# ZERBE SISTERS NURSING CENTER, INC.

# WOODLAND HEIGHTS

# DISCLOSURE STATEMENT

# July 1, 2025

The issuance of a certificate of authority does not constitute approval, recommendation or endorsement of Woodland Heights by the Pennsylvania Department of Insurance, nor is it evidence of, nor does it attest to, the accuracy or completeness of the information set out in the disclosure statement

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| | |
|---|---|
| 1. Facility: | Woodland Heights<br>2485 Zerbe Road<br>Narvon, PA 17555 |
| 2. Licensed provider: | Zerbe Sisters Nursing Center, Inc.<br>2499 Zerbe Road<br>Narvon, PA 17555 |
| 3. To discuss admissions contact: | Lynne Bickta, Director of Marketing & Sales<br>Daniel Caffrey, CEO<br>2499 Zerbe Road<br>Narvon, PA 17555<br>(717) 445-8741<br>www.zerberetirementcommunity.com or<br>www.zerbesisters.com |
| 4. Community description: | Woodland Heights is a condominium retirement community located in a rural setting on 60 acres of land. The community offers 58 residential cottages. Personal care is provided in the 28-bed facility, Harvest View, and skilled nursing care is provided in the 87 bed facility, Zerbe Sisters Nursing Center. |
| 5. Minimum age for admission: | Woodland Heights is designed for and accepts qualified applicants who have attained the age of 55. |
| 6. Affiliations: | Woodland Heights does not have affiliation with any religious, fraternal, or charitable organization. |
| 7. Resident population: | Woodland Heights had 27 personal care residents and 72 skilled nursing residents as of June 30, 2025 The residential population consisted of 82 residents in 58 cottages. |

## COMMUNITY BACKGROUND

The provider is Zerbe Sisters Nursing Center, Inc., 2499 Zerbe Road, Narvon, PA 17555.

Zerbe Sisters Nursing Center, Inc. is a family-owned and operated for-profit corporation.

The names and business addresses of all of the officers and directors of Zerbe Sisters Nursing Center, Inc. are:

**Nancy A. Caffrey-Schafer**, 2499 Zerbe Road, Narvon, PA 17555

Mrs. Caffrey-Schafer has been employed with Zerbe Sisters Nursing Center, Inc. since 1961 and has served on the Board of Directors. In 1998, she was named President. Mrs. Caffrey-Schafer has been a member of the Board of Directors of the American Cancer Society, Lancaster Chapter, a charter member of the New Holland Women's Club, and a member of St. Paul's United Church of Christ in Bowmansville, PA.

**Daniel C. Caffrey, III**, 2499 Zerbe Road, Narvon, PA 17555

Mr. Caffrey has been involved in different aspects of the family business for all of his life. He has served as Board of Directors Treasurer and co-owner since 1997. In 2015, Mr. Caffrey was named CEO. He is a graduate of The Landing School in Kennebunkport, Maine. Mr. Caffrey and his wife attend Freedom Church. In addition he is a member of the Eagle Scout Association, and has served as a Cub Scout and Boy Scout leader. He has been commissioned as a Notary Public in the state of Pennsylvania since October, 1997.

The community of Woodland Heights is a fee-for-service condominium community currently being developed and operated by Zerbe Sisters Nursing Center, Inc.

Woodland Heights does not have affiliations with any religious, fraternal, or charitable organizations.

## COMMUNITY DESCRIPTION

Woodland Heights is located approximately 3.5 miles north of Route 23 on Hammertown Road in Churchtown, PA. The facility has 87 skilled nursing care beds and 28 personal care beds. The facility has 58 cottages.

The cottages are offered in the following sizes:

Two single units
Twenty-eight duplex units, consisting of two each for a total of 56

The skilled nursing facility, Zerbe Sisters Nursing Center, was purchased in 1961. Final renovations to the facility were completed in August, 1989 for a total bed capacity of 87. Construction of the personal care wing, Harvest View, was completed in March, 1998 and has a total bed capacity of 28. Construction of The Village at Woodland Heights began in the spring of 1998 and occupancies of the cottages began in September, 1998. There are now a total of fifty-eight (58) cottages.

## COMMUNITY SERVICES

Medical services provided as part of your contract:

1. Emergency Service

Woodland Heights has both registered and licensed professional nurses on staff twenty-four (24) hours a day in the skilled nursing facility to respond to emergency calls in Residents' units.

Each residential unit will be equipped with an Emergency Call System connected to a centrally monitored station.

Woodland Heights will encourage Village residents to remain independent through programs promoting wellness.

2. Temporary Care

If a resident is in need of temporary care, consultation between Woodland Heights staff, Resident's physician, Resident, spouse, or immediate family will determine appropriate steps to be taken. Home health care services will be available through Social Services. Priority to admissions in the skilled nursing center and personal care wing will be given to Village residents. However, all costs related to home health care or nursing care will be borne by the Resident on a fee for service basis.

3. Permanent Care

If a resident is in need of permanent care, consultation between Woodland Heights staff, Resident's physician, Resident, spouse, or immediate family will determine appropriate steps to be taken. Priority to admissions in the skilled nursing center and personal care wing will be given to Village residents. However, all costs related to nursing care will be borne by the Resident on a fee for service basis.

**Services which are included as part of your Monthly fee:**

1. Maintenance

Endeavoring to maintain Woodland Heights' standard of excellence, Woodland Heights' staff will be responsible for all necessary repairs, maintenance, and replacement of property and equipment owned by Woodland Heights. The Resident will, of course, be responsible for his/her own property.

2. Utilities and Services

Woodland Heights will furnish water and sewer to each Cottage unit and will be responsible trash removal, snow removal, and lawn care.

3. Housekeeping

Woodland Heights will be responsible for the housekeeping in all common community areas, however, it is the Resident's responsibility to maintain the Cottage in a clean, sanitary condition and to perform all light housekeeping tasks.

4. Laundry

Each Cottage will be provided with a washer and dryer for laundering.

5. Social Services and Activities including transportation.

Woodland Heights provides a planned schedule of social, educational, recreational, and religious activities.

**Services that are available for an extra charge:**

1. Dining

Woodland Heights agrees to provide a flexible fee for service dining/meal program. Included in the dining/meal plan are take-out meals, and for an additional charge, residents can opt for delivery of meals. Dining services are available in the Mansion Clubhouse.

2. Trips and tours

Trips and tours will be available to residents at the lowest cost that Woodland Heights can negotiate with tour providers.

3. Telephone

Residents will be responsible for their own telephone service. It is the resident's responsibility to bring a telephone. All hook-up fees and fees for local calls will be billed directly to resident by the telephone company. Residents may select their long distance carrier.

4. Utilities

Electricity and heat will be the responsibility of each cottage resident. Payments for each service will made by the resident directly to the electric and fuel companies. Currently, residents can choose their electricity supplier, and Ressler Propane supplies the propane gas.

5. Cable TV

Outlets will be available in each dwelling for cable TV hook-up. Because of the wide array of additional cable television services, the Resident should contract and make payments directly to the cable television company, currently Blue Ridge Cable.

6. Transportation

Individualized transportation for Resident's appointments may be provided on a fee for service basis or through a resident-to-resident neighbor program.

7. Barber and Beauty Shop

Residents can schedule hair care appointments with our community beauty shop on a fee for service basis.

## COMMUNITY FEES

| | 2025 Current Purchase Price | 2025 Current Monthly Fee | |
|---|---|---|---|
| | 75% Refund Plan | Single | Double |
| Duplex Cottage | 340,000 - 450,000 | 1060 - 1179 | 1211 - 1330 |
| Single Cottage | 340,000 - 450,000 | 1060 - 1179 | 1211 - 1330 |

Entrance fees above are the purchase prices for cottages at 7/1/25. The prices are subject to change without notice.

Monthly fees above are the current monthly fees. Monthly fees will be reviewed periodically and may be increased or decreased based on the financial needs of the Provider. Factors, which influence the financial needs of the Provider, include, but are not limited to, increased expenses, governmental regulations, and occupancy levels. Residents will receive thirty (30) days prior written notice of such adjustments, and adjustments will be limited to July 1st.

Since not all units are exactly alike, the price of the units may vary.

**AVERAGE MONTHLY FEE INCREASES**
**(Skilled Nursing Center)**

| Date of Increase: | Private Occupancy | Semi-Private Occupancy |
|---|---|---|
| 07/01/12 | 274 | 274 |
| 07/01/13 | 456 | 426 |
| 07/01/14 | 300 | 300 |
| 07/01/15 | 0 | 0 |
| 07/01/16 | 600 | 450 |
| 07/01/17 | 600 | 600 |
| 07/01/18 | 300 | 300 |
| 07/01/19 | 300 | 300 |
| 07/01/20 | 0 | 0 |
| 07/01/21 | 360 | 330 |
| 07/01/22 | 630 | 570 |
| 07/01/23 | 660 | 600 |
| 07/01/24 | 1080 | 990 |
| 07/01/25 | 840 | 900 |

**AVERAGE MONTHLY FEE INCREASES**
**(Personal Care)**

| Date of Increase: | Deluxe Suite | Standard Suite |
|---|---|---|
| 07/01/12 | 91 | 121 |
| 07/01/13 | 122 | 152 |
| 07/01/14 | 150 | 180 |
| 07/01/15 | 0 | 0 |
| 07/01/16 | 180 | 180 |
| 07/01/17 | 90 | 90 |
| 07/01/18 | 180 | 180 |
| 07/01/19 | 150 | 150 |
| 07/01/20 | 0 | 0 |
| 07/01/21 | 150 | 150 |
| 07/01/22 | 150 | 150 |
| 07/01/23 | 300 | 300 |
| 07/01/24 | 450 | 450 |
| 07/01/25 | 390 | 390 |

**AVERAGE MONTHLY FEE INCREASES**
**(Residential Living Cottages)**

| Date of Increase: | One Person | Two Persons |
|---|---|---|
| 07/01/12 | 22 | 22 |
| 07/01/13 | 31 | 34 |
| 07/01/14 | 24 | 27 |
| 07/01/15 | 0 | 0 |
| 07/01/16 | 40 | 45 |
| 07/01/17 | 0 | 0 |
| 07/01/18 | 0 | 0 |
| 07/01/19 | 32 | 32 |
| 07/01/20 | 0 | 0 |
| 07/01/21 | 32 | 36 |
| 07/01/22 | 44 | 51 |
| 07/01/23 | 56 | 64 |
| 07/01/24 | 59 | 67 |
| 07/01/25 | 57 | 65 |

## RESERVE FUNDS

Woodland Heights currently has reserve funds equal to or greater than 10% of The Village operational costs, exclusive of depreciation expense. This calculation can be found in Note 14 of the annual audited Financial Statement.

## BUDGET
## For the Fiscal Year Ending June 30, 2025

| | | Budget |
|---|---|---|
| Revenues: | | |
| Resident Services Revenue | $ | 14,500,000 |
| Other Income | | 140,000 |
| | | 14,640,000 |
| Operating Expenses (excluding depreciation): | | |
| Nursing (Skilled & PC) | | 7,100,000 |
| Activities | | 245,000 |
| Administrative | | 1,100,000 |
| Barber/Beauty | | 86,000 |
| Dietary | | 1,500,000 |
| Housekeeping | | 310,000 |
| Laundry | | 148,000 |
| P.O.M. | | 1,450,000 |
| Social Services | | 156,000 |
| Marketing | | 165,000 |
| Cottages | | 1,440,000 |
| Interest | | 145,000 |
| | | 13,845,000 |
| Excess of Revenues before depreciation | | 595,000 |
| Depreciation | | (370,000) |
| Excess of Revenues over Expenses | $ | 425,000 |

**STATEMENT OF MATERIAL DIFFERENCES**
**Income Statement**
**(Fiscal Year Ended June 30, 2025)**

| | Pro Forma | Actual |
|---|---|---|
| Revenues: | | |
| Operating Revenue | $ 14,000,000 | $ 12,909,737 |
| Other Income | 150,000 | 132,006 |
| | 13,800,000 | 13,041,743 |
| Operating Expenses (excluding Depreciation): | | |
| Nursing (Skilled & PC) | 7,000,000 | 6,853,964 |
| Activities | 226,000 | 237,035 |
| Administrative | 1,300,000 | 996,268 |
| Barber/Beauty | 85,000 | 83,637 |
| Dietary | 1,485,000 | 1,465,647 |
| Housekeeping | 300,000 | 301,150 |
| Laundry | 130,000 | 143,836 |
| P.O.M. | 1,440,000 | 1,390,760 |
| Social Services | 150,000 | 151,955 |
| Marketing | 180,000 | 147,669 |
| Cottages | 850,000 | 312,108 |
| Interest | 160,000 | 150,516 |
| | 13,306,000 | 12,234,545 |
| Excess of Revenues before depreciation | 844,000 | 807,198 |
| Depreciation & Amortization | (370,000) | (376,655) |
| Excess of Revenues over Expenses | $ 474,000 | $ 430,543 |

For purposes of explaining the material difference in the actual verses pro forma revenue, the difference is the result of an unusually low number of cottage sales because of low turnover.

For purposes of explaining the material difference in the actual versus pro forma laundry expenses, the difference is the result of an increase in hourly wages.