



*Reports of Independent Auditors on Supplementary Information and  
Continuing Care Liquid Reserve Schedules with  
Supplementary Schedules*

**Sequoia Living, Inc.**

*For the Year Ended December 31, 2021*

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## **Report of Independent Auditors on Supplementary Information**

To the Board of Directors  
Sequoia Living, Inc.

We have audited the consolidated financial statements of Sequoia Living, Inc. (the “Organization”), not presented herein, as of and for the year ended December 31, 2021, and issued our report thereon dated April 29, 2022, in which we indicated the extent of our reliance on the report of other auditors.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary financial information on pages 3 through 5 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

*Moss Adams LLP*

San Francisco, California  
April 29, 2022

## **Financial Statements**

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**Sequoia Living, Inc.**  
**Details of Operations Sequoias – San Francisco**  
**For the Year Ended December 31, 2021 (dollars in thousands)**

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	2021
Operating revenues and other income	
Resident fees	\$ 21,167
Amortization of entrance fees	6,910
Fees for services and other income	<u>5,107</u>
	33,184
Support	
Contributions	<u>19</u>
Total operating revenues, other income, and support	<u>33,203</u>
Expenses	
Compensation and benefits	11,850
Purchased services	5,816
Medical services	770
Supplies	822
Repairs and maintenance	1,053
Utilities	1,342
Professional fees	517
Depreciation	4,316
Interest	980
Other operating	<u>3,659</u>
Total expenses	<u>31,125</u>
Excess of operating revenues, other income, and support over expenses	<u>2,078</u>
Other changes	
Grants used for programs and facilities	<u>282</u>
Change in net assets without donor restrictions	<u><u>\$ 2,360</u></u>

**Sequoia Living, Inc.**  
**Details of Operations Sequoias – Portola Valley**  
**For the Year Ended December 31, 2021 (dollars in thousands)**

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	<u>2021</u>
Operating revenues and other income	
Resident fees	\$ 18,942
Amortization of entrance fees	5,842
Fees for services and other income	<u>4,903</u>
	29,687
Support	
Contributions	<u>58</u>
	29,745
	<u>29,745</u>
Expenses	
Compensation and benefits	9,083
Purchased services	7,951
Medical services	1,131
Supplies	940
Repairs and maintenance	1,163
Utilities	1,553
Professional fees	422
Depreciation	3,527
Interest	625
Other operating	<u>3,148</u>
	29,543
	<u>29,543</u>
Excess of operating revenues, other income, and support over expenses	<u>202</u>
Other changes	
Grants used for programs and facilities	<u>248</u>
	248
Change in net assets without donor restrictions	<u><u>\$ 450</u></u>

**Sequoia Living, Inc.**  
**Details of Operations Sequoias - Tamalpais**  
**For the Year Ended December 31, 2021 (dollars in thousands)**

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	2021
Operating revenues and other income	
Resident fees	\$ 17,877
Amortization of entrance fees	6,087
Fees for services and other income	<u>2,147</u>
	26,111
Support	
Contributions	<u>15</u>
	26,126
Total operating revenues, other income, and support	<u>26,126</u>
Expenses	
Compensation and benefits	9,843
Purchased services	5,759
Medical services	783
Supplies	542
Repairs and maintenance	868
Utilities	1,210
Professional fees	391
Depreciation	3,176
Interest	753
Other operating	<u>3,235</u>
	26,560
Total expenses	<u>26,560</u>
Deficiency of operating revenues, other income, and support over expenses	<u>(434)</u>
Other changes	
Grants used for programs and facilities	<u>372</u>
Change in net assets without donor restrictions	<u>\$ (62)</u>

## **Report of Independent Auditors**

To the Board of Directors  
Sequoia Living, Inc.

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

#### ***Opinion***

We have audited the accompanying financial statements of Sequoia Living, Inc., which comprise the continuing care liquid reserve schedules, Form 5-1 through Form 5-5, as of and for the year ended December 31, 2021, and the related note to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the continuing care liquid reserve schedules Form 5-1 through Form 5-5 of Sequoia Living, Inc. as of and for the year ended December 31, 2021, 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 Sequoia Living, Inc. 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 these financial statements in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 these 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 these 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 Sequoia Living, Inc.'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 Sequoia Living, Inc.'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.

### ***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Supplementary Schedule to Form 5-4: Required Disclosure Under Section 1790 (a)(2) and Supplementary Schedule to Form 5-5: Reconciliation to Audit Report, presented as supplementary schedules, 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 the 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 information is fairly stated in all material respects in relation to the financial statements, taken as a whole.

The Supplementary Schedule – Additional Disclosures for the year ended December 31, 2021, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

***Restriction on Use***

This report is intended solely for the information and use of the Board of Directors and management of Sequoia Living, Inc., 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.

***Other Information***

Management is responsible for the other information included in the California Department of Social Services Annual Report. The other information comprises the Forms 1-1, 1-2, and 7-1, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Moss Adams LLP*

San Francisco, California  
April 29, 2022

## Long-Term Debt Incurred In A Prior Fiscal Year (Including Balloon Debt)

Year Ended December 31, 2021

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Principal Paid During Fiscal Year	Interest Paid During Fiscal Year	Credit Enhancement Premiums Paid in Fiscal Year	Total Paid (columns (b) + (c) + (d))
1	4/15/2015	\$1,335,000	\$2,704,775	\$0	\$4,039,775
2	6/12/2015	\$194,407	\$838,733	\$0	\$1,033,140
3	10/1/2017	\$323,230	\$967,618	\$0	\$1,290,848
4	12/19/2019	\$0	\$2,127,677	\$0	\$2,127,677
5					
6					
7					
8					
	TOTAL:	\$1,852,637	\$6,638,803	\$0	\$8,491,440

(Transfer this amount to  
Form 5-3, Line 1)**NOTE:** For column (b), do not include voluntary payments made to pay down principal.

## Long-Term Debt Incurred During Fiscal Year (Including Balloon Debt)

Year Ended December 31, 2021

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 over next 12 months	(e) Reserve Requirement (see instruction 5) (columns (c) x (d))
1	7/8/2021	\$0	\$0	8	\$0
2					
3					
4					
5					
6					
7					
8					
TOTAL:					\$0

(Transfer this amount to  
Form 5-3, Line 2)**NOTE: For column (b), do not include voluntary payments made to pay down principal.**



**Sequoia Living, Inc.**  
**Form 5-3**  
**Calculation of Long-Term Debt Reserve Amount**  
**Year Ended December 31, 2021**

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Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	<u>\$ 8,491,440</u>
2	Total from Form 5-2 bottom of Column (e)	<u>\$ -</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>\$ 8,491,440</u></u>

**Sequoia Living, Inc.**  
**Form 5-4**  
**Calculation of Net Operating Expenses**  
**Year Ended December 31, 2021**

**FORM 5-4**  
**CALCULATION OF NET OPERATING EXPENSES**

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 31,125,000</u>
2	Deductions:		
	a. Interest paid on long-term debt (see instructions)	<u>\$ 980,000</u>	
	b. Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
	c. Depreciation	<u>\$ 4,316,000</u>	
	d. Amortization	<u>\$ -</u>	
	e. Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$ -</u>	
	f. Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 5,296,000</u>
4	Net Operating Expenses		<u>\$ 25,829,000</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 70,764</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 5,307,300</u></u>

**PROVIDER:** Sequoia Living, Inc.  
**COMMUNITY:** Sequoias - San Francisco

**Sequoia Living, Inc.**  
**Form 5-4**  
**Calculation of Net Operating Expenses**  
**Year Ended December 31, 2021**

**FORM 5-4**  
**CALCULATION OF NET OPERATING EXPENSES**

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 29,543,000</u>
2	Deductions:		
	a. Interest paid on long-term debt (see instructions)	<u>\$ 625,000</u>	
	b. Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
	c. Depreciation	<u>\$ 3,527,000</u>	
	d. Amortization	<u>\$ -</u>	
	e. Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$ -</u>	
	f. Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 4,152,000</u>
4	Net Operating Expenses		<u>\$ 25,391,000</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 69,564</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 5,217,300</u></u>

**PROVIDER:** Sequoia Living, Inc.  
**COMMUNITY:** Sequoias - Portola Valley

**Sequoia Living, Inc.**  
**Form 5-4**  
**Calculation of Net Operating Expenses**  
**Year Ended December 31, 2021**

**FORM 5-4**  
**CALCULATION OF NET OPERATING EXPENSES**

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 26,560,000</u>
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	<u>\$ 753,000</u>	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
c.	Depreciation	<u>\$ 3,176,000</u>	
d.	Amortization	<u>\$ -</u>	
e.	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$ -</u>	
f.	Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 3,929,000</u>
4	Net Operating Expenses		<u>\$ 22,631,000</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 62,003</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 4,650,225</u></u>

**PROVIDER:** Sequoia Living, Inc.  
**COMMUNITY:** Tamalpais

**Sequoia Living, Inc.**  
**Form 5-5**  
**Annual Reserve Certification**  
**Year Ended December 31, 2021**

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FORM 5-5: ANNUAL RESERVE CERTIFICATION

Provider Name: Sequoia Living, Inc.  
Fiscal Year Ended: 12/31/2021

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 12/31/2021 and are in compliance with those requirements.

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

	<u>Amount</u>
[1] Debt Service Reserve Amount	\$ 8,491,440
[2] Operating Expense Reserve Amount	\$ 15,174,825
[3] Total Liquid Reserve Amount:	\$ 23,666,265

Qualifying assets sufficient to fulfill the operating reserve and debt service requirements, based on market value at end of fiscal year where applicable, are held as follows:

<u>Qualifying Asset Description</u>	<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
[4] Cash and Cash Equivalents	\$ 8,491,440	\$ 27,838,560
[5] Investment Securities	\$ -	\$ 553,000
[6] Equity Securities	\$ -	\$ 110,170,000
[7] Unused/Available Lines of Credit	\$ -	\$ -
[8] Unused/Available Letters of Credit	\$ -	\$ -
[9] Debt Service Reserve	\$ -	(not applicable)
[10] Other:	\$ -	\$ -

Qualifying assets used in these reserves are described as follows:

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

Total Amount of Qualifying Assets

Listed for Reserve Obligation:	[11]	\$ 8,491,440	[12]	\$ 138,561,560
Reserve Obligation Amount:	[13]	\$ 8,491,440	[14]	\$ 15,174,825
Surplus/(Deficiency):	[15]	\$ -	[16]	\$ 123,386,735

Signature:

  
\_\_\_\_\_  
(Authorized Representative)

Date: 4/29/2022

CFO  
\_\_\_\_\_  
(Title)

## **Supplementary Schedules**

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**Sequoia Living, Inc.****Supplementary Schedule to Form 5-4: Required Disclosure Under Section 1790 (a)(2)**  
**Year Ended December 31, 2021**

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Description	Sequoias - San Francisco	Sequoias - Portola Valley	Tamalpais
Total operating expenses (Form 5-4, Line 1)	\$ 31,125,000	\$ 29,543,000	\$ 26,560,000
Mean number of all residents (Form 1-1, Line 10)	331	294	272
Per capita cost of operations	\$ 94,033	\$ 100,486	\$ 97,647

**Sequoia Living, Inc.**  
**Supplementary Schedule to Form 5-5: Reconciliation to Audit Report**  
**Year Ended December 31, 2021**

**Financial Statements and Footnotes Description**

Cash and cash equivalents - Sequoia Living	\$ 16,681,560
Cash and cash equivalents - Senior Services for Northern California	3,174,000
Marketable securities - money market funds	7,983,000
	<u>27,838,560</u>
Marketable securities - corporate fixed income securities	<u>553,000</u>
Marketable securities - common stock	12,301,000
Marketable securities - equity mutual funds	62,830,000
Marketable securities - fixed income mutual funds	<u>35,039,000</u>
	<u>110,170,000</u>
Total qualifying assets as filed for operating reserve	<u>\$ 138,561,560</u>
Cash and cash equivalents - Sequoia Living	\$ 2,595,440
Limited use assets - debt service reserve fund - Revenue Bond Series 2015	4,041,000
Limited use assets - principal and interest fund - Revenue Bond Series 2015	<u>1,855,000</u>
Total qualifying assets as filed for debt service reserve	<u>\$ 8,491,440</u>

**Reconciliation to Audited Financial Statements**

Cash and cash equivalents	\$ 23,738,000
Marketable securities	118,706,000
Investments, other	10,249,000
Limited use assets, current portion	28,364,000
Limited use assets, noncurrent portion	<u>46,587,000</u>
	227,644,000
Less:	
Cash and cash equivalents - Viamonte Senior Living 1	(1,287,000)
Marketable securities - investment in real estate fund	(10,249,000)
Limited use assets - project fund - Revenue Bond Series 2015	(448,000)
Limited use assets - revenue fund - Revenue Bond Series 2015	(337,000)
Limited use assets - principal and interest fund - Revenue Bond Series 2018	(6,032,000)
Limited use assets - debt service reserve fund - Revenue Bond Series 2018	(5,924,000)
Limited use assets - investments held by trustee in accordance with construction loan agreement	(600,000)
Limited use assets - investments held by trustee for development	(12,829,000)
Limited use assets - investments held by trustee for working capital	(18,001,000)
Limited use assets - investments held by trustee for repayment of revenue bonds	<u>(24,884,000)</u>
	<u>\$ 147,053,000</u>
Total qualifying assets as filed for operating reserve	\$ 138,561,560
Total qualifying assets as filed for debt service reserve	<u>8,491,440</u>
	<u>\$ 147,053,000</u>



**Sequoia Living, Inc.**  
**Additional Disclosures (Unaudited)**  
**Year Ended December 31, 2021**

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**Status Description and Amount of Reserves:**

Sequoia Living's reserves consist of marketable securities, net of amounts designated for Foundation investments (restricted) of \$119,536,000. Sequoia Living invests approximately 52% of its reserves in equity investments.

**Funds accumulated for specific projects and/or contingencies**

Sequoia Living's reserves have not been designated for specific needs or projects. They are available to respond to contingencies; provide funding for projects which are internally financed and support Sequoia Living's efforts to grow and serve more seniors consistent with its tax-exempt purpose.

In 2021, Sequoia Living's cash flow from operations including entrance fees was not sufficient to cover its activities, so accumulated cash and marketable securities were required to fund projects. Projects in excess of \$250,000 completed in 2021 were as follows:

Sequoias San Francisco:

Apartment renovations	\$	866,000
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Sequoias Portola Valley:

Main building construction	\$	8,755,780
Apartment renovations	\$	3,460,666
Main building furnishings	\$	287,103

Tamalpais:

Apartment renovations	\$	1,548,302
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Projects included in the 2021 capital budget which are greater than \$250,000 include the following:

Sequoias San Francisco:

HVAC for HC and MCU	\$	500,000
Replace victaulic couplings tower	\$	1,310,400
Carpeting tower	\$	750,000
Gym and storage project	\$	2,024,000
Apartment renovations new program	\$	2,000,000

**Sequoia Living, Inc.**  
**Additional Disclosures (Unaudited)**  
**Year Ended December 31, 2021**

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Sequoias Portola Valley:

Conversion of landscaping to water conservation	\$ 750,000
Resident carpeting in corridors (building 1 to 18)	\$ 275,000
Replace underground heating hot water	\$ 312,460
Replacement of underground piping system	\$ 1,063,329
Sprinkler system for duplexes - upper and lower	\$ 1,000,000
Install fire alarm	\$ 434,070
Installation of sheet rock wall for HC basement area	\$ 250,000
Apartment Renovations New Program	\$ 1,900,000
Master Plan implementation	\$ 1,800,000

Tamalpais:

Terrace planters waterproofing	\$ 270,000
FOB program wireless electronic lock system	\$ 425,000
Domestic water sewer piping	\$ 1,000,000
Fire pump replacement	\$ 264,000
Common area refurbishment	\$ 725,000
Beds for health center	\$ 416,000
Generator for health center	\$ 2,250,000
Remodel of laundry	\$ 250,000
Residential apartments renovation	\$ 1,682,576
Construction of existing IL 2nd floor to AL and Dementia	\$ 12,000,000

**Sequoia Living, Inc.**  
**Note 1 to the Continuing Care Reserve Report**  
**For the Year Ended December 31, 2021**

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The continuing care reserve report included in Part 5 has been prepared in accordance with the report preparation provisions of the California Health and Welfare Code (the Code), Section 1792. The continuing care reserve report excludes the results of Viamonte Senior Living 1, Inc., which are included in a separate report.

Section 1792 of the Code indicates that Sequoia Living, Inc. should maintain at all times qualifying assets as a liquid reserve in an amount that equals or exceeds the sum of the following:

- The amount the provider is required to hold as a debt service reserve under Section 1792.3
- The amount the provider must hold as an operating expense reserve under Section 1792.4

In accordance with the Code, Sequoia Living, Inc. has computed its liquid reserve requirement as of and for the year ended December 31, 2021, Sequoia Living, Inc.'s most recent fiscal year end, and the reserve is based on audited financial statements for the period.



**FORM 1-1**  
**RESIDENT POPULATION**

<b>Line</b>	<b>Continuing Care Residents</b>	<b>TOTAL</b>
[1]	Number at beginning of fiscal year	283
[2]	Number at end of fiscal year	283
[3]	Total Lines 1 and 2	566
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	283
<b>All Residents</b>		
[6]	Number at beginning of fiscal year	298
[7]	Number at end of fiscal year	290
[8]	Total Lines 6 and 7	588
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	294
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	0.96

**FORM 1-2**  
**ANNUAL PROVIDER FEE**

<b>Line</b>		<b>TOTAL</b>
[1]	Total Operating Expenses (including depreciation and debt service - interest only)	\$29,543,000
[a]	Depreciation	\$3,527,000
[b]	Debt Service (Interest Only)	\$625,000
[2]	Subtotal (add Line 1a and 1b)	\$4,152,000
[3]	Subtract Line 2 from Line 1 and enter result.	\$25,391,000
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11)	96%
[5]	Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	\$24,440,997
		x .001
[6]	<b>Total Amount Due</b> (multiply Line 5 by .001)	\$24,441

<b>PROVIDER</b>	Sequoia Living, Inc
<b>COMMUNITY</b>	Sequoia - Portola Valley

**FORM 1-1**  
**RESIDENT POPULATION**

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	321
[2]	Number at end of fiscal year	319
[3]	Total Lines 1 and 2	640
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	320
<b>All Residents</b>		
[6]	Number at beginning of fiscal year	331
[7]	Number at end of fiscal year	330
[8]	Total Lines 6 and 7	661
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	330.5
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	0.97

**FORM 1-2**  
**ANNUAL PROVIDER FEE**

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service - interest only)	\$31,125,000
[a] Depreciation	\$4,316,000
[b] Debt Service (Interest Only)	\$980,000
[2] Subtotal (add Line 1a and 1b)	\$5,296,000
[3] Subtract Line 2 from Line 1 and enter result.	\$25,829,000
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	97%
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	\$25,008,411
	x .001
[6] <b>Total Amount Due</b> (multiply Line 5 by .001)	\$25,008

**PROVIDER** Sequoia Living, Inc  
**COMMUNITY** Sequoia - San Francisco

**FORM 1-1**  
**RESIDENT POPULATION**

<b>Line</b>	<b>Continuing Care Residents</b>	<b>TOTAL</b>
[1]	Number at beginning of fiscal year	283
[2]	Number at end of fiscal year	255
[3]	Total Lines 1 and 2	538
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	269
<b>All Residents</b>		
[6]	Number at beginning of fiscal year	286
[7]	Number at end of fiscal year	257
[8]	Total Lines 6 and 7	543
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	271.5
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	0.99

**FORM 1-2**  
**ANNUAL PROVIDER FEE**

<b>Line</b>		<b>TOTAL</b>
[1]	Total Operating Expenses (including depreciation and debt service - interest only)	\$26,560,000
[a]	Depreciation	\$3,176,000
[b]	Debt Service (Interest Only)	\$753,000
[2]	Subtotal (add Line 1a and 1b)	\$3,929,000
[3]	Subtract Line 2 from Line 1 and enter result.	\$22,631,000
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11)	99%
[5]	Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	\$22,422,611
		x .001
[6]	<b>Total Amount Due</b> (multiply Line 5 by .001)	\$22,423

**PROVIDER** Sequoia Living, Inc  
**COMMUNITY** Tamalpais

## **Part 2**

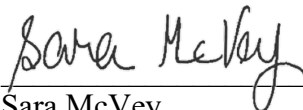


**SEQUOIA LIVING, INC.  
CERTIFICATION BY CHIEF EXECUTIVE OFFICER**

**December 31, 2021**

I hereby certify to the best of my knowledge and belief that:

1. The information included within this annual report is correct.
2. Each continuing care contract form now in use for new residents has been approved by the Department.
3. As of the date of this certification Sequoia living is maintaining the required liquid reserve and refund reserve.

  
Sara McVey

President & CEO  
Title

4/28/2022  
Date

## **Part 3**

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**DECLARATIONS**

Policy Number: 8167-4988

**FEDERAL INSURANCE COMPANY**

A stock insurance company, incorporated under the laws of Indiana, herein called the Company

Capital Center, 251 North Illinois, Suite 1100  
Indianapolis, IN 46204-1927

**THE EXECUTIVE LIABILITY, ENTITY LIABILITY, AND EMPLOYMENT PRACTICES LIABILITY, FIDUCIARY LIABILITY, AND OUTSIDE DIRECTORSHIP LIABILITY COVERAGE SECTIONS (WHICHEVER ARE PURCHASED) PROVIDE CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD", OR ANY EXTENDED REPORTING PERIOD. THE APPLICABLE LIMIT(S) OF LIABILITY TO PAY "LOSS" WILL BE REDUCED, AND MAY BE EXHAUSTED, BY "DEFENSE COSTS" UNLESS OTHERWISE SPECIFIED HEREIN. "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT(S) OF LIABILITY. READ THE ENTIRE POLICY CAREFULLY.**

Item 1. **Parent Organization:** Sequoia Living, Inc.

Principal Address: 1525 Post Street  
San Francisco, CA 94109

Item 2. **Policy Period:** From 12:01 A.M. on March 5, 2021  
To 12:01 A.M. on March 5, 2022  
Local time at the address shown in Item 1.

Item 3. **Coverage Summary**  
Description of Coverage(s) purchased:

Executive Liability and:	X
Optional Entity Coverage	X
Optional Employment Practices Liability Coverage	X
Optional Third Party Liability Coverage	X
Outside Directorship Liability Coverage	
Fiduciary Liability Coverage	X
Crime Coverage	X
Kidnap/Ransom and Extortion Coverage	

Item 4. **Termination of Prior Bonds or Policies:** 8167-4988 (Apr. 5, 2020 - Mar 5, 2021)

In Witness Whereof, the Company issuing this policy has caused this policy to be signed by its Authorized Officers, but it shall not be valid unless also signed by a duly Authorized Representative of the Company.

**FEDERAL INSURANCE COMPANY**

Secretary



President

03/22/2021

Date



Authorized Representative

## Part 6

**Continuing Care Retirement Community  
Disclosure Statement  
General Information**

Date Prepared: \_\_\_\_\_

FACILITY NAME: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_ PHONE: \_\_\_\_\_  
PROVIDER NAME: \_\_\_\_\_ FACILITY OPERATOR: \_\_\_\_\_  
RELATED FACILITIES: \_\_\_\_\_ RELIGIOUS AFFILIATION: \_\_\_\_\_  
YEAR \_\_\_\_\_ # OF ☐ SINGLE ☐ MULTI- MILES TO SHOPPING CTR: \_\_\_\_\_  
OPENED: \_\_\_\_\_ ACRES: \_\_\_\_\_ STORY STORY ☐ OTHER: \_\_\_\_\_ MILES TO HOSPITAL: \_\_\_\_\_  
\*\*\*\*\*

**NUMBER OF UNITS:**

**RESIDENTIAL LIVING**

**HEALTH CARE**

APARTMENTS — STUDIO: \_\_\_\_\_

ASSISTED LIVING: \_\_\_\_\_

APARTMENTS — 1 BDRM: \_\_\_\_\_

SKILLED NURSING: \_\_\_\_\_

APARTMENTS — 2 BDRM: \_\_\_\_\_

SPECIAL CARE: \_\_\_\_\_

COTTAGES/HOUSES: \_\_\_\_\_

DESCRIPTION: > \_\_\_\_\_

RLU OCCUPANCY (%) AT YEAR END: \_\_\_\_\_

> \_\_\_\_\_

\*\*\*\*\*

**TYPE OF OWNERSHIP:** ☐ NOT-FOR-PROFIT ☐ FOR-PROFIT **ACCREDITED?:** ☐ YES ☐ NO **BY:** \_\_\_\_\_

**FORM OF CONTRACT:**

☐ CONTINUING CARE

☐ LIFE CARE

☐ ENTRANCE FEE

☐ FEE FOR SERVICE

*(Check all that apply)*

☐ ASSIGNMENT OF ASSETS

☐ EQUITY

☐ MEMBERSHIP

☐ RENTAL

**REFUND PROVISIONS:** *(Check all that apply)* ☐ 90% ☐ 75% ☐ 50% ☐ FULLY AMORTIZED ☐ OTHER: \_\_\_\_\_

**RANGE OF ENTRANCE FEES:** \$ \_\_\_\_\_ - \$ \_\_\_\_\_ **LONG-TERM CARE INSURANCE REQUIRED?** ☐ YES ☐ NO

**HEALTH CARE BENEFITS INCLUDED IN CONTRACT:** \_\_\_\_\_

**ENTRY REQUIREMENTS:** MIN. AGE: \_\_\_\_\_ PRIOR PROFESSION: \_\_\_\_\_ OTHER: \_\_\_\_\_

**RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD** *(briefly describe provider's compliance and residents' role):* > \_\_\_\_\_

> \_\_\_\_\_

\*\*\*\*\*

**FACILITY SERVICES AND AMENITIES**

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

<u>OTHER CCRCs</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>MULTI-LEVEL RETIREMENT COMMUNITIES</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>FREE-STANDING SKILLED NURSING</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>SUBSIDIZED SENIOR HOUSING</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**NOTE:** PLEASE INDICATE IF THE FACILITY IS A LIFE CARE FACILITY.

PROVIDER NAME: \_\_\_\_\_

	2018	2019	2020	2021
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b>				
(Excluding amortization of entrance fee income)				
<b>LESS OPERATING EXPENSES</b>				
(Excluding depreciation, amortization, and interest)				
<b>NET INCOME FROM OPERATIONS</b>				
<b>LESS INTEREST EXPENSE</b>				
<b>PLUS CONTRIBUTIONS</b>				
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b>				
(excluding extraordinary items)				
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>				
<b>NET CASH FLOW FROM ENTRANCE FEES</b>				
(Total Deposits Less Refunds)				

\*\*\*\*\*

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD

\*\*\*\*\*

**FINANCIAL RATIOS** (see next page for ratio formulas)

**2017 CCAC Medians**  
**50<sup>th</sup> Percentile**  
*(optional)*

	2019	2020	2021
<b>DEBT TO ASSET RATIO</b>			
<b>OPERATING RATIO</b>			
<b>DEBT SERVICE COVERAGE RATIO</b>			
<b>DAYS CASH ON HAND RATIO</b>			

\*\*\*\*\*

**HISTORICAL MONTHLY SERVICE FEES** (Average Fee and Change Percentage)

	2018	%	2019	%	2020	%	2021	%
STUDIO								
ONE BEDROOM								
TWO BEDROOM								
COTTAGE/HOUSE								
ASSISTED LIVING								
SKILLED NURSING								
SPECIAL CARE								

\*\*\*\*\*

**COMMENTS FROM PROVIDER:** > \_\_\_\_\_  
> \_\_\_\_\_  
> \_\_\_\_\_



**PROVIDER NAME:** Sequoia Living

	2017	2018	2019	2020
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b>				
(Excluding amortization of entrance fee income)				
<b>LESS OPERATING EXPENSES</b>				
(Excluding depreciation, amortization, and interest)				
<b>NET INCOME FROM OPERATIONS</b>				
<b>LESS INTEREST EXPENSE</b>				
<b>PLUS CONTRIBUTIONS</b>				
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b>				
(excluding extraordinary items)				
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>				
<b>NET CASH FLOW FROM ENTRANCE FEES</b>				
(Total Deposits Less Refunds)				

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD
JP Morgan Chase	\$77,873,595	3.17%	2019	2022	3 years

\*\*\*\*\*  
**FINANCIAL RATIOS** (see next page for ratio formulas)

	2017 CCAC Medians 50 <sup>th</sup> Percentile <i>(optional)</i>	2018	2019	2020
<b>DEBT TO ASSET RATIO</b>				
<b>OPERATING RATIO</b>				
<b>DEBT SERVICE COVERAGE RATIO</b>				
<b>DAYS CASH ON HAND RATIO</b>				

\*\*\*\*\*  
**HISTORICAL MONTHLY SERVICE FEES** (Average Fee and Change Percentage)

	2017	%	2018	%	2019	%	2020	%
STUDIO								
ONE BEDROOM								
TWO BEDROOM								
COTTAGE/HOUSE								
ASSISTED LIVING								
SKILLED NURSING								
SPECIAL CARE								

\*\*\*\*\*  
**COMMENTS FROM PROVIDER:** >

>

>

>

PROVIDER NAME: \_\_\_\_\_

### **FINANCIAL RATIO FORMULAS**

#### **LONG-TERM DEBT TO TOTAL ASSETS RATIO**

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

#### **OPERATING RATIO**

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

#### **DEBT SERVICE COVERAGE RATIO**

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

#### **DAYS CASH ON HAND RATIO**

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

**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.

**Continuing Care Retirement Community  
Disclosure Statement  
General Information**

Date Prepared: \_\_\_\_\_

FACILITY NAME: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_ PHONE: \_\_\_\_\_  
PROVIDER NAME: \_\_\_\_\_ FACILITY OPERATOR: \_\_\_\_\_  
RELATED FACILITIES: \_\_\_\_\_ RELIGIOUS AFFILIATION: \_\_\_\_\_  
YEAR \_\_\_\_\_ # OF ☐ SINGLE ☐ MULTI- MILES TO SHOPPING CTR: \_\_\_\_\_  
OPENED: \_\_\_\_\_ ACRES: \_\_\_\_\_ STORY STORY ☐ OTHER: \_\_\_\_\_ MILES TO HOSPITAL: \_\_\_\_\_  
\*\*\*\*\*

**NUMBER OF UNITS:**

**RESIDENTIAL LIVING**

**HEALTH CARE**

APARTMENTS — STUDIO: \_\_\_\_\_

ASSISTED LIVING: \_\_\_\_\_

APARTMENTS — 1 BDRM: \_\_\_\_\_

SKILLED NURSING: \_\_\_\_\_

APARTMENTS — 2 BDRM: \_\_\_\_\_

SPECIAL CARE: \_\_\_\_\_

COTTAGES/HOUSES: \_\_\_\_\_

DESCRIPTION: > \_\_\_\_\_

RLU OCCUPANCY (%) AT YEAR END: \_\_\_\_\_

> \_\_\_\_\_

\*\*\*\*\*

**TYPE OF OWNERSHIP:** ☐ NOT-FOR-PROFIT ☐ FOR-PROFIT **ACCREDITED?:** ☐ YES ☐ NO **BY:** \_\_\_\_\_

**FORM OF CONTRACT:**

☐ CONTINUING CARE

☐ LIFE CARE

☐ ENTRANCE FEE

☐ FEE FOR SERVICE

*(Check all that apply)*

☐ ASSIGNMENT OF ASSETS

☐ EQUITY

☐ MEMBERSHIP

☐ RENTAL

**REFUND PROVISIONS:** *(Check all that apply)* ☐ 90% ☐ 75% ☐ 50% ☐ FULLY AMORTIZED ☐ OTHER: \_\_\_\_\_

**RANGE OF ENTRANCE FEES:** \$ \_\_\_\_\_ - \$ \_\_\_\_\_ **LONG-TERM CARE INSURANCE REQUIRED?** ☐ YES ☐ NO

**HEALTH CARE BENEFITS INCLUDED IN CONTRACT:**

For Lifecare contracts, exclusions include Rx, dental, glasses, podiatry, psychiatry, and specified others, For Continuing care contracts health care benefits are available for an additional fee, onsite clinic is included in monthly fee.

**ENTRY REQUIREMENTS:** MIN. AGE: \_\_\_\_\_ PRIOR PROFESSION: \_\_\_\_\_ OTHER: \_\_\_\_\_

**RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD** (briefly describe provider's compliance and residents' role): > \_\_\_\_\_

> \_\_\_\_\_

\*\*\*\*\*

**FACILITY SERVICES AND AMENITIES**

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

<u>OTHER CCRCs</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>MULTI-LEVEL RETIREMENT COMMUNITIES</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>FREE-STANDING SKILLED NURSING</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

<u>SUBSIDIZED SENIOR HOUSING</u>	<u>LOCATION (City, State)</u>	<u>PHONE (with area code)</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**NOTE:** PLEASE INDICATE IF THE FACILITY IS A LIFE CARE FACILITY.

PROVIDER NAME: \_\_\_\_\_

	2018	2019	2020	2021
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b>				
(Excluding amortization of entrance fee income)				
<b>LESS OPERATING EXPENSES</b>				
(Excluding depreciation, amortization, and interest)				
<b>NET INCOME FROM OPERATIONS</b>				
<b>LESS INTEREST EXPENSE</b>				
<b>PLUS CONTRIBUTIONS</b>				
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b>				
(excluding extraordinary items)				
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>				
<b>NET CASH FLOW FROM ENTRANCE FEES</b>				
(Total Deposits Less Refunds)				

\*\*\*\*\*

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD

\*\*\*\*\*

**FINANCIAL RATIOS** (see next page for ratio formulas)

**2017 CCAC Medians**  
**50<sup>th</sup> Percentile**  
*(optional)*

	2019	2020	2021
<b>DEBT TO ASSET RATIO</b>			
<b>OPERATING RATIO</b>			
<b>DEBT SERVICE COVERAGE RATIO</b>			
<b>DAYS CASH ON HAND RATIO</b>			

\*\*\*\*\*

**HISTORICAL MONTHLY SERVICE FEES** (Average Fee and Change Percentage)

	2018	%	2019	%	2020	%	2021	%
STUDIO								
ONE BEDROOM								
TWO BEDROOM								
COTTAGE/HOUSE								
ASSISTED LIVING								
SKILLED NURSING								
SPECIAL CARE								

\*\*\*\*\*

**COMMENTS FROM PROVIDER:** > \_\_\_\_\_  
> \_\_\_\_\_  
> \_\_\_\_\_

**PROVIDER NAME:** Sequoia Living

	2017	2018	2019	2020
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b>				
(Excluding amortization of entrance fee income)				
<b>LESS OPERATING EXPENSES</b>				
(Excluding depreciation, amortization, and interest)				
<b>NET INCOME FROM OPERATIONS</b>				
<b>LESS INTEREST EXPENSE</b>				
<b>PLUS CONTRIBUTIONS</b>				
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b>				
(excluding extraordinary items)				
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>				
<b>NET CASH FLOW FROM ENTRANCE FEES</b>				
(Total Deposits Less Refunds)				

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD
JP Morgan Chase	\$77,873,595	3.17%	2019	2022	3 years

\*\*\*\*\*  
**FINANCIAL RATIOS** (see next page for ratio formulas)

	2017 CCAC Medians 50 <sup>th</sup> Percentile <i>(optional)</i>	2018	2019	2020
<b>DEBT TO ASSET RATIO</b>				
<b>OPERATING RATIO</b>				
<b>DEBT SERVICE COVERAGE RATIO</b>				
<b>DAYS CASH ON HAND RATIO</b>				

\*\*\*\*\*  
**HISTORICAL MONTHLY SERVICE FEES** (Average Fee and Change Percentage)

	2017	%	2018	%	2019	%	2020	%
STUDIO								
ONE BEDROOM								
TWO BEDROOM								
COTTAGE/HOUSE								
ASSISTED LIVING								
SKILLED NURSING								
SPECIAL CARE								

\*\*\*\*\*  
**COMMENTS FROM PROVIDER:** >

>

>

>

PROVIDER NAME: \_\_\_\_\_

### **FINANCIAL RATIO FORMULAS**

#### **LONG-TERM DEBT TO TOTAL ASSETS RATIO**

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

#### **OPERATING RATIO**

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

#### **DEBT SERVICE COVERAGE RATIO**

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

#### **DAYS CASH ON HAND RATIO**

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

**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.

**Continuing Care Retirement Community  
Disclosure Statement  
General Information**

Date Prepared: \_\_\_\_\_

FACILITY NAME: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_ PHONE: \_\_\_\_\_  
PROVIDER NAME: \_\_\_\_\_ FACILITY OPERATOR: \_\_\_\_\_  
RELATED FACILITIES: \_\_\_\_\_ RELIGIOUS AFFILIATION: \_\_\_\_\_  
YEAR \_\_\_\_\_ # OF ☐ SINGLE ☐ MULTI- MILES TO SHOPPING CTR: \_\_\_\_\_  
OPENED: \_\_\_\_\_ ACRES: \_\_\_\_\_ STORY STORY ☐ OTHER: \_\_\_\_\_ MILES TO HOSPITAL: \_\_\_\_\_  
\*\*\*\*\*

**NUMBER OF UNITS:**

**RESIDENTIAL LIVING**

**HEALTH CARE**

APARTMENTS — STUDIO: \_\_\_\_\_

ASSISTED LIVING: \_\_\_\_\_

APARTMENTS — 1 BDRM: \_\_\_\_\_

SKILLED NURSING: \_\_\_\_\_

APARTMENTS — 2 BDRM: \_\_\_\_\_

SPECIAL CARE: \_\_\_\_\_

COTTAGES/HOUSES: \_\_\_\_\_

DESCRIPTION: > \_\_\_\_\_

RLU OCCUPANCY (%) AT YEAR END: \_\_\_\_\_

> \_\_\_\_\_

\*\*\*\*\*

**TYPE OF OWNERSHIP:** ☐ NOT-FOR-PROFIT ☐ FOR-PROFIT **ACCREDITED?:** ☐ YES ☐ NO **BY:** \_\_\_\_\_

**FORM OF CONTRACT:**

☐ CONTINUING CARE

☐ LIFE CARE

☐ ENTRANCE FEE

☐ FEE FOR SERVICE

*(Check all that apply)*

☐ ASSIGNMENT OF ASSETS

☐ EQUITY

☐ MEMBERSHIP

☐ RENTAL

**REFUND PROVISIONS:** *(Check all that apply)* ☐ 90% ☐ 75% ☐ 50% ☐ FULLY AMORTIZED ☐ OTHER: \_\_\_\_\_

**RANGE OF ENTRANCE FEES:** \$ \_\_\_\_\_ - \$ \_\_\_\_\_ **LONG-TERM CARE INSURANCE REQUIRED?** ☐ YES ☐ NO

**HEALTH CARE BENEFITS INCLUDED IN CONTRACT:** \_\_\_\_\_

**ENTRY REQUIREMENTS:** MIN. AGE: \_\_\_\_\_ PRIOR PROFESSION: \_\_\_\_\_ OTHER: \_\_\_\_\_

**RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD** *(briefly describe provider's compliance and residents' role):* > \_\_\_\_\_

> \_\_\_\_\_

\*\*\*\*\*

**FACILITY SERVICES AND AMENITIES**

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

**OTHER CCRCs**

**LOCATION (City, State)**

**PHONE (with area code)**

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**MULTI-LEVEL RETIREMENT COMMUNITIES**

**LOCATION (City, State)**

**PHONE (with area code)**

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**FREE-STANDING SKILLED NURSING**

**LOCATION (City, State)**

**PHONE (with area code)**

_____	_____	_____
_____	_____	_____
_____	_____	_____

**SUBSIDIZED SENIOR HOUSING**

**LOCATION (City, State)**

**PHONE (with area code)**

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**NOTE:** PLEASE INDICATE IF THE FACILITY IS A LIFE CARE FACILITY.

PROVIDER NAME: \_\_\_\_\_

	2018	2019	2020	2021
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b>				
(Excluding amortization of entrance fee income)				
<b>LESS OPERATING EXPENSES</b>				
(Excluding depreciation, amortization, and interest)				
<b>NET INCOME FROM OPERATIONS</b>				
<b>LESS INTEREST EXPENSE</b>				
<b>PLUS CONTRIBUTIONS</b>				
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b>				
(excluding extraordinary items)				
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>				
<b>NET CASH FLOW FROM ENTRANCE FEES</b>				
(Total Deposits Less Refunds)				

\*\*\*\*\*

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD

\*\*\*\*\*

**FINANCIAL RATIOS** (see next page for ratio formulas)

**2017 CCAC Medians**  
**50<sup>th</sup> Percentile**  
*(optional)*

	2019	2020	2021
<b>DEBT TO ASSET RATIO</b>			
<b>OPERATING RATIO</b>			
<b>DEBT SERVICE COVERAGE RATIO</b>			
<b>DAYS CASH ON HAND RATIO</b>			

\*\*\*\*\*

**HISTORICAL MONTHLY SERVICE FEES** (Average Fee and Change Percentage)

	2018	%	2019	%	2020	%	2021	%
STUDIO								
ONE BEDROOM								
TWO BEDROOM								
COTTAGE/HOUSE								
ASSISTED LIVING								
SKILLED NURSING								
SPECIAL CARE								

\*\*\*\*\*

**COMMENTS FROM PROVIDER:** > \_\_\_\_\_  
> \_\_\_\_\_  
> \_\_\_\_\_

**PROVIDER NAME:** Sequoia Living

	2017	2018	2019	2020
<b>INCOME FROM ONGOING OPERATIONS</b>				
<b>OPERATING INCOME</b>				
(Excluding amortization of entrance fee income)				
<b>LESS OPERATING EXPENSES</b>				
(Excluding depreciation, amortization, and interest)				
<b>NET INCOME FROM OPERATIONS</b>				
<b>LESS INTEREST EXPENSE</b>				
<b>PLUS CONTRIBUTIONS</b>				
<b>PLUS NON-OPERATING INCOME (EXPENSES)</b>				
(excluding extraordinary items)				
<b>NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION</b>				
<b>NET CASH FLOW FROM ENTRANCE FEES</b>				
(Total Deposits Less Refunds)				

\*\*\*\*\*

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD
JP Morgan Chase	\$77,873,595	3.17%	2019	2022	3 years

\*\*\*\*\*

**FINANCIAL RATIOS** (see next page for ratio formulas)

	2017 CCAC Medians 50 <sup>th</sup> Percentile <i>(optional)</i>	2018	2019	2020
<b>DEBT TO ASSET RATIO</b>				
<b>OPERATING RATIO</b>				
<b>DEBT SERVICE COVERAGE RATIO</b>				
<b>DAYS CASH ON HAND RATIO</b>				

\*\*\*\*\*

**HISTORICAL MONTHLY SERVICE FEES** (Average Fee and Change Percentage)

	2017	%	2018	%	2019	%	2020	%
STUDIO								
ONE BEDROOM								
TWO BEDROOM								
COTTAGE/HOUSE								
ASSISTED LIVING								
SKILLED NURSING								
SPECIAL CARE								

\*\*\*\*\*

**COMMENTS FROM PROVIDER:** >

>

>

PROVIDER NAME: \_\_\_\_\_

### **FINANCIAL RATIO FORMULAS**

#### **LONG-TERM DEBT TO TOTAL ASSETS RATIO**

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

#### **OPERATING RATIO**

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

#### **DEBT SERVICE COVERAGE RATIO**

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

#### **DAYS CASH ON HAND RATIO**

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

**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.

# Part 7

**FORM 7-1**  
**REPORT ON CCRC MONTHLY CARE FEES**

- |   | <u>RESIDENTIAL<br/>LIVING</u> | <u>ASSISTED<br/>LIVING</u> | <u>SKILLED<br/>LIVING</u> |
|---|-------------------------------|----------------------------|---------------------------|
| [1] Monthly Care Fees at beginning of reporting period:<br>(indicate range, if applicable)  | _____                         | _____                      | _____                     |
| [2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)  | _____                         | _____                      | _____                     |
| <input type="checkbox"/> Check here if monthly care fees at this community were <u>not</u> increased during the reporting period. (If you checked this box, please skip down to the bottom of this form and specify the names of the provider and community.)   |                               |                            |                           |
| [3] Indicate the date the fee increase was implemented: _____<br>(If more than one (1) increase was implemented, indicate the dates for each increase.)   |                               |                            |                           |
| [4] Check each of the appropriate boxes:  |                               |                            |                           |
| <input type="checkbox"/> Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.  |                               |                            |                           |
| <input type="checkbox"/> All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. <b>Date of Notice:</b> _____ <b>Method of Notice:</b> _____  |                               |                            |                           |
| <input type="checkbox"/> 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. <b>Date of Meeting:</b> _____  |                               |                            |                           |
| <input type="checkbox"/> 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.  |                               |                            |                           |
| <input type="checkbox"/> The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. <b>Date of Notice:</b> _____   |                               |                            |                           |
| <input type="checkbox"/> 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. <b>Date of Posting:</b> _____<br><b>Location of Posting:</b> _____ |                               |                            |                           |
| [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 Health and Safety Code. See <b><u>PART 7 REPORT ON CCRC MONTHLY CARE FEE</u></b> in the <b>Annual Report Instruction</b> booklet for further instructions.  |                               |                            |                           |

**PROVIDER:** \_\_\_\_\_  
**COMMUNITY:** \_\_\_\_\_

**FORM 7-1**  
**REPORT ON CCRC MONTHLY CARE FEES**

- |   | <u>RESIDENTIAL<br/>LIVING</u> | <u>ASSISTED<br/>LIVING</u> | <u>SKILLED<br/>LIVING</u> |
|---|-------------------------------|----------------------------|---------------------------|
| [1] Monthly Care Fees at beginning of reporting period:<br>(indicate range, if applicable)  | _____                         | _____                      | _____                     |
| [2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)  | _____                         | _____                      | _____                     |
| <input type="checkbox"/> Check here if monthly care fees at this community were <u>not</u> increased during the reporting period. (If you checked this box, please skip down to the bottom of this form and specify the names of the provider and community.)   |                               |                            |                           |
| [3] Indicate the date the fee increase was implemented: _____<br>(If more than one (1) increase was implemented, indicate the dates for each increase.)   |                               |                            |                           |
| [4] Check each of the appropriate boxes:  |                               |                            |                           |
| <input type="checkbox"/> Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.  |                               |                            |                           |
| <input type="checkbox"/> All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. <b>Date of Notice:</b> _____ <b>Method of Notice:</b> _____  |                               |                            |                           |
| <input type="checkbox"/> 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. <b>Date of Meeting:</b> _____  |                               |                            |                           |
| <input type="checkbox"/> 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.  |                               |                            |                           |
| <input type="checkbox"/> The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. <b>Date of Notice:</b> _____   |                               |                            |                           |
| <input type="checkbox"/> 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. <b>Date of Posting:</b> _____<br><b>Location of Posting:</b> _____ |                               |                            |                           |
| [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 Health and Safety Code. See <b><u>PART 7 REPORT ON CCRC MONTHLY CARE FEE</u></b> in the <b>Annual Report Instruction</b> booklet for further instructions.  |                               |                            |                           |

**PROVIDER:** \_\_\_\_\_  
**COMMUNITY:** \_\_\_\_\_

**FORM 7-1**  
**REPORT ON CCRC MONTHLY CARE FEES**

- |   | <u>RESIDENTIAL<br/>LIVING</u> | <u>ASSISTED<br/>LIVING</u> | <u>SKILLED<br/>LIVING</u> |
|---|-------------------------------|----------------------------|---------------------------|
| [1] Monthly Care Fees at beginning of reporting period:<br>(indicate range, if applicable)  | _____                         | _____                      | _____                     |
| [2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)  | _____                         | _____                      | _____                     |
| <input type="checkbox"/> Check here if monthly care fees at this community were <u>not</u> increased during the reporting period. (If you checked this box, please skip down to the bottom of this form and specify the names of the provider and community.)   |                               |                            |                           |
| [3] Indicate the date the fee increase was implemented: _____<br>(If more than one (1) increase was implemented, indicate the dates for each increase.)   |                               |                            |                           |
| [4] Check each of the appropriate boxes:  |                               |                            |                           |
| <input type="checkbox"/> Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.  |                               |                            |                           |
| <input type="checkbox"/> All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. <b>Date of Notice:</b> _____ <b>Method of Notice:</b> _____  |                               |                            |                           |
| <input type="checkbox"/> 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. <b>Date of Meeting:</b> _____  |                               |                            |                           |
| <input type="checkbox"/> 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.  |                               |                            |                           |
| <input type="checkbox"/> The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. <b>Date of Notice:</b> _____   |                               |                            |                           |
| <input type="checkbox"/> 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. <b>Date of Posting:</b> _____<br><b>Location of Posting:</b> _____ |                               |                            |                           |
| [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 Health and Safety Code. See <b><u>PART 7 REPORT ON CCRC MONTHLY CARE FEE</u></b> in the <b>Annual Report Instruction</b> booklet for further instructions.  |                               |                            |                           |

**PROVIDER:** \_\_\_\_\_  
**COMMUNITY:** \_\_\_\_\_



**Sequoia Portola Valley (SPV)**

FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)  
ANNUAL REPORTING FISCAL YEAR (F/Y) 2021

Line #      Fiscal Years

1 F/Y 2019 Operating Expenses<sup>1</sup>

2 F/Y 2020 Operating Expenses<sup>2</sup> (Adjustments if any, Explained Below)

3 Projected F/Y 2021 Results of Operations (Adjustments<sup>3</sup> Explained Below)

4 F/Y 2021 Anticipated MCF Revenue<sup>2</sup> Based on Current and Projected Occupancy and Other<sup>4</sup> without a MCFI

5 Projected F/Y 2021 (Net) Operating Results<sup>2</sup> without a MCFI (Line 3 plus Line 4)

6 Projected F/Y 2021 Anticipated Revenue Based on Current and Projected Occupancy and Other<sup>4</sup> with MCFI 3.5%

7 Grand Total - Projected FY 2021 Net Operating Activity After 3.5% MCFI (Line 3 plus Line 6)

Dollar Amounts in Thousands

	2019	2020	2021
\$	(25,198)		
		\$ (26,957)	
			\$ (23,790)
			\$ 21,755
			\$ (2,034)
			\$ 22,517
			\$ (1,273)

	Increase/Decrease
Monthly Care Fee Increase 2021:	3.50%
Operating Expenses 2021 Budget:	-11.75%
Occupancy projection 2021	-6.11%

**Adjustments Explained:**

Line 1, 2, & 3

> Amounts in lines 1, 2, & 3 have been adjusted for Depreciation & Interest expenses (i.e. no depr. And Interest Exp included)

Line 3

Use the results from Line 2 to project operating costs for F/Y 2021. Provide a full narrative description of the methodology used. See "Part 7 - REPORT ON CCRC MONTHLY CARE FEES" line 5, in Annual Report Instructions

> Methodology used to project operating costs for FY 2021: [11.75% increase in 2021 from 2020 as per the '2021 SPV Budget'](#)

Line 4

Calculate anticipated MCF revenue for F/Y 2021- enter the result in the column labelled F/Y 2021. (Entrance fees are not allowed)

> [Occupancy in 2021 compared to 2020 is expected to decrease by 6.11%](#)

**Sequoia San Francisco (SSF)**

FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)  
ANNUAL REPORTING FISCAL YEAR (F/Y) 2021

Line #      Fiscal Years

1 F/Y 2019 Operating Expenses<sup>1</sup>

2 F/Y 2020 Operating Expenses<sup>2</sup> (Adjustments if any, Explained Below)

3 Projected F/Y 2021 Results of Operations (Adjustments<sup>3</sup> Explained Below)

4 F/Y 2021 Anticipated MCF Revenue- Based on Current and Projected Occupancy and Other<sup>4</sup> without a MCFI

5 Projected F/Y 2021 (Net) Operating Results<sup>2</sup> without a MCFI (Line 3 plus Line 4)

6 Projected F/Y 2021 Anticipated Revenue Based on Current and Projected Occupancy and Other<sup>4</sup> with MCFI 3.5%

7 Grand Total - Projected FY 2021 Net Operating Activity After 3.5% MCFI (Line 3 plus Line 6)

Dollar Amounts in Thousands		
2019	2020	2021
\$ (26,842)		
	\$ (28,139)	
		\$ (27,087)
		\$ 24,326
		\$ (2,761)
		\$ 25,177
		\$ (1,910)

	Increase/Decrease
Monthly Care Fee Increase 2021:	3.50%
Operating Expenses 2021 Budget:	-3.74%
Occupancy projection 2021	-4.90%

**Adjustments Explained:**

Line 1, 2, & 3

> Balances adjusted for Depreciation & Interest expenses (i.e. no depr. And Interest Exp included)

Line 3

Use the results from Line 2 to project operating costs for F/Y 2021. Provide a full narrative description of the methodology used. See "Part 7 - REPORT ON CCRC MONTHLY CARE FEES" line 5, in Annual Report Instructions

> Methodology used to project operating costs for FY 2021: [3.74% decrease in 2021 operating costs from 2020 as per the '2021 SSF Budget'](#)

Line 4

Calculate anticipated MCF revenue for F/Y 2021- enter the result in the column labelled F/Y 2021. (Entrance fees are not allowed)

> [Occupancy in 2021 compared to 2020 is expected to decrease by 4.90%](#)

# **Tamalpais (TAM)**

FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)  
ANNUAL REPORTING FISCAL YEAR (F/Y) 2021

Line Fiscal Years

1 F/Y 2019 Operating Expenses<sup>1</sup>

2 F/Y 2020 Operating Expenses<sup>2</sup> (Adjustments if any, Explained Below)

3 Projected F/Y 2021 Results of Operations (Adjustments<sup>3</sup> Explained Below)

4 F/Y 2021 Anticipated MCF Revenue<sup>2</sup> Based on Current and Projected Occupancy and Other<sup>4</sup> without a MCFI

5 Projected F/Y 2021 (Net) Operating Results<sup>2</sup> without a MCFI (Line 3 plus Line 4)

6 Projected F/Y 2021 Anticipated Revenue Based on Current and Projected Occupancy and Other<sup>4</sup> with MCFI 3.5%

7 Grand Total - Projected FY 2021 Net Operating Activity After 3.5% MCFI (Line 3 plus Line 6)

Dollar Amounts in Thousands		
2019	2020	2021
\$ (24,755)		
	\$ (24,327)	
		\$ (19,515)
		\$ 18,023
		\$ (1,492)
		\$ 18,654
		\$ (861)

	Increase/Decrease
Monthly Care Fee Increase 2021:	3.50%
Operating Expenses 2021 Budget:	-19.78%
Occupancy projection 2021	-14.11%

## **Adjustments Explained:**

Line 1, 2, & 3

> Amounts in lines 1, 2, & 3 have been adjusted for Depreciation & Interest expenses (i.e. no depr. And Interest exp included)

Line 3

Use the results from Line 2 to project operating costs for F/Y 2021. Provide a full narrative description of the methodology used. See "Part 7 - REPORT ON CCRC MONTHLY CARE FEES" line 5, in Annual Report Instructions

> Methodology used to project operating costs for FY 2020: [19.78% decrease in 2021 from 2020 as per the '2021 TAM Budget'](#)

Line 4

Calculate anticipated MCF revenue for F/Y 2021- enter the result in the column labelled F/Y 2021. (Entrance fees are not allowed)

> [Occupancy in 2021 compared to 2020 is expected to decrease by 14.11%](#)

**FORM 7-1**  
**REPORT ON CCRC MONTHLY SERVICE FEES**  
**Summary Narrative: Sequoias Portola Valley (SPV)**

The average monthly fee increase at SPV will be 3.5% beginning April 1, 2021. The monthly fee is based on projected expenses including employee wages and benefits and home office support services. On the revenue side, the monthly fee is affected by the projected occupancy during the year and the amount of private pay and Medicare revenue generated from the health center. In 2021, we project occupancy will decline by approximately 6% because of the Covid pandemic restriction on admitting new residents especially community residents in the health center. We are committed to looking for ways we can better control costs while retaining quality services and staffing. Inflation in the wider Bay Area and the consumer price index (CPI) for the San Francisco – Oakland metropolitan continue to exceed national averages. As many know, Bay Area economic forces differ markedly from the national trends that influence social security Cost of Living Adjustments (COLA).

Overall budgeted Operating Revenues for 2021 are projected stay unchanged over the 2020 actual revenues due to decrease in occupancy which is offset by the 3.5% increase in monthly care fees. Budgeted Operating Expenses are projected overall to decrease by 13.9% in 2021 over the 2020 actual expenses, these is mainly due to a decrease in occupancy which results in reduced staffing needs for the SNF as well as other higher levels of care, employee benefits are expected to decrease by 13.7%, while Salaries and wages will see a 11% decrease in expenses.

**FORM 7-1**  
**REPORT ON CCRC MONTHLY SERVICE FEES**  
**Summary Narrative: Sequoias San Francisco (SSF)**

The average monthly fee increase at SSF will be 3.5% beginning April 1, 2021. The monthly fee is based on projected expenses including employee wages and benefits and home office support services. On the revenue side, the monthly fee is affected by the projected occupancy during the year and the amount of private pay and Medicare revenue generated from the health center. In 2021, we project occupancy will improve slightly as the effects of the Covid pandemic subside. We are committed to looking for ways we can better control costs while retaining quality services and staffing. Inflation in the Bay Area and the consumer price index (CPI) for the San Francisco – Oakland metropolitan continue to exceed national averages. As many know, Bay Area economic forces differ markedly from the national trends that influence social security Cost of Living Adjustments (COLA.).

Overall budgeted Operating Revenues for 2021 are projected to increase by 1.4% over the 2020 actual revenues due to projected increase in occupancy and census. Budgeted Operating Expenses are projected overall to decrease by 4.5% in 2021 over the 2020 actual expenses, these is mainly due to decrease in employee benefits by 8.2%, while Salaries and wages will see a 2% increase in expenses. In addition, supplies budgeted cost will decrease by 10% compared to actual costs in 2020.

**FORM 7-1**  
**REPORT ON CCRC MONTHLY SERVICE FEES**  
**Summary Narrative: Tamalpais (TAM)**

The average monthly fee increase at TAM will be 3.5% beginning April 1, 2021. The monthly fee is based on projected expenses including employee wages and benefits and home office support services. On the revenue side, the monthly fee is affected by the projected occupancy during the year and the amount of private pay and Medicare revenue generated from the health center. In 2021, we project occupancy will decline by approximately 14% because of the Covid pandemic restriction on admitting new residents especially community residents in the health center. We are committed to looking for ways we can better control costs while retaining quality services and staffing. Inflation in the wider Bay Area and the consumer price index (CPI) for the San Francisco – Oakland metropolitan continue to exceed national averages. As many know, Bay Area economic forces differ markedly from the national trends that influence social security Cost of Living Adjustments (COLA).

Overall budgeted operating revenues for 2021 are projected to decrease by 4% over the 2020 actual revenues which was primarily because of a significant decrease in occupancy which was then offset by the 3.5% increase in monthly care fees. Budgeted operating expenses are projected overall to decrease by 12% in 2021 over the 2020 actual expenses, these is mainly due to the significant decrease in occupancy which translates to reduced staffing needs for the SNF as well as other higher levels of care. Employee benefits are expected to decrease by 15%, while Salaries and wages will see a 16% decrease in expenses.

## Part 8

# KEY INDICATORS REPORT

Date Prepared: 4/29/2022



Chief Financial Officer Signature

Date Prepared: 4/28/2022

## Sequoia Living

Please attach an explanatory memo that summarizes significant trends or variances in the key operational indicators.

	2016	2017	2018	2019	2020	2021	Forecast				Preferred Trend Indicator
							2022	2023	2024	2025	
<b>OPERATIONAL STATISTICS</b>											
1. Average Annual Occupancy by Site (%)	See next page										N/A
<b>MARGIN (PROFITABILITY) INDICATORS</b>											
2. Net Operating Margin (%)	-0.46%	0.95%	-3.66%	-6.87%	-4.91%	-6.76%	0.39%	0.39%	0.39%	0.39%	↑
3. Net Operating Margin - Adjusted (%)	21.62%	20.86%	18.37%	22.19%	26.72%	22.99%	22.62%	19.17%	15.62%	15.24%	↓
<b>LIQUIDITY INDICATORS</b>											
4. Unrestricted Cash and Investments (\$000)	\$103,740	\$105,331	\$94,982	\$118,039	\$123,167	\$142,444	\$146,717	\$151,119	\$155,652	\$160,322	↑
5. Days Cash on Hand (Unrestricted)	498	482	438	478	481	564	574	573	572	571	↓
<b>CAPITAL STRUCTURE INDICATORS</b>											
6. Deferred Revenue from Entrance Fees (\$000)	\$135,559	\$141,853	\$141,480	\$141,409	\$192,255	\$155,506	\$161,726	\$168,195	\$174,923	\$181,920	↑
7. Net Annual E/F proceeds (\$000)	\$21,571	\$22,898	\$16,374	\$19,821	\$30,997	\$36,520	\$35,000	\$25,000	\$25,000	\$25,000	N/A
8. Unrestricted Net Assets (\$000)	-\$277	\$32,811	\$24,871	\$41,124	\$38,669	\$60,862	\$60,000	\$60,000	\$60,000	\$60,000	N/A
9. Annual Capital Asset Expenditure (\$000)	\$15,008	\$29,274	\$33,590	\$40,031	\$79,224	\$40,000	\$40,000	\$30,000	\$30,000	\$30,000	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	-0.35	-0.08	0.81	1.54	1.13	2.64	2.63	2.66	2.70	2.73	↑
11. Annual Debt Service Coverage (x)	4.44	4.46	2.50	5.88	5.64	5.45	4.46	4.17	3.89	3.91	↓
12. Annual Debt Service/Revenue (%)	5.64%	6.08%	10.68%	4.53%	6.60%	10.28%	12.12%	11.89%	11.65%	11.43%	↓
13. Average Annual Effective Interest Rate (%)	4.49%	5.04%	3.45%	1.45%	2.07%	4.31%	4.44%	4.58%	4.72%	4.86%	↑
14. Unrestricted Cash & Investments/ Long-Term Debt (%)	103.49%	105.08%	33.82%	37.59%	37.09%	47.28%	49.70%	52.23%	54.90%	57.70%	↑
15. Average Age of Facility (years)	14.91	14.70	14.38	13.27	13.63	11.26	11.15	11.04	10.93	10.82	↓