

12/12/24

Dear Future SRC Resident,

Congratulations on taking a significant step toward planning your future and joining the Saratoga Retirement Community. On behalf of our staff and residents, I want to express our excitement in welcoming you to our community.

To help you move forward with your decision, we are providing you with a copy of our disclosure statement. This document offers valuable insights into our community's operations and financial stability, ensuring you have all the information needed to make an informed choice.

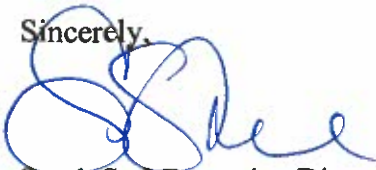
I would also like to share exciting news about the future of our campus. Saratoga Retirement Community is entering an exciting phase of redevelopment. Following the completion of an Environmental Impact Report (EIR) and city approval of our project, we are preparing to enhance and expand our campus to meet the needs of current and future residents. The planned updates include the addition of 52 new residential units, a large resident auditorium, an expanded fitness center, and several new amenities. These will include an additional dining venue, enhancements to the Health Care Center (HCC), a bocce ball court, and other features designed to enrich the quality of life for our residents.

While construction and redevelopment can bring changes, our commitment to maintaining a high quality of life and ensuring resident satisfaction remains our top priority. We are dedicated to keeping you informed throughout the process and ensuring that the transition is as seamless as possible.

Should you have any questions about the disclosure statement or the upcoming redevelopment plans, I'd be happy to meet with you and provide any additional information you need.

We look forward to welcoming you to the Saratoga Retirement Community.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Sarah Stel', written over the word 'Sincerely,'.

Sarah Stel Executive Director

FISCAL YEAR ENDED:
3/31/2024

ANNUAL REPORT CHECKLIST

PROVIDER(S): Odd Fellows Home of California

CCRC(S): Saratoga Retirement Community and
The Meadows of Napa Valley

CONTACT PERSON: Michelle Kilbane

TELEPHONE NO.: (541) 857-7447 EMAIL: mkilbane@retirement.org



A complete annual report must consist of 2 copies of the following:

- Annual Report Checklist
- Annual Provider Fee in the amount of: \$ 45,260.19
 - If applicable, late fee in the amount of: \$ _____
- Certification by the provider's chief executive officer that:
 - The reports are correct to the best of his/her knowledge.
 - Each continuing care contract form in use or offered to new residents has been approved by the Department.
 - The Provider is maintaining the required *liquid* reserves and, when applicable, the required refund reserve.
- Evidence of the provider's fidelity bond, as required by H&SC section 1789.8.
- Provider's audited financial statements, with an accompanying certified public accountant's opinion thereon.
- Provider's audited reserve reports (prepared on Department forms), with an accompanying certified public accountant's opinion thereon.
- Provider's "Continuing Care Retirement Community Disclosure Statement" and Form 7-1 "Report on CCRC Monthly Service Fees" for **each** community
- Provider's Refund Reserve Calculation(s) - Form 9-1 and/or Form 9-2, if applicable.

the Key Indicators Report is required to be submitted within 30 days of the due date of the submission of the annual report, but may be submitted at the same time as the annual report.

**FORM 1-1
RESIDENT POPULATION**

<u>Line</u>	<u>Continuing Care Residents</u>	<u>TOTAL</u>
[1]	Number at beginning of fiscal year	239
[2]	Number at end of fiscal year	248
[3]	Total Lines 1 and 2	487
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x 0.50
[5]	Mean number of continuing care residents	243.5
All Residents		
[6]	Number at beginning of fiscal year	343
[7]	Number at end of fiscal year	354
[8]	Total Lines 5 and 6	697
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x 0.50
[10]	Mean number of all residents	348.5
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of all residents (Line 10) and enter the result (round to two decimal places).	0.70

**FORM 1-2
ANNUAL PROVIDER FEE**

<u>Line</u>	<u>TOTAL</u>
[1]	Total Operating Expenses (including depreciation and debt service-interest only) 41,988,003
[a]	Depreciation 5,133,072
[b]	Debt Service (Interest Only)
[2]	Subtotal (add Line 1a and 1b) 5,133,072
[3]	Subtract Line 2 from Line 1 and enter result. 36,854,931
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11) 0.70
[5]	Total Operating Expense of Continuing Care Residents (multiply Line 3 by Line 4) 25,750,863
[6]	Total Amount Due (multiply Line 5 by .001) x 0.001
	25,750.86

Provider: Odd Fellows Home of California
Community: Saratoga Retirement Community

**FORM 1-1
RESIDENT POPULATION**

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	234
[2]	Number at end of fiscal year	233
[3]	Total Lines 1 and 2	467
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x 0.50
[5]	Mean number of continuing care residents	233.5
All Residents		
[6]	Number at beginning of fiscal year	353
[7]	Number at end of fiscal year	362
[8]	Total Lines 5 and 6	715
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x 0.50
[10]	Mean number of all residents	357.5
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of all residents (Line 10) and enter the result (round to two decimal places).	0.65

**FORM 1-2
ANNUAL PROVIDER FEE**

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service-interest only)	37,943,161
[a] Depreciation	8,073,426
[b] Debt Service (Interest Only)	
[2] Subtotal (add Line 1a and 1b)	8,073,426
[3] Subtract Line 2 from Line 1 and enter result.	29,869,735
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	0.65
[5] Total Operating Expense of Continuing Care Residents (multiply Line 3 by Line 4)	19,509,323
[6] Total Amount Due (multiply Line 5 by .001)	x 0.001 19,509.32

Provider: Odd Fellows Home of California
Community: Meadows of Napa Valley



ODD FELLOWS
HOME OF CALIFORNIA

August 26, 2024

Jennifer Houston
Department of Social Services
744 "P" Street, M. S. 9-14-91
Sacramento, CA 95814

Re: Annual Report of Odd Fellows Home of California, dba
Saratoga Retirement Community and
The Meadows of Napa Valley
Certification by Chairman of the Board

The annual report and any amendments thereto are correct to the best of my knowledge.

To the best of my knowledge every continuing care contract form in use or offered to new residents has been approved by the Department of Social Services.

As of August 26, 2024 Odd Fellows Home of California is maintaining the required liquid reserve and refund reserve.

Sincerely,

Ignacio Delgado
Chairman of the Board
Odd Fellows Home of California



**Travelers Casualty and Surety Company of America
Hartford, Connecticut**
(A Stock Insurance Company, herein called the Company)

<p>ITEM 1</p>	<p>NAMED INSURED:</p> <p>Odd Fellows Home of California, Inc.</p> <p>D/B/A:</p> <p>Principal Address: One West Main Street, Suite 303 Attn: Kristi Scales MEDFORD, OR 97501</p>
<p>ITEM 2</p>	<p>POLICY PERIOD:</p> <p>Inception Date: October 1, 2023 Expiration Date: October 1, 2024 12:01 A.M. standard time both dates at the Principal Address stated in ITEM 1.</p>
<p>ITEM 3</p>	<p>ALL NOTICES OF CLAIM OR LOSS MUST BE SENT TO THE COMPANY BY EMAIL, FACSIMILE, OR MAIL AS SET FORTH BELOW:</p> <p>Email: BSIclaims@travelers.com Fax: 1-888-460-6622</p> <p>Mail: Travelers Bond & Specialty Insurance Claim P.O. Box 2989 Hartford, CT 06104-2989</p> <p>Overnight Mail: Travelers Bond & Specialty Insurance Claim One Tower Square, S202A Hartford, CT 06183</p> <p>For questions related to claim reporting or handling, please call 1-800-842-8496.</p>
<p>ITEM 4</p>	<p>COVERAGE INCLUDED AS OF THE INCEPTION DATE IN ITEM 2:</p> <p>Crime</p>


ITEM 5	CRIME		
	Insuring Agreement	Single Loss Limit of Insurance	Single Loss Retention
	A. Fidelity		
	1. Employee Theft	\$1,000,000	\$10,000
	2. ERISA Fidelity	\$500,000	\$0
	3. Employee Theft of Client Property	\$1,000,000	\$25,000
	B. Forgery or Alteration	\$1,000,000	\$10,000
	C. On Premises	\$10,000	\$500
	D. In Transit	\$10,000	\$500
	E. Money Orders and Counterfeit Money	Not Covered	
	F. Computer Crime		
	1. Computer Fraud	\$1,000,000	\$10,000
	2. Computer Program and Electronic Data Restoration Expense	\$100,000	\$10,000
	G. Funds Transfer Fraud	\$1,000,000	\$10,000
	H. Personal Accounts Protection		
	1. Personal Accounts Forgery or Alteration	Not Covered	
	2. Identity Fraud Expense Reimbursement	Not Covered	
	I. Claim Expense	\$5,000	\$0

<p>ITEM 5. (Cont'd)</p>	<p>If "<i>Not Covered</i>" is inserted above opposite any specified Insuring Agreement, or if no amount is included in the Limit of Insurance, such Insuring Agreement and any other reference thereto is deemed to be deleted from this Crime Policy.</p> <p>Policy Aggregate Limit of Insurance: <input type="checkbox"/> Applicable <input checked="" type="checkbox"/> Not Applicable</p> <p>If a Policy Aggregate Limit of Insurance is applicable, then the Policy Aggregate Limit of Insurance for each Policy Period for Insuring Agreements A through H, inclusive, is: Not Applicable</p> <p>If a Policy Aggregate Limit of Insurance is not included, then this Crime Policy is not subject to a Policy Aggregate Limit of Insurance as set forth in Section V. CONDITIONS B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT 1. <u>Limit of Insurance</u> a. <u>Policy Aggregate Limit of Insurance</u>.</p> <p>Cancellation of Prior Insurance: By acceptance of this Crime Policy, the Insured gives the Company notice canceling prior policies or bonds issued by the Company that are designated by policy or bond numbers Not Applicable, such cancellation to be effective at the time this Crime Policy becomes effective.</p> <p>INSURED'S PREMISES COVERED:</p> <p>All Premises of the Insured in the United States of America, its territories and possessions, Canada, or any other country throughout the world, except: Not Applicable</p>
<p>ITEM 6</p>	<p>PREMIUM FOR THE POLICY PERIOD:</p> <p>\$3,792.00 Policy Premium</p> <p>N/A Annual Installment Premium</p>
<p>ITEM 7</p>	<p>FORMS AND ENDORSEMENTS ATTACHED AT ISSUANCE: ACF-7006-0511; CRI-3001-0109; CRI-7059-0109; CRI-19060-0713; CRI-19072-0315; CRI-19101-1117; CRI-19115-0519; CRI-19085-0919; CRI-19122-1120; CRI-7027-0109; CRI-5038-0613</p>

THE DECLARATIONS, THE APPLICATION, THE CRIME TERMS AND CONDITIONS, ANY PURCHASED INSURING AGREEMENTS, AND ANY ENDORSEMENTS ATTACHED THERETO, CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE COMPANY AND THE NAMED INSURED.

Countersigned By

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its authorized officers.



President



Corporate Secretary



Report of Independent Auditors and
Financial Statements with
Supplementary Information

Odd Fellows Home of California

March 31, 2024 and 2023

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Report of Independent Auditors

The Board of Directors
Odd Fellows Home of California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Odd Fellows Home of California, which comprise the statements of financial position as of March 31, 2024 and 2023, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Odd Fellows Home of California as of March 31, 2024 and 2023, and the results of its operations 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Odd Fellows Home of California and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Odd Fellows Home California's ability to continue as a going concern within one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 Odd Fellows Home of California's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Odd Fellows Home of California's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Odd Fellows Home of California's basic financial statements. The supplementary schedules of statement of activities by location and the schedule of patient revenues are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary schedules of statement of activities by location and schedule of patient revenues are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Moss Adams LLP

San Francisco, California

July 31, 2024

Financial Statements

Odd Fellows Home of California
Statements of Financial Position
March 31, 2024 and 2023

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 4,235,348	\$ 7,544,141
Investments	50,463,721	39,412,864
Accounts receivable, net	3,449,189	3,109,008
Employee retention tax credit	-	9,305,999
Supplies and other prepaid expenses	1,497,782	1,353,203
Due from Grand Lodge Endowment Fund	359,126	97,941
Current portion of assets restricted under bond indenture agreement	3,191,822	5,714,577
Total current assets	63,196,988	66,537,733
Property and equipment, net	177,395,442	181,216,629
Other assets		
Assets held in trust	2,852	2,846
Assets restricted under bond indenture agreement, net of current portion	7,832,233	6,427,634
Total other assets	7,835,085	6,430,480
Total assets	\$ 248,427,515	\$ 254,184,842
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 5,646,120	\$ 7,016,460
Accrued interest payable	1,543,175	1,694,500
Refundable deposits	427,954	558,041
Current portion of repayable entrance fees	3,988,943	4,799,805
Current portion of long-term debt	1,215,000	4,020,000
Due to/from PRS MI, net	1,371,612	4,697,538
Total current liabilities	14,192,804	22,786,344
Long-term debt, net of current portion	66,542,287	66,938,750
Repayable entrance fees, net of current portion	125,329,045	127,895,483
Deferred revenue from entrance fees	57,681,243	52,503,524
Total liabilities	263,745,379	270,124,101
Net assets (deficit)		
Without donor restrictions	(15,484,719)	(16,091,276)
With donor restrictions	166,855	152,017
Total net deficit	(15,317,864)	(15,939,259)
Total liabilities and net deficit	\$ 248,427,515	\$ 254,184,842

See accompanying notes.

Odd Fellows Home of California
Statements of Activities and Changes in Net Assets
Years Ended March 31, 2024 and 2023

	2024	2023
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenues:		
Service fees	\$ 41,805,292	\$ 37,387,485
Health center revenues, net	22,404,608	21,042,650
Entrance fees earned	7,993,454	6,931,591
Contributions	1,913,680	11,870,617
Investment income (loss), net	1,770,212	(2,523,912)
Unrealized change in value of investments	6,655,485	1,763,042
Other revenue	778,902	382,672
Total revenues	83,321,633	76,854,145
Net assets released - restricted purpose met	493,593	502,059
Total revenues, gains, and support	83,815,226	77,356,204
Expenses:		
Dietary services	13,793,037	12,019,977
Facility services and utilities	14,958,334	13,351,371
Health and social services	15,812,493	18,547,071
Recreation	462,431	469,181
Assisted living	6,166,883	4,294,997
Administrative and marketing	9,930,009	9,445,923
Interest	2,952,203	3,147,703
Depreciation	13,206,498	12,565,738
Fund disbursement	1,754,237	502,059
Management services	4,006,558	3,448,412
Total expenses	83,042,683	77,792,432
Operating income (loss)	772,543	(436,228)
Nonoperating gain (loss):		
Unrealized change in value of investments	(2,313,413)	(568,839)
Gain on extinguishment of debt	2,147,427	-
Total nonoperating loss	(165,986)	(568,839)
Change in net assets without donor restrictions	606,557	(1,005,067)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	508,431	473,900
Net assets released - restricted purpose met	(493,593)	(502,059)
Change in net assets with donor restrictions	14,838	(28,159)
CHANGE IN NET ASSETS	621,395	(1,033,226)
Net deficit, beginning of year	(15,939,259)	(14,906,033)
Net deficit, end of year	\$ (15,317,864)	\$ (15,939,259)

See accompanying notes.

Odd Fellows Home of California
Statements of Cash Flows
Years Ended March 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 64,344,172	\$ 58,669,944
Advanced fees received	13,225,870	7,260,138
Other operating cash receipts	778,902	382,670
Cash paid to employees and suppliers	(72,703,942)	(54,716,295)
Interest and bond fees paid	(3,113,543)	(3,552,027)
Contributions received	11,728,110	1,038,518
Interest income	3	1,496
Net cash provided by operating activities	<u>14,259,572</u>	<u>9,084,444</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(8,539,894)	(19,399,596)
Proceeds from sale of property and equipment	3,605	-
Proceeds from sale of investments	4,659,316	11,934,934
Purchases of investments	(9,893,145)	-
Change in assets restricted under bond indenture agreement	5,717,963	126,266
Change in notes receivable	(261,185)	(7,941)
Net cash used in investing activities	<u>(8,313,340)</u>	<u>(7,346,337)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayable portion of entrance fees received	9,091,787	13,490,808
Refunds of repayable entrance fees	(12,998,238)	(10,613,007)
Principal payments on long-term debt	(68,778,212)	(3,825,000)
Proceeds from issuance of long-term debt	70,484,346	-
Bond issue and financing costs paid	(2,690,552)	-
Net cash used in financing activities	<u>(4,890,869)</u>	<u>(947,199)</u>
Net increase in cash, cash equivalents, and restricted cash	1,055,363	790,908
Cash, cash equivalents, and restricted cash - beginning	14,298,489	13,507,581
Cash, cash equivalents, and restricted cash - ending	<u>\$ 15,353,852</u>	<u>\$ 14,298,489</u>
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents	\$ 4,235,348	\$ 7,544,141
Cash and cash equivalents in assets restricted - bond indenture	11,118,504	6,754,348
	<u>\$ 15,353,852</u>	<u>\$ 14,298,489</u>

See accompanying notes.

Odd Fellows Home of California
Statements of Cash Flows
Years Ended March 31, 2024 and 2023

	2024	2023
Reconciliation of change in net assets to net cash flows provided by operating activities		
Change in net assets	\$ 621,395	\$ (1,033,226)
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	13,206,498	12,565,738
Net amortization of bond premium, financing and issuance costs	(10,015)	(308,699)
Refundable advance	-	(1,999,999)
Nonrefundable portion of entrance fees received from new residents	13,225,870	7,575,259
Entrance fee refunds on nonrefundable contracts	-	(315,122)
Entrance fees earned	(7,993,454)	(6,931,591)
Employee retention tax credit	9,305,999	(9,305,999)
Unrealized change in value of investments	(4,342,072)	(1,194,203)
Investment income (loss)	(1,770,209)	2,525,407
Gain on extinguishment of debt	(2,147,427)	-
Net change in:		
Accounts receivable, net	134,272	239,808
Supplies and other prepaid expenses	(144,579)	181,404
Accounts payable and accrued expenses	(2,219,362)	3,163,237
Other liabilities	(6)	(5)
Accrued interest payable	(151,325)	(95,625)
Due to PRS MI, net	(3,325,926)	4,082,957
Refundable deposits	(130,087)	(64,897)
Net cash provided by operating activities	<u>\$ 14,259,572</u>	<u>\$ 9,084,444</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 3,213,932</u>	<u>\$ 3,503,736</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Property and equipment financed with accounts payable and accrued expenses	<u>\$ 903,562</u>	<u>\$ 474,549</u>

See accompanying notes.

Odd Fellows Home of California

Notes to Financial Statements

Note 1 – Organization

Organization and basis of presentation – The Odd Fellows Home of California (the “Corporation”) is a non-profit public benefit corporation organized under the California Non-Profit Public Benefit Corporation Law for charitable purposes. It was originally established by the Grand Lodge of California, Independent Order of Odd Fellows (“Grand Lodge”) in 1893 and has been operating in Saratoga since 1912. On July 31, 2002, the Corporation merged with the California Odd Fellows Home of Napa, Inc. (“The Meadows”), also a non-profit public benefit corporation, established by the Grand Lodge in 1992. The Meadows continues to operate as in the past, but its corporate structure has been joined with the Odd Fellows Home of California (the surviving corporation).

The Saratoga facility (dba Saratoga Retirement Community) is a life plan community, located in Saratoga, California, consisting of 143 independent living apartments, 88 assisted living apartments, a 94-bed skilled nursing facility, and 15 memory care beds.

The Napa facility (dba The Meadows of Napa Valley) is a life plan community, located in Napa, California, consisting of 223 independent living apartments, 41 assisted living apartments, a 60-bed skilled nursing facility, and 20 memory care beds.

Note 2 – Summary Of Significant Accounting Policies

Basis of presentation – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and in accordance with the provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Updated (“ASU”) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Represent resources available to support the Corporation’s operations and donor restricted resources which have become available for use by the Corporation in accordance with the intention of the donor. Board designated net assets totaled \$8,338,814 and \$8,090,139 at March 31, 2024 and 2023, respectively.

Net assets with donor restrictions – Represent contributions that are limited in use by the Corporation in accordance with donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Performance indicator – “Operating income (loss)”, as reflected in the accompanying statements of activities and changes in net assets is the performance indicator. Operating income (loss) includes all changes in net assets without donor restrictions and exclude unrealized change in value of investments related to debt securities and gain on extinguishment of debt.

Odd Fellows Home of California Notes to Financial Statements

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues, expenses, gains, and losses during the reporting period. Significant items subject to such estimates and assumptions include the future services obligation and deferred revenue from entrance fees. Actual results could differ from those estimates.

Cash and cash equivalents – Cash and cash equivalents include cash, money market accounts, and other securities with maturities of three months or less at the date of acquisition that are not otherwise held by an investment advisor or restricted under bond indenture agreements.

Investments – Investments are stated at fair value based on quoted market prices. Investments acquired by gift are recorded at fair value on the date received. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is reported in the statements of activities and changes in net assets. Investment income is reported as an increase in net assets without donor restrictions, depending on donor-imposed restrictions on the use of the income. Gains or losses are calculated based on specific identification of the investments. Dividend, interest, and other investment income are recorded net of related custodial and advisory fees. The Corporation's policy is to recognize transfers in and out of Level 1 and Level 2 as of the end of the reporting period.

Accounts receivable – Accounts receivable primarily represents amounts due from residents for living accommodations and services, amounts due from third parties, and interest receivable. The Corporation receives payment for health services from residents, insurance companies, Medicare, Medi-Cal, Health Maintenance Organizations ("HMOs"), and other third-party payors. As a result, the Corporation is exposed to certain credit risks. The Corporation manages its risk by regularly reviewing its accounts and by providing appropriate allowances for uncollectible accounts. An allowance for credit losses is established based on past collection history and specific identification of uncollectible amounts.

Accounts receivable are stated at amounts management expects to collect. If necessary, management provides for possible uncollectible amounts through a charge to bad debt and a credit to a credit loss allowance based on its assessment of the current status of individuals' balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the residents accounts receivable.

Resident and insurance collection efforts are documented according to policy and include receivables that have a contractual maturity of less than one year.

The accounts receivable balance as of April 1, 2022, was \$3,285,886.

Employee retention tax credit – In fiscal year 2023 the Corporation applied for an employee retention tax credit under the CARES Act with the IRS, which is recorded as a conditional contribution in accordance with ASC 958-605. We have evaluated the conditions required by the IRS to be eligible for the credit and believe we have fulfilled all those conditions as of March 31, 2023, and have recognized \$9,305,999 as contribution revenue during the year then ended and collected during the year ended March 31, 2024.

Supplies inventory – The accounting method used to record inventory is the first in first out ("FIFO") method. Inventory is valued at the lower of cost or net realizable value as of March 31, 2024 and 2023.

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Restricted deposits – Restricted deposits include funds placed in escrow by prospective residents who wish to reserve an independent living unit, recently under construction at The Meadows of Napa Valley. The deposits are made according to the guidelines set forth in The Continuing Care Contract Statutes for the State of California in the Health and Safety Codes Chapter 10 of Division 2, Section 1781, which requires that all deposits shall be placed in an escrow account and remain until the department has authorized release of the deposits, as provided in Section 1783.3. The funds are held in individual interest-bearing accounts maintained by U.S. Bank, N.A.

Assets restricted under bond indenture agreements – The bond indenture agreements require that certain funds be invested and held with a Trustee in various required accounts. These required deposits and their related actual account balances are as follows:

	Investment Location	Invested Balance 2024	Invested Balance 2023
Principal fund	Trustee	\$ -	\$ 4,020,000
Bond project fund	Trustee	6,397,916	-
Interest fund	Trustee	-	1,694,577
Revenue fund	Trustee	3,191,822	-
Debt service reserve	Trustee	1,434,317	6,427,634
Total assets restricted under bond indenture agreement		\$ 11,024,055	\$ 12,142,211

Property and equipment – Purchased property and equipment are recorded at cost, or fair value when received, if donated. The cost basis includes any interest, finance charges, major replacements and improvements, and other related costs capitalized during construction. The Corporation capitalizes fixed assets with a cost of greater than \$2,500. Maintenance, repairs, and minor replacements are charged to expense when incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 5 to 40 years. When assets are retired or otherwise disposed of, the cost of the asset and its related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in expense for the period.

The Corporation, using its best estimates based on reasonable and supportable assumptions and projections, reviews for impairment of long-lived assets when indicators of impairment are identified. The review addresses the estimated recoverability of the assets' carrying value, which is principally determined based on projected undiscounted cash flows generated by the underlying tangible assets. When the carrying value of an asset exceeds estimated recoverability, an asset impairment is recognized. No impairment losses were present for the years ended March 31, 2024 and 2023.

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Refundable deposits – Refundable deposits contain application fees paid and deposits paid by residents who have selected a unit for move-in.

The Meadows of Napa Valley – Each applicant for residency is required to pay a \$1,000 application fee deposit. This deposit will be repaid if the application is denied. If the application is approved, but subsequently withdrawn, the application fee will be repaid per the provisions of the application form. When a unit becomes available, a CCRC applicant is required to pay an entrance fee deposit, which varies in amount, prior to occupancy. This deposit is refundable prior to occupancy. For applicants who execute a rental agreement, the \$1,000 is nonrefundable after three months of residency.

Saratoga Retirement Community – Each applicant for residency is required to pay a \$1,000 application fee deposit. This deposit will be refunded if the application is denied. If the application is approved but subsequently withdrawn, the application fee will be refunded per the provisions of the application form. When a unit becomes available, the applicant is also required to pay an entrance fee deposit, which varies in amount, to reserve the unit prior to occupancy. This deposit is refundable prior to occupancy.

Deferred revenue from entrance fees – Nonrepayable fees paid by a resident upon entering into a continuing care contract are recorded as deferred revenue. On March 31, 2024 and 2023, the Corporation had nonrepayable deferred entrance fees of \$57,681,243 and \$52,503,524, respectively.

Entrance fees repayable upon reoccupancy – The other contracts are 50%, 85%, 90%, or 95% repayable at the time of reoccupancy after termination of the contract. The nonrepayable portion is amortized to income over the estimated remaining actuarial life expectancy of the resident. Included in such balances are amounts expected to be repaid to residents as actuarially determined. The repayable portion of entrance fees as of March 31, 2024 and 2023, were \$129,317,988 and \$132,695,288, respectively, of which \$3,988,943 and \$4,799,805, respectively, is due to residents, at the time the apartment is re-occupied by another resident and is included in current portion of entrance fees repayable upon reoccupancy. Actual repayments of such entrance fees were \$12,998,238 and \$10,613,007 for the years ended March 31, 2024 and 2023, respectively.

Obligation to provide future services – The Corporation regularly analyzes the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from entrance fees. If the present value of the net cost of future services and the use of facilities to be provided exceeds the balance of deferred revenue from entrance fees, a liability is recorded (obligation to provide future services and use of facilities) with the corresponding charge to income. The obligation is discounted at 5.5% for 2024 and 2023, based on the expected long-term rate of return on government obligations. The Corporation evaluates this annually, and a liability was not deemed to exist at March 31, 2024 and 2023.

Professional and general liability – The Corporation has secured claims-made policies for general and professional liability insurance with self-insured retentions of \$50,000 per claim with limits of \$1,000,000 per claim and \$3,000,000 aggregate per policy period. The Corporation has also secured excess general and professional liability insurance with limits of \$10,000,000 per claim and \$10,000,000 aggregate per policy period. The policy period begins on January 1, 2024, and ends on January 1, 2025.

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Contributions – The Corporation reports unconditional contributions of cash and other assets at fair value at the date the contribution is made. Conditional contributions are reported at fair value at the date the conditions are substantially met. The gifts are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

Donor-restricted contributions and related gains and investment income are reported as increases in net assets with donor restrictions depending on the nature of the restriction. 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 statements of activities and changes in net assets as net assets released from restrictions.

Revenue recognition –

Service fees revenue

Service fees revenue is reported at the amount that reflects the consideration to which the Corporation expects to be entitled to in exchange for the services provided. Under the Corporation's continuing care agreements, the Corporation provides senior living services to residents for a stated monthly fee. The Corporation recognizes revenue for senior living services under the continuing care agreement for independent living, assisted living, and memory care services in accordance with the provisions of ASC 842, *Leases* ("ASC 842").

Under the Corporation's senior living residency agreements, which are generally for a contractual term of 30 days to one year, the Company provides senior living services to residents for a stated daily or monthly fee. The Corporation has elected the lessor practical expedient within ASC 842 and recognizes, measures, presents, and discloses the revenue for services under the Corporation's senior living residency agreements based upon the predominant component, either the lease or nonlease component, of the contracts. The Corporation has determined that the services included under the Corporation's independent living, assisted living, and memory care residency agreements have the same timing and pattern of transfer and are performance obligations that are satisfied over time. The Corporation recognizes revenue under ASC 606, *Revenue Recognition from Contracts with Customers* ("ASC 606") for its independent living, assisted living, and memory care residency agreements for which it has estimated that the nonlease components of such residency agreements are the predominant component of the contract.

Health center revenue

Health center revenue is reported at the amount that reflects the consideration to which the Corporation expects to be entitled to in exchange for providing care. These amounts are due from patients, third-party payors (including health insurers and government programs) and others and includes variable consideration for retroactive adjustments due to settlement of audits, reviews and investigations. Generally, the Corporation bills patients and third-party payors at the beginning of each month and sends a final bill or reconciliation at the time of discharge. Revenue is recognized in the month in which the performance obligations are satisfied.

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The Corporation determines the transaction price based on standard charges for goods and services provided, adjusted by contractual agreements with third parties. These agreements with third-party payors may provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

- Medicare: Skilled services are paid at prospectively determined rates per day based on Medicare-defined diagnostic assessments. Nonskilled services are paid based on cost reimbursement methodologies or established fee schedules.
- Secondary Insurance: Payment agreements with certain commercial insurance carriers, HMOs and preferred provider organizations provide for payment using prospectively determined rates per day, primary coverage rates, and co-pays and deductibles not covered under primary insurance.

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

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The initial estimate of the transaction price is determined by adjusting the standard charge by any contractual adjustments based on each insurance plan. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to health center revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the resident's ability to pay are recorded as bad debt expense. Bad debt expense for the years ended March 31, 2024 and 2023, was not significant.

The following table shows health center revenue by payor:

	Year Ended March 31, 2024	Year Ended March 31, 2023
Health center by payor		
Private pay	\$ 7,445,638	\$ 6,925,252
Medicare	7,876,623	7,288,140
Insurance	5,436,969	5,532,923
Medi-Cal	813,368	661,015
Other	832,010	635,320
	\$ 22,404,608	\$ 21,042,650

Approximately 39% and 38% of health center revenue for the years ended March 31, 2024 and 2023, respectively, were derived under federal and state third-party reimbursement programs.

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Amortization of entrance fees

The Corporation receives an entrance fee upon execution of the continuing care agreement, as well as a monthly service fee. The continuing care agreement provides the resident occupancy of a specified unit and continued care within the Corporation. The continuing care agreement creates a performance obligation to be satisfied over the resident's remaining life at the Corporation. The Corporation recognizes the revenue associated with the nonrepayable portion of entrance fee using a straight-line method over the actuarially determined estimated life of each resident. Resident life expectancies are reevaluated annually and any changes in the revenue as a result of that revaluation will be recognized in the period noted. As of March 31, 2024 and 2023, the Corporation had \$57,681,243 and \$52,503,524 in unearned deferred revenue to be recognized as the performance obligations are satisfied. See Note 12 for changes in the unearned entrance fee revenue for the years ended March 31, 2024 and 2023. The performance obligation is satisfied upon termination of the continuing care agreement.

Charity care – The Corporation provides care without charge or at amounts less than its established rates to residents who meet certain criteria under its charity care policy. Because the Corporation does not normally pursue collection of amounts determined to qualify as benevolence, they are not reported as revenue.

Tax exempt status – The Corporation has been recognized by the Internal Revenue Service as a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related activities. No tax provision has been made in the accompanying statements of activities and changes in net assets.

The Corporation recognizes the tax benefit from uncertain tax positions only if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Corporation recognizes interest and penalties related to income tax matters in operating expenses.

Concentrations of credit risk – The Corporation's cash, cash equivalents, investments, and assets restricted under bond indenture agreement consist of various financial instruments. These financial instruments may subject the Corporation to concentrations of risk as, from time to time, cash and investment balances may exceed amounts insured by the Federal Deposit Insurance Corporation ("FDIC") and the Securities Investor Protection Corporation ("SIPC"), the fair value of debt securities is dependent on the ability of the issuer to honor its contractual commitments, and the fair value of investments are subject to change. Management monitors the financial condition of these institutions on an ongoing basis and does not believe significant credit risk exists at this time.

Concentration of credit risk results from the Corporation granting credit without collateral to its residents and patients, most of whom are local residents and are insured under third-party payer agreements. The mix of receivables as of March 31, 2024 and 2023, from residents and third-party payors is listed in Note 4.

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If any of the financial institutions with whom we do business were to be placed into receivership, we may be unable to access the cash and cash equivalents we have on deposit with such institutions. The Corporation has not experienced any losses in such accounts. The Corporation believes it is not exposed to any significant credit risk on cash and cash equivalents.

Fair value of financial instruments – The carrying values of cash, investments, accounts receivable, accounts payable and accrued expenses, refundable deposits, and due to/from PRS Management, Inc. (“PRS MI”) approximate fair value due to the short maturity of such instruments. The fair values of investments and assets restricted under bond indenture agreements are disclosed in Note 14.

Advertising – The Corporation expenses advertising costs as incurred. The Corporation incurred advertising costs of \$646,363 and \$413,500 for the years ended March 31, 2024 and 2023, respectively.

New accounting pronouncements – In March 2020, the FASB issued ASU 2020-04, (“Topic 848”): *Facilitation of the Effects of Reference Rate Reform of Financial Reports* (“ASU 2020-04”) to provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform. ASU 2020-04 is elective and applies to all entities, subject to meeting certain criteria, that have contracts, hedging relationships, and other transactions that reference the London Interbank Offered Rate (“LIBOR”) or another reference rate expected to be discontinued because of reference rate reform. ASU 2020-04 was subject to election as of March 12, 2020, and can be elected for both interim and annual periods through December 31, 2024. The Corporation adopted ASU 2020-04 on April 1, 2023, and the adoption did not have a material impact to the Corporation’s financial statements.

In June 2016, FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13), intended to improve the timing, and enhance the accounting and disclosure, of credit losses on financial assets. This update modified the existing accounting guidance related to the impairment evaluation for available-for-sale debt securities, reinsurance recoverables, and premiums receivables and could result in the creation of an allowance for credit losses as a contra asset account. The ASU requires a cumulative-effect change to retained earnings in the period of adoption and prospective changes on previously recorded impairments, to the extent applicable. The Corporation adopted ASU 2016-03 on April 1, 2023, using the modified retrospective approach. The adoption did not have a material impact to the Corporation’s financial statements.

Note 3 – Investment Income

Income from investments, assets restricted under bond indenture agreements, and cash and cash equivalents are comprised of the following for the years ended March 31:

	2024	2023
Dividends and interest, net	\$ 1,341,645	\$ 215,459
Realized gains (losses) on investments	428,567	(2,739,371)
	\$ 1,770,212	\$ (2,523,912)

Odd Fellows Home of California Notes to Financial Statements

Investment income is reported net of investment expenses of \$217,934 and \$205,688 for the years ended March 31, 2024 and 2023, respectively.

Note 4 – Accounts Receivable

Accounts receivable consists of the following at March 31:

	2024		2023	
Medicare	\$ 693,070	20%	\$ 789,871	25%
Medi-Cal	890,046	25%	1,070,761	34%
Insurance	225,331	6%	261,402	8%
Resident monthly fees	717,417	20%	840,190	26%
Entrance fees	556,704	16%	4,900	0%
Other	460,671	13%	215,553	7%
Subtotal accounts receivable	3,543,239		3,182,677	
Less allowance for credit losses	(94,050)		(73,669)	
Total accounts receivable, net	\$ 3,449,189		\$ 3,109,008	

Note 5 – Property and Equipment

Property and equipment consists of the following at March 31:

	2024	2023
Land	\$ 6,887,183	\$ 6,887,183
Buildings and land improvements	285,608,114	276,399,028
Furniture and equipment	25,222,155	24,040,834
Total property and equipment	317,717,452	307,327,045
Less accumulated depreciation	(148,085,588)	(135,323,678)
Construction in progress	7,763,578	9,213,262
Property and equipment, net	\$ 177,395,442	\$ 181,216,629

Note 6 – Unamortized Debt Issuance Costs

Debt issuance costs associated with the Series 2012A and 2023 bond issuances are being amortized using an effective interest method over the terms of the bonds. The Series 2021A bond issuance costs were written off when they were redeemed and refinanced with the Series 2023 bonds. Amortization expense amounted to \$65,369 and \$69,074 for the years ended March 31, 2024 and 2023, respectively.

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The balance of unamortized debt issuance costs consists of the following:

	2024	2023
Costs related to bond issuances	\$ 1,391,616	\$ 1,417,893
Less accumulated amortization	(65,369)	(882,189)
Unamortized debt issuance costs	\$ 1,326,247	\$ 535,704

Note 7 – Deferred Financing Costs

In connection with the issuance of the \$98.5 million Series 2012A bonds (see Note 8), the Office of Statewide Health Planning and Development of the State of California (“Cal-Mortgage”) was paid \$3,638,187 at the bond closing on October 1, 2012, for the cost of insuring the bonds over the 29 years and 5 months’ term. This was written off when the 2012A bonds were redeemed and refinanced with the Series 2023 bonds. In connection with the issuance of the \$67,065,000 Series 2023 bonds (see Note 8), the Department of Health Care Access and Information was paid \$1,298,936 at the bond closing on August 8, 2023, for the cost of insuring the bonds over the 30 years and 2 months’ term.

Amortization expense amounted to \$118,169 and \$177,635 for the years ended March 31, 2024 and 2023, respectively. The unamortized balance is as follows:

	2024	2023
Deferred financing costs	\$ 1,298,936	\$ 3,638,187
Less accumulated amortization	(62,407)	(2,272,733)
Unamortized deferred financing costs	\$ 1,236,529	\$ 1,365,454

Note 8 – Long-Term Debt

Long-term debt at March 31 consisted of the following:

	2024	2023
Insured Senior Living Revenue Bonds, Series 2012A	\$ -	\$ 68,655,000
Insured Senior Living Revenue Bonds, Series 2023	67,065,000	-
Add: unamortized premium	3,255,063	4,204,908
Less: current portion	(1,215,000)	(4,020,000)
Less: unamortized debt issuance and deferred financing costs	(2,562,776)	(1,901,158)
Total long-term debt	\$ 66,542,287	\$ 66,938,750

Series 2012A Insured Senior Living Revenue Bonds – On October 25, 2012, ABAG Financing Authority issued \$98,550,000 of Revenue Bonds. The bonds bear interest at an average rate of 4.9%. The bonds were used to refinance prior debt, and finance among other things capital improvements. The bonds are subject to redemption, as scheduled, prior to final maturity in April 2042. On August 8, 2023 the bonds were redeemed and refinanced with the Series 2023 bonds.

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Series 2023 Insured Senior Living Revenue Bonds – On August 8, 2023, California Statewide Communities Development Authority issued \$67,065,000 of Revenue and Refunding Bonds. The bonds bear interest at an average of 4.4%. The bonds were used to refinance prior debt, and finance among other things capital improvements. The bonds are subject to redemption, as scheduled, prior to final maturity in October 2053.

The Corporation has granted a security interest and lien on certain real property, improvements, and tangible personal property in connection with the debt described above. The security interest and lien are described in the Master Trust Indenture entered into with U.S. Bank National Association, as master trustee, and the associated deed of trust.

The Corporation is subject to financial covenants on long-term debt which include a debt service coverage ratio, current ratio and minimum days of cash-on-hand requirement. Management believes the Corporation was in compliance with all provisions as of March 31, 2024 and 2023.

Bond interest expense on the Series 2012A and Series 2023 Bonds was \$2,760,846 and \$3,389,000 for the years ended March 31, 2024 and 2023, respectively.

Aggregate mandatory maturities of long-term debt, shown net of premiums, are as follows:

<u>Fiscal Year Ending March 31,</u>	<u>Total</u>
2025	\$ 1,215,000
2026	1,935,000
2027	2,030,000
2028	2,135,000
2029	2,240,000
Thereafter	<u>57,510,000</u>
Total	67,065,000
Add: unamortized premium	3,255,063
Less: unamortized debt issuance and deferred financing costs	<u>(2,562,776)</u>
	<u><u>\$ 67,757,287</u></u>

Grand Lodge guarantees – In October 2012, the Grand Lodge entered into a guarantee agreement with Cal-Mortgage, the mortgage insurers of the Series 2012A Bonds. The Series 2012A Bonds were issued to refinance the 1993, 1999, and 2003 bonds, these refunded bonds were also under guarantee by the Grand Lodge. The Guarantee has been a required prerequisite by Cal-Mortgage. The 2012 Guarantee agreement allows for release of the agreement by submission of written request to Cal-Mortgage if the Corporation has met all payment obligations, is not in default with any covenants, and has, for at least 5 consecutive years, maintained as of each fiscal year end, a debt service coverage ratio of at least 1.30, maintained greater than 300 days cash on hand, and a current ratio of at least 1.5. This agreement was terminated with the issuance of the Series 2023 bonds.

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Note 9 – Management and Development Agreements

On August 1, 2017, the Corporation executed a management contract with PRS MI, which commenced on August 1, 2017, and will continue for five (5) years and may be renewed for an additional three (3) years. The current contract expires on July 31, 2025.

Management and accounting fees charged by PRS MI were as follows for the years ended March 31:

	<u>2024</u>	<u>2023</u>
Management and accounting services for Saratoga Retirement Community	\$ 2,325,459	\$ 1,858,962
Management and accounting services for The Meadows of Napa Valley	<u>1,681,099</u>	<u>1,589,450</u>
	<u>\$ 4,006,558</u>	<u>\$ 3,448,412</u>

The amount owed for management services and other expenses to this related party was \$1,371,612 and \$4,697,538 as of March 31, 2024 and 2023, respectively.

In addition to management services, the Corporation pays for travel, marketing, and other services provided by PRS MI personnel.

Note 10 – Related Party Transactions

The Corporation is under the control of the Grand Lodge, a non-profit corporation exempt under Internal Revenue Code section 501(c)(8) and California Revenue and Taxation Code Section 23701(b). Also affiliated with the Corporation is the Rebekah Assembly of California, a related non-profit corporation, which is exempt under the same code sections as the Grand Lodge.

The composition of the members of the Board of Directors of the Corporation is determined in the bylaws. Four directors, who are members of the order, and four directors, who may or may not be members of the order, but are from the professional sector (legal, accounting, medical, and financial) are elected by the Grand Lodge. Three directors, who are members of the order, are elected by the Rebekah Assembly. Two resident directors are appointed by the board: one from Saratoga Retirement Community and one from The Meadows of Napa Valley. In addition, the Grand Secretary and Grand Treasurer of the Grand Lodge are ex-officio members of the board with voting rights.

The Grand Lodge provides administrative services to the Corporation. During the years ended March 31, 2024 and 2023, a total of \$259,340 and \$229,434 was paid to the Grand Lodge, \$83,252 from The Meadows of Napa Valley and \$176,088 from Saratoga Retirement Community for the year ended March 31, 2024, and \$77,548 from The Meadows of Napa Valley and \$151,886 from Saratoga Retirement Community for the year ended March 31, 2023.

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The Odd Fellows Home Endowment Fund of the Grand Lodge was created to help fund the operations of the Corporation. Investment income earned by the fund and passed through to the Corporation for the years ended March 31, 2024 and 2023, amounted to \$1,101,128 and \$539,114, respectively, which is included in contributions on the statement of activities and changes in net assets, of which \$359,126 was receivable by the Corporation at March 31, 2024 and \$97,941 was receivable by the Corporation at March 31, 2023.

Note 11 – Retirement Plan

The Corporation has a 403(b) retirement plan that provides matching funds for employees who have reached the age of 21 and have completed one year of service of at least 1,000 hours. Contributions to the plan are based on a match of the employee's own contribution (determined for each plan year at the Corporation's discretion), up to a maximum of 4% of plan compensation, evaluated each calendar year. Total contributions charged to expense for the plan were \$610,029 and \$643,874 for the years ended March 31, 2024 and 2023, respectively.

Note 12 – Deferred Revenue from Entrance Fees

	2024	2023
Balance, beginning of year	\$ 52,503,524	\$ 52,174,978
New fees received	13,225,870	7,575,259
Entrance fees repaid	-	(315,122)
Amortization of fees	(7,993,454)	(6,931,591)
Other changes in account payable and notes receivable	(54,697)	-
Balance, end of year	\$ 57,681,243	\$ 52,503,524

Note 13 – Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following as of March 31:

	2024	2023
Other Funds	\$ 82,550	\$ 67,712
Frank Manders Memorial Fund	71,718	71,718
Endowment Fund	12,587	12,587
	\$ 166,855	\$ 152,017

Contributions received in prior years of \$84,305 have been restricted by donors to allow only earnings to be used for general purposes.

Odd Fellows Home of California Notes to Financial Statements

Note 14 – Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date. A fair value hierarchy is also established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position at March 31, 2024 and 2023, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Investments – Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include exchange traded equities, fixed income securities, mutual funds, and cash equivalents included in money market funds.

Odd Fellows Home of California Notes to Financial Statements

The following tables present the fair value hierarchy for those assets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at March 31:

	2024			Total
	Level 1	Level 2	Level 3	
Assets				
Cash and cash equivalents	\$ 12,230,699	\$ -	\$ -	\$ 12,230,699
Fixed income				
Long term bond	3,561,394	-	-	3,561,394
Intermediate term bond	4,571,790	-	-	4,571,790
Short term bond	2,218,085	-	-	2,218,085
Fixed income blend	2,154,729	-	-	2,154,729
Treasury/government securities	2,811,740	-	-	2,811,740
Equity securities				
Large cap value	5,755,263	-	-	5,755,263
Large cap growth	8,037,671	-	-	8,037,671
Small/mid cap growth	3,981,183	-	-	3,981,183
Small/mid cap value	4,092,493	-	-	4,092,493
International	7,686,741	-	-	7,686,741
Equities blend	851,649	-	-	851,649
Mutual funds	2,391,923	-	-	2,391,923
Investments measured at fair value	<u>\$ 60,345,360</u>	<u>\$ -</u>	<u>\$ -</u>	60,345,360
Investments measured at NAV:				
Hedge funds				<u>1,145,268</u>
Total assets				<u>\$ 61,490,628</u>

Odd Fellows Home of California Notes to Financial Statements

	2023			Total
	Level 1	Level 2	Level 3	
Assets				
Cash and cash equivalents	\$ 7,540,248	\$ -	\$ -	\$ 7,540,248
Fixed income				
Long term bond	128,721	-	-	128,721
Intermediate term bond	1,287,444	-	-	1,287,444
Short term bond	657,919	-	-	657,919
Fixed income blend	2,374,467	-	-	2,374,467
Treasury/government securities	8,304,180	-	-	8,304,180
Equity securities				
Large cap value	4,484,355	-	-	4,484,355
Large cap growth	6,434,082	-	-	6,434,082
Small/mid cap growth	2,389,591	-	-	2,389,591
Small/mid cap value	3,055,622	-	-	3,055,622
International	2,542,019	-	-	2,542,019
Equities blend	788,411	-	-	788,411
Mutual funds	9,476,839	-	-	9,476,839
Investments measured at fair value	<u>\$ 49,463,898</u>	<u>\$ -</u>	<u>\$ -</u>	49,463,898
Investments measured at NAV:				
Hedge funds				<u>2,094,023</u>
Total assets				<u>\$ 51,557,921</u>

During 2024 and 2023, there were no transfers into and out of Level 3 of the fair value hierarchy. At March 31, 2024 and 2023, the timing of liquidation of the assets measured using net asset value (“NAV”) as a practical expedient and the date when restrictions from redemption might lapse are unknown.

The following table provides the fair value and redemption terms and restrictions for investments measured using NAV as a practical expedient at March 31:

Fund Type	2024 Fair Value	2023 Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Hedge funds (a)	\$ 1,145,268	\$ 2,094,023	\$ -	Daily, monthly, quarterly	Daily, 30 days, 60 days

(a) This category invests in investment funds. The investment objective is to preserve and grow capital. The Investment Manager assists the Fund by identifying high-quality investment managers with above-average investment histories and/or prospects (the “Portfolio Managers”), and allocating and reallocating the Fund’s assets to discretionary investment accounts and/or private investment vehicles (the “Investment Funds”) managed by such Portfolio Managers. The Fund may invest in any type of Investment Fund within the investment policy statement. Generally, these Investment Funds may be liquidated and other Investment Funds may be added or liquidated at the discretion of the investment committee or board of directors. The fair values of investments in this category have been estimated using the NAV per share of investments.

Odd Fellows Home of California Notes to Financial Statements

The Board of Directors, in conjunction with the external investment advisors and management, monitors and analyzes the valuation of the investments on a quarterly basis. The valuations consider variables such as financial performance of several publicly traded companies in the oil and gas market, recent sales prices of investments, and other pertinent information.

Short-term investments consist of the following at fair value at March 31:

	2024	2023
Cash and cash equivalents		
including amounts held for investment purposes	\$ 12,230,699	\$ 7,540,248
Equity, fixed income, mutual funds, and hedge fund investments	49,259,929	44,017,673
Total	61,490,628	51,557,921
Less assets restricted under bond indenture agreement	(11,024,055)	(12,142,211)
Less assets held in trust	(2,852)	(2,846)
Total short-term investments	\$ 50,463,721	\$ 39,412,864

Note 15 – Commitments and Contingencies

Employee retention tax credit – Management has reviewed the eligibility criteria and concluded the Corporation is eligible for the Employee Retention Credit (“ERC”) under the CARES Act. Total ERC recorded as of March 31, 2023, was \$9,305,999. Laws and regulations concerning government programs, including the ERC established by the CARES Act are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Corporation’s claim to the ERC, and it is not possible to determine the impact (if any) this would have on the Corporation.

Litigation – The Corporation is party to various claims and legal actions in the normal course of business. In the opinion of management, the Corporation has substantial meritorious defenses to pending or threatened litigation and, based upon current facts and circumstances, the resolution of these matters is not expected to have a material adverse effect on the financial position of the Corporation.

Health care reform – The Patient Protection and Affordable Care Act (“PPACA”) allowed for the expansion of Medicaid members in the State of California. Any further federal or state changes to funding could have an impact on the Corporation. With the changes in the executive branch, the future of PPACA and impact of future changes in Medicaid to the Corporation is uncertain at this time.

Note 16 – Statutory Reserves

The Corporation is certified as a CCRC by the State of California Department of Social Services. California Code Chapter 10, Article 6, Section 1792 requires CCRCs to establish liquid reserves (cash, marketable securities, etc.) equal to, or greater than, the annual principal and interest payments on long-term obligations plus 75 days of the CCRC’s adjusted operating expenses. The Corporation’s liquid reserves at March 31, 2024 and 2023, were sufficient to meet this requirement.

Odd Fellows Home of California Notes to Financial Statements

Note 17 – Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of March 31, comprise the following:

	2024	2023
Cash and cash equivalents	\$ 4,235,348	\$ 7,544,141
Accounts receivable, net and due from Grand Lodge Endowment Fund	3,449,189	3,109,008
Employee retention tax credit	-	9,305,999
Investments	50,463,721	39,412,864
	\$ 58,148,258	\$ 59,372,012

As part of the Corporation's liquidity management plan, it invests cash in excess of its daily requirements in short-term investments, which can be sold and used for operations if necessary.

Note 18 – Functional Expenses

	Year Ended March 31, 2024		
	Program	Management	Total
Salaries and benefits	\$ 34,336,809	\$ 2,967,051	\$ 37,303,860
Supplies	6,077,055	278,016	6,355,071
Services	6,583,160	5,618,000	12,201,160
Depreciation	13,206,498	-	13,206,498
Interest and financing	2,952,203	-	2,952,203
Utilities	4,558,566	-	4,558,566
Other	2,376,313	4,089,012	6,465,325
	\$ 70,090,604	\$ 12,952,079	\$ 83,042,683

	Year Ended March 31, 2023		
	Program	Management	Total
Salaries and benefits	\$ 32,280,528	\$ 2,657,241	\$ 34,937,769
Supplies	6,320,226	323,402	6,643,628
Services	6,205,377	5,415,468	11,620,845
Depreciation	12,565,738	-	12,565,738
Interest and financing	3,147,703	-	3,147,703
Utilities	4,143,002	-	4,143,002
Other	2,084,454	2,649,293	4,733,747
	\$ 66,747,028	\$ 11,045,404	\$ 77,792,432

The financial statements report certain expense categories that are attributable to more than one residential, health care or support services function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation, amortization, interest, and other occupancy costs, are allocated based on the departmental applicability within each function.

Odd Fellows Home of California Notes to Financial Statements

Note 20 – Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are issued. The Corporation recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Corporation's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before financial statements are issued.

The Corporation has evaluated subsequent events through July 31, 2024, which is the date the financial statements are issued.

Supplementary Information

Odd Fellows Home of California
Statement of Activities by Location
Year Ended March 31, 2024

	Saratoga Retirement Community	The Meadows of Napa Valley	The Odd Fellows Home of California	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
Revenues:				
Service fees	\$ 23,212,220	\$ 18,593,072	\$ -	\$ 41,805,292
Health center revenues, net	14,767,153	7,637,455	-	22,404,608
Entrance fees earned	5,185,116	2,808,338	-	7,993,454
Contributions	765,161	1,148,519	-	1,913,680
Investment income, net	-	-	1,770,212	1,770,212
Unrealized change in value of investments	-	-	6,655,485	6,655,485
Other revenue	350,183	428,719	-	778,902
Total revenues	44,279,833	30,616,103	8,425,697	83,321,633
Net assets released - restricted purpose met	207,500	286,093	-	493,593
Total revenues, gains, and support	44,487,333	30,902,196	8,425,697	83,815,226
Expenses:				
Dietary services	7,662,098	6,130,939	-	13,793,037
Facility services and utilities	8,022,881	6,935,453	-	14,958,334
Health and social services	9,829,008	5,983,485	-	15,812,493
Recreation	193,762	268,669	-	462,431
Assisted living	3,587,589	2,579,294	-	6,166,883
Administrative and marketing	4,719,140	5,210,869	-	9,930,009
Interest	-	-	2,952,203	2,952,203
Depreciation	5,133,072	8,073,426	-	13,206,498
Fund disbursement	514,994	1,079,927	159,316	1,754,237
Management services	2,325,459	1,681,099	-	4,006,558
Total expenses	41,988,003	37,943,161	3,111,519	83,042,683
Operating income (loss)	2,499,330	(7,040,965)	5,314,178	772,543
Nonoperating loss:				
Unrealized change in value of investments	-	-	(2,313,413)	(2,313,413)
Gain on extinguishment of debt	-	-	2,147,427	2,147,427
Total nonoperating loss	-	-	(165,986)	(165,986)
Change in net assets without donor restrictions	2,499,330	(7,040,965)	5,148,192	606,557
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS				
Contributions	216,900	291,531	-	508,431
Net assets released - restricted purpose met	(207,500)	(286,093)	-	(493,593)
Change in net assets with donor restrictions	9,400	5,438	-	14,838
CHANGES IN NET ASSETS (DEFICIT)	\$ 2,508,730	\$ (7,035,527)	\$ 5,148,192	\$ 621,395

Odd Fellows Home of California
Statement of Activities by Location
Year Ended March 31, 2023

	Saratoga Retirement Community	The Meadows of Napa Valley	The Odd Fellows Home of California	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
Revenues:				
Service fees	\$ 21,340,394	\$ 16,047,091	\$ -	\$ 37,387,485
Health center revenues, net	13,590,606	7,452,044	-	21,042,650
Entrance fees earned	4,232,462	2,699,129	-	6,931,591
Contributions	6,609,064	5,261,553	-	11,870,617
Investment loss, net	-	-	(2,523,912)	(2,523,912)
Unrealized change in value of investments	-	-	1,763,042	1,763,042
Other revenue	145,812	236,860	-	382,672
Total revenues	45,918,338	31,696,677	(760,870)	76,854,145
Net assets released - restricted purpose met	241,759	260,300	-	502,059
Total revenues, gains, and support	46,160,097	31,956,977	(760,870)	77,356,204
Expenses:				
Dietary services	6,663,608	5,356,369	-	12,019,977
Facility services and utilities	6,936,575	6,414,796	-	13,351,371
Health and social services	10,854,379	7,692,692	-	18,547,071
Recreation	174,822	294,359	-	469,181
Assisted living	2,563,936	1,731,061	-	4,294,997
Administrative and marketing	4,788,473	4,657,450	-	9,445,923
Interest	-	-	3,147,703	3,147,703
Depreciation	4,788,102	7,777,636	-	12,565,738
Fund disbursement	241,759	260,300	-	502,059
Management services	1,858,962	1,589,450	-	3,448,412
Total expenses	38,870,616	35,774,113	3,147,703	77,792,432
Operating income (loss)	7,289,481	(3,817,136)	(3,908,573)	(436,228)
Nonoperating loss:				
Unrealized change in value of investments	-	-	(568,839)	(568,839)
Total nonoperating loss	-	-	(568,839)	(568,839)
Change in net assets without donor restrictions	7,289,481	(3,817,136)	(4,477,412)	(1,005,067)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS				
Contributions	243,013	230,887	-	473,900
Net assets released - restricted purpose met	(241,759)	(260,300)	-	(502,059)
Change in net assets with donor restrictions	1,254	(29,413)	-	(28,159)
CHANGES IN NET ASSETS (DEFICIT)	\$ 7,290,735	\$ (3,846,549)	\$ (4,477,412)	\$ (1,033,226)

Odd Fellows Home of California

Schedule of Patient Revenues – Saratoga Retirement Community

Year Ended March 31, 2024

4.2

REVENUE INFORMATION

Organization Name Saratoga Retirement Community

Report Period End 3/31/2024

Line No.	GROSS REVENUE	Account Number	Medicare				Medi-Cal				Commercial Coverage				Line No.
			Fee for Service		Managed Care		Fee for Service		Managed Care		Fee for Service		Managed Care		
			(1) Inpatient .04	(2) Outpatient .44	(3) Inpatient .14	(4) Outpatient .54	(5) Inpatient .05	(6) Outpatient .45	(7) Inpatient .15	(8) Outpatient .55	(9) Inpatient .01	(10) Outpatient .41	(11) Inpatient .10	(12) Outpatient .50	
5	Routine Services:														
	Skilled Nursing Care	40500	4,876,016.79		589,167.55			503,765.30		2,508,591.66			3,950.12		
10	Intermediate Care														
15	Mentally Disordered Care														
20	Developmentally Disabled Care														
25	Sub-Acute Care														
30	Sub-Acute Care - Pediatric														
35	Transitional Inpatient Care														
40	Hospice Inpatient Care														
45	Other Routine Services														
70	Subtotal (Lines 5 through 45)		4,876,016.79		589,167.55			503,765.30		2,508,591.66			3,950.12		
105	Ancillary Services:														
	Patient Supplies	40530	31,967.97		3,882.61			5,913.06		27,119.20			136.22		
110	Specialized Support Surfaces														
115	Physical Therapy	40540	312,557.43	23,425.39	60,092.95							365.82	1,009.41		
120	Respiratory Therapy														
125	Occupational Therapy	40540	278,365.13	33,078.00	56,213.20							125.67	125.67		
130	Speech Pathology	40540	41,076.79	4,429.55	3,408.26								1,370.97		
135	Pharmacy	40530	275,849.98		41,090.86			4,054.86		28,042.33			2,390.10		
140	Laboratory	40530	32,482.56		3,194.06			378.13		1,754.48			20.00		
145	Home Health Services														
155	Other Ancillary Services	40530	67,125.39		4,718.34			20,317.24		56,488.43			57.50		
170	Subtotal (Lines 105 through 155)		1,039,425.25	60,932.94	172,600.28			30,663.29		113,404.44			3,095.31	2,506.05	
175	Total Gross Revenue (Line 70 + 170)		5,915,442.04	60,932.94	761,767.83			534,428.59		2,621,996.10			7,045.43	2,506.05	

Line No.	DEDUCTIONS FROM REVENUE	Account Number	Medicare				Medi-Cal				Commercial Coverage				Line No.
			Fee for Service		Managed Care		Fee for Service		Managed Care		Fee for Service		Managed Care		
			(1) Inpatient .04	(2) Outpatient .44	(3) Inpatient .14	(4) Outpatient .54	(5) Inpatient .05	(6) Outpatient .45	(7) Inpatient .15	(8) Outpatient .55	(9) Inpatient .01	(10) Outpatient .41	(11) Inpatient .10	(12) Outpatient .50	
205	Charity Adjustments														
210	Administrative Adjustments														
215	Contractual Adjustments - Medicare	40501, 40531, & 40541	1,133,294.15	14,359.80	173,647.09										
220	Contractual Adjustments - Medi-Cal					22,428.76		115,790.50							
222	Contractual Adjustments - Commercial Coverage									2,618.86	31.65				
225	Contractual Adjustments - Other														
230	Other Deductions from Revenue														
240	Total Deductions from Revenue		1,133,294.15	14,359.80	173,647.09	22,428.76		115,790.50		2,618.86	31.65				
250	Net Patient Revenue (line 175 - 240)		4,782,147.89	46,573.14	588,120.74			511,999.83		2,506,205.60			4,426.57	2,474.40	

Odd Fellows Home of California
Schedule of Patient Revenues – Saratoga Retirement Community (Continued)
Year Ended March 31, 2024

Line No.	GROSS REVENUE	Account Number	Self-Pay		Other Payers		Total Gross Revenue			Line No.
			(13) Inpatient .00	(14) Outpatient .40	(15) Inpatient .09	(16) Outpatient .49	(17) Inpatient (sum odd cols.)	(18) Outpatient (sum even cols.)	(19) Total (col. 17 + 18)	
5	Routine Services: Skilled Nursing Care	40500	5,224,983.00		947,624.92		14,654,099.34	-	14,654,099.34	5
10	Intermediate Care									10
15	Mentally Disordered Care									15
20	Developmentally Disabled Care									20
25	Sub-Acute Care									25
30	Sub-Acute Care - Pediatric									30
35	Transitional Inpatient Care									35
40	Hospice Inpatient Care									40
45	Other Routine Services									45
70	Subtotal (Lines 5 through 45)		5,224,983.00		947,624.92		14,654,099.34	-	14,654,099.34	70
105	Ancillary Services: Patient Supplies	40530	52,347.06		14,138.28		135,504.40	-	135,504.40	105
110	Specialized Support Surfaces									110
115	Physical Therapy	40540	87,581.28				460,597.48	24,434.80	485,032.28	115
120	Respiratory Therapy									120
125	Occupational Therapy	40540	35,340.42				370,044.42	33,203.67	403,248.09	125
130	Speech Pathology	40540	10,324.72				54,809.77	5,800.52	60,610.29	130
135	Pharmacy	40530	31,152.89		4,802.21		387,383.23	-	387,383.23	135
140	Laboratory	40530			175.82		38,005.05	-	38,005.05	140
145	Home Health Services									145
155	Other Ancillary Services	40530	109,117.55		16,326.61		274,151.06	-	274,151.06	155
170	Subtotal (Lines 105 through 155)		325,863.92		35,442.92		1,720,495.41	63,438.99	1,783,934.40	170
175	Total Gross Revenue (Line 70 + 170)		5,550,846.92		983,067.84		16,374,594.75	63,438.99	16,438,033.74	175

Line No.	DEDUCTIONS FROM REVENUE	Account Number	Self-Pay		Other Payers		Total Deductions from Revenue			Line No.
			(13) Inpatient .00	(14) Outpatient .40	(15) Inpatient .09	(16) Outpatient .49	(17) Inpatient (sum odd cols.)	(18) Outpatient (sum even cols.)	(19) Total (col. 17 + 18)	
205	Charity Adjustments						-	-	-	205
210	Administrative Adjustments						-	-	-	210
215	Contractual Adjustments - Medicare	40501, 40531, & 40541					1,306,941.24	14,359.80	1,321,301.04	215
220	Contractual Adjustments - Medi-Cal						138,219.26	-	138,219.26	220
222	Contractual Adjustments - Commercial Coverage						2,618.86	31.65	2,650.51	222
225	Contractual Adjustments - Other				35,980.19		35,980.19	-	35,980.19	225
230	Other Deductions from Revenue		172,729.43				172,729.43	-	172,729.43	230
240	Total Deductions from Revenue		172,729.43		35,980.19		1,656,488.98	14,391.45	1,670,880.43	240
250	Net Patient Revenue (line 175 - 240)		5,378,117.49		947,087.65		14,718,105.77	49,047.54	14,767,153.31	250

Odd Fellows Home of California

Schedule of Patient Revenues – The Meadows of Napa Valley

Year Ended March 31, 2024

4.2

REVENUE INFORMATION

Organization Name The Meadows of Napa Valley

Report Period End 3/31/2024

Line No.	GROSS REVENUE	Account Number	Medicare				Medi-Cal				Commercial Coverage				Line No.
			Fee for Service		Managed Care		Fee for Service		Managed Care		Fee for Service		Managed Care		
			(1) Inpatient .04	(2) Outpatient .44	(3) Inpatient .14	(4) Outpatient .54	(5) Inpatient .05	(6) Outpatient .45	(7) Inpatient .15	(8) Outpatient .55	(9) Inpatient .01	(10) Outpatient .41	(11) Inpatient .10	(12) Outpatient .50	
5	Routine Services: Skilled Nursing Care	40500	2,983,633.61		214,465.05		297,269.38		2,103,348.94		29,965.17			5	
10	Intermediate Care													10	
15	Mentally Disordered Care													15	
20	Developmentally Disabled Care													20	
25	Sub-Acute Care													25	
30	Sub-Acute Care - Pediatric													30	
35	Transitional Inpatient Care													35	
40	Hospice Inpatient Care													40	
45	Other Routine Services													45	
70	Subtotal (Lines 5 through 45)		2,983,633.61		214,465.05		297,269.38		2,103,348.94		29,965.17		-	70	
105	Ancillary Services: Patient Supplies	40530	13,266.30		212.19		4,282.78		10,904.86		392.45			105	
110	Specialized Support Surfaces													110	
115	Physical Therapy	40540	237,074.45	68,765.75	10,441.21					11,221.04	10,876.90			115	
120	Respiratory Therapy													120	
125	Occupational Therapy	40540	253,658.24	75,506.34	11,887.66					14,106.88	6,492.05			125	
130	Speech Pathology	40540	30,814.72	11,046.50	3,580.09					782.34	2,582.89			130	
135	Pharmacy	40530	200,851.57		5,105.65		1,456.76		18,222.94	15,084.86				135	
140	Laboratory	40530	19,761.67		1,226.31		711.26		4,206.13	2,143.45				140	
145	Home Health Services													145	
155	Other Ancillary Services	40530	22,288.41		667.84		7,848.30		26,339.96	614.63				155	
170	Subtotal (Lines 105 through 155)		777,715.36	155,318.59	33,120.95		14,299.10		59,673.89	44,345.65	19,951.84			170	
175	Total Gross Revenue (Line 70 + 170)		3,761,348.97	155,318.59	247,586.00		311,568.48		2,163,022.83	74,310.82	19,951.84			175	

Line No.	DEDUCTIONS FROM REVENUE	Account Number	Medicare				Medi-Cal				Commercial Coverage				Line No.
			Fee for Service		Managed Care		Fee for Service		Managed Care		Fee for Service		Managed Care		
			(1) Inpatient .04	(2) Outpatient .44	(3) Inpatient .14	(4) Outpatient .54	(5) Inpatient .05	(6) Outpatient .45	(7) Inpatient .15	(8) Outpatient .55	(9) Inpatient .01	(10) Outpatient .41	(11) Inpatient .10	(12) Outpatient .50	
205	Charity Adjustments													205	
210	Administrative Adjustments													210	
215	Contractual Adjustments - Medicare	40501 & 40531 & 40541	833,785.03	34,980.69	56,567.51									215	
220	Contractual Adjustments - Medi-Cal					10,200.35		59,509.40						220	
222	Contractual Adjustments - Commercial Coverage	40501 & 40531 & 40541								46,310.21	6,742.41			222	
225	Contractual Adjustments - Other													225	
230	Other Deductions from Revenue													230	
240	Total Deductions from Revenue		833,785.03	34,980.69	56,567.51	10,200.35		59,509.40		46,310.21	6,742.41			240	
250	Net Patient Revenue (line 175 - 240)		2,927,563.94	120,337.90	191,018.49	301,368.13		2,103,513.43		28,000.61	13,209.43			250	

Odd Fellows Home of California
Schedule of Patient Revenues – The Meadows of Napa Valley (Continued)
Year Ended March 31, 2024

Line No.	GROSS REVENUE	Account Number	Self-Pay		Other Payers		Total Gross Revenue			Line No.
			(13) Inpatient .00	(14) Outpatient .40	(15) Inpatient .09	(16) Outpatient .49	(17) Inpatient (sum odd cols.)	(18) Outpatient (sum even cols.)	(19) Total (col. 17 + 18)	
	Routine Services:									
5	Skilled Nursing Care	40500	1,887,319.00		442,123.14		7,958,124.29	-	7,958,124.29	5
10	Intermediate Care									10
15	Mentally Disordered Care									15
20	Developmentally Disabled Care									20
25	Sub-Acute Care									25
30	Sub-Acute Care - Pediatric									30
35	Transitional Inpatient Care									35
40	Hospice Inpatient Care									40
45	Other Routine Services									45
70	Subtotal (Lines 5 through 45)		1,887,319.00		442,123.14		7,958,124.29	-	7,958,124.29	70
	Ancillary Services:									
105	Patient Supplies	40530	5,892.12		927.39		35,878.09	-	35,878.09	105
110	Specialized Support Surfaces									110
115	Physical Therapy	40540	28,138.60				286,875.30	79,642.65	366,517.95	115
120	Respiratory Therapy									120
125	Occupational Therapy	40540	18,330.03				297,982.81	81,998.39	379,981.20	125
130	Speech Pathology	40540	684.62				35,861.77	13,629.39	49,491.16	130
135	Pharmacy	40530	4,103.47		808.78		245,634.03	-	245,634.03	135
140	Laboratory	40530	259.60				28,308.42	-	28,308.42	140
145	Home Health Services									145
155	Other Ancillary Services	40530	15,824.12		5,098.96		78,682.22	-	78,682.22	155
170	Subtotal (Lines 105 through 155)		73,232.56		6,835.13		1,009,222.64	175,270.43	1,184,493.07	170
175	Total Gross Revenue (Line 70 + 170)		1,960,551.56		448,958.27		8,967,346.93	175,270.43	9,142,617.36	175

Line No.	DEDUCTIONS FROM REVENUE	Account Number	Self-Pay		Other Payers		Total Deductions from Revenue			Line No.
			(13) Inpatient .00	(14) Outpatient .40	(15) Inpatient .09	(16) Outpatient .49	(17) Inpatient (sum odd cols.)	(18) Outpatient (sum even cols.)	(19) Total (col. 17 + 18)	
205	Charity Adjustments									205
210	Administrative Adjustments									210
215	Contractual Adjustments - Medicare	40501 & 40531 & 40541					890,352.54	34,980.69	925,333.23	215
220	Contractual Adjustments - Medi-Cal						69,709.75	-	69,709.75	220
222	Contractual Adjustments - Commercial Coverage	40501 & 40531 & 40541					46,310.21	6,742.41	53,052.62	222
225	Contractual Adjustments - Other	40501 & 40531			6,835.13		6,835.13	-	6,835.13	225
230	Other Deductions from Revenue		450,231.22				450,231.22	-	450,231.22	230
240	Total Deductions from Revenue		450,231.22		6,835.13		1,463,438.85	41,723.10	1,505,161.95	240
250	Net Patient Revenue (line 175 - 240)		1,510,320.34		442,123.14		7,503,908.08	133,547.33	7,637,455.41	250



Report of Independent Auditors and
Continuing Care Liquid Reserve Schedules with
Supplementary Information

Odd Fellows Home of California

As of and for the Year Ended March 31, 2024

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Report of Independent Auditors

The Board of Directors
Odd Fellows Home of California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Odd Fellows Home of California, which comprise the continuing care liquid reserve schedules, Form 5-1 through 5-5, as of and for the year ended March 31, 2024, and the related notes to reserve reports.

In our opinion, the accompanying financial statements present fairly, in all material respects, the continuing care reserve of Odd Fellows Home of California as of and for the year ended March 31, 2024, in conformity with the liquid reserve requirements of California Health and Safety Code Section 1792.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Odd Fellows Home of California, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 Odd Fellows Home of California's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Odd Fellows Home of California's ability to continue as a going concern for a reasonable period of time.

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

Basis of Accounting

We draw attention to the basis of accounting used to prepare the financial statements. The financial statements are prepared by Odd Fellows Home of California on the basis of the liquid reserve requirements of California Health and Safety Code Section 1792, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of California Health and Safety Code Section 1792. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements, as a whole. The accompanying supplementary schedules of Attachment I to Form 5-5: Schedule of Qualifying Assets – Operating Reserve Schedule, Attachment I to Form 5-1, 5-2, and 5-4: Reconciliation of Interest Expense to Interest Paid, Attached II to Form 5-1 Reconciliation of Principal Paid, and Attachment II to Form 5-4: Reconciliation of Depreciation for the year ended March 31, 2024, presented as supplementary information, are presented for the purpose of additional analysis and are not a required part of the basic 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements, taken as a whole.

Restriction on Use

Our report is intended solely for the information and use of the members of the Board of Directors and management of Odd Fellows Home of California, and the California Department of Social Services and is not intended to be, and should not be, used by anyone other than these specified parties.

Moss Adams LLP

San Francisco, California

July 31, 2024

Odd Fellows Home of California
Form 5-1
Long-Term Debt Incurred in a Prior Fiscal Year (Including Balloon Debt)
For the Year Ended March 31, 2024

FORM 5-1
LONG-TERM DEBT INCURRED
IN A PRIOR FISCAL YEAR
(Including Balloon Debt)

Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b) + (c) + (d))
1	10/24/2012	\$ 4,020,000	\$ 2,759,553	-	\$ 6,779,553
2					
3					
		TOTAL	\$ 2,759,553	-	\$ 6,779,553

(Transfer this amount to
Form 5-3, Line 1)

Note: For column (b), do not include voluntary payments made to paydown principal.

Provider: Odd Fellows Home of California

Odd Fellows Home of California
Form 5-2
Long-Term Debt Incurred During Fiscal Year (Including Balloon Debt)
For the Year Ended March 31, 2024

FORM 5-2
LONG-TERM DEBT INCURRED
DURING FISCAL YEAR
(Including Balloon Debt)

Long-Term Debt Obligation	(a) Date Incurred	(b) Total Interest Paid During Fiscal Year	(c) Amount of Most Recent Payment on the Debt	(d) Number of Payments next 12 months	(e) Reserve Requirement (see instruction 5) (columns (c) x (d))
1	8/8/2023	\$ 454,379	\$ 454,379	1	\$ 454,379
2					
3					
4					
5					
6					
7					
8					
			\$ 454,379		\$ 454,379

(Transfer this amount to Form 5-3, Line 2)

Note: For column (b), do not include voluntary payments made to paydown principal.

Provider: Odd Fellows Home of California

Odd Fellows Home of California
Form 5-3
Calculation of Long-Term Debt Reserve Amount
For the Year Ended March 31, 2024

FORM 5-3
CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT

LINE		TOTAL
1	Total from Form 5-1 bottom of column (e)	<u>\$ 6,779,553</u>
2	Total from Form 5-2 bottom of column (e)	<u>454,379</u>
3	Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance)	<u>-</u>
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE	<u><u>\$ 7,233,932</u></u>

Odd Fellows Home of California
Form 5-4
Calculation of Net Operating Expenses – Saratoga Retirement Community
For the Year Ended March 31, 2024

	Amounts	TOTAL
1 Total operating expenses from financial statements		\$ 41,988,003
2 Deductions		
a Interest paid on long-term debt (see instructions)	-	
b Credit enhancement premiums paid for long-term debt (see instructions)	-	
c Depreciation	5,133,072	
d Amortization	-	
e Revenues received during the fiscal year for services to persons who did not have continuing care contract	-	
f Extraordinary expenses approved by the Department	-	
3 Total Deductions		5,133,072
4 Net Operating Expenses		36,854,931
5 Divide Line 4 by 365 and enter the result		100,972
6 Multiply Line 5 by 75 and enter the result		\$ 7,572,900
This is the provider's operating expense reserve amount for this community		

PROVIDER: Odd Fellows Home of California
COMMUNITY: Saratoga Retirement Community

Odd Fellows Home of California
Form 5-4
Calculation of Net Operating Expenses – Meadows of Napa Valley
For the Year Ended March 31, 2024

		Amounts	TOTAL
1	Total operating expenses from financial statements		\$ 37,943,161
2	Deductions		
	a Interest paid on long-term debt (see instructions)	-	
	b Credit enhancement premiums paid for long-term debt (see instructions)	-	
	c Depreciation	8,073,426	
	d Amortization	-	
	e Revenues received during the fiscal year for services to persons who did not have continuing care contract	-	
	f Extraordinary expenses approved by the Department	-	
3	Total Deductions		8,073,426
4	Net Operating Expenses		29,869,735
5	Divide Line 4 by 365 and enter the result		81,835
6	Multiply Line 5 by 75 and enter the result		\$ 6,137,625
	This is the provider's operating expense reserve amount for this community		

PROVIDER: Odd Fellows Home of California
COMMUNITY: Meadows of Napa Valley

Odd Fellows Home of California

FORM 5-5

ANNUAL RESERVE CERTIFICATION

Provider Name: Odd Fellows Home of California
 Fiscal Year Ended: March 31, 2024

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended March 31, 2024, and are in compliance with those requirements.

Our liquid reserve requirements, computed using the audited financial statements for the fiscal years as follows:


	Amount
[1] Debt Service Reserve Amount	\$ 7,233,932
[2] Operating Expense Reserve Amount	13,710,525
[3] Total Liquid Reserve Amount:	\$ 20,944,457

Qualifying assets sufficient to fulfill the above requirements are held as follows:

Qualifying Asset Description Description	Amount (market value at end of quarter)	
	Debt Service Reserve	Operating Reserve
[4] Cash and Cash Equivalents	\$ -	\$ 5,439,138
[5] Investment Securities	\$ -	\$ 18,854,929
[6] Equity Securities	\$ -	\$ 30,405,002
[7] Unused/Available Lines of Credit	\$ -	\$ -
[8] Unused/Available Letters of Credit	\$ -	\$ -
[9] Debt Service Reserve	\$ 1,434,317	\$ -
[10] Other: bond trust accounts	\$ 9,589,738	\$ -

(describe qualify asset)

Total Amount of Qualifying Assets Listed for Reserve Obligation:	[11] \$ 11,024,055	[12] \$ 54,699,069
Reserve Obligation Amount:	[13] \$ 7,233,932	[14] \$ 13,710,525
Surplus/(Deficiency):	[15] \$ 3,790,123	[16] \$ 40,988,544

DocuSigned by:

92B607B06CDDC430...
 (Authorized Representative)
 Board Chairman

 (Title)

Odd Fellows Home of California
Notes to Reserve Reports
As of and for the Year Ended March 31, 2024

Note 1 – Basis of Accounting

The accompanying reserve reports have been prepared in accordance with the provisions of Health and Safety Code Section 1792 administered by the State of California Department of Social Services and are not intended to be a complete presentation of Odd Fellows Home of California's assets, liabilities, revenues, and expenses.

Supplementary Information

Odd Fellows Home of California
Attachment I to Form 5-5
Schedule of Qualifying Assets – Operating Reserve Schedule
March 31, 2024

Operating Reserve Supporting Schedule

	Cash and Cash Equivalents (operating)	\$	4,235,348	[4]
	Cash and Cash Equivalents		1,203,790	[4]
	Fixed Income		15,317,738	[5]
	Equities		30,405,002	[6]
	Mutual Funds		2,391,923	[5]
	Hedge Funds		1,145,268	[5]
			<u>54,699,069</u>	
	Total	\$	<u>54,699,069</u>	
 Per Financial Statements:				
	Cash and Cash Equivalents	\$	4,235,348	
	Investments		<u>50,463,721</u>	
	Total Cash & Investments	\$	<u>54,699,069</u>	
	Current Portion of Assets Restricted Under Bond Indenture Agreement	\$	3,191,822	[10]
	Assets Restricted Under Bond Indenture Agreement, Net of Current Portion		<u>7,832,233</u>	[9]
	Total Restricted Bond Funds	\$	<u>11,024,055</u>	
 Form 5-5:				
sum of [4]	Cash and Cash Equivalents	\$	5,439,138	
sum of [5]	Investment Securities		18,854,929	
sum of [6]	Equity Securities		<u>30,405,002</u>	
[12]			<u>54,699,069</u>	
sum of [9]	Debt Service Reserve	\$	7,832,233	
sum of [10]	Other		<u>3,191,822</u>	
[11]			<u>11,024,055</u>	

Odd Fellows Home of California
Attachment I to Form 5-1, 5-2, and 5-4
Reconciliation of Interest Expense to Interest Paid
March 31, 2024

Interest

2012 Bond interest paid	\$ 2,759,553
2023 Bond interest paid	<u>454,379</u>
Total interest paid per audited financials	<u>3,213,932</u>
less: 3/31/2023 accrued interest	(1,694,500)
add: 3/31/2024 accrued interest	<u>1,543,175</u>
Interest expense	<u>3,062,607</u>
add: bond fees	15,151
add: bond amortization, net	(133,227)
add: bond legal fees	<u>7,672</u>
Total interest expense per audited financials	<u><u>\$ 2,952,203</u></u>

Odd Fellows Home of California
Attachment II to Form 5-1
Reconciliation of Principal Paid
March 31, 2024

Principal paid

Total cash paid for principal payments per audited financials	\$ 68,778,212
less: Series 2012A bond refinance	<u>(64,758,212)</u>
Principal paid during fiscal year Form 5-1	<u>\$ 4,020,000</u>

Odd Fellows Home of California
Attachment I to Form 5-4
Reconciliation of Depreciation
For the Year Ended March 31, 2024

Depreciation

Meadows of Napa Valley depreciation	\$ 8,073,426
Saratoga Retirement Community depreciation	<u>5,133,072</u>
Total depreciation per audited financials	<u><u>\$ 13,206,498</u></u>

Odd Fellows Home of California
Attachment to Annual Continuing Care Liquid Reserve Schedule
For the fiscal year ended March 31, 2024

Per Capita Cost of Operations

	Saratoga	Napa
Operating Expenses (Form 5-4 line # 1)	41,988,003	37,943,161
Mean # of CCRC Residents (Form 1-1 line 10)	349	358
Per Capita Cost of Operations	120,482	106,135

**CONTINUING CARE RETIREMENT COMMUNITY
DISCLOSURE STATEMENT
GENERAL INFORMATION**

Date Prepared: 07/29/24

FACILITY NAME: Saratoga Retirement Community
 ADDRESS: 14500 Fruitvale Ave., Saratoga, CA ZIP CODE: 95070 PHONE: (408) 741-7100
 PROVIDER NAME: Odd Fellows Home of California (OFHC) FACILITY OPERATOR: PRS Management, Inc
 RELATED FACILITIES: The Meadows of Napa Valley RELIGIOUS AFFILIATION: _____
 YEAR OPENED: 2004 NO. OF ACRES: 37 SINGLE STORY MULTI-STORY OTHER: both MILES TO SHOPPING CTR: 2
 MILES TO HOSPITAL: 4

NUMBER OF UNITS:

RESIDENTIAL LIVING

HEALTH CARE

APARTMENTS -STUDIO _____ 0
 APARTMENTS -1 BDRM _____ 24
 APARTMENTS - 2 BDRM _____ 80
 COTTAGES/HOUSES _____ 39
 % OCCUPANCY AT YEAR END _____ 97.90%

ASSISTED LIVING _____ 88
 SKILLED NURSING _____ 94
 SPECIAL CARE _____ 15
 DESCRIBE SPECIAL CARE: Memory/cognitive loss

TYPE OF OWNERSHIP: NOT FOR PROFIT FOR PROFIT ACCREDITED: Y N BY: _____

FORM OF CONTRACT: CONTINUING CARE LIFE CARE ENTRANCE FEE FEE FOR SERVICE
 ASSIGNMENT OF ASSETS EQUITY MEMBERSHIP RENTAL

REFUND PROVISIONS (Check all that apply): Refundable Repayable 90% 75% 50% OTHER: Prorated to 0% over 3 years
80% repayable

RANGE OF ENTRANCE FEES: \$ 402,370 TO \$1,890,985 LONG -TERM CARE INSURANCE REQUIRED? Y N

HEALTH CARE BENEFITS INCLUDED IN CONTRACT: Free SNF stays for temporary needs

ENTRY REQUIREMENTS: MIN. AGE: 60 PRIOR PROFESSION: _____ OTHER: _____

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD: _____
 (briefly describe provider's compliance and residents' roles) Saratoga Retirement Community's resident representative
attends bimonthly OFHC Board Meetings and participates as a nonvoting representative of the Resident Association to the Board of Directors.
There is also a resident of the community that is a full voting member of the Odd Fellows Home of California board.

FACILITY SERVICES AND AMENITIES

COMMON AREA AMENITIES

SERVICES AVAILABLE

	AVAILABLE	FEE FOR SERVICE		INCLUDED IN FEE	FOR EXTRA CHARGE
BEAUTY/BARBER SHOP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	HOUSEKEEPING (<u>2</u> TIMES/MONTH)	<input checked="" type="checkbox"/>	_____
BILLIARD ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MEALS (<u>1</u> /DAY)	<input checked="" type="checkbox"/>	_____
BOWLING GREEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SPECIAL DIETS AVAILABLE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
CHAPEL	<input type="checkbox"/>	<input type="checkbox"/>	24-HOUR EMERGENCY RESPONSE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COFFEE SHOP	<input type="checkbox"/>	<input type="checkbox"/>	ACTIVITIES PROGRAM	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRAFT ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ALL UTILITIES EXCEPT PHONE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
EXERCISE ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	APARTMENT MAINTENANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GOLF COURSE ACCESS	<input type="checkbox"/>	<input type="checkbox"/>	CABLE TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LIBRARY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS FURNISHED	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PUTTING GREEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS LAUNDERED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SHUFFLEBOARD	<input type="checkbox"/>	<input type="checkbox"/>	MEDICATION MANAGEMENT	<input type="checkbox"/>	<input type="checkbox"/>
SPA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	NURSING/WELLNESS CLINIC	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL-INDOOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PERSONAL HOME CARE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL-OUTDOOR	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PERSONAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TENNIS COURT	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PREARRANGED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
WORKSHOP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OTHER _____	<input type="checkbox"/>	<input type="checkbox"/>
OTHER <u>Computer Lab</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
On-site Physical Therapist	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract, or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

PROVIDER NAME: Odd Fellows Home of California

CCRCs	LOCATION (City, State)	PHONE (with area code)
Saratoga Retirement Community	Saratoga, CA	(408) 741- 7100 or (800) 996-3467
The Meadows of Napa Valley	Napa, CA	(707) 257-7885

MULTI-LEVEL RETIREMENT COMMUNITIES

FREE-STANDING SKILLED NURSING

SUBSIDIZED SENIOR HOUSING

***PLEASE INDICATE IF THE FACILITY IS LIFE CARE.**

**ODD FELLOWS HOME OF CALIFORNIA
FINANCIAL DISCLOSURE STATEMENT**

PROVIDER NAME: ODD FELLOWS HOME OF CALIFORNIA

	2021	2022	2023	2024
INCOME FROM ONGOING OPERATIONS				
OPERATING INCOME (excluding amortization of entrance fee income)	57,596,933	59,415,277	56,288,895	66,759,014
LESS OPERATING EXPENSES (excluding depreciation, amortization, & interest)	56,087,942	57,540,074	62,135,414	67,017,209
NET INCOME FROM OPERATIONS	1,508,991	1,875,203	(5,846,519)	(258,195)
LESS INTEREST EXPENSE	3,992,875	3,621,630	3,399,979	3,062,607
PLUS CONTRIBUTIONS	741,357	830,554	12,344,517	2,422,111
PLUS NON-OPERATING INCOME (EXPENSES) (excluding extraordinary items)	-	-	-	-
NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION	(1,742,527)	(915,873)	3,098,019	(898,691)
NET CASH FLOW FROM ENTRANCE FEES (Total Deposits Less Refunds)	13,273,196	15,774,956	10,137,939	9,319,419

DESCRIPTION OF SECURED DEBT (as of the most recent fiscal year end)

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD
Insured Senior Living Revenue Bonds, 2012 Series A	67,065,000	4% - 5%	8/8/2023	4/1/2053	29 YR 8 MO

FINANCIAL RATIOS (see next page for ratio formulas)

	2022	2023	2024
DEBT TO ASSET RATIO	0.26	0.25	0.27
OPERATING RATIO	1.03	1.16	1.05
DEBT SERVICE COVERAGE RATIO	1.56	2.44	2.49
DAYS CASH-ON-HAND RATIO	356	262	285

HISTORICAL MONTHLY SERVICE FEES (Average Fee and Change Percentage)

	2021	%	2022	%	2023	%	2024	%
STUDIO								
ONE BEDROOM	\$ 4,662.00	4.7%	\$ 4,894.00	5.0%	\$ 5,138.00	5.0%	\$ 5,544.00	7.9%
TWO BEDROOM	\$ 7,118.00	4.7%	\$ 7,474.00	5.0%	\$ 7,847.00	5.0%	\$ 8,466.00	7.9%
COTTAGE/HOUSE	\$ 8,273.00	4.7%	\$ 8,686.00	5.0%	\$ 9,120.00	5.0%	\$ 9,840.00	7.9%
ASSISTED LIVING	\$ 7,277.00	5.8%	\$ 7,696.00	5.8%	\$ 8,080.00	5.0%	\$ 8,718.00	7.9%
SKILLED NURSING	\$ 13,900.00	5.8%	\$ 14,691.00	5.7%	\$ 15,482.00	5.4%	\$ 16,851.00	8.8%
SPECIAL CARE	\$ 9,340.00	6.0%	\$ 9,879.00	5.8%	\$ 10,372.00	5.0%	\$ 11,191.00	7.9%

COMMENTS FROM PROVIDER:

FINANCIAL RATIO FORMULAS

LONG-TERM DEBT TO TOTAL ASSETS RATIO

$$\frac{\text{Long-Term Debt, less Current Portion}}{\text{Total Assets}}$$

OPERATING RATIO

$$\frac{\begin{array}{l} \text{Total Operating Expenses} \\ \text{--Depreciation Expense} \\ \text{--Amortization Expense} \end{array}}{\begin{array}{l} \text{Total Operating Revenues} \\ \text{--Amortization of Deferred Revenue} \end{array}}$$

DEBT SERVICE COVERAGE RATIO

$$\frac{\begin{array}{l} \text{Total Excess of Revenues over Expenses} \\ \text{+Interest, Depreciation,} \\ \text{and Amortization Expenses} \\ \text{--Amortization of Deferred Revenue} \\ \text{+ Net Proceeds from Entrance Fees} \end{array}}{\text{Annual Debt Service}}$$

DAYS CASH ON HAND RATIO

$$\frac{\begin{array}{l} \text{Unrestricted Current Cash} \\ \text{And Investments} \\ \text{+ Unrestricted Non-Current Cash} \\ \text{And Investments} \end{array}}{\begin{array}{l} \text{(Operating Expenses - Depreciation} \\ \text{-Amortization)/365} \end{array}}$$

Note: These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

FORM 7-1
REPORT ON CCRC MONTHLY SERVICE FEES

	INDEPENDENT LIVING	ASSISTED LIVING	SKILLED NURSING
--	-------------------------------	----------------------------	----------------------------

[1] Monthly Service Fees at beginning of reporting period:	\$4,502 - \$10,976	\$5,850 - \$11,563	\$12,958 - \$21,748
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[2] Indicate percentage of increase in fees imposed during reporting period:	7.90%	7.90%	8.90%
--	-------	-------	-------

[] Check here if monthly service fees at this community were not increased during the reporting period.

[3] Indicate the date the fee increase was implemented: April 1, 2023

[4] Check each of the appropriate boxes:

[X] Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.

[X] All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. **Date of Notice:** 1/12/2023 **Method of Notice:** Email/Bulletin Boards/H

[X] At least 30 days prior to the increase in fees, the designated representative of the provider convened a meeting that all residents were invited to attend. **Date of Meeting:** 1/26/2023

[X] At the meeting with residents, the provider discussed and explained the reasons for the increase the basis for determining the amount of the increase, and the data used for calculating the increase.

[X] The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. **Date of Notice:** 1/12/2023

[X] The governing body of the provider, or the designated representative of the provider posted the notice of, and the agenda for, the meeting in a conspicuous place in the community at least 14 days prior to the meeting. **Date of Posting:** 1/12/2023

Location of Posting: Resident intranet/Bulletin Boards

[5] On an attached page, provide a concise explanation for the increase in monthly care fees including the amount of the increase and compliance with the applicable Health and Safety Code sections. See **PART 7 REPORT ON CCRC MONTHLY CARE FEE** in the **Annual Report Instruction** booklet for further instructions.

PROVIDER NAME: The Odd Fellows Home of California
COMMUNITY NAME: Saratoga Retirement Community

FORM 7-1

Provider Name: Odd Fellows Home of California

**FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)
2024**

dollar amounts in thousands

Line	Fiscal Years	2022	2023	2024
1	F/Y 2022 Operating Expenses	(36,080)		
2	F/Y 2023 Operating Expenses (Adjustment if any, explained below)		(36,514)	
3	Projected F/Y 2024 Results of operations (adjustments explained below)			(38,035)
4	F/Y 2024 Anticipated MCF Revenue based on current and projected occupancy and other without a MCFI			39,499
5	Projected F/Y 2024 (Net) operating results without a MCFI (Line 3 plus Line 4)			1,464
6	Projected F/Y 2024 Anticipated revenue based on current and projected occupancy and other with MCFI 7.9%			41,745
7	Grand Total - Projected F/Y 2024 Net Operating Activity after 7.9% MCFI (Line 3 plus Line 6)			3,710

Monthly Care Fee Increase: 7.90%

Adjustments Explained:

The purpose of The Saratoga Retirement Community's annual budgeting and rate setting process is to establish a financial plan that is sufficient to meet the needs of its residents, attracting and retaining qualified staff, and to support the mission of the organization.

Monthly service fees were increased in 2023 by 7.9% for Independent Living, Assisted Living, and Memory Care and 8.9% for Skilled Nursing. The rate increase was derived from a process that considers the increased cost of providing services and reasonable operating margins necessary to ensure the continuation of the organizational mission. Anticipated cost increases included higher labor costs and normal inflationary cost increases related to purchases of supplies and services.

Total revenues are budgeted to increase by 7.9% or \$3,052K in fiscal year ended 3/31/24 to \$41.7M. Change in revenues is a result of changes in projected census, non-service fee revenue, and monthly service fee rate increases. Independent Living revenues are projected to increase \$1,437K from prior budget due to improved census numbers, Assisted Living revenues are projected to increase \$508K, Memory Care revenues are projected to increase \$138K, and Skilled Nursing revenues are projected to increase \$773K.

Expenses are expected to increase by 5.2% or \$2.1M in fiscal year ending 3/30/24 to \$38.4M driven primarily from inflation.

The positive result of operations is the result of the community reinvesting in the physical plant, thereby ensuring quality facilities for existing residents and continued marketability for prospective residents. Excluding non-cash items such as depreciation operations produces a positive cash flow of \$4.19M an increase from the prior budget of \$3.19M.

The projected positive cash flow from operations allows the community to reinvest in the physical plant, thereby maintaining the quality of the facility for current residents and ensuring the continued marketability of the community to prospective residents and service debt costs. Additionally, positive net operating income ensures that the community will be able to fund unexpected costs or capital needs, (i.e. COVID related expenses) and continue its mission to enhance quality of life, preserve dignity, meet health, social and emotional needs of our residents consistent with the basic principles of Odd Fellowship.

**CONTINUING CARE RETIREMENT COMMUNITY
DISCLOSURE STATEMENT
GENERAL INFORMATION**

Date Prepared: 07/29/24

FACILITY NAME: The Meadows of Napa Valley
 ADDRESS: 1800 Atrium Parkway, Napa, CA ZIP CODE: 94559 PHONE: (707) 257-7885
 PROVIDER NAME: Odd Fellows Home of California (OFHC) FACILITY OPERATOR: PRS Management, Inc
 RELATED FACILITIES: Sararoga Retirement Community RELIGIOUS AFFILIATION: _____
 YEAR NO. OF SINGLE MULTI- MILES TO SHOPPING CTR: 1
 OPENED: 1992 ACRES: 20 STORY STORY OTHER: both MILES TO HOSPITAL: 6

NUMBER OF UNITS:

RESIDENTIAL LIVING

HEALTH CARE

APARTMENTS -STUDIO	<u>11</u>	ASSISTED LIVING	<u>41</u>
APARTMENTS -1 BDRM	<u>79</u>	SKILLED NURSING	<u>60</u>
APARTMENTS - 2 BDRM	<u>133</u>	SPECIAL CARE	<u>20</u>
COTTAGES/HOUSES	<u>0</u>	DESCRIBE SPECIAL CARE:	<u>Memory/cognitive loss</u>
RLU OCCUPANCY (%) AT YEAR END	<u>91.00%</u>		

TYPE OF OWNERSHIP: NOT FOR PROFIT FOR PROFIT ACCREDITED: Y N BY: _____

FORM OF CONTRACT: CONTINUING CARE LIFE CARE ENTRANCE FEE FEE FOR SERVICE
 ASSIGNMENT OF ASSETS EQUITY MEMBERSHIP RENTAL

REFUND PROVISIONS (Check all that apply): Refundable Repayable 90% 75% 50% OTHER: Prorated to 0% over 3 yrs

RANGE OF ENTRANCE FEES: \$ 110,000 - \$1,673,200 LONG -TERM CARE INSURANCE REQUIRED? Y N

HEALTH CARE BENEFITS INCLUDED IN CONTRACT: Free SNF stays for temporary needs

ENTRY REQUIREMENTS: MIN. AGE: 60 PRIOR PROFESSION: _____ OTHER: _____

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD:

(briefly describe provider's compliance and residents' roles) The Meadows of Napa Valley's resident representative
attends bimonthly OFHC Board Meetings and participates as a nonvoting representative of the Resident Association to the Board of Directors.
There is also a resident of the community that is a full voting member of the Odd Fellows Home of California board.

FACILITY SERVICES AND AMENITIES

COMMON AREA AMENITIES

SERVICES AVAILABLE

	AVAILABLE	FEE FOR SERVICE		INCLUDED IN FEE	FOR EXTRA CHARGE
BEAUTY/BARBER SHOP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	HOUSEKEEPING TIMES/MONTH	<u>bi-weekly</u>	
BILLIARD ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	NUMBER OF MEALS/DAY	<u>(depends on level of care)</u>	
BOWLING GREEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SPECIAL DIETS AVAILABLE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
CHAPEL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	24-HOUR EMERGENCY RESPONSE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COFFEE SHOP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	ACTIVITIES PROGRAM	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRAFT ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ALL UTILITIES EXCEPT PHONE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EXERCISE ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	APARTMENT MAINTENANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GOLF COURSE ACCESS	<input type="checkbox"/>	<input type="checkbox"/>	CABLE TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LIBRARY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS FURNISHED	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PUTTING GREEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS LAUNDERED	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SHUFFLEBOARD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MEDICATION MANAGEMENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SPA	<input type="checkbox"/>	<input type="checkbox"/>	NURSING/WELLNESS CLINIC	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL-INDOOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	PERSONAL HOME CARE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL-OUTDOOR	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PERSONAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TENNIS COURT	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PREARRANGED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
WORKSHOP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OTHER _____	<input type="checkbox"/>	<input type="checkbox"/>
OTHER <u>Computer Lab</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
On-site Physical Therapist	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract, or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

**ODD FELLOWS HOME OF CALIFORNIA
FINANCIAL DISCLOSURE STATEMENT**

PROVIDER NAME: ODD FELLOWS HOME OF CALIFORNIA

	2021	2022	2023	2024
INCOME FROM ONGOING OPERATIONS				
OPERATING INCOME (excluding amortization of entrance fee income)	57,596,933	59,415,277	56,288,895	66,759,014
LESS OPERATING EXPENSES (excluding depreciation, amortization, & interest)	56,087,942	57,540,074	62,135,414	67,017,209
NET INCOME FROM OPERATIONS	1,508,991	1,875,203	(5,846,519)	(258,195)
LESS INTEREST EXPENSE	3,992,875	3,621,630	3,399,979	3,062,607
PLUS CONTRIBUTIONS	741,357	830,554	12,344,517	2,422,111
PLUS NON-OPERATING INCOME (EXPENSES) (excluding extraordinary items)	-	-	-	-
NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION	(1,742,527)	(915,873)	3,098,019	(898,691)
NET CASH FLOW FROM ENTRANCE FEES (Total Deposits Less Refunds)	13,273,196	15,774,956	10,137,939	9,319,419

DESCRIPTION OF SECURED DEBT (as of the most recent fiscal year end)

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD
Insured Senior Living Revenue Bonds, 2023 Series A	67,065,000	4% - 5%	8/8/2023	4/1/2053	29 YR 8 MO

FINANCIAL RATIOS (see next page for ratio formulas)

	2022	2023	2024
DEBT TO ASSET RATIO	0.26	0.25	0.27
OPERATING RATIO	1.03	1.16	1.05
DEBT SERVICE COVERAGE RATIO	1.56	2.44	2.49
DAYS CASH-ON-HAND RATIO	356	262	285

HISTORICAL MONTHLY SERVICE FEES (Average Fee and Change Percentage)

	2021	%	2022	%	2023	%	2024	%
STUDIO	\$ 3,311.00	4.4%	\$ 3,476.00	5.0%	\$ 3,649.00	5.0%	\$ 3,577.00	-2.0%
ONE BEDROOM	\$ 3,599.00	4.4%	\$ 3,771.00	4.8%	\$ 3,933.00	4.3%	\$ 4,091.00	4.0%
TWO BEDROOM	\$ 5,358.00	4.5%	\$ 5,578.00	4.1%	\$ 5,877.00	5.4%	\$ 6,085.00	3.5%
COTTAGE/HOUSE								
ASSISTED LIVING	\$ 6,828.00	6.5%	\$ 7,272.00	6.5%	\$ 7,707.00	6.0%	\$ 8,316.00	7.9%
SKILLED NURSING	\$ 12,410.00	7.0%	\$ 13,282.00	7.0%	\$ 14,752.00	11.1%	\$ 16,060.00	8.9%
SPECIAL CARE	\$ 7,563.00	6.5%	\$ 8,054.00	6.5%	\$ 8,536.00	6.0%	\$ 9,295.00	8.9%

COMMENTS FROM PROVIDER:

Added new private rooms in the SNF in 2023, which affects the average monthly fee. Actual increase to residents for 2023 was 9.5%

Removed/combined rooms in the IL in 2024, which affects the average monthly fee. Actual increase to residents was 7.9%

FINANCIAL RATIO FORMULAS

LONG-TERM DEBT TO TOTAL ASSETS RATIO

$$\frac{\text{Long-Term Debt, less Current Portion}}{\text{Total Assets}}$$

OPERATING RATIO

$$\frac{\begin{array}{l} \text{Total Operating Expenses} \\ \text{--Depreciation Expense} \\ \text{--Amortization Expense} \end{array}}{\begin{array}{l} \text{Total Operating Revenues} \\ \text{--Amortization of Deferred Revenue} \end{array}}$$

DEBT SERVICE COVERAGE RATIO

$$\frac{\begin{array}{l} \text{Total Excess of Revenues over Expenses} \\ \text{+Interest, Depreciation,} \\ \text{and Amortization Expenses} \\ \text{--Amortization of Deferred Revenue} \\ \text{+ Net Proceeds from Entrance Fees} \end{array}}{\text{Annual Debt Service}}$$

DAYS CASH ON HAND RATIO

$$\frac{\begin{array}{l} \text{Unrestricted Current Cash} \\ \text{And Investments} \\ \text{+ Unrestricted Non-Current Cash} \\ \text{And Investments} \end{array}}{\begin{array}{l} \text{(Operating Expenses - Depreciation} \\ \text{-Amortization)/365} \end{array}}$$

Note: These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

FORM 7-1
REPORT ON CCRC MONTHLY SERVICE FEES

	INDEPENDENT LIVING	ASSISTED LIVING	SKILLED NURSING
[1] Monthly Service Fees at beginning of reporting period:	\$2,074 - \$8,636	\$6,326 - \$10,492	\$11,406 - \$20,075
[2] Indicate percentage of increase in fees imposed during reporting period:	7.90%	7.90%	8.90%

[] Check here if monthly service fees at this community were not increased during the reporting period.

[3] Indicate the date the fee increase was implemented: April 1, 2024

[4] Check each of the appropriate boxes:

- [X] Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.
 - [X] All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. **Date of Notice:** 1/12/2023 **Method of Notice:** Letter hardcopy, email,
 - [X] At least 30 days prior to the increase in fees, the designated representative of the provider convened a meeting that all residents were invited to attend. **Date of Meeting:** 1/26/2023
 - [X] At the meeting with residents, the provider discussed and explained the reasons for the increase the basis for determining the amount of the increase, and the data used for calculating the increase.
 - [X] The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. **Date of Notice:** 1/12/2023
 - [X] The governing body of the provider, or the designated representative of the provider posted the notice of, and the agenda for, the meeting in a conspicuous place in the community at least 14 days prior to the meeting. **Date of Posting:** 1/12/2023
Location of Posting: Hardcopy, email, bulletin board
-

[5] On an attached page, provide a concise explanation for the increase in monthly care fees including the amount of the increase and compliance with the applicable Health and Safety Code sections. See **PART 7 REPORT ON CCRC MONTHLY CARE FEE** in the **Annual Report Instruction** booklet for further instructions.

PROVIDER NAME: The Odd Fellows Home of California
COMMUNITY NAME: The Meadows of Napa Valley

Provider Name: Odd Fellows Home of California

**FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)
2024**

dollar amounts in thousands

Line	Fiscal Years	2022	2023	2024
1	F/Y 2022 Operating Expenses	(33,244)		
2	F/Y 2023 Operating Expenses (Adjustment if any, explained below)		(32,654)	
3	Projected F/Y 2024 Results of operations (adjustments explained below)			(34,928)
4	F/Y 2024 Anticipated MCF Revenue based on current and projected occupancy and other without a MCFI			29,419
5	Projected F/Y 2024 (Net) operating results without a MCFI (Line 3 plus Line 4)			(5,509)
6	Projected F/Y 2024 Anticipated revenue based on current and projected occupancy and other with MCFI 7.9%			30,969
7	Grand Total - Projected F/Y 2024 Net Operating Activity after 7.9% MCFI (Line 3 plus Line 6)			(3,959)

Monthly Care Fee Increase: 7.90%

Adjustments Explained:

The purpose of The Meadows of Napa Valley's annual budgeting and rate setting process is to establish a financial plan that is sufficient to meet the needs of its residents, attracting and retaining qualified staff, and to support the mission of the organization.

Monthly service fees were increased in 2023 by 7.9% for Independent Living and Assisted Living, and 8.9% for Memory Care and Skilled Nursing. The rate increase was derived from a process that considers the increased cost of providing services and reasonable operating margins necessary to ensure the continuation of the organizational mission. Anticipated cost increases included higher labor costs and normal inflationary cost increases related to purchases of supplies and services.

Total revenues are budgeted to increase by 4.6% or \$1,358K in fiscal year ended 3/31/24 to \$30.7M. Change in revenues is a result of changes in projected census, non-service fee revenue, and monthly service fee rate increases. Most of the revenue change is coming from Independent Living revenues as they are projected to increase by \$1,332K from prior budget due to improved occupancy and the fee increase, Assisted Living revenues are projected to decrease due to a drop in occupancy partially offset with the fee increase (\$150K), Memory Care revenues are projected to increase \$243K with a small increase in census, and Skilled Nursing revenues are projected to decrease (\$239K) as census levels are coming in lower than previous budget.

Expenses are expected to increase by 4.4% or \$1.488K in fiscal year ending 3/30/24 to \$34.9M driven primarily from inflation.

The negative result of operations is the result of the community reinvesting in the physical plant, thereby ensuring quality facilities for existing residents and continued marketability for prospective residents. Excluding non-cash items such as depreciation then operations produces a positive cash flow of \$1.53M an increase from the prior budget of \$1.25M.

The projected positive cash flow from operations allows the community to reinvest in the physical plant, thereby maintaining the quality of the facility for current residents and ensuring the continued marketability of the community to prospective residents and service debt costs. Additionally, positive net operating income ensures that the community will be able to fund unexpected costs or capital needs, (i.e. COVID related expenses) and continue its mission to enhance quality of life, preserve dignity, meet health, social and emotional needs of our residents consistent with the basic principles of Odd Fellowship.

KEY INDICATORS REPORT

Odd Fellows Home of California



Chairman of the Board, Odd Fellows Home of California

Please attach an explanatory memo that summarizes significant trends

or variances in the key operational indicators.

	2019	2020	2021	2022	2023	2024	Forecast					Preferred Trend Indicator	
							2025	2026	2027	2028	2029		
OPERATIONAL STATISTICS													
1. Average Annual Occupancy by Site (%)													N/A
Saratoga Retirement Community	88.87%	85.44%	80.15%	81.47%	83.82%	83.24%	84.19%	84.19%	84.19%	84.19%	84.19%	84.19%	
The Meadows of Napa Valley	79.68%	74.27%	74.40%	70.04%	75.14%	83.33%	86.84%	87.39%	88.80%	88.80%	88.80%	88.80%	
MARGIN (PROFITABILITY) INDICATORS													
2. Net Operating Margin (%)	1.95%	-2.09%	-10.29%	-5.40%	-6.91%	-3.32%	5.70%	5.61%	6.44%	6.73%	6.77%	6.77%	↑
3. Net Operating Margin - Adjusted (%)	17.99%	47.34%	17.24%	25.02%	8.81%	9.64%	22.58%	22.51%	23.17%	23.55%	23.39%	23.39%	↓
LIQUIDITY INDICATORS													
4. Unrestricted Cash and Investments (\$000)	82,429	66,906	64,402	59,691	46,957	54,699	63,414	67,579	86,711	100,825	116,068	116,068	↑
5. Days Cash on Hand (Unrestricted)	585	428	391	356	262	286	345	355	441	496	551	551	↑
CAPITAL STRUCTURE INDICATORS													
6. Deferred Revenue from Entrance Fees (\$000)	30,887	41,511	48,530	52,175	52,504	57,681	62,841	68,405	74,277	80,527	87,130	87,130	N/A
7. Net Annual E/F proceeds (\$000)	9,539	48,445	17,063	22,340	10,138	9,319	14,844	15,407	16,031	16,857	17,275	17,275	N/A
8. Unrestricted Net Assets (\$000)	1,301	-9,194	-6,477	-15,086	-16,091	-15,485	-16,966	-16,481	-14,675	-11,806	-7,992	-7,992	N/A
9. Annual Capital Asset Expenditure (\$000)	34,550	21,731	13,103	9,109	19,400	8,540	13,722	9,700	10,100	10,500	10,900	10,900	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	1.05	0.38	0.12	0.32	0.86	0.52	1.21	2.03	2.33	2.57	2.79	2.79	↑
11. Annual Debt Service Coverage (x)	2.41	1.21	1.02	2.59	2.38	2.90	4.19	5.12	5.54	5.94	6.25	6.25	↑
12. Annual Debt Service/Revenue (%)	12.16%	33.90%	20.08%	10.78%	8.70%	4.80%	6.33%	5.96%	5.69%	5.43%	5.19%	5.19%	↓
13. Average Annual Effective Interest Rate (%)	3.17%	3.13%	3.53%	3.98%	3.73%	4.03%	4.57%	4.59%	4.58%	4.57%	4.55%	4.55%	↓
14. Unrestricted Cash & Investments/ Long-Term Debt (%)	59.82%	67.22%	82.00%	83.76%	70.15%	82.20%	98.24%	108.18%	143.84%	173.85%	208.77%	208.77%	↑
15. Average Age of Facility (years)	12.47	9.98	9.93	10.32	10.77	11.21	11.26	11.83	12.37	12.90	13.40	13.40	↓