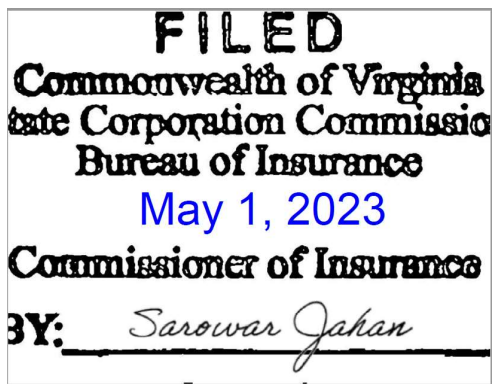


# Westminster Canterbury

SHENANDOAH VALLEY

WESTMINSTER-CANTERBURY OF WINCHESTER, INC.  
SHENANDOAH VALLEY WESTMINSTER-CANTERBURY

## DISCLOSURE STATEMENT



ANNUAL SUBMISSION  
APRIL 30, 2023

The filing of this Disclosure Statement with the State Corporation Commission does not constitute approval, recommendation, or endorsement, of Westminster-Canterbury of Winchester, Inc., by the State Corporation Commission.

## DISCLOSURE STATEMENT

In 1985 the General Assembly of Virginia adopted legislation requiring all continuing care retirement communities in the State, such as Shenandoah Valley Westminster-Canterbury, to file an annual disclosure statement with the State Corporation Commission. This statement is also provided to prospective residents.

Each disclosure statement is required to contain the following information:

1. **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.**

Westminster-Canterbury of Winchester, Inc. is a not-for-profit, Virginia non-stock Corporation, operating under the trade name of Shenandoah Valley Westminster-Canterbury, located at 300 Westminster-Canterbury Drive, Winchester, Virginia 22603.

2. **Full information regarding 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.**

Westminster-Canterbury of Winchester, Inc., holds fee simple title to the property on which it is operated and the buildings in which it is operated. Effective January 2, 2015, the title is subject to a first mortgage held at U.S. Bank National Association, Charlotte, North Carolina (as Bond Trustee).

3. **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.**

The business and affairs of Westminster-Canterbury of Winchester, Inc., are managed by a voluntary Board of Trustees composed of nineteen members.

<u>Members, Board of Trustees</u>	<u>Expiration of Term</u>	<u>Principal Business Affiliation</u>
Mrs. Linda Gibson 800 Kennedy Drive Winchester, VA 22601	2024	Assistant Director, Frederick County, Department of Social Services
Mrs. Patricia Barnes 444 Miller Street Winchester, VA 22601	2024	Paraprofessional for Yount, Hyde & Barbour, PC
Mr. Donald D. Ganske 125 Cotton Ridge Road Winchester, VA 22603	2024	Retired, Dupont Agrichemical Research
Mr. Mark Loring 512 Marion Street Winchester, VA 22601	2024	Management consultant
Mr. John H. Armstrong 103 Launchris Drive Winchester, VA 22602	2024	Retired physician
Cindia Stewart, Ph.D. 115 Shirley Street Winchester, VA 22601	2024	Professor Emeritus, Shenandoah University
Ms. Clare Monahan Dame 610 Sterling Drive Winchester, VA 22601	2025	Retired, Director of Enrollment Management, Randolph-Macon Academy
Mr. Martin Tabaka 307 Walker Street Winchester, VA 22601	2025	Retired, Director of Sales, Ashworth Bros.
Mrs. Libba Pendleton 158 Old Forest Circle Winchester, VA 22602	2025	Retired, SVP Managing Trust Officer, Bank of Clarke County
Mrs. Courtney Warner 210 Fairfield Drive Winchester, VA 22601	2025	Attorney

<u>Members, Board of Trustees</u>	<u>Expiration of Term</u>	<u>Principal Business Affiliation</u>
Mr. Jeffrey Webber 820 Armistead Street Winchester, VA 22603	2025	Realtor
Rev. Dan McCoig, Chair First Presbyterian Church 116 S. Loudoun Street Winchester, VA 22601	2025	Pastor, First Presbyterian Church
Mr. Pat Kofalt 132 Harvest Ridge Drive Winchester, VA 22601	2026	Retired, Army Civilian in Logistics/Material/Supply Chain Management
Ms. Susan Kagey Ameriprise Financial 100 Creekside Lane Winchester, VA 22602	2026	Financial Advisor
Mr. Bob Puttock 212 Taggart Drive Winchester, VA 22602	2026	Retired information technology manager and software engineer
To Be Determined	2026	
Mr. John Dorsey 329 Union View Lane Winchester, VA 22603	2026	Attorney, Estate Planning & Estate Administration, CPA
Mr. Rob Boyd 150 Omps Drive Winchester, VA 22603	2023	Senior Vice President, Commercial Loans and Credit Review, First Bank & Trust Co.
Ms. Sylvia Wilson 300 Westminster-Canterbury Dr. Winchester, VA 22603	2023	Resident & President, Residents' Association

None of these individuals holds any equity or beneficial interest of ten percent or greater in Westminster-Canterbury of Winchester, Inc., nor is any one of them employed by Westminster-Canterbury of Winchester, Inc.

4. **For (i) the provider, (ii) any person named in response to the preceding 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:**

- a. **A description of any business experience in the operation or management of similar facilities.**

Shenandoah Valley Westminster-Canterbury opened on January 2, 1987. Experienced departmental supervisors are employed to manage the day-to-day operations of the community.

Gloria "Jeannie" J. Shiley, President & Chief Executive Officer has over 24 years of experience working in long term care. Mrs. Shiley joined SVWC as Director of Accounting in July 1999 and was promoted to Nursing Home Administrator in September 2003. In December 2007, she was promoted to President & CEO. She is a graduate of Shepherd College with a bachelor's degree in Accounting and is a Certified Aging Services Professional, which was received from the University of North Texas in 2004.

Duane Wernecke, CPA, Chief Financial Officer, joined SVWC in July 2012. Mr. Wernecke has worked in health care since 1997, first as a consultant then as an office administrator/business manager for a physician group, and then as the chief operating officer of a medical practice management firm based in northwestern Virginia. He received his CPA license in September 2000, a BS in Accounting from George Mason University, and a BS in Airway Science from Ohio University.

Chanda Palmer, Chief Operating Officer, joined SVWC's Marketing Department in November 2009. She was promoted to Director of Marketing in 2010 and promoted to Chief Operating Officer in June 2021. She obtained her Nursing Home Administrator's license in 2016. Mrs. Palmer is a graduate of James Madison University with a Bachelor of Business Administration Degree and a Master of Science in Education degree from Old Dominion University.

**Consultants:**

A. V. Powell & Associates, Inc., an actuarial consulting firm, specializing in service to the continuing care retirement community industry, which provides actuarial studies, operational reviews, and population projections. The firm produced a landmark study for the CCRC industry and works with the American Academy of Actuaries, the American Institute of Certified Public Accountants, and other such organizations. The firm also produces computer models, research, and publications for the industry.

CliftonLarsonAllen, LLP is a professional service firm that provides assurance, accounting, tax, consulting and advisory services to organizations and individuals managing business ventures and finance. Founded in 1953, CliftonLarsonAllen's certified public accountants, consultants and advisors are dedicated to providing quality results to clients.

**b. 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 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, including:**

- (1) A description of the goods, leases or services and the probable or anticipated cost thereof to the provider;**
- (2) The process by which the contract was awarded;**
- (3) Any additional offers that were received; and**
- (4) Any additional information requested by the Commission detailing how and why a contract was awarded.**

There are no individuals, professional services, associations, foundations, trusts, partnerships, or corporations, or any other business or legal entities that are applicable to this section.

**c. 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 above items is applicable to Shenandoah Valley Westminster-Canterbury (Westminster-Canterbury of Winchester, Inc.), its employees, or Trustees.

**5. 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 obligations of the provider.**

Westminster-Canterbury of Winchester was incorporated on March 31, 1982, and reorganized under articles of incorporation approved August 7, 1991, as a not-for-profit, Virginia non-stock corporation under guidelines approved by Virginia Diocesan Homes, Inc., a Virginia non-stock, not-for-profit corporation organized by the Protestant Episcopal Church of the Diocese of Virginia, and Westminster Presbyterian Homes, Inc. a Virginia non-stock, not-for-profit corporation organized by the Synod of the Virginias of the Presbyterian Church in the United States for the purpose of establishing, maintaining, operating, managing, controlling, and regulating, a retirement community and to provide related services as may be determined by the Board of Trustees.

The Board of Trustees of Westminster-Canterbury of Winchester, Inc. is elected one-half by the Board of Trustees of Virginia Diocesan Homes, Inc., and one-half by the Board of Trustees of Westminster-Presbyterian Homes, Inc. The Resident member of the Board is elected by the full Residents' Association body.

The financial and contractual obligations of Westminster-Canterbury of Winchester, Inc., are not directly or indirectly an obligation of the Protestant Episcopal Church, the Presbyterian Church in the United States, or any division thereof. Westminster-Canterbury of Winchester, Inc., is not legally related to any other organization whose name includes "Westminster-Canterbury", with the exception of Shenandoah Valley Westminster-

Canterbury which is the operating name of this corporation; and no such other organization has any legal obligation to pay amounts owed by Westminster-Canterbury of Winchester, Inc., under its own name or under its operating name (Shenandoah Valley Westminster-Canterbury).

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

Westminster-Canterbury of Winchester, Inc. is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

**6. 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.**

Initially, Shenandoah Valley Westminster-Canterbury was located on approximately 65.25 acres of land in both the City of Winchester and Frederick County, Virginia. Geographically, the site is located in the northwestern quadrant of the city/county boundary lines. In 1985, 26.95 acres of the site were donated to Westminster-Canterbury with the restriction that it be used for the construction of a life care retirement community. The same donor donated an adjacent 14.742 acres, with the restriction that such land is maintained in a natural state without buildings or other improvements. An additional 2.95 acres were purchased. When construction began, an additional 4.452 acres was donated, and 16.156 acres were purchased.

In May 2019, SVWC purchased 22 acres of land that adjoins the northwest section of the existing campus. This property is located in the City of Winchester and Frederick County. With this addition, the total campus acreage is 87.25.

Construction of the main facility was begun on June 7, 1985 and completed on December 2, 1986. Shenandoah Valley Westminster-Canterbury opened on January 2, 1987.

Shenandoah Valley Westminster-Canterbury consists of two five-story residential apartment buildings ("Shenandoah Hall" and "Winchester Hall"), a two-story Health Center containing 51 private rooms and 12 assisted living memory support private rooms, an assisted living building ("Wappacomo Hall") containing 48 private apartments, a central building ("Lawrence Hall"), the Vitality Center, and 53 cottage units. The approximate distribution of square footage by building component is as follows:



Residential Building (Shenandoah Hall)	122,136 square feet
Residential Building (Winchester Hall)	140,638 square feet
Health Center	54,038 square feet
Assisted Living Building (Wappacomo Hall)	47,150 square feet
Central Building (Lawrence Hall)	36,800 square feet
Vitality Center	<u>25,124 square feet</u>
TOTAL	425,886 square feet

In 1991, Shenandoah Valley Westminster-Canterbury began construction of 26 cottages on the previously mentioned 16.156 acres that were purchased since construction of the original building. The basic cottage is a two-bedroom/two-bath unit of approximately 1,380 square feet. The cottages were completed in August 1995.

Health Center Finishing Kitchen - Funding of approximately \$523,000 was included in the community's 1993 capital budget and the Finishing Kitchen was completed and fully operational in May, 1994.

Expansion of the Main Kitchen and the Main Dining Room addition was completed by May 1995.

In 1998, SVWC began construction of Wappacomo Hall, the Assisted Living building. This was followed by renovation of the Health Center to create 52 private rooms. The Health Center renovation and expansion project was completed in June 2000 and cost \$8 million. This project was funded by a \$30,935,000 bond issue that included sufficient funds to cover all previous outstanding long-term debt of Shenandoah Valley Westminster-Canterbury.

Construction of 23 additional cottages began in January 2002 and was completed in April 2004. The cottages are located adjacent to the existing twenty-six cottages. The new cottage project consists of 18 duplex cottages and 5 freestanding single units.

In July 2005, SVWC began construction of a 64-unit independent living apartment building known as Winchester Hall; a Vitality Center that includes a new dining venue, swimming pool, fitness center, pub, bank, and art studio; and renovations to the existing dining, main kitchen, and fitness areas of the community. The Vitality Center and apartment building were completed in March 2007. The project has been funded by a bond issue in the amount of \$38,720,000.

The plan to build a chapel at Westminster-Canterbury was conceived in 2006. Following a successful capital campaign in 2007 and 2008, final plans were drawn up for the Chapel construction. Completed in December 2009, the Chapel seats 85 people and is a dedicated place for worship, education, reflection, and meditation for people of all faiths and traditions.

Renovation of the Clinic was completed in 2010. Improvements were made to its accessibility and functionality. An additional examination room was added, and a dental office was created as a part of the renovations.

The main entrance at Lawrence Hall was also renovated in 2010. The changes were initiated to gain better control and alleviate temperature fluctuations that occur as well as to create a more spacious, inviting lobby.

Renovation of the community continued in 2011 and 2012. The following areas were renovated:

- Shenandoah Hall (Independent Living apartment building) corridors and common areas
- Activities Room and Commons in Lawrence Hall
- Wappacomo Hall (Assisted Living apartment building) corridors and common areas, first and third floors
- Health Care dining rooms
- Lawrence Hall restrooms

During 2013, the following meeting and activity spaces underwent renovation: The Abbey, Main Dining Room, Harowitz Private Dining Room, Cathedral Dining Room, and Apple Blossom Room. In Wappacomo Hall, the public restrooms, second floor corridors, and common areas were renovated.

The following renovations and new construction project began in the spring of 2014 and were completed at the end of 2016:

- Addition of 11 Health Care rooms onto the existing Health Care building.
- Renovation of existing Health Care space to create a more home-like setting and improve activity areas, improve living room/common areas for residents, improve natural lighting, and improve outdoor spaces. Also, a European shower will be added to each Health Care room.
- Addition of a two-story wellness and vitality building to improve functionality of wellness programming and to create dedicated areas for exercise classes.
- Reorganization of core spaces (administrative offices, Rehabilitation Services, and Salon) is needed to be able to make improvements to existing Health Care areas.

On September 30, 2016, SVWC purchased a free-standing home located at 114 Westbury Place, Winchester, Virginia; adding another option to our cottage program. This home is not directly adjacent to the campus but is located within a quarter mile.

On April 20, 2017, SVWC purchased a second home located at 102 Westbury Place.

New to the campus is a Greenhouse, which opened in April 2017. The Greenhouse is located at the south end of the Assisted Living courtyard.

During the summer of 2018, the main kitchen and Bistro servery were redesigned and renovated. New equipment was purchased for the kitchen. In April 2019, the Satellite Kitchen (formerly called Finishing Kitchen) was renovated; new equipment was purchased.

In April 2021, SVWC purchased a free-standing home located at 100 Westbury Place.

In June 2021, SVWC purchased a free-standing home located at 118 Westbury Place.

In April 2022, a second elevator was added to Wappacomo Hall, the assisted living building. Additionally, the Clinic was renovated to create a third exam room.

Construction of five villas, containing 49 independent living apartments, began in July 2022, with a projected completion date of October 2023. The villas are being constructed on the property acquired in 2019.

7. **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.**

Please refer to the "Independent Living Residence and Care Agreement" (Addendum #1, attached) and the "Assisted Living Residence and Care Agreement" (Addendum #5, attached). Specific location of information is as follows:

Independent Living Residence and Care Agreement

Section I	Community Responsibilities to the Resident	Pages 4-5
Section III	Health Care Provisions	Pages 8-11
Section VII	Transfers Among Levels of Care	Page 15

Assisted Living Residence and Care Agreement

Section I	Lodging, Meals, and Other Services	Pages 1-3
Section III	Assisted Living and Health Care	Pages 3-4
Section IX	Transfers and Release of Assisted Living Unit	Page 8-9

8. **A description of all fees required of residents, including any entrance fee and periodic charges. The description shall include (i) a description of all proposed uses of any funds or property required to be transferred to the provider or any other person prior to the resident's occupancy of the facility and of any entrance fee, (ii) a description of provisions for the escrowing and return of any such funds, assets or entrance fee, the manner and conditions of return and to whom earnings on escrowed funds are payable; and (iii) a description of 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.**

**FEES REQUIRED OF RESIDENTS**

Independent Living Residence Agreement -  
Please refer to "Residence and Care Agreement" (Addendum #1).

Section IV	Fees	Page 11
Section V	Termination	Page 12-13
Section VI	Multiple Occupancy	Page 14
Section VII	Transfers	Pages 15, 18-19

Resident Reservation Agreements - Please refer to "Reservation Agreements" (Addendum #2, attached)

Assisted Living Residence Agreement - Please refer to "Assisted Living Residence and Care Agreement" (Addendum #6)

Section V	Payment of Fees	Pages 4-5
Section VIII	Assisted Living Unit Change, Marital Status	Page 7
Section IX	Transfers	Page 8
Section X	Termination of This Agreement	Page 8-9

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Entrance Fees - Lifecare Option A**

	Lifecare Entrance Fees 01/01/22		Dollar Amount of Increase 01/01/23		Lifecare Entrance Fees 01/01/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	\$	\$	\$	\$	\$
The Cameron - Studio	134,508	-	8,070	-	142,578	-
The Braddock - 1 Bedroom	193,851	240,896	11,631	14,454	205,482	255,350
The Braddock Deluxe - 1 Bedroom	263,057	310,102	15,783	18,606	278,840	328,708
The Loudoun - 2 Bedroom/1 Bath	269,752	316,797	16,185	19,008	285,937	335,805
The Amherst - 2 Bedroom/2 Bath	324,393	371,438	19,464	22,287	343,857	393,725
The Amherst Deluxe - 2 Bedroom/2 Bath	391,771	438,816	23,506	26,329	415,277	465,145
Cottage - York	454,318	501,363	27,259	30,082	481,577	531,445
Cottage - James	466,302	513,347	27,978	30,801	494,280	544,148
Cottage - Potomac	510,998	558,043	30,660	33,483	541,658	591,526
Cottage - Rappahannock	549,587	596,632	32,975	35,798	582,562	632,430
Cottage - Shenandoah	674,974	722,019	40,498	43,321	715,472	765,340
114 Westbury Commons	540,905	587,950	32,454	35,277	573,359	623,227
100 Westbury Commons	550,000	597,045	33,000	35,823	583,000	632,868
102 Westbury Commons	634,784	681,829	38,087	40,910	672,871	722,739
118 Westbury Commons	673,311	720,356	40,399	43,222	713,710	763,578
The Lady Slipper	400,138	447,183	16,006	18,829	416,144	466,012
The Buttercup	447,514	494,559	26,851	29,674	474,365	524,233
The Periwinkle	495,894	542,939	29,754	32,577	525,648	575,516
The Azalea	508,557	555,602	30,513	33,336	539,070	588,938
The Bluebell	509,577	556,622	30,575	33,398	540,152	590,020
The Violet	531,954	578,999	31,917	34,740	563,871	613,739
The Honeysuckle	544,875	591,920	32,693	35,516	577,568	627,436
The Magnolia	577,773	624,818	34,666	37,489	612,439	662,307
Second Person		47,045		2,823		49,868

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Monthly Fees - Lifecare Option A**

	Dollar Amount of Increase		Dollar Amount of Increase		Dollar Amount of Increase		Dollar Amount of Increase		Lifecare Monthly Fees	
	01/01/20		01/01/21		01/01/22		01/02/23		01/02/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person
The Cameron - Studio	\$ 100	n/a	\$ 85	n/a	\$ 142	n/a	\$ 214	n/a	\$ 3,511	n/a
The Braddock - 1 Bedroom	120	180	100	150	168	251	254	379	4,157	6,200
The Braddock Deluxe - 1 Bedroom	145	205	120	170	198	281	299	424	4,902	6,945
The Loudoun - 2 Bedroom/1 Bath	150	210	120	170	203	286	306	431	5,019	7,062
The Amherst - 2 Bedroom/2 Bath	165	225	135	185	226	309	341	466	5,587	7,630
The Amherst Deluxe - 2 Bedroom/2 Bath	170	230	135	185	231	314	349	474	5,720	7,763
Cottage - York	170	230	140	190	234	317	354	479	5,793	7,836
Cottage - James	170	230	140	190	235	318	354	479	5,804	7,847
Cottage - Potomac	175	235	145	195	240	323	362	487	5,932	7,975
Cottage - Rappahannock	180	240	145	195	245	328	369	494	6,049	8,092
Cottage - Shenandoah	195	255	160	210	269	362	406	531	6,650	8,693
114 Westbury Commons	\$ 175	\$ 235	\$ 145	\$ 195	\$ 242	\$ 325	\$ 365	\$ 490	\$ 5,982	\$ 8,025
100 Westbury Commons	n/a	n/a	n/a	n/a	n/a	n/a	365	490	5,987	8,030
102 Westbury Commons	190	250	155	205	263	346	396	521	6,494	8,537
118 Westbury Commons	n/a	n/a	n/a	n/a	n/a	n/a	404	529	6,627	8,670
The Lady Slipper	\$ 170	\$ 230	\$ 140	\$ 190	\$ 231	\$ 314	\$ 348	\$ 473	\$ 5,704	\$ 7,747
The Buttercup	170	230	140	190	233	316	352	477	5,760	7,803
The Periwinkle	170	230	140	190	235	318	355	480	5,810	7,853
The Azalea	175	235	140	190	237	320	358	483	5,860	7,903
The Bluebell	175	235	140	190	238	321	360	485	5,893	7,936
The Violet	175	235	145	195	240	323	362	487	5,937	7,980
The Honeysuckle	175	235	145	195	243	326	366	491	5,999	8,042
The Magnolia	180	240	145	195	248	331	374	499	6,122	8,165
Second Person		60		50		83		125		2,043
Average Increase	3.50%	3.50%	2.75%	2.75%	4.50%	4.50%	6.50%	6.50%	6.50%	6.50%

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Entrance Fees - Lifecare Option B**

	Lifecare Entrance Fees 01/01/22		Dollar Amount of Increase 01/01/23		Lifecare Entrance Fees 01/01/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	\$	\$	\$	\$	\$
The Cameron - Studio	214,889	-	12,893	-	227,782	-
The Braddock - 1 Bedroom	274,619	338,793	16,477	20,327	291,096	359,120
The Braddock Deluxe - 1 Bedroom	340,945	405,119	20,457	24,307	361,402	429,426
The Loudoun - 2 Bedroom/1 Bath	348,907	413,081	20,934	24,784	369,841	437,865
The Amherst - 2 Bedroom/2 Bath	406,515	470,689	24,391	28,241	430,906	498,930
The Amherst Deluxe - 2 Bedroom/2 Bath	485,073	549,247	29,104	32,954	514,177	582,201
Cottage - York	548,738	612,912	32,924	36,774	581,662	649,686
Cottage - James	561,206	625,380	33,672	37,522	594,878	662,902
Cottage - Potomac	619,540	683,714	37,172	41,022	656,712	724,736
Cottage - Rappahannock	658,680	722,854	39,521	43,371	698,201	766,225
Cottage - Shenandoah	770,785	834,959	46,247	50,097	817,032	885,056
114 Westbury Commons	646,294	710,468	38,778	42,628	685,072	753,096
100 Westbury Commons	659,000	723,174	39,540	43,390	698,540	766,564
102 Westbury Commons	748,496	812,670	44,910	48,760	793,406	861,430
118 Westbury Commons	770,286	834,460	46,217	50,067	816,503	884,527
The Lady Slipper	486,584	550,758	21,896	25,746	508,480	576,504
The Buttercup	548,769	612,943	32,926	36,776	581,695	649,719
The Periwinkle	599,790	663,964	35,987	39,837	635,777	703,801
The Azalea	607,437	671,611	36,446	40,296	643,883	711,907
The Bluebell	613,200	677,374	36,792	40,642	649,992	718,016
The Violet	634,480	698,654	38,069	41,919	672,549	740,573
The Honeysuckle	648,864	713,038	38,932	42,782	687,796	755,820
The Magnolia	683,384	747,558	41,003	44,853	724,387	792,411
Second Person		64,174		3,850		68,024

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Monthly Fees - Lifecare Option B**

	Dollar Amount of Increase 01/01/20		Dollar Amount of Increase 01/01/21		Dollar Amount of Increase 01/01/22		Dollar Amount of Increase 01/01/23		Lifecare Monthly Fees 01/01/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	n/a	\$	n/a	\$	n/a	\$	n/a	\$	n/a
The Cameron - Studio	75	n/a	85	n/a	106	n/a	160	n/a	2,621	n/a
The Braddock - 1 Bedroom	95	150	100	150	132	206	200	312	3,272	5,103
The Braddock Deluxe - 1 Bedroom	120	175	120	170	162	236	245	357	4,012	5,843
The Loudoun - 2 Bedroom/1 Bath	120	175	120	170	167	241	252	364	4,124	5,955
The Amherst - 2 Bedroom/2 Bath	140	195	135	185	191	265	288	400	4,724	6,555
The Amherst Deluxe - 2 Bedroom/2 Bath	145	200	135	185	194	268	293	405	4,807	6,638
Cottage - York	145	200	140	190	198	272	299	411	4,902	6,733
Cottage - James	145	200	140	190	199	273	300	412	4,914	6,745
Cottage - Potomac	150	205	145	195	202	276	305	417	5,002	6,833
Cottage - Rappahannock	150	205	145	195	204	278	308	420	5,052	6,883
Cottage - Shenandoah	175	230	160	210	238	312	359	471	5,882	7,713
114 Westbury Commons	150	205	145	195	203	277	307	419	5,025	6,856
100 Westbury Commons	n/a	n/a	n/a	n/a	203	277	307	419	5,030	6,861
102 Westbury Commons	155	210	155	205	213	287	322	434	5,275	7,106
118 Westbury Commons	n/a	n/a	n/a	n/a	237	311	358	470	5,865	7,696
The Lady Slipper	140	195	140	190	194	268	292	404	4,791	6,622
The Buttercup	145	200	140	190	196	270	295	407	4,836	6,667
The Periwinkle	145	200	140	190	199	273	301	413	4,930	6,761
The Azalea	145	200	140	190	200	274	301	413	4,936	6,767
The Bluebell	150	205	140	190	202	276	304	416	4,986	6,817
The Violet	150	205	145	195	203	277	307	419	5,025	6,856
The Honeysuckle	150	205	145	195	204	278	308	420	5,042	6,873
The Magnolia	155	210	145	195	212	286	320	432	5,237	7,068
Second Person		55		50		74		112		1,831
Average Increase	3.50%	3.50%	2.75%	2.75%	4.50%	4.50%	6.50%	6.50%	6.50%	6.50%



**Shenandoah Valley Westminster-Canterbury  
Rate Schedule  
Effective 01/01/23**

**LIFECARE - OPTION A**

	Square Footage	Entrance Fees		Monthly Maintenance Fee	
		One Person	Two Person	One Person	Two Person
The Cameron - Studio	8	\$ 142,578	\$ -	\$ 3,511	\$ -
The Braddock - 1 Bedroom	38	205,482	255,350	4,157	6,200
The Braddock Deluxe - 1 Bedroom	2	278,840	328,708	4,902	6,945
The Loudoun - 2 Bedroom/1 Bath	25	285,937	335,805	5,019	7,062
The Amherst - 2 Bedroom/2 Bath	21	343,857	393,725	5,587	7,630
The Amherst Deluxe - 2 Bedroom/2 Bath	2	415,277	465,145	5,720	7,763
Cottage - York	14	481,577	531,445	5,793	7,836
Cottage - James	12	494,280	544,148	5,804	7,847
Cottage - Potomac	10	541,658	591,526	5,932	7,975
Cottage - Rappahannock	8	582,562	632,430	6,049	8,092
Cottage - Shenandoah	5	715,472	765,340	6,650	8,693
114 Westbury Commons	1	\$ 573,359	\$ 623,227	\$ 5,982	\$ 8,025
100 Westbury Commons	1	583,000	632,868	5,987	8,030
102 Westbury Commons	1	672,871	722,739	6,494	8,537
118 Westbury Commons	1	713,710	763,578	6,627	8,670
The Lady Slipper	4	\$ 416,144	\$ 466,012	\$ 5,704	\$ 7,747
The Buttercup	12	474,365	524,233	5,760	7,803
The Periwinkle	8	525,648	575,516	5,810	7,853
The Azalea	8	539,070	588,938	5,860	7,903
The Bluebell	8	540,152	590,020	5,893	7,936
The Violet	8	563,871	613,739	5,937	7,980
The Honeysuckle	8	577,568	627,436	5,999	8,042
The Magnolia	8	612,439	662,307	6,122	8,165
Second Person			49,868		2,043

**Shenandoah Valley Westminster-Canterbury  
Rate Schedule  
Effective 01/01/23**

**LIFECARE - OPTION B**

	Square Footage	Entrance Fees		Monthly Maintenance Fee	
		One Person	Two Person	One Person	Two Person
The Cameron - Studio	8	\$ 227,782	\$ -	\$ 2,621	\$ -
The Braddock - 1 Bedroom	38	291,096	359,120	3,272	5,103
The Braddock Deluxe - 1 Bedroom	2	361,402	429,426	4,012	5,843
The Loudoun - 2 Bedroom/1 Bath	25	369,841	437,865	4,124	5,955
The Amherst - 2 Bedroom/2 Bath	21	430,906	498,930	4,724	6,555
The Amherst Deluxe - 2 Bedroom/2 Bath	2	514,177	582,201	4,807	6,638
Cottage - York	14	581,662	649,686	4,902	6,733
Cottage - James	12	594,878	662,902	4,914	6,745
Cottage - Potomac	10	656,712	724,736	5,002	6,833
Cottage - Rappahannock	8	698,201	766,225	5,052	6,883
Cottage - Shenandoah	5	817,032	885,056	5,882	7,713
114 Westbury Commons	1	\$ 685,072	\$ 753,096	\$ 5,025	\$ 6,856
100 Westbury Commons	1	698,540	766,564	5,030	6,861
102 Westbury Commons	1	793,406	861,430	5,275	7,106
118 Westbury Commons	1	816,503	884,527	5,865	7,696
The Lady Slipper	4	\$ 508,480	\$ 576,504	\$ 4,791	\$ 6,622
The Buttercup	12	581,695	649,719	4,836	6,667
The Periwinkle	8	635,777	703,801	4,930	6,761
The Azalea	8	643,883	711,907	4,936	6,767
The Bluebell	8	649,992	718,016	4,986	6,817
The Violet	8	672,549	740,573	5,025	6,856
The Honeysuckle	8	687,796	755,820	5,042	6,873
The Magnolia	8	724,387	792,411	5,237	7,068
Second Person			68,024		1,831

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Entrance Fees - Modified Lifecare Option A**

	Modified Care Entrance Fees 01/01/22		Dollar Amount of Increase 01/01/23		Modified Care Entrance Fees 01/01/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	\$	\$	\$	\$	\$
The Cameron - Studio	101,002	-	6,060	-	107,062	-
The Braddock - 1 Bedroom	146,476	187,861	8,789	11,272	155,265	199,133
The Braddock Deluxe - 1 Bedroom	197,307	238,692	11,838	14,321	209,145	253,013
The Loudoun - 2 Bedroom/1 Bath	203,044	244,429	12,183	14,666	215,227	259,095
The Amherst - 2 Bedroom/2 Bath	243,121	284,506	14,587	17,070	257,708	301,576
The Amherst Deluxe - 2 Bedroom/2 Bath	305,189	346,574	18,311	20,794	323,500	367,368
Cottage - York	336,841	378,226	20,210	22,693	357,051	400,919
Cottage - James	344,556	385,941	20,673	23,156	365,229	409,097
Cottage - Potomac	385,251	426,636	23,115	25,598	408,366	452,234
Cottage - Rappahannock	411,361	452,746	24,682	27,165	436,043	479,911
Cottage - Shenandoah	508,109	549,494	30,487	32,970	538,596	582,464
114 Westbury Commons	402,431	443,816	24,146	26,629	426,577	470,445
100 Westbury Commons	412,000	453,385	24,720	27,203	436,720	480,588
102 Westbury Commons	433,754	475,139	26,025	28,508	459,779	503,647
118 Westbury Commons	506,858	548,243	30,411	32,894	537,269	581,137
The Lady Slipper	308,413	349,798	18,505	20,988	326,918	370,786
The Buttercup	336,316	377,701	20,179	22,662	356,495	400,363
The Periwinkle	374,189	415,574	22,451	24,934	396,640	440,508
The Azalea	382,130	423,515	22,928	25,411	405,058	448,926
The Bluebell	384,736	426,121	23,084	25,567	407,820	451,688
The Violet	400,876	442,261	24,053	26,536	424,929	468,797
The Honeysuckle	409,621	451,006	24,577	27,060	434,198	478,066
The Magnolia	434,712	476,097	26,083	28,566	460,795	504,663
Second Person		41,385		2,483		43,868

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Monthly Fees - Modified Lifecare Option A**

	Dollar Amount of Increase 01/01/20		Dollar Amount of Increase 01/01/21		Dollar Amount of Increase 01/01/22		Dollar Amount of Increase 01/02/23		Modified Care Monthly Fees 01/02/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	n/a	\$	n/a	\$	n/a	\$	n/a	\$	n/a
The Cameron - Studio	-	-	-	-	126	n/a	190	n/a	3,111	n/a
The Braddock - 1 Bedroom	-	-	-	-	149	222	225	335	3,684	5,482
The Braddock Deluxe - 1 Bedroom	-	-	-	-	175	248	264	374	4,329	6,127
The Loudoun - 2 Bedroom/1 Bath	-	-	-	-	180	253	271	381	4,441	6,239
The Amherst - 2 Bedroom/2 Bath	-	-	-	-	200	273	302	412	4,942	6,740
The Amherst Deluxe - 2 Bedroom/2 Bath	-	-	-	-	205	278	309	419	5,059	6,857
Cottage - York	-	-	-	-	207	280	313	423	5,125	6,923
Cottage - James	-	-	-	-	208	281	320	423	5,136	6,934
Cottage - Potomac	-	-	-	-	212	285	320	430	5,247	7,045
Cottage - Rappahannock	-	-	-	-	216	289	326	436	5,347	7,145
Cottage - Shenandoah	-	-	-	-	238	311	359	469	5,887	7,685
114 Westbury Commons	\$	-	\$	-	214	\$	323	\$	5,292	\$
100 Westbury Commons	n/a	n/a	n/a	n/a	214	287	323	433	5,297	7,095
102 Westbury Commons	-	-	-	-	223	296	337	447	5,520	7,318
118 Westbury Commons	-	-	-	-	237	310	358	468	5,865	7,663
The Lady Slipper	\$	-	\$	-	204	\$	308	\$	5,047	\$
The Buttercup	-	-	-	-	206	279	311	421	5,092	6,890
The Periwinkle	-	-	-	-	208	281	314	424	5,142	6,940
The Azalea	-	-	-	-	209	282	316	426	5,180	6,978
The Bluebell	-	-	-	-	211	284	318	428	5,209	7,007
The Violet	-	-	-	-	212	285	321	431	5,253	7,051
The Honeysuckle	-	-	-	-	215	288	324	434	5,309	7,107
The Magnolia	-	-	-	-	219	292	331	441	5,420	7,218
Second Person	-	-	-	-	73	-	110	-	-	1,798
Average Increase	0.00%	0.00%	0.00%	0.00%	4.50%	4.50%	6.50%	6.50%	6.50%	6.50%

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Entrance Fees - Modified Lifecare Option B**

	Modified Care Entrance Fees 01/01/22		Dollar Amount of Increase 01/01/23		Modified Care Entrance Fees 01/01/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	\$	\$	\$	\$	\$
The Cameron - Studio	161,082	-	9,665	-	170,747	-
The Braddock - 1 Bedroom	207,195	264,700	12,432	15,882	219,627	280,582
The Braddock Deluxe - 1 Bedroom	255,831	313,336	15,350	18,800	271,181	332,136
The Loudoun - 2 Bedroom/1 Bath	261,970	319,475	15,718	19,168	277,688	338,643
The Amherst - 2 Bedroom/2 Bath	304,458	361,963	18,267	21,717	322,725	383,680
The Amherst Deluxe - 2 Bedroom/2 Bath	378,628	436,133	22,718	26,168	401,346	462,301
Cottage - York	412,381	469,886	24,743	28,193	437,124	498,079
Cottage - James	418,592	476,097	25,116	28,566	443,708	504,663
Cottage - Potomac	463,057	520,562	27,783	31,233	490,840	551,795
Cottage - Rappahannock	489,322	546,827	29,359	32,809	518,681	579,636
Cottage - Shenandoah	577,459	634,964	34,648	38,098	612,107	673,062
114 Westbury Commons	483,080	540,585	28,985	32,435	512,065	573,020
100 Westbury Commons	490,000	547,505	29,400	32,850	519,400	580,355
102 Westbury Commons	511,313	568,818	30,679	34,129	541,992	602,947
118 Westbury Commons	575,770	633,275	34,546	37,996	610,316	671,271
The Lady Slipper	375,466	432,971	22,528	25,978	397,994	458,949
The Buttercup	406,222	463,727	24,373	27,823	430,595	491,550
The Periwinkle	450,872	508,377	27,052	30,502	477,924	538,879
The Azalea	456,681	514,186	27,401	30,851	484,082	545,037
The Bluebell	461,636	519,141	27,698	31,148	489,334	550,289
The Violet	477,920	535,425	28,675	32,125	506,595	567,550
The Honeysuckle	485,542	543,047	29,133	32,583	514,675	575,630
The Magnolia	513,331	570,836	30,800	34,250	544,131	605,086
Second Person		57,505		3,450		60,955

**Shenandoah Valley Westminster Canterbury  
Independent Living  
Monthly Fees - Modified Lifecare Option B**

	Dollar Amount of Increase 01/01/20		Dollar Amount of Increase 01/01/21		Dollar Amount of Increase 01/01/22		Dollar Amount of Increase 01/02/23		Modified Care Monthly Fees 01/02/23	
	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person	One Person	Two Person
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
The Cameron - Studio	-	n/a	-	n/a	94	n/a	142	n/a	2,326	n/a
The Braddock - 1 Bedroom	-	-	-	-	117	182	177	275	2,904	4,512
The Braddock Deluxe - 1 Bedroom	-	-	-	-	143	208	216	314	3,544	5,152
The Loudoun - 2 Bedroom/1 Bath	-	-	-	-	147	212	222	320	3,644	5,252
The Amherst - 2 Bedroom/2 Bath	-	-	-	-	169	234	255	353	4,174	5,782
The Amherst Deluxe - 2 Bedroom/2 Bath	-	-	-	-	172	237	260	358	4,257	5,865
Cottage - York	-	-	-	-	175	240	264	362	4,329	5,937
Cottage - James	-	-	-	-	176	241	265	363	4,341	5,949
Cottage - Potomac	-	-	-	-	179	244	270	368	4,424	6,032
Cottage - Rappahannock	-	-	-	-	181	246	273	371	4,479	6,087
Cottage - Shenandoah	-	-	-	-	210	275	318	416	5,203	6,811
114 Westbury Commons	\$ -	\$ -	\$ -	\$ -	180	245	272	370	4,452	6,060
100 Westbury Commons	n/a	n/a	n/a	n/a	180	245	272	370	4,457	6,065
102 Westbury Commons	-	-	-	-	188	253	284	382	4,657	6,265
118 Westbury Commons	n/a	n/a	n/a	n/a	209	274	316	414	5,180	6,788
The Lady Slipper	\$ -	\$ -	\$ -	\$ -	171	236	259	357	4,240	5,848
The Buttercup	-	-	-	-	173	238	261	359	4,284	5,892
The Periwinkle	-	-	-	-	176	241	266	364	4,357	5,965
The Azalea	-	-	-	-	176	241	266	364	4,362	5,970
The Bluebell	-	-	-	-	178	243	269	367	4,407	6,015
The Violet	-	-	-	-	180	245	272	370	4,452	6,060
The Honeysuckle	-	-	-	-	181	246	273	371	4,469	6,077
The Magnolia	-	-	-	-	187	252	283	381	4,635	6,243
Second Person	-	-	-	-	-	65	-	98	-	1,608
<b>Average Increase</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>4.50%</b>	<b>4.50%</b>	<b>6.50%</b>	<b>6.50%</b>	<b>6.50%</b>	<b>6.50%</b>

**Shenandoah Valley Westminster-Canterbury  
Rate Schedule  
Effective 01/01/23**

**MODIFIED CARE - OPTION A**

	Square Footage	Entrance Fees		Monthly Maintenance Fee	
		One Person	Two Person	One Person	Two Person
The Cameron - Studio	8	\$ 485	\$ -	\$ 3,111	\$ -
The Braddock - 1 Bedroom	38	155,265	199,133	3,684	5,482
The Braddock Deluxe - 1 Bedroom	2	209,145	253,013	4,329	6,127
The Loudoun - 2 Bedroom/1 Bath	25	215,227	259,095	4,441	6,239
The Amherst - 2 Bedroom/2 Bath	21	257,708	301,576	4,942	6,740
The Amherst Deluxe - 2 Bedroom/2 Bath	2	1,418	367,368	5,059	6,857
Cottage - York	14	1,563	400,919	5,125	6,923
Cottage - James	12	1,600	409,097	5,136	6,934
Cottage - Potomac	10	1,771	452,234	5,247	7,045
Cottage - Rappahannock	8	1,915	479,911	5,347	7,145
Cottage - Shenandoah	5	2,550	582,464	5,887	7,685
114 Westbury Commons	1	2,027	470,445	5,292	7,090
100 Westbury Commons	1	2,029	480,588	5,297	7,095
102 Westbury Commons	1	2,166	503,647	5,520	7,318
118 Westbury Commons	1	2,543	581,137	5,865	7,663
The Lady Slipper	4	1,410	370,786	5,047	6,845
The Buttercup	12	1,539	400,363	5,092	6,890
The Periwinkle	8	1,695	440,508	5,142	6,940
The Azalea	8	1,722	448,926	5,180	6,978
The Bluebell	8	1,755	451,688	5,209	7,007
The Violet	8	1,801	468,797	5,253	7,051
The Honeysuckle	8	1,880	478,066	5,309	7,107
The Magnolia	8	1,987	504,663	5,420	7,218
Second Person			43,868		1,798

**Shenandoah Valley Westminster-Canterbury  
Rate Schedule  
Effective 01/01/23**

**MODIFIED CARE - OPTION B**

	Square Footage	Entrance Fees		Monthly Maintenance Fee	
		One Person	Two Person	One Person	Two Person
The Cameron - Studio	8	\$ 485	\$ -	\$ 2,326	\$ -
The Braddock - 1 Bedroom	38	709	219,627	2,904	4,512
The Braddock Deluxe - 1 Bedroom	2	970	271,181	3,544	5,152
The Loudoun - 2 Bedroom/1 Bath	25	970	277,688	3,644	5,252
The Amherst - 2 Bedroom/2 Bath	21	1,190	322,725	4,174	5,782
The Amherst Deluxe - 2 Bedroom/2 Bath	2	1,418	401,346	4,257	5,865
Cottage - York	14	1,563	437,124	4,329	5,937
Cottage - James	12	1,600	443,708	4,341	5,949
Cottage - Potomac	10	1,771	490,840	4,424	6,032
Cottage - Rappahannock	8	1,915	518,681	4,479	6,087
Cottage - Shenandoah	5	2,550	612,107	5,203	6,811
114 Westbury Commons	1	2,027	512,065	4,452	6,060
100 Westbury Commons	1	2,029	519,400	4,457	6,065
102 Westbury Commons	1	2,166	541,992	4,657	6,265
118 Westbury Commons	1	2,543	610,316	5,180	6,788
The Lady Slipper	4	1,410	397,994	4,240	5,848
The Buttercup	12	1,539	430,595	4,284	5,892
The Periwinkle	8	1,695	477,924	4,357	5,965
The Azalea	8	1,722	484,082	4,362	5,970
The Bluebell	8	1,755	489,334	4,407	6,015
The Violet	8	1,801	506,595	4,452	6,060
The Honeysuckle	8	1,880	514,675	4,469	6,077
The Magnolia	8	1,987	544,131	4,635	6,243
Second Person			60,955		1,608



**ASSISTED LIVING LIFECARE CONTRACT**

Entrance Fee Returned  
 Less 4% for 25 Months - Withdrawal\*  
 Effective 01/01/23

Monthly Maintenance Fee  
 Effective 01/01/23

	One Person	Two Persons	One Person	Two Persons
Contract Suite	\$ 137,101	n/a	\$ 6,210	n/a
Contract Deluxe	181,921	267,584	7,023	10,362

\* Lifecare entrance fee plan is amortized at a rate of 4% per month for 25 months

**ASSISTED LIVING MONTHLY RENTAL RATES**

Suite	\$ 7,880
Deluxe	8,964
Second Person	4,341

**MEMORY SUPPORT DAILY RENTAL RATES**

Standard	\$ 407
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**HEALTHCARE DAILY RENTAL RATES**

Standard	\$ 407
SNF - standard	567

1. The **Life Care Entry Fee** option involves a one-time fee which entitles the resident(s) to the lifetime use of the accommodation selected including the use and benefits of the community's common areas, amenities, services and programs. Most importantly, the **Life Care Option** assures the resident of the availability of assisted living and health center accommodations with no increase in the Monthly Fee (there is a nominal fee for expanded dietary services).
2. The **Modified Care Entry Fee** option is a one-time fee which entitles the resident(s) to the lifetime use of the accommodation selected including the use and benefits of the community's common areas, amenities, services and programs. The **Modified Care Option** assures the resident the availability of assisted living and health center accommodations; however, after 30 non-cumulative days in an assisted living facility and health center each year, the monthly rate is increased to the then-current assisted living or health center rate.
3. The **Monthly Fee** is the same for both Life Care and Modified Care options which includes dining services, weekly housekeeping, scheduled social, recreational, educational and cultural activities, exercise and health programming, scheduled transportation, insurance for the buildings and community furniture, fixtures and assets, corporate liability insurance, the use and benefit of all common areas and amenities, emergency medical services, Health Clinic services and the availability of assisted living and health center services. Amenities in apartments and cottages include washer/dryer, dishwasher, and garbage disposal.

The Life Care & Modified Care Entrance Fee plans are amortized at a rate of 0% for the first 12 months. For 13-50 months the fee is amortized at a rate of 2.50%; there is the availability of 50% and 100% refund options.

Prices subject to change.

## SHENANDOAH VALLEY WESTMINSTER-CANTERBURY

### 2023 ADDITIONAL CHARGES

Expanded Dietary Services (AL/HC)	\$300.00 per month
Beauty Salon	\$3.00 - \$100.00 depending on service provided
Cable	\$45.00 per month
Computer services	\$25.00 - \$75.00 depending on services provided
Garage parking	\$60.00 per month
Guest apartment	\$84.24 per night (\$80 plus \$4.24 tax)
Long distance – International	\$0.125 per minute
Long distance – Domestic	\$0.055 per minute
Environmental Services	\$27.50 per hour
Resident Services Manager	\$45.00 per hour
(plus mileage; 1 hour minimum; additional time billed in 15 minute increments)	
Personal laundry - Blue Ridge Hall/Health Care	\$60.00 per month
Personal laundry - Wappacomo Hall	\$40.00 per month
Phone	\$25.00 per month
Tray delivery (IL)	\$3.00 per tray
Tray delivery (AL)	\$3.00 per tray

## HEALTH CARE FEE SCHEDULE

Residents of SVWC who transfer permanently to Health Care from Independent Living incur health care room and board fees according to the terms of Addendum A where applicable, to their Independent Living Residence and Care Agreement. Residents entering Health Care from Assisted Living have already been responsible for charges associated with expanded dining services. Charges associated with (1) Pharmacy, (2) Ancillaries, including medical supplies, special treatments, etc., (3) Physical, occupational, and speech therapies, and (4) Physician or dental services continue as previously incurred in Independent Living and Assisted Living.

In situations in which only one person in a double-occupied residential unit has to be transferred permanently or temporarily to Health Care, the non-transferred party continues to live in the residential unit and continues to pay the same monthly fee. The transferred party incurs health care room and board fees according to the terms of Addendum A to the Independent Living or Assisted Living Residence and Care Agreement and will be responsible for charges associated with 1) Pharmacy, 2) Ancillaries including medical supplies, special treatments, etc., 3) Physical, occupational, and speech therapies, 4) Physician/Dental services, 5) Expanded dining services.

## OTHER PAYMENT TERMS

(i) Entrance Fees shall be repaid to residents according to the terms of the resident's Independent Living or Assisted Living Residence and Care Agreement and Addendum A thereto. Earnings on any escrowed funds are payable to Shenandoah Valley Westminster-Canterbury and may be deposited to the community's operating account.

(ii) Shenandoah Valley Westminster-Canterbury will give sixty (60) days advance written notice of any adjustment in monthly fees. There are no contractual limitations on such adjustments.

9. **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.**

## **Escrow Accounts**

Shenandoah Valley Westminster-Canterbury maintains in escrow with a bank all entrance fees or portions thereof in excess of \$1,000 per person received by it prior to the date the resident is permitted to occupy a unit in the facility. Funds deposited in the escrow account are kept separate from the operating accounts.

10. **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.**

See attached:

Pages (1) – (22) Financial Statement & Independent Auditors' Report for the Years Ended December 31, 2022 and 2021.

**Westminster-Canterbury of Winchester, Inc.**  
**T/A Shenandoah Valley Westminster-Canterbury**

**Pro-forma Income Statement**  
**for the Year Ending December 31, 2023**

**REVENUE**

Monthly Resident Fees	\$ 14,708,698
Amortization of Deferred Revenue from Advanced Fees	7,378,001
Health Care Services	4,492,302
Assisted Living Services	3,439,195
Investment Return, Net	631,000
Net Assets Released from Restrictions	315,000
Other	2,207,042
Total Revenue	<u>33,171,238</u>

**EXPENSES**

Health Care Services	\$ 6,797,151
Dining Services	4,439,429
Environmental Services	3,088,191
Housekeeping and Laundry	1,497,131
Resident Services	997,800
General and Administrative	6,074,751
Marketing	822,476
Depreciation and Amortization	6,925,022
Interest	649,684
Fellowship Assistance	315,000
Total Expenses	<u>31,606,635</u>

**OPERATING INCOME (LOSS)** 1,564,603

**OTHER CHANGES IN UNRESTRICTED NET ASSETS**

Unrealized Gain (Loss) on Investments -

**Excess of Revenue Over Expenses and  
Change in Unrestricted Net Assets** \$ 1,564,603

The major operating categories are:

General & Administrative: Administration, Finance and Human Resources

Resident Services: Front Desk, Activities, Cultural Arts and Beauty/Barber Salon

Environmental Services: Housekeeping, Laundry, Grounds, Maintenance and Security

Health Care: HC Administration, Clinic, Assisted Living, Health Center, Social Services

Marketing

Dining Services

Foundation

Information Technology

**12. If operation of the facility has not yet commenced, a statement of the anticipated source and application of purchase or construction funds.**

Not applicable. Shenandoah Valley Westminster-Canterbury commenced operation on January 2, 1987.

**13. A description of the provider's criteria for admission of new residents.**

SHENANDOAH VALLEY WESTMINSTER-CANTERBURY

ADMISSION POLICIES

Residents shall be 60 years of age or older. When applicants are less than 60, their Entrance Fee will be increased by 4% for each year under age 60 because of their increased life expectancy.

Assisted Living residents shall be free of communicable disease. Westminster-Canterbury staff shall assist the Assisted Living residents in activities of daily living (ADL's), which may include but not limited to assistance with bathing, dressing, personal care, medication, and nutrition. Residents in regular Assisted Living can only require assistance with up to four (4) ADL's. Residents requiring assistance with more than four (4) ADL's will be transferred to an appropriate level of care. See attached Assisted Living Disclosure Statement for additional information.

Independent Living residents shall be in good health, free of communicable disease and capable of performing all the essential activities of daily living without assistance. Residents must be capable of independent living, as defined by criteria established by the Board of Trustees.

Assisted Living and Independent Living residents must have submitted the following to the Admissions Committee:

- Signed completed copy of the Reservation Agreement
- Payment of the Reservation Fee (10% of Entrance Fee)
- Confidential Financial Statement

- Personal Health History
- Physical Assessment by SVWC's Director of Health Services and the Social Services Department
- Personal Family History

An applicant shall be deemed financially eligible if his income and assets are projected to be adequate based on average life expectancy.

The following policies refer to payment of the Entrance Fee:

- Payment of the Entrance Fee is due on the effective date of residency. The Monthly Maintenance Fee is also due pro-rata to the first day of the following month.
- Stocks and bonds may not be received in lieu of cash for all or part of the Entrance Fee.
- Real property shall not be accepted in payment of the Entrance Fee.

Prior to occupancy, a resident may choose a different size or style of apartment. Any increase in the Reservation Fee based on a larger Entrance Fee must be paid immediately at the rates then in effect. Any decrease in the Reservation Fee, based on a smaller apartment, will be refunded to the resident by Shenandoah Valley Westminster-Canterbury within 30 days.

In the approval of applications for residency at Shenandoah Valley Westminster-Canterbury, there shall be no discrimination against any applicant for reason of sex, race, religion, disabilities, creed, national origin, or employment history.

Individuals who are related by blood, by marriage, or are otherwise in a long-term committed relationship can share apartments. For purposes of financial analysis and treatment under other policies of the corporation, those residents in the long-term committed relationship category shall be treated as a married or blood-related couple.



**14. A description of the provider's policies regarding access to the facility and its services for non-residents.**

Independent Living or Assisted Living residents with contracts for life care or continuing care are given priority for admission to the Health Center. However, if space is available, per diem residents will be admitted directly from the community to the Health Center.

As a private continuing care retirement community, the grounds, building, services, and amenities, of Shenandoah Valley Westminster-Canterbury are intended for the use of residents. However, as a service to the larger community, permission may be granted by the Chief Executive Officer for use of the facilities or services by outside groups.

Shenandoah Valley Westminster-Canterbury has established a policy and guidelines for the provision of services to outside groups.

**15. Any other material information concerning the facility or the provider that may be required by the Commission or included by the provider.**

An Assisted Living Disclosure Statement as required by the Virginia Department of Social Services is attached.

**16. A description of the procedure by which a resident may file a complaint or disclose any concern.**

Shenandoah Valley Westminster-Canterbury has an established policy and procedures to address residents' complaints. This policy states the facility's commitment to "...encourage all residents to express their complaints about the home and to suggest remedies or improvements in its policies and services." Complaint procedures include direct contact channels, either written or oral, from the resident to staff, management, and State licensing and/or aging representatives. The toll-free telephone numbers for State representatives are posted in conspicuous places in the facility.

The facility's procedures also require staff to provide any needed assistance to help a resident express and resolve complaints. In addition to the formal complaint policy and procedures, Shenandoah Valley Westminster-Canterbury encourages all residents to actively participate in resident councils/associations as another avenue to improve facility policies and services.

17. **The annual disclosure statement shall also be accompanied by a narrative describing any material differences between:**
- a. **The prior fiscal year's proforma income statement, and**
  - b. **The actual results of operations during that fiscal year.**

See attached:

Comparison Between Proforma Income Statement & Actual Results of Operations for the Year Ending December 31, 2022.

Comparison Between the Actual Results of Operations for the Year Ending December 31, 2022 and December 31, 2021.

Summary of Financial Information for Year Ending December 31, 2022 and December 31, 2021.

18. **The annual disclosure statement shall describe the disposition of any real property acquired by the provider from residents of the facility.**

Shenandoah Valley Westminster-Canterbury neither acquired nor disposed of any real property from residents during the years 1987 through 2022.

In November 2006, Shenandoah Valley Westminster-Canterbury updated its Mission Statement that expresses its purpose and vision. The text of this Statement is as follows:

Shenandoah Valley Westminster-Canterbury is a not-for-profit, intimate, church related continuing care retirement community that is committed to enabling residents to use their gifts fully, live their lives richly, and enjoy with dignity the years God has given them.

Westminster Canterbury  
SHENANDOAH VALLEY

*Connected for Life*

**Shenandoah Valley  
Westminster-Canterbury**

**Residence & Care Agreement**

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**SHENANDOAH VALLEY WESTMINSTER-CANTERBURY  
RESIDENCE AND CARE AGREEMENT**

This Residence and Care Agreement (the "Agreement") between \_\_\_\_\_  
\_\_\_\_\_ (hereinafter called "Resident(s)") and Westminster-  
Canterbury of Winchester, Inc. operating under the name Shenandoah Valley  
Westminster-Canterbury (hereinafter referred to as the "Community" or  
"Westminster-Canterbury," together with any Addenda attached hereof which are  
incorporated herein and made a part hereto by reference, is a legal and binding  
contract effective on \_\_\_\_\_ ("Effective Date") and shall  
continue in force until such time that either or both parties terminate this Agreement  
as described in "Section V."

This Agreement is for one Resident, or for two or more persons occupying  
space designed for multiple occupancy, and is exclusive to the parties to this  
Agreement and is non-transferable.

This Agreement is divided into several sections in order to make it easier to  
find and to read any particular section. All headings contained in this Agreement  
are for convenience and have no effect on its terms.

## I. COMMUNITY RESPONSIBILITIES TO THE RESIDENT

- A. **Health Services.** Health services shall be provided as described in Section III herein and in Addendum A of this Agreement.
- B. **Lodging.** Resident has a personal, non-transferable right in Apartment/Cottage Number \_\_\_\_\_ or resident room, subject to removal only under the conditions described in this Agreement. The apartment/cottages will be furnished with standard flooring and an emergency call system. The community will maintain the buildings, grounds, and furnished equipment, as necessary.
- C. **Meals.** The dining plan, which is covered by the monthly fee, provides Resident with an allocation for dining expenses at any of the specified locations on campus. As Resident dines, the value of each item Resident selects is deducted from Resident's dining plan balance. Every three months, the dining plan balance is replenished. This type of plan allows for the freedom to dine when desired during the Community's established dining times and the flexibility to choose from a wide variety of dining options. Resident will be charged only for the selections the Resident chooses. Special diets and tray service to the apartment/cottage will be provided upon approval of the Resident Clinic staff at no extra charge for covered meals during temporary illness.
- D. **Common Areas.** Residents shall have the right to the use, in common with other Residents, of the indoor and outdoor social and recreational facilities of Westminster-Canterbury.
- E. **Utilities.** Westminster-Canterbury shall provide utilities such as water, heating, electricity, and air conditioning, to the extent that such utilities are available to Westminster-Canterbury. All Residents are responsible for the payment of their own cable television, internet and telephone charges.
- F. **Laundry.** Westminster-Canterbury will provide washers and dryers for Resident laundry needs.
- G. **Housekeeping.** Housekeeping services shall be provided on a weekly basis by Westminster-Canterbury. These housekeeping tasks include dusting, vacuuming, floor maintenance, cleaning of bathroom and kitchen, the laundering of bed and bath linens, and such other tasks as the Community deems necessary under the circumstances.
- H. **Parking.** One parking space is provided for each Resident who owns and personally uses a vehicle. The parking space may be in an uncovered outside space or a covered space in the garage.

Spaces in the garage are available to residents residing in Winchester Hall and Shenandoah Hall. When a covered space in the garage is requested and is available, the resident agrees to pay an established monthly fee.

- I. **Guests.** Residents are free to invite guests to the Resident's apartment/cottage for daily and overnight visits. Westminster-Canterbury reserves the right to make the policies regarding visits and guest behavior and may limit or terminate a visit at any time for reasons it deems appropriate. Guest visits extending for a time period longer than thirty (30) consecutive days must be approved by Westminster-Canterbury.
- J. **Security.** Westminster-Canterbury will use reasonable care in providing security on the premises for the Resident and Resident's property, but will not be responsible for loss or damage to personal property. Each Resident should maintain private insurance on personal property.

## II. RESPONSIBILITIES OF THE RESIDENT

Residents of Westminster-Canterbury must assume the following responsibilities:

- A. **Admission and Occupancy Requirements.** Acceptance as a resident and occupancy at Westminster-Canterbury are based upon the following criteria, except as may be amended by Addendum A hereto:
  - 1. Physical and mental capability of performing, without assistance, daily living tasks;
  - 2. Freedom from communicable disease;
  - 3. Financial capacity to meet Resident's obligations to Westminster-Canterbury for Resident's expected lifetime (unless other arrangements have been made);
  - 4. Resident's presence does not threaten the health, safety, or well-being of others at Westminster-Canterbury; and
  - 5. Annual wellness appointments with SVWC's Clinic are required for Independent Living residents.

The Admissions Committee of the Board of Trustees will, at its sole discretion, make the final decision regarding an applicant's acceptance under these criteria.

The Interdisciplinary Team will determine the appropriate level of care for each individual Resident, throughout the term of this Agreement, as described in Section VII of this Agreement.

- B. **Operational policies.** Resident shall comply with the rules and regulations of Westminster-Canterbury. To facilitate this,

Westminster Canterbury shall issue a resident handbook and shall deliver a copy thereof to Resident. Resident will abide by Westminster-Canterbury's resident handbook, operational policies and such reasonable amendments, modifications and changes of these as may hereafter be adopted by Westminster-Canterbury. Any operational changes adopted by Westminster-Canterbury shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

- C. **Right of Entry.** Authorized employees shall be permitted into Resident's apartment/cottage at all reasonable times for inspection, housekeeping, or maintenance, and at any time in cases of emergencies.
- D. **Injuries or Damages.** If Westminster-Canterbury incurs any expenses or suffers any damages as a result of the carelessness, negligence, or other acts, of Resident or guests of Resident, the Resident hereby agrees to reimburse Westminster-Canterbury the cost of those expenses or damages.
- E. **Right of Subrogation.** In case of accident or injury to the Resident caused by third parties, the Resident hereby grants a power of attorney to Westminster-Canterbury, which power shall not be affected by the disability of the Resident, at its election to bring any claim or initiate legal action, if necessary, against the person who has caused injury to the Resident for compensation for the injury or expenses thereby caused. The Resident agrees to execute such further authorization as shall be desirable to prosecute such claims or causes of action.

Westminster-Canterbury, at its election, may sue on and enforce any cause of action for a Resident for injury or damages so resulting in the name of the Resident or in its own name. After all costs and damages incurred by Westminster-Canterbury (including reasonable costs of care furnished to the Resident by Westminster-Canterbury because of such accident or injury) shall have been paid for and reimbursed to Westminster-Canterbury by such subrogation, the balance of any collection made will be credited to the Resident's account, or, in the event of the death of the Resident, will be paid to the Resident's estate.

Westminster-Canterbury may limit its election as provided above to claims for recovery of the cost incurred by it, and in such event, Westminster-Canterbury shall not be obligated to assert any claim of the Resident arising out of such accident or injury beyond the costs incurred by Westminster-Canterbury.
- F. **Furnishings.** Residents are allowed and required to furnish their apartment/cottages. All furniture and appliances provided by



Residents are subject to the approval of Westminster-Canterbury in order to keep the living space safe and sanitary.

**G. Preservation of Assets.** Resident agrees not to transfer or dispose of assets unnecessarily in a manner which would place the Resident in need of financial assistance from Westminster-Canterbury.

**H. Preservation of Assets when Receiving Assistance.** When a Resident receives financial assistance from Westminster-Canterbury, or when Westminster-Canterbury in its sole discretion feels that the continued management by Resident of his/her property may place Resident in need of financial assistance from Westminster-Canterbury, Resident agrees that Westminster-Canterbury shall have the right to require Resident to make arrangements for the preservation and management of his/her property by a third party (or parties) including, but not limited to, the execution and funding of a trust agreement for Resident's benefit.

Upon request, the Resident shall provide Westminster-Canterbury with a complete financial statement, including copies of federal and state income and gift tax returns for the previous three years.

**I. Fellowship Assistance.** Westminster-Canterbury may grant upon request Fellowship Assistance, contingent upon the availability of Fellowship Funds. Fellowship Assistance may be in the form of a credit against the Entrance Fee or the Monthly Fee, or both, under policies established by Management and the Board of Trustees. As a condition for such assistance, the Resident agrees to the following:

(a) To apply for and diligently seek the benefit of any public assistance program for which he/she might qualify, including, but not limited to, Medicaid, Social Security, Supplemental Security Income, Old Age Assistance, Aid to the Blind, and Veteran's Pensions. Any such benefits may be taken into account in adjusting the amount of financial assistance.

(b) To report promptly to Westminster-Canterbury receipt of any property or any material increase or decrease in the value of his/her income or assets, (including real estate), whether as the result of gift, inheritance, change in public assistance benefits, or otherwise.

(c) To refrain from transferring any material assets for less than fair value, whether by gift, sale, or otherwise. If the Resident is receiving financial assistance, he/she hereby represents that he/she has not transferred any material assets for less than fair value in contemplation of residence or requesting assistance.

Failure of the Resident to comply with any of the provisions of this section shall constitute material breach by the Resident of his/her agreement.

- J. Application for Subsidies.** If Resident's funds become substantially reduced or depleted, and income is reduced to the extent that Resident is eligible to receive public benefits, including, but not limited to, Social Security Supplemental Income, Medicaid, etc., Resident agrees to apply for these entitlements for benefits. Failure of this Resident to do so may result in the termination of the Agreement by Westminster-Canterbury and release from its obligations hereunder.
- K. Financial Statements.** Resident agrees to provide financial statements every two years. This will allow Westminster-Canterbury to monitor the potential demand on the Fellowship Fund.
- L. Representations Made by Residents in Connection with Application for Residency.** The application and statements of Resident's finances and health history filed with Westminster-Canterbury are incorporated into this Agreement and all statements therein are deemed to be true as of the date made. Representation of financial and health history are to be current and accurate.
- M. Durable Power of Attorney.** Resident agrees to execute before a Notary Public and maintain in effect a Durable Power of Attorney valid under Virginia Law. This Durable Power of Attorney shall designate as attorney-in-fact a bank, lawyer, relative or other responsible person or persons, of Resident's choice, to act for Resident in managing Resident's financial affairs and filing for insurance or other benefits, as fully and completely as Resident would if acting personally. This attorney-in-fact designation shall be in a form which survives Resident's incapacity or disability and shall be otherwise satisfactory to Westminster-Canterbury. Resident will deliver a fully executed copy of this Durable Power of Attorney to Westminster-Canterbury prior to the Effective Date of this Agreement.

### **III. HEALTH SERVICES PROVISIONS**

This section describes the health services that will be provided and the conditions to which the Resident agrees in order for Westminster-Canterbury to provide the continuity of care required by this agreement.

- A. Resident Health Clinic.** Westminster-Canterbury will provide a Resident Health Clinic ("Health Clinic") on the premises where Residents may be examined by the Nurse Practitioner or Health Clinic staff. Insurances will be billed for services provided by and under the direction of the Nurse Practitioner. Residents maintain the responsibility for payment of services and supplies not covered by insurance. Residents are encouraged to maintain a relationship with

their personal physicians and are under no obligation to utilize Health Clinic services. Residents can schedule their annual wellness appointment with the Clinic.

- B. Private Duty Nurses/Companions.** Resident will pay all expenses of private duty nurses and companions whom the Resident may employ. Private duty nurses and companions shall be subject to all rules and regulations as are in effect at Westminster-Canterbury. No private duty nurses or companions shall be employed without the approval of the community's Administrator, subject to required screenings.
- C. Other Health Service Professionals.** Westminster-Canterbury may make arrangements for the services of a physical therapist, occupational therapist, speech therapist, podiatrist, dentist or other health professionals, on the premises by appointment, but Residents may engage the services of the health professionals of their choice at the professionals' offices or elsewhere off the premises. Resident will be responsible for the payment of these services.
- D. Assisted Living.** Westminster-Canterbury is licensed under its Assisted Living Facility License-Residential Living Care and Assisted Living Care to provide assisted living services in Wappacomo Hall and Blue Ridge Hall (memory impairment portion of assisted living area) in a private standard room (larger rooms may be available at an increased monthly rate for Wappacomo Hall only). Residents will be billed for prescription drugs and for all medical supplies, therapy services, eye, ear, dental, and other services and supplies customarily billed as extra charges by facilities providing services similar to those provided by Westminster-Canterbury's assisted living area. Resident will also be billed for costs incurred in assisted living as provided by the terms of the Addendum A hereto.
- E. Health Care.** Westminster-Canterbury is licensed to provide skilled nursing care and nursing care ("Health Care") in a private standard room.

Residents will be billed for prescription drugs and for all medical supplies, physical therapy, eye, ear, dental, and other services and supplies customarily billed as extra charges by facilities providing services similar to Health Care. Resident will also be billed for costs incurred while receiving Health Care services as provided by the terms of the Addendum A hereto.
- F. Hospital Coverage and Transfer Agreements.** Westminster-Canterbury is not obligated to pay any charges for hospitalization or costs related thereto. In the event it becomes necessary for the Resident to be transferred to a hospital, Westminster-Canterbury will provide the information necessary to meet the provisions of any

hospital agreement and Resident agrees that Westminster-Canterbury has the right to provide such information, which may include part or all of the Resident's medical records.

Westminster-Canterbury is not designed or staffed to meet the needs of some special diseases, for example, alcoholism, or psychiatric disorders. Resident agrees that Westminster-Canterbury has the authority to transfer Resident elsewhere for hospitalization or nursing care, as may be deemed necessary by the Medical Director of Westminster-Canterbury, whether or not the condition is deemed by the Medical Director to be permanent. Resident's apartment/cottage may be released in accordance with the conditions of this Agreement.

- G. Medicare and Other Health Insurance Requirements.** Resident is required to enroll in the Hospital Insurance Benefit Program under Part A of Public Law 89-97 (Medicare), or its equivalent, and Resident authorizes, as necessary, any provider of such medical and other health services, including Westminster-Canterbury, to receive reimbursement under Medicare Part A, or its equivalent, as provided under these programs.

During the next enrollment period following the filing of Resident's application for admission to Westminster-Canterbury, Resident will pay the premiums, secure, and maintain enrollment under the Supplemental Medical Insurance Benefits Program under Part B of Public law 89-97. If Resident is not eligible for these Programs, Resident agrees to obtain equivalent insurance coverage acceptable to Westminster-Canterbury.

If at any time Resident becomes entitled to payments for health services from other governmental agencies, Resident agrees to make application for such payments. Westminster-Canterbury will not be responsible for the cost of any health related care, the cost of which Resident is entitled to from a governmental agency or other third party.

Westminster-Canterbury may assist Resident in applying for health benefits under any program for which Resident might qualify. Westminster-Canterbury will assist Resident in filing claims for payment under Medicare and/or other insurances for services rendered by Westminster-Canterbury upon request. Resident agrees to execute assignment of benefits to Westminster-Canterbury.

- H. Supplemental Insurance Requirements.** Westminster-Canterbury requires that the Resident secure a supplemental insurance policy to pay Medicare co-insurance deductible amounts and to provide major medical coverage to a \$250,000.00 lifetime maximum or show evidence of Resident's own ability to pay such costs without impairing Resident's ability to meet future obligations to Westminster-Canterbury.

- I. **Other Charges for which Resident is Responsible.** Resident agrees to pay the following charges to the extent that they are not covered by Medicare or approved supplemental insurance: charges of any physician, physical therapist, occupational therapist, podiatrist, hospital charges, charges for hearing aids, orthopedic devices, and any other health related items, and private room surcharges, whether at the Community's Health Center or elsewhere.

#### IV. FEES

The following is the fee structure which Resident agrees to pay:

##### A. SCHEDULE OF FEES

ENTRANCE FEE	\$ _____
CURRENT MONTHLY FEE	\$ _____

The fees stated above are reflective of the current cost to Westminster-Canterbury for the provision of services described in this Agreement.

- B. **Entrance Fee.** The Entrance Fee is a lump-sum payment and shall not be increased or changed during the term of this Agreement, except for changes required by Federal or State assistance programs and by the refund provision of this Agreement.
- C. **Monthly Fees.** Resident agrees to pay Westminster-Canterbury the Monthly Fee within thirty (30) days after the 1<sup>st</sup> of each month beginning with the assigned Effective Date, and the Fee shall be prorated for any applicable period of less than one month.

A thirty-day advance written notice shall be given to the Resident of any intent to change the charges and fees for contracted services, except for changes required by Federal or State assistance programs.

Westminster-Canterbury will endeavor to maintain the Monthly Fee at the lowest possible rate consistent with sound financial practice and the maintenance of the quality of services, including health services, called for herein. When Westminster-Canterbury does adjust fees, at any time, in order to bring income in line with the cost of operations, Resident agrees to pay the adjusted fee.

Resident will be invoiced monthly for any services and supplies used by the Resident which Westminster-Canterbury is not obligated to provide, and these invoices are to be paid within thirty (30) days after the 1<sup>st</sup> of each month.

## V. TERMINATIONS

- A. Termination Prior to Occupancy (Death or Withdrawal).** In the event a Resident of Westminster-Canterbury terminates this Agreement, or Resident dies prior to the Effective Date, all monies paid toward the Entrance Fee will be refunded in accordance with the applicable reservation agreement.
- B. Termination by Westminster-Canterbury.** Westminster-Canterbury has the right to terminate this Agreement for good cause. Good cause for the purpose of this Agreement is defined as:
1. The resident is a danger to himself and others;
  2. Non-payment by the Resident of Monthly or periodic fees and other charges, if financially able;
  3. Repeated conduct by the Resident that interferes with other Residents' quiet enjoyment of the facility;
  4. Persistent refusal to comply with reasonable written rules and regulations of the facility;
  5. A material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency or related materials, regarding information which, if accurately provided, would have resulted in either failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services included under the terms of this Agreement;
  6. Material breach by the Resident of the terms and conditions of the Residence and Care Agreement.

If Westminster-Canterbury intends to cancel this Agreement and terminate Residence's occupancy, it will give Resident thirty (30) days' advance written notice of this fact, including the reason for this action. During this time, Resident will have the opportunity to remedy the cause for such termination. If the cause for termination still exists at the end of this thirty-day period, the contract will be terminated.

- C. Termination by Resident.** Resident may terminate this Agreement for any reason at any time by giving written notice at least thirty (30) days before the desired termination date to the President of Westminster-Canterbury. This contract shall not be terminated on the date of the notice, but rather shall remain in full force and effect until the termination date, which shall be no sooner than thirty (30) days after the date that the notice is delivered to Westminster-Canterbury.
- D. Refunds.** All Entrance Fees are subject to a 5% administrative fee as of the 8<sup>th</sup> day following execution of this Agreement. Therefore, for the purposes of calculating any potential refund, all available

options will be based on the applicable "Refund-Eligible Entrance Fee."

If no refund is due according to any of the calculations described in this Agreement, the Entrance Fee paid for the continuing care of the Resident or Residents shall be considered earned by and become the property of Westminster-Canterbury.

Upon termination by either the Resident or Westminster-Canterbury, Resident agrees to pay Westminster-Canterbury all amounts owed to the Community and any reasonable expenses incurred in connection with the termination. Reasonable expenses include, but are not limited to, the cost of any repairs and the replacement of property. Any amounts owed to Westminster-Canterbury at the time a refund becomes due will be deducted from the refund.

For purposes of computing refunds, a partial calendar month shall be treated as a full month. The assigned Effective Date shall be counted as a full day.

Upon the death of one of two Residents occupying an apartment/cottage designed for multiple occupancy, the surviving Resident may remain in the apartment/cottage without the payment of any additional Entrance Fee but shall thereafter pay the single-occupancy Monthly Fee applicable to that particular type of apartment/cottage. No refund will be due or payable upon the death of the first of two Residents of an apartment/cottage designed for multiple occupancy.

In situations where two or more persons share a living space designed for multiple occupancy at entry, refunds in the event of death will be calculated based on the date of the death of the last surviving member of the couple (or group).

Other refund conditions which are specific to this Agreement are contained in Addendum A of this Agreement.

**E. Removal of Property.** Upon termination of this Agreement due to death of the Resident, Resident's property must be removed within the number of days specified below:

Independent Living apartment or cottage	30 days
Assisted Living unit (standard apartment)	15 days
Assisted Living unit (double apartment)	25 days
Health Care unit	7 days

Upon permanent transfer to another level of care or termination of this Agreement due to withdrawal from the community, Resident agrees to the removal of his or her property within 7 days.

In the case of two or more persons occupying the apartment/cottage, this clause will only apply when all Residents who are signatures to

this Agreement have died or permanently transferred out of the apartment/cottage or when this Agreement is terminated with respect to all such persons. After the termination date or expiration of the applicable time period above, Westminster-Canterbury may store such property at the expense and risk of Resident or Resident's estate, provided that we give ten (10) days' written notice of the storage to Resident's last known address. Westminster-Canterbury may offset any amounts owed to it by the Residents for any storage expenses and any unpaid Monthly Fees against any refund due to Resident or Resident's estate.

## VI. MULTIPLE OCCUPANCY

- A. Marriage.** If Resident marries after the Effective Date of this Agreement, the spouse shall be allowed to occupy the apartment/cottage with the Resident, provided the new spouse meets all entrance requirements and executes a Residence and Care Agreement with Westminster-Canterbury. This agreement will call for payment of the new Entrance and Monthly Fees.

Unless otherwise agreed to in writing by Westminster-Canterbury, if a Resident marries after the Effective Date of this Agreement and the spouse does not meet the entrance requirements of Westminster-Canterbury, the spouse will not be permitted to reside in the Community.

The Entrance Fee due will be a sum equal to the difference between the then-current Entrance Fee for double-occupancy and the then-current Entrance Fee for the single occupancy in the particular type of apartment/cottage occupied. The Monthly Fee for the new couple will be the then-current Monthly Fee for couples in the particular type of apartment/cottage occupied.

- B. Divorce.** If you, as Residents, are two persons that are spouses of one another occupying the same apartment/cottage, either as of the Effective Date or subsequent to the Effective Date pursuant to Section VI.A, this Agreement shall terminate in the event that you divorce and one or both of you decides to vacate the apartment/cottage. If one of you wishes to remain in the apartment/cottage as a Resident after the divorce is final or if one or both of you wishes to remain in the Community as a Resident in an alternate apartment/cottage apart from the other, the Resident will have to re-apply for admission to the Community as an individual, including meeting all current financial and health status screening criteria applicable to new and prospective residents of the Community, entering into a new agreement with the Community to supersede this Agreement, and paying an additional Entrance Fee the amount of which shall be determined by the Community in accordance with any policies in effect at the time. Notwithstanding any of the foregoing, payment of any refund due hereunder shall be



paid 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 accord with the attached Addendum. If one or both of you remains in the apartment/cottage during the pendency of any divorce proceedings you will remain responsible, jointly and severally, for paying the Monthly Fee.

## VII. TRANSFERS AMONG LEVELS OF CARE

**A. Temporary Transfer.** Resident agrees that Westminster-Canterbury shall have the authority to temporarily transfer Resident between levels of care (i.e., independent living, assisted living, health care) or to the Winchester Medical Center, or other care provider as deemed necessary by the Resident's physician and the nurse practitioner. Resident will be responsible for any additional health care costs occasioned by a transfer, as provided for in Addendum A.

**B. Permanent Transfer.** The Interdisciplinary Team has sole discretion to make the determination of need of assistance to perform the required activities of daily living to remain safely in an Independent Living accommodation. The team can defer a permanent move to another level of care if the resident submits a plan of assistance to be provided by others (at the resident's expense) that meets the identified needs.

The Interdisciplinary Team agrees, when possible, to consult with the Resident, Resident's family or attorney-in-fact, and personal physician, before making a decision regarding permanent transfer. However, the decision regarding the need for permanent transfer remains at the sole discretion of the Interdisciplinary Team.

**C. Release of Residential Apartment/cottage.** When transfers of a temporary nature are evaluated and judged to no longer be temporary but are deemed by the Interdisciplinary Team to have become permanent, Resident's apartment/cottage shall be released according to Section V.E of this Agreement. In the case of two or more persons occupying the apartment or cottage, this clause will only apply when all Residents who are signatures to this Agreement have permanently transferred out of the apartment/cottage or when this Agreement is terminated. No refund of any portion of the Entrance Fee shall be due as a result of Resident's transfer to other levels of care, or to another institution or facility, unless this Agreement is terminated in accordance with its terms.

## VIII. OTHER PROVISIONS

- A. Authority for Admission, Dismissal, Fees, and Management.** Westminster-Canterbury retains all authority regarding admission, dismissal, adjustment of fees, and management of Westminster-Canterbury. Resident does not have the right to prevent the termination of another Resident's Residence and Care Agreement.
- B. Rights of Residents.** Resident's rights under this Agreement are those rights and privileges herein expressly granted, which, where applicable, are in compliance with regulations concerning the rights of residents of assisted living facilities and nursing homes as established by the Virginia Department of Social Services and the Virginia Department of Health respectively. A copy of these resident's rights and related policies and procedures are on file and available for review in the Administration offices of Westminster-Canterbury. 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 apartment/cottage, this Agreement is not a lease, and you shall have no right, title or interest in the apartment/cottage or any real or personal property of Westminster-Canterbury. You may not lease or sublease the apartment/cottage to any other person or allow or permit any person to occupy the apartment/cottage in your absence.
- C. Subordination to Financing.** Resident's rights under this Agreement shall at all times be subject and subordinate to the rights of any lender providing financing to Westminster-Canterbury. 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 the apartment/cottage, the Community, or any Westminster-Canterbury property and to all amendments, modifications, replacements or refinancing thereof. Resident agrees to execute and deliver any document required by either Resident or by the beneficiary of any mortgage, deed of trust or security agreement to evidence or effect such subordination. Resident acknowledges that Westminster-Canterbury's rights under this Agreement may be assigned in connection with any such financing.
- D. Confidentiality.** Westminster-Canterbury has the responsibility to keep all of the personal, medical, and financial information supplied by Resident in confidence; such information will only be shared in compliance with the Health Insurance Portability and Accountability Act (HIPAA).
- E. Residents Association.** All Residents of Westminster-Canterbury are members of the Residents Association. The Administration will

confer regularly with representatives of the Association about matters of concern to Residents.

- F. Waiver.** In the event that Westminster-Canterbury does not, in any one or more instances, insist upon Resident's strict performance, observance, or compliance, with any of the terms or provisions of this Agreement, or if Westminster-Canterbury waives a breach by Resident of this Agreement, it shall not be construed to be a waiver of Westminster-Canterbury's right to insist upon Resident's strict compliance with all other terms and provisions of this Agreement.
- G. Custom Remodeling of Apartment/Cottage.** In the event that Resident requests, and Westminster-Canterbury approves, custom remodeling of Resident's apartment/cottage, Resident agrees to pay in full, in advance, the amount necessary to accomplish this change. Payments for such remodeling are not refundable and are not subject to any Escrow Agreement which may be part of this Residence and Care Agreement.
- Westminster-Canterbury will provide for Resident a breakdown of the cost incurred by itself in the course of the apartment/cottage remodeling. These costs will include, but will not be limited to, actual construction fees and architectural fees.
- Upon termination by either Resident or Westminster-Canterbury, Resident agrees to pay Westminster-Canterbury, at its sole discretion, all reasonable expenses incurred in connection with returning the apartment/cottage to its original designed state.
- H. Other Promises.** Westminster-Canterbury's representatives have made no promises or representations regarding apartments/cottages, refunds, or services, beyond those covered in this Agreement. This Agreement has precedence over the description of services in promotional materials or presentations. This Agreement constitutes the entire contract between Resident and Westminster-Canterbury, and no waiver or modification shall be valid unless made in writing, signed by Resident and by Westminster-Canterbury, and attached to this Agreement.
- Resident understands that none of the sponsoring organizations of Westminster-Canterbury are parties to this Agreement, and Resident has not relied on the promises, or credit-worthiness, or sponsorship, or any sponsoring organization as an inducement to execute this Agreement.
- I. Governing Laws.** This Agreement, including its validity and the capacity of the parties to this Agreement, 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.

- J. Masculine and Feminine Pronouns.** All references in this Agreement by masculine pronouns and adjectives also include the feminine and vice versa.
- K. Successors and Assigns.** The duties owed Westminster-Canterbury under this Agreement shall inure to the benefit of its successors and assigns.
- L. Statement of Non-Discrimination.** No factors of race, religion, sex, disabilities, creed, sexual orientation, national origin or employment history have any bearing upon Resident's acceptance or rejection for admission, the execution of this Agreement, or normal conduct of business by Westminster-Canterbury.
- M. Right to Rescind.** Resident shall have a right to rescind this Agreement, without penalty or forfeiture, within seven (7) days after making an initial deposit or executing this Agreement. Resident shall not be required to move into Westminster-Canterbury before the expiration of the seven (7) day period.
- N. Resident Inability to Occupy.** If Resident dies before occupancy at Westminster-Canterbury, or is precluded through illness, injury, or incapacity, from becoming a Resident under the terms of the Agreement, this Agreement is automatically rescinded and the Resident, or his legal representative, shall receive a full refund of all monies paid to Westminster-Canterbury, except those costs specifically incurred by Westminster-Canterbury, at the request of the Resident as provided under Section VIII.H of this Agreement.
- O. Transfer to Different Apartment/cottages.** If Resident desires to move to a different apartment/cottage, Resident must submit an Internal Transfer Request form and will be placed on a waiting list for available apartments/cottages. Requests for voluntary transfers within the same level of care will be handled according to the Internal Transfer Within Independent Living policy and Residents who choose to make a voluntary transfer within the same level of care will be subject to the requirements and additional fees set forth therein.

**For transfers from a smaller to larger apartment/cottage:**

1. The Resident will pay the difference between the then-current Entrance Fee for the smaller apartment/cottage from which the Resident is moving and the then-current Entrance Fee for the larger apartment/cottage into which the Resident is moving.
2. The Resident acknowledges and agrees that any such difference required to be paid towards the Entrance Fee pursuant to this Section VIII.P will be deemed to be included in the original Entrance Fee as of the Effective Date and will be subject to the

terms and conditions of this Agreement regarding refunds, including Section V.D and Addendum A, in the same manner as any portion of the original Entrance Fee paid by the Resident.

**For transfers from a larger to smaller apartment/cottage:**

1. The Resident will pay no additional Entrance Fee.
2. The prorated refundable amount of the original Entrance Fee at the time of the transfer will be credited against the then-current Entrance Fee for the smaller apartment/cottage into which the Resident is moving. If the prorated refundable amount of the original Entrance Fee for the larger apartment/cottage is greater than the then-current Entrance Fee for the smaller apartment/cottage, the difference will be paid to the Resident by Westminster-Canterbury. If the prorated refundable amount of the original Entrance Fee for the larger apartment/cottage is less than the then-current Entrance Fee for the smaller apartment/cottage, the Resident will not be charged for the difference in the Entrance Fee for the smaller apartment/cottage.
3. The Resident acknowledges and agrees that the then-current Entrance Fee for the apartment/cottage into which the Resident is moving will be deemed to be the original Entrance Fee as of the Effective Date and will be subject to the terms and conditions of this Agreement regarding refunds, including Section V.D and Addendum A, in the same manner as the original Entrance Fee paid by the Resident.

Monthly Fees may change as a result of any transfer to a different apartment/cottage to be based on the size of the apartment/cottage into which the Resident is moving, the then-current Monthly Fee for such apartment/cottage, and the number of occupants.

Notwithstanding any provision contained in this Agreement to the contrary, the Effective Date, as defined by this Agreement, will be used for the purposes of calculating the amortization of the Entrance Fee and any refund pursuant to Section V.D and Addendum A and the Effective Date will not reset or change as a result of a transfer to a different apartment/cottage, regardless of whether any additional amount is paid towards the Entrance Fee or whether a lower Entrance Fee is deemed to apply.

- P. Miscellaneous.** This agreement constitutes the entire contract between the parties and no waiver or modification of any of the terms and conditions hereof shall be valid unless written upon or reduced to writing and attached to this contract and signed by all parties hereto.

**IN WITNESS WHEREOF**, Westminster-Canterbury and Resident have executed this Agreement to be effective as of the date first written above. Resident attests that he has read this Agreement, has had any questions regarding the provisions answered, and understands its provisions.

The signature of Residents below certifies that Resident has read, understands, and accepts this Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ADDENDUM A**

**Modified Care 50% Refund**

---

Addendum A to Residence and Care Agreement, dated \_\_\_\_\_, between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), for a **Modified Care Agreement** with entry to Independent Living with **2%/37 Month Refund**, with no less than fifty percent (50%) refund at any time in the future, for Apartment/Cottage No. \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund shall be calculated as follows. If the agreement is terminated during the first 12 months after the occupancy date, the entire Refund-Eligible Entrance Fee shall be refunded. If the agreement is terminated during months 13 through 37, the entire Refund-Eligible Entrance Fee shall be refunded less two percent (2%) thereof for each month or part of a month after the Effective Date. After thirty-seven (37) months, the refundable amount of the Entrance Fee will be held at fifty percent (50%) of the original Refund-Eligible Entrance Fee. At no time during the term of this Agreement will the refundable portion of the Refund-Eligible Entrance Fee be less than fifty percent (50%) of the original Refund-Eligible Entrance Fee.
- B. Transfers Among Levels of Care.** The first thirty (30) days of assisted living or health care, annually received by each Resident as described by Section VII will be included and covered by the then-current monthly fee paid by Resident (s). These thirty (30) days may not be carried forward another year. No more than thirty (30) days per calendar year (January 1 through December 31) will be credited to each Resident. Resident agrees to pay the full per diem rate for assisted living or health care received for the thirty-first (31st) through the three hundred sixty-fifth (365th) day of each calendar year (January 1 through December 31).

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

<hr/> <p>For Shenandoah Valley Westminster-Canterbury</p> <hr/> <p style="text-align: center;">Date</p>	<hr/> <p style="text-align: center;">Signature of Resident</p> <hr/> <p style="text-align: center;">Signature of Resident</p> <hr/> <p style="text-align: center;">Date</p>
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**ADDENDUM A**

**Modified Care 100% Refund**

---

Addendum A to Residence and Care Agreement, dated \_\_\_\_\_, between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), for a **Modified Care Agreement** with entry to Independent living with **100% Refund Option**, for Apartment/Cottage No. \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund of one-hundred percent (100%) of the Refund-Eligible Entrance Fee paid to Westminster-Canterbury will be refunded according to the terms of this Agreement and Addendum.
  
- B. Transfers Among Levels of Care.** The first thirty (30) days of assisted living or health care, annually received by each Resident as described by Section VII, will be included and covered by the then-current monthly fee paid by Resident (s). These thirty (30) days may not be carried forward another year. No more than thirty (30) days per calendar year (January 1 through December 31) will be credited to each Resident. Resident agrees to pay the full per diem rate for assisted living or health care received for the thirty-first (31st) through the three hundred sixty-fifth (365th) day of each calendar year (January 1 through December 31).

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**ADDENDUM A**

**Modified Care 100%/12 then 2.5%/38 Month Refund**

---

Addendum A to Residence and Care Agreement, dated \_\_\_\_\_, between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), for a **Modified Care Agreement** with entry to Independent Living with **100%/12 then 2.5%/38 Month Refund Option**, for Apartment/Cottage No. \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund shall be calculated as follows. If the agreement is terminated during the first 12 months after the occupancy date, the entire Refund-Eligible Entrance Fee shall be refunded. If the agreement is terminated during months 13 through 50 after the occupancy date, the entire Refund-Eligible Entrance Fee shall be refunded, less 2.5% of the Refund-Eligible Entrance Fee for each month or part of a month after the 12th month following the occupancy date (100% of the Refund-Eligible Entrance Fee amortized over 38 months). No refund of any amount of the Refund-Eligible Entrance Fee shall be paid after fifty (50) months following the effective date.
- B. Transfers Among Levels of Care.** The first thirty (30) days of assisted living or health care, annually received by each Resident as described by Section VII, will be included and covered by the then-current monthly fee paid by Resident (s). These thirty (30) days may not be carried forward another year. No more than thirty (30) days per calendar year (January 1 through December 31) will be credited to each Resident. Resident agrees to pay the full per diem rate for assisted living or health care received for the thirty-first (31st) through the three hundred sixty-fifth (365th) day of each calendar year (January 1 through December 31).

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ADDENDUM A**

**Life Care 50% Refund**

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Addendum A to Residence and Care Agreement, dated \_\_\_\_\_, between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), for a **Life Care Agreement** with entry to Independent Living with **2%/37 Month Refund**, with no less than fifty percent (50%) refund at any time in the future, for Apartment/Cottage No. \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund shall be calculated as follows. If the agreement is terminated during the first 12 months after the occupancy date, the entire Refund-Eligible Entrance Fee shall be refunded. If the agreement is terminated during months 13 through 37, the entire Refund-Eligible Entrance Fee shall be refunded less two percent (2%) thereof for each month or part of a month after the Effective Date. After thirty-seven (37) months, the refundable amount of the Refund-Eligible Entrance Fee will be held at fifty percent (50%) of the original Refund-Eligible Entrance Fee. At no time during the term of this Agreement will the refundable portion of the Refund-Eligible Entrance Fee be less than fifty percent (50%) of the original Refund-Eligible Entrance Fee.
  
- B. Transfers Among Levels of Care.** Resident agrees to pay the Monthly Fee applicable to his/her apartment/cottage, whether residing in the apartment/cottage or in another level of care, as described by Section VII of this Agreement. If the Resident is transferred permanently to assisted living or health care, Resident will also be charged a nominal fee for expanded dietary services.

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ADDENDUM A**

**Life Care 100% Refund**

---

Addendum A to Residence and Care Agreement, dated \_\_\_\_\_, between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), for a **Life Care Agreement** with entry to Independent living with **100% Refund Option**, for Apartment/Cottage No. \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund of one-hundred percent (100%) of the Refund-Eligible Entrance Fee paid to Westminster-Canterbury will be refunded according to the terms of this Agreement and Addendum.
  
- B. Transfers Among Levels of Care.** Resident agrees to pay the Monthly Fee applicable to his/her apartment/cottage, whether residing in the apartment/cottage or in another level of care, as described by Section VII of this Agreement. If the Resident is transferred permanently to assisted living or health care, Resident will also be charged a nominal fee for expanded dietary services.

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

---

Signature of Resident

---

For Shenandoah Valley  
Westminster-Canterbury

---

Signature of Resident

---

Date

---

Date

**ADDENDUM A**

**Life Care 100%/12 then 2.5%/38 Month Refund**

---

Addendum A to Residence and Care Agreement, dated \_\_\_\_\_ between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), for a **Life Care Agreement** with entry to Independent Living with **100%/12 then 2.5%/38 Month Refund Option**, for Apartment/Cottage No. \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund shall be calculated as follows. If the agreement is terminated during the first 12 months after the occupancy date, the entire Refund-Eligible Entrance Fee shall be refunded. If the agreement is terminated during months 13 through 50 after the occupancy date, the entire Refund-Eligible Entrance Fee shall be refunded, less 2.5% of the Refund-Eligible Entrance Fee for each month or part of a month after the 12th month following the occupancy date (100% of the Refund-Eligible Entrance Fee amortized over 38 months). No refund of any amount of the Refund-Eligible Entrance Fee shall be paid after fifty (50) months following the effective date.
- B. Transfers Among Levels of Care.** Resident agrees to pay the Monthly Fee applicable to his/her apartment/cottage, whether residing in the apartment/cottage or in another level of care, as described by Section VII of this Agreement. If the Resident is transferred permanently to assisted living or health care, Resident will also be charged a nominal fee for expanded dietary services.

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ADDENDUM B**

**Long-Term Care Insurance**

Addendum B to Residence and Care Agreement, dated \_\_\_\_\_, between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_ (Resident), obligating Resident to retain certain policies of insurance for long-term care.

**A. Long-Term Care Insurance.** Acceptance of Resident as a resident and occupancy at Westminster-Canterbury is based upon several criteria set forth in Section II.A of the Residence and Care Agreement, including financial capacity to meet Resident's obligations to Westminster-Canterbury for Resident's expected lifetime. Resident and Westminster-Canterbury acknowledge and agree that Resident is insured under the policy of long-term care insurance described below, a copy of which is attached to this Addendum B (the "Policy"):

Name of Insurer: \_\_\_\_\_  
Name of Insured(s): \_\_\_\_\_  
Policy Name: \_\_\_\_\_  
Policy Number: \_\_\_\_\_

As a condition of the Residence and Care Agreement, Resident, at Resident's expense, is required to continue to be insured under the Policy, uninterrupted at all times, with the same or greater benefits and coverage limits and Resident is required to pay the premiums, and take any other actions required to secure and maintain the Policy in full force and effect.

**B. Notice.** Resident will immediately notify Westminster-Canterbury in writing of any action to suspend, withhold, restrict, not renew, or otherwise limit the Policy or any changes to benefits or coverage provided thereunder. In addition, resident will deliver to Westminster-Canterbury annually, or more frequently as requested by Westminster-Canterbury, evidence of the renewal and effectiveness of the Policy.

The signature below of the parties to this Agreement certifies that they have read, understand, and accept this Addendum B to the Residence and Care Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Addendum C**

**Cottage Modifications, In-House Transfers, and Fees**

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Addendum C to IL Residence and Care Agreement, dated \_\_\_\_\_  
between Shenandoah Valley Westminster -Canterbury and \_\_\_\_\_  
(Resident), for Cottage No. \_\_\_\_\_.

**A. Construction of an Addition or other Modification to Resident Cottage.**

Subject to the approval of Westminster-Canterbury, Resident may make modifications to the floor plan and finishes, including expansion of space outside the existing cottage perimeter. Such modifications shall be at Resident's sole expense. As a result of such modification, Westminster-Canterbury may modify the model floor plan classification to reflect the square footage change made by Resident. Resident will not incur any change in Entrance Fee or Monthly Fee, except as may be adjusted in accordance with Section IV.C. of this Agreement.

**B. In-House Transfers and Fees.** In the event Resident moves from Cottage to another independent living apartment within the Community, the following fees shall apply:

1. **Entrance Fee.** Resident shall pay the difference between the reclassified Entrance Fee of existing cottage and the Entrance Fee of the new independent living apartment, if that Entrance Fee is higher. If the Entrance Fee of the new independent living apartment is lower and the move occurs within the 50-month refund period (provided in Addendum A of this Agreement), there may be a pro-rated refund due to Resident.

2. **Monthly Fee.** Resident shall be responsible for the Monthly Fee for the new independent living apartment in effect at the time of the in-house move.

The signature below of the parties to this Agreement certifies that they have read, understand, and accept this Addendum to the Residence and Care Agreement.

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

## SHENDANDOAH VALLEY WESTMINSTER-CANTERBURY

### RESERVATION AGREEMENT

The undersigned applicant hereby tenders his **Reservation Agreement** together with a payment of a reservation fee for an apartment/cottage reserved below at Shenandoah Valley Westminster-Canterbury (SVWC). It is understood that upon satisfactory completion of all required forms, acceptance of applicant for occupancy by SVWC, the payment of all required fees, and the execution of a Residence & Care Agreement, the applicant will be admitted for occupancy at SVWC in the reserved apartment/cottage in accordance with the provisions of the Residence and Care Agreement and this agreement as hereinafter set forth:

1. Disclosure Statement. Applicant acknowledges that he received a copy of the SVWC Disclosure Statement at least three (3) days prior to transfer of any money to SVWC.
2. Entrance Fee Payment Schedule:
  - a) \$1,000.00 is required at the time of signing Future Residency Priority Reservation Agreement. This fee, which is non-interest bearing, is credited to the Entrance Fee.
  - b) Ten percent (10%) of the Entrance Fee, minus the reservation fee, is due when the applicant accepts the offer of apartment/cottage
  - c) The balance of the Entrance Fee is due upon move-in/contract day, which is the date indicated on this agreement.
3. It is understood and agreed that full payment of the Entrance Fee and execution of the Residence and Care Agreement shall take place on the date indicated on this Reservation Agreement. Monthly fees begin at the time of signing the Residence and Care Agreement.
4. Acceptance for occupancy is contingent upon approval of application by the Admissions Committee of the Board of Trustees, Shenandoah Valley Westminster-Canterbury. The Admissions Committee will review and act on the application following receipt of all required forms. Approval is based on several factors, including a review of the Personal Health History and a physical examination by a physician of your choice. In order to live in the independent living apartments or cottages, residents must be in reasonably good health and be physically and mentally capable of living independently in the opinion of SVWC and according to the criteria established by the SVWC Board of Trustees.
5. The deposit will be refunded in full if the applicant is not approved or if the applicant dies or withdraws his reservation prior to execution of the Residence and Care Agreement. All refunds will be made within sixty (60) days. This deposit is in a non-interest bearing account.

- 6. The applicant's rights under this agreement may not be transferred to any other person. When an application is made by a husband and wife, the word "applicant" shall be deemed to include both individuals.
- 7. This agreement constitutes the entire Reservation Agreement between the applicant and SVWC, and no waiver or modification shall be valid unless made in writing, signed by the applicant and SVWC, and attached to this agreement.

Reserved Apartment/Cottage Number \_\_\_\_\_

Type \_\_\_\_\_

Entrance Fee \_\_\_\_\_

Reservation Fee \_\_\_\_\_

10% Deposit \_\_\_\_\_ Due Date \_\_\_\_\_

Balance \_\_\_\_\_ Due Date \_\_\_\_\_

The undersigned applicant understands and agrees to the terms of this Reservation Agreement.

\_\_\_\_\_  
Applicant Date \_\_\_\_\_

\_\_\_\_\_  
Applicant Date \_\_\_\_\_

\_\_\_\_\_  
Shenandoah Valley Westminster-Canterbury Date \_\_\_\_\_

Resident Handbook Distributed



## SHENANDOAH VALLEY WESTMINSTER-CANTERBURY

### VILLA RESERVATION AGREEMENT

The undersigned applicant hereby tenders this **Reservation Agreement** together with a payment of a reservation fee for a Villa reserved below at Shenandoah Valley Westminster-Canterbury (SVWC). It is understood that upon satisfactory completion of all required forms, acceptance of the applicant for occupancy by SVWC, the payment of all required fees, and the execution of a Residence & Care Agreement, the applicant will be admitted for occupancy at SVWC in the reserved Villa in accordance with the provisions of the Residence and Care Agreement and this agreement as hereinafter set forth:

1. Disclosure Statement. Applicant acknowledges having received a copy of the SVWC Disclosure Statement at least three (3) days prior to the transfer of any money to SVWC.
2. Entrance Fee Payment Schedule:
  - a) An initial payment of \$5,000 (Reservation Deposit) is due when the applicant accepts the offer of a Villa.
  - b) Ten Percent (10%) of the applicable Entrance Fee, minus \$5,000 (Reservation Deposit), is due on or before \_\_\_\_\_.
  - c) The balance of the Entrance Fee (*i.e.*, 90%) is due on or before move-in/contract day once the Date of Occupancy is determined.
3. It is understood and agreed that full payment of the Entrance Fee and execution of the Residence and Care Agreement shall take place on or before move-in/contract day once the Date of Occupancy is determined. Monthly fees begin at the time of signing the Residence and Care Agreement.
4. Acceptance for occupancy is contingent upon approval of the application by the Admissions Committee of the Board of Trustees, Shenandoah Valley Westminster-Canterbury. The Admissions Committee will review and act on the application following receipt of all required forms. Approval is based on several factors, including a review of the Personal Health History and a physical examination by a physician of your choice. In order to live in independent living Villas, residents must be in reasonably good health and be physically and mentally capable of living independently in the opinion of SVWC and according to the criteria established by the SVWC Board of Trustees.
5. Future Residency Program benefits:
  - a) Meals in the Main Dining Room and Bistro at established rates. Reservations are required for meals in the Main Dining Room.
  - b) Participation in planned social, recreational, educational, cultural, spiritual, arts and crafts, and exercise programs provided by Westminster-Canterbury at established rates, if any.
  - c) Birthday coupons sent out for a free meal in the Bistro.
  - d) Use of Fitness/Wellness Center, Pool and Fitness Staff.
  - e) Corporate rates to Rock Harbor Golf Course.

6. The applicant may terminate this agreement at any time and for any reason. If the applicant terminates within seven (7) days of making the Reservation Deposit, The Reservation Deposit will be refunded in full. If the applicant terminates after seven (7) days of making the Reservation Deposit but before the Ten Percent is paid in full, the Reservation Deposit will be refunded in full. If the applicant terminates after the Ten Percent is paid, the Ten Percent, minus a ten percent (10%) administrative fee, will be refunded. If the applicant is not approved or if the applicant dies prior to occupancy, the deposit will be refunded in full. All refunds will be made within sixty (60) days. This deposit is in a non-interest bearing account.
7. The applicant may choose (based upon availability) to move into an existing residence while waiting for the completion of the Villa residence. The applicant must complete all admission paperwork, pay the full Entrance Fee and execute the Residence and Care Agreement for the existing residence. The applicant will also maintain the Ten Percent for the Villa. If the applicant terminates this agreement and stays in the existing residence, the Ten Percent will be refunded in full after a replacement Ten Percent is received by SVWC for the Villa.
8. The applicant's rights under this agreement may not be transferred to any other person. When an application is made by a husband and wife, the word "applicant" shall be deemed to include both individuals.
9. This agreement constitutes the entire Reservation Agreement between the applicant and SVWC, and no waiver or modification shall be valid unless made in writing, signed by the applicant and SVWC, and attached to this agreement.

Reserved Villa Number \_\_\_\_\_

Type \_\_\_\_\_

Entrance Fee \_\_\_\_\_

Reservation Deposit \_\_\_\_\_

Ten Percent (10%) Deposit \_\_\_\_\_ Due Date \_\_\_\_\_

Balance due on or before the date of Residence and Care Agreement \_\_\_\_\_

The undersigned applicant understands and agrees to the terms of this Reservation Agreement.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Shenandoah Valley Westminster-Canterbury

\_\_\_\_\_  
Date

\_\_\_\_\_ (initial) Resident Handbook Received

**SHENANDOAH VALLEY WESTMINSTER-CANTERBURY**

**VILLA RESERVATION AGREEMENT – ADDENDUM**

Shenandoah Valley Westminster-Canterbury realizes that by agreeing to a reservation agreement for a new villa apartment to be built in the near future, while waiting for their apartment to be available for occupancy, the undersigned applicant may decide that another apartment or cottage may, for one reason or another, become more desirable. The applicant will be allowed to cancel their reservation for the new villa apartment in lieu of the more desirable apartment or cottage, however, the applicant will be required to pay the then applicable 10% deposit for the other apartment or cottage. By signing below, the applicant acknowledges he/she will be eligible to receive a refund of the 10% deposit made on the original new villa apartment once the new villa apartment has been reserved by another / other applicant(s).

**The undersigned applicant understands and agrees to the terms of this Villa Reservation Agreement Addendum.**

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Shenandoah Valley Westminster-Canterbury

\_\_\_\_\_  
Date

## SHENANDOAH VALLEY WESTMINSTER-CANTERBURY

### FUTURE RESIDENCY PRIORITY AGREEMENT

THIS **FUTURE RESIDENCY PRIORITY AGREEMENT** for \_\_\_\_\_  
\_\_\_\_\_ gives you a priority position to move to Shenandoah Valley  
Westminster-Canterbury and allows you to enjoy the benefits of the Future Residency  
Program as follows:

1. You will be assigned a priority position on the Future Residency Program's waiting list based on the chronological order in which similar applications are received. Note: Any Current Resident(s) of SVWC, on the Internal Transfer List, has priority and will be contacted first when an apartment/cottage becomes available.

2. Select below your preferred type of residence(s):

Villa Expansion Project  
 Cottages

One Bedroom Apartment  
 Two Bedroom Apartment

Additional details: \_\_\_\_\_

3. You estimate readiness for residency to be \_\_\_\_\_ (mm/yyyy).
4. In addition to the priority established for residency, you enjoy the following benefits of the Future Residency Program.
  - a. Meals in the Main Dining Room and Bistro at established rates. Reservations are required for meals in the Main Dining Room.
  - b. Participation in planned social, recreational, educational, cultural, spiritual, arts and crafts, and exercise programs provided by Westminster-Canterbury at established rates, if any.
  - c. Birthday coupons sent out for a free meal in the Bistro.
  - d. Use of Fitness/Wellness Center, Pool and Fitness Staff.
  - e. Corporate rates to Rock Harbor Golf Course.
5. Notification of readiness for residency:
  - a. When the selected type of residency becomes available, Westminster-Canterbury will notify you.
  - b. You may accept or reject the offer to reserve the residence within three (3) days from the date of notification. You may reject any offer to take residency without losing your priority.

- c. Following your acceptance of a particular unit, you shall complete a Reservation Agreement which reserves your selected residence. At that time you will make a payment equal to 10% of the total Entrance Fee, less the \$1,000 future wait list deposit specified in section 6 below.
  - d. You will be provided with application forms at that time and asked to have a Physician's Statement completed by your physician. Following your return of these forms, an appointment will be scheduled for an Admissions Interview with the Clinic and Social Services Department. Following the pre-assessment interview, you will be notified of the decision on your residency application.
6. In consideration for the priority and benefits of the Future Residency Program, the applicant agrees to pay a deposit of \$1,000. The deposit is a non-interest bearing administrative fee, which will be credited toward the Entrance Fee at the time you select your residence and sign a Reservation Agreement.
  7. The \$1,000 deposit to join the Future Residency List and the 10% deposit for the Reservation Agreement are fully refundable at any time upon written notice. Waiting list deposits do not guarantee admission. Use of SVWC's facilities and services while on the wait list is subject to all applicable policies and standards for behavior at SVWC, and violations may result in return of the deposit and removal from the wait list.

Applicant: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Applicant: \_\_\_\_\_ Date of Birth: \_\_\_\_\_

Current Street Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Telephone Number: ( ) \_\_\_\_\_

Email: \_\_\_\_\_ Second Email: \_\_\_\_\_

Date: \_\_\_\_\_ Priority Number: \_\_\_\_\_

***Shenandoah Valley Westminster-Canterbury:***

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

FRP Badges: 1) \_\_\_\_\_ 2) \_\_\_\_\_

**Shenandoah Valley Westminster-Canterbury**

**Assisted Living Facility Disclosure Statement**

Required by the Virginia Department of Social Services

The Standards for Licensed Assisted Living Facilities requires each assisted living facility to provide a statement to prospective residents and legal representatives, if any, that discloses information about the facility. The disclosure statement must also be provided to residents or their legal representatives upon request and made available to the general public.

**I. General Information About the Facility**

**Name of the facility:** Shenandoah Valley Westminster-Canterbury (SVWC)

**Name of the licensee:** Westminster-Canterbury of Winchester, Inc.

**Ownership structure, i.e., individual, partnership, corporation, limited liability company, unincorporated association, or public agency:**  
Corporation

**II. Accommodations, Services and Fees**

**Accommodations, services, and care included in the base fee:**

Residential setting that provides or coordinates personal and healthcare services based upon the physical, mental, emotional, and psychosocial needs of the resident; 24-hour supervision; and assistance for adults who are aged, infirmed or disabled.

Staff of the community provides protection, guidance and supervision 24 hours per day. The program promotes security and self-worth by including the resident and appropriate community services in order to meet the objectives of the individualized service plan (ISP).

The community furnishes meals, lodging, utilities, housekeeping, and transportation services. Each resident has a personal apartment furnished with vinyl plank, ceramic tile or carpet flooring, window coverings, emergency call system, TV/cable connection and pre-wired telephone service.

Based on the resident's functional ability, the community assists with bathing, dressing, personal care, medication, and nutrition.

**Amount of the base fee: (If there is more than one base fee, list each separately and specify the accommodations, services and care provided for each fee.)**

<b><u>Assisted Living</u></b>	<b><u>Entry Fee</u></b>	<b><u>Monthly Fee</u></b>
Contract Suite	\$137,101	\$6,210
Contract Deluxe	181,921	7,023
Contract Second Person	85,663	3,239
Rental Suite		\$7,880
Rental Deluxe		8,964
Rental Second Person		4,341
<b><u>Blue Ridge Hall (memory support) Per Diem</u></b>		<b><u>Monthly Fee</u></b>
BRH Standard	\$ 407 (per-day)	\$0.00 add'l. /month

**Additional accommodations, services, and care not included in the base fee and the fee for each:**

**Ancillary Services**

<b>Laundry</b>	Blue Ridge and Health Care - \$60.00/month Wappacomo Hall - \$ 40.00/month
<b>Medications</b>	Pharmacy bills resident directly
<b>Medical Supplies</b>	Costs vary according to resident needs
<b>Oxygen</b>	\$120.00/month
<b>Personal Care Items</b>	Costs vary according to resident needs
<b>Privately Employed Care Attendants</b>	Costs vary according to the services provided
<b>Salon</b>	\$3.00-\$100.00 costs vary according to the services provided
<b>Resident Services Manager</b>	\$45.00/hour—one hour minimum, with additional time billed in 15 min. increments

**III. Admission, Transfer and Discharge Criteria**

**Criteria for admission to the facility and any restrictions on admission:**

Shenandoah Valley Westminster-Canterbury only admits residents after the determination has been made that their needs can be met. Residents will not be admitted or retained by the community if appropriate care cannot be provided.

Admission determination is based upon:

- Completed Uniform Assessment Instrument (UAI)
- Department of Social Services History and Physical no more than 30 days prior to admission
- An interview between the Administrator or designee responsible for admission and retention decisions, the resident and his personal representative if applicable.
- Additional criteria include:
  - All residents shall be 60 years of age or older.
  - No person shall be admitted without their consent and agreement, or that of their personal representative if applicable.
- Shenandoah Valley Westminster-Canterbury does not admit or retain individuals with any of the following prohibitive conditions or care needs:
  - Ventilator dependency.
  - Dermal ulcers staged at levels III or IV; except as those described by the physician to be stage III and healing with treatment provided by a licensed health care professional.
  - Intravenous therapy or injections directly into the vein, unless managed by a Virginia licensed health care professional.
  - Communicable state of airborne infectious disease that requires isolation of the individual or special precautions.
  - Psychotropic medications without appropriate diagnosis treatment plans.
  - Nasogastric tubes.
  - Gastric tubes, only if individual is capable of self-administration and all personal care and upkeep of the gastric tube to be done by the resident.
  - Individuals presenting an imminent physical threat or danger to self or others.
  - Individuals requiring continuous licensed nursing care.
  - Individuals whose physician certifies that placement is no longer appropriate.
  - Individuals who require maximum physical assistance (dependent in 4 or more areas of activities of daily living) unless the individual's independent physician determines otherwise.
  - Individuals whose physical or mental health care needs cannot be met as determined by the community.
  - Individuals requiring the use of a lift on admission.
  - Any other condition prohibited by law or Department of Social Services regulations.

**Criteria for transfer of a resident to a different living area within the same facility, including transfer to another level, gradation, or type of care within the same facility or complex:**

If the community determines that the resident cannot be reasonably cared for in the assisted living unit, the community may transfer the resident to a nursing unit in the health center or discharge the resident. Such determination for the resident's permanent transfer includes consideration of the resident's ability to



live with assistance, and is made after consultation with the resident, the resident's family or representative, if any, and an interdisciplinary team of professionals, using appropriate assessment techniques.

**Criteria for discharge from the facility:**

Discharge of the resident may occur when (i) the community cannot meet the care needs of the resident or the care needs of the resident exceed those that the community is licensed to provide; (ii) the resident is a danger to himself or others; or (iii) the resident is no longer capable of meeting his/her financial obligations and financial assistance is not available or the resident is not otherwise eligible for financial assistance.

Other reasons why the resident may be discharged or the Resident Care Agreement with the resident may be terminated are:

- Nonpayment by resident of monthly fees.
- Repeated conduct by the resident that interferes with other residents' enjoyment of the community.
- Persistent refusal of the resident to comply with reasonable written rules and regulations of the community.
- Material breach of the Resident Care Agreement by the resident.

**IV. Activities Provided for Residents**

Categories of activities: (Specify types of activities and note whether all activities are available to all residents or what, if any, limitations are placed on participation in specified activities. Note whether participation in certain activities is geared to a particular group of residents.)

Exercise programs, social and musical events, cooking classes, arts and crafts, movies, community entertainment, community outings, religious events, crossword puzzles, board games, trivia, bingo groups, book clubs, assisted and open swimming, monthly resident counsel, food committee meetings, domino group, reminisce programs, stretch your mind, horticulture therapy and travel programs.

Frequency of activities (average number of total activities per week): 85

Average number of different types of activities per week:

- Sensory - 8
- Cognitive – 14
- Spiritual – 5
- Musical – 5
- Physical – 13
- Outings – 4
- Social - 13

**V. General Number, Functions and Qualifications of Staff on Each Shift**

<b>Shift</b>	<b>Total Number of Staff Per Shift</b>	<b>Number of Staff Providing Direct Care Per Shift</b>	<b>Functions of Staff Per Shift (i.e. personal care, activities, housekeeping)</b>	<b>Qualifications of Staff Per Shift (i.e. RN, LPN, CNA, dietitian)</b>
7am – 7pm	Total 6 Direct Care Providers 4 -Wappacomo 2 - Blue Ridge	Total 6 Direct Care Providers 4 - Wappacomo 2 - Blue Ridge	Assist residents with ADLs, IADLs, medication management, medication administration, treatments.	Direct Care Staff have and maintain a Virginia license as a RN, LPN, CNA, NA or Medication Aide.  CPR and First Aid certification.  Emergency and Disaster training and yearly in-services as required by the Dept. of Social Services.
7 pm - 11 pm	Total 6 Direct Care Providers 4- Wappacomo 2 - Blue Ridge	Total 6 Direct Care Providers 4 -Wappacomo 2 - Blue Ridge	Assist residents with ADLs, IADLs, medication management, medication administration, treatments.	Direct Care Staff have and maintain a Virginia license as a RN, LPN, CNA, NA or Medication Aide.  CPR and First Aid certification.  Emergency and Disaster training and yearly in-services as required by the Dept. of Social Services.
11 pm – 7 am	Total 5 Direct Care Providers 3 -Wappacomo 2 - Blue Ridge	Total 5 Direct Care Providers 3 - Wappacomo 2 - Blue Ridge	Assist residents with ADLs, IADLs, medication management, medication administration and treatments.	Direct Care Staff have and maintain a Virginia license as a RN, LPN, CNA, NA or Medication Aide.  CPR and First Aid certification.  Emergency and Disaster training and yearly in-services as required by the Dept. of Social Services.

**VI. Liability Insurance Disclosure**

(Facility must indicate yes or no below)

This facility maintains liability insurance that provides at least \$500,000 per occurrence and \$500,000 aggregate, which is the minimum amount of coverage established by the State Board of Social Services for disclosure purposes, to compensate residents or other individuals for injuries and losses from the negligent acts of the facility.

Yes

No

**VII. Additional Information**

**Names of contractors, if used, providing essential services to residents are available upon request. (Examples of essential services are staffing, pharmacy, health care and food/dining.)**

Pharmacy services provided by Remedi Senior Care.

Agency staff provided by Marvel Medical Staffing and Blumed Staffing.

Hospice care provided by Blue Ridge Hospice.

Podiatry services are offered by Dr. James Dodd.

Medical equipment and assistive devices provided by Advance Home Care.

Oxygen supplied by Commonwealth Home Care, Roberts Home Medical and Valley Home Care, Guardian oxygen.

Psychiatric mental health services provided by Dr. Imran Abassi and Ralph Dean, NP.

Dental services provided by Dr. Bryant Ash.

Medical lab services provided by Winchester Medical Center Outreach Lab

**VIII. Emergency On-Site Electrical Power Source**

SVWC has multiple on-site generators for the provision of electricity during an interruption of the normal electric power supply. Testing is done on a weekly, monthly, and annual basis by trained Environmental Services staff ensuring the maintenance and operation of the equipment. Below is a listing of items that remain operational under generator power:

Health Care /Blue Ridge Hall (AL)

1. Hallway and stairway lights to provide sufficient light to use.
2. Night lights in each room and red outlet by same nightlight.
3. Red outlet by Nurses Station, Med Room, and all red outlets in hallways.
4. Johnson Controls Emergency System at HC Nurses Station, including emergency CRT at Nurses Station, door alarms, exit signs, door locks, etc.
5. HC Elevator #4 and #10.
6. Heating System.

Satellite Kitchen

1. Red outlets.

Wappacomo Hall (AL)

1. Emergency Lighting
2. Heating System
3. Emergency Exit Lights and Johnson Controls System
4. AL Elevator #6
5. AL Elevator #11

Additional information about the facility may be obtained from the Virginia Department of Social Services' website, <http://www.dss.virginia.gov>.

032-05-0849-05-eng (02/19)

**SHENANDOAH VALLEY WESTMINSTER-CANTERBURY**

**RESIDENCE AND CARE AGREEMENT – LIFECARE**

**ASSISTED LIVING – WAPPACOMO HALL**

THIS RESIDENCE AGREEMENT is made and entered into by and between SHENANDOAH VALLEY WESTMINSTER-CANTERBURY, (hereafter referred to as "Westminster-Canterbury" and/or the words "we", and "our"), and \_\_\_\_\_ (hereafter referred to as "Resident" and/or the words "you" and "your").

**RECITAL:**

Resident has made application for Assisted Living residence at Westminster-Canterbury and such application has been approved, subject to the provisions of this Agreement.

**AGREEMENTS:**

**I. FACILITIES PROVIDED BY WESTMINSTER-CANTERBURY**

- A. Living Accommodation.** Resident shall have a personal, non-assignable right to reside in Wappacomo Hall Assisted Living apartment \_\_\_\_\_ referred to as the "Residence").
- B. Furnishings.** Wall-to-wall carpeting, emergency response system, and draperies shall be furnished by Westminster-Canterbury. Resident shall provide all other furnishings for the Residence subject to the supervision and approval of Westminster-Canterbury. Electrical and mechanical appliances, which you provide shall be U/L approved and subject to our approval.
- C. Westminster-Canterbury Facilities.** Resident may use, in common with others, the common areas of Wappacomo Hall provided for the use and enjoyment of residents.
- D. Personal Service Facilities.** An automatic washer and dryer for personal laundry are available.

**II. SERVICES PROVIDED BY WESTMINSTER-CANTERBURY**

- A. Assisted Living.** Resident shall receive assistance, when needed, with such activities as bathing, dressing, mobility, medication, and other individualized personal care. Residents in Assisted Living can only require assistance with up to four (4) ADLs. Residents requiring assistance with more than four (4) ADLs will be transferred to the appropriate level of care.

- B. Utilities.** Westminster-Canterbury shall provide the utilities reasonably required in connection with the occupancy of the Residence (water, heating, electricity, and air conditioning) subject, however, to the availability of such services to Westminster-Canterbury. Basic or enhanced cable TV access and monthly telephone service is available for a fee.
- C. Meals.**
1. Westminster-Canterbury shall provide Resident with three meals per day, nutritionally well-balanced, and served in the Wappacomo Hall dining room or other areas designated by Westminster-Canterbury.
  2. Special diets shall be provided only upon order of the Resident's physician. Tray service may be provided on a temporary basis, up to 7 days, in your Residence if approved by the Unit Coordinator or Nursing Administration.
- D. Transportation.** Westminster-Canterbury shall provide scheduled transportation at established rates as it deems appropriate.
- E. Linen and Laundry.** Westminster-Canterbury shall provide bed linens and towels. While personal laundry is the responsibility of Resident, Westminster-Canterbury may provide this service (except for dry cleaning) at established rates.
- F. Housekeeping.** Westminster-Canterbury shall provide cleaning services as needed and trash disposal on a regular basis.
- G. Maintenance.** Necessary repairs, maintenance, and replacement of property and equipment owned by Westminster-Canterbury shall be performed and provided by Westminster-Canterbury. Routine maintenance and replacement of property of Resident will be the responsibility of Resident.
- H. Redecoration.** In the event that Resident requests, and Westminster-Canterbury approves, redecoration or custom remodeling of Resident's apartment, Resident agrees to pay in full, in advance, the amount necessary to accomplish this change. Any replacement by Resident of the furnishings provided by Westminster-Canterbury vests title to such replacements in Westminster-Canterbury unless otherwise agreed to by Westminster-Canterbury in writing. Unless it is agreed otherwise, upon termination by either Resident or Westminster-Canterbury, Resident agrees to pay Westminster-Canterbury, at its sole discretion, all reasonable expenses incurred to restore the Residence, other buildings and grounds to their original condition.
- I. Grounds.** Westminster-Canterbury shall furnish basic ground keeping care including lawn service.

**J. Safety.**

1. Sprinkler and smoke detection systems shall be maintained throughout the building.
2. Emergency corridor lights shall be provided during power interruptions.
3. Security supervision of the building and grounds shall be provided by Westminster-Canterbury, but we shall not be responsible for loss or damage to personal property.
4. Illuminated parking areas shall be provided adjacent to the building.
5. The bath shall have grab bars and an easy-to-operate, non-scalding water control.

**K. Mail.** Mail shall be delivered to the Resident's United States mailbox located on the first floor of Wappacomo Hall. An internal mail slot is located in the lobby of Wappacomo Hall for community correspondence.

**L. Residence.** An individual climate control shall be provided in each Residence for heating and air conditioning.

**M. Programs.** A program of social, recreational, and religious activities shall be provided for interested residents.

**N. Guests.** You shall be permitted to invite guests for visits. A limited number of guest rooms shall be available at a reasonable rate for overnight stays by guests. We reserve the right to make rules regarding visits and guest behavior and may limit or terminate a visit at any time for reasons we deem appropriate.

You may invite guests to any meal, subject to giving us prior notice in accordance with our rules and regulations referred to in Section VI. Guest meal charges shall be billed at their prevailing rate.

**O. Beauty/Barber Shop.** A beauty/barber shop will be provided for resident use. Services used will be billed monthly to the Resident's account.

**III. HEALTH SERVICES**

**A. Assessment.** An assessment will be done on a regular basis by staff.

**B. Outpatient Services.** Westminster-Canterbury shall provide for an on-call physician to be available 24 hours a day. Resident is free to engage the services of a physician of his choice who may come to Westminster-Canterbury, subject to the rules of Westminster-Canterbury. Westminster-Canterbury may also arrange the services of other health professionals as it

deems necessary, but Resident is free to engage the services of health professionals of his choice.

Charges for outpatient services, including consultation will be billed to Resident directly by the provider.

**C. Westminster-Canterbury Health Center.** Resident, while residing in Assisted Living, shall have preference over community (direct admission) applicants for available beds in the Westminster-Canterbury Health Center, it being understood that Westminster-Canterbury contract residents have priority for admission to the Westminster-Canterbury Health Center (see Section IX, Transfer).

#### **IV. MEDICAL REPORT**

Resident agrees to provide a physician's report with results of tuberculin testing to Westminster-Canterbury prior to admission and dated no more than thirty (30) days prior to admission. After admission Westminster-Canterbury may require a physician's report, acceptable to Westminster-Canterbury, following any hospitalization, and/or when Westminster-Canterbury determines that the Resident's health condition warrants such a report, or when required by a licensing agency.

#### **V. OCCUPANCY AND FEES**

**A. Deposit.** Resident has paid an initial refundable deposit of \$1,000 to secure Resident's right to occupy the Residence. Resident acknowledges that the deposit will become non-refundable upon Resident's execution of this Agreement, provided that the deposit will be credited toward the Resident's first installment of the monthly fee set forth in Section V.B. below upon Resident's occupancy of the Residence.

**B. Entrance Fees.** You shall pay to us an Entrance Fee by the Occupancy Date as follows:

Total Entrance Fees	\$ _____
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).

All Entrance Fees are subject to a 5% administrative fee as of the 8<sup>th</sup> day following execution of this Agreement. Therefore, for the purposes of calculation any potential refund, all available options will be based on the



applicable "Refund-Eligible Entrance Fee." Refund of part of the Refund-Eligible Entrance Fee, if any, shall be made exclusively in accordance with Addendum A to this Agreement, which is incorporated by reference.

**C. Monthly Fee.** Resident hereby agrees to pay to Westminster-Canterbury a monthly fee of \$\_\_\_\_\_. This fee is due and payable on a monthly basis on the first of each month. Resident shall be invoiced monthly for any services and supplies not normally provided as a part of the monthly fee. Invoices are payable upon receipt. A late fee of 1.5% will be charged on any outstanding balances if not paid within thirty (30) days of invoice.

**D. Fee Adjustment.** Westminster-Canterbury may adjust the schedule of fees at any time and Resident shall pay such adjusted fees. Westminster-Canterbury shall give at least thirty (30) days' notice to Resident before any increase or decrease in fees becomes effective.

## **VI. RULES AND REGULATIONS**

Westminster-Canterbury shall issue rules and regulations from time to time and shall deliver a copy thereof to you. Resident will abide by Westminster-Canterbury's rules and regulations and such reasonable amendments, modifications, and changes of these rules and regulations as may hereafter be adopted by Westminster-Canterbury. Any rules and regulations adopted by Westminster-Canterbury shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

## **VII. RESIDENT'S RIGHTS AND PROPERTY**

**A. Resident's Rights.** Although you are granted a right of occupancy of the Residence, this Agreement is not a lease, and you shall have no right, title or interest in any of our real or personal property.

**B. Our Right of Entry.** Resident agrees to give to duly authorized employees of Westminster-Canterbury the right of entry into Resident's apartment at all reasonable times to carry out Westminster-Canterbury's obligations under this Agreement for inspection and maintenance purposes and at any time for emergency purposes.

**C. Disposition of Property on Transfer or Death of Resident.** Upon termination of this Agreement due to death of the Resident, Resident's property must be removed within the number of days specified below:

Assisted Living unit (standard apartment)	15 days
Assisted Living unit (double apartment)	25 days
Health Care Unit	7 days

Upon permanent transfer to another level of care or termination of this Agreement due to withdrawal from the community, Resident agrees to the removal of his or her property within 7 days.

In the case of two or more persons occupying the apartment/cottage, this clause will only apply when all Residents who are signatures to this Agreement have died or permanently transferred out of the apartment/cottage or when this Agreement is terminated with respect to all such persons. After the termination date or expiration of the applicable time period above, Westminster-Canterbury may store such property at the expense and risk of Resident or Resident's estate, provided that we give ten (10) days' written notice of the storage to Resident's last known address. Westminster-Canterbury may offset any amounts owed to it by the Residents for any storage expenses and any unpaid Monthly Fees against any refund due to Resident or Resident's estate.

- D. Insurance / Loss of Property.** The Resident is responsible for maintaining at all times his or her own health, personal, liability, automobile (if applicable) and other insurance coverage in adequate amounts. Westminster-Canterbury shall not be responsible for the loss of any property belonging to resident due to theft or any other cause, it being understood that the Resident shall have the responsibility for providing any insurance protection covering any such loss.
- E. Damage to Our Property.** Resident shall reimburse Westminster-Canterbury 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 your pet or a pet belonging to your guest.
- F. Waiver of Liability.** Resident hereby releases Westminster-Canterbury 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 Westminster-Canterbury and their guests and hereby waive any claim which you or your estate may have against us arising therefrom.
- G. Acknowledgements.** By signing this Agreement, you acknowledge and agree that prior to signing this Agreement:
1. You have been provided with and have reviewed a copy of Westminster-Canterbury's Resident Handbook, and any questions that you had regarding the Resident Handbook have been answered to your satisfaction;
  2. You have been informed of the amount of notice required to be given by you prior to moving out of Wappacomo Hall and terminating this Agreement;
  3. You have been informed of Westminster-Canterbury's policies and procedures on weapons;

4. You have been provided with and have reviewed a copy of Section 63.2-1808 of the Code of Virginia, Residents Rights and Responsibilities, and had the provisions of that statute explained to you by Westminster-Canterbury staff;
5. You have been informed of Westminster-Canterbury's policies and procedures for implementing Section 63.2-1808 of the Code of Virginia, including the grievance policy and the transfer/discharge policy;
6. You have been informed that residents may establish and maintain a resident's council, of the general purpose of such council, and that Westminster-Canterbury is responsible for providing assistance with the formation and maintenance of such council;
7. You have been informed of Westminster-Canterbury's bed hold policy in the event you are temporarily transferred or moved from the facility;
8. You have been informed of Westminster-Canterbury's rules and restrictions regarding smoking on the premises;
9. You have been informed of Westminster-Canterbury's policies and procedures regarding the administration and storage of medications and dietary supplements;
10. You have received written assurance that Westminster-Canterbury can meet your care needs at the time you are admitted within the scope of its applicable state license.

## **VIII. MARITAL STATUS**

Westminster-Canterbury has standard apartments licensed for one person, and deluxe apartments that are licensed for two (2) persons. You may not share a standard Residence with your spouse. You may share a deluxe unit Residence with your spouse or your spouse may live in an independent living unit within Westminster-Canterbury other than the Residence, subject to your spouse being eligible for admission to Westminster-Canterbury under our policies relative to age, health, and financial status. Your spouse 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 Westminster-Canterbury, you may either terminate this Agreement in accordance with Section X or may continue to occupy the Residence (or other appropriate part of Westminster-Canterbury) without your spouse being a resident of Westminster-Canterbury.

**IX. TRANSFER FROM WESTMINSTER-CANTERBURY**

Westminster-Canterbury may transfer Resident to a hospital or licensed nursing home in the event Resident's physical or mental condition warrants transfer, as determined by Westminster-Canterbury. Such transfer may be temporary or permanent. Transfer to a nursing home may be to the Westminster-Canterbury Health Center if a bed is available, or to another nursing facility selected by the resident or Westminster-Canterbury. Except in the event of a medical emergency, Westminster-Canterbury agrees to consult with the Resident's family and physician prior to transfer as to the reasons for transfer and proposed place of transfer. Resident may guarantee return to Westminster-Canterbury Assisted Living by paying the monthly fee stated in Section V.C.

**X. TERM AND TERMINATION**

- A. Termination by You.** Resident may terminate this Agreement, for any reason, upon thirty (30) days' written notice to Westminster-Canterbury.
- B. Termination by Death.** In the event of the death of the Resident, this Agreement will terminate and a refund will be made if applicable.
- C. Additional Payments.** Resident will be liable for all charges accrued or incurred through the effective date of termination regardless of whether Resident vacates the Residence prior to the effective date and regardless of whether Westminster-Canterbury or Resident terminates this Agreement.
- D. Termination by Us.** Westminster-Canterbury may terminate this Agreement prior to the expiration of its terms for good cause. Good cause for the purpose of this Agreement is defined as:
  - 1. The resident is a danger to himself and others;
  - 2. Non-payment by the Resident of monthly or periodic fees and other charges, if financially able;
  - 3. Repeated conduct by the Resident that interferes with other Residents quiet enjoyment of the facility;
  - 4. Persistent refusal to comply with reasonable written rules and regulations of the facility;
  - 5. A material misrepresentation made intentionally or recklessly by the Resident in his/her application for residency or related materials, regarding information which, if accurately provided, would have resulted in either failure of the Resident to qualify for residency or a material increase in the cost of providing to the Resident the care and services included under the terms of this Agreement;

6. Material breach by the Resident of the terms and conditions of the Residence and Care Agreement.

If Westminster-Canterbury intends to cancel this Agreement and terminate occupancy of the Assisted Living Unit, it will give Resident fourteen (14) days' advance written notice of this fact, including the reason for this action. During this time, Resident will have the opportunity to remedy the cause for such termination. If the cause for termination still exists at the end of this fourteen-day period, the contract will be terminated.

## **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 release information relating to your physical and mental condition to health professionals and to such other persons in compliance with the Health Insurance Portability and Accountability Act (HIPAA).
- B. Representations as to Statements.** The application and the statements of finances and health history of Resident filed with Westminster-Canterbury are incorporated in this Agreement by this reference and all statements therein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof.
- C. Durable Power of Attorney.** Resident agrees to execute before a Notary Public and maintain in effect a Durable Power of Attorney valid under Virginia law. This Durable Power of Attorney shall designate as attorney-in-fact a bank, lawyer, relative or other responsible person or persons, of Resident's choice, to act for Resident in managing Resident's financial affairs and filing for insurance or other benefits, as fully and completely as Resident would if acting personally. This attorney-in-fact designation shall be in a form which survives Resident's incapacity or disability and shall be otherwise satisfactory to Westminster-Canterbury. Resident will deliver a fully executed copy of the Durable Power of Attorney to Westminster-Canterbury prior to occupancy of the Residence.
- D. Waiver of One Breach not a Waiver of Any Other.** The failure of Westminster-Canterbury in any one or more instances to insist upon the strict performance, observance, or compliance by Resident with any of the terms or provisions of this Agreement or its waiver of the breach by Resident of any terms or provisions of this Agreement shall not be construed to be a waiver or relinquishment by Westminster-Canterbury of its right to insist upon strict compliance by Resident with all of the terms and provisions of this Agreement. Westminster-Canterbury's representatives have made no promises or representations with respect to the Residence, any facilities of Westminster-Canterbury, refunds, or any of Westminster-Canterbury's promises or

undertakings with respect to the care of Resident except specifically set forth herein.

- E. Indebtedness of Resident.** Westminster-Canterbury shall not be liable or responsible for any expense incurred or debt or obligation of any kind contracted by Resident on his own account. Westminster-Canterbury is not obligated to furnish, supply or give Resident any support, maintenance, board or lodging when Resident is absent from Westminster-Canterbury, nor any credit for absence from lodging, except upon the prior written approval of Westminster-Canterbury, and in accordance with such regulations as Westminster-Canterbury may adopt.
- F. Authority of Westminster-Canterbury.** All authority with regard to admission, dismissal, and adjustments in fees and accommodations shall be vested in Westminster-Canterbury. Resident shall not have the right at any time to object to Westminster-Canterbury's dismissal or fees charged to any other resident.
- G. Gender.** All references herein to masculine pronouns and adjectives shall be deemed to include the feminine.
- H. Statement of Non-Discrimination.** No factors of race, religion, sex, disabilities, creed, sexual orientation, employment history, or national origin, have any bearing upon Resident's acceptance or rejection for admission, the execution of this Agreement, or normal conduct of business by Westminster-Canterbury.
- I. Construction; Binding Effect.** This Agreement constitutes the entire contract between the parties and no waiver or modification of any of the terms and conditions hereof shall be valid unless written upon or reduced to writing and attached to this Agreement and signed by all parties hereto. The parties further agree that the laws of the Commonwealth of Virginia shall govern all of their rights and duties under this Agreement including, without limitation the validity of this Agreement, the capacity of the parties thereto, the form of the Agreement, the interpretation of its language and any questions concerning its performance and discharge. The covenants and conditions contained in this Agreement shall bind and inure to the benefit of Westminster-Canterbury and Resident and their respective heirs, distributees, executors, administrators, committees, and successors.

IN WITNESS WHEREOF, Westminster-Canterbury and Resident have executed and delivered this Agreement on \_\_\_\_\_, \_\_\_\_\_ (Month, Day, Year).

WITNESS:

SHENANDOAH VALLEY  
WESTMINSTER-CANTERBURY

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

Its: \_\_\_\_\_

WITNESS:

\_\_\_\_\_

Resident

**ADDENDUM A**

**Life Care Assisted Living 3.8%/25 Month Refund**

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Addendum A to Residence and Care Agreement, dated \_\_\_\_\_  
between Shenandoah Valley Westminster-Canterbury and \_\_\_\_\_  
(Resident), for a **Life Care Agreement** with entry to Assisted Living with **3.8%/25 Month Refund Option**, for Apartment \_\_\_\_\_.

- A. Refund.** In the event Resident or Westminster-Canterbury terminates this Agreement, or in the event of the Resident's death, the refund shall be calculated as the Refund-Eligible Entrance Fee paid to Westminster-Canterbury less 3.8% thereof for each month after the Effective Date. No refund of any amount of the Refund-Eligible Entrance Fee shall be paid after (25) months following the Effective Date.
- B. Transfers Among Levels of Care.** Resident agrees to pay the Monthly Fee applicable to his/her Assisted Living apartment, whether residing in the Assisted Living apartment or in another level of care, as described by Section IX, Page 8, of this Agreement.

The signature below of the parties to this Agreement certifies that they have read, understood, and accepted this Addendum to the Residence and Care Agreement.

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
For Shenandoah Valley  
Westminster-Canterbury

\_\_\_\_\_  
Signature of Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**SHENANDOAH VALLEY WESTMINSTER-CANTERBURY**

**ASSISTED LIVING RESIDENCE AND CARE AGREEMENT - RENTAL**

**WAPPACOMO HALL – BLUE RIDGE HALL**

THIS RESIDENCE AGREEMENT is made and entered into by and between SHENANDOAH VALLEY WESTMINSTER-CANTERBURY, (hereafter referred to as "Westminster-Canterbury" and/or the words "we", and "our"), and \_\_\_\_\_ (hereafter referred to as "Resident" and/or the words "you" and "your").

**RECITAL:**

Resident has made application for Assisted Living residence at Westminster-Canterbury and such application has been approved, subject to the provisions of this Agreement.

**AGREEMENTS:**

**I. FACILITIES PROVIDED BY WESTMINSTER-CANTERBURY**

- A. Living Accommodation.** Resident shall have a personal, non-assignable right to reside in Wappacomo Hall Assisted Living apartment \_\_\_\_\_ referred to as the "Residence").
- B. Furnishings.** We shall furnish wall-to-wall carpeting, emergency response system, and draperies shall be furnished by Westminster-Canterbury. Resident shall provide all other furnishings for the Residence subject to the supervision and approval of Westminster-Canterbury. Electrical and mechanical appliances, which you provide shall be U/L approved and subject to our approval.
- C. Westminster-Canterbury Facilities.** Resident may use, in common with others, the common areas of Wappacomo Hall provided for the use and enjoyment of residents.
- D. Personal Service Facilities.** An automatic washer and dryer for personal laundry are available.

**II. SERVICES PROVIDED BY WESTMINSTER-CANTERBURY**

- A. Assisted Living.** Resident shall receive assistance, when needed, with such activities as bathing, dressing, mobility, medication and other individualized personal care. Residents in Assisted Living can only require assistance with up to four (4) ADL's. Residents requiring assistance with more than four (4) ADL's will be transferred to the appropriate level of care.

- B. Utilities.** Westminster-Canterbury shall provide the utilities reasonably required in connection with the occupancy of the Residence (water, heating, electricity, and air conditioning) subject, however, to the availability of such services to Westminster-Canterbury. Basic or enhanced cable TV access and monthly telephone service is available for a fee.
- C. Meals.**
1. Westminster-Canterbury shall provide Resident with three meals per day, nutritionally well balanced, and served in the Wappacomo Hall dining room or other areas designated by Westminster-Canterbury.
  2. Special diets shall be provided only upon order of the Resident's physician. An extra charge may be made for special diets. Tray service may be provided on a temporary basis in your Residence if approved by Administration.
- D. Transportation.** Westminster-Canterbury shall provide scheduled transportation at established rates as it deems appropriate.
- E. Linen and Laundry.** Westminster-Canterbury shall provide bed linens and towels. While personal laundry is the responsibility of Resident, Westminster-Canterbury may provide this service (except for dry cleaning) at established rates.
- F. Housekeeping.** Westminster-Canterbury shall provide cleaning services as needed and trash disposal on a regular basis.
- G. Maintenance.** Necessary repairs, maintenance and replacement of property and equipment owned by Westminster-Canterbury shall be performed and provided by Westminster-Canterbury. Routine maintenance and replacement of property of Resident will be the responsibility of Resident.
- H. Redecoration.** Redecoration by Resident of the Residence will require the approval of Westminster-Canterbury and will be at the Resident's expense. Any replacement by Resident of the furnishings provided by Westminster-Canterbury vests title to such replacements in Westminster-Canterbury unless otherwise agreed to by Westminster-Canterbury in writing. You shall not make any alteration, addition, or improvement to the Residence or other buildings of Westminster-Canterbury, or construct or install any structures on the grounds of Westminster-Canterbury without our prior written consent, which may be granted subject to any conditions we may impose in our discretion. Unless it is agreed otherwise, you shall restore the Residence, other buildings and grounds to their original condition.

**I. Grounds.** Westminster-Canterbury shall furnish basic ground-keeping care including lawn service.

**J. Safety.**

1. Sprinkler and smoke detection systems shall be maintained throughout the building.
2. Emergency corridor lights shall be provided during power interruptions.
3. Security supervision of building and grounds shall be provided by Westminster-Canterbury, but we shall not be responsible for loss or damage to personal property.
4. Illuminated parking areas shall be provided adjacent to the building.
5. The bath shall have grab bars and an easy-to-operate, non-scalding water control.

**K. Mail.** Mail shall be delivered to the Resident's United States mailbox located on the first floor of Wappacomo Hall. An internal mail slot is located in the lobby of Wappacomo Hall for community correspondence.

**L. Residence.** An individual climate control shall be provided in each Residence for heating and air conditioning.

**M. Programs.** A program of social, recreational and religious activities shall be provided for interested residents.

**N. Guests.** You shall be permitted to invite guests for visits. A limited number of guest rooms shall be available at a reasonable rate for overnight stays by guests. We reserve the right to make rules regarding visits and guest behavior, and may limit or terminate a visit at any time for reasons we deem appropriate.

You may invite guests to any meal, subject to giving us prior notice in accordance with our rules and regulations referred to in Section VI. Guest meal charges shall be billed at their prevailing rate.

**O. Beauty/Barber Shop.** A beauty/barber shop will be provided for resident use. Services used will be billed monthly to Resident's account.

**III. HEALTH SERVICES**

**A. Assessment.** An assessment will be done on a regular basis by staff.

**B. Outpatient Services.** Westminster-Canterbury shall provide for an on-call physician to be available 24 hours a day. Resident is free to engage the services of a physician of his choice who may come to Westminster-Canterbury, subject to the rules of Westminster-Canterbury. Westminster-Canterbury may also arrange the services of other health professionals as it deems necessary, but Resident is free to engage the services of health professionals of his choice.

Charges for outpatient services, including consultation will be billed to Resident directly by the provider.

**C. Westminster-Canterbury Health Center.** Resident, while residing in Assisted Living, shall have preference over community (direct admission) applicants for available beds in the Westminster-Canterbury Health Center, it being understood that Westminster-Canterbury contract residents have priority for admission to the Westminster-Canterbury Health Center (see Section IX, Transfer).

#### **IV. MEDICAL REPORT**

Resident agrees to provide a physician's report with results of tuberculin testing to Westminster-Canterbury prior to admission and dated no more than thirty (30) days prior to admission. After admission Westminster-Canterbury may require a physician's report, acceptable to Westminster-Canterbury, following any hospitalization, and/or when Westminster-Canterbury determines that the Resident's health condition warrants such a report, or when required by a licensing agency.

#### **V. OCCUPANCY AND FEES**

**A. Deposit** (if applicable) Resident has paid an initial refundable deposit of \$1,000 to secure Resident's right to occupy the Residence. Resident acknowledges that the deposit will become non-refundable upon Resident's execution of this Agreement, provided that the deposit will be credited toward the Resident's first installment of the monthly fee set forth in Section V.B. below upon Resident's occupancy of the Residence.

**B. Monthly Fee.** Resident hereby agrees to pay to Westminster-Canterbury a monthly fee of \$\_\_\_\_\_. This fee is due and payable on a monthly basis on the first of each month. Resident shall be invoiced monthly for any services and supplies not normally provided as a part of the monthly fee. Invoices are payable upon receipt. A late fee of 1.5% will be charged on any outstanding balances if not paid within thirty (30) days of invoice.

**C. Fee Adjustment.** Westminster-Canterbury may adjust the schedule of fees at any time and Resident shall pay such adjusted fees. Westminster-Canterbury

shall give at least thirty (30) days' notice to Resident before any increase or decrease in fees becomes effective.

## VI. RULES AND REGULATIONS

Westminster-Canterbury shall issue rules and regulations from time to time and shall deliver a copy thereof to you. You will abide by Westminster-Canterbury's rules and regulations and such reasonable amendments, modifications and changes of these rules and regulations as may hereafter be adopted by Westminster-Canterbury. Any rules and regulations adopted by Westminster-Canterbury shall be applied to all residents similarly situated without preference or prejudice to any resident or group of residents.

## VII. RESIDENT'S RIGHTS AND PROPERTY

- A. Resident's Rights.** Although you are granted a right of occupancy of the Residence, this Agreement is not a lease, and you shall have no right, title or interest in any of our real or personal property.
- B. Our Right of Entry.** Resident agrees to give to duly authorized employees of Westminster-Canterbury the right of entry into Resident's apartment at all reasonable times to carry out Westminster-Canterbury's obligations under this Agreement for inspection and maintenance purposes and at any time for emergency purposes.
- C. Disposition of Property on Transfer or Death of Resident.** Upon termination of this Agreement due to death of the Resident, Resident's property must be removed within the number of days specified below:

Assisted Living unit (standard apartment)	15 days
Assisted Living unit (double apartment)	25 days
Health Care Unit	7 days

Upon permanent transfer to another level of care or termination of this Agreement due to withdrawal from the community, Resident agrees to the removal of his or her property within 7 days.

In the case of two or more persons occupying the apartment/cottage, this clause will only apply when all Residents who are signatures to this Agreement have died or permanently transferred out of the apartment/cottage or when this Agreement is terminated with respect to all such persons. After the termination date or expiration of the applicable time period above, Westminster-Canterbury may store such property at the expense and risk of Resident or Resident's estate, provided that we give ten (10) days' written notice of the storage to Resident's last known address. Westminster-Canterbury may offset any

amounts owed to it by the Residents for any storage expenses and any unpaid Monthly Fees against any refund due to Resident or Resident's estate.

- D. Insurance / Loss of Property.** The Resident is responsible for maintaining at all times his or her own health, personal, liability, automobile (if applicable) and other insurance coverage in adequate amounts. Westminster-Canterbury shall not be responsible for the loss of any property belonging to resident due to theft or any other cause, it being understood that the Resident shall have the responsibility for providing any insurance protection covering any such loss.
- E. Damage 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 your pet or a pet belonging to your guest.
- F. Waiver of Liability.** 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 Westminster-Canterbury and their guests and hereby waive any claim which you or your estate may have against us arising there from.
- G. Acknowledgements.** By signing this Agreement, you acknowledge and agree that prior to signing this Agreement:
1. You have been provided with and have reviewed a copy of Westminster-Canterbury's Resident Handbook, and any questions that you had regarding the Resident Handbook have been answered to your satisfaction;
  2. You have been informed of the amount of notice required to be given by you prior to moving out of Wappacomo Hall and terminating this Agreement;
  3. You have been informed of Westminster-Canterbury's policies and procedures on weapons;
  4. You have been provided with and have reviewed a copy of Section 63.2-1808 of the Code of Virginia, Residents Rights and Responsibilities, and had the provisions of that statute explained to you by Westminster-Canterbury staff;
  5. You have been informed of Westminster-Canterbury's policies and procedures for implementing Section 63.2-1808 of the Code of Virginia, including the grievance policy and the transfer/discharge policy;
  6. You have been informed that residents may establish and maintain a resident's council, of the general purpose of such council, and that

Westminster-Canterbury is responsible for providing assistance with the formation and maintenance of such council;

7. You have been informed of Westminster-Canterbury's bed hold policy in the event you are temporarily transferred or moved from the facility;
8. You have been informed of Westminster-Canterbury's rules and restrictions regarding smoking on the premises;
9. You have been informed of Westminster-Canterbury's policies and procedures regarding the administration and storage of medications and dietary supplements;
10. You have received written assurance that Westminster-Canterbury can meet your care needs at the time you are admitted within the scope of its applicable state license.

#### **VIII. MARITAL STATUS**

Westminster-Canterbury has standard apartments licensed for one person, and deluxe apartments that are licensed for two (2) persons. You may not share a standard Residence with your spouse. You may share a deluxe unit Residence with your spouse or your spouse may live in an independent living unit within Westminster-Canterbury other than the Residence, subject to your spouse being eligible for admission to Westminster-Canterbury under our policies relative to age, health, and financial status. Your spouse 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 Westminster-Canterbury, you may either terminate this Agreement in accordance with Section X or may continue to occupy the Residence (or other appropriate part of Westminster-Canterbury) without your spouse being a resident of Westminster-Canterbury.

#### **IX. TRANSFER FROM WESTMINSTER-CANTERBURY**

Westminster-Canterbury may transfer Resident to a hospital or licensed nursing home in the event Resident's physical or mental condition warrants transfer, as determined by Westminster-Canterbury. Such transfer may be temporary or permanent. Transfer to a nursing home may be to the Westminster-Canterbury Health Center, if a bed is available, or to another nursing facility selected by the resident or Westminster-Canterbury. Except in the event of a medical emergency, Westminster-Canterbury agrees to consult with Resident's family and physician prior to transfer as to the reasons for transfer and proposed place of transfer. Resident may guarantee return to Westminster-Canterbury Assisted Living by paying the monthly fee stated in Section V.C.

## **X. TERM AND TERMINATION**

- A. Termination by You.** Resident may terminate this Agreement, for any reason, upon thirty (30) days' written notice to Westminster-Canterbury.
- B. Termination by Death.** In the event of the death of the Resident, this Agreement will terminate and a refund will be made if applicable.
- C. Additional Payments.** Resident will be liable for all charges accrued or incurred through the effective date of termination regardless of whether Resident vacates the Residence prior to the effective date and regardless of whether Westminster-Canterbury or Resident terminates this Agreement.
- D. Termination by Us.** Westminster-Canterbury may terminate this Agreement prior to the expiration of its terms for good cause. Good cause for the purpose of this Agreement is defined as:
1. Resident requires care or services that Westminster-Canterbury is not licensed to provide.
  2. Resident is habitually disruptive, creates unsafe conditions, is physically or verbally abusive to other residents or staff, or otherwise endangers the welfare of other residents.
  3. Resident fails to pay fees and charges when due, or breaches any representation, covenant, agreement, or obligation of Resident under this Agreement.
  4. Resident is to be permanently transferred or discharged from Assisted Living by reason of his mental or physical condition as provided in Section IX.

If Westminster-Canterbury intends to cancel this Agreement and terminate occupancy of the Assisted Living Unit, it will give Resident fourteen (14) days' advance written notice of this fact, including the reason for this action. During this time, Resident will have the opportunity to remedy the cause for such termination. If the cause for termination still exists at the end of this fourteen-day period, the contract will be terminated.

## **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 release information relating to your physical and mental condition to health professionals and to such other persons in compliance with the Health Insurance Portability and Accountability Act (HIPAA).



- B. Representations as to Statements.** The application and the statements of finances and health history of Resident filed with Westminster-Canterbury are incorporated in this Agreement by this reference and all statements therein are deemed to be representations by Resident as of the date made. Resident represents that there have been no material changes in the information provided since the date thereof.
- C. Durable Power of Attorney.** Resident agrees to execute before a Notary Public and maintain in effect a Durable Power of Attorney valid under Virginia law. This Durable Power of Attorney shall designate as attorney-in-fact a bank, lawyer, relative or other responsible person or persons, of Resident's choice, to act for Resident in managing Resident's financial affairs and filing for insurance or other benefits, as fully and completely as Resident would if acting personally. This attorney-in-fact designation shall be in a form which survives Resident's incapacity or disability and shall be otherwise satisfactory to Westminster-Canterbury. Resident will deliver a fully executed copy of the Durable Power of Attorney to Westminster-Canterbury prior to occupancy of the Residence.
- D. Waiver of One Breach not a Waiver of Any Other.** The failure of Westminster-Canterbury in any one or more instances to insist upon the strict performance, observance or compliance by Resident with any of the terms or provisions of this Agreement or its waiver of the breach by Resident of any terms or provisions of this Agreement shall not be construed to be a waiver or relinquishment by Westminster-Canterbury of its right to insist upon strict compliance by Resident with all of the terms and provisions of this Agreement. Westminster-Canterbury's representatives have made no promises or representations with respect to the Residence, any facilities of Westminster-Canterbury, refunds, or any of Westminster-Canterbury's promises or undertakings with respect to the care of Resident except specifically set forth herein.
- E. Indebtedness of Resident.** Westminster-Canterbury shall not be liable or responsible for any expense incurred or debt or obligation of any kind contracted by Resident on his own account. Westminster-Canterbury is not obligated to furnish, supply or give Resident any support, maintenance, board or lodging when Resident is absent from Westminster-Canterbury, nor any credit for absence from lodging, except upon the prior written approval of Westminster-Canterbury, and in accordance with such regulations as Westminster-Canterbury may adopt.
- F. Authority of Westminster-Canterbury.** All authority with regard to admission, dismissal and adjustments in fees and accommodations shall be vested in Westminster-Canterbury. Resident shall not have the right at any time to object to Westminster-Canterbury's dismissal or fees charged to any other resident.

- G. Gender.** All references herein to masculine pronouns and adjectives shall be deemed to include the feminine.
- H. Statement of Non-Discrimination.** Race, color, sex, religion, disability, and national origin have no bearing upon your acceptance or rejection for admission, the execution of this Agreement, or normal conduct of business by us.
- I. Construction; Binding Effect.** This Agreement constitutes the entire contract between the parties and no waiver or modification of any of the terms and conditions hereof shall be valid unless written upon or reduced to writing and attached to this Agreement and signed by all parties hereto. The parties further agree that the laws of the Commonwealth of Virginia shall govern all of their rights and duties under this Agreement including, without limitation the validity of this Agreement, the capacity of the parties thereto, the form of the Agreement, the interpretation of its language and any questions concerning its performance and discharge. The covenants and conditions contained in this Agreement shall bind and inure to the benefit of Westminster-Canterbury and Resident and their respective heirs, distributees, executors, administrators, committees and successors.

IN WITNESS WHEREOF, Westminster-Canterbury and Resident have executed and delivered this Agreement on \_\_\_\_\_, \_\_\_\_\_ (Month, Date, Year)

WITNESS:

SHENANDOAH VALLEY  
WESTMINSTER-CANTERBURY

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

Its: \_\_\_\_\_

WITNESS:

\_\_\_\_\_ Resident

# SHENANDOAH VALLEY WESTMINSTER-CANTERBURY

## ADMISSIONS AGREEMENT

### HEALTH CENTER – PER DIEM RESIDENTS

THIS ADMISSIONS AGREEMENT is made and entered into by and between SHENANDOAH VALLEY WESTMINSTER-CANTERBURY (hereafter referred to as "Westminster-Canterbury" and/or the words "we", and "our") and \_\_\_\_\_ (hereafter referred to as "Per Diem Resident").

#### RECITAL:

Resident has made an application for admission to the Health Center of Westminster-Canterbury and such application has been approved subject to the provisions of this Agreement.

#### AGREEMENTS:

1. During Per Diem Resident's occupancy at the Health Center, Westminster-Canterbury agrees to provide Per Diem Resident the following services, facilities, and care:
  - a. Furnished room in the Health Center;
  - b. Three nutritionally well-balanced meals per day plus snacks, though resident has a wide variety of choices; therapeutic diets prepared upon physician's orders;
  - c. Personal assistance with activities of daily living including mobility, dining, dressing, toileting, hygiene;
  - d. Medical direction;
  - e. Social services;
  - f. Safety features in compliance with all governmental requirements;
  - g. Utility services (except telephone);
  - h. Use of common facilities including lounges, craft and activities areas, dining areas, library, and parking areas for residents and guests;
  - i. Planned activities;
  - j. Housekeeping, building, janitor, and maintenance services, and grounds maintenance;
  - k. Wall-to-wall carpeting or other suitable floor covering, and draperies;
  - l. Linens;
  - m. In the nursing care section only, 24-hour per day nursing care supervised by a licensed nurse.

The cost of these services shall be included in the current daily rate of \$\_\_\_\_\_ per day. The current rate schedule is subject to change by Westminster-Canterbury on sixty (60) days' written notice to the Per Diem Resident. The daily rate schedule

shall also set forth the current charges for additional services not covered by the daily rate.

2. The Per Diem Resident will be billed for one month's room and board in advance. Monthly billing is made on the first of each month and is due by the tenth of that month. Charges for additional services are billed individually as used during the previous month. If the Per Diem Resident does not pay the monthly billing by the date it is due, then the Per Diem Resident will be in default. In the event of default in payment under these terms, the Per Diem Resident agrees to pay interest from the date of default at the rate of 1-½% per month plus attorney fees, court costs, and all other costs and expenses incurred by Westminster-Canterbury in enforcing this Agreement to the extent not prohibited by applicable law.

Residents receiving Medicaid benefits will be billed on a monthly basis at the rate schedule set by the Department of Social Services. Personal hygiene supplies will be billed individually as used during the previous month.

Refunds will be made thirty days after all outstanding payments have been collected.

3. Per Diem Resident agrees to pay daily rate for Health Center when he/she can no longer receive skilled services.
4. Per Diem Resident agrees to be responsible for selecting his/her attending physician (a physician acceptable to Westminster-Canterbury) and for paying such physician's charges for services rendered. In the event Per Diem Resident fails to select such a physician, or the physician selected is not acceptable to Westminster-Canterbury, or is not available in the event of an emergency (as determined solely by Westminster-Canterbury), Per Diem Resident agrees that Westminster-Canterbury may obtain the services of a physician of its choosing to attend to Per Diem Resident, which physician's charges the Per Diem Resident agrees to pay.
5. Per Diem Resident agrees that he/she may be transferred from one location to another within The Health Center whenever deemed necessary or desirable by Westminster-Canterbury for the physical, mental, emotional, or social needs of Per Diem Resident.
6. Per Diem Resident acknowledges that Westminster-Canterbury strives to be a restraint free facility and agrees that any form of restraints will be employed only in emergency circumstances and for brief intervals when all other less restrictive measures are ineffective.
7. Westminster-Canterbury reserves the right to remove a Per Diem Resident for reasons such as, but not limited to, the following:
  - a. the contraction of communicable disease;
  - b. mental or physical illness beyond the scope of Westminster-Canterbury to care for without jeopardizing the safety of other residents, as verified by a competent doctor or psychiatrist;

- c. the development of offensive personal habits, such as drug addiction, alcoholism, or inability to live peaceably with other residents;
- d. non-payment of charge for occupancy; or
- e. other material breach of contract.

Except in cases of emergency, the Per Diem Resident, the attending physician, and the Per Diem Resident's Power of Attorney, will be given thirty (30) days' advance written notice of the Per Diem Resident's discharge from the Health Center.

8. Westminster-Canterbury agrees to exercise reasonable efforts to safeguard Per Diem Resident's personal property but it shall not be responsible for any theft, loss, or damage, to any such personal property. Per Diem Resident agrees to affix name tags or other appropriate identification to all items of personal property and, whenever possible, to store all jewelry, cash, and other items of significant value, in the safe located in the room or one maintained by Westminster-Canterbury for such purposes.
9. Westminster-Canterbury or its agents may take Per Diem Resident on shopping trips, field trips, and other outings, unless instructed otherwise by Per Diem Resident's physician.
10. Per Diem Resident shall have the right to terminate this Agreement and make other living arrangements at any time, provided, however, that except in the event of an emergency, Per Diem Resident shall give Westminster-Canterbury five (5) days' prior written notice of termination.
11. Per Diem Resident acknowledges and agrees that any transfer from the Health whether voluntary, involuntary, or for any reason, shall not relieve Per Diem of his/her obligation to pay Westminster-Canterbury for all services provided or expenses incurred in connection with this Agreement.
12. Per Diem Resident agrees to provide Westminster-Canterbury upon request his/her personal financial statement in a form satisfactory to Westminster-Canterbury so that it may determine to its satisfaction Per Diem Resident's ability to make payment for services provided in connection with this Agreement.
13. Per Diem Resident agrees to notify the Westminster-Canterbury Director of Resident Services upon applying for benefits under the Virginia Medical Assistance (Medicaid) Program. Westminster-Canterbury agrees to assist Per Diem Resident upon request in the filing of applications for payment under the Virginia Medical Assistance Program and other health insurance or similar programs for services rendered by Westminster-Canterbury. Per Diem Resident agrees that he/she shall upon request execute appropriate assignments of any such benefits to Westminster-Canterbury but shall nevertheless remain primarily responsible for charges for such service.
14. Per Diem Resident agrees to execute before a Notary Public and maintain in effect a Durable Power of Attorney valid under Virginia law. This Durable Power of Attorney

shall designate as Per Diem Resident's attorney-in-fact a bank, lawyer, relative or other responsible person or persons, of Per Diem Resident's choice, to act for Per Diem Resident in managing Per Diem Resident's financial affairs and filing for insurance or other benefits, as fully and completely as Per Diem Resident would if acting personally. This attorney-in-fact designation shall be in a form which survives Per Diem Resident's incapacity or disability and shall be otherwise satisfactory to Westminster-Canterbury. Per Diem Resident shall deliver to Westminster-Canterbury a fully executed counterpart of such Durable Power of Attorney prior to occupancy at the Health Center.

15. This Agreement is not a lease and does not create any interest in the real estate or the property owned by Westminster-Canterbury and the right of occupancy does not inure to the benefit of the heirs, assignees, or representatives of the Per Diem Resident. Per Diem Resident may not assign the unit to another.
16. The management of Westminster-Canterbury, including all arrangements and authority regarding admission, cancellation, adjustments or rates, and accommodations for other residents, shall be vested solely in Westminster-Canterbury and Per Diem Resident shall have no right to object to arrangements for any other resident.
17. Per Diem Resident agrees to comply with the operating procedures, all rules and regulations now existing, and reasonable amendments thereto, including the following specific procedures:
  - a. Per Diem Resident will cooperate in keeping the premises in good repair and shall make no alterations or additions without written permission of Westminster-Canterbury and any such alteration or addition will be at Per Diem Resident's expense. Improvements which become fixtures shall become the property of Westminster-Canterbury and remain with the premises;
  - b. Per Diem Resident shall notify Westminster-Canterbury in advance of any absences;
  - c. Per Diem Resident agrees to give duly authorized representatives of Westminster-Canterbury the right of entry into the unit at reasonable times for management purposes (including but not limited to maintenance and cleaning) or at any time for safety or emergencies;
  - d. Per Diem Resident will be allowed to have pets only if the resident is able to comply with Westminster-Canterbury's pet policy for health care residents.
  - e. Per Diem Resident shall provide his/her own clothing and personal necessities;
  - f. In the event of injury or damage of any kind and to any extent whatsoever to Westminster-Canterbury or to any resident by reason of Per Diem Resident's negligent actions that Per Diem Resident, or the person financially responsible, shall provide immediate reimbursement and indemnification to Westminster-Canterbury for any and all said injury or damage sustained;
  - g. It is understood and agreed that Per Diem Resident's statement of age and all statements in the application forms are part of this Agreement and any material

misrepresentations or omissions made by the Per Diem Resident in connection therewith may render this Agreement null and void at the option of Westminster-Canterbury; and

- h. Prior to admission, the Per Diem Resident shall make legal arrangements through Power Of Attorney or other such instrument satisfactory to Westminster-Canterbury for payment of bills in the event the Per Diem Resident is unable to handle his/her own affairs.
18. All furnishings and personal possessions brought into Westminster-Canterbury by the Per Diem Resident shall at the time of the Per Diem Resident's death or withdrawal revert to the Per Diem Resident or the Per Diem Resident's estate and shall be removed within seven (7) days from the Health Center Residence. In the event that such property is not removed, Westminster-Canterbury shall have the right to remove and store such property at Resident's expense or at the expense of his estate for a period of thirty (30) days and thereafter, if such property is not claimed, title to such property shall be vested in Westminster-Canterbury and it shall be disposed of as Westminster-Canterbury in its discretion deems appropriate, without any liability to Resident or his estate.

The undersigned Per Diem Resident acknowledges that he/she has read this Agreement, understands its contents, and agrees to be bound thereby, and Westminster-Canterbury acting by and through a duly authorized officer or agent also agrees to be bound by this Agreement, and both execute this Agreement as of the date(s) shown below:

\_\_\_\_\_  
Signature of Per Diem Resident

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name - Print

SHENANDOAH VALLEY  
WESTMINSTER-CANTERBURY

\_\_\_\_\_  
Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.  
DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY  
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2022 AND 2021**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Westminster-Canterbury of Winchester, Inc.  
dba: Shenandoah Valley Westminster-Canterbury and Subsidiary  
Winchester, Virginia

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

#### ***Opinion***

We have audited the consolidated financial statements of Westminster-Canterbury of Winchester, Inc. dba: Shenandoah Valley Westminster-Canterbury and Subsidiary (the Corporation), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations, 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 accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and the results of its operations, changes in its net assets and its 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 Corporation 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 Corporation's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Board of Trustees  
Westminster-Canterbury of Winchester, Inc.,  
dba: Shenandoah Valley Westminster-Canterbury and Subsidiary

***Auditors' Responsibilities 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 Corporation'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 Corporation'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.

Board of Trustees  
Westminster-Canterbury of Winchester, Inc.,  
dba: Shenandoah Valley Westminster-Canterbury and Subsidiary

**Report on Supplementary Information**

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Raleigh, North Carolina  
April 25, 2023

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**

<b>ASSETS</b>	2022	2021
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,638,837	\$ 2,378,773
Accounts Receivable - Residents	752,395	537,934
Advance Fees Receivable	174,466	684,503
Assets Limited as to Use	4,333,699	3,085,339
Other Current Assets	846,621	810,127
Total Current Assets	7,746,018	7,496,676
<b>PROPERTY AND EQUIPMENT, NET</b>	91,898,603	66,693,366
<b>OTHER ASSETS</b>		
Long-Term Investments	48,289,144	57,230,158
Restricted Investments	1,635,633	1,921,182
Interest Rate Swap Asset	3,439,163	-
Other Long-Term Assets	88,663	88,663
Total Other Assets	53,452,603	59,240,003
Total Assets	\$ 153,097,224	\$ 133,430,045

*See accompanying Notes to Consolidated Financial Statements.*

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.  
DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY  
CONSOLIDATED BALANCE SHEETS (CONTINUED)  
DECEMBER 31, 2022 AND 2021**

<b>LIABILITIES AND NET ASSETS</b>	<u>2022</u>	<u>2021</u>
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 5,973,690	\$ 1,849,056
Accrued Bond Interest Payable	129,567	58,618
Resident Deposits	4,333,699	3,085,339
Current Portion of Refundable Entrance Fees	486,590	860,030
Current Maturities of Long-Term Debt	<u>2,152,138</u>	<u>1,933,494</u>
Total Current Liabilities	13,075,684	7,786,537
<b>OTHER LIABILITIES</b>		
Long-Term Debt, Less Current Maturities and Debt Issuance Costs	47,059,013	27,209,633
Refundable Advance Admission Deposits	4,074,072	4,319,230
Deferred Revenue from Advance Fees	54,954,634	57,828,299
Interest Rate Swap Liability	-	404,498
Total Other Liabilities	<u>106,087,719</u>	<u>89,761,660</u>
Total Liabilities	119,163,403	97,548,197
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Undesignated	24,630,079	24,952,748
Designated by Board for Endowment	<u>1,000,000</u>	<u>1,000,000</u>
Total Net Assets Without Donor Restrictions	25,630,079	25,952,748
With Donor Restrictions	<u>8,303,742</u>	<u>9,929,100</u>
Total Net Assets	<u>33,933,821</u>	<u>35,881,848</u>
Total Liabilities and Net Assets	<u>\$ 153,097,224</u>	<u>\$ 133,430,045</u>

See accompanying Notes to Consolidated Financial Statements.

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>		
Monthly Resident Fees	\$ 13,112,781	\$ 12,641,969
Amortization of Deferred Revenue from Advance Fees	7,738,887	7,545,101
Health Care Services	4,106,282	3,421,095
Assisted Living Services	3,163,208	3,102,980
Contributions	34,910	111,399
Net Assets Released from Restrictions for Operations	313,731	225,602
Other	1,091,360	3,479,835
Total Revenue, Gains, and Other Support	<u>29,561,159</u>	<u>30,527,981</u>
<b>EXPENSES</b>		
Health Care Services	6,894,151	6,349,545
Dining Services	4,334,076	4,244,898
Environmental Services	3,033,047	2,813,398
Housekeeping and Laundry	1,376,201	1,228,547
Resident Services	946,279	896,136
General and Administrative	5,609,711	5,552,697
Marketing	805,867	915,312
Depreciation	5,640,928	5,646,132
Interest	747,005	935,230
Fellowship Assistance	217,351	159,169
Other Fund Expenses	100,822	123,892
Total Expenses	<u>29,705,438</u>	<u>28,864,956</u>
<b>OPERATING INCOME (LOSS)</b>	(144,279)	1,663,025
<b>NONOPERATING INCOME (LOSS)</b>		
Investment Return, Net	1,585,839	2,743,951
Change in Unrealized Gains (Loss) on Investments	(5,836,800)	1,195,354
Unrealized Gain (Loss) on Interest Rate Swap	3,843,660	(404,498)
Loss on Refunding of Long-Term Debt	-	(1,467,951)
Endowment Fund Contributions	5,000	-
Gain on Disposal of Property and Equipment	88,966	-
Total Nonoperating Income (Loss)	<u>(313,335)</u>	<u>2,066,856</u>
<b>EXCESS (DEFICIT) OF REVENUES, GAINS, AND OTHER SUPPORT OVER (UNDER) EXPENSES</b>	(457,614)	3,729,881
<b>OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Net Assets Released from Restrictions for Capital	134,945	-
Total Change in Net Assets Without Donor Restrictions	<u>\$ (322,669)</u>	<u>\$ 3,729,881</u>

See accompanying Notes to Consolidated Financial Statements.

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Excess (Deficit) of Revenues, Gains, and Other Support		
Over (Under) Expenses	\$ (457,614)	\$ 3,729,881
Net Assets Released from Restrictions for Capital	<u>134,945</u>	<u>-</u>
Change in Net Assets Without Donor Restrictions	(322,669)	3,729,881
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	311,137	195,813
Net Assets Released from Restrictions for Operations	(313,731)	(225,602)
Net Assets Released from Restrictions for Capital	(134,945)	-
Investment Return, Net	313,831	515,737
Change in Unrealized Gains (Losses) on Investments	<u>(1,801,650)</u>	<u>634,261</u>
Change in Net Assets With Donor Restrictions	(1,625,358)	1,120,209
<b>CHANGE IN NET ASSETS</b>	(1,948,027)	4,850,090
Net Assets - Beginning of Year	<u>35,881,848</u>	<u>31,031,758</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 33,933,821</u>	<u>\$ 35,881,848</u>

*See accompanying Notes to Consolidated Financial Statements.*



**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (1,948,027)	\$ 4,850,090
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Amortization of Deferred Revenue from Advance Fees	(7,738,887)	(7,545,101)
Proceeds from Advance Fees	5,895,139	9,769,490
Depreciation and Amortization	5,692,009	5,661,426
Realized Gains on Investments	(990,433)	(2,440,833)
Unrealized (Gains) Losses on Investments	7,638,450	(1,829,615)
Loss on Refunding of Long Term Debt	-	1,467,951
Unrealized (Gains) Losses on Interest Rate Swap	(3,843,661)	404,498
Donor Restricted Contributions	(311,137)	(195,813)
(Increase) Decrease in:		
Accounts Receivable, Net	(214,461)	(399,961)
Other Assets	(36,494)	243,768
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	(49,216)	(194,095)
Accrued Bond Interest Payable	70,949	(47,279)
Resident Deposits	1,248,360	2,107,745
Net Cash Provided by Operating Activities	5,412,591	11,852,271
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(26,672,315)	(5,579,466)
Purchases of Investments	(8,235,654)	(2,452,331)
Proceeds from Sales of Investments	10,814,200	1,567,721
Net Change in Assets Limited as to Use	(1,248,360)	(2,107,745)
Net Cash Used by Investing Activities	(25,342,129)	(8,571,821)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Repayments on Long-Term Debt	(1,990,109)	(1,058,961)
Proceeds from Issuance of Long-Term Debt	22,888,208	30,388,088
Refunding of Series 2014A Bonds	-	(29,561,679)
Cash Paid for Bond Issuance Costs	(881,156)	(195,562)
Cash Paid for Rate Breakage Fee	-	(1,317,500)
Change in Refundable Advance	-	(2,367,800)
Refunds of Deposits and Refundable Fees, Net	(1,138,478)	(198,730)
Donor Restricted Contributions	311,137	195,813
Net Cash Provided (Used) by Financing Activities	19,189,602	(4,116,331)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(739,936)	(835,881)
Cash and Cash Equivalents - Beginning of Year	2,378,773	3,214,654
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,638,837	\$ 2,378,773
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	\$ 935,190	\$ 1,099,745
Property and Equipment Additions in Accounts Payable	\$ 4,404,907	\$ 231,057

See accompanying Notes to Consolidated Financial Statements.

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

**Organization and Principles of Consolidation**

Westminster-Canterbury of Winchester, Inc. dba: Shenandoah Valley Westminster-Canterbury (Westminster-Canterbury) is incorporated as a nonprofit, nonstock corporation under the laws of the Commonwealth of Virginia. Westminster-Canterbury, located in Winchester, Virginia, provides housing, health care, and other related services to residents through the operation of a retirement community containing 164 apartments, 53 cottages, a 51-bed health care facility, 12 memory-impaired living units, and a 48-unit assisted living facility.

Shenandoah Valley Westminster-Canterbury Foundation (the Foundation) began operations in 2016 as a nonprofit Virginia nonstock corporation. The Foundation was established to increase the ability of Westminster-Canterbury to provide fellowship assistance to qualified individuals. The Foundation is a self-supporting, tax-exempt organization that raises funds to support the programs of Westminster-Canterbury.

**Principles of Consolidation**

The consolidated financial statements consist of the accounts of Westminster-Canterbury and the Foundation, collectively referred to as the "Corporation." Significant intercompany accounts and transactions have been eliminated in consolidation.

**Use of Estimates**

The preparation of consolidated financial statements in accordance 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Corporation considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

**Assets Limited as to Use**

Assets limited as to use include resident entrance fee deposits. Assets limited as to use are carried at fair market value.

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(CONTINUED)**

**Investments**

The Corporation carries investments in marketable equities, bonds, and other investments at fair value, as determined by quoted values, on its balance sheet. Cost used in the determination of gains and losses on sales of investments is based on the specific cost of the investment sold. Investment income (including realized gains and losses on investments, interest, and dividends) and unrealized gains and losses on investments are included in nonoperating income (loss) unless restricted by donor or law.

Management reviews the marketable securities portfolio and evaluates whether declines in fair value of securities should be considered other than temporary. Factored into this evaluation are the general market conditions, the issuer's financial condition and near-term prospects, and the length of time and extent to which the market value has been less than cost. Declines in fair value below cost that are deemed to be other than temporary are included in the accompanying consolidated statements of operations as a component of operating income.

**Allowance for Uncollectible Accounts**

The Corporation provides an allowance for uncollectible accounts as necessary, using management's judgment. Residents are not required to provide collateral for services rendered. Payment for services is required upon receipt of invoice or claim submitted. Accounts past due more than 60 days are individually analyzed for collectability. In addition, an allowance is estimated for other accounts based on historical experience of the Corporation. The Corporation did not provide an allowance for doubtful accounts as of December 31, 2022 or 2021.

**Property and Equipment**

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Capital expenditures greater than \$1,000 are capitalized and depreciated over the life of the asset. The cost of maintenance and repairs is charged against operations when incurred, whereas significant renewals or betterments are capitalized. The general range of estimated lives for the buildings and land improvements is 20 to 40 years and 3 to 10 years for furniture and equipment.

Interest expense is capitalized on the Corporation's assets which were acquired with tax-exempt debt. The Corporation capitalizes interest expense incurred from the date of the borrowing until completion of the project and offsets that amount with interest earned on invested proceeds over the same period. Capitalized Interest was approximately \$231,000 and \$-0- for the years ended December 31, 2022 and 2021, respectively.

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(CONTINUED)**

**Deferred Financing Costs**

Financing costs incurred in connection with the issuance of long-term debt are deferred and amortized using the effective interest method over the term of the related indebtedness. Amortization of financing costs was approximately \$51,000 and \$15,000 for the years ended December 31, 2022 and 2021, respectively. These amounts are presented as a reduction to long-term debt (see Note 6) in the accompanying consolidated balance sheets.

**Advertising Costs**

Advertising costs are charged to operations as incurred. Advertising costs were approximately \$521,000 and \$234,000 for the years ended December 31, 2022 and 2021, respectively.

**Deferred Revenue from Advance Fees**

Fees paid by a resident upon entering into a contract, net of the estimated portion thereof that is refundable to the resident, are recorded as deferred revenue, and are amortized to income using the straight-line method over the estimated remaining life expectancy of the resident. No amortization is recorded on the refundable portion of advance fees.

**Obligation to Provide Future Services**

The Corporation 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 uses of facilities exceeds the deferred revenue from entrance fees, a liability is recorded (obligation to provide future services and use of facilities) with a corresponding charge to income. This calculation did not result in a liability as of December 31, 2022 or 2021.

**Net Assets**

Net assets and related revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations. At times, the governing board may designate, from net assets without donor restrictions, net assets for a board-designated endowment or other purposes.

*Net Assets With Donor Restrictions* – Net assets subject to donor restrictions that are either restricted in perpetuity, time restricted, or restricted for certain purposes.

Revenues are reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

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**Uniform Prudent Management of Institutional Funds Act**

During fiscal year 2012, the Uniform Prudent Management of Institutional Funds Act (UPMIFA) became effective in the Commonwealth of Virginia. In August 2008, the Financial Accounting Standards Board (FASB) released the nonprofit accounting standard for reporting of endowment funds (the UPMIFA Standard), which is intended to improve the quality and consistency of financial reporting of endowments held by nonprofit organizations. Under UPMIFA, all unappropriated endowment funds are considered restricted.

**Revenue Recognition**

The Corporation follows Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). ASU 2014-09's core principal is that an entity will recognize revenue from contracts with customers when it transfers goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring those goods or services. The five-step model defined by ASU 2014-09 requires the Corporation to (i) identify the contracts with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when each performance obligation is satisfied.

Revenue is primarily derived from goods and services rendered to its residents on its campus. The Corporation is using a portfolio approach to group contracts with similar characteristics and analyze historical cash collection trends. The Corporation evaluated the nature, amount, timing and uncertainty of revenue and cash flows using the five-step process noted above.

**Donor-Restricted Gifts**

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. The Corporation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of 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 statements of operations as net assets released from restrictions.

**Excess (Deficit) of Revenues, Gains, and Other Support Over (Under) Expenses**

The consolidated statements of operations include the excess of revenues, gains, and other support over expenses. Changes in net assets without donor restrictions which are excluded from excess of revenues, gains, and other support over expenses, consistent with industry practice, 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 which by donor restriction were to be used for purposes of acquiring such assets.

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**Income Tax Status**

Westminster-Canterbury and the Foundation are nonprofit corporations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income taxes pursuant to Section 501(a) of IRC. They are not classified as private foundations.

Westminster-Canterbury and the Foundation file as tax-exempt organizations. Management is not aware of any activities that would jeopardize the tax-exempt status of Westminster-Canterbury or the Foundation. Management is not aware of any significant activities that are subject to tax on unrelated business income or excise or other taxes.

Westminster-Canterbury and the Foundation follow the income tax standard regarding the recognition and measurement of uncertain tax positions, which clarifies the accounting for uncertainty in income taxes recognized in an entity's consolidated financial statements and prescribes a recognition threshold and measurement principles for the consolidated financial statement recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. Management has determined that it does not have any material uncertain tax positions as of December 31, 2022 or 2021.

**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 Corporation 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 Corporation 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.

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**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. The Corporation does not have any securities that are valued using Level 2 inputs. Securities valued using Level 3 inputs include pooled investment accounts with a mixture of assets held as described in Note 13.

The Corporation also follows guidance that allows reporting certain financial instruments at fair value. The standard allows entities the irrevocable option to elect fair value for the initial and subsequent measurement for certain financial assets and liabilities on an instrument-by-instrument basis. The Corporation has not elected to measure any existing financial instruments at fair value under this option. However, it may elect to measure newly acquired financial instruments at fair value in the future.

**Benevolent Assistance**

The Corporation provides benevolent assistance from its Fellowship Fund (the Fund). The Corporation's policy is to identify residents who are unable to pay and subsidize the charges for entrance fees and/or services provided to those residents. Such residents are identified based on financial information obtained from the resident and subsequent review and analysis.

The Corporation has estimated its direct and indirect costs of providing Fund assistance under its policy. In order to estimate the cost of providing such care, management took direct costs combined with an allocation of indirect costs using methods based upon resident census, meals provided, laundry usage, staffing patterns, and square footage. Using these allocation methodologies, the Corporation has estimated the costs for services under the Corporation's Fellowship Fund assistance policy to be approximately \$460,000 and \$367,000 for the years ended December 31, 2022 and 2021, respectively.

The Corporation received approximately \$113,000 and \$119,000 to subsidize the costs of providing benevolent assistance under its Fellowship Fund assistance policy for the years ended December 31, 2022 and 2021, respectively.

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(CONTINUED)**

**Leases**

The Corporation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use ("ROU") assets – operating and lease liability – operating, and finance leases are included in right-of-use ("ROU") assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent the Corporation's right to use an underlying asset for the lease term and lease liabilities represent the Corporation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date 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 that the Corporation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Corporation determined that there were no material ROU assets and liabilities as of December 31, 2022 and 2021.

**Adoption of New Accounting Standards**

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases (Topic 842)*. This new standard increases transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the consolidated balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Corporation adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption. Management has determined that the adoption of Topic 842 did not have a material impact on the consolidated financial statements as of and for the year ended December 31, 2022.

**Reclassifications**

Certain accounts in the prior year consolidated financial statements have been reclassified for comparative purposes to conform with the presentation in the current year consolidated financial statements. These reclassifications had no impact on previously reported operating results or changes in net assets.



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

**Subsequent Events**

The Corporation has evaluated subsequent events for recognition or disclosure through April 25, 2023, the date that the consolidated financial statements were available to be issued.

**NOTE 2 RESIDENT AND HEALTH CARE SERVICES REVENUE**

Resident and health care services revenue is reported at the amount that reflects the consideration to which the Corporation expects to be entitled in exchange for providing resident services. 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 Corporation 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 Corporation. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Corporation 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 services provided to residents in the facility. The Corporation considers daily services provided to residents of the skilled nursing facility, 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. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to the residents and customers in a retail setting (for example, gift shop and cafeteria meals) and the Corporation does not believe it is required to provide additional goods or services related to that sale.

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**NOTE 2 RESIDENT AND HEALTH CARE SERVICES REVENUE (CONTINUED)**

The Corporation 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 Corporation's policy and/or implicit price concessions provided to residents. The Corporation determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. The Corporation determines its estimate of implicit price concessions based on its historical experience.

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

Medicare

The Corporation participates in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). The Corporation is paid under the Medicare Prospective Payment System (PPS) for residents who are Medicare Part A eligible and meet the coverage guidelines for skilled nursing facility services. The PPS is a per diem price-based system. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement. CMS finalized the Patient Driven Payment Model (PDPM) to replace the existing Medicare reimbursement system effective October 1, 2019. Under PDPM, therapy minutes are removed as the primary basis for payment and instead uses the underlying complexity and clinical needs of a patient as a basis for reimbursement. In addition, PDPM introduces variable adjustment factors that change reimbursement rates during the resident's length of stay.

Medicaid

The Corporation also participates in the Medicaid program which is administered by Virginia's Department of Medical Assistance Services (DMAS). DMAS uses a price-based payment system to reimburse providers, which is weighted for each claim based on the Resource Utilization Group (RUG) score listed on each claim. Each year DMAS publishes a price-based total case mix rate and a total indirect rate, both of which make up the bulk of the base payment rate for each provider. The total case mix rate and the total indirect rate are determined by a preassigned peer group of geographic similar regions within Virginia. The price-based rate is weighted for the severity of care of the documented RUG listed for each claim. 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.

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**NOTE 2 RESIDENT AND HEALTH CARE SERVICES REVENUE (CONTINUED)**

Other

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

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 Corporation'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 changes in implicit price concessions impacting transaction price, were not significant for the years ended December 31, 2022 or 2021.

Generally residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Corporation 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 generally 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 December 31, 2022 and 2021. Subsequent changes that are determined to be the result of an adverse change in the residents ability to pay are recorded as bad debt expense.

The Corporation has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the following factors:

- Payors (for example, Medicare, Medicaid, managed care or other insurance, patient) have different reimbursement/payment methodologies
- Length of the patient's service/episode of care
- Method of reimbursement (fee for service or capitation)
- Corporation's line of business that provided the service (for example, skilled nursing, assisted living, independent living, etc.)

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**NOTE 2 RESIDENT AND HEALTH CARE SERVICES REVENUE (CONTINUED)**

For the years ended December 31, 2022 and 2021, the Corporation recognized revenue of approximately \$24,227,000 and \$23,530,000, respectively from goods and services that transfer to the customer over time and \$4,986,000 and \$4,320,000, respectively, from goods and services that transfer to the customer at a point in time.

The opening and closing contract balances were as follows:

	<u>Accounts Receivable</u>	<u>Deferred Revenue</u>
Balance as of January 1, 2021	\$ 137,973	\$ 57,844,523
Balance as of December 31, 2021	537,934	58,688,329
Balance as of December 31, 2022	752,395	55,441,224

**NOTE 3 PROPERTY AND EQUIPMENT**

A summary of property and equipment at December 31 is as follows:

	<u>2022</u>	<u>2021</u>
Land	\$ 3,266,459	\$ 3,266,459
Land Improvements	2,175,687	2,002,233
Buildings	120,723,911	118,575,748
Furniture and Equipment	18,896,648	18,215,822
Construction in Progress	<u>32,272,687</u>	<u>4,606,187</u>
Total	177,335,392	146,666,449
Less: Accumulated Depreciation	<u>85,436,789</u>	<u>79,973,083</u>
Property and Equipment, Net	<u>\$ 91,898,603</u>	<u>\$ 66,693,366</u>

Depreciation expense for the years ended December 31, 2022 and 2021 totaled approximately \$5,641,000 and \$5,646,000, respectively. Construction in progress at both December 31, 2022 and 2021 related mostly to land improvements and buildings as part of the villa expansion project.

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**NOTE 4 INVESTMENTS**

Investments consisted of the following at December 31:

	<u>2022</u>	<u>2021</u>
Cash and Money Market Funds	\$ 1,445,077	\$ 11,698,063
Equities and Mutual Funds	32,116,059	39,225,631
Government Agency Obligations	14,167,145	4,882,547
Corporate Obligations	1,913,269	3,017,800
Pooled Investments	283,227	327,299
Total	<u>49,924,777</u>	<u>59,151,340</u>
Less: Restricted Investments	1,635,633	1,921,182
Total Long-Term Investments	<u>\$ 48,289,144</u>	<u>\$ 57,230,158</u>

Total investment return (loss) is composed of the following for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Without Donor Restrictions:		
Interest and Dividends	\$ 739,023	\$ 656,849
Realized Gains	846,816	2,087,102
Total	<u>1,585,839</u>	<u>2,743,951</u>
Unrealized Gains (Losses)	(5,836,800)	1,195,354
With Donor Restrictions:		
Interest and Dividends	170,214	162,006
Realized Gains	143,617	353,731
Total	<u>313,831</u>	<u>515,737</u>
Unrealized Gains (Losses)	<u>(1,801,650)</u>	<u>634,261</u>
Total Investment Return (Loss)	<u>\$ (5,738,780)</u>	<u>\$ 5,089,303</u>

**NOTE 5 ASSETS LIMITED AS TO USE**

Assets limited as to use consists of the following at December 31:

	<u>2022</u>		<u>2021</u>	
	Cost	Market Value	Cost	Market Value
Externally Restricted Under Residency Agreements:				
Cash	\$ 4,333,699	\$ 4,333,699	\$ 3,085,339	\$ 3,085,339
Total	<u>4,333,699</u>	<u>4,333,699</u>	<u>3,085,339</u>	<u>3,085,339</u>
Less: Current Portion	<u>(4,333,699)</u>	<u>(4,333,699)</u>	<u>(3,085,339)</u>	<u>(3,085,339)</u>
Assets Limited as to Use, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

These funds were held for resident entrance fee deposits at both December 31, 2022 and 2021.

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**NOTE 6 LONG TERM DEBT**

The following is a summary of long-term debt at December 31:

	2022	2021
The Economic Development Authority of the City of Winchester, Residential Care Facility Revenue Refunding Bonds, Series 2021 due in graduated monthly installments ranging from \$191,000 to \$214,000 maturing in 2035. Interest is paid monthly at a fixed rate of 2.302%.	\$ 27,395,633	\$ 29,329,127
The Economic Development Authority of the City of Winchester, Residential Care Facility Revenue Bonds, Series 2022 due in graduated annual installments ranging from \$91,000 to \$245,000 maturing in 2052. Interest is paid monthly at a fixed rate of 4.70%.	22,831,593	-
Less: Unamortized Debt Issuance Costs	(1,016,075)	(186,000)
Less: Current Maturities	(2,152,138)	(1,933,494)
Long-Term Debt, Less Current Maturities and Debt Issuance Costs	\$ 47,059,013	\$ 27,209,633

On May 12, 2021, the Corporation issued a note in the amount of \$30,388,088 to: 1) refund the then outstanding Series 2014A Bonds; and 2) finance the costs of issuance incurred in connection with the refunding of the then outstanding Series 2014A Bonds and the issuance of the Series 2021 Bonds. The note was issued to the Economic Development Authority of the City of Winchester which in turn issued the Series 2021 Residential Care Facility Revenue Refunding Bond (Series 2021 Bonds). The Economic Development Authority of the City of Winchester sold the Series 2021 Bonds to a financial institution. In conjunction with the refunding of the Series 2014A Bonds described above, the Corporation recorded a loss on refunding of approximately \$1,468,000, which is included in Nonoperating Income (Loss) in the accompanying consolidated statement of operations for the year ended December 31, 2021.

On July 1, 2022, the Corporation issued a note in the amount of \$51,000,000 (Series 2022A Bonds) and \$20,000,000 (Series 2022 Bonds) to: 1) to finance a portion of the costs of an expansion project including the acquisition, construction and equipping of 10 new villa buildings, including a total of approximately 97 additional independent living apartments, a community room and garage space. 2) finance amounts required for reserves, capitalized interest, working capital and costs of issuance incurred in connection with the issuance of the Series 2022 Bonds. The note was issued to the Economic Development Authority of the City of Winchester which in turn issued the Series 2022 Residential Care Facility Revenue Bond (the Series 2022 Bonds). As of December 31, 2022, approximately \$22,832,000 had been drawn upon.

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**NOTE 6 LONG TERM DEBT (CONTINUE)**

The bonds are secured by the gross receipts, inventory, accounts receivable, instruments, and certain other assets. The Master Trust Indenture and other bond agreements require the Corporation to maintain a long-term debt coverage ratio, day's cash on hand ratio, ratio of adjusted debt to capital, and ratio of operating expenses to resident fees among other covenants. At December 31, 2022, management believes that the Corporation was in compliance with these debt covenants.

Certain costs of issuing the Series 2022 and Series 2021 Bonds have been capitalized and are being amortized over the term of the bonds. These amounts are presented as a reduction of long-term debt in the above table.

Principal payments due on the long-term debt are as follows:

<u>Year Ended December 31,</u>	<u>Amount</u>
2023	\$ 2,152,138
2024	2,031,667
2025	2,549,925
2026	3,109,963
2027	3,291,702
Thereafter	37,091,831
Total	<u>\$ 50,227,226</u>

**NOTE 7 INTEREST RATE SWAP**

In May 2021, in connection with the issuance of the Series 2021 Bonds, the Corporation entered into a fixed-to-variable interest rate swap agreement to manage the interest rate risk on its outstanding indebtedness. On August 1, 2022 the swap agreement was amended, and the Corporation will make payments based upon a fixed rate of 2.321%, and the swap counterparty will make payments based upon a floating rate equal to 79% of the one-month adjusted SOFR rate plus 1.098%, on an initial notional amount of \$30,388,088. The termination date on the swap agreement is January 1, 2035.

In July 2022, in connection with the issuance of the Series 2022 Bonds, the Corporation entered into a fixed-to-variable interest rate swap agreement to manage the interest rate risk on its outstanding indebtedness. Under the terms of the swap agreement, the Corporation will make payments based upon a fixed rate of 3.40%, and the swap counterparty will make payments based upon a floating rate equal to 79% of the one-month adjusted SOFR rate plus 1.10%, on an initial notional amount of \$51,000,000. The effective date on the swap agreement is May 1, 2031. The termination date on the swap agreement is January 1, 2034.

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**NOTE 7 INTEREST RATE SWAP (CONTINUED)**

At December 31, 2022 and 2021, the estimated fair value of the interest rate swap was an asset (liability) of approximately \$3,439,000 and (\$404,000). This amount is included as interest rate swap asset (liability) in the accompanying consolidated balance sheets as of December 31, 2022 and 2021, respectively. For the years ended December 31, 2022 and 2021, the change in fair value was a gain (loss) of approximately \$3,844,000 and (\$404,000), respectively, and is included in nonoperating income (loss) as unrealized gain (loss) on interest rate swap in the accompanying consolidated statement of operations. The Corporation has not designated this interest rate swap as a hedging instrument for financial reporting purposes.

**NOTE 8 DEFERRED REVENUE**

Resident contract deposit amounts include a refundable portion based on the individual agreements. The amounts subject to refund included in deferred revenue are approximately \$20,477,000 and \$24,334,000 at December 31, 2022 and 2021, respectively.

**NOTE 9 RETIREMENT PLAN**

The Corporation has a Contributory Tax Deferred Annuity Plan (the Plan) that covers all employees. To receive the Corporation's matching and discretionary contributions, employees must have attained age 18 or older. The Corporation made 100% matching contributions up to the first 2% of employee contributions and then 50% match up to 8% of employee's contributions for the years ended December 31, 2022 and 2021, respectively. The board of trustees determines other contributions to the Plan on a discretionary basis. Vesting of the Corporation's contribution is on a three-year schedule. The Plan had expenses of approximately \$286,000 and \$347,000 for the years ended December 31, 2022 and 2021, respectively.

**NOTE 10 CONCENTRATION OF CREDIT RISK**

The Corporation's management places cash and cash equivalents in what it believes to be high quality financial institutions and thus limits its credit exposure. At times, such balances may be in excess of the Federal Deposit Insurance Corporation insurable limits.



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**NOTE 11 RESIDENT OCCUPANCY AGREEMENTS**

The Corporation offers two levels of care for each type of Entrance Fee Contract.

1. Levels of Care

- a. *Life Care*: A one-time fee which entitles residents to the lifetime use of the Corporation's facilities. This plan assures the resident of the availability of health care services with no increase in the monthly fee (there is a nominal fee for expanded dietary services) due to the change in levels of care. There will be annual inflationary increases in the monthly fee.
- b. *Modified Care*: A one-time fee which entitles the resident to the lifetime use of the Corporation's facilities. This plan assures the resident of the availability of health care services. After 30 noncumulative "grace days" in assisted living or health care each year, the monthly rate is increased to the then current assisted living or health care rate. There will be annual inflationary increases in the monthly fee.

2. Contract Options

- a. *100%/12 then 2.5%/38 Refundable Fee*: One hundred percent of the refund-eligible entrance fee is refunded to the resident or the estate when the Residence and Care Agreement (the Agreement) is terminated either by death or moving in the first 12 months. If the Agreement is terminated in months 13 through 50, the entire refund-eligible entrance fee is refunded, less 2.5% of the refund-eligible entrance fee for each month or partial month after the 12<sup>th</sup> month following occupancy. No refund of any amount is paid after 50 months. Any unpaid charges are deducted from the refund.
- b. *50% Refundable Entrance Fee*: No less than 50% of the refund-eligible entrance fee is refunded to resident or estate upon the termination of residency. If the Agreement is terminated during the first 12 months after the occupancy date, the entire refund-eligible entrance fee is refunded. If the termination occurs within months 13 through 37, the entire refund-eligible entrance fee is refunded, less 2% thereof for each full or partial month of residency through month 37, at which time the refund reaches 50% of the original refund-eligible entrance fee. It remains a constant 50% thereafter, regardless of the length of residency. Any unpaid charges will be deducted from the refund.
- c. *100% Refundable Entrance Fee*: The resident or the estate receives a refund of an amount equal to 100% of the refund-eligible entrance fee, regardless of the length of residency. Any unpaid charges will be deducted from the refund upon termination of residency.

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**NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following at December 31:

	<u>2022</u>	<u>2021</u>
Subject to Expenditure for Specific Purpose:		
Fellowship Fund	\$ 5,838,110	\$ 6,988,461
Endowment Fund	10,836	20,938
Capital Fund	63,571	54,502
Cultural Arts	58,986	207,746
Chapel Fund	15,304	15,423
Library Fund	206,514	366,362
Art Fund	8,911	14,404
Employee Emergency Fund	620,041	704,421
Chaplaincy Fund	11,585	9,625
Music Fund	8,620	8,094
Scholarship Fund	82,207	164,944
Dementia Fund	2,167	2,167
Woodworking Fund	1,941	491
Mother's Nature Fund	1,576	3,149
Subtotal	<u>6,930,369</u>	<u>8,560,727</u>
Subject to Corporation's Spending Policy and Appropriation:		
Library Fund	780,298	780,298
Fellowship Fund	556,175	556,175
Endowment Fund	36,900	31,900
Subtotal	<u>1,373,373</u>	<u>1,368,373</u>
Total	<u>\$ 8,303,742</u>	<u>\$ 9,929,100</u>

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**NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

During the years ended December 31, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows:

	2022	2021
Donor Restrictions Accomplished:		
Fellowship Fund	\$ 217,351	\$ 159,169
Chapel Fund	169	-
Library Fund	7,969	9,547
Scholarship Fund	30,745	20,998
Employee Emergency Fund	24,146	21,643
Chaplaincy Fund	1,012	3,112
Woodworking Fund	780	-
Art Fund	7,125	-
Mother's Nature Fund	373	347
Greenhouse/Horticulture Therapy Fund	20,716	4,683
Cultural Arts	3,345	6,103
Subtotal	313,731	225,602
Equipment Acquired and Placed in Service:		
Mother's Nature Fund	134,945	-
Subtotal	134,945	-
Total	\$ 448,676	\$ 225,602

**Endowment Funds**

The Corporation has several endowment funds, the income of which may be expended for specific purposes. Effective October 1, 2008, the Corporation adopted the provisions of the financial accounting standard for endowments of nonprofit organizations (the UPMIFA Standard) with respect to the accounting for the corpus and income recognition on endowment funds as follows:

Corpus

Endowment funds include: (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the endowment. The Corporation consults with legal counsel as necessary on the interpretation of UPMIFA with regard to preserving the fair value of original gifts as of the gift date of donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

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**NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

**Endowment Funds (Continued)**

Income

Income earned on endowment funds that is not required by the donor to be added to the corpus of the endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Corporation in a manner consistent with the standard of prudence prescribed in UPMIFA. The Corporation 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 Corporation and the donor-restricted endowment fund
- General economic conditions
- The expected total return from income and the appreciation of investments
- Other resources of the Corporation
- The investment policy of the Corporation

Investment Objectives and Strategies

The Corporation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment. Endowment assets include those assets of donor-restricted funds that the Corporation must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the board of trustees, the endowment assets are invested in a manner that is intended to preserve and grow capital, strive for consistent absolute returns, preserve purchasing power by striving for long-term returns which either match or exceed the set payout, fees and inflation without putting the principal value at imprudent risk, and diversify investments consistent with commonly accepted industry standard to minimize the risk of large losses.

To satisfy its long-term rate of return objectives, the Corporation 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 Corporation's long-term rate-of-return objectives while avoiding undue risk from imprudent concentration in any single asset class or investment vehicle.

Appropriation Policy

The Corporation's appropriation or spending policy is consistent with its objective to preserve the fair value of the original gift of the endowment assets held in perpetuity, as well as to provide additional real growth through new gifts and investment return.

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**NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

**Endowment Funds (Continued)**

Deficiencies

From time-to-time, the fair value of assets in endowment funds may fall below the required level stipulated by the donor. In accordance with UPMIFA Standard, deficiencies of this nature are reported in net assets without donor restrictions. If future investment returns do not alleviate the deficiency, the Corporation may be required to contribute additional amounts to the fund. There were no material deficiencies at December 31, 2022 or 2021.

The following table summarizes endowment fund activity, including contributions, transfers, income earned, and releases from restrictions, for the year ended December 31, 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
December 31, 2021	\$ -	\$ 1,921,182	\$ 1,921,182
Contributions	-	10,000	10,000
Income	-	(260,386)	(260,386)
Net Assets Released from Restrictions	-	(35,163)	(35,163)
December 31, 2022	<u>\$ -</u>	<u>\$ 1,635,633</u>	<u>\$ 1,635,633</u>

The following table summarizes endowment fund activity, including contributions, transfers, income earned, and releases from restrictions, for the year ended December 31, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
December 31, 2020	\$ -	\$ 1,739,077	\$ 1,739,077
Income	-	182,105	182,105
December 31, 2021	<u>\$ -</u>	<u>\$ 1,921,182</u>	<u>\$ 1,921,182</u>

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**NOTE 13 FAIR VALUE MEASUREMENTS**

The Corporation 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 Corporation measures fair value, refer to Note 1 – Summary of Significant Accounting Principles.

The following table present the fair value hierarchy for the balances of assets and liabilities measured at fair value on a recurring basis as of December 31, 2022:

	2022			Total
	Level 1	Level 2	Level 3	
Assets				
Mutual Funds	\$ 32,116,059	\$ -	\$ -	\$ 32,116,059
Government Agency Obligations	14,167,145	-	-	14,167,145
Corporate Obligations	1,913,269	-	-	1,913,269
Pooled Investments	-	-	283,227	283,227
Total	<u>\$ 48,196,473</u>	<u>\$ -</u>	<u>\$ 283,227</u>	<u>\$ 48,479,700</u>

The interest rate swap asset of \$3,439,163 was considered a Level 2 asset as of December 31, 2022.

The following table present the fair value hierarchy for the balances of assets and liabilities measured at fair value on a recurring basis as of December 31, 2021:

	2021			Total
	Level 1	Level 2	Level 3	
Assets				
Mutual Funds	\$ 39,225,631	\$ -	\$ -	\$ 39,225,631
Government Agency Obligations	4,882,547	-	-	4,882,547
Corporate Obligations	3,017,800	-	-	3,017,800
Pooled Investments	-	-	327,299	327,299
Total	<u>\$ 47,125,978</u>	<u>\$ -</u>	<u>\$ 327,299</u>	<u>\$ 47,453,277</u>

The interest rate swap liability of \$404,498 was considered a Level 2 asset as of December 31, 2021.

Pooled Investments is a broadly diversified portfolio of assets invested with a local foundation in a mix of primarily mutual funds made up of money markets, cash, domestic and international bonds, large and small cap equities, real estate, and energy/natural resources investments. The fair value of all the underlying pooled investments is based on quoted market prices. The value of the assets is allocated monthly on a pro rata basis, based on the Corporation's share of the total pooled assets.

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**NOTE 13 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following table presents changes in investments measured at fair value using Level 3 inputs on a recurring basis for the years ended December 31, respectively:

	<u>2022</u>	<u>2021</u>
Balance - Beginning of Year	\$ 327,299	\$ 294,029
Income and Unrealized Loss	(39,876)	37,849
Fees	(4,196)	(4,579)
Balance - End of Year	<u>\$ 283,227</u>	<u>\$ 327,299</u>

**NOTE 14 COMMITMENTS, CONTINGENCIES, AND UNCERTAINTIES**

**Liability Insurance**

The Corporation has obtained general and professional liability insurance issued by Virginia Senior Care RRG, a Washington, DC risk retention group. Excess liability coverage for the Corporation has been obtained through IronShore (a Liberty Mutual company). The Corporation's general and 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.

**Health Insurance**

In 2012, the Corporation began to self-insure its employees' health plan. The Corporation 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 Corporation's experience and include amounts for claims filed and claims incurred but not reported. The Corporation insures for excessive and unexpected health claims and is liable for claims not to exceed \$50,000 for each employee per plan year and an aggregate amount of \$1,000,000 per plan year.

**Other**

The Corporation is subject to legal proceedings and claims which arise in the course of providing health care services. The Corporation maintains malpractice insurance coverage for claims made during the policy year. In management's opinion, adequate provision has 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.

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.

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**NOTE 15 IMPACT OF COVID-19**

**Risks and Uncertainties**

In March 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may adversely impact the local, regional, national, and global economies. The extent to which COVID-19 impacts the Corporation's results are dependent on the breadth and duration of the pandemic and could be affected by other factors currently unable to be predicted. These impacts may include, but are not limited to additional costs for emergency preparedness or loss of revenue due to reductions in certain revenue streams. Management believes the Corporation is taking appropriate actions to mitigate the negative impact. However, the full impact is still unknown and cannot be reasonably estimated at this time.

**NOTE 16 LIQUIDITY**

The Corporation invests cash in excess of short-term requirements in various equities and mutual funds which can be liquidated in the event of an immediate liquidity need. In addition, the Corporation invests in various corporate and government obligations which are liquid within one week.

As of December 31, 2022 and 2021, the Corporation had working capital of approximately \$(5,330,000) and \$(290,000), respectively

The Corporation's financial assets available within one year of the balance sheet date for general expenditures are summarized as follows as of December 31:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 1,638,837	\$ 2,378,773
Advance Fees Receivable	174,466	684,503
Investments Available for General Use	<u>41,751,309</u>	<u>49,564,184</u>
Total	43,564,612	52,627,460
Accounts Receivable - Residents	<u>752,395</u>	<u>537,934</u>
Total Assets Available to Meet Liquidity Needs	<u>\$ 44,317,007</u>	<u>\$ 53,165,394</u>



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**NOTE 17 FUNCTIONAL EXPENSES**

The following is a summary of functional expenses for the year ended December 31, 2022:

	Program Services				Management and General	Fundraising	Total
	Independent		Health Center	Total			
	Living	Assisted Living					
Salaries and Wages	\$ 3,829,895	\$ 2,743,317	\$ 3,868,671	\$ 10,442,883	\$ 1,771,122	\$ 179,497	\$ 12,393,502
Employee Benefits	877,836	522,025	685,211	2,085,071	170,713	18,140	2,273,927
Payroll Taxes	282,686	205,103	285,430	773,219	122,774	13,290	909,283
Activities	74,842	16,040	14,015	104,697	20,791	5,456	131,144
Advertising and Promotion	568,507	7,182	8,290	581,989	25,315	27,087	634,391
Dietary	1,098,452	413,327	361,339	1,873,118	-	-	1,873,118
Therapy	-	110,968	97,056	208,024	-	-	208,024
Professional Fees	4,449	290,321	255,888	550,658	185,641	-	736,299
Training	8,785	9,538	12,215	30,548	19,153	770	50,481
Travel	9,620	2,926	3,034	15,580	16,709	1,128	33,417
Occupancy / Utilities	1,089,410	387,396	331,079	1,807,885	27,128	-	1,835,013
Outside Services	220,966	46,340	41,705	309,011	559,670	-	868,681
Office Supplies	14,100	6,156	5,343	25,589	38,001	1,403	65,003
Other Expenses	445,418	133,293	311,791	890,502	96,316	231	987,049
Interest	579,678	79,469	87,869	747,006	-	-	747,006
Depreciation	4,377,372	600,102	663,454	5,640,928	-	-	5,640,928
Bad Debt Expense	-	-	-	-	-	-	-
Fellowship Assistance	78,820	105,815	32,716	217,351	-	-	217,351
Other Fund Expenses	55,618	18,737	21,907	96,262	4,121	438	100,821
<b>Total Expenses</b>	<b>\$ 13,616,466</b>	<b>\$ 5,898,055</b>	<b>\$ 7,086,003</b>	<b>\$ 26,400,534</b>	<b>\$ 3,057,464</b>	<b>\$ 247,440</b>	<b>\$ 28,706,438</b>

The following is a summary of functional expenses for the year ended December 31, 2021:

	Program Services				Management and General	Fundraising	Total
	Independent		Health Center	Total			
	Living	Assisted Living					
Salaries and Wages	\$ 3,522,188	\$ 2,735,621	\$ 3,723,873	\$ 9,981,792	\$ 1,828,822	\$ 188,129	\$ 11,998,743
Employee Benefits	824,615	543,776	712,288	2,080,679	156,954	19,729	2,257,362
Payroll Taxes	254,727	200,012	275,432	730,171	115,165	13,931	859,287
Activities	28,711	11,874	8,109	48,694	6,822	5,198	60,814
Advertising and Promotion	463,285	3,049	2,567	468,901	172,813	25,937	667,321
Dietary	834,683	510,413	429,422	1,774,498	-	-	1,774,498
Therapy	-	84,541	71,254	155,795	-	-	155,795
Professional Fees	317	45,506	38,312	84,135	185,316	-	270,451
Training	4,431	3,336	4,719	12,486	11,199	129	23,814
Travel	926	62	5,989	6,977	2,834	2	9,813
Occupancy / Utilities	1,052,788	178,500	188,223	1,389,511	24,995	-	1,414,507
Outside Services	214,887	53,787	46,064	314,738	587,577	-	882,315
Office Supplies	9,963	4,827	4,705	19,495	51,367	16,820	87,482
Other Expenses	896,533	204,528	366,665	1,467,747	70,358	248	1,538,351
Interest	726,272	99,471	109,487	935,230	-	-	935,230
Depreciation	4,384,817	600,623	680,992	5,646,132	-	-	5,646,132
Bad Debt Expense	-	-	-	-	-	-	-
Fellowship Assistance	87,479	71,691	-	159,169	-	-	159,169
Other Fund Expenses	76,870	21,107	22,578	120,554	2,965	373	123,892
<b>Total Expenses</b>	<b>\$ 13,383,281</b>	<b>\$ 5,372,625</b>	<b>\$ 6,640,799</b>	<b>\$ 25,396,704</b>	<b>\$ 3,198,268</b>	<b>\$ 269,964</b>	<b>\$ 28,664,936</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 include salaries and wages, payroll taxes, and activities which are allocated according to the proportion of resident census in the three separate residential areas; Employee benefits are allocated according to the proportional share of employee full-time equivalents. Dietary is allocated using the proportion of total number of meals served in the three areas of care. Interest and depreciation are allocated on the basis of square footage. Certain other expenses are allocated using the above noted methodologies or a combination thereof.

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATING BALANCE SHEET**  
**DECEMBER 31, 2022**

<b>ASSETS</b>	<u>Westminster- Canterbury</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	\$ 1,257,115	\$ 381,722	\$ -	\$ 1,638,837
Accounts Receivable - Residents, Net	752,395	-	-	752,395
Advance Fees Receivable	174,466	-	-	174,466
Current Portion of Assets Limited as to Use	4,333,699	-	-	4,333,699
Other Current Assets	1,023,983	(177,362)	-	846,621
<b>Total Current Assets</b>	<u>7,541,658</u>	<u>204,360</u>	<u>-</u>	<u>7,746,018</u>
<b>PROPERTY AND EQUIPMENT, NET</b>	91,898,603	-	-	91,898,603
<b>OTHER ASSETS</b>				
Long-Term Investments	39,797,990	8,491,154	-	48,289,144
Restricted Investments	55,568	1,580,065	-	1,635,633
Interest Rate Swap Asset	3,439,163	-	-	3,439,163
Other Long-Term Assets	88,663	-	-	88,663
<b>Total Other Assets</b>	<u>43,381,384</u>	<u>10,071,219</u>	<u>-</u>	<u>53,452,603</u>
<b>Total Assets</b>	<u>\$ 142,821,645</u>	<u>\$ 10,275,579</u>	<u>\$ -</u>	<u>\$ 153,097,224</u>

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATING BALANCE SHEET (CONTINUED)**  
**DECEMBER 31, 2022**

<b>LIABILITIES AND NET ASSETS</b>	<u>Westminster- Canterbury</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>Consolidated</u>
<b>CURRENT LIABILITIES</b>				
Accounts Payable and Accrued Expenses	\$ 5,936,704	\$ 36,986	\$ -	\$ 5,973,690
Accrued Bond Interest Payable	129,567	-	-	129,567
Resident Deposits	4,333,699	-	-	4,333,699
Current Portion of Refundable Entrance Fees	486,590	-	-	486,590
Current Maturities of Long-Term Debt	2,152,138	-	-	2,152,138
Total Current Liabilities	<u>13,038,698</u>	<u>36,986</u>	<u>-</u>	<u>13,075,684</u>
<b>OTHER LIABILITIES</b>				
Long-Term Debt, Less Current Maturities	47,059,013	-	-	47,059,013
Refundable Advance Admission Deposits	4,074,072	-	-	4,074,072
Deferred Revenue from Advance Fees	54,954,634	-	-	54,954,634
Interest Rate Swap Liability	-	-	-	-
Total Other Liabilities	<u>106,087,719</u>	<u>-</u>	<u>-</u>	<u>106,087,719</u>
Total Liabilities	119,126,417	36,986	-	119,163,403
<b>NET ASSETS</b>				
Without Donor Restrictions				
Undesignated	23,641,503	988,576	-	24,630,079
Designated by Board for Endowment	-	1,000,000	-	1,000,000
Total Net Assets Without Donor Restrictions	<u>23,641,503</u>	<u>1,988,576</u>	<u>-</u>	<u>25,630,079</u>
With Donor Restrictions	53,725	8,250,017	-	8,303,742
Total Net Assets	<u>23,695,228</u>	<u>10,238,593</u>	<u>-</u>	<u>33,933,821</u>
Total Liabilities and Net Assets	<u>\$ 142,821,645</u>	<u>\$ 10,275,579</u>	<u>\$ -</u>	<u>\$ 153,097,224</u>

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.**  
**DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY**  
**CONSOLIDATING STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2022**

	Westminster- Canterbury	Foundation	Eliminations	Consolidated
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Monthly Resident Fees	\$ 13,112,781	\$ -	\$ -	\$ 13,112,781
Amortization of Deferred Revenue from Advance Fees	7,738,887	-	-	7,738,887
Health Care Services	4,106,282	-	-	4,106,282
Assisted Living Services	3,163,208	-	-	3,163,208
Contributions	(10,836)	45,746	-	34,910
Net Assets Released from Restrictions for Operations	-	313,731	-	313,731
Other	1,091,360	-	-	1,091,360
Total Revenue, Gains, and Other Support	<u>29,201,682</u>	<u>359,477</u>	<u>-</u>	<u>29,561,159</u>
<b>EXPENSES</b>				
Health Care Services	6,894,151	-	-	6,894,151
Dining Services	4,334,076	-	-	4,334,076
Environmental Services	3,033,047	-	-	3,033,047
Housekeeping and Laundry	1,376,201	-	-	1,376,201
Resident Services	946,279	-	-	946,279
General and Administrative	5,609,711	-	-	5,609,711
Marketing	805,887	-	-	805,887
Depreciation	5,640,928	-	-	5,640,928
Interest	747,005	-	-	747,005
Fellowship Assistance	-	217,351	-	217,351
Other Fund Expenses	-	100,822	-	100,822
Total Expenses	<u>29,387,265</u>	<u>318,173</u>	<u>-</u>	<u>29,705,438</u>
<b>OPERATING INCOME (LOSS)</b>	(185,583)	41,304	-	(144,279)
<b>NONOPERATING INCOME (LOSS)</b>				
Investment Return , Net	1,565,589	20,250	-	1,585,839
Change in Unrealized Gains on Investments	(5,701,477)	(135,323)	-	(5,836,800)
Unrealized Loss on Interest Rate Swap	3,843,660	-	-	3,843,660
Loss on Refinancing of Long-Term Debt	-	-	-	-
Endowment Fund Contributions	5,000	-	-	5,000
Gain on Disposal of Property and Equipment	88,966	-	-	88,966
Total Nonoperating Income (Loss)	<u>(198,262)</u>	<u>(115,073)</u>	<u>-</u>	<u>(313,335)</u>
<b>EXCESS (DEFICIT) OF REVENUES, GAINS, AND OTHER SUPPORT OVER (UNDER) EXPENSES</b>	(383,845)	(73,769)	-	(457,614)
<b>OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>				
Net Assets Released from Restrictions for Capital	-	134,945	-	134,945
Transfer (to) from Affiliates	155,800	(155,800)	-	-
Total Other Changes	<u>155,800</u>	<u>(20,855)</u>	<u>-</u>	<u>134,945</u>
Change in Net Assets Without Donor Restrictions	<u>\$ (228,045)</u>	<u>\$ (94,624)</u>	<u>\$ -</u>	<u>\$ (322,669)</u>

**WESTMINSTER-CANTERBURY OF WINCHESTER, INC.  
DBA: SHENANDOAH VALLEY WESTMINSTER-CANTERBURY AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED DECEMBER 31, 2022**

	Westminster- Canterbury	Foundation	Eliminations	Consolidated
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>				
Excess (Deficit) of Revenues, Gains, and Other Support Over (Under) Expenses	\$ (383,845)	\$ (73,789)	\$ -	\$ (457,614)
Other Changes in Net Assets	165,800	(20,855)	-	134,945
Change in Net Assets Without Donor Restrictions	<u>(228,045)</u>	<u>(94,624)</u>	<u>-</u>	<u>(322,669)</u>
<b>NET ASSETS WITH DONOR RESTRICTIONS</b>				
Contributions	10,836	300,301	-	311,137
Net Assets Released from Restrictions for Operations	-	(313,731)	-	(313,731)
Net Assets Released from Restrictions for Capital	-	(134,945)	-	(134,945)
Investment Return, Net	831	313,000.00	-	313,831
Change in Unrealized Gains (Losses) on Investments	(10,896)	(1,790,754)	-	(1,801,650)
Change in Net Assets With Donor Restrictions	<u>771</u>	<u>(1,626,129)</u>	<u>-</u>	<u>(1,625,358)</u>
<b>CHANGE IN NET ASSETS</b>	<u>(227,274)</u>	<u>(1,720,753)</u>	<u>-</u>	<u>(1,948,027)</u>
Net Assets - Beginning of Year	<u>23,922,502</u>	<u>11,959,346</u>	<u>-</u>	<u>35,881,848</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 23,695,228</u>	<u>\$ 10,238,593</u>	<u>\$ -</u>	<u>\$ 33,933,821</u>

**Westminster-Canterbury of Winchester, Inc.**  
**T/A Shenandoah Valley Westminster-Canterbury**

**Comparison Between the Pro-forma Income Statement and the Actual Results  
of Operations for the Year Ending December 31, 2022**

	2022	2022	Over (Under)	%
	Actual	Budget	Budget	Diff
<b>REVENUE</b>				
Monthly Resident Fees	\$ 13,112,781	\$ 13,441,453	\$ (328,672)	(2.4%)
Amortization of Deferred Revenue from Advanced Fees	7,738,887	7,522,797	216,090	2.9%
Health Care Services	4,106,282	3,870,684	235,598	6.1%
Assisted Living Services	3,163,208	3,133,013	30,195	1.0%
Contributions	34,910	-	34,910	0.0%
Net Assets Released from Restrictions	313,731	305,000	8,731	2.9%
Other	1,091,360	1,072,268	19,092	1.8%
Total Revenue	<u>29,561,159</u>	<u>29,345,215</u>	<u>215,944</u>	<u>0.7%</u>
<b>EXPENSES</b>				
Health Care Services	6,894,151	6,155,585	738,566	12.0%
Dining Services	4,334,076	4,478,800	(144,724)	(3.2%)
Environmental Services	3,033,047	2,932,323	100,724	3.4%
Housekeeping and Laundry	1,376,201	1,347,090	29,111	2.2%
Resident Services	946,279	984,899	(38,620)	(3.9%)
General and Administrative	5,609,711	5,532,850	76,861	1.4%
Marketing	805,867	884,189	(78,322)	(8.9%)
Depreciation and Amortization	5,640,928	5,935,622	(294,694)	(5.0%)
Interest	747,005	693,951	53,054	7.6%
Bad Debt Expense	-	-	-	0.0%
Fellowship Assistance/other fund expenses	318,173	305,000	13,173	4.3%
Total Expenses	<u>29,705,438</u>	<u>29,250,309</u>	<u>455,129</u>	<u>1.6%</u>
<b>OPERATING INCOME</b>	(144,279)	94,906	(239,185)	(252.0%)
<b>NONOPERATING INCOME</b>				
Investment Return, Net	1,585,839	621,000	964,839	155.4%
Change in Unrealized (Loss) on Investments	(5,836,800)	-	(5,836,800)	0.0%
Unrealized Gain on Interest Rate Swap	3,843,660	-	3,843,660	0.0%
Endowment Fund Contributions	5,000	-	5,000	0.0%
Gain on Disposal of Property and Equipment	88,966	-	88,966	0.0%
Total Nonoperating Income	<u>(313,335)</u>	<u>621,000</u>	<u>(934,335)</u>	<u>124.7%</u>
<b>EXCESS OF REVENUES, GAINS AND OTHER SUPPORT OVER EXPENSES</b>	<u>(457,614)</u>	<u>715,906</u>	<u>(1,173,520)</u>	<u>(163.9%)</u>
<b>OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>				
Net Assets Released from Restrictions for Capital	134,945	-	134,945	0.0%
<b>Total Change in Net Assets Without Donor Restricti</b>	<u>\$ (322,669)</u>	<u>\$ 715,906</u>	<u>\$ (1,038,575)</u>	<u>(145.1%)</u>

**Westminster-Canterbury of Winchester, Inc.**  
**T/A Shenandoah Valley Westminster-Canterbury**

**Comparison Between the Actual Results of Operations for the Years Ending  
December 31, 2022 and December 31, 2021**

	2022	2021	Over (Under)	%
	Actual	Actual		Diff
<b>REVENUE</b>				
Monthly Resident Fees	\$ 13,112,781	\$ 12,905,942	\$ 206,839	1.6%
Amortization of Deferred Revenue from Advanced Fees	7,738,887	7,545,101	193,786	2.6%
Health Care Services	4,106,282	3,403,436	702,846	20.7%
Assisted Living Services	3,163,208	2,856,666	306,542	10.7%
Contributions	34,910	111,399	(76,489)	(68.7%)
Net Assets Released from Restrictions for Operations	313,731	225,602	88,129	39.1%
Other	1,091,360	3,479,835	(2,388,475)	(68.6%)
Total Revenue, Gains and Other Support	29,561,159	30,527,981	(966,822)	(3.2%)
<b>EXPENSES</b>				
Health Care Services	6,894,151	6,495,446	398,705	6.1%
Dining Services	4,334,076	4,241,339	92,737	2.2%
Environmental Services	3,033,047	2,813,398	219,649	7.8%
Housekeeping and Laundry	1,376,201	1,228,547	147,654	12.0%
Resident Services	946,279	1,118,919	(172,640)	(15.4%)
General and Administrative	5,609,711	5,568,566	41,145	0.7%
Marketing	805,867	534,318	271,549	50.8%
Depreciation and Amortization	5,640,928	5,646,132	(5,204)	(0.1%)
Interest	747,005	935,230	(188,225)	(20.1%)
Fellowship Assistance	217,351	159,169	58,182	36.6%
Other Fund Expenses	100,822	123,892	(23,070)	(18.6%)
Total Expenses	29,705,438	28,864,956	840,482	0.0%
<b>OPERATING INCOME (LOSS)</b>	(144,279)	1,663,025	(1,807,304)	(108.7%)
<b>NONOPERATING INCOME (LOSS)</b>				
Investment Return (Loss), Net	1,585,839	2,743,951	(1,158,112)	(42.2%)
Change in Unrealized Gain (Loss) on Investments	(5,836,800)	1,195,354	(7,032,154)	(588.3%)
Unrealized Gain / (Loss) on Interest Rate Swap	3,843,660	(404,498)	4,248,158	(1050.2%)
Loss on Refunding of Long-Term Debt	-	(1,467,951)	1,467,951	(100.0%)
Endowment Fund Contribution	5,000	-	5,000	0.0%
Gain on Disposal of Property and Equipment	88,966	-	88,966	0.0%
Total Nonoperating Income (Loss)	(313,335)	2,066,856	(2,380,191)	(115.2%)
<b>EXCESS (DEFICIT) OF REVENUES, GAINS, AND OTHER SUPPORT OVER (UNDER) EXPENSES</b>	(457,614)	3,729,881	(4,187,495)	(112.3%)
<b>OTHER CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>				
Net Assets Released from Restrictions for Capital	134,945	-	134,945	0.0%
Total Change in Net Assets Without Donor Restrictions	\$ (322,669)	\$ 3,729,881	\$ (4,052,550)	(108.7%)

**Westminster-Canterbury of Winchester, Inc.**  
**T/A Shenandoah Valley Westminster -Canterbury**  
**Summary of Financial Information**  
**December 31, 2022 and December 31, 2021**

	<u>2022</u>	<u>2021</u>
<b>Total Assets</b>	\$ 153,097,224	\$ 133,430,045
<b>Total Liabilities</b>	119,163,403	97,548,197
<b>Total Net Assets</b>	33,933,821	35,881,848
<b>Total Revenues</b>	29,561,159	30,527,981
<b>Total Expenses</b>	29,705,438	28,864,956
<b>Operating Income</b>	(144,279)	1,663,025
<b>Net Income (Loss)</b>	\$ (322,669)	\$ 3,729,881

**Narrative on financial condition:**

Shenandoah Valley Westminster-Canterbury's (SVWC) *Operating (Loss)*, for 12/31/2022, is reported as \$(144,279), a decrease of \$(1.8M) from the prior year's *Operating Income* of \$1.7M. Income from all 3 levels of care, combined, increased by \$1.2M or 6.3% in 2022. Improved occupancy in SVWC's nursing facility and higher revenue from Therapy Services were the main factors for the increase. *Amortization of Deferred Revenue from Entrance Fees* reported \$194K more in 2022 compared to 2021. During the fiscal year end, 2021, the Small Business Administration forgave SVWC's Payroll Protection Plan loan or PPP loan. Generally Accepted Accounting Policies, or GAAP, requires forgiven debt to be reported as Income. SVWC's PPP loan amounted to \$2,367,800 and was reported as *Other Income* resulting in \$3.5M reported for 12/31/2021 significantly more than the amount reported 12/31/2022, \$1.1M, a difference of \$(2.4M).

*Total Expenses* increased by 2.9% or \$840,000 in 2022 with the majority of the increase coming from *Health Care Services*, \$545K; *Dining Services*, \$89K; *Resident Services*, \$50K; and *General & Administrative*, \$57K. The increase in *Health Care Services* was due to nurse agency staffing costs. Inflationary increases in food, were responsible for the higher costs in *Dining Services*, while higher costs associated with SVWC's health insurance plan was the main contributor to the increase in *General & Administrative*.

*Investment Income, net* in 2022 of \$1.6M, was significantly reduced by the \$(5.8)M *Change in Unrealized (Loss) on Investments*. This combined Non-Operating (Loss) of \$(4.3M) was increased by a reported \$3.8M *Unrealized Gain on Interest Rate Swap*. All combined, SVWC reported *Total Nonoperating (Loss)* of \$(313K) in 2022 compared to *Nonoperating Income* of \$2.1M for 2021. When combined with SVWC's *Operating (Loss)* of \$(144K), the result is *(Deficit) of Revenues, Gains, and Other Support (Under) Expenses* of \$(458K) compared to \$3.7M reported a year ago, a decrease of \$(4.2M) or (112.3%).

<b>Occupancy Information:</b>	<b>Capacity of Units</b>	<b>Average Occupancy 2022</b>	<b>Percentage Occupancy 12/31/2022</b>
<b>Independent Living</b>	214	200.1	90.7%
<b>Assisted Living</b>	60	52.1	86.7%
<b>Healthcare</b>	51	45.6	96.1%