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# **Our Core Purpose**

is to create evolving, vibrant communities.

# **Our Values**

Pursuing EXCELLENCE means being satisfied with no less than the highest goals we can envision. The employees of Canterbury Woods encompass all our Core Values.

**Accountability** 

Communication

**Innovation** 

**Passion** 

Respect

**Teamwork** 

# **Our Vision**

To be the preeminent organization in Western New York, continuously defining senior community living.



ROB WALLACE
President & CEO



JOE SPETH Board Chair

2022 marked a return to normalcy within our organization, or maybe better stated the "new normal" that all of society and business continues to adjust to as we move to a post Covid pandemic world. The beginning of the year was in baby steps as our residents, staff, and much of society struggled to define what living safely now means. At Canterbury Woods, most residents and staff either fell into the hyper safe mask wearing camp or the we are done with all this camp. Our management challenge was to try to be sensitive to both while navigating between the two.

What we quickly experienced for Canterbury Woods is that the vaccine works. People, residents and staff, got sick with Covid. But with a mortality rate akin to the normal flu, 99 percent got better. Despite these vaccine efficacy facts playing out, it took at least 6 months into 2022 before most of our residents believed and trusted this reality. Who can blame anyone from being wary? Especially those of us who have experienced firsthand the deadly effects of the Covid virus on the elderly and frail. By the last few months of 2022 even the few still demanding universal masking within our communities had relented.

Moving ever forward, Canterbury Woods made some changes both aesthetically and operationally in 2022. All four main community bathrooms on our Williamsville campus were completely renovated. Our private dining room was redecorated and our library was reimagined to also include the resident computer room. The marketing suite project was started in late 2022, consisting of a complete re-do of that space along with the addition of digital technology for use in the marketing and sales process. This was the first upgrade to these spaces since 2008. Operationally, after three plus years under Sodexo dining services management, we terminated that contract in June. It was a tough experiment with outsourcing dining management, especially through Covid, but we all agree that we do it better ourselves!

The planned TM Montante building on the 1299 parcel had always been a troublesome possibility for Canterbury Woods Gates Circle. At the planned same height as our building, and with a proximity that changed the site lines and even values of all our living units on the south side, the long term marketing challenges around this development would have been difficult and long lasting. Thus, the acquisition of this property was always a target. In April of 2022, we finally got the call that TM Montante wanted to settle our ongoing lawsuits and the acquisition of 1299 was on the table.

The final settlement with TM Montante was remarkably simple. In the end, we acquired 1299 Delaware for the money owed to us from the Brownfield tax credit lawsuit, and an agreement to drop all our pending lawsuits and claims. This acquisition solidifies the long term success of Canterbury Woods Gates Circle. I love it when a plan comes together!

In 2022, we continued to be firm in our commitment to outstanding affordable housing. After agreeing to purchase Shaarey Zedek from the, now defunct, former temple we were faced with a very large tax bill that needed to be forgiven in order for us to take control. Through effective public relations and lobbying, we were able to win a unanimous November vote by the Erie County Legislature to completely forgive that tax bill. Episcopal Community Housing Development Organization (ECHODO) should assume formal ownership of Shaarey Zedek sometime in the first quarter of 2023. The ECHODO has also agreed to assume ownership control of St. Mark's Manor. The extensive legal work for this acquisition commenced in late 2022. Finally, although our 2022 application for the

\$25 million dollar expansion of St. Paul's place was rejected by New York State Department of Housing and Community Renewal, we feel great about our plan with this project. We are working on some alternative and additional funding sources with the goal of strengthening our next application.

Our current Strategic Plan commits our organization to the principle that "Inclusion and diversity are role-modeled, practiced and supported by managers, supervisors and employees". The principles of diversity, equity, and inclusion are particularly poignant to our greater community in the wake of the hateful tragedy inflicted on Western New York in May of 2022. Our organization recognizes that we all can and must be better.

ECH&A and Canterbury Woods are about people taking care of people. And about 45% of our people, employees, identify with a minority group. Without this diversity, we would not be able to meet our Vision or our Core Purpose. Without this diversity, we would not be excellent at anything we aspire to do.

True to our Strategic Plan, in 2022 we engaged a Diversity, Equity, and Inclusion consultant to help us understand and identify where we can be better. The consultant held several focus groups with staff members, the leadership team, and the Board of Directors. She asked poignant questions and she made us stop and think.

Like seemingly all employers in 2022, Canterbury struggled mightily to fill open employment positions and suffered an erosion of customer service and trust as a result. This problem was most acutely felt in dining services and our housekeeping staff. Our paradigm shift in the recruitment process came after a conversation with Jewish Family Services about the ability to hire refugees. With potential employees available through this agency, we made calculated choices to remove the barriers of language and transportation from our decision making process. As a result, we have hired an entire family of 5 from the Congo, a family of 2 from El Salvador, and a gentlemen from Sri Lanka. We provide and pay for language support and we transport them to work and home each day ourselves. This paradigm shift has so far been a resounding success and these wonderful people are fully engaged in our culture and after almost a year are all still here!

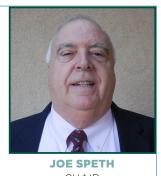
In her report, our consultant identified this commitment to innovative hiring as a best practice, while also giving us a road map to consider as we look to continue to build upon our commitments to diversity, equity, and inclusion. Our initial task is to educate and instill these principles with all our employees, through new hire orientation and ongoing inservice training. These are the first steps of many.

Our current Strategic Plan also commits us to "Respond to strategic acquisition opportunities that support our Core Purpose". One such opportunity, the potential acquisition of The Harborside came out of nowhere. But frankly, these come to us because we are uniquely positioned among the other CCRC organizations in New York State to be able to consider such difficult projects or acquisitions. Canterbury Woods is far and away, financially, the strongest CCRC in the state. Our reputation is such that lending institutions, consultants, and other providers seek us out to provide both consul and possible intervention when these types of opportunities present themselves.

The brand and organizational strength of Canterbury Woods shown through again in 2022. The 14 sales at Gates Circle was second only to 2017, the year we opened. At one point in May, we were sold out at that community! We outsold turnover at Williamsville and our overall occupancy, counting both communities, was over 95% for the year. This was incredible considering our size, the unpredictability of turnovers and the fact that 95% is considered full in the CCRC industry.

We know the operational and financial challenges of running this sized company in 2022. Inflationary costs as a whole were up 16% in Western New York. Food costs, the second largest part of our budget, increased by 25% last year. Salary and wage pressures necessitated average positional increases of about 15% from 2021 through 2022. Yet despite these challenges, Canterbury Woods recorded an unaudited profit of \$1.75 million dollars, beating budget by over \$500K. In addition, our positive cash flow in 2022 was \$11.2 million dollars, a new high.

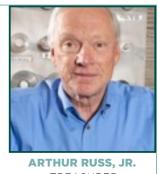
Our year ended with the "generational" storm of 2022. As we know, unlike most businesses, Canterbury Woods cannot merely close its doors and wait for the storm to pass. We have to continue to feed about 600 residents and staff each day. We have to respond to emergencies, and keep our campuses safe. We have to provide skilled nursing and assisted living care to 90 of our most vulnerable residents. It was through the heroic efforts of dozens of our staff members, many of whom were at our campuses for more than 36 hours in a row, sleeping on floors and away from their own families on Christmas, that we were able to continue to maintain high levels of care and services to our residents during this emergency. In 2022, our "new normal" turned out to be pretty normal for ECH&A and Canterbury Woods. We continued to follow our plans, be creative, growing and improving along the way. Great employees continue to be the foundation of our success and it's because of them that we continue to be a benchmark organization for housing, care and senior living.



CHAIR



**CAROL SALVATORE** VICE CHAIR



**TREASURER** 



**SECRETARY** 









**RHONDA FREDERICK** DIRECTOR

2022 Ex-Officio Board of Directors

THE RT. REV. SEAN ROWE

EX-OFFICIO DIRECTOR. BISHOP OF THE DIOCESE OF WESTERN NEW YORK

#### **TOM HOBART**

EX-OFFICIO DIRECTOR, RESIDENT COUNCIL CHAIR

# 2022 Episcopal Church Home Foundation of Western New York, Inc. Trustees



**HOWARD GONDREE** TRUSTEE CHAIR



**THOMAS LUNT** TRUSTEE



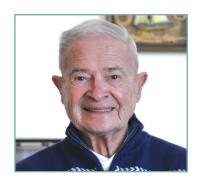
**AMY BARD** TRUSTEE



**ROBERT GREENE** TRUSTEE



**ANNE RYAN** TRUSTEE



TOM HOBART CHAIR



MEENA RUSTGI VICE CHAIR



JANET ZEHR
SECRETARY



TERRI COLSON
TREASURER



RON JENSEN COUNCIL



MARLENE PERADOTTO

COUNCIL



MARY LOU RATH
COUNCIL



JOAN SANFORD
COUNCIL



MARCIA SNYDER COUNCIL



TOM WEBER
COUNCIL

# **2022 Resident Committees**

Budget and Finance
Building, Maintenance, Housekeeping, Safety & Wellness
Dining Services • Fund Management Advisory
Grounds & Landscaping
Library • Marketing
Nominations & Elections



# 2022 Leadership Team

LEFT TO RIGHT

#### **JIM JULIANO**

CHIEF FINANCIAL OFFICER

#### **ISADORE DEMARCO**

**ADMINISTRATOR** 

## **PAUL CAMPISE**

ASSOCIATE EXECUTIVE DIRECTOR

#### **ROB WALLACE**

PRESIDENT AND CEO

#### **NANCY ZALESKI**

ADMINISTRATIVE SERVICES MANAGER

#### **NENETTE DE ASIS-PIDDISI**

HUMAN RESOURCES DIRECTOR

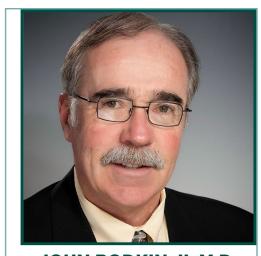
#### LYNDA MARINO

MARKETING DIRECTOR

NOT PICTURED

#### **MICHAEL MARRONE**

DEVELOPMENT DIRECTOR



JOHN BODKIN, II, M.D. MEDICAL DIRECTOR

## Review by James J. Juliano, Chief Financial Officer

#### **GENERAL COMMENTS**

Our residents and prospective residents are ever mindful of their individual financial circumstances and they demand that same level of thoughtful stewardship over the financial affairs of Canterbury Woods.

At Canterbury Woods, we take this stewardship obligation seriously and have worked aggressively to control our costs and pass those savings on to our residents. Over the last ten years, annual increases in monthly fees have averaged just 3.0%. Even with these modest rate increases, Canterbury Woods continues to maintain the highest standards of care and service our residents expect and deserve.

Our residents have trusted us with their financial well-being. We honor that trust and are committed to providing our residents with peace of mind, knowing their investment in Canterbury Woods is safe and secure.

#### PERFORMANCE HIGHLIGHTS

#### **Operating Results and Inflationary Pressures**

It goes without saying the emergence of COVID-19 during 2020 presented unprecedented challenges to seniors and Continuing Care Retirement Communities (CCRCs) across the country. The challenges of the pandemic lingered throughout 2022, as broad-based cost inflation continued. According to the Bureau of Labor Statistics, over the 12 months from December 2021 to December 2022, the Consumer Price Index for All Urban Consumers (CPI-U) rose 6.5 percent, with certain cost categories like food and utilities recording even higher rates of increase. These pressures, combined with a tight labor market, resulted in substantial increases in Canterbury's salaries and wages, food costs, utilities and other expenses. Despite these pressures, the company recorded a strong operating profit during 2022, recognizing income from operations of \$1.99 million. Canterbury Woods also leveraged its financial strength to mitigate the impact of inflation on our residents. More specifically, Canterbury Woods' annual fee increases since the start of the COVID pandemic averaged only 3.3%, well below the increase in consumer prices during that time.

#### **Canterbury Woods Cash and Investments**

Canterbury Woods' investment program carefully balances a desire for long-term investment growth against our tradition of safeguarding our residents' investment in us. During 2022, stock market declines resulted in a net loss on Canterbury's cash and investment portfolio of approximately \$3.3 million. Despite this, Canterbury Woods' combined cash and investments hit a record high of \$56.7 million at December 31, 2022, largely due to robust apartment sales and entrance fee receipts.

## **Operating Cash Flows**

During 2022 and 2021, Canterbury Woods generated \$11.9 and \$7.5 million of cash flows from operations, respectively. The ability to generate positive operating cash inflows are a critical measure of financial performance in any going concern and our history clearly demonstrates the company's financial strength. Canterbury Woods' operating cash flows were used to protect our residents during the ongoing pandemic, pay down debt, invest in campus renovations, and to pay refunds timely.

#### **Entrance Fee Receipts and Refunds**

For 2022, Canterbury's marketing team collected more than \$23.0 million in entrance fees, a record for a non-fill-up year! These remarkable sales figures in a challenging economy are a direct result of our excellent reputation in Western New York and our commitment to our core purpose of creating evolving, vibrant communities like Canterbury Woods Gates Circle.

During calendar 2022, Canterbury Woods also demonstrated its ability to live up to our commitment to pay resident refunds timely, paying out more than \$8.0 million in refunds before year end.

#### **Net Asset Deficiency**

Because of prevailing New York State Department of Financial Services regulations and Generally Accepted Accounting Principles, Canterbury Woods is unable to amortize significant portions of refundable entrance fees to income and has a net asset deficiency. This net asset deficiency is not a sign of financial stress. In fact, as discussed above, Canterbury Woods' financial condition is stronger today than it has ever been.

# YEARS ENDED DECEMBER, 31\*

(Dollars in Thousands)

ASSETS	2022	2021	
Cash and Investments	\$ 56,687	\$ 48,136	
Property, Plant and Equipment, Net	62,660	61,669	
Beneficial Interest in Net Assets of Foundation	2,632	2,836	
Other	3,695	4,262	
TOTAL ASSETS	\$125,674	\$116,903	
LIABILITIES AND NET ASSET DEFICIENCY	2022	2021	
Accounts Payable and Other Liabilities	<b>2022</b> \$ 1,816	<b>2021</b> \$ 1,304	
Accounts Payable and Other Liabilities	\$ 1,816	\$ 1,304	
Accounts Payable and Other Liabilities  Deferred and Refundable Entrance Fees	\$ 1,816 133,249	\$ 1,304 122,020	

### **CONDENSED STATEMENTS OF OPERATIONS AND CASH FLOWS**

YEARS ENDED DECEMBER, 31\*

(Dollars in Thousands)

2022

2021

**CONDENSED STATEMENTS OF OPERATIONS** 

Operating Revenues	\$ 27,846	\$	24,592	
Operating Expenses	25,860		23,433	
INCOME (LOSS) FROM OPERATIONS	1,986		1,159	
Unrealized (Losses) Gains on investments	(4,345)		1,893	
Other Non-Operating (Losses) Gains	106		176	
CHANGE IN NET ASSET DEFICIENCY WITHOUT DONOR RESTRICTIONS	\$ (2,253)	\$	3,228	
CONDENSED STATEMENTS OF CASH FLOWS	2022		2021	
Net Cash Provided by Operating Activities	\$ 11,973	\$	7,497	
Net Cash Used by Investing Activities	(18,910)		(2,158)	
Net Cash Used by Financing Activities	6,623		(1,186)	
Net (Decrease) Increase in Cash	(314)		4,153	
Cash and Cash Equivalents - Beginning of Year	28,499		24,346	
NET CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 28,185	\$2	28,499	

<sup>\*</sup> Condensation of financial statements audited by independent certified public accountants. The audit report may be found on our website at www.canterburywoods.org, or a copy may be obtained by contacting the Chief Financial Officer.

#### **FUND MANAGEMENT ADVISORY COMMITTEE**

Maintain and monitor the Eden Pathway Fund. The Eden Pathway provides the residents of Canterbury Woods with a place to honor the memory of a loved one, relative or friend. It also provides the opportunity to celebrate life by recognizing a significant event or honoring someone near and dear to your heart.

Maintain and monitor Resident Benevolence Fund. This fund has been established to provide financial assistance for residents of Canterbury Woods who cannot meet their monthly service fee obligations. On occasion some residents find, through no fault of their own, that unusual circumstances necessitate their requesting financial support.

Maintain and monitor Facilities Improvement Fund. This level is maintained utilizing the funds from the Capital Improvement Fund to purchase furniture, equipment, decorations, landscaping, etc. These purchases are considered to be above the customary maintenance of the community.

Maintain and monitor The Pastoral Fund. This fund provides interdenominational religious items and services solely for the benefit of the residents of Canterbury Woods and is restricted to such usage. If so desired, donations may be designated as memorials of loved ones or in honor of some special event.

# ADDITIONAL FUNDS MAINTAINED BY THE FINANCE DEPARTMENT

The Robert and Mary Spencer Life Long Learning Fund. This fund was established to provide a small pool of money for the purpose of purchasing educational learning materials to be used in classes that may provide opportunities for residents to expand their understanding of various areas of History, Science and The Arts.

The Unrestricted Fund. This fund consists of monies contributed to Canterbury Woods which have not been designated to any of the above funds, nor for any other specific purpose stated by the donor.

# 2022 Resident Fund Management Advisory Committee Members

DR. JUDITH SUTIN - CHAIR

MEENA RUSTGI

CAROLYN GIAMBRA

LUCY ROSENOW

RICHARD FREEMAN





#### **2022 FUND DONATIONS**

BENE	EVOL	<b>ENCE</b>	<b>FUND</b>
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Mrs. Rosalyn Algase

Mrs. Maria Bardos

Mrs. Betty Bowling

Mrs. Evelyn Cohen

Mr. Richard Cutting

Mr. and Mrs. Paul Friedman

Mrs. Rachel Fung

Mrs. Carolyn Giambra

Mrs. Aurea Leonard

Mrs. Kathy Mohney

Mr. Hinrich Martens

Mrs. Lenore Marx

Dr. Richard Munschauer

Mr. and Mrs. Robert Paganelli

Mrs. Claudia Reeves

Mr. and Mrs. Paul Roetling

Mr. Arthur Russ

Mrs. Irene Sikora

Mr. Marvin Suttel

Mrs. Florin Sweeney

Mr. Skip Torch

Mrs. Youn Wang

Mrs. Rosalind Weiss

Mrs. Traci Wrobel

#### **PASTORAL FUND**

Mrs. Helen Bowen

Mrs. Lenore Marx

Ms. Shirley O'Donnell

Mrs. Gertrude Schwab

Dr. Judith Sutin



#### **FACILITIES**

#### **IMPROVEMENT FUND**

Mrs. Neysa Davis

Dr. Judith Sutin

Mrs. Florin Sweeney

#### **EDEN PATHWAY**

Mr. and Mrs. Jerald Kuhn

Mrs. Ruth Miller

Mrs. Lillian Ungerleider

#### **COMMUNITY PROGRAM**

Canterbury Woods has a partnership with Read to Succeed Buffalo.

Their reading program helps develop and improve children's literacy skills.

Residents and staff participate by reading to the children at the Day Care Centers. Canterbury Woods also hosts events for the children throughout the year.





## **JULIE GUSTAFSON**

DEPARTMENT: Assisted Living Residence

POSITION: Resident Services Aide

Julie has been an instrumental part of our ongoing successes and the high level of service/quality of care provided to our residents. She is dedicated to our residents, families as well as co-workers each day. She is very reliable and someone that can always be counted on; consistently going above and beyond for the residents we serve.

She is often quite, going about her work on a day-to-day basis, providing consistency to the ALR setting for our residents as well as her co-workers. She also beings a great level of experience and expertise and we are fortunate to have her as part of our organization. It is truly appreciated by all!



## **COLLEEN SIEBER**

DEPARTMENT: Dining POSITION: Host/Waitstaff

You hear the term "dedicated employee" very often, it is somewhat cliché. When you look at what Coleen has done throughout her six-year career with CW, she is the consummate dedicated employee. Colleen has been through some tough times, COVID, staffing issues, management changes, through all she remained committed and dedicated to the organization, never complained about anything. Daily she deals with the duties and challenges of being a host, and daily she continues to provide a consistent level of customer service expected by residents. She is a great team player often helping wait staff bussing/ setting tables, passing drinks, etc. Colleen is very much respected and appreciated for all she does and very much deserves the honor of Employee of the Year.



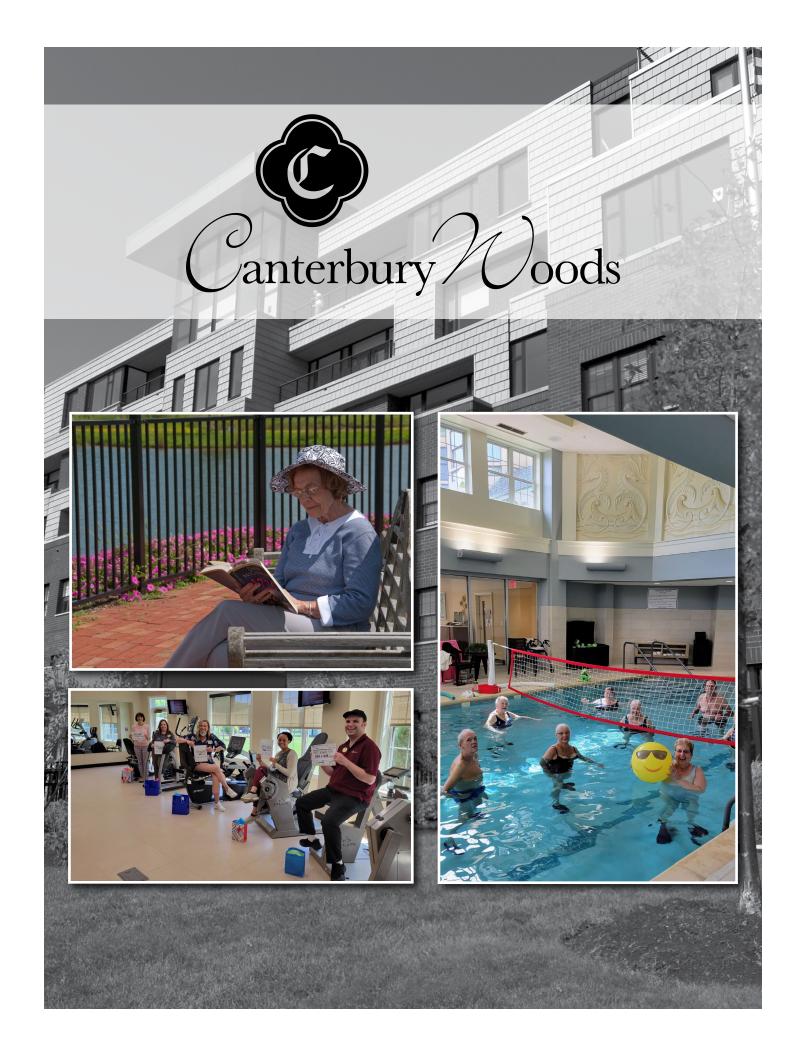
## TOM BEECHER

POSITION: Resident Volunteer of the Year

The Canterbury Woods Volunteer of the Year is Mr. Tom Beecher. Mr. Beecher is no stranger to volunteerism, having given so much of himself over many years in the service of others. Mr. Beecher is the former Chair of the Buffalo/Niagara Medical Campus as well as a former Trustee of Kaleida Health, Canisius High School, and the BPO, just to name a few. With Canterbury Woods, Mr. Beecher is an active member of the organizational Strategic Planning Committee. As such, Mr. Beecher contributes his time and talents towards issues such as acquisitions, diversity, equity, inclusion, and Board Governance. Mr. Beecher's experience in all areas of organizational development has been invaluable as Canterbury Woods continues to chart a positive course in the post-Covid health care world. Tom Beecher is a servant leader in every sense and Western New York and Canterbury Woods are better because of him.























**Canterbury Woods** 

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www.canterburywoods.org



**Canterbury Woods Gates Circle** 

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www.cwgatescircle.org