fernleaf Road<br>Charlottesville, VA 22911         |
| Ross T. Thomas<br><i>Secretary</i><br><i>Term expires 12/31/26</i> | Retired Technology<br>250 Pantops Mountain Road, A5135<br>Charlottesville, VA 22911  |
| Leone Ciporin<br><i>Term expires 12/31/24</i>                      | Retired Government Affairs<br>2759 Peppervine Court<br>Charlottesville, VA 22911   |
| G. Kelly Eplee<br><i>Term expires 12/31/25</i>                     | Nonprofit Management and Leadership<br>2177 Tom Mountain Lane<br>North Garden, VA 22959  |
| Terry S. Forbes<br><i>Term expires 12/31/26</i>                    | VMDO Architects<br>1964A Lewis Mountain Road<br>Charlottesville, VA 22903  |
| Rebecca Hill<br><i>Term expires 12/31/24</i>                       | Patient Safety & Risk Management<br>University of Virginia Medical Center<br>927 Summit View Lane<br>Charlottesville, VA 22903 |

J. Brian Jackson  
*Term expires 12/31/26*

Attorney  
McGuireWoods  
323 Second St. SE, Suite 700  
Charlottesville, VA 22902

Tyler S. Kendall  
*(Ex Officio)*

President and CEO  
Westminster-Canterbury of the Blue Ridge  
250 Pantops Mountain Road  
Charlottesville, VA 22911

David M. Maloney  
*(Ex Officio)*

Retired Professor of Accounting and Business  
2778 Town Mews Lane  
Charlottesville, VA 22901

Lawrence J. Martin  
*Term expires 12/31/24*

CPA  
Hantzmon Wiebel  
108 Key West Drive  
Charlottesville, VA 22911

Daniel L. Oakey  
*Term expires 12/31/26*

Finance  
3822 Red Hill School Road  
North Garden, VA 22989

David M. Oakland  
*Term expires 12/31/24*

VMDO Architects  
1630 Owensville Road  
Charlottesville, VA 22901

Glenn W. Rust  
*Term expires 12/31/25*

President and CEO  
Virginia National Bank  
900 Rainier Road  
Charlottesville, VA 22903

David Trautman  
*Term expires 12/31/24*

Retired Military and Telecommunications  
250 Pantops Mountain Road, C244  
Charlottesville, VA 22911

David H. Whitcomb  
*Term expires 12/31/25*

Retired Financial Management  
250 Pantops Mountain Road, C86  
Charlottesville, VA 22911

No person has a ten percent or greater equity or beneficial interest in the Corporation. The Corporation has no members.

**III. Business Experience of; Acquisition of Goods and Services from; and Criminal, Civil and Regulatory Proceedings against the Provider; its Officers, Directors, Trustees, and the Management. For (i) the**

**provider, (ii) any person named in the previous section or (iii) the proposed management, if the facility will be managed on a day-to-day basis by a person other than an individual directly employed by the provider:**

The organization is managed by a person directly employed by the Corporation.

**a. Give a description of any specific business experience in the operation or management of similar facilities.**

Management, collectively, has a great deal of experience in the marketing, operation and financial management of similar organizations. Trustees bring experience from diverse fields such as banking, business and financial management, development, education, health care, public relations, and real estate. As to relevant business experience, please see Article II, above and Paragraph d. below.

**b. Give the name and address of any professional service, firm, association, foundation, trust, partnership or corporation or any other business or legal entity in which such person has, or which has in such person, a ten percent or greater direct or indirect interest and which it is presently intended will or may provide goods, leases or services to the provider of a value of \$500 or more, within any year.**

No officer, trustee, or the provider has, or no entity has in any of the aforementioned persons, a ten percent or greater direct or indirect interest in any entity which it is presently intended will or may provide goods, leases, or services to the provider of a value of \$500 or more, within any year.

**c. Give a description of any matter in which such person:**

**(1) Has been convicted of a felony or pleaded nolo contendere to a felony charge, or been held liable or enjoined in a civil action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property; or**

**(2) Is subject to an injunctive or restrictive order of a court of record, or within the past five years had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activity or health care, including without limitation actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under this chapter or similar laws in another state; or**

**(3) Is currently the subject of any state or federal prosecution, or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, or misappropriation of property.**

None of the items listed in paragraphs (1), (2) and (3) of this Section III.c. applies to Westminster-Canterbury of the Blue Ridge, its Officers, Trustees or Management. Each person named in the previous Section has certified to the Corporation that none of the items listed in paragraphs (1), (2) and (3) of this Section III.c. is or has been applicable to him or her.

**d. Management and Consultants**

In addition to the experience and expertise of the members of its Board of Trustees, the Board has the benefit of the expertise of the following staff and consultants, whom the Corporation has engaged to assist it in the development and management of the facility.

Tyler S. Kendall, President and Chief Executive Officer. Mr. Kendall joined Westminster-Canterbury in July 2024 as President and Chief Executive Officer. He holds a Bachelor of Science in Health Professions from Texas State University and maintains a Licensed Nursing Home Administrator license. Mr. Kendall has over 26 years of experience in leading operations, development and management of continuing care retirement communities, assisted living, memory care, skilled nursing, home health, hospice and HUD independent living communities. In his prior role, Mr. Kendall served as the Vice President of Post-Acute Care Services for the Hamilton Health Care System in Dalton, Georgia. He has also served as the Director of Operations at the Mary E. Bivins Foundation in Amarillo, Texas, and as Executive Director at Grand Court Lifestyles in Amarillo, Texas.

Anna D. Buchanan, Chief Financial Officer. Ms. Buchanan joined Westminster-Canterbury in January 2019 as Chief Financial Officer after having served for two years on the Westminster-Canterbury Board and as Finance Committee Chair. She holds a master's in business administration from the Darden School at the University of Virginia as well as a Bachelor of Science degree in Petroleum Engineering from West Virginia University. Ms. Buchanan has over 30 years of experience in leadership, financial management, operations, information systems, and strategy. In her prior role, Ms. Buchanan served as Chief Financial Officer for West Virginia University Health System's East Region where she oversaw the financial management of two hospitals, a 100-member physician group practice, and hospital foundation. Ms. Buchanan also served as the Director of Financial Planning for Sentara Martha Jefferson Hospital where she developed the strategic capital planning process, managed the annual budgeting process, and led the financial analysis and decision support functions.

Bethanie Constant, CFRE, Vice President of Mission Advancement. Ms. Constant joined Westminster-Canterbury in June 2021 as Vice President of

Development. She holds a bachelor's in history from Lander University and is a Certified Fund Raising Executive, holding certificates in Fundraising and Development and Managerial Effectiveness. Ms. Constant has over 20 years of experience in the non-profit sector and has served as the Vice President of Advancement at Marymount University, Senior Director of Advancement at Virginia Commonwealth University's College of Humanities and Sciences, and in roles at UMFS and Junior Advancement of Central Virginia, Inc.

John Kovaleski, Vice President of Operations. Mr. Kovaleski joined Westminster-Canterbury in January 2018 as Vice President of Operations. In this role, he is responsible for overseeing operations and planning in the support services (dining, facilities, maintenance, environmental, guest services and resident services) departments. He is a graduate of The Culinary Institute of America in Hyde Park, New York with a degree in Occupational Studies, Culinary Arts and Hospitality. Mr. Kovaleski has over 30 years of experience in the hospitality, health care and service industries. In his prior role, Mr. Kovaleski was a Regional Director of Operations for Compass Group where he focused on contract services in the acute care and senior living industries, servicing many continuing care retirement communities in the mid-Atlantic region.

Debbie Desmond, Vice President, Human Resources and Organizational Development. Ms. Desmond joined Westminster-Canterbury in February 2019 as Vice President of Human Resources and Organizational Development. She holds a master's in business administration from Walden University and has a bachelor's from the University of Mary Washington. Ms. Desmond is a certified Senior Human Resource Professional (SPHR, SHRMSCP) and a graduate of the Leadership Charlottesville Program. Before joining Westminster-Canterbury, Ms. Desmond was employed by Sentara Martha Jefferson Hospital for 24 years where she served as Director of Human Resources for 18 years and Human Resources Business partner for six years. In that role, she focused on operations and strategy in human resources and physician services.

Deidra Jane Massie, Vice President of Marketing. Ms. Massie joined Westminster-Canterbury in November 2021 as the Vice President of Marketing. She holds bachelor's in psychology and sociology from the University of Virginia and is also a graduate of the Leadership Charlottesville Program. Over her 30-year career, she has held numerous sales and marketing positions having most recently served as the Director of Sales & Marketing for several senior living communities in Charlottesville, Virginia. She also has experience in the financial services and pharmaceutical industries. Ms. Massie serves on the board of The Center at Belvedere and on the University of Virginia's Olli-Lifelong Learning Institute Philanthropy and Marketing committees, both are non-profit organizations.

Leah Queen, Health Services Administrator. Ms. Queen joined Westminster-Canterbury in January 2022 as the Assisted Living Administrator.

She holds a Master of Strategic Leadership from Mountain State University and a bachelor's in psychology and criminal justice from Radford University. She became a Virginia Licensed Nursing Home Administrator in 2016. Ms. Queen has over 14 years of experience in long-term care serving in various roles. Prior to joining Westminster-Canterbury, Ms. Queen's career was spent in the for-profit sector of long-term care.

### Consultants

WCBR has entered into several agreements for the provision of certain services. These include agreements with:

- The University of Virginia Physicians Group, to provide medical direction and consultation of its licensed care facilities.
- Powerback Rehabilitation Services to provide consultation and physical, occupational, and speech/language therapy.
- PruittHealth Pharmacy to provide clinical pharmacy services for its licensed care facilities.
- Compass Community Living to provide management and procurement of its dining program.

Other consultants are also engaged from time to time to assist the organization with marketing and creative services, financial, legal and other business matters.

### **IV. OWNERSHIP OF REAL PROPERTY**

**Give full and detailed information regarding direct and indirect ownership of the property on which the facility is or will be operated and of the buildings in which it is or will be operated.**

The real property upon which the facility is located is described in Article V., below. The Corporation purchased this property in February 1989. In 1995 and 1997, a total of approximately thirty-five additional, contiguous acres of land were purchased. In 2016, two acres located at the foot of Pantops Mountain Road were purchased. In 2023, WCBR Land Holdings LLC purchased fifty additional acres adjacent to the existing campus. The buildings are owned by the Corporation.

### **V. LOCATION AND DESCRIPTION OF REAL PROPERTY**

**Give the location and description of the real property of the facility, existing or proposed, and to the extent proposed, the estimated completion date or dates of improvements, whether or not**

**construction has begun and the contingencies under which construction may be deferred.**

The real property consists of approximately 56 acres on Pantops Mountain in Albemarle County, one mile from the city limits of Charlottesville off of Route 250, plus two acres at the corner of Route 250 and Pantops Mountain Road and 50 acres bordering Route 250 and the partial eastern boundary of other owned real property. The life-care community provides all private accommodations which include:

- 221 independent living apartments
- 60 cottages
- 52 nursing care beds (all are dually certified)
- 45 Catered Living (Assisted Living) residences
- 12 Vista (Assisted Living) rooms for memory support

Additional health and wellness amenities available to all residents include an outpatient health clinic, rehabilitation center (for physical, occupational and speech therapy), and fitness and aquatic center. Common areas are numerous and include a chapel, various meeting rooms, gardens, a gift shop, bank, library, billiards room, wood shop, beauty salon, 17-acre nature preserve and other common areas.

**VI. AFFILIATIONS WITH RELIGIOUS, CHARITABLE OR OTHER NONPROFIT ORGANIZATIONS; TAX STATUS OF PROVIDER**

**Give a statement as to:**

**a. Whether the provider is or ever has been affiliated with a religious, charitable or other nonprofit organization, the nature of any such affiliation, and the extent to which the affiliate organization is or will be responsible for the financial and contractual obligation of the provider.**

The Corporation was incorporated on July 2, 1985, as a Virginia non-stock corporation under guidelines approved by the Virginia Diocesan Homes, Inc., 4800 Fillmore Avenue, Alexandria, Virginia 22311 (VDH, a Virginia non-stock not-for-profit corporation organized by the Protestant Episcopal Church of the Diocese of Virginia) and Westminster Presbyterian Homes, Inc., 1908 W. Twin Cover Road, Virginia Beach, VA 23454 (WPH, a Virginia non-stock not-for-profit corporation organized by the Synod of the Mid-Atlantic of the Presbyterian Church in the United States). The purpose of organizing the Corporation was to consolidate the resources of both denominations to create a new entity to construct and operate a new residential life-care facility for older adults in the Charlottesville/Albemarle area of Virginia. Neither VDH nor WPH is responsible for the financial and contractual obligations of the Corporation.

The Corporation formed Westminster-Canterbury of the Blue Ridge Foundation in 1998 as a Type I supporting organization to support the charitable activities of Westminster-Canterbury of the Blue Ridge.

**b. Any provision of the Federal Internal Revenue Code under which the provider is exempt from the payment of income tax.**

Both the Corporation and the Foundation are exempt from the payment of income tax under Section 501(c)(3) of the Internal Revenue Code of 1986.

**VII. SERVICES PROVIDED UNDER CONTINUING CARE CONTRACTS**

**Describe the services provided or proposed to be provided under continuing care contracts, including the extent to which medical care is furnished. The disclosure statement shall clearly state which services are included in basic continuing care contracts and which services are made available by the provider at extra charge.**

The services proposed to be provided by the Corporation are set forth in the Lifecare Services and Residence Agreement, which is annexed to this disclosure statement in Appendix A. In addition to the usual agreement, the Corporation makes available a limited number of assisted living agreements for direct admission to the Catered Living or Vista programs, also annexed in Appendix A.

**VIII. FEES REQUIRED OF RESIDENTS**

**Give a description of all fees required of residents, including any entrance fee and periodic charges. The description shall include the manner by which the provider may adjust periodic charges or other recurring fees and any limitations on such adjustments. If the facility is already in operation, or if the provider operates one or more similar facilities within this Commonwealth, there shall be included tables showing the frequency and average dollar amount of each increase in periodic rates at each facility for the previous five years or such shorter period that the facility has been operated by the provider.**

The Resident is required to pay a lump-sum entrance fee (see Lifecare Services and Residence Agreement, Section III.D.) before occupancy, and a monthly fee thereafter (see Lifecare Services and Residence Agreement, Section III.E.). The monthly fee shall be payable so long as the Lifecare Services and Residence Agreement remains in effect, and shall not be altered upon the Resident's transfer to Catered Living, the Health Center or an external facility (see Lifecare and Residence Agreement, Article V.), except as required by the terms of the modified contract, if chosen. For couples who share an apartment or cottage, the Entrance Fee is less than the applicable Entrance Fees for two

single persons. The Entrance Fee may be partially refundable (see Lifecare Services and Residence Agreement, Section VI.E.).

The Corporation offers two primary payment and refund options with respect to the Entrance Fee of residents who intend to enter into a Lifecare Services and Residence Agreement.

Standard

The Entrance Fee will be partially refundable for a period of 50 months after the Agreement Date. The refundable amount will be reduced by 2% per month for the first 50 months; thereafter there will be no refund.

Refundable

If the agreement is terminated during the first 25 months after the Agreement date, the entire entrance fee (less Financial Assistance granted), shall be refunded, less two percent of the entrance fee for each month or part of a month following the Agreement date.

If the Agreement is terminated at any time after the end of the 25<sup>th</sup> month from the occupancy date, an amount equal to 50 percent of the entrance fee (less Financial Assistance granted) shall be refunded.

Schedule of Initial Fees

A schedule of fees is annexed to this disclosure statement as Appendix D.

Entrance Fees may not be adjusted after payment in full and execution of a Lifecare Services and Residence Agreement. However, Entrance Fees are subject to increase at any time for units which are not subject to the Agreement, or for units which are remarketed after death or withdrawal of the initial resident.

Monthly fees may be adjusted by the Corporation upon at least 30 days' notice. However, the Corporation shall endeavor to maintain the monthly fees at the lowest possible rate consistent with sound financial practice and maintenance of services as provided in the Lifecare Services and Residence Agreement.

Adjustments may be made to the Entrance Fee and Monthly fees in the event that (i) the Resident marries, (ii) the Resident chooses to change units within the Community and (iii) upon the death of one member of a resident couple. (See Lifecare Services and Residence Agreement, Articles IV. and V.) The

Corporation intends to extend financial assistance in appropriate cases. (See Lifecare Services and Residence Agreement, Article VIII.)

The facility began operating on October 15, 1990. The Corporation does not operate other facilities.

#### Additional Fees and Payments by Residents

In addition to the foregoing fees, Residents are required to pay for any additional services and supplies which the Corporation may provide over and above its obligations under the Lifecare Services and Residence Agreement.

For independent living units, the Corporation requires a Reservation Agreement (see Appendix A-6 of the Disclosure Statement) and payment of a percentage of the Entrance Fee prior to occupancy.

The Resident is also required to maintain certain insurance and health care coverage, and is responsible for the costs thereof. These include: (i) Medicare, or alternate insurance if the Resident is not eligible for Medicare (see Lifecare Services and Residence Agreement, Paragraph I.F.14.g.); (ii) supplemental insurance to cover co-insurance and deductible amounts applicable under Medicare (see Lifecare Services and Residence Agreement, Paragraph I.F.14.h.); and (iii) insurance of personal property and personal liability insurance (see Lifecare Services and Residence Agreement, Section IV.).

The Resident is also responsible for certain health-related charges (many of which should normally be covered by the Medicare and insurance coverage referred to above). These include charges of physicians and other health professionals (other than the Corporation's nursing staff), hospital charges and charges for medicine. (See Lifecare Services and Residence Agreement, Paragraph I.F.14.i.)

Required placement at an alternate care facility due to health needs outlined in Section V.D. of the Lifecare Services and Residence Agreement necessitates that fees for that care in excess of WCBR monthly fees will be paid by the resident.

#### Fees on Termination

With respect to refunds and continuing obligations on termination, see Lifecare and Residence Agreement, Article VI.

### **IX. RESERVE FUNDING**

**Describe any provisions that have been made or will be made to provide reserve funding or security to enable the provider to fully**

**perform its obligations under continuing care contracts, including the establishment of escrow accounts, trusts or reserve funds, together with the manner in which such funds will be invested and the names and experience of persons who will make the investment decisions. This description shall include a specific explanation of how the value of any such reserve funding was established and, if available, it shall include the opinion of a qualified actuary.**

Westminster-Canterbury of the Blue Ridge has established the following reserve funds:

#### Bond Interest and Bond Principal Funds

As required by Westminster-Canterbury of the Blue Ridge's bond indentures, the trustee holds Bond Interest and Bond Principal Funds to fund the semi-annual payment of interest and annual redemption of certain series of outstanding bonds payable.

#### Fellowship Fund

Westminster-Canterbury of the Blue Ridge has established a Fellowship Fund to assist residents who are or who may become unable to pay their monthly fees or other amounts due Westminster-Canterbury of the Blue Ridge. This fund is invested by professional investment advisors.

WCBR established the WCBR Foundation in 1998 for further development and expansion of WCBR's charitable fundraising. The Foundation's primary purpose is the growth and enhancement of the Foundation assets to facilitate the various charitable intentions and programs developed by the Boards of WCBR and its Foundation. The assets of the Foundation are incorporated in the combined audited financial statements.

#### Other Reserve Funds

Westminster-Canterbury of the Blue Ridge maintains other reserve funds to address special programs, projects or to address certain capital requirements. Several of those reserve funds are funded through purpose-restricted investments.

The following reserves maintained as of June 30, 2024:

|   |              |
|---|--------------|
| <i>Purpose-Restricted Investments</i>     | \$13,902,151 |
| <i>Perpetually-Restricted Investments</i> | \$ 2,096,563 |
| <i>Unrestricted Investments</i>           | \$81,991,394 |

### Entrance Fees

Entrance fees become the property of the Corporation upon payment.

The entrance fees and monthly fees shown in the income statements have been calculated taking into account mortality and morbidity assumptions applicable to the population.

### Actuarial Funded Status

Westminster-Canterbury of the Blue Ridge calculates, reviewed by its actuary, A. V. Powell and Associates, the actuarial position of WCBR. The results provide WCBR with an evaluation as to the ability of WCBR to meet its future service obligations to the residents. Based on current estimates, Westminster-Canterbury of the Blue Ridge can fully satisfy its obligations under its continuing care contracts.

### Refunds

Westminster-Canterbury of the Blue Ridge calculates and pays these refunds out of the proceeds of entrance fees and/or its current investments annually.

## **X. CERTIFIED FINANCIAL STATEMENTS**

**Give certified financial statements of the provider, including (i) a balance sheet as of the end of the two most recent fiscal years and (ii) income statements of the provider for the two most recent fiscal years or such shorter period that the provider has been in existence. Such statements shall conform to generally accepted accounting principles and shall be certified by an independent, certified public accountant. The opinion of the independent, certified public accountant shall be included in this section.**

Certified financial statements for the Corporation's two most recent fiscal years, ending June 30, 2024, and 2023, are annexed to this disclosure statement.

## **XI. PRO FORMA INCOME STATEMENT**

**Give a pro forma income statement for the current fiscal year. This statement shall conform to generally accepted accounting principles and shall include a specific description of the major assumptions used in developing the pro forma statement.**

A pro forma revenue and expenses statement for the fiscal year ending June 30, 2025, is annexed to this disclosure statement as Appendix C.

## **XII. ADMISSION OF NEW RESIDENTS**

### **Give a description of the provider's criteria for admission of new residents.**

New residents must meet the following criteria:

- a. Be 62 years of age or older at the time of occupancy. In the case of couples, one person may be younger than 62 years of age but must be at least 57.
- b. Submit a Confidential Financial Form along with copies of Medicare cards and supplemental health insurance cards. Financial statements will enable the Corporation to determine financial eligibility for entrance.
- c. Submit WCBR's medical form, completed by both the resident and the resident's primary care physician. The medical form documents the individual's current condition, whether they are capable of residing within a retirement community, and if they are appropriate for the level of care sought. For example, an independent living applicant must be physically and mentally capable of performing the routine activities of daily living. In addition, a TB test must be completed 30 days prior to residency.
- d. Participate in a Social Interview with a representative of the Corporation.

## **XIII. ACCESS TO FACILITY BY NON-RESIDENTS**

### **Give a description of the provider's policies regarding access to the facility.**

Westminster-Canterbury of the Blue Ridge restricts access to the facility and its services to residents and their guests. Vehicular access to the campus is restricted by a gatehouse.

The facility hosts meetings of numerous groups from the Charlottesville/ Albemarle area in the main building's various meeting spaces and the Pantops Classroom.

WCBR permits direct admission to its licensed Assisted Living and Nursing Care areas on a space available basis.

#### **XIV. CONCERN PROCEDURE**

In accordance with Virginia Code, the procedure by which a resident may file a complaint or disclose a concern is provided in Appendix F.

#### **XV. OTHER RELEVANT INFORMATION**

##### **a. Pending Litigation**

There is no pending litigation.

**b.** Additional information about the facility may be obtained from the Virginia Department of Social Services and the Virginia Department of Health. The respective web sites can be found at [www.dss.virginia.gov](http://www.dss.virginia.gov) and [www.vdh.virginia.gov](http://www.vdh.virginia.gov).

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## **APPENDIX A1**

Lifecare Services and Residence Agreement (Independent Living)





**LIFECARE SERVICES AND RESIDENCE AGREEMENT  
OF  
WESTMINSTER-CANTERBURY OF THE BLUE RIDGE  
LIFECARE RETIREMENT COMMUNITY  
CHARLOTTESVILLE, VIRGINIA**

This Lifecare Services and Residence Agreement ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between WESTMINSTER-CANTERBURY OF THE BLUE RIDGE, a nonstock, 501(c)(3) nonprofit corporation organized and incorporated under the laws of the Commonwealth of Virginia (hereafter referred to as the "Corporation" or "WCBR" and/or the words "we," "us," and "our") and \_\_\_\_\_ (hereafter referred to as "You" and "Your"). WCBR owns and operates WCBR as a registered Continuing Care Retirement Community ("CCRC" and/or "Community"). As such, it provides a continuum of care and other services and offers those services under this Lifecare Services and Residence Agreement.

You and WCBR agree as follows:

**I. RESIDENCE, COMMON AREAS, PROGRAMS, SERVICES AND AMENITIES**

- A. **Residence.** Subject to the terms and conditions of this Agreement, at the commencement of this Agreement, You will have the lifetime exclusive right to occupy, use and enjoy \_\_\_\_\_, Your Residence.
- B. **Furnishings in the Residence.** We will provide wood flooring, wall-to-wall carpeting, and/or other appropriate flooring, window coverings, emergency call system, refrigerator with icemaker, stove, oven, dishwasher, microwave, washer and dryer (in most residences) and garbage disposal.
- C. **Common Areas and Amenities.** We will provide common areas and amenities for the use and benefit of all Residents including: dining venues; library; community rooms; fitness area with indoor swimming pool and spa; beauty/barber shop; chapel; guest accommodations; and outdoor social and recreational facilities.
- D. **Parking.** WCBR provides surface and under-building parking for operable automobiles. We will provide one designated under-building parking space for all Blue Ridge and Pantops apartment residences and certain Monticello apartments. Parking is available for a personal vehicle of a Resident with a valid driver's license. WCBR does not provide parking for non-operable vehicles, recreational vehicles, boats, or other large vehicles. WCBR reserves the right to adjust the

designated parking locations based on Community needs. Cottage Residences are equipped with separate parking accommodations. You must maintain automobile liability insurance on any motor vehicle and register any motor vehicle with WCBR and the Virginia Department of Motor Vehicles.

**E. Storage.** In addition to the space in each residence, additional storage space may be designated for Apartment Residences, and which is subject to the terms of Section IV.L.

**F. Services and Programs. The following Services and Programs will be provided by WCBR during the term of this Agreement.**

1. **Utilities.** We will furnish heating, air conditioning, electricity, basic cable service, basic internet service, water, sewer service, trash removal, and landline telephone service. You are responsible for the charges related to cellular phone service, optional third-party internet services, digital subscription services, streaming services, and premium cable television service.
2. **Dining Services.** WCBR provides multiple dining venues and meal plan options for the enjoyment of all Residents and their guests. We also offer catering services for an additional fee. To offer Residents more control over their dining options, WCBR offers three declining balance meal plan options for Independent Living residents. You will only be charged for meals taken that exceed Your chosen meal plan option. Residents residing in any of the care areas will have their meal plan adjusted, as necessary, to include three meals a day. The current plan options and meal allowances are outlined in the Resident Handbook.
3. **Special Diets.** Special diets beyond vegetarian, gluten-free and diabetic may be provided upon order of physician and may be at an additional charge.
4. **Room Service.** Tray delivery service may also be provided in the Independent Living Residence during periods of short-term illness if ordered by our Clinic.
5. **Housekeeping Services.** We will provide weekly basic housekeeping and laundry service of clean bed and bath linens supplied by WCBR. Personal laundry and dry cleaning are Your responsibility.
6. **Laundry.** WCBR will provide washers and dryers in all cottages, Blue Ridge and Pantops apartments. Any Monticello residences without a washer and dryer have access to a laundry room on their floor.

7. **Grounds Keeping.** WCBR will furnish routine grounds keeping services including lawn, tree and shrubbery care for all common areas and cottages. If You occupy a Cottage, You may choose to plant and maintain areas in the back yard provided that such planting and maintenance do not interfere with the common pathways in the Community and have been previously approved by Us. The upkeep of any plantings will be Your responsibility. We maintain the right to remove the plantings and restore the area to be consistent with other areas maintained by WCBR if the area is not maintained by You. The cost of such work, if necessary, will be at Your expense.
8. **Maintenance and Repairs.** WCBR will maintain and repair all buildings and equipment owned by us. In the event of any damage to Your property caused by us, We will repair, replace, or reimburse You for any loss or damages. Similarly, You will be responsible for the cost of any damages to property owned by WCBR caused by You or Your guests. No modifications to Your residence will be permitted without our approval, including the use of any outside contractors You may wish to hire to perform work. Furthermore, You will not receive any refund or credit for any modifications made by You in the event that WCBR elects to retain such modifications. For extensive changes made without WCBR's written consent, WCBR reserves the right to charge a restoration fee intended to compensate WCBR for costs associated with removing modifications and/or restoring the Residence to a standard condition.
9. **Transportation.** WCBR will provide: local transportation for Residents to medical appointments, personal errands, and group trips. Transportation must be scheduled by filling out a transportation form.
10. **Safety.** WCBR will use reasonable care in providing security in the Community for You and Your property. Staff will be present at WCBR twenty-four (24) hours per day. Call devices and smoke detectors are located in each Residence. The Resident Handbook contains detailed information regarding safety policies and procedures for WCBR.
11. **Activities.** WCBR will provide planned and scheduled social, recreational, spiritual, educational, and cultural activities; classes; exercise, health and wellness programs; and other special activities. Some of these activities may require an additional charge.
12. **Administrative Services.** The Monthly Fee also includes the cost of personnel and administrative services required to deliver services to

Residents, maintain and support required staff, comply with regulatory requirements, maintain the assets of WCBR, and generally conduct prudent business practices.

13. **Property Taxes.** The Monthly Fee includes the cost of property taxes required of WCBR by Albemarle County.
14. **Health Care Services.** As a CCRC, WCBR provides an array of long-term care services in specially-designed and licensed areas. These include:
  - a. **Catered (Assisted) Living Services.** Catered Living is licensed by the Virginia Department of Social Services as an Assisted Living Facility to provide assistance with daily living activities that may include: bathing, dressing, grooming, meal preparation and administration of medication. Accommodations are in private rooms. Admission to Catered Living is predicated upon a physician's written order.
  - b. **Vista Memory Care.** Vista is licensed by the Virginia Department of Social Services as a special care Assisted Living Facility to provide a supportive and secured environment for persons with cognitive impairment such as Alzheimer's disease. Accommodations are in private rooms. Admission to Vista is predicated upon a physician's written order.
  - c. **Health Center.** The Health Center is licensed by the Virginia Department of Health as a Nursing Facility to provide short and long-term nursing care. Additionally, the Health Center has been certified to provide skilled nursing care under rules established by Medicare. As a licensed nursing facility, admission to the Health Center is predicated upon a physician's written order. Accommodations are in private rooms.

We will be responsible for nursing care not covered by Medicare, as defined below, if it is determined by our Medical Director that You require such care. We will also provide nursing care that is covered by Medicare, provided that You comply with this Section I.F.14. and have assigned applicable third party benefits to us.

Assisted Living (Catered Living and Vista) and Nursing Care (Health Center) Services provided under this Agreement are limited to that care given by WCBR. If, at any time should space not be available to You, we may find temporary placement in an appropriate setting until space within WCBR becomes available.

WCBR will be responsible for charges from the outside provider up to Your Monthly Fee.

(1) **Clinic.** A Clinic is available on-site during scheduled hours for Resident use on an outpatient basis.

WCBR may provide clinic services for certain examinations, consultations, tests, and appointments as authorized by WCBR.

Additional periodic services are provided through the Clinic as deemed necessary by WCBR and/or Your physician and may include: pharmacy, dental, podiatric, and optical services; laboratory tests and access to wheelchairs and other medical equipment and supplies. The cost of such services may be Your responsibility and/or may be billed to Your insurance by the physician recommending these additional services. You will be notified in advance of such services being performed.

(2) **Use of Clinic by Your Physician.** You are free to engage the services of a physician of Your own choice who may use the facilities of the Clinic, subject to applicable rules, regulations, credentialing, and current scheduling.

d. **Medical Director.** The overall supervision of Health Care Services will be provided by a Medical Director who will be a licensed physician selected by WCBR.

e. **Physician Services.** You are responsible for the cost of all physician services and are free to choose Your personal physician.

f. **Therapy Services.** Physical, occupational and speech therapists are available in the on-campus rehabilitation therapy department. You will be responsible for any costs not covered by Medicare or other insurances.

g. **Medicare and Health Insurance.** If You are eligible and have not already enrolled, You agree to (a) apply for and secure Your enrollment in the Hospital Insurance Benefits Program under Part A of Public Law 89-67 (Medicare Part A), or its successor program, and (b) during the next enrollment period following the filing of Your application for admission to WCBR, apply, pay the premiums, secure and maintain Your enrollment in the Medical Insurance Benefits Program under Part B of Public Law 89-67 (Medicare Part

B), or its successor program. If You are not eligible for these Programs, or they cease, You agree to obtain and provide proof of equivalent insurance coverage acceptable to WCBR in its sole and absolute discretion. If You do not obtain such coverage, You agree to pay us for all charges and for services rendered by us, our associates, or our agents, that would have been reimbursed by such insurance. If at any time You become eligible for payments from other private entities or governmental agencies for health services, You agree to make application for such payments. We will assist You in filing insurance or other claims for services provided by us. Upon our request and direction, You agree to execute an assignment of benefits to WCBR or to the physicians staffing the Clinic or Health Center for any services rendered by the same. You agree to notify WCBR if at any time your insurance changes.

- h. Supplemental Insurance.** You agree to obtain and provide proof of a supplemental insurance policy acceptable to us to pay Medicare co-insurance and deductible amounts and to provide major medical coverage in an amount not less than a \$250,000.00 lifetime maximum. Should You fail or neglect to obtain and maintain such coverage, You agree to pay us for services provided by our health care professionals (whether associates or agents) which would otherwise have been covered by such supplemental insurance. WCBR does not or may not be able to participate in all insurance programs. Residents who have a Medicare equivalent insurance will relinquish reimbursement to WCBR pertaining to skilled nursing care or any other services furnished by WCBR and covered by such policy.
- i. Health-Related Charges.** You will pay the following health-related charges. To the extent that these are covered by Medicare, or Your supplemental insurance or equivalent insurance, You will use Your best efforts, with our assistance, to recover the amount of such charges from the appropriate government agency or insurance carrier.

  - (1)** Charges of any physician, provider, physical, occupational, and speech therapist, podiatrist, or other health professional, excluding our nursing staff, whether providing care at the Community or elsewhere.
  - (2)** Hospital charges.
  - (3)** Charges for medications, vitamins, food supplements, dental work, glasses, hearing aids, adaptive equipment, durable medical equipment, and other health related items.

(4) Medical Transport Charges.

(5) Charges for any other health-related items or services that WCBR is not obligated to provide pursuant to this Agreement.

15. **Outside Service Providers.** Should You choose to engage the services of an outside party, unaffiliated with WCBR, for additional personal services delivered at WCBR, You agree to abide by all current WCBR policies and procedures for the use of such Service Providers to include various screenings, testing, verification of licenses and insurance. Additionally, Your Service Providers will be subject to rules and procedures as may be required by WCBR. You also agree to indemnify and hold harmless WCBR for any actions of such Service Providers.

## **II. RESIDENCE REQUIREMENTS AND PROCEDURES**

WCBR values diversity and will not discriminate based on race, religion, national origin, gender, or sexual orientation. Residency requirements and procedures for WCBR are as follows:

**A. Age.** The minimum age to qualify for a Lifecare Services and Residence Agreement is 62 years of age or older. However, if a resident has a spouse that is less than 62 years of age, but 57 years of age or older, the spouse may reside in the Community subject to a surcharge on the Entrance Fee, which will be calculated by adding (without compounding) 3% for each year (and prorated for the applicable partial year) until the spouse reaches age 62.

**B. Application Forms.** Upon application for residency at the time of the payment of the Ten Percent (10%) deposit, You will submit for approval the following:

1. **General Information form.** You must complete WCBR's General Information form, which simply provides WCBR with basic information about You.
2. **Personal Health History form.** You must complete WCBR's Personal Health History form to provide information regarding Your health.
3. **Physician's Report of Physical Examination form:** You will submit the Physician's Report of Physical Examination to Your personal physician. The report will include a statement by the physician that You are in good physical and mental health and capable of independent living (able to provide self-care in activities of daily living). You will be responsible for

the cost of such physical examinations, should one be required by Your physician. WCBR reserves the right to require You to have a physical examination by a physician approved by WCBR at any time prior to Occupancy. If, up until the time of Your contract, Your health differs materially from that disclosed in Your Application for Admission and Physician's Report of Physical Examination made at the time of the Ten Percent (10%) Deposit, WCBR will have the right to decline Your admission to the Residence and offer You a full refund of Your Ten Percent (10%) Deposit, less any costs required to return the Residence to its original condition and any outstanding charges due from You to WCBR.

4. **Confidential Financial Statement**: To qualify for admission, You must demonstrate that You have assets and income sufficient to pay Your financial obligations under this Agreement and to meet Your ordinary living expenses for the remainder of Your life. Approximately every two years, WCBR may require You to furnish current financial information or to provide a statement of no adverse change from Your Confidential Financial Statement filed with the application for admission.
- C. Upon receipt of the completed application forms, WCBR will review the forms submitted by You for initial acceptance to WCBR. You will be notified in writing within ten (10) business days of the decision.
- D. **Personal Meeting**. You will meet with WCBR's Director of Resident Services, Independent Living Licensed Clinical Social Worker, and the Clinic Nurse once You have made Your ten percent (10%) Deposit of the Entrance Fee for the Residence. The meeting will take place after receipt of Your completed Application Forms. Interviews of each person applying will be conducted in person, regardless of Your current location. WCBR will also make arrangements for You to meet with the Director of Resident Services in order to better familiarize You with our services.
- E. **Ten Percent (10%) Deposit**. To reserve Your Residence of choice until the Ready Date, You will enter into a Reservation Agreement and pay the Ten Percent (10%) Deposit, equivalent to ten percent (10%) of the Entrance Fee for the Residence.
- F. **Selections**. You will complete all final selections made for the Residence within 15 business days of the execution of the Reservation Agreement including the executed Upgrade Agreement, if applicable.
- G. **Ready Date**. WCBR will notify You of the date on which the Residence will be available for occupancy ("Ready Date"). WCBR retains the right to extend the Ready Date to account for delays in the preparation of the Residence as a result of changes requested by You after submission of Your Selections or unforeseen delays in any work performed by contractors.

- H. **Additional Disclosure.** WCBR may request additional or updated personal or medical information prior to Occupancy.
- I. **Agreement Execution Date.** You will choose an Agreement Execution Date, which shall be within ten (10) days following the Ready Date, at which time You will become financially responsible for the Residence. On the Agreement Execution Date, the balance of the Entrance Fee is due and payable, Your payment of Monthly Fees begins, and the Agreement is effective on this date.
- J. **Occupancy.** Occupancy begins when You have paid the Entrance Fee in full and accrual of first month's fee begins. Upon Occupancy, WCBR will be obligated to provide You with the services and amenities outlined in this Agreement. Continued Occupancy will be subject to ongoing payment of Your Monthly Fee and additional expenses. Occupancy will continue until termination of this Agreement by either You or WCBR as described in Article VI.
- K. **Representations.** You affirm that the representations made in the Personal Information form, Personal Health History form and Confidential Financial Statement form are true and correct and may be relied upon by WCBR as a basis for entering into this Agreement. Should such representations be deemed materially incomplete, WCBR reserves the right to terminate this Agreement and decline admission.
- L. **Decisions Regarding Admissions and Transfer.** WCBR will involve Resident and Resident's family and/or Representatives to the extent practical and permitted by applicable privacy laws in decisions regarding admissions, the transfer of a Resident to appropriate venues of care, or decisions regarding the safety and well-being of Resident. The role of the Resident's family and/or Representatives is advisory in nature. WCBR will have the final decision in all such matters, and such decisions will be binding.

### **III. FINANCIAL ARRANGEMENTS**

- A. **Double Occupancy.** If more than one person occupies or desires to occupy the Residence, they will both be equally and fully responsible for the payment of all fees required under this Agreement.
- B. **Entrance Fee.** WCBR offers several Entrance Fee options. The cost of any Selections or Upgrades made to the Residence by You will not be considered part of the Entrance Fee and will not be refunded to You.

**C. Entrance Fee Refund Plans:**

1. **Standard Option Refund Plan.** The Entrance Fee will be partially refundable during the first fifty months after the Agreement Execution Date. For each month (or partial month) after the Agreement Execution Date, the refundable amount will be reduced by 2% until 50 months have passed. Thereafter, there will be no refund.
2. **Refundable Option Plan.** At least 50% of the Entrance Fee will be refundable upon termination of this Agreement. The refundable amount will be reduced by 2% per month for the first 25 months after the Agreement Execution Date. Thereafter, there will be a refund of 50% of the Entrance Fee on termination or death, once the residence is re-occupied. The Refundable Option Plan requires You (one of You in the case of a couple) to be younger than 85 years of age at the Agreement Execution Date.
3. **Modified Option Plan.** If You choose the Modified Plan, \$ \_\_\_\_\_ per person is deducted from the Entrance Fee selected under the Standard Option Refund Plan. The deduction is not applicable for the Refundable Option Plan. Under the Modified Plan, when transfers to a care area occur, whether temporary or permanent, the first 365 cumulative days of care in Catered Living, Vista or Health Care are charged at the then current fiscal year per diem rate in addition to the Monthly Fee of the Independent Living residence occupied at the time of transfer. However, Skilled stays in Health Care where WCBR files claims with Medicare and secondary insurances as applicable are not counted toward the 365 days under this Plan. Beginning on the 366<sup>th</sup> cumulative day of care, the per diem charges cease and all subsequent days of care in Catered Living, Vista, or Health Care are covered by the Monthly Fee applicable to the Independent Living Residence last occupied. In all other regards, the Modified Plan will be consistent with the Standard Option Refund Plan.

You have chosen the \_\_\_\_\_ Option Plan with an Entrance Fee of \$ \_\_\_\_\_.  
\_\_\_\_\_  
(Resident(s) Initials)

**D. Terms of Payment of the Entrance Fee.** The terms of payment of the Entrance Fee are as follows:

1. **Ten Percent (10%) Deposit.** An amount equal to ten percent (10%) of the Entrance Fee for Your chosen Residence was due and payable upon the selection of Your Residence and execution of the Reservation Agreement. Such Deposit reserved the Residence for Your occupancy upon availability.

- a. **Upgrade Agreement.** If you request any Upgrades to Your Residence outside of WCBR's Furnishings in the Residence outlined in this Agreement, You agree to pay in full, before renovations commence, the expenses outlined by WCBR to provide such Upgrades and to execute an Upgrade Agreement.
2. **Ninety Percent (90%) Balance of the Entrance Fee.** The balance of the total Entrance Fee for the Residence is due and payable before the Agreement Execution Date. Occupancy is not deemed to have begun until receipt by WCBR of the balance of the Entrance Fee. The Ninety Percent (90%) balance of the Entrance Fee payable by You will change only if one of the following occurs:
  - a. You select a different Entrance Fee Refund Plan upon which a higher Entrance Fee may be payable.
  - b. You reserve the Residence after May 1<sup>st</sup> and the Agreement Execution Date occurs after June 30<sup>th</sup> of the same year.
  - c. You reserve the Residence prior to May 1<sup>st</sup> and the Agreement Execution Date occurs after September 30<sup>th</sup> of the same year.

**E. Payment of Fees.** In addition to the Entrance Fee, You agree to pay a Monthly Fee, as reflected on the applicable Monthly Fee schedule, at the time of Occupancy, except as provided by Section III.F. and Section V.

1. **Entrance Fees.** You will pay to us an Entrance Fee by the Agreement Execution Date, as follows:

|                                  |          |
|----------------------------------|----------|
| Total Entrance Fee               | \$ _____ |
| Prior Payment(s) (if applicable) | \$ _____ |
| Escrow Interest Earned           | \$ _____ |
| Compass Club Deposit             | \$ _____ |
| Balance                          | \$ _____ |

Except as set forth in Section V.A.1. or, as applicable, any changes required by state or federal assistance programs, the total Entrance Fee will not be increased or changed during Your life. However, if You marry, the provisions of Section IV.E. will apply.

Refund of part of the Entrance Fee, if any, will be made exclusively in accordance with Sections VI.E. and VI.F. of this Agreement to the extent applicable to the Entrance Fee Refund Plan selected by you.

2. **Monthly Fee.** You will pay a monthly service fee in advance, by the 10<sup>th</sup> day of each month or within five days after notice by Us. Failure to pay Monthly Fees when due will result in the imposition of late fees that will be added to Your monthly invoices. The Monthly Fee, charges, or the scope of care or services may be adjusted by us at any time upon at least 30 days' notice. The current Monthly Fee payable is as follows:

The Monthly Fee will be prorated for any applicable period of less than a month.

The Monthly Fee will be payable regardless of what level of care services You receive, whether within or outside the Community, subject to the provisions of Article V. of this Agreement.

- F. **Adjustments in the Monthly Fee and Other Charges and Credits.** WCBR reserves the right to adjust the Monthly Fee and other charges and credits upon thirty (30) days' notice, except for changes required by federal or state law. Adjustments are anticipated to occur annually. Because You are entering into a Lifecare Services and Residence Agreement, Your Monthly Fee will not increase because of a temporary or permanent transfer to a different care area, unless you have selected a Modified Option Plan as described in Section III.C.3. We will endeavor to maintain the Monthly Fee at the lowest possible rate consistent with sound financial management practices and maintenance of the quality of services called for by this Agreement. Monthly Fee increases are determined in Our absolute discretion.
- G. **Absence Credit.** When You are away from WCBR for a minimum of thirty (30) consecutive nights unrelated to admission to a hospital or other licensed medical facility and have made arrangements in advance with WCBR, You will be eligible to receive an absence credit for up to 180 days per calendar year in accordance with the prevailing absence credit rate.
- H. **Monthly Statement.** WCBR will furnish You with a monthly statement showing the total amount of Monthly Fees and other charges owed by You which are due and payable by the 10<sup>th</sup> day of the following month. WCBR may charge interest at a rate of one and one-half (1½%) percent per month on any unpaid balance owed by You Twenty (20) Days after the due date.
- I. **Additional Charges for Ancillary Services.** Charges in addition to the Monthly Fees may be made for ancillary services provided by WCBR beyond those provided for You in this Agreement. Examples of such additional ancillary charges include, but are not limited to: catering and meals or related dining services in excess of

selected meal plan; beauty and barber shop; postage; bus trips; services of our personal trainers over and above what is normally covered; massages; prescription and non-prescription medications; surgical, podiatric, dental and optical services; physical examinations; physician services; laboratory tests; physical therapy, occupational therapy and rehabilitative treatments; wheelchairs; other medical equipment and supplies; and any other medical services beyond that covered by WCBR. Any professional services (medical or otherwise) contracted by You or on behalf of You will be billed directly to You or Your assigned third party.

**J. Illness Away From WCBR.** You agree to assume financial responsibility for medical care and health services during any illness or accident occurring while away from WCBR and to see that, upon Your return, full medical information is supplied to WCBR for Your medical records file.

#### **IV. TERMS OF OCCUPANCY**

**A. Your Rights.** Upon Occupancy, You have the right to occupy, use, and enjoy the Residence, common areas, amenities, programs, and services of WCBR under the terms of this Agreement. This Agreement does not transfer or grant to You any interest in the real or personal property owned by WCBR other than the rights and privileges as described in this Agreement.

**B. Policies and Procedures.** You will abide by WCBR's policies and procedures and such amendments, modifications and changes as may periodically be adopted by WCBR. You will be notified in writing of any material changes. These policies and procedures will be printed in the terms of Occupancy described in this section as well as policies or procedures in the Resident Handbook.

**C. Visitors.** Except for short-term (two weeks or less) visitors or guests, no person other than You may reside in the Residence without the express approval of WCBR. A limited number of guest accommodations may be available at a reasonable rate for overnight stays by Your guests.

**D. Subsequent Co-Occupancy by Two Residents.** Your sibling, child, friend, or new spouse may live in Your Independent Living Residence subject to the co-occupant being eligible for admission to the WCBR under our policies relative to age, health, and financial status. The co-occupant will execute a Lifecare Services and Residence Agreement with us upon such terms and conditions as we require. The Monthly Fee will be increased to the rate then-applicable for a couple in the Independent Living Residence under the chosen Entrance Fee Refund Plan Option, and an additional Entrance Fee, if applicable, will be payable equal to the difference between the Entrance Fee then payable by a couple in respect to the Independent Living Residence, and the Entrance fee already paid by You. In the event that two Residents occupy a Residence and one Resident permanently transfers to Catered

Living, Vista, or the Health Center or death, this Agreement will continue in effect as to the remaining or surviving Resident who will have the option to retain the same Residence and pay the First Person Monthly Fee. Should the remaining or surviving Resident wish to move to another residence, the current policies of WCBR governing said transfer will prevail. Refunds will not be paid until both Residents have vacated WCBR, and all other terms and requirements regarding refunds under this Agreement have been met.

**E. Marriage During Occupancy.** If You marry a person who is also a Resident, You may occupy either Residence and may surrender the Residence not to be occupied by You. Refunds will be payable with respect to the Residence surrendered as described in Section III.C. You will pay the Monthly Fee for double Occupancy associated with the occupied Residence. In the event that You marry a person who is not a Resident of WCBR, the spouse may become a Resident if such spouse meets all the current requirements for admission to WCBR, enters into a current version of the Lifecare Services and Residence Agreement with WCBR, and pays the current Second Person Entrance Fee for the Residence. You and Your Spouse will pay the Monthly Fee for double Occupancy associated with the Residence occupied by You. If Your spouse does not meet the requirements of WCBR for admission, You may terminate this Agreement in the same manner as provided in Section VI.A. with respect to a voluntary termination.

**F. Your Responsibility for Damages to WCBR's Property.** You are required to carry renter's insurance protection to cover personal loss and liability. You will reimburse WCBR for any costs incurred or damages suffered by WCBR resulting from Your carelessness, negligence, or wrongful actions, or those of Your guests or resulting from acts of Your or Your guests' pets.

**G. Loss or Damage of Property.** WCBR will not be responsible for the loss or damage of any property belonging to You in the Independent Living Residence, Catered Living, or Vista Memory Care or due to theft, disappearance, fire, or any other cause. WCBR will insure all property belonging to WCBR within all residences and common areas.

**H. Personal Liability Insurance.** You are required to maintain personal liability insurance (with limits of at least \$100,000 per claim). We recommend that Your personal liability policy is endorsed for property liability protection for the use of a powered mobility device in the event You may have to use such a device.

**I. Waiver of Liability.**

1. You, Your agent, Attorney-in-Fact, Heirs, Assigns and other related parties of interest hereby release WCBR and its subsidiaries, affiliates, officers, director's, associates and agents from any liability covered by the insurance for which subrogation is waived; the release applies to any liabilities, no

matter how caused, not just to insurance proceeds actually received. The requirements set forth or mentioned in this Agreement as to types and limits of insurance coverage to be maintained by You are not intended to and will not in any manner limit or qualify the liabilities and obligations assumed by You.

2. You hereby release us from liability for Your death, injury to Your person and injury to Your property caused by any fire, theft, assault or other case beyond Your control and from any liability resulting from the negligence or wrongful acts of other Residents of the Community, their guests, their pets and their guest's pets, and hereby waive any claim which You or Your estate may have against us arising therefrom.

**J. Right of Entry.** In the event of an emergency, regularly scheduled housekeeping and to perform specific inspections, WCBR has the right to enter Your residence. When You place a work order, You may at that time specify if You desire to be present for anyone to enter.

**K. Removal of Property.** Upon termination of this Agreement or Your permanent transfer from the Independent Living Residence, You and/or Your Representative will be responsible for the removal of all of Your property from the Independent Living Residence and storage unit (if applicable) within thirty (30) days. You and/or Your Representative understand that if all property is not removed at the end of this thirty (30) day period, WCBR reserves the right to charge You an additional month's fee and can begin showing the Residence for resale. If this period is extended to sixty (60) days, all property not claimed at the end of this thirty (30) day period will become WCBR's property to dispose of as we deem appropriate without liability to You or Your estate, provided that we provide ten (10) days' advance written notice of such disposal to You and/or Your Representative at the last known address, and maintain an itemized list of property so disposed of for a period of two (2) years thereafter. You will continue to pay all applicable Monthly Fees until all personal property has been removed from the Residence.

**L. Rights to Property/Subordination.** The rights and privileges granted to You by this Agreement do not include any right, title, or interest in any part of the personal property, land, buildings, and improvements owned or administered by WCBR. Your rights are primarily for services, with a contractual right of Occupancy. Nothing contained in this Agreement will be construed to create the relationship of landlord and tenant between WCBR and You. Any rights, privileges, or benefits under this Agreement, including Your right to a full or partial refund, will be subordinate to any existing or subsequent mortgages or deeds of trust on any of the premises or to any other interest in the real property of WCBR and to all amendments, modifications, replacements, or refinancing of any existing or subsequent mortgages or deeds of trust or to any liens or security interests held by secured creditors of WCBR. You agree to

execute and deliver any document that may be required by WCBR or its secured creditors to effect such subordination or to confirm it.

- M. **Residents' Association.** Residents of WCBR have organized and are encouraged to participate in a Residents' Association and Residents' Committees which are open to all Residents.
- N. **Weapons.** Firearms and other weapons are prohibited on the WCBR campus.
- O. **Pets.** We are a pet-friendly community. Pets owned by Residents may reside at WCBR in accordance with current policies and procedures as outlined in the Resident Handbook, and upon completion of the Pet Registration Form.
- P. **Resident Handbook.** You will receive a Resident Handbook that will be a helpful tool for You as You begin Your new life at WCBR. It includes information on the details of living at WCBR, along with Community policies and guidelines, which You agree to follow as of the date of this Agreement. A copy of the most current version will always be kept in the library.
- Q. **Operation of Vehicles.** For the benefit and safety of all WCBR Residents, WCBR will have an interest in the matter of Residents' on-going capabilities in the operation of automobiles and electric or motorized carts. Current policies and procedures for the use of automobiles and motorized carts at WCBR are outlined in the Resident Handbook.
- R. **Smoking.** For the safety and health of Residents and employees, WCBR is a smoke-free community, which includes e-cigarettes and other vaping devices. Residents and employees agree not to smoke while on Community property and will communicate the smoke-free policy to their guests.

## V. **TRANSFERS OR CHANGES IN LEVELS OF CARE**

- A. **Voluntary Transfer Between Residences.** Upon approval by WCBR's President, You may transfer from one Independent Living Residence to another due to health and/or financially-related matters.
  - 1. **Fee Adjustments:** When a transfer has been approved, You will be required to pay the prevailing Monthly Fee for the new residence, any difference between the current Entrance Fee of the residence occupied to the current Entrance Fee of the residence to be occupied, and a \$7,500 relocation fee.
- B. **Transfer to Alternate Level of Care (Health Center, Catered Living or Vista).** If We in our sole discretion, determine that You cannot safely reside in Your

Independent Living Residence, it may be necessary to transfer You to an appropriate level of care within WCBR to make certain Your needs are being met. You agree that WCBR has the authority to determine when You should be transferred from one level of care to another level of care within WCBR. Such determination for Your permanent transfer will include full, careful consideration of Your needs, will be based on the professional opinion of WCBR, and will be made only after consultation to the extent practical with You, Your Representative and Your attending physician.

- C. **Fees after Transfer to an Alternate Level of Care.** Due to WCBR being a Lifecare Community, Your Monthly Fee will remain at the prevailing rate of the Independent Living Residence You occupied if You are temporarily or permanently transferred to an alternate level of care. If, however, You request and are granted relocation to an Independent Living Residence with a lower Monthly Fee than the fee for the residence specified in this Agreement and You are permanently transferred to an alternate level of care within six months of such relocation, the Monthly Fee for services in the alternate level of care will be based on the then-current Monthly Fee of Your previous residence.
- D. **Transfer to Another Facility.** If, after consultation (except in case of an emergency) with You, Your family and/or Your Representative and an interdisciplinary team of professionals, it is determined by WCBR, in its sole discretion, that You need care beyond that which can be provided by WCBR because Your needs are beyond the scope of our services (for example: mental illness, communicable disease, alcoholism and substance abuse), You may be transferred to a hospital or facility equipped to provide such care. You will select an external facility appropriate to Your physical, emotional and mental needs and WCBR will pay that portion of the cost of caring for You at such external facility up to a portion of that cost that is equal to Your Monthly Fee, to the extent that such cost is not included in those charges for which You are obligated to pay under Section I.F. (the “excess cost”) provided that You continue to pay Your Monthly Fee in accordance with Section III.E.2. Any cost incurred by You at the external facility in excess of Your Monthly Fee or to which Your Monthly Fee does not apply, will be Your responsibility. If, after consultation with You, and/or Your Representative and an interdisciplinary team of professionals, WCBR determines that Your needs requiring such transfer are permanent in nature, Your rights to occupy the Independent Living Residence will cease and the Independent Living Residence will be released to WCBR. Any applicable refund will be made in accordance with Sections III.C. and VI.E.
- E. **Surrender of Residence.** If a determination is made by WCBR that any transfer described in Sections V.B. or V.D. is permanent in nature, You agree to vacate the Residence upon such transfer within thirty (30) days of written notice to WCBR.

F. **Entrance Fee Refunds.** Refunds of the Entrance Fee are made only under the terms specified in Sections III.C. and VI.E. of this Agreement. Refunds are not paid upon transfer from the Residence to the Health Center, Catered Living, or Vista.

## **VI. TERMINATION AND REFUND PROVISIONS**

A. **Voluntary Termination After Occupancy.** At any time after Occupancy, You may terminate this Agreement by giving WCBR thirty (30) days written notice of such termination. Any refunds due to You will be payable as described in Sections III.C. and VI.E.

B. **Termination Upon Death.** In the event of Your death at any time, this Agreement will terminate once Your property has been removed from the Residence, Storage (as applicable), and Parking areas; payment of all outstanding debts due by You to us occurs; and payment by Us of any refund due hereunder occurs. If two persons have signed this Agreement as Resident, the provisions of Sections VI.E. and VI.F. apply.

C. **Termination by Divorce.** If You, as Residents, are two persons that are spouses of one another occupying the same Independent Living Residence, either as of the Agreement Execution Date or subsequent to the Agreement Execution Date pursuant to Section IV.E. above, this Agreement will terminate in the event that You divorce and one or both of You decides to vacate the Independent Living Residence. If one of You wishes to remain in the Independent Living Residence as a Resident after the divorce is final or if one or both of You wishes to remain at WCBR as a Resident in an alternate Independent Living Residence apart from the other, the Resident will have to reapply for admission to WCBR as an individual, including meeting all current age and financial status screening criteria applicable to new and prospective Residents of WCBR, entering into a new agreement with WCBR to supersede this Agreement and paying an additional Entrance Fee, the amount of which will be determined by us in accordance with any policies in effect at the time. Notwithstanding any of the foregoing, payment of any refund of the Entrance Fee due hereunder will not be paid until the Independent Living Residence is reoccupied by either one of the Residents as an individual or a new Resident and then only pursuant to the terms of a final divorce decree issued by a court having jurisdiction over the Residents, which stipulates the proper disposition of the refund as between You and in accordance with Your chosen payment refund option stated in this Agreement. If one or both of You remain in the Independent Living Residence during pending divorce proceedings, You will remain responsible, jointly and severally, for paying the Monthly Fee.

D. **Termination by WCBR.** WCBR may terminate this Agreement upon a determination of good cause. Good cause will be limited to:

1. Proof that You are a danger to Yourself or others;

2. Nonpayment by You of any fee due to WCBR;
3. Persistent refusal by You to comply with the reasonable written policies and procedures of WCBR;
4. Repeated conduct by the Resident that interferes with other Residents' quiet enjoyment of the Community;
5. Material misrepresentation made intentionally or recklessly by You in Your application for residency, or related materials regarding information which, if accurately provided would have resulted in either a failure of You to qualify for residency or a material increase in the cost of providing You the care and services provided under this Agreement, including with respect to those items referred to in Section I.F.;
6. Material breach by You of this Agreement.

We will not terminate this Agreement until we give You written notice of, and 30 days to correct the situation warranting cancellation of this Agreement.

Refund of the Entrance Fee, if any, will be made exclusively in accordance with Sections III.C. and VI.E. of this Agreement.

**E. Payment of Refunds.** Entrance Fee Refunds are payable upon Your move from the Community and/or death, and the termination of this Agreement, but only after WCBR has received a replacement Entrance Fee from a new Resident for Your vacated Residence. Entrance Fee Refunds are not paid upon transfer to any of the care areas. In cases of double Occupancy, the permanent transfer from the Community and/or death of one Resident will not terminate this Agreement which shall remain in force for the remaining Resident. Refunds will not be paid until both Residents have vacated the Community and a new Entrance Fee for the Residence has been received by WCBR. All refunds will be paid less any costs owed by You to WCBR and any costs required to remove and dispose of or store personal belongings left in the Residence within sixty (60) days of the receipt of a replacement Entrance Fee for the Residence.

**F. Payment of Refund Upon Death.** Pursuant to and in accordance with Section VI.E., WCBR will issue to Your estate or trust any Refund owed upon Your death or, in the case of Double Occupancy, upon the death of the second to die.

For single occupant: You have indicated any Refund shall be paid to:

For Double Occupancy: You have indicated if \_\_\_\_\_  
is the second to die, Refund shall be paid to: \_\_\_\_\_,  
and if \_\_\_\_\_ is the second to die,  
Refund shall be paid to \_\_\_\_\_.

## **VII. RIGHT OF RESCISSION**

- A.** You shall have the right to rescind this Agreement without penalty or forfeiture within seven (7) days after execution upon written notice to that effect to us within seven (7) days after such rescission.
- B.** If You die before moving to the Community, or are precluded through illness, injury or incapacity from becoming a resident under the terms of this Agreement, this Agreement will be automatically rescinded and You or Your legal representative shall receive a full refund of all money paid to WCBR, except those costs specifically incurred by WCBR at your request and as set forth in writing in a separate addendum (e.g., Selections List and/or Upgrade Agreement) signed by both parties to this Agreement.
- C.** You shall not be required to move into the Community before the expiration of seven (7) days after the execution of this Agreement.

Any such refund to be paid by WCBR according to this Section VII. shall be paid within sixty (60) days following written receipt of Your request for such rescission.

## **VIII. FINANCIAL ASSISTANCE**

WCBR will not terminate this Agreement solely because You may become unable to pay the Monthly Fee or any other charges or fees due to WCBR, and will subsidize Your payment of all such charges and fees, so long as Your financial hardship was not caused by Your willful dissipation of Your assets, You have exhausted all other forms of financial assistance from family and government subsidy programs, and WCBR determines that such subsidy may be provided without impairing the ability of WCBR to operate on a sound financial basis. Any determination by WCBR with regard to the granting of financial assistance shall be within the sole discretion of WCBR.

## **IX. GENERAL**

- A. Assignment.** Your rights and privileges under this Agreement to the Residence, common areas, amenities, services, and programs of WCBR are personal to You

and may not be transferred or assigned. You consent to the collateral, or other, assignment by WCBR of its right, title, and interest in the Agreement.

- B. Management of WCBR.** The absolute rights of management are reserved by WCBR, its Board of Trustees, and its administration as delegated by said Board of Trustees. WCBR reserves the right to accept or reject any person for residency. Residents do not have the right to determine admission, terms of admission, or terms of Occupancy for any other applicant or Resident.
- C. Entire Agreement.** This Agreement and any Addenda constitute the entire agreement between WCBR and You. WCBR will not be liable or bound in any manner by any statements, representations, or promises made by any person representing or assuming to represent WCBR, unless such statements, representations, or promises are set forth in this Agreement or an Addendum to this Agreement.
- D. Representations as to Statement.** Your Application, Reservation Agreement, financials, health history and other statement submitted to us are incorporated in this Agreement by reference. You represent that all statements contained therein are true to the best of Your knowledge and that there have been no material omissions or adverse changes in such statements that have not been communicated to Us in writing. You agree to provide updated information related to financial conditions or health conditions promptly in the event of any material change.
- E. Representations as to Finances.** You hereby represent that to the best of Your knowledge and belief, You are and will be able to meet Your obligations under this Agreement. When requested, You will provide us with a current financial statement.
- F. Preservation of Assets.** When, in our sole judgment, it appears that continued management of Your property by You may prevent You from meeting Your obligations under this Agreement, upon review, You will make arrangements for the preservation and management of Your property by a third party, including, but not limited to, the execution and funding of a trust agreement for Your benefit. Upon request, You will provide us with a complete financial statement including copies of federal and state income and gift tax returns for the previous three years.
- G. Successors and Assigns.** Except as set forth herein, this Agreement will bind and inure to the benefit of the successors and assigns of WCBR and Your heirs, executors, administrators, trustees, and/or agents authorized to act on Your behalf.
- H. Power of Attorney and Health Care Power of Attorney.** You will legally appoint a person or persons to make financial and medical decisions on Your behalf if You are no longer able to do so. You will provide WCBR with executed copies of Your Power of Attorney, Health Care Power of Attorney and any Advance

Medical Directive prior to Occupancy and will promptly provide updated documents as applicable.

- I. Guardianship.** If You become legally incompetent or unable to properly care for Yourself or Your property and You have made no other provision therefore, WCBR may pursue the appointment of a legal guardian or conservator.
- J. Transfer of Property.** You agree not to make any gift or other transfer of property for less than equal consideration for the purpose of evading Your obligations under this Agreement, or if such gift or transfer would render You unable to meet Your obligations to WCBR.
- K. Governing Law.** This Agreement will be governed by the laws of the Commonwealth of Virginia.
- L. Third Party Injuries and Claims.** You will promptly notify WCBR if You are injured as a result of the fault or negligence of a third party or parties. In the event that WCBR provides care for any such injuries incurred by You as can be furnished by its employees and facilities, You hereby assign to WCBR any compensation that You may recover from such third party or parties to the extent necessary to reimburse WCBR for the cost of such care furnished by WCBR. You or Your legal Representative will have the duty to pursue diligently any and all available claims for compensation due from a third party or parties for injury to You and to cooperate with WCBR in collecting such compensation and reimbursing WCBR for the cost of all such care provided to You.
- M. Severability and Forbearance.** If any term or provision of this Agreement or the application thereof to any person or circumstance will to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable will not be affected thereby, and each term and provision of the Agreement will be valid and enforceable to the fullest extent permitted by law. No act of forbearance or failure to insist upon prompt performance of any of the terms of this Agreement by WCBR will be construed as a waiver of rights granted to WCBR, or limit WCBR's ability to enforce all the provisions of this Agreement.
- N. Binding Arbitration Provision.** You (or Your Representative or family members) and WCBR agree to resolve all disputes, claims or disagreements through the process of Arbitration instead of the state or federal court system. These matters will be submitted to Binding Arbitration in accordance with either the Healthcare Claims Settlement Procedures or the Commercial Dispute Resolution Procedures of the American Arbitration Association, as appropriate.

During pending arbitration proceedings, You and WCBR will continue to perform respective obligations under this Agreement, subject to the right of either party to

terminate the same. The obligation of You and WCBR to arbitrate claims, disputes or disagreements will survive the termination of this Agreement.

**RESIDENT UNDERSTANDS AND ACKOWLEDGES THAT HE/SHE HAD THE RIGHT TO LITIGATE DISPUTES IN A COURT OF LAW AND THAT BY SIGNING THIS AGREEMENT HE/SHE IS WAIVING SUCH RIGHT, EXCEPT WITH RESPECT TO SERVICES PROVIDED IN AND ADMISSION TO THE HEALTH CENTER, INCLUDING ANY RIGHT TO TRIAL BY JURY AND STATING THAT HE/SHE PREFERS TO RESOLVE ANY DISPUTE THROUGH ARBITRATION.**

- O. No Waiver of Rights.** No act, agreement, or statement of Resident, or of an individual purchasing care for a Resident under any agreement to furnish care to Resident, will constitute a valid waiver of any provision of the Continuing Care Provider Registration and Disclosure Act of June 18, 1984, P.L. 391, No. 82, Sections 1-25, 40, P.S. Section 3201 et. seq., (Act 82), intended for the benefit or protection of Resident or the individual purchasing care for Resident.
- P. Waiver, Representations by WCBR.** Our failure in any one or more instances to insist upon the strict performance observance or compliance by You with any provision of this Agreement or our waiver of the breach by You of any provision of this Agreement, will not be construed to be a waiver or relinquishment by us of our right to insist upon strict compliance by You with such provision in the future and with all other provisions of this Agreement. You acknowledge that we and Our Representatives have made no promises or representations with respect to the Residence, any facility of WCBR or services to be provided except as specifically set out in this Agreement. You acknowledge that none of our sponsoring organizations are parties to this Agreement and that You have not relied on the credit-worthiness or sponsorship of any sponsoring organization as an inducement to execute this Agreement.
- Q. Confidentiality of Personal Information.** We will hold in strict confidence all personal and financial information supplied by You. However, You authorize us to use and disclose Your health information in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA).
- R. Statement of Non-Discrimination.** Race, color, sex, gender, religion, national origin, disability or any other protected classification or status have no bearing upon Your approval for admission, the execution of this Agreement or normal business conducted by us.

S. **Notice Provisions.** Any notices, consents, or other communications to WCBR hereunder (collectively “notices”) will be in writing and addressed as follows:

President  
WCBR  
250 Pantops Mountain Rd.  
Charlottesville, VA 22911

T. **Acknowledgements.** You acknowledge receipt of WCBR’s Disclosure Statement, Notice of Privacy Practices and Policies, and the Acknowledgments listed on Appendix A.

U. Reserved.

V. Reserved.

W. Reserved.

X. **EXCEPTIONS AND SPECIAL TERMS (IF ANY, TO BE INITIALED BY RESIDENT AND WCBR. OTHERWISE TO BE LEFT BLANK.)**

IN WITNESS HEREOF, WCBR has executed this Agreement and You have read, understand, and have executed this Agreement, as of the date written above and You have paid the corresponding Entrance Fee for Your chosen Residence.

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Witness

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Resident

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Witness

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Resident

**Westminster-Canterbury of the Blue Ridge**

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President and CEO

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Date

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**Addenda to the Agreement**

|    |            |                |
|----|------------|----------------|
| 1. | <hr/> Date | <hr/> Initials |
| 2. | <hr/> Date | <hr/> Initials |
| 3. | <hr/> Date | <hr/> Initials |

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## **APPENDIX A**

### **Acknowledgments for Assisted Living (Catered Living) Facility Residents**

1. You have been informed of the financial arrangement for accommodations, services, and care provided by WCBR and of the services that are not covered by the facility's basic rates.
2. You have been informed of and have reviewed the requirements regarding resident conduct and other restrictions or special conditions as stated in this Agreement and in the Resident Handbook, a copy of which has been provided to you.
3. You have been informed of WCBR's policy regarding the amount of notice required when you wish to move from the facility.
4. You have been informed of WCBR's policy regarding weapons on the premises as set forth in the Resident Handbook, a copy of which has been provided to you.
5. You have been informed of WCBR's policy regarding pets on the premises as set forth in the Resident Handbook, a copy of which has been provided to you.
6. You have been informed of those actions, circumstances, or conditions that would result or might result in your discharge from the facility, as stated in Section VI.D. of this Agreement.
7. You have reviewed the Rights and Responsibilities of Residents of Assisted Living Facilities (Title 63.2-1808 of the Code of Virginia).
8. WCBR's policies and procedures for implementing Title 63.2-1808 of the Code of Virginia, including the grievance policy and transfer/discharge policy, have been explained to you.
9. You have been informed and understand that you may refuse release of information regarding your personal affairs and records to any individual outside the facility, except as otherwise provided in law and except in case of his transfer to another caregiving facility.
10. You have been informed of WCBR's policy on bed holds.
11. You have been provided educational materials on advance directives, have designated whether or not you have an advance directive and have provided us with the necessary paperwork.

12. You have been informed of WCBR's format for the Resident Council Meetings as set forth in the Resident Handbook, a copy of which has been provided to you.
13. You have been informed of the policy or guidelines regarding visiting in the facility, as set forth in the Resident Handbook, a copy of which has been provided to you.
14. You have been informed of the rules and restrictions regarding smoking on the premises of the facility, as set forth in the Resident Handbook, a copy of which has been provided to you.
15. You have been informed of WCBR's policy regarding administration of medications as set forth in the Resident Handbook, a copy of which has been provided to you.
16. You have been provided a written notice regarding WCBR's liability insurance.
17. You have been provided a copy of WCBR's Disclosure Statement and received confirmation that WCBR's has the appropriate license to meet care needs at the time of admission.
18. You have been informed that you should exercise whatever due diligence you deem necessary with respect to information on any registered sex offenders. Upon request, WCBR's will assist you or your legal representative in accessing the information on registered sex offenders; and provide you or your legal representative with printed copies of the information on registered sex offenders.

## **APPENDIX A2**

Lifecare Services Residence Agreement  
(Assisted Living)





## LIFECARE SERVICES RESIDENCE AGREEMENT (ASSISTED LIVING)

THIS LIFECARE SERVICES RESIDENCE AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between WESTMINSTER-CANTERBURY OF THE BLUE RIDGE, Charlottesville, Virginia, a nonstock, 501(c)(3) nonprofit corporation organized and incorporated under the laws of the Commonwealth of Virginia (hereafter referred to as the "Corporation" or "WCBR", and/or the words "we", "us", and "our") and \_\_\_\_\_ (hereafter referred to as the "Resident" and/or the words "you" and "your"; if two persons, they are referred to herein, sometimes jointly, sometimes severally, as "you" and "your", and the obligations of two such persons shall be joint and several).

WCBR operates in Albemarle County, Virginia, a lifecare, residential community for persons of retirement age (62 and over) known as Westminster-Canterbury of the Blue Ridge (the "Community"). You have made application for lifecare services, and such application has been approved by us, subject to the provisions of this Agreement.

### THE PARTIES AGREE:

Your Contract Date shall be the date of execution of this Agreement and payment of the Entrance Fee, or such later date as we shall specify in writing. This Agreement shall become effective on the Contract Date.

#### I. HEALTH CARE SERVICES

A. Personal Assistance. Based on your care needs, as we determine and in accordance with Section I.C., we shall assist you in the activities of daily living, which may include but not be limited to assistance with bathing, dressing, personal care, medication management, and nutritional oversight.

B. Outpatient Services. We shall provide a medical clinic (the "Clinic") at the Community where you may be examined and treated on an outpatient basis.

We shall arrange for a physician or other appropriate provider to be available periodically in the Clinic. The decision whether to engage the services of such providers(s) shall be entirely yours, and you shall be free to engage the services of a physician or other health professionals of your own choice. The cost of such services may be your responsibility and/or may be billed to your insurance by the physician recommending these additional services. You will be notified in advance of such services being performed. Physical, occupational, and speech therapists are available in the therapy department with the Community.

C. Inpatient Services. We shall provide professional nursing care within the Community 24-hours a day. Subject to the terms of this Section I.C., we shall be responsible for nursing care not covered by Medicare, as hereinafter defined, if it is determined by your physician that you require such care. We shall also provide nursing care that is covered by Medicare, and you agree to comply with Sections I.D. and I.E. in assigning applicable third party reimbursement to us as payment for services performed by us. Nursing care provided by us shall be limited to that care given within the Community. At any time, should space not be available to provide nursing care to you within the Community we, at our expense, will place you temporarily in an appropriate setting, until such space within the Community becomes available.

D. Medicare and Health Insurance. If you are eligible for and have not already enrolled, you agree to (a) apply for and secure your enrollment in the Hospital Insurance Benefits Program under Part A of Public Law 89-67 (Medicare Part A), or its successor program, and (b) during the next enrollment period following the filing of your application for admission to Westminster-Canterbury of the Blue Ridge, apply, pay the premiums, secure and maintain your enrollment in the Medical Insurance Benefits Program under Part B of Public Law 89-67 (Medicare Part B), or its successor program. If you are not eligible for these Programs, or they cease, you agree to obtain equivalent insurance coverage acceptable to Westminster-Canterbury in its sole and absolute discretion. If you do not obtain such coverage, you agree to pay us for all charges and for services rendered by us, our associates or our agents, agents that would have been reimbursed by such insurance. If at any time you become eligible for payments from other private entities or governmental agencies for health services, you agree to make application for such payments. We will assist you in filing insurance or other claims for services rendered by us. Upon our request and direction, you agree to execute an assignment of benefits to WCBR or to the physicians staffing the Clinic or Health Center for any services rendered by the same. You agree to notify WCBR if at any time your insurance changes.

E. Supplemental Insurance. You agree to obtain and maintain a supplemental insurance policy acceptable to us to pay Medicare co-insurance and deductible amounts and to provide major medical coverage in an amount not less than a \$250,000.00 lifetime maximum. Should you fail or neglect to obtain and maintain such coverage, you agree to pay us for services rendered by our health care professionals (whether associates or agents) which would otherwise have been covered by such supplemental insurance. WCBR does not or may not participate in all insurance programs. Therefore, Residents who have a Medicare equivalent insurance will relinquish reimbursement to WCBR pertaining to skilled nursing care or any other services furnished by WCBR and covered by such policy.

F. Health Related Charges. You shall pay the following charges. To the extent that these are covered by Medicare, or your supplemental insurance or equivalent insurance, you will use your best efforts, with our assistance, to recover the amount of such charges from the appropriate government agency or insurance carrier.

1. Charges of any provider, physical therapist, occupational therapist, speech therapist, podiatrist, or other health professional, excluding our nursing staff, whether providing care at the Community or elsewhere.
2. Hospital charges.
3. Charges for medicines, vitamins, food supplements, dental work, glasses, hearing aids, orthopedic assistive devices, and/or any other health related items.
4. Medical Transport Charges
5. Charges for any other health care related items or services that WCBR is not obligated to provide and pay pursuant to this Agreement.

## II RESIDENCE, MEALS, AND OTHER SERVICES

A. Services. We shall furnish you meals, residence, care, and services to the extent described in this Agreement so long as you carry out your obligations under this Agreement. Such services may be provided at an appropriate level of

care, based on your care needs, as determined by us and in accordance with Section I.C.

B. Assisted Living. At the commencement of this Agreement, you shall have a personal, non-assignable right to reside in Assisted Living Residence number \_\_\_\_\_ (the "Assisted Living Residence" or "Residence"), subject to termination or permanent transfer to a different level of care within WCBR only as provided below and subject to Section VI.B. (subordination to financing). We shall furnish wall-to-wall carpeting and/or other appropriate flooring, window blinds, emergency call system, landline telephone, basic internet, and basic cable service. You are responsible for charges related to cellular telephone service, optional third-party internet services, digital subscription services, streaming services, and premium cable television service. You shall provide all other furnishings for your Residence. Electrical or mechanical appliances provided by you shall be Underwriters Laboratories ("U/L") certified and subject to our approval.

C. Meals. Three nutritionally balanced meals will be offered daily in the dining room or other designated common areas.

Special diets beyond vegetarian, gluten-free and diabetic shall be provided only upon order of a physician and may be at an additional charge. Tray service may also be provided to your Assisted Living Residence for periods of short-term illness if ordered by our Clinic.

You may invite guests to any meal, subject to giving prior notice to us in accordance with our guidelines. You are responsible for guest meal charges, which shall be billed separately on your monthly billing statement.

D. Community Facilities. You shall have the right to use, in common with other residents of the Community, the indoor and outdoor social and recreational facilities.

E. Utilities. We shall provide the utilities reasonably required in connection with the occupancy of the Assisted Living Residence (water, sewage, heating, air conditioning, electricity) subject to the availability of such services to us.

F. Housekeeping, Laundry, Linen. We shall provide you with weekly housekeeping services and provide you with linen and towels. Dry cleaning, however, shall be your responsibility. Additional housekeeping may be arranged

on an individual charge basis. Trash disposal shall be provided by us on a regular basis.

G. Guests. You shall be permitted to have guests in the Assisted Living Residence subject to our policies in the Assisted Living Resident Handbook. A limited number of guest accommodations may be available at a reasonable rate for overnight stays by guests. We reserve the right to impose guidelines regarding visits and guest behavior, and may limit or terminate a visit at any time for reasons we deem appropriate.

H. Security. We shall use reasonable care in providing security in the Community for you and your property, but we shall not be responsible for loss or damage to personal property or for personal injuries caused by third parties. You shall maintain private insurance on your own property in terms of Section VI.E.

I. Buildings and Grounds. We shall maintain all buildings and grounds. Modifications to your Assisted Living Residence shall be performed or conducted only at the direction of WCBR and shall be subject to our approval at your cost. If the modification impairs our ability to market the Residence following your vacancy of the Residence, we retain the right to restore the Residence to its prior state at your expense. Aside from furnishings and decorative items, you shall not make any alteration, addition, or improvement to your Residence or other buildings of the Community, or construct or install any structures on the grounds of the Community.

J. Transportation. WCBR will provide complimentary local transportation for Residents to medical appointments, personal errands, and group trips. Transportation must be scheduled by filling out a transportation form.

K. Additional Services. Additional services may be offered periodically at established rates. Please see the Assisted Living Resident Handbook for further information on Additional Services.

### III. POLICIES AND PROCEDURES

A. Parking. Residents and their guests are to park in the designated areas and adhere to the parking rules as described in the Assisted Living Resident Handbook.

B. Pets. We are a pet friendly community. Residents who wish to bring a pet with them shall execute a Pet Policy and Registration Form which is updated on an annual basis. Please see the Assisted Living Resident Handbook for further information.

C. Relocation. The ability of Residents to relocate to another Assisted Living Residence shall be at our sole discretion. If a relocation is permitted, the cost of such move will be at your expense. Any increase or decrease in monthly fees or adjustment to the entrance fee shall be determined by us. A refurbishment fee will be assessed.

D. Smoke-Free Campus. WCBR is a smoke-free campus which includes e-cigarettes and other vaping devices. All dwellings and common areas are non-smoking. All residents, staff and guests are restricted from smoking anywhere within the Community.

E. Weapons. Firearms and other weapons are prohibited on the premises.

F. Resident's Handbook. You will receive an Assisted Living Resident Handbook that includes some, but not all, Community policies and guidelines. This Section and the Assisted Living Resident Handbook are not intended to be an all-inclusive list of policies. We may periodically issue additional policies as determined by us. You agree to abide by all applicable policies and procedures effective from the date of the Agreement. Current versions, which are the governing versions of the Assisted Living Resident Handbook, and any additional policies are available in the library.

#### IV. PAYMENT OF FEES

A. Entrance Fees. You shall pay to us an Entrance Fee by the Contract Date as follows:

|                                  |          |
|----------------------------------|----------|
| Total Entrance Fee               | \$ _____ |
| Prior Payment(s) (if applicable) | \$ _____ |
| Balance                          | \$ _____ |

The total Entrance Fee shall not be increased or changed during your life (except for changes which may be required by state or federal assistance programs, if applicable).

Refund of part of the Entrance Fee, if any, shall be made exclusively in accordance with Appendix A to this Agreement, which is incorporated herein by reference.

B. Monthly Fee. You shall pay a monthly service fee in advance, by the 10<sup>th</sup> day of each month or within five days after notice by us. Failure to pay monthly fees when due shall result in the imposition of late fees that will be added to your monthly invoices. The Monthly Fee, charges, or the scope of care or services may be adjusted by us at any time upon a minimum 30-day notice. The current Monthly Fee payable is as follows:

|                     |          |
|---------------------|----------|
| Current Monthly Fee | \$ _____ |
|---------------------|----------|

The Monthly Fee shall be prorated for any applicable period of less than a month.

The Monthly Fee shall be payable regardless of what level of care services you receive, whether within or outside the Community, subject to the provisions of Section VII.B. of this Agreement.

C. Other Services. Any services and/or supplies that we may provide in excess of our obligations under this Agreement shall be billed by us on your monthly statement and paid by the 10<sup>th</sup> day of each month.

## V. FINANCIAL ASSISTANCE

WCBR will not terminate this Agreement solely because you may become unable to pay the Monthly Fee or any other charges or fees due to WCBR, and will subsidize your payment of all such charges and fees, so long as your financial hardship was not caused by your willful dissipation of your assets, you have exhausted all other forms of financial assistance from family and government subsidy programs, and WCBR determines that such subsidy may be provided without impairing the ability of WCBR to operate on a sound financial basis. Any determination by WCBR with regard to the granting of financial assistance shall be within the sole discretion of WCBR.

## VI. TERMS OF OCCUPANCY

A. Resident's Rights. Your rights as a resident under this Agreement are purely personal and may not be assigned, transferred, inherited, or devised. Although you are granted a right of occupancy of the Assisted Living Residence, this Agreement is for services and is not a lease, and you shall have no right, title, or interest in any of our real or personal property.

B. Subordination to Financing. Your rights under this Agreement shall, at all times, be subject and subordinate to the rights of any lender providing financing to us. The rights of such lender shall include, but shall not be limited to, rights in any mortgage, deed of trust or security agreement now existing or hereafter created, on any of our property and to all amendments, modifications, replacements or refinancing thereof. You agree to execute and deliver any document required by either us or by the beneficiary of any mortgage, deed of trust or security agreement to evidence or effect such subordination. You acknowledge that our rights under this Agreement may be assigned in connection with any such financing.

C. Our Right of Entry. Our associates shall have the right to enter the Assisted Living Residence (1) during regular business hours for inspection and to perform housekeeping and maintenance functions, (2) at any time to respond to fire and medical alerts and for other emergency purposes and (3) to provide necessary medical care.

D. Removal of Resident's Property. Upon termination of this Agreement or your permanent transfer from the Assisted Living Residence, you or your representative shall be responsible for the removal of all of your property from the Assisted Living Residence within 30 days. After 30 days we shall prepare an itemized listing of any remaining property and may remove and store it for an additional 30 days at your expense. All property not claimed at the end of this latter 30 day period shall become our property to dispose of as we see appropriate without liability to you or your estate, provided that we shall give ten days' written notice of such disposal to you at your last known address, and/or to your representative and shall maintain the itemized listing of property disposed of for a period of two years thereafter. All applicable monthly fees will continue to be paid by you until all personal property has been removed from the Assisted Living Residence.

**E. Damage to, Loss of and Insurance of Your Property.** Property and liability insurance are carried on our buildings and their contents as well as the common and public spaces throughout the community.

You are required to maintain insurance (commonly known as “renter’s insurance”) on your own personal property located within your Residence as well as on items that may be on loan within the Community. For items that are rare, have a historic and/or artistic value, your property policy should include specific coverage for such items and a current appraised list of those items should be filed with your personal lines carrier. If your property is located outside your Residence or on loan to WCBR, you should verify that your personal property policy covers such exposures.

You are required to maintain personal liability insurance (with limits of at least \$100,000 per claim). We recommend that your personal liability policy is endorsed for proper liability protection for the use of a powered mobility device if you intend to use such a device.

You must maintain automobile liability insurance on any motor vehicle and register any motor vehicle with Resident Services.

We assume no responsibility for your personal items and your personal liability. As such, WCBR and Residents agree to waive any rights of subrogation for owned property with respect to any losses, including, but not limited to, flood and earthquake.

Resident, Resident’s Agent, Attorney-in-Fact, Heirs, Assignees, and other related parties of interest hereby release WCBR and its subsidiaries, affiliates, officers, directors, associates, and agents from any liability covered by the insurance for which subrogation is waived; the release applies to any liabilities, no matter how caused, not just to insurance proceeds actually received.

The foregoing requirements as to types and limits of insurance coverage to be maintained by the resident are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by the resident.

**F. Your Responsibility for Damages to Our Property.** You shall reimburse us for any costs incurred or damages suffered by us resulting from your carelessness, negligence, or wrongful acts, or those of your guests, or resulting from acts of your or your guests' pets.

**G. Waiver of Liability.**

1. You, your agent, Attorney-in-Fact, Heirs, Assigns, and other related parties of interest hereby release WCBR and its subsidiaries, affiliates, officers, director's, associates, and agents from any liability covered by the insurance for which subrogation is waived; the release applies to any liabilities, no matter how caused, not just to insurance proceeds actually received. The requirements set forth or mentioned in this Agreement as to types and limits of insurance coverage to be maintained by you are not intended to and will not in any manner limit or qualify the liabilities and obligations assumed by you.
2. You hereby release us from liability for your death, injury to your person, and injury to your property caused by any fire, theft, assault or other cause beyond our control and from any liability resulting from the negligence or wrongful acts of other residents of the Community, their guests, their pets, and their guest's pets, and hereby waive any claim which you or your estate may have against us arising therefrom.

**VII. TRANSFER AND RELEASE OF ASSISTED LIVING RESIDENCE**

**A. Transfer to Alternate Level of Care.** If we, in our sole discretion, determine that you cannot reasonably be cared for in your current Residence, we may transfer you to an appropriate level of care within the Community. Such determination for your permanent transfer shall include consideration of your needs, and shall be made after consultation with you, your family, or your representative, if any, and an interdisciplinary team of professionals. Following the decision to make a permanent transfer from your current Residence, your rights to occupy that Residence shall cease and the Residence shall be released to us. No refund of the Entrance Fee shall be made upon such transfer and the Monthly Fee shall continue to be payable in accordance with Section IV.B.

**B. Transfer to Other Facilities.** If, after consultation (except in case of emergency) with you, your family or your representative, if any, and an interdisciplinary team of professionals, we, in our sole discretion, determine that you cannot reasonably be cared for within the Community because your needs (physical, emotional, or mental health) are beyond the scope of our services (for example: violent mental illness, communicable disease, alcoholism and/or

substance abuse), we may transfer you to a hospital or other health care facility outside the Community ("External Facility"). We shall select an External Facility appropriate to your physical, emotional, and mental needs and shall pay that portion of the cost of caring for you at such External Facility up to a portion of that cost that is equal to your Monthly Fee, to the extent that such cost is not included in those charges for which you are obligated to pay under Section I.F. (the "Excess Cost") provided that you shall continue to pay the Monthly Fee in accordance with Section IV.B. Any cost incurred by you at the External Facility in excess of your Monthly Fee or to which your Monthly Fee does not apply shall be your responsibility. If, after consultation with you, your family, or your representative, if any, and an interdisciplinary team of professionals, we determine that your needs requiring such transfer are permanent in nature, your rights to occupy the Assisted Living Residence shall cease and the Assisted Living Residence shall be released to us. No refund of Entrance Fees shall be made upon such transfer pursuant to this Section, whether temporary or permanent. After a transfer is determined to be permanent, however, this Agreement may be terminated upon mutual agreement between you and us. Refund of Entrance Fee, if any, in such event of termination shall be made exclusively in accordance with Appendix A to this Agreement.

## VIII. ASSISTED LIVING RESIDENCE AND OCCUPANCY CHANGE

A. Assisted Living Residence Change. Your ability to relocate to another Residence shall be at our sole discretion. If a relocation is permitted, the cost of such move shall be at your expense. Additionally, the higher of a \$2,500.00 refurbishment fee or the actual costs to refurbish your current residence shall be paid. Any increase or decrease in monthly fees or adjustment to the entrance fee shall be determined by us at the time of any such relocation.

B. Co-occupancy. You may not share the Assisted Living Residence with your spouse, sibling, child, or friend. Any other party desiring residence must be eligible for admission to the Community under our policies relative to age, health, and financial status and shall execute an agreement with us upon such terms and conditions as we shall require.

In the event that you wish to marry and your intended spouse is not eligible for admission to the Community, you may either terminate this Agreement in accordance with Section X.A. or may continue to occupy the Assisted Living Residence (or other appropriate part of the Community) without your spouse being a resident of the Community.

## IX. ACKNOWLEDGEMENTS

By signing this Agreement, you acknowledge:

A. You have been informed of the financial arrangement for accommodations, services, and care provided by WCBR and of the services that are not covered by the facility's basic rates.

B. You have been informed of and have reviewed the requirements regarding resident conduct and other restrictions or special conditions as stated in this Agreement and in the Assisted Living Resident Handbook, a copy of which has been provided to you.

C. You have been informed of WCBR's policy regarding the amount of notice required when you wish to move from the facility.

D. You have been informed of WCBR's policy regarding weapons on the premises as set forth in the Assisted Living Resident Handbook, a copy of which has been provided to you.

E. You have been informed of WCBR's policy regarding pets on the premises as set forth in the Assisted Living Resident Handbook, a copy of which has been provided to you.

F. You have been informed of those actions, circumstances, or conditions that would result or might result in your discharge from the facility, as stated in Sections VII.B. and X.B. of this Agreement.

G. You have reviewed the Rights and Responsibilities of Residents of Assisted Living Facilities (Title 63.2-1808 of the Code of Virginia).

H. WCBR's policies and procedures for implementing Title 63.2-1808 of the Code of Virginia, including the grievance policy and transfer/discharge policy, have been explained to you.

I. You have been informed and understand that you may refuse release of information regarding your personal affairs and records to any individual outside the facility, except as otherwise provided in law and except in case of his transfer to another caregiving facility.

J. You have been informed of WCBR's policy on bed holds.

K. You have been provided educational materials on advance directives, have designated whether or not you have an advance directive and have provided us with the necessary paperwork.

## X. TERMINATION OF THIS AGREEMENT

A. Termination by You. You may terminate this Agreement for any reason at any time by giving written notice to Westminster-Canterbury of the Blue Ridge Health Care Administrator, 250 Pantops Mountain Road, Charlottesville, Virginia 22911 at least 30 days before the desired termination date. Refund of the Entrance Fee, if any, shall be made exclusively in accordance with Appendix A to this Agreement. You will continue to pay all applicable monthly fees until all personal property has been removed from the Assisted Living Residence.

B. Termination by Us. We may terminate this Agreement at any time for any good cause. Good cause shall be limited to:

1. Proof that you are a danger to yourself or others;
2. Nonpayment by you of any fee due to the Community;
3. Repeated conduct by you that interferes with other residents' quiet enjoyment of the Community;
4. Persistent refusal by you to comply with the reasonable written rules and regulations of the Community;
5. Material misrepresentation made intentionally or recklessly by you in your application for residency, or related materials regarding information which, if accurately provided, would have resulted in either a failure of you to qualify for residency or a material increase in the cost of providing to you the care and services provided under this Agreement, including with respect to those items referred to in Section X.B.;
6. Material breach by you of this Agreement.

However, we shall not terminate the Agreement as provided herein until we give you written notice of, and 30 days to correct the situation warranting cancellation of this Agreement.

Refund of the Entrance Fee, if any, shall be made exclusively in accordance with the Appendix to this Agreement.

C. Termination by Death. The Assisted Living Residence is to be vacated within 30 days of death and the monthly fee shall be charged during this period and until the Residence is vacated. This Agreement shall terminate after your death upon the removal of your property, payment by us of any refund due hereunder, and payment of all outstanding debts due by you to us.

D. Additional Payments. If you give notice of termination, you shall continue to pay the Monthly Fee during the notice period and until all personal property has been removed from the Residence. You shall pay to us all amounts owed to us and any expenses incurred by us in connection with termination, including any necessary repairs to or replacement of our property.

## XI. MISCELLANEOUS; REPRESENTATIONS

A. Confidentiality of Personal Information. We shall hold in strict confidence all personal and financial information supplied by you. However, you authorize us to use and disclose your health information in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

B. Representations as to Statements. Your Application, Reservation Agreement, financials, health history, and other statements submitted to us are hereby incorporated in this Agreement by reference. You hereby represent that all statements contained therein are true and that there have been no material omissions or adverse changes in such statements that have not been communicated to us in writing. You agree to provide updated information related to financial condition or health conditions promptly in the event of any material change.

C. Representations as to Finances. You hereby represent that to the best of your knowledge and belief, you are and will be able to meet your obligations under this Agreement. When requested, you will provide us with a current financial statement.

D. Durable Power of Attorney. You shall execute before a Notary Public, delivered to us no later than the Contract Date, and maintain in effect at all times, a durable power of attorney designating as your attorney-in-fact a responsible

person selected by you. Such durable power of attorney shall be in a form which survives your incapacity or disability and which is otherwise satisfactory to us.

E. Preservation of Assets. When, in our sole judgment, it appears that continued management of your property by you may prevent you from meeting your obligations under this Agreement, upon review, you shall make arrangements for the preservation and management of your property by a third party, including but not limited to, the execution and funding of a trust agreement for your benefit. Upon request, you shall provide us with a complete financial statement, including copies of federal and state income and gift tax returns for the previous three years.

F. Guardianship. If you shall become legally incompetent or unable to properly care for yourself or your property and you have made no other provision therefore, we may pursue the appointment of a legal guardian, conservator, or committee.

G. Waiver, Representations by Us. Our failure in any one or more instances to insist upon the strict performance, observance or compliance by you with any provision of this Agreement or our waiver of the breach by you of any provision of this Agreement, shall not be construed to be a waiver or relinquishment by us of our right to insist upon strict compliance by you with such provision in the future and with all other provisions of this Agreement. You hereby acknowledge that we and our representatives have made no promises or representations with respect to the Assisted Living Residence, any facility of the Community, or services to be provided except as specifically set out in this Agreement. You hereby acknowledge that none of our sponsoring organizations are parties to this Agreement and that you have not relied on the credit-worthiness or sponsorship of any sponsoring organization as an inducement to execute this Agreement.

H. Alternative Dispute Resolution—Binding Arbitration Provision. Except with respect to services provided in and admission to the Health Center, Resident and Corporation agree that ALL CLAIMS, DISPUTES OR DISAGREEMENTS between them (or their respective successors, Assignees or representatives) that Resident and Corporation are unable to resolve between themselves shall be submitted to BINDING ARBITRATION in accordance with either the Healthcare Claims Settlement Procedures or the Commercial Dispute Resolution Procedures of the American Arbitration Association (as appropriate) then in effect. During the pendency of any arbitration proceeding, Corporation and Resident shall continue to perform their respective obligations under the Agreement, subject to the right of either party to terminate the same, as set forth herein. The obligation of the

Corporation and Resident to arbitrate their claims, disputes or disagreements shall survive the termination of this Agreement.

**RESIDENT UNDERSTANDS AND ACKNOWLEDGES THAT HE HAS THE  
RIGHT TO LITIGATE DISPUTES IN A COURT OF LAW AND THAT BY SIGNING  
THIS AGREEMENT HE IS WAIVING SUCH RIGHT, EXCEPT WITH RESPECT  
TO SERVICES PROVIDED IN AND ADMISSION TO THE HEALTH CENTER,  
INCLUDING ANY RIGHT TO TRIAL BY JURY AND STATING THAT HE/SHE  
PREFERS TO RESOLVE ANY DISPUTE THROUGH ARBITRATION.**

I. Construction, Binding Effect. This Agreement, including those items incorporated by reference in Section X.B., constitutes the entire agreement between you and us, and no waiver or modification hereof shall be valid unless made in writing and signed by both you and us. This Agreement, including its validity, the capacity of the parties, its form, interpretation of its language and any questions concerning its performance and discharge, shall be governed by and construed in accordance with the laws and judicial decisions of the Commonwealth of Virginia and the parties consent to the exclusive jurisdiction of the courts of the Commonwealth of Virginia. All references in this Agreement to singular masculine pronouns and adjectives shall be deemed to include the feminine and vice versa and the plural, if appropriate. If any provisions of this Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not affect any other provision hereof. All headings contained in this Agreement are for convenience of reference only and shall not affect its meaning, construction, or effect.

J. Statement of Non-Discrimination. Race, color, sex, gender, religion, disability, and national origin have no bearing upon your approval for admission, the execution of this Agreement, or normal conduct of business by us.

K. Successors and Assignees. Except as set forth herein, this Agreement will bind and inure to the benefit of the successors and assigns of WCBR and your heirs, executors, administrators, trustees, and/or agents authorized to act on your behalf. All duties owed us by you under this Agreement shall inure to the benefit of any of our successors and assignees.

## XII. YOUR RIGHT TO RESCIND

A. You shall have the right to rescind this Agreement without penalty or

forfeiture within seven (7) days after execution upon written notice to that effect to us within seven days after such rescission.

B. You shall not be required to move into the Community before the expiration of seven days after the execution of this Agreement.

**XIII. EXCEPTIONS AND SPECIAL TERMS (TO BE INITIALED BY RESIDENT AND WCBR, IF ANY, AND OTHERWISE LEFT BLANK)**

IN WITNESS WHEREOF, the Corporation and the Resident have executed this Agreement as of the date first above written.

WESTMINSTER-CANTERBURY OF THE BLUE RIDGE

By: \_\_\_\_\_

Its: President and CEO

Date: \_\_\_\_\_

RESIDENT:

\_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

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## APPENDIX A

### 1. General.

All terms used in this Appendix have the meanings assigned to them in the foregoing Agreement (the "Agreement"). All fees paid to us shall become our exclusive property upon the Contract Date or the date of payment, if later. However, we shall employ such fees, to the extent necessary, in meeting our obligations to you under the Agreement (including the obligation to make refunds, if any, as set out in this Appendix) and in meeting our obligations to the other residents of the Community. We shall pay any refund due in accordance with this Appendix.

### 2. Death or Disability Prior to Contract Date.

A. Resident. If you die before moving into the Community, or are precluded through illness, injury, or incapacity from moving into the Community, you or your legal representative shall receive a full refund (100%) of all money paid to us.

B. Other Termination Prior to Contract Date. If the Agreement is terminated by you prior to the Contract Date in circumstances other than those outlined above, all money paid to WCBR, less 2% of the total Entrance Fee (less Financial Assistance granted if any), shall be refunded to the Resident. If the Agreement is terminated by WCBR prior to the Contract Date, all money paid to WCBR will be refunded.

### 3. Refund.

A. Termination During First 6 Months. If the Agreement is terminated during the first 6 months after the Contract Date, the entire Entrance Fee (less Financial Assistance granted if any) shall be refunded, less 2% of the Entrance Fee (less Financial Assistance granted if any) for each month or part of a month following the Contract Date.

For example: If your Contract Date were August 1, 2019, and the termination date were December 31, 2019 (5 months) then the refund would equal the total Entrance Fee paid less 10%, i.e. refund of 90% of the Entrance Fee paid.

B. Termination After 6th Month. After the end of the 6th month from the Contract Date, no refund will be paid by us.

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## **APPENDIX A3**

Reservation Agreement





## RESERVATION AGREEMENT

THIS RESERVATION AGREEMENT (this "Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between WESTMINSTER-CANTERBURY OF THE BLUE RIDGE, Charlottesville, Virginia, a non-stock, 501 (c)(3) nonprofit corporation organized and incorporated under the laws of the Commonwealth of Virginia (hereafter referred to as "WCBR", and/or the words "We", "Us" and "Our") and \_\_\_\_\_ (hereafter referred to as the "Resident" and/or the words "You and "Your"; if two persons, they are referred to herein, sometimes jointly, sometimes severally, as "You" and "Your", and the obligations of two such persons will be joint and several). WCBR operates in Albemarle County, Virginia, a lifecare residential community for persons age 62 and over known as Westminster-Canterbury of the Blue Ridge (WCBR").

WCBR's Independent Living Lifecare offering requires that a resident meet certain qualification criteria. First, the minimum age to qualify for a Lifecare Services and Residence Agreement is 62 years of age or older. However, if a resident has a spouse that is less than 62 years of age, the spouse may reside at WCBR subject to a surcharge on the Entrance Fee, which will be calculated by adding (without compounding) 3% for each year (and prorated for the applicable partial year) until the spouse reaches age 62. Second, a resident must meet certain health criteria deemed appropriate by WCBR to ensure the suitability of WCBR's Independent Living setting for the Resident and to ensure WCBR's ability to provide appropriate services to meet the health and well-being needs of WCBR's other residents (the "Health Criteria"). Third, a Resident must meet certain financial criteria deemed appropriate by WCBR to ensure that the Resident has sufficient funds to pay the Monthly Fee over the lifetime(s) of the Resident (the "Financial Criteria").

### THE PARTIES AGREE:

#### I. LIFECARE SERVICES AND RESIDENCE AGREEMENT

Subject to the terms and conditions of this Agreement, You and WCBR will execute the then-current Lifecare Services and Residence Agreement ("Lifecare

Agreement"), attached hereto, within 10 days of the specified Ready Date of the Residence, provided all Financial Criteria and Health Criteria have been satisfied.

## II. RESIDENCE

You have selected \_\_\_\_\_ (hereinafter referred to as the "Residence," "Independent Living Residence," or "Apartment" or "Cottage"), a representative floor plan is attached.

## III. SELECTIONS, READY DATE, AND LIFECARE AGREEMENT DATE

A. Selections. You agree to complete all final selections ("Selections") within 15 business days of the execution of this Agreement.

B. Ready Date. As soon as We are reasonably able to do so, but not sooner than 30 days prior, WCBR will inform You in writing of the date upon which We expect the Residence will be ready for Your occupation, (the "Ready Date").

C. Lifecare Agreement Date. The date which You execute the Lifecare Agreement and pay the remaining balance of the Entrance Fee is referred to as the "Lifecare Agreement Date." WCBR will admit You to WCBR on the Lifecare Agreement Date and You will begin payment of Your Monthly Fee, subject to the terms and conditions of this Agreement and the terms and conditions of the Lifecare Agreement.

## IV. REFUND OPTION

WCBR offers refundable and non-refundable Lifecare Agreement options. Refundable Lifecare Agreements require You (one of You in the case of a couple) to be younger than 85 years of age on the Lifecare Agreement Date. You have selected the \_\_\_\_\_ Refund Option.

Subject to eligibility, You will be entitled to select an alternate Refund Option at any time prior to Your execution of the Lifecare Agreement.

## V. FEES

A. Entrance Fee. The Entrance Fee applicable to the Residence with the Refund Option chosen by You is \$\_\_\_\_\_. You will pay the Entrance Fee payable by You after the execution of this Agreement. The Entrance Fee will increase only if one of the following occurs:

1. You select an alternate Refund Option in accordance with Section IV. of this Agreement, upon which a higher Entrance Fee may be payable.

2. You execute this Reservation Agreement on or after May 1<sup>st</sup> and the Lifecare Agreement Date occurs after June 30<sup>th</sup> of the same year.

3. You execute this Reservation Agreement prior to May 1<sup>st</sup> and the Lifecare Agreement Date occurs after September 30<sup>th</sup> on the same year.

B. Compass Club Deposit/Priority List Payment. If You have previously paid to WCBR a Compass Club Deposit, that amount will be credited to You on your Agreement Execution Date.

C. Reservation Fee (10%). A Reservation Fee equal to ten percent (10%) of the Entrance Fee will be due and payable by You to WCBR upon execution of this Agreement.

D. Upgrade Agreement. If you request any Upgrades to Your Residence outside of Selections for the Residence outlined in this Agreement, You agree to pay in full, before renovations commence, the expenses outlined by WCBR to provide such Upgrades and to execute an Upgrade Agreement.

E. Checks. Checks for all fees should be made payable to "Westminster-Canterbury of the Blue Ridge."

F. Escrow. WCBR will maintain in escrow with a bank or trust company, or other escrow agent approved by the Insurance Bureau of the State Corporation Commission of the Commonwealth of Virginia, all Reservation Fees received from You prior to the Agreement Execution Date. Such Reservation Fees will be kept and maintained in an account separate and apart from WCBR's business accounts and will remain Your property until released to WCBR on the Lifecare Agreement Date. Any interest earned on Reservation Fees deposited in an escrow account will be credited toward the Entrance Fee when You execute a Lifecare Agreement. In the event that You do not execute a Lifecare Services and Residence

Agreement, interest earned upon such Reservation Fees deposited in such an escrow account will be paid as set forth in the following section.

**G. Refunds.** Refund of Reservation Fees deposited in escrow pursuant to Paragraph F. above, if any, prior to the Lifecare Agreement Date will be made exclusively in accordance with the following provisions. Refunds, if any, after the Agreement Execution Date will be made exclusively in accordance with the provisions of the Lifecare Agreement.

1. In the event that the Resident is one person and (i) dies before moving into the Residence, (ii) is precluded through illness, injury or incapacity from moving into the Residence, (iii) fails to meet the Health Criteria (in the sole judgment of WCBR), or (iv) fails to meet the Financial Criteria (in the sole judgment of WCBR), this Agreement may be terminated at the sole discretion of WCBR and You or Your legal representative will receive a full refund (100%) of the Reservation Fees previously paid by You to WCBR, less any amount necessarily incurred by WCBR pursuant to an Upgrade Agreement that You and WCBR have agreed to, if any. In the event of a refund pursuant to this Paragraph G.1., all interest earned on such Reservation Fees held in escrow will remain the property of and be returned to You, or Your legal representative, together with this refund.

2. In the event that two persons have signed this Agreement as Resident, and one of them (the "Second Resident") (i) dies before moving into the Residence, (ii) is precluded through illness, injury or incapacity from moving into the Residence, (iii) fails to meet the Health Criteria (in the sole judgment of WCBR), or (iv) fails to meet the Financial Criteria (in the sole judgment of WCBR) (A) the Second Resident or his or her legal representative will receive a full refund for the Entrance Fee attributed to the Second Resident; and (B) the other person who has signed this Agreement as Resident, he or she may terminate this Agreement and will receive a full refund (100%) of the Reservation Fees previously paid to WCBR, less any amount necessarily incurred by WCBR pursuant to an Upgrade Agreement that You and WCBR have agreed to, if any. In the event of a refund pursuant to this Paragraph G.2., all interest earned on such Reservation Fees held in escrow will remain the property of and be returned to You, or Your legal representative, together with this refund.

3. If this Agreement is terminated by You prior to the Agreement Execution Date for any reason other than as specifically provided in Paragraphs G.1. and G.2. above, the Reservation Fees held in escrow will be directed as follows: If termination under this Paragraph G.3. occurs during the first fourteen (14) days after this Agreement is signed, WCBR will refund the Reservation Fee to You, less one thousand dollars (\$1,000); if termination under this Paragraph

G.3. occurs between fifteen (15) days and sixty (60) days after this Agreement is signed, WCBR will refund fifty percent (50%) of the Reservation Fees to You; if termination under this Paragraph G.3. occurs more than sixty (60) days after this Agreement is signed, WCBR will not refund any of the Reservation Fees to You.

4. If this Agreement is terminated by WCBR prior to the Agreement Execution Date for any or no reason, Reservation Fees previously paid to WCBR by You will be refunded, less any amount necessarily incurred by WCBR prior to the termination date pursuant to an Upgrade Agreement that You and WCBR have agreed to, if any. In the event of a termination and refund pursuant to this Paragraph G.4., all interest earned on such Reservation Fees held in escrow will be paid to You upon termination.

H. Monthly Fee. WCBR will inform You no less than thirty (30) days prior to the Agreement Execution Date of the Monthly Fee in effect at the time of the Agreement Execution Date. Pursuant to the Lifecare Agreement, the Monthly Fee may be adjusted by WCBR at any time with at least thirty (30) days' notice. WCBR will endeavor to maintain reasonable Monthly Fee increases as determined in its sole and absolute discretion.

## VI. TIMELINESS

Time is of the essence with respect to finalizing Selections and, if applicable, identifying Upgrades; making payment of sums due, responding to requests initiated by WCBR related to Financial Evaluation and Medical Examinations; and setting the Lifecare Agreement Date. In the event that You fail to perform Your obligations hereunder in a timely manner, WCBR will, in its sole option, have the right to reallocate the Residence to another person We may choose upon ten (10) days' written notice to You, and You will have no further rights under this Agreement, other than the right to receive a refund, if any is due under this Agreement.

## VII. FINANCIAL EVALUATIONS

Financial Evaluation. If You have not already done so, You will submit confidential financial information on the forms provided by WCBR and undergo a financial evaluation within ten (10) days of the date of this Agreement, to enable WCBR to process Your application.

## VIII. MEDICAL EXAMINATIONS

A. Initial Medical Examination. If You have not already done so, You will undergo a comprehensive medical examination, at Your expense, by a licensed physician acceptable to WCBR within thirty (30) days of the date of this Agreement, to enable WCBR to process Your application and evaluate suitability for lifecare services within WCBR. You must also have a TB test no more than thirty (30) days prior to Your Agreement Execution Date.

B. Second Medical Examination. For occupancy in WCBR's independent living residences, You must reasonably expect to need only care services that can be provided within an independent living setting. You may be required to undergo a further medical examination, at Your expense, by a licensed physician acceptable to WCBR, within thirty (30) days prior to the Agreement Date. The results of this examination will be used by WCBR to determine, in its sole discretion, whether You meet the Health Criteria for admission. The Purpose of the Second Medical Evaluation is to confirm that You (or either of You, in the case of a couple) have not experienced a deterioration of Your health since the date of this Agreement, thus rendering it inappropriate for You to be admitted to an independent living residence.

C. Serious Change in Healthcare Needs. In the event that WCBR determines, in its sole and absolute discretion, that Your healthcare needs (of either of You, in the case of a couple) are such that You do not meet the Health Criteria for moving into any part of WCBR, WCBR may terminate this Agreement at any time prior to the Agreement Execution Date pursuant to Paragraphs V.G.1. and V.G.2. of this Agreement.

## IX. ADDRESS

You will provide a current address below and agree to notify WCBR of all changes in address that may occur from time to time. Required notice, if mailed to the last address provided by You to WCBR, will be deemed sufficient for all purposes under the provisions of this Agreement.

## X. MISCELLANEOUS

Your rights under this Agreement may not be assigned, transferred, or conveyed to any other person. This Agreement constitutes the entire Agreement between You and WCBR, and no waiver or modification hereof will be valid unless

made in writing and executed by You and WCBR. This Agreement, including its validity, the capacity of the parties hereto, its form, interpretation of its language and any questions concerning its performance and discharge, will be governed by and construed in accordance with the laws and judicial decisions of the Commonwealth of Virginia without resort to its conflict of law provisions, and the parties consent to the exclusive jurisdiction of the courts of the Commonwealth of Virginia. All references in this Agreement to singular masculine pronouns and adjectives will be deemed to include the feminine and vice versa and plurals, if appropriate. If any provisions of this Agreement will be held invalid by any court of competent jurisdiction, such holding will not affect any other provision hereof. All headings contained in this Agreement are for convenience of reference and will not affect its meaning, construction, or effect. The duties owed WCBR by You under this Agreement will inure to the benefit of any successors and assigns of WCBR. This Agreement will continue in full force and effect notwithstanding the execution of the Lifecare Agreement.

## XI. RESIDENT'S RIGHT TO RESCIND

You will have the right to rescind this Agreement without penalty of forfeiture within seven (7) days after paying the Reservation Fee, or executing this Agreement, if later, upon written notice to that effect received by WCBR within this seven (7) day period.

RESIDENT: \_\_\_\_\_

RESIDENT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WESTMINSTER-CANTERBURY OF THE BLUE RIDGE:

BY: \_\_\_\_\_  
ITS: President and CEO

## **APPENDIX B**

Audited Financial Statements for FY23 and FY24



**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE  
AND FOUNDATION**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2024 AND 2023**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
OFFICERS AND BOARD OF TRUSTEES (UNAUDITED)  
JUNE 30, 2024**

**OFFICERS**

|                       |  |
|-----------------------|--|
| Allison Agarwal Novak | Chairman                                 |
| Carol F. Ham          | Vice Chairman                            |
| Gary B. Selmeczi      | President and<br>Chief Executive Officer |
| Anna D. Buchanan      | Treasurer                                |
| Ross T. Thomas        | Secretary                                |
| Sandy T. Streek       | Assistant Secretary                      |

**BOARD OF TRUSTEES**

|                   |                    |
|-------------------|--------------------|
| Leone Ciporin     | G. Kelly Eplee     |
| Terry S. Forbes   | Rebecca Hill       |
| J. Brian Jackson  | Lawrence J. Martin |
| Daniel L. Oakey   | David M. Oakland   |
| Glenn W. Rust     | David Trautman     |
| David H. Whitcomb |                    |

**EX-OFFICIO**

David M. Maloney, Chairman of Foundation Board

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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YEARS ENDED JUNE 30, 2024 AND 2023**

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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Westminster-Canterbury of the Blue Ridge  
and Foundation  
Charlottesville, Virginia

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Westminster-Canterbury of the Blue Ridge and Foundation (the Organization) which comprise the consolidated balance sheets as of June 30, 2024 and 2023, and the related consolidated statements of operations and changes in net assets without donor restrictions, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2024 and 2023, 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.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

***Auditors' Responsibility for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
September 12, 2024

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED BALANCE SHEETS  
JUNE 30, 2024 AND 2023**

|   | <u>2024</u>                  | <u>2023</u>                  |
|---|------------------------------|------------------------------|
| <b>ASSETS</b>   |                              |                              |
| <b>CURRENT ASSETS</b>                                   |                              |                              |
| Cash and Cash Equivalents                               | \$ 10,350,299                | \$ 8,563,731                 |
| Accounts Receivable, Residents and Other, Net           | 523,089                      | 448,165                      |
| Investments   | 97,990,108                   | 76,865,787                   |
| Assets Limited as to Use                                | 484,427                      | 521,589                      |
| Contributions Receivable                                | 50,000                       | -                            |
| Prepaid Expenses, Supplies, and Other Assets            | 422,769                      | 453,536                      |
| Total Current Assets                                    | <u>109,820,692</u>           | <u>86,852,808</u>            |
| <b>ASSETS LIMITED AS TO USE, NET OF CURRENT PORTION</b> | 205,284                      | 423,509                      |
| <b>PROPERTY AND EQUIPMENT, NET</b>                      | 116,084,290                  | 122,041,866                  |
| <b>OTHER ASSETS</b>                                     |                              |                              |
| Charitable Remainder Trusts                             | 2,070                        | 2,070                        |
| Gift Annuity Investments                                | 160,175                      | 137,214                      |
| Intangible Asset, Net                                   | 441,251                      | 537,418                      |
| Deposits  | 532,400                      | 1,067,576                    |
| Total Other Assets                                      | <u>1,135,896</u>             | <u>1,744,278</u>             |
| <br>Total Assets  | <u><u>\$ 227,246,162</u></u> | <u><u>\$ 211,062,461</u></u> |

*See accompanying Notes to Consolidated Financial Statements.  
(3)*

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED BALANCE SHEETS (CONTINUED)  
JUNE 30, 2024 AND 2023**

|  | 2024                         | 2023                         |
|--|------------------------------|------------------------------|
| <b>LIABILITIES AND NET ASSETS</b>                                    |                              |                              |
| <b>CURRENT LIABILITIES</b>   |                              |                              |
| Accounts Payable, Trade, and Construction                            | \$ 2,460,398                 | \$ 2,926,602                 |
| Accrued Payroll and Withholdings                                     | 1,398,928                    | 1,361,906                    |
| Accrued Bond Interest Payable  | 144,681                      | 179,308                      |
| Current Maturities of Finance Leases Payable                         | 30,466                       | 36,910                       |
| Current Maturities of Long-Term Debt                                 | 880,000                      | 830,000                      |
| Total Current Liabilities  | <u>4,914,473</u>             | <u>5,334,726</u>             |
| <b>LONG-TERM DEBT, LESS CURRENT MATURITIES</b>                       | 55,622,656                   | 56,696,972                   |
| <b>LONG-TERM FINANCE LEASES PAYABLE,<br/>LESS CURRENT MATURITIES</b> | 30,006                       | 61,706                       |
| <b>OTHER LIABILITIES</b>   |                              |                              |
| Refundable Advance Admission Deposits                                | 149,295                      | 423,556                      |
| Deferred Revenue from Entrance Fees                                  | 84,580,040                   | 82,787,438                   |
| Refundable Entrance Fee Liability                                    | 29,409,402                   | 29,288,296                   |
| Annuity Payment Liabilities  | 29,520                       | 36,730                       |
| Priority List Deposits   | 580,000                      | 438,000                      |
| Total Other Liabilities  | <u>114,748,257</u>           | <u>112,974,020</u>           |
| <b>Total Liabilities</b>   | <b>175,315,392</b>           | <b>175,067,424</b>           |
| <b>NET ASSETS</b>  |                              |                              |
| Without Donor Restrictions   | 35,932,056                   | 22,254,305                   |
| With Donor Restrictions:   |                              |                              |
| Purpose Restrictions   | 13,902,151                   | 11,647,169                   |
| Perpetual in Nature  | 2,096,563                    | 2,093,563                    |
| Total Net Assets   | <u>51,930,770</u>            | <u>35,995,037</u>            |
| <b>Total Liabilities and Net Assets</b>                              | <b><u>\$ 227,246,162</u></b> | <b><u>\$ 211,062,461</u></b> |

*See accompanying Notes to Consolidated Financial Statements  
(4)*

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED STATEMENTS OF OPERATIONS AND  
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS  
YEARS ENDED JUNE 30, 2024 AND 2023**

|  | <b>2024</b>                 | <b>2023</b>                |
|--|-----------------------------|----------------------------|
| <b>PATIENT AND RESIDENT SERVICE REVENUE</b>  |                             |                            |
| Resident Fees  | \$ 26,252,242               | \$ 24,185,672              |
| Amortization of Deferred Entrance Fees   | 11,408,828                  | 10,489,944                 |
| Patient Services   | 8,144,116                   | 7,360,718                  |
| Total Patient and Resident Service Revenue   | <u>45,805,186</u>           | <u>42,036,334</u>          |
| <b>OTHER REVENUE</b>   |                             |                            |
| Contributions  | 331,890                     | 174,689                    |
| Other Revenue  | 855,222                     | 924,366                    |
| Investment Income  | 2,947,096                   | 1,532,099                  |
| Net Assets Released from Restrictions for Operations   | 68,729                      | 76,027                     |
| Total Other Revenue  | <u>4,202,937</u>            | <u>2,707,181</u>           |
| Total Revenues, Gains, and Other Support   | 50,008,123                  | 44,743,515                 |
| <b>EXPENSES</b>  |                             |                            |
| General and Administrative   | 4,097,620                   | 4,138,614                  |
| Resident Services  | 477,142                     | 444,659                    |
| Beauty Salon   | 107,413                     | 100,549                    |
| Fitness  | 250,844                     | 253,250                    |
| Environmental Services   | 1,986,839                   | 2,065,645                  |
| Laundry  | 209,104                     | 224,404                    |
| Plant Operations   | 3,164,045                   | 3,177,274                  |
| Property Taxes and Utilities   | 3,027,012                   | 2,927,949                  |
| Dining   | 5,358,472                   | 4,990,473                  |
| Health Care Center   | 5,493,262                   | 5,271,082                  |
| Catered Living   | 1,942,586                   | 1,907,617                  |
| Vista  | 600,578                     | 644,690                    |
| Clinic   | 290,518                     | 426,147                    |
| IT   | 988,239                     | 802,637                    |
| Security   | 762,220                     | 716,154                    |
| Transportation   | 223,221                     | 188,828                    |
| Clergy   | 141,562                     | 91,580                     |
| Development  | 668,536                     | 803,764                    |
| Marketing  | 898,384                     | 728,805                    |
| Canterbury Connections   | 20,318                      | 21,091                     |
| Interest   | 1,924,379                   | 2,025,881                  |
| Depreciation   | 9,681,194                   | 9,243,516                  |
| Amortization   | 96,167                      | 96,167                     |
| Total Expenses   | <u>42,409,655</u>           | <u>41,290,776</u>          |
| <b>OPERATING INCOME</b>  | 7,598,468                   | 3,452,739                  |
| <b>NONOPERATING INCOME (LOSS)</b>  |                             |                            |
| Change in Unrealized Gains on Investments  | 7,405,422                   | 6,162,426                  |
| Loss on Disposal of Property and Equipment   | (1,326,139)                 | (90,392)                   |
| COVID-19 Expenses  | -                           | (174,947)                  |
| Settlement Expense   | -                           | (490,000)                  |
| Loss on Extinguishment of Long-Term Debt   | -                           | (1,085,363)                |
| Total Nonoperating Income  | <u>6,079,283</u>            | <u>4,321,724</u>           |
| <b>EXCESS OF REVENUE OVER EXPENSES<br/>AND INCREASE IN NET ASSETS WITHOUT<br/>DONOR RESTRICTIONS</b> | <u><u>\$ 13,677,751</u></u> | <u><u>\$ 7,774,463</u></u> |

See accompanying Notes to Consolidated Financial Statements.  
(5)

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS  
YEARS ENDED JUNE 30, 2024 AND 2023**

|  | <u>2024</u>                 | <u>2023</u>                 |
|--|-----------------------------|-----------------------------|
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>   |                             |                             |
| Excess of Revenue Over Expenses<br>and Change in Net Assets Without Donor Restrictions | \$ 13,677,751               | \$ 7,774,463                |
| <b>PURPOSE RESTRICTED NET ASSETS WITH DONOR RESTRICTIONS</b>                           |                             |                             |
| Contributions  | 726,039                     | 315,802                     |
| Net Assets Released from Restrictions  | (68,729)                    | (76,027)                    |
| Investment Income  | 74,466                      | 520,879                     |
| Other  | (209,305)                   | (212,974)                   |
| Change in Unrealized Gains on Investments  | <u>1,732,511</u>            | <u>903,785</u>              |
| Change in Purpose Restricted Net Assets<br>with Donor Restrictions                     | 2,254,982                   | 1,451,465                   |
| <b>PERPETUALLY RESTRICTED NET ASSETS WITH<br/>DONOR RESTRICTIONS</b>                   |                             |                             |
| Contributions  | <u>3,000</u>                | <u>606,595</u>              |
| Change in Perpetually Restricted Net Assets<br>With Donor Restrictions                 | <u>3,000</u>                | <u>606,595</u>              |
| <b>CHANGE IN NET ASSETS</b>  | <u>15,935,733</u>           | <u>9,832,523</u>            |
| Net Assets - Beginning of Year   | <u>35,995,037</u>           | <u>26,162,514</u>           |
| <b>NET ASSETS - END OF YEAR</b>  | <u><u>\$ 51,930,770</u></u> | <u><u>\$ 35,995,037</u></u> |

*See accompanying Notes to Consolidated Financial Statements.  
(6)*

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2024 AND 2023**

|  | <u>2024</u>          | <u>2023</u>           |
|--|----------------------|-----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                      |                       |
| Change in Net Assets   | \$ 15,935,733        | \$ 9,832,523          |
| Adjustments to Reconcile Change in Net Assets to<br>Net Cash Provided by Operating Activities: |                      |                       |
| Amortization of Deferred Entrance Fees   | (11,408,828)         | (10,489,944)          |
| Depreciation and Amortization  | 9,777,361            | 9,339,683             |
| Amortization of Deferred Financing Costs and Bond Premium                                      | (194,316)            | (173,418)             |
| Loss on Disposal of Property and Equipment   | 1,326,139            | 90,392                |
| Loss on Extinguishment of Long-Term Debt   | -                    | 1,085,363             |
| Net Unrealized Gains on Investments  | (9,137,933)          | (7,066,211)           |
| Proceeds from Entrance Fees Received   | 14,946,003           | 22,395,217            |
| Net Proceeds from Refundable Advance   |                      |                       |
| Admission Deposits   | (274,261)            | (487,249)             |
| Proceeds from Restricted Contributions   | (3,000)              | (606,595)             |
| (A) Increase (Decrease) in:  |                      |                       |
| Accounts Receivable  | (74,924)             | 68,598                |
| Contributions Receivable   | (50,000)             | -                     |
| Prepaid Expenses, Supplies, and Other Assets   | 565,943              | (88,797)              |
| Gift Annuity Investment  | (22,961)             | (18,391)              |
| Increase (Decrease) in:  |                      |                       |
| Accounts Payable   | (466,204)            | 184,193               |
| Accrued and Other Liabilities  | 137,185              | (174,875)             |
| Net Cash Provided by Operating Activities  | <u>21,055,937</u>    | <u>23,890,489</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                      |                       |
| Purchase of Property and Equipment   | (5,049,757)          | (15,067,269)          |
| Decrease in Assets Limited as to Use   | (18,874)             | 2,041,104             |
| Purchases of Investments, Net  | <u>(11,986,388)</u>  | <u>(2,283,225)</u>    |
| Net Cash Used by Investing Activities  | <u>(17,055,019)</u>  | <u>(15,309,390)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                      |                       |
| Proceeds from Restricted Contributions   | 3,000                | 606,595               |
| Principal Repayments of Long-Term Debt   | (830,000)            | (590,000)             |
| Refunding of Long-Term Debt  | -                    | (1,818,653)           |
| Refunds of Deposits and Refundable Fees  | (1,623,467)          | (5,069,772)           |
| Principal Repayments on Finance Leases   | (38,144)             | (39,810)              |
| Net Cash Used by Financing Activities  | <u>(2,488,611)</u>   | <u>(6,911,640)</u>    |
| <b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS,<br/>AND RESTRICTED CASH</b>              |                      |                       |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year                                | 1,512,307            | 1,669,459             |
| <b>CASH, CASH EQUIVALENTS, AND RESTRICTED<br/>CASH - END OF YEAR</b>                           |                      |                       |
| Cash and Cash Equivalents  | <u>\$ 10,499,509</u> | <u>\$ 8,987,202</u>   |
| Reservation Agreement Deposits   | <u>10,350,299</u>    | <u>8,563,731</u>      |
| Total Cash, Cash Equivalents, and Restricted Cash  | <u>149,210</u>       | <u>423,471</u>        |
| <b>SUPPLEMENTAL CASH FLOW INFORMATION</b>  |                      |                       |
| Cash Paid for Interest, Net of Capitalized Interest  | <u>\$ 2,153,322</u>  | <u>\$ 2,549,089</u>   |
| <b>SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION</b>  |                      |                       |
| Proceeds from Issuance of Long-Term Debt   | \$ -                 | \$ 15,993,892         |
| Less: Repayment of Long-Term Debt  | -                    | (17,659,582)          |
| Less: Costs of Issuance  | -                    | (152,963)             |
| Total  | <u>\$ -</u>          | <u>\$ (1,818,653)</u> |

See accompanying Notes to Consolidated Financial Statements  
(7)

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Westminster-Canterbury of the Blue Ridge and Foundation (the Organization) provides a life care contract that includes housing, health care, and other related services to residents through the operation of a continuing care retirement community (the Facility).

During the year ended June 30, 2023, Westminster-Canterbury of the Blue Ridge formed WCBR Land Holdings LLC, a limited liability company formed under the laws of the Commonwealth of Virginia. The sole member of WCBR Land Holdings LLC is Westminster-Canterbury of the Blue Ridge. WCBR Land Holdings LLC was formed for the purpose of acquiring land adjacent to the campus of Westminster-Canterbury of the Blue Ridge and shall be operated to benefit the charitable purpose of the Organization.

**Mission Statement**

The Organization's mission is to provide a life care community of vibrant living designed to meet the dynamic needs and opportunities of older adults.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Westminster-Canterbury of the Blue Ridge, its wholly owned nonprofit subsidiary, Westminster-Canterbury of the Blue Ridge Foundation (the Foundation), and its limited liability company, WCBR Land Holdings LLC (the LLC). It has been determined that the elements of control and economic interest exist between the three organizations. All significant intercompany transactions and account balances have been eliminated in consolidation.

**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 assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers cash and cash equivalents to include cash on hand and temporary investments, including obligations acquired with original maturities of three months or less.

The Organization maintains cash balances at a financial institution located within its market area. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a maximum of \$250,000 per depositor account. At times, deposits may exceed FDIC amounts.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

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

**Accounts Receivable and Allowance for Credit Losses**

Resident and other receivables are reported net of an allowance for credit losses to represent the Organization's estimate of expected losses at the balance sheet date. The Organization separates resident receivables into risk pools based on payors and aging. In determining the amount of the allowance as of the balance sheet date, the Organization develops a loss rate for each risk pool. This loss rate is based on management's historical collection experience, adjusted for management's expectation about current and future economic conditions. The allowance for credit losses was approximately \$7,000 and \$18,000 at June 30, 2024 and 2023, respectively.

**Investments**

Investments are carried at fair value. The fair value of marketable equity securities, bonds, and other investments is based on quoted market prices. Realized gains and losses on the sale of investments are determined based on the cost of the specific investment sold. For the years ended June 30, 2024 and 2023, the Organization classified its investments as trading securities and accordingly has included the change in unrealized gains on investments in the excess of revenue over expenses.

**Assets Limited as to Use**

Assets limited as to use are carried at fair value and include amounts set aside and held by the trustee under the Bond Indenture and amounts received for Reservation Agreement deposits.

**Property and Equipment**

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Capital expenditures greater than \$2,500 are capitalized and depreciated over the life of the asset. Capital expenditures less than \$2,500 are expensed when incurred.

Interest expense is capitalized on the Organization's assets which were acquired with tax-exempt debt. The Organization capitalizes interest expense incurred from the date of the borrowing until one year after completion of the project or upon achieving substantial occupancy, and offsets that amount with interest earned on invested proceeds over the same period.

**Intangible Asset**

In 2019 the Organization purchased 19 licensed beds from an unrelated nursing provider in Virginia. The Organization paid \$950,000 for these licenses. The intangible asset is being amortized over 10 years. Amortization expense for the years ended June 30, 2024 and 2023 was approximately \$96,000 and is included in amortization expense in the accompanying consolidated statements of operations and changes in net assets without donor restrictions.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

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

**Deferred Financing Costs**

Costs of obtaining financing are being amortized using the straight-line method, which approximates the effective interest method, over the terms of the obligations to which they apply. Bond discounts and premiums are also amortized over the period the obligation is outstanding using the straight-line method. Amortization is included as a component of interest expense. Accumulated amortization of deferred financing costs was approximately \$62,000 and \$39,000 at June 30, 2024 and 2023, respectively.

**Entrance Fees**

Nonrefundable fees paid by a resident upon entering into a life care contract are recorded as deferred revenue and are amortized to income using the straight-line method over the estimated remaining life expectancy of the resident. The refundable portion of fees paid by a resident upon entering into a life care contract is recorded as a refundable entrance fee liability.

**Obligation to Provide Future Services**

The Organization annually calculates the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from entrance fees. If the present value of the net cost of future services and the use of facilities, discounted at 5.5%, exceeds the deferred revenue from entrance fees, a liability is recorded (obligation to provide future services and use of facilities) with the corresponding charge to income. The results of the calculation did not require the Organization to record a liability for the years ended June 30, 2024 and 2023.

**Donor Restricted Gifts**

Unconditional promises to give cash and other assets to the Organization are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets (deficit) without donor restrictions as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying consolidated financial statements.

*Purpose Restricted Net Assets With Donor Restrictions* – Net assets with donor restrictions may be those whose use by the Organization has been limited by donors to a specific time period or purpose. Purpose restricted net assets with donor restrictions primarily include fellowship financial assistance.

*Perpetually Restricted Net Assets With Donor Restrictions* – Net assets with donor restrictions in perpetuity are those that carry donor-imposed restrictions that stipulate that donated assets be maintained in perpetuity, but permit the Organization to use or expend the income derived from the donated assets.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

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

**Leases**

The Organization determines if an arrangement is a lease at inception. Leases are included in property and equipment and lease liabilities in the consolidated balance sheets. Right-of-use (ROU) assets present the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the commencement date of the lease based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain the Organization will exercise the option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or assets on the balance sheet.

**Fellowship Assistance**

Westminster-Canterbury of the Blue Ridge Foundation has a fellowship assistance policy to identify residents who are unable to meet their entrance fee or monthly obligations to the Organization. The policy uses certain funds designated for fellowship assistance to subsidize the charges for entrance fees and services provided to those residents. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis.

The Organization tracks its direct and indirect costs of providing assistance under its fellowship assistance policy. The direct and indirect costs closely follow the charges forgone related to the assistance provided. The Organization has calculated the costs for services under the Organization's fellowship assistance policy to be approximately \$69,000 and \$76,000 for the years ended June 30, 2024 and 2023, respectively.

The Organization received approximately \$99,000 and \$158,000 to subsidize the costs of providing fellowship assistance under its fellowship assistance policy for the years ended June 30, 2024 and 2023, respectively.

**Patient and Resident Service Revenue**

Patient and resident service revenue is reported at the estimated net realizable amounts from residents, third-party payors, and others for services rendered.

**Excess of Revenue Over Expenses**

The consolidated statements of operations and changes in net assets without donor restrictions include excess of revenue over expenses. Changes in net assets without donor restrictions which are excluded from excess of revenue over expenses, consistent with industry practice, could include permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets, including assets acquired using contributions that, by donor restriction, were to be used for purposes of acquiring such assets.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

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

**Income Tax Status**

Westminster-Canterbury of the Blue Ridge and Westminster-Canterbury of the Blue Ridge Foundation are nonprofit organizations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes pursuant to Section 501(a) of the Code. LLC is a single member limited liability company and is considered a disregarded entity for income tax purposes.

The Organization's income tax returns are subject to review and examination by federal and state authorities. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

The Organization follows guidance in the income tax standard regarding the recognition and measurement of uncertain tax positions. The application of the standard has had no impact on the Organization's consolidated financial statements.

**Fair Value of Financial Instruments**

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Organization 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. 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 the Organization 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.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

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

**Fair Value of Financial Instruments (Continued)**

Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as the present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions.

Securities valued using Level 1 inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets. Assets and liabilities valued using Level 2 inputs include charitable remainder trusts. There are no assets or liabilities valued using Level 3 inputs.

**Risks and Uncertainties**

The Organization holds investments in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will continue to occur in the near term and that such changes could materially affect the Organization's investment balances and the amounts reported in its consolidated balance sheets.

**Adoption of New Accounting Standard**

The Organization has adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Organization adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Organization's financial statements but did update how the allowance for credit losses is determined.

**Subsequent Events**

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 12, 2024, the date the consolidated financial statements were available to be issued.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 2 PATIENT AND RESIDENT SERVICE REVENUE**

Patient and resident services revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing patient and resident care. These amounts are due from residents, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Organization bills the residents and third-party payors several days after the services are performed. Service fees paid by residents for maintenance, meals, and other services are assessed monthly and are recognized as revenue in the period services are rendered. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Organization believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the facilities receiving skilled nursing services or housing residents receiving services in the facilities. The Organization considers daily services provided to residents of the skilled nursing facilities, and monthly rental for housing services as a separate performance obligation and measures this on a monthly basis, or upon move-out within the month, whichever is shorter.

Nonrefundable entrance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. Revenue from nonrefundable entrance fees is recognized ratably in future periods covering a resident's life expectancy using a time-based measurement similar to the output method. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to residents and customers in a retail setting (for example, gift shop and cafeteria meals) and the Organization does not believe it is required to provide additional goods or services related to that sale.

Because all of its performance obligations have a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The Organization determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Organization' policy, and/or implicit price concessions provided to residents. The Organization determines its estimates of contractual adjustments based on contractual agreements, its policy, and historical experience. The Organization determines its estimate of implicit price concessions based on its historical collection experience.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 2 PATIENT AND RESIDENT SERVICE REVENUE (CONTINUED)**

Agreements with third-party payors typically provide for payments at amounts less than the established charges. A summary of the payment arrangements with major third-party payors follows:

**Medicare**

The Organization's licensed nursing facilities participate in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). On October 1, 2019, CMS finalized the Patient Driven Payment Model (PDPM). Under PDPM, therapy minutes were removed as the primary basis for payment and the underlying complexity and clinical needs of a patient are used as a basis for reimbursement. In addition, PDPM includes variance adjustment factors that change reimbursement rates during the resident's length of stay. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement.

Nursing facilities licensed for participation in the Medicare and Medical Assistance programs are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.

**Medicaid**

With the purchase of 19 licensed beds in 2019, the Organization is a licensed nursing facility eligible to participate in the Medicaid program which is administered by Virginia's Department of Medical Assistance Services (DMAS). Effective October 1, 2019, new PDPM HIPPS codes replaced RUG scores listed on each claim for determining reimbursement amounts. Annual Medicaid cost reports are required by the state of Virginia, however, they are not used to settle the costs of claims. Instead, the cost reports are used in the development of price-based rates and to monitor the adequacy of the reimbursement methodology. As of June 30, 2024 and 2023, the Organization did not have any residents or patients in the Medicaid program.

**Other**

Payment agreements with certain commercial insurance carriers provide for payment using prospectively determined daily rates.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 2 PATIENT AND RESIDENT SERVICE REVENUE (CONTINUED)**

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Organization's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price, were not significant in 2024 or 2023.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Organization estimates the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent charges to the estimate of the transaction price are recorded as adjustments to resident services revenue in the period of the change. Additional revenue recognized due to changes in its estimates of implicit price concessions, discounts, and contractual adjustments were not considered material for the years ended June 30, 2024 and 2023. Subsequent changes that are determined to be the result of an adverse change in the resident's ability to pay are recorded as bad debt expense.

The Organization has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service line, method of reimbursement, and timing of when revenue is recognized.

The composition of patient and residential services revenue by primary payor for the years ended June 30 is as follows:

|              | 2024                        | 2023                        |
|--------------|-----------------------------|-----------------------------|
| Medicare     | \$ 1,932,214                | \$ 1,471,961                |
| Private      | 43,727,892                  | 40,438,578                  |
| Other        | 145,080                     | 125,795                     |
| <b>Total</b> | <b><u>\$ 45,805,186</u></b> | <b><u>\$ 42,036,334</u></b> |

Revenue from resident's deductibles and coinsurance are included in the categories presented above based on the primary payor.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 2 PATIENT AND RESIDENT SERVICE REVENUE (CONTINUED)**

The composition of patient and residential services revenue based on the Organization's lines of business, method of reimbursement, and timing of revenue recognition for the years ended June 30 are as follows:

|   | 2024                        | 2023                        |
|---|-----------------------------|-----------------------------|
| <b>Service Lines:</b>                         |                             |                             |
| Independent Living                            | \$ 26,252,242               | \$ 24,185,672               |
| Assisted Living                               | 3,375,761                   | 3,189,535                   |
| Health Care Services                          | 4,768,355                   | 4,171,183                   |
| Amortization of Entrance Fees                 | 11,408,828                  | 10,489,944                  |
| <b>Total</b>                                  | <b><u>\$ 45,805,186</u></b> | <b><u>\$ 42,036,334</u></b> |
| <br><b>Method of Reimbursement:</b>           |                             |                             |
| Monthly Service Fees                          | \$ 32,180,377               | \$ 29,817,175               |
| Amortization of Entrance Fees                 | 11,408,828                  | 10,489,944                  |
| Fee for Service                               | 2,215,981                   | 1,729,215                   |
| <b>Total</b>                                  | <b><u>\$ 45,805,186</u></b> | <b><u>\$ 42,036,334</u></b> |
| <br><b>Timing of Revenue and Recognition:</b> |                             |                             |
| Health Care Services Transferred Over Time    | <b><u>\$ 45,805,186</u></b> | <b><u>\$ 42,036,334</u></b> |

**Financing Component**

The Organization has elected the practical expedient allowed under FASB ASC 606-10-32-18 and does not adjust the promised amount of consideration from residents and third-party payors for the effects of a significant financing component due to its expectation that the period between the time the service is provided to a resident and the time that the resident or a third-party payor pays for that service will be one year or less.

**Contract Costs**

The Organization has applied the practical expedient provided by FASB ASC 340-40-25-4 and all incremental customer contract acquisition costs are expensed as they are incurred as the amortization period of the asset that the Organization otherwise would have recognized is one year or less in duration.

The opening and closing contract balances were as follows:

|                             | Accounts<br>Receivable | Deferred<br>Revenue from<br>Entrance Fees | Refundable<br>Entrance Fee<br>Liability |
|-----------------------------|------------------------|---|---|
| Balance as of July 1, 2022  | \$ 516,763             | \$ 74,053,934                             | \$ 31,186,299                           |
| Balance as of June 30, 2023 | 448,165                | 82,787,438                                | 29,288,296                              |
| Balance as of June 30, 2024 | 523,089                | 84,580,040                                | 29,409,402                              |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 3 PROPERTY AND EQUIPMENT**

A summary of property and equipment at June 30 is as follows:

|                                | 2024                         | 2023                         |
|--------------------------------|------------------------------|------------------------------|
| Land                           | \$ 10,050,988                | \$ 10,050,988                |
| Land Improvements              | 3,654,293                    | 4,113,567                    |
| Buildings                      | 205,034,933                  | 205,051,374                  |
| Furniture and Equipment        | 17,698,560                   | 16,596,262                   |
| Vehicles                       | 210,583                      | 210,583                      |
| Total                          | 236,649,357                  | 236,022,774                  |
| Less: Accumulated Depreciation | (122,177,260)                | (116,372,924)                |
| Total                          | 114,472,097                  | 119,649,850                  |
| Construction in Progress       | 1,612,193                    | 2,392,016                    |
| Property and Equipment, Net    | <u><u>\$ 116,084,290</u></u> | <u><u>\$ 122,041,866</u></u> |

Depreciation expense was approximately \$9,681,000 and \$9,244,000 for the years ended June 30, 2024 and 2023, respectively.

Construction in progress at June 30, 2024 and 2023 related to independent living unit renovations, care areas, campus vision planning, and other miscellaneous projects. No interest was capitalized at June 30, 2024 and 2023.

**NOTE 4 RELATED PARTY TRANSACTIONS**

In the ordinary course of business, the Organization has certain business relationships with companies in which members of the board of trustees are related parties. Transactions with such companies for the years ended June 30, 2024 and 2023 were as follows:

|            | 2024                    | 2023                    |
|------------|-------------------------|-------------------------|
| Legal Fees | <u><u>\$ 79,555</u></u> | <u><u>\$ 50,650</u></u> |

The Organization had no outstanding related party payables for the years ended June 30, 2024 and 2023.

**NOTE 5 INVESTMENTS**

Investments, stated at fair market value, at June 30 were as follows:

|                          | 2024                        |                             | 2023                        |                             |
|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                          | Market<br>Value             | Cost                        | Market<br>Value             | Cost                        |
| Money Market Investments | \$ -                        | \$ -                        | \$ 750,606                  | \$ 750,606                  |
| Mutual Funds             | 97,990,108                  | 82,606,900                  | 56,565,419                  | 50,272,320                  |
| Pooled Investment Funds  | -                           | -                           | 19,549,762                  | 16,378,330                  |
| Total                    | <u><u>\$ 97,990,108</u></u> | <u><u>\$ 82,606,900</u></u> | <u><u>\$ 76,865,787</u></u> | <u><u>\$ 67,401,256</u></u> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 5 INVESTMENTS (CONTINUED)**

Investment income and gains for assets limited as to use, cash equivalents, and other investments are comprised of the following for the years ended June 30, 2024 and 2023:

|   | 2024                       |                               |                            |
|---|----------------------------|-------------------------------|----------------------------|
|   | Total                      | Without Donor<br>Restrictions | With Donor<br>Restrictions |
| <b>Income:</b>                                    |                            |                               |                            |
| Interest Income                                   | \$ 2,054,711               | \$ 1,782,884                  | \$ 271,827                 |
| Realized Gains (Losses) on Sales<br>of Securities | <u>966,851</u>             | <u>1,164,212</u>              | <u>(197,361)</u>           |
| <b>Total</b>                                      | <b><u>\$ 3,021,562</u></b> | <b><u>\$ 2,947,096</u></b>    | <b><u>\$ 74,466</u></b>    |
| <br><b>Nonoperating Income:</b>                   |                            |                               |                            |
| Change in Unrealized Gains<br>on Investments      | <u>\$ 9,137,933</u>        | <u>\$ 7,405,422</u>           | <u>\$ 1,732,511</u>        |
| <b>Total</b>                                      | <b><u>\$ 9,137,933</u></b> | <b><u>\$ 7,405,422</u></b>    | <b><u>\$ 1,732,511</u></b> |
|   | 2023                       |                               |                            |
|   | Total                      | Without Donor<br>Restrictions | With Donor<br>Restrictions |
| <b>Income:</b>                                    |                            |                               |                            |
| Interest Income                                   | \$ 1,078,504               | \$ 883,934                    | \$ 194,570                 |
| Realized Gains on<br>Sales of Securities          | <u>974,474</u>             | <u>648,165</u>                | <u>326,309</u>             |
| <b>Total</b>                                      | <b><u>\$ 2,052,978</u></b> | <b><u>\$ 1,532,099</u></b>    | <b><u>\$ 520,879</u></b>   |
| <br><b>Nonoperating Gains:</b>                    |                            |                               |                            |
| Change in Unrealized Gains<br>on Investments      | <u>\$ 7,066,211</u>        | <u>\$ 6,162,426</u>           | <u>\$ 903,785</u>          |
| <b>Total</b>                                      | <b><u>\$ 7,066,211</u></b> | <b><u>\$ 6,162,426</u></b>    | <b><u>\$ 903,785</u></b>   |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 6 ASSETS LIMITED AS TO USE**

Assets limited as to use include amounts deposited with a trustee (Trustee) under the provisions of the Trust Indentures in connection with financing through the Industrial Development Authority of Albemarle County, Virginia, and deposits under reservation agreements.

Assets limited as to use at June 30 were as follows:

|  | <u>2024</u>              | <u>2023</u>              |
|--|--------------------------|--------------------------|
| Held by Trustee:                                 |                          |                          |
| Bond Interest Fund                               | \$ 362,770               | \$ 372,914               |
| Bond Principal Fund                              | <u>177,731</u>           | <u>148,713</u>           |
| Total  | <u>540,501</u>           | <u>521,627</u>           |
| Reservation Agreement Deposits                   | <u>149,210</u>           | <u>423,471</u>           |
| Total  | <u>689,711</u>           | <u>945,098</u>           |
| Less: Current Portion                            | <u>(484,427)</u>         | <u>(521,589)</u>         |
| Assets Limited as to Use, Net of Current Portion | <u><u>\$ 205,284</u></u> | <u><u>\$ 423,509</u></u> |

The market value of the funds approximates carrying value at June 30, 2024 and 2023.

The funds held by the Trustee are invested in U.S. government obligations and other liquid assets. Reservation agreement deposits are maintained in interest bearing accounts at a bank.

The bond interest fund is maintained for the accumulation of funds to pay the interest as it becomes due on the bonds outstanding. Similarly, the bond principal fund is used to pay principal as it matures.

**NOTE 7 DEFERRED REVENUE AND REFUNDABLE ENTRANCE FEE LIABILITY**

Resident contract deposit amounts include a refundable portion based on the individual agreements. The amounts subject to refund are \$29,409,402 and \$29,288,296 at June 30, 2024 and 2023, respectively, and are shown as a refundable entrance fee liability on the consolidated balance sheets. The total amount of contractual refund obligations under all existing contracts (that is, if all residents with a refundable balance were to have withdrawn) totaled approximately \$56,350,000 and \$56,631,000 at June 30, 2024 and 2023, respectively.

Nonrefundable entrance fees, including the nonrefundable portions of refundable contract options, are recorded as deferred revenue, and are amortized to income using the straight-line method over the estimated remaining life expectancy of the resident.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 7 DEFERRED REVENUE AND REFUNDABLE ENTRANCE FEE LIABILITY (CONTINUED)**

A summary of deferred revenue from entrance fees at June 30 of each year is as follows:

|                                | 2024                        | 2023                        |
|--------------------------------|-----------------------------|-----------------------------|
| Nonrefundable Contract Options | \$ 28,229,800               | \$ 26,156,656               |
| Refundable Contract Options    | 56,350,240                  | 56,630,782                  |
| <b>Total</b>                   | <b><u>\$ 84,580,040</u></b> | <b><u>\$ 82,787,438</u></b> |

**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS**

**Net Assets with Purpose Restrictions**

Net assets with purpose restricted donor restrictions are restricted for the following purposes as of June 30, 2024 and 2023:

|  | 2024                        | 2023                        |
|--|-----------------------------|-----------------------------|
| Fellowship Assistance                      | \$ 12,091,966               | \$ 10,400,893               |
| Employee Education                         | 1,215,515                   | 1,065,606                   |
| Miscellaneous                              | 594,670                     | 180,670                     |
| <b>Total Purpose Restricted Net Assets</b> | <b><u>\$ 13,902,151</u></b> | <b><u>\$ 11,647,169</u></b> |

During 2024 and 2023, net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose of fellowship assistance expense in the amounts of approximately \$69,000 and \$76,000, respectively. All purpose-restricted funds are held by the Foundation.

**Net Assets with Perpetual Restrictions**

The Commonwealth of Virginia adopted the Uniform Prudent Management of Institutional Funds Act (the Act) effective February 21, 2008. The Organization has interpreted the Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as perpetually restricted net assets (1) the original value of gifts donated to the permanent endowment and (2) the original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted Endowment Fund that is not classified in perpetually restricted net assets is classified as purpose restricted net assets with donor restrictions, or net assets without donor restrictions in the case of the general purpose endowment, until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed in the Act.

In accordance with the Act, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions

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**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

**Net Assets with Perpetual Restrictions (Continued)**

- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policy of the Organization

**Funds with Deficiencies**

It is the Organization's practice to maintain the corpus amounts of each individual donor-restricted endowment fund received. If the fair value of assets associated with individual donor-restricted endowment funds were to fall below the level that the donor or the Act requires the Organization to retain as a fund of perpetual duration, in accordance with GAAP, deficiencies of this nature are reported in net assets without donor restrictions.

**Return Objectives and Risk Parameters**

Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. As approved by the board of trustees, the endowment assets are permitted to be commingled with other investments of the Organization which seek long-term appreciation, are managed professionally, and adhere to the Organization's investment policies.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Management targets a diversified asset allocation that meets the Organization's long-term rate of return objectives while avoiding undue risk from imprudent concentration in any single asset class or investment vehicle.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Organization's spending policy is guided by the Act and requires annual determination by the board of trustees as to the amount, if any, of spending that is authorized from the fund.

At June 30, 2024 and 2023, the Organization had approximately \$2,097,000 and \$2,094,000 in perpetually restricted endowments, respectively. The Organization had no board-designated endowment funds for the year ended June 30, 2024 or 2023.

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**NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

The following is the change in endowment net assets for the years ended June 30, 2024 and 2023:

|  | 2024                          |                       |                        |                     |
|--|-------------------------------|-----------------------|------------------------|---------------------|
|  | Without Donor<br>Restrictions | Purpose<br>Restricted | Perpetual in<br>Nature | Total               |
| Endowment Net Assets -<br>Beginning of the Year                          | \$ -                          | \$ 603,531            | \$ 2,093,563           | \$ 2,697,094        |
| Investment Return  | -                             | 33,484                | -                      | 33,484              |
| Realized Losses and Change<br>in Unrealized Gains<br>on Investments, Net | -                             | 189,102               | -                      | 189,102             |
| Total Investment Return  | -                             | 222,586               | -                      | 222,586             |
| Contributions  | -                             | -                     | 3,000                  | 3,000               |
| Endowment Net Assets -<br>End of Year                                    | <u>\$ -</u>                   | <u>\$ 826,117</u>     | <u>\$ 2,096,563</u>    | <u>\$ 2,922,680</u> |
|  | 2023                          |                       |                        |                     |
|  | Without Donor<br>Restrictions | Purpose<br>Restricted | Perpetual in<br>Nature | Total               |
| Endowment Net Assets -<br>Beginning of the Year                          | \$ -                          | \$ 428,040            | \$ 1,486,968           | \$ 1,915,008        |
| Investment Return  | -                             | 23,967                | -                      | 23,967              |
| Realized Gains and Change<br>in Unrealized Gains<br>on Investments, Net  | -                             | 151,524               | -                      | 151,524             |
| Total Investment Return  | -                             | 175,491               | -                      | 175,491             |
| Contributions  | -                             | -                     | 606,595                | 606,595             |
| Endowment Net Assets -<br>End of Year                                    | <u>\$ -</u>                   | <u>\$ 603,531</u>     | <u>\$ 2,093,563</u>    | <u>\$ 2,697,094</u> |

**NOTE 9 CHARITABLE REMAINDER TRUST AND GIFT ANNUITIES**

At June 30, 2024, the Organization was a beneficiary of a charitable remainder trust. In accordance with the Charitable Remainder Trust Agreement, investment income equal to 8% of the fair value of the Trustee assets is to be paid to other beneficiaries until their deaths. After that the Organization will receive the remainder of the assets left in the trusts.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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**NOTE 9 CHARITABLE REMAINDER TRUST AND GIFT ANNUITIES (CONTINUED)**

At June 30, 2024, the Organization was a beneficiary to four gift annuity agreements. Under the terms of the agreements, the donor is to receive certain quarterly annuity payments until their death in exchange for cash contributions made to the Organization.

**NOTE 10 LONG-TERM DEBT**

The Organization is party to certain agreements of sale and repurchase with the Industrial Development Authority of Albemarle County, Virginia. The agreements are summarized below:

- **2012 Issue** – In December 2012, the Organization became party to an agreement of sale and repurchase with the Economic Development Authority of Albemarle County, Virginia whereby the Authority issued \$20,315,000 of Residential Care Facility Mortgage Revenue Bonds (the Series 2012A Bonds) with interest payable January 1 and July 1 of each year. Simultaneously with the issuance of the Series 2012A Bonds, the Authority issued its Residential Care Facility Mortgage Revenue Bond Series 2012B and its Residential Care Facility Mortgage Revenue Bond Series 2012C. The 2012 bonds were collateralized by a mortgage lien on real estate, certain equipment, and a debt service reserve fund. The proceeds of these 2012 bonds were used to fund an expansion project, to finance capitalized interest on the 2012 Bonds, to finance a debt service reserve fund for the Series 2012A Bonds, and to pay costs related to the issuance of the bonds. The Organization was required to meet a long-term debt service ratio and other financial covenants. The Series 2012 Bonds were refunded in full during fiscal year 2023 with the proceeds from the Series 2022B Bond.
- **2022A Issue** – In February 2022, the Organization became party to an agreement of sale and repurchase with the Economic Development Authority of Albemarle County, Virginia whereby the Authority issued its Residential Care Facility Revenue Refunding Bonds (the Series 2022A Bonds) in the principal amount of \$38,025,000 with interest payable June 1 and December 1 of each year. The Series 2022A Bonds are collateralized by a lien on real estate and certain equipment. The proceeds from the Series 2022A Bonds were used to refinance the then outstanding Series 2016A and Series 2016B bonds and to pay costs related to the issuance of the bonds. The Organization is required to meet a long-term debt service ratio and other financial covenants.
- **2022B Issue** – In October 2022, the Organization became party to an agreement of sale and repurchase with the Economic Development Authority of Albemarle County, Virginia whereby the Authority issued its Residential Care Facility Revenue Refunding Bonds (the Series 2022B Bonds) in the principal amount of \$14,935,000 with interest payable June 1 and December 1 of each year. The Series 2022B Bonds are collateralized by a lien on real estate and certain equipment. The proceeds from the Series 2022B Bonds were used to refinance the then outstanding Series 2012 bonds and to pay costs related to the issuance of the bonds. The Organization is required to meet a long-term debt service ratio and other financial covenants.

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**NOTE 10 LONG-TERM DEBT (CONTINUED)**

Under terms of the debt agreements, the Organization is required to meet a number of covenants with which management is unaware of any instances of noncompliance at June 30, 2024.

Long-term debt outstanding at June 30, 2024 is scheduled to mature as follows:

| <u>Year Ending June 30,</u>                | <u>2022A Issue</u> |                      |                             |
|--|--------------------|----------------------|-----------------------------|
|  | <u>Bonds</u>       | <u>Interest Rate</u> | <u>Principal Amount</u>     |
| 2025                                       | Serial Bonds       | 5.00 %               | \$ 880,000                  |
| 2026                                       | Serial Bonds       | 5.00 %               | 925,000                     |
| 2027                                       | Serial Bonds       | 5.00 %               | 970,000                     |
| 2028                                       | Serial Bonds       | 5.00 %               | 1,015,000                   |
| 2029                                       | Serial Bonds       | 5.00 %               | 1,070,000                   |
| 2030                                       | Serial Bonds       | 4.00 %               | 1,120,000                   |
| 2031                                       | Serial Bonds       | 4.00 %               | 1,165,000                   |
| 2032                                       | Serial Bonds       | 4.00 %               | 1,215,000                   |
| 2033                                       | Serial Bonds       | 4.00 %               | 1,260,000                   |
| 2034                                       | Serial Bonds       | 4.00 %               | 1,310,000                   |
| 2035                                       | Serial Bonds       | 4.00 %               | 1,365,000                   |
| 2036-2041                                  |                    |                      |                             |
| 2042                                       | Term Bonds         | 4.00 %               | 11,205,000                  |
| 2043-2048                                  |                    |                      |                             |
| 2049                                       | Term Bonds         | 4.00 %               | <u>13,105,000</u>           |
| Total                                      |                    |                      | <u>36,605,000</u>           |
| Plus: Unamortized Bond Premium             |                    |                      | <u>4,633,328</u>            |
| Total                                      |                    |                      | <u><u>\$ 41,238,328</u></u> |
|  | <u>2022B Issue</u> |                      |                             |
| <u>Year Ending June 30,</u>                | <u>Bonds</u>       | <u>Interest Rate</u> | <u>Principal Amount</u>     |
| 2025-2048                                  |                    |                      |                             |
| 2049                                       | Term Bonds         | 4.00 %               | \$ 1,635,000                |
| 2050                                       | Term Bonds         | 4.00 %               | 2,455,000                   |
| 2051                                       | Term Bonds         | 4.00 %               | 2,555,000                   |
| 2052                                       | Term Bonds         | 4.00 %               | 2,655,000                   |
| 2053                                       | Term Bonds         | 4.00 %               | 2,760,000                   |
| 2054                                       | Term Bonds         | 4.00 %               | <u>2,875,000</u>            |
| Total                                      |                    |                      | <u>14,935,000</u>           |
| Plus: Unamortized Bond Premium             |                    |                      | <u>1,153,297</u>            |
| Total                                      |                    |                      | <u><u>\$ 16,088,297</u></u> |
| Less: Unamortized Deferred Financing Costs |                    |                      | <u>(823,969)</u>            |
| Total Long-Term Debt                       |                    |                      | <u><u>\$ 56,502,656</u></u> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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**NOTE 10 LONG-TERM DEBT (CONTINUED)**

The scheduled principal payments on long-term debt are summarized as follows:

| <u>Year Ending June 30,</u>                | <u>2022A Issue</u>   | <u>2022B Issue</u>   | <u>Total</u>         |
|--|----------------------|----------------------|----------------------|
| 2025                                       | \$ 880,000           | \$ -                 | \$ 880,000           |
| 2026                                       | 925,000              | -                    | 925,000              |
| 2027                                       | 970,000              | -                    | 970,000              |
| 2028                                       | 1,015,000            | -                    | 1,015,000            |
| 2029                                       | 1,070,000            | -                    | 1,070,000            |
| Thereafter                                 | 31,745,000           | 14,935,000           | 46,680,000           |
| Total                                      | <u>\$ 36,605,000</u> | <u>\$ 14,935,000</u> | <u>51,540,000</u>    |
| Plus: Unamortized Bond Premium             |                      |                      | 5,786,625            |
| Less: Unamortized Deferred Financing Costs |                      |                      | (823,969)            |
| Subtotal                                   |                      |                      | 56,502,656           |
| Less: Current Portion                      |                      |                      | (880,000)            |
| Total                                      |                      |                      | <u>\$ 55,622,656</u> |

On June 30, 2008, the Foundation became party to the Master Trust Indenture along with Westminster-Canterbury of the Blue Ridge. The Foundation and Westminster-Canterbury of the Blue Ridge are collectively referred to as the "Obligated Group." The Foundation became party to the Obligated Group in order to facilitate the transfer of all funds held by Westminster-Canterbury of the Blue Ridge that were set aside as fellowship funds while maintaining the Obligated Group's credit strength. By becoming part of the Obligated Group, the Foundation agreed to become subject to compliance with all provisions of the Master Trust Indenture, including the performance and observance of all covenants and obligations under the indenture. In addition, as a member of the Obligated Group, the Foundation guarantees that all outstanding debt obligations will be paid in accordance with the terms set forth in the Master Trust Indenture. As part of the issuance of the Series 2022A Bonds in February 2022, an Amended and Restated Master Trust Indenture was entered into by the Obligated Group. The existing obligations under the previous Master Trust Indenture were secured with the obligations included with the Amended and Restated Masure Trust Indenture.

**NOTE 11 RETIREMENT PLAN**

Effective July 1, 2000, the Organization amended its 403(b) plan to include employer contributions. Under the amendment, eligible employees may elect to make contributions pursuant to a salary reduction agreement. The Organization makes matching contributions up to a predetermined limit. The matching contributions, net of forfeitures, to the 403(b) plan were approximately \$339,000 and \$383,000 for the years ended June 30, 2024 and 2023, respectively. The Organization may also make discretionary contributions. Discretionary contributions to the 403(b) plan were approximately \$327,000 and \$362,000 for the years ended June 30, 2024 and 2023, respectively, which was equal to 3% of eligible employees' salaries. The Organization also maintains multiple nonqualified 457(f) plans for the president and chief executive officer. Contributions to the 457(f) plans were approximately \$88,000 and \$110,000 for the years ended June 30, 2024 and 2023, respectively.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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**NOTE 12 RESIDENT OCCUPANCY AGREEMENTS**

1. Health care: The Organization is party to a care contract with each resident of the facility. The Residence and Care Agreement contains the following provisions:
  - a. Payment of a coinsurance and deductible as defined by Medicare regulations for outside hospitalization, post hospital nursing care and other medical services are the responsibility of the resident or a supplemental insurer obtained by the resident;
  - b. The Organization shall furnish medical and nursing care as deemed necessary by the medical director of the resident's physician, and
  - c. The Organization will provide an in-house clinic where the resident may be examined and treated as an outpatient.
2. Entrance fees
  - a. Effective July 20, 2001, the Organization consolidated the entrance fee payment options to the following:

**Option 1 (Standard)**

    - Prior to July 1, 2015, if the agreement is terminated within the first 12 months after the occupancy date, the resident, or his or her estate will receive a refund of the entire entrance fee paid to the Organization (less financial assistance granted), less 2% of the entrance fee for each month or part of a month following the occupancy date. If termination occurs after the end of the 12th month from the occupancy date, no portion of the entrance fee shall be refunded.
    - Effective July 1, 2015, for the agreements entered into after that date, the declining period moved from 12 months to 50 months. Therefore, if the agreement is terminated within the first 50 months after the occupancy date, the resident, or his or her estate will receive a refund of the entire entrance fee paid to the Organization (less financial assistance granted), less 2% of the entrance fee for each month or part of a month following the occupancy date. If termination occurs after the end of the 50th month from the occupancy date, no portion of the entrance fee shall be refunded.

**Option 2 (Refundable)**

    - If the agreement is terminated during the first 25 months after the occupancy date, the entire entrance fee (less financial assistance granted), shall be refunded, less 2% of the entrance fee for each month or part of a month following the occupancy date.
    - If the agreement is terminated at any time after the end of the 25th month from the occupancy date, a refund equal to 50% of the entrance fee (less financial assistance granted) shall be refunded.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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JUNE 30, 2024 AND 2023**

**NOTE 12 RESIDENT OCCUPANCY AGREEMENTS (CONTINUED)**

2. Entrance fees (Continued)

Option 2 (Refundable) (Continued)

- If the Residence and Care Agreement is terminated by the Organization, the refund amounts are to be made exclusively in accordance with the refund option as selected by the resident.

A 90% refundable contract option was offered to first generation residents of the Albemarle cottages. This contract option is no longer offered by the Organization. At June 30, 2024 and 2023, the Organization had one resident, respectively, under the 90% refundable contract option.

Refundable advance admission deposits have been reflected in assets and liabilities until such time as residents occupy the units. Refunds of entrance fees are made upon reoccupancy of the last independent living unit the resident occupied.

**NOTE 13 LIQUIDITY AND AVAILABILITY**

The Organization invests cash in excess of short-term requirements in short-term investments. In addition, the Organization has mutual funds which are liquid within one week.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

|  | 2024                        | 2023                        |
|--|-----------------------------|-----------------------------|
| Cash and Cash Equivalents  | \$ 10,350,299               | \$ 8,563,731                |
| Investments  | 97,990,108                  | 76,865,787                  |
| Contributions Receivable   | 50,000                      | -                           |
| Accounts Receivable, Net   | 523,089                     | 448,165                     |
| Less: Donor-Imposed Restrictions Making Financial Assets Unavailable for General Expenditure | <u>(15,998,714)</u>         | <u>(13,740,732)</u>         |
| Total Financial Assets Available to Meet Liquidity Needs                                     | <u><u>\$ 92,914,782</u></u> | <u><u>\$ 72,136,951</u></u> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 14 FAIR VALUE MEASUREMENTS**

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization measures fair value refer to Note 1 – Organization and Summary of Significant Accounting Policies. The following tables present the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of June 30, 2024 and 2023:

|   | 2024                 |                   |             |                      |
|---|----------------------|-------------------|-------------|----------------------|
|   | Level 1              | Level 2           | Level 3     | Total                |
| Investments and Assets Limited as to Use: |                      |                   |             |                      |
| Mutual Funds                              | \$ 97,990,108        | \$ -              | \$ -        | \$ 97,990,108        |
| Charitable Remainder Trusts               | -                    | 2,070             | -           | 2,070                |
| Gift Annuity Investments                  | -                    | 160,175           | -           | 160,175              |
| Total Assets Measured at Fair Value       | <u>\$ 97,990,108</u> | <u>\$ 162,245</u> | <u>\$ -</u> | <u>\$ 98,152,353</u> |
| 2023                                      |                      |                   |             |                      |
| Investments and Assets Limited as to Use: |                      |                   |             |                      |
| Mutual Funds                              | \$ 56,565,419        | \$ -              | \$ -        | \$ 56,565,419        |
| Charitable Remainder Trusts               | -                    | 2,070             | -           | 2,070                |
| Gift Annuity Investments                  | -                    | 137,214           | -           | 137,214              |
| Total Assets Measured at Fair Value       | <u>\$ 56,565,419</u> | <u>\$ 139,284</u> | <u>\$ -</u> | <u>\$ 56,704,703</u> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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**NOTE 14 FAIR VALUE MEASUREMENTS (CONTINUED)**

Certain alternative investments held by the Organization calculate net asset value per share (or its equivalent). During the year ended June 30, 2024, the Organization changed their investment manager. With this change, the Organization sold all of its pooled investment funds. As a result, the Organization no longer has any investments in pooled investment funds as of June 30, 2024. The following table sets forth additional disclosures for the fair value measurement of certain investments that calculate net asset value per share (or its equivalent) for the year ended June 30, 2023:

| Investment Type   | 2023                 |                      |                      |  | Redemption Notice Period                  |
|---|----------------------|----------------------|----------------------|--|---|
|   | Fair Value           | Unfunded Commitments | Redemption Frequency |  |   |
| Pooled Investment Fund - Colchester Global Bond AI Fund             | \$ 304,942           | \$ -                 | Bi-Monthly           |  | 5 Business Days Prior to Redemption Date  |
| Pooled Investment Fund - Colchester Global Bond Low Duration Fund   | 1,078,107            | -                    | Bi-Monthly           |  | 5 Business Days Prior to Redemption Date  |
| Pooled Investment Fund - State Street Global Advisors Fund          | 2,434,668            | -                    | Daily                |  | 1 Business Day Prior to Redemption Date   |
| Pooled Investment Fund - Hartford International Value Fund          | 8,849,436            | -                    | Daily                |  | 1 Business Day Prior to Redemption Date   |
| Pooled Investment Fund - BLS Global Equities Fund                   | 6,239,379            | -                    | Monthly              |  | 10 Business Days Prior to Redemption Date |
| Pooled Investment Fund - Sands Capital Emerging Markets Growth Fund | 643,230              | -                    | Monthly              |  | 10 Business Days Prior to Redemption Date |
| <b>Total Pooled Investment Funds</b>                                | <b>\$ 19,549,762</b> | <b>\$ -</b>          |                      |  |   |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
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**NOTE 14 FAIR VALUE MEASUREMENTS (CONTINUED)**

The pooled investment funds were valued at the net asset value (NAV) of units, which were based on market prices of the underlying investments, held by the Organization at year-end. The Colchester pooled funds' investment objective was to achieve favorable income-oriented returns from a globally diversified portfolio of primarily debt or debt-like securities and the preservation and enhancement of principal. To achieve the objectives, the pooled investment funds invested in a portfolio of securities that possessed fundamental investment value. The Hartford pooled funds' investment objective was to achieve favorable long-term value appreciation by investing in common equities. The State Street Global Advisor (SSGA) pooled funds' investment objective was to achieve favorable long-term growth. To achieve the objectives, the pooled investment funds invested in other collective investment funds which had characteristics consistent with the SSGA Fund's overall investment objective. The Polaris Capital International Value Funds' investment objective was to seek long-term capital appreciation by investing in a diversified portfolio of equity securities issued by foreign entities. The BLS Global Equities Funds' investment objective was to seek long-term risk-adjusted returns by investing in a diversified portfolio of equity securities issued by foreign entities. The Sands Capital Emerging Markets Growth Funds' investment objective was to seek long-term capital appreciation by investing in master feeder funds.

**NOTE 15 FUNCTIONAL EXPENSES**

Program, management, and fundraising expenses for the year ended June 30, 2024 are summarized as follows.

|  | 2024                 |                           |                   |                      |
|--|----------------------|---------------------------|-------------------|----------------------|
|  | Program<br>Services  | Management<br>and General | Fundraising       | Total                |
| Salaries                               | \$ 12,752,453        | \$ 3,073,049              | \$ 514,228        | \$ 16,339,730        |
| Advertising and Public Relations       | 46,634               | 24,757                    | -                 | 71,391               |
| Dues and Subscriptions                 | 21,143               | 33,495                    | 13,302            | 67,940               |
| Employee Benefits                      | 1,448,854            | 257,040                   | 17,765            | 1,723,659            |
| Insurance and Workers'<br>Compensation | 310,656              | 208,428                   | 103               | 519,187              |
| Miscellaneous                          | 161,214              | 16,768                    | 8,030             | 186,012              |
| Payroll Taxes                          | 913,028              | 151,802                   | 16,116            | 1,080,946            |
| Retirement Plan Expense                | -                    | 568,087                   | -                 | 568,087              |
| Postage                                | 5,419                | 48                        | 172               | 5,639                |
| Professional and Contract Services     | 2,599,034            | 846,926                   | 19,053            | 3,465,013            |
| Real Estate Taxes                      | -                    | 1,408,698                 | -                 | 1,408,698            |
| Rents                                  | 22,734               | -                         | -                 | 22,734               |
| Repairs and Maintenance                | 766,446              | 17,043                    | -                 | 783,489              |
| Small Tools and Utensils               | 88,459               | (81)                      | 385               | 88,763               |
| Supplies                               | 2,732,131            | 21,868                    | 17,206            | 2,771,205            |
| Telephone                              | -                    | 42,361                    | -                 | 42,361               |
| Travel, Training, and Meetings         | 78,181               | 18,031                    | 3,248             | 99,460               |
| Utilities                              | 7,707                | 1,455,894                 | -                 | 1,463,601            |
| Interest                               | 1,730,063            | -                         | -                 | 1,730,063            |
| Depreciation and Amortization          | 9,855,516            | 112,250                   | 3,911             | 9,971,677            |
| <b>Total</b>                           | <b>\$ 33,539,672</b> | <b>\$ 8,256,464</b>       | <b>\$ 613,519</b> | <b>\$ 42,409,655</b> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTE 15 FUNCTIONAL EXPENSES (CONTINUED)**

Program, management, and fundraising expenses for the year ended June 30, 2023 are summarized as follows.

|                                    | 2023                 |                        |                   |                      |
|------------------------------------|----------------------|------------------------|-------------------|----------------------|
|                                    | Program Services     | Management and General | Fundraising       | Total                |
| Salaries                           | \$ 13,092,334        | \$ 2,298,317           | \$ 481,694        | \$ 15,872,345        |
| Advertising and Public Relations   | 96,027               | 13,300                 | -                 | 109,327              |
| Dues and Subscriptions             | 18,024               | 20,655                 | 13,934            | 52,613               |
| Employee Benefits                  | 1,395,907            | 238,024                | 16,632            | 1,650,563            |
| Insurance and Workers'             |                      |                        |                   |                      |
| Compensation                       | 258,021              | 190,257                | 93                | 448,371              |
| Miscellaneous                      | 140,538              | 5,539                  | 4,311             | 150,388              |
| Payroll Taxes                      | 897,607              | 127,609                | 14,410            | 1,039,626            |
| Retirement Plan Expense            | -                    | 846,193                | -                 | 846,193              |
| Postage                            | 7,206                | 203                    | 176               | 7,585                |
| Professional and Contract Services | 2,071,679            | 1,199,419              | 23,596            | 3,294,694            |
| Real Estate Taxes                  | -                    | 1,296,652              | -                 | 1,296,652            |
| Rents                              | 7,777                | -                      | -                 | 7,777                |
| Repairs and Maintenance            | 831,170              | -                      | -                 | 831,170              |
| Small Tools and Utensils           | 80,138               | 6,594                  | -                 | 86,732               |
| Supplies                           | 2,573,294            | 23,424                 | 5,888             | 2,602,606            |
| Telephone                          | -                    | 40,308                 | -                 | 40,308               |
| Travel, Training, and Meetings     | 49,481               | 8,047                  | 2,651             | 60,179               |
| Utilities                          | 22,789               | 1,505,294              | -                 | 1,528,083            |
| Interest                           | 2,025,881            | -                      | -                 | 2,025,881            |
| Depreciation and Amortization      | 9,230,884            | 105,136                | 3,663             | 9,339,683            |
| <b>Total</b>                       | <b>\$ 32,798,757</b> | <b>\$ 7,924,971</b>    | <b>\$ 567,048</b> | <b>\$ 41,290,776</b> |

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated on a square footage basis include depreciation and amortization.

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, Government Health Care Program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 16 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Health Insurance**

In fiscal year 2013, the Organization began to self-insure its employees' health plan through a captive arrangement. The Organization has contracted with an administrative service company to supervise and administer the program and act as its representative. Provisions for expected future payments are accrued based on the Organization's experience and include amounts for claims filed and claims incurred but not reported.

Based on the Organization's performance in this plan there is potential for a dividend distribution. The Organization insures for excessive and unexpected health claims and is liable for claims not to exceed \$100,000 for each employee per plan year and an aggregate amount of 125% of expected claims per plan year.

**Liability Insurance**

The Organization, together with other similar retirement communities in the state of Virginia, is a shareholder of Virginia Senior Care Group, LLC (VSCG), the primary purpose of which is obtaining general liability and professional insurance for its members (the VSCG Program). To provide the VSCG Program, VSCG owns Virginia Senior Care Insurance Company (VSCIC), a Washington DC domiciled reinsurer which provides reinsurance for the VSCG Program to Health Cap, RRG (Health Cap), a Washington DC risk retention group that specializes in insuring select long-term care providers. Only VSCG members are eligible to participate in the VSCG Program. VSCG members are insured under individual, primary policies issued by Health Cap, and the cost of those individual policies is lower than comparable market insurance products secondary to the reinsurance of the policies by VSCIC. Premiums paid represent the cost of the individual Health Cap policy, as actuarially determined for each VSCG member, and also fund the VSCIC reinsurance obligations. The VSCG program also provides for umbrella coverage which functions as an extension of the primary limit. Management has not recorded any liabilities related to this policy as they are not aware of any underfunding within the pool.

The Organization is subject to legal proceedings and claims which arise in the course of providing health care services. The Organization's professional liability is on the claims-made basis. Under a claims-made policy, determination of coverage is triggered by the date the insured first becomes aware and notifies the insurer of a claim or potential claim. In management's opinion, adequate provisions have been made for amounts expected to be paid under the policy's deductible limits for unasserted claims not covered by the policy and any other uninsured liability.

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023**

**NOTE 16 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Workers' Compensation Insurance**

The Organization, together with other similar retirement communities in the Commonwealth of Virginia, is a shareholder of Virginia Senior Care Group (VSCG), a limited liability corporation. VSCG wholly owns the preferred shares in a segregated portfolio cell (SPC) at Eastern Re Ltd., SPC, a reinsurance company located in Grand Cayman, Cayman Islands. The primary purpose of the SPC is to reinsure workers' compensation insurance coverage for each shareholder of VSCG. Under the terms of the agreement between the SPC and VSCG, all premium and losses under the workers' compensation insurance policies are pooled. The actuarially determined ultimate potential liability for each shareholder of VSCG is limited to each shareholder's workers' compensation premium and a collateral deposit. Each policy assumed by the SPC is written on a claims-occurrence basis and has reinsurance. Management has not recorded any liabilities related to this policy as they are not aware of any required funding with the SPC.



## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Trustees  
Westminster-Canterbury of the Blue Ridge  
and Foundation  
Charlottesville, Virginia

We have audited the consolidated financial statements of Westminster-Canterbury of the Blue Ridge and Foundation as of and for the years ended June 30, 2024 and 2023, and have issued our report thereon dated September 12, 2024, which contained an unmodified opinion on those consolidated financial statements, appears on pages 1 and 2. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information as listed under "Supplementary Information" on the table of contents is presented for the purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual organizations, and is 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 consolidating 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 consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Charlotte, North Carolina  
September 12, 2024

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATING BALANCE SHEET  
JUNE 30, 2024  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

| ASSETS   | Westminster-<br>Canterbury   | Foundation                  | Eliminations                  | Obligated<br>Group           | LLC                        | Consolidated                 |
|--|------------------------------|-----------------------------|-------------------------------|------------------------------|----------------------------|------------------------------|
| <b>CURRENT ASSETS</b>  |                              |                             |                               |                              |                            |                              |
| Cash and Cash Equivalents  | \$ 10,260,110                | \$ 90,189                   | \$ -                          | \$ 10,350,299                | \$ -                       | \$ 10,350,299                |
| Accounts Receivable, Residents and Other, Net  | 523,089                      | -                           | -                             | 523,089                      | -                          | 523,089                      |
| Investments  | 72,775,841                   | 25,214,267                  | -                             | 97,990,108                   | -                          | 97,990,108                   |
| Assets Limited as to Use   | 484,427                      | -                           | -                             | 484,427                      | -                          | 484,427                      |
| Contributions Receivable   | -                            | 50,000                      | -                             | 50,000                       | -                          | 50,000                       |
| Due from Westminster-Canterbury Foundation   | 204,008                      | -                           | (204,008)                     | -                            | -                          | -                            |
| Prepaid Expenses, Supplies, and Other Assets   | 422,769                      | -                           | -                             | 422,769                      | -                          | 422,769                      |
| Total Current Assets   | <u>84,670,244</u>            | <u>25,354,456</u>           | <u>(204,008)</u>              | <u>109,820,692</u>           | -                          | <u>109,820,692</u>           |
| <b>ASSETS LIMITED AS TO USE, NET OF CURRENT PORTION</b>  | 205,284                      | -                           | -                             | 205,284                      | -                          | 205,284                      |
| <b>PROPERTY AND EQUIPMENT, NET</b>   | 109,743,676                  | -                           | -                             | 109,743,676                  | 6,340,614                  | 116,084,290                  |
| <b>BENEFICIAL INTEREST IN NET ASSETS OF WESTMINSTER-<br/>CANTERBURY OF THE BLUE RIDGE FOUNDATION</b> | 25,283,173                   | -                           | (25,283,173)                  | -                            | -                          | -                            |
| <b>OTHER ASSETS</b>  |                              |                             |                               |                              |                            |                              |
| Charitable Remainder Trusts  | -                            | 2,070                       | -                             | 2,070                        | -                          | 2,070                        |
| Gift Annuity Investments   | -                            | 160,175                     | -                             | 160,175                      | -                          | 160,175                      |
| Intangible Asset, Net  | 441,251                      | -                           | -                             | 441,251                      | -                          | 441,251                      |
| Deposits   | 532,400                      | -                           | -                             | 532,400                      | -                          | 532,400                      |
| Total Other Assets   | <u>973,651</u>               | <u>162,245</u>              | <u>-</u>                      | <u>1,135,896</u>             | -                          | <u>1,135,896</u>             |
| Total Assets   | <u><u>\$ 220,876,028</u></u> | <u><u>\$ 25,516,701</u></u> | <u><u>\$ (25,487,181)</u></u> | <u><u>\$ 220,905,548</u></u> | <u><u>\$ 6,340,614</u></u> | <u><u>\$ 227,246,162</u></u> |

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**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATING BALANCE SHEET (CONTINUED)**  
**JUNE 30, 2024**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

| LIABILITIES AND NET ASSETS                                       | Westminster-Canterbury | Foundation    | Eliminations    | Obligated Group   | LLC          | Consolidated      |
|--|------------------------|---------------|-----------------|-------------------|--------------|-------------------|
| <b>CURRENT LIABILITIES</b>                                       |                        |               |                 |                   |              |                   |
| Accounts Payable, Trade, and Construction                        | \$ 2,460,398           | \$ -          | \$ -            | \$ 2,460,398      | \$ -         | \$ 2,460,398      |
| Accrued Payroll and Withholdings                                 | 1,398,928              | -             | -               | 1,398,928         | -            | 1,398,928         |
| Accrued Bond Interest Payable                                    | 144,681                | -             | -               | 144,681           | -            | 144,681           |
| Current Maturities of Finance Leases Payable                     | 30,466                 | -             | -               | 30,466            | -            | 30,466            |
| Due to Westminster-Canterbury                                    | -                      | 204,008       | (204,008)       | -                 | -            | -                 |
| Current Maturities of Long-Term Debt                             | 880,000                | -             | -               | 880,000           | -            | 880,000           |
| Total Current Liabilities  | 4,914,473              | 204,008       | (204,008)       | 4,914,473         | -            | 4,914,473         |
| <b>LONG-TERM DEBT, LESS CURRENT MATURITIES</b>                   | <b>55,622,656</b>      | -             | -               | <b>55,622,656</b> | -            | <b>55,622,656</b> |
| <b>LONG-TERM FINANCE LEASES PAYABLE, LESS CURRENT MATURITIES</b> | <b>30,006</b>          | -             | -               | <b>30,006</b>     | -            | <b>30,006</b>     |
| <b>OTHER LIABILITIES</b>   |                        |               |                 |                   |              |                   |
| Refundable Advance Admission Deposits                            | 149,295                | -             | -               | 149,295           | -            | 149,295           |
| Deferred Revenue from Entrance Fees                              | 84,580,040             | -             | -               | 84,580,040        | -            | 84,580,040        |
| Refundable Advance Fee Liability                                 | 29,409,402             | -             | -               | 29,409,402        | -            | 29,409,402        |
| Annuity Payment Liabilities                                      | -                      | 29,520        | -               | 29,520            | -            | 29,520            |
| Priority List Deposits   | 580,000                | -             | -               | 580,000           | -            | 580,000           |
| Total Other Liabilities  | 114,718,737            | 29,520        | -               | 114,748,257       | -            | 114,748,257       |
| Total Liabilities  | 175,285,872            | 233,528       | (204,008)       | 175,315,392       | -            | 175,315,392       |
| <b>NET ASSETS</b>  |                        |               |                 |                   |              |                   |
| Without Donor Restrictions                                       | 29,591,442             | 9,284,459     | (9,284,459)     | 29,591,442        | 6,340,614    | 35,932,056        |
| With Donor Restrictions:   |                        |               |                 |                   |              |                   |
| Purpose Restrictions   | 13,902,151             | 13,902,151    | (13,902,151)    | 13,902,151        | -            | 13,902,151        |
| Perpetual In Nature  | 2,096,563              | 2,096,563     | (2,096,563)     | 2,096,563         | -            | 2,096,563         |
| Total Net Assets   | 45,590,156             | 25,283,173    | (25,283,173)    | 45,590,156        | 6,340,614    | 51,930,770        |
| Total Liabilities and Net Assets                                 | \$ 220,876,028         | \$ 25,516,701 | \$ (25,487,181) | \$ 220,905,548    | \$ 6,340,614 | \$ 227,246,162    |

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**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION**  
**CONSOLIDATING STATEMENT OF OPERATIONS AND**  
**CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**  
**YEAR ENDED JUNE 30, 2024**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

|  | Westminster-<br>Canterbury  | Foundation                 | Eliminations                 | Obligated<br>Group          | LLC                | Consolidated                |
|--|-----------------------------|----------------------------|------------------------------|-----------------------------|--------------------|-----------------------------|
| <b>PATIENT AND RESIDENT SERVICE REVENUE</b>  |                             |                            |                              |                             |                    |                             |
| Resident Fees  | \$ 26,320,971               | \$ -                       | \$ (68,729)                  | \$ 26,252,242               | \$ -               | \$ 26,252,242               |
| Amortization of Deferred Entrance Fees   | 11,408,828                  | -                          | -                            | 11,408,828                  | -                  | 11,408,828                  |
| Patient Services   | 8,144,116                   | -                          | -                            | 8,144,116                   | -                  | 8,144,116                   |
| Total Patient and Resident Service Revenue   | <u>45,873,915</u>           | <u>-</u>                   | <u>(68,729)</u>              | <u>45,805,186</u>           | <u>-</u>           | <u>45,805,186</u>           |
| <b>OTHER REVENUE</b>   |                             |                            |                              |                             |                    |                             |
| Contributions  | -                           | 331,890                    | -                            | 331,890                     | -                  | 331,890                     |
| Other Revenue  | 855,222                     | -                          | -                            | 855,222                     | -                  | 855,222                     |
| Investment Income  | 2,865,413                   | 81,683                     | -                            | 2,947,096                   | -                  | 2,947,096                   |
| Net Assets Released from Restrictions for Operations   | -                           | 68,729                     | -                            | 68,729                      | -                  | 68,729                      |
| Total Other Revenue  | <u>3,720,635</u>            | <u>482,302</u>             | <u>-</u>                     | <u>4,202,937</u>            | <u>-</u>           | <u>4,202,937</u>            |
| Total Revenues, Gains, and Other Support   | <u>49,594,550</u>           | <u>482,302</u>             | <u>(68,729)</u>              | <u>50,008,123</u>           | <u>-</u>           | <u>50,008,123</u>           |
| <b>EXPENSES</b>  |                             |                            |                              |                             |                    |                             |
| General and Administrative   | 4,048,152                   | 118,197                    | (68,729)                     | 4,097,620                   | -                  | 4,097,620                   |
| Resident Services  | 477,142                     | -                          | -                            | 477,142                     | -                  | 477,142                     |
| Beauty Salon   | 107,413                     | -                          | -                            | 107,413                     | -                  | 107,413                     |
| Fitness  | 250,844                     | -                          | -                            | 250,844                     | -                  | 250,844                     |
| Environmental Services   | 1,986,839                   | -                          | -                            | 1,986,839                   | -                  | 1,986,839                   |
| Laundry  | 209,104                     | -                          | -                            | 209,104                     | -                  | 209,104                     |
| Plant Operations   | 3,164,045                   | -                          | -                            | 3,164,045                   | -                  | 3,164,045                   |
| Property Taxes and Utilities   | 3,027,012                   | -                          | -                            | 3,027,012                   | -                  | 3,027,012                   |
| Dining   | 5,358,472                   | -                          | -                            | 5,358,472                   | -                  | 5,358,472                   |
| Health Care Center   | 5,493,262                   | -                          | -                            | 5,493,262                   | -                  | 5,493,262                   |
| Catered Living   | 1,942,586                   | -                          | -                            | 1,942,586                   | -                  | 1,942,586                   |
| Vista  | 600,578                     | -                          | -                            | 600,578                     | -                  | 600,578                     |
| Clinic   | 290,518                     | -                          | -                            | 290,518                     | -                  | 290,518                     |
| IT   | 988,239                     | -                          | -                            | 988,239                     | -                  | 988,239                     |
| Security   | 762,220                     | -                          | -                            | 762,220                     | -                  | 762,220                     |
| Transportation   | 223,221                     | -                          | -                            | 223,221                     | -                  | 223,221                     |
| Clergy   | 141,562                     | -                          | -                            | 141,562                     | -                  | 141,562                     |
| Development  | 141,015                     | 527,521                    | -                            | 668,536                     | -                  | 668,536                     |
| Marketing  | 898,384                     | -                          | -                            | 898,384                     | -                  | 898,384                     |
| Canterbury Connections   | 20,318                      | -                          | -                            | 20,318                      | -                  | 20,318                      |
| Interest   | 1,924,379                   | -                          | -                            | 1,924,379                   | -                  | 1,924,379                   |
| Depreciation   | 9,681,194                   | -                          | -                            | 9,681,194                   | -                  | 9,681,194                   |
| Amortization   | 96,167                      | -                          | -                            | 96,167                      | -                  | 96,167                      |
| Total Expenses   | <u>41,832,666</u>           | <u>645,718</u>             | <u>(68,729)</u>              | <u>42,409,655</u>           | <u>-</u>           | <u>42,409,655</u>           |
| <b>OPERATING INCOME (LOSS)</b>   | <u>7,761,884</u>            | <u>(163,416)</u>           | <u>-</u>                     | <u>7,598,468</u>            | <u>-</u>           | <u>7,598,468</u>            |
| <b>NONOPERATING INCOME (LOSS)</b>  |                             |                            |                              |                             |                    |                             |
| Change in Unrealized Gains on Investments  | 6,001,578                   | 1,403,844                  | -                            | 7,405,422                   | -                  | 7,405,422                   |
| Loss on Disposal of Property and Equipment   | (1,326,139)                 | -                          | -                            | (1,326,139)                 | -                  | (1,326,139)                 |
| Total Nonoperating Income (Loss)   | <u>4,675,439</u>            | <u>1,403,844</u>           | <u>-</u>                     | <u>6,079,283</u>            | <u>-</u>           | <u>6,079,283</u>            |
| <b>EXCESS OF REVENUES OVER EXPENSES</b>  | <u>12,437,323</u>           | <u>1,240,428</u>           | <u>-</u>                     | <u>13,677,751</u>           | <u>-</u>           | <u>13,677,751</u>           |
| <b>OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>  |                             |                            |                              |                             |                    |                             |
| Increase in Beneficial Interest in Net Assets of Westminster-Canterbury of the Blue Ridge Foundation | 1,240,428                   | -                          | (1,240,428)                  | -                           | -                  | -                           |
| <b>INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>   | <u><u>\$ 13,677,751</u></u> | <u><u>\$ 1,240,428</u></u> | <u><u>\$ (1,240,428)</u></u> | <u><u>\$ 13,677,751</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 13,677,751</u></u> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATING STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 2024  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

|   | Westminster-<br>Canterbury | Foundation           | Eliminations           | Obligated<br>Group   | LLC                 | Consolidated         |
|---|----------------------------|----------------------|------------------------|----------------------|---------------------|----------------------|
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>  |                            |                      |                        |                      |                     |                      |
| Excess of Revenue Over Expenses   | \$ 12,437,323              | \$ 1,240,428         | \$ -                   | \$ 13,677,751        | \$ -                | \$ 13,677,751        |
| Increase in Beneficial Interest in Net Assets of<br>Westminster-Canterbury of the Blue Ridge Foundation | 1,240,428                  |                      | (1,240,428)            |                      |                     |                      |
| Change in Net Assets Without Donor Restrictions   | 13,677,751                 | 1,240,428            | (1,240,428)            | 13,677,751           |                     | 13,677,751           |
| <b>PURPOSE RESTRICTED NET ASSETS<br/>WITH DONOR RESTRICTIONS</b>  |                            |                      |                        |                      |                     |                      |
| Contributions   |                            | 726,039              |                        | 726,039              |                     | 726,039              |
| Increase in Beneficial Interest in Net Assets of<br>Westminster-Canterbury of the Blue Ridge Foundation | 2,254,982                  |                      | (2,254,982)            |                      |                     |                      |
| Net Assets Released from Restriction  | -                          | (68,729)             | -                      | (68,729)             | -                   | (68,729)             |
| Investment Income   | -                          | 74,466               | -                      | 74,466               | -                   | 74,466               |
| Other   | -                          | (209,305)            | -                      | (209,305)            | -                   | (209,305)            |
| Change in Unrealized Gains on Investments   |                            | 1,732,511            |                        | 1,732,511            |                     | 1,732,511            |
| Change in Purpose Restricted Net Assets<br>With Donor Restrictions                                      | 2,254,982                  | 2,254,982            | (2,254,982)            | 2,254,982            |                     | 2,254,982            |
| <b>PERPETUALLY RESTRICTED NET ASSETS<br/>WITH DONOR RESTRICTIONS</b>                                    |                            |                      |                        |                      |                     |                      |
| Increase in Beneficial Interest in Net Assets of<br>Westminster-Canterbury of the Blue Ridge Foundation | 3,000                      |                      | (3,000)                |                      |                     |                      |
| Contributions   |                            | 3,000                | -                      | 3,000                | -                   | 3,000                |
| Change in Perpetually Restricted Net Assets<br>With Donor Restrictions                                  | 3,000                      | 3,000                | (3,000)                | 3,000                |                     | 3,000                |
| <b>CHANGE IN NET ASSETS</b>   | 15,935,733                 | 3,498,410            | (3,498,410)            | 15,935,733           |                     | 15,935,733           |
| Net Assets - Beginning of Year  | 29,654,423                 | 21,784,763           | (21,784,763)           | 29,654,423           | 6,340,614           | 35,995,037           |
| <b>NET ASSETS - END OF YEAR</b>   | <u>\$ 45,590,156</u>       | <u>\$ 25,283,173</u> | <u>\$ (25,283,173)</u> | <u>\$ 45,590,156</u> | <u>\$ 6,340,614</u> | <u>\$ 51,930,770</u> |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATING SCHEDULE OF OPERATING EXPENSES  
YEARS ENDED JUNE 30, 2024 AND 2023  
(SEE INDEPENDENT AUDITORS REPORT ON SUPPLEMENTARY INFORMATION)**

|  | General and<br>Administrative | Resident<br>Services | Environmental<br>Services | Buildings and<br>Grounds | Property Taxes<br>and Utilities | Food<br>Services    | Health<br>Care      | Catered<br>Living   | Beauty<br>Shop    | Marketing         | Security          |
|--|-------------------------------|----------------------|---------------------------|--------------------------|---------------------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|
|  | \$ 1,952,030                  | \$ 320,569           | \$ 1,320,546              | \$ 1,194,086             | \$ -                            | \$ 2,754,192        | \$ 3,701,923        | \$ 1,523,856        | \$ 79,676         | \$ 482,468        | \$ 609,079        |
| Salaries                               |                               |                      |                           |                          |                                 |                     |                     |                     |                   |                   |                   |
| Advertising and Public<br>Relations    | 24,757                        | 90                   | 39                        | 3,503                    | -                               | 4,171               | 2,156               | 900                 | -                 | -                 | 46,634            |
| Dues and Subscriptions                 | 29,856                        | 90                   | 140,786                   | 257,300                  | -                               | 269,068             | 260,552             | 203,604             | 17,561            | 8,549             | -                 |
| Employee Benefits                      | 220,528                       | 35,631               | -                         | -                        | -                               | -                   | -                   | -                   | -                 | 35,531            | 85,332            |
| Insurance and Workers'<br>Compensation | 208,300                       | 1,222                | 12,925                    | 7,267                    | 183,732                         | 23,122              | 37,751              | 21,334              | 1,222             | 437               | 5,620             |
| Miscellaneous                          | 14,589                        | 58,128               | 5,326                     | 4,342                    | -                               | 25,512              | 6,646               | 2,256               | -                 | 15,457            | 911               |
| Payroll Taxes                          | 124,377                       | 23,481               | 97,238                    | 87,798                   | -                               | 167,754             | 244,440             | 112,100             | 5,912             | 32,554            | 45,246            |
| Retirement Costs                       | 598,087                       | 48                   | 3,745                     | 3                        | 94                              | -                   | 211                 | 103                 | 16                | -                 | -                 |
| Postage                                | -                             | -                    | -                         | -                        | -                               | -                   | -                   | -                   | -                 | 324               | 873               |
| Professional and Contract<br>Service   | 947,036                       | 18,903               | 173,117                   | 563,108                  | -                               | 266,746             | 870,028             | 15,880              | -                 | 77,036            | 1,284             |
| Real Estate Taxes                      | -                             | -                    | -                         | -                        | 1,408,698                       | -                   | -                   | -                   | -                 | -                 | -                 |
| Rents                                  | -                             | -                    | -                         | 15,000                   | -                               | -                   | 7,734               | -                   | -                 | -                 | -                 |
| Repairs and Maintenance                | -                             | -                    | 6,916                     | 730,259                  | -                               | 1,401               | 6,701               | 300                 | -                 | -                 | 6,161             |
| Small Tools and Utensils               | (1,484)                       | 2,623                | 12,734                    | 25,089                   | -                               | 33,209              | 12,193              | 1,147               | 412               | 180               | (615)             |
| Supplies                               | 11,981                        | 11,655               | 100,665                   | 374,504                  | -                               | 1,766,706           | 332,979             | 56,236              | 2,631             | 3,479             | 8,516             |
| Telephone                              | -                             | -                    | -                         | -                        | -                               | 108                 | -                   | -                   | -                 | 127               | -                 |
| Travel, Training, and<br>Meetings      | 17,794                        | 985                  | 10                        | 4,466                    | 13,723                          | 1,434,582           | 46,272              | 9,356               | 2,957             | -                 | 11,886            |
| Utilities                              | -                             | -                    | -                         | -                        | -                               | -                   | -                   | -                   | -                 | -                 | -                 |
| <b>Total</b>                           | <b>\$ 4,117,938</b>           | <b>\$ 477,142</b>    | <b>\$ 1,986,859</b>       | <b>\$ 3,164,045</b>      | <b>\$ 3,027,012</b>             | <b>\$ 5,358,472</b> | <b>\$ 5,493,262</b> | <b>\$ 1,942,586</b> | <b>\$ 107,413</b> | <b>\$ 714,652</b> | <b>\$ 762,220</b> |

(40)

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATING SCHEDULE OF OPERATING EXPENSES (CONTINUED)  
YEARS ENDED JUNE 30, 2024 AND 2023  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

|                                     | Transportation       | Development       | Vista             | IT                | Laundry           | Clergy            | Fitness           | Clinic            | 2024<br>Total        | Comparative<br>Total |
|-------------------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|----------------------|
| Salaries                            | \$ 152,642           | \$ 756,888        | \$ 467,449        | \$ 398,274        | \$ 138,131        | \$ 116,446        | \$ 180,268        | \$ 211,198        | \$ 16,339,730        | \$ 15,872,345        |
| Advertising and Public Relations    | -                    | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 71,391               | 108,327              |
| Dues and Subscriptions              | 25,492               | 17,765            | 38,445            | 36,512            | 26,780            | 6,851             | 24,887            | 1,197             | 508                  | 52,613               |
| Employee Benefits                   | -                    | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 67,940               | 1,650,963            |
| Insurance and Workers' Compensation | 2,803                | 103               | 7,035             | 128               | 2,019             | 52                | 1,119             | 2,996             | 519,187              | 448,371              |
| Miscellaneous                       | 46                   | 8,030             | 1,219             | 2,454             | -                 | 3,675             | 1,904             | 33,517            | 186,012              | 150,398              |
| Payroll Taxes                       | 11,284               | 16,116            | 37,151            | 26,569            | 10,354            | 8,284             | 13,580            | 16,978            | 1,080,846            | 1,039,626            |
| Retirement Costs                    | -                    | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 568,087              | 846,193              |
| Postage                             | -                    | 172               | 1                 | 49                | -                 | -                 | -                 | -                 | 5,639                | 7,595                |
| Professional and Contract Service   | -                    | 19,063            | 5,420             | 488,352           | -                 | -                 | 19,050            | -                 | 3,465,013            | 3,294,684            |
| Real Estate Taxes                   | -                    | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 1,406,696            | 1,296,652            |
| Rents                               | 15,186               | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 22,734               | 7,777                |
| Repairs and Maintenance             | -                    | 386               | -                 | 17,043            | 522               | -                 | -                 | -                 | 783,489              | 831,170              |
| Small Tools and Utensils            | -                    | 17,206            | 23,828            | 1,403             | (20)              | 541               | 129               | 827               | 88,763               | 86,732               |
| Supplies                            | 482                  | -                 | -                 | 11,462            | 31,318            | 3,252             | 6,925             | 5,380             | 2,771,205            | 2,692,606            |
| Telephone                           | -                    | -                 | -                 | 42,125            | -                 | -                 | -                 | -                 | 42,361               | 40,308               |
| Travel, Training, and Meetings      | -                    | -                 | 3,248             | -                 | 237               | -                 | 461               | 1,785             | -                    | 99,460               |
| Utilities                           | 15,296               | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 1,465,601            | 1,528,083            |
| <b>Total</b>                        | <b>\$ 223,221</b>    | <b>\$ 852,268</b> | <b>\$ 600,578</b> | <b>\$ 988,239</b> | <b>\$ 209,104</b> | <b>\$ 141,562</b> | <b>\$ 250,844</b> | <b>\$ 290,518</b> | <b>30,707,915</b>    | <b>29,929,212</b>    |
| Interest                            | -                    | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 1,924,379            | 2,026,881            |
| Depreciation and Amortization       | -                    | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 9,777,361            | 9,339,683            |
| <b>Total</b>                        | <b>\$ 42,409,656</b> |                   |                   |                   |                   |                   |                   |                   | <b>\$ 41,290,776</b> |                      |

Interest  
Depreciation and Amortization  
**Total**

(41)

## **APPENDIX C**

Pro Forma Statement of Revenue and Expenses for FY25



## **APPENDIX C**

### **Revenue and Expenses Pro Forma Assumptions**

1. Total average community occupancy is budgeted at 93%.
2. Investment Income is conservative and based on the current market.
3. Entrance fee income is based on 22 new contracts and 23 terminating contracts. Actuarial projections determine the number of terminating contracts. Overall, total revenues are expected to decrease 1.5% from FY24 projections.
4. Total expenses are assumed to increase 6.6% over the Fiscal Year 2024 projections, adjusted for anticipated needs, cost reductions, and the current census.
5. Interest expense will decrease approximately \$13,000.

**Westminster-Canterbury of the Blue Ridge**  
**Consolidated Statement of Operations and**  
**Cash Sources and Uses Analysis**  
**Budget Year Endng June 30, 2025**

|  | 2022 Actual         | 2023 Actual         | FY24 Projected      | FY25 Budget         | % Chng<br>FY23 P to<br>FY24 B |
|--|---------------------|---------------------|---------------------|---------------------|-------------------------------|
| <b>Revenues</b>                                |                     |                     |                     |                     |                               |
| IL Resident Fees                               | 22,997,385          | 24,185,672          | 26,250,737          | 26,762,000          | 1.9%                          |
| Amortization of Deferred Entrance Fees         | 10,834,475          | 10,489,944          | 11,139,432          | 10,620,000          | -4.7%                         |
| Care Area and Patient Services Revenue         | 5,997,209           | 7,378,228           | 8,008,520           | 8,555,000           | 6.8%                          |
| Total Net Patient and Resident Service Revenue | 39,829,069          | 42,053,844          | 45,398,689          | 45,937,000          | 1.2%                          |
| Contributions                                  | 186,473             | 174,689             | 327,557             | 350,000             | 6.9%                          |
| Other Revenue                                  | 696,531             | 924,366             | 907,912             | 775,000             | -14.6%                        |
| Investment Income                              | 3,527,544           | 1,532,099           | 2,674,838           | 1,500,000           | -43.9%                        |
| Net Assets Released from Restrictions          | 149,929             | 76,027              | 77,529              | 88,000              | 13.5%                         |
| Total Other Revenue                            | 4,560,477           | 2,707,181           | 3,987,836           | 2,713,000           | -32.0%                        |
| <b>Total Operating Revenue</b>                 | <b>44,389,547</b>   | <b>44,761,025</b>   | <b>49,386,525</b>   | <b>48,650,000</b>   | -1.5%                         |
| <b>Expense</b>                                 |                     |                     |                     |                     |                               |
| Human Resources                                | 1,331,381           | 1,486,129           | 1,562,672           | 1,649,418           | 5.6%                          |
| Finance  | 1,345,698           | 1,391,632           | 1,472,039           | 1,584,940           | 7.7%                          |
| Administration                                 | 1,224,742           | 1,260,853           | 1,317,467           | 1,262,578           | -4.2%                         |
| Resident Services / Clergy                     | 402,877             | 536,239             | 614,701             | 678,561             | 10.4%                         |
| Beauty Salon                                   | 103,056             | 100,549             | 106,193             | 109,728             | 3.3%                          |
| Fitness  | 194,693             | 253,250             | 259,944             | 286,707             | 10.3%                         |
| Environmental Services                         | 1,726,503           | 2,065,645           | 1,953,677           | 2,246,901           | 15.0%                         |
| Laundry  | 165,493             | 224,404             | 214,066             | 222,316             | 3.9%                          |
| Plant Operations                               | 2,545,051           | 3,177,274           | 2,963,612           | 3,054,184           | 3.1%                          |
| Property Taxes and Utilities                   | 2,629,510           | 2,945,973           | 3,090,448           | 3,312,100           | 7.2%                          |
| Dining Services                                | 4,692,259           | 4,990,473           | 5,285,767           | 5,641,004           | 6.7%                          |
| Health Center                                  | 5,005,728           | 5,271,082           | 5,447,610           | 5,967,348           | 9.5%                          |
| Catered Living                                 | 1,793,207           | 1,907,617           | 1,920,732           | 2,208,275           | 15.0%                         |
| Vista  | 702,604             | 644,690             | 598,050             | 752,039             | 25.7%                         |
| Clinic   | 453,240             | 426,147             | 283,165             | 339,915             | 20.0%                         |
| Information Technology                         | 699,514             | 802,637             | 989,682             | 1,018,797           | 2.9%                          |
| Guest Services                                 | 700,613             | 716,154             | 761,513             | 882,615             | 15.9%                         |
| Transportation                                 | 138,498             | 188,828             | 223,921             | 236,743             | 5.7%                          |
| Development                                    | 274,124             | 302,440             | 377,759             | 380,989             | 0.9%                          |
| Foundation                                     | 471,771             | 501,325             | 587,134             | 577,223             | -1.7%                         |
| Marketing                                      | 664,209             | 710,781             | 702,301             | 770,163             | 9.7%                          |
| Canterbury Connections                         | 20,210              | 21,091              | 20,345              | 21,600              | 6.2%                          |
| Interest                                       | 2,262,815           | 2,025,881           | 1,929,386           | 1,916,172           | -0.7%                         |
| Depreciation                                   | 8,767,373           | 9,243,516           | 9,603,710           | 9,958,278           | 3.7%                          |
| Amortization                                   | 96,167              | 96,167              | 96,167              | 96,167              | 0.0%                          |
| <b>Total Operating Expenses</b>                | <b>38,411,336</b>   | <b>41,290,777</b>   | <b>42,382,061</b>   | <b>45,174,760</b>   | 6.6%                          |
| <b>Operating Income (Loss)</b>                 | <b>\$ 5,978,211</b> | <b>\$ 3,470,248</b> | <b>\$ 7,004,464</b> | <b>\$ 3,475,240</b> | -50.4%                        |
| <b>Operating Cashflow</b>                      | <b>4,007,276</b>    | <b>2,319,987</b>    | <b>5,564,909</b>    | <b>2,909,685</b>    | -47.7%                        |
| <b>Op CF Excl Investment Income</b>            | <b>479,732</b>      | <b>787,888</b>      | <b>2,890,071</b>    | <b>1,409,685</b>    | -51.2%                        |
| <b>Other Cash Sources</b>                      |                     |                     |                     |                     |                               |
| Entrance Fees                                  | 13,402,950          | 22,395,217          | 13,946,653          | 14,947,279          | 7.2%                          |
| PRF and Testing contributions                  | 132,885             | -                   | -                   | -                   | -                             |
| <b>TOTAL SOURCES (excl Investment Inc)</b>     | <b>14,015,567</b>   | <b>23,183,105</b>   | <b>16,836,724</b>   | <b>16,356,964</b>   | -2.8%                         |
| Net EFs  | 10,857,782          | 17,325,445          | 11,930,499          | 11,816,279          | -1.0%                         |
| <b>Cash Uses</b>                               |                     |                     |                     |                     |                               |
| Refunds  | 2,545,168           | 5,069,772           | 2,016,154           | 3,131,000           | 55.3%                         |
| Principal Payments on LT Debt                  | 2,923,162           | 1,819,243           | 830,000             | 892,328             | 7.5%                          |
| Capital  | 6,757,619           | 8,726,655           | 4,895,965           | 4,900,000           | 0.1%                          |
| CVP  |                     | 364,000             | 753,000             | 200,000             | -73.4%                        |
| Discretionary retirement contributions         | 318,000             | 362,000             | 362,000             | 365,000             | 0.8%                          |
| Cash to Investments                            | 3,000,000           | 6,340,614           | 9,020,000           | 7,000,000           | -22.4%                        |
| COVID Expense                                  | 418,928             | 174,947             | -                   | -                   | #DIV/0!                       |
| <b>TOTAL USES</b>                              | <b>15,962,877</b>   | <b>22,857,231</b>   | <b>17,877,119</b>   | <b>16,488,328</b>   | -7.8%                         |
| <b>Free Cash Flow (excl Inv Inc)</b>           | <b>(1,947,310)</b>  | <b>325,874</b>      | <b>(1,040,395)</b>  | <b>(131,364)</b>    | -87.4%                        |

## **APPENDIX D**

### **Schedules of Fees and Rate Increases**

Table 1. Fees July 2024

Table 2. Schedule of Independent Living Rate Increases, FY20-25

Table 3. Schedule of Catered Living Rate Increases, FY20-25

Table 4. Schedule of Health Center Rate Increases, FY20-25



**TABLE 1**

Schedule of Fees, FY25



**FY25 Independent Living Fee Schedule  
Rates as of July 1, 2024**

| Units                            | # Ct. | Sq. Ft. | Monthly Fees | Declining over 50 months |                |             |            |
|----------------------------------|-------|---------|--------------|--------------------------|----------------|-------------|------------|--------------------------|----------------|-------------|------------|--------------------------|----------------|-------------|------------|--------------------------|----------------|-------------|------------|
|                                  |       |         |              | One Person               |                | 2nd Per Fee |            | One Person               |                | 2nd Per Fee |            | One Person               |                | 2nd Per Fee |            | One Person               |                | 2nd Per Fee |            |
|                                  |       |         |              | Standard                 | Non-Refundable | Two Person  | Two Person | Standard                 | Non-Refundable | Two Person  | Two Person | Standard                 | Non-Refundable | Two Person  | Two Person | Standard                 | Non-Refundable | Two Person  | Two Person |
| 66 <i>Monticello Apartments</i>  |       |         |              |                          |                |             |            |                          |                |             |            |                          |                |             |            |                          |                |             |            |
| Olive                            | 2     | 640     | 4,173        | 1,623                    | 5,796          | 215,004     | 95,117     | 310,121                  | 175,944        | 56,057      | 232,001    | 311,599                  | 159,851        | 471,450     |            |                          |                |             |            |
| Holly                            | 8     | 700     | 4,562        | 1,623                    | 6,185          | 228,559     | 95,117     | 323,676                  | 189,499        | 56,057      | 245,556    | 331,245                  | 159,851        | 491,096     |            |                          |                |             |            |
| Cherry                           | 4     | 724     | 4,708        | 1,623                    | 6,331          | 235,569     | 95,686     | 330,686                  | 196,509        | 56,057      | 252,566    | 341,404                  | 159,851        | 501,255     |            |                          |                |             |            |
| Sweet Gum                        | 2     | 810     | 6,593        | 1,623                    | 8,126          | 260,576     | 95,117     | 355,693                  | 221,516        | 56,057      | 277,573    | 352,470                  | 159,851        | 512,321     |            |                          |                |             |            |
| Spruce                           | 9     | 818     | 6,562        | 1,623                    | 8,185          | 261,043     | 95,117     | 356,160                  | 221,983        | 56,057      | 278,040    | 353,101                  | 159,851        | 512,952     |            |                          |                |             |            |
| Peach                            | 1     | 836     | 6,633        | 1,623                    | 8,256          | 266,302     | 95,117     | 361,419                  | 227,242        | 56,057      | 283,299    | 360,216                  | 159,851        | 520,067     |            |                          |                |             |            |
| Hickory                          | 4     | 932     | 6,786        | 1,623                    | 8,409          | 293,294     | 95,117     | 388,411                  | 254,234        | 56,057      | 310,291    | 396,726                  | 159,851        | 526,577     |            |                          |                |             |            |
| Cotton Wood                      | 5     | 944     | 6,874        | 1,623                    | 8,497          | 296,683     | 95,117     | 391,800                  | 257,623        | 56,057      | 313,680    | 401,311                  | 159,851        | 561,162     |            |                          |                |             |            |
| Walnut                           | 2     | 985     | 7,170        | 1,623                    | 8,793          | 307,665     | 95,117     | 402,782                  | 268,605        | 56,057      | 324,662    | 416,166                  | 159,851        | 576,017     |            |                          |                |             |            |
| Magnolia                         | 4     | 1,004   | 7,293        | 1,647                    | 8,940          | 312,691     | 109,022    | 421,713                  | 273,631        | 69,962      | 343,593    | 422,963                  | 166,161        | 589,124     |            |                          |                |             |            |
| Sycamore                         | 1     | 1,032   | 7,400        | 1,647                    | 9,047          | 323,441     | 109,022    | 432,463                  | 284,381        | 69,962      | 354,343    | 437,504                  | 166,161        | 603,665     |            |                          |                |             |            |
| Hawthorn                         | 5     | 1,039   | 7,400        | 1,647                    | 9,047          | 323,441     | 109,022    | 432,463                  | 284,381        | 69,962      | 354,343    | 437,504                  | 166,161        | 603,665     |            |                          |                |             |            |
| Silverbell                       | 2     | 1,055   | 7,411        | 1,647                    | 9,058          | 327,647     | 109,022    | 436,669                  | 288,587        | 69,962      | 358,549    | 443,194                  | 166,161        | 609,355     |            |                          |                |             |            |
| Cedar                            | 5     | 1,086   | 7,429        | 1,647                    | 9,076          | 336,879     | 109,022    | 445,901                  | 297,819        | 69,962      | 367,781    | 455,682                  | 166,161        | 621,843     |            |                          |                |             |            |
| Dogwood                          | 1     | 1,132   | 7,447        | 1,647                    | 9,094          | 348,330     | 109,022    | 457,352                  | 309,270        | 69,962      | 379,232    | 471,171                  | 166,161        | 637,332     |            |                          |                |             |            |
| Pecan                            | 1     | 1,138   | 7,453        | 1,647                    | 9,100          | 348,447     | 109,022    | 457,469                  | 309,387        | 69,962      | 379,349    | 471,329                  | 166,161        | 637,490     |            |                          |                |             |            |
| Ash                              | 3     | 1,210   | 7,476        | 1,647                    | 9,123          | 362,818     | 109,022    | 471,840                  | 323,758        | 69,962      | 393,720    | 490,769                  | 166,161        | 656,930     |            |                          |                |             |            |
| Pine                             | 1     | 1,260   | 7,554        | 1,647                    | 9,201          | 376,609     | 109,022    | 485,631                  | 337,549        | 69,962      | 407,511    | 509,422                  | 166,161        | 675,583     |            |                          |                |             |            |
| Maple                            | 1     | 1,357   | 7,612        | 1,647                    | 9,259          | 399,393     | 109,022    | 508,415                  | 360,333        | 69,962      | 430,295    | 540,242                  | 166,161        | 706,403     |            |                          |                |             |            |
| Poplar                           | 3     | 1,357   | 7,629        | 1,647                    | 9,276          | 403,950     | 109,022    | 512,972                  | 364,830        | 69,962      | 434,832    | 546,406                  | 166,161        | 712,567     |            |                          |                |             |            |
| Beech                            | 2     | 1,422   | 7,689        | 1,647                    | 9,336          | 415,518     | 109,022    | 524,540                  | 376,458        | 69,962      | 446,420    | 562,054                  | 166,161        | 728,215     |            |                          |                |             |            |
| 34 <i>Pantops Apartments</i>     |       |         |              |                          |                |             |            |                          |                |             |            |                          |                |             |            |                          |                |             |            |
| Shadwell                         | 6     | 1,268   | 7,643        | 1,664                    | 9,307          | 570,929     | 154,475    | 725,404                  | 531,869        | 115,415     | 647,284    | 717,108                  | 254,149        | 971,257     |            |                          |                |             |            |
| Cismont                          | 6     | 1,325   | 7,700        | 1,664                    | 9,364          | 589,159     | 154,475    | 743,634                  | 550,099        | 115,415     | 665,514    | 740,006                  | 254,149        | 984,155     |            |                          |                |             |            |
| Highland                         | 4     | 1,386   | 7,736        | 1,664                    | 9,400          | 604,932     | 154,475    | 759,407                  | 565,872        | 115,415     | 681,287    | 759,817                  | 254,149        | 1,013,966   |            |                          |                |             |            |
| Belmont                          | 4     | 1,418   | 7,736        | 1,664                    | 9,400          | 613,814     | 154,475    | 768,289                  | 574,754        | 115,415     | 690,169    | 770,974                  | 254,149        | 1,025,123   |            |                          |                |             |            |
| Somerset                         | 4     | 1,439   | 7,749        | 1,664                    | 9,413          | 618,838     | 154,475    | 773,313                  | 579,778        | 115,415     | 695,193    | 787,285                  | 254,149        | 1,031,434   |            |                          |                |             |            |
| Edham                            | 4     | 1,538   | 7,784        | 1,664                    | 9,448          | 640,222     | 154,475    | 794,697                  | 601,162        | 115,415     | 716,577    | 804,143                  | 254,149        | 1,058,292   |            |                          |                |             |            |
| Farmington                       | 4     | 1,575   | 7,801        | 1,664                    | 9,465          | 649,803     | 154,475    | 804,278                  | 610,743        | 115,415     | 726,158    | 816,178                  | 254,149        | 1,070,327   |            |                          |                |             |            |
| Cismont/Shadwell                 | 2     | 2,593   | 9,305        | 1,664                    | 10,969         | 968,920     | 154,475    | 1,123,395                | 929,860        | 115,415     | 1,045,275  | 1,217,002                | 254,149        | 1,471,151   |            |                          |                |             |            |
| 121 <i>Blue Ridge Apartments</i> |       |         |              |                          |                |             |            |                          |                |             |            |                          |                |             |            |                          |                |             |            |
| Jackson                          | 2     | 1,278   | 7,689        | 1,700                    | 9,389          | 542,185     | 156,930    | 699,115                  | 503,125        | 117,870     | 620,995    | 718,093                  | 263,729        | 981,822     |            |                          |                |             |            |
| Afton                            | 18    | 1,360   | 7,736        | 1,700                    | 9,436          | 576,888     | 156,330    | 733,818                  | 537,828        | 117,870     | 655,698    | 724,640                  | 263,729        | 988,369     |            |                          |                |             |            |
| Washington                       | 8     | 1,497   | 7,784        | 1,700                    | 9,484          | 633,677     | 156,930    | 790,607                  | 594,617        | 117,870     | 712,487    | 764,904                  | 263,729        | 1,028,633   |            |                          |                |             |            |
| Monroe                           | 8     | 1,612   | 7,830        | 1,700                    | 9,530          | 678,665     | 156,930    | 835,595                  | 639,605        | 117,870     | 757,475    | 813,197                  | 263,729        | 1,076,926   |            |                          |                |             |            |
| Keswick                          | 12    | 1,657   | 7,842        | 1,700                    | 9,542          | 690,818     | 156,330    | 847,748                  | 651,758        | 117,870     | 769,628    | 818,508                  | 263,729        | 1,082,237   |            |                          |                |             |            |
| Madison                          | 14    | 1,663   | 7,854        | 1,700                    | 9,554          | 692,569     | 156,330    | 849,499                  | 653,509        | 117,870     | 771,379    | 821,472                  | 263,729        | 1,085,201   |            |                          |                |             |            |
| Ivy                              | 20    | 1,683   | 7,866        | 1,700                    | 9,566          | 696,776     | 156,930    | 853,706                  | 657,716        | 117,870     | 775,586    | 830,612                  | 263,729        | 1,084,341   |            |                          |                |             |            |
| Piedmont                         | 8     | 1,814   | 7,942        | 1,700                    | 9,642          | 718,743     | 156,930    | 875,673                  | 679,583        | 117,870     | 797,553    | 845,310                  | 263,729        | 1,109,039   |            |                          |                |             |            |
| Rivanna                          | 14    | 1,824   | 7,955        | 1,700                    | 9,655          | 720,499     | 156,330    | 877,429                  | 681,439        | 117,870     | 799,309    | 849,879                  | 263,729        | 1,113,608   |            |                          |                |             |            |
| Ashlawn 1                        | 12    | 1,837   | 7,966        | 1,700                    | 9,666          | 725,522     | 156,330    | 882,452                  | 686,462        | 117,870     | 804,332    | 854,942                  | 263,729        | 1,118,671   |            |                          |                |             |            |
| Ashlawn 2                        | 4     | 1,963   | 7,984        | 1,700                    | 9,684          | 741,063     | 156,930    | 897,993                  | 702,003        | 117,870     | 819,873    | 862,106                  | 263,729        | 1,125,835   |            |                          |                |             |            |
| Double Afton                     | 1     | 2,720   | 11,802       | 1,700                    | 13,502         | 917,038     | 156,930    | 1,073,968                | 877,378        | 117,870     | 995,848    | 1,270,929                | 263,729        | 1,534,658   |            |                          |                |             |            |

**FY25 Independent Living Fee Schedule**  
**Rates as of July 1, 2024**

Page 2 of 2

| Units   | # Ct. | Sq. Ft. | Monthly Fees             |                |             |             | Entrance Fees |                          |                |                          | Entrance Fees |             |            |                |
|---|-------|---------|--------------------------|----------------|-------------|-------------|---------------|--------------------------|----------------|--------------------------|---------------|-------------|------------|----------------|
|   |       |         | One Person               |                | 2nd Per Fee |             | Two Person    |                          | Standard       |                          | Modified      |             | Refundable |                |
|   |       |         | Declining over 50 months | Non-Refundable | One Person  | 2nd Per Fee | Two Person    | Declining over 50 months | 365 Deductible | Declining over 25 months | One Person    | 2nd Per Fee | Two Person | 50% Refundable |
| 20 <b>Jefferson Cottages</b>                        |       |         |                          |                |             |             |               |                          |                |                          |               |             |            |                |
| 2 BR / 1.5 BA (#237/#241/#245)                      | 3     | 1,030   | 7,122                    | 1,647          | 8,769       | 326,012     | 95,117        | 421,129                  | 286,952        | 56,057                   | 343,009       | 425,232     | 166,161    | 591,393        |
| 2 BR / 2.5 BA (#240)                                | 1     | 1,045   | 7,298                    | 1,647          | 8,945       | 338,386     | 95,117        | 433,503                  | 299,326        | 56,057                   | 355,393       | 441,373     | 166,161    | 607,534        |
| 2 BR / 1.5 BA Den (#235)                            | 1     | 1,225   | 7,400                    | 1,647          | 9,047       | 339,450     | 95,117        | 434,567                  | 300,390        | 56,057                   | 356,447       | 442,761     | 166,161    | 608,922        |
| 2 BR / 2 BA Den (#225/#238/#249/#297)               | 4     | 1,200   | 7,400                    | 1,647          | 9,047       | 339,450     | 95,117        | 434,567                  | 300,390        | 56,057                   | 356,447       | 442,761     | 166,161    | 608,922        |
| 2 BR / 2 BA Den (#243)                              | 1     | 1,300   | 7,400                    | 1,647          | 9,047       | 361,652     | 95,117        | 456,769                  | 322,592        | 56,057                   | 378,649       | 471,720     | 166,161    | 637,881        |
| 2 BR / 2.5 BA Den (#239)                            | 1     | 1,300   | 7,596                    | 1,647          | 9,243       | 367,961     | 95,117        | 463,078                  | 328,901        | 56,057                   | 384,958       | 479,950     | 166,161    | 646,111        |
| 2 BR / 2 BA Den & Sun (#247)                        | 1     | 1,400   | 7,718                    | 1,647          | 9,365       | 374,971     | 95,117        | 470,088                  | 335,911        | 56,057                   | 391,968       | 489,093     | 166,161    | 655,254        |
| 2 BR / 2.5 BA (#295)                                | 1     | 1,293   | 7,718                    | 1,647          | 9,365       | 434,680     | 95,117        | 529,797                  | 395,520        | 56,057                   | 451,677       | 566,975     | 166,161    | 733,136        |
| 2 BR / 2 BA 400 sqft. (#234)                        | 1     | 1,400   | 7,842                    | 1,647          | 9,489       | 400,329     | 154,477       | 554,806                  | 361,269        | 115,417                  | 476,686       | 522,168     | 254,383    | 776,551        |
| 2 BR / 2 BA Den & Sun (#227)                        | 1     | 1,473   | 7,848                    | 1,647          | 9,495       | 446,520     | 154,477       | 600,997                  | 407,460        | 115,417                  | 522,877       | 582,417     | 254,383    | 836,800        |
| 2 BR / 2 BA 1600 sqft. (#231/#233/#236/#242/#244)   | 5     | 1,600   | 7,866                    | 1,670          | 9,536       | 475,912     | 154,477       | 630,289                  | 436,752        | 115,417                  | 552,189       | 643,611     | 254,383    | 897,994        |
| 30 <b>Hillside Cottages</b>                         |       |         |                          |                |             |             |               |                          |                |                          |               |             |            |                |
| Hillside I (Screened Porch) #82, #87                | 2     | 1,887   | 8,893                    | 2,053          | 10,946      | 669,316     | 160,785       | 830,101                  | 630,256        | 121,725                  | 751,981       | 840,687     | 266,184    | 1,106,871      |
| Hillside I (Sunroom)                                | 20    | 2,079   | 8,893                    | 2,053          | 10,946      | 688,363     | 160,785       | 849,148                  | 649,303        | 121,725                  | 771,028       | 864,610     | 266,184    | 1,130,794      |
| Hillside I (Original stand alone) #85, #305, #315   | 3     | 2,079   | 8,893                    | 2,053          | 10,946      | 707,994     | 160,785       | 868,779                  | 668,934        | 121,725                  | 790,659       | 889,288     | 266,184    | 1,155,452      |
| Hillside II (2016) #261/#263(porch), #425/#426/#429 | 5     | 2,144   | 8,974                    | 2,053          | 11,027      | 764,784     | 160,785       | 925,569                  | 725,724        | 121,725                  | 847,449       | 960,598     | 266,184    | 1,226,782      |
| <b>134 <i>Albemarle Cottages</i></b>                |       |         |                          |                |             |             |               |                          |                |                          |               |             |            |                |
| Clark   | 3     | 2,053   | 9,017                    | 2,078          | 11,095      | 820,988     | 163,240       | 984,228                  | 781,928        | 124,180                  | 906,108       | 1,015,328   | 276,234    | 1,221,562      |
| Clark with additions (#281)                         | 1     | 2,192   | 9,017                    | 2,078          | 11,095      | 840,269     | 163,240       | 1,003,509                | 801,209        | 124,180                  | 925,389       | 1,039,173   | 276,234    | 1,315,407      |
| Lewis   | 4     | 2,290   | 9,017                    | 2,078          | 11,095      | 856,978     | 163,240       | 1,020,218                | 817,918        | 124,180                  | 942,098       | 1,076,937   | 276,234    | 1,332,631      |
| Lewis with additions (#289 & #293)                  | 2     | 2,308   | 9,017                    | 2,078          | 11,095      | 876,141     | 163,240       | 1,039,381                | 837,081        | 124,180                  | 961,261       | 1,100,467   | 276,234    | 1,376,701      |

**Total # of Units:**

Last Updated: 6/10/2024



## FY25 Care Area Fee Schedule

Rates as of July 1, 2024

| <u>Contract Type</u>    | <u>Lifecare<br/>Entrance Fee</u> | <u>Monthly or<br/>Daily Fee</u> |
|-------------------------|----------------------------------|---------------------------------|
| <b>Catered Living</b>   |                                  |                                 |
| <u>Option 1</u>         |                                  |                                 |
| Studio                  | \$ 374,079                       | \$ 6,637                        |
| Studio with Kitchenette | \$ 374,079                       | \$ 6,794                        |
| Suite with Kitchenette  | \$ 374,079                       | \$ 8,241                        |
| <u>Option 2</u>         |                                  |                                 |
| Studio                  | \$ 215,815                       | \$ 10,278                       |
| Studio with Kitchenette | \$ 215,815                       | \$ 10,439                       |
| Suite with Kitchenette  | \$ 215,815                       | \$ 12,770                       |
| <u>Per Diem</u>         |                                  |                                 |
| Studio                  | \$ 214                           |                                 |
| Studio with Kitchenette | \$ 228                           |                                 |
| Suite with Kitchenette  | \$ 256                           |                                 |
| <b>Vista</b>            |                                  |                                 |
| Option 1 – Lifecare     | \$ 417,189                       | \$ 8,003                        |
| Option 2 – Lifecare     | \$ 258,710                       | \$ 11,791                       |
| Per Diem                | \$ 284                           |                                 |
| <b>Health Care</b>      |                                  |                                 |
| Per Diem                | \$ 433                           |                                 |
| Per Diem – Deluxe Unit  | \$ 447                           |                                 |

All prices are subject to change with appropriate notice.

### Per Diem Agreements

Per Diem Agreements are subject to availability. One month deposit required.

Per Diem Agreements are specific to each care area and separate agreements are required for moves between care areas.

### Refund Policy

The Catered Living and Vista Lifecare entrance fees are returned less two percent per month for six months. After six months, there is no refund.

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**TABLE 2**

Schedule of Independent Living Rate Increases, FY20-25



APPENDIX D  
Table 2

Westminster-Canterbury of the Blue Ridge  
SCHEDULE OF INDEPENDENT LIVING RATE INCREASES, 2020-2025

| Fiscal Year Ending June 30 | Average Monthly Rate (Percentage Increase) | Average Monthly Rate (Dollar Increase) | Average Entrance Fee (Percentage Increase) | Average Entrance Fee (Dollar Increase) |
|----------------------------|--|--|--|--|
| 2020                       | 2.8%                                       | \$205                                  | 2.3%                                       | \$11,881                               |
| 2021                       | 2.5%                                       | \$196                                  | 1.5%                                       | \$8,638                                |
| 2022                       | 2.5%                                       | \$193                                  | 1.5%                                       | \$7,561                                |
| 2023                       | 3.0%                                       | \$227                                  | 3.5%                                       | \$19,663                               |
| 2024                       | 3.0%                                       | \$257                                  | 3.5%                                       | \$20,130                               |
| 2025                       | 3.0%                                       | \$252                                  | 3.5%                                       | \$20,661                               |

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**TABLE 3**

Schedule of Catered Living Rate Increases, FY20-25



APPENDIX D  
Table 3

Westminster-Canterbury of the Blue Ridge  
SCHEDULE OF CATERED LIVING RATE INCREASES, 2020-2025

| Fiscal Year Ending June 30 | Average Monthly Rate (Percentage Increase) | Average Monthly Rate (Dollar Increase) | Average Entrance Fee (Percentage Increase) | Average Entrance Fee (Dollar Increase) | Per Diem Rate (Percentage Increase) | Per Diem Rate (Dollar Increase) |
|----------------------------|--|--|--|--|-------------------------------------|---------------------------------|
| 2020                       | 2.8%                                       | \$199                                  | 2.3%                                       | \$5,700                                | 2.8%                                | \$4                             |
| 2021                       | 3.5%                                       | \$218                                  | 3.5%                                       | \$11,241                               | 3.5%                                | \$6                             |
| 2022                       | 2.5%                                       | \$152                                  | 2.0%                                       | \$6,648                                | 2.5%                                | \$4                             |
| 2023                       | 3.0%                                       | \$185                                  | 3.0%                                       | \$10,147                               | 3.0%                                | \$5                             |
| 2024                       | 3.0%                                       | \$192                                  | 3.5%                                       | \$12,222                               | 15%                                 | \$28                            |
| 2025                       | 3.0%                                       | \$210                                  | 3.5%                                       | \$12,650                               | 7.0%                                | \$15                            |

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**TABLE 4**

Schedule of Health Center Rate Increases, FY20-25



APPENDIX D  
Table 4

Westminster-Canterbury of the Blue Ridge  
SCHEDULE OF HEALTH CENTER RATE INCREASES, 2020-2025

| Fiscal Year Ending<br>June 30 | Per Diem Rate<br>(Percentage<br>Increase) | Per Diem Rate<br>(Dollar Increase) |
|-------------------------------|---|------------------------------------|
| 2020                          | 2.8%                                      | \$9                                |
| 2021                          | 3.5%                                      | \$11                               |
| 2022                          | 2.5%                                      | \$8                                |
| 2023                          | 3.0%                                      | \$10                               |
| 2024                          | 15%                                       | \$51                               |
| 2025                          | 10%                                       | \$39                               |

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## **APPENDIX E**

Description of Variances in FY24



**Westminster-Canterbury of the Blue Ridge**  
**Financial Performance Review**  
**For the period ending June 30, 2024**

**Occupancy as of June 30, 2024**

Overall occupancy in Independent Living was 97%. Community occupancy including reserved units in Independent Living was 92%. Total Residents on June 30, 2024, was 458.

**Revenue**

Resident related revenue exceeded budget by \$1.9 million. Net investment income was favorable to budget by \$1.6 million for the year and entrance fee income exceeded budget by \$734,698. Total Operating Revenue exceeded budget by \$3.5 million.

**Expenses**

For Fiscal Year 2024, total operating expenses were favorable to budget by \$228,000.

**Summary**

Operating Income for Fiscal Year 2024 was \$7.6 million. The fee increases for FY25 are 3% for monthly fees and 3.5% for entrance fees.

**Ratios – FY24**

|                       |       |
|-----------------------|-------|
| Debt Service Coverage | 7.1   |
| Days Cash on Hand     | 1200  |
| Net Operating Ratio   | 85.2% |

**Summary of Financial Information**  
**Westminster-Canterbury of the Blue Ridge**  
**As of June 30, 2024**

|                                | <b>FY24</b>   | <b>FY23</b>   |
|--------------------------------|---------------|---------------|
| <b>Total Assets</b>            | \$227,246,162 | \$211,062,461 |
| <b>Total Liabilities</b>       | \$175,315,392 | \$175,067,424 |
| <b>Total Net Assets</b>        | \$51,930,770  | \$35,995,037  |
| <b>Total Revenues</b>          | \$50,008,123  | \$44,743,515  |
| <b>Total Expenses</b>          | \$42,409,655  | \$41,290,776  |
| <b>Operating Income (Loss)</b> | \$7,598,468   | \$3,452,739   |
| <b>Net Income (Loss)</b>       | \$13,677,751  | \$7,774,463   |

**NARRATIVE ON FINANCIAL CONDITION**

Fiscal Year 2024 net patient and resident services revenue increased 8.9% over FY23 as independent living occupancy concluded the year at 97%. Investment income remained strong at \$2.9 million for the year, which was \$1.4 million above FY23 due to market conditions and realized gains. Operating expenses increased 2.7% from prior year. There were 23 independent living contracts executed against a budget of 24. Entrance fees net of refunds totaled \$13.3 million. At June 30, 2024, the organization reported days cash on hand of 1200 and debt service coverage ratio of 7.1.

**OCCUPANCY INFORMATION AS OF JUNE 30, 2024**

|                           | <b>Capacity of Units</b> | <b>Average Occupancy</b> | <b>Percentage Occupancy</b> |
|---------------------------|--------------------------|--------------------------|-----------------------------|
| <b>Independent Living</b> | 281                      | 371                      | 97%                         |
| <b>Assisted Living</b>    | 57                       | 45                       | 82%                         |
| <b>Nursing</b>            | 52                       | 41                       | 79%                         |

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED STATEMENTS OF OPERATIONS AND  
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS  
YEARS ENDED JUNE 30, 2024 AND 2023**

|  | 2024                        | 2023                       |
|--|-----------------------------|----------------------------|
| <b>PATIENT AND RESIDENT SERVICE REVENUE</b>  |                             |                            |
| Resident Fees  | \$ 26,252,242               | \$ 24,185,672              |
| Amortization of Deferred Entrance Fees   | 11,408,828                  | 10,489,944                 |
| Patient Services   | 8,144,116                   | 7,360,718                  |
| Total Patient and Resident Service Revenue   | <u>45,805,186</u>           | <u>42,036,334</u>          |
| <b>OTHER REVENUE</b>   |                             |                            |
| Contributions  | 331,890                     | 174,689                    |
| Other Revenue  | 855,222                     | 924,366                    |
| Investment Income  | 2,947,096                   | 1,532,099                  |
| Net Assets Released from Restrictions for Operations   | 68,729                      | 76,027                     |
| Total Other Revenue  | <u>4,202,937</u>            | <u>2,707,181</u>           |
| Total Revenues, Gains, and Other Support   | 50,008,123                  | 44,743,515                 |
| <b>EXPENSES</b>  |                             |                            |
| General and Administrative   | 4,097,620                   | 4,138,614                  |
| Resident Services  | 477,142                     | 444,659                    |
| Beauty Salon   | 107,413                     | 100,549                    |
| Fitness  | 250,844                     | 253,250                    |
| Environmental Services   | 1,986,839                   | 2,065,645                  |
| Laundry  | 209,104                     | 224,404                    |
| Plant Operations   | 3,164,045                   | 3,177,274                  |
| Property Taxes and Utilities   | 3,027,012                   | 2,927,949                  |
| Dining   | 5,358,472                   | 4,990,473                  |
| Health Care Center   | 5,493,262                   | 5,271,082                  |
| Catered Living   | 1,942,586                   | 1,907,617                  |
| Vista  | 600,578                     | 644,690                    |
| Clinic   | 290,518                     | 426,147                    |
| IT   | 988,239                     | 802,637                    |
| Security   | 762,220                     | 716,154                    |
| Transportation   | 223,221                     | 188,828                    |
| Clergy   | 141,562                     | 91,580                     |
| Development  | 668,536                     | 803,764                    |
| Marketing  | 898,384                     | 728,805                    |
| Canterbury Connections   | 20,318                      | 21,091                     |
| Interest   | 1,924,379                   | 2,025,881                  |
| Depreciation   | 9,681,194                   | 9,243,516                  |
| Amortization   | 96,167                      | 96,167                     |
| Total Expenses   | <u>42,409,655</u>           | <u>41,290,776</u>          |
| <b>OPERATING INCOME</b>  |                             |                            |
|  | 7,598,468                   | 3,452,739                  |
| <b>NONOPERATING INCOME (LOSS)</b>  |                             |                            |
| Change in Unrealized Gains on Investments  | 7,405,422                   | 6,162,426                  |
| Loss on Disposal of Property and Equipment   | (1,326,139)                 | (90,392)                   |
| COVID-19 Expenses  | -                           | (174,947)                  |
| Settlement Expense   | -                           | (490,000)                  |
| Loss on Extinguishment of Long-Term Debt   | -                           | (1,085,363)                |
| Total Nonoperating Income  | <u>6,079,283</u>            | <u>4,321,724</u>           |
| <b>EXCESS OF REVENUE OVER EXPENSES<br/>AND INCREASE IN NET ASSETS WITHOUT<br/>DONOR RESTRICTIONS</b> | <u><u>\$ 13,677,751</u></u> | <u><u>\$ 7,774,463</u></u> |

See accompanying Notes to Consolidated Financial Statements  
(5)

**WESTMINSTER-CANTERBURY OF THE BLUE RIDGE AND FOUNDATION  
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS  
YEARS ENDED JUNE 30, 2024 AND 2023**

|  | <u>2024</u>                 | <u>2023</u>                 |
|--|-----------------------------|-----------------------------|
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>   |                             |                             |
| Excess of Revenue Over Expenses<br>and Change in Net Assets Without Donor Restrictions | \$ 13,677,751               | \$ 7,774,463                |
| <b>PURPOSE RESTRICTED NET ASSETS WITH DONOR<br/>RESTRICTIONS</b>                       |                             |                             |
| Contributions  | 726,039                     | 315,802                     |
| Net Assets Released from Restrictions  | (68,729)                    | (76,027)                    |
| Investment Income  | 74,466                      | 520,879                     |
| Other  | (209,305)                   | (212,974)                   |
| Change in Unrealized Gains on Investments  | <u>1,732,511</u>            | <u>903,785</u>              |
| Change in Purpose Restricted Net Assets<br>with Donor Restrictions                     | 2,254,982                   | 1,451,465                   |
| <b>PERPETUALLY RESTRICTED NET ASSETS WITH<br/>DONOR RESTRICTIONS</b>                   |                             |                             |
| Contributions  | <u>3,000</u>                | <u>606,595</u>              |
| Change in Perpetually Restricted Net Assets<br>With Donor Restrictions                 | <u>3,000</u>                | <u>606,595</u>              |
| <b>CHANGE IN NET ASSETS</b>  | <u>15,935,733</u>           | <u>9,832,523</u>            |
| Net Assets - Beginning of Year   | <u>35,995,037</u>           | <u>26,162,514</u>           |
| <b>NET ASSETS - END OF YEAR</b>  | <u><u>\$ 51,930,770</u></u> | <u><u>\$ 35,995,037</u></u> |

See accompanying Notes to Consolidated Financial Statements  
(6)

## **APPENDIX F**

Complaint Procedure





|               |            |
|---------------|------------|
| Origination   | 10/20/1990 |
| Last Approved | 2/20/2024  |
| Last Revised  | 10/25/2022 |
| Next Review   | 2/19/2025  |

|             |  |
|-------------|--|
| Owner       | Emily McDuffie:<br>Director of<br>Resident<br>Services |
| Policy Area | Resident<br>Services                                   |

## Complaint Procedure

### PURPOSE:

Westminster-Canterbury of the Blue Ridge (WCBR) strives to ensure the highest level of satisfaction for our residents. To that end, this policy outlines both the formal and informal process to voice a concern or grievance.

### PERSONS AFFECTED:

WCBR residents, the resident's family member(s) and the resident's legal representative(s) will be affected by this policy.

### POLICY STATEMENT:

WCBR shall provide to its residents, the resident's family member(s) and resident's legal representative(s) a structured means by which their concerns and complaints with regard to quality improvement, services provided and customer satisfaction will be heard and addressed. At no time will a resident or their family members be subject to retaliation or barriers to services.

### DEFINITIONS:

**Formal Complaint.** A concern expressed by a resident, a resident's family member(s), or resident's legal representative(s) which, having been expressed informally using the concern procedure as outlined below, has come to no satisfactory resolution and has been escalated to WCBR's Corporate Board of Trustees for formal, binding resolution.

### RESPONSIBILITIES:

It is the responsibility of the resident, the resident's family member(s), and resident's legal representative(s) to follow the procedures outlined below for concerns or formal complaints. It is the

responsibility of WCBR to follow the below response procedures and corresponding time-lines.

## **CONCERN PROCEDURE:**

1. Should a resident, a resident's family member(s), or resident's legal representative(s) have a concern regarding quality improvement, services provided, or customer satisfaction, they may contact one of the following individuals for an informal discussion of the concern which shall take place within 14 business days of contact:
  - a. Vice President of Operations (applies to residents in Independent Living)
  - b. Vice President of Health Services (applies to residents of Catered Living, the Health Center, and Vista), or the Administrator of Health Care (Health Care-related) or the Administrator of Catered Living and Vista (if Catered Living or Vista-related)
2. Should the concern not be resolved to the resident's, the resident's family member's, or resident's legal representative's satisfaction following discussion with the appropriate individual listed above, a meeting may be scheduled to discuss their concerns with the Vice President of Operations (applies to residents in Independent Living), or the Vice President of Health Services or the President/CEO (applies to residents of Catered Living, the Health Center, and Vista), whomever is deemed most appropriate, with said meeting to take place within 14 business days of contact.
3. Should the concern not be resolved to the resident's, the resident's family member's, or resident's legal representative's satisfaction following the meeting with the Vice President of Operations, or the Vice President of Health Services, or the President/CEO, the procedure outlined below shall be followed for formal complaints.

## **PROCEDURE FOR FORMAL COMPLAINTS (Independent Living residents):**

Should a resident, a resident's family member(s), or resident's legal representative(s) have a concern that has not been resolved to their satisfaction following the above concern procedure, the following formal complaint process will be followed:

1. Obtain a Formal Complaint Form ("Form") from Resident Services.
2. Complete the Form and file it with the President/CEO's Office.
3. The President/CEO will review the Form and advise the resident, resident's family member(s), or resident's legal representative(s) of his/her position on the formal complaint within 14 business days of his/her receipt.
4. Should the President/CEO not resolve the complaint to the resident's, resident's family member's, or resident's legal representative's satisfaction, they may ask that their Complaint Form be forwarded to the Chairman of the Corporate Board of Trustees who will appoint a trustee(s) to meet with the resident, resident's family member(s) or resident's legal representative(s), investigate the complaint, and respond to the resident, resident's family member(s), or resident's legal representative(s) with their findings within 21 business days of the Chairman's receipt of the complaint.

5. The resolution will be final and binding for all Independent Living residents.

## **PROCEDURE FOR FORMAL COMPLAINTS (Catered Living, Health Center, Vista residents):**

Should a resident, a resident's family member(s) or resident's legal representative(s) have a concern that has not been resolved to their satisfaction following the above concern procedure, the following formal complaint process may be followed:

1. Obtain a Formal Complaint Form from Health Services.
2. Complete the Form and file it with the President/CEO's Office.
3. The President/CEO will review the Form and advise the resident, resident's family member(s), or resident's legal representative(s) of his/her position on the formal complaint within 14 business days of his/her receipt.
4. Should the President/CEO not resolve the complaint to the resident's, resident's family member's, or resident's legal representative's satisfaction, they may ask that their Complaint Form be forwarded to the Chairman of the Corporate Board of Trustees who will appoint a trustee(s) to meet with the resident, resident's family member(s), or resident's legal representative(s), investigate the complaint, and respond to the resident, resident's family member(s), or resident's legal representative(s) with their findings within 21 business days of the Chairman's receipt of the complaint.
5. The resolution will be final and binding for all residents of Catered Living, the Health Center and Vista.

Residents of Catered Living, the Health Center, and Vista, their family member(s), or resident's legal representative(s) may contact the long-term care Ombudsman at any time. The Ombudsman may be reached at:

Jefferson Area Board for Aging  
Long-Term Care Ombudsman Program  
674 Hillsdale Drive, Suite 9  
Charlottesville, VA 22901  
Phone: 434-817-5257

[Formal Complaint Form](#)



## **FORMAL COMPLAINT FORM**

**Today's Date:** \_\_\_\_\_

**Date of Incident/Concern (if applicable):** \_\_\_\_\_

**Situation/Incident Requiring Attention:**

**Signature:** \_\_\_\_\_

**Print Name:** \_\_\_\_\_

**Relationship to Resident (if not resident):**

**Best Time to Call to Discuss:**

**Telephone #:** \_\_\_\_\_

**Address:** \_\_\_\_\_