



January 31, 2024

Mr. Rich Wysocki  
Principal Cost Analyst  
Office of CON & Rate Setting  
State of Connecticut  
Department of Social Services  
55 Farmington Avenue  
Hartford, CT 06105-3724

Dear Rich:

Attached is a copy of Seabury At Home's Disclosure Statement, as required by Section 17B-528 of Connecticut General Statutes.

The changes in Seabury at Home's 2024 Disclosure Statement incorporate the following:

The Board of Directors' changes in membership have been reflected in **Section II Officers and Directors** and **Executive Management Team in Section III**.

**Section VIII Strategic Repositioning Plan on page 10 has been slightly updated to reflect current information about the Repositioning Plan.**

**Section XVII Financial Statements include the 2022-2023 audited and certified financial statements.**

**Section XVIII Pro Forma Income Statements have been updated to include projected income for three years.**

These are the only material changes to the Disclosure Statement from the January 2023 filing to our January 2024 filing.

If you have any questions, please do not hesitate to call.

Sincerely,

Renée J. Bernasconi, MBA, LNHA  
President & CEO

200 SEABURY DRIVE, BLOOMFIELD, CT 06002 **PHONE** (860) 286-0243 **FAX** (860) 242-4552 **WEBSITE**  
[WWW.SEABURLIFE.ORG](http://WWW.SEABURLIFE.ORG) **EMAIL** [INFO@SEABURLIFE.ORG](mailto:INFO@SEABURLIFE.ORG)



ACKNOWLEDGMENT OF RECEIPT



DISCLOSURE STATEMENT

PERSUANT TO CONNECTICUT STATUTE 17b-522. EFFECTIVE JULY 1, 1998, THE FOLLOWING NOTICE MUST BE PROVIDED BEFORE THE SIGNING OF A LIFE PLAN AGREEMENT (FORMERLY KNOWN AS A-CONTINUING CARE AGREEMENT)

A Life Plan Contract (formerly known as a Continuing Care Contract) is a financial investment, and your investment may be at risk. Seabury At Home's ability to meet its contractual obligations under such contract depends on Seabury At Home's financial performance. We advise you to consult an attorney or other professional experienced in matters relating to investment in Life Plan Communities before you sign a Life Plan Contract (Continuing Care Contract). The department of Social Services does not guarantee the security of your investment.

I acknowledge that I have reviewed the above statement, as well as the Disclosure Statement, and the Life Plan Agreement (Continuing Care Agreement).

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



# **DISCLOSURE STATEMENT**

## **SEABURY AT HOME**

**Sponsored by**

**Seabury, Incorporated**

**January 2024**

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DEPARTMENT OF SOCIAL SERVICES OR THE STATE OF CONNECTICUT, NOR DOES SUCH REGISTRATION EVIDENCE THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT.



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### Appendix: (Exhibits Updated as Required)

- Exhibit A Life Plan Agreement (Continuing Care Agreement)
- Exhibit B Audited Financial Statements, including two previous years
- Exhibit C Pro Forma Income Statements
- Exhibit D Entrance Fees/Periodic Charges
- Exhibit E Payment Plans
- Exhibit F Statement of Actuarial Opinion



**I. NAME AND ADDRESS OF PROVIDER**

**SEABURY AT HOME INCORPORATED**

200 Seabury Drive  
Bloomfield, CT 06002

A NOT-FOR-PROFIT, NON-STOCK CONNECTICUT CORPORATION

**Parent Corporation**

**SEABURY, INCORPORATED**

**VISION**

To Revolutionize the Experience of Aging.

**MISSION**

Seabury Enhances Lives.

**VALUES STATEMENT**

*We realize our mission by honoring the past while engaging in the present and planning for the future. To provide the highest quality of life (physical, spiritual, and emotional) for residents, employees, and other community Members, we are guided by a philosophy of wellness, compassion, and financial assistance so people may lead their lives with dignity and joy. We follow the Five-Star service standards in addition to striving for the best stewardship of our resources and the environment. Revolutionizing the experience of aging requires action, and we work ceaselessly to achieve our goals.*

## II. OFFICERS AND DIRECTORS

Church Home of Hartford, Incorporated, a non-profit corporation affiliated with the Episcopal Church in Connecticut, was established in 1876 as a retirement home for women. Seabury, Incorporated/Church Home’s Board of Directors, who are responsible for managing Seabury, is listed below. No individuals or other entities hold any ownership interest in the corporation.

### BOARD OF DIRECTORS

|   |  |
|---|--|
| <p><b>The Right Rev. Jeffrey Mello</b><br/> <b>Ecclesiastical Authority</b><br/>         Episcopal Diocesan House<br/>         290 Pratt Street, Box 52<br/>         Meriden, CT 06450<br/>         E-mail: <a href="mailto:jmello@episcopalct.org">jmello@episcopalct.org</a></p>                          | <p><b>BISHOP’S REPRESENTATIVE, Ex Officio</b><br/> <b>The Reverend Anne Fraley</b><br/>         St. Peter’s Episcopal Church<br/>         99 Sand Hill Road<br/>         South Windsor, CT 06074<br/>         E-mail: <a href="mailto:wolfdance9@gmail.com">wolfdance9@gmail.com</a></p> |
| <p><b>Mr. Bradford S. Babbitt</b><br/> <b>Board Co-Vice Chair</b><br/>         Robinson &amp; Cole LLP<br/>         280 Trumbull Street, Hartford, CT 06103<br/>         E-mail: <a href="mailto:bbabbitt@rc.com">bbabbitt@rc.com</a></p>   | <p><b>Ms. Cynthia Becker</b><br/>         237 Hollister Drive<br/>         Avon, CT 06001<br/>         E-mail: <a href="mailto:cbecker16@netzero.net">cbecker16@netzero.net</a></p>  |
| <p><b>Ms. Renée J. Bernasconi *(Non-Director)</b><br/> <b>President</b><br/>         Seabury<br/>         200 Seabury Drive<br/>         Bloomfield, CT 06002<br/>         E-mail: <a href="mailto:reneebernasconi@seaburylife.org">reneebernasconi@seaburylife.org</a><br/>         *Voice but no vote</p> | <p><b>Robert Burnett</b><br/> <b>Board Co-Vice Chair</b><br/>         354 Old Mountain Road<br/>         Farmington, CT 06032<br/>         E-mail: <a href="mailto:robert.burnett@comcast.net">robert.burnett@comcast.net</a></p>  |

|   |   |
|---|---|
| <p><b>Dr. Jonathan A. Dixon</b><br/> <b>Director Emeritus</b><br/> 7 Fernwood Road<br/> West Hartford, CT 06119<br/> E-mail: <a href="mailto:jadixon44@gmail.com">jadixon44@gmail.com</a><br/> *Voice but no vote</p>                         | <p><b>Diane Mack</b><br/> 737 Farmington Avenue<br/> West Hartford, CT 06119<br/> E-mail: <a href="mailto:dianemack@comcast.net">dianemack@comcast.net</a></p>  |
| <p><b>*Mr. A. Raymond Madorin</b><br/> <b>Director Emeritus</b><br/> 6405 Via Canada<br/> Rancho Palos Verdes, CA 90275<br/> E-mail: <a href="mailto:ray.madorin@gmail.com">ray.madorin@gmail.com</a><br/> *Voice but no vote</p>             | <p><b>Mr. Ross Mezzanotte</b><br/> Callahan Construction Managers<br/> 80 First Street<br/> Bridgewater, MA 02324<br/> E-mail: <a href="mailto:rmezzanotte@callahan-inc.com">rmezzanotte@callahan-inc.com</a></p> |
| <p><b>Marian Moore</b><br/> 400 Seabury Drive, Apt 3189<br/> Bloomfield, CT 06002<br/> E-mail: <a href="mailto:msmo4@sbcglobal.net">msmo4@sbcglobal.net</a></p>   | <p><b>Don Noel</b><br/> 400 Seabury Drive, Apt 2102<br/> Bloomfield, CT 06002<br/> E-mail: <a href="mailto:dononoel@me.com">dononoel@me.com</a></p>   |
| <p><b>Ms. Monique R. Polidoro, Esq.</b><br/> Rogin Nassau LLC<br/> Cityplace I, 22<sup>nd</sup> Floor<br/> 185 Asylum Street<br/> Hartford, CT 06103-3460<br/> E-mail: <a href="mailto:mpolidoro@roginlaw.com">mpolidoro@roginlaw.com</a></p> | <p><b>The Rev. Erl G. Purnell</b><br/> <b>Board Chair</b><br/> 12 Pine Glen Road<br/> Simsbury, CT 06070<br/> E-mail: <a href="mailto:puckpurnell@mac.com">puckpurnell@mac.com</a></p>                            |
| <p><b>Mr. Craig Scott</b><br/> <b>Board Treasurer</b><br/> Aero Gear, Inc.<br/> 1050 Day Hill Road Windsor, CT 06095<br/> E-mail: <a href="mailto:cwscott5@hotmail.com">cwscott5@hotmail.com</a></p>  | <p><b>Mr. Michael Sherrill</b><br/> Cigna<br/> 900 Cottage Grove Road<br/> Bloomfield, CT 06002<br/> E-mail: <a href="mailto:michaelsherrill15@gmail.com">michaelsherrill15@gmail.com</a></p>                     |

|  |  |
|--|--|
| <p><b>Mr. Ronald Theriault</b><br/> <b>Board Secretary</b><br/> OneDigital Health and Benefits<br/> 5 Batterson Park Road, Suite 1<br/> Farmington, CT 06032<br/> E-mail: <a href="mailto:rtheriault@onedigital.com">rtheriault@onedigital.com</a></p> | <p><b>Dr. Russ Tonkin</b><br/> 610 Inlet Lane<br/> Windsor, CT 06095<br/> E-mail: <a href="mailto:rtonks@aol.com">rtonks@aol.com</a></p> |
|--|--|

**President & CEO Renee J. Bernasconi, MBA, LNHA, is responsible for the day-to-day management of the organization.**

**SEABURY AT HOME BOARD OF DIRECTORS**

|   |  |
|---|--|
| <p>Renée J. Bernasconi<br/> <b>President</b><br/> 200 Seabury Drive<br/> Bloomfield, CT 06002<br/> E-Mail: <a href="mailto:reneebernasconi@seaburylife.org">reneebernasconi@seaburylife.org</a></p> | <p>Robert W. Burnett<br/> <b>Member</b><br/> 354 Old Mountain Road<br/> Farmington, CT 06032<br/> E-Mail: <a href="mailto:robert.burnett@comcast.net">robert.burnett@comcast.net</a></p>     |
| <p>Dr. Johnathan A. Dixon<br/> <b>Chair</b><br/> 7 Fernwood Road<br/> West Hartford, CT 06119<br/> E-Mail: <a href="mailto:jadixon44@gmail.com">jadixon44@gmail.com</a></p>                         | <p>Gale A Mattison<br/> <b>Member</b><br/> 425 29<sup>th</sup> Street<br/> Hermosa Beach, CA 90254<br/> E-Mail: <a href="mailto:g.mattison@comcast.net">g.mattison@comcast.net</a></p>       |
| <p>Debra Pasquale<br/> <b>Member</b><br/> 24 Colonial Drive North<br/> Bloomfield, CT 06002<br/> E-Mail: <a href="mailto:dkpasquale@comcast.net">dkpasquale@comcast.net</a></p>                     | <p>William Thompson<br/> <b>Treasurer</b><br/> 103 Sunset Farm Road<br/> West Hartford, CT 06107<br/> E-Mail: <a href="mailto:bill.thompson@milliman.com">bill.thompson@milliman.com</a></p> |



### **III. BUSINESS EXPERIENCE**

- Church Home of Hartford Incorporated has provided housing with support services for older adults in the Hartford area continuously since 1876. Church Home of Hartford Incorporated d/b/a Seabury has been operating a Life Plan Community (Continuing Care Retirement Community (CCRC) since 1992. Seabury At Home Incorporated was developed in 2006 and began operating as a Life Plan Community Without Walls (continuing care retirement community without walls) in October 2008.
- Seabury Care Now was developed in October 2010 and is a non-medical homemaker-companion agency registered with the Connecticut Department of Consumer Protection. This agency provides homemaker, companion, and personal care assistance to residents on campus, Seabury At Home Members, and clients off campus.

### **IV CORPORATE RESTRUCTURING**

At the Church Home of Hartford, Inc. (CHHI) Annual Meeting of the Members on November 2, 2017, a resolution was adopted to incorporate Seabury Inc., a Connecticut nonstock Corporation. The Board determined that it is in the best interest of CHHI and the affiliates to restructure the Corporation. Seabury At Home Incorporated adopted its new amended and restated bylaws in May 2018.

Among other things, the current Member of Seabury Charitable Foundation (SCF) and Seabury At Home (SAH) will cease to be a CHHI. Seabury, Inc. will be a holding company and the sole Member of CHHI, SAH, and SCF.

Amended bylaws state that in the absence of the Bishop at meetings, the Bishop's Representative has both a voice and a vote at Board meetings. The Chair of the Church Home Auxiliary has been removed as the Auxiliary relinquished its charter several years ago. A new Standing Committee was introduced, the Spirituality and Worship Committee, which will serve as an

interface between the Corporation and The Episcopal Church in Connecticut (ECCT).

Appointment of Officers established that the president of the Board becomes the Chair of the Board and the Executive Vice President and CEO becomes the President and CEO. The bishop is the Ecclesiastical Authority and shall serve as the principal pastor of the Corporation and as the chief liaison between the Corporation and the Episcopal Church in Connecticut. In that role, the Ecclesiastical Authority has oversight of the Bishops' Chapel and, in consultation with the President, will appoint the Chaplain.

The Board of Directors for Seabury Inc. and the Church Home of Hartford, Inc. will be concurrent, and SCF and SAH will maintain their separate boards. Seabury Inc. shall be operated exclusively for religious, charitable, scientific, literary, or educational purposes by operating for the benefit of, performing the functions, and carrying out the purposes of the Church Home of Hartford, Inc., Seabury Charitable Foundation, Inc., and Seabury At Home, Inc.

## **V. JUDICIAL PROCEEDINGS**

Neither Seabury, Inc./Church Home of Hartford Incorporated, Seabury At Home Incorporated, nor any of either organization's officers or directors has been convicted of a felony or pleaded nolo contendere to a felony charge or held liable or enjoined in a civil action by final judgment involving fraud, embezzlement, fraudulent conversion or misappropriation of property, or had any business or health care licenses or permits suspended or revoked by any jurisdiction within the last five years. Neither corporation nor any of its officers or directors is subject to a currently effective injunction, or restrictive or remedial order of a court of record.

## **VI. AFFILIATION**

Seabury, Inc./Church Home of Hartford Incorporated, Seabury At Home Incorporated is affiliated with the Episcopal Church in Connecticut and is a recognized mission of the Diocese; however, the Diocese will have no responsibility for the financial and contractual obligations of Church Home

of Hartford Incorporated or Seabury At Home Incorporated. Church Home of Hartford Incorporated and Seabury At Home Incorporated are both tax-exempt organizations under Section 501 ( c ) (3) of the Internal Revenue Code.

The Board of Directors for both Seabury At Home, Inc. and the Seabury Charitable Foundation, Inc. Developed a joint Limited Liability Corporation (Seabury at Powder Forest, LLC). *This* LLC was formed to purchase 15 acres of land at 200 Powder Forest Drive, Simsbury, CT. Each corporation will assume half the debt, which is merely the transfer of cash investment to land investment.

## **VII. DESCRIPTION OF PROPERTY**

Seabury At Home is affiliated with Seabury. The common areas and amenities of the Seabury Campus are open to Seabury At Home Members daily. The Views (Assisted Living/Residential Care), The Waterman at Seabury (Enhanced Assisted Living), the Davis Center, the Brewer Center, and the Larus Center (Skilled Nursing) are available on an as-needed and as-available basis (Exhibit A Continuing Care Agreement). The following is a description of Seabury. The specific services available to Seabury At Home Members are described in the attached Life Plan Agreement (Continuing Care Agreement).

Seabury is an Active Life Plan Community (formerly known as a Continuing Care Retirement Community (CCRC)), providing housing, services, and healthcare to residents. The Community is located in Bloomfield, Connecticut, on a parcel of sixty-six acres north of Wintonbury Avenue at the intersection of School Street.

Seabury is composed of the following individual components:

- The Commons – containing all social, recreational, and support services, including administrative suite, auditorium, chapel, salon and spa, bistro, community rooms, convenience shop, exercise rooms, library, game room, greenhouse, woodshop, community and private

dining rooms, food preparation, maintenance, housekeeping, and laundry.

- Apartment Building – 214 apartments include studios, one- and two-bedroom, and two bedrooms with a den.
- Cottage Clusters – 28 cottages include one- and two-bedroom and two-bedroom with a den, and 5 villas that are two-bedrooms with a den.
- Davis Center, Brewer Center, and Larus Center (short-term rehabilitation) - 72 skilled nursing care beds.
- The Views – 58 assisted living beds, 22 of which are licensed Residential Care Home beds.
- Rehabilitation Services – Physical, Occupational, and Speech Therapies.
- Visiting Nurses – Seabury Visiting Nurses, a licensed Home Care Agency was dissolved in 2020. A Home Care Agency of your choice may be arranged for short-term assistance in your home. Some home health agency services may be covered by Medicare or supplemental insurance.
- The Hartford Healthcare (HHC) Primary Care Suite – On the premises where residents and Members may be examined and treated as outpatients. Staffed by nurses and physicians from HHC who have scheduled office hours at the clinic.
- The Waterman at Seabury – 55 beds, Enhanced Assisted Living facility. There are 28 licensed Residential Care Home (RCH) beds. An additional 24 RCH beds have been approved by the Department of Social Services.

## **VIII. CAMPUS STRATEGIC REPOSITIONING PLAN**

The Seabury Strategic Repositioning Plan consisted of several phases of work that expanded, updated, and enhanced the existing campus. Construction of the project commenced in April 2015 and was completed in April 2019.

Phase A expanded the administrative offices, main entrance, lobby, and main kitchen. It included the renovation of the private dining room and a new expanded bistro addition. The resident post office boxes and an improved “Community Activity Space” have been constructed above the new salon and day spa (on the entrance level). In addition, all areas in the Commons building were redecorated. Additional parking spaces have been added at the North end of the campus. Full campus generation was also included as part of Phase A.

Seabury obtained a BB rating from Fitch. The finance team closed \$34.5 million in financing for Phase A with an average yield of 4.73%.

The start of construction for Phase B & C was contingent on several items, including appropriate level of pre-sales (60%) deposits (10% of Entrance Fee per residence) for Independent Living Apartments, financing, feasibility study, a Guaranteed Maximum Price construction contract with the qualified construction firm and Board approval. The project was funded with tax-exempt bonds. The total hard cost of construction was estimated to be approximately \$48.5 million. The anticipated Entrance Fees collected during fill-up were estimated to be \$25.7 million.

Phase B included 68 new independent-living apartments, an underground parking garage (approx. 71 spaces), and a new chapel (seating for approx. 225). A fitness and wellness satellite area, additional meeting spaces for continuing education, and surface parking spaces for accessibility to the new wing were included as a part of Phase B.

Phase C included a new building addition for Seabury’s Community Outreach Services (Seabury At Home, Seabury Care Now, and former Seabury Visiting Nurses), Primary Care (rental space), and specialized

rehabilitation services. This addition included a new dedicated entry for health care, renovation of existing spaces to accommodate updated and new Assisted Living Apartments (20 one-bedrooms and 2 two-bedrooms (addition of two apartments), and updated dining, kitchen, and new fitness, living/activity spaces in Assisted Living.

Phase C also included 12 new short-term rehab private rooms (non-Medicaid), updated rooms, living/family rooms, salon, dining, and pantry spaces for Skilled Nursing. Expansion of the existing Rehab and Therapy Suite was included. The Clinic Suite was also included in this phase, as well as a new employee entrance.

Seabury plans to combine 28 West Wing residences (28 to 14 apartments), which will reduce its overall inventory.

On November 7, 2019, the Board approved the Strategic Plan for the “100” Cottages, which included demolishing six cottages, a carport, and a mail kiosk and constructing two new structures, each containing 12 apartments and a clubhouse. Paving work on Seabury Drive will be included as part of this project.

The start of construction is contingent on several items, including the appropriate level of pre-sales (60%) deposits (10% of the Entrance Fee per residence) for Independent Living Apartments, financing, Financial Consultant’s Report, and Guaranteed Maximum Price construction contract with a qualified construction firm and Board approval.

It is anticipated that the project will be funded with a bank loan. The total project cost is expected to be approximately \$19 million. The anticipated Entrance Fees collected during fill-up are estimated to be \$11.5 million. As required by the bond issue, all first-generation Entrance Fees are pledged to retire the debt. The remaining \$7.5M will be retired after approximately ten years. Annual income is expected to be \$220K per year for the first ten years. Approximately \$1.3M per year is expected as revenue for these new residences after the retirement of debt. This project will not negatively impact Monthly Service Fees.

Construction of the project was put on hold in March 2020 – 2024 due to the COVID-19 Pandemic and will commence when possible. The anticipated construction time is 12 months.

## **IX. BENEFITS INCLUDED**

Seabury At Home offers several pricing plans that may or may not require co-pays or payment in full by the Member. In addition, services included may vary according to the plan selected. Please refer to Exhibit A and Exhibit E for a complete description of these plans.

As set forth in the attached Life Plan Agreement (Continuing Care Agreement), the specific services provided will vary based on your needs, as set forth in your CarePlan.

The services noted with an asterisk may be provided by Seabury, Seabury At Home, or a provider of your choosing. Except as otherwise noted, all other services are provided solely through Seabury, Seabury At Home, or a Seabury At Home Preferred Provider. Services offered under the Life Plan Agreement (Continuing Care Agreement) with Seabury At Home include the following:

**ADULT DAY CARE** – Adult Day Care programs located throughout the community offering services in a group setting for a scheduled number of hours per week, including transportation, meals, and activities, which may include personal or nursing care. Seabury At Home does not provide Adult Day Care programs but will assist you in determining the Adult Day Care program that best meets your needs.

**ANNUAL PHYSICAL EXAMINATION** – Seabury At Home will arrange for an annual *Wellness for Life* Assessment and physical examination completed by Seabury’s Board-Certified Geriatrician. If you prefer, Seabury At Home will arrange for a physical examination with your personal physician at your expense. Seabury will keep the results from your exam confidential, and the information will only be used to coordinate services.

**COMPANION SERVICES** – A companion will be provided if it is determined by your physician and Seabury that you need monitoring for safety. If a companion is provided for monitoring, the companion may also provide incidental services such as cooking, dishwashing, laundry, light housekeeping, and errands, if you are unable to perform these chores yourself.

**HOME INSPECTION** – Seabury At Home will offer a safety and functional inspection of your home, completed by trained and certified subcontractors, to ascertain any problems and to make recommendations to you based on the inspection.

**HOME NURSING CARE\*** – When needed, you can receive home health care services provided by a registered nurse or a licensed practical nurse. Medicare-covered home health care services may be obtained from a provider of your choosing.

**LIFESTYLE AND WELLNESS PROGRAMS** – These services include exercise classes, art classes, caregiver training, wellness seminars, speakers, day excursions, and use of Seabury’s swimming pool. Some programs are free for Members, while others may have a small participation fee.

**LIVE-IN ASSISTANCE** – You can have a live-in Personal Care Aide or Companion, for 24 hours a day, seven days a week assistance when that has been authorized by Seabury At Home.

**MEALS/GROCERIES** – Seabury At Home will coordinate the delivery of meals and/or the delivery of groceries on behalf of a Member who is unable to drive and/or cook; however, the Member will be charged for the cost of the meals and groceries.

**MEDICATION MANAGEMENT** – Your Personal Health Coordinator will arrange for medication management and cueing, if necessary. A periodic review of medication interactions can also be performed.

**ASSISTED LIVING** – If staying at home ever becomes unsafe, Assisted Living is included for Members of Seabury At Home (except Sterling and



Copper Plan Members). Assisted Living is utilized when someone requires substantial assistance with two or more activities of daily living and 24-hour supervision for safety but does not need the medical care that a nursing home provides.

**NURSING HOME** – If your health changes and you can no longer remain in your home or Assisted Living, Nursing Home Care is also included for Members (except for Sterling and Copper Plan Members). Nursing homes provide 24-hour nursing and medical supervision.

**PERSONAL CARE AIDE SERVICES** – If you need assistance with your personal care, such as bathing or dressing, a personal care aide will be provided for you in your home.

**PERSONAL HEALTH COORDINATION** – You will be assigned Personal Health Coordinators to coordinate any services you may need. The Personal Health Coordinators will work closely with you, your family, and your physician to have the right services delivered to you in your home or, when necessary, in a facility. A Member of the Health Coordination staff will be available to you, via phone, 24 hours a day, 7 days a week.

**PERSONAL EMERGENCY RESPONSE SYSTEM** – Seabury At Home will provide a personal emergency response system in your home with 24-hour coverage when requested. Some systems may require additional out-of-pocket expenses.

**REFERRAL SERVICES** – You can obtain a referral from Seabury At Home for any type of service you may need to stay in your home. Examples of these services are legal, financial planning, home maintenance, rental of medical equipment, etc. The referral service is available at no cost to Members; however, Members are responsible for the cost of any services rendered by the referred service providers.

**TRANSPORTATION** – Seabury At Home will provide non-emergency transportation (except for Titanium Care and Titanium Plan Members) to and from medically necessary outpatient surgery and procedures, and will provide

transportation to your home upon discharge from the hospital. If a private aide is necessary to accompany you for transport, you will be charged.

### **IX. INTEREST ON DEPOSITS**

Seabury At Home is not required to hold any amounts that Members pay in escrow and, therefore, no interest will be paid to you on any amounts paid.

### **X. TERMINATION OF CONTRACT**

Conditions under which the contract may be terminated and procedures for termination are described in Section VI of the Life Plan Agreement (Continuing Care Agreement) (Exhibit A).

### **XI. RIGHTS OF SURVIVING SPOUSE**

Seabury At Home enters into separate Continuing Care Agreements with each Member whether or not he/she is married. The death of a spouse does not impact the rights and obligations of the surviving spouse set forth in the Continuing Care Agreement.

### **XIII. NON-LIFE-CARE SPOUSE**

Seabury At Home has a separate Wellness Pass Agreement for the Member whose spouse does not qualify for Life Care. The death of a Member does not impact the rights and obligations of the surviving spouse set forth in the Wellness Pass Agreement.

### **XIV. MARRIAGE OF A MEMBER**

The marriage of a Member does not change the responsibilities of either party since Seabury At Home has separate Continuing Care Agreements with each Member whether or not he/she is married.

## **XV. TAX CONSEQUENCES**

Payment of a Membership fee pursuant to a Life Care Contract (Continuing Care Contract) may have significant tax benefits or consequences. Any person considering such a payment may wish to consult a qualified advisor.

## **XVI. RESERVE FUNDING**

Funds have been set aside in a Money Market Fund with Vanguard sufficient to cover the total cost of operations for the organization for one month.

## **XVII. FINANCIAL STATEMENTS**

Audited and certified consolidated financial statements of Church Home of Hartford Incorporated, and Seabury At Home, including the current balance sheet and income statements, are provided in Exhibit B

## **XVIII. PROFORMA FINANCIAL STATEMENTS**

Exhibit C contains the proforma (estimated) financial statements for Seabury At Home, including estimated balance sheets, income statements, and statements of cash flows for the next three years of operation.

## **XIX. MEMBERSHIP FEES & PERIODIC CHARGES**

Membership and Monthly Fees for Seabury At Home are set forth in Exhibit D.

## **XX. DEPARTMENT OF SOCIAL SERVICES FILINGS**

Seabury At Home has filed with the Department of Social Services all materials that it understands are required by State law governing Continuing Care at Home, including the Disclosure Statement and Continuing Care Contract. These materials are available for review at the Department of Social Services, located at 55 Farmington Avenue, Hartford, CT 06105-3724.

**EXHIBIT A**

**LIFE PLAN AGREEMENT (CONTINUING CARE AGREEMENT)**

LIFE PLAN AGREEMENT (FORMERLY KNOWN AS A  
CONTINUING CARE AGREEMENT)

SEABURY AT HOME INCORPORATED

A non-profit corporation with Seabury, Incorporated,  
An affiliate of the Episcopal Church in Connecticut, as the sole member.

A Life Plan Contract (Continuing Care Contract) is a financial investment, and your investment may be at risk. Seabury At Home's ability to meet its contractual obligations under such contract depends on Seabury At Home's financial performance. We advise you to consult an attorney or other professional experienced in matters relating to investments in Life Plan Communities (continuing care facilities) and programs before you sign a Life Plan Contract (Continuing Care Contract). The Department of Social Services does not guarantee the security of your investment.

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# **SEABURY AT HOME**

## **I. INTRODUCTION**

### **1. GENERAL**

This is the Life Plan Agreement (Continuing Care Agreement) (“Agreement”) Between you (whom we shall refer to as “you” or the “Member”) and Seabury At Home Incorporated (which we shall refer to as “we,” “us,” “Seabury At Home,” or the “Provider”).

We have divided this Agreement into several parts in order to make it easier to read and to find any particular part.

### **2. ACCEPTANCE INTO SEABURY AT HOME**

As a condition of Membership in Seabury At Home, applicants are required to be at least fifty (50) years of age or older, and in good health at the time of Membership. You will be required to provide a medical history, and medical records and to have a physical evaluation within thirty (30) days before Membership, by a professional designated by Seabury At Home. Seabury At Home will comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the HITECH Act of 2009, and amendments under the new HIPAA Omnibus Rule of 2013. Your consent to share medical information for the purpose of care planning and the provision of Services will be required as a Member of Seabury At Home. As a further condition of Membership in Seabury At Home, applicants are required to qualify financially prior to Membership.

### **3. TERMS AND CONDITIONS OF THIS AGREEMENT**

#### **A. SERVICES**

Seabury At Home will provide you the Services described in this Agreement according to the terms and conditions described in the Agreement and in a manner consistent with the objective of enabling you to maintain your own living arrangement in your Home for as long as is practicable.

You agree to accept and pay for the Services as set forth in this Agreement and to abide by the rules of Seabury at all times while on the Seabury campus.

## B. PLAN SELECTION AND FEES

Plan options and associated fees are described in Exhibits D and E. The Plan option and associated fees for your selected Plan are detailed in Exhibit A.

## C. EFFECTIVE DATE OF MEMBERSHIP

The effective date of Membership is the date this Agreement is executed by both parties (“Membership Date”). At that time, your Personal Health Coordinator will initiate a *Wellness for Life* Assessment. Care will be deemed to have commenced on the date the initial *Wellness for Life* Assessment is completed.

This Agreement will remain in effect until it is terminated in accordance with Section VI of this Agreement (the “Termination Date”).

## D. MEMBERSHIP FEE

You will pay to Seabury At Home, the Membership Fee specified in Exhibit A and Section I.3.B. (above), upon execution of this Agreement.

## II. DEFINITIONS

All terms not defined here shall have the meanings ascribed to them in the Agreement or their common meaning.

**ADL (Activities of Daily Living) Deficiencies** means deficiencies, as determined by the Health Coordination Team, in activities of daily living, which may include bathing, dressing, eating, transferring, walking, mobility, grooming, and continence. Those persons deemed to have ADL Deficiencies may include, but may not be limited to, those who need personal assistance, those with Alzheimer’s disease or any type of dementia disorder, those who are bedbound or homebound, or those who need special equipment to ambulate (i.e. wheelchair or walker).

**Adult Day Care Services** means a facility that offers a program of services in a group setting for a scheduled number of hours per week. Elements of an adult day care program usually include transportation, meals, and activities (both health-related and social), and may include personal or nursing care.

**Assisted Living Facility** means a registered Managed Residential Community where nursing and personal care services are provided by an Assisted Living Services Agency licensed by the State of Connecticut. Assisted Living Services



are provided exclusively for residents who require substantial assistance with at least two ADLs, twenty-four (24) hour supervision for safety, and who are chronic and stable, and Determined To Be Appropriate for Assisted Living Services.

**Average Cost of Care** means the Average Cost of Care for a particular service, such as Adult Day Care Services, will be provided to you upon request.

**Care Plan** means the written plan of services, including type of service, start date, quantity, frequency, duration of service, name of approved provider, and any special considerations, which is developed and approved by the Health Coordination Team for each Member based on the *Wellness for Life* Assessment of the Member's needs. The Care Plan is agreed to and signed by you.

**Companion** means a person designated by Seabury At Home to provide Companion Services to a Member at the Member's Home.

**Companion Services** means those services provided by a Companion when your physician and the Seabury Health Coordination Team have determined that you need monitoring for safety. If a companion is provided for monitoring, the companion may also provide incidental services such as cooking, dishwashing, laundry, housekeeping, and errands, if you are unable to perform these chores yourself.

**Cost of Care** means the Cost of Care for Home Care, Assisted Living Facility Services, and Nursing Home Services based upon Seabury's published fees for home care, Assisted Living, and Skilled Nursing.

**Designated Health Care Representative** means your attorney-in-fact for healthcare, health care representative, or conservator of person.

**Designated Service Area** means Seabury At Home's area of coverage for Services, as defined by Seabury At Home. The Designated Service Area may be altered from time to time at the sole discretion of Seabury At Home. No change in the Designated Service Area by Seabury At Home will adversely affect your access to services under this Agreement.

**Determined To Be Appropriate** means the Health Coordination Team, utilizing industry standards and accepted standards of healthcare practice, has assessed your medical and functional status and concluded that Services are medically necessary and will be provided by Seabury At Home, or another provider as specified in this Agreement.

**Disclosure Statement** means the Disclosure Statement of Seabury At Home provided to you pursuant to The Act.

**Facility-Based Services** means Services provided in a facility other than the Home, including Assisted Living and Nursing Home Facilities.

**Health Coordination Team** means the persons appointed by Seabury At Home for the Member, comprised of the Director of Health Coordination (or his or her designee), a representative of administration, and, in the case of medical and health care services, Seabury At Home's Medical Director (or his or her designee) and other clinical professionals as deemed appropriate, in consultation with the Member and/or the Member's Designated Health Care Representative. The Health Coordination Team may change from time to time both titles and personnel, at Seabury At Home's sole discretion.

**Home** means the private home in which you, the Member, currently, reside and which is indicated at the beginning of this Agreement, and any other private home to which you may move at a later date. Members who relocate beyond the Designated Service Area will not be eligible for any services under this Agreement unless first authorized by Seabury At Home. The address of the Home must be provided to Seabury At Home prior to the Membership, and any change in the Home address must be provided to Seabury At Home as soon as possible.

**Home Services** means Services provided by Seabury At Home in a Member's Home.

**Licensed Practical Nurse or LPN** means a person licensed to practice practical nursing in the State of Connecticut.

**Licensed Practical Nurse or LPN Services** means practical nursing care including medication administration and treatments.

**Lifestyle and Wellness Services** means programs offered by Seabury At Home free of charge or for an applicable fee for service, including by not limited to, exercise classes, art classes, wellness seminars, speakers, and day excursions, Members will be advised of the schedules and the cost of these programs on an as-offered basis.

**Live-in Assistance** means 24-hour assistance by a Companion or Personal Care Aide in your Home.

**Meals and/or Groceries** means nutritious food, either frozen or fresh, delivered to your Home when you are determined to be unable to drive and/or cook, Seabury

At Home will arrange for a maximum of two meals per day and reserves the right to deliver several meals at one time to be stored in the Member's freezer. Seabury At Home will pay for the delivery of meals and/or delivery of groceries on behalf of the Member; however, the Member will be charged for the cost of the meals and groceries. Should a Member transition to Assisted Living, Skilled Nursing, or Enhanced Assisted Living, the Member will be responsible for all meal costs.

**Medical Director** means a physician appointed from time to time by Seabury At Home to oversee the provision of medical and health care services to Members.

**Nursing Home Facility** means a facility licensed by the State of Connecticut to provide nursing home services.

**Personal Care Aide** means an unlicensed person who has successfully completed a training and/or competency evaluation program approved by the Connecticut Department of Public Health and designated by Seabury At Home to provide Personal Care Aide Services to the Member at the Member's Home.

**Personal Care Aide Services** may include assistance with bathing and dressing, and established activity regimens such as range of motion exercises, nutritional needs such as feeding assistance, simple maintenance of the Member's environment, and medication reminders.

**Personal Emergency Response System** means an in-home, 24-hour electronic alarm system activated by a signal to a central switchboard. Seabury At Home will pay for select systems on behalf of the Member. This system allows Members to obtain assistance in the event of an emergency. Some systems may garner additional out-of-pocket expenses for the Member.

**Personal Health Coordinator** means the person or persons appointed by Seabury At Home to be responsible for coordinating the needs of each Member for Services, conducting specific needs assessments, and making recommendations for Services. The Personal Health Coordinators' recommendations for Services are subject to review and final determination by the Health Coordination Team.

**Prevailing Rate** means the current per diem rate charged by a particular Adult Day Care Program, Home Care Agency, Assisted Living, or Nursing Home Facility.

**Referral Service** means a service provided by Seabury At Home, acting as an intermediary between you and third-party vendors, whereby Seabury At Home makes referrals to you for services such as home maintenance, housekeeping, snow removal, lawn care, etc., at costs payable in full by the Member. Neither

Seabury At Home nor Seabury, Incorporated will be responsible for any damages incurred by you or your property when using third-party vendors.

**Registered Nurse (RN)** means a person licensed to provide registered nurse services in the State of Connecticut.

**Registered Nurse Services** include assessment, medication administration, and treatments.

**Services** means any assistance, including Health Coordination, Annual Physical Examinations, Home Inspection, Home Services (including Companion Services, Personal Care Aide Services, Live-In Assistance, Licensed Practical Nurse Services, Registered Nurse Services, Personal Emergency Response System, Meals, and Adult Day Care), Facility-Based Services (including Assisted Living and Nursing Home, with exception of Sterling and Copper Plans), Transportation Services, Referral Services, and Lifestyle and Wellness Programs provided to Members at Seabury At Home's cost, subject to applicable co-payments, pursuant to this Agreement.

**The Act** means PA. 86-252, an Act concerning the management of continuing care facilities (Conn. Gen. Stat. 17b-520 et seq.) as amended.

**Transportation Services** means non-emergency transportation provided by Seabury At Home (if you are unable to drive or instructed by your physician not to drive) to and from medically necessary outpatient surgery or procedures, which may include, but are not limited to, cataract removal, chemotherapy treatments, and surgical biopsies. This does not include transportation for regular physician office visits, dialysis, and specialist appointments. We will also provide transportation to your Home upon discharge from the Hospital. If a private aide is necessary to accompany you for transport, you will be charged.

### **III. OUR RESPONSIBILITIES TO YOU AS A Member**

Seabury At Home shall provide to you the following Services when they are Determined To Be Appropriate on the conditions set forth in this Section. The particular Services that will be provided will be specified in your Care Plan. Unless otherwise specified, charges for these Services are included, with applicable co-payments, in the fees as set forth in Exhibit A attached to this Agreement. These Services must be provided by Seabury At Home or Seabury except as specified in this Section.

1. HEALTH COORDINATION

You will be assigned Personal Health Coordinators to manage any services you may need. Under the discretion of the assigned Personal Health Coordinators, the Health Coordination Team shall prepare a Care Plan to address your particular needs during the term of this Agreement. All decisions involving your care will be made by the Health Coordination Team following consultation with you or your Designated Health Care Representative.

2. ANNUAL PHYSICAL EXAMINATION

Seabury At Home will provide an annual physical examination at no charge to you by a professional of Seabury At Home's choosing. If you prefer, you may have annual physical examinations performed by a provider of your choosing at your expense. The results of the examination must be made available to your Personal Health Coordinator upon request.

3. HOME INSPECTION

During the first year of Membership and every second year thereafter (unless we determine circumstances or a Member's health condition justify more frequent inspections), Seabury At Home will offer a functional inspection of your Home for the purpose of ascertaining any functional and safety problems and will make recommendations to you based on the inspection. Seabury At Home does not, however, represent that it will undertake steps necessary to effectuate any such recommendations. Any recommended changes or corrections are the Member's sole responsibility. It is your choice to make recommended changes or corrections to your Home. To aid you in securing necessary goods or services, Seabury At Home will make available a list of possible vendors of such goods and services. You are solely responsible for the full cost of any improvements to your Home as a result of the Home Inspection.

4. PERSONAL EMERGENCY RESPONSE SYSTEM

At your request, Seabury At Home will provide you with a Personal Emergency Response System in your Home. This system will allow you to obtain assistance in the event of an emergency. Some systems may garner additional out-of-pocket expenses for the Member.

5. PRIORITY WAITLIST PLACEMENT

At your request, Seabury At Home will place your name on Seabury's Priority Wait List for Independent Living on the campus, based on the Membership date. Requests must be made in writing, indicating apartment and cottage selections. Members may select up to three styles of residences. The Membership date will be

used as the Priority Wait List date for up to six months. After six months, the Priority Wait List date will be based on the date of request for specific residences.

## 6. HOME SERVICES

Home Services will be provided as Determined To Be Appropriate by the Health Coordination Team. A Member must exhibit at least one or more ADL Deficiencies to be eligible for the following Home Services. All Home Services, except Adult Day Care and Medicare-covered home health care and rehabilitation services, must be provided by Seabury At Home and/or Seabury to be eligible for coverage unless authorized first by Seabury At Home. Seabury At Home Members utilizing Home Services will be subject to the terms and conditions of the Seabury Care Now Service Agreement regarding shift cancellations, overtime payments, personal vehicle usage for transportation, and mileage reimbursement. Adult Day Care and Medicare-covered home health care and rehabilitation services may be provided by a provider of your choosing. We may require an examination by the Medical Director (or his or her designee) to determine eligibility for the following Services defined in Section II.

- A. ADULT DAYCARE
- B. COMPANION SERVICES
- C. DELIVERY OF MEALS/GROCERIES
- D. LICENSED PRACTICAL NURSE SERVICES
- E. LIVE-IN ASSISTANCE
- F. PERSONAL CARE AIDE SERVICES
- G. REGISTERED NURSE SERVICES

## 7. FACILITY-BASED SERVICES

When Determined To Be Appropriate by the Health Coordination Team and prescribed by a physician, Seabury At Home will provide Facility-Based Services (except for Sterling and Copper Plans), including Assisted Living in a private accommodation (studio) and Nursing Home Services in a semi-private accommodation, or you may select a facility as set forth in Paragraph 14 of this Section. Seabury At Home may require an examination of the Member by the Medical Director (or his or her designee) to determine eligibility for facility-based Services. Seabury At Home will not be responsible for any ancillary charges such as meals, laundry, prescription drugs, medical supplies, telephone, or television.

## 8. TRANSPORTATION SERVICES

If you are unable to drive or instructed by your physician not to drive, Seabury At Home will provide non-emergency transportation to and from medically necessary outpatient surgery or procedures which may include but are not limited to, cataract removal, chemotherapy treatments, and surgical biopsies. Seabury At Home will provide up to (3) non-emergency transports per year (except for Titanium. Care and Titanium Members). This does not include transportation for regular physician office visits, dialysis, and specialist appointments; however, we will assist in coordinating these services for you. We will also provide transportation to your Home upon discharge from the hospital.

## 9. REFERRAL SERVICE

Members will have access to a Referral Service for additional services not provided under this Agreement. These may include landscape maintenance, legal, financial planning, home maintenance, and rental of medical equipment. The referral Service is available at no cost to you; however, you are responsible for the cost of any services rendered by the referred service providers.

## 10. LIFESTYLE AND WELLNESS PROGRAMS

These programs will be offered from time to time free of charge or for an applicable fee for service, including but not limited to exercise classes, art classes, wellness seminars, speakers, and day excursions. Members will be advised of the schedules and the cost of these programs on an as-offered basis.

## 11. LIMITATION ON PAYMENTS FOR SERVICES

Seabury At Home may limit payment for Home Services (personal care aide, licensed practical nurse, registered nurse, companion, live-in assistance, personal emergency response system, delivery of groceries/meals, and adult day care), for Platinum, Gold, Gold Plus, Silver, Sterling, and Copper Plan Members if the aggregate cost of all such Home Services for any thirty-day period exceeds the Cost of Care for Facility-Based Services where the Member would otherwise be eligible. In such cases, Seabury At Home shall limit payment for such Home Services to the equivalent of the Cost of Care for all days following the thirty-day period. You may either transfer to an Assisted Living or Nursing Home Facility or pay the difference between the cost of Home Services and the Cost of Care in a facility where you would otherwise be eligible. On the occasion when payment for the Facility-Based Services exceeds the cost of Home Services where the Member would otherwise be eligible, you may return home, or pay the difference between the cost of Facility-Based Services and the Cost of Care at Home.

## 12. EXCLUSIONS

You agree to pay the costs of the following services, whether provided at Seabury At Home or elsewhere, to the extent that they are not covered by other insurance or assistance programs:

- charges of any physician, APRN, podiatrist, chiropractor, or therapist;
- prescription drugs and medical supplies;
- meals and groceries;
- vision, hearing, and dental care, including all supplies, equipment, and appliances;
- orthopedic appliances;
- mental health and substance abuse services;
- ancillary charges imposed by any outside health provider or institution;
- other health-related costs which are customarily considered extra charges by facilities providing services similar to those provided to you by Seabury;
- IV insertions;
- ventilator care;
- ambulance and other specialized medical transportation services, including the cost of a private aide, if needed for transport; and all other services not specifically included in this Agreement.

## 13. ILLNESS OR INJURY AWAY FROM THE DESIGNATED SERVICE AREA

In the event you suffer an illness or injury while away from the Designated Service Area, you shall make every reasonable effort to notify your Personal Health Coordinator as soon as possible. We shall have no responsibility to pay for your healthcare or nursing care resulting from such illness or injury unless Seabury At Home first authorizes such care after consultation with the treating physician. However, after you return home, we shall assume the responsibility to provide those services deemed necessary by your physician and by the Medical Director, in accordance with the terms of this Agreement. Seabury At Home shall be responsible for the reimbursement of services based on terms of this agreement for Members requiring services outside of Connecticut, assuming Seabury At Home first authorizes such care after consultation with the treating physician.

## 14. PAYMENT FOR SERVICES NOT PROVIDED BY SEABURY OR SEABURY AT HOME



You may choose to enter an Assisted Living or Nursing Home Facility other than Seabury either within or outside the Designated Service Area with the approval of your Health Coordination Team. Seabury At Home will pay the facility (except for Sterling and Copper Plans) a per diem amount not to exceed the actual Cost of Care based upon Seabury's published fees for Assisted Living, Enhanced Assisted Living, and or Skilled Nursing (Facility-Based Services). You will be responsible for any difference between the Prevailing Rate and the Cost of Care. The per diem amount will not exceed the actual Cost of Care where care is provided.

Members will receive Home Care and/or Adult Day Care services from a provider of a Member's choosing within or outside the Designated Service Area with the approval of your health Coordination Team. Seabury At Home will pay the provider an amount not to exceed the Average Cost of Care (except for Titanium and Titanium Care Plans). You will be responsible for any difference between the Prevailing Rate and the Average Cost of Care.

In the event that space for you is not available in Seabury's Nursing Home or Assisted Living, Seabury At Home will arrange for your temporary care in another facility until space becomes available. Seabury At Home will pay the facility (except for Sterling and Copper Plans) a per diem amount not to exceed the Cost of Care or the Cost of Care provided. You will be responsible for any difference between the Prevailing Rate and the Cost of Care. Neither Seabury At Home nor Seabury, Incorporated will be responsible for any injuries sustained or damages incurred by you while you receive temporary care in such other facility.

#### 15. DECISIONS INVOLVING PERMANENT TRANSFER FROM YOUR LIVING ACCOMMODATION

All decisions involving permanent transfer from the Member's current living accommodation (including Home, Assisted Living Facility, or Nursing Home Facility), to another accommodation must be Determined To Be Appropriate by the Health Coordination Team (except for Sterling and Copper Plans). Such decisions shall be made in consultation with the Member or, in the case of incapacity, with the Member's Designated Health Care Representative.

When it is determined by the Health Coordination Team that the Member is no longer mentally and/or physically able to function safely in his or her current living accommodation, a recommendation will be made for the Member to transfer to a more appropriate level of care as Determined To Be Appropriate. If the Member refuses such a transfer, this Agreement will be terminated in our sole discretion in accordance with Section VI.

Platinum, Gold, Gold Plus, Silver, Titanium Care, and Titanium Plan Members will continue to pay the monthly fee set forth in Section 1.3. upon transfer to an

Assisted Living Facility or Nursing Home Facility in addition to any co-payments required by the payment plan selected by the Member. The Member will also be responsible for any other additional ancillary charges as outlined in this Agreement.

If the Member elects to transfer to an Assisted Living Facility or a Nursing Home Facility and such a transfer is not Determined To Be Appropriate, this Agreement will be terminated in our sole discretion in accordance with Section VI.

For Sterling and Copper Plan Members, the Seabury At Home Agreement will terminate in accordance with Section VI once you transfer to an Assisted Living Facility or a Nursing Home Facility.

If you decide to move to independent living on the Seabury campus, you must follow the termination process outlined in Section VI of the Agreement and the conditions of refund described in that section will apply. The refund of the portion of the Membership Fee to which you are entitled may be applied to your entrance fee for the Seabury apartment or cottage.

#### **IV. YOUR RESPONSIBILITIES AS A MEMBER**

##### **1. RULES**

You agree to abide by the rules of Seabury when on the Seabury campus.

##### **2. RIGHTS OF MEMBERS**

Your rights as a Member under this Agreement are those rights and privileges expressly granted to you in this Agreement or by Connecticut law.

##### **3. RIGHT OF ENTRY**

You shall permit authorized employees and providers entry into your Home at any time in case of emergencies, for scheduled meetings with your Personal Health Coordinator, and to provide Services. Seabury At Home recognizes your right to privacy and will limit entry to your Home as described in the aforementioned sentence.

##### **4. REAL PROPERTY**

Your rights and privileges, as granted herein, do not include any right, title, or interest whether legal, equitable, beneficial, or otherwise, in or to any part of the real property,

including land, buildings, and improvements owned or operated by Seabury, Inc., and Church Home of Hartford, Incorporated.

5. SUBORDINATION OF RIGHTS

Any of your rights, privileges, or benefits arising under this Agreement shall be subordinate and inferior to all mortgages, security interests, deeds of trust, and leasehold interests granted to secure any loans or advances made to Seabury, Incorporated or to Seabury At Home, Incorporated, their related entities, or their, successors, now outstanding or made in the future, in the real property and improvements constituting Seabury, and subordinate and inferior to all amendments, modifications, replacements, refunding or refinancing thereof. You agree that, upon the request of Seabury At Home or Seabury, Incorporated, you will execute and deliver any and all documents, which are alleged to be necessary, or required to effect or evidence such subordination.

6. RESPONSIBILITY FOR DAMAGES

You will be responsible for any costs incurred in replacing, maintaining, or repairing any loss or damage to the real or personal property of Seabury At Home, Incorporated, Seabury, Incorporated, or other facility caused by the negligence or willful misconduct of you, your guests, agents, employees, or pet(s).

7. PROTECTION OF PERSONAL AND REAL PROPERTY

Seabury At Home is not responsible for the loss of any personal property belonging to you due to theft, fire, or any other cause. You may wish to obtain insurance at your own expense to protect against such losses.

8. INDEMNIFICATION

You will indemnify Seabury At Home and hold it harmless for any injury to employees or any third person that arises from your negligent or intentional action. You may wish to obtain insurance at your own expense to cover this obligation.

9. MEDICARE, SUPPLEMENTAL INSURANCE REQUIREMENTS, AND THIRD-PARTY REIMBURSEMENT

You are, or shall be when eligible, enrolled in Medicare Part A, Medicare Part B, and Medicare Part D or their equivalent. You authorize, as necessary, any provider of such medical and other health services, including Seabury At Home, to receive reimbursement under Medicare Part A, Medicare Part B, or Medicare Part D or their equivalent as provided under these programs. If you are not eligible for Medicare programs, you agree to obtain and maintain equivalent insurance coverage acceptable to Seabury.

You are required to secure and maintain supplemental insurance (such as Blue Cross, Medigap, Extended Major Medical) to pay Medicare co-insurance deductible amounts and to provide major medical coverage. This coverage is not provided by Seabury At Home. All changes to insurance plans must be reported to Seabury within 30 days of the change and copies of insurance card(s) with the policy information provided within the same time frame.

If you have selected the Gold Plus Plan, you are required to maintain the long-term care insurance policy (or policies) used to calculate the discount on your monthly fee and to maintain the same benefit coverage. If you receive Home and/or Facility-Based Services, Seabury At Home will pay the difference between the per-day cost of services, and the covered amount you are eligible for under your long-term care policy. You agree that upon receiving long-term care insurance reimbursement, you will repay Seabury At Home all of the proceeds related to costs that Seabury At Home incurred or paid on your behalf.

You agree to furnish evidence of your health insurance coverage and, for Members of the Gold Plus Plan, long-term care insurance at any time upon our request.

Should your supplemental coverage or equivalent health coverage not fully cover a Medicare-qualified stay at Seabury or another Medicare-certified facility, or should you fail to purchase supplemental coverage or equivalent health coverage to fully cover such a Medicare-qualified stay, you will be financially responsible for paying deductibles, co-insurance amounts, and any other charges for each Medicare-qualified stay.

The aforementioned insurance requirements must be maintained throughout the term of this Agreement. If you do not comply with the aforementioned insurance requirements at any time during the term of this Agreement, you acknowledge and agree that Seabury At Home shall have the right to, as permitted by applicable law, bill you directly for services not reimbursed by insurance.

If at any time you become entitled to payments for health services from governmental agencies, including Medicaid, you agree to make prompt application for such payments. Seabury At Home will not be responsible for the cost of any Service for which you are entitled to reimbursement from a government agency or another third party, i.e. workers' compensation, liability or PIP (personal injury protection), no-fault insurance, etc. You agree that upon receiving third-party reimbursement, you will repay Seabury At Home for any third-party reimbursable costs that Seabury At Home incurred or paid on your behalf while your reimbursement approval was pending.

Seabury At Home will assist you in applying for health services or benefits under any programs for which you might qualify. Upon request, and when appropriate, you agree to execute an assignment of benefits to Seabury At Home.

10. NON-TRANSFERABLE

Your rights under this Agreement are personal to you and cannot be transferred or assigned by you to any other person or entity.

11. PRESERVATION OF YOUR ASSETS

You agree to manage your financial resources so as not to threaten or impair your ability, or the ability of your estate to satisfy the financial obligations set forth in this Agreement. At the request of Seabury At Home, you agree to make arrangements for the preservation and management of your Financial resources by a third party (or parties), including but not limited to the execution and funding of a trust agreement for your benefit whenever, in the sole judgment of Seabury At Home, it appears that the continued management of your financial affairs may make you unable to meet your financial obligations to Seabury At Home. Failure to comply with the requirements of this Paragraph may cause you to be ineligible for the subsidy assistance described in Section V, Paragraph 3 of this Agreement.

12. FINANCIAL STATEMENTS

Just as you have provided to Seabury At Home a financial statement as part of the admissions process, you agree to continue to provide financial statements, including copies of your federal, state, and gift tax returns, or other financially related information when requested by Seabury At Home.

13. HEALTH STATUS

You agree to share any changes in your medical status with your Personal Health Coordinator and to provide copies of any and all examinations, test results, progress notes, or other copies of medical records provided by non-Seabury providers to your Personal Health Coordinator upon request. You further agree to submit to a physical examination upon the request of your Personal Health Coordinator.

14. REPRESENTATIONS MADE BY YOU IN CONNECTION WITH APPLICATION FOR MEMBERSHIP

Your application and the statements of your finances and health history which you filed with Seabury At Home are incorporated into this Agreement, and all statements therein are deemed to be true as of the date made. You represent and warrant that there have been no material changes in the information provided since the date of application. Any material misstatement, or any material omission, may result in the termination of this Agreement by Seabury At Home.

15. POWER OF ATTORNEY; ARRANGEMENTS FOR CONSERVATOR

You agree to execute and maintain in effect a limited Durable Power of Attorney valid under Connecticut law. The Power of Attorney shall designate as your attorney-in-fact, a bank, a lawyer, a relative, or other responsible person or persons of your choice, to act for you in managing your financial affairs, and filing for your insurance or other benefits as fully and completely as you would if acting personally. It shall be in a form that survives your incapacity or disability and is otherwise satisfactory to Seabury At Home. You will deliver a fully executed copy of this Power of Attorney to us by the time of your first meeting with your Personal Health Coordinator. If you become unable to care properly for yourself or for your property and have made no designation of a person or legal entity to serve as a conservator of Person or Estate, you hereby authorize Seabury At Home to propose, subject to approval by a court of competent jurisdiction as provided by law, a person or entity to serve as such conservator, and you release and hold harmless Seabury At Home from any liability from proposing a conservator or from any acts or omissions of the conservator.

**V. FEES**

1. STATEMENT OF FEES

The Membership Fee and Monthly Fee set forth in attached Exhibit A, represent payment for the services to be provided by Seabury At Home under this Agreement.

2. MONTHLY FEES

You agree to pay Seabury At Home the total Monthly Fee in advance, on or before the twentieth day of each month, beginning with the Membership Date. The Monthly Fee shall be prorated for any applicable period of less than one month. The Monthly Fee may be increased by Seabury At Home at its sole discretion upon thirty days (30) notice to you.

Seabury At Home will endeavor to maintain the Monthly Fees at the lowest possible rate consistent with sound financial practice and maintenance of the quality of Services, but we may exercise our discretion to increase the Monthly Fees periodically. When we do decide to adjust those fees, we will provide you with at least thirty days (30) written notice in advance of any increase in the Monthly Fees.

As a Platinum, Gold, Gold Plus, Silver, Titanium Care, or Titanium Plan Member, you agree to pay the Monthly Fee whether you are residing in your Home or in another facility. For Sterling or Copper Plan Members, you agree to pay the Monthly Fee whether you are residing in your Home or temporarily in another facility.

You will be invoiced monthly for any items and services provided for you that Seabury At Home is not obligated to provide or pay for as part of your Monthly Fee, along with any co-pays as outlined in Exhibit A, and you must pay those invoices within twenty days after receipt.

You agree to pay Seabury At Home interest at one percent (1%) per month on any overdue Monthly Fees and service charges.

### 3. SUBSIDY AT HOME ASSISTANCE

If your funds become substantially reduced or depleted, and your income reduced to the extent that you are eligible to receive public benefits, including, but not limited to, Social Security, Medicaid, etc., you agree to apply for these entitlements or benefits. Failure to do so may result in the termination of this Agreement by Seabury At Home, and release of its obligations hereunder. In the event that you are unable to meet your financial obligations to Seabury At Home after qualifying for all available public benefits, Seabury At Home will continue to provide the Services to which you are entitled under this Agreement only to the extent for as long as Seabury At Home deems the provision of such Services to be consistent with the objectives of Seabury At Home and its prudent financial management of Seabury At Home. The total cumulative amount of uncompensated Services and other subsidies provided to you by Seabury At Home shall be deducted from any refund due to you or your estate upon termination of this Agreement.

## **VI. TERMINATION OF THIS AGREEMENT AND REFUNDS**

### **1. TERMINATION BY YOU**

You may terminate this Agreement for any reason within thirty (30) days following the execution of the contract (“Statutory Rescission Period”) by notifying Seabury At Home in writing by registered or certified mail. In the event you terminate within the Statutory Rescission Period, any fees paid to Seabury At Home will be refunded less: (a) costs specifically incurred by Seabury At Home at your request, and (b) a service charge equal to the greater of one thousand dollars (\$1,000) or two percent (2%) of your Membership Fee.

After the Statutory Rescission Period, if you die before we begin providing services in your home, this Agreement will be automatically canceled and any fees paid to Seabury At Home will be refunded less: (a) costs specifically incurred by Seabury At Home at your request, and (b) a service charge equal to the greater of one thousand dollars (\$1,000) or two percent (2%) of your Membership Fee.

You may terminate this Agreement after the Statutory Rescission Period by giving written notice to Seabury At Home, by registered or certified mail, no less than thirty (30) days prior to termination. Timely notice of termination by you must be given by registered or certified mail. The notice must specify the termination date.

For Sterling and Copper Plan Members, this Agreement shall terminate upon your permanent transfer to an Assisted Living Facility or a Nursing Home Facility.

This Agreement shall terminate upon your death.

Any Membership fee refund due to you after the Statutory Rescission Period will be made in accordance with Paragraphs 5,6, and 7 of this Section, as applicable.

### **2. TRANSFER OF SEABURY AT HOME MemberS TO INDEPENDENT LIVING ON THE SEABURY CAMPUS**

As a Member of Seabury At Home, you may choose to move into independent living on the Seabury campus. A Member must financially and medically qualify and be without need for any immediate services to be eligible for Independent Living, as determined by Seabury.

To transfer, you must follow the termination process outlined in Section VI of this Agreement.



The refund of the portion of the Membership fee to which you are entitled may be applied to your entrance fee for the Seabury apartment, cottage or villa as follows:

- If you have selected the Platinum Plan (80% Refund Option) as shown on Exhibit A, you shall be due a refund equal to eighty percent (80%) of the Membership Fee, which may be applied to your fee under Seabury's Plan 0%, 50%, or 80%. You will be responsible for the current Monthly Fee for the Seabury apartment, cottage, or villa.

If you have selected the Gold Plus, Silver, Sterling, Copper, Titanium Care, or Titanium Payment Plans (0% Refund Option), as shown on Exhibit A, you shall be due your full Membership Fee paid when you select Seabury's Plan 0%. The total Membership Fee will be applied to your Seabury apartment, cottage, or villa; you will pay the difference between your original Membership Fee and the current Entrance Fee for Seabury's Plan 0%.

### 3. TERMINATION BY SEABURY AT HOME

Seabury At Home shall have the right to terminate this Agreement for any cause, which, in its sole discretion, shall be good and sufficient. Good and sufficient cause shall include, but is not limited to the following:

- Failure to perform. Your obligations under this Agreement, including the obligation to pay the Monthly Fees and other charges within sixty (60) days after they are due for payment.
- Material misstatements or failure to state a material fact in your application or any other financial statement, or health history statement filed with Seabury At Home.
- Dissipation or commitment of your financial resources which impairs your ability to meet your financial obligation to Seabury At Home.
- Your behavior resulting in a threat to the safety, health, peace, or well-being of yourself or others.
- Your refusal to follow the recommendations of your Health Coordination Team when such refusal poses a risk to your health or safety, as determined by us in our sole discretion.

- Your decision to move to an Assisted Living Facility or Nursing Home Facility when such a move is not Determined To Be Appropriate (except for Sterling and Copper Plans).

Seabury At Home shall give you a reasonable notice of termination in writing via hand delivery, or registered, or certified mail. Seabury At Home's determination that your continued Membership presents a threat to the safety of others, or of yourself, shall be a factor in determining the reasonableness of that notice period.

#### 4. APPEALS

You have the right to appeal a decision made by Seabury At Home to terminate this Agreement. Only the Member or the Member's Designated Health Care Representative may appeal a decision to terminate. A request for appeal may be made by requesting the appeal in writing by certified or registered mail within ten (10) days of the notice of termination.

If a prompt appeal is received, the Appeal Committee, consisting of the Medical Director, Chief Executive Officer, and Vice President overseeing Community Outreach Services of Seabury At Home will review the termination decision. The decision by the Appeal Committee on the termination will be provided in writing within thirty (30) days.

#### 5. CONDITIONS OF REFUND AND DUTIES UPON TERMINATION

Monthly Fees are to be paid through the Termination Date. If Seabury At Home or you terminate this Agreement after the Statutory Rescission Period, the refund of the portion of the Membership Fee to which you are entitled shall promptly be paid to you in accordance with the provisions of Paragraphs 6 or 7 of this Section. In no event will payment be made later than three (3) years from the date that this Agreement terminates.

Upon termination by either you or Seabury At Home, you agree to pay Seabury At Home all amount owed to it, and any reasonable expenses incurred in connection with the termination, including, but not limited to, the cumulative amount of any uncompensated services or other subsidies provided to you by Seabury At Home. Seabury At Home may set off any amounts owed by you against any refund due.

If you are transferred to an Assisted Living or Nursing Home Facility, you may be asked to sign additional agreements applicable to the residential setting to which you are transferred; however, this Agreement does not terminate and no refund of any portion of the Membership Fee shall be due upon your transfer to an Assisted

Living or Nursing Home Facility (with exception of Sterling and Copper Plan Members).

6. **PROVISIONS APPLICABLE ONLY FOR THE PLATINUM PLAN (80% REFUND OPTION)**

If you have selected the Platinum Plan (80% Refund Option) as shown on the attached Exhibit A, you or your estate shall be paid a refund equal to eighty percent (80%) of the Membership Fee upon termination by you or by Seabury At Home after the Membership Date.

7. **PROVISIONS APPLICABLE TO ALL OTHER PAYMENT PLANS**

If you have selected the Gold, Gold Plus, Silver, Sterling, Copper, Titanium Care, or Titanium Payment Plans as shown on the attached Exhibit A, no refund shall be due to you or our estate upon termination.

If Seabury At Home terminates this Agreement after your Membership Date, you or your estate shall be due to a refund equal to the amount of the Membership Fee less one percent thereof for each calendar month between the date you signed this Agreement and the Termination Date. No refund shall be due if Seabury At Home terminates this Agreement more than one hundred (100) months after the date you signed this Agreement.

For purposes of computing Membership Fee refunds, a partial calendar month of more than fifteen (15) days shall be treated as a full month, and a partial calendar month of fifteen (15) or fewer days shall be ignored. The date you signed this Agreement and Termination Date shall be counted as full calendar days.

## **VIII. MISCELLANEOUS**

1. **CONFIDENTIALITY**

Seabury At Home has the responsibility to keep all of the personal, medical, and financial information you have supplied to Seabury At Home in confidence. You agree that, as permitted by federal and state law, Seabury At Home can provide such information to healthcare professionals, third-party payors, and others who have a need, in our judgment, or a right to know such information under federal or state law.

## 2. MANAGEMENT AUTHORITY

Seabury At Home retains all authority regarding admission, adjustment of fees, and all aspects of the management of Seabury At Home. You do not have the right to prevent the admission of a new Member or the termination of another Member's Member Agreement, nor do you have the right to protest the fees charged to or financial assistance rendered to any other Member.

## 3. WAIVER

In the event that Seabury At Home does not, in any one or more instances, insist upon your strict performance, observance, or compliance with any of the terms or provisions of this Agreement, or if we waive a breach by you of this Agreement, it shall not be construed to be a waiver of our right to insist upon your strict compliance with all other terms and provisions of this Agreement.

## 4. 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 State of Connecticut.

## 5. ATTORNEY'S FEES AND COSTS

If Seabury At Home is obliged to take legal action to enforce this Agreement, to collect sums due to Seabury At Home pursuant to this Agreement, or to recover damages of any kind, you are liable for the costs of such action including, but not limited to, reasonable attorneys' fees.

## 6. FULL AND COMPLETE AGREEMENT

This Agreement has precedence over any representations previously made by Seabury At Home representatives, and over any descriptions of services in promotional materials or presentations. This Agreement constitutes the entire contract between you and Seabury At Home. No waiver modification shall be valid unless made in writing, signed by you and Seabury At Home, and attached to this Agreement.

## 7. INTERPRETATION

Headings are for convenience and reference purposes only, and shall not affect the interpretation of any provision of this Agreement. Should any provision herein, for any reason, be held invalid or unenforceable in any jurisdiction in which it is sought to be enforced, such invalidity or unenforceability shall be construed as if it were omitted. The remainder of the Agreement shall remain in full force and effect.

8. RIGHT OF SUBROGATION

Should you be injured by a third party and such injury requires us to provide Health Care Services under this Agreement, we shall be subrogated, to the extent allowed by Connecticut law, to your rights, against such other third party to the extent necessary to reimburse us for the costs incurred in providing Services under this Agreement.

9. FORCE MAJEURE

Seabury At Home shall not be in default hereunder if it is unable to fulfill or is delayed in fulfilling any of its obligations by reason of fire or other casualty, strikes of labor troubles, governmental preemption in connection with a national emergency, shortage of supplies or materials, or by reason of any rule, order or regulation of any governmental authority, or by reason of the condition of supply and demand affected by war or other emergency, or any other cause beyond its reasonable control.

10. GENDER OF PRONOUNS

All references in this Agreement by masculine pronouns and adjectives also include the feminine and vice versa.

11. SUCCESSORS AND ASSIGNS

The duties owed Seabury At Home under this Agreement shall inure to the benefit of its successors and assigns.

12. STATEMENT OF NON-DISCRIMINATION

Seabury At Home complies with applicable federal and state laws that prohibit discrimination based on race, color, sex, religious beliefs, national origin, and other protected classes of persons.

13. NOTICES

When required by the terms of this Agreement, notices shall be given in writing and shall be given to Seabury At Home or to you at the addresses set forth in Exhibit A, or at such address as we or you shall specify in writing to each other.

Your signature below certifies that you have read, understand, and accept this Agreement, and that you or your financial advisor have received the most recent Disclosure Statement containing the current audited financial statements.

\_\_\_\_\_  
Signature – Member

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

SEABURY AT HOME INCORPORATED

By: \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

**EXHIBIT A**

**PLAN OPTIONS AND ASSOCIATED FEES**

Last Name \_\_\_\_\_

**EXHIBITA**

**MEMBERSHIP DATE**

The scheduled date agreed upon is \_\_\_\_\_

**PLAN SELECTION AND FEES** - Membership fees are based on the type of Membership Plan selected and the age of the person enrolling in the program. Monthly fees are based on the Membership Plan. The Membership Plan you have selected and the monthly fees are stated below:

- |                          |                                    |  |
|--------------------------|------------------------------------|--|
| Membership Plan Selected | <input type="checkbox"/> Platinum  | <input type="checkbox"/> Sterling      |
|                          | <input type="checkbox"/> Gold      | <input type="checkbox"/> Copper        |
|                          | <input type="checkbox"/> Gold Plus | <input type="checkbox"/> Titanium Care |
|                          | <input type="checkbox"/> Silver    | <input type="checkbox"/> Titanium      |

Age of applicant at enrollment \_\_\_\_\_

**TOTAL MEMBERSHIP FEE DUE UPON EXECUTION OF AGREEMENT**

\$ \_\_\_\_\_

**MONTHLY FEE**

\$ \_\_\_\_\_

Less discount for Long Term Care Insurance (Gold Plus)

\$ \_\_\_\_\_

**TOTAL MONTHLY FEE**

\$ \_\_\_\_\_

Addresses for Required Notice

to Seabury At Home:

President and CEO  
Seabury At Home Incorporated  
200 Seabury Drive  
Bloomfield, CT 06002

to You:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



As per the changes made to Seabury At Home's Disclosure Statement, Section II, "Our responsibilities to You as a Member," Item#13: Illness or injury away from the designated service area on Page 11, has been updated to reflect reimbursement of services for Members within the 50 states, as "Portability."

Should Seabury decide to cease the amenity of "Portability" that is discussed within this Disclosure Statement, existing members of Seabury At Home will be able to receive, indefinitely, the coverage of "Portability" for as long as they are a Member of Seabury At Home, per the home and facility based coverage terms of their specific Plan selected (Platinum, Gold, Gold Plus, Silver, Sterling, Copper, Titanium CARE or Titanium), unless prohibited by law.

Your signature below certifies that you have read, understand, and accept this Exhibit A.

---

Signature- Member

---

Date

\*If you have selected the Gold Plus Plan, you are required to maintain the long-term care insurance policy (or policies) used to calculate the discount on your monthly fee and to maintain the same benefit coverage. If you receive Home and/or Facility-Based Services, Seabury At Home will pay the difference between the per day cost of services and the covered amount you are eligible for under your long-term care policy. You agree that upon receiving long-term care insurance reimbursement, you will repay Seabury At Home all of the proceeds related to costs which Seabury At Home incurred or paid on your behalf.

**EXHIBIT B**

**AUDITED FINANCIAL STATEMENTS**

INCLUDING CONSOLIDATED STATEMENTS OF  
ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE PREVIOUS TWO YEARS

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAcconnect.com](https://CLAcconnect.com)

**SEABURY, INC. AND SUBSIDIARIES  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Seabury, Inc. and Subsidiaries  
Bloomfield, Connecticut

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

#### *Opinion*

We have audited the accompanying consolidated financial statements of Seabury, Inc. and Subsidiaries, which comprise the consolidated statements of financial position as of September 30, 2023 and 2022, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Seabury, Inc. and Subsidiaries as of September 30, 2023 and 2022, and the results of its operations, changes in 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 Consolidated Financial Statements section of our report. We are required to be independent of Seabury, Inc. and Subsidiaries 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 Seabury, Inc. and Subsidiaries' ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

***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 Seabury, Inc. and Subsidiaries' 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 Seabury, Inc. and Subsidiaries' 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.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules of financial position, activities and changes in net assets and cash flows as of and for the years ended September 30, 2023 and 2022 are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the 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**

West Hartford, Connecticut  
January 4, 2024

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2023 AND 2022**

|  | 2023           | 2022           |
|--|----------------|----------------|
| <b>ASSETS</b>  |                |                |
| <b>CURRENT ASSETS</b>                                |                |                |
| Cash and Cash Equivalents                            | \$ 12,980,590  | \$ 9,282,028   |
| Restricted Cash and Cash Equivalents Held by Trustee | 1,684,951      | 1,550,112      |
| Entrance Fee Deposits                                | 299,108        | 94,519         |
| Accounts Receivable, Net                             | 1,525,377      | 1,242,458      |
| Entrance Fees Receivable                             | 1,723,549      | 1,577,678      |
| Prepaid Expenses and Other Current Assets            | 1,021,634      | 1,050,222      |
| Total Current Assets                                 | 19,235,209     | 14,797,017     |
| <b>INVESTMENTS</b>                                   |                |                |
| Investments  | 34,737,854     | 30,865,493     |
| Investments Held by Trustee                          | 3,994,394      | 3,937,012      |
| Total Investments                                    | 38,732,248     | 34,802,505     |
| <b>PROPERTY AND EQUIPMENT, AT COST</b>               |                |                |
| Land and Improvements                                | 9,592,557      | 9,592,557      |
| Buildings and Improvements                           | 162,694,003    | 160,838,084    |
| Furniture, Fixtures, and Equipment                   | 9,503,699      | 9,684,044      |
| Vehicles   | 123,800        | 123,800        |
| Construction in Progress                             | 393,080        | 393,080        |
| Total Property and Equipment                         | 182,307,139    | 180,631,565    |
| Less: Accumulated Depreciation                       | 90,629,210     | 83,880,718     |
| Net Property and Equipment                           | 91,677,929     | 96,750,847     |
| <b>OTHER ASSETS</b>                                  |                |                |
| Deferred Compensation Investments                    | 135,196        | 96,782         |
| Beneficial Interest in Perpetual Trusts              | 5,177,347      | 4,810,962      |
| Investment in Limited Partnerships                   | 543,224        | 534,963        |
| Pledges and Other Receivables                        | 68,888         | 131,388        |
| Total Other Assets                                   | 5,924,655      | 5,574,095      |
| Total Assets   | \$ 155,570,041 | \$ 151,924,464 |

*See accompanying Notes to Consolidated Financial Statements.*



**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**SEPTEMBER 30, 2023 AND 2022**

|   | 2023           | 2022           |
|---|----------------|----------------|
| <b>LIABILITIES AND NET ASSETS (DEFICIT)</b>                               |                |                |
| <b>CURRENT LIABILITIES</b>  |                |                |
| Current Portion of Bonds Payable  | \$ 1,215,000   | \$ 1,155,000   |
| Current Portion of Finance Leases   | -              | 40,135         |
| Accounts Payable and Accrued Expenses                                     | 2,943,348      | 2,693,358      |
| Entrance Fee Deposits   | 299,108        | 94,519         |
| Deferred Revenue  | 274,163        | 274,163        |
| Total Current Liabilities   | 4,731,619      | 4,257,175      |
| <b>ANNUITIES PAYABLE</b>  | 176,451        | 189,469        |
| <b>BONDS PAYABLE, NET OF CURRENT PORTION<br/>AND BOND FINANCING COSTS</b> | 77,157,626     | 78,357,245     |
| <b>DEFERRED COMPENSATION</b>  | 135,196        | 96,782         |
| <b>REFUNDABLE AND NONREFUNDABLE ENTRANCE FEES</b>                         |                |                |
| Entrance Fees Refunds Payable   | 35,881,376     | 36,128,779     |
| Nonrefundable Deferred Fees, Net  | 40,160,783     | 38,767,390     |
| Total Refundable and Nonrefundable Deferred Entrance Fees                 | 76,042,159     | 74,896,169     |
| Total Liabilities   | 158,243,051    | 157,796,840    |
| <b>NET ASSETS (DEFICIT)</b>   |                |                |
| Without Donor Restrictions  | (9,374,058)    | (12,078,856)   |
| With Donor Restrictions   | 6,701,048      | 6,206,480      |
| Total Net Assets (Deficit)  | (2,673,010)    | (5,872,376)    |
| Total Liabilities and Net Assets (Deficit)                                | \$ 155,570,041 | \$ 151,924,464 |

*See accompanying Notes to Consolidated Financial Statements.*

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

|   | 2023           | 2022           |
|---|----------------|----------------|
| <b>NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS</b>                        |                |                |
| Revenues, Gains, and Other Support:   |                |                |
| Health Center Patients, Net of Contractuals                                   | \$ 10,323,592  | \$ 8,862,661   |
| Assisted Living Services  | 3,137,569      | 2,816,247      |
| Resident Services   | 16,847,115     | 16,250,915     |
| Home Health Revenue   | 1,351,984      | 904,185        |
| Seabury At Home, Inc. Revenue   | 1,462,230      | 1,198,847      |
| Amortization of Nonrefundable Deferred Fees                                   | 5,160,454      | 4,670,269      |
| Investment Income   | 1,566,947      | 1,370,931      |
| Other Income  | 4,738,814      | 2,879,163      |
| Contributions and Gifts   | 565,648        | 185,159        |
| Total Revenues, Gains, and Other Support                                      | 45,154,353     | 39,138,377     |
| Expenses:   |                |                |
| Medical and Other Resident Care   | 12,224,309     | 8,928,286      |
| General and Administrative  | 11,752,908     | 12,830,838     |
| Dietary   | 4,248,226      | 3,748,920      |
| Repairs and Maintenance   | 3,584,211      | 3,445,210      |
| Housekeeping and Laundry  | 1,408,642      | 1,270,474      |
| Interest Expense, Net   | 4,004,182      | 4,065,497      |
| Depreciation  | 7,023,117      | 7,586,926      |
| Total Expenses  | 44,245,595     | 41,876,151     |
| <b>INCOME (LOSS) FROM OPERATIONS</b>  | 908,758        | (2,737,774)    |
| Other Changes in Net Assets (Deficit) Without Donor Restrictions:             |                |                |
| Change in Net Unrealized Gain (Loss) on Investments                           | 1,794,295      | (5,011,980)    |
| Net Assets Released from Restrictions   | 1,745          | 3,275          |
| <b>INCREASE (DECREASE) IN NET ASSETS (DEFICIT) WITHOUT DONOR RESTRICTIONS</b> | 2,704,798      | (7,746,479)    |
| <b>NET ASSETS WITH DONOR RESTRICTIONS</b>                                     |                |                |
| Contributions, Gifts, and Other Income, Net                                   | 13,857         | 12,046         |
| Investment Gain   | 374,014        | 208,821        |
| Change in Net Unrealized Loss on Investments                                  | (257,944)      | (354,024)      |
| Change in Interest in Perpetual Trusts  | 366,386        | (1,437,181)    |
| Net Assets Released from Restrictions   | (1,745)        | (3,275)        |
| <b>INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS</b>              | 494,568        | (1,573,613)    |
| <b>CHANGE IN NET ASSETS (DEFICIT)</b>   | 3,199,366      | (9,320,092)    |
| Net Assets (Deficit) - Beginning of Year                                      | (5,872,376)    | 3,447,716      |
| <b>NET ASSETS (DEFICIT) - END OF YEAR</b>                                     | \$ (2,673,010) | \$ (5,872,376) |

See accompanying Notes to Consolidated Financial Statements.

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

|                                       | 2023                 |                           |                  |                      |
|---------------------------------------|----------------------|---------------------------|------------------|----------------------|
|                                       | Program<br>Services  | Management<br>and General | Fundraising      | Total                |
| Salaries and Wages                    | \$ 14,563,762        | \$ 1,723,985              | \$ -             | \$ 16,287,747        |
| Employee Benefits                     | 3,530,691            | 304,860                   | -                | 3,835,551            |
| Depreciation                          | 6,878,934            | 144,183                   | -                | 7,023,117            |
| Interest                              | 3,929,631            | 74,551                    | -                | 4,004,182            |
| Other General and Administrative      | 3,676,633            | 64,574                    | -                | 3,741,207            |
| Real Estate Taxes                     | 2,376,894            | -                         | -                | 2,376,894            |
| Medical Supplies and Supporting Costs | 607,666              | 1,187,472                 | -                | 1,795,138            |
| Dietary Food and Supplies             | 1,569,884            | 28,452                    | -                | 1,598,336            |
| Plant Operation and Maintenance       | 1,484,697            | -                         | -                | 1,484,697            |
| Resident Services                     | 1,316,375            | -                         | -                | 1,316,375            |
| Insurance                             | 760,618              | 21,733                    | -                | 782,351              |
|                                       | <u>\$ 40,695,785</u> | <u>\$ 3,549,810</u>       | <u>\$ -</u>      | <u>\$ 44,245,595</u> |
| Total Expenses                        |                      |                           |                  |                      |
|                                       | 2022                 |                           |                  |                      |
|                                       | Program<br>Services  | Management<br>and General | Fundraising      | Total                |
| Salaries and Wages                    | \$ 12,823,491        | \$ 1,610,727              | \$ -             | \$ 14,434,218        |
| Employee Benefits                     | 3,290,357            | 290,160                   | -                | 3,580,517            |
| Depreciation                          | 7,430,578            | 156,348                   | -                | 7,586,926            |
| Interest                              | 3,989,805            | 75,692                    | -                | 4,065,497            |
| Plant Operation and Maintenance       | 3,129,098            | 54,730                    | -                | 3,183,828            |
| Other General and Administrative      | 444,908              | 2,667,797                 | -                | 3,112,705            |
| Medical Supplies and Supporting Costs | 1,900,246            | -                         | -                | 1,900,246            |
| Real Estate Taxes                     | 1,587,228            | 28,703                    | -                | 1,615,931            |
| Dietary Food and Supplies             | 1,332,335            | -                         | -                | 1,332,335            |
| Insurance                             | 751,693              | 22,282                    | -                | 773,975              |
| Resident Services                     | 263,074              | -                         | -                | 263,074              |
| Events                                | -                    | -                         | 26,899           | 26,899               |
|                                       | <u>\$ 36,942,813</u> | <u>\$ 4,906,439</u>       | <u>\$ 26,899</u> | <u>\$ 41,876,151</u> |
| Total Expenses                        |                      |                           |                  |                      |

See accompanying Notes to Consolidated Financial Statements.

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2023 AND 2022**

|   | 2023          | 2022           |
|---|---------------|----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |               |                |
| Change in Net Assets (Deficit)  | \$ 3,199,366  | \$ (9,320,092) |
| Adjustments to Reconcile Change in Net Assets (Deficit) to Net Cash Provided by Operating Activities: |               |                |
| Proceeds from Entrance/Membership Fees, Net of Refunds  | 6,306,444     | 5,145,181      |
| Depreciation  | 7,023,117     | 7,586,926      |
| Bad Debt Expense  | 195,757       | 32,567         |
| Loss on Disposal of Property  | 5,764         | 107,208        |
| Amortization of Bond Financing Costs  | 91,665        | 91,664         |
| Amortization of Bond Premium  | (76,284)      | (76,284)       |
| Amortization of Nonrefundable Deferred Fees   | (5,160,454)   | (4,670,269)    |
| Change in Net Unrealized Gain (Loss) on Investments   | (1,536,351)   | 5,366,004      |
| Change in Interest in Perpetual Trusts  | (366,385)     | 1,437,181      |
| (Increase) Decrease in Operating Assets:  |               |                |
| Entrance Fee Deposits   | (204,589)     | 142,336        |
| Accounts Receivable and Pledges Receivable  | (416,176)     | 757,548        |
| Entrance/Membership Fees Receivable   | (145,871)     | 201,848        |
| Prepaid Expenses and Other Current Assets   | 28,588        | 810,691        |
| Increase (Decrease) in Operating Liabilities:   |               |                |
| Accounts Payable and Accrued Expenses   | 249,990       | (41,539)       |
| Deferred Revenue  | -             | 274,163        |
| Entrance/Membership Fee Deposits  | 204,589       | (142,336)      |
| Annuities Payable   | (13,018)      | (27,626)       |
| Net Cash Provided by Operating Activities   | 9,386,152     | 7,675,171      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |               |                |
| Purchases of Investments and Cash and Investments Held by Trustee, Net                                | (2,401,653)   | (4,738,503)    |
| Increase in Accounts Payable and Accrued Expenses Related to Construction                             | -             | 4,424          |
| Purchases of Property and Equipment   | (1,955,963)   | (1,598,211)    |
| Proceeds from Sale of Property and Equipment  | -             | 41,000         |
| Net Cash Used by Investing Activities   | (4,357,616)   | (6,291,290)    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |               |                |
| Principal Payments on Bonds Payable   | (1,155,000)   | (1,100,000)    |
| Principal Payments on Finance Leases  | (40,135)      | (121,534)      |
| Net Cash Used by Financing Activities   | (1,195,135)   | (1,221,534)    |
| <b>NET INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>                                    | 3,833,401     | 162,347        |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year                                       | 10,832,140    | 10,669,793     |
| <b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>                                      | \$ 14,665,541 | \$ 10,832,140  |

See accompanying Notes to Consolidated Financial Statements.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION**

Seabury, Inc. and Subsidiaries (the Company) is a Connecticut nonstock, tax-exempt organization operated exclusively for religious, charitable, scientific, literary or educational purposes by operating for the benefit of performing the functions of and carrying out the purposes of Church Home of Hartford, Inc. dba: Seabury (Seabury), Seabury At Home, Inc. (Seabury At Home), and Seabury Charitable Foundation, Inc. (the Foundation).

Seabury is a Connecticut nonstock, tax-exempt organization that has provided housing with support services for the elderly in the Hartford area since 1876. Seabury, which is affiliated with the Episcopal Diocese of Connecticut, currently operates a health center and independent living community. As of September 30, 2023, Seabury consists of 248 independent living units, 36 congregate living units, 22 residential care home beds, 72 skilled nursing beds, 28 assisted living dementia beds, and 28 dementia residential care home beds. As the Company is the sole member and beneficiary of Seabury, the activities of Seabury have been consolidated with those of the Company in the accompanying consolidated financial statements. All significant transactions between the Company and Seabury have been eliminated.

As of October 1, 2023, the 28 assisted living dementia beds have been converted into enhanced assisted living.

Overall occupancy levels at Seabury for the years ended September 30 are as follows:

|                                  | <u>2023</u> | <u>2022</u> |
|----------------------------------|-------------|-------------|
| Independent Living               | 82 %        | 86 %        |
| Congregate Living                | 100         | 100         |
| Residential Care Home            | 55          | 46          |
| Skilled Nursing Care             | 86          | 79          |
| Assisted Living - Dementia       | 66          | 13          |
| Residential Care Home - Dementia | 49          | 88          |

In May 1996, the Company formed the Foundation. The Foundation is incorporated under the Nonstock Corporation Act of the State of Connecticut and is a separate legal entity from the Company. The purpose of the Foundation is to operate exclusively for the benefit of, to perform the functions of and to further the charitable purposes and mission of Seabury and Seabury At Home. As the Company is the sole member and beneficiary of the Foundation, the activities of the Foundation have been consolidated with those of the Company in the accompanying consolidated financial statements. All significant transactions between the Company and the Foundation have been eliminated.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 1 ORGANIZATION (CONTINUED)**

In March 2006, the Company formed Seabury At Home, which began operations in 2008. Seabury At Home is incorporated under the Nonstock Corporation Act of the State of Connecticut and is a separate legal entity from the Company. The purpose of Seabury At Home is to sponsor, initiate, develop, operate and maintain facilities and programs for the delivery of health care, personal care and support services to the elderly designed to promote and extend opportunities for independent living and personal health. As the Company is the sole member and beneficiary of Seabury At Home, the activities of Seabury At Home have been consolidated with those of the Company in the accompanying consolidated financial statements. All significant transactions between the Company and Seabury At Home have been eliminated.

In June 2015, the Company formed Seabury Powder Forest, LLC (Powder Forest). Powder Forest was formed as an LLC pursuant to laws of the state of Connecticut. The purpose of Powder Forest is to acquire and hold land for possible future development. Seabury At Home and the Foundation are equal members of Powder Forest. All transactions between the Foundation, Seabury At Home, and Powder Forest have been eliminated.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The Company includes revenues and expenses from healthcare and senior living services, investment income, and unrestricted grants and contributions in its measurement of results from operations. Unrealized investment activity and revenues with related donor restrictions are reported outside of this measurement.

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Company, the accounts are maintained on the accrual basis of accounting, and, accordingly, the accounts are recorded in the following net asset categories:

*Net Assets Without Donor Restrictions* – Net assets without donor restrictions represent available resources other than donor-restricted contributions. These resources may be expended at the discretion of the board of directors.

*Net Assets With Donor Restrictions* – Net assets with donor restrictions represent 1) contributions that are restricted by the donor as to purpose or time of expenditure, 2) contributions that require that the principal be maintained in perpetuity but permit the Company to expend the income earned thereon, and 3) the accumulated investment income and gains on donor-restricted endowment assets that have not been appropriated for expenditure.

**Income (Loss) From Operations**

The consolidated statements of activities and changes in net assets include income(loss) from operations. This is the performance indicator for the Company. Changes in net assets which are excluded from this operating measure, consistent with industry practice, include change in unrealized gains/losses on investments and assets acquired using contributions which by donor restriction were to be used for purposes of acquiring such assets.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. It is management's opinion that the estimates applied in the accompanying consolidated financial statements are reasonable.

**Cash, Cash Equivalents, and Restricted Cash**

Cash equivalents include cash and highly liquid investments purchased with an original maturity of three months or less. The Company maintains deposits in financial institutions that may, at times, exceed federal depository insurance limits. Management believes that the Company's deposits are not subject to significant credit risk.

**Accounts Receivable**

Accounts receivable are considered delinquent and written off when all attempts to collect from individuals or other payor sources have been exhausted. Management maintains an allowance for doubtful accounts of \$370,000 and \$350,000 at September 30, 2023 and 2022, respectively, which is based on a review of significant balances and past experience.

**Investment Valuation and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements. Purchases and sales of securities are recorded on the trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized gain (loss) on investments includes the Company's gains and losses on investments bought and sold as well as held during the year.

Realized and unrealized gains and losses and investment income on donor-restricted endowment assets are classified as increases or decreases in net assets with donor restrictions until appropriated for expenditure. The Company has adopted a policy to review, for potential adjustment to cost, any investment where market value has decreased below cost by greater than 25% for a period of nine months or longer. No adjustments were necessary for the fiscal years ended September 30, 2023 and 2022. Refer to Note 5 for further detail on investment income for the years ended September 30, 2023 and 2022.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets as follows:

|                                    |                |
|------------------------------------|----------------|
| Buildings and Improvements         | 10 to 30 Years |
| Furniture, Fixtures, and Equipment | 3 to 20 Years  |
| Vehicles                           | 4 Years        |

Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures in excess of \$5,000 for renewals and betterments are capitalized.

**Bond Financing Costs and Premium**

Bond financing costs are fees and other costs incurred in obtaining financing that are amortized on a straight-line basis over the term of the related debt. Bond financing costs are presented as a direct deduction of the carrying amount of the debt. Bond financing costs at issuance totaled \$2,859,859, with related accumulated amortization of \$728,132 at September 30, 2023. Amortization of bond issuance costs is included in interest expense. Amortization expense totaled \$91,665 and \$91,664 for the fiscal years ending September 30, 2023 and 2022, respectively.

Bond premium is amortized on a straight-line basis over the term of the related debt. Bond premium is presented as a direct addition to the carrying amount of the debt. Bond premium at issuance totaled \$2,400,189, with related accumulated amortization of \$600,838 at September 30, 2023. Amortization of bond premium is included in interest expense. Amortization expense totaled \$76,284 for the years ended September 30, 2023 and 2022.

**Contributions**

Contributions are defined as voluntary, nonreciprocal transfers. Contributions without donor restrictions and unconditional contributions are recognized as support when received or pledged, if applicable. Contributions are reported as restricted support if they are received with donor stipulations that limit the use of such assets. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions due to satisfaction of restrictions.

**Revenue Recognition**

The Company recognizes revenue at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to its customers using the following five-step process:

1. Identify the contract(s) with the customer
2. Identify the performance obligation(s) in the contract
3. Determine the transaction price
4. Allocate the transaction price to performance obligations in the contract
5. Recognize revenue when (or as) the Company satisfies a performance obligation

See Note 7 for details on how the above five-step process is applied to the Company's contracts with customers.



**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Operating Reserve**

The State of Connecticut Department of Social Services (DSS) monitors Connecticut retirement communities and their compliance with existing state regulations. Among other things, DSS requires that retirement communities maintain an operating reserve equal to approximately one month's cash operating costs. The Company maintained an adequate operating reserve as of September 30, 2023 and 2022.

**Charitable Reserve**

Pursuant to the agreed settlement with the state of Connecticut for the addition of 30 skilled nursing beds during fiscal 1996, the Company was required to segregate \$500,000 of its investments in a contingency fund account restricted to provide for the expenses of the continuum of care to be made available to private payor health center residents of Seabury that may not be covered by the residents' assets. This amount was increased by \$100,000 in each fiscal year through the fiscal year ended September 30, 2001 so that the reserve at September 30, 2023 and 2022 is in excess of the required \$1,000,000. This amount is included in net assets without donor restrictions in the accompanying consolidated statements of financial position.

**Beneficial Interest in Perpetual Trusts**

The Company is the beneficiary of several trust funds. Although the principal balances in the trust funds are restricted in perpetuity, the income earned on the trust funds is recorded as revenue without donor restrictions. The income is used for general expenses to maintain and operate the facilities. For the fiscal years ended September 30, 2023 and 2022, \$261,458 and \$263,894, respectively, is included in investment income without donor restrictions. Changes in market value for the Company's portion of the trusts were \$366,386 and \$(1,437,181) for the years ended September 30, 2023 and 2022, respectively.

**Charitable Gift Annuity**

The Foundation is the recipient of charitable gift annuities. Under the terms of the charitable gift annuity agreement with the individual donors, the Foundation is required to make monthly or quarterly payments to the donors over their remaining life. The proceeds from the gifts are without donor restrictions and are recognized as revenue to the extent that the fair market value of a gift on the date of receipt exceeds the present value of the estimated future annuity payments. The present value of the estimated future annuity payments is reflected as an annuity payable in the accompanying consolidated statements of financial position.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Allocation of Expenses**

The costs of providing various programs and other activities have been reported on a functional basis in the consolidated statement of functional expenses. Program expenses include the provision of Seabury's senior living and healthcare services. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis. Expenses are allocated based on full-time equivalents or square footage.

The expenses that are allocated include the following:

| <u>Expense</u>                  | <u>Method of Allocation</u>                  |
|---------------------------------|--|
| Salaries and Wages              | Direct / Sq. Footage / Full-Time Equivalents |
| Depreciation and Amortization   | Direct / Sq. Footage                         |
| Interest                        | Direct / Sq. Footage                         |
| Employee Benefits               | Direct / Full-Time Equivalents               |
| General and Administrative      | Direct / Sq. Footage / Full-Time Equivalents |
| Dietary Food and Supplies       | Direct / Sq. Footage                         |
| Plant Operation and Maintenance | Direct / Sq. Footage                         |
| Real Estate Taxes               | Direct / Sq. Footage                         |
| Insurance                       | Direct / Sq. Footage / Full-Time Equivalents |

**Income Taxes**

Seabury, the Foundation and Seabury At Home are tax-exempt under Section 501(c)(3) of the Internal Revenue Code and are not subject to federal or state income taxes. Powder Forest is a limited liability company treated as a partnership for income tax purposes with the net activity of Powder Forest being passed through to the Foundation and Seabury At Home and reported on their respective Form 990s. As such, no recognition of income taxes for the Company has been provided for in the accompanying consolidated financial statements.

**Reclassifications**

Certain amounts in the 2022 consolidated financial statements have been reclassified to conform to the current year's presentation.

**Subsequent Events**

In preparing these consolidated financial statements, management has evaluated subsequent events through January 4, 2024, which represents the date the consolidated financial statements were available to be issued.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 3 CASH, CASH EQUIVALENTS, AND RESTRICTED CASH**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts shown in the consolidated statements of cash flows.

|  | 2023          | 2022          |
|--|---------------|---------------|
| Cash and Cash Equivalents  | \$ 12,980,590 | \$ 9,282,028  |
| Restricted Cash and Cash Equivalents Held by Trustee   | 1,684,951     | 1,550,112     |
| Total Cash, Cash Equivalents, and Restricted Cash Shown in the Consolidated Statements of Cash Flows | \$ 14,665,541 | \$ 10,832,140 |

Restricted cash and cash equivalents held by trustee on the consolidated statements of financial position represents amounts pledged for debt service and collateral for bonds payable arrangements as contractually required by the related bond agreements. The restriction will lapse when the related bonds payable are paid off.

**NOTE 4 FAIR VALUE MEASUREMENTS**

GAAP established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

*Level 1* – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

*Level 2* – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following is a description of the valuation methodologies used for assets (liabilities) measured at fair value:

*Fixed Income and Equity Mutual Funds* – Fixed income and equity mutual funds are valued at the quoted net asset value of shares held by the Company at year-end.

*Common Stocks, Foreign Stocks and U.S. Government Securities* – These items are valued at the closing price reported in the active market in which the individual securities are traded.

*Beneficial Interest in Perpetual Trusts* – Beneficial interest in perpetual trusts held by third parties is valued at the present value of the future distributions expected to be received over the term of the agreement, which is measured by the fair values of the underlying assets. The Company cannot access assets in the trust.

*Investment in Limited Partnerships* – Investment in limited partnerships (LPs) is valued at cost of capital contributions to the LPs, plus or minus the proportionate share of net income or loss in the LPs. Based on the current status of the LPs, management believes this approximates fair value.

There have been no changes in the methodologies used at September 30, 2023 and 2022.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Company's assets at fair value as of September 30:

|   | September 30,<br>2023 | Fair Value Measurements Using |         |              |
|---|-----------------------|-------------------------------|---------|--------------|
|   |                       | Level 1                       | Level 2 | Level 3      |
| Cash Equivalents                        | \$ 1,319,788          | \$ 1,319,788                  | \$ -    | \$ -         |
| Fixed Income Mutual Funds               | 14,740,900            | 14,740,900                    | -       | -            |
| U.S. Government Securities              | 12,788,264            | 12,788,264                    | -       | -            |
| Equity Mutual Funds                     | 6,205,412             | 6,205,412                     | -       | -            |
| Common and Foreign Stocks               | 3,813,080             | 3,813,080                     | -       | -            |
| Total Investments                       | 38,867,444            | 38,867,444                    | -       | -            |
| Investment in Limited Partnerships      | 543,224               | -                             | -       | 543,224      |
| Beneficial Interest in Perpetual Trusts | 5,177,347             | -                             | -       | 5,177,347    |
| Total Assets at Fair Value              | \$ 44,588,015         | \$ 38,867,444                 | \$ -    | \$ 5,720,571 |

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

|   | September 30,<br>2022 | Fair Value Measurements Using |         |              |
|---|-----------------------|-------------------------------|---------|--------------|
|   |                       | Level 1                       | Level 2 | Level 3      |
| Cash Equivalents                        | \$ 3,418,688          | \$ 3,418,688                  | \$ -    | \$ -         |
| Fixed Income Mutual Funds               | 19,158,698            | 19,158,698                    | -       | -            |
| U.S. Government Securities              | 3,937,011             | 3,937,011                     | -       | -            |
| Equity Mutual Funds                     | 1,656,788             | 1,656,788                     | -       | -            |
| Common and Foreign Stocks               | 6,728,102             | 6,728,102                     | -       | -            |
| Total Investments                       | 34,899,287            | 34,899,287                    | -       | -            |
| Investment in Limited Partnerships      | 534,963               | -                             | -       | 534,963      |
| Beneficial Interest in Perpetual Trusts | 4,810,962             | -                             | -       | 4,810,962    |
| Total Assets at Fair Value              | \$ 40,245,212         | \$ 34,899,287                 | \$ -    | \$ 5,345,925 |

There were no transfers between levels of investments during the years ended September 30, 2023 and 2022.

**Assets Measured at Fair Value Using Significant Unobservable Inputs (Level 3)**

The underlying subscription agreement for the Company's investment in limited partnerships allows for a maximum commitment of \$875,000. The Company does not hold any redemption rights on the investment in limited partnerships. The limited partnerships have a life of 10 years that commenced on the date of filing of the certificate of limited partnership through the termination date, June 30, 2024.

The following table presents information about significant unobservable inputs related to the Company's investment in Level 3 assets at September 30, 2023:

| Type                                    | Fair Value   |              | Valuation Technique        | Significant Unobservable Inputs            |
|---|--------------|--------------|----------------------------|--|
|   | 2023         | 2022         |                            |  |
| Beneficial Interest in Perpetual Trusts | \$ 5,177,347 | \$ 4,810,962 | FMV of Trust Investments   | Value of Underlying Investments            |
| Investment in Limited Partnerships      | 543,224      | 534,963      | Determined by Fund Manager | Value of Underlying Assets and Liabilities |

As of September 30, 2023, the Company has a remaining fund commitment of \$234,374 to one of the funds included in Investments in Limited Partnerships. The timing of the Company's remaining funding has not yet been determined.

**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 5 INVESTMENT INCOME**

Unrestricted investment income on cash and cash equivalents from funds, perpetual trusts and investments is comprised of the following for the years ended September 30:

|  | 2023         | 2022         |
|--|--------------|--------------|
| Interest and Dividend Income from Investments      | \$ 1,251,654 | \$ 776,363   |
| Net Realized Gain on Sales of Investments          | 207,304      | 482,784      |
| Investment Fees                                    | (153,469)    | (152,110)    |
| Income from Investments                            | 1,305,489    | 1,107,037    |
| Interest and Dividend Income from Perpetual Trusts | 261,458      | 263,894      |
| Total Investment Income, Net                       | \$ 1,566,947 | \$ 1,370,931 |

**NOTE 6 LONG-TERM DEBT**

The following is a summary of long-term debt at September 30:

| <u>Description</u>  | 2023          | 2022          |
|---|---------------|---------------|
| Public Finance Authority Healthcare Facility Expansion/Refunding Bonds (Seabury Incorporated Project) Series 2015A (PFA Bonds) dated April 1, 2015, \$34,510,000 original principal amount, plus original issue premium of \$760,619, maturing at various times through September 2038, with interest payable semi-annually on March 1 and September 1 at various interest rates from 4% to 5% and principal payable annually on September 1. Bonds are secured by a first mortgage lien on the property.   | \$ 26,190,000 | \$ 27,345,000 |
| State of Connecticut Health and Educational Facilities Authority Revenue Bonds, Healthcare Facility Expansion Issue (Seabury Incorporated Project) Series 2016A (CHEFA 2016A Bonds) dated April 1, 2016, \$52,515,000 original principal amount, plus original issue premium of \$1,639,570, maturing in September 2046 (\$23,240,000) and September 2053 (\$29,275,000), with interest payable semi-annually on March 1 and September 1 at an interest rate of 5%. Sinking fund installments of principal begin in September 2039. Bonds are secured by a first mortgage lien on the property. | 52,515,000    | 52,515,000    |
| Total Long-Term Debt  | 78,705,000    | 79,860,000    |
| Less: Current Portion   | (1,215,000)   | (1,155,000)   |
| Less: Unamortized Bond Financing Costs  | (2,131,725)   | (2,223,392)   |
| Plus: Unamortized Bond Premium  | 1,799,351     | 1,875,637     |
| Net Long-Term Debt  | \$ 77,157,626 | \$ 78,357,245 |

**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 6 LONG-TERM DEBT (CONTINUED)**

The following is a schedule of long-term debt principal payments over the next five fiscal years and thereafter:

| <u>Fiscal Years</u> | <u>PFA Bonds</u>     | <u>CHEFA<br/>2016A<br/>Bonds</u> | <u>Total</u>         |
|---------------------|----------------------|----------------------------------|----------------------|
| 2024                | \$ 1,215,000         | \$ -                             | \$ 1,215,000         |
| 2025                | 1,275,000            | -                                | 1,275,000            |
| 2026                | 1,340,000            | -                                | 1,340,000            |
| 2027                | 1,405,000            | -                                | 1,405,000            |
| 2028                | 1,475,000            | -                                | 1,475,000            |
| Thereafter          | 19,480,000           | 52,515,000                       | 71,995,000           |
| Total               | <u>\$ 26,190,000</u> | <u>\$ 52,515,000</u>             | <u>\$ 78,705,000</u> |

**Covenants**

The Company, under provisions of the bond agreements, is required to maintain a debt service coverage ratio and meet a day's cash on hand liquidity requirement. In the opinion of management, the Company is in compliance with these covenants at September 30, 2023.

**NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS**

**Revenue**

Health center, assisted living, resident service, home health and Seabury At Home revenue is reported at the amount that reflects the consideration the Company expects to receive in exchange for the services provided. Revenue that is recognized over time includes all of the resident services and healthcare revenue. These amounts are due from residents or third-party payors. Performance obligations are determined based on the nature of the services provided. Health center, assisted living, resident service, home health and Seabury At Home revenue is recognized as performance obligations are satisfied. The Company recognizes revenue in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers* (ASC 606).

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

The Company's specific revenue recognition policies are as follows:

**Revenue (Continued)**

Health Center Patient Revenue

The Company recognizes health center patient revenue at estimated net realizable amounts from patients, third-party payors and others for services rendered on a per diem basis. Rates charged for health center services rendered, other than private-pay patients and third-party payors, are regulated by Medicare and Medicaid. Revenue under certain third-party payor agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement. Changes in estimates of prior year settlements were not significant in 2023 or 2022. Management believes that all applicable government reimbursement principles have been properly applied and that no material adjustments will occur as result of an audit.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Management believes that the Company is in compliance with the licensure, accreditation, government healthcare program participation requirements and other Medicaid fraud and abuse legislation, and with other government regulatory and statutory laws and provisions. While no material regulatory inquiries have been initiated by government agencies, compliance with such laws and regulations can be subject to future government review and can lead to other new statutory and regulatory interpretations, as well as other regulatory actions unknown or unasserted at this time.

Assisted Living Services Revenue

Under the assisted living services, the Company provides senior living services to residents for a stated daily service fee for private-pay patients and at the published Old Age Assistance (OAA) daily rate for Medicaid covered patients. The Company's assisted living agreements are for a term of 30 days, with resident fees billed monthly for room and board. Residents are charged on a fee schedule for any additional ancillary services. Revenue is recognized on a monthly basis for room and board fees and a daily basis for ancillary services provided.

Resident Service Revenue

Under the Company's independent living agreements, the Company provides senior living services to residents for a stated monthly service fee. Resident agreements are for a term of 30 days, with options. Revenue is recognized on a monthly basis upon the provision of the related service.



**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

**Revenue (Continued)**

Resident Service Revenue (Continued)

The Company's independent living agreements require the resident to pay an upfront entrance fee prior to moving into the community, which is partially refundable in certain circumstances. The nonrefundable portion of the entrance fee is recorded as deferred revenue and amortized over the estimated actuarial life of the resident. This amount is considered a contract liability under ASC 606. The refundable portion of a resident's entrance fee is recorded as a liability and refundable upon the resale and re-occupancy of the unit. The refundable portion of the fee is not amortized and is included in refundable entrance fees. The refundable portion of the entrance fees is not considered part of contract liabilities under ASC 606.

Home Health Revenue

Under the Company's home health agreements, the Company provides home health services to residents for various stated fees. Home health agreements are for a term of 30 days, with options. Revenue is recognized upon the provision of each session of the related service. Rates charged for home health services rendered are based private-pay and third-party payor rates. Revenue under certain third-party payor agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payor settlements are provided in the period the related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement. Changes in estimates of prior year settlements were not significant in 2023 or 2022. Management believes that all applicable government reimbursement principles have been properly applied and that no material adjustments will occur as result of an audit.

Seabury At Home Revenue

Under the Company's At Home agreements, the Company provides home health services to residents for a stated monthly service fee. Resident agreements are for a term of 30 days, with options. Revenue is recognized on a monthly basis upon the provision of the related service.

The Company's At Home agreements require the resident to pay an upfront membership fee prior to rendering home health services, which is partially refundable in certain circumstances. The nonrefundable portion of the membership fee is recorded as deferred revenue and amortized over the estimated actuarial life of the resident. This amount is considered a contract liability under ASC 606. The refundable portion of a resident's membership fee is recorded as a liability and refundable upon termination from the At Home program. The refundable portion of the fee is not amortized and is included in refundable entrance fees. The refundable portion of the membership fees is not considered part of contract liabilities under ASC 606.

**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

**Revenue (Continued)**

Other Income

Other income represents revenue from services from amenities and convenience services provided to residents and guests. This revenue is recognized on a daily basis upon the provision of the respective service.

Services to Seabury At Home, Inc.

This revenue represents revenue from services provided to Seabury At Home by Seabury employees. This amount is eliminated in the consolidated totals.

The Company has elected the practical expedient under ASC 606 and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the Company's expectation that the period between the time the service is provided to a patient and the time that the patient or a third-party payor pays for that service will be one year or less. However, the Company does, in certain instances, enter into payment agreements with residents that allow payments in excess of one year. For those cases, the financing component is not deemed to be significant to the contract.

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

The composition of revenues by primary payor for the years ended September 30 is as follows:

|                                | 2023                         |                                |                      |                     |                         |
|--------------------------------|------------------------------|--------------------------------|----------------------|---------------------|-------------------------|
|                                | Health<br>Center<br>Patients | Assisted<br>Living<br>Services | Resident<br>Services | Home<br>Health      | Seabury At<br>Home Inc. |
| Lifecare Residents and Members | \$ 835,782                   | \$ -                           | \$ 14,255,123        | \$ 1,351,984        | \$ 1,462,230            |
| Private                        | 2,977,383                    | 2,154,113                      | 2,227,134            | -                   | -                       |
| Medicare                       | 2,046,825                    | -                              | 212,596              | -                   | -                       |
| Medicaid                       | 2,738,849                    | 611,292                        | -                    | -                   | -                       |
| Other Third-Party Payors       | 1,724,753                    | 372,164                        | 152,262              | -                   | -                       |
| Total                          | <u>\$ 10,323,592</u>         | <u>\$ 3,137,569</u>            | <u>\$ 16,847,115</u> | <u>\$ 1,351,984</u> | <u>\$ 1,462,230</u>     |
|                                | 2022                         |                                |                      |                     |                         |
|                                | Health<br>Center<br>Patients | Assisted<br>Living<br>Services | Resident<br>Services | Home<br>Health      | Seabury At<br>Home Inc. |
| Lifecare Residents and Members | \$ 988,065                   | \$ -                           | \$ 13,866,144        | \$ 904,185          | \$ 1,198,847            |
| Private                        | 2,316,858                    | 1,992,676                      | 2,088,725            | -                   | -                       |
| Medicare                       | 1,918,476                    | -                              | 224,442              | -                   | -                       |
| Medicaid                       | 2,415,110                    | 733,621                        | -                    | -                   | -                       |
| Other Third-Party Payors       | 1,224,152                    | 89,950                         | 71,604               | -                   | -                       |
| Total                          | <u>\$ 8,862,661</u>          | <u>\$ 2,816,247</u>            | <u>\$ 16,250,915</u> | <u>\$ 904,185</u>   | <u>\$ 1,198,847</u>     |

**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 7 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

**Revenue (Continued)**

The opening and closing contract balances were as follows:

|                                  | <u>Nonrefundable<br/>Entrance Fees</u> | <u>Accounts and<br/>Entrance Fees<br/>Receivable</u> |
|----------------------------------|--|--|
| Balance as of October 1, 2021    | \$ 37,676,744                          | \$ 3,812,099   |
| Balance as of September 30, 2022 | 38,767,390                             | 2,820,136  |
| Balance as of September 30, 2023 | 40,160,783                             | 3,248,926  |

**NOTE 8 COVID PROGRAMS**

The Company received Employee Retention Credits (ERC) of \$3,697,448 and \$1,960,683 during the years ended September 30, 2023 and 2022, respectively, related to eligible quarters of 2020 and 2021. The ERC is a credit against certain payroll taxes allowed to an eligible employer for qualifying wages, which was established by the CARES Act and further amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan (ARP). During the years ended September 30, 2023 and 2022, the Company recognized \$3,697,448 and 1,686,520, respectively, as revenue based on certain payroll tax credits allowed for qualified wages that the Company had incurred through September 30, 2022. The remaining amount of \$274,163 of ERC is recorded as deferred revenue as of September 30, 2023. There is a possibility that upon subsequent review the IRS could reach a different conclusion regarding the Company's eligibility to retain the ERC credits received, which could result in repayment of the credits, interest and potential penalties. The amount of liability, if any, from potential ineligibility cannot be determined with certainty.

**NOTE 9 LIFE CARE AGREEMENT**

A life care agreement is signed by all residents of Seabury and all enrollees of Seabury At Home. Some of the principal terms and conditions of the Seabury agreement are as follows:

In consideration for the resident's payment of a life care entrance fee, the Company agrees to furnish to the resident a living unit in the residence complex for his or her personal use and occupancy for the balance of the resident's lifetime unless sooner terminated under the provisions of the agreement. If the agreement includes two persons, the term "resident" shall include both persons, and on the death of one all rights pass to, and are retained by, the survivor for the survivor's lifetime. The life care agreements vary in terms of refund policy and monthly service fees.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 9 LIFE CARE AGREEMENT (CONTINUED)**

An agreed-upon payment schedule for full payment of the life care entrance fee is obtained from the resident prior to occupancy. The fee consists of a refundable and nonrefundable portion. Seabury currently offers three life care contracts which are nonrefundable (0%) and 50% and 80% fixed refundable plans. Three other life care contracts for the declining refund, 67%, 85% and 95% plans have been discontinued and are no longer offered to new residents. The refundable portion varies depending upon which of the six life care contract plans was selected. One of the life care plans offered a declining refund at 2% per month, one plan is a nonrefundable plan (0%) and one plan offers a fixed 67% refund of the original life care entrance fee. The other three life care plans offer an 80%, 85%, or 95% refund, respectively, of the original life care entrance fees if the occupant never resides in the nursing facility. If the resident enters the nursing facility, the refundable amount can be reduced for the assisted living or skilled nursing facility charges. Under the resident agreements of the five refundable plans, amounts are refundable after the living unit is reoccupied and the new life care entrance fee is paid in full.

The 0%, 50%, 67%, 80%, 85%, and 95% refundable portions of the life care entrance fee are held as liabilities. All currently held refundable amounts are shown as a liability in the consolidated statements of financial position. The 100%, 50%, 33%, 20%, 15%, and 5% nonrefundable portions of the life care entrance fee and the entire entrance fee for those who select a plan that offers the declining refund at 2% per month are deferred and amortized into income over the residents' actuarially determined remaining lives as calculated by the Company's actuaries.

For the duration of the resident's lifetime or until termination of the agreement, the Company agrees to furnish to the resident ample and healthful food, medical facilities, utility services, use of the community facilities and other personal services according to the terms and conditions specified in the residence agreement. In return, the resident agrees to pay the Company a monthly residence fee. The monthly residence fee may be increased or decreased at the sole discretion of the board of directors on 60 days' written notice.

The Company also provides medical facilities and nursing care in the health center. Costs incurred in providing this care are paid for by residents through the continuing payment of monthly service fees per the residence agreement. Residents without a life care agreement pay for nursing services based upon established per diem rates.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 9 LIFE CARE AGREEMENT (CONTINUED)**

Some of the principal terms and conditions of the Seabury At Home agreement are as follows:

An agreed-upon member schedule for full payment of the life care membership fee is obtained from the member prior to enrollment. The fee consists of a refundable and nonrefundable portion. The refundable portion varies depending upon which of the six contract plans is selected. During 2019, the six declining refund contracts were changed to be nonrefundable for new residents. The 90% plan has been discontinued and is no longer being offered to new members. Prior to that, the declining plan offered a declining refund at 2% per month and the other two plans offer a fixed 80% or 90% refund, respectively, of the original life care entrance fee. Within the six nonrefundable contracts, two offer 100% coverage of home and facility-based care, including assisted living and skilled nursing services, one offers a 30% co-pay option for these services, one offers 100% coverage of home-based care, one offers a 50% co-pay option for home-based care and the final contract provides caps on assisted living and skilled nursing services. The 80% and 90% refund of original life care membership fee contract offers 100% coverage of home and facility-based care, including assisted living and skilled nursing services. Under the member agreements of these plans, amounts are refundable after the individual has terminated their agreement. The 80% and 90% refundable portion of the life care membership fee is shown as a liability in the consolidated statements of financial position. The 20% and 10% nonrefundable portion of the life care membership fee and the entire membership fee for those who select the plans that offer the declining refund at 2% per month are deferred and amortized into income over the residents' actuarially determined remaining life as calculated by the Company's actuaries.

If a member with a declining refund of 2% per month transfers from Seabury At Home to Seabury to a plan with either a declining refund of 2% per month or nonrefundable (0%), 100% of their original Seabury At Home membership fee is transferred to Seabury and credited as a reduction to their Seabury entrance fee. Any historic amortization taken on this previously nonrefundable entrance fee is reversed in the year the transfer occurs.

For the duration of the member's lifetime, or until termination of the agreement, the Company agrees to furnish to the member use of the community facilities and other personal services according to the terms and conditions specified in the residence agreement. In return, the member agrees to pay the Company a monthly fee. The monthly fee may be increased or decreased at the sole discretion of the board of directors on 60 days written notice.

As noted above, the Company also provides medical facilities and nursing care in the health center. Costs incurred in providing this care are paid for by enrollees through the continuing payment of monthly service fees per the agreement as well as a deductible as noted in the agreement, if applicable.

**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 9 LIFE CARE AGREEMENT (CONTINUED)**

The Company's actuaries annually calculate the present value of the net cost or benefit of future services and use of facilities to be provided to current residents of Seabury and members of Seabury At Home and compare that amount to the balance of refundable and nonrefundable deferred entrance fees and membership fees. If the present value of the net cost or benefit of future services and use of facilities exceeds the refundable and nonrefundable deferred entrance fees and membership fees, a liability is recorded with a corresponding charge to income. As of September 30, 2023 and 2022, no such obligation existed for Seabury and Seabury At Home. Any significant changes to the actuarial assumptions used in the calculation could significantly change the results of the calculation. It is management's opinion that the assumptions applied in the calculation are reasonable.

**NOTE 10 LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Company's financial assets available within one year of the consolidated statements of financial position date for general expenditure are as follows:

|  | 2023          | 2022         |
|--|---------------|--------------|
| Cash and Cash Equivalents  | \$ 12,980,590 | \$ 9,282,028 |
| Restricted Cash and Cash Equivalents Held by Trustee                                   | 1,684,951     | 1,550,112    |
| Entrance Fee Deposits  | 299,108       | 94,519       |
| Accounts Receivable, Net   | 1,525,377     | 1,242,458    |
| Entrance/Membership Fees Receivable  | 1,723,549     | 1,577,678    |
| Investments  | 34,737,854    | 30,865,493   |
| Investments Held by Trustees   | 3,994,394     | 3,937,012    |
| Deferred Compensation Investments  | 135,196       | 96,782       |
| Beneficial Interest in Perpetual Trusts  | 5,177,347     | 4,810,962    |
| Total Financial Assets Available Within One Year                                       | 62,258,366    | 53,457,044   |
| Less Amounts Unavailable for General Expenditures                                      |               |              |
| Within One Year Due to:  |               |              |
| Cash, Cash Equivalents, and Investments Held by Trustee for Debt Service               | (5,679,345)   | (5,487,124)  |
| Cash, Cash Equivalents, and Investments With Donor Restrictions                        | (1,153,701)   | (1,025,518)  |
| Investments Restricted to Fund Deferred Compensation Liability                         | (135,196)     | (96,782)     |
| Restricted by Donors in Perpetuity   | (5,547,347)   | (5,180,962)  |
| Total Amounts Unavailable for General Expenditure Within One Year                      | (12,515,589)  | (11,790,386) |
| Amounts Unavailable Without Board's Approval:  |               |              |
| Board-Designated Endowment   | (36,261,555)  | (32,261,011) |
| Total Financial Assets Available to Management for General Expenditure Within One Year | \$ 13,481,222 | \$ 9,405,647 |

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 10 LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)**

**Liquidity Management**

The Company maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Company invests cash in excess of weekly requirements in short-term investments.

**NOTE 11 NET ASSETS**

**Net Assets With Donor Restrictions**

The following is the composition of the Company's net assets with donor restrictions at September 30:

|   | 2023         | 2022         |
|---|--------------|--------------|
| Restricted in Perpetuity                  | \$ 5,547,347 | \$ 5,180,962 |
| Other Net Assets with Donor Restrictions: |              |              |
| Endowment Investment Returns              | 1,012,733    | 896,664      |
| Purpose Restricted - Pledges              | 68,888       | 68,888       |
| Purpose Restricted - Programs             | 72,080       | 59,966       |
| Total                                     | \$ 6,701,048 | \$ 6,206,480 |

Net assets with donor restrictions were released from restrictions by incurring expenses satisfying program restrictions of \$1,745 and \$3,275 for the years ended September 30, 2023 and 2022, respectively.

**NOTE 12 ENDOWMENT**

The Company's endowment consists of various individual funds established for a variety of purposes. The endowment includes donor-restricted endowment funds. The income earned on investments comprising the Company's donor-restricted endowment funds is designated by the donors to fund operations. As required by GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 12 ENDOWMENT (CONTINUED)**

**Interpretation of Relevant Law**

The board of directors of the Company has interpreted Connecticut Prudent Management of Institutional Funds Act (CTPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Company classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) 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 fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanent endowment is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Company in a manner consistent with the standard of prudence prescribed by

CTPMIFA. In accordance with CTPMIFA, the Company 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 Company and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Company
- The investment policies of the Company

Endowment net asset composition by type of fund as of September 30 is as follows:

|  | 2023                       | 2022                       |
|--|----------------------------|----------------------------|
|  | With Donor<br>Restrictions | With Donor<br>Restrictions |
| Donor-Restricted Endowment Funds:  |                            |                            |
| Original Donor-Restricted Gift Amount and<br>Amounts Required to be Maintained in<br>Perpetuity by Donor | \$ 370,000                 | \$ 370,000                 |
| Endowment Investment Returns   | 1,012,733                  | 896,664                    |
| Total  | \$ 1,382,733               | \$ 1,266,664               |



**SEABURY, INC. AND SUBSIDIARIES**  
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**NOTE 12 ENDOWMENT (CONTINUED)**

**Interpretation of Relevant Law (Continued)**

Changes in endowment net assets for the years ended September 30 are as follows:

|                                       |                            |
|---------------------------------------|----------------------------|
|                                       | With Donor<br>Restrictions |
| Endowment Assets - September 30, 2021 | \$ 1,411,867               |
| Investment Gain (Loss):               |                            |
| Realized Gains                        | 48,155                     |
| Unrealized Loss                       | <u>(193,358)</u>           |
| Total Investment Loss                 | <u>(145,203)</u>           |
| Endowment Assets - September 30, 2022 | 1,266,664                  |
| Investment Gain (Loss):               |                            |
| Realized Gains                        | 50,842                     |
| Unrealized Gain                       | <u>65,227</u>              |
| Total Investment Gain                 | <u>116,069</u>             |
| Endowment Assets - September 30, 2023 | <u>\$ 1,382,733</u>        |

**Return Objectives and Risk Parameters**

The Company has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, the Company expects its endowment funds, over time, to provide a total net return of approximately 4% over the average inflation rate of the preceding three years. Actual returns in any given year may vary from this amount.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Company 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). The Company targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

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

The Company maintains a spending policy on board-restricted endowment funds, which limits the appropriation to up to 5% of the market value of endowment investment assets unless specifically approved by the board. The Company maintains a spending policy on the earnings of donor-restricted funds in which the amount of funds to be appropriated will be determined annually as part of the budgeting process. In establishing these policies, the Company considered the long-term expected return on its endowment. This is consistent with the Company's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 12 ENDOWMENT (CONTINUED)**

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Company to retain as a fund of perpetual duration. There were no deficiencies of this nature that were reported in net assets with donor restrictions as of September 30, 2023 and 2022.

**NOTE 13 CASH FLOWS**

**Additional Cash Flow Information**

The Company paid cash for interest of \$3,996,931 and \$4,065,497 during the years ended September 30, 2023 and 2022, respectively.

The Company issued a note receivable for \$125,000 for the sale of land during the year ended September 30, 2021. This note receivable is receivable over two years and is included in prepaid expenses and other assets and pledges and other receivable in the consolidated statement of financial position as of September 30, 2023 and 2022. After year end, the Company foreclosed on this loan and repossessed the land.

**NOTE 14 RETIREMENT PLANS**

The Company maintains a 403(b) defined contribution plan (the Plan). Employees are eligible to participate in the Plan upon employment and are eligible for employer matching contributions after 12 months of service. The Company matches employee contributions up to 5.0% of eligible employees' payroll for 2023 and 2022. Employees are fully vested in the Plan after three years of employment. Expenses for employer contributions recognized in fiscal 2023 and 2022 were approximately \$552,000 and \$472,000, respectively. The Company also maintains a nonqualified deferred compensation plan for key employees that is included as an asset and as a corresponding liability in the consolidated statements of financial position, which totaled \$135,196 and \$96,782 at September 30, 2023 and 2022, respectively.

**NOTE 15 COMMITMENTS AND CONTINGENCIES**

During 2017, the Company entered into 25-year Solar Photovoltaic Power Purchase Agreement with General Electric International, Inc. (Seller). The Company will provide the Seller with access to, and the right to occupy, a portion of their properties for the purpose of having the Seller design, install, own, operate and maintain a solar photovoltaic electric generating system. The Company will purchase all of the electricity generated by the system at a certain rate.

**SEABURY, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023 AND 2022**

**NOTE 15 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

The Company is involved in various legal claims and disputes arising in the ordinary course of business. Although it is not possible to predict the outcome of these matters, it is management's opinion that the outcomes will not have a material effect on the financial condition of the Company and the Company has adequate insurance coverage for any potential outcomes.

**NOTE 16 HEALTHCARE INDUSTRY**

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. 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. Management believes that the Company is in compliance with fraud and abuse, as well as other applicable government laws and regulations. While no material regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2023**

| ASSETS  | Church Home<br>of Hartford<br>Incorporated | Seabury<br>Charitable<br>Foundation,<br>Inc. | Seabury<br>At Home,<br>Inc. | Seabury at<br>Powder<br>Forest,<br>LLC | Eliminations          | Total                 |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| <b>CURRENT ASSETS</b>                                   |  |  |                             |  |                       |                       |
| Cash and Cash Equivalents                               | \$ 7,763,391                               | \$ 2,246                                     | \$ 5,209,727                | \$ 5,226                               | \$ -                  | \$ 12,980,590         |
| Restricted Cash and Cash<br>Equivalents Held by Trustee | 1,684,951                                  | -  | -                           | -                                      | -                     | 1,684,951             |
| Entrance Fee Deposits                                   | 299,108                                    | -  | -                           | -                                      | -                     | 299,108               |
| Accounts Receivable, Net                                | 1,525,377                                  | -  | -                           | -                                      | -                     | 1,525,377             |
| Accounts Receivable, Related Party                      | 228,485                                    | -  | -                           | -                                      | (228,485)             | -                     |
| Entrance/Membership Fees Receivable                     | 532,006                                    | -  | 1,191,543                   | -                                      | -                     | 1,723,549             |
| Prepaid Expenses and Other<br>Current Assets            | 989,996                                    | -  | 7,748                       | 23,890                                 | -                     | 1,021,634             |
| Total Current Assets                                    | <u>13,023,314</u>                          | <u>2,246</u>                                 | <u>6,409,018</u>            | <u>29,116</u>                          | <u>(228,485)</u>      | <u>19,235,209</u>     |
| <b>INVESTMENTS</b>                                      |  |  |                             |  |                       |                       |
| Investments   | 21,725,593                                 | 4,690,646                                    | 8,321,615                   | -                                      | -                     | 34,737,854            |
| Investments Held by Trustee                             | 3,994,394                                  | -  | -                           | -                                      | -                     | 3,994,394             |
| Total Investments                                       | <u>25,719,987</u>                          | <u>4,690,646</u>                             | <u>8,321,615</u>            | <u>-</u>                               | <u>-</u>              | <u>38,732,248</u>     |
| <b>PROPERTY AND EQUIPMENT, AT COST</b>                  |  |  |                             |  |                       |                       |
| Land and Improvements                                   | 4,385,745                                  | -  | 315,692                     | 4,891,120                              | -                     | 9,592,557             |
| Buildings and Improvements                              | 162,148,210                                | -  | 545,793                     | -                                      | -                     | 162,694,003           |
| Furniture, Fixtures, and Equipment                      | 9,327,129                                  | 77,333                                       | 99,237                      | -                                      | -                     | 9,503,699             |
| Vehicles  | 123,800                                    | -  | -                           | -                                      | -                     | 123,800               |
| Construction in Progress                                | 393,080                                    | -  | -                           | -                                      | -                     | 393,080               |
| Total Property and Equipment                            | <u>176,377,964</u>                         | <u>77,333</u>                                | <u>960,722</u>              | <u>4,891,120</u>                       | <u>-</u>              | <u>182,307,139</u>    |
| Less: Accumulated Depreciation                          | 90,085,122                                 | 29,915                                       | 514,173                     | -                                      | -                     | 90,629,210            |
| Net Property and Equipment                              | <u>86,292,842</u>                          | <u>47,418</u>                                | <u>446,549</u>              | <u>4,891,120</u>                       | <u>-</u>              | <u>91,677,929</u>     |
| <b>OTHER ASSETS</b>                                     |  |  |                             |  |                       |                       |
| Deferred Compensation Investments                       | 135,196                                    | -  | -                           | -                                      | -                     | 135,196               |
| Beneficial Interest in Perpetual Trusts                 | 5,177,347                                  | -  | -                           | -                                      | -                     | 5,177,347             |
| Investment in Limited Partnerships                      | 543,224                                    | -  | -                           | -                                      | -                     | 543,224               |
| Investment in Seabury at<br>Powder Forest, LLC          | -  | 2,459,895                                    | 2,459,895                   | -                                      | (4,919,790)           | -                     |
| Pledges and Other Receivable                            | -  | 68,888                                       | -                           | -                                      | -                     | 68,888                |
| Total Other Assets                                      | <u>5,855,767</u>                           | <u>2,528,783</u>                             | <u>2,459,895</u>            | <u>-</u>                               | <u>(4,919,790)</u>    | <u>5,924,655</u>      |
| Total Assets  | <u>\$ 130,891,910</u>                      | <u>\$ 7,269,093</u>                          | <u>\$ 17,637,077</u>        | <u>\$ 4,920,236</u>                    | <u>\$ (5,148,275)</u> | <u>\$ 155,570,041</u> |

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)**  
**SEPTEMBER 30, 2023**

|   | Church Home<br>of Hartford<br>Incorporated | Seabury<br>Charitable<br>Foundation,<br>Inc. | Seabury<br>At Home,<br>Inc. | Seabury at<br>Powder<br>Forest,<br>LLC | Eliminations          | Total                 |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| <b>LIABILITIES AND NET ASSETS (DEFICIT)</b>                               |  |  |                             |  |                       |                       |
| <b>CURRENT LIABILITIES</b>  |  |  |                             |  |                       |                       |
| Current Portion of Bonds Payable  | \$ 1,215,000                               | \$ -   | \$ -                        | \$ -                                   | \$ -                  | \$ 1,215,000          |
| Current Portion of Finance Leases   | -  | -  | -                           | -                                      | -                     | -                     |
| Accounts Payable and<br>Accrued Expenses                                  | 2,877,669                                  | 972  | 64,260                      | 447                                    | -                     | 2,943,348             |
| Accounts Payable, Related Party   | -  | 40,739                                       | 187,746                     | -                                      | (228,485)             | -                     |
| Entrance Fee Deposits   | 299,108                                    | -  | -                           | -                                      | -                     | 299,108               |
| Deferred Revenue  | 274,163                                    | -  | -                           | -                                      | -                     | 274,163               |
| Total Current Liabilities   | <u>4,665,940</u>                           | <u>41,711</u>                                | <u>252,006</u>              | <u>447</u>                             | <u>(228,485)</u>      | <u>4,731,619</u>      |
| <b>ANNUITIES PAYABLE</b>  | -  | 176,451                                      | -                           | -                                      | -                     | 176,451               |
| <b>BONDS PAYABLE, NET OF CURRENT<br/>PORTION AND BOND FINANCING COSTS</b> | 77,157,626                                 | -  | -                           | -                                      | -                     | 77,157,626            |
| <b>DEFERRED COMPENSATION</b>  | 135,196                                    | -  | -                           | -                                      | -                     | 135,196               |
| <b>REFUNDABLE AND NONREFUNDABLE<br/>ENTRANCE/MEMBERSHIP FEES</b>          |  |  |                             |  |                       |                       |
| Entrance/Membership Fees Refunds Payable                                  | 32,305,337                                 | -  | 3,576,039                   | -                                      | -                     | 35,881,376            |
| Nonrefundable Deferred Fees, Net  | <u>27,712,615</u>                          | <u>-</u>                                     | <u>12,448,168</u>           | <u>-</u>                               | <u>-</u>              | <u>40,160,783</u>     |
| Total Refundable and<br>Nonrefundable Deferred<br>Entrance Fees           | <u>60,017,952</u>                          | <u>-</u>                                     | <u>16,024,207</u>           | <u>-</u>                               | <u>-</u>              | <u>76,042,159</u>     |
| Total Liabilities   | 141,976,714                                | 218,162                                      | 16,276,213                  | 447                                    | (228,485)             | 158,243,051           |
| <b>NET ASSETS (DEFICIT)</b>   |  |  |                             |  |                       |                       |
| Without Donor Restrictions  | (17,650,463)                               | 6,915,542                                    | 1,360,864                   | 4,919,789                              | (4,919,790)           | (9,374,058)           |
| With Donor Restrictions   | <u>6,565,659</u>                           | <u>135,389</u>                               | <u>-</u>                    | <u>-</u>                               | <u>-</u>              | <u>6,701,048</u>      |
| Total Net Assets (Deficit)  | <u>(11,084,804)</u>                        | <u>7,050,931</u>                             | <u>1,360,864</u>            | <u>4,919,789</u>                       | <u>(4,919,790)</u>    | <u>(2,673,010)</u>    |
| Total Liabilities and Net Assets (Deficit)                                | <u>\$ 130,891,910</u>                      | <u>\$ 7,269,093</u>                          | <u>\$ 17,637,077</u>        | <u>\$ 4,920,236</u>                    | <u>\$ (5,148,275)</u> | <u>\$ 155,570,041</u> |

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2022**

|   | Church Home<br>of Hartford<br>Incorporated | Seabury<br>Charitable<br>Foundation,<br>Inc. | Seabury<br>At Home,<br>Inc. | Seabury at<br>Powder<br>Forest,<br>LLC | Eliminations          | Total                 |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| <b>ASSETS</b>   |  |  |                             |  |                       |                       |
| <b>CURRENT ASSETS</b>                                   |  |  |                             |  |                       |                       |
| Cash and Cash Equivalents                               | \$ 5,774,538                               | \$ 22,622                                    | \$ 3,480,905                | \$ 3,963                               | \$ -                  | \$ 9,282,028          |
| Restricted Cash and Cash<br>Equivalents Held by Trustee | 1,550,112                                  | -  | -                           | -                                      | -                     | 1,550,112             |
| Entrance Fee Deposits                                   | 94,519                                     | -  | -                           | -                                      | -                     | 94,519                |
| Accounts Receivable, Net                                | 1,242,458                                  | -  | -                           | -                                      | -                     | 1,242,458             |
| Accounts Receivable, Related Party                      | 165,677                                    | -  | -                           | -                                      | (165,677)             | -                     |
| Entrance/Membership Fees Receivable                     | 261,661                                    | -  | 1,316,017                   | -                                      | -                     | 1,577,678             |
| Prepaid Expenses and Other<br>Current Assets            | 1,016,314                                  | -  | 6,867                       | 27,041                                 | -                     | 1,050,222             |
| Total Current Assets                                    | <u>10,105,279</u>                          | <u>22,622</u>                                | <u>4,803,789</u>            | <u>31,004</u>                          | <u>(165,677)</u>      | <u>14,797,017</u>     |
| <b>INVESTMENTS</b>                                      |  |  |                             |  |                       |                       |
| Investments   | 18,769,444                                 | 4,247,033                                    | 7,849,016                   | -                                      | -                     | 30,865,493            |
| Investments Held by Trustee                             | 3,937,012                                  | -  | -                           | -                                      | -                     | 3,937,012             |
| Total Investments                                       | <u>22,706,456</u>                          | <u>4,247,033</u>                             | <u>7,849,016</u>            | <u>-</u>                               | <u>-</u>              | <u>34,802,505</u>     |
| <b>PROPERTY AND EQUIPMENT, AT COST</b>                  |  |  |                             |  |                       |                       |
| Land and Improvements                                   | 4,385,745                                  | -  | 315,692                     | 4,891,120                              | -                     | 9,592,557             |
| Buildings and Improvements                              | 160,292,291                                | -  | 545,793                     | -                                      | -                     | 160,838,084           |
| Furniture, Fixtures, and Equipment                      | 9,507,474                                  | 77,333                                       | 99,237                      | -                                      | -                     | 9,684,044             |
| Vehicles  | 123,800                                    | -  | -                           | -                                      | -                     | 123,800               |
| Construction in Progress                                | 393,080                                    | -  | -                           | -                                      | -                     | 393,080               |
| Total Property and Equipment                            | <u>174,702,390</u>                         | <u>77,333</u>                                | <u>960,722</u>              | <u>4,891,120</u>                       | <u>-</u>              | <u>180,631,565</u>    |
| Less: Accumulated Depreciation                          | 83,354,175                                 | 24,733                                       | 501,810                     | -                                      | -                     | 83,880,718            |
| Net Property and Equipment                              | <u>91,348,215</u>                          | <u>52,600</u>                                | <u>458,912</u>              | <u>4,891,120</u>                       | <u>-</u>              | <u>96,750,847</u>     |
| <b>OTHER ASSETS</b>                                     |  |  |                             |  |                       |                       |
| Deferred Compensation Investments                       | 96,782                                     | -  | -                           | -                                      | -                     | 96,782                |
| Beneficial Interest in Perpetual Trusts                 | 4,810,962                                  | -  | -                           | -                                      | -                     | 4,810,962             |
| Investment in Limited Partnerships                      | 534,963                                    | -  | -                           | -                                      | -                     | 534,963               |
| Investment in Seabury at<br>Powder Forest, LLC          | -  | 2,461,062                                    | 2,461,062                   | -                                      | (4,922,124)           | -                     |
| Pledges and Other Receivable                            | 62,500                                     | 68,888                                       | -                           | -                                      | -                     | 131,388               |
| Total Other Assets                                      | <u>5,505,207</u>                           | <u>2,529,950</u>                             | <u>2,461,062</u>            | <u>-</u>                               | <u>(4,922,124)</u>    | <u>5,574,095</u>      |
| Total Assets  | <u>\$ 129,665,157</u>                      | <u>\$ 6,852,205</u>                          | <u>\$ 15,572,779</u>        | <u>\$ 4,922,124</u>                    | <u>\$ (5,087,801)</u> | <u>\$ 151,924,464</u> |

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF FINANCIAL POSITION (CONTINUED)**  
**SEPTEMBER 30, 2022**

|   | Church Home<br>of Hartford<br>Incorporated | Seabury<br>Charitable<br>Foundation,<br>Inc. | Seabury<br>At Home,<br>Inc. | Seabury at<br>Powder<br>Forest,<br>LLC | Eliminations          | Total                 |
|---|--|--|-----------------------------|--|-----------------------|-----------------------|
| <b>LIABILITIES AND NET ASSETS (DEFICIT)</b>                               |  |  |                             |  |                       |                       |
| <b>CURRENT LIABILITIES</b>  |  |  |                             |  |                       |                       |
| Current Portion of Bonds Payable  | \$ 1,155,000                               | \$ -   | \$ -                        | \$ -                                   | \$ -                  | \$ 1,155,000          |
| Current Portion of Finance Leases   | 40,135                                     | -  | -                           | -                                      | -                     | 40,135                |
| Accounts Payable and<br>Accrued Expenses                                  | 2,630,710                                  | 16,449                                       | 46,199                      | -                                      | -                     | 2,693,358             |
| Accounts Payable, Related Party   | -  | -  | 165,677                     | -                                      | (165,677)             | -                     |
| Entrance Fee Deposits   | 94,519                                     | -  | -                           | -                                      | -                     | 94,519                |
| Deferred Revenue  | 274,163.00                                 | -  | -                           | -                                      | -                     | 274,163               |
| Total Current Liabilities   | 4,194,527                                  | 16,449                                       | 211,876                     | -                                      | (165,677)             | 4,257,175             |
| <b>ANNUITIES PAYABLE</b>  | -  | 189,469                                      | -                           | -                                      | -                     | 189,469               |
| <b>BONDS PAYABLE, NET OF CURRENT<br/>PORTION AND BOND FINANCING COSTS</b> | 78,357,245                                 | -  | -                           | -                                      | -                     | 78,357,245            |
| <b>FINANCE LEASES, NET OF<br/>CURRENT PORTION</b>                         | -  | -  | -                           | -                                      | -                     | -                     |
| <b>DEFERRED COMPENSATION</b>  | 96,782                                     | -  | -                           | -                                      | -                     | 96,782                |
| <b>REFUNDABLE AND NONREFUNDABLE<br/>ENTRANCE/MEMBERSHIP FEES</b>          |  |  |                             |  |                       |                       |
| Entrance/Membership Fees Refunds Payable                                  | 32,655,384                                 | -  | 3,473,395                   | -                                      | -                     | 36,128,779            |
| Nonrefundable Deferred Fees, Net  | 26,941,026                                 | -  | 11,826,364                  | -                                      | -                     | 38,767,390            |
| Total Refundable and<br>Nonrefundable Deferred<br>Entrance Fees           | 59,596,410                                 | -  | 15,299,759                  | -                                      | -                     | 74,896,169            |
| Total Liabilities   | 142,244,964                                | 205,918                                      | 15,511,635                  | -                                      | (165,677)             | 157,796,840           |
| <b>NET ASSETS (DEFICIT)</b>   |  |  |                             |  |                       |                       |
| Without Donor Restrictions  | (18,663,010)                               | 6,523,010                                    | 61,144                      | 4,922,124                              | (4,922,124)           | (12,078,856)          |
| With Donor Restrictions   | 6,083,203                                  | 123,277                                      | -                           | -                                      | -                     | 6,206,480             |
| Total Net Assets (Deficit)  | (12,579,807)                               | 6,646,287                                    | 61,144                      | 4,922,124                              | (4,922,124)           | (5,872,376)           |
| Total Liabilities and Net Assets (Deficit)                                | <u>\$ 129,665,157</u>                      | <u>\$ 6,852,205</u>                          | <u>\$ 15,572,779</u>        | <u>\$ 4,922,124</u>                    | <u>\$ (5,087,801)</u> | <u>\$ 151,924,464</u> |

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED SEPTEMBER 30, 2023**

|  | Church Home of Hartford Incorporated |                         |                        | Seabury Charitable Foundation, Inc. |                         |                     | Seabury At Home, Inc.      | Seabury at Powder Forest, LLC | Eliminations          | Total                 |
|--|--------------------------------------|-------------------------|------------------------|-------------------------------------|-------------------------|---------------------|----------------------------|-------------------------------|-----------------------|-----------------------|
|  | Without Donor Restrictions           | With Donor Restrictions | Total                  | Without Donor Restrictions          | With Donor Restrictions | Total               | Without Donor Restrictions | Without Donor Restrictions    |                       |                       |
| <b>REVENUES, GAINS, AND OTHER SUPPORT</b>                  |                                      |                         |                        |                                     |                         |                     |                            |                               |                       |                       |
| Health Center Patients, Net of Contractuals                | \$ 10,399,499                        | \$ -                    | \$ 10,399,499          | \$ -                                | \$ -                    | \$ -                | \$ -                       | \$ -                          | \$ (75,907)           | \$ 10,323,592         |
| Assisted Living Services                                   | 3,137,569                            | -                       | 3,137,569              | -                                   | -                       | -                   | -                          | -                             | -                     | 3,137,569             |
| Resident Services  | 17,366,260                           | -                       | 17,366,260             | -                                   | -                       | -                   | -                          | -                             | (519,145)             | 16,847,115            |
| Home Health Revenue  | -                                    | -                       | -                      | -                                   | -                       | -                   | 1,358,518                  | -                             | (6,534)               | 1,351,984             |
| Seabury At Home, Inc. Revenue                              | -                                    | -                       | -                      | -                                   | -                       | -                   | 1,462,230                  | -                             | -                     | 1,462,230             |
| Services to Seabury At Home, Inc.                          | 2,151,846                            | -                       | 2,151,846              | -                                   | -                       | -                   | -                          | -                             | (2,151,846)           | -                     |
| Amortization of Nonrefundable Deferred Fees                | 3,915,515                            | -                       | 3,915,515              | -                                   | -                       | -                   | 1,244,939                  | -                             | -                     | 5,160,454             |
| Investment Income (Loss)                                   | 1,135,666                            | 374,014                 | 1,509,680              | (34,713)                            | -                       | (34,713)            | 363,661                    | -                             | 102,333               | 1,940,961             |
| Other Income   | 4,288,102                            | -                       | 4,288,102              | 94,647                              | -                       | 94,647              | 574,127                    | -                             | (218,062)             | 4,738,814             |
| Contributions and Gifts                                    | 399,243                              | -                       | 399,243                | 161,435                             | 13,857                  | 175,292             | -                          | -                             | -                     | 574,535               |
| Contributions from the Seabury Charitable Foundation, Inc. | 170,573                              | -                       | 170,573                | -                                   | -                       | -                   | -                          | -                             | (165,603)             | 4,970                 |
| Net Assets Released from Restrictions                      | -                                    | -                       | -                      | 1,745                               | (1,745)                 | -                   | -                          | -                             | -                     | -                     |
| <b>Total Revenues, Gains, and Other Support</b>            | <b>42,964,273</b>                    | <b>374,014</b>          | <b>43,338,287</b>      | <b>223,114</b>                      | <b>12,112</b>           | <b>235,226</b>      | <b>5,003,475</b>           | <b>-</b>                      | <b>(3,034,764)</b>    | <b>45,542,224</b>     |
| <b>EXPENSES</b>  |                                      |                         |                        |                                     |                         |                     |                            |                               |                       |                       |
| Medical and Other Resident Care                            | 12,158,569                           | -                       | 12,158,569             | -                                   | -                       | -                   | 2,689,542                  | -                             | (2,623,802)           | 12,224,309            |
| General and Administrative                                 | 10,516,846                           | -                       | 10,516,846             | 405,221                             | -                       | 405,221             | 1,241,802                  | 102,335                       | (513,296)             | 11,752,908            |
| Dietary  | 4,248,226                            | -                       | 4,248,226              | -                                   | -                       | -                   | -                          | -                             | -                     | 4,248,226             |
| Repairs and Maintenance                                    | 3,584,211                            | -                       | 3,584,211              | -                                   | -                       | -                   | -                          | -                             | -                     | 3,584,211             |
| Housekeeping and Laundry                                   | 1,408,642                            | -                       | 1,408,642              | -                                   | -                       | -                   | -                          | -                             | -                     | 1,408,642             |
| Interest Expense, Net                                      | 4,004,182                            | -                       | 4,004,182              | -                                   | -                       | -                   | -                          | -                             | -                     | 4,004,182             |
| Depreciation   | 7,005,571                            | -                       | 7,005,571              | 5,183                               | -                       | 5,183               | 12,363                     | -                             | -                     | 7,023,117             |
| <b>Total Expenses</b>                                      | <b>42,926,247</b>                    | <b>-</b>                | <b>42,926,247</b>      | <b>410,404</b>                      | <b>-</b>                | <b>410,404</b>      | <b>3,943,707</b>           | <b>102,335</b>                | <b>(3,137,098)</b>    | <b>44,245,595</b>     |
| <b>INCOME (LOSS) FROM OPERATIONS</b>                       | <b>38,026</b>                        | <b>374,014</b>          | <b>412,040</b>         | <b>(187,290)</b>                    | <b>12,112</b>           | <b>(175,178)</b>    | <b>1,059,768</b>           | <b>(102,335)</b>              | <b>102,334</b>        | <b>1,296,629</b>      |
| Change in Net Unrealized Gain (Loss) on Investments        | 974,521                              | (257,944)               | 716,577                | 579,822                             | -                       | 579,822             | 239,952                    | -                             | -                     | 1,536,351             |
| Change in Interest in Perpetual Trusts                     | -                                    | 366,386                 | 366,386                | -                                   | -                       | -                   | -                          | -                             | -                     | 366,386               |
| <b>CHANGE IN NET ASSETS (DEFICIT)</b>                      | <b>1,012,547</b>                     | <b>482,456</b>          | <b>1,495,003</b>       | <b>392,532</b>                      | <b>12,112</b>           | <b>404,644</b>      | <b>1,299,720</b>           | <b>(102,335)</b>              | <b>102,334</b>        | <b>3,199,366</b>      |
| Net Assets (Deficit) - Beginning of Year                   | (18,663,010)                         | 6,083,203               | (12,579,807)           | 6,523,010                           | 123,277                 | 6,646,287           | 61,144                     | 4,922,124                     | (4,922,124)           | (5,872,376)           |
| Contributions from Members                                 | -                                    | -                       | -                      | -                                   | -                       | -                   | -                          | 100,000                       | (100,000)             | -                     |
| <b>NET ASSETS (DEFICIT) - END OF YEAR</b>                  | <b>\$ (17,650,463)</b>               | <b>\$ 6,565,659</b>     | <b>\$ (11,084,804)</b> | <b>\$ 6,915,542</b>                 | <b>\$ 135,389</b>       | <b>\$ 7,050,931</b> | <b>\$ 1,360,864</b>        | <b>\$ 4,919,789</b>           | <b>\$ (4,919,790)</b> | <b>\$ (2,673,010)</b> |



**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED SEPTEMBER 30, 2022**

|  | Church Home of Hartford Incorporated |                            |                       | Seabury Charitable Foundation, Inc. |                            |                     | Seabury<br>At Home, Inc.      | Seabury at<br>Powder Forest,<br>LLC | Eliminations          | Total                 |
|--|--------------------------------------|----------------------------|-----------------------|-------------------------------------|----------------------------|---------------------|-------------------------------|-------------------------------------|-----------------------|-----------------------|
|  | Without Donor<br>Restrictions        | With Donor<br>Restrictions | Total                 | Without Donor<br>Restrictions       | With Donor<br>Restrictions | Total               | Without Donor<br>Restrictions | Without Donor<br>Restrictions       |                       |                       |
| <b>REVENUES, GAINS, AND OTHER SUPPORT</b>                  |                                      |                            |                       |                                     |                            |                     |                               |                                     |                       |                       |
| Health Center Patients, Net of Contractuals                | \$ 8,941,185                         | \$ -                       | \$ 8,941,185          | \$ -                                | \$ -                       | \$ -                | \$ -                          | \$ -                                | \$ (78,524)           | \$ 8,862,661          |
| Assisted Living Services                                   | 2,816,247                            | -                          | 2,816,247             | -                                   | -                          | -                   | -                             | -                                   | -                     | 2,816,247             |
| Resident Services  | 16,803,489                           | -                          | 16,803,489            | -                                   | -                          | -                   | -                             | -                                   | (552,574)             | 16,250,915            |
| Home Health Revenue  | (2,246)                              | -                          | (2,246)               | -                                   | -                          | -                   | 906,431                       | -                                   | -                     | 904,185               |
| Seabury At Home, Inc. Revenue                              | -                                    | -                          | -                     | -                                   | -                          | -                   | 1,198,847                     | -                                   | -                     | 1,198,847             |
| Services to Seabury At Home, Inc.                          | 2,042,559                            | -                          | 2,042,559             | -                                   | -                          | -                   | -                             | -                                   | (2,042,559)           | -                     |
| Amortization of Nonrefundable Deferred Fees                | 3,594,766                            | -                          | 3,594,766             | -                                   | -                          | -                   | 1,075,503                     | -                                   | -                     | 4,670,269             |
| Investment Income (Loss)                                   | 1,117,669                            | 208,821                    | 1,326,490             | 348,248                             | -                          | 348,248             | (202,302)                     | -                                   | 107,316               | 1,579,752             |
| Other Income   | 2,377,421                            | -                          | 2,377,421             | 95,772                              | -                          | 95,772              | 586,001                       | -                                   | (180,031)             | 2,879,163             |
| Contributions and Gifts                                    | -                                    | -                          | -                     | 138,442                             | 12,046                     | 150,488             | -                             | -                                   | -                     | 150,488               |
| Contributions from the Seabury Charitable Foundation, Inc. | 323,780                              | -                          | 323,780               | -                                   | -                          | -                   | -                             | -                                   | (277,063)             | 46,717                |
| Net Assets Released from Restrictions                      | -                                    | -                          | -                     | 3,275                               | (3,275)                    | -                   | -                             | -                                   | -                     | -                     |
| Total Revenues, Gains, and Other Support                   | 38,014,870                           | 208,821                    | 38,223,691            | 585,737                             | 8,771                      | 594,508             | 3,564,480                     | -                                   | (3,023,435)           | 39,359,244            |
| <b>EXPENSES</b>  |                                      |                            |                       |                                     |                            |                     |                               |                                     |                       |                       |
| Medical and Other Resident Care                            | 8,904,378                            | -                          | 8,904,378             | -                                   | -                          | -                   | 2,577,796                     | -                                   | (2,553,888)           | 8,928,286             |
| General and Administrative                                 | 11,784,579                           | -                          | 11,784,579            | 478,892                             | -                          | 478,892             | 1,036,914                     | 107,316                             | (576,863)             | 12,830,838            |
| Dietary  | 3,748,920                            | -                          | 3,748,920             | -                                   | -                          | -                   | -                             | -                                   | -                     | 3,748,920             |
| Repairs and Maintenance                                    | 3,445,210                            | -                          | 3,445,210             | -                                   | -                          | -                   | -                             | -                                   | -                     | 3,445,210             |
| Housekeeping and Laundry                                   | 1,270,474                            | -                          | 1,270,474             | -                                   | -                          | -                   | -                             | -                                   | -                     | 1,270,474             |
| Interest Expense, Net                                      | 4,065,497                            | -                          | 4,065,497             | -                                   | -                          | -                   | -                             | -                                   | -                     | 4,065,497             |
| Depreciation   | 7,567,656                            | -                          | 7,567,656             | 5,183                               | -                          | 5,183               | 14,087                        | -                                   | -                     | 7,586,926             |
| Total Expenses   | 40,786,714                           | -                          | 40,786,714            | 484,075                             | -                          | 484,075             | 3,628,797                     | 107,316                             | (3,130,751)           | 41,876,151            |
| <b>INCOME (LOSS) FROM OPERATIONS</b>                       | (2,771,844)                          | 208,821                    | (2,563,023)           | 101,662                             | 8,771                      | 110,433             | (64,317)                      | (107,316)                           | 107,316               | (2,516,907)           |
| Change in Net Unrealized Gain on Investments               | (2,905,386)                          | (354,024)                  | (3,259,410)           | (1,409,764)                         | -                          | (1,409,764)         | (696,830)                     | -                                   | -                     | (5,366,004)           |
| Change in Interest in Perpetual Trusts                     | -                                    | (1,437,181)                | (1,437,181)           | -                                   | -                          | -                   | -                             | -                                   | -                     | (1,437,181)           |
| <b>CHANGE IN NET ASSETS (DEFICIT)</b>                      | (5,677,230)                          | (1,582,384)                | (7,259,614)           | (1,308,102)                         | 8,771                      | (1,299,331)         | (761,147)                     | (107,316)                           | 107,316               | (9,320,092)           |
| Net Assets (Deficit) - Beginning of Year                   | (12,985,780)                         | 7,665,587                  | (5,320,193)           | 7,831,112                           | 114,506                    | 7,945,618           | 822,291                       | 4,919,440                           | (4,919,440)           | 3,447,716             |
| Contributions from Members                                 | -                                    | -                          | -                     | -                                   | -                          | -                   | -                             | 110,000                             | (110,000)             | -                     |
| <b>NET ASSETS (DEFICIT) - END OF YEAR</b>                  | <u>\$ (18,663,010)</u>               | <u>\$ 6,083,203</u>        | <u>\$(12,579,807)</u> | <u>\$ 6,523,010</u>                 | <u>\$ 123,277</u>          | <u>\$ 6,646,287</u> | <u>\$ 61,144</u>              | <u>\$ 4,922,124</u>                 | <u>\$ (4,922,124)</u> | <u>\$ (5,872,376)</u> |

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2023**

|  | Church Home<br>of Hartford<br>Incorporated | Seabury<br>Charitable<br>Foundation, Inc. | Seabury<br>At Home, Inc. | Seabury at<br>Powder Forest,<br>LLC | Eliminations     | Total                |
|--|--|---|--------------------------|-------------------------------------|------------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |  |   |                          |                                     |                  |                      |
| Change in Net Assets (Deficit)   | \$ 1,495,003                               | \$ 404,644                                | \$ 1,299,720             | \$ (102,335)                        | \$ 102,334       | \$ 3,199,366         |
| Adjustments to Reconcile Change in Net Assets (Deficit) to Net Cash Provided (Used) by Operating Activities: |  |   |                          |                                     |                  |                      |
| Proceeds from Entrance/Membership Fees, Net of Refunds   | 4,337,057                                  | -   | 1,969,387                | -                                   | -                | 6,306,444            |
| Depreciation   | 7,005,571                                  | 5,183                                     | 12,363                   | -                                   | -                | 7,023,117            |
| Bad Debt Expense   | 195,757                                    | -   | -                        | -                                   | -                | 195,757              |
| Loss on Disposal of Property   | 5,764                                      | -   | -                        | -                                   | -                | 5,764                |
| Amortization of Bond Financing Costs   | 91,665                                     | -   | -                        | -                                   | -                | 91,665               |
| Amortization of Bond Premium   | (76,284)                                   | -   | -                        | -                                   | -                | (76,284)             |
| Amortization of Nonrefundable Deferred Fees  | (3,915,515)                                | -   | (1,244,939)              | -                                   | -                | (5,160,454)          |
| Change in Net Unrealized Gain on Investments   | (716,577)                                  | (579,822)                                 | (239,952)                | -                                   | -                | (1,536,351)          |
| Change in Interest in Perpetual Trusts   | (366,385)                                  | -   | -                        | -                                   | -                | (366,385)            |
| Loss on Investment in Seabury at Powder Forest, LLC  | -  | 51,167                                    | 51,167                   | -                                   | (102,334)        | -                    |
| (Increase) Decrease in Operating Assets:   |  |   |                          |                                     |                  |                      |
| Entrance Fee Deposits  | (204,589)                                  | -   | -                        | -                                   | -                | (204,589)            |
| Accounts Receivable and Pledges Receivable   | (416,176)                                  | -   | -                        | -                                   | -                | (416,176)            |
| Accounts Receivable, Related Party   | (62,808)                                   | -   | -                        | -                                   | 62,808           | -                    |
| Entrance/Membership Fees Receivable  | (270,345)                                  | -   | 124,474                  | -                                   | -                | (145,871)            |
| Prepaid Expenses and Other Current Assets  | 26,318                                     | -   | (881)                    | 3,151                               | -                | 28,588               |
| Increase (Decrease) in Operating Liabilities:  |  |   |                          |                                     |                  |                      |
| Accounts Payable and Accrued Expenses  | 246,959                                    | (15,477)                                  | 18,061                   | 447                                 | -                | 249,990              |
| Accounts Payable, Related Party  | -  | 40,739                                    | 22,069                   | -                                   | (62,808)         | -                    |
| Deferred Revenue   | -  | -   | -                        | -                                   | -                | -                    |
| Entrance Fee Deposits  | 204,589                                    | -   | -                        | -                                   | -                | 204,589              |
| Annuities Payable  | -  | (13,018)                                  | -                        | -                                   | -                | (13,018)             |
| Net Cash Provided (Used) by Operating Activities   | <u>7,580,004</u>                           | <u>(106,584)</u>                          | <u>2,011,469</u>         | <u>(98,737)</u>                     | <u>-</u>         | <u>9,386,152</u>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |  |   |                          |                                     |                  |                      |
| (Purchases) Sales of Investments and Cash and Investments Held by Trustee, Net                               | (2,305,215)                                | 136,209                                   | (232,647)                | -                                   | -                | (2,401,653)          |
| Investment in Seabury at Powder Forest, LLC  | -  | (50,000)                                  | (50,000)                 | -                                   | 100,000          | -                    |
| Purchases of Property and Equipment  | (1,955,962)                                | (1)                                       | -                        | -                                   | -                | (1,955,963)          |
| Net Cash Provided (Used) by Investing Activities   | <u>(4,261,177)</u>                         | <u>86,208</u>                             | <u>(282,647)</u>         | <u>-</u>                            | <u>100,000</u>   | <u>(4,357,616)</u>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |  |   |                          |                                     |                  |                      |
| Principal Payments on Bonds Payable  | (1,155,000)                                | -   | -                        | -                                   | -                | (1,155,000)          |
| Principal Payments on Finance Leases   | (40,135)                                   | -   | -                        | -                                   | -                | (40,135)             |
| Contributions from Members   | -  | -   | -                        | 100,000                             | (100,000)        | -                    |
| Net Cash Provided (Used) by Financing Activities   | <u>(1,195,135)</u>                         | <u>-</u>                                  | <u>-</u>                 | <u>100,000</u>                      | <u>(100,000)</u> | <u>(1,195,135)</u>   |
| <b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS,<br/>AND RESTRICTED CASH</b>                            | <u>2,123,692</u>                           | <u>(20,376)</u>                           | <u>1,728,822</u>         | <u>1,263</u>                        | <u>-</u>         | <u>3,833,401</u>     |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year  | <u>7,324,650</u>                           | <u>22,622</u>                             | <u>3,480,905</u>         | <u>3,963</u>                        | <u>-</u>         | <u>10,832,140</u>    |
| <b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>   | <u>\$ 9,448,342</u>                        | <u>\$ 2,246</u>                           | <u>\$ 5,209,727</u>      | <u>\$ 5,226</u>                     | <u>\$ -</u>      | <u>\$ 14,665,541</u> |

**SEABURY, INC. AND SUBSIDIARIES**  
**CONSOLIDATING SCHEDULE OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2022**

|  | Church Home<br>of Hartford<br>Incorporated | Seabury<br>Charitable<br>Foundation, Inc. | Seabury<br>At Home, Inc. | Seabury at<br>Powder Forest,<br>LLC | Eliminations | Total                |
|--|--|---|--------------------------|-------------------------------------|--------------|----------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |  |   |                          |                                     |              |                      |
| Change in Net Assets (Deficit)   | \$ (7,259,614)                             | \$ (1,299,331)                            | \$ (761,147)             | \$ (107,316)                        | \$ 107,316   | \$ (9,320,092)       |
| Adjustments to Reconcile Change in Net Assets (Deficit) to Net Cash Provided (Used) by Operating Activities: |  |   |                          |                                     |              |                      |
| Proceeds from Entrance/Membership Fees, Net of Refunds   | 2,677,353                                  | -   | 2,467,828                | -                                   | -            | 5,145,181            |
| Depreciation   | 7,567,656                                  | 5,183                                     | 14,087                   | -                                   | -            | 7,586,926            |
| Bad Debt Expense   | 32,567                                     | -   | -                        | -                                   | -            | 32,567               |
| Loss on Disposal of Property   | 107,208                                    | -   | -                        | -                                   | -            | 107,208              |
| Amortization of Bond Financing Costs   | 91,664                                     | -   | -                        | -                                   | -            | 91,664               |
| Amortization of Bond Premium   | (76,284)                                   | -   | -                        | -                                   | -            | (76,284)             |
| Amortization of Nonrefundable Deferred Fees  | (3,594,766)                                | -   | (1,075,503)              | -                                   | -            | (4,670,269)          |
| Change in Net Unrealized Loss on Investments   | 3,259,410                                  | 1,409,764                                 | 696,830                  | -                                   | -            | 5,366,004            |
| Change in Interest in Perpetual Trusts   | 1,437,181                                  | -   | -                        | -                                   | -            | 1,437,181            |
| Loss on Investment in Seabury at Powder Forest, LLC  | -  | 53,658                                    | 53,658                   | -                                   | (107,316)    | -                    |
| (Increase) Decrease in Operating Assets:   |  |   |                          |                                     |              |                      |
| Entrance Fee Deposits  | 142,336                                    | -   | -                        | -                                   | -            | 142,336              |
| Accounts Receivable and Pledges Receivable   | 757,548                                    | -   | -                        | -                                   | -            | 757,548              |
| Accounts Receivable, Related Party   | 179,897                                    | -   | -                        | -                                   | (179,897)    | -                    |
| Entrance/Membership Fees Receivable  | (260,747)                                  | -   | 462,595                  | -                                   | -            | 201,848              |
| Prepaid Expenses and Other Current Assets  | 810,571                                    | -   | 119                      | 1                                   | -            | 810,691              |
| Increase (Decrease) in Operating Liabilities:  |  |   |                          |                                     |              |                      |
| Accounts Payable and Accrued Expenses  | (32,943)                                   | (8,971)                                   | 375                      | -                                   | -            | (41,539)             |
| Accounts Payable, Related Party  | -  | -   | (179,897)                | -                                   | 179,897      | -                    |
| Deferred Revenue   | 274,163                                    | -   | -                        | -                                   | -            | 274,163              |
| Entrance Fee Deposits  | (142,336)                                  | -   | -                        | -                                   | -            | (142,336)            |
| Annuities Payable  | -  | (27,626)                                  | -                        | -                                   | -            | (27,626)             |
| Net Cash Provided (Used) by Operating Activities   | 5,970,864                                  | 132,677                                   | 1,678,945                | (107,315)                           | -            | 7,675,171            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |  |   |                          |                                     |              |                      |
| Purchases of Investments and Cash and Investments Held by Trustee, Net                                       | (3,279,838)                                | (124,278)                                 | (1,334,387)              | -                                   | -            | (4,738,503)          |
| Investment in Seabury at Powder Forest, LLC  | -  | (55,000)                                  | (55,000)                 | -                                   | 110,000      | -                    |
| Decrease in Accounts Payable and Accrued Expenses Related to Construction                                    | 4,424                                      | -   | -                        | -                                   | -            | 4,424                |
| Purchases of Property and Equipment  | (1,598,211)                                | -   | -                        | -                                   | -            | (1,598,211)          |
| Proceeds from Sale of Property and Equipment   | 41,000                                     | -   | -                        | -                                   | -            | 41,000               |
| Net Cash Used by Investing Activities  | (4,832,625)                                | (179,278)                                 | (1,389,387)              | -                                   | 110,000      | (6,291,290)          |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |  |   |                          |                                     |              |                      |
| Principal Payments on Bonds Payable  | (1,100,000)                                | -   | -                        | -                                   | -            | (1,100,000)          |
| Principal Payments on Finance Leases   | (121,534)                                  | -   | -                        | -                                   | -            | (121,534)            |
| Contributions From Members   | -  | -   | -                        | 110,000                             | (110,000)    | -                    |
| Net Cash Provided (Used) by Financing Activities   | (1,221,534)                                | -   | -                        | 110,000                             | (110,000)    | (1,221,534)          |
| <b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>                                | (83,295)                                   | (46,601)                                  | 289,558                  | 2,685                               | -            | 162,347              |
| Cash, Cash Equivalents, and Restricted Cash - Beginning of Year  | 7,407,945                                  | 69,223                                    | 3,191,347                | 1,278                               | -            | 10,669,793           |
| <b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>   | <u>\$ 7,324,650</u>                        | <u>\$ 22,622</u>                          | <u>\$ 3,480,905</u>      | <u>\$ 3,963</u>                     | <u>\$ -</u>  | <u>\$ 10,832,140</u> |

**EXHIBIT C**

**PRO FORMA FINANCIAL STATEMENTS**

SEABURY AT HOME, INCORPORATED  
2024 SOURCES & USE OF FUNDS

Seabury At Home's FY2024 operating budget projects revenues of \$5,050,000 and \$4,516,000 of total expenses, for excess revenues over expenses of \$534,000. Major sources of funds include \$1,548,000 in monthly fees, \$1,336,000 personal care aide and \$1,180,000 earned member fees.

Major expenses for FY2024 include Seabury contracted services of \$2,103,000, outside contracted services - \$1,152,000, Assisted Living care - \$672,000 and Skilled Nursing - \$231,000.

Monthly fees increase for FY2024 is 5.00%. The estimated number of new members joining the program is 40 for FY2024, and 36 for 2025 and 2026 Fiscal Years. For the next 3 years, on average 20 members per year expected to leave the program to join Seabury or terminate the membership.

Seabury contracted services expected to increase 18% for FY2024 and 5% for the following 2 years. Other operating expenses are expected to increase by 3% in the next 3 years.

Seabury At Home Incorporated  
 Forecasted Statements of Revenue and Expenses  
 For the Years Ending September 30, 2024 - 2026

1/31/2024

|                                   | BUDGET<br>FYE 9/30/24 | FORECAST<br>FYE 9/30/25 | FORECAST<br>FYE 9/30/26 |
|-----------------------------------|-----------------------|-------------------------|-------------------------|
| Revenue:                          |                       |                         |                         |
| Monthly Fees                      | 1,548,000             | 1,625,000               | 1,706,000               |
| Wellness Pass                     | 17,000                | 18,000                  | 19,000                  |
| Long Term Care Insurance          | 464,000               | 430,000                 | 430,000                 |
| Earned Member Fees                | 1,180,000             | 1,245,000               | 1,282,000               |
| Life Line                         | 5,000                 | 5,000                   | 5,000                   |
| Private Duty Personal Care        | 1,382,000             | 1,423,000               | 1,466,000               |
| Investment Income                 | 316,000               | 325,000                 | 335,000                 |
| Other Income                      | 113,000               | 116,000                 | 119,000                 |
| Rent Income                       | <u>25,000</u>         | <u>25,000</u>           | <u>25,000</u>           |
| <br>Total Revenue                 | <br>5,050,000         | <br>5,212,000           | <br>5,387,000           |
| Expenses:                         |                       |                         |                         |
| Seabury Contracted Services       | 2,103,000             | 2,208,000               | 2,318,000               |
| Marketing/Public Relations        | 150,000               | 155,000                 | 160,000                 |
| Skilled Nursing Permanent Care    | 231,000               | 238,000                 | 245,000                 |
| Assisted Living Temporary Care    | 672,000               | 692,000                 | 713,000                 |
| Contract Professional Services    | 1,152,000             | 1,187,000               | 1,223,000               |
| Life Line                         | 30,000                | 31,000                  | 32,000                  |
| Supplies                          | 6,000                 | 6,000                   | 6,000                   |
| Corporate Insurance - General     | 15,000                | 15,000                  | 15,000                  |
| Depreciation                      | 12,000                | 11,000                  | 11,000                  |
| Real Estate Taxes                 | 9,000                 | 9,000                   | 10,000                  |
| Accounting/Audit                  | 9,000                 | 10,000                  | 10,000                  |
| Travel/Mileage Reimbursement      | 13,000                | 14,000                  | 14,000                  |
| Dues/Licenses/Fees                | 7,000                 | 7,000                   | 7,000                   |
| Cell Phones                       | 4,000                 | 4,000                   | 4,000                   |
| Transportation                    | 4,000                 | 4,000                   | 4,000                   |
| Investment Fees                   | 23,000                | 24,000                  | 25,000                  |
| Other                             | 17,000                | 18,000                  | 19,000                  |
| Computer Services                 | 12,000                | 12,000                  | 12,000                  |
| Rent                              | <u>47,000</u>         | <u>47,000</u>           | <u>47,000</u>           |
| <br>Total Expenses                | <br>4,516,000         | <br>4,692,000           | <br>4,875,000           |
| <br>Net Income from Operations    | <br>534,000           | <br>520,000             | <br>512,000             |
| <br>Net Assets, Beginning of Year | <br>1,361,000         | <br>1,895,000           | <br>2,415,000           |
| <br>Net Assets, End of Year       | <br>1,895,000         | <br>2,415,000           | <br>2,927,000           |

Seabury At Home Incorporated  
 Forecasted Statements of Cash Flow  
 For the Years Ending September 30, 2024 - 2026

1/31/2024

|   | <u>BUDGET</u><br><u>FYE 9/30/24</u> | <u>FORECAST</u><br><u>FYE 9/30/25</u> | <u>FORECAST</u><br><u>FYE 9/30/26</u> |
|---|-------------------------------------|---------------------------------------|---------------------------------------|
| Net Income  | 534,000                             | 520,000                               | 512,000                               |
| Adjustments:  |                                     |                                       |                                       |
| Depreciation  | 12,000                              | 11,000                                | 11,000                                |
| Earned Membership Fees                                | (1,180,000)                         | (1,245,000)                           | (1,282,000)                           |
| Membership Fees Received                              | 2,700,000                           | 2,781,000                             | 2,864,000                             |
| Membership Fees Refunded                              | (1,000,000)                         | (1,030,000)                           | (1,061,000)                           |
| Changes in Current Liabilities                        | 8,000                               | 8,000                                 | 8,000                                 |
| Changes in Current Assets                             | (36,000)                            | (61,000)                              | (64,000)                              |
| Net Cash Provided from (Used by) Operating Activities | 1,038,000                           | 984,000                               | 988,000                               |
| Cash Flow from Investing Activities:                  |                                     |                                       |                                       |
| Capital Improvements and Equipment                    |                                     |                                       |                                       |
| Purchase of Investments                               | (316,000)                           | (325,000)                             | (335,000)                             |
| Investment in Seabury at Powder Forest                | (60,000)                            | (60,000)                              | (60,000)                              |
| Net Cash Used in Investing Activities                 | (376,000)                           | (385,000)                             | (395,000)                             |
| Cash Flow from Financing Activities:                  | 0                                   | 0                                     | 0                                     |
| Net Cash Used in Financing Activities                 | 0                                   | 0                                     | 0                                     |
| Annual Cash Flow                                      | 662,000                             | 599,000                               | 593,000                               |
| Cash Beginning of Year                                | 5,210,000                           | 5,872,000                             | 6,471,000                             |
| Cash End of Year                                      | 5,872,000                           | 6,471,000                             | 7,064,000                             |

Seabury At Home Incorporated  
 Forecasted Balance Sheets  
 For the Years Ending September 30, 2024 - 2026

1/31/2024

|   | <u>BUDGET</u><br><u>FYE 9/30/24</u> | <u>FORECAST</u><br><u>FYE 9/30/25</u> | <u>FORECAST</u><br><u>FYE 9/30/26</u> |
|---|-------------------------------------|---------------------------------------|---------------------------------------|
| <b>Assets</b>                           |                                     |                                       |                                       |
| <b>Current Assets:</b>                  |                                     |                                       |                                       |
| Cash and Cash Equivalent                | 5,872,000                           | 6,471,000                             | 7,064,000                             |
| Investments                             | 8,638,000                           | 8,963,000                             | 9,298,000                             |
| Accounts Receivable                     | 1,227,000                           | 1,288,000                             | 1,352,000                             |
| Other Current Assets                    | 8,000                               | 8,000                                 | 8,000                                 |
| <b>Total Current Assets</b>             | <b>15,745,000</b>                   | <b>16,730,000</b>                     | <b>17,722,000</b>                     |
| Property, Plant and Equipment, Net      | 434,000                             | 423,000                               | 412,000                               |
| Investment in Seabury at Powder Forest  | 2,520,000                           | 2,580,000                             | 2,640,000                             |
| <b>Total Assets</b>                     | <b>18,699,000</b>                   | <b>19,733,000</b>                     | <b>20,774,000</b>                     |
| <b>Liabilities and Net Assets</b>       |                                     |                                       |                                       |
| Accounts Payable                        | 260,000                             | 268,000                               | 276,000                               |
| Deferred Membership Fees                | 16,544,000                          | 17,050,000                            | 17,571,000                            |
| <b>Net Assets</b>                       | <b>1,895,000</b>                    | <b>2,415,000</b>                      | <b>2,927,000</b>                      |
| <b>Total Liabilities and Net Assets</b> | <b>18,699,000</b>                   | <b>19,733,000</b>                     | <b>20,774,000</b>                     |



Seabury At Home Incorporated  
 Growth Rate Assumptions  
 For the Years Ending September 30, 2024 - 2026

|                             | <u>BUDGET</u><br><u>FYE 9/30/24</u> | <u>FORECAST</u><br><u>FYE 9/30/25</u> | <u>FORECAST</u><br><u>FYE 9/30/26</u> |
|-----------------------------|-------------------------------------|---------------------------------------|---------------------------------------|
| Census                      |                                     |                                       |                                       |
| Additional Annual Members   | 40                                  | 36                                    | 36                                    |
| Member Transfers to Seabury | 20                                  | 20                                    | 20                                    |
| Revenue                     |                                     |                                       |                                       |
| Monthly Fees Increase       | 5.00%                               | 4.00%                                 | 3.00%                                 |
| Membership Fees Increase    | 5.00%                               | 4.00%                                 | 3.00%                                 |
| Private Duty Nursing        | 4.00%                               | 4.00%                                 | 3.00%                                 |
| Private Duty Personal Care  | 4.00%                               | 4.00%                                 | 3.00%                                 |
| Expenses                    |                                     |                                       |                                       |
| Salaries Expenses Increase  | 4.00%                               | 4.00%                                 | 3.00%                                 |
| Other Expenses Increase     | 3.00%                               | 3.00%                                 | 3.00%                                 |

Church Home of Hartford Incorporated  
 Monthly/Daily Fee Increases

10/1/2023

| <u>Budget Year</u><br><u>Ending 9/30</u> | <u>Seabury</u><br><u>ILU</u><br><u>% Increase</u> | <u>Seabury</u><br><u>SNF</u><br><u>% Increase</u> | <u>Seabury</u><br><u>AL</u><br><u>% Increase</u> | <u>Seabury</u><br><u>Enhanced AL</u><br><u>% Increase</u> | <u>Seabury</u><br><u>At Home</u><br><u>% Increase</u> |
|--|---|---|--|---|---|
| 1994                                     | 5.0   | 5.0   | 5.0  |   |   |
| 1995                                     | 5.0   | 7.0   | 6.0  |   |   |
| 1996                                     | 4.0   | 4.0   | 0.0  |   |   |
| 1997                                     | 5.0   | 6.0   | 5.5  |   |   |
| 1998                                     | 3.5   | 5.0   | 3.25   |   |   |
| 1999                                     | 2.0   | 2.9   | 2.9  |   |   |
| 2000                                     | 2.0   | 2.9   | 2.9  |   |   |
| 2001                                     | 3.0   | 3.0   | 3.0  |   |   |
| 2002                                     | 5.0   | 5.0   | 5.0  |   |   |
| 2003                                     | 3.0   | 2.9   | 6.6  |   |   |
| 2004                                     | 4.0   | 4.0   | 4.0  |   |   |
| 2005                                     | 2.0   | 3.0   | 3.0  | 3.0   |   |
| 2006                                     | 4.5   | 4.5   | 4.5  | 4.0   |   |
| 2007                                     | 5.5   | 5.5   | 5.5  | 4.0   |   |
| 2008                                     | 4.0   | 4.0   | 4.0  | 3.0   |   |
| 2009                                     | 3.0   | 3.0   | 3.0  | 3.0   |   |
| 2010                                     | 4.0   | 5.0   | 5.0  | 5.0   | 0.0   |
| 2011                                     | 3.0   | 5.0   | 3.0  | 3.0   | 0.0   |
| 2012                                     | 2.5   | 2.0   | 2.5  | 0.0   | 0.0   |
| 2013                                     | 3.0   | 3.0   | 3.0  | 3.0   | 2.0   |
| 2014                                     | 3.5   | 4.0   | 4.0  | 3.5   | 2.0   |
| 2015                                     | 3.5   | 4.0   | 4.0  | 3.5   | 2.0   |
| 2016                                     | 3.5   | 4.0   | 4.0  | 4.0   | 2.0   |
| 2017                                     | 3.5   | 4.0   | 4.0  | 4.0   | 2.0   |
| 2018                                     | 3.25  | 4.0   | 3.5  | 4.0   | 3.0   |
| 2019                                     | 3.25  | 4.0   | 4.0  | 4.0   | 3.0   |
| 2020                                     | 3.5   | 4.0   | 4.0  | 4.0   | 2.0   |
| 2021                                     | 3.25  | 3.25  | 3.25   | 0.0   | 3.0   |
| 2022                                     | 3.25  | 3.25  | 3.25   | 0.0   | 3.0   |
| 2023                                     | 4.0   | 4.0   | 4.0  | 0.0   | 4.5   |
| 2024                                     | 4.5   | 4.0   | 4.5  | 0.0   | 5.0   |
| Average last five years                  | 3.70  | 3.70  | 3.80   | 0.80  | 3.50  |
| Average since inception                  | 3.61  | 4.04  | 3.88   | 2.75  | 2.23  |

## **EXHIBIT D**

### **MEMBERSHIP FEES/PERIODIC CHARGES**

**PAYMENT OF MEMBERSHIP FEE OR OTHER TRANSFER OF ASSETS  
PURSUANT TO A LIFE PLAN CONTRACT (CONTINUING CARE  
CONTRACT) MAY HAVE SIGNIFICANT TAX CONSEQUENCES. ANY  
PERSON CONSIDERING SUCH PAYMENT OR TRANSFER MAY WISH TO  
CONSULT A QUALIFIED ADVISOR.**



## **Platinum Plan**

80% Refundable Option

100% Coverage of both Home- and Facility-Based Care  
(Assisted Living and Skilled Nursing)

\$579 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$56,828              | 68         | \$111,815             |
| 51         | \$57,768              | 69         | \$115,260             |
| 52         | \$58,710              | 70         | \$120,031             |
| 53         | \$59,651              | 71         | \$125,912             |
| 54         | \$60,591              | 72         | \$131,795             |
| 55         | \$61,534              | 73         | \$137,677             |
| 56         | \$64,122              | 74         | \$143,561             |
| 57         | \$66,711              | 75         | \$149,441             |
| 58         | \$69,297              | 76         | \$157,066             |
| 59         | \$71,887              | 77         | \$164,690             |
| 60         | \$75,005              | 78         | \$172,317             |
| 61         | \$79,238              | 79         | \$179,941             |
| 62         | \$83,469              | 80         | \$187,565             |
| 63         | \$87,704              | 81         | \$198,528             |
| 64         | \$91,940              | 82         | \$209,489             |
| 65         | \$96,175              | 83         | \$220,449             |
| 66         | \$100,946             | 84         | \$231,408             |
| 67         | \$105,716             | 85         | \$242,373             |



**Gold Plan**

No Refund Option

100% Coverage of both Home- and Facility-Based Care

(Assisted Living and Skilled Nursing)

\$579 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$27,290              | 68         | \$65,586              |
| 51         | \$29,549              | 69         | \$67,410              |
| 52         | \$31,812              | 70         | \$69,232              |
| 53         | \$34,073              | 71         | \$70,996              |
| 54         | \$36,333              | 72         | \$72,757              |
| 55         | \$38,597              | 73         | \$74,517              |
| 56         | \$40,857              | 74         | \$76,277              |
| 57         | \$43,116              | 75         | \$78,040              |
| 58         | \$45,378              | 76         | \$81,162              |
| 59         | \$47,641              | 77         | \$84,408              |
| 60         | \$49,901              | 78         | \$87,784              |
| 61         | \$51,941              | 79         | \$91,296              |
| 62         | \$53,988              | 80         | \$96,757              |
| 63         | \$56,029              | 81         | \$100,627             |
| 64         | \$58,073              | 82         | \$104,651             |
| 65         | \$60,114              | 83         | \$108,838             |
| 66         | \$61,937              | 84         | \$113,191             |
| 67         | \$63,761              | 85         | \$117,719             |



## Gold<sup>Plus</sup> Plan

No Refund Option

100% Coverage of both Home- and Facility-Based Care  
(Assisted Living and Skilled Nursing)

\$145 – \$579 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$27,290              | 68         | \$65,586              |
| 51         | \$29,549              | 69         | \$67,410              |
| 52         | \$31,812              | 70         | \$69,232              |
| 53         | \$34,073              | 71         | \$70,996              |
| 54         | \$36,333              | 72         | \$72,757              |
| 55         | \$38,597              | 73         | \$74,517              |
| 56         | \$40,857              | 74         | \$76,277              |
| 57         | \$43,116              | 75         | \$78,040              |
| 58         | \$45,378              | 76         | \$81,162              |
| 59         | \$47,641              | 77         | \$84,408              |
| 60         | \$49,901              | 78         | \$87,784              |
| 61         | \$51,941              | 79         | \$91,296              |
| 62         | \$53,988              | 80         | \$96,757              |
| 63         | \$56,029              | 81         | \$100,627             |
| 64         | \$58,073              | 82         | \$104,651             |
| 65         | \$60,114              | 83         | \$108,838             |
| 66         | \$61,937              | 84         | \$113,191             |
| 67         | \$63,761              | 85         | \$117,719             |

The discounted monthly fee varies depending on the long-term care insurance policy maintained by the Member. A Gold<sup>Plus</sup> Member must maintain a long-term care insurance policy that meets Program Criteria in exchange for a discounted monthly fee. A change from the Gold<sup>Plus</sup> Plan to the Gold Plan, at any time, will necessitate additional fees, based on the difference between the discounted monthly fee and the current monthly fee for the Gold Plan. These fees will be retroactive from the “Membership Date”. As a Gold<sup>Plus</sup> Member, if you receive Home- and/or Facility-Based services, Seabury At Home will pay the difference between the per day cost of services and the covered amount you are eligible for under your long term care policy.



**Silver Plan**

No Refund Option

30% Co-Pay of both Home- and Facility-Based Care

(Assisted Living and Skilled Nursing)

\$506 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$19,416              | 68         | \$45,326              |
| 51         | \$20,808              | 69         | \$46,612              |
| 52         | \$22,198              | 70         | \$47,895              |
| 53         | \$23,591              | 71         | \$49,136              |
| 54         | \$24,984              | 72         | \$50,378              |
| 55         | \$26,374              | 73         | \$51,619              |
| 56         | \$27,959              | 74         | \$52,861              |
| 57         | \$29,544              | 75         | \$54,100              |
| 58         | \$31,130              | 76         | \$56,264              |
| 59         | \$32,717              | 77         | \$58,514              |
| 60         | \$34,304              | 78         | \$60,855              |
| 61         | \$35,738              | 79         | \$63,290              |
| 62         | \$37,174              | 80         | \$67,075              |
| 63         | \$38,607              | 81         | \$69,758              |
| 64         | \$40,041              | 82         | \$72,548              |
| 65         | \$41,476              | 83         | \$75,450              |
| 66         | \$42,760              | 84         | \$78,468              |
| 67         | \$44,042              | 85         | \$81,607              |



**Sterling Plan**  
No Refund Option  
Daily Cap on Home-Based Care\*  
\$416 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$5,170               | 68         | \$24,339              |
| 51         | \$5,833               | 69         | \$25,930              |
| 52         | \$6,492               | 70         | \$27,521              |
| 53         | \$7,155               | 71         | \$29,086              |
| 54         | \$7,818               | 72         | \$30,654              |
| 55         | \$8,481               | 73         | \$32,225              |
| 56         | \$9,144               | 74         | \$33,795              |
| 57         | \$9,803               | 75         | \$35,362              |
| 58         | \$10,466              | 76         | \$36,776              |
| 59         | \$11,126              | 77         | \$38,247              |
| 60         | \$11,790              | 78         | \$39,777              |
| 61         | \$13,347              | 79         | \$41,368              |
| 62         | \$14,903              | 80         | \$43,842              |
| 63         | \$16,460              | 81         | \$45,596              |
| 64         | \$18,015              | 82         | \$47,420              |
| 65         | \$19,572              | 83         | \$49,317              |
| 66         | \$21,159              | 84         | \$51,289              |
| 67         | \$22,749              | 85         | \$53,342              |

\* A Sterling Member will have a “Daily Cap” for Home Care using the then current market rate cost of a Studio apartment at Seabury’s highest level of Assisted Living.





**Copper Plan**  
No Refund Option  
50% Co-Pay of Home-Based Care  
\$327 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$4,833               | 68         | \$15,758              |
| 51         | \$5,380               | 69         | \$16,454              |
| 52         | \$5,924               | 70         | \$17,149              |
| 53         | \$6,471               | 71         | \$17,830              |
| 54         | \$7,015               | 72         | \$18,514              |
| 55         | \$7,561               | 73         | \$19,198              |
| 56         | \$8,106               | 74         | \$19,880              |
| 57         | \$8,651               | 75         | \$20,568              |
| 58         | \$9,196               | 76         | \$21,392              |
| 59         | \$9,745               | 77         | \$22,246              |
| 60         | \$10,287              | 78         | \$23,137              |
| 61         | \$10,966              | 79         | \$24,062              |
| 62         | \$11,643              | 80         | \$25,501              |
| 63         | \$12,322              | 81         | \$26,521              |
| 64         | \$12,999              | 82         | \$27,582              |
| 65         | \$13,679              | 83         | \$28,686              |
| 66         | \$14,372              | 84         | \$29,833              |
| 67         | \$15,065              | 85         | \$31,027              |



## **TitaniumCARE Plan**

No Refund Option

100% Coverage of Facility-Based Care  
(Assisted Living and Skilled Nursing)

\$525 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$21,000              | 68         | \$48,611              |
| 51         | \$22,073              | 69         | \$50,246              |
| 52         | \$23,145              | 70         | \$51,806              |
| 53         | \$24,218              | 71         | \$53,416              |
| 54         | \$25,291              | 72         | \$55,446              |
| 55         | \$26,366              | 73         | \$57,477              |
| 56         | \$27,779              | 74         | \$59,508              |
| 57         | \$29,191              | 75         | \$61,538              |
| 58         | \$30,604              | 76         | \$64,000              |
| 59         | \$32,019              | 77         | \$66,560              |
| 60         | \$33,530              | 78         | \$69,222              |
| 61         | \$35,369              | 79         | \$71,991              |
| 62         | \$37,209              | 80         | \$74,871              |
| 63         | \$39,048              | 81         | \$77,866              |
| 64         | \$40,888              | 82         | \$80,980              |
| 65         | \$42,728              | 83         | \$84,219              |
| 66         | \$44,606              | 84         | \$87,588              |
| 67         | \$46,486              | 85         | \$91,092              |



**Titanium Plan**  
No Refund Option  
(Daily Cap on Assisted Living)\*  
(Daily Cap on Skilled Nursing)\*  
\$525 Single Monthly Fee

| <u>Age</u> | <u>Membership Fee</u> | <u>Age</u> | <u>Membership Fee</u> |
|------------|-----------------------|------------|-----------------------|
| 50         | \$15,750              | 68         | \$36,459              |
| 51         | \$16,554              | 69         | \$37,686              |
| 52         | \$17,359              | 70         | \$38,856              |
| 53         | \$18,164              | 71         | \$40,064              |
| 54         | \$18,968              | 72         | \$41,587              |
| 55         | \$19,774              | 73         | \$43,111              |
| 56         | \$20,834              | 74         | \$44,634              |
| 57         | \$21,894              | 75         | \$46,158              |
| 58         | \$22,954              | 76         | \$48,004              |
| 59         | \$24,015              | 77         | \$49,924              |
| 60         | \$25,149              | 78         | \$51,921              |
| 61         | \$26,528              | 79         | \$53,998              |
| 62         | \$27,908              | 80         | \$56,158              |
| 63         | \$29,288              | 81         | \$58,404              |
| 64         | \$30,667              | 82         | \$60,740              |
| 65         | \$32,047              | 83         | \$63,170              |
| 66         | \$33,456              | 84         | \$65,697              |
| 67         | \$34,865              | 85         | \$68,326              |

\* A Titanium Member will have a “Daily Cap” for Assisting Living equaling 50% of Seabury’s then current market rate cost of a Studio apartment. A Titanium Member will have a “Daily Cap” for Skilled Nursing equaling 50% of Seabury’s market rate.

**EXHIBIT E**

**PAYMENT PLANS**

## *FLEXIBLE PLAN OPTIONS*

| Plan                 | Coverage   | Refund   |
|----------------------|--|--|
| Platinum             | 100% Coverage<br>Home- & Facility-Based Care                         | 80% Refund   |
| Gold                 | 100% Coverage<br>Home- & Facility-Based Care                         | 0% Refund  |
| Gold <sup>PLUS</sup> | 100% Coverage<br>Home- & Facility-Based Care                         | 0% Refund & Integrates with<br>Long-Term Care Insurance. |
| Silver               | 70% Coverage<br>Home- & Facility-Based Care                          | 0% Refund  |
| Sterling             | Home-Based Care Only<br>Daily Cap on Home-Based Care*                | 0% Refund  |
| Copper               | 50% Coverage<br>Home-Based Care Only                                 | 0% Refund  |
| Titanium             | Daily Cap on AL/EL*<br>Daily Cap on SNF*<br>Facility-Based Care Only | 0% Refund  |
| TitaniumCARE         | 100% Coverage<br>Facility-Based Care Only                            | 0% Refund  |

\*Please refer to Fee Schedule for more details.

## MEMBERSHIP PLANS & SERVICES COVERED

| TYPE OF SERVICE   | PLATINUM | GOLD | GOLD <sup>PLUS</sup> | SILVER | STERLING    | COPPER | TITANIUM CARE | TITANIUM    |
|---|----------|------|----------------------|--------|-------------|--------|---------------|-------------|
| Personal Health Coordination                              | 100%     | 100% | 100%                 | 100%   | 100%        | 100%   | 100%          | 100%        |
| Emergency Response System                                 | 100%     | 100% | 100%                 | 100%   | 100%        | 100%   | 100%          | 100%        |
| Annual Physical Exam & Health/Wellness Programs           | 100%     | 100% | 100%                 | 100%   | 100%        | 100%   | 100%          | 100%        |
| Biennial Home Inspection                                  | 100%     | 100% | 100%                 | 100%   | 100%        | 100%   | 100%          | 100%        |
| Transportation (Medical)                                  | 100%     | 100% | 100%                 | 100%   | 100%        | 100%   | 0%            | 0%          |
| <b>HOME-BASED CARE</b>                                    |          |      |                      |        |             |        |               |             |
| Home Nurse Visits   | 100%     | 100% | 100%                 | 70%    | Daily Cap** | 50%    | 0%            | 0%          |
| Home Health Aide  | 100%     | 100% | 100%                 | 70%    | Daily Cap** | 50%    | 0%            | 0%          |
| Companion Services  | 100%     | 100% | 100%                 | 70%    | Daily Cap** | 50%    | 0%            | 0%          |
| Live-in Companion (24 hr.)                                | 100%     | 100% | 100%                 | 70%    | Daily Cap** | 50%    | 0%            | 0%          |
| Adult Day Care  | 100%     | 100% | 100%                 | 70%    | 100%        | 50%    | 0%            | 0%          |
| Delivered Meals/ Groceries                                | 100%     | 100% | 100%                 | 70%    | 100%        | 50%    | 0%            | 0%          |
| <b>FACILITY-BASED CARE</b>                                |          |      |                      |        |             |        |               |             |
| Assisted Living/ Enhanced Living including Memort Support | 100%     | 100% | 100%                 | 70%    | 0%          | 0%     | 100%          | Daily Cap** |
| Nursing Home Care   | 100%     | 100% | 100%                 | 70%    | 0%          | 0%     | 100%          | Daily Cap** |

\*Services Include Portability

\*\* Please refer to Fee Schedule for more details.

*MEMBERSHIP FEES APPLIED TO CAMPUS ENTRANCE FEES*

**Seabury At Home Membership - Age 75 (Example)**

**Platinum Plan Membership Fee · \$149,441**



**Plan 0% · Campus Credit/Refund (80%) from Platinum · \$119,553**



**Plan 50% · Campus Credit/Refund (80%) from Platinum · \$119,553**



**Plan 80% · Campus Credit/Refund (80%) from Platinum · \$119,553**

**100% of Membership Fee Applied**

**Gold or Gold<sup>Plus</sup> - \$78,040**

**Silver - \$54,100**

**Sterling - \$35,362**

**Copper - \$20,568**

**TitaniumCARE - \$61,538**

**Titanium - \$46,158**



**Plan 0% · Campus Credit Equals 100%  
(Does not apply to Campus Plans 50% or 80%)**

\*Fees Reflect 2023-2024 Pricing

**EXHIBIT F**

STATEMENT OF ACTUARIAL OPINION





## Seabury at Home

### Calculation of the Obligation To Provide Future Services

### HEALTH CARE AUDIT GUIDELINE

As of September 30, 2023

Report Date: January 4, 2024

## **I. INTRODUCTION & EXECUTIVE SUMMARY**

Continuing Care Actuaries, LLC ("Continuing Care Actuaries") was engaged by Seabury at Home to calculate the Obligation to Provide Future Services and the Use of Facilities to current residents (the "Obligation") as defined by the AICPA Health Care Accounting Guide. This calculation was performed as of September 30, 2023. This report includes an actuarial based financial projection that measures Seabury at Home's obligation to provide future services to current members.

The population projection uses actual member data to develop future assumptions about demographic characteristics of existing members. In order to calculate the liabilities, we projected existing members through the home and various levels of care until lapse or death. The rates of population movement utilized in these population projections were developed based on a review of Seabury at Home's member demographic experience for the historical period of October 31, 2008 through September 30, 2023 and the Continuing Care Actuaries' demographic database for at Home members. This information was then aggregated to create reasonable assumptions consistent with Seabury at Home's operational and administrative practices.

The population assumptions were then used to develop a closed group population projection, which reflects only the activity of the current group of Seabury at Home's members. A closed group does not have any new members entering the program, so as members die or voluntarily withdrawal, the projected group size declines. Closed group projections can be used to anticipate individual revenues and expenses over the life of the group. The population projections form the basis of the financial projection, which was prepared for the obligation calculation as recommended by the AICPA.

We combined the results of our population projection with projected revenues and projected expenses for Seabury at Home to develop the net present value of future cash outflows. This value, together with unamortized deferred revenue, unamortized costs of acquiring the initial continuing-care contracts, and allocable depreciation, produces the amount of the Obligation.

While we changed how the net present value of long-term care benefits are reflected, showing more of them in the "NPV of LTC Benefit" line on page 12 and less in the Revenue per Member on page 9, the net impact of this change is zero.

Seabury at Home management representatives provided data regarding resident ages and permanent living location. Assumptions regarding expected mortality and morbidity were derived from actual Seabury at Home historical data and the Continuing Care Actuaries' at Home database. Financial information regarding revenues and expenses was provided by Seabury at Home management and consisted of the Seabury at Home budget for fiscal year 2024. No secondary due diligence was conducted by Continuing Care Actuaries as to the accuracy of these assumptions.

## **RESULTS**

Continuing Care Actuaries has calculated the Obligation for Future Services for Current Residents at Seabury at Home as of September 30, 2023 to be (\$3,086,000) based on AICPA standards. Since this is a liability calculation, the negative result represents a surplus and means that based on current assumptions regarding future population and financial activity, the present value of Seabury at Home's current and future resources is adequate to cover future contractual obligations for all current members, as defined by the AICPA in the Health Care Audit Guide. For financial statement purposes, the amount to be booked as an obligation is \$0.

It should be noted that this deficit is based on the assumptions that monthly fees and operating expenses, not including interest expense, depreciation and amortization, will increase 4.0% each year throughout the projection period. The deficit pertains only to the Obligation calculation and does not demonstrate the financial feasibility of the entire community since debt principal repayments, general and administrative expenses and some revenues are not included in the Obligation calculation. It should also be noted that the Obligation calculation is based on the assumption that Seabury at Home will enroll 40 new members in year one and then enroll 36 new members per year in year two and beyond.

The results of our study are based on estimates of the demographic and economic assumptions of the most likely outcome. Considerable uncertainty and variability are inherent in such estimates. Accordingly, the subsequent emergence of actual resident movements and of actual revenues and expenses may not conform to the assumptions used in our analysis. Consequently, the subsequent development of these items may vary considerably from expected results.

Management should scrutinize future developments, which may cause the Obligation liability to increase. These developments include higher program withdrawal rates, higher expense inflation, higher nursing care utilization, and longer life expectancies than assumed in the current projection.

If you have any questions or comments, please contact Brad Paulis or Dave Bond at (410) 833-4220.

Sincerely yours,



Dave Bond, F.S.A., M.A.A.A.  
Managing Partner



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## Seabury at Home

### Statement of Actuarial Opinion January 4, 2024

I, Dave Bond, am a Fellow of the Society of Actuaries, a member of the American Academy of Actuaries, the Managing Partner in the firm Continuing Care Actuaries, LLC, and I meet the qualification standards to render Statements of Actuarial Opinion for continuing care retirement communities. I have been retained by Seabury at Home to render a Statement of Actuarial Opinion, in accordance with Section 17b-527 of the Regulations implementing the Continuing Care Statutes, regarding the following actuarial projections included in Seabury at Home's 2023 Annual Financial Filing:

- Exhibit I Contract Termination Rates
- Exhibit II Average Age of Members
- Exhibit III Health Care Utilization Rates
- Exhibit IV Occupancy Rates
- Exhibit V Number of Health Care Admissions
- Exhibit VI Days of Care
- Exhibit VII Number of Permanent Transfers

I have examined the above items as shown in Seabury at Home's Annual Financial Filing. These items are attached to this Statement of Actuarial Opinion. In the course of my review, I relied upon the accuracy and completeness of data and supporting documentation prepared by Seabury at Home. In the course of my examination, nothing came to my attention that causes me to believe that the underlying data information is unreasonable or inappropriate. My examination included such review as I considered necessary of the data, methods, and underlying assumptions used by and the resulting actuarial projections reported by Seabury at Home with respect to the above items as shown in Seabury at Home's 2023 Annual Financial Filing.

In my opinion, the above items as shown in Seabury at Home's 2023 Annual Financial Filing:

- are based upon methods which are consistent with sound actuarial principles and practices; and
- are based upon methods and underlying assumptions that appear reasonable and appropriate in this instance.

Should you have any questions or concerns regarding this information, please do not hesitate to contact our offices.

Respectfully,

A handwritten signature in blue ink that reads "Dave Bond".

Dave Bond, F.S.A., M.A.A.A.

Managing Partner

[dbond@continuingcareactuaries.com](mailto:dbond@continuingcareactuaries.com)

## Contract Termination Rates

The home contract release rates for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> | <u>2028</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 6.8%        | 9.1%        | 8.3%        | 8.2%        | 8.2%        | 8.4%        |

## Average Age of Members

The projected average age for the next five years for members in their homes is as follows:

|             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|
| <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> | <u>2028</u> |
| 81          | 82          | 82          | 82          | 83          |

### Health Care Utilization Rates

Health care utilization rates, including admission rates and days per 100 members by level of care for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>Year</u> | <b>Skilled Nursing Facility</b> |          |                       |          | <u>Days per<br/>100 Members</u> |
|-------------|---------------------------------|----------|-----------------------|----------|---------------------------------|
|             | <u>Utilization Rate</u>         |          | <u>Admission Rate</u> |          |                                 |
|             | <u>Patients</u>                 | <u>%</u> | <u>Patients</u>       | <u>%</u> |                                 |
| 2023        | 1.0                             | 0.3%     | 0.0                   | 0.0%     | 125                             |
| 2024        | 7.7                             | 2.5%     | 156.0                 | 52.7%    | 926                             |
| 2025        | 8.9                             | 2.8%     | 161.9                 | 52.5%    | 1,033                           |
| 2026        | 9.4                             | 2.9%     | 169.5                 | 53.4%    | 1,058                           |
| 2027        | 9.8                             | 3.0%     | 177.5                 | 54.4%    | 1,077                           |
| 2028        | 10.4                            | 3.0%     | 186.7                 | 56.0%    | 1,108                           |

| <u>Year</u> | <b>Assisted Living Units</b> |          |                       |          | <u>Days per<br/>100 Members</u> |
|-------------|------------------------------|----------|-----------------------|----------|---------------------------------|
|             | <u>Utilization Rate</u>      |          | <u>Admission Rate</u> |          |                                 |
|             | <u>Patients</u>              | <u>%</u> | <u>Patients</u>       | <u>%</u> |                                 |
| 2023        | 6.5                          | 2.2%     | 2.0                   | 0.7%     | 813                             |
| 2024        | 5.2                          | 1.7%     | 2.0                   | 0.7%     | 623                             |
| 2025        | 3.3                          | 1.1%     | 2.6                   | 0.8%     | 387                             |
| 2026        | 3.5                          | 1.1%     | 2.4                   | 0.8%     | 394                             |
| 2027        | 3.9                          | 1.2%     | 2.6                   | 0.8%     | 424                             |
| 2028        | 4.2                          | 1.2%     | 2.8                   | 0.8%     | 451                             |

## Occupancy Rates

Occupancy rates for independent living units for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>2023</u> | <u>2024</u> | <u>2025</u> | <u>2026</u> | <u>2027</u> | <u>2028</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| N/A         | N/A         | N/A         | N/A         | N/A         | N/A         |



## Number of Health Care Admissions

The number of health care admissions, by level of care, for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>Year</u> | <u>Skilled Nursing</u> | <u>Assisted Living</u> |
|-------------|------------------------|------------------------|
| 2023        | 0.0                    | 2.0                    |
| 2024        | 156.0                  | 2.0                    |
| 2025        | 161.9                  | 2.6                    |
| 2026        | 169.5                  | 2.4                    |
| 2027        | 177.5                  | 2.6                    |
| 2028        | 186.7                  | 2.8                    |

## Days of Care

The number of days of care, by level of care, for the most recently completed fiscal year, and anticipated for the next five years, are as follows:

| <u>Year</u> | <u>Skilled Nursing</u> | <u>Assisted Living</u> |
|-------------|------------------------|------------------------|
| 2023        | 365                    | 2,373                  |
| 2024        | 2,808                  | 1,889                  |
| 2025        | 3,245                  | 1,217                  |
| 2026        | 3,428                  | 1,277                  |
| 2027        | 3,587                  | 1,413                  |
| 2028        | 3,781                  | 1,540                  |

## Number of Permanent Transfers

The number of permanent transfers to the skilled nursing or assisted living facility for the most recently completed fiscal year are:

| <u>Facility transferred to:</u> | <u>Transferring from:</u> |                        | <u>Total</u> |
|---------------------------------|---------------------------|------------------------|--------------|
|                                 | <u>Member Home</u>        | <u>Assisted Living</u> |              |
| Skilled Nursing                 | 0.0                       | 0.0                    | 0.0          |
| Assisted Living                 | 2.0                       | N/A                    | 2.0          |