



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

Viamonte Senior Living 1, Inc.

For the Year Ended December 31, 2024

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Report of Independent Auditors

The Board of Directors
Viamonte Senior Living 1, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Viamonte Senior Living 1, 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, 2024, 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 Viamonte Senior Living 1, Inc. as of and for the year ended December 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 Viamonte Senior Living 1, 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.

Basis of Accounting

We draw attention to the basis of accounting used to prepare the financial statements. The financial statements are prepared by Viamonte Senior Living 1, Inc. 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.

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 Viamonte Senior Living 1, 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 Viamonte Senior Living 1, 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), Supplementary Schedule to Form 5-4: Reconciliation to Audit Report 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 (Unaudited) for the year ended December 31, 2024, 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 Viamonte Senior Living 1, 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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

San Francisco, California
April 29, 2025

Viamonte Senior Living 1, Inc.**Form 5-1****Long-Term Debt Incurred In A Prior Fiscal Year (Including Balloon Debt)****Year Ended December 31, 2024**

	(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	8/7/2018	\$1,070,000	\$1,935,125	\$0	\$3,005,125
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:		\$1,070,000	\$1,935,125	\$0	\$3,005,125

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

Viamonte Senior Living 1, Inc.

Form 5-2

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

Year Ended December 31, 2024

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Total Interest Paid During Fiscal Year	Amount of Most Recent Payment on the Debt	Number of Payments over next 12 months	Reserve Requirement (see instruction 5) (columns (c) x (d))
1		\$0	\$0	0	\$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.

Viamonte Senior Living 1, Inc.
Form 5-3
Calculation of Long-Term Debt Reserve Amount
Year Ended December 31, 2024

Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	<u>\$ 3,005,125</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>\$ 3,005,125</u></u>

Viamonte Senior Living 1, Inc.
Form 5-4
Calculation of Net Operating Expenses
Year Ended December 31, 2024

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 20,508,481</u>
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	<u>\$1,935,125</u>	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
c.	Depreciation	<u>\$ 3,364,369</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>\$ 541,150</u>	
f.	Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 5,840,644</u>
4	Net Operating Expenses		<u>\$ 14,667,837</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 40,186</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 3,013,950</u></u>

PROVIDER: Viamonte Senior Living 1, Inc.

Supplementary Schedules

Viamonte Senior Living 1, Inc.**Supplementary Schedule to Form 5-4: Required Disclosure Under Section 1790 (a)(2)**
Year Ended December 31, 2024

Total operating expenses (Form 5-4, Line 1)	\$ 20,508,481
Mean number of all residents (Form 1-1, Line 10)	<u>248</u>
Per capita cost of operations	<u><u>\$ 82,695</u></u>

Viamonte Senior Living 1, Inc.
Supplementary Schedule to Form 5-4: Reconciliation to Audit Report
Year Ended December 31, 2024

Form 5-4 Reconciliation

Reconciliation to Audited Financial Statements

Other receipts from operations	\$ 859,905
Less other revenues	<u>318,755</u>
	<u>\$ 541,150</u>

Viamonte Senior Living 1, Inc.
Supplementary Schedule to Form 5-5: Reconciliation to Audit Report
Year Ended December 31, 2024

Form 5-5 Reconciliation

Financial Statements and Footnotes Description

Cash and cash equivalents	\$ 29,785,674
Limited use assets - money market funds held by trustee for working capital	68,570
	<hr/>
Total qualifying assets as filed for operating reserve	\$ 29,854,244
	<hr/>
Limited use assets - debt service reserve fund - Revenue Bond Series 2018	\$ 5,924,000
Limited use assets - principal and interest fund - Revenue Bond Series 2018	1,119,077
	<hr/>
Total qualifying assets as filed for debt service reserve	\$ 7,043,077
	<hr/>

Reconciliation to Audited Financial Statements

Cash and cash equivalents	\$ 29,785,674
Limited use assets, current portion	1,187,647
Limited use assets, noncurrent portion	6,279,364
	<hr/>
	37,252,685
Less	
Investments held by trustee for repayment of revenue bonds	(2,909)
Limited use assets - revenue fund - Revenue Bond Series 2018	(213,791)
Limited use assets - project fund - Revenue Bond Series 2018	(138,664)
	<hr/>
	\$ 36,897,321
	<hr/>
Total qualifying assets as filed for operating reserve	\$ 29,854,244
Total qualifying assets as filed for debt service reserve	7,043,077
	<hr/>
	\$ 36,897,321
	<hr/>

Viamonte Senior Living 1, Inc.
Additional Disclosures (Unaudited)
For the Year Ended December 31, 2024

Viamonte Senior Living 1, Inc.'s (Viamonte) reserves consist of cash and marketable securities of approximately \$29,786,000. Viamonte invests 100% of its reserves in cash and cash equivalents.

Funds accumulated for specific projects and/or contingencies

Viamonte'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 Viamonte's efforts to grow and serve more seniors consistent with its tax-exempt purpose.

There were no projects in excess of \$250,000 completed in 2024.

Projects included in the 2025 capital budget, which are greater than \$250,000 include the following:

Unit renovations and upgrade	\$ 600,000
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Viamonte Senior Living 1, Inc.
Note 1 to the Continuing Care Reserve Report
For the Year Ended December 31, 2024

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.

Section 1792 of the Code indicates that Viamonte Senior Living 1, 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, Viamonte Senior Living 1, Inc. has computed its liquid reserve requirement as of and for the year ended December 31, 2024, Viamonte Senior Living 1, Inc.'s most recent fiscal year end, and the reserve is based on audited financial statements for the period.

FORM 1-1:RESIDENT POPULATION

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	<hr/>
[2]	Number at end of fiscal year	<hr/>
[3]	Total Lines 1 and 2	<hr/>
		x.50
[4]	Multiply Line 3 by “.50” and enter result on Line 5.	
[5]	Mean number of continuing care residents	<div></div>
All Residents		
[6]	Number at beginning of fiscal year	<hr/>
[7]	Number at end of fiscal year	<hr/>
[8]	Total Lines 6 and 7	<hr/>
		x.50
[9]	Multiply Line 8 by “.50” and enter result on Line 10.	
[10]	Mean number of <i>all</i> residents	<div></div>
[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).	<div></div>

FORM 1-2: ANNUAL PROVIDER FEE

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service - interest only)	
[a] Depreciation	
[b] Debt Service (Interest Only)	
[2] Subtotal (add Line 1a and 1b)	
[3] Subtract Line 2 from Line 1 and enter result.	
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	
[6] Total Amount Due (multiply Line 5 by .001)	

PROVIDER: _____

COMMUNITY: _____

Part 2

SEQUOIA LIVING, INC.
CERTIFICATION BY CHIEF EXECUTIVE OFFICER

December 31, 2024

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

4/29/2025

Date

Part 3

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 April 1, 2024
To 12:01 A.M. on March 5, 2025
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	

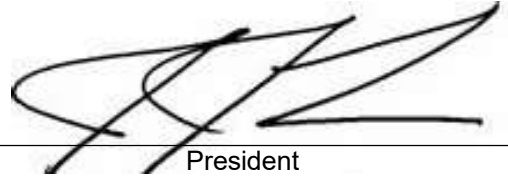
Item 4. **Termination of Prior Bonds or Policies:** 8167-4988 (Mar 5, 2023 - Apr 1, 2024)

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

04/01/2024

Date



Authorized Representative

ENDORSEMENT/RIDER

Coverage Section: Health Care Portfolio Crime Coverage Section (Federal)

Effective date of
this endorsement/rider: April 1, 2024

Federal Insurance Company

Endorsement/Rider No. 1

To be attached to and
form a part of Policy No. 8167-4988

Issued to: Sequoia Living, Inc.

AMEND DEFINITION OF EMPLOYEE TO INCLUDE NON-COMPENSATED EMPLOYEES ENDORSEMENT

In consideration of the premium charged, it is agreed that the Definitions of "Employee" of Subsection 11. Definitions is deleted and replaced with the following:

Employee means any:

- (a) natural person while in the regular service of an **Organization** in the ordinary course of such **Organization's** business, whether or not compensated, whom such **Organization** has the right to govern and direct in the performance of such service, including any part-time, seasonal, leased or temporary employee;
- (b) natural person volunteer while in the regular service of an **Organization** in the ordinary course of such **Organization's** business, whom such **Organization** has the right to govern and direct in the performance of such service;
- (c) **Executive**, whether or not compensated, while performing acts within the scope of the usual duties of an **Employee**; or
- (d) natural person fiduciary, trustee, administrator or other plan official, while in the regular service of an **ERISA Plan**, who is required to be bonded by an **Organization** in connection with such **ERISA Plan** by Title 1 of the Employee Retirement Income Security Act of 1974, as amended.

The title and any headings in this endorsement/rider are solely for convenience and form no part of the terms and conditions of coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.



Authorized Representative

Part 6

**CONTINUING CARE RETIREMENT COMMUNITY
DISCLOSURE STATEMENT**

Date Prepared: _____

Facility Name: _____

Address: _____

Zip Code: _____

Phone: _____

Provider Name: _____

Facility Operator: _____

Religious Affiliation: _____

Year Opened: _____

of Acres: _____

Miles to Shopping Center: _____

Miles to Hospital: _____

☐ Single Story☐ Multi-Story☐ Other: _____**Number of Units:**

Residential Living	Number of Units	Health Care	Number of Units
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 By: _____☐ No**Form of Contact:**

(Check all that apply)

☐ Continuing Care☐ Life Care☐ Entrance Fee☐ Fee for Service☐ Assignment of Assets☐ Equity☐ Membership☐ Rental**Refund Provisions:**

(Check all that apply)

☐ Refundable☐ 90%☐ 50%☐ Repayable☐ 75%☐ 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 Members on, the Board:**

(briefly describe provider's compliance and residents' roles): _____

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.

Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input type="checkbox"/>	<input type="checkbox"/>	Housekeeping (___Times/	<input type="checkbox"/>	<input type="checkbox"/>
Billiard Room	<input type="checkbox"/>	<input type="checkbox"/>	Month at \$_____each)		
Bowling Green	<input type="checkbox"/>	<input type="checkbox"/>	Meals (___/Day)	<input type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input type="checkbox"/>	<input type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input type="checkbox"/>	<input type="checkbox"/>	24-Hour Emergency Response	<input type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input type="checkbox"/>	<input type="checkbox"/>
Exercise Room	<input type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input type="checkbox"/>	<input type="checkbox"/>
Library	<input type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input type="checkbox"/>	<input type="checkbox"/>
Putting Green	<input type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input type="checkbox"/>	<input type="checkbox"/>
Shuffleboard	<input type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input type="checkbox"/>	<input type="checkbox"/>
Spa	<input type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input type="checkbox"/>	<input type="checkbox"/>
Swimming Pool –	<input type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input type="checkbox"/>	<input type="checkbox"/>
Indoor			Personal Home Care	<input type="checkbox"/>	<input type="checkbox"/>
Swimming Pool –	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input type="checkbox"/>
Outdoor			Transportation – Prearranged	<input type="checkbox"/>	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Workshop	<input type="checkbox"/>	<input type="checkbox"/>			
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>			

Provider Name: _____

Affiliated 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: _____

Income and Expenses [Year]

Income from Ongoing Operations

Operating Income

(Excluding amortization of entrance fee income)

Less Operating Expenses

(Excluding depreciation, amortization, and interest)

Net Income From Operations

Less Interest Expense

Plus Contributions

Plus Non-Operating Income

(Expenses)

(Excluding extraordinary items)

Net Income (Loss) Before Entrance Fees, Depreciation And Amortization

Net Cash Flow From Entrance Fees

(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 last page for ratio formulas)*

CCAC Medians 50th Percentile *(optional)*

Financial Ratios [Year]

Debt to Asset Ratio

Operating Ratio

Debt Service Coverage Ratio

Days Cash On Hand Ratio

Provider Name: _____

Historical Monthly Service Fees (*Average Fee and Change Percentage*)

Residence/Service [Year]		%		%		%		%
Studio								
One Bedroom								
Cottage/House								
Assisted Living								
Skilled Living								
Special Care								

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

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

Debt Service Coverage Ratio

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

Days Cash On Hand Ratio

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

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

Complete **Form 7-1** to report the monthly care fee increase (MCFI) for **each** community operated by the Provider. If no adjustments were made during the reporting period for a community, indicate by checking the box below **Line [2]**. Providers must complete a separate Form 7-1 for each of their continuing care retirement communities.

1. On **Line 1**, enter the amount of monthly care fees for each level of care at the *beginning* of the reporting period.
2. On **Line 2**, indicate the percentage(s) of increase in fees implemented during the *reporting* period.
3. On **Line 3**, indicate the date the fee increase was implemented. If more than one (1) increase was implemented, indicate the date(s) for each increase.
4. Check *each* of the appropriate boxes.
5. Provide a detailed explanation for the increase in monthly care fees including the total dollar amount for the community overall and corresponding percentage increase for each level of care in compliance with the Health and Safety Code. The explanation shall set forth the reasons, by department cost centers, for any increase in monthly care fee. It must include if the change in monthly care fees is due to any actual or projected costs related to any other CCRC community or enterprise affiliated with the provider or parent company.

The methodology used to budget future costs should align with one or more of the following factors: “projected costs, prior year per capita costs and economic indicators.” Describe the methodology used for single or multiple communities. If there are multiple MCFI percentages, i.e., by level of care, a separate explanation for each MCFI will be required.

Also, if there is a positive result of operations, the provider will need to explain how the funds will be used and/or distributed consistent with disclosures made in the applicable sections of the Continuing Care Contract.

This attachment should include the data used in the Monthly Care Fee Increase meeting presentation provided to residents, which will also include actual results and an explanation of any variances.

NOTE: Providers shall retain all documents related to the development of adjusted fees at their respective communities for a period of at least three years, i.e., budgets, statements of operations, cost reports, used near the end of the prior fiscal year to develop adjustments implemented in the current reporting period. These documents must be available for review upon request by the Department.

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

RESIDENTIAL LIVING	ASSISTED LIVING	MEMORY CARE	SKILLED NURSING
-------------------------------	----------------------------	------------------------	----------------------------

1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable) _____
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable) _____
- ☐ Check here if monthly care fees at this community were not 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: _____
(If more than one (1) increase was implemented, indicate the dates for each increase.)
4. Check each of the appropriate boxes:
- ☐ Each fee increase is based on the Provider's projected costs, prior year per capita costs, and economic indicators.
- ☐ All affected residents were given written notice of this fee increase at least 30 days prior to its implementation.
Date of Notice: _____ **Method of Notice:** _____
- ☐ 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:** _____
- ☐ 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.
- ☐ The Provider distributed the documents to all residents by [Optional - check all that apply]:
- ☐ Emailed the documents to those residents for whom the provider had email addresses on file
 - ☐ Placed hard copies in resident cubby
 - ☐ Placed hard copies at designated locations
 - ☐ Provided hard copies to residents upon request, and/or
 - ☐ Other: [please describe] _____
 - ☐ **Date of Notice:** _____

- ☐ The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases.

Date of Notice: _____

- ☐ 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: _____ **Location of Posting:** _____

- ☐ Providers evaluated the effectiveness of consultations during the annual budget planning process at a minimum of every two years by the continuing care retirement community administration. The evaluation, including any policies adopted relating to cooperation with residents was made available to the resident association or its governing body, or, if neither exists, to a committee of residents at least 14 days prior to the next semiannual meeting of residents and the Provider's governing body and posted a copy of that evaluation in a conspicuous location at each facility.

Date of Posting: _____ **Location of Posting:** _____

5. On an attached page, provide a detailed explanation for the increase in monthly care fees including the amount of the increase and compliance with the Health and Safety Code.

PROVIDER: _____ **COMMUNITY:** _____

Viamonte (VSL)

FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)
ANNUAL REPORTING FISCAL YEAR (F/Y) 2024

Line	Fiscal Years
1	F/Y 2022 Operating Expenses1
2	F/Y 2023 Operating Expenses2 (Adjustments if any, Explained Below)
3	Projected F/Y 2024 Results of Operations (Adjustments3 Explained Below)
4	F/Y 2024 Anticipated MCF Revenue2 Based on Current and Projected Occupancy and Other without a MCFI
5	Projected F/Y 2024 (Net) Operating Results without a MCFI (Line 3 plus Line 4)
6	Projected F/Y 2024 Anticipated Revenue Based on Current and Projected Occupancy
7	Grand Total - Projected FY 2024 Net Operating Activity (Line 3 plus Line 6)

Dollar Amounts in Thousands		
2022	2023	2024
\$ (11,581)		
	\$ (13,778)	
		\$ (15,051)
		\$ 16,586
		\$ 1,535
		\$ 17,332
		\$ 2,281

	Increase/Decrease
Monthly Care Fee Increase 2024:	4.50%
Operating Expenses 2024 Budget:	9.24%
Occupancy Budget projection 2024	11.73%

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 2024. 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 2024: 9.2% [increase in 2024 from 2023 as per the '2024 VSL Budget'](#)

Line 4
Calculate anticipated MCF revenue for F/Y 2024- enter the result in the column labelled F/Y 2024. (Entrance fees are not allowed)
 > [Occupancy in 2024 compared to 2023 is expected to increase by 11.7%](#)

FORM 7-1

Explanation for increase in monthly service fees: Viamonte (VSL)

On February 6th, 2024, the Sequoia Living's Board of Directors approved a 4.5% increase to the monthly care fees for independent living effective April 1st, 2024. Assisted living and Memory care rates also increased by 4.5%.

These increases were determined during Sequoia Living's annual operating and capital budgeting process. The monthly fees increase was generally because of increases in labor costs - salaries and benefits, which were expected to increase in 2024 by 23.8% and 29.4%, respectively. Insurance and other miscellaneous costs were expected to increase by 26.7%, while utilities were expected to increase by 7.3%. Some departments are expected to decrease costs, e.g., repairs and maintenance are expected to decrease by 17.9%, purchased services were expected to decrease 34.4%, however, there was a net increase in costs.

Revenues were expected to increase by 18% for independent living, 31.8% increase in fee for services and a 24% increase in Memory care revenues. Assisted living revenues are expected to fall by 21.5%, however, the increases in other revenue streams will help offset this decrease.

Part 8

KEY INDICATORS REPORTDate Prepared: 04/30/2025Provider Name: Viamonte

Chief Executive Officer Signature

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

	2020	2021	2022	2023	2024	Projected 2025	Forecast				Preferred Trend Indicator
OPERATIONAL STATISTICS											
1. Average Annual Occupancy by Site (%)	N/A	50%	75%	93%	96%	96%	96%	96%	96%	96%	N/A
MARGIN (PROFITABILITY) INDICATORS											
2. Net Operating Margin (%)	N/A	-104.35%	-34.42%	-8.83%	-2.74%	-2.37%	-2.37%	-2.37%	-2.37%	-2.37%	↑
3. Net Operating Margin - Adjusted (%)	N/A	77.23%	75.79%	73.38%	11.83%	18.46%	18.46%	18.46%	18.46%	18.46%	↓
LIQUIDITY INDICATORS											
4. Unrestricted Cash and Investments (\$000)	\$18,585	\$19,287	\$17,687	\$30,683	\$29,786	\$31,896	\$31,896	\$31,896	\$31,896	\$31,896	↑
5. Days Cash on Hand (Unrestricted)	N/A	884	408	655	634	651	651	651	651	651	↑
CAPITAL STRUCTURE INDICATORS											
6. Deferred Revenue from Entrance Fees (\$000)	\$17,981	\$29,520	\$38,956	\$45,818	\$42,477	\$42,694	\$42,694	\$42,694	\$42,694	\$42,694	N/A
7. Net Annual E/F proceeds (\$000)	\$50,525	\$42,124	\$39,221	\$39,103	\$2,457	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	N/A
8. Unrestricted Net Assets (\$000)	\$14,309	\$1,078	\$-4,871	\$-4,513	\$-2,243	\$-2,364	\$-2,364	\$-2,364	\$-2,364	\$-2,364	N/A
9. Annual Capital Asset Expenditure (\$000)	N/A	N/A	\$143	\$96	\$833	\$1,258	\$1,258	\$1,258	\$1,258	\$1,258	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	-0.32	1.01	-0.54	0.53	0.61	0.56	0.56	0.56	0.56	0.56	↑
11. Annual Debt Service Coverage (x)	40.06	7.23	8.73	14.29	1.45	1.90	1.91	1.91	1.91	1.91	↑
12. Annual Debt Service/Revenue (%)	185.06%	89.72%	32.19%	16.01%	12.89%	12.74%	12.73%	12.73%	12.71%	12.70%	↓
13. Average Annual Effective Interest Rate (%)	0.67%	5.14%	3.95%	7.34%	4.13%	4.10%	4.09%	4.09%	4.08%	4.07%	↓
14. Unrestricted Cash & Investments/ Long-Term Debt (%)	10.01%	14.64%	16.50%	69.47%	69.26%	74.18%	74.18%	74.18%	74.18%	74.18%	↑
15. Average Age of Facility (years)	1.00	1.17	2.15	3.15	4.13	4.26	4.26	4.26	4.26	4.26	↓